

PREPARED BY AND TO BE RETURNED TO:
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**DECLARATION OF CONDOMINIUM
FOR
FAIRWAY OAKS CONDOMINIUM**

Fru-Con Ocean Golf Park, Ltd., a Florida limited partnership, hereby declares:

Section 1
INTRODUCTION AND SUBMISSION

1.1 The Land. The Developer owns the fee title to certain land located in Manatee County, Florida, as more particularly described in Exhibit No. 1 hereto (the "Land").

1.2 Submission Statement. The Developer hereby submits the following to condominium ownership:

(a) the Land with all improvements from time to time erected or to be installed thereon to the condominium form of ownership and use in the manner provided for in the Florida Condominium Act as it exists on the date hereof, subject to the reservations, easements and restrictions of record; and

(b) the easements and use rights created pursuant to that certain Declaration of Access and Use and Grant of Easement recorded in Official Records Book 1457, Page 2016, public records of Manatee County, Florida ("Declaration of Access and Use and Grant of Easement").

1.3 Property Subject to Certain Restrictions and Easements. The Condominium Property (as defined hereinafter) is subject to the covenants, conditions, restrictions, and reserved rights of the Developer contained in this Declaration. The Condominium Property is also subject to:

(a) the easements and use rights created pursuant to the Declaration of Access and Use and Grant of Easement;

(b) the easements and use rights created pursuant to that certain Declaration of Easements recorded in Official Records Book 1457, Page 2008, public records of Manatee County, Florida; and

(c) the easements and use rights created pursuant to that certain Golf Cart Path Easement Agreement recorded in Official Records Book 1457, Page 2001, public records of Manatee County, Florida; and re-recorded in O.R. Book 1458 Page 1086.

**ORIGINAL OF EXHIBIT NO. 1 CONSISTING OF THE CONDOMINIUM
DRAWINGS IS RECORDED IN CONDOMINIUM BOOK 28, PAGE
89, OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA.**

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(d) such other easements as shown on the Condominium Plat, as contained in any future amendments to this Declaration, or as declared by the Developer pursuant to reserved rights contained herein.

1.4 **Name.** The name by which this condominium is to be identified is FAIRWAY OAKS CONDOMINIUM (the "Condominium").

Section 2
DEFINITIONS

For purposes of this Declaration and the exhibits attached hereto, the following terms shall have the respective meanings ascribed to them in this Section 2, except where the context clearly indicates a different meaning or a specific limited meaning is detailed:

2.1 "Act" means the Florida Condominium Act (Chapter 718, Florida Statutes) as it exists on the date hereof.

2.2 "Articles" or "Articles of Incorporation" means the Articles of Incorporation of the Association, as may be amended from time to time. A certified copy of the original Articles of Incorporation is attached hereto as Exhibit No. 2.

2.3 "Assessment" means a share of the funds required for the payment of Common Expenses or other purposes as provided in this Declaration and which from time to time is assessed against the Unit Owner.

2.4 "Association" or "Condominium Association" means FAIRWAY OAKS CONDOMINIUM ASSOCIATION, INC., a Florida corporation not-for-profit, the sole entity responsible for the operation of the Condominium. Where utilized herein or in the exhibits attached hereto, the term "Corporation" shall be deemed to be synonymous with the term "Association."

2.5 "Association Property" means the property, real and personal, in which title or ownership is vested in, or which is dedicated on a recorded plat or leased to, the Association for the use and benefit of its members.

2.6 "Board of Directors" or "Board" means the Board of Directors of the Association.

2.7 "By-Laws" mean the By-Laws of the Association, as may be amended from time to time. A copy of the original By-Laws are attached hereto as Exhibit No. 3.

2.8 "Common Elements" mean and include:

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

(b) Easements over, under, across, and through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility and other services to the Dwellings and the Common Elements;

(c) An easement of support in every portion of a Unit which contributes to the support of the Dwelling on the Unit and the Dwelling or other improvements on all other Units, Common Elements or Limited Common Elements;

(d) The property and installations required for the furnishing of utilities and other services to more than one (1) Unit or to the Common Elements; and

(e) Any other parts of the Condominium Property designated as Common Elements pursuant to this Declaration or the Act.

2.9 "Common Expenses" mean all expenses incurred by the Association to accomplish its duties as contemplated by this Declaration and the Act which shall be assessed or imposed against Units in the Condominium by the Association as authorized by the Act. If approved by the Board of Directors, "Common Expenses" shall include the cost of mangrove trimming and the cost of a master television antenna system or duly franchised cable television service obtained pursuant to a bulk contract. For all purposes of this Declaration, "Common Expenses" shall also include all reserves required by the Act or otherwise established by the Association, regardless of when reserve funds are expended. "Common Expenses" may also include assessments of any master association as described in Section 23 herein.

In the event a master association is established to replace the Terra Ceia Bay Community Development District, "Common Expenses" shall include the Condominium's proportionate share, if any, of the expense of maintenance, repair and/or replacement of recreational facilities, security facilities, maintenance facilities, boulevards, roads, streets, drives, walkways, paths and other easements contained within the Terra Ceia Bay Development which serve the Unit Owners and residents of the Condominium and all owners and occupants of real property located within the Terra Ceia Bay Development.

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

2.11 "Condominium Parcel" means a Unit together with the undivided share in the Common Elements and the Common Surplus which is appurtenant to said Unit.

2.12 "Condominium Plat" means the condominium drawings required by Section 718.104 of the Act and recorded in the Condominium Book and Page identified on the first (1st) page hereof and constituting Exhibit No. 1 hereto.

2.13 "Condominium Property" means the Land and improvements described in Section 1.1 hereof, subject to the limitations thereof and exclusions therefrom.

2.14 "County" means Manatee County, State of Florida.

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

2.16 "Developer" means Fru-Con Ocean Golf Park, Ltd., a Florida limited partnership, its successors and such of its assigns as to which its rights hereunder are assigned by written instrument recorded in the public records of the County. Such assignment may be made on an exclusive or non-exclusive basis and may be an assignment of all or only portions of its rights as Developer hereunder; provided, however, that no such assignment shall make any assignee the "Developer" for purposes hereof unless such assignment is an assignment of all of Developer's rights hereunder and is exclusive, except as to any previously assigned rights.

2.17 "Dwelling" means the structure constructed on each Unit and used for residential purposes.

2.18 "Institutional First Mortgagee" means a bank, savings and loan association, insurance company, credit union, real estate or mortgage investment trust, pension fund, an agency of the United States Government, mortgage banker, the Federal National Mortgage Association ("FNMA"), the Federal Home Loan Mortgage Corporation ("FHLMC") or any other lender generally recognized as an institutional lender, or the Developer, holding a first mortgage on a Unit or Units. A "Majority of Institutional First Mortgagees" shall mean and refer to Institutional First Mortgagee(s) of Units with regard to at least fifty-one percent (51%) of the voting interests which are appurtenant to Units subject to mortgages held by Institutional First Mortgagees.

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

2.20 "Primary Institutional First Mortgagee" means the Institutional First Mortgagee which owns, at the relevant time, first mortgages encumbering Units which secure a greater aggregate indebtedness than is owed to any other Institutional First Mortgagee.

2.21 "Terra Ceia Bay Development" shall mean the residential and commercial properties located at Terra Ceia Bay in Manatee County, Florida, which are governed by the Palms of Terra Ceia Bay Community Development District ("District"). The Condominium shall be a part of the Terra Ceia Bay Development. As described in Section 23 hereof, there are certain facilities which are operated and maintained by the District for the benefit of the various real property owners and the residents of the condominiums and subdivisions developments which comprise the Terra Ceia Bay Development. The Terra Ceia Bay Development may include development on any lands adjacent to the Condominium, and any lands proposed to be developed other than as a part of the Condominium. Each development within the Terra Ceia Bay Development will be operated in accordance with the documents creating same and such documents, recorded or otherwise, which impose restrictions or conditions on the use and operation of the property upon which such condominium or subdivision is located.

2.22 "Unit" or "Condominium Unit" is that portion of the Condominium Property which is subject to exclusive ownership and is referred herein to each of the separate and identified Units delineated in the Condominium Plat. The physical boundaries of each Unit are as delineated in the Condominium Plat and are as more particularly described in Section 3.2 of this Declaration. The term "Unit" is often used synonymously herein with "Condominium Parcel" when meaning the sum total of an Owner's ownership interest in the Condominium.

2.23 "Unit Owner" or "Owner of a Unit" or "Owner" means the record owner of legal title to a Condominium Parcel.

Section 3
DESCRIPTION OF CONDOMINIUM

3.1 Identification of Units. Each such Unit is identified by a separate numerical designation as shown on the Condominium Plat, which exists as Exhibit No. 1 hereto, consisting

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of a survey of the Land including the Units, a graphic description of the improvements located thereon, and a plot plan thereof. A reduced-in-size copy of the Condominium Plat as recorded in the Condominium Book and Page identified on the first (1st) page hereof together with a copy of the legal description contained on the Condominium Plat is attached to this Declaration for convenience. The Condominium Plat, together with this Declaration, is sufficient in detail to identify the Common Elements and each Unit and their relative locations and dimensions. There shall pass with a Unit as appurtenances thereto: (a) an undivided share in the Common Elements and Common Surplus; (b) the exclusive right to use such portion of the Common Elements as may be the Limited Common Elements for such Unit; (c) membership in the Association with the full voting rights appurtenant thereto; and (d) other appurtenances as may be provided by this Declaration or the Act.

Phase I shall contain twelve (12) Units. Subject to unforeseen delays beyond the control of the Developer, the estimated latest date of completion of constructing, finishing and equipping Phase I is December 31, 1997. Proposed Phases II and/or III, if added to the Condominium, will be constructed, finished and equipped on or before seven (7) years after the date of the recording of this Declaration. The date of completion of this Condominium is an estimate only and subject to sales performance or building delays.

Time-share estates or interests will not be created with respect to any of the Units in the Condominium.

3.2 Unit Boundaries. Each Unit shall consist of a discrete area of land, designated as a numbered lot on the Condominium Plat. Each Unit lies within the following boundaries:

(a) **Upper and Lower Boundaries.** The upper and lower boundaries of each Unit shall be determined in the same manner and under the same laws which establish the upper and lower boundaries and rights of an owner of a parcel of real property in fee simple.

(b) **Perimetrical Boundaries.** The perimetrical boundaries of each Unit shall be the vertical projections of the two-dimensional and horizontal boundary lines of the Units as depicted on the Condominium Plat. With respect to any wall which constitutes a common boundary between two (2) Units ("Common Wall"), the boundary of each Unit separated by the Common Wall shall be the center of such Common Wall. Accordingly, each Unit will contain one-half (½) of the Common Wall thereof. In the event the actual physical location of any Dwelling constructed within a Unit at any time does not precisely coincide with the area depicted on the Condominium Plat, the actual physical location of the Dwelling shall control over locations, dimensions and descriptions reflected on the Condominium Plat. If a wall or roof surface overhangs or part of a Dwelling encroaches onto the Common Elements, the overhanging or encroaching specific portion of such Dwelling shall be a part of the Unit.

3.3 Property Which May Be Submitted to Condominium Form of Ownership. The Developer, pursuant to the provisions of the Act hereby retains the right at any time prior to seven (7) years after the recording date of this Declaration to submit to the condominium form of ownership, by amendment to this Declaration, either or both of the proposed phases depicted in Exhibit No. 1 hereto. Proposed Phase II, if added to the Condominium as presently anticipated to be constructed, shall contain sixteen (16) Units. However, pursuant to Section 718.403(2)(b), proposed Phase II may contain a maximum of seventeen (17) Units and a minimum of fifteen (15) Units. Proposed Phase III, if added to the Condominium as presently anticipated to be constructed, shall contain eight (8) Units. However, pursuant to Section 718.403(2)(b), proposed Phase III may contain a maximum of ten (10) Units and a minimum of eight (8) Units. The total square footage

under roof will depend upon the model selected; however, the Developer may alter the size of such models, provided that such models shall have no less than 1,000 square feet of living area and no more than 1,600 square feet of living area. Copies of the proposed condominium plats for proposed Phases II and III are attached as Exhibit No. 1 to this Declaration. Such plat shows the parcels of property which may constitute proposed Phases II and III and the approximate location of the Dwellings and Units.

The Developer is under no obligation to add any proposed phase to the Condominium. If and when a proposed phase is added to the Condominium, each Unit Owner's undivided share of the Common Elements will change according to the provisions of Section 5 hereof, and the number of members in the Association will increase in accordance with Section 5 hereof.

3.4 Amendment of Declaration Adding Phases. Notwithstanding anything to the contrary contained herein or the provisions of Section 718.110, Florida Statutes, the Developer, pursuant to this Section 3.4 and Section 718.403(6), Florida Statutes, expressly reserves the right to amend this Declaration so as to submit to condominium ownership either or both of the proposed phases described in Section 3.3 above together with improvements thereon as part and parcel of this Condominium without consent thereof by the Association, Unit Owners (other than the Developer) or their mortgagees.

In order to submit a proposed phase to condominium ownership, the Developer shall amend this Declaration as aforescribed by filing an Amendment to Declaration among the public records of the County, which amendment shall describe and submit to condominium ownership such proposed phases and which amendment shall have attached thereto such certificates, surveys, plans and sketches as are required by the Act. Such amendment need be executed and acknowledged only by the Developer and need not be approved by the Association, Unit Owners, or lienors or mortgagees of Units of the Condominium whether or not elsewhere required for amendments, save and except that so long as any recognized lending institution has any interim and/or permanent financing on any of the properties of the Developer which have been submitted to condominium ownership under this Declaration, then only in that event shall it be mandatory for the Developer to obtain a joinder from said recognized lending institution to the amendment as provided for herein.

NOTHING CONTAINED HEREIN SHALL REQUIRE THE DEVELOPER TO SUBMIT ANY ADDITIONAL PHASE TO CONDOMINIUM OWNERSHIP.

3.5 Limited Common Elements. To the extent applicable and subject to the provisions of this Declaration, each Unit may have, as Limited Common Elements appurtenant thereto, such portions of the Common Elements as are defined herein and/or shown on the Condominium Plat, including, but not limited to: (a) that portion of the Limited Common Elements, as detailed on the Condominium Plat, which surrounds each Unit and directly touches the boundary of such Unit; (b) driveways connected to each Unit; (c) any porches or decks or similar structures which are constructed on the Common Elements and connected with or adjacent to such Unit and for the use of the respective Unit Owner; (d) light and electrical fixtures outside the Unit or attached to the exterior walls of the Dwelling; and (e) any mailboxes affixed to the exterior of a Unit. The Limited Common Elements shall be maintained, repaired or replaced by the Association as part of the Common Expenses of the Condominium; provided, however, that: (a) any air-conditioning equipment serving a Unit which is located within that portion of the Limited Common Elements which surrounds a Unit shall be maintained by the Unit Owner whose Unit such equipment serves; (b) each respective Unit Owner may utilize that portion of the Limited Common Elements, as detailed on the Condominium Plat, on the boundary of such Unit to plant landscaping (provided that

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approval for such landscaping is granted in accordance with Section 7.2 herein), and if such area is so utilized, the respective Unit Owner shall maintain such landscaping (provided that approval for such landscaping is granted in accordance with Section 7.2 herein); (c) each Unit Owner shall be responsible for the maintenance and care of any wiring and electrical outlets and, where applicable, light fixtures affixed to the exterior walls of a Dwelling; (d) each Unit Owner shall be responsible for the replacing the necessary light bulbs for said light fixture(s) by the same color and bulb wattage as originally existed; (e) each Unit Owner shall be responsible for maintaining, repairing and replacing any screening on the porch(es) and/or patio(s) connected or adjacent to the Dwelling; and (f) each Unit Owner shall be responsible for the maintenance of any mailboxes affixed to the exterior of a Dwelling. Should any maintenance, repair or replacement of a portion of the Limited Common Elements which is the responsibility of the Association be caused by the lessees, servants and invitees of a Unit Owner, then such Unit Owner shall be responsible therefor and the Association shall have the right to levy a fine against the Owner of said Unit.

3.6 Permitted Improvements. The following improvements shall be permitted to be constructed within and upon each Unit:

(a) By Developer. The Developer shall construct within each Unit a one-story, single-family attached Dwelling, which shall constitute a complete, integrated, architectural and structural residence.

(b) By Unit Owner. In the event any of the Units are conveyed by the Developer to Unit Owners without the aforesaid amenities having been constructed therein, those Unit Owners or their successors may add the same at any time thereafter, provided construction of all such improvements shall be performed by reputable contractors in accordance with plans and specifications prepared by licensed architects, which plans and specifications shall be subject to the prior written approval of a majority of the members of the Board of Directors. The Board shall either grant such approval or deny the same based upon its decision as to whether the improvements shall be aesthetically pleasing and consistent with the design of the Units in the Condominium and similar to other such improvements previously constructed in the Condominium.

(c) Incidental Damage. Any damage to any Unit caused by, or as a result of, the carrying out of the maintenance responsibilities of the Association or another Unit Owner, or the negligence thereof, shall be repaired promptly by the Association as a Common Expense, or the Unit Owner, as the case may be. Any damage to any part of the Common Elements caused by or the result of any intentional act of a Unit Owner, the Unit Owner's family, agents, contractors, invitees or licensees, or by such Unit Owner in carrying out his maintenance responsibilities, if any, shall be repaired promptly at the expense of such Unit Owner.

(d) Proviso. Provided all persons acting with reference to this Condominium, whether as contract purchasers, grantees, mortgagees, lienors or otherwise, understand that at the time of the execution and recording of this Declaration and the Condominium Plat, all of the improvements to be located within the Units may not have been completed, and they agree for themselves, their heirs, successors and assigns, that the Developer reserves the right to amend this Declaration and said Condominium Plat as may be necessary or desirable from time to time to identify, locate and dimension said improvements as and when they are actually constructed, any such amendments shall not require the joinder or further consent of any Unit Owners or holders of liens thereon and shall be effective upon recordation in the public records of the County.

3.7 Easements. The following easements are hereby created (in addition to any easements created under the Act and any other provisions of this Declaration):

(a) Support. There shall be an easement of support in every portion of a Unit which contributes to the support of the Dwelling on the Unit and the Dwelling or other improvements on all other Units, the Common Elements, and the Limited Common Elements.

(b) Utility and Other Services; Drainage. Non-exclusive easements are hereby reserved unto the Developer and also granted to the respective utility providers under, through and over the Condominium Property as may be required from time to time for the construction, use and maintenance of all utilities (whether public or private), cable television, communications and security systems, and other services which may serve the Condominium; provided, however, that these easements shall not permanently interfere with the residential use of the Units. A Unit Owner shall do nothing within or outside his Unit that interferes with or impairs, or may interfere with or impair, the provision of such utility, cable television, communications and security systems, or other service or drainage facilities or the use of these easements. The Association and its authorized agents have the irrevocable right of access to each Unit during reasonable hours, when necessary, to maintain, repair or replace those items and areas, as detailed in Section 7.1 herein or as otherwise contemplated herein, for which the Association is responsible, and to remove any improvements interfering with or impairing such facilities or easements herein reserved, pursuant to the Declaration or as necessary to prevent damage to the Common Elements or to a Unit or Units.

(c) Encroachments. If: (1) any portion of the Common Elements encroaches upon any Unit; (2) any Unit encroaches upon any other Unit or upon any portion of the Common Elements; or (3) any encroachment shall hereafter occur as a result of (i) construction of the improvements; (ii) settling or shifting of the improvements; (iii) any alteration or repair to the Common Elements made by or with the consent of the Association or Developer, as appropriate, or (iv) any repair or restoration of the improvements (or any portion thereof) or any Unit after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the improvements shall stand.

(d) Ingress and Egress. A non-exclusive easement in favor of each Unit Owner and resident, their guests and invitees, shall exist for pedestrian traffic over, through and across sidewalks, streets, paths, walks, and other portions of the Common Elements as from time to time may be intended and designated for such purpose and use and for vehicular and pedestrian traffic over, through and across such portions of the Common Elements as from time to time may be paved and intended for such purposes. None of the easements specified in this subparagraph (d) shall be encumbered by any leasehold or lien other than those on the Condominium Parcels. Any such lien encumbering such easements (other than those on Condominium Parcels) automatically shall be subordinate to the rights of Unit Owners and the Association with respect to such easements.

(e) Construction and Maintenance of the Condominium Property. The Developer (including its designees, contractors, successors and assigns) shall have the right, in its (and their) sole discretion from time to time, to enter the Condominium Property and take all other action necessary or convenient for the purpose of completing the construction thereof (including, but not limited to, proposed Phases II and/or III), or any part thereof, or any improvements or Units located or to be located thereon (including, but not limited to, proposed Phases II and/or III), and for repair, replacement and maintenance purposes or where the Developer, in its sole discretion, determines that it is required or desires to do so.

(f) Sales Activity. For as long as there are any unsold Units, the Developer, its designees, successors and assigns, shall have the right to use any such Units and parts of the Common Elements for model apartments and sales, management and construction offices, to show model Units and the Common Elements to prospective purchasers and tenants of Units and residential Units within the overall Condominium and to erect on the Condominium Property signs and other promotional material to advertise Units (or the other aforesaid residential Units) for sale or lease.

(g) Easements over, under, across, and through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility and other services to the Dwellings and the Common Elements.

(h) Easements are hereby created over, under, across, in and through the Condominium Property as part of the Terra Ceia Bay Development for the purposes of the Developer, Association, and other appropriate entities to enable each respective entity to act upon and carry out its rights and duties, expressed or implied, pursuant to this Declaration and its exhibits, and to facilitate such other actions by appropriate parties as may be reasonably necessary to further the advancement of the Condominium and the Terra Ceia Bay Development.

(i) All dividing walls which straddle the boundary line between Units and which stand partly upon one (1) Unit and partly upon another, and all walls which serve two (2) or more Units or the permitted improvements located within said Units, shall at all times be considered party walls, and each of the Owners of Units within which such party walls shall stand, serve or benefit shall have the right to use said party wall below and above the surface of the ground and along the whole length or any part of the length thereof for support of the permitted improvements located within said Units, and for the support of any building, constructed to replace the same, and shall have the right to maintain in or on said wall, any pipes, ducts or conduits originally located therein or thereon, subject to the restrictions hereinafter contained:

(1) No Owner of any Unit nor any successor in interest to any such Owner shall have the right to extend said party wall in any manner, either in length, height or thickness.

(2) In the event of damage to or destruction by fire or other casualty of any party wall, including the foundation thereof, the Owner of any Unit upon which said party wall may rest shall have the obligation to repair or build such wall and the Owner of each Unit upon which such wall shall rest, be served or benefitted by shall pay his fractional portion of the cost of such repair or rebuilding. All such repairs or rebuilding shall be done within a reasonable time, and in such workmanlike manner with materials comparable to those used in the original wall, and shall conform in all respects to the laws or ordinances regulating the construction of buildings in force at the time of such repair or reconstruction. Whenever any such wall or any portion thereof shall be rebuilt, it shall be erected in the same location and on the same line and be of the same size as the original wall.

(3) The foregoing provisions of this subsection (i) notwithstanding, the Owner of any Unit, or other interested party, shall retain the right to receive a larger contribution from another or others under any rule or law regarding liability for negligent or willful acts or omissions. The right of any Unit Owner, or other interested party, to contribution from any other Unit Owner under this section, shall be appurtenant to the land and shall pass to such Unit Owner's or other person's successors in title.

(4) The title held by each Unit Owner to the portion of each party wall within such Unit is subject to a cross easement in favor of the adjoining Unit Owner for joint use of said wall.

(j) All easements described or shown on the Condominium Plat.

(k) Until such time as the Developer (i) completes and sells all of the Units in Phase I, and (ii) either (a) completes and sells all of the Units in the proposed phases of the Condominium, (b) completes and sells all of the Units in one of the proposed phases of the Condominium and notifies all Unit Owners of its intention not to add the other proposed phase to the Condominium, or (c) notifies the Unit Owners in Phase I of its intention not to add both of the proposed phases to the Condominium, the Developer reserves the right to prohibit access to any portion of the Common Elements of the Condominium Property or uncompleted Dwellings to any of the occupants of the Condominium, and to utilize various portions of the Common Elements or the Dwellings in connection with such construction and development. No Unit Owner or his guests, or invitees shall in any way interfere or hamper the Developer, its employees, successors or assigns, in connection with such construction. Thereafter, during such time as the Developer, its successors or assigns, own any Dwellings within the Units and is carrying on any business in connection therewith, including the selling, renting or leasing of such Units, the Unit Owners, their guests and invitees shall in no way interfere with such activities or prevent access to such Units by the Developer, its successors or agents.

A Unit Owner shall do nothing within or outside his Unit that interferes with or impairs, or may interfere with or impair, the provision of services contemplated or the use of the easements created under this Section. The Association and its authorized agents have the irrevocable right of access to each Unit during reasonable hours, when necessary, to maintain, repair or replace those items and areas, as detailed in Section 7 herein or as otherwise contemplated herein, for which the Association is responsible, and to remove any improvements interfering with or impairing such facilities or easements herein reserved, pursuant to the Declaration or as necessary to prevent damage to the Common Elements or to a Unit or Units.

Wherever in this Section or elsewhere in this Declaration an easement is granted or reserved to any party, such easement shall also benefit such party's successors, designees, grantees, assigns, agents, employees, licensees, invitees and guests, and all easements referred to herein shall be nonexclusive easements unless otherwise stated.

3.8 Special Easements and Rights to Grant Easements.

(a) Developer hereby reserves unto itself and its successors and its assigns, and grants to the Association with the power to assign, non-exclusive easements over, under and through the Condominium Property for the construction, maintenance and operation of electric, gas or other utility, cable television, security systems, communications, service or other easements pertaining to the construction, maintenance and operation of other equipment, conduits, pipes, lines and similar installations servicing the Condominium Property or other property with the power to relocate any such existing easements in any portion of the Condominium Property and/or Association Property, provided that such easements or the relocation of easements will not prevent or unreasonably interfere with the reasonable use of the Units for residential purposes.

(b) Developer hereby reserves unto itself and its successors and its assigns, and grants to the Association with the power to assign, non-exclusive easements over, under, upon and through the Condominium Property for the purposes of access to, constructing or maintaining

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improvements upon, providing utility services to or across, or providing drainage to or from the Condominium Property, any other property which may become part of the Condominium Property pursuant to this Declaration, or any other property adjacent to the Condominium Property, provided that any such easement shall not interfere with the reasonable use of the Units for residential purposes.

(c) Developer hereby reserves unto itself and its successors, and its assigns, non-exclusive easements over, upon, and through the Condominium Property for vehicular and/or pedestrian traffic by the Developer, its designees, successors, assigns, licensees, lessees, invitees, and guests within the Condominium Property, provided that any such easement shall not interfere with the reasonable use of the Units for residential purposes.

Section 4
RESTRAINT UPON SEPARATION AND PARTITION OF COMMON ELEMENTS

The undivided share in the Common Elements and Common Surplus which is appurtenant to a Unit, and the exclusive right to use all appropriate appurtenant Limited Common Elements, shall not be separated from such Unit and shall pass with the title to the Unit, whether or not separately described. The appurtenant share in the Common Elements and Common Surplus, and the exclusive right to use all Limited Common Elements appurtenant to a Unit, cannot be conveyed or encumbered, except together with such Unit. The respective shares in the Common Elements appurtenant to Units shall remain undivided, and no action for partition of the Common Elements, the Condominium Property, or any part thereof, shall lie, except as provided herein with respect to termination of the Condominium.

Section 5
OWNERSHIP OF COMMON ELEMENTS AND COMMON SURPLUS AND SHARE OF COMMON EXPENSES; VOTING RIGHTS

5.1 Ownership Shares. The undivided share in the Common Elements and Common Surplus appurtenant to each Unit, as well as the undivided share of the Common Expenses to be paid with respect to each Unit, shall be computed on the following basis:

(a) Upon recordation of the Declaration submitting Phase I to condominium ownership, each Unit in Phase I shall have attributable thereto an undivided share in the Common Expenses and ownership of the Common Elements and the Common Surplus equal to one-twelfth (1/12th) of one hundred percent (100%). This percentage shall be ascertained by dividing one (1) (numerator) by the total number of Units in Phase I (denominator), the resulting figure being the undivided share of the Common Expenses attributable to each Unit in Phase I prior to recordation of any amendment submitting Units to condominium ownership.

(b) If and when a proposed phase is completed and submitted to condominium ownership as set forth in Section 3 herein, the undivided share in the ownership of the Common Elements and the Common Surplus attributable to each Unit submitted to condominium ownership shall be automatically adjusted to reflect the ownership interest of all Units submitted to the condominium form of ownership on the following basis:

(1) The adjusted percentage of the undivided share in the Common Expenses and ownership of the Common Elements and the Common Surplus attributable to each Unit shall be computed by dividing one (1) (numerator) by the accumulative total of all Units submitted to condominium ownership pursuant to the Declaration and any amendment thereto

(denominator).

(2) The adjusted percentage of the undivided share in the ownership of the Common Elements and the Common Surplus attributable to each Unit shall automatically take effect on the recordation of the amendment(s) submitting the proposed phase to condominium ownership pursuant to the Declaration.

(3) The adjusted percentage of the undivided share in the ownership of the Common Elements and Common Surplus attributable to each Unit shall be binding upon the Unit Owners, their grantees, assigns, successors, executors or heirs of each and every Unit previously submitted to condominium ownership pursuant to the Declaration.

5.2 Voting. Each Unit Owner shall be a member of the Association. Each Unit shall be entitled to one (1) vote to be cast by its Owner in accordance with the provisions of the By-Laws and Articles of Incorporation of the Association. The total number of votes shall at all times be equal to the number of Units submitted to the condominium form of ownership under this Declaration. Membership in the Association shall automatically terminate upon the termination of ownership of a Condominium Parcel in this Condominium, and the subsequent owner(s) taking title shall automatically become entitled to membership.

Section 6 AMENDMENTS

6.1 Amendment by Unit Owners. Except as otherwise provided in this Section 6 hereinbelow or elsewhere in this Declaration or the exhibits attached hereto, this Declaration (including the Condominium drawings constituting Exhibit No. 1 hereto) may be amended by the affirmative vote of the Owners of seventy-five percent (75%) of all the Condominium Parcels at an Association meeting duly called for such purpose pursuant to the By-Laws; provided, however, that (1) no amendment to this Declaration shall be made which affects any of the rights and privileges provided to the Developer as defined herein without the written consent of such Developer, and (2) no amendment may change the configuration or size of a Unit without the written consent of the affected Unit Owner(s). All amendments under this Section 6.1 shall be recorded and certified as required by the Act. Notwithstanding the foregoing, an amendment to this Declaration may be made without a meeting by the Unit Owners upon the written consent of ninety percent (90%) of the total number of Unit Owners who would have otherwise been entitled to vote at a duly-called meeting of the Association.

6.2 Amendment by Developer.

(a) Amendment to Condominium Plans and Declaration. The Developer reserves the right to make whatever changes it may deem necessary in the Condominium drawings, recorded herewith as Exhibit No. 1, and this Declaration until such time as fifty-one percent (51%) of the Units have been sold. The amendment reflecting such changes need only be executed by the Developer; provided, however, that no such amendment shall change the configuration or size of any Unit in any material fashion, materially alter or modify the appurtenances to the Unit, or change the proportion or percentage by which the Unit Owner shares the Common Expenses and owns the Common Surplus, unless such amendment is also approved by at least a majority of the total voting interests of the Association.

(b) Special Amendment. Developer reserves the right and power to record a special amendment ("Special Amendment") to this Declaration at any time and from time to time

which amends the Declaration and any provision therein (i) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Administration, the Veteran's Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities; (ii) to induce any of such agencies or entities to make, purchase, sell, insure, guarantee or otherwise deal with first mortgages covering Units; and (iii) to bring this Declaration into compliance with applicable laws, ordinances or governmental regulations. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Developer to make or consent to a Special Amendment on behalf of each Unit Owner and the Association. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgement of, and a consent to the reservation of, the power of the Developer to make, execute and record Special Amendments. The right and power to make Special Amendments hereunder shall terminate either on such date when Developer has sold all Units and has transferred control of the Condominium to the Association or on December 31, 1998, whichever shall occur first.

(c) This Declaration and all exhibits hereto, where applicable, may be amended unilaterally by the Developer for the purposes set forth and pursuant to Section 718.110(5), Florida Statutes, to correct scrivener's errors, and Section 718.403(1), Florida Statutes, to add phases as provided for herein.

6.3 Execution and Recording. An amendment, other than amendments made by the Developer alone pursuant to the Act or this Declaration, shall be evidenced by a certificate of the Association which shall include recording data identifying the Declaration and shall be executed with the same formalities required for the execution of a deed. Amendments by the Developer must be evidenced by a similar certificate executed by the Developer alone. An amendment of the Declaration is effective when the applicable certificate is properly recorded in the public records of the County.

6.4 Limitation. No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Developer without the consent of said Developer in each instance. The provisions of this paragraph may not be amended in any manner.

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

Section 7
MAINTENANCE AND REPAIRS

7.1 Responsibility for the maintenance, repair and replacement of the Condominium

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Property is as follows:

(a) Common Elements. The Association shall manage, maintain, repair and replace, as part of the Common Expenses, all of the Common Elements as defined herein, including, but not limited to, the following:

- (1) all drainage and stormwater management systems, private streets and adjacent drainage;
- (2) all water and wastewater lines and piping serving the Units of the Condominium;
- (3) all landscaping (except as may be planted by Unit Owners pursuant to Section 3.5 herein), lawn and grass areas and sprinkler systems within the Condominium Property;
- (4) any gated entrances to the Condominium Property and all matters associated therewith; and
- (5) all portions of any landscaping islands pertaining to the Condominium Property (regardless of whether all or a portion of any such islands are located within the Condominium Property).

However, the Association shall not perform such maintenance required of a Unit Owner who utilizes portions of the Limited Common Elements surrounding such Unit, as shown on the Condominium Plat, in accordance with Section 3.5 herein or as otherwise contemplated herein.

Unit Owners shall be responsible for the routine cleaning and maintenance of all driveway areas and any parking areas which are Limited Common Elements, but the Association shall be responsible for non-routine maintenance, including painting and all other repair and replacement of such Limited Common Elements.

(b) Units. The responsibility for maintenance, repair and replacement within the Units shall be shared by the Association and the Unit Owners as follows:

(1) By the Association. The Association shall be responsible for maintaining, repairing and replacing the following items, and the cost of maintenance thereof shall constitute Common Expenses:

(A) all landscaping, sprinkling systems, and lawn and grass areas therein, and also all water and wastewater lines and piping located within or below the foundation of the Dwelling or otherwise lying beneath or within the Unit, except as otherwise stated in subparagraph (2) below;

(B) any subsurface defect(s) or condition(s) which exist on or below the surface of the Land as defined herein;

(C) the entire Dwelling located on a Unit, including, without limitation, exterior walls, party walls, roofs and foundations, except for that portion of the Dwelling within the interior unfinished surfaces of the perimeter walls, floors and ceilings ("Living Space"); and

(D) the load-bearing walls within the Living Space except for the finished surfaces thereof.

(2) By the Unit Owner. Each Unit Owner shall maintain, repair and replace everything within the confines of the Owner's Unit, including the Dwelling, which is not to be maintained by the Association pursuant to subparagraph (b)(1) of this section, including, but not limited to:

(A) All exterior doors, windows and screens of any permitted improvement, which surfaces shall be maintained in such manner as to preserve a uniform appearance among the Dwellings within Units of the Condominium;

(B) Exterior paint of all exterior door surfaces;

(C) Interior paint, finish, covering, wallpaper and decoration of all walls, floors and ceilings;

(D) All built-in shelves, cabinets, counters, storage areas and closets;

(E) Any and all appliances and mechanical, ventilating, heating and air conditioning equipment contained within the Dwelling;

(F) All bathroom fixtures, equipment and apparatuses;

(G) All electrical, plumbing, telephone and television fixtures, apparatuses, equipment, outlets, switches, wires, pipes and conduits above the concrete slab serving only the respective Dwelling, and all electric lines between the Dwelling and its individual service panel or meter;

(H) All interior doors, non-load-bearing walls, partitions, and room dividers;

(I) All furniture, furnishings and personal property contained within the respective Dwelling;

(J) Any woodwork, doorways and other structures relating to any opening between Units created as contemplated under Sections 3.2 and 7.3 hereof; and

(K) All other maintenance or repair of or replacements involving a Unit as contemplated and authorized hereunder.

7.2 Notwithstanding the provisions of Section 7.1 herein, all exterior painting and all architectural or structural modifications to the exterior of the Dwelling and all landscaping to be planted by a Unit Owner within the Limited Common Elements which surround a Unit must be approved in writing by the Board, or a committee designated by the Board and headed by an officer of the Association, prior to commencement of such work so as to maintain the character and to preserve the aesthetic and architectural qualities of the Condominium. The Association shall promulgate rules and regulations in accordance with the foregoing.

7.3 An Owner who purchases two (2) contiguous Units may create one or more

openings in the Common Wall which divides such Units in order to form one comprehensive living area. Nevertheless, the creation of an opening or openings shall not constitute a change in the configuration or size of the Units, and such Owner shall continue to be the record owner of two (2) Units and shall be responsible for the payment of Common Expenses on both Units.

Section 8

ADDITIONS, ALTERATIONS OR IMPROVEMENTS BY THE ASSOCIATIONS

Whenever, in the judgment of the Board of Directors, the Common Elements, or any part thereof, shall require capital additions, alterations or improvements (as distinguished from maintenance, repairs and replacements) costing in excess of Five Thousand and No/100 Dollars (\$5,000.00) in the aggregate in any calendar year, the Association may proceed with such additions, alterations or improvements only if the making of such additions, alterations or improvements shall have been approved by the Owners of a majority of the Units represented at a meeting at which a quorum is attained. Any such additions, alterations or improvements to such Common Elements, or any part thereof, costing in the aggregate Five Thousand and No/100 Dollars (\$5,000.00) or less in a calendar year may be made by the Board of Directors without approval of the Unit Owners. The cost and expense of any such additions, alterations or improvements to such Common Elements shall be as a "Capital Improvement Assessment" of the Unit Owners as provided in Section 13.2 hereof. For purposes of this Section 8, "aggregate in any calendar year" shall include the total debt incurred in that year, if such debt is incurred to perform the above-stated purposes, regardless of whether the repayment of any part of that debt is made beyond that year.

Section 9

ADDITIONS, ALTERATIONS OR IMPROVEMENTS BY UNIT OWNERS

9.1 To the Common Elements. After the completion of the improvements included in the Common Elements which are set forth in this Declaration, or which are contemplated by the Developer in the completion of the development as set forth herein, there shall be no alterations or additions to Limited Common Elements of this Condominium except as authorized by the Board of Directors and approved by not less than seventy-five percent (75%) of the total voting interests of the Condominium, provided that no alterations or additions may be made involuntarily to the Limited Common Elements of any particular Unit if such alteration or addition will adversely affect or prejudice the rights of such Unit Owner unless his consent first has been obtained. The cost of the foregoing shall be assessed as Common Expenses unless otherwise provided herein.

9.2 To the Units. Except as otherwise reserved by the Developer, no Unit Owner shall make any alteration or improvement to such Unit Owner's Unit except in accordance with this Section 9.2. A Unit Owner may make alterations and improvements to the interior of the Dwelling located within the Unit so long as such alterations or improvements are not visible from the outside of the Unit, do not impair the structural integrity of the Dwelling, do not otherwise violate the terms of this Declaration, and are in compliance with all applicable building codes and laws. A Unit Owner may not expand, enlarge or relocate the Dwelling originally located within his Unit. Other alterations or improvements to a Unit (including but not limited to the enclosing or screening in of any porch or patio within the Unit and any landscaping within such area) which are not discussed in this Declaration may be made only if prior approval in writing is obtained from the Board or a committee designated by the Board in accordance with the By-laws.

9.3 Indemnification by Unit Owners. A Unit Owner making or causing to be made any such additions, alterations or improvements agrees, and shall be deemed to have agreed, for such

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Owner, and his heirs, personal representatives, successors and assigns, as appropriate, to hold the Association and all other Unit Owners harmless from and to indemnify them for any liability or damage to the Condominium Property and expenses arising therefrom, and shall be solely responsible for the maintenance, repair and insurance thereof from and after that date of installation or construction thereof as may be required by the Association.

9.4 Rights of Association to Seek Compliance. In the event a Unit Owner fails to maintain said Unit and/or the Limited Common Elements to the extent as required herein, or makes any alterations or additions without the required written consent, or otherwise violates or threatens to violate the provisions hereof or the rules and regulations adopted in or pursuant to the By-Laws, the Association shall have the right to proceed in a court of equity for an injunction to seek compliance with the provisions hereof.

Section 10
ADDITIONS, ALTERATIONS OR IMPROVEMENTS BY DEVELOPER

The restrictions contained in Section 9 shall not apply to Developer-owned Units. The Developer shall have the additional right, without the consent or approval of the Board of Directors or other Unit Owners, to make alterations, additions or improvements, structural and non-structural, interior and exterior, ordinary and extraordinary, in, to and upon any Unit owned by it, to the proposed or already constructed Dwelling located or to be located thereon, and Limited Common Elements appurtenant thereto. Such work shall include, without limitation: (i) the removal of walls, floors, ceilings and other structural portions of the Dwelling; (ii) changes to the layout or number of rooms in any Developer-owned Units; and (iii) changes to the size and/or number of Developer-owned Units by combining separate Developer-owned Units or otherwise. Any amendments to this Declaration or the Condominium Plat required by actions taken pursuant to this Section 10 may be effected by the Developer alone without the consent of any other person; provided, however, if any such amendment shall change the configuration or size of any Unit in any material fashion, materially alter or modify the appurtenances to the Unit, or change the proportion or percentage by which the Unit Owner shares the Common Expenses and owns the Common Surplus, the execution of the amendment to the Declaration effecting such change must be joined in by the record owners of the Unit, all record owners of liens on the affected Unit, and at least a majority of the total voting interests in the Association. Without limiting the generality of Section 6.5 hereof, the provisions of this Section 10 may not be added to, amended or deleted unless by, or with the prior written consent of, the Developer.

Developer hereby reserves the right, without the joinder of any Unit Owner or any mortgagee of any Unit, to unilaterally add Common Elements to the Condominium by recording an amendment to this Declaration in accordance with Section 6.2 hereof.

Section 11
OPERATION OF THE CONDOMINIUM BY THE ASSOCIATION; POWERS AND DUTIES

11.1 Powers and Duties. The Association shall be the entity responsible for the operation of the Condominium. The powers and duties of the Association shall include those set forth in the By-Laws and Articles of Incorporation as may be amended from time to time. In addition, the Association shall have all the powers and duties set forth in the Act, as well as all powers and duties granted to or imposed upon it by this Declaration, including, without limitation:

(a) The irrevocable right to have access to any portion of each Unit and its Limited Common Elements from time to time during reasonable hours as may be necessary for the

maintenance, repair or replacement of such portions thereof as required by this Declaration or the Act, for performing extermination services, or at any time and by force, if necessary, for making emergency repairs therein necessary to prevent damage to the Common Elements or to any other Unit or Units or the Dwellings thereon.

(b) The power to make and collect Assessments and other related expenses authorized under the Act against Unit Owners, to lease, maintain, repair and replace the Common Elements, and to grant, modify or cancel easements pertaining to the Common Elements.

(c) The duty to maintain accounting records, according to good accounting practices, which shall be open to inspection by Unit Owners or their authorized representatives at reasonable times upon prior request.

(d) The power to contract for the management and maintenance of the Condominium Property and to authorize a duly licensed management agent (who may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and regulations, and perform the maintenance, repair and replacement required of the Association with such funds as shall be made available by the Association for such purposes. The Association shall also have the power to join with other condominium associations and entities in contracting for the maintenance and repair of the several condominium properties and other type properties, and may contract for or may join with other condominium associations in contracting for the management of the several condominium properties and other type properties, as may be more specifically provided for by the Articles of Incorporation and By-Laws of the Association.

(e) The power to borrow money, execute promissory notes and other evidences of indebtedness and to give as security therefor mortgages and security interests in property owned by the Association, if any. Such actions must be approved by a majority of the entire Board of Directors and the Owners of all the Units or by such greater percentage of the Board or Unit Owners as may be specified in the By-Laws with respect to certain borrowing, and no such action shall be permitted while the Developer owns any Unit without the prior written consent of the Developer.

(f) The power to adopt and amend rules and regulations concerning the details of the operation and use of the Condominium Property.

(g) The power to acquire, lease, mortgage, and convey real and personal property and to grant, modify and cancel easements regarding such property, provided that such action may be done only (i) upon the approval of a majority of the Board of Directors, and (ii) a finding by the Board that such action is for the benefit of the members of the Association. The requirements of Section 8 pertaining to the Unit Owners' approval of costs in excess of the threshold amount stated therein (including the proviso as to the debt incurred) shall also apply to this acquisition and dealing with Association-owned property; provided, however, that the acquisition of a Unit as a result of a foreclosure of the lien for Assessments shall be exempt from these requirements.

(h) The power to acquire or enter into agreements acquiring leaseholds, memberships or other possessory or use interests in lands or facilities for recreational purposes as long as such arrangements are also approved by the Owners of a majority of the Units.

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(i) All of the powers which a corporation not-for-profit in the State of Florida may exercise pursuant to this Declaration, the Articles of Incorporation and By-Laws, Chapter 617, Florida Statutes and the Act, in all cases except as expressly limited or restricted in the Act or the documents of the Condominium.

11.2 Conflict. In the event of conflict among the powers and duties of the Association or the terms and provisions of this Declaration or the exhibits attached hereto, this Declaration shall take precedence over the Articles of Incorporation, By-Laws, and applicable rules and regulations; the Articles of Incorporation shall take precedence over the By-Laws, and applicable rules and regulations; and the By-Laws shall take precedence over any applicable rules and regulations, all as amended from time to time. Notwithstanding anything in this Declaration or its exhibits to the contrary, the Association shall at all times be the entity having ultimate authority over the Condominium, consistent with the Act.

11.3 Limitation of Liability of Association. Notwithstanding the duty of the Association to maintain and repair parts of the Condominium Property, the Association shall not be liable to Unit Owners for injury or damage, other than for the cost of maintenance and repair, caused by any latent condition of the Condominium Property. Further, the Association shall not be liable for any such injury or damage caused by defects in design or workmanship or any other reason connected with any additions, alterations or improvements done by or on behalf of any Unit Owners, regardless if whether or not same shall have been approved by the Association pursuant to the provisions hereof.

NOTWITHSTANDING ANYTHING CONTAINED HEREIN OR IN THE ARTICLES OF INCORPORATION, BY-LAWS, ANY RULES OR REGULATIONS OF THE ASSOCIATION OR ANY OTHER DOCUMENT GOVERNING OR BINDING THE ASSOCIATION (COLLECTIVELY, THE "ASSOCIATION DOCUMENTS") , THE ASSOCIATION SHALL NOT BE LIABLE OR RESPONSIBLE FOR, OR IN ANY MANNER BE A GUARANTOR OR INSURER OF, THE HEALTH, SAFETY OR WELFARE OF ANY OWNER, OCCUPANT OR USER OF ANY PORTION OF THE CONDOMINIUM PROPERTY, INCLUDING, WITHOUT LIMITATION, RESIDENTS AND THEIR FAMILIES, GUESTS, INVITEES, AGENTS, SERVANTS, CONTRACTORS OR SUBCONTRACTORS OR FOR ANY PROPERTY OF ANY SUCH PERSONS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING:

(a) **IT IS THE EXPRESS INTENT OF THE ASSOCIATION DOCUMENTS THAT THE VARIOUS PROVISIONS THEREOF WHICH ARE ENFORCEABLE BY THE ASSOCIATION AND WHICH GOVERN OR REGULATE THE USES OF THE CONDOMINIUM PROPERTY HAVE BEEN WRITTEN, AND ARE TO BE INTERPRETED AND ENFORCED, FOR THE SOLE PURPOSE OF ENHANCING AND MAINTAINING THE ENJOYMENT OF THE CONDOMINIUM PROPERTY AND THE VALUE THEREOF;**

(b) **THE ASSOCIATION IS NOT EMPOWERED, AND HAS NOT BEEN CREATED, TO ACT AS AN ENTITY WHICH ENFORCES OR ENSURES THE COMPLIANCE WITH THE LAWS OF THE UNITED STATES, STATE OF FLORIDA, MANATEE COUNTY, CITY OF PALMETTO AND/OR ANY OTHER JURISDICTION OR THE PREVENTION OF TORTIOUS ACTIVITIES; AND**

(c) **ANY PROVISIONS OF THE ASSOCIATION DOCUMENTS SETTING FORTH THE USES OF ASSESSMENTS WHICH RELATE TO HEALTH, SAFETY AND/OR WELFARE SHALL BE INTERPRETED AND APPLIED ONLY AS LIMITATIONS ON THE USES OF ASSESSMENT FUNDS AND NOT AS CREATING A DUTY OF THE ASSOCIATION TO PROTECT OR FURTHER THE HEALTH, SAFETY OR WELFARE OF ANY PERSON(S), EVEN IF ASSESSMENT FUNDS ARE**

CHOSEN TO BE USED FOR ANY SUCH REASON.

EACH UNIT OWNER (BY VIRTUE OF HIS ACCEPTANCE OF TITLE TO HIS UNIT) AND EACH OTHER PERSON HAVING AN INTEREST IN OR LIEN UPON, OR MAKING ANY USE OF, ANY PORTION OF THE CONDOMINIUM PROPERTY (BY VIRTUE OF ACCEPTING SUCH INTEREST OR LIEN OR MAKING SUCH USES) SHALL BE BOUND BY THIS PROVISION AND SHALL BE DEEMED TO HAVE AUTOMATICALLY WAIVED ANY AND ALL RIGHTS, CLAIMS, DEMANDS AND CAUSES OF ACTION AGAINST THE ASSOCIATION ARISING FROM OR CONNECTED WITH ANY MATTER FOR WHICH THE LIABILITY OF THE ASSOCIATION HAS BEEN DISCLAIMED IN THIS PROVISION.

AS USED IN THIS SECTION, "ASSOCIATION" SHALL INCLUDE WITHIN ITS MEANING ALL OF THE ASSOCIATION'S DIRECTORS, OFFICERS, COMMITTEE AND BOARD MEMBERS, EMPLOYEES, AGENTS, CONTRACTORS (INCLUDING MANAGEMENT COMPANIES), SUBCONTRACTORS, SUCCESSORS AND ASSIGNS. THE PROVISIONS OF THIS ARTICLE SHALL ALSO INURE TO THE BENEFIT OF THE DEVELOPER AND ITS AFFILIATES, WHICH SHALL BE FULLY PROTECTED HEREBY.

11.4 Restraint Upon Assignment of Shares in Assets. The share of a Unit Owner in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his Unit.

11.5 Approval or Disapproval of Matters. Whenever the decision of a Unit Owner is required upon any matter, whether or not the subject of an Association meeting, that decision shall be expressed by the same person who would cast the vote for that Unit if at an Association meeting, unless the joinder of all record Owners of the Unit is specifically required by this Declaration or by law.

11.6 Acts of the Association. Unless the approval or action of Unit Owners, and/or a certain specific percentage of the Board of Directors is specifically required in this Declaration, the Articles of Incorporation or By-Laws of the Association, or any applicable rules and regulations, or applicable law, all approvals or actions required or permitted to be given or taken by the Association shall be given or taken by the Board of Directors, without the consent of Unit Owners, and the Board may so approve and act through the proper officers of the Association without a specific resolution. When an approval or action of the Association is permitted to be given or taken hereunder or thereunder, such action or approval may be conditioned in any manner the Association deems appropriate or the Association may refuse to take or give such action or approval without the necessity of establishing the reasonableness of such conditions or refusal.

11.7 Amendment of By-Laws. No modification of or amendment to the By-Laws of said Association shall be valid unless set forth in or annexed to a duly recorded amendment to this Declaration. The By-Laws may be amended in the manner provided for therein, but no amendment of said By-Laws shall be adopted which would affect or impair the validity or priority of any mortgage covering any Condominium Parcel(s), or which would change the provisions of the By-Laws with respect to institutional mortgages without the written approval of all Institutional First Mortgagees of record. No amendment shall change the rights and privileges of the Developer without their respective written consent. Any amendment to the By-Laws, as provided herein, shall be executed by the parties as required in this Section 11 and in Section 6 above, and said amendment shall be recorded in the public records of the County.

11.8 Binding Effect of Condominium Documents. Every Unit Owner of a Condominium Parcel, whether having acquired such ownership by gift, conveyance or transfer by operation of

law, or otherwise, shall be bound by the Articles of Incorporation and By-Laws of the Association, the provisions of this Declaration and any management agreement entered into by the Association for the management of the Condominium Property. Membership in the Association shall automatically terminate upon the termination of ownership of a Condominium Parcel in this Condominium, and the subsequent owner(s) taking title shall automatically become entitled to membership.

Section 12
MANAGEMENT AGREEMENT

The Association may enter into a management agreement for the management and maintenance of the Condominium Property. Pursuant to such management agreement, the Association may authorize a management agent to assist the Association in carrying out the Association's powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the Common Elements with funds as shall be made available by the Association for such purposes. The Association, its directors 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 execution of contracts on behalf of the Association. Each Unit Owner, his heirs, successors and assigns, shall be bound by any such management agreement for the purposes therein expressed, and, by virtue of said party's taking title to a Condominium Parcel in this Condominium, said owner hereby covenants and promises to perform each and every of the covenants, promises and undertakings to be performed by Unit Owners in the cases provided therefor in any such management agreement.

It is specifically recognized that some or all of the persons comprising the original Board of Directors and officers of the Association are or may be stockholders, officers and directors of any entity which contracts to provide management services for the Condominium, and that such circumstance shall not and cannot be construed or considered as a breach of their duties and obligations to the Association, nor as possible grounds to invalidate any such management agreement, in whole or in part.

Section 13
DETERMINATION OF ASSESSMENTS

13.1 General Assessment. The Board of Directors shall from time to time, and at least annually, prepare and adopt a budget for the Condominium ("Budget for Common Expenses"), determine the amount payable by the Unit Owners to meet the Common Expenses of the Condominium, and allocate and assess such expenses among the Unit Owners in accordance with the provisions of this Declaration and the By-Laws ("General Assessment"). The Board of Directors shall advise all Unit Owners promptly in writing of the amount of the General Assessment payable by each of them as determined by the Board of Directors as aforesaid. The Budget for Common Expenses shall include the reserves required by law or determined appropriate by the Board, the costs of carrying out the powers and duties of the Association, and any other expenses designated as Common Expenses by the Act, this Declaration, the Articles or By-Laws of the Association, or other applicable rules and regulations, or by the Association. Incidental income to the Association, if any, may be used to pay regular or extraordinary Association expenses and liabilities, to fund reserve accounts, or otherwise as the Board shall determine from time to time, and need not be restricted or accumulated. Any adopted Budget of Common Expenses adopted shall be subject to change by the Board of Directors, and the amount of the General Assessment shall be changed in accordance with such revised Budget for Common Expenses to cover actual expenses at any

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time.

13.2 **Special and Capital Improvement Assessments.** In addition to General Assessments, the Board of Directors may levy "Special Assessments" and "Capital Improvement Assessments" upon the following terms and conditions:

(a) **"Special Assessments"** shall mean or refer to amounts levied against each Owner and his Unit, representing a portion of the costs incurred by the Association for specific purposes of a nonrecurring nature which are not in the nature of capital improvements.

(b) **"Capital Improvement Assessments"** shall mean and refer to amounts levied against each Owner and his Unit, representing a portion of the costs incurred by the Association for the acquisition, installation, construction or replacement (as distinguished from maintenance, repairs and replacement) of any capital improvements located or to be located within the Common Elements.

(c) Special Assessments and Capital Improvement Assessments may be levied by the Board of Directors and shall be payable in lump sums or installments, in the discretion of the Board; provided, however, that if such Special Assessments and Capital Improvement Assessments, in the aggregate in any year, exceed Five Thousand and No/Dollars (\$5,000.00) or cause the total Assessments levied to exceed one hundred fifteen percent (115%) of Assessments for the proceeding calendar year, the Board must obtain approval of a majority of the Units represented at a meeting at which a quorum is attained.

13.3 The Association shall maintain a reserve fund to be used solely for making capital expenditures in connection with the Common Elements (the **"Capital Reserve"**). The Board shall determine the appropriate level of the Capital Reserve based on a periodic review of the useful life of the improvements to the Common Elements and equipment owned by the Association as well as periodic projections of the cost of anticipated major repairs or improvements to the Common Elements or the purchase of equipment to be used by the Association in connection with its duties hereunder. Each budget shall disclose that percentage of the annual Assessment which shall be added to the Capital Reserve, and each Unit owner shall be deemed to make a capital contribution to the Association equal to such percentage multiplied by each installment of the annual Assessment paid by such Unit Owner. Such reserves may be waived or reduced on an annual basis as provided by the Act. Extraordinary expenditures not originally included in the annual estimate which may become necessary during the year shall be charged first against such portions of any contingency reserve or Capital Reserve, as applicable, which remains unallocated. If the "estimated cash requirement" proves inadequate for any reason or in the event a non-recurring common expense is anticipated for any year, then the Board may prepare and approve a supplemental budget covering the estimated deficiency or non-recurring expense for the remainder of such year, copies of which supplemental budget shall be furnished to each Unit Owner, and thereupon a separate Assessment shall be made to each Unit Owner for his proportionate share of such supplemental budget. All Unit Owners shall be personally liable for and obligated to pay their respective adjusted monthly amount. Any such separate Assessment, if it involves proposed expenditures resulting in a total payment assessed to a Unit equal to the greater of (i) five (5) times the Unit's most recent monthly Assessment, or (ii) Two Thousand Dollars (\$2,000.00), shall be subject to the affirmative vote of at least seventy-five percent (75%) of the total voting interests of the Condominium at a meeting specifically called for approving such separate Assessment.

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Section 14
COLLECTION OF ASSESSMENTS

The General Assessment, Special Assessments and Capital Improvement Assessments (collectively, the "Assessments") shall be collected as follows:

14.1 Liability for Assessments. A Unit Owner, regardless of how title is acquired, including by purchase at a judicial sale or by deed in lieu of foreclosure, shall be liable for all Assessments coming due while he is the Unit Owner. Additionally, a Unit Owner shall be jointly and severally liable with the grantee for all unpaid Assessments that came due up to the time of the conveyance, without prejudice to any right the grantee may have to recover from the grantor the amounts paid by the grantee. The liability for Assessments may not be avoided by waiver of the use or enjoyment of any Common Elements or by the abandonment of the Unit for which the Assessments are made or otherwise.

14.2 Default in Payment of Assessments. Assessments and installments thereof not paid within ten (10) days from the date when they are due shall bear interest at the rate established from time to time by the Board of Directors from due date until paid (provided, however, that no such rate shall exceed the maximum allowed by law). In the event the Board has not established such rate, the interest rate shall be fifteen percent (15%). Each delinquent payment shall be subject to an administrative late fee in an amount not to exceed the greater of Twenty-Five and No/100 Dollars (\$25.00) or five percent (5%) of each delinquent installment. The Association has a lien on each Condominium Parcel for any unpaid Assessments on such Parcel, with interest thereon and for reasonable attorney's fees and costs incurred by the Association incident to the collection of the Assessment or enforcement of the lien. The lien shall be effective on the earliest date allowed by law, which shall be no later than as of the recording of the claim of lien. Such lien shall be evidenced by the recording of a claim of lien in the public records of the County, stating the description of the Condominium Parcel, the name of the record Owner, the name and address of the Association, the amounts due and the due dates. The claim of lien shall not be released until all sums secured by it (or such other amount as to which the Association shall agree by way of settlement) have been fully paid or until it is barred by law. The claim of lien shall secure (whether or not stated therein) all unpaid Assessments, interest thereon, the administrative late fee, and costs and attorneys' fees which are due and which may accrue subsequent to the recording of the claim of lien and prior to the entry of a final judgment of foreclosure thereof. A claim of lien shall be signed and acknowledged by an officer or authorized agent of the Association. Upon payment, the person making the payment is entitled to a satisfaction of the lien in recordable form. The Association or its assignee may bring an action to foreclose a lien for unpaid Assessments in the manner a mortgage of real property is foreclosed in Florida, and may also bring an action at law to recover a money judgment for the unpaid Assessments and other amounts due without waiving any claim of lien. The Association is entitled to recover its costs and reasonable attorneys' fees incurred in either a lien foreclosure action or an action to recover a money judgment for unpaid Assessments.

As an additional right and remedy of the Association, upon default in the payment of Assessments as aforesaid and after thirty (30) days' prior written notice to the applicable Unit Owner and the recording of a claim of lien, the Association may declare the balance of General Assessment installments due for the remainder of the fiscal year and payments of other known Assessments to be accelerated and shall thereupon be immediately due and payable. In the event that the amount of such accelerated installments or payments changes, the Unit Owner or the Association, as appropriate, shall be obligated to pay or reimburse to the other the amount of increase or decrease within ten (10) days of same taking effect.

Any payments received by the Association from a delinquent Unit Owner shall be applied first to any interest accrued as provided above, then to any administrative late fee, then to any costs and reasonable attorneys' fees incurred in collection as aforesaid and then to the delinquent and any accelerated Assessment. The foregoing application of funds received shall be applicable despite any restrictive endorsement, designation, or instruction placed on or accompanying a payment.

14.3 Notice of Intention to Foreclose Lien. Unless otherwise required by the Act or other applicable law, no foreclosure judgment may be entered until at least thirty (30) days after the Association gives written notice to the Unit Owner of its intention to foreclose its lien to collect the unpaid Assessments. If this notice is not given at least thirty (30) days before the foreclosure action is filed, and if the unpaid Assessments, including those coming due after the claim of lien is recorded, are paid before the entry of a final judgment of foreclosure, the Association shall not recover attorneys' fees or costs. The notice must be given by delivery of a copy of it to the Unit Owner or by certified or registered mail, return receipt requested, addressed to the Unit Owner at the last known address, and upon such mailing, the notice shall be deemed to have been given. If after diligent search and inquiry the Association cannot find the Unit Owner or a mailing address at which the Unit Owner will receive the notice, the court may proceed with the foreclosure action and may award attorneys' fees and costs as permitted by law. The notice requirements of this subsection are satisfied if the Unit Owner records a Notice of Contest of Lien as provided in the Act.

14.4 Appointment of Receiver to Collect Rental. If the Unit Owner remains in possession of the Unit after a foreclosure judgment has been entered, the court in its discretion may require the Unit Owner to pay a reasonable rental for the Unit. If the Unit is rented or leased during the pendency of the foreclosure action, the Association is entitled to the appointment of a receiver to collect the rent, the expenses of such receiver to be paid by the party which does not prevail in the foreclosure action.

14.5 Institutional First Mortgagee. In the event an Institutional First Mortgagee or other purchaser shall obtain title to a Unit by foreclosure, or by deed in lieu of foreclosure, such Institutional First Mortgagee or other purchaser, its successors and assigns, shall be liable for Assessments or other related expenses authorized under the Act secured by the claim of lien only to the extent provided by the Act. If, due to the applicable provisions of the Act, any unpaid share of the Assessments or other related expenses authorized under the Act are not required to be paid, then such unpaid share or other related expenses authorized under the Act shall be deemed to be a Common Expense collectible from all of the Unit Owners, including such acquirer, and such acquirer's successors and assigns.

14.6 Certificate of Unpaid Assessments. Within fifteen (15) days after request by a Unit Owner or mortgagee of a Unit, the Association shall provide a certificate stating all Assessments and other moneys owed to the Association by the Unit Owner with respect to his Unit. Any person other than the Unit Owner who relies upon such certificate shall be protected thereby.

14.7 Installments. General Assessments shall be collected monthly or quarterly, in advance, as determined from time to time by the Board of Directors. Initially, General Assessments will be collected monthly.

14.8 Developer's Guarantee. If in the purchase agreement or by other means pursuant to the Act Developer shall guarantee to each purchaser that the Assessment for a specific period of time will not exceed a certain dollar amount, then the Developer shall only be obligated to pay

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the amount of Common Expenses incurred during that period and not produced by the Assessments received from other Unit Owners.

Section 15

INSURANCE, RESTORATION OF IMPROVEMENTS AND EMINENT DOMAIN

15.1 "Insurance Trustee". The Board of Directors of the Association shall have the option, in its sole discretion, of appointing an Insurance Trustee hereunder. The term "Insurance Trustee" shall also include the Board of Directors if the Board of Directors fails or elects not to appoint such Trustee, in which case the Board of Directors will perform directly all obligations imposed upon such Trustee by this Declaration. If the Insurance Trustee shall fail or cease for any reason to act as the Insurance Trustee, then the Board shall have the option, in its sole discretion, of appointing a successor Insurance Trustee. Fees and expenses of any Insurance Trustee shall be Common Expenses.

15.2 Insurance.

(a) The Board of Directors shall have the authority to and shall obtain insurance for the Condominium Property as follows:

(1) Insurance on the Condominium Property, including the Dwellings, Units and Common Elements, all items under the terms of this Declaration for which the Association is responsible for the maintenance thereof, and all items for which the Association is required under applicable provisions of the Act to insure, against loss or damage by fire and against loss or damage by risks now or hereafter embraced by standard extended coverage and vandalism and malicious mischief endorsements, in an amount sufficient to present the insured from being a co-insurer within the terms of the applicable policies, but in any event in an amount not less than one hundred percent (100%) of the full insurance replacement cost thereof. The "full insurance replacement cost" shall be determined from time to time by the Board, which determination may be based upon appropriate insurance appraisals. The cost of any and all such appraisals shall be Common Expenses;

(2) To the extent applicable, if any, insurance on the Condominium Property (exclusive of excavations, foundations and footings) against all loss or damage from explosion of heating apparatus, pressure vessels and pressure pipes, if any, installed in, on or about said Condominium Property, without co-insurance clause so long as available, in such amount as the Board shall deem desirable;

(3) To the extent applicable, if any, insurance on the Condominium Property against all loss or damage from floods or rising waters; provided, however, that such insurance shall not be required to cover the personal property contained within a Unit (including, without limitation, appliances installed in a Unit prior to conveyance by the Developer);

(4) Comprehensive public liability and property damage insurance against claims for personal injury or death or property damage suffered by the public or by any Unit Owner occurring, in, on or about the Condominium Property or upon, in or about the streets and passageways and other areas adjoining the Condominium Property, such public liability and property damage insurance to afford protection to such limits as the Board shall deem desirable (but in no event not less than One Million Dollars (\$1,000,000.00) with respect to liability for personal injury or property damage arising out of a single accident), and such insurance coverage to include Unit Owners as additional insureds, but only with respect to that portion of the

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Condominium Property not reserved for the exclusive use of a single Unit Owner;

(5) Such workmen's compensation insurance as may be necessary to comply with applicable laws;

(6) Employer's liability insurance in such amount as the Board shall deem desirable;

(7) A fidelity bond indemnifying the Association, the Board, and the Unit Owners for loss of funds resulting from fraudulent or dishonest acts of any employee of the Association or its Manager or of any other person handling the funds of the Association, the Board, or the Unit Owners in such amounts as the Board shall deem necessary but not less than that mandated by applicable Florida law. The premium for such fidelity bond shall be a Common Expense. The Board shall use its best efforts to obtain a bond which contains waivers of any defense based on the exclusion of persons who serve without compensation from any definition of "or similar expression;" and

(8) Such other insurance (including insurance with respect to officers' and directors' liability) as may be required by law or deemed necessary by the Board in such reasonable amounts as the Board shall deem desirable.

The premiums for the above described insurance, and the cost arising from deductibles under any such policies in the event of a loss, except as otherwise provided in this Section 15, shall be Common Expenses.

(b) All insurance provided for in this Section 15 shall be effected under valid and enforceable policies issued by insurers of recognized responsibility authorized to do business in the State of Florida.

(c) All policies of insurance of the character described in subsections (a)(1) and (a)(2) of this Section 15.2: (1) shall name, as insured, the Developer, so long as it has an insurable interest, and the Association individually and as trustee of the Unit Owners without naming them and their respective mortgagees, and shall also name as an insured the Insurance Trustee if appointed in accordance with Section 15.1 hereof, as the respective interests of all such insureds may appear; (2) shall be without contribution as respects other such policies of insurance carried individually by the Unit Owners whether such other insurance covers their respective Units and/or the additions and improvements made by such Unit Owners to their respective Units; (3) shall provide that notwithstanding any provision thereof which gives the insurer an election to restore damage in lieu of making a cash settlement therefor, such option shall not be exercisable in the event the Unit Owners elect to sell the Condominium Property or terminate the Condominium; and (4) shall contain an endorsement to the effect that such policy shall not be terminated for nonpayment of premiums without at least thirty (30) days prior written notice to the mortgagee of each Unit. Policies of insurance of the character described in subsection (a)(1) of this Section 15.2 may contain an endorsement extending coverage so as to include the payment of Common Expenses with respect to damaged Units during the period of reconstruction thereof. Notwithstanding the issuance of standard mortgage clause endorsements under the policies of insurance of the character described in subsections (a)(1) and (a)(2) of this Section 15.2, any losses under such policies shall be payable, and all insurance proceeds recovered thereunder shall be applied and discussed, in accordance with the provisions of this Declaration.

(d) All policies of insurance of the character described in subsections (a)(3),

(a)(4), (a)(5), (a)(6) and (a)(7) of this Section 15.2 shall name as insureds the Association, the Board, its Manager, and the other agents and employees of such Association, Board and Manager and the Developer in its capacity as a Unit Owner and Board member, and shall also provide coverage for each Unit Owner (but as to the insurance described in subsection (a)(3) of this Section 15.2, only with respect to those portions of the Condominium Property not reserved for his or her exclusive use). In addition, all policies of insurance of the character described in subsection (a)(3) of this Section 15.2 shall contain an endorsement or clause whereby the insurer waives any right to be subrogated to any claim against the Association, its officers, members of the Board, the Developer, the Manager, their respective employees and agents, and the Unit Owners and occupants and shall cover claims of one or more insured parties against other insured parties.

(e) The Association, for the benefit of the Unit Owners and the mortgagee of each Unit, shall pay the premiums on the policies of insurance described in subsection (a) of this Section 15.2 at least thirty (30) days prior to the expiration dates of the respective policies.

(f) The loss, if any, under any policies of insurance of the character described in subsections (a)(1) and (a)(2) of this Section 15.2 shall be payable, and the insurance proceeds paid, on account of any such loss shall be applied and disbursed as follows:

(1) To the Association, as trustee for each of the Unit Owners in their respective percentages of ownership in the Common Elements as established in the Declaration, in the case of any one loss, of Twenty Thousand Dollars (\$20,000.00) or less in the aggregate, which insurance proceeds, less the actual cost, fees and expenses, if any, incurred in connection with the adjustment of the loss, shall be applied to the payment of the cost of restoring the Condominium Property to substantially the same condition in which it existed immediately prior to such damage or destruction, with each Unit and Common Element having the same vertical and horizontal boundaries as before, free from mechanic's, materialmen's and other similar liens; or,

(2) In case of any one loss exceeding Twenty Thousand Dollars (\$20,000.00) in the aggregate, then the insurance proceeds shall be paid to the Insurance Trustee for the purpose of collecting and disbursing the insurance proceeds described in this subparagraph (f)(2). The Insurance Trustee shall not be liable for the payment of premiums nor for the renewal or the sufficiency of policies, nor for the failure to collect any insurance proceeds, nor for the form or content of the policies. The sole duty of the Insurance Trustee shall be to receive such proceeds as are paid and distribute the same as herein provided for the purposes elsewhere stated. Such proceeds, less the actual cost, fees and expenses, if any, incurred in connection with the adjustment of the loss, and the fees of the Insurance Trustee, shall be applied by the Insurance Trustee to the payment of the cost of restoring the Condominium Property to substantially the same condition in which it existed immediately prior to such damage or destruction, with each Unit and Common Element having the same vertical and horizontal boundaries as before. Such proceeds shall be paid by the Insurance Trustee to or for the account of the Association, from time to time as work progresses, in such manner as shall be required to facilitate the restoration of the damaged property. The Association and the Insurance Trustee may, prior or subsequent to any such loss, enter into an insurance trust agreement further implementing the provisions of this Declaration with respect to the collection and disbursement of proceeds of insurance by the Insurance Trustee.

(g) The Board, or, where applicable, the Insurance Trustee, shall have the exclusive authority to negotiate losses under any policy providing property or liability insurance as described in this Article and such other authority as may be necessary in connection with its purchase and maintenance of the insurance required under this Article.

(h) Each Unit Owner shall be responsible for his own insurance and deductibles on the furnishings and personal property located in his Unit and his personal property stored elsewhere on the Condominium Property, and his personal liability to the extent not covered by the policies of liability insurance obtained by the Board for the benefit of all of the Unit Owners as above provided. All policies of casualty insurance carried by each Unit Owner shall be without contribution as respects the policies of casualty insurance obtained by the Board for the benefit of all of the Unit Owners as above provided.

(i) Each Unit Owner shall be required to report all additions or alterations to his unit promptly in writing to the Board, without prior request from the Board or the Manager, and he shall be responsible for any deficiency in any insurance loss recovery resulting from his failure to so notify the Board. The Board shall not be responsible for obtaining insurance on such additions, alterations or improvements unless and until such Unit Owner shall make such report and request the Board in writing to obtain such insurance, and shall make arrangements satisfactory to the Board for such additional premiums; and upon the failure of such Unit Owner so to do, the Board shall not be obligated to apply any insurance proceeds to restore the affected Unit to a condition better than the condition existing prior to the making of such additions, alterations or improvements. "Additions" or "alterations" shall mean property attached to the Unit and not readily removable without damage to the Unit, including but not limited to, carpeting, special flooring, special wall covering, and paneling. The insurance coverage described in this Section 15.2(i) shall not be deemed to include personal property owned by the Unit Owner and not attached to the Unit.

(j) Each Unit Owner hereby waives and releases any and all claims which he may have against any other Unit Owner if any, and their respective employees and agents, for damages to the Common Elements, the Units, or to any personal property located in the Unit or Common Elements caused by fire or other casualty, to the extent that such damage is covered by fire or other form of casualty insurance.

(k) No Unit Owner shall cause insurance premiums to be assessed on the basis of increased charges for coverage on certain Units.

15.3 Cancellation of Insurance. The Board shall be responsible, in the event any insurance required under subsections (a)(1), (a)(2) or (a)(3) of Section 15.2 is canceled, for serving notice of such cancellation upon any persons insured thereunder.

15.4 Repair, Restoration or Reconstruction of the Improvements.

(a) In the event the improvements forming a part of the Condominium Property, or any portion thereof, including any Units, shall suffer damage or destruction from any cause and the proceeds of any policy or policies insuring against such loss or damage, and payable by reason thereof, plus Capital Reserves, shall be sufficient to pay the cost of repair or restoration or reconstruction, then such repair, restoration or reconstruction shall be undertaken and the insurance proceeds and, if necessary, the Capital Reserves, shall be applied by the Board or the payee of such insurance proceeds in payment therefor; provided, however, that in the event within one hundred eighty (180) days after said damage or destruction, the Unit Owners shall elect either to sell the property or terminate the Condominium, then such repair, restoration, or reconstruction shall not be undertaken. In the event such repair, restoration, or reconstruction is not undertaken the net proceeds of insurance policies shall be divided by the Board or the payee of such insurance proceeds among all Unit Owners according to each Unit Owner's percentage of ownership in the Common Elements as set forth in Section 5, after first paying out of the share of each Unit Owner

the amount of any unpaid liens on his Unit, in the order of the priority of such liens. In the event repair, restoration or reconstruction are not undertaken, the Association shall not be required to pay the amount of any deductible under applicable insurance policies.

(b) If the insurance proceeds and Capital Reserves are insufficient to reconstruct the Dwelling and the Unit Owners and all other parties in interest do not voluntarily make provision for reconstruction of the Dwelling within one hundred eighty (180) days from the date of damage or destruction, then the provisions of the Act shall apply.

(c) In the case of damage or other destruction in which fewer than one-half (1/2) of the Units are rendered uninhabitable, upon the affirmative vote of not fewer than seventy-five percent (75%) of the Unit Owners voting at a meeting called for the purpose, the Dwelling or other portion of the property shall be reconstructed. The meeting shall be held within thirty (30) days following the final adjustment of insurance claims, if any; otherwise, such meeting shall be held within ninety (90) days of the occurrence of the damage or other destruction. At such meeting the Board or its representatives, shall present to the members present, an estimate of the cost of repair or reconstruction, and the estimated amount of necessary Assessments against each Unit Owner.

(d) In the case of damage or other destruction in which more than one-half (1/2) of the Units are rendered uninhabitable, upon the affirmative vote of not fewer than seventy-five percent (75%) of the Unit Owners voting at a meeting called for that purpose, any portion of the property affected by such damage or destruction may be withdrawn from the Condominium. Upon the withdrawal of any Unit or portion thereof, the percentage of interest in the Common Elements appurtenant to such Unit or portion thereof shall be reallocated among the remaining Units on the basis of the percentage of interest of each remaining Unit. If only a portion of a Unit is withdrawn, the percentage of interest appurtenant to that Unit shall be reduced accordingly, upon the basis of diminution in market value of the Unit, as determined by the Board. The payment of just compensation, or the allocation of any insurance or other proceeds available in connection with the withdrawal of any portion of the Common Elements, not necessarily including the Limited Common Elements, shall be allocated on the basis of each Unit Owner's percentage interest therein. Any proceeds available from the withdrawal of any Limited Common Elements will be distributed in accordance with the interest of those entitled to their use. Upon the withdrawal of any Unit or portion thereof, the responsibility for the payment of Assessments on such Unit or portion thereof by the Unit Owner shall cease.

(e) As used in this Article, "repair, restoration or reconstruction" of improvements means restoring the improvements to substantially the same condition in which they existed prior to the damage or destruction, with each Unit and Common Element having the same vertical and horizontal boundaries as before unless, if allowed by the Act, other action is approved by holders of first mortgages on Units which have at least fifty-one percent (51%) of the votes in the Association.

15.5 Eminent Domain. In the event any portion of the Condominium Property is taken by condemnation or eminent domain proceedings, provision for withdrawal from the provisions of the Act of such portion so taken may be made by the Board. Upon the withdrawal of any Unit or portion thereof due to eminent domain, the percentage of interest in the Common Elements appurtenant to such Unit or portion thereof shall be reallocated among the remaining Units on the basis of the percentage of interest of each remaining Unit. If only a portion of a Unit is withdrawn, the percentage of interest appurtenant to that Unit shall be reduced accordingly, upon the basis of diminution in market value of the Unit, as determined by the Board. The allocation of any

condemnation award or other proceeds to any withdrawing or remaining Unit Owner shall be on an equitable basis, which need not be a Unit's percentage interest. Any condemnation award or other proceeds available in connection with the withdrawal of any portion of the Common Elements, not necessarily including the Limited Common Elements, shall be payable to the Association and shall be allocated on the basis of each Unit Owner's percentage interest therein. Proceeds available from the withdrawal of any Limited Common Element will be distributed in accordance with the interest of those entitled to their use. Upon the withdrawal of any Unit or portion thereof, the responsibility for the payment of Assessments on such Unit or portion thereof by the Unit Owner shall cease. The Association shall represent the Unit Owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for the acquisition of the Common Elements or any part thereof. In the event of the total taking of the property by eminent domain, the condemnation award available in that connection shall be divided by the Association among all Unit Owners according to each Unit Owner's percentage of ownership in the Common Elements as set forth in Section 5, after first paying out of the share of each Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

Section 16
OCCUPANCY AND USE RESTRICTIONS

In order to provide for congenial occupancy of the Condominium Property and for the protection of the values of the Units, the use of the Condominium Property shall be restricted to and shall be in accordance with the following provisions:

16.1 Occupancy. Each Unit and the Dwelling therein shall be used as a single family residence only, except as may be otherwise herein expressly provided. In no event shall occupancy (except for Temporary occupancy by visiting guests) exceed two (2) individuals for each bedroom in a Unit. However, the Board is hereby authorized and empowered to permit a greater number of individuals to occupy a Unit upon application of the Owner of such Unit if the Board, in good faith, finds that strict adherence to the limitations noted above would impose a significant hardship upon the applicant. Any action by the Board under this Section shall be in a fair, uniform and reasonable manner. The provisions of this Section 16.1 shall not be applicable to Units used by the Developer for model apartments, guest accommodations, sales or other offices or management services.

16.2 Commercial Use. No portion of the Condominium Property may be used for any commercial, business or otherwise non-residential purpose by the Unit Owners; provided, however, a Unit Owner may utilize his Unit for storing his personal papers and the like. Notwithstanding the foregoing, the Association shall have the right to provide or authorize such services on the Common Elements as the Association deems appropriate for the use and enjoyment of the Common Elements and for the benefit of the Unit Owners. The provisions of this Section shall not apply to Developer during such period of time as Developer is selling Units in the ordinary course of business.

16.3 Antennae. No antenna or aerial may be erected or installed on the exterior walls of a Unit or on the Limited Common Elements or Common Elements of the Condominium, which includes the roof, without the prior written consent of the Board of Directors. Any such antenna or aerial so installed without approval may be removed without notice and at the cost of the Unit Owner for whose benefit the installation was made.

16.4 Clotheslines. No clothes line or similar device shall be allowed on any portion of the

Condominium Property, nor shall clothes be hung, anywhere on the Condominium Property except within a Unit.

16.5 Specific Prohibited Uses. No sign, advertisement, notice or other lettering shall be exhibited, displayed, inscribed, painted or affixed in, on or upon any part of the Unit, Limited Common Elements or Condominium Property by any Unit Owner or occupant without prior written consent of the Board of Directors. The foregoing includes signs within a Unit which are visible from outside the Unit. The provisions of this paragraph shall not apply to the Developer.

No person shall use the Common Elements or any part thereof, or a Unit, or the Condominium Property, or any part thereof, in any manner contrary to or not in accordance with the rules and regulations set forth in the By-Laws or properly pertaining thereto and promulgated from time to time by the Association.

The Unit Owner shall not permit or suffer anything to be done or kept in his Unit which will increase the rate of insurance on the Condominium Property, or which will obstruct or interfere with the rights of other Unit Owners, or annoy them by unreasonable noises, or otherwise, nor shall the Unit Owners commit or permit any nuisance, immoral or illegal acts in or about the Condominium Property.

16.6 Recreational Vehicles. No trailer, camper, motor home, boat, boat trailer, canoe, motorcycle, motorscooters, go-cart or other novelty vehicle or recreational vehicle or similar equipment shall be permitted to remain upon any portion of the Condominium Property, other than for temporary parking, unless parked in an enclosed garage. Temporary parking shall mean the occasional parking of such vehicles belonging to or being used by owners or their guests for loading and unloading purposes only. All temporary parking shall be restricted to paved drives, carports, garages or parking spaces. In no event shall there be any parking or storage of vehicles or similar equipment on the grounds of the Units or the Common Elements, except in garages or on paved drives.

16.7 Other Vehicles. No commercial trucks, vans, tractors, service vehicles or other commercial vehicles shall be permitted to remain upon any portion of the Condominium Property other than for temporary parking except as provided below. Any truck or van with commercial language on the exterior or commercial advertising displayed from the vehicle shall be deemed a commercial vehicle. Temporary parking as to commercial vehicles shall mean the parking of such vehicles while being used in the furnishing of services to the Unit Owners or the Association. As to any commercial vehicle owned by a Unit Owner or guest of a Unit Owner, temporary parking shall refer to the occasional parking required for loading and unloading purposes only. Commercial and non-commercial trucks, vans, and van type campers may be permitted for other than temporary parking only if parked in an enclosed garage. If approved by a majority vote of the Association, no Unit Owner may park or store more than two (2) permitted vehicles or any type per Unit within the Condominium other than for temporary parking. This provision shall not be considered as restricting the parking of permitted vehicles belonging to occasional transient guests of Unit Owners or residents. In no event shall there be any parking or storage of vehicles or similar equipment on the grounds or the Common Elements, except in garages, on paved drives or in designated parking spaces.

16.8 Other Structures. Other than the improvements located upon the Condominium Property in accordance with the provisions of this Declaration, no other structure of any nature, whether a shed, shack, tent, barn, storage area or other building however designated, shall be permitted upon the Condominium Property. The provisions hereof shall apply to such structures,

whether temporary or permanent in nature. This provision shall not restrict the right of the Unit Owners to authorize alterations or improvements in accordance with this Declaration. Notwithstanding the foregoing, any structures otherwise outlawed under this Section shall be acceptable for placement upon the Condominium Property with the prior written consent of the Board of Directors. The provisions of this Section shall not apply to Developer during such period of time as Developer is selling Units in the ordinary course of business.

16.9 Animals. The maintenance, keeping, boarding and/or raising of animals, livestock, poultry or reptiles of any kind, regardless of number, is prohibited within any Unit or upon the Common Elements, except that the keeping of small, orderly domestic pets (i.e., dogs or cats) not to exceed one (1) per Unit without the approval of the Board is permitted (Fish or caged birds shall not be subject to the limitation of one per Unit, but shall not be kept in unreasonable numbers or otherwise violate the provisions of this Section.) All pets shall be subject to the rules and regulations adopted by the Board. No such pets may be kept or maintained for commercial purposes or for breeding. Such pets shall not be permitted upon the Common Elements unless accompanied by the person responsible for such pet. The Board may adopt rules requiring such pets either be carried or leashed. Any Unit Owner or other resident who keeps or maintains any pet upon any portion of the Condominium Property shall be deemed to have indemnified and agreed to hold the Association, each Unit Owner and the Developer free and harmless from any loss, claim or liability of any kind or character of whatsoever arising by the keeping or maintaining of such pet within the Condominium. Unit Owners and residents shall be responsible for picking up all excrement deposited by any pet as soon as practicable. Failure to pick up such excrement promptly shall be prima facie evidence that such pet is causing an unreasonable disturbance or annoyance hereunder. All pets shall be registered and inoculated as required by law. The Board may establish reasonable fees and require registration of pets, not to exceed the reasonable costs incurred by the Association resulting from the presence of such pets and the administration of this Section.

Any complaints of a nuisance, disturbance or damage caused by a pet from other Unit Owners shall be submitted to the Board in writing and shall be verified by the Board or its authorized representative. The Board may also file written complaints. In the event of damage, the Board shall determine the amount of the damage and notify the Unit Owner in writing to make the necessary repair or replacement. Payment for damages pursuant hereto shall not be in lieu of any right of action which the person sustaining the damage shall be entitled to independently. In the event the Unit Owner refuses to remove the pet, the Association shall have the right to have the pet removed from the Condominium Property. By taking title subject to this Declaration, a Unit Owner agrees to abide by the provisions of this Section.

Each pet complaint submitted hereunder shall constitute an infraction for purposes of this Section. Each verified complaint under this Section from other sources shall be an infraction hereunder. The Board shall take action with regard to such infractions in accordance with the provisions of the By-Laws and this Declaration, as follows:

(a) First infraction: The Board shall notify the Unit Owner of the infraction in writing.

(b) Second infraction: The Board shall notify the Unit Owner in writing warning that the next infraction will cause a penalty fine to be levied.

(c) Third infraction: The Board shall notify the Unit Owner and fine the Unit Owner in an amount and manner not to exceed the maximum amount permitted under the Act.

However, such fine shall not be levied until the Unit Owner has received written notice of the infraction in accordance with this Declaration. Such notice shall give the Unit Owner the opportunity to request a hearing before a committee of Unit Owners, created pursuant to applicable Florida law, at a time and date which shall not be more than thirty (30) days after the date of such notice.

(d) Fourth infraction: The Board shall notify the Unit Owner that the Unit Owner has relinquished his rights to keep and harbor a pet and shall promptly remove such pet from the Condominium Property. Prior to taking the action contemplated in this subparagraph, Owner shall have the same opportunity for notice and a hearing as provided in subparagraph (c) above.

Infractions for purposes of this paragraph shall cumulate only on the basis of separate twelve (12) month periods with each new period commencing on the annual anniversary date of this Agreement ("Infraction Period"). In other words, the number of infractions in any Infraction Period shall not be carried forward into the next Infraction Period for purposes of the enforcement of this paragraph.

16.10 Nuisances. No nuisances (as reasonably determined by the Association) shall be allowed on the Condominium Property, nor shall any use or practice be allowed which is a source of annoyance to residents or occupants of Units or which interferes with the peaceful possession or proper use of the Condominium Property by its residents or occupants. No activity specifically permitted by this Declaration shall be deemed a nuisance.

16.11 Guests. Guests of owners or occupants of Units shall comply with all of the provisions of this paragraph and reasonable rules and regulations adopted by the Association. Any guest who persistently violates such restrictions, rules or regulations, may, at the direction of the Association, be required to leave the Condominium Property and the Owner of such Unit being occupied or visited by such guest shall be responsible for any damage to the Common Elements or other Units committed by such guest, and shall see to it that such guest complies with such restrictions, rules and regulations.

16.12 No Improper Uses. No improper, offensive, hazardous or unlawful use shall be made of the Condominium Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereover shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereover, relating to any portion of the Condominium Property, shall be corrected by, and at the sole expense of, the party obligated to maintain or repair such portion of the Condominium Property, as elsewhere herein set forth. Notwithstanding the foregoing and any provisions of this Declaration, the Articles of Incorporation or By-Laws, the Association shall not be liable to any person(s) for its failure to enforce the provisions of this Section 16. No activity specifically permitted by this Declaration shall be deemed a violation of this Section 16.

Section 17 SELLING, LEASING AND MORTGAGING OF UNITS

Units may be made subject to mortgages without restrictions, but sales and leases thereof shall be subject to the provisions of this Section 17:

17.1 Sales. No conveyance of a Unit, by parties other than the Developer or Institutional Mortgagees, shall be valid unless a certificate executed and acknowledged by an officer of the Association, stating that all Assessments levied against such Unit have been paid in full, is

recorded together with the instrument of conveyance. The Board of Directors shall furnish such certificate upon receipt from the Unit Owner of a request form (which will be prepared by the Association) setting forth the proposed purchaser's name, notice address and date of closing. Each new Unit Owner receiving a conveyance from any party except the Developer shall notify the Association and the Management Firm promptly after becoming a new Owner by delivering a copy of his deed to the Unit to the Association and the Management Firm.

17.2 Leases. No Unit Owner may lease or rent his Unit if he is delinquent in the payment of any Assessments. If all Assessments are paid up to date, a Unit Owner may rent or lease his Unit without further approval; provided, however, that no Unit Owner may rent or lease his Unit for less than a sixty (60) day period, with a maximum of no more than two (2) such sixty (60) day periods within any calendar year. However, the Unit Owner renting or leasing his Unit shall promptly notify the Management Firm or each renter and the term of such rental or lease. The sub-leasing or sub-renting of a Unit Owner's interest shall be subject to the same limitations as are applicable to the leasing or renting thereof. The Association shall have the right to require upon notice to all Unit Owners that a substantially uniform form of lease or sub-lease be used by all Unit Owners (including the Developer) intending to rent or lease after said notice and to provide such form as a Common Expense of the Condominium. Entire Units only may be rented, provided the occupancy is only by the lessee, his family and guests. No individual rooms may be rented by the Unit Owner or his lessee.

A tenant of a Unit shall have all of the use rights in the Association Property and Common Elements otherwise readily available for use generally by Unit Owners and the Owner of the leased Unit shall not have such rights, except as a guest. This shall not, however, interfere with access rights of an Owner as landlord pursuant to applicable law.

Notwithstanding the foregoing, the Developer is exempt from the provisions of this Section 17.2.

17.3 Continuing Liability. The liability of the Unit Owner under these covenants shall continue, notwithstanding the fact that he may have leased, rented or sub-let said interest as provided herein. Every purchaser, tenant or lessee shall take subject to this Declaration, the Articles of Incorporation and By-Laws of the Association, and the Management Agreement, as well as the provisions of the Act.

17.4 No Severance of Ownership. No part of the Common Elements may be sold, conveyed or otherwise disposed of, except as an appurtenance to the Unit in connection with a sale, conveyance or other disposition of the Unit to which such interest is appurtenant, and any sale, conveyance or other disposition of a Unit shall be deemed to include that Unit's appurtenant interest in the Common Elements.

17.5 Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his Unit by gift, to devise his Unit by will, or to have his Unit pass by intestacy, without restriction; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Section 17.

Section 18 COMPLIANCE AND DEFAULT

Each Unit Owner and every occupant of a Unit and the Association shall be governed by and shall comply with the terms of this Declaration of Condominium and all exhibits annexed

hereto, and the rules and regulations adopted pursuant to such documents, as the same may be amended from time to time. The Association (and Unit Owners, if appropriate) shall be entitled to the following relief in addition to the remedies provided by the Act:

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

18.2 Compliance. In the event a Unit Owner or occupant fails to maintain a Unit or fails to cause such Unit to be maintained, or fails to observe and perform all of the provisions of the Declaration, the By-Laws, the Articles of Incorporation of the Association, or any applicable rules and regulations, or any other agreement, document or instrument affecting the Condominium Property or administered by the Association, in the manner required, the Association shall have the right to proceed in a court of equity to require performance and/or compliance, to impose any applicable fines in accordance with the provisions of the Act, or to sue in a court of law for damages.

18.3 Costs and Attorneys' Fees. In any proceeding arising because of an alleged failure of a Unit Owner or the Association to comply with the requirements of the Act, this Declaration, the Articles or By-Laws of the Association, or any applicable rules and regulations adopted pursuant to said documents, as the same may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees (including appellate attorneys' fees).

18.4 No Waiver of Rights. The failure of the Association or any Unit Owner to enforce any covenant, restriction or other provision of the Act, this Declaration, the Articles and By-Laws of the Association, or any rules and regulations adopted pursuant to said documents, as the same may be amended from time to time, shall not constitute a waiver of their right to do so thereafter.

Section 19 TERMINATION OF CONDOMINIUM

The Condominium shall continue until (i) terminated by casualty loss, condemnation or eminent domain, as more particularly provided elsewhere in this Declaration, or (ii) such time as termination of the condominium form of ownership is authorized by a vote of Owners owning one hundred percent (100%) of the Units and by the Primary Institutional First Mortgagee. Upon such termination, the former Condominium Property shall be subject to an action for partition by any Owner, and the net proceeds of sale shall be divided among all Owners in proportion to their respective interests in the Common Elements; provided, however, that no payment shall be made to an Owner until all mortgages and liens on his Unit, in the order of their priority, have been satisfied out of his share of such net proceeds. Upon such termination, all funds of the Association, including, but not limited to, reserves, insurance proceeds, and condemnation awards, shall be divided among all Owners in proportion to their respective interests in the Common Elements; provided, however, that no payment shall be made to an Owner until all mortgages and liens on his Unit, in the order of their priority, have been satisfied out of his share of such net proceeds. The termination of the Condominium shall be effective upon a certificate of the Association, executed by its President and Secretary, certifying the basis of the termination being recorded among the public records of the County.

This Section 19 may not be amended without the consent of the Primary Institutional First

Mortgagee and the Developer as long as it owns any Unit.

Section 20
ADDITIONAL RIGHTS OF MORTGAGEES AND OTHERS

The following provisions are intended for the benefit of each holder of a first mortgage upon a Unit, and, to the extent that any other provisions of this Declaration conflicts with the following provisions, if at all, the following provisions shall control:

20.1 Upon request in writing, the Association shall furnish to each Institutional First Mortgagee of a Unit and any holder, insurer or guarantor of a first mortgage a written notice of any default by the Unit Owner of such Unit in the performance of such Unit Owner's obligations under this Declaration that has not been cured within thirty (30) days.

20.2 Upon request in writing, each Institutional First Mortgagee of a Unit and any holder, insurer or guarantor of a first mortgage on a Unit shall have the right:

(a) to examine current copies of this Declaration, the By-Laws, and any rules and regulations of the Association, and the books, records and financial statements of the Association during normal business hours;

(b) to receive, without any charge and within a reasonable time after such request, the annual audited financial statement which is prepared and distributed by the Association to the Unit Owners at the end of its fiscal year; provided, however, that in the event an audited financial statement is not available, the holders of fifty-one percent (51%) or more of the first mortgages in the Units shall be entitled to have such an audited statement prepared at their expense;

(c) to receive written notices of all meetings of the Association and to designate a representative to attend all such meetings;

(d) to receive written notice of any decision by the Unit Owners to make a material amendment to the Declaration, By-Laws or Articles of Incorporation of the Association;

(e) to receive written notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and

(f) to receive written notice of any action which would require the consent of a specified number of Institutional First Mortgagees.

20.3 No provision of this Declaration or the Articles of Incorporation or any similar instrument pertaining to the Condominium Property or the Units therein shall be deemed to give a Unit Owner or any other party priority over any rights of the Institutional First Mortgagees of Units pursuant to their mortgages in the case of distribution to Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of the Units, and/or the Common Elements, or any portion thereof or interest therein. In such event, the holder of any first mortgage on a Unit shall be entitled, upon specific written request, to timely written notice of any such loss.

20.4 There shall be included in each annual Assessment levied by the Association (but not as a Special Assessment) an amount sufficient to establish an adequate reserve fund for replacements and contingencies.

20.5 Upon specific written request to the Association, each Institutional First Mortgagee of a Unit or holder, insurer or guarantor of a mortgage on a Unit shall be furnished notice in writing by the Association of any damage to or destruction or taking of the common elements if such damage or destruction or taking exceeds Ten Thousand and No/100 Dollars (\$10,000.00) or if damage shall occur to a Unit in excess of One Thousand and No/100 Dollars (\$1,000.00).

20.6 If any Unit or portion thereof or the Common Elements or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, then the holder, insurer or guarantor of any first mortgage on a Unit will be entitled to timely written notice, upon specific written request, of any such proceeding or proposed acquisition and no provisions of any document will entitle a Unit Owner or other party to priority over such holder with respect to the distribution to such Unit of the proceeds of any award or settlement.

20.7 Any holder of a first mortgage on a Unit who receives a written request to approve additions or amendments and fails to deliver or mail to the requesting party a negative response within thirty (30) days shall be deemed to have approved such request.

20.8 In the event professional management has been previously required by any holder, insurer or guarantor of a first mortgage on a Unit, any decision to establish self management by the Association shall require the prior consent of Unit Owners in accordance with Section 718.302(1), Florida Statutes.

20.9 As required by Section 718.110, Florida Statutes, any mortgagee consent required under this Section 20 shall not be unreasonably withheld and shall otherwise be deemed to apply to the extent applicable.

Section 21
DISCLAIMER OF WARRANTIES

DEVELOPER HEREBY DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES AS TO DESIGN, CONSTRUCTION, FURNISHING AND EQUIPPING OF THE CONDOMINIUM PROPERTY, EXCEPT ONLY THOSE SET FORTH IN SECTION 718.203 OF THE ACT. AS TO SUCH WARRANTIES WHICH CANNOT BE DISCLAIMED, AND TO OTHER CLAIMS, IF ANY, WHICH CAN BE MADE AS TO THE AFORESAID MATTERS, ALL INCIDENTAL AND CONSEQUENTIAL DAMAGES ARISING THEREFROM ARE HEREBY DISCLAIMED.

ALL UNIT OWNERS, BY VIRTUE OF THEIR ACCEPTANCE OF TITLE TO THEIR RESPECTIVE UNITS (WHETHER FROM THE DEVELOPER OR ANOTHER PARTY), SHALL BE DEEMED TO HAVE AUTOMATICALLY WAIVED ALL OF THE AFORESAID DISCLAIMED WARRANTIES AND INCIDENTAL AND CONSEQUENTIAL DAMAGES.

Section 22
MEDIATION AND ARBITRATION

All issues or disputes which are recognized by the Act or by administrative rules promulgated under the Act as being appropriate or required for mediation or arbitration shall be resolved through such alternative resolution procedures instead of civil litigation.

Section 23
PALMS OF TERRA CEIA BAY COMMUNITY DEVELOPMENT DISTRICT

23.1 Introduction; History. The Condominium is located within the Palms of Terra Ceia Bay Community Development District ("District"), which was created by the City of Palmetto pursuant to Ordinance No. 167 dated December 20, 1982. The District is a special taxing district established under Chapter 190, Florida Statutes.

The board of supervisors of the District has adopted and approved a development plan which has been filed with the District and the City of Palmetto as to the official development plan for all capital improvements within the geographical boundaries of the District, as well as those as planned for off-site improvement. The Condominium has been developed within one of the development pods located within the District. The costs of development of the development pods within the District is not an expense of the District, but rather is an expense of Developer.

The board of supervisors of the District authorized the issuance of bonds, which have since been retired, for the development of the District. The issuance of bonds was for the purpose of financing the construction of the following projects:

- (a) development of a golf course, which included land acquisition; clearing and grading of the subject property and construction of the golf course; construction of a clubhouse and maintenance house; construction of water and irrigation systems; architect fees; purchase of golf carts and maintenance equipment; operation reserves; and clubhouse furnishings;
- (b) construction and development of roadways, drainage systems, water distribution systems and off-site improvements;
- (c) construction of guard houses, pump houses and pump house equipment;
- (d) landscaping;
- (e) architectural and engineering services;
- (f) activities related to construction and maintenance of the pier; and
- (g) construction of street lighting.

23.2 Duties of the District. The District is responsible to provide for the maintenance and operation of the roadways, drainage systems, water distribution systems, the golf course, clubhouse, tennis courts, guard house, pump houses, street lighting, grounds and the security system which are located within the Terra Ceia Bay Development and which are not a part of a subdivision or condominium development within the Terra Ceia Bay Development. The District may levy ad valorem taxes for the purpose of collecting funds necessary to pay for such operation and maintenance. There may be other community undertakings authorized from time to time by the board of supervisors of the District for which taxes will or may be levied.

As of the date of this Declaration, the District has entered into an operating lease with Developer whereby Developer is responsible for the operation and maintenance of the golf course, the clubhouse, the maintenance house, and the golf carts and maintenance equipment related thereto.

23.3 Limited Access Security System. The District shall be responsible for the maintenance and operation of a limited access security system which serves the condominium and subdivision developments located within the Terra Ceia Bay Development. Vehicular access to the Condominium, and to other developments within the Terra Ceia Bay Development, is controlled through the use of a controlled access facility with a guard house. The guard house also may accommodate security monitoring devices, appliances and installations that may serve not only this Condominium, but other condominium and subdivision developments located within the Terra Ceia Bay Development which utilize such facilities. The limited access security system of the Condominium shall be implemented in accordance with this Section.

If monitoring is performed in the controlled access facility, then the annual cost thereof shall be certified to the condominium and subdivision developments located within the Terra Ceia Bay Development which utilize such facilities, including the Association. The Association shall thereupon remit the pro-rata share for the Condominium, determined by multiplying the total certified cost times a fraction, the numerator of which shall be the number of Units within the Condominium, and the denominator of which shall be the total number of residential units in the various condominium and subdivision developments located within the Terra Ceia Bay Development which utilize such facilities. The certified cost may also include a pro-rata share of the utilities and insurance attributable to the controlled access facility. Because such items may not be cost accounted, if the Association does not accept the certified good faith estimate of such utility and insurance costs, the insurance and utility component of the total certified cost shall be an amount equal to five percent (5%) of the remaining total certified costs, exclusive of such components. The costs associated with such monitoring services shall be Common Expenses.

Upon the event of termination of the District, the Condominium may become responsible for a pro-rata share of the cost of maintaining such guard house and personnel involved with controlled access, to the extent such personnel are involved in such controlled access. The pro-rata share of cost shall be by agreement between the Association and other condominium and subdivision developments located within the Terra Ceia Bay Development which utilize such facilities. If, following termination of the District, controlled access and security monitoring facilities are established in the guard house by contract between the Association and other condominium and subdivision developments located within the Terra Ceia Bay Development which utilize such facilities, then upon expiration of any such contract, if the Association cannot reach a new agreement, the Association may enter into agreements with other condominium and subdivision developments located within the Terra Ceia Bay Development for the construction, maintenance and operation of controlled access and/or security monitoring facilities and personnel, including agreements for the construction of a guard house and monitoring facility either as part of the Condominium or as part of another condominium or subdivision development, or may provide separate monitoring at such location as the Board may determine.

23.4 Recreational Facilities. As of the date of recording of this Declaration, there are no recreational facilities located within the Terra Ceia Bay Development for which the District has the responsibility for the maintenance and operation thereof and for which residents in the Terra Ceia Bay Development have use rights. The residents of the Terra Ceia Bay Development are not automatically entitled to play on the golf course, but such residents must comply with the requirements for play as established by Developer as long as the operating lease between the District and Developer is in effect, and thereafter by the District and its assigns.

23.5 Levy of Ad Valorem Taxes. In accordance with Florida Statutes, the levy of taxes by the District becomes a lien on individual properties (including each unit in the Condominium), just as are taxes levied by the City of Palmetto or Manatee County. The amount of taxes to be

levied by the District may, and in all likelihood will, fluctuate in order to provide sufficient funds for the District to perform its duties and obligations.

23.6 Creation of Master Association. In the event a master association is established to replace the District, the Common Expenses of the Condominium shall include the Condominium's proportionate share, if any, of the expense of maintenance, repair and/or replacement of recreational facilities, security facilities, maintenance facilities, boulevards, roads, streets, drives, walkways, paths and other easements contained within the District which serve the Unit Owners and residents of the Condominium and all owners and occupants of real property located within the District.

Section 24
ADDITIONAL PROVISIONS

24.1 Notices. All notices to the Association required or desired hereunder or under the By-Laws of the Association shall be sent by first class mail to the Association in care of its office at the Condominium, or to such other address as the Association may hereafter designate from time to time by notice in writing to all Unit Owners. Except as provided specifically in the Act, all notices to any Unit Owner shall be sent by first class mail to the address of such Unit Owner appearing in the Association's records at the time the notice is transmitted. Where a Unit is owned by more than one (1) person, the Association shall provide notice, for meetings and all other purposes, to that one (1) address which the Developer initially identifies for that purpose and thereafter as one (1) or more of the Owners of the Unit shall so advise the Association in writing, or if no address is given or the Owners of the Unit do not agree, to the address provided in the deed of record.

All notices to mortgagees of Units shall be sent by first class mail to their respective addresses, or such other address as may be designated by them from time to time, in writing to the Association.

All notices shall be deemed to have been given when mailed in a postage prepaid sealed wrapper, except notices of a change of address, which shall be deemed to have been given when received, or five (5) business days after proper mailing, whichever shall first occur.

24.2 Reserved Rights of Developer. In addition to all other reserved rights of the Developer expressed herein, Developer hereby reserves certain rights as follows:

(a) Developer and its successors and assigns hereby reserves the right to dedicate to the public any boulevard, road, street, drive or rights-of-way within the Condominium Property within a period of five (5) years from the date of recordation of this Declaration. Such dedication rights shall be paramount to the rights of the Association, the Unit Owners and any holders of liens or mortgages on any part of the Condominium Property. Developer and its successors and assigns may execute such instruments as may be necessary to effect such dedication without the joinder and consent of the Association, the Unit Owners or any holders of liens or mortgages on any part of the Condominium Property. Such deduction may involve acceptance by a governmental entity with an agreement to maintain, or may be an offer of dedication with no agreement of any governmental entity having jurisdiction to maintain such dedicated property.

(b) Developer and its successors and assigns hereby reserves the right to expand or add recreational facilities to the Condominium without the consent of the Association

or the Unit Owners, provided that any such facilities so expanded or added shall not increase the Assessment for Common Expenses per month per Unit by more than \$25.00.

(c) Upon closing of title to the first Unit in the Condominium, Developer shall have the right (but not the obligation) to assign to the Association all of Developer's right, title, interest and obligations in, to and regarding any and all contracts relating to the providing of utilities, insurance and other services to the Condominium Property, and from and after such assignment, all benefits and burdens thereunder shall accrue and apply to the Association. The Developer shall be entitled to be reimbursed for all prepaid premiums, rentals and other considerations paid by the Developer to insurers, contractors and utility companies regarding the Condominium Property.

(d) Developer hereby reserves the right to add recreational facilities in the Terra Ceia Bay Development which may be provided for the exclusive use of the residents of the Terra Ceia Bay Development. However, the foregoing sentence shall not be construed to mean that any recreational facility constructed by Developer shall automatically vest a resident of or owner of real property in the Terra Ceia Bay Development with use rights in such facility. Anything to the contrary notwithstanding, such rights of Developer in providing additional recreational facilities or use rights to additional facilities shall be limited so as not to increase the Assessment for Common Expenses per month per Unit by more than \$25.00.

(e) Notwithstanding any provision herein to the contrary, Developer shall have the right, until such time as Developer is no longer offering Units for sale in the ordinary course of business, to transact on the Condominium Property any business necessary to consummate the sale of Units, including, but not limited to, the right to maintain a sales office and model units, display signs, employ personnel in a sales capacity, use the Common Elements, and to show the Units. Developer's office, signs, and all tangible personal property owned by Developer in connection with the sale of the Condominium and the Units therein shall remain the property of Developer. In order to preserve the rights of Developer, Developer does hereby reserve an easement on behalf of itself, its officers, employees, guests, assigns, invitees, contractors, subcontractors and materialmen for ingress, egress, passage and entry over, through and across all sidewalks, parking areas, paths, halls, lobbies, elevators, center cores, floors and other portions of the Common Elements as may be, from time to time, necessary for the purpose of developing or selling the Units. No Unit Owner or Unit Owner's guests, invitees or agents shall in any way interfere with or hamper Developer, its employees, officers, invitees, guests or their successors or assigns in connection with the development and sale of Units.

(f) This Section may not be amended without the express written consent of Developer or its successors or assigns.

24.3 Architectural Review. Inasmuch as the Condominium is comprised of Units on land on which attached single family dwellings will be located, the design and construction of which is an integral part of the aesthetic and environmental character of the Condominium and because individual Unit Owners may construct additional permitted improvements within their Units, it is necessary for the protection of the Unit Owners to establish a method and procedure to assure that the architectural and conceptual character of the Condominium shall be continued. Architectural review shall be applicable as specified in this Section 24.3, and where otherwise provided in this Declaration. The following provisions shall govern the architectural review process:

(a) The Board of Directors may, from time to time, adopt and promulgate architectural standards for the Condominium. The architectural standards may not be contrary to

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the provisions of this Declaration or the By-Laws and shall be consistent with the original architectural, structural, aesthetic and environmental concept and the original development of the Condominium. All architectural standards shall be adopted and applied on a uniform basis, and may be revised or expanded from time to time to take cognizance of new materials, construction techniques, rules and regulations or governmental authorities and the laws of Florida.

(b) Architectural review shall be required whenever any alteration or improvement to a Unit is proposed by a Unit Owner for which architectural review is required under this Declaration.

(c) When the Board of Directors has established architectural standards approving certain colors, materials, decorative or other items of routine maintenance, repair or minor improvement, the Unit Owner may comply with such standards without further approval. In all other situations, the Unit Owner shall submit to the Board of Directors a written application setting forth plans, colors, materials and other specifications for the activity for which architectural review is required. The Board of Directors may request additional and supplementary information. The Board of Directors shall, within thirty (30) days after receipt of such application and additional information, either approve or disapprove, or approve in part and disapprove in part, the application. The Board of Directors shall specify its reasons for disapproval and annotate its decision by reference to architectural standards, where applicable. No work shall proceed except in compliance with this Declaration and architectural approval, where required.

(d) The Board may establish reasonable fees for architectural review. In no event shall the maximum fee for any form of review exceed the higher of the sum of Fifty Dollars (\$50.00) or such other amount as may be allowed by the Act.

(e) The Association shall maintain records of all architectural review proceedings.

(f) The original development and construction by Developer of the improvements comprising the Condominium, including but not limited to permitted improvements, shall not be subject to the provisions of this Section 24.3.

24.4 Contracts Assignable by Developer. Upon closing of title to the first Unit in the Condominium, Developer shall have the right (but not the obligation) to assign to the Association all of Developer's right, title, interest and obligations in, to and regarding any and all contracts relating to the providing of utilities, insurance and other services to the Condominium Property, and from and after such assignment, all benefits and burdens thereunder shall accrue and apply to the Association. Developer shall be entitled to be reimbursed for all prepaid premiums, rentals and other considerations paid by Developer to insurers, contractors and utility companies regarding the Condominium Property.

24.5 Interpretation. The Board of Directors shall be responsible for interpreting the provisions hereof and of any of the exhibits attached hereto. Such interpretation shall be binding upon all parties unless wholly unreasonable. An opinion of legal counsel to the Association, or the legal counsel having drafted this Declaration, that any interpretation adopted by the Association is not unreasonable shall conclusively establish the validity of such interpretation.

24.6 Binding Effect of Section 718.303, Florida Statutes. The provisions of Section 718.303(1), Florida Statutes, shall be in full force and effect and are incorporated herein. The Management Firm, for as long as the Management Agreement remains in effect, shall assist the

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Association in the prosecution of any action pursuant to the statute aforescribed.

24.7 Exhibits. There are hereby incorporated into this Declaration all materials contained in the exhibits annexed hereto, except that as to such exhibits, any conflicting provisions set forth specifically therein as to their amendment, modification or enforcement shall control over the provisions hereof.

24.8 Signature of President and Secretary. Wherever the signature of the President of the Association is required hereunder, the signature of a Vice-President may be substituted therefor, and, wherever the signature of the Secretary of the Association is required hereunder, the signature of an Assistant Secretary may be substituted therefor, provided that the same person may not execute any single instrument on behalf of the Association in two (2) separate capacities.

24.9 Severability. The invalidity in whole or in part of any covenant or restriction, or any section, subsection, sentence, clause, phrase or word, or other provision of this Declaration, the exhibits annexed hereto, or applicable rules and regulations adopted pursuant to such documents, as the same may be amended from time to time, shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.

24.10 Waiver. No provisions contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce the same, without regard to the number of violations or breaches which may occur.

24.11 Ratification. Each Unit Owner, by reason of having acquired ownership (whether by purchase, gift, operation of law or otherwise), and each occupant of a Unit, by reason of his occupancy, shall be deemed to have acknowledged and agreed that all of the provisions of this Declaration, and the Articles and By-Laws of the Association, and any applicable rules and regulations, are fair and reasonable in all material respects.

24.12 Gender; Plurality. For convenience and ease of reference, the third person singular impersonal form of pronoun "it" has been used herein without regard to the proper grammatical person or gender of the party being referred to. All such references shall be deemed to include the singular or plural person and the masculine, feminine or neuter gender, as required by the context.

24.13 Captions. The captions herein and in the exhibits annexed hereto are inserted only as a matter of convenience and for ease of reference and in no way define or limit the scope of the particular document or any provision thereof.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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IN WITNESS WHEREOF, the Developer has caused this Declaration to be duly executed in its name by its general partner this 5th day of APRIL, 1995.

WITNESSES:

FRU-CON OCEAN GOLF PARK, LTD., a Florida limited partnership, by its sole general partner, The Fru-Con Projects, Inc., a Florida corporation, formerly known as Fru-Con Ocean Golf Park Corporation

Mary C. Stein
Name: MARY C. STEIN

By: [Signature]
Name: A. A. ZEHNER
Title: VICE PRESIDENT

Cheri G. Lyne
Name: Cheri G. Lyne

Attest: [Signature]
Name: PEGGY H. MORRIS
Title: SECRETARY

STATE OF Missouri
COUNTY OF St. Louis

The foregoing instrument was acknowledged before me this 5th day of April, 1995, by A. A. Zehner and Peggy H. Morris Vice President and Secretary, respectively, of The Fru-Con Projects, Inc., a Florida corporation, formerly known as Fru-Con Ocean Golf Park Corporation, the sole general partner of FRU-CON OCEAN GOLF PARK, LTD., a Florida limited partnership, the Developer of Fairway Oaks Condominium. They either are personally known to me or have produced _____ as identification.

My Commission Expires:
(AFFIX NOTARY SEAL)

[Signature]
(Signature)
Name: Kathleen A. Hoffman
(Legibly Printed)
Notary Public, State of Missouri

N/A
(Commission Number, if any)

KATHLEEN A HOFFMAN
NOTARY PUBLIC STATE OF MISSOURI
ST LOUIS COUNTY
MY COMMISSION EXP JUNE 23, 1996

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JOINDER AND CONSENT TO DECLARATION OF CONDOMINIUM
FOR FAIRWAY OAKS CONDOMINIUM

LEONARD R. RUZICKA, JR., AS TRUSTEE OF THE B + B LAND TRUST, a Florida land trust, the holder of a mortgage dated the 8th day of April, 1992, and recorded in Official Records Book 1380, Page 1246, of the public records of Manatee County, Florida, as has been or may be amended from time to time ("Mortgage"), which Mortgage encumbers the real property described in Exhibit No. 1 to the Declaration of Condominium for Fairway Oaks Condominium, hereby consents to the recording of said Declaration of Condominium subjecting the property described therein to condominium ownership and use.

DATE: April 5th, 1995

WITNESSES:

Cheri G. Lyne
Name: Cheri G. Lyne

Leonard Ruzicka, Jr.
LEONARD R. RUZICKA, JR., AS TRUSTEE OF
THE B + B LAND TRUST, a Florida land trust

Mary C. Stein
Name: MARY C. STEIN

STATE OF Missouri
COUNTY OF St. Louis

The foregoing instrument was acknowledged before me this 5th day of April, 1995, by Leonard R. Ruzicka, Jr., as Trustee of The B+B Land Trust, a Florida land trust. He is personally known to me or has produced _____ as identification.

My Commission Expires:

(AFFIX NOTARY SEAL)

Kathleen A. Hoffman
(Signature)

Name: Kathleen A. Hoffman
(Legibly Printed)

Notary Public, State of Missouri

N/A
(Commission Number, if any)

KATHLEEN A HOFFMAN
NOTARY PUBLIC, STATE OF MISSOURI
ST. LOUIS COUNTY
MY COMMISSION EXP JUNE 23, 1996

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FAIRWAY OAKS CONDOMINIUM
 A CONDOMINIUM IN SECTION 10, TOWNSHIP 34
 SOUTH, RANGE 17 EAST, MANATEE COUNTY, FLORIDA

- GENERAL NOTES:
- ELEVATIONS SHOWN HEREON ARE BASED ON THE GEODETIC VERTICAL DATUM (NGVD) OF 1929, BASED ON A BENCHMARK MARKED CROSS BAK, STAFFED 251, 1985 ELEVATION = 23.274.
 - REMARKS ARE BASED ON AN ASSUMED MERIDIAN OF 5.0072358° W. FOR THE EAST LINE OF SECTION 10.
 - PROPOSED DIMENSIONS HAVE BEEN TAKEN FROM ARCHITECTURAL PLANS AND DO NOT REPRESENT CONSTRUCTED IMPROVEMENTS.
 - SHEET 2 OF THIS PLAT IS A CORRECT REPRESENTATION OF A RECONCILE SURVEY OF THE LARGE DESCRIBED HEREON AS FAIRWAY OAKS CONDOMINIUM, AND MEETS THE MINIMUM TECHNICAL STANDARDS SET FORTH IN CHAPTER 61-C17-6 OF THE FLORIDA ADMINISTRATIVE CODE.

- DESCRIPTION OF COMMON ELEMENTS:
 - The land encompassed by the property description which is not in the unit boundary or that part of the limited common elements.
 - All parts of the improvements not included within this unit.
 - The property and installations for furnishing utility service to more than one unit or to the common elements.
 - The tangible personal property required for maintenance and operation of the condominium property.
 - Such other property as may be provided for in the Declaration of Condominium.
- DESCRIPTION OF LIMITED COMMON ELEMENTS:

Limited common elements shall include a five (5) foot perimeter around each cluster of connected units, the use of driveway to be constructed providing access from the interior road to the building and common elements, and the well and the water and sewer lines for the building. Common Elements shall terminate at and shall not extend into the building construction area.
- An easement is hereby granted and reserved upon and applicable to all common elements and limited common elements and other property described herein for the construction, use and maintenance of all utilities whether public or private (including cable television), for or associated with the maintenance, repair and operation of the condominium property and roadways adjacent thereto; the dedication and vesting of ingress and egress, for construction, maintenance and operation in general, and for all other purposes as more specifically set forth in the Declaration of Condominium for the condominium to which the drawings pertain.
- All improvements shown are proposed except to the extent such improvements have been utilized as being substantially complete.

CERTIFICATE OF SURVEYOR

THE UNDERSIGNED, BEING A PROFESSIONAL LAND SURVEYOR AUTHORIZED TO PRACTICE IN THE STATE OF FLORIDA PURSUANT TO SECTION 718.104 (4) (E), FLORIDA STATUTES, HEREBY CERTIFIES THAT THE CONSTRUCTION OF THE IMPROVEMENTS COMPREHENSIVE OF FAIRWAY OAKS CONDOMINIUM IS NOT SUBSTANTIALLY COMPLETE SO THAT THIS EXHIBIT TO THE DECLARATION OF CONDOMINIUM, TOGETHER WITH THE PROVISIONS OF THE DECLARATION OF CONDOMINIUM DESCRIBING THE CONDOMINIUM PROPERTY, IS AN ACCURATE REPRESENTATION OF THE LOCATION AND DIMENSIONS OF THE PROPOSED IMPROVEMENTS AND SO THAT THE IDENTIFICATION, LOCATION AND DIMENSIONS OF THE COMMON ELEMENTS AND OF EACH UNIT CAN BE DETERMINED FROM THE COMMON ELEMENTS AND OF EACH UNIT CAN BE DETERMINED FROM THE COMMON ELEMENTS AND OF EACH UNIT CAN BE DETERMINED FROM SHEET 2 OF 6 IS AN ACCURATE DEFINITION OF THE UNITS PER THE REQUIREMENTS OF CHAPTER 61-C17-6 FLORIDA ADMINISTRATIVE CODE.

Kenneth R. Palmer 04-24-95
 KENNETH R. PALMER
 FLORIDA LICENSE NO. 4851
 DATE OF SURVEY: 12-27-94

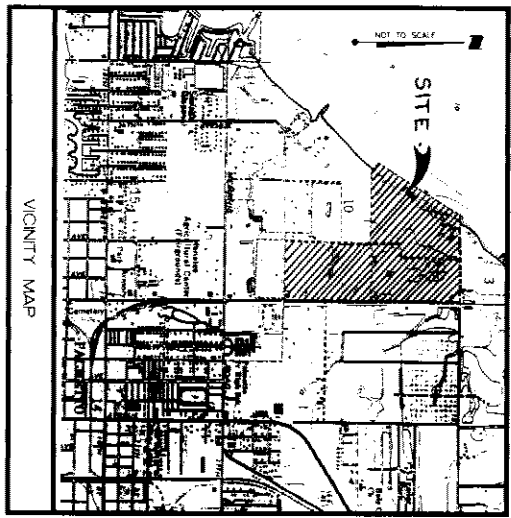
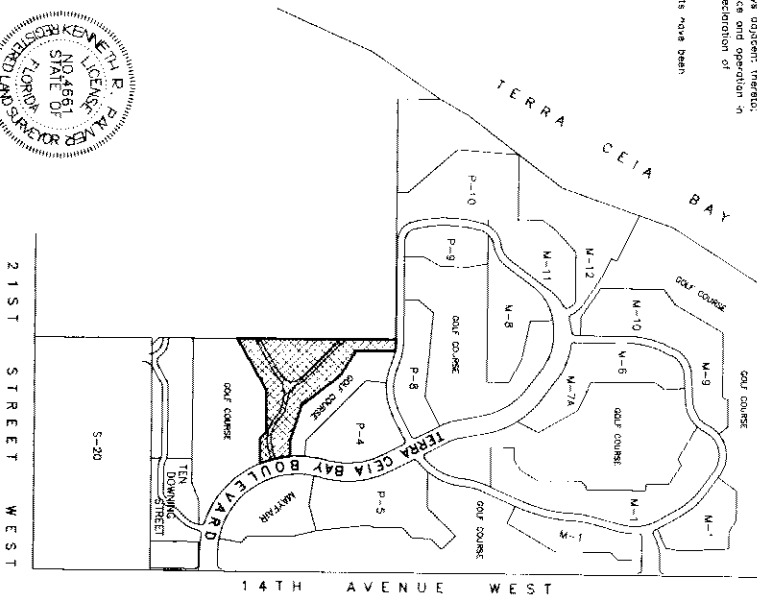


EXHIBIT NO. 1 TO THE DECLARATION OF CONDOMINIUM

DECLARATION OF ACCESS AND USE AND GRANT OF EASEMENT

A NON-EXCLUSIVE EASEMENT FOR PEDESTRIAN AND VEHICULAR ACCESS OVER AND UPON THE LANDS, OPEN AREA, PARKS, PAVES, DRIVES, UNENCLOSED WALLS, ROADS, SIDEWALKS AND WALKWAYS AS RECORDED IN OFFICIAL RECORDS BOOK 1457 PAGE 2015 PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA.

DECLARATION OF EASEMENTS

CERTAIN NON-EXCLUSIVE EASEMENTS OVER, UNDER AND THROUGH THOSE PORTIONS OF THE CONDOMINIUM PROPERTY WHICH ARE NECESSARY FOR THE PROVISION OF SANITARY SEWER SERVICES AND DRAINAGE INTERESTS AND EGRESS FOR EMERGENCY VEHICLES AS RECORDED IN OFFICIAL RECORDS BOOK 1457 PAGE 2028 PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA.

GOLF CART PATH EASEMENT AGREEMENT

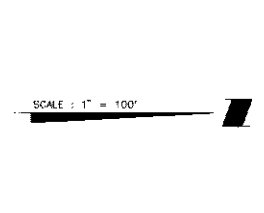
CERTAIN NON-EXCLUSIVE EASEMENTS OVER, UNDER AND THROUGH A PORTION OF THE CONDOMINIUM PROPERTY FOR PURPOSES OF INSTALLING, CONSTRUCTING, MAINTAINING, REPAIRING, REPLACING AND RECONSTRUCTING A GOLF CART PATH ON PARKS AND TO PROVIDE PEDESTRIAN AND GOLF CART ACCESS ACROSS SUCH EASEMENT PROPERTY AS RECORDED IN OFFICIAL RECORDS BOOK 1457 PAGE 2031 PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA.



HOSTETLER AND ASSOCIATES, P.A.
 PROFESSIONAL ENGINEERING AND SURVEYING
 800 N. W. 10th Ave., Suite 1000
 Fort Lauderdale, Florida 33304

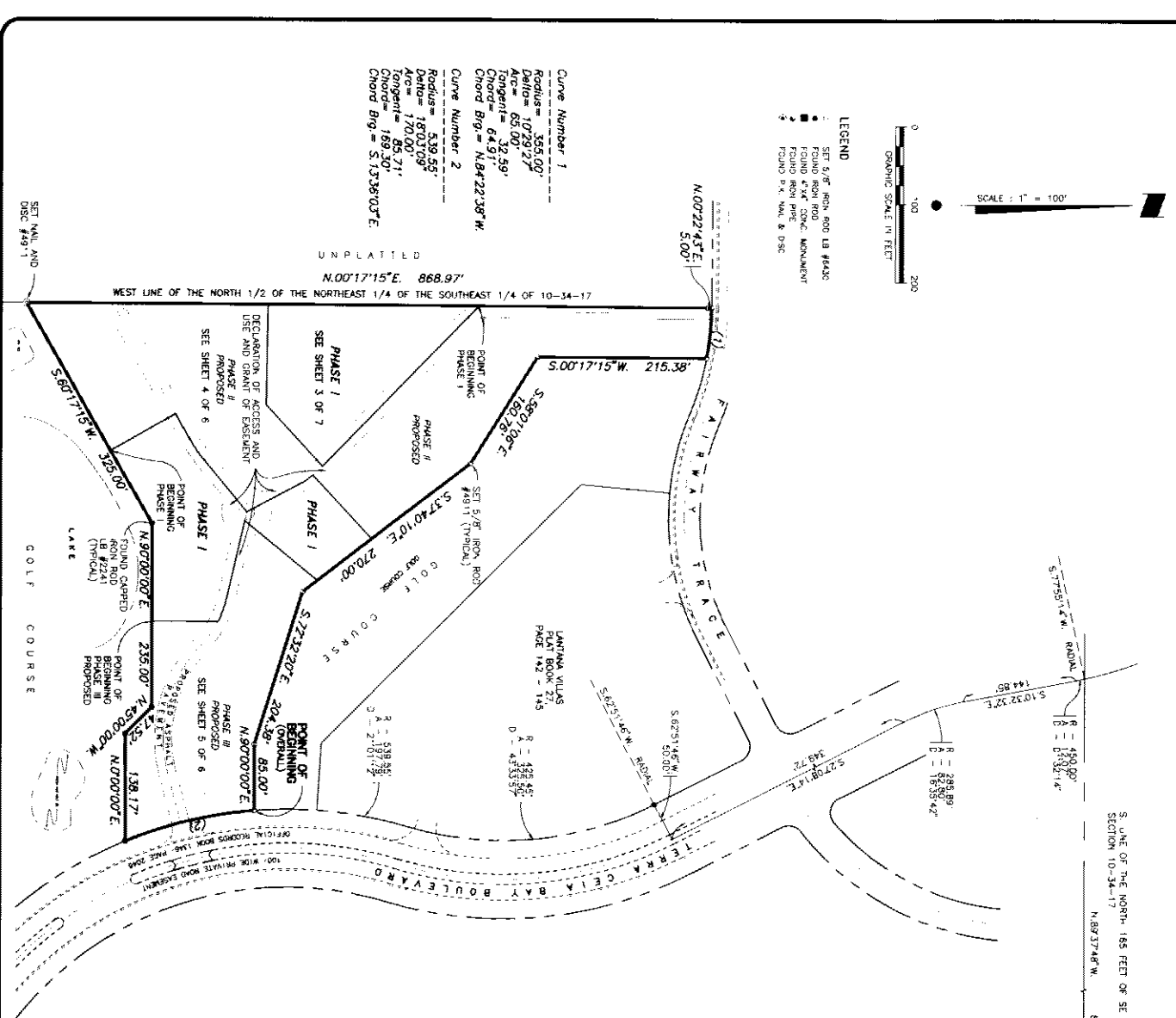
FAIRWAY OAKS CONDOMINIUM

A CONDOMINIUM IN SECTION 10, TOWNSHIP 34 SOUTH, RANGE 17 EAST, MANATEE COUNTY, FLORIDA



LEGEND
SET 5/8" IRON ROD LB #6430
FOUND IRON ROD MONUMENT
FOUND IRON PIPE
FOUND P.L. NAIL & DISC

- Curve Number 1
Radius = 335.00'
Delta = 107°59'27"
Arc = 83.00'
Chord = 64.57'
Chord Brg = N84°22'38"W
- Curve Number 2
Radius = 339.55'
Delta = 107°00'09"
Arc = 85.00'
Chord = 65.71'
Chord Brg = S133°03'E



PROPERTY DESCRIPTION:
COMMENCE AT THE NORTHEAST CORNER OF SECTION 10, TWP. 34S., RGE. 17E.; THENCE S 07°23'56" W. ALONG THE EAST LINE OF SAID SECTION 10, 1500.26 FT. TO THE INTERSECTION WITH THE SOUTH LINE OF THE NORTH 1/4 OF THE SE 1/4 OF THE NE 1/4 OF SAID SECTION 10; THENCE N 89°37'48" W. ALONG SAID SOUTH LINE OF THE NORTH 1/4 OF THE SE 1/4 OF SAID SECTION 10, 884.71 FT. TO THE INTERSECTION WITH THE CENTERLINE OF A PRIVATE ROAD (ESSEMY) SAID POINT BEING ON THE CENTERLINE OF SAID ROAD; THENCE S 25°51'00" W. 100.00 FT. TO POINT BEING ON THE SOUTH-EASTERN CORNER OF SAID ROAD; THENCE S 27°28'14" W. 168.50 FT. TO THE CENTERLINE OF SAID ROAD; THENCE S 27°28'14" W. 168.50 FT. TO THE P.T. OF A CURVE COMMENCING AT A DISTANCE OF 122.27 FT. TO THE P.T. OF SAID CURVE; THENCE S 07°23'56" W. 144.85 FT. TO THE P.C. OF A CURVE COMMENCING TO THE NORTHEAST, HAVING A RADIUS OF 286.89 FT.; THENCE S 13°30'00" W. 150.00 FT. TO THE CENTERLINE OF SAID ROAD; THENCE S 27°28'14" W. 168.50 FT. TO THE INTERSECTION WITH THE WESTERLY LINE OF SAID PRIVATE ROAD (ESSEMY) SAID POINT BEING ON THE ARC OF A CURVE WHOSE RADIUS POINT LIES S 62°51'46" W. 425.45 FT.; THENCE RUN SOUTHERLY ALONG SAID ROADWAY EASTMENT AND THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 43°35'27" A DISTANCE OF 323.50 FT. TO THE P.C. OF A CURVE COMMENCING TO THE EAST, HAVING A RADIUS OF 238.29 FT.; THENCE RUN SOUTHERLY ALONG SAID ROADWAY EASTMENT AND THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 112°16'09" A DISTANCE OF 91.97 FT. TO A POINT OF BEGINNING; THENCE CORNER S 07°23'56" W. 1500.26 FT. TO THE INTERSECTION WITH THE ARC OF SAID CURVE; THENCE THROUGH A CENTRAL ANGLE OF 180°39'21" A DISTANCE OF 170.00 FT.; THENCE N 90°00'00" W. 124.17 FT. TO THE INTERSECTION WITH THE WEST LINE OF THE NORTH 1/2 OF THE NE 1/4 OF THE SE 1/4 OF SAID SECTION 10; THENCE N 02°17'15" E. ALONG THE WEST LINE OF SAID SECTION 10, 884.87 FT. TO THE NORTHWEST CORNER OF THE SOUTH 1/2 OF THE NE 1/4 OF THE SE 1/4 OF SAID SECTION 10; THENCE N 02°24'47" E. PERPENDICULAR WITH THE NORTH LINE OF SAID SOUTH 1/2 OF THE SE 1/4 OF THE NE 1/4 OF SAID SECTION 10, TO THE INTERSECTION WITH A PRIVATE ROADWAY EASTMENT; SAID POINT BEING ON THE ARC OF A CURVE WHOSE RADIUS POINT LIES S 07°22'43" W. 355.20 FT.; THENCE RUN EASTERLY ALONG SAID ROADWAY EASTMENT AND THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 167°37'27" A DISTANCE OF 167.37 FT. TO THE P.C. OF A CURVE COMMENCING TO THE NORTH, HAVING A RADIUS OF 140.00 FT.; THENCE N 02°24'47" E. 204.38 FT. TO THE POINT OF BEGINNING; BEING AND LYING IN SECTION 10, TWP. 34S., RGE. 17E., MANATEE COUNTY, FLORIDA, CONTAINING 5.75 ACRES, MORE OR LESS.

NOTES:
SHEET 2 OF THIS PLAN IS A CORRECT REPRESENTATION OF A BOUNDARY SURVEY OF THE LANDS DESCRIBED HEREIN AS FAIRWAY OAKS CONDOMINIUM AND MEETS THE MINIMUM TECHNICAL REQUIREMENTS OF CHAPTER 61 G17-6 OF THE FLORIDA ADMINISTRATIVE CODE.
COMMON ELEMENTS SUCH AS BUT NOT LIMITED TO: CONDUITS, WATER LINES, SEWER STORM DRAINAGE, ETC., HAVE NOT BEEN LOCATED OR GRAPHICALLY ILLUSTRATED.
BEARINGS SHOWN HEREON ARE BASED ON A LINE IDENTIFIED ON THIS SKETCH.
THERE MAY BE ADDITIONAL RESTRICTIONS THAT ARE NOT RECORDED IN THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA.
SUBJECT LAND LIES IN ZONES(A) AND B AS PER THE FEDERAL SURVEY OF THE UNITED STATES (F.T.S.) COMMUNITY-PANEL NUMBER 271189-0251, S. 151 REVISION 11-83.

BOUNDARY SURVEY & PHASING PLAN

HOSTETTLER AND ASSOCIATES, P.A.
PROFESSIONAL ENGINEER - LAND SURVEYOR - PRINCIPAL SURVEYOR
0813 752-1188 FAX 752-9897
15000 W. UNIVERSITY BLVD., SUITE 1000, TAMPA, FL 33607

FAIRWAY PARKS CONDOMINIUM SOUTH, RANGE 17 EAST, MANATEE COUNTY, FLORIDA

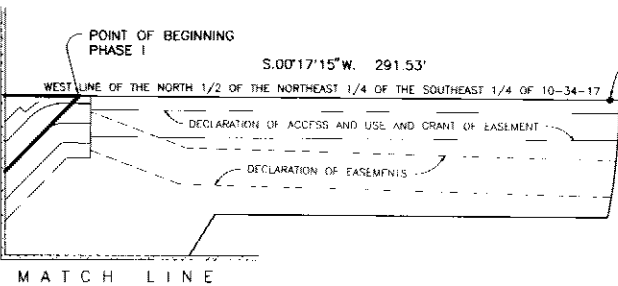
POINT OF COMMENCEMENT

APPROXIMATE PROPOSED BUILDING ENVELOPE COORDINATES (Subject to actual construction)

CORNER	NORTHING	EASTING
1	7584.9737	8888.4947
2	7585.8279	8945.4011
3	7487.9740	8993.3559
4	7384.9744	8905.8221
5	7383.0505	8941.2436
6	7383.0505	9041.9104

POINT OF BEGINNING PHASE I

N. 8035.9230, E. 8839.6794
POINT OF COMMENCEMENT
N. 8035.9230, E. 8839.6794
1/2 OF THE SOUTH-EAST 1/4 OF THE NORTH-EAST 1/4 OF 10-34-17



Curve Number 1

Radius = 100.00'
Delta = 127.4224°
Arc = 21.387072°
Chord = 21.3272°
Chord Btg. = N.34°09'05\"/>

Curve Number 2

Radius = 200.00'
Delta = 129.3736°
Arc = 23.8736°
Chord = 33.533°
Chord Btg. = N.55°32'05\"/>

Curve Number 3

Radius = 125.00'
Delta = 142°22'29\"/>

PROPERTY DESCRIPTION: PHASE I

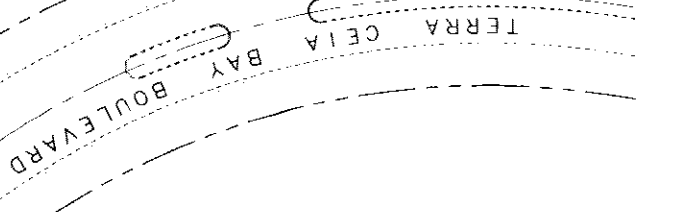
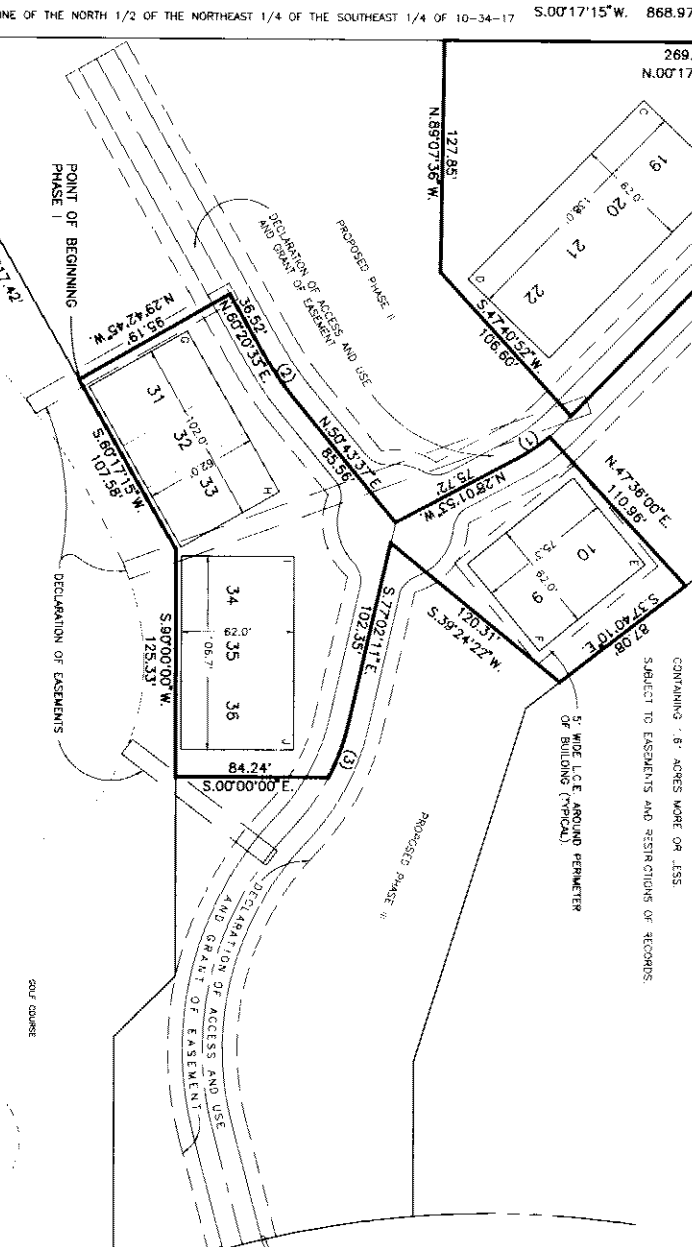
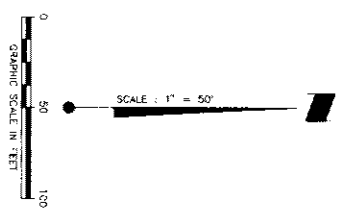
COMMENCE AT THE NORTHWEST CORNER OF THE SOUTH 1/2 OF THE SOUTH-EAST 1/4 OF THE NORTH-EAST 1/4 OF SECTION 10, TOWNSHIP 34 SOUTH, RANGE 17 EAST, THENCE S.00°17'15\"/>

TOGETHER WITH:

COMMENCE AT THE NORTHWEST CORNER OF THE SOUTH 1/2 OF THE SOUTH-EAST 1/4 OF THE NORTH-EAST 1/4 OF SECTION 10, TOWNSHIP 34 SOUTH, RANGE 17 EAST, THENCE S.00°17'15\"/>

SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORDS.

CONTAINING 7.6 ACRES MORE OR LESS.



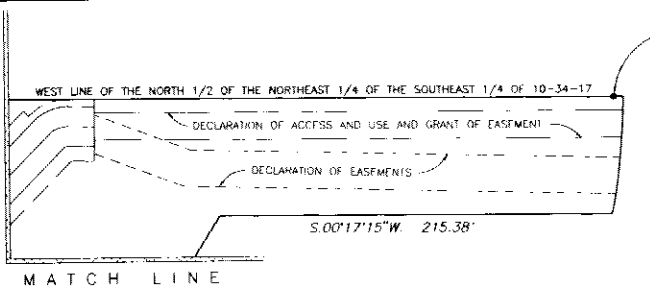
HOSTETLER AND ASSOCIATES, P.A.
 1501 TROPIC AVENUE, SUITE 200
 TAMPA, FLORIDA 33604
 (813) 746-1811 FAX 746-0887

FAIRWAY OAKS CONDOMINIUM
 A CONDOMINIUM IN SECTION 10, TOWNSHIP 34
 SOUTH, RANGE 17 EAST, MANATEE COUNTY, FLORIDA

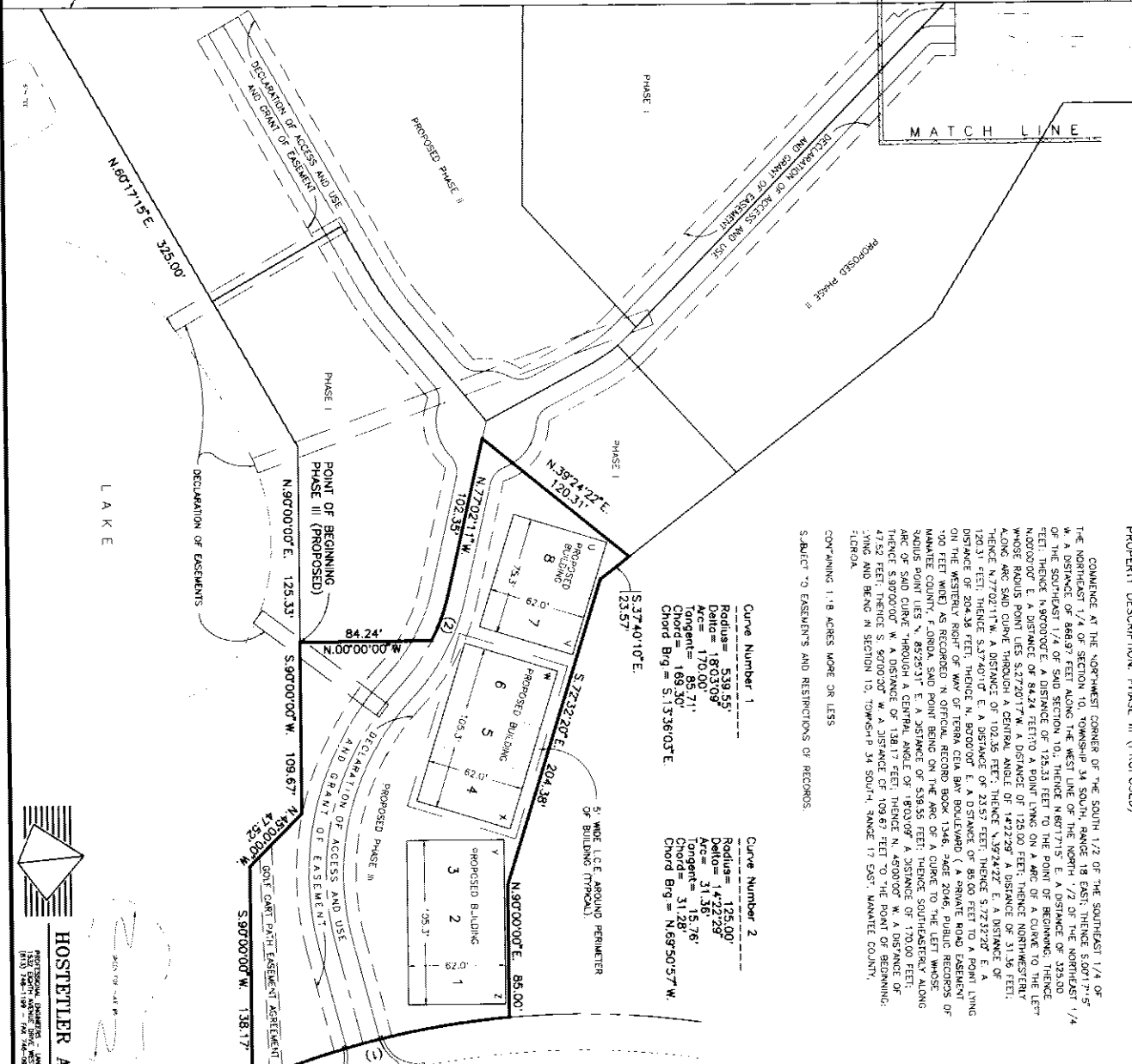
APPROXIMATE PROPOSED BUILDING ENVELOPE COORDINATES (Subject to actual construction)

CORNER	NORTHING	EASTING
U	7494.5942	9001.0032
V	7471.0887	9003.5719
X	7450.8088	9183.8215
Y	7428.7981	9190.0930
Z	7420.7981	9289.0930

N 805.9235 E 8659.6754
 POINT OF COMMENCEMENT
 NORTHWEST CORNER OF THE SOUTH
 1/2 OF THE SOUTHEAST 1/4 OF
 THE NORTHEAST 1/4 OF 10-34-17



WEST LINE OF THE NORTH 1/2 OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF 10-34-17 S.00°17'15"W. 868.97'



Curve Number 1
 Radius = 125.00'
 Delta = 142°22'28"
 Arc = 31.36'
 Tangent = 15.76'
 Chord = 31.28'
 Chord Brg = N89°50'57\"/>

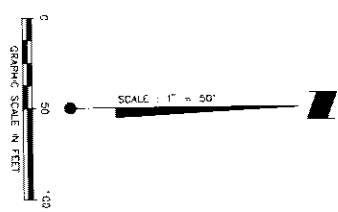
Curve Number 2
 Radius = 170.00'
 Delta = 85°7'1"
 Arc = 169.30'
 Tangent = 83.71'
 Chord = 169.30'
 Chord Brg = S13°36'03\"/>

PROPERTY DESCRIPTION: PHASE III (PROPOSED)

COMMENCE AT THE NORTHWEST CORNER OF THE SOUTH 1/2 OF THE SOUTHEAST 1/4 OF SECTION 10, TOWNSHIP 34 SOUTH, RANGE 18 EAST, THENCE S.00°17'15\"/>

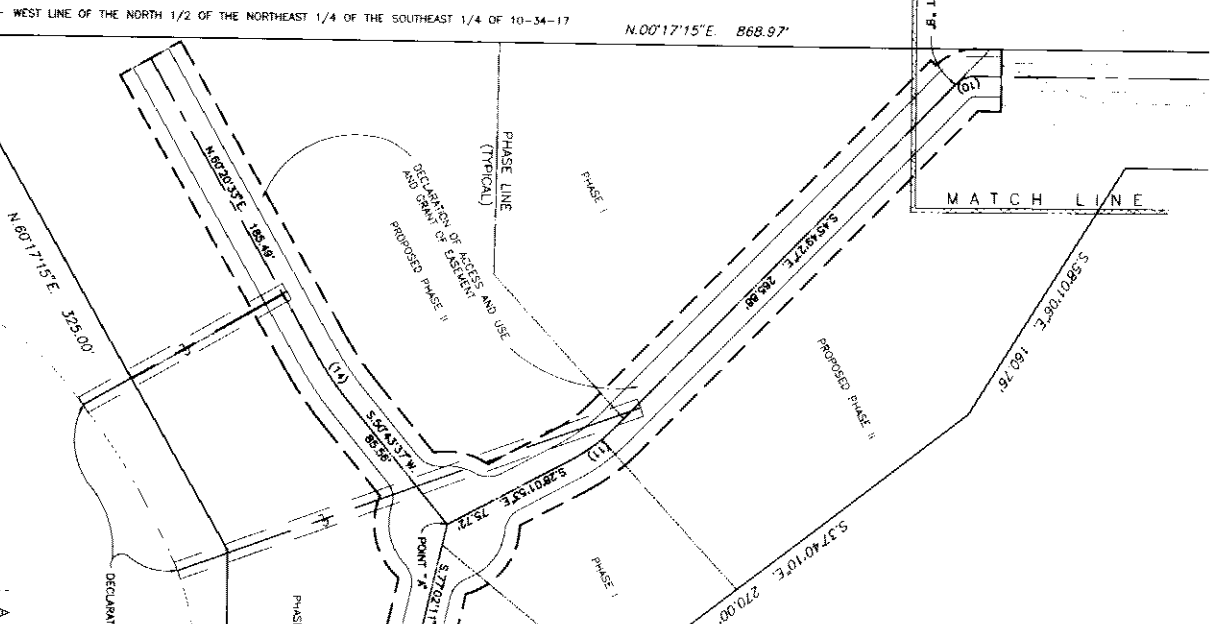
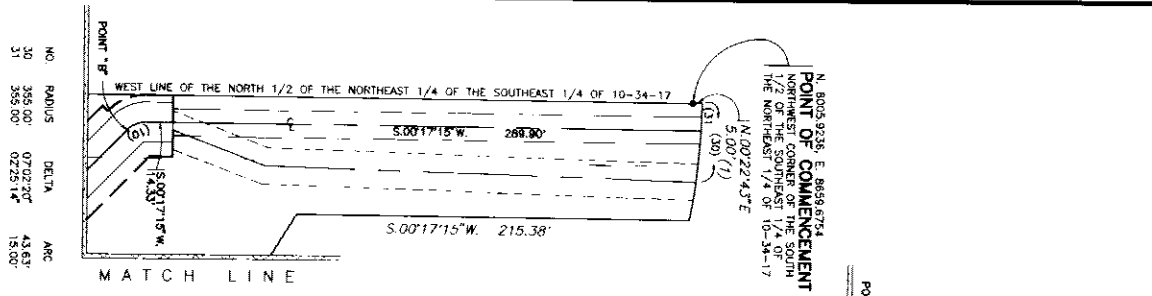
CONVAINING 1.18 ACRES MORE OR LESS

SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORDS.



HOSTETLER AND ASSOCIATES, P.A.
 PROFESSIONAL ENGINEERS - LAND SURVEYORS - PROJECT MANAGERS - LAND PLANNERS
 1420 SOUTH WOODLAND AVENUE, SUITE 2000, TAMPA, FLORIDA - 33629
 TEL: 813-289-8888 FAX: 813-289-8889

FAIRWAY OAKS CONDOMINIUM
 A CONDOMINIUM IN SECTION 10, TOWNSHIP 34
 SOUTH, RANGE 17 EAST, MANATEE COUNTY, FLORIDA

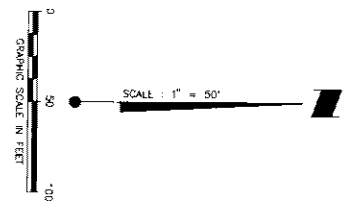


PROPERTY LINE CURVE TABLE

NO.	RADIUS	DELTA	ARC	TANGENT	CHORD	CHORD BEARING
1	355.00'	10°29'27"	63.00'	32.56'	64.91'	N46°22'38"W
2	535.55'	18°03'09"	170.00'	85.71'	169.30'	S13°56'03"E

ROAD CENTERLINE CURVE TABLE

NO.	RADIUS	DELTA	ARC	TANGENT	CHORD	CHORD BEARING
10	18.00'	35°03'16"	9.44'	4.88'	9.28'	S17°44'23"E
11	100.00'	17°42'24"	31.05'	15.55'	30.83'	N36°55'40"W
12	175.00'	56°23'52"	178.37'	87.80'	170.25'	S2°28'38"E
13	175.00'	56°23'52"	178.37'	87.80'	170.25'	S2°28'38"E
14	200.00'	09°35'56"	33.58'	16.82'	33.57'	N55°32'09"E



HOSTETLER AND ASSOCIATES, P.A.
 PROFESSIONAL ARCHITECTS AND ENGINEERS
 1300 SOUTH MANATEE AVENUE, SUITE 200
 TAMPA, FLORIDA 33601
 (813) 246-1188 FAX 784-3881

State of Florida



Department of State

I certify from the records of this office that FAIRWAY OAKS CONDOMINIUM ASSOCIATION, INC. is a corporation organized under the laws of the State of Florida, filed on April 5, 1995.

The document number of this corporation is N95000001592.

I further certify that said corporation has paid all fees and penalties due this office through December 31, 1995, and its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Fifth day of April, 1995



CR2EO22 (1-95)

Sandra B. Northam

Sandra B. Northam
Secretary of State

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**ARTICLES OF INCORPORATION
OF
FAIRWAY OAKS CONDOMINIUM ASSOCIATION, INC.**

FILED
95 APR -5 AM 11:52
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

THE UNDERSIGNED INCORPORATOR, being a natural person competent to contract, for the purpose of forming a corporation not-for-profit under the laws of the State of Florida, does hereby adopt, subscribe and acknowledge the following Articles of Incorporation.

ARTICLE I. NAME

The name of the corporation shall be FAIRWAY OAKS CONDOMINIUM ASSOCIATION, INC. For convenience, the corporation shall be referred to in this instrument as the "Corporation."

ARTICLE II. PURPOSE AND POWERS

Section 1. Purpose. The purpose for which the Corporation is organized is to provide an entity for the operation and governance of Fairway Oaks Condominium ("Condominium"), located upon lands in the City of Palmetto, Manatee County, Florida, said property being described in the duly recorded Declaration of Condominium for the Condominium ("Declaration of Condominium").

The Corporation shall not be operated for profit and shall make no distribution of income to its members, directors, or officers.

Section 2. Powers. The Corporation 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 these Articles.

The Corporation shall have all of the powers and duties contemplated in the Declaration of Condominium and the Florida Condominium Act together with all of the powers and the duties reasonably necessary to operate the Condominium pursuant to the Declaration as it may be amended from time to time, and such other documents or agreements that may exist from time to time pertaining to the Condominium. The powers and duties, which the By-Laws may set forth in more detail, shall include, but shall not be limited to, the following specific powers and duties:

(a) To make and collect assessments against members as unit owners to defray the costs, expenses and losses of the Condominium, and to make such other special assessments against unit owners as the Declaration of Condominium shall provide, and to enforce such levy of assessments through a lien and the foreclosure thereof or by other action pursuant to the Declaration of Condominium.

(b) To use the proceeds of the assessments in the exercise of its powers and duties, and as provided in the Declaration of Condominium.

(c) To maintain, repair, replace and operate the Condominium.

(d) To purchase insurance and enter into contracts for services, utilities and other purposes as may be deemed appropriate.

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- (e) To reconstruct improvements after casualty and further improve the Condominium.
- (f) To make and amend reasonable rules and regulations.
- (g) To perform such functions as may be specified in the Declaration of Condominium and the By-Laws.
- (h) To enforce by legal means the provisions of the Florida Condominium Act, the Declaration of Condominium, these Articles, the By-Laws of the Corporation and such rules and regulations as may be promulgated.
- (i) To employ personnel to perform the services required for proper operation of the Condominium.
- (j) To lease, maintain, repair and replace the common elements.
- (k) To acquire or enter into agreements acquiring leaseholds, memberships or other possessory or use interests in lands or facilities and to pay the rental, membership fees, operational, replacement and other expenses as common expenses.
- (l) To purchase a unit or units of the Condominium for any purpose and to hold, lease, mortgage or convey such units on terms and conditions approved by the Board of Directors.
- (m) To exercise such other power and authority to do and perform every act and thing necessary and proper in the conduct of its business for the accomplishment of its purposes as set forth herein and as permitted by the applicable laws of the State of Florida.
- (n) To contract for the management and maintenance of the condominium property and to authorize a management agent to assist the Corporation in carrying out its powers and duties by performing such functions as the submission of proposals, collection of assessments, and other sums due from unit owners, preparation of records, enforcement of rules and maintenance, repair and the replacement of the common elements with funds as shall be made available by the Corporation for such purposes. The Corporation and its officers shall, however, retain at all times the powers and duties granted by the condominium documents and the Florida Condominium Act, including, but not limited to, the making of assessments, promulgation of rules and execution of contracts on behalf of the Corporation.

ARTICLE III. DEVELOPER

Fru-Con Ocean Golf Park, Ltd. shall make and declare or has made and declared a certain Declaration of Condominium submitting to condominium ownership certain property described therein under the terms, covenants, and conditions expressed more fully therein; the Condominium is to be known as FAIRWAY OAKS CONDOMINIUM.

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ARTICLE IV. TERM

The term for which this Corporation shall exist shall be perpetual.

ARTICLE V. INCORPORATOR

The name and address of the incorporator of this Corporation is as follows:

Robert S. Freedman, Esquire
Carlton, Fields, Ward, Emmanuel,
Smith & Cutler, P.A.
One Harbour Place
Tampa, Florida 33602

ARTICLE VI. OFFICERS

The officers of the Corporation shall be a President, a Vice President, and a Secretary-Treasurer and such other officers as the Board of Directors may from time to time determine. The officers of this Corporation shall be elected for a term of one (1) year, and until a successor shall be elected and qualified, by the Board of Directors at their annual meeting and in accordance with the provisions provided therefor in the By-Laws of the Corporation. Until transfer of the control of the Corporation to the unit owners other than the Developer has been accomplished, the officers need not be directors or members of the Corporation.

The names of the persons who shall serve as the first officers are:

John D. Speirs	President
James M. Hofford, Jr.	Vice President
Luke Wolf	Secretary-Treasurer

ARTICLE VII. DIRECTORS

The affairs of the Corporation shall be managed by a Board of Directors composed of not less than three (3) directors. Until control of the Corporation is transferred to unit owners other than the Developer, the Developer shall be entitled to designate non-member directors to the extent permitted by the Florida Condominium Act. Except for non-member directors appointed by the Developer, all directors shall be elected at the annual membership meeting of the Association.

The first Board of Directors shall be comprised of three (3) persons who shall serve until their respective successors are elected (or designated) and qualified. The names and addresses of the members of the Board of Directors who shall serve as the first Directors are:

John D. Speirs	2802 Terra Ceia Bay Boulevard Palmetto, Florida 34221
James M. Hofford, Jr.	2802 Terra Ceia Bay Boulevard Palmetto, Florida 34221

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Luke Wolf

2802 Terra Ceia Bay Boulevard
Palmetto, Florida 34221

ARTICLE VIII. BY-LAWS

The initial By-Laws of the Corporation shall be attached as an exhibit to the Declaration of Condominium for the Condominium and shall be adopted by the first Board of Directors.

ARTICLE IX. MEMBERS

Membership in the Corporation shall automatically consist of and be limited to all of the record owners of units in the Condominium. Transfer of unit ownership, either voluntary or by operation of law, shall terminate membership in the Corporation and said membership is to become vested in the transferee. If unit ownership is vested in more than one person then all of the persons so owning said unit shall be members eligible to hold office, attend meetings, etc., but the owner(s) of each unit shall only be entitled to one (1) vote as a member of the Corporation. The manner of designating voting members and exercising voting rights shall be determined by the By-Laws.

ARTICLE X. AMENDMENTS

Amendments to these Articles of Incorporation shall be made in the following manner:

(a) The Board of Directors shall adopt a resolution setting forth the proposed amendment and, if there are members of the Association, the Board shall direct that it be submitted to a vote at a meeting of the members, which may be either the annual or a special meeting. If there are no members of the Association, the amendment shall be adopted by a vote of the majority of directors and the provisions for adoption by members shall not apply.

(b) Written notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each member of record entitled to vote thereon within the time and in the manner provided herein for the giving of notice of meetings of members. If the meeting is an annual meeting, the proposed amendment or such summary may be included in the notice of such annual meeting.

(c) At such meeting, a vote of the members entitled to vote thereon shall be taken on the proposed amendment. The proposed amendment shall be adopted upon receiving the affirmative vote of a majority of the votes of all members of the Association entitled to vote thereon.

No amendment to these Articles of Incorporation shall be made which affects any of the rights and privileges provided to the Developer in the condominium documents without the written consent of the Developer.

ARTICLE XI. PRINCIPAL PLACE OF BUSINESS

The principal place of business of the Corporation shall be 2802 Terra Ceia Bay Boulevard, Palmetto, Florida 34221, or at such other place or places as may be designated from time to time.

ARTICLE XII. REGISTERED OFFICE AND AGENT


The street address of the initial registered office of the corporation and the name of the initial registered agent at that address are:

John D. Speirs
2802 Terra Ceia Bay Boulevard
Palmetto, Florida 34221

ARTICLE XIII. INDEMNIFICATION

The Corporation shall indemnify every director and every officer, his heirs, executors and administrators, against all loss, cost and expense reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a director or officer of the Corporation, including reasonable counsel fees, except as to matters wherein he shall be finally adjudged in such action, suit or proceedings to be liable for or guilty of gross negligence or willful misconduct. The foregoing rights shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

IN WITNESS WHEREOF, the subscribing Incorporator has hereunto set his hand and seal and caused these Articles of Incorporation to be executed this 31st day of March, 1995.


Robert S. Freedman , Incorporator

STATE OF FLORIDA
COUNTY OF HILLSBOROUGH

The foregoing instrument was acknowledged before me this 31st day of March, 1995, by Robert S. Freedman, being known to me to be the person who executed the foregoing Articles of Incorporation of FAIRWAY OAKS CONDOMINIUM ASSOCIATION, INC. He is personally known to me or has produced _____ as identification.

My Commission Expires:

(AFFIX NOTARY SEAL)



(Signature)

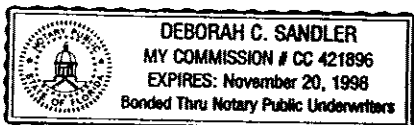
Name: DEBORAH C. SANDLER

(Legibly Printed)

Notary Public, State of Florida

CC 421896

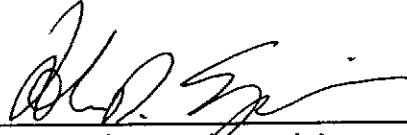
(Commission Number, if any)



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ACCEPTANCE OF DESIGNATION OF REGISTERED AGENT

The undersigned, having been named as registered agent and to accept service of process for FAIRWAY OAKS CONDOMINIUM ASSOCIATION, INC., hereby accepts the appointment as registered agent and agrees to act in such capacity. The undersigned further agrees to comply with the provisions of all statutes relating to the proper and complete performance of his duties and is familiar with and accepts the obligations of his position as registered agent.



John D. Speirs, Registered Agent

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

**BY-LAWS OF
FAIRWAY OAKS CONDOMINIUM ASSOCIATION, INC.**

ARTICLE I: IDENTITY

FAIRWAY OAKS CONDOMINIUM ASSOCIATION, INC. ("Association") is a not-for-profit corporation, organized and existing pursuant to the laws of the State of Florida for purposes of operating and administering Fairway Oaks Condominium located in the City of Palmetto, Manatee County, Florida ("Condominium").

Section 1. Principal Office. The principal office of the Association shall be at 2802 Terra Ceia Bay Boulevard, Palmetto, Florida 34221, or at such other place as may be subsequently designated by the Board of Directors of the Association.

Section 2. Definitions. As used herein, the word "Condominium Association" shall be the equivalent of "Association," as defined in the Declaration of Condominium to which these By-Laws are attached, and all other terms used herein shall have the same definitions as attributed to them in said Declaration of Condominium. As used herein, in the Declaration of Condominium, or in the Florida Condominium Act, the terms "Board of Directors" and "Board of Administration" shall be synonymous.

ARTICLE II: MEMBERSHIP AND VOTING PROVISIONS

Section 1. Membership in the Association. Membership in the Association shall be limited to owners of Units in the Condominium. Transfer of Unit ownership, either voluntary or by operation of law, shall terminate membership in the Association, and said membership shall become vested in the transferee. If Unit ownership is vested in more than one person, then all of the persons so owning said Unit shall be members eligible to hold office, attend meetings, etc., but, as hereinafter indicated, the vote of a Unit shall be cast by the "voting member." If Unit ownership is vested in a corporation, said corporation may designate an individual as its "voting member."

Any application for the transfer of membership, or for a conveyance of an interest in, or to encumber or lease a Condominium parcel, where the approval of the Board of Directors of the Association is required by these By-Laws and the Declaration of Condominium shall be accompanied by application fee in an amount to be set by the Association, to cover the cost of contacting the references given by the applicant, and such other costs of investigation that may be incurred.

Section 2. Voting.

(A) The owner(s) of each Condominium Unit shall be entitled to one (1) vote for each Unit owned. If a Condominium Unit owner owns more than one (1) Unit, he shall be entitled to one (1) vote for each Unit owned. The vote of a Condominium Unit shall not be divisible.

(B) A majority of the members who are present in person or by proxy pursuant to applicable Florida law and are entitled to vote under Section 5 of this Article at a meeting at which a quorum is present shall decide any question (except the election of members of the Board of Directors which must be by written ballot or voting machine), unless the Declaration of Condominium, Articles of Incorporation, By-Laws, or agreement entered into by the Association provides otherwise, in which event the voting percentage required in said documents shall control.

EXHIBIT NO. 3 TO THE DECLARATION OF CONDOMINIUM

Section 3. Quorum. The presence in person, or by limited or general proxy pursuant to applicable Florida law, of a majority of the members entitled to vote under Section 5 hereof shall constitute a quorum.

Section 4. Proxies. Votes may be cast in person or may be cast by limited or general proxy in certain circumstances in accordance with applicable Florida law. All proxies shall be in writing and signed by the person entitled to vote (as set forth below in Section 5) and shall be filed with the secretary not less than three (3) days prior to the meeting in which they are to be used. Proxies shall be valid only for the particular meeting designated therein. Where a Unit is owned jointly by a husband and wife, and if they have not designated one of them as a voting member, a proxy must be signed by both husband and wife where a third person is designated.

Section 5. Designation of Voting Member. If a Condominium Unit is owned by one person, his right to vote shall be established by the recorded title to the Unit. If a Condominium Unit is owned by more than one (1) person, the person entitled to cast the vote for the Unit shall be designated in a certificate, signed by all of the recorded owners of the Unit and filed with the secretary of the Association. If a Condominium Unit is owned by a corporation, the individual entitled to cast the vote of the Unit for the corporation shall be designated in a certificate for this purpose, signed by the president or vice president, attested to by the secretary or assistant secretary of the corporation, and filed with the secretary of the Association. The person designated in such certificate who is entitled to cast the vote for a Unit shall be known as the "voting member." If such a certificate is required and is not filed with the secretary of the Association for a Unit owned by more than one (1) person or by a corporation, the vote of the Unit concerned may not be cast and shall not be considered in determining the requirement for a quorum or for any purpose requiring the approval of a person entitled to cast the vote for the Unit. Unless the certificate shall otherwise provide, such certificates shall be valid until revoked or until superseded by a subsequent certificate, or until a change in the ownership of the Unit concerned. Notwithstanding the foregoing, if a Condominium Unit is owned jointly by a husband and wife, the following three (3) provisions are applicable thereto:

(A) They may, but they shall not be required to, designate a voting member by certificate.

(B) If they do not designate a voting member, and if both are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting.

(C) Where they do not designate a voting member, and only one (1) is present at a meeting, the person present may cast the Unit vote, just as though he or she owned the Unit individually, and without establishing the concurrence of the absent person.

ARTICLE III: MEETINGS OF THE MEMBERSHIP

Section 1. Place. All meetings of the Association membership shall be held at such place and at such time as shall be designated by and stated in the notice of the meeting.

Section 2. Notices. It shall be the duty of the secretary to mail or deliver a written notice of each annual or special meeting, stating the time and place thereof and an identification of agenda items to each Unit owner of record at least fifteen (15) but not more than thirty (30) days prior to such meeting, and to post at a conspicuous place on the property a copy of the notice of said meeting at least fourteen (14) continuous days preceding said meeting. Notice of any annual or special meeting shall state the purpose thereof and said meeting shall be confined

to the matters stated in said notice. All notices shall be mailed to or served at the address of the Unit owner last furnished to the Association and posted as hereinbefore set forth. An officer of the Association shall provide an affidavit, to be included in the official records of the Association, affirming that notices of the Association meeting were mailed or hand delivered in accordance with this section, to each Unit owner at the address last furnished to the Association.

Section 3. Annual Meeting. The annual meeting for the purpose of electing directors and transacting any other business authorized to be transacted by the members shall be held once in each calendar year at such time and on such date in each calendar year as the Board of Directors shall determine. At the annual meeting, the members shall elect, by plurality vote, a Board of Directors and shall transact such other business as may have been stated in the notice for said meeting. The election of the Board of Directors at the annual meeting shall be conducted in accordance with applicable provisions of Chapter 718, Florida Statutes. Cumulative voting shall be prohibited.

Section 4. Special Meeting. Special meetings of the members for any purpose or purposes, unless otherwise prescribed by statute, may be called by the president, and shall be called by the president or secretary at the request in writing of a majority of the Board of Directors. Except for the purpose of removing a director governed by the provisions of Section 3 of Article IV hereof, a special meeting must be called by the president or secretary upon the request in writing of voting members representing ten percent (10%) of the members' total votes, which request shall state the purpose or purposes of the proposed meeting. Business transacted at all special meetings shall be confined to the matters stated in the notice thereof.

Section 5. Waiver and Consent. Any approval by Unit owners called for by the Condominium Act, the Declaration of Condominium or these By-Laws shall be made at a duly noticed meeting of Unit owners and shall be subject to all requirements of the Condominium Act or the Declaration of Condominium relating to Unit owner decision making, except that Unit owners may take action by written agreement, without meetings, on any matters for which the vote of members at a meeting is required or permitted by any provision of these By-Laws, or on matters for which action by written agreement without meeting is expressly allowed by the Declaration of Condominium, or any Florida Statute which provides for Unit owner action.

Section 6. Adjourned Meeting. If any meeting of members cannot be organized because a quorum of voting members is not present, either in person or by proxy, the meeting may be adjourned from time to time until a quorum is present.

Section 7. Approval or Disapproval of a Unit owner upon any matter, whether or not the subject of an Association meeting, shall be by the voting members; provided, however, that where a Unit is owned jointly by a husband and wife, and they have not designated one of them as a voting member, their joint approval or disapproval shall be required where they are both present, or in the event only one is present, the person present may cast the vote without establishing the concurrence of the absent person.

ARTICLE IV: DIRECTORS

Section 1. Number, Term and Qualifications. The affairs of the Association shall be governed by a Board of Directors, serving without compensation, composed of not less than three (3) nor more than nine (9) directors. There shall never be less than three (3) directors. The term of each director's service shall extend until the next annual meeting of the members, and thereafter until his successor is duly elected and qualified, or until he is removed in the manner provided in Section 3 below. All directors shall be members of the Association; provided, however, that all

directors that the Developer is entitled to elect or designate need not be members. All officers of a corporation owning a Unit shall be deemed to be members of the Association so as to qualify each to become a director hereof. Transfer of control of the Association from the Developer to the Unit owners shall be in accordance with the Condominium Act.

Section 2. First Board of Directors. The first Board of Directors of the Association named in the Articles of Incorporation shall hold office and serve until their successors have been elected and qualified.

Section 3. Removal of Directors. Any removal of a director or directors of the Board by recall shall be done in accordance with the provisions of Section 718.112(2)(k), Florida Statutes, or the rules promulgated thereunder, or in accordance with any other applicable provisions of the Florida Condominium Act.

Section 4. Vacancies on Directorate. If the office of any director or directors becomes vacant by reason of death, resignation, retirement, disqualification or otherwise or should a vacancy be created by an enlargement of the Board or should a director be removed by the procedure of Section 3 of this Article and a successor not be elected at the meeting, a majority of the remaining directors, though less than a quorum, shall choose a successor or successors, who shall hold office for the balance of the unexpired term in respect to which such vacancy occurred. The election held for the purpose of filling said vacancy may be held at any regular or special meeting of the Board of Directors. Notwithstanding the above, only the Developer may elect to fill a vacancy on the Board previously occupied by a Board member elected or appointed by the Developer, in which case a quorum for purposes of that election shall consist of a majority of Units owned by the Developer. Only Unit owners other than the Developer may elect to fill a vacancy on the Board previously occupied by a Board member elected or appointed by Unit owners other than the Developer.

Section 5. Disqualification and Resignation of Directors. Any director may resign at any time by sending a written notice of such resignation to the secretary of the Association. Unless otherwise specified therein, such resignation shall take effect upon receipt thereof by the secretary. Commencing with the directors elected by the Unit owners other than the Developer, the transfer of title of the Unit owned by a director shall automatically constitute a resignation, effective when such resignation is accepted by the Board of Directors.

Section 6. Regular Meetings. The Board of Directors may establish a schedule of regular meetings to be held at such time and place as the Board of Directors may designate. Notice of such regular meetings (which shall specifically incorporate an identification of agenda items) shall, nevertheless, be given to each director personally or by mail, telephone or telegraph at least five (5) days prior to the day named for such meeting and shall be posted in accordance with the procedures of Section 718.112, Florida Statutes.

Section 7. Special Meetings. Special meetings of the Board of Directors may be called by the president, and in his absence, by the vice president or secretary, or by a majority of the members of the Board of Directors, by giving five (5) days' notice, in writing which shall specifically incorporate an identification of agenda items, to all of the members of the Board of Directors of the time and place of said meeting and shall be posted in accordance with the procedures of Section 718.112, Florida Statutes. All notices of special meetings shall state the purpose of the meeting.

Section 8. Directors' Waiver of Notice. Before or at any meeting of the Board of Directors, any director may waive notice of such meeting and such waiver shall be deemed

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equivalent to the giving of notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all of the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting. Owners shall be given proper notice pursuant to applicable Florida law.

Section 9. Quorum. At all meetings of the Board of Directors, a majority of the directors constitute a quorum for the transaction of business, and the acts of the majority of the directors present at such meetings at which a quorum is present, shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At such adjourned meeting, and provided a quorum is then present, any business may be transacted which might have been transacted at the meeting as originally called. Proper notice of any adjourned meeting shall be given in accordance with applicable Florida law.

Section 10. Notice of Board Meetings. All Board meetings, regular or special, shall be properly noticed pursuant to applicable Florida law.

Section 11. Notice to Developer. Until December 31, 1995, the Developer shall be entitled to attend the director's meetings and it may designate such person(s) as it desires to attend such meetings on its behalf.

Section 12. Waiver and Consent. Whenever the vote of the Directors at a meeting is required or permitted by any provision of the Florida Statutes or the Articles of Incorporation or these By-Laws to be taken in connection with any action of the Association, the meeting and the vote of Directors may be dispensed with if all the Directors who would have been entitled to vote upon the action at such meeting, if such meeting were held, shall consent in writing to such action being taken.

Section 13. Powers and Duties. The Board of Directors of the Association shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by the Declaration of Condominium, or these By-Laws, directed to be exercised and done by Unit owners. These powers shall specifically include, but shall not be limited to, the following:

(A) To exercise all powers specifically set forth in the Declaration of Condominium, the Articles of Incorporation, these By-Laws, and in the Condominium Act, and all powers incidental thereto.

(B) To adopt a budget and make and collect assessments including special assessments, enforce a lien for nonpayment thereof, and use and expend the assessments to carry out the purposes and powers of the Association, subject to the provisions of the Declaration of Condominium to which these By-Laws are attached and, where applicable, recognizing obligations of the Association contained in the provisions of said Declaration of Condominium. The Board of Directors shall also have the power to levy a fine against the owner of a Unit for the purposes specified in the Declaration of Condominium.

(C) To employ, dismiss and control the personnel necessary for the maintenance and operation of the Condominium, including the right and power to employ attorneys, accountants, contractors, and other professionals, as the need arises, subject to any applicable provisions of the Declaration of Condominium.

(D) To make and amend regulations respecting the operation and use of the

common elements and Condominium Property and facilities, and the use and maintenance of the Condominium Units therein.

(E) To contract for the management and maintenance of the Condominium property 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 and other sums due from Unit owners, preparation of records, enforcement of rules and maintenance, repair and replacement of the common elements with funds as shall be made available by the Association for such purposes. The Association, its directors and officers shall, however, retain at all times the powers and duties granted by the Condominium documents and the Condominium Act, including but not limited to the making of assessments, promulgation of rules and execution of contracts on behalf of the Association.

(F) To enter into agreements acquiring leaseholds, memberships or other possessory or use interests regarding recreation area(s) and facilities for the use and enjoyment of the members of the Association as provided for in the Declaration of Condominium.

(G) To further improve of the Condominium property, both real and personal, and the right to purchase realty and items of furniture, furnishings, fixtures and equipment for the foregoing, and the right to acquire and enter into agreements pursuant to the Condominium Act, subject to the provisions of the Declaration of Condominium and these By-Laws.

(H) To enter into such agreements or arrangements, as deemed appropriate, with such firms or companies as it may deem for and on behalf of the Unit owners to provide certain services and/or maintenance otherwise the individual responsibility of the Unit owners and to increase the assessments due or otherwise charge each Unit owner a share of the amount charged for said maintenance and service.

(I) To designate one or more committees which, to the extent provided in the resolution designating said committee, shall have the powers of the Board of Directors in the management and affairs and business of the Association. Such committee shall consist of at least three (3) members of the Association. The committee or committees shall have such name or names as may be determined from time to time by the Board of Directors, and said committee(s) shall keep regular minutes of their proceedings and report the same to the Board of Directors, as required.

Section 14. Proviso. The validity of any delegation of power and/or duty by the Board of Directors, as hereinbefore provided, shall not affect the remainder of said delegations, or the other provisions of these By-Laws or the Condominium documents and its exhibits.

ARTICLE V: OFFICERS

Section 1. Elective Officers. The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors and shall serve without compensation. One (1) person may not hold more than one (1) of the aforementioned (1) offices, except one (1) person may be both Secretary and Treasurer. The President and Vice President shall be members of the Board of Directors. Notwithstanding the foregoing, the restriction as to one (1) person holding only one (1) of the aforementioned (1) offices or the President and Vice President being members of the Board of Directors shall not apply until control of the Association shall be transferred to the Unit owners other than the Developer.

Section 2. Election. The officers of the Association designated in Section 1 above shall

be elected annually by the Board of Directors at the organizational meeting of each new Board following the meeting of the members. Officers may be elected by secret ballot pursuant to applicable Florida law.

Section 3. Appointive Officers. The Board may appoint assistant secretaries and assistant Treasurers, and such other officers as the Board of Directors deems necessary.

Section 4. Term. The officers of the Association shall hold office until their successors are chosen and qualified in their stead. Any officer elected or appointed by the Board of Directors may be removed at any time, with or without cause, by the Board of Directors; provided, however, that no officer shall be removed except by the affirmative vote for removal by a majority of the whole Board of Directors. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

Section 5. The President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Unit owners and of the Board of Directors. He shall have executive powers and general supervision over the affairs of the Association and other officers. He shall sign all written contracts to perform all of the duties incident to his office and which may be delegated to him from time to time by the Board of Directors.

Section 6. The Vice President. The Vice President shall perform all of the duties of the President in his absence and such other duties as may be required of him from time to time by the Board of Directors of the Association.

Section 7. The Secretary. The Secretary shall issue notices of all Board of Directors, meetings and all meetings of the Unit owners; he shall attend and keep the minutes of same; he shall have charge of all of the Association's books, records and papers, including roster of members and mortgagees except those kept by the Treasurer. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

Section 8. The Treasurer.

(A) The Treasurer shall have custody of the Association's funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name of and to the credit of the Association in such depositories as may be designated from time to time by the Board of Directors. The books shall reflect an account for each Unit in the Condominium which shall designate the name and current mailing address of the Unit owner, the amount of each assessment, the dates and amounts in which the assessment came due, the amount paid upon the account and the balance due.

(B) The Treasurer shall disburse the funds of the Association as may be ordered by the Board of Directors in accordance with these By-Laws, making proper vouchers for such disbursements, and shall render to the President and Board of Directors at the regular meetings of the Board of Directors, or whenever they may require it, an account of all of his transactions as the Treasurer and of the financial condition of the Association.

(C) The Treasurer shall collect the assessments and shall promptly report the status of collections and of all delinquencies to the Board of Directors and, when requested, to the Developer or other entity designated by the Board of Directors.

(D) The Treasurer shall give status reports to potential transferees on which

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reports the transferees may rely.

(E) The Assistant Treasurer shall perform the duties of the Treasurer when the Treasurer is absent.

Section 9. Proviso. Notwithstanding any provisions to the contrary in these By-Laws, the Association shall maintain separate accounting records for this Association, shall keep such records according to good accounting practices, shall open such records for inspection by Unit owners of this Condominium or their authorized representatives at reasonable times and shall supply written summaries of such records at least annually to the Unit owners of this Condominium or their authorized representatives. In the event the Board of Directors designates a Management Firm to operate the Condominium on behalf of the Association, said Management Firm shall be required to follow the aforesaid provisions.

ARTICLE VI: FINANCES AND ASSESSMENTS

Section 1. Depositories. The funds of the Association shall be deposited in such banks and depositories as may be determined by the Board of Directors from time to time upon resolutions approved by the Board of Directors and shall be withdrawn only upon checks and demands for money signed by such officer or officers of the Association as may be designated by the Board of Directors. Obligations of the Association shall be signed by at least two (2) officers of the Association; provided, however, that the provisions of any Management Agreement, entered into by the Association and a Management Firm designated by the Association to operate the Condominium, relative to the subject matter in this Section 1 shall supersede the provisions hereof. The foregoing is further subject to the applicable provisions under the Declaration of Condominium.

Section 2. Fidelity Bonds. The Treasurer and all officers who are authorized to sign checks, and all officers and employees of the Association who control or disburse funds of the Association, and any contractor handling or responsible for Association funds, shall be bonded. The amount of the bond shall be determined by the Board of Directors or as required by the Declaration of Condominium. The premiums on such bonds shall be paid by the Association. The bond shall be in an amount sufficient to equal the monies an individual handles or has control of via a signatory or a bank account or other depository account; however, notwithstanding the foregoing, any Management Firm, under the terms of a Management Agreement, as to funds in its possession and/or control, shall determine in its sole discretion who is to be bonded, if any, among its employees, unless such employees control or disburse Association funds, in which case, such employees must be bonded in accordance with applicable provisions of Section 718.112, Florida Statutes. The cost of bonding an employee of an Association-designated Management Firm may be reimbursed by the Association. Notwithstanding the foregoing, the Association and/or any Management Firm shall not be obligated to obtain fidelity bonding of any persons in excess of any amounts stated in the Florida Condominium Act.

Section 3. Fiscal Or Calendar Year. The Association shall be on a fiscal year basis beginning on the first day of April each year. Notwithstanding the foregoing, the Board of Directors is authorized to change to a different fiscal year in accordance with the provisions and regulations from time to time prescribed by the Internal Revenue Code of the United States of America as such time as the Board of Directors deems it advisable. The setting of a fiscal year, as provided herein, shall not affect the applicable provisions of Article III, Section 3 of these By-Laws requiring an annual meeting in each calendar year.

Section 4. Determination of Assessments.

(A) The Board of Directors of the Association shall fix and determine from time to time the sum or sums necessary and adequate for the common expenses of the Condominium. Common expenses shall include expenses for the operation, maintenance, repair or replacement of the common elements and the limited common elements, cost of carrying out the powers and duties of the Association, all insurance premiums and expenses relating thereto, including fire insurance and extended coverage, obligations of the Association pursuant to the Declaration of Condominium, water and sewer and any other expenses designated as common expenses from time to time by the Board of Directors of the Association, or under the provisions of the Declaration of Condominium. The Board of Directors is specifically empowered, on behalf of the Association, to make and collect assessments and to lease, maintain, repair and replace the common elements and limited common elements of the Condominium. Provided, however, the Association shall not charge any fee against a Unit owner for the use of common elements or Association property unless such use is the subject of a lease between the Association and the Unit owner. Funds for the payment of common expenses shall be assessed against the Unit owners in the proportions or percentages of sharing common expenses as provided in the Declaration of Condominium and exhibits attached thereto. Said assessments shall be payable monthly in advance and shall be due on the first (1st) day of each month in advance unless otherwise ordered by the Board of Directors. Special assessments, should such be required by the Board of Directors, shall be levied in the same manner as hereinbefore provided for regular assessments and shall be payable in the manner determined by the Board of Directors.

(B) All funds due from Unit owners not as common expenses, including sums due as users of cable television service or pursuant to other applicable agreements or arrangements pertaining to all or substantially all Units, may be collected by the Association, or its agents.

(C) An annual budget and level of assessment for common expenses sufficient to fund such budget shall be proposed and adopted by the Board of Directors. The Board shall mail, or cause to be mailed, to each Unit owner a notice of the Board of Directors meeting at which the budget will be considered not less than fifteen (15) days prior to said meeting. Such notice shall include a copy of the proposed annual budget and assessment as well as the time and place for the meeting which shall be open to the Unit owners. If the Association shall fail for any reason to adopt a budget and authorize an assessment prior to the beginning of the new fiscal year, the budget and assessment for the previous year shall be increased by fifteen percent (15%) and shall continue in effect until changed by the Association.

If the adopted budget requires an assessment against the Unit owners in any fiscal year exceeding one hundred fifteen percent (115%) of the assessments for the preceding year, the Board, upon written application of ten percent (10%) of the Unit owners to the Board, shall call a special meeting of the Unit owners within thirty (30) days upon not less than fifteen (15) days' written notice to each Unit owner. At this special meeting, Unit owners shall consider and enact a budget upon the vote of the members representing a majority of all Units. If a special meeting of the Unit owners has been called pursuant to this section and a quorum is not attained or a substitute budget is not adopted by the Unit owners, the budget adopted by the Board shall go into effect as scheduled. In determining whether assessments exceed one hundred fifteen percent (115%) of similar assessments in the preceding year, any authorized provisions for reasonable reserves for repair or replacement of the Condominium property, anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis, or assessments for betterments to the Condominium property shall be excluded from the computation. However, as long as the Developer is in control of the Board of Directors, the Board shall not impose an assessment for any year greater than one hundred fifteen percent (115%) of the prior fiscal year's assessment without prior approval of the members representing a majority of all Units.

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(D) All assessments shall be payable to the Treasurer of the Association, subject, however, to the provisions of a Management Agreement for as long as it shall remain in effect providing for collection of such assessments directly by an Association-designated Management Firm, and also subject to any specific applicable provisions in the Declaration of Condominium.

Section 5. Application of Payments and Commingling of Funds. All reserve and operating funds collected by the Association, or by an Association-designated Management Firm as long as a Management Agreement shall be in effect, may be commingled in a single fund for purposes of investment or divided into more than one (1) fund as determined by the Association or such Management Firm as long as the Management Agreement remains in effect, or thereafter as the Board of Directors determines in its sole discretion. All assessment payments collected shall be applied (1) pursuant to the applicable provisions of the Declaration of Condominium, or (2) as provided by a Management Agreement as long as the Management Agreement remains in effect, or thereafter, as the Board of Directors determines in its sole discretion. All funds shall be maintained in a separate account in the name of the Association. If so designated by the Board, a Management Firm shall maintain separate accounting records for each condominium it manages pursuant to the provisions of such Management Agreement and the Florida Condominium Act.

Section 6. Acceleration of Assessment Installments Upon Default. If a Unit owner shall be in default in the payment of an installment upon any assessment, an Association-designated Management Firm or the Board of Directors may accelerate the monthly installment for the next three (3) months upon notice thereof to the Unit owner and, thereupon, the unpaid installments of the assessment together with the monthly assessments for the next three months shall become due upon the date stated in the notice, but not less than fifteen (15) days after delivery of or the mailing of such notice to the Unit owner. The acceleration of installments may be repeated at the end of each three (3) month period thereafter if at the end of such period there remains any sums due and unpaid.

ARTICLE VII: UNAUDITED FINANCIAL STATEMENTS

In addition to any reporting requirements contained in Chapter 718, Florida Statutes, or any applicable provision of Florida law, the Board, or its agents, shall (1) render to the members of the Association an unaudited statement for each fiscal year no later than four (4) months next thereafter, and (2) perform internal audits of the Association's financial records for the purpose of verifying the same but no independent or external audit shall be required of it.

ARTICLE VIII: COMPLIANCE AND DEFAULT

Section 1. Violations. In the event of a violation (other than the non-payment of an assessment) by the Unit owner in any of the provisions of the Declaration of Condominium, of these By-Laws, or of the applicable portions of the Condominium Act, the Association, by direction of its Board of Directors, may notify the Unit owner by written notice of said breach, transmitted by mail or delivered in person. If such violation shall continue for a period of thirty (30) days from the date of the notice in the case of violations involving alterations and structural changes to the Unit and five (5) days from the date of the notice in the case of all other violations, the Association, through its Board of Directors, shall have the right to treat such violation as an intentional and inexcusable and material breach of the Declaration, of the By-Laws, or of the pertinent provisions of the Condominium Act, and the Association may then, at its option, have the following elections:

- (A) An action at law to recover for its damage on behalf of the Association or

on behalf of the other Unit owners;

(B) An action in equity to enforce performance on the part of the Unit owner;
or

(C) An action in equity for such equitable relief as may be necessary under the circumstances, including injunctive relief.

Failure on the part of the Association to maintain such action at law or in equity within thirty (30) days from date of a written request, signed by a Unit owner, sent to the Board of Directors, shall authorize any Unit owner to bring an action in equity or suit at law on account of the violation in the manner provided for in the Condominium Act.

Section 2. Fines. In addition to the remedies as identified in Section 1 above, the Association may levy a fine not to exceed the maximum amount allowed by Chapter 718, Florida Statutes, against any owner, resident, guest or invitee, for failure to abide by any provisions of the Declaration, these By-Laws or the rules of the Association. No fine will become a lien against a unit. A fine may be levied on the basis of a continuing violation, with a single notice and an opportunity for a hearing, provided that no such fine shall exceed the maximum aggregate amount allowed under Chapter 718, Florida Statutes. No fine may be levied except after giving reasonable notice and an opportunity for a hearing, to be held not less than fourteen (14) days after reasonable notice, to the owner, resident, guest or invitee. Reasonable notice shall include: a statement of the date, time and place of the hearing; a statement as to the provisions of the Declaration, these By-Laws or the rules of the Association which have allegedly been violated; and a short and plain statement of the matters asserted by the Association. In the event the fine pertains to a violation involving an animal, the provisions of Section 16.9 of the Declaration, as interpreted in accordance with this Article VIII, Section 2, shall control.

A hearing shall be held before a committee of other unit owners. At the sole discretion of the Board of Directors, this committee may be either a standing committee appointed by the Board of Directors for the purpose of addressing all fine situations, or a committee appointed by the Board of Directors for the particular hearing. At such hearing, the party against whom the fine may be levied shall have the opportunity to respond to, to present evidence relating to, and to provide written and oral argument on all issues involved, and shall have an opportunity to review, challenge and respond to any material considered by the committee. A fine may not be levied if more than seventy-five percent (75%) of the members of the committee disagree with such fine. The notice and hearing procedures shall also satisfy any other requirements of Chapter 718, Florida Statutes, or the regulations promulgated thereunder.

Section 2. Negligence or Carelessness of Unit Owner, Etc. Any Unit owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any member of his family, or his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance company of rights of subrogation.

Section 3. Costs and Attorneys' Fees. In any proceeding brought by the Association pursuant to this Article, the Association, if it is the prevailing party, shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees as may be determined by the court.

Section 4. No Waiver of Rights. The failure of the Association or of a Unit owner to enforce any right, provision, covenant or condition which may be granted by the Condominium

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documents shall not constitute a waiver of the right of the Association or Unit owner to enforce such right, provision, covenant or condition in the future.

Section 5. Election of Remedies. All rights, remedies and privileges granted to the Association or Unit owner pursuant to any terms, provisions, covenants or conditions of the Condominium documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be granted to such other party by condominium documents, or at law or in equity.

ARTICLE IX: ACQUISITION OF UNITS

At any foreclosure sale of a Unit, the Board of Directors may, with the authorization and approval by the affirmative vote of voting members casting not less than seventy-five percent (75%) of the total votes of the members present at any regular or special meeting of the members wherein said matter is voted upon, acquire in the name of the Association or its designee a Condominium parcel being foreclosed. The term "foreclosure," as used in this section, shall mean and include any foreclosure of any lien, excluding the Association's lien for assessments. The power of the Board of Directors to acquire a Condominium parcel at any foreclosure sale shall never be interpreted as any requirement or obligation on the part of the Board of Directors or of the Association to do so at any foreclosure sale. The provisions hereof are permissive in nature and for the purpose of setting forth the power in the Board of Directors to do so should the requisite approval of the voting members be obtained. Once general authority to purchase a Unit at a foreclosure sale is obtained, the Board of Directors shall not be required to obtain the specific approval of Unit owners regarding the sum the Board of Directors determines to bid at such foreclosure sale unless the limit of such authority has been established in the original authorization.

ARTICLE X: AMENDMENTS TO THE BY-LAWS

The By-Laws may be altered, amended or added to at any duly called meeting of the Unit owners, provided:

- (A) Notice of the meeting shall contain a statement of the proposed amendment.
- (B) If the amendment has received the unanimous approval of the full Board of Directors, then it shall be approved upon the affirmative vote of two-thirds (2/3) of the votes cast at a meeting called for such purpose.
- (C) If the amendment has not been approved by the unanimous vote of the Board of Directors, then the amendment shall be approved by the affirmative vote of three-fourths (3/4) of the votes cast at a meeting called for such purpose.
- (D) Said amendment shall be recorded and certified as required by the Condominium Act.
- (E) Notwithstanding the foregoing, these By-Laws may only be amended with the written approval when required of the parties specified in Article VIII of the Declaration of Condominium to which these By-Laws are attached.
- (F) No amendment to these By-Laws shall be made which affects any of the rights and privileges provided to the Developer in the Condominium documents without the written consent of the Developer.

ARTICLE XI: NOTICES

Whatever notices are required to be sent hereunder shall be posted, delivered or sent in accordance with the applicable provisions as to same as set forth in the Declaration of Condominium to which these By-Laws and other exhibits attached to said Declaration.

ARTICLE XII: INDEMNIFICATION

The Association shall indemnify every director and every officer, his heirs, executors and administrators, against all loss, cost and expense reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a director or officer of the Association, including reasonable counsel fees, except as to matters wherein he shall be finally adjudged in such action, suit or proceeding to be liable for or guilty of gross negligence or willful misconduct. The foregoing rights shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

ARTICLE XIII: LIABILITY SURVIVES TERMINATION OF MEMBERSHIP

The termination of membership in the Condominium shall not relieve or release any such former owner or member from any liability or obligations incurred under or in any connected with the Condominium during the period of such ownership and membership, or impair any rights or remedies which the Association may have against such former owner and member arising out of or in any connected with such ownership and membership, and the covenants and obligations incident thereto.

ARTICLE XIV: LIMITATION OF LIABILITY

Notwithstanding the duty of the Association to maintain and repair parts of the Condominium property, the Association shall not be liable for injury or damage by a latent condition in the property, nor for injury or damage caused by the elements or by other owners or persons.

ARTICLE XV: PARLIAMENTARY RULES

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

ARTICLE XVI: MORTGAGE REGISTER

The Association, or its agents, may maintain a register of all mortgages and at the request of a mortgagee, the Association shall forward copies of all notices for unpaid assessments or violations served upon a Unit owner to said mortgagee. If a register is maintained, the Association, or its agent, maintaining same may make such charge as it deems appropriate against the applicable Unit for supplying the information provided herein.

ARTICLE XVII: RULES AND REGULATIONS

Section 1. In addition to the rules and regulations set forth in the Declaration of Condominium, the following rules and regulations, together with such additional rules and regulations as may hereafter be adopted, shall govern the use of the Condominium Units, common elements, limited common elements, and any other Condominium property, and also the conduct of all residents thereof. The Unit owners shall, at all times, obey said rules and regulations and

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shall use their best efforts to see that they are faithfully observed by their families, guests, invitees, servants, lessees and persons over whom they exercise control and supervision. Said initial rules and regulations are as follows:

Section 2. The sidewalk, entrances and all of the limited common elements and common elements must not be obstructed or encumbered or used for any purpose other than ingress and egress to and from the premises; nor shall any carriages, velocipedes, bicycles, wagons, shopping carts, benches, tables, or any other object of a similar type and nature be stored therein. Children shall not play or loiter upon the common elements except in such area and under the rules and regulations as determined by the Association.

Section 3. No fences shall be constructed by a Unit owner within or surrounding said Unit or the limited common elements adjoining or appurtenant to said Unit without the express written consent of the Board of Directors.

Section 4. The personal property of all Unit owners shall be stored within their Condominium Units or in assigned storage space.

Section 5. No garbage cans, supplies, milk bottles, or other articles shall be placed on the common elements and limited common elements of the Condominium except as authorized by the Association, nor shall any linens, cloths, clothing, curtains, rugs, mops or laundry of any kind, or other articles, be shaken or hung from any of the windows, doors, porches, patios or entry ways, or exposed on any part of the limited common elements or common elements. if applicable, fire exits shall not be obstructed in any manner, and the limited common elements and common elements shall be kept free and clear of rubbish, debris, and other unsightly material. No clothes line or similar device shall be allowed on any portion of the Condominium property nor shall clothes be hung anywhere within the Condominium property except within a Unit.

Section 6. Where applicable, no Unit owner shall allow anything whatsoever to fall from the windows, porches, patios, entry ways or doors, nor shall he sweep or throw any dirt or other substance from his Unit or limited common elements onto the common elements or any portion of the Condominium property.

Section 7. No Unit owner shall store or leave boats or trailers on the Condominium property. Refuse and bagged garbage shall be deposited only in the area provided therefor.

Section 8. Agents or employees of the Association shall not be sent off the Condominium property by any Unit owner at any time for any purpose. No Unit owner or resident shall direct, supervise, or in any manner attempt to assert any control over the agents or employees of the Association.

Section 9. The parking facilities shall be used in accordance with the regulations adopted by the Association. No vehicle which cannot operate on its own power shall remain on the Condominium premises for more than twenty-four (24) hours, and no repair of vehicles shall be made on the Condominium property.

Section 10. No Unit owner shall make or permit any disturbing noises by himself, his family, servants, employees, agents, visitors, and licensees, nor do or permit anything by such persons that will interfere with the rights, comforts or convenience of the Unit owners. No Unit owner shall play upon or suffer to be played upon any musical instrument, or operate or suffer to be operated, a phonograph, television, radio or sound amplifier, in such manner as to disturb or annoy other occupants of the Condominium. All party(s) shall lower the volume as to the foregoing

as of 11:00 p.m. of each day. No Unit owner shall conduct or permit to be conducted, vocal or instrumental instruction at any time.

Section 11. No awning, canopy, shutter, or other projection, shall be attached to or placed upon the outside walls or doors or roof of a Unit or building, without the written consent of the Board of Directors of the Association. Patios or porches may not be enclosed, which includes the screening of same, nor may anything be affixed to the walls within such patios or porches or entry ways except with the prior written consent of the Board of Directors of the Association, and said consent may be given as to certain Units and not given as to others.

Section 12. The type, color and design of chairs and other items of furniture and furnishings that may be placed and used on any entry way, patio or porch may be determined by the Board of Directors.

Section 13. No cooking shall be permitted on any porch, patio or entry way nor on the limited common elements nor on the Condominium property, except in such area, if any, designated by the Board of Directors of the Association. Notwithstanding the foregoing, cooking with the use of an outdoor barbecue grill is allowed on the porch of a Condominium Unit, provided that when such grill is not in use it shall be stored out of sight from the public.

Section 14. No inflammable, combustible, or explosive fluid, chemical or substance, shall be kept in any Unit or limited common element assigned thereto or storage areas, except such as are required for normal household use.

Section 15. Each Unit owner who plans to be absent from his Unit during the hurricane season must prepare his Unit prior to his departure.

Section 16. Food and beverage may not be consumed outside of a Unit, except for such areas as are designated by the Board of Directors of the Association.

Section 17. The Board of Directors may, from time to time, adopt or amend rules and regulations governing the details of the operation, use, maintenance, management and control of the Units, common elements or limited common elements or other property of the Condominium or services made available to the Unit owners. A copy of any additional rules and regulations adopted from time to time, as herein provided, shall from time to time be posted in a conspicuous place and/or copies of same shall be furnished to each Unit owner.

Section 18. In the event of any conflict between the rules and regulations adopted or from time to time amended and the Condominium documents or the Condominium Act, the latter shall prevail. If any unreconciled conflict should exist or hereafter arise with respect to the interpretation of these By-Laws and the Declaration of Condominium, the provisions of said Declaration of Condominium shall prevail.

ARTICLE XVIII: ARBITRATION

All issues or disputes which are recognized by the Condominium Act or by administrative rules promulgated under the Condominium Act as being appropriate or required for mediation or arbitration shall be resolved through such alternative resolution procedures instead of civil litigation.

ARTICLE XIX: EMERGENCY POWERS

The following shall apply to the extent not viewed to be in conflict with the Act:

Section 1. In anticipation of or during any emergency defined in Section 6 below, the Board of Directors of the Association may:

(A) Name as assistant officers persons who are not Board members, which assistant officers shall have the same authority as the executive officers to whom they are assistant, during the period of the emergency, to accommodate the incapacity of any officer of the Association; and

(B) Relocate the principal office or designate alternative principal offices or authorize the officers to do so.

Section 2. During any emergency defined in Section 6 below:

(A) Notice of a meeting of the Board of Directors need be given only to those Directors whom it is practicable to reach and may be given in any practicable manner, including by publication and radio; and

(B) The Director or Directors in attendance at a meeting shall constitute a quorum.

Section 3. Corporate action taken in good faith during an emergency under this Section to further the ordinary affairs of the Association:

(A) Binds the Association; and

(B) Shall have the presumption of being reasonable and necessary.

Section 4. An officer, director, or employee of the Association acting in accordance with these emergency provisions is only liable for willful misconduct.

Section 5. These emergency provisions shall supersede any inconsistent or contrary provisions of the Bylaws for the period of the emergency.

Section 6. An emergency exists for purposes of this Article XIX if a quorum of the Association's Directors cannot readily be assembled because of some catastrophic event.

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R.B. SHORE CLERK OF CIRCUIT COURT MANATEE COUNTY FL