

Prepared by and returned to:

Becker & Poliakoff, P.A.
Kevin L. Edwards, Esquire
6230 University Parkway, Suite 204
Sarasota, FL 34240



CERTIFICATE OF RECORDING

PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.

WHEREAS, Palm-Aire at Desoto Lakes Country Club Condominium Association, Inc. (the "Association") is the entity responsible for the operation of No. 1 Palm-Aire at Desoto Lakes Country Club Apts. Condominium (hereinafter "Condominium") located at 7393 W. Country Club Dr, Sarasota, Florida 34243, pursuant to the Declaration of Condominium, which is recorded in O.R. Book 491, Page 100, *et seq.*, of the Manatee County Public Records, as amended from time to time; and

WHEREAS, Section 718.112(2)(l), Florida Statutes (2016), allows a condominium association to obtain a vote to forego a retrofit of the common elements, association property, or units of the residential Condominium operated by the Association with a fire sprinkler system in a building that has been certified for occupancy by the applicable governmental entity, by the affirmative vote or consent of a majority of all voting interests in the Condominium; and

WHEREAS, via written consent process, the Association obtained the requisite vote of the membership of the condominium to forego the retrofit, as allowed by the aforementioned statutory provision; and

WHEREAS, the Association wishes to provide record notice of this action by recording this Certificate attesting to the vote in the Public Records where the Condominium is located.

NOW, THEREFORE, the undersigned hereby certifies that:

Page 1 of 2

LAW OFFICES
BECKER & POLIAKOFF, P.A.
6230 UNIVERSITY PARKWAY • SUITE 204 • SARASOTA, FL 34240
TELEPHONE (941) 366-8826

1. The affirmative vote of a majority or more of all voting interests in the Condominium operated by the Association have voted to forego retrofitting of the common elements, association property, and units in accordance with Section 718.112(2)(I), Florida Statutes (2016).
2. This Certificate shall be filed in the Public Records to evidence the vote and the Association shall register the vote with the Division of Florida Condominiums, Timeshares and Mobile Homes.

WITNESSES (TWO):

PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.

Robert W. Busch
Signature
ROBERT WIEBUSCH
Printed Name

BY: David Thomson, President

Date: 11/17/2016

(CORPORATE SEAL)

Jasmine Brenton
Signature
Jasmine Brenton
Printed Name

STATE OF Florida)
COUNTY OF Sarasota) SS:

The foregoing instrument was acknowledged before me this 17th day of November 2016, by David Thomson, as President of Palm-Aire at Desoto Lakes Country Club Condominium Association, Inc., a Florida Corporation, on behalf of the corporation. He/She is personally known to me or has produced (type of identification) _____ as identification.

Janet E. Dunham
Notary Public

JANET E. DUNHAM
Printed Name

My commission expires: 9/1/18

ACTIVE: 9032931_1



Page 2 of 2

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Becker & Poliakoff, P.A.
Kevin L. Edwards, Esquire
6230 University Parkway, Suite 204
Sarasota, FL 34240



CERTIFICATE OF RECORDING

PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.

WHEREAS, Palm-Aire at Desoto Lakes Country Club Condominium Association, Inc. (the "Association") is the entity responsible for the operation of No. 2 Palm-Aire at Desoto Lakes Country Club Apts. Condominium (hereinafter "Condominium") located at 7393 W. Country Club Dr, Sarasota, Florida 34243, pursuant to the Declaration of Condominium, which is recorded in O.R. Book 519, Page 730, *et seq.*, of the Manatee County Public Records, as amended from time to time; and

WHEREAS, Section 718.112(2)(l), Florida Statutes (2016), allows a condominium association to obtain a vote to forego a retrofit of the common elements, association property, or units of the residential Condominium operated by the Association with a fire sprinkler system in a building that has been certified for occupancy by the applicable governmental entity, by the affirmative vote or consent of a majority of all voting interests in the Condominium; and

WHEREAS, via written consent process, the Association obtained the requisite vote of the membership of the condominium to forego the retrofit, as allowed by the aforementioned statutory provision; and

WHEREAS, the Association wishes to provide record notice of this action by recording this Certificate attesting to the vote in the Public Records where the Condominium is located.

NOW, THEREFORE, the undersigned hereby certifies that:

Page 1 of 2

LAW OFFICES
BECKER & POLLAKOFF, P.A.
6230 UNIVERSITY PARKWAY • SUITE 204 • SARASOTA, FL 34240
TELEPHONE (941) 366-8826

1. The affirmative vote of a majority or more of all voting interests in the Condominium operated by the Association have voted to forego retrofitting of the common elements, association property, and units in accordance with Section 718.112(2)(1), Florida Statutes (2016).
2. This Certificate shall be filed in the Public Records to evidence the vote and the Association shall register the vote with the Division of Florida Condominiums, Timeshares and Mobile Homes.

WITNESSES (TWO):

PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.

Robert W. Busch
 Signature
ROBERT W. BUSCH
 Printed Name

BY: *David Thomson*
 David Thomson 11/17/2016, President
 Date: _____

Jasmine Brenton
 Signature
Jasmine Brenton
 Printed Name

(CORPORATE SEAL)

STATE OF Florida
 COUNTY OF Sarasota) SS:

The foregoing instrument was acknowledged before me this 17th day of November 2016, by David Thomson, as President of Palm-Aire at Desoto Lakes Country Club Condominium Association, Inc., a Florida Corporation, on behalf of the corporation. ~~He~~ She is personally known to me or has produced (type of identification) _____ as identification.

Janet E. Dunham
 Notary Public

JANET E. DUNHAM
 Printed Name

My commission expires: 9/1/18

ACTIVE: 9032938_1



Prepared by and returned to:

Becker & Poliakoff, P.A.
Kevin L. Edwards, Esquire
6230 University Parkway, Suite 204
Sarasota, FL 34240



CERTIFICATE OF RECORDING

PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.

WHEREAS, Palm-Aire at Desoto Lakes Country Club Condominium Association, Inc. (the "Association") is the entity responsible for the operation of No. 3 Palm-Aire at Desoto Lakes Country Club Apts. Condominium (hereinafter "Condominium") located at 7393 W. Country Club Dr, Sarasota, Florida 34243, pursuant to the Declaration of Condominium, which is recorded in O.R. Book 616, Page 371, *et seq.*, of the Manatee County Public Records, as amended from time to time; and

WHEREAS, Section 718.112(2)(l), Florida Statutes (2016), allows a condominium association to obtain a vote to forego a retrofit of the common elements, association property, or units of the residential Condominium operated by the Association with a fire sprinkler system in a building that has been certified for occupancy by the applicable governmental entity, by the affirmative vote or consent of a majority of all voting interests in the Condominium; and

WHEREAS, via written consent process, the Association obtained the requisite vote of the membership of the condominium to forego the retrofit, as allowed by the aforementioned statutory provision; and

WHEREAS, the Association wishes to provide record notice of this action by recording this Certificate attesting to the vote in the Public Records where the Condominium is located.

NOW, THEREFORE, the undersigned hereby certifies that:

Page 1 of 2

1. The affirmative vote of a majority or more of all voting interests in the Condominium operated by the Association have voted to forego retrofitting of the common elements, association property, and units in accordance with Section 718.112(2)(I), Florida Statutes (2016).
2. This Certificate shall be filed in the Public Records to evidence the vote and the Association shall register the vote with the Division of Florida Condominiums, Timeshares and Mobile Homes.

WITNESSES (TWO):

PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.

Robert Wiebusch
 Signature

ROBERT WIEBUSCH
 Printed Name

Jasmine Brenton
 Signature

Jasmine Brenton
 Printed Name

BY: *David Thomson*
David Thomson, President

Date: 11/17/2016

(CORPORATE SEAL)

STATE OF Florida)
) SS:
 COUNTY OF Sarasota)

The foregoing instrument was acknowledged before me this 17th day of November 2016, by David Thomson, as President of Palm-Aire at Desoto Lakes Country Club Condominium Association, Inc., a Florida Corporation, on behalf of the corporation. He/She is personally known to me or has produced (type of identification) _____ as identification.

Janet E. Dunham
 Notary Public

JANET E. DUNHAM
 Printed Name

My commission expires: 9/1/18

ACTIVE: 9034079_1



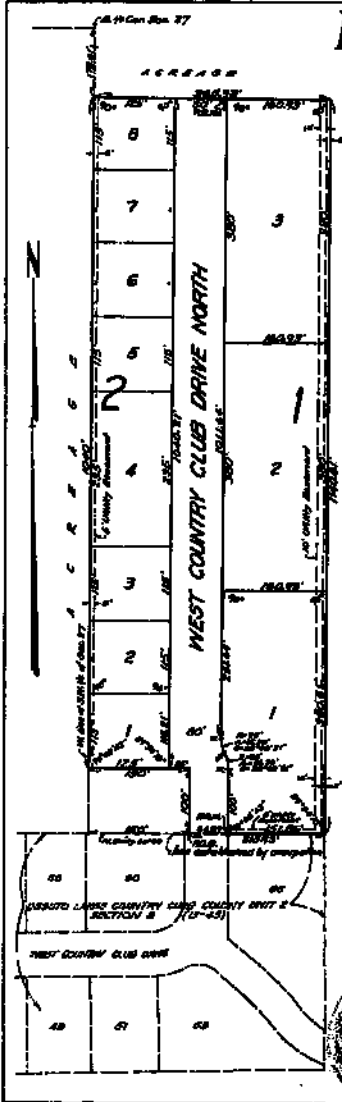
Page 2 of 2

DESOTO LAKES COUNTRY CLUB COLONY

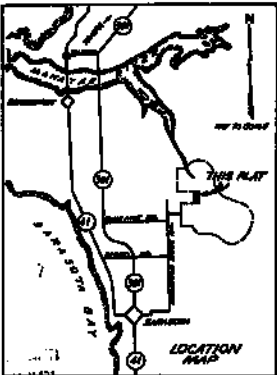
UNIT 1 - SECTION C

A SUBDIVISION IN SECTION 27, TOWNSHIP 38 SOUTH, RANGE 14 EAST
MANATEE COUNTY, FLORIDA

WILSON/MEYER & ASSOCIATES, INC. SURVEYORS - ENGINEERS
SCALE 1" = 100' DATE IN FIELD NOV. 1970



39°30'27



DESCRIPTION

A parcel of land by SW 1/4 of Section 27 Township 38 South, Range 14 East, said parcel being more particularly described as follows: Commencing on the North boundary of Lot 163 according to the plat of Desoto Lakes Country Club Colony Unit 2, Section 27, as recorded in Plat Book 15 of Page 43 of the Public Records of Manatee County, Florida, of an intersection with the West line of said SW 1/4 of Section 27; thence run Southerly 150 feet along the North boundary of said Desoto Lakes Country Club Colony Unit 2, Section 27, to the Point of Beginning; thence continue Eastwesterly 235.50 feet along said North boundary and its projections, to an intersection with the West line of said SW 1/4 of Section 27; thence run North 100 feet along said West line of said SW 1/4 of Section 27; thence run West 150 feet along said parallel line; thence run North 150 feet along said parallel line; thence run West 150 feet along said parallel line to the Point of Beginning; the area contained within the lines so described is an acreage of right angles and parallel to the West line of said SW 1/4 of Section 27; thence run North 150 feet along said parallel line; thence run West 150 feet along said parallel line; thence run North 150 feet along said parallel line; thence run West 150 feet along said parallel line to the Point of Beginning. Said lands are situated in Manatee County, Florida.

CERTIFICATE OF COUNTY COMMISSION

MANATEE COUNTY, FLORIDA
 I, the County Commissioner, do hereby certify that the above described land has been surveyed and approved for record by the Board of Supervisors of the County of Manatee, Florida, on this 22nd day of November, A.D. 1970.

CERTIFICATE OF DEDICATION

STATE OF FLORIDA
 COUNTY OF MANATEE } I, R.M. CORPORATION, a Delaware Corporation, by its duly elected President Morris Orians and by its duly elected Secretary T.H. Gill, and also PATRICK - LEVITT CORPORATION, a Delaware Corporation, by its duly elected President Maurice Parker and by its duly elected Secretary Irving F. Lantz, acting by and with authority of the Board of Directors, jointly and severally as said Corporators of the property described herein and hereby dedicate all of the above, thoroughfare and drainage or other easements shown on this plat to the use of the general public hereunder, WHEREAS, the creation of such easements have caused these interests to be conveyed by their Presidents and officers to their Secretaries.

Attest: *[Signature]* Secretary
 By: *[Signature]* President
[Signature] Secretary
 By: *[Signature]* President

STATE OF FLORIDA
 COUNTY OF BROWARD } Before me, the undersigned Notary Public, personally known to me as the individuals described in and who executed the foregoing plat of dedication and they each duly acknowledged before me that they executed same as such officers for and in behalf of said Corporation. Witness my hand and seal of BROWARD COUNTY, FLORIDA, this 22nd day of September, A.D. 1970.

STATE OF FLORIDA
 COUNTY OF BROWARD } Before me, the undersigned Notary Public, personally known to me as the individuals described in and who executed the foregoing plat of dedication and they each duly acknowledged before me that they executed same as such officers for and in behalf of said Corporation. Witness my hand and seal of BROWARD COUNTY, FLORIDA, this 22nd day of September, A.D. 1970.

SURVEYOR'S CERTIFICATE

I, the undersigned Registered Land Surveyor, hereby certify that this plat is a true and correct copy of the same as shown to the best of my knowledge and belief, and that all necessary boundary monuments have been placed as required by laws regulating surveys of the State of Florida. Witness my hand and seal this 22nd day of September, A.D. 1970.

CERTIFICATE OF APPROVAL OF CLERK OF CIRCUIT COURT

STATE OF FLORIDA
 COUNTY OF MANATEE } I, M.T. MOHRING, Clerk of the Circuit Court of Manatee County, Florida, do hereby certify that this plat has been examined and that it complies in all respects with the provisions of the Statutes of Florida pertaining to maps and plats, and that this plat is a true and correct copy of the same as shown to the best of my knowledge and belief. Witness my hand and seal of Manatee County, Florida, this 22nd day of September, A.D. 1970.

PLANNING COMMISSION CERTIFICATE

It is hereby certified that this plat has been approved by the Manatee County Planning Commission and that all requirements of the Manatee County Subdivision Regulations have been complied with. Dated this 22nd day of September, A.D. 1970.

MORTGAGE APPROVAL

This plat is hereby approved by the owner and holder of a recorded mortgage on the property described herein.

MORTGAGE APPROVAL

This plat is hereby approved by the owner and holder of a recorded mortgage on the property described herein.

400337

DECLARATION OF CONDOMINIUM

NO. 1 PALM-AIRE AT

DESOTO LAKES COUNTRY CLUB APTS. CONDOMINIUM

I

SUBMISSION STATEMENT

FPA CORPORATION, a Delaware corporation, and PARKER-LEVITT CORPORATION, a Delaware corporation, being the owners of record of the fee simple title to the following described real property, situate, lying and being in the County of Manatee, State of Florida, to wit:

See Schedule I attached hereto and made a part hereof.

heraby state and declare that said realty, together with the improvements thereon, is submitted to Condominium ownership, pursuant to the Condominium Act of the State of Florida, F. S. 711 Et Seq. (hereinafter referred to as the "Condominium Act"), and the provisions of said Act are hereby incorporated by reference and included herein thereby, and herewith file for record this Declaration of Condominium.

Definitions: As used in this Declaration of Condominium, the By-Laws, and all Other Exhibits attached hereto, and all Amendments thereto, unless the context otherwise requires, the following definitions shall prevail:

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

B. Association, or Corporation, means PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida Corporation not for profit, being the entity responsible for the operation of the Condominium.

C. By-Laws, means the By-Laws of PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida Corporation not for profit, as they exist from time to time.

D. Common Elements, means the portions of the Condominium property not included in the Units.

E. Limited Common Elements, means and includes those common elements which are reserved for the use of a certain unit or units, to the exclusion of all other units.

F. Condominium, means that form of ownership of Condominium property under which units of improvements are subject to ownership by different owners, and there is appurtenant to each unit, as part thereof, an undivided share in the common elements.

G. Condominium Act, means and refers to the Condominium Act of the State of Florida (F.S. 711 Et Seq.), as the same may be amended from time to time.

H. Common Expenses, means the expenses for which the unit owners are liable to the Association.

I. Common Surplus, means the excess of all receipts of the Association from this Condominium, including but not limited to assess-

Prepared by: William E. Getzen
Williams, Parker, Hanson, Oletz & Getzen
1538 Stone Street, P. O. Box 3268
Dunedin, Florida 33572

ments, rent, profits and revenues, on account of the common elements of this Condominium, over the amount of common expenses of this Condominium.

J. Condominium Property, means and includes the land in a Condominium, whether or not contiguous, and all improvements thereon, and all easements and rights appurtenant thereto, intended for use in connection with the Condominium.

K. Assessment, means a share of the funds required for the payment of common expenses which, from time to time, is assessed against the unit owner.

L. Condominium Parcel, means a unit, together with the undivided share in the common elements, which is appurtenant to the Unit.

M. Condominium Unit, or Unit, means a part of the Condominium property, which is subject to private ownership.

N. Unit Owner, or Owner of a Unit, or Parcel Owner, means the owner of a Condominium parcel.

O. Developer, means FPA CORPORATION and PARKER-LEVITT CORPORATION, both Delaware corporations, their successors and assigns.

P. Institutional Mortgagee, means a Bank, Savings and Loan Association, Insurance Company or Union Pension Fund, authorized to do business in the State of Florida, or an Agency of the United States Government. The mortgage may be placed through a Mortgage or Title Company.

Q. Occupant, means the person or persons, other than the Unit Owner, in possession of a Unit.

R. Condominium documents, means this Declaration, the By-Laws, and all Exhibits annexed hereto, as the same may be amended from time to time.

S. Unless the context otherwise requires, all other terms used in this Declaration of Condominium and Exhibits attached hereto, shall be assumed to have the meaning attributed to said term by Section 3 of the Condominium Act.

II.

N A M E

The name by which this Condominium is to be identified is:

NO. 1 PALM-AIRE AT
DESOTO LAKES COUNTRY CLUB APTS. CONDOMINIUM.

III.

IDENTIFICATION OF UNITS

The Condominium property consists essentially of forty (40) units in all, and for the purpose of identification all units in the building located on said Condominium property are given identifying numbers and delineated on the Survey Exhibits collectively identified as "Exhibit No. 1", attached hereto and made a part of this Declaration. No unit bears the same identifying number as does any other unit. The aforesaid identifying number as to the unit, is also the identifying number as to the parcel. The said Exhibit No. 1, also contains a Survey of the land, graphic description of the improvements

in which units are located, and a Plot Plan, and, together with this Declaration, they are in sufficient detail to identify the location, dimensions and size of the common elements and of each unit, as evidenced by the Certificate of the Registered Land Surveyor hereto attached. The legend and notes contained within said Exhibit are incorporated herein and made a part hereof by reference.

The aforesaid building was constructed substantially in accordance with the Plans and Specifications on file with the Building and Zoning Department of the applicable governmental authority.

IV.

OWNERSHIP OF COMMON ELEMENTS

Each of the unit owners of the Condominium shall own an undivided interest in the common elements and limited common elements, and the undivided interest, stated as percentages of such ownership in the said common elements and limited common elements, is set forth on "Exhibit A", which is annexed to the Declaration of Condominium and made a part hereof.

The fee title to each Condominium parcel shall include both the Condominium unit and the respective undivided interest in the common elements, said undivided interest in the common elements to be deemed to be conveyed or encumbered with its respective Condominium unit, even though the description in the instrument of conveyance or encumbrance may refer only to the fee title to a Condominium unit.

Any attempt to separate the fee title to a Condominium Unit from the undivided interest in the common elements appurtenant to each unit, shall be null and void. The term "common elements", when used throughout this Declaration, shall mean both common elements and limited common elements, unless the context otherwise specifically requires.

V.

VOTING RIGHTS

There shall be one person with respect to each unit ownership who shall be entitled to vote at any meeting of the unit owners and such person shall be known (and is hereinafter referred to) as a Voting Member. If a unit is owned by more than one person, the owners of said unit shall designate one of them as the Voting Member, or in the case of a Corporate unit owner, an officer or an employee thereof shall be the Voting Member. The designation of the Voting Member shall be made, as provided by and subject to, the provisions and restrictions set forth in the By-Laws of the Association. The total number of votes shall be equal to the total number of units in the Condominium and each Condominium unit shall have no more and no less than one equal vote in the Association. If one individual owns two Condominium parcels, he shall have two votes. The vote of a Condominium unit is not divisible.

VI.

COMMON EXPENSE AND COMMON SURPLUS

The common expenses of the Condominium, including the obligation of each unit owner under the Long-Term Lease, as set forth in Article XVII herein, shall be shared by the unit owners, as specified and set forth in Exhibit "A" attached hereto. The foregoing ratio of sharing common expenses and assessments shall remain, regardless of the purchase price of the Condominium parcels, their location, or the building square footage included in each Condominium unit.

Any common surplus of the Condominium shall be owned by each of the unit owners in the same proportion as their percentage ownership interest in the common elements, - common surplus being the excess of all receipts of the Association from this Condominium, including but not limited to assessments, rents, profits and revenues on account of the common elements of this Condominium, over the amount of common expenses of this Condominium.

VII.

METHOD OF AMENDMENT OF DECLARATION

This Declaration may be amended at any regular or special meeting of the unit owners of this Condominium, called and convened in accordance with the By-Laws, by the affirmative vote of Voting Members casting not less than three-fourths (3/4ths) of the total vote of the unit owners of this Condominium.

All Amendments shall be recorded and certified as required by the Condominium Act. No Amendment shall change any Condominium parcel nor a Condominium unit's proportionate share of the common expenses or common surplus, nor the voting rights appurtenant to any unit, unless the recorded owner(s) thereof shall join in the execution of the Amendment. No Amendment shall be passed which shall impair or prejudice the rights and priorities of any mortgages, or impair or prejudice the security and rights of the Lessor's interest under the Long-Term Lease. No Amendment shall change the provisions of this Declaration with respect to Institutional Mortgagees or the Lessor under the Long-Term Lease, without the written approval of all Institutional Mortgagees of record and the Lessor under the Long-Term Lease; nor shall the provisions of Article XII of this Declaration be changed without the written approval of all Institutional Mortgagees of record. The written consent of the Institutional Mortgagee holding the largest amount of first mortgage indebtedness outstanding with respect to all units shall be required for all Amendments, which consent shall not be unreasonably withheld.

Notwithstanding the foregoing, the Developer reserves the right to change the interior design and arrangement of all units, and to alter the boundaries between units, as long as the Developer owns the units so altered; however, no such change shall increase the number of units nor alter the boundaries of the common elements, except the party wall between any Condominium Units, without Amendment of this Declaration in the manner hereinbefore set forth. If the Developer shall make any changes in units, as provided in this paragraph, such changes shall be reflected by an Amendment of this Declaration, with a Survey attached, reflecting such authorized alteration of units, and said Amendment need only be executed and acknowledged by the Developer and any holders of Institutional Mortgages encumbering said altered units. The Survey shall be certified in the manner required by the Condominium Act. If more than one unit is concerned, the Developer shall apportion between the units the shares in the common elements appurtenant to the units concerned, together with apportioning the common expenses and common surplus of the units concerned, and such shares of common elements, common expenses, and common surplus, shall be duly noted in the Amendment of the Declaration. The rent under the Long-Term Lease shall be apportioned by the Developer, with the Lessor's written approval, and same shall be reflected in the Amendment to Declaration.

VIII.

BY-LAWS

The operation of the Condominium property shall be governed by By-Laws, which are set forth in a document entitled "BY-LAWS of PALM-AIRE AT DESOT'S LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.," a Florida Corporation not for profit, which is annexed to this Declaration, marked Exhibit No. 2, and made a part hereof.

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 to said By-Laws shall be adopted which would affect or impair the validity or priority of any mortgage covering any condominium parcel(s), or the Long-Term Lease, or which would change the provisions of the By-Laws with respect to Institutional Mortgagees or the Lessor under the Long-Term Lease, without the written approval of all Institutional Mortgagees of record, or the Lessor under the Long-Term Lease. The written consent of the Institutional Mortgagee holding the largest amount of first mortgage indebtedness outstanding with respect to all units shall be required for all Amendments, which consent shall not be unreasonably withheld.

IX.

THE OPERATING ENTITY

The name of the Association responsible for the operation of the Condominium is set forth in Article VIII hereinabove; said Corporation is a non-profit Florida Corporation, organized and existing pursuant to the Condominium Act. The said Association shall have all of the powers and duties set forth in the Condominium Act, as well as all of the powers and duties granted to or imposed upon it by this Declaration, the By-Laws of the Association and its Articles of Incorporation, copy of which Articles of Incorporation are attached hereto and marked Exhibit No. 3, and made a part hereof.

Every owner of a Condominium parcel, whether he has acquired his ownership by purchase, by gift, conveyance or transfer by operation of law, or otherwise, shall be bound by the By-Laws of said Association, the Articles of Incorporation of the Association, and by the provisions of this Declaration of Condominium.

X.

ASSESSMENTS

The Association, through its Board of Directors, shall have the power to fix and determine, from time to time, the sum or sums necessary and adequate to provide for the common expenses of the Condominium property, and such other assessments as are specifically provided for in this Declaration and the By-Laws attached hereto. The procedure for the determination of such assessments shall be as set forth in the By-Laws of the Association.

The common expenses shall be assessed against each Condominium parcel owner as provided for in Article VI of this Declaration.

Assessments that are unpaid for over thirty (30) days after due date shall bear interest at the rate of ten percent (10%) per annum from due date until paid.

The Association shall have a lien on each condominium parcel for any unpaid assessments, together with interest thereon, against the unit owner of such condominium parcel, together with a lien on all tangible personal property located within said unit, except that such lien upon aforesaid tangible personal property shall be subordinate to prior bona fide liens of record. Reasonable attorney's fees incurred by the Association incident to the collection of such assessment for the enforcement of such lien, together with all sums advanced and paid by the Association for taxes and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien, shall be payable by the unit owner and secured by such lien. The Association's liens shall also include those sums advanced on behalf of a unit owner in payment of his

obligation under the Long-Term Lease. The Board of Directors may take such action as they deem necessary to collect assessments by personal action or by enforcing and foreclosing said lien, and may settle and compromise the same if in the best interests of the Association. Said lien shall be effective as and in the manner provided for by the Condominium Act, and shall have the priorities established by said Act. The Association shall be entitled to bid at any sale held pursuant to a suit to foreclose an assessment lien, and to apply as a cash credit against its bid, all sums due the Association covered by the lien enforced. In case of such foreclosure, the unit owner shall be required to pay a reasonable rental for the condominium parcel, and the Plaintiff in such foreclosure shall be entitled to the appointment of a Receiver to collect same from the unit owner and/or occupant.

Where the mortgagee of an institutional first mortgage of record, or other purchaser of a condominium unit obtains title to a condominium parcel as a result of foreclosure of the institutional first mortgage, or when an institutional first mortgagee of record accepts a deed to said condominium parcel in lieu of foreclosure, or where the Lessor under the Long-Term Lease obtains title as a result of foreclosure of the lien under said Lease or accepts a deed to a condominium parcel in lieu of such foreclosure, or other purchaser obtains title to a condominium parcel as a result of foreclosure of the aforesaid Lessor's lien, such acquirer of title, his successors and assigns, shall not be liable for the share of common expenses or assessment by the Association pertaining to such condominium parcel, or chargeable to the former unit owner of such parcel, which became due prior to acquisition of title as a result of the foreclosure or the acceptance of such deed in lieu of foreclosure. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectable from all of the unit owners, including such acquirer, his successors and assigns.

Any person who acquires an interest in a unit, except through foreclosure of an institutional first mortgage of record, or of the Lessor's lien under the Long-Term Lease (or deed in lieu thereof), as specifically provided in the paragraph immediately preceding, including without limitation, persons acquiring title by operation of law, including purchasers at judicial sales, shall not be entitled to occupancy of the unit or enjoyment of the common elements until such time as all unpaid assessments due and owing by the former unit owner have been paid.

The Association, acting through its Board of Directors, shall have the right to assign its claim and lien rights for the recovery of any unpaid assessments to the Developer, or to any unit owner or group of unit owners, or to any third party.

XI.

PROVISIONS RELATING TO SALE OR RENTAL OR OTHER ALIENATION OR MORTGAGING OF CONDOMINIUM UNITS

A. SALE OR RENTAL OF UNITS - Association to Have First Right of Refusal

In the event any unit owner wishes to sell, rent or lease his unit, the Association shall have the option to purchase, rent or lease said unit, upon the same conditions as are offered by the unit owner to a third person. Any attempt to sell, rent or lease said unit without prior offer to the Association shall be deemed a breach of this Declaration and shall be wholly null and void, and shall confer no title or interest whatsoever upon the intended purchaser, tenant or lessee.

Should a unit owner wish to sell, lease or rent his Condominium parcel (which means the unit, together with the undivided share of the common elements appurtenant thereto), he shall, before making

or accepting any offer to purchase, sell or lease or rent his Condominium parcel, deliver to the Board of Directors of the Association, a written notice containing the terms of the offer he has received or which he wishes to accept, or proposes to make, the name and address of the person(s) to whom the proposed sale, lease or transfer is to be made, and two bank references, and three individual references - local, if possible, and such other information (to be requested within five days from receipt of such notice) as may be required by the Board of Directors of the Association. The Board of Directors of the Association is authorized to waive any or all of the references aforementioned.

The Board of Directors of the Association, within ten days after receiving such notice and such supplemental information as is required by the Board of Directors, shall either consent to the transaction specified in said notice, or by written notice to be delivered to the unit owner's unit, (or mailed to the place designated by the unit owner in his notice), designate the Association, one or more persons then unit owners, or any other person(s) satisfactory to the Board of Directors of the Association, who are willing to purchase, lease or rent upon the said terms as those specified in the unit owner's notice, or object to the sale, leasing or renting to the prospective purchaser, tenant or lessee, for good cause, which cause need not be set forth in the notice from the Board of Directors to the unit owner. However, it shall require the unanimous vote of the Board of Directors in order to object for good cause. The Association shall not unreasonably withhold its consent to any prospective sale, rental or lease.

The stated designee of the Board of Directors shall have fourteen days from the date of the notice sent by the Board of Directors, to make a binding offer to buy, lease or rent, upon the same terms and conditions specified in the unit owner's notice. Thereupon, the unit owner shall either accept such offer or withdraw and/or reject the offer specified in his notice to the Board of Directors. Failure of the Board of Directors to designate such person(s), or failure of such person(s) to make such offer within said fourteen day period, or failure of the Board of Directors to object for good cause, shall be deemed consent by the Board of Directors to the transaction specified in the unit owner's notice, and the unit owner shall be free to make or accept the offer specified in his notice, and sell, lease or rent said interest, pursuant thereto, to the prospective purchaser or tenant named therein, within ninety days after his notice was given.

The sub-leasing or sub-renting of said unit owner's interest shall be subject to the same limitations as are applicable to the leasing or renting thereof. The Board of Directors shall have the right to require that a substantially uniform form of Lease or Sub-Lease be used, or in the alternative, the Board of Directors' approval of the Lease or Sub-Lease form to be used shall be required. After approval, as herein set forth, entire units may be rented, provided the occupancy is only by the Lessee, his family and guests. No individual rooms may be rented and no transient tenants may be accommodated.

Where a Corporate entity is the owner of a unit, it may designate the occupants of the unit as it desires, and for such period of time as it desires, without compliance with the provisions of Section A, of this Article XI. The foregoing shall not be deemed an assignment or subleasing of a unit, and shall be deemed to be in compliance with the provisions of the first paragraph of Article XIII, of this Declaration.

B. MORTGAGE AND OTHER ALIENATION OF UNITS.

1. A unit owner may not mortgage his unit nor any interest therein, without the approval of the Association, except as to an institutional mortgagee, as hereinbefore defined. The approval of any other mortgagee may be upon conditions determined by the Board of Directors of the Association, and said approval, if granted, shall be in recordable form, executed by two Officers of the Corporation.

2. No judicial sale of a unit nor any interest therein

shall be valid, unless:

- (a) The sale is to a purchaser approved by the Association.
- (b) The sale is a result of a public sale with open bidding.

3. Any sale, mortgage or lease which is not authorized pursuant to the terms of the Declaration, shall be void, unless subsequently approved by the Board of Directors.

4. The foregoing provisions of this Article XI shall not apply to transfers by a unit owner to any member of his immediate family (viz: spouse, children or parents). The phrase, "sell, rent or lease", in addition to its general definition, shall be defined as including the transferring of a unit owner's interest by gift, devise or involuntary or judicial sale. In the event a unit owner dies and his unit is conveyed or bequeathed to some person other than his spouse, children or parents, or if some other person is designated by decedent's legal representative to receive the ownership of the condominium unit, or if under the laws of descent and distribution of the State of Florida, the condominium unit descends to some person or persons other than the decedent's spouse, children or parents, the Board of Directors of the Association shall, within thirty (30) days of proper evidence or rightful designation served upon the President or any other Officer of the Association, or within thirty (30) days from the date the Association is placed on actual notice of the said devisee or descendant, express its refusal or acceptance of the individual or individuals so designated as the owner of the condominium parcel. If the Board of Directors of the Association shall consent, ownership of the condominium parcel may be transferred to the person or persons so designated, who shall thereupon become the owner of the condominium parcel, subject to the provisions of this Enabling Declaration and By-Laws of the Association. If, however, the Board of Directors of the Association shall refuse to consent, then the members of the Association shall be given an opportunity during thirty (30) days next after said last above mentioned thirty (30) days, to purchase or to furnish a purchaser for cash, the said condominium parcel, at the then fair market value thereof. Should the parties fail to agree on the value of such condominium parcel, the same shall be determined by an appraiser appointed by the Senior Judge of the Circuit Court in and for the area wherein the Condominium is located, upon ten (10) days notice, on Petition of any party in interest. The expense of appraisal shall be paid by the said designated person or persons, or the legal representatives of the deceased owner, out of the amount realized from the sale of such Condominium parcel. In the event the then members of the Association do not exercise the privilege of purchasing or furnishing a purchaser for said Condominium parcel within such period and upon such terms, the person or persons so designated may then, and only in such event, take title to the Condominium parcel, or, such person or persons, or the legal representatives of the deceased owner, may sell the said Condominium parcel, but such sale shall be subject in all other respects to the provisions of this Enabling Declaration and the By-Laws of the Association.

5. The liability of the unit owner under these covenants shall continue, notwithstanding the fact that he may have leased, rented or sublet said interest, as provided herein. Every purchaser, tenant or lessee shall take subject to this Declaration and the By-Laws of the Association, as well as the provisions of the Condominium Act.

6. Special Provisions re Sale, Leasing, Mortgaging or Other Alienation by Certain Mortgagees and Developer, and Lessor Under the Long Term Lease:

(a) An Institutional First Mortgagee holding a Mortgage on a Condominium parcel, or the Lessor under the Long-Term Lease,

upon becoming the owner of said Condominium parcel through foreclosure or by Deed in lieu of foreclosure, or whosoever shall become the acquirer of title at the foreclosure sale of an Institutional First Mortgage or the lien under the Long-Term Lease, shall have the unqualified right to sell, lease or otherwise transfer said unit, including the fee ownership thereof, and/or to mortgage said parcel, without prior offer to the Board of Directors of the Association. The provisions of Sections A. and B., Nos. 1-5., of this Article XI, shall be inapplicable to such Institutional First Mortgagee or the Lessor under the Long-Term Lease, or acquirer of title as above described in this paragraph.

(b) The provisions of Sections A. and B., No. 1-5., of this Article XI, shall be inapplicable to the Developer. The said Developer is irrevocably empowered to sell, lease, rent and/or mortgage Condominium parcels or unit, and portions thereof, to any purchaser, lessee or mortgagee approved by it, and the Developer shall have the right to transact any business necessary to consummate sales or rentals of units, or portions thereof, including but not limited to the right to maintain models, have signs, use the common elements, and to show units. The sales office(s)' signs, and all items pertaining to sales, shall not be considered common elements, and shall remain the property of the Developer. In the event there are unsold parcels, the Developer retains the right to be the owner of said unsold parcels under the same terms and conditions as all other parcels in the said Condominium.

(c) The provisions of this Article XI shall be operative until the 1st day of November, 1990, and shall be automatically extended for successive periods of twenty-one (21) years, unless an Amendment to this Declaration, signed by a majority of the then unit owners, has been recorded, amending this Declaration of Condominium so as to delete the provisions of this Article XI.

XII.

INSURANCE PROVISIONS

A. LIABILITY INSURANCE:

The Board of Directors of the Association shall obtain Public Liability and Property Damage Insurance covering all of the common elements of the Condominium, and insuring the Association and the common owners, as its and their interests appear, in such amounts as the Board of Directors of the Association may determine from time to time, provided that the minimum amount of coverage shall be \$100,000/\$300,000/\$10,000. Said insurance shall include but not limit the same to water damage, legal liability, hired automobile, non-owned automobile, and off-premises employee coverages. All Liability Insurance shall contain Cross-Liability Endorsement to cover liabilities of the unit owners as a group to a unit owner. Premiums for the payment of such insurance shall be paid by the Association and charged as a common expense.

B. Casualty Insurance:

1. Purchase of Insurance: The Association shall obtain Fire and Extended Coverage Insurance and Vandalism and Malicious Mischief Insurance, insuring all of the insurable improvements within the Condominium, including personal property owned by the Association, in and for the interest of the Association, all unit owners and their mortgagees, as their interests may appear, in a Company acceptable to the standards set by the Board of Directors of the Association, in an amount equal to the maximum insurable replacement value, as determined annually by the Board of Directors of the Association. The premiums for such coverage and other expenses in connection with said Insurance shall be paid by the Association and charged as a common expense. The Company or Companies with whom the Association shall place its insurance coverage, as provided in this Declaration, must be good and responsible Companies,

authorized to do business in the State of Florida, and shall be rated A5A or the highest rating category as defined by Best's Key Rating Guide or other reasonably comparable publication.

2. Loss Payable Provisions - Insurance Trustee:

All Policies shall be purchased by the Association for the benefit of the Association, all unit owners, and their mortgagees, as their interests may appear; however, the Insurance Trustee shall be the named Insured and it shall not be necessary to name the Association or the unit owners - however, mortgagee endorsements shall be issued. Such Policies shall be deposited with the Insurance Trustee (as hereinafter defined), who must first acknowledge that the Policies and any proceeds thereof will be held in accordance with the terms hereof. Said Policies shall provide that all insurance proceeds payable on account of loss or damage shall be payable to the Insurance Trustee, which may be any Bank in Florida with trust powers, as may be approved by the Board of Directors of the Association, which Trustee is herein referred to as the "Insurance Trustee". 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 hold the same in trust for the purposes elsewhere stated herein, and for the benefit of the Association, the unit owners and their respective mortgagees, in the following shares, but such shares need not be set forth upon the records of the Insurance Trustee:-

(a) Common Elements: Proceeds on account of damage to common elements - an undivided share for each unit owner, such share being the same as the undivided share in the common elements appurtenant to his unit.

(b) Condominium Units: Proceeds on account of Condominium units shall be in the following undivided shares:-

(1) Partial Destruction - when units are to be repaired and restored - for the owners of the damaged units in proportion to the cost of repairing the damage suffered by each unit owner.

(2) Total destruction of Condominium improvements, or where "very substantial" damage occurs and the Condominium improvements are not to be restored, as provided hereinafter in this Article - for the owners of all Condominium units, each owner's share being in proportion to his share in the common elements appurtenant to his Condominium unit.

(c) Mortgages. In the event a Mortgagee Endorsement has been issued as to a unit, the share of the unit owner shall be held in trust for the Mortgagee and the unit owner, as their interests may appear; provided, however, that no Mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired.

3. Distribution of Proceeds: Proceeds of Insurance Policies received by the Insurance Trustee shall be distributed to or for the benefit of the beneficial owners and expended or disbursed after first paying or making provision for the payment of the expenses of the Insurance Trustee in the following manner:-

(a) Reconstruction or Repair: If the damage for which the proceeds were paid is to be repaired and restored, the remaining proceeds shall be paid to defray the cost thereof, as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, all remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by said mortgagee. Said remittance shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application of the insurance proceeds to the payment or reduction of its mortgage debt.

(b) Failure to Reconstruct or Repair: If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be repaired and restored, the proceeds shall be disbursed to the beneficial owners; remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by said mortgagee. Said remittance shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application of the insurance proceeds to the payment of its mortgage debt. In the event of the loss or damage to any personal property belonging to the Association, and should the Board of Directors of the Association determine not to replace such personal property as may be lost or damaged, the proceeds shall be disbursed to the beneficial owners as surplus, in the manner elsewhere stated herein.

(c) Certificate: In making distribution to unit owners and their mortgagees, the Insurance Trustee may rely upon a Certificate of the Association as to the names of the unit owners and their respective shares of the distribution, approved in writing by an Attorney authorized to practice law in the State of Florida, a Title Insurance Company or Abstract Company authorized to do business in the State of Florida. Upon request of the Insurance Trustee, the Association, forthwith, shall deliver such Certificate.

4. Loss Within a Single Unit: If loss shall occur within a single unit or units, without damage to the common elements and/or the party wall between units, the insurance proceeds shall be distributed to the beneficial unit owner(s) - remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by said mortgagee. Said remittance shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application of the Insurance Proceeds to the payment or reduction of its mortgage debt. The unit owner shall thereupon be fully responsible for the restoration of the unit.

5. Loss Less Than "Very Substantial": Where a loss or damage occurs to any unit or units and the common elements or to the party wall between units, or to the common elements, but said loss is less than "very substantial" (as hereinafter defined), it shall be obligatory upon the Association and the unit owners to repair, restore and rebuild the damage caused by the loss. Where such loss or damage is less than "very substantial":-

(a) The Board of Directors of the Association shall promptly obtain reliable and detailed estimates of the cost of repairing and restoration.

(b) If the damage or loss is limited to the common elements or the party wall between units, with no, or minimum damage or loss to any individual unit(s), and if such damage or loss to the common elements or the party wall between units is less than Three Thousand Dollars (\$3,000.00), the insurance proceeds shall be endorsed by the Insurance Trustee over to the Association and the Association shall promptly contract for the repair and restoration of the damage.

(c) If the damage or loss involves individual units encumbered by Institutional First Mortgages, as well as the common elements and/or the party wall between units, or if the damage is limited to the common elements or the party wall between units, but is in excess of Three Thousand Dollars (\$3,000.00), the insurance proceeds shall be disbursed by the Insurance Trustee for the repair and restoration of the property, upon the written direction and approval of the Association, and provided, however, that upon the request of an Institutional First Mortgagee, the written approval shall also be required of the Institutional First Mortgagee owning and holding the first recorded mortgage encumbering a Condominium unit, so long as it owns and holds any mortgage encumbering a Condominium unit. At such time as the aforesaid Institutional First

Mortgagee is not the holder of a mortgage on a unit, then this right of approval shall pass to the Institutional First Mortgagee having the highest dollar indebtedness on units in the Condominium property. Should written approval be required, as aforesaid, it shall be said Mortgagee's duty to give written notice thereof to the Insurance Trustee. The Insurance Trustee may rely upon the Certificate of the Association and the aforesaid Institutional First Mortgagee, if said Institutional First Mortgagee's written approval is required, as to the Payee and the amount to be paid from said proceeds. All Payees shall deliver paid bills and waivers of mechanics' liens to the Insurance Trustee, and execute any Affidavit required by law or by the Association, the aforesaid Institutional First Mortgagee, and Insurance Trustee, and deliver same to the Insurance Trustee, and the foregoing shall be in such form as any of the aforesaid parties may require. In addition to the foregoing, the Institutional First Mortgagee whose approval may be required, as aforescribed, shall have the right to require the Association to obtain a Completion, Performance and Payment Bond, in such form and amount, and with a Bonding Company authorized to do business in the State of Florida, as are acceptable to said Mortgagee.

(d) Subject to the foregoing, the Board of Directors of the Association shall have the right and obligation to negotiate and contract for the repair and restoration of the premises.

(e) If the net proceeds of the insurance are insufficient to pay for the estimated cost of restoration and repair (or for the actual cost thereof if the work has actually been done), the Association shall promptly, upon determination of the deficiency, levy a special assessment against all unit owners in proportion to the unit owners' share in the common elements, for that portion of the deficiency as is attributable to the cost of restoration of the common elements, and against the individual unit owners for that portion of the deficiency as is attributable to his individual unit; provided, however, that if the Board of Directors finds that it cannot determine with reasonable certainty the portion of the deficiency attributable to specific individual damaged unit(s), then the Board of Directors shall levy the assessment for the total deficiency against all of the unit owners in proportion to the unit owners' shares in the common elements, just as though all of said damage had occurred to the common elements. The special assessment funds shall be delivered by the Association to the Insurance Trustee and added by the Trustee to the proceeds available for the repair and restoration of the property.

(f) In the event the insurance proceeds are sufficient to pay for the cost of restoration and repair, or in the event the insurance proceeds are insufficient, but additional funds are raised by special assessment, so that sufficient funds are on hand to fully pay for such restoration and repair, then no mortgagee shall have the right to require the application of insurance proceeds to the payment of its loan.

6. "Very Substantial" Damage:- As used in this Declaration or any other context dealing with this Condominium, the term "very substantial" damage, shall mean loss or damage whereby three-fourths (3/4ths) or more of the total unit space in the Condominium is rendered untenable, or loss or damage whereby seventy-five percent (75%) or more of the total amount of insurance coverage (placed as per Article XII.B.1.) becomes payable. Should such "very substantial" damage occur, then:-

(a) The Board of Directors of the Association shall promptly obtain reliable and detailed estimates of the cost of repair and restoration thereof.

(b) Thereupon, a meeting of the unit owners of this Condominium shall be called by the Board of Directors of the Association, to be held not later than sixty (60) days after the casualty, to determine the wishes of the unit owners of this Condominium with reference to the abandonment of the Condominium project, subject to the following:-

(1) If the net insurance proceeds available for restoration and repair are sufficient to cover the cost thereof, so that no special assessment is required, then the Condominium property shall be restored and repaired, unless two-thirds (2/3rds) of the unit owners of this Condominium shall vote to abandon the Condominium project, in which case the Condominium property shall be removed from the provisions of the law by the recording in the Public Records wherein the Condominium property is located, an instrument terminating the Condominium, which said instrument shall further set forth the facts effecting the termination, certified by the Association and executed by its President and Secretary. The termination of the Condominium shall become effective upon the recording of said instrument, and the unit owners shall, thereupon, become owners as tenants in common in the property - i.e., the real, personal, tangible and intangible property, and any remaining structures of the Condominium, and their undivided interests in the property shall be the same as their undivided interests in the common elements of this Condominium prior to its termination, and the mortgages and liens upon Condominium parcels shall become mortgages and liens upon the undivided interests of such tenants in common, with the same priority as existed prior to the termination of the Condominium.

(2) If the net insurance proceeds available for restoration and repair are not sufficient to cover the costs thereof, so that a special assessment will be required, and if a majority of the unit owners of this Condominium vote against such special assessment and to abandon the Condominium project, then it shall be so abandoned and the Condominium property removed from the provisions of the law, and the Condominium terminated, as set forth in Paragraph 6. (b) (1) above, and the unit owners shall be tenants in common in the property in such undivided interests, and all mortgages and liens upon the Condominium parcels shall encumber the undivided interests of such tenants in common, as is provided in said Paragraph 6. (b) (1) above. In the event a majority of the unit owners of this Condominium vote in favor of the special assessment, the Association shall immediately levy such special assessment and, thereupon, the Association shall proceed to negotiate and contract for such repairs and restoration, subject to the provisions of Paragraph 5. (c) and (d) above. The special assessment funds shall be delivered by the Association to the Insurance Trustee and added by said Trustee to the proceeds available for the repair and restoration of the property. The proceeds shall be disbursed by the Insurance Trustee for the repair and restoration of the property, as provided in Paragraph 5. (c) above.

(c) In the event any dispute shall arise as to whether or not "very substantial" damage has occurred, it is agreed that such a finding made by the Board of Directors of the Association, shall be binding upon all unit owners.

7. Surplus:- It shall be presumed that the first monies disbursed in payment of costs of repair and restoration, shall be from the Insurance Proceeds, and if there is a balance in the funds held by the Insurance Trustee after the payment of all costs of the repair and restoration, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated herein.

8. Certificate:- The Insurance Trustee may rely upon a Certificate of the Association, certifying as to whether or not the damaged property is to be repaired and restored. Upon request of the Insurance Trustee, the Association shall forthwith deliver such Certificate.

9. Plans and Specifications:- Any repair and restoration must be substantially in accordance with the Plans and Specifications for the original building, or as the building was last constructed, or according to the Plans approved by the Board of Directors of the Association, which approval shall not be unreasonably withheld. If any material or substantial change is contemplated, the approval of all Institutional First Mortgagees shall also be required.

10. Association's Power to Compromise Claim:- The Association is hereby irrevocably appointed Agent for each unit owner, for the purpose of compromising and settling claims arising under Insurance Policies purchased by the Association, and to execute and deliver Releases therefor, upon the payment of claims.

C. WORKMEN'S COMPENSATION POLICY - to meet the requirements of law.

D. Such other Insurance as the Board of Directors of the Association shall determine from time to time to be desirable.

E. Each individual unit owner shall be responsible for purchasing at his own expense, Liability Insurance to cover accidents occurring within his unit, and for purchasing Insurance upon his own personal property.

F. If available, and where applicable, the Board of Directors of the Association shall endeavor to obtain Policies which provide that the Insurer waives its right of subrogation as to any claims against unit owners, the Association, and their respective servants, agents and guests.

XIII.

USE AND OCCUPANCY

The owner of a unit shall occupy and use his apartment as a single family private dwelling, for himself and the members of his family, and his social guests, and for no other purpose.

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 owner commit or permit any nuisance, immoral or illegal act in or about the Condominium property.

No animal or pets of any kind shall be kept in any unit, or on any property of the Condominium, except with the written consent of the Board of Directors of the Association and, thereafter, under the Rules and Regulations adopted by the Board; provided that they are not kept, bred or maintained for any commercial purpose, and further provided that such pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the property subject to these restrictions, upon three (3) days written notice from the Board of Directors of the Association.

The unit owner shall not cause anything to be hung, displayed, or placed on the exterior walls, doors or windows of the building, without the prior written consent of the Board of Directors of the Association. No clothesline or similar device shall be allowed on any portion of the Condominium property by any person, firm or corporation, without the written consent of the Board of Directors of the Association.

No person shall use the common elements, or any part thereof, or a Condominium unit, or the Condominium property, or any part thereof, or the recreational facilities, in any manner contrary to or not in accordance with the Rules and Regulations pertaining thereto, as from time to time may be promulgated by the Association.

XIV.

MAINTENANCE AND ALTERATIONS

A. The Board of Directors of the Association may enter into a Contract with any firm, person or corporation, or may join with other Condominium Associations in contracting for the maintenance and repair of the Condominium property(s), and may contract for or may join with other Condominium Associations in contracting for the management of the Condominium property(s); and may delegate to the Contractor or Manager all the powers and duties of the Association, except such as are specifically required by this Declaration or by the By-Laws to have the approval of the Board of Directors or the membership of the Association.

The Contractor or Manager may be authorized to determine the Budget, make assessments for common expenses, and collect assessments, as provided in this Declaration and By-Laws, subject always to the supervision and right of approval of the Board of Directors of the Association.

B. There shall be no alterations or additions to the common elements or limited common elements of this Condominium where the cost thereof is in excess of ten percent (10%) of the annual Budget of this Condominium for common expenses, as to this Condominium, and this Condominium's share of common expenses as to the recreational facilities under the Long-Term Lease hereinafter referred to, except as authorized by the Board of Directors and approved by not less than seventy-five percent (75%) of the unit owners of this Condominium, provided the aforesaid alterations or additions do not prejudice the right of any unit owner, unless his consent has been obtained. The cost of the foregoing shall be assessed as common expenses. Where any alteration or additions, as aforesaid - i.e., as to the common elements or limited common elements of this Condominium, are exclusively or substantially exclusively for the benefit of the unit owner(s) requesting same, then the cost of such alterations or additions shall be assessed against and collected solely from the unit owner(s) exclusively or substantially exclusively benefiting, and the assessment shall be levied in such proportion as may be determined as fair and equitable by the Board of Directors of the Association. Where such alterations or additions exclusively or substantially exclusively benefit unit owners requesting same, said alterations or additions shall only be made when authorized by the Board of Directors and approved by not less than seventy-five percent (75%) of the unit owners exclusively or substantially exclusively benefiting therefrom, and where said unit owners are ten (10) or less, the approval of all but one shall be required.

1. There shall be no additions or alterations to the recreational facilities under the Long-Term Lease attached to this Declaration as Exhibit No. 4, except as provided for under Article VI of Exhibit No. 2 attached to this Declaration. Where the approval of unit owners for alterations or additions to the common elements or limited common elements of this Condominium, or the recreational facilities, is required, as provided herein, the approval of the owners of all Institutional First Mortgages encumbering Condominium parcels in this Condominium shall also be required.

C. Each unit owner agrees as follows:-

1. To maintain in good condition and repair, his unit and all interior surfaces within or surrounding his unit (such as the surfaces of the walls, ceilings and floors), whether or not part of the unit or common elements, and to maintain and repair the fixtures and equipment therein, which includes but is not limited to the following, where applicable:- airconditioning and heating units including but not limited to Air Conditioning Compressors, refrigerators, stoves, fans, hot-water heaters, dishwashers and other appliances, drains, plumbing fixtures and connections up to the main lines, electric panels and wiring up to the individual meters, electric outlets and fixtures, interior doors, windows, screening and glass, and fixed and/or sliding glass doors, and other facilities and fixtures from the surface of the walls, ceiling and floor inward, and pay for such utilities as are separately metered to this unit. It is anticipated that water and sewage shall be charged to the Condominium as a whole and, consequently, as long as this procedure continues, the charges for same shall be a part of the common expenses. Where a unit is carpeted, the cost of replacing carpeting shall be borne by the owner of said unit.

2. Not to make or cause to be made any structural addition or alteration to his unit, or to the common elements, without prior consent of the Association and all mortgagees holding a mortgage on his unit.

3. To make no alteration, decoration, replacement or change of the common elements, or to any outside or exterior portion

of the building, whether within a unit or part of the common elements; to use only those contractors or sub-contractors within his unit approved by the Board of Directors of the Association.

4. To permit the Board of Directors, or the agents or employees of the Association, to enter into any unit for the purpose of maintenance, inspection, repair, replacement of the improvements within the units, or the common elements, or to determine in case of emergency, the circumstances threatening units or the common elements, or to determine compliance with the provisions of this Declaration and the By-Laws of the Association.

5. To show no signs, advertisements or notices of any type on the common elements or his unit, and erect no exterior antenna or aeriels except as consented to by the Board of Directors of the Association.

D. In the event the owner of a unit fails to maintain it as required herein, or where a limited common element consists of an exterior porch, balcony or room which is designated for the exclusive use of a unit owner, and said unit owner fails to maintain same as required in this Declaration, or makes any structural addition or alteration without the required written consent, or otherwise violates or threatens to violate the provisions hereof, the Association shall have the right to proceed in a Court of Equity for an injunction to seek compliance with the provisions hereof. In lieu thereof, and in addition thereto, the Association, through its Board of Directors, shall have the right to levy an assessment against the owner of the unit, and the unit, for such necessary sums to remove any unauthorized structural addition or alteration, and to restore the property to good condition and repair. Said assessment shall have the same force and effect as all other special assessments. The Association shall have the further right to have its employees and agents, or any sub-contractor appointed by it, enter the unit at all reasonable times, to do such work as is deemed necessary by the Board of Directors of the Association, to enforce compliance with the provisions hereof.

E. The Association shall determine the exterior color scheme of the buildings(s), and all exteriors, and shall be responsible for the maintenance thereof, and no owner shall paint an exterior wall, door, window or balcony, or any exterior surface, or replace anything thereon or affixed thereto, without the written consent of the Association.

F. The Association shall be responsible for the maintenance, replacement and repair of the common elements and all portions of the Condominium property not required to be maintained, repaired or replaced by the unit owner(s).

XV.

LIMITED COMMON ELEMENTS

Those areas reserved for the use of a certain unit owner or certain unit owners, to the exclusion of other unit owners, are designated as "limited common elements", and are shown and located on the Surveys annexed hereto as "Exhibit No. 1". Any expense for the maintenance, repair or replacement relating to limited common elements shall be treated as and paid for as part of the common expenses of the Association. Should said maintenance, repair or replacement be caused by the negligence or misuse of a unit owner, his family or guests, servants and invitees, he shall be responsible therefor and the Association shall have the right to levy an assessment against the owner of said unit, which assessment shall have the same force and effect as all other special assessments. Where the limited common element consists of an exterior porch, patio, balcony or room, the unit owner or owners who have the right to the exclusive use of said exterior porch, patio, balcony or room, shall be

responsible for the maintenance, care and preservation of the paint and surface of the exterior walls, including floor and ceiling within said exterior porch, patio, balcony or room, and the maintenance, care, preservation, and replacement of the screening on the said porch, balcony or room, if same is screened, and the fixed and/or sliding glass doors in the entrance way to said porch, patio, balcony or room.

XVI.

TERMINATION

This Condominium may be voluntarily terminated in the manner provided for in Section 16 of the Condominium Act at any time; however, the written consent of the Lessor under the Long-Term Lease shall also be required. In addition thereto, when there has been "very substantial" damage, as defined in Article XII. B.6., above, this Condominium shall be subject to termination, as provided in Article XII.B.6. above, and in this event, the consent of the Lessor under the Long-Term Lease shall not be required, and the lien of the Lessor upon this Condominium and the Condominium parcels, and all rights of the Lessor under the Long-Term Lease, shall terminate and be discharged. In addition thereto, if the proposed voluntary termination is submitted to a meeting of the unit owners of this Condominium, pursuant to Notice, and is approved in writing, within sixty (60) days of the said meeting by three-fourths (3/4ths) of the unit owners of this Condominium, and all Institutional Mortgagees, and the Lessor under the Long-Term Lease, then the approving unit owners shall have an option to purchase all of the parcels of the other owners within a period expiring one hundred twenty (120) days from the date of such meeting. Such approvals shall be irrevocable until the expiration of the option, and if the option is exercised, the approvals shall be irrevocable. The option shall be exercised upon the following terms:-

A. Exercise of Option:- An Agreement to Purchase, executed by the Association and/or the record owners of the parcels who will participate in the purchase, shall be delivered, by personal delivery or mailed by certified mail or registered mail, to each of the record owners of the parcels to be purchased, and such delivery shall be deemed the exercise of the option. The Agreement shall indicate which parcels will be purchased by each participating owner or group of owners, and shall require the purchase of all parcels owned by owners not approving the termination, but the Agreement shall effect a separate contract between each Seller and his Purchaser.

B. Price:- The sale price for each apartment shall be the fair market value determined by agreement between the Seller and the Purchaser within thirty (30) days from the delivery or mailing of such Agreement, and in the absence of agreement as to price, it shall be determined by appraisers appointed by the Senior Judge of the Circuit Court in and for the area wherein the Condominium is located, on the Petition of the Seller. The expense of appraisal shall be paid by the Purchaser.

C. Payment:- The purchase price shall be paid in cash.

D. Closing:- The sale shall be closed within thirty (30) days following the determination of the sale price.

XVII.

LONG-TERM LEASE

The Association, as Lessee, has entered into a Long-Term Lease Agreement with FPA CORPORATION, a Delaware Corporation, and PARKER-LEVITT CORPORATION, a Delaware Corporation, as Lessors.

Pursuant to Florida Statute 711.121, the Association has acquired a leasehold interest in and to the leased premises demised and described in the Long-Term Lease attached hereto as Exhibit No. 4, and said Exhibit No. 4 annexed to this Declaration is made a part hereof just as though the said Lease were fully set forth herein. Pursuant to Florida

Statute 711.121, and pursuant to the Long-Term Lease, all monies due and to become due under the provisions of said Lease, including, without limitation, expenses of rent, taxes, assessments, insurance premiums and costs of maintenance and repair, including the operation of said leased premises and all replacements and undertakings, and such other items as are specified in said Lease, are, and shall continue to be for the full term of said Lease, declared to be common expenses of the Condominium.

The Developer and the Association, by their execution of this Declaration of Condominium, and each unit owner, by virtue of their taking title to a Condominium parcel, agree that notwithstanding the fact that the Long-Term Lease is attached to this Declaration of Condominium and was recorded in the Public Records subsequent to the recording of this Declaration of Condominium, that said Long-Term Lease shall be deemed to have been recorded in the Public Records prior to the recording of this Declaration of Condominium. Each unit owner agrees to be bound by the terms and conditions of said Long-Term Lease and agrees to make payment to the Association of his share of the monies due, pursuant to and in the amount, or proportion, or percentage amount, if so stated, as specified in said Lease and this Declaration of Condominium. It shall be mandatory for the unit owner to make said payments, regardless of whether or not said unit owner uses the recreational facilities.

XVIII.

MISCELLANEOUS PROVISIONS

A. Escrow Account for Insurance and certain Taxes:

There shall be established and maintained in a local, National or State Bank, or a Federal or State Savings and Loan Association, two (2) interest bearing Savings Deposit Accounts, in order to accumulate sufficient monies for the following purposes:

1. To pay all Insurance Premiums for the insurance on the Condominium property obtained and purchased by the Association, pursuant to Article XII of this Declaration; and
2. To pay all Real or Personal Property Taxes assessed by the taxing authorities aforescribed, for property owned by the Condominium, or taxes which the Condominium is required to pay as part of its common expenses, which taxes are not included in the taxes assessed by the taxing authorities against the individual condominium parcels.

On or before the 30th day of each month, the Treasurer of this Condominium Association shall cause two checks to be issued and drawn on the Association's Bank Account - each check being equal respectively to one-twelfth (1/12th) of the estimated yearly amounts as to Items 1. and 2. above, and said checks shall be immediately deposited into the appropriate Savings Deposit Account.

These Accounts shall be maintained in the State or National Bank or State or Federal Savings and Loan Association owning and holding the first recorded Mortgage encumbering a Condominium unit, and upon the aforesaid Mortgagee's no longer owning and holding a mortgage on a unit, then these accounts shall be maintained in the Bank or Savings and Loan Association having the highest dollar amount of indebtedness of institutional first mortgages owing against the condominium units. Where said Institutional First Mortgagee is not a State or National Bank or State or Federal Savings and Loan Association, said account shall be maintained in one of the foregoing as selected by said Institutional First Mortgagee.

These accounts shall have the right of withdrawal restricted to a joint request by the Board of Directors of this Condominium Association and the Institution holding the first recorded mort-

gages encumbering a unit and, thereafter, the Institution having the highest dollar amount of indebtedness on units.

If, for any reason, this Condominium Association does not pay the Real Property Taxes assessed as to Item 2. above, within sixty (60) days after these taxes are permitted by law to be paid, then the Institution having the right of withdrawal, as aforescribed, shall have undisputed right to withdraw, without the written consent of the Board of Directors of this Condominium Association, such sums of money as are necessary to pay Item 2. Similarly, in the event the annual premium as to Item 1. above is not paid on or before its due date, said Institution having the right of withdrawal as aforescribed, shall have the right, without the necessity of securing the written consent of the Board of Directors of this Condominium Association, to withdraw such sums of money as are necessary to pay the then due premiums.

Should a Condominium unit owner fail to pay that portion of the monthly assessment relating to Items 1. and 2. above, within thirty (30) days from its due date, the Condominium Association shall have the right, but it is not required, to advance the necessary funds so as to deposit the required monthly sum into the Savings Deposit Accounts.

The Condominium Association shall have a lien for all sums so advanced, together with interest thereon. It shall also have the right to assign its lien to any unit owner or group of unit owners, or to any third party. In the event the Association does not advance funds as aforesaid, the holder of an Institutional First Mortgage on the delinquent unit, or the Institution having the right of withdrawal, as aforesaid, or the Institution having the highest dollar indebtedness on condominium units, may advance the necessary funds into the Savings Deposit Accounts to make up the deficiency. Said Institution shall have a lien for all sums so advanced, and may bring suit to foreclose the interest of the delinquent condominium unit owner in his Condominium unit.

The Condominium unit owners herein consent to the establishment of such lien as a result of these advances in favor of the Institution(s) or Association, as aforescribed. However, no such foreclosure action may be brought by said Institution or individual, or group of individuals - where the Association advances the necessary funds and assigns its lien, until the delinquent unit owner has received not less than ten (10) days written notice in this regard.

B. The owners of the respective condominium units shall not be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, floors and ceilings surrounding their respective condominium units, nor shall the unit owner be deemed to own pipes, wires, conduits or other public utility lines running through said respective condominium units which are utilized for or serve more than one condominium unit, which items are by these presents, hereby made a part of the common elements. Said unit owner, however, shall be deemed to own the walls and partitions which are contained in said unit owner's respective condominium unit, and also shall be deemed to own the inner decorated and/or finished surfaces of the perimeter walls, floors, and ceilings, including plaster, paint, wallpaper, etc.

C. The owners of the respective condominium units agree that if any portion of a condominium unit or common element or limited common element encroaches upon another, a valid easement for the encroachment and maintenance of same, so long as it stands, shall and does exist. In the event the Condominium building is partially or totally destroyed, and then re-built, the owners of the Condominium parcels agree that encroachments on parts of the common elements or limited common elements or condominium units, as aforescribed, due to construction, shall be permitted, and that a valid easement for said encroachments and the maintenance thereof shall exist.

D. That no owner of a Condominium parcel may exempt himself from liability for his contribution toward the common expenses by

waiver of the use and enjoyment of any of the common elements, or by the abandonment of his condominium unit.

E. The owners of each and every condominium parcel shall return the same for the purpose of ad valorem taxes with the Tax Assessor of the County wherein the Condominium is situated, or such other future legally authorized governmental officer or authority having jurisdiction over the same. Nothing herein shall be construed, however, as giving to any unit owner the right of contribution or any right of adjustment against any other unit owner on account of any deviation by the taxing authorities from the valuations herein prescribed, each unit owner to pay ad valorem taxes and special assessments as are separately assessed against his condominium parcel.

For the purposes of ad valorem taxation, the interest of the owner of a condominium parcel, in his condominium unit and in the common elements, shall be considered as a unit. The value of said unit shall be equal to the percentage of the value of the entire Condominium, including land and improvements, as have been assigned to said unit and as set forth in this Declaration. The total of all of said percentage equals 100% of the value of all of the land and improvements thereon.

F. All provisions of this Declaration and Exhibits attached hereto and Amendments hereof, shall be construed to be covenants running with the land, and of every part thereof and interest therein, including but not limited to every unit and the appurtenances thereto, and every unit owner and claimant of the property or any part thereof, or of any interest therein, and his heirs, executors, administrators, successors and assigns, shall be bound by all of the provisions of said Declaration and Exhibits annexed hereto and Amendments thereof.

G. If any provisions of this Declaration, or of the By-Laws attached hereto, or of the Condominium Act, or any section, sentence, clause, phrase, or word, or the application thereof, in any circumstances, is held invalid, the validity of the remainder of this Declaration, the By-Laws attached hereto, or the Condominium Act, and of the application of any such provision, action, sentence, clause, phrase or word, in other circumstances, shall not be affected thereby.

H. Whenever notices are required to be sent hereunder, the same may be delivered to unit owners, either personally or by mail, addressed to such unit owners at their place of residence in the Condominium building, unless the unit owner has, by written notice duly receipted for, specified a different address. Proof of such mailing or personal delivery by the Association shall be given by the Affidavit of the person mailing or personally delivering said notices.

Notices to the Association shall be delivered by mail to the Office of the Association at: Box 3378, Sarasota, Florida 33578.

Notices to the Developer shall be delivered by mail at: Box 3378, Sarasota, Florida, 33578.

All Notices shall be deemed and considered sent when mailed. Any party may change his or its mailing address by written notice, duly receipted for. Notices required to be given the personal representative of a deceased owner, or devisee when there is no personal representative, may be delivered either personally or by mail to such party at his or its address appearing in the records of the Court wherein the Estate of such deceased owner is being administered.

I. Nothing hereinabove set forth in this Declaration shall be construed as prohibiting the Developer or the Board of Directors of the Association from removing or authorizing the removal of any party wall between any Condominium units in order that the said units might be used together as one Condominium unit. In such event, all assessments, voting rights and the share of common elements shall be calculated as if such units were as originally designated on the Exhibits attached to this Declaration, notwithstanding the fact that several units are used as one, to the intent and purpose that the unit owner of such combined units shall be treated as the unit owner of as many units as have been so combined.

J. The "Remedy for Violation" provided for by Section 23 of the Condominium Act, shall be in full force and effect. In addition thereto, should the Association find it necessary to bring a Court action to bring about compliance with the law, this Declaration and the By-Laws, and upon a finding by the Court that the violation complained of is willful and deliberate, the unit owner so violating shall reimburse the Association for reasonable attorney's fees incurred by it in bringing such action as determined by the Court.

K. Subsequent to the filing of this Declaration of Condominium, the Condominium Association - when authorized by a vote of not less than three-fourths (3/4ths) of the total vote of the members of the Association and approved by all the owners and holders of Institutional First Mortgages encumbering Condominium parcels, and the Lessor under the Long-Term Lease, as long as said Long-Term Lease remains in effect, may acquire and enter into agreements from time to time, whereby it acquires leaseholds, memberships and other possessory or use interests in lands or facilities, including but not limited to country clubs, golf courses, marinas, and other recreational facilities, whether or not contiguous to the lands of the Condominium, intended to provide for the enjoyment, recreation and other use or benefit of the unit owners. The expenses of rental, membership fees, operations, replacements and other undertakings in connection therewith, shall be common expenses, together with all other expenses and costs herein, or by law defined as common expenses.

L. Whenever the context so requires, the use of any gender shall be deemed to include all genders, and the use of the singular shall include the plural, and plural shall include the singular. The provisions of the Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of a Condominium.

M. The captions used in this Declaration and Exhibits annexed hereto are inserted solely as a matter of convenience and shall not be relied upon and/or used in construing the effect or meaning of any of the text of this Declaration or Exhibits hereto annexed.

N. Where an Institutional First Mortgage, by some circumstance, fails to be a first mortgage, but it is evident that it is intended to be a first mortgage, it shall, nevertheless, for the purpose of this Declaration and Exhibits annexed, be deemed to be an Institutional First Mortgage.

O. The Developer specifically disclaims any intent to have made any warranty or representation in connection with the property or the Condominium documents, except as specifically set forth therein, and no person shall rely upon any warranty or representation not so specifically made therein. Any estimates of common expenses, taxes or other charges are deemed accurate, but no warranty or guaranty is made or intended, nor may one be relied upon.

P. By way of clarification as to Article VII of this Declaration, the Long-Term Lease may be amended by an instrument in writing, executed by the Lessor and the Condominium Association, by and through its Board of Directors, except there shall be no Amendment affecting the Long-Term Lease which would change a unit owner's rent under the Long-Term Lease nor the manner of sharing common expenses under the Long-Term Lease, nor impair the rights of unit owners to the use and enjoyment of the recreational area and facilities, without the unit owners so affected and all record owners of Institutional Mortgages thereon joining in the execution of said Amendment. The aforesaid Amendment shall be duly recorded in the Public Records of the County wherein the leased premises and this Condominium are located, and the recording of said Amendment shall constitute an Amendment to this Declaration of Condominium, as to the provisions herein relative to said Long-Term Lease. Where the Developer continues to hold title to Condominium units in this Condominium at the time of a proposed Amendment, as set forth in this

Paragraph, the approval of the Developer shall be required. No Amendment, as set forth in this Paragraph, shall change the provisions of the Long-Term Lease or this Declaration with respect to Institutional Mortgagees, nor shall any such Amendment affect, impair or prejudice the validity, rights and priorities of any mortgages encumbering Condominium parcels in this Condominium. The Board of Directors of the Condominium Association are empowered and authorized, without the approval of the unit owners, to amend the Long-Term Lease and this Declaration of Condominiums, as contemplated in this Paragraph P.

Q. The Developer and the Lessor under the Long-Term Lease reserve the right to amend this Declaration of Condominium by adding to the leased premises demised and described in the Long-Term Lease annexed hereto as Exhibit No. 4, an area of land with improvements thereon, located on the land owned by the Developer herein. The size of the area of land, the improvements thereon, the exact location of said area within the aforescribed area, and the time when such improvements will be constructed and this Declaration amended, shall be in the sole discretion of the Lessor; however, if such improvements are not constructed and such Amendment is not made, executed and recorded in the Public Records of Manatee County, Florida, within five (5) years from the date of this Declaration of Condominium, said right shall automatically terminate. The provisions of this Paragraph do not require the Lessor to construct improvements and amend this Declaration, as herein provided. The right of the Developer and Lessor herein is conditioned upon there being no increase in the rent due the Lessor by the unit owners of this Condominium, as provided in Exhibit "A" annexed to this Declaration; and is further conditioned upon the sharing of the common expenses of the recreational area contemplated in this Paragraph in the same proportion and manner as is provided under Exhibit "A" attached to this Declaration of Condominium and Exhibit "C" attached to Exhibit No. 4 of this Declaration of Condominium, as to the recreational facilities described in said Exhibit No. 4 to this Declaration of Condominium, by all unit owners of Condominium units created by this Declaration, and all owners of Condominium units constructed as of the time of such Amendment, and all owners of Condominium units constructed subsequent to the time of such Amendment, wherein said Condominiums are created by virtue of Declarations of Condominium, which Declarations, together with Long-Term Leases, are recorded in the Public Records of Manatee County, Florida, and said documents grant to the unit owners thereof the use and enjoyment of the recreational facilities described in the Long-Term Lease attached to this Declaration of Condominium as Exhibit No. 4, or other recreational facilities, and the recreational facilities contemplated in this Paragraph. All unit owners of such Condominium units shall be entitled to the use and enjoyment of the recreational facilities contemplated by this Paragraph. An Amendment to this Declaration, as provided for in this Paragraph, need only be executed and acknowledged by the Lessor and Developer, and need not be approved by the Association, the unit owners, lienors, mortgagees, or any other parties or persons whomsoever. Such Amendment of Declaration of Condominium shall be filed in the Public Records of Manatee County, Florida, and said Amendment to the Declaration of Condominium shall be deemed an Amendment to the Long-Term Lease annexed to this Declaration as Exhibit No. 4, with the same effect as though the said Exhibit No. 4 attached hereto had included the additional demised lands and obligations thereto. The method of amending this Declaration of Condominium in regard to the matters set forth specifically in this Paragraph "Q", supersedes the provisions of the method of amendment to this Declaration of Condominium as provided in Articles VII and XVIII.P., hereinabove. Notwithstanding the foregoing provisions in this Paragraph, in the event the proposed and reasonably estimated budget as to the common expenses for the additional leased area and improvements thereon, as contemplated in this Paragraph, for the first year of operation, is in an amount which when shared by all unit owners of Condominium units who are entitled to the use and enjoyment of the additional recreational facilities contemplated in this Paragraph, would increase said unit owner's monthly common expense assessments (i.e., the unit owner's total monthly assessment, excluding rent under the Long-Term Lease), in effect at said time, by a sum more than twenty-five percent (25%), then in such event, the approval of not less than seventy-five percent (75%) of the unit owners

of Condominium units who would be entitled to the use and enjoyment of the recreational facilities contemplated in this Paragraph, shall be required.

IN WITNESS WHEREOF, FPA CORPORATION, a Delaware Corporation, and PARKER-LEVITT CORPORATION, a Delaware Corporation, have caused these presents to be signed in their names by their proper Officers, and their Corporate Seals to be affixed, this 20th day of November, 1970.

Signed, sealed and delivered in the presence of:

[Signature]
[Signature]

FPA CORPORATION

By [Signature]
MURRAY G. ISARD, Executive Vice President

Attest: [Signature]
MARION HARDY, Assistant Secretary



Signed, sealed and delivered in the presence of:

[Signature]
[Signature]

PARKER-LEVITT CORPORATION

By [Signature]
T. F. Levitt, Vice President

Attest: [Signature]
THOMAS C. KRAEMER, Assistant Sec.

STATE OF Florida)
COUNTY OF Brevard) ss:

BEFORE ME, the undersigned authority, personally appeared
MURRAY G. ISARD and MARION HARDY,

to me well known to be the person described in and who executed the foregoing instrument as Executive Vice President and Assistant Secretary respectively of FPA CORPORATION, a Delaware Corporation, and they severally acknowledge before me that they executed such instrument as such Officers of said Corporation, and that the Seal affixed thereto is the Corporate Seal of said Corporation, and that it was affixed to said instrument by due and regular Corporate authority, and that said instrument is the free act and deed of said Corporation.

WITNESS my hand and official seal, at the State and County aforesaid, this 20th day of November, 1970.

My commission expires:
NOTARY PUBLIC, STATE OF FLORIDA at LARGE
MY COMMISSION EXPIRES JUN. 7, 1974
ISSUED THROUGH FRANK W. DUNSTON, NOTARY

[Signature]
NOTARY PUBLIC
State of Florida at [Signature]



FOR GOOD AND VALUABLE CONSIDERATION, the receipt whereof is hereby acknowledged, PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida Corporation not for profit, hereby agrees to accept all of the benefits, and all of the duties, responsibilities and burdens imposed upon it by the provisions of this Declaration of Condominium and Exhibits attached hereto.

IN WITNESS WHEREOF, PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit,

has caused these presents to be signed in its name by its President, and its Corporate Seal to be affixed, attested by its Secretary, this 20th day of November, 1970.

Signed, sealed and delivered in the presence of:

James V. Cannon
Thomas J. Beckitt

PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.

By Thomas C. Kraemer
THOMAS C. KRAEMER, President
Attest: Mark R. Thayer
MARK R. THAYER, Vice President



STATE OF FLORIDA)
COUNTY OF SARASOTA) SS:

BEFORE ME, the undersigned authority, personally appeared

Thomas C. Kraemer and Mark R. Thayer

to me well known to be the persons described in and who executed the foregoing instrument as President and Vice Pres. respectively of PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida Corporation not for profit, and they severally acknowledged before me that they executed such instrument as such Officers of said Corporation, and that the Seal affixed thereto is the Corporate Seal of said Corporation, and that it was affixed to said instrument by due and regular Corporate authority, and that the said instrument is the free act and deed of said Corporation.

WITNESS my hand and official seal, at the State and County aforesaid, this 25th day of November, 1970.

My commission expires:

April 28, 1971

James L. Pettibone
NOTARY PUBLIC
State of Florida



STATE OF FLORIDA)
COUNTY OF SARASOTA) SS:

BEFORE ME, the undersigned authority, personally appeared

I. F. LEVITT and THOMAS C. KRAEMER

to me well known to be the persons described in and who executed the foregoing instrument as Vice President and Assistant Secretary respectively of PARKER-LEVITT CORPORATION, a Delaware corporation, and they severally acknowledged before me that they executed such instrument as such officers of said corporation, and that the seal affixed thereto is the Corporate Seal of said Corporation, and that it was affixed to said instrument by due and regular corporate authority, and that the said instrument is the free act and deed of said Corporation.

WITNESS my hand and official seal, at the State and County aforesaid, this 25th day of November, 1970.

My Commission Expires:

April 28, 1971

James L. Pettibone
NOTARY PUBLIC
State of Florida



CONSENT

THE UNDERSIGNED, as the Owner and Holder of a Mortgage encumbering the lands described in the foregoing Declaration of Condominium NO. 1, PALM-AIRE AT DESOTO LAKES COUNTRY CLUB APTS. CONDOMINIUM, consents to and joins in said Declaration of Condominium solely for the purpose of waiving any rights which it, as such Mortgagee, may have to cause a termination of the Condominium as to all or any part of such lands, which waiver shall be effective upon the release of any part of such lands from the lien of the undersigned's Mortgage and shall thereupon apply to all and any part of such lands. This instrument shall not otherwise in any way affect the lien and priority of the undersigned's Mortgage.

FIRST PENNSYLVANIA BANKING AND TRUST COMPANY

By:  (Seal)

Vice President

Attest:  (Seal)

STATE OF PENNSYLVANIA)
COUNTY OF PHILADELPHIA) ss:

BEFORE ME, the undersigned authority, personally appeared John F. Rossiter and Harry T. Kulas to me well known to be the persons described in and who executed the foregoing Consent instrument, as Vice President and Assistant Secretary respectively of FIRST PENNSYLVANIA BANKING AND TRUST COMPANY, and they severally acknowledged before me that they executed such instrument as such Officers of said Corporation, and that the Seal affixed thereto is the Corporate Seal of said Corporation, and that it was affixed to said instrument by due and regular Corporate authority, and that said instrument is the free act and deed of said Corporation.

WITNESS my hand and official seal, at the State and County aforesaid, this 15th day of July

 (Seal)
Notary Public, Philadelphia, Philadelphia Co.
My Commission Expires February 11, 1971
I am not an Officer or Director of Said Corporation.

My Commission expires:

DECLARATION OF CONDOMINIUM

EXHIBIT "A"

Condominium Unit and Parcel Number	Type of Unit	Percentages of Undivided interest in Common Elements and Unit Owner's share of Common Expenses of Condominium and Recreation Facilities, Excluding Rent Under Long-Term Lease	Monthly Rent Under Long-Term Lease PER UNIT
101 and 110 201 and 210 301 and 310 401 and 410	3 BR - 2 B	3.64% - per unit	\$30.00
102, 103, 108, 109 202, 203, 208, 209 302, 303, 308, 309 402, 403, 408, 409	2 BR - 2 B	2.61% - per unit	\$25.00
104, 106, 107 204, 205, 207 304, 306, 307 404, 406, 407	1 BR - 1 1/2 B	1.90% - per unit	\$25.00
105, 205, 305, 405	1 BR - 1 B	1.58% - per unit	\$20.00

UNIT OWNER'S SHARE OF COMMON EXPENSES UNDER THE LONG-TERM LEASE - is defined as the other expenses and obligations, (excluding rent), payable by the Lessee under said Lease, including, without limitation, taxes, assessments, insurance premiums, and costs of maintenance and repairs. The total common expenses under the Long-Term Lease will be weighted and computed in such manner so that the following ratio will prevail:

The 1-bedroom units will be used as the base of each proration, and the base shall be 1; 2-bedroom units shall be 133-1/3rd% of the base; 3-bedroom units shall be 166-2/3rd% of the base and 4-bedroom units shall be 200% of the base.

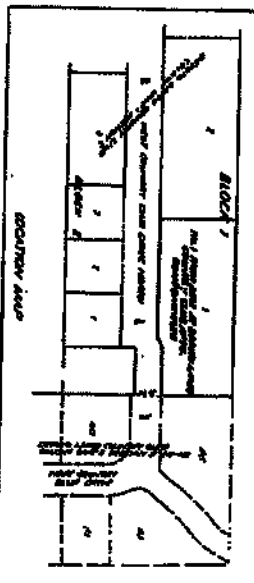
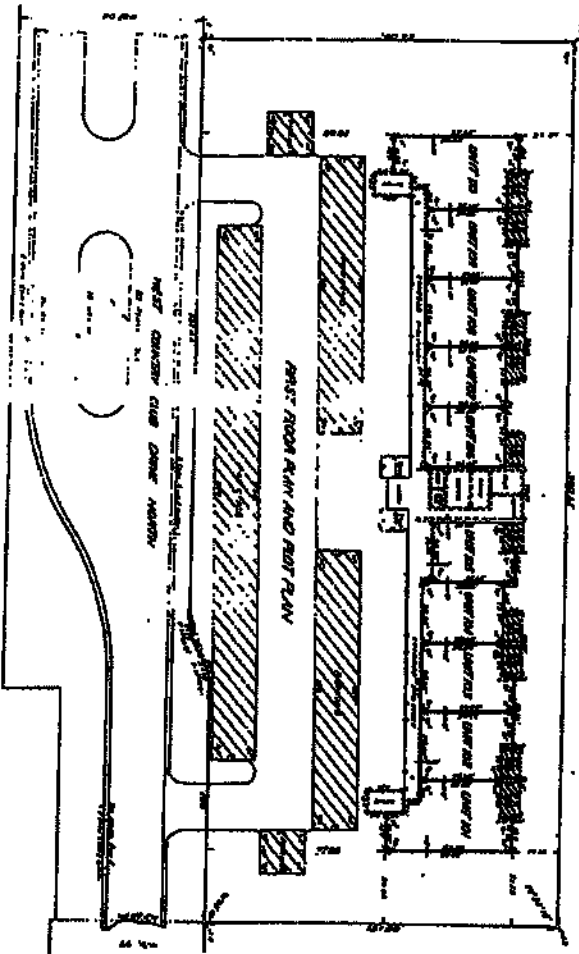
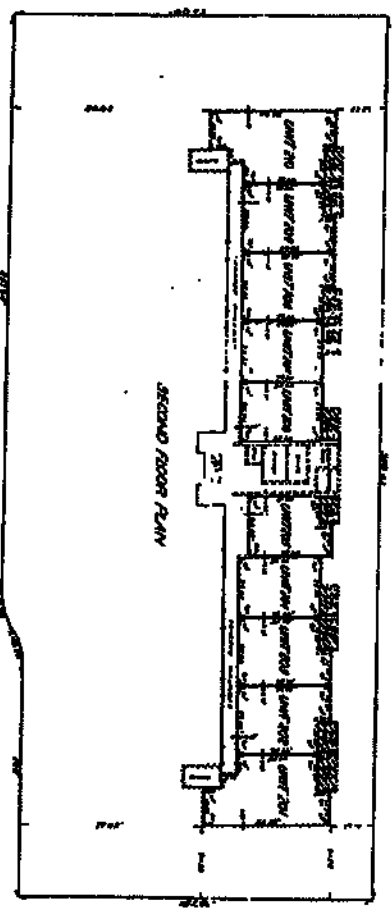
The Association has been formed to operate this Condominium and other Condominium properties, as set forth in the Articles of Incorporation attached hereto as Exhibit No. 3, and all members of the Association shall, as unit owners, share the common expenses under the Long-Term Lease under the foregoing ratio.

The Lessor under the Long-Term Lease has the right to enter into Long-Term Lease Agreements with other Lessees and Condominium Association (s), as to an undivided interest in the demised premises described in Exhibit "A" of the Long-Term Lease, and/or in the demised premises described in and pursuant to Article XXX of said Long-Term Lease, said Long-Term Lease being attached hereto as Exhibit No. 4, provided, however, that all members of the Lessee Condominium Association (s), including the Lessee Condominium Association in the Long-Term Lease attached hereto as Exhibit No. 4, share the common expenses under said Long-Term Lease (s) under the foregoing ratio as to the demised premises described in Exhibit "A" to the Long-Term Lease (if said premises are a portion of the demised premises in the Long-Term Lease), and as to the demised premises described in and pursuant to Article XXX of said Long-Term Lease.

The provisions of the foregoing paragraph are further subject to all units being classified as to "type" by the Developer in the Declaration of Condominium controlling such units, and the Lessor under the Long-Term Lease appertaining thereto, as to one of the four types hereinabove set forth.

SCHEDULE I

ALL of Lot 1, Block 1, DeSOTO LAKES COUNTRY CLUB COLONY, UNIT 1,
SECTION C, as per plat thereof recorded in Plat Book 15, page
93 of the Public Records of Manatee County, Florida.



NOTES

1. The building is to be constructed in accordance with the specifications and drawings herein. The contractor shall be responsible for obtaining all necessary permits and licenses. The building shall be completed within the specified time frame. The contractor shall maintain access to all adjacent properties at all times. The building shall be constructed in accordance with the latest building codes and regulations. The contractor shall be responsible for the safety of all workers and the public. The building shall be constructed in accordance with the environmental requirements. The contractor shall be responsible for the disposal of all waste materials. The building shall be constructed in accordance with the fire safety requirements. The contractor shall be responsible for the installation of all fire safety equipment. The building shall be constructed in accordance with the accessibility requirements. The contractor shall be responsible for the installation of all accessibility features. The building shall be constructed in accordance with the energy efficiency requirements. The contractor shall be responsible for the installation of all energy efficiency features. The building shall be constructed in accordance with the seismic requirements. The contractor shall be responsible for the installation of all seismic features. The building shall be constructed in accordance with the wind load requirements. The contractor shall be responsible for the installation of all wind load features. The building shall be constructed in accordance with the snow load requirements. The contractor shall be responsible for the installation of all snow load features. The building shall be constructed in accordance with the flood load requirements. The contractor shall be responsible for the installation of all flood load features. The building shall be constructed in accordance with the earthquake requirements. The contractor shall be responsible for the installation of all earthquake features. The building shall be constructed in accordance with the hurricane requirements. The contractor shall be responsible for the installation of all hurricane features. The building shall be constructed in accordance with the typhoon requirements. The contractor shall be responsible for the installation of all typhoon features. The building shall be constructed in accordance with the cyclone requirements. The contractor shall be responsible for the installation of all cyclone features. The building shall be constructed in accordance with the storm requirements. The contractor shall be responsible for the installation of all storm features. The building shall be constructed in accordance with the flood requirements. The contractor shall be responsible for the installation of all flood features. The building shall be constructed in accordance with the tsunami requirements. The contractor shall be responsible for the installation of all tsunami features. The building shall be constructed in accordance with the earthquake requirements. The contractor shall be responsible for the installation of all earthquake features. The building shall be constructed in accordance with the hurricane requirements. The contractor shall be responsible for the installation of all hurricane features. The building shall be constructed in accordance with the typhoon requirements. The contractor shall be responsible for the installation of all typhoon features. The building shall be constructed in accordance with the cyclone requirements. The contractor shall be responsible for the installation of all cyclone features. The building shall be constructed in accordance with the storm requirements. The contractor shall be responsible for the installation of all storm features. The building shall be constructed in accordance with the flood requirements. The contractor shall be responsible for the installation of all flood features. The building shall be constructed in accordance with the tsunami requirements. The contractor shall be responsible for the installation of all tsunami features.

DESCRIPTION
 The building is a two-story structure with a total area of approximately 10,000 square feet. It is designed for use as a multi-family residential building. The building will consist of two floors of living units, each with a kitchen, bathroom, and living area. The building will also include a common area and a laundry room. The building will be constructed in accordance with the latest building codes and regulations. The building will be constructed in accordance with the environmental requirements. The building will be constructed in accordance with the fire safety requirements. The building will be constructed in accordance with the accessibility requirements. The building will be constructed in accordance with the energy efficiency requirements. The building will be constructed in accordance with the seismic requirements. The building will be constructed in accordance with the wind load requirements. The building will be constructed in accordance with the snow load requirements. The building will be constructed in accordance with the flood load requirements. The building will be constructed in accordance with the earthquake requirements. The building will be constructed in accordance with the hurricane requirements. The building will be constructed in accordance with the typhoon requirements. The building will be constructed in accordance with the cyclone requirements. The building will be constructed in accordance with the storm requirements. The building will be constructed in accordance with the flood requirements. The building will be constructed in accordance with the tsunami requirements.

GENERAL NOTES
 1. The building is to be constructed in accordance with the specifications and drawings herein. The contractor shall be responsible for obtaining all necessary permits and licenses. The building shall be completed within the specified time frame. The contractor shall maintain access to all adjacent properties at all times. The building shall be constructed in accordance with the latest building codes and regulations. The contractor shall be responsible for the safety of all workers and the public. The building shall be constructed in accordance with the environmental requirements. The contractor shall be responsible for the disposal of all waste materials. The building shall be constructed in accordance with the fire safety requirements. The contractor shall be responsible for the installation of all fire safety equipment. The building shall be constructed in accordance with the accessibility requirements. The contractor shall be responsible for the installation of all accessibility features. The building shall be constructed in accordance with the energy efficiency requirements. The contractor shall be responsible for the installation of all energy efficiency features. The building shall be constructed in accordance with the seismic requirements. The contractor shall be responsible for the installation of all seismic features. The building shall be constructed in accordance with the wind load requirements. The contractor shall be responsible for the installation of all wind load features. The building shall be constructed in accordance with the snow load requirements. The contractor shall be responsible for the installation of all snow load features. The building shall be constructed in accordance with the flood load requirements. The contractor shall be responsible for the installation of all flood load features. The building shall be constructed in accordance with the earthquake requirements. The contractor shall be responsible for the installation of all earthquake features. The building shall be constructed in accordance with the hurricane requirements. The contractor shall be responsible for the installation of all hurricane features. The building shall be constructed in accordance with the typhoon requirements. The contractor shall be responsible for the installation of all typhoon features. The building shall be constructed in accordance with the cyclone requirements. The contractor shall be responsible for the installation of all cyclone features. The building shall be constructed in accordance with the storm requirements. The contractor shall be responsible for the installation of all storm features. The building shall be constructed in accordance with the flood requirements. The contractor shall be responsible for the installation of all flood features. The building shall be constructed in accordance with the tsunami requirements. The contractor shall be responsible for the installation of all tsunami features.

OFFICE OF THE ARCHITECT
 1234 MAIN STREET
 WASHINGTON, D.C. 20001
 PHONE: (202) 123-4567
 FAX: (202) 123-4568
 SHEET 1 OF 2

State of Florida

Department of State



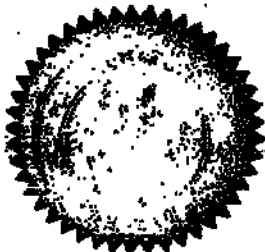
I, Tom Adams, Secretary of State of the State of Florida,
Do Hereby Certify That the following is a true and correct copy of

Certificate of Incorporation
of

PAIM-AIRE AT DESOTA LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.

a corporation not for profit organized and existing under the Laws of the
State of Florida, filed on the 27th day of October,
A.D., 1970, as shown by the records of this office.

Given under my hand and the Great Seal of the
State of Florida, at Tallahassee, the Capital,
this the 28th day of October,
A.D. 19 70.



A handwritten signature in cursive script, appearing to read "Tom Adams".

Secretary of State

ARTICLES OF INCORPORATION

OF

PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.

FILED
OCT 27 4 58 PM '88
CLERK OF DISTRICT COURT
TALLAHASSEE, FLORIDA

WE, the undersigned, hereby associate ourselves together for the purpose of forming a non-profit corporation under the laws of the State of Florida, pursuant to Florida Statutes 617 et seq., and hereby certify as follows:

ARTICLE I.

The name of this Corporation shall be
PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.

ARTICLE II.

The general purpose of this non-profit Corporation shall be as follows: - To be the "Association" (as defined in the Condominium Act of the State of Florida, F.S. 711 et seq.), for the operation of NO. 1 PALM-AIRE AT DESOTO LAKES COUNTRY CLUB APTS. CONDOMINIUM, a Condominium, to be created pursuant to the provisions of the Condominium Act, and as such Association, to operate and administer said Condominium and carry out the functions and duties of said Condominium, as set forth in the Declaration of Condominium established for said Condominium. The Corporation may also be the Association for the operation of additional condominiums which may be created on property adjacent to the above specified Condominium. The Board of Directors shall have the authority in their sole discretion to designate the above Corporation as the Association for such additional condominiums and, in such instance(s), the provisions hereafter in these Articles of Incorporation shall be interpreted in such a manner as to include such additional condominium(s).

ARTICLE III.

All persons who are owners of condominium parcels within said Condominium(s) shall automatically be members of this Corporation. Such membership shall automatically terminate when such person is no longer the owner of a condominium parcel. Membership in this Corporation shall be limited to such condominium parcel owners, except that until such time as the condominium is created the

subscribers hereto shall be the members of this corporation.

Subject to the foregoing, admission to and termination of membership shall be governed by the Declaration of Condominium that shall be filed for said Condominium among the Public Records of Sarasota County, Florida.

ARTICLE IV.

This Corporation shall have perpetual existence.

ARTICLE V.

The names and residences of the Subscribers to these Articles of Incorporation are as follows:

As to All Subscribers

WILLIAM E. GETZEN
JAMES L. RITCHEY
LOIS J. HOFFNER

1538 State Street
Sarasota, Florida 33578

ARTICLE VI.

Section 1. The affairs of the Corporation shall be managed and governed by a Board of Directors composed of not less than three (3) nor more than the number specified by the By-Laws, and in the exact number of persons as specified in said By-Laws. The Directors, subsequent to the first Board of Directors, shall be elected at the annual meeting of the membership, for a term of one (1) year, or until their successors shall be elected and shall qualify. Provisions for such election, and provisions respecting the removal, disqualification and resignation of Directors, and for filling vacancies on the Directorate, shall be established by the By-Laws.

Section 2. The principal officers of the Corporation shall be:

President
Vice President
Secretary
Treasurer

(the last two offices may be combined), who shall be elected from time to time in the manner set forth in the By-Laws adopted by the Corporation.

ARTICLE VII.

The names of the Officers who are to serve until the first

election of Officers, pursuant to the terms of the Declaration of Condominium and By-Laws, are as follows:

President	Thomas C. Kraemer
Vice President	Mark R. Thayer
Secretary-Treasurer	Margaret M. Dupertuis

ARTICLE VIII.

The following persons shall constitute the first Board of Directors, and shall serve until the first election of the Board of Directors at the first regular meeting of the membership.

Thomas C. Kraemer	<u>Address as to all Directors</u>
Mark R. Thayer	Post Office Box 3378
Margaret M. Dupertuis	Sarasota, Florida 33578

ARTICLE IX.

The By-Laws of the Corporation shall initially be made and adopted by its first Board of Directors.

Prior to the time of the creation of the Condominium described in Article II, said first Board of Directors shall have full power to amend, alter or rescind said By-Laws by a majority vote.

After the creation of said Condominium, the By-Laws may be amended, altered, supplemented or modified by the membership at the Annual Meeting, or at a duly convened special meeting of the membership, attended by a majority of the membership, by vote, as follows:

- A. If the proposed change has been approved by the unanimous approval of the Board of Directors, then it shall require only a majority vote of the membership to be adopted.
 - B. If the proposed change has not been approved by the unanimous vote of the Board of Directors, then the proposed change must be approved by three fourths (3/4ths) of the total vote of the membership;
- provided, however, that (1) - prior to the first Annual Meeting of the membership, the By-Laws may not be amended without a prior resolution requesting said Amendment by the Board of Directors of the Association; (2) - subsequent to the first Annual Meeting of the membership, the By-Laws may not be amended without the approval of

the Board of Directors of the Association, unless the proposed Amendment shall be filed in writing with the Secretary or President, not less than ten (10) days prior to the membership meeting at which such Amendment is to be voted upon.

ARTICLE X.

Amendments to these Articles of Incorporation may be proposed by any member or director, and shall be adopted in the same manner as is provided for the amendment of the By-Laws, as set forth in Article IX above. Said amendment(s) shall be effective when a copy thereof, together with an attached certificate of its approval by the membership, sealed with the Corporate Seal, signed by the Secretary or an Assistant Secretary, and executed and acknowledged by the President or Vice President, has been filed with the Secretary of State, and all filing fees paid.

ARTICLE XI.

This Corporation shall have all of the powers set forth in Florida Statute 617.021, all of the powers set forth in the Condominium Act of the State of Florida, and all powers granted to it by the Declaration of Condominium and Exhibits annexed thereto.

ARTICLE XII.

There shall be no dividends paid to any of the members, nor shall any part of the income of the corporation be distributed to its Board of Directors or Officers. In the event there are any excess receipts over disbursements, as a result of performing services, such excess shall be applied against future expenses, etc. The Corporation may pay compensation in a reasonable amount to its members, directors and officers, for services rendered, may confer benefits upon its members in conformity with the purposes, and upon dissolution or final liquidation, may make distribution to its members as is permitted by the Court having jurisdiction thereof, and no such payment, benefit or distribution shall be deemed to be a dividend or distribution of income.

This Corporation shall issue no shares of stock of any kind or nature whatsoever. Membership in the Corporation and the transfer thereof, as well as the number of members, shall be upon

such terms and conditions as provided for in the Declaration of Condominium and By-Laws. The voting rights of the owners of parcels in said Condominium property shall be as set forth in the Declaration of Condominium and/or By-Laws.

IN WITNESS WHEREOF, the subscribers hereto have hereunto set their hands and seals, this 23 day of OCTOBER, 1970.

Signed, Sealed and Delivered in the Presence of:

Hilda M. Sugg
Margaret M. Wang

William E. Getzen (SEAL)
James L. Ritchey (SEAL)
Lois J. Hoffner (SEAL)

STATE OF FLORIDA)
COUNTY OF SARASOTA)

BEFORE ME, the undersigned authority, personally appeared WILLIAM E. GETZEN, JAMES L. RITCHEY, and LOIS J. HOFFNER, who after being by first duly sworn, acknowledged that they executed the foregoing Articles of Incorporation of PALM-AIRE AT DeSOTO LAKES COUNTRY CLUB ASSOCIATION, INC., a Florida corporation not for profit, for the purposes therein expressed.

WITNESS my hand and official seal, in the State and County aforesaid, this 23 day of October, 1970.

Hilda M. Sugg
Notary Public
My Commission Expires:

Notary Public, State of Florida at Large
My Commission Expires Aug. 24, 1976
Bonded by Transmarina Insurance Co.

LONG-TERM LEASE

THIS LEASE, made and entered into at Manatee County, Florida, this 1st day of November, 1970, by and between FPA CORPORATION, a Delaware Corporation, and PARKER-LEVITT CORPORATION, a Delaware Corporation, hereinafter called the "Lessor", and PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida Corporation not for profit, hereinafter called the "Lessee", which said terms shall be deemed to extend to and include the heirs, legal representatives, successors and assigns of the said parties;

W I T N E S S E T H : -

That the Lessor and Lessee, for and in consideration of the keeping by the parties of their respective obligations hereinafter contained, as well as for One Dollar and other good and valuable considerations by each of the parties unto the other in hand paid simultaneously with the execution and delivery of these presents, the receipt whereof is hereby acknowledged, have agreed as follows:-

I.

DEMISE

Upon the terms and conditions hereinafter set forth, and in consideration of the payment from time to time by the Lessee of the rents hereinafter set forth, and in consideration of the prompt performance continuously by the Lessee of each and every of the covenants and agreements hereinafter contained by the Lessee to be kept and performed, the performance of each and every one of which is declared to be an integral part of the consideration to be furnished by the Lessee, the Lessor does hereby lease, let and demise unto the Lessee, and the Lessee does hereby lease of and from the Lessor, certain real property, situate, lying and being in Manatee County, Florida, as more particularly described in Exhibit "A" annexed hereto and made a part hereof.

II.

DURATION OF TERM

The term and duration of this Lease shall be for a period of time commencing on the 1st day of November, 1970, and continuing up to and including October 31, 2069, unless this Lease be sooner terminated in accordance with its terms.

III.

R E N T

The Lessee agrees to pay to the Lessor as rent during the term of this Lease, the sum of ONE THOUSAND TWENTY DOLLARS (\$1020.00) per month, said rent being payable monthly in advance, with the first monthly payment of rent maturing and becoming due and payable upon the 1st day of November, 1970. In the event Lessee shall operate condominiums in addition to No. 1 Palm-Aire at DeSoto Lakes Country Club Apts. Condominium, Lessee shall pay additional rental commencing with the date of recording of the respective Declarations of Condominium in the public records in an amount equal to the aggregate monthly rentals for all units in each such condominium in accordance with the monthly rentals shown on Exhibit "C" for each respective type of unit in such condominiums, as such units shall be classified as to "type" by the Developer. The monthly rental is subject to an increase of such sum in accordance with the provisions of VIII hereinafter.

Rent shall be payable at such place as the Lessor may specify in writing from time to time, and a place once specified as the place for the payment of rent shall be such until it shall have been changed by written notice from the Lessor to the Lessee, in the manner hereinafter prescribed for the giving of notices. All rent shall be payable without notice or demand. For the present, and until further notice, the Lessor

specifies that the rent shall be paid to Lessor at Box 3378, Sarasota, Florida 33578.

B. All rent shall be payable in current legal tender of the United States, as the same is constituted by law at the time said rent becomes due. If at any time the Lessor shall accept anything other than current legal tender as rent, such fact or such acceptance shall not be construed as varying or modifying such provisions of this paragraph as to any subsequently maturing rent, or as requiring the Lessor to make a similar acceptance or indulgence upon any subsequent occasion.

IV.

PROVISIONS REGARDING PAYMENT OF TAXES

A. The Lessee covenants and agrees with the Lessor that the Lessee will promptly pay all taxes levied or assessed for and after the year 1970, and during the term hereby demised, by any and all taxing authorities, and including not only ad valorem and personal property taxes, but also special assessments and liens for public improvements, and including, in general, all taxes, tax liens or liens in the nature of taxes, which may be assessed or imposed against the premises (including interest, penalties, fines and costs) including the land and all buildings, furniture, fixtures and improvements which the Lessee may hereafter construct or bring upon the demised premises, but in the event any such taxes or assessments are payable, according to their terms, in installments, then the Lessee shall have the right to pay the same as such installments fall due, so long as the right to make payment of them in such installments has not been revoked or lost by reason of default in the payment of any installment.

B. Nothing in this Article contained shall obligate the Lessee to pay income, inheritance, estate or succession tax, or any tax in the nature of such described taxes, or any other tax which may be levied or assessed against the Lessor with respect to or because of the income derived from this Lease; nor shall the Lessee be deemed obligated hereby to pay any corporation franchise or excise taxes which may be assessed or levied against the Lessor or any corporate successor or successors in interest of the Lessor.

C. The said taxes shall be paid at least thirty (30) days prior to the time when the same would become delinquent, in accordance with the law then in force and effect.

D. The Lessee shall have the right, on the 1st day of each and every month of the term hereof, to contest the validity of any such tax by complying with the Florida statutes relating to such proceedings.

V.

LESSOR'S INTEREST NOT SUBJECT TO MECHANICS' LIENS

A. All persons to whom these presents may come are put upon notice of the fact that the Lessee shall never, under any circumstance, have the power to subject the interest of the Lessor in the premises to any mechanics' or materialmen's lien or liens of any kind, unless a specific provision to the contrary, authorizing in specific terms the creation of such lien or liens, is elsewhere herein contained.

B. All persons who may hereafter, during the term of this Lease, furnish work, labor, services or materials to the premises upon the request or order of the Lessee, or any person claiming under, by or through the Lessee, must look wholly to the interest of the Lessee and not to that of the Lessor.

C. If any mechanics' liens are filed or asserted against the Lessor's interest in the subject premises, the Lessee shall, within thirty (30) days after the time when notice thereof shall come to their attention, cause such lien to be released from the Lessor's interest in the subject premises, in the manner provided by the Statutes of the State of Florida.

VI.

IMPROVEMENTS

The Lessor covenants and warrants unto the Lessee that it will construct upon the premises described as "Parcel A", in Exhibit "A" attached hereto, at Lessor's cost and expense, recreational facilities consisting of the following, to-wit:

A swimming pool and deck, pool patio, and structure containing a men and women's sauna, dressing and shower rooms, and shuffleboard courts.

Lessor covenants that it will complete the construction of the improvements aforescribed in "Parcel A", within sixty (60) days following the issuance of the Certificate of Occupancy as to the apartment building constructed on the land submitted to Condominium by virtue of the Declaration of Condominium to which this Lease is attached as Exhibit No. 4, subject to the availability of labor and materials, delays caused by Acts of God, acts of governmental authority(s), flood, hurricane, strikes, labor conditions, or any other conditions not within the Lessor's control.

Pending construction and completion of the recreational facilities on "Parcel A" hereinabove described, the Lessor does hereby covenant and agree to make available to the Lessee, the swimming pool facilities presently located on DeSoto Lakes Country Club. Said facilities shall be available to the members of the Lessee Association and such other persons as Lessor determines in its sole discretion.

The Lessee, in consideration of the foregoing, shall commence paying the monthly rental as of the time provided in and pursuant to Article III. of this Long-Term Lease; however, the Lessee's duties and requirements under Articles IX., X., XI., and XVII., and the obligation to make payments other than rent under Article XXV., shall not commence until the first day of the month following the completion of the recreational facilities on "Parcel A" of the aforescribed premises, as hereinabove provided. Said recreational facilities on "Parcel A" shall be deemed completed upon the issuance of a Certificate of Occupancy, or such other appropriate Certificate as may be issued by the appropriate governmental authority as applies to swimming pool facilities. It shall be mandatory for the members of the Lessee Condominium Association and the Condominium Association to make payments, as provided in this paragraph and under this Long-Term Lease, regardless of whether or not the members, or any member of the Lessee Condominium Association, uses the facilities provided hereunder.

VII.

USE OF PREMISES

It is understood and agreed between the parties hereto that the said premises, during the continuance of this Long-Term Lease, may be used and occupied only for recreational purposes, at all times subject to the rules and regulations promulgated by the Lessee, or Lessee's successor in interest and authority, and additional Lessees, as provided in this Long-Term Lease, it being understood and agreed that the Lessee does not have the exclusive right of possession.

VIII.

LESSOR'S LIEN FOR RENT

The Lessor shall have a first lien, paramount to all others, on every right and interest of the Lessee in and to this Lease and on the buildings now or hereafter located on the premises, and on the furniture,

furnishings, appliances, equipment, fixtures and goods of every kind, and on the equity therein, now or hereafter brought on the premises by the Lessee as a part of the goods and equipment used therein, and all additions and accessories thereto, which lien is granted for the purpose of securing the payment of rents, taxes, assessments, charges, liens, penalties and damages herein covenanted to be paid by the Lessee, and for the purpose of securing the performance of any and all and singular the covenants, conditions and obligations of this Lease to be performed and observed by the Lessee.

IX.

INDEMNIFICATION

A. Lessee covenants and agrees with Lessor that during the entire term of this Lease, the Lessee will indemnify and save harmless the Lessor against any and all claims, debts, demands or obligations which may be made against Lessor, or against Lessor's title in the premises, arising by reason of or in connection with the making of this Lease and the ownership by Lessee of the interest created in the Lessee hereby, and if it becomes necessary for Lessor to defend any action seeking to impose any such liability, the Lessee will pay the Lessor all costs of Court and attorneys' fees incurred by the Lessor in effecting such defense, in addition to any other sums which the Lessor may be called upon to pay by reason of the entry of a Judgment against the Lessor in the litigation in which such claim is asserted.

B. The Lessee will cause to be written a Policy or Policies of Insurance in the form generally known as Public Liability and Property Damage and/or Owner's, Landlord and Tenant Policies, and Boiler Insurance Policies and Elevator Insurance Policies - when there are boilers and elevators included in any improvements located on the demised premises, insuring the Lessee against any and all claims and demands made by any person or persons whomsoever for injuries received in connection with the operation and maintenance of the improvements and buildings located on the demised premises, or for any other risk insured against by such Policies, each class of which Policies shall have been written within limits of not less than \$300,000.00 for damages incurred or claimed by any one person, and for not less than \$600,000.00 for damages incurred by more than one person. All such Policies will name the Lessee and Lessor, as their respective interests may appear, as the parties insured by such Policy or Policies, and the original or a true copy of each of such Policies shall be delivered by Lessee to Lessor promptly upon the writing of such Policy or Policies, together with adequate evidence of the fact that the premiums therefor are paid; and in any event, such Policies and evidence of payment by the Lessee of the premiums shall be delivered by the Lessee to Lessor before the expiration of any then similar coverage and in time to assure the Lessor that such coverage will be carried continuously. The foregoing Insurance Policy or Policies shall be in such form as herein set forth and in such Company or Companies, and in such amounts, in addition to the minimum amounts specified herein, as the Lessor shall reasonably require, and said Policy or Policies shall contain a proviso specifying that the Policy or Policies shall contain a proviso specifying that the Policy or Policies may not be canceled or changed without actual notice being given to the Lessor.

X.

CASUALTY INSURANCE PROVISIONS

A. Lessee covenants and agrees with Lessor that Lessee will, at all times, during the term of this Lease, keep insured any and all buildings and improvements now or hereafter located upon said demised premises, and all personal property which Lessee may bring or maintain upon the demised premises, in order to comply with the terms of this Lease, in good and responsible Insurance Companies - preferably, Insurance Companies authorized to do business in Florida - as shall have been approved by Lessor and any

mortgagee then holding a mortgage encumbering the fee simple title to the demised premises, for protection against all loss or damage to said property by fire, windstorm or causes insured against by "extended coverage", and if the buildings or improvements on the premises at any time contain boilers or elevators, then Lessee will cause to be written what is generally known as Boiler Insurance Policies and Elevator Insurance Policies, and wherever the doctrine of co-insurance might apply to any such Insurance, then the amount of the Insurance so carried by the Lessee will be at all times sufficient to prevent co-insurance on the part of the Lessor and the Lessee, and all such Policies shall be payable, in the event of loss, jointly to the Lessor and Lessee, as their respective interests may appear. Nothing herein contained, however, shall be construed as prohibiting the attachment to such Policies of a standard mortgage form clause, but in such event, the said mortgage clause shall identify briefly the interest of the mortgagee as such - such as, for example, stating "first mortgagee of the fee simple title", or "mortgagee of the Long-Term Lessee's interest in the Ninety-nine Year Lease". The amount of insurance required, as specified in this paragraph, shall be an amount equal to the maximum insurable replacement value, as determined annually by the Lessee and approved by the Lessor. The Lessor may, in its sole discretion, reasonably limit or cause to be eliminated any deductible provisions applicable to any insurance coverage provided in this paragraph, and all Policies provided herein shall contain a proviso specifying that the Policy or Policies may not be canceled or changed without actual notice being given unto the Lessor.

B. From the inception of any construction work which Lessee may effect on the demised premises, and as often as the Lessee may construct a building or make a substantial alteration in a building, the Lessee will cause Builders' Risk Insurance Policies to be written in compliance with the provisions of the preceding paragraph, as such paragraph relates to the nature, minimum amount and naming of portion assured by such coverage, and said Policies shall be subject to the approval of the Lessor.

C. In the event of the destruction of the said building or improvements or said personal property by fire, windstorm or any other casualty for which Insurance will be payable, and as often as such insurance money shall be paid to Lessor and the Lessee, said sums so paid shall be deposited in a joint account of the Lessor and the Lessee, in a Bank designated by the Lessor, and shall be available to Lessee for the reconstruction or repair, as the case may be, of any building or buildings damaged or destroyed by fire, windstorm or other casualty for which insurance money shall be payable, and shall be paid out from said joint account from time to time, by the Lessor and Lessee, on the estimates of an Architect, licensed as such in the State of Florida, having supervision of such construction and repair, certifying that the amount of such estimate is being applied to the payment of the reconstruction or repair and at a reasonable cost therefor, provided, however, that it shall be the duty of the Lessee, at the time of creating such joint bank account, and from time to time thereafter until the said work of reconstruction or repair shall have been completed and paid for, to afford the Lessor adequate evidence of the fact that at all times the undisbursed portion of the fund in said joint account is sufficient to pay for the work of construction or repair in its entirety, and if the said fund is at any time insufficient to pay for the full cost of the job, the Lessee shall immediately and forthwith deposit into said fund, such funds as may be necessary, and to procure receipted bills and full and final waivers of lien when the said work shall have been completed and done. It shall be the duty of the Lessee to cause such showing to be made and such repairs to be accomplished as often as the premises may be damaged or may need repairs; and all of such work shall be effected, completed and paid for as promptly as the exercise by the Lessee of due diligence makes possible, and in any event, it shall be completed within nine (9) months after the time when the loss or damage first took place - but such nine-month period shall be enlarged by any delays caused without fault or neglect on the part of the Lessee, by Acts of God, strikes, lock-outs, or other conditions which are not attributable to or are not caused by the Lessee's default or neglect to exercise due diligence. The work, when completed, shall restore the premises sub-

stantially to the condition in which they existed before such damage or destruction took place, and in any event, they shall cause the premises, as restored, to have a value which is not less than the value which the premises had or possessed prior to the loss or damage which made such repairs or reconstruction necessary. Lessor shall have the right to require the Lessee to obtain a Completion, Performance and Payment Bond, in an amount and in the form and with a Company licensed to do business in Florida, approved by the Lessor. In the event the property described in Exhibit "B" is submitted to Condominium ownership, then the provisions in said Declaration of Condominium under the Article covering Casualty Insurance, relating to the rights and designation of the Institutional First Mortgagee specified in said Declaration, are hereby incorporated herein by reference, together with the right of said Institutional First Mortgagee to require the insurance proceeds to be endorsed by the Lessor and Lessee herein to the Insurance Trustee, as specified in said Declaration, and disbursed by said Insurance Trustee upon the approval of the Lessor, Lessee and said Institutional First Mortgagee. However, where the fee simple title to the deeded premises is encumbered by an Institutional Mortgage, such Mortgagees shall have the rights and powers granted the Institutional First Mortgagee referred to hereinabove - however, said rights and powers shall be joint and concurrent between the two Institutional Mortgagees.

D. The originals of all such Policies shall be delivered to Lessor by Lessee, along with the receipted bills evidencing the fact that the premiums therefor are paid, but nothing herein contained shall be construed as prohibiting Lessee from financing the premiums where the terms of the Policies are for three (3) years or more, and in such event, the receipts shall evidence the fact that the installment premium payment or payments are paid at or before their respective maturity(s). Where, however, there is a mortgage on the premises created pursuant to the provisions contained in this Lease, and if, under the terms of such mortgage or mortgages, it is obligatory upon the Lessee to cause the originals of such Policies to be delivered to the mortgagee, then Lessee shall deliver such originals to the mortgagee and shall deliver to Lessor Certificates of such Policies. The said Policies or Certificates thereof, as the case may be, together with evidence of the fact that the premiums have been paid, as aforesaid, shall be delivered by Lessee to Lessor before the expiration of the then corresponding insurance coverage, to the end that Lessor may be assured that such coverage is being carried by the Lessee continuously.

E. If at any time while the joint bank account herein provided for contains any of the proceeds of insurance, Lessee is in default under this Lease, then Lessor shall be immediately entitled to receive from said joint bank account the amount of money necessary to cure the Lessee's default; and if, while any of the funds remain in said joint bank account, the mortgagee of any mortgage made pursuant to the subordination privilege (hereinafter referred to as such) elects (and this may be the only mortgagee to have such election) under the terms of such mortgage, to receive any part of all of the proceeds of such insurance by way of application upon the said mortgage, then such sum shall be paid from said insurance awards or from the proceeds of said joint bank account to such mortgagee; but in either of these events, it shall be obligatory upon Lessee immediately to reimburse the said joint bank account with a sum of money to assure the Lessor that the said joint bank account will, at all times aforesaid, contain sufficient funds to pay for all of the costs of reconstruction and repair. If, after said work of reconstruction and repair shall have been completed and paid for, there remains any money in said joint bank account, such balance shall be paid therefrom to the Lessee if at that time the Lessee is not in default under the terms of this Lease. If at any time while the joint bank account contains any undisbursed funds, the Lease is cancelled for the Lessee's default, then the undisbursed portion of said joint bank account shall immediately become and be the property of the Lessor as part of what will accrue to the Lessor upon the occasion of default by the Lessee and the consequent cancellation of the Lease, as liquidated and agreed upon damages for such default and for such cancellation. Insurance mortgagee clause shall be subject to the terms of this Lease.

XI.

LESSEE'S DUTY TO PAY INSURANCE PREMIUMS

A. Lessee covenants and agrees with Lessor that Lessee will pay the premiums for all Insurance Policies which Lessee is obligated to carry under the terms of this Lease, and will deliver the said Policies and the evidence of payment to the Lessor within the time hereinafter limited.

B. Nothing herein contained shall ever be construed as rendering the Lessor personally liable for the payment of any such insurance premiums, but if, at any time during the continuance of this Lease, the Lessee shall fail, refuse or neglect to procure any of the Policies of Insurance required in and by this instrument to be procured by the Lessee or to keep and maintain the same in full force and effect, or pay the premium therefor promptly when due, the Lessor may, at its option, procure or renew such Insurance and thereupon, the amount or amounts of money paid as the premium or premiums thereon, plus interest at the rate of ten percent (10%) per annum, shall be collectible as though it were rent then matured hereunder and shall be due and payable forthwith, or in lieu thereof, and notwithstanding the procurement and renewal of such Policies by the Lessor, this Indenture and the terms created hereby may, at the option of the Lessor, be terminated and declared at an end, and all of the right, estate and interest of the Lessee hereunder, in such event, shall immediately cease and become null and void.

XII.

ASSIGNMENT

Provided that this Lease is not in default and is in good standing:-

A. This Lease is freely assignable.

B. No assignment or transfer shall be valid unless and until the Assignee shall expressly assume and agree to perform each and every the covenants of this Lease which, by the terms hereof, the Lessee agrees to keep and perform, and which assumption shall be evidenced by written instrument, executed in such fashion as to entitle it to recording, nor shall such assignment be deemed valid unless the assignment and assumption agreement are promptly filed for record in the County wherein the leased premises are located, and unless and until an executed original thereof is delivered to the Lessor, together with a reference to the book and page number of the recordation thereof. No assignment, transfer or assumption shall ever operate to release a prior Lessee from any of the obligations hereof, and no such prior Lessee shall be released unless and until a written discharge of such Lessee, duly executed by the Lessor, shall be recorded among the Public Records of the County in which the leased premises are located.

C. Each of the parties - i.e., Lessor and Lessee hereunder, hereby covenant and agree with the other, that either will, within fifteen (15) days after written notice received by such party from the other, requiring a statement of the status of the Lease, give such statement in writing confirming as to whether the Lease is in good standing, and if it is not, the particulars in which it is not; and failure within said period of fifteen (15) days so to give such written reply shall constitute a representation that the Lease is in good standing, which representation, within fifteen (15) days after the expiration of said fifteen (15) day period, may be relied upon by any person as being true and correct. Notice and the consequent reply shall be deemed given and time shall begin to run when, respectively, the said notice and consequent reply are deposited in the United States Certified or Registered Mail, with sufficient postage prepaid thereon to carry same to their addressed destination, and they shall be addressed to the Lessor and Lessee (as the case may be) at the places and in the manner prescribed as being the places and the manner for giving notice.

D. The obligations assumed hereunder by the respective parties are all covenants running with the land and shall pass successively upon the occasion of each transfer or assignment of an interest unto the transferee or assignee.

XIII.

EMINENT DOMAIN

If any part of the leased premises shall be taken under the power of eminent domain, the rent shall continue unaffected as to amount unless if such portion of the leased premises is taken so as to completely destroy the usefulness of the leased premises for the purpose for which such premises were leased, then from that day, the Lessee shall have the right to terminate this Lease by written notice given by the Lessee to the Lessor within thirty (30) days after such day, or to continue in the possession of an undivided interest in the remainder of the leased premises under all of the terms provided. All damages awarded for such taking shall belong to and be the property of the Lessor whether such damages shall be awarded as compensation for diminution in the value to the Lease or to the fee of the leased premises.

XIV.

BANKRUPTCY

Neither this Lease nor any interest therein nor any estate thereby created shall pass to any Trustee or Receiver or assignee for the benefit of Creditors, or otherwise, by operation of law.

XV.

DEMOLITION, CONSTRUCTION AND MAJOR ALTERATIONS

Lessee shall undertake no demolition, rebuilding or new construction on the demised premises, nor shall Lessee make any major alteration in the buildings located on the demised premises at the time of commencement of this Lease without the prior written consent and approval of the Lessor, and upon such terms and conditions as the Lessor shall require. Nothing in this paragraph shall ever be construed to relieve Lessee of its obligation to maintain and repair the improvements located on the demised premises.

XVI.

DEFAULT CLAUSE

A. It is further covenanted and agreed by and between the parties hereto that in case, at any time, default shall be made by the Lessee in the payment of any of the rent herein provided for upon the day the same becomes due and payable, or in case of default in relation to liens, as hereinabove provided for, or if the Lessee shall fail to pay any of the taxes or assessments herein provided for, or in case of the sale or forfeiture of said demised premises or any part thereof during said demised term for non-payment of any tax or assessment, or in case the Lessee shall fail to keep insured any building or improvements which may, at any time hereafter, be upon the said premises, as herein provided for, or shall fail to expend insurance money, as herein provided for, or if the Lessee shall fail to perform any of the covenants of this Lease by it to be kept and performed, then, and in any of such events, it shall and may be lawful for the Lessor, at its election, to declare said demised term ended, and to re-enter upon said premises and the buildings and improvements situated thereon, or any part thereof, either with or without process of law, the said Lessee hereby waiving any demand for possession

of said premises, and any and all buildings and improvements then situated thereon; or, the Lessor may have such other remedies as the law and this instrument afford. The Lessee covenants and agrees that upon the termination of said demised term at such election, or in any other way, the Lessee will surrender and deliver up the premises and property (real and personal) peaceably to the Lessor, its agents or attorneys, immediately upon the termination of the said demised term, and if the Lessee, its agents, attorneys or tenants shall hold the said premises, or any part thereof, one (1) day after the same should be surrendered according to the terms of this Lease, it shall be deemed guilty of forcible detainer of said premises under the statute and shall be subject to eviction or removal, forcibly or otherwise, with or without process of law.

B. Though this be a Long-Term Lease, the parties understand and agree that the relationship between them is that of Landlord and Tenant, and the Lessee specifically acknowledges that all statutory proceedings in the State of Florida regulating the relationship of Landlord and Tenant respecting collection of rent or possession of the premises, accrues to the Landlord hereunder.

C. Nothing herein contained shall be construed as authorizing the Lessor to declare this Lease in default where the default consists in the non-payment of rent or taxes, or payments on Lessee created mortgages on Lessee's interest in the demised premises, until such non-payment shall, in violation of the terms of this Lease, have continued for fifteen (15) days after written notice of such default shall have been given by the Lessor to the Lessee; and where the alleged default consists of some violation other than the foregoing, the Lessor may not declare this Lease in default until such violation shall have continued for thirty (30) days after the Lessor shall have given the Lessee written notice of such violation, and Lessee shall not have undertaken, during said thirty-day notice period, to cure said violation by vigorous and affirmative action; provided, however, that nothing herein contained shall be construed as precluding the Lessor from having such remedy as may and/or become necessary in order to preserve the Lessor's right and the interest of the Lessor in the premises and in this Lease, even before the expiration of the grace or notice periods provided for in this paragraph if, under particular circumstances then existing, the allowance of such grace or the giving of such notice would prejudice or endanger the rights and estate of the Lessor in this Lease and in the demised premises.

D. All default and grace periods shall be deemed to run concurrently and not consecutively.

E. It is mutually covenanted and agreed that the various rights, powers, options, elections, privileges and remedies of the Lessor contained in this Lease, shall be construed as cumulative, and no one of them shall be construed as being exclusive of the other or exclusive of any rights or priorities by law.

F. It is further covenanted and agreed by and between the parties hereto that the right given to the Lessor in this Lease to collect the rent that may be due under the terms of this Lease by any proceedings under the same, or the right to collect any additional rent, money or payments due under the terms of this Lease by any proceedings under the same, or the right given the Lessor to enforce any of the terms and provisions of this Lease, shall not in any way affect the rights of such Lessor to declare this Lease void and the term hereby ended, as herein provided, when default is made in the payment of said rent, or when default is made by the Lessee in any of the terms and provisions of this Lease.

G. If, at any time, by reason of the failure of the Lessee to keep and perform any covenant or agreement which under the terms of this Lease the Lessee is bound and obligated to keep and perform, it becomes necessary for Lessor to employ an attorney to protect the rights and interests of the Lessor in the demised property, or to enforce the terms and provisions of the Lease, or proceed under it in any particular - then, in any

of such events, the Lessee will owe and will pay unto Lessor all costs of Court and reasonable Attorneys' fees incurred or expended by the Lessor in taking such actions.

H. It is further covenanted and agreed by and between the parties hereto that in the event of the termination of this Lease at any time before the expiration of the term of years hereby created, for the breach by the Lessee of any of the covenants herein contained, then all of the right, estate and interest of the Lessee in and under this Indenture and in the demised premises, and all improvements, buildings and Lessee's interest in all furniture, furnishings, fixtures, appliances, equipment and goods of every kind, and the equity therein, and all additions and accessions thereto, then situated in the said demised premises, together with all rents, issues and profits of said premises and the improvements thereon, whether then accrued or to accrue, and all insurance policies and all insurance monies paid or payable thereunder, and the then entire undisbursed balance of any building escrow fund, and the entire undisbursed balance of any then existing joint bank account which may have been created in connection with the collection of insurance, and all of them, shall at once pass to and become the property of the Lessor without any compensation therefor unto the Lessee, not as a penalty for forfeiture, but as liquidated damages to Lessor because of such default by Lessee and the consequent cancellation of the Lease - each of the parties acknowledging it to be the fact that for breach and consequent cancellation of a long-term lease of this character, the Lessor will sustain substantial damage of such character as to make it most burdensome and tedious, if not actually impossible, to ascertain with mathematical precision. Each of the parties, therefore, have agreed upon this provision for liquidated damages in the interests of obviating what would otherwise be burdensome and difficult litigation to maintain or to defend - as the case may be; and this provision for liquidated damages has been taken into account by both parties in fixing the terms of and the consideration for the making of this Lease.

I. The Lessee pledges with and assigns unto the Lessor, all of the rents, issues and profits which might otherwise accrue to the Lessee for the use, enjoyment and operation of the demised premises, and in connection with such pledging of such rents, the Lessee covenants and agrees with the Lessor that if the Lessor, upon the default of the Lessee, elects to file a suit in chancery to enforce or cancel the Lease and perfect the Lessor's rights thereunder, then the Lessor may, as ancillary to such suit, apply to any Court having jurisdiction thereof for the appointment of a Receiver of all and singular the demised premises, the improvements and buildings located thereon, and the furniture, furnishings, fixtures, equipment, appliances and goods contained therein, and all additions and accessions thereto, and thereupon, it is expressly covenanted and agreed that the Court shall forthwith appoint a Receiver with the usual powers and duties of Receivers in like cases, and such appointment shall be made by such Court as a matter of strict right to the Lessor, and without reference to the adequacy or inadequacy of the value of the property which is subject to the Landlord's lien, or to the solvency or insolvency of the Lessee, and without reference to the commission of waste.

XVII.

LESSEE'S DUTY TO KEEP PREMISES IN GOOD REPAIR

The Lessee covenants and agrees with the Lessor that during the continuation of this Lease, the Lessee will keep in good state of repair and in first-class condition, any and all buildings now or hereafter constructed thereon, and all furniture, furnishings, fixtures, equipment, appliances and goods brought or hereafter placed upon the demised premises, and all additions and accessions thereto; nor will the Lessee suffer or permit any strip, waste or neglect of any building or goods to be committed; and the Lessee will repair, replace and renovate the said real property and goods as often as it may be necessary in order to keep the building or buildings and the goods which are subject to the Lessor's lien, in first class repair and condition.

XVIII.

ADDITIONAL COVENANTS OF THE LESSEE

A. The Lessee covenants and agrees with the Lessor that the premises will be used for legal purposes only.

B. The Lessee covenants and agrees with the Lessor that no damage or destruction to any building or improvement by fire, windstorm, or any other casualty, shall be deemed to entitle the Lessee to surrender possession of the premises or to terminate this Lease, or to violate any of its provisions, or to cause any abatement or rebate in the rent then due or thereafter becoming due under the terms hereof; and if the Lease is cancelled for the Lessee's default at any time while there remains outstanding any obligation from any insurance company to pay for the damage or any part thereof, then the claim against the insurance company shall, upon the cancellation of the within Lease, be deemed immediately to become the absolute and unconditional property of the Lessor.

C. The Lessee covenants and agrees with the Lessor that nothing in this Lease contained shall ever be construed as empowering the Lessee to encumber or cause the Lessor to encumber the title or interest of the Lessor.

D. The Lessee covenants and agrees with the Lessor that at the termination of this Lease, the Lessee will peaceably and quietly deliver unto the Lessor, possession of the premises and all buildings and improvements located thereon, as well as all fixtures and equipment appertaining thereto.

E. This Lease shall be subject and subordinate at all times to the lien of any mortgages, ground rents or other encumbrances now or hereafter placed on the Demised Premises, without the necessity of any further instrument or act on the part of Lessee to effectuate such subordination, but Lessee covenants and agrees to execute and deliver upon demand such further instrument or instruments evidencing such subordination of this Lease to the lien of any such mortgage or mortgages, ground rent or other encumbrances as shall be required by any mortgagee or proposed mortgagee or by any interested person.

The subordination of this Lease and of Lessee's leasehold interest hereunder to the lien of any mortgage, ground rent or other encumbrance hereafter placed on the Demised Premises is conditioned upon execution and delivery by such mortgagee, ground-rent owner or other encumbrancer to the Lessee of an agreement in recordable form under which such mortgagee, ground-rent owner or other encumbrancer (for itself, its successors and assigns, and for anyone asserting title to, or right to possession of, the Demised Premises under the remedies afforded by the mortgage, ground-rent or other encumbrance), shall covenant and agree for the benefit of Lessee, its successors and assigns,

(a) to take no action to interfere with the possession and use of the Demised Premises by Lessee, its successors and assigns and/or Lessee's rights hereunder, except to the extent permitted to Lessor by the express provisions of this Lease; and

(b) upon any foreclosure sale or other sale of Lessor's interest hereunder, the purchaser thereof shall become the Lessor under this Lease and agrees to be bound by all its terms, and Lessee hereby agrees to attorn to such purchaser to the same extent as if such purchaser were the original Lessor herein.

Although the Lessee has the power itself of mortgaging or otherwise encumbering the Lessee's interest in this Lease, any such mortgage or encumbrance shall be subject in all respects to the rights and claims of the Lessor, and all persons claiming under, by or through the Lessor, by reason of or in connection with this Lease, and the extinguishment of this

Lease shall, ipso facto, extinguish any of the mortgages or encumbrances placed on the Lessee's interest in this Lease by the Lessee

XIX.

COVENANT OF QUIET ENJOYMENT

The Lessor covenants and agrees with the Lessee that so long as the Lessee keeps and performs all of the covenants and conditions by the Lessee to be kept and performed, the Lessee shall have quiet and undisturbed and continuous possession of the premises, free from any claims against the Lessor and all persons claiming by, through or under the Lessor, but this undertaking shall not extend to any interruption in the possession of the Lessee occasioned by the failure of the Lessee to keep in good standing and to pay in accordance with their terms, any mortgage or mortgages encumbering the Lessee's interest in the within Lease and Leasehold premises.

XX.

LESSOR'S RIGHT OF ENTRY

The Lessor, or its agents, shall have the right to enter upon the premises at all reasonable times to examine the condition and use thereof, provided only that such right shall be exercised in such manner as not to interfere with the Lessee in the conduct of Lessee's business on said premises. If the said premises are damaged by fire, windstorm or by any other casualty which causes the premises to be exposed to the elements, then the Lessor may enter upon the premises to make emergency repairs, but if the Lessor exercises its option to make emergency repairs, such act or acts shall not be deemed to excuse the Lessee from its obligations to keep the premises in good repair, and the Lessee shall, upon demand of the Lessor, reimburse the Lessor for the cost and expense of such emergency repairs, and such costs and expense shall be collectible as though the same were rent then matured under this Lease.

XXI.

MISCELLANEOUS PROVISIONS

It is mutually covenanted and agreed by and between the parties, as follows:

A. That no waiver of a breach of any of the covenants in this Lease contained shall be construed to be a waiver of any succeeding breach of the same covenant.

B. That time is of the essence in every particular and particularly where the obligation to pay money is involved.

C. That all arrearages in the payment of rent or in the repayment to the Lessor of any sums which the Lessor may have paid in order to cure a default of the Lessee, or to make emergency repairs (as elsewhere provided for herein) shall bear interest from the date when due and payable at the rate of ten percent (10%) per annum until paid.

D. That no modification, release, discharge or waiver of any provisions hereof shall be of any force, effect or value unless in writing, and signed by the parties who are then Lessor and Lessee.

E. That all covenants, premises, conditions and obligations herein contained or implied by law, are covenants running with the land and shall attach to and be binding upon the heirs, executors, administrators, successors, legal representatives and assigns of each of the parties to this Lease.

F. That this instrument contains the entire agreement between the parties as of this date, and that the execution hereof has not been induced by either of the parties by representations, promises or understandings not expressed herein, and that there are no collateral agreements, stipulations, promises or understandings whatsoever between the respective parties in any way touching the subject matter of this instrument which are not expressly contained in this instrument.

XXII.

NOTICES

Whenever, under this Lease, a provision is made for notice of any kind, it shall be deemed sufficient notice and service, thereof if such notice to Lessee is in writing, addressed to Lessee at its last known address and sent by certified mail with postage prepaid, and if such notice to Lessor is in writing, addressed to the last known postoffice address of Lessor, and sent by certified mail with postage prepaid. Notice need be sent to only one Lessee where Lessee is more than one person or Corporation.

XXIII.

LESSEE'S ACCEPTANCE OF OBLIGATIONS OF LEASE

The Lessee is a non-profit Florida Corporation and is an Association formed to conduct and administer the affairs of NO. 1 PALM-AIRE AT DESOTO LAKES COUNTRY CLUB APTS. CONDOMINIUM, and such other Condominiums as provided in the Association's Articles of Incorporation. The Lessee agrees to accept all of the benefits and all of the duties, responsibilities, obligations and burdens imposed upon it by the provisions of this Lease - it being understood and agreed that this Lease is for the benefit of the members of the said Lessee Association, and said Lessee Association understands and agrees that its undertakings, as set forth in this Lease, is an essential consideration flowing to the Lessor without which this Lease would not have been made.

XXIV.

LESSEE DOES NOT HAVE EXCLUSIVE RIGHT OF POSSESSION

This Lease does not grant unto the Lessee the exclusive right of possession to the demised premises. The Lessee understands and agrees that the Lessor shall have the right to make and enter into similar Lease arrangements with others, including corporations, on apartment house projects under the condominium format, and the Lessee Association herein, on behalf of other unit owners in subsequent Condominiums where in this Lessee Association is designated to operate and administer said Condominiums, and such Lessees will have equal rights to the possession, use and occupancy of the demised premises, and each and every part thereof. However, notwithstanding the foregoing, possession and use of the demised premises shall be limited to owners of Condominium units in the Palm-Aire Condominium complex, and the guests of such Condominium unit owners; however, the use of the demised premises by unit owners' guests shall be subject to the limitations and regulations of the unit owners' Condominium Association and other Associations, as Lessee.

Notwithstanding the fact that the Lessor may contract with other Lessees for the possession, use and occupancy of the demised premises, as above set forth, the obligation to pay the rent in the sum provided and specified hereinabove in this Lease, is and shall continue as the sole obligation of the Lessee herein, its successors and assigns, without diminution, reduction or abatement, because of the leasing to other Lessees of the demised premises, or for any cause or reason whatsoever,

and the liability for the payment of rent and of the other obligations due and to become due hereunder may not be avoided by waiver of the use, enjoyment or abandonment of the leased premises, or any part hereof.

XXV.

MISCELLANEOUS CONDOMINIUM PROVISIONS

The following provisions shall become operative and effective immediately upon the filing among the Public Records of the County wherein the premises described in Exhibit "B" are located, a Declaration of Condominium submitting the premises described in Exhibit "B" attached hereto and made a part hereof, to Condominium ownership, in accordance with the laws of the State of Florida.

A. Exhibit "C" annexed hereto and made a part hereof, is a listing of each Condominium apartment unit to be located on the Condominium property described in Exhibit "B", together with its share of the monthly rental payable hereunder, and its pro-rata share (percentage-wise) of the other expenses and obligations payable by the Lessee hereunder, including without limitation, taxes, assessments, insurance premiums and costs of maintenance and repairs. The number of units shown on Exhibit "C" shall not be increased or decreased, nor shall the designation of each unit by a number, as therein set forth, be changed during the term of the Lease, without the Lessor's prior consent.

Commencing on the first or the fifteenth day of the month following the filing of the Declaration of Condominium, whichever is the nearer, the obligations for the payment of monthly rent in accordance with Exhibit "C" shall be the several obligations of the owners of each of the Condominium apartment units. A default arising from the non-payment of rent or of the prescribed prorata share of Lessee's other obligations hereunder by any other Condominium apartment unit owner or owners, shall not be a default on the part of those owners of Condominium apartment units who have paid their obligations, and the Lessor may exercise his rights and have his remedies, as described herein, against only the defaulting owner or owners.

B. In order to secure the payment of all monies due and to become due hereunder, the Lessor is hereby given a lien on each Condominium apartment unit (together with its proportionate interest in the common elements) described in the Declaration of Condominium which submits to Condominium ownership the property in Exhibit "B" hereto annexed and made a part hereof, and together with a lien on all tangible personal property located within each Condominium apartment unit, except that such lien upon the aforesaid tangible personal property shall be subordinate to prior bona fide liens of record.

The lien herein granted shall accrue against each Condominium apartment unit severally, and may be enforced against only those Condominium apartment units whose owners have not paid the rent or the prorata share of the other obligations attributable to such units. The lien shall be for the amount of such unpaid sums, together with interest thereon, and all sums advanced by and paid by the Lessor for taxes and payments on account of a superior mortgage, lien or encumbrance, which may be advanced by the Lessor in order to preserve and protect his lien, and all reasonable attorneys' fees incurred in the collection and enforcement thereof. The lien hereby created in this Article is an extension of the lien granted to the Lessor under the provisions of Article XXIII of this Lease, and shall have the same dignity and priority as said lien, except that said lien shall apply to and be enforceable against the Condominium apartment units severally, as herein provided.

Upon full payment of arrearages, advances as set forth in the preceding paragraph, interest and costs (including attorney's fees), the party making payment shall be entitled to a recordable Satisfaction discharging the lien as to such arrearages, advances, interest and costs

only, provided such Satisfaction shall in no way diminish or extinguish the lien hereby created as to any other amounts due or to become due, but said lien shall continue throughout the term. The parties understand and agree that the Lessor's lien, as provided for herein, is a continuing lien and shall be in force and effect during the life of this Lease. The lien hereby given may be foreclosed either in the manner in which a mortgage on real property is foreclosed, or, alternatively, at the option of the Lessor, in the amount in which statutory liens on real property are foreclosed, or at the further option of the Lessor, by any other remedy available to the Lessor for the foreclosure of the said lien.

For and in consideration of the granting to the Lessor of the lien hereinabove described, together with the remedies for its enforcement hereinabove set forth, the Lessor hereby agrees that it will not terminate or cancel the Lease by statutory summary proceedings, or otherwise, because of the Lessee's failure to pay the sums provided and reserved to be paid hereunder.

As to the Lessor's liens provided in this Long-Term Lease, notwithstanding any language herein to the contrary, where the Mortgagee of an Institutional First Mortgage of record, notwithstanding when the mortgage was created, or other purchaser of a Condominium parcel as a result of foreclosure of the Institutional First Mortgage (as hereinafter defined), or when an Institutional First Mortgagee of record accepts a Deed to said Condominium parcel in lieu of foreclosure, or where the Lessor under the Long-Term Lease obtains title as a result of foreclosure of the Lien under said Lease or accepts a Deed to Condominium parcel in lieu of such foreclosure, or other purchaser obtains title to a Condominium parcel as a result of foreclosure of the aforesaid Lessor's lien, such acquirer of title, his successors and assigns, shall not be liable for the rent and share of common expenses coming due under this Long-Term Lease chargeable to the former unit owner of such parcel which became due prior to acquisition of title as a result of the foreclosure or the acceptance of such Deeds in lieu of foreclosure.

c. The Lessor understands and acknowledges that in connection with the sale of each individual Condominium unit in the Condominium property, the purchaser thereof may desire to purchase his unit utilizing the proceeds of a mortgage loan, which mortgage will encumber the unit being so acquired. In the light of such information, the Lessor hereby covenants that said Lessor's liens described in the preceding paragraphs are subordinate to the mortgage lien on individual Condominium units held by any National or State Bank, Insurance Company authorized to do business in the State of Florida, or a State or Federal Savings or Building and Loan Association. The subordination provisions of this paragraph shall be self-operative; however, if requested, the Lessor shall confirm said subordination in writing. The subordination provided in this paragraph is limited to the following provisions of this paragraph:-

In the event the Institutional First Mortgagee, to which the lien above referred to has been made subordinate, forecloses its mortgage against said Condominium parcel and obtains title to the same by public sale held as a result of such foreclosure suit, or said Institutional First Mortgagee acquires title by conveyance in lieu of foreclosure, the said Institutional First Mortgagee shall take title free of the Lessor's lien for rent accruing prior thereto with respect to said unit and, for so long as it shall continue to hold title, shall receive an abatement of rent in the amount provided under this Article XXV of this Lease shall be reduced to the extent as if said Condominium parcel did not exist, provided the said Institutional First Mortgagee must receive in full the benefit of such reduction in rent by credit against its portion of the common expenses of the Condominium of which the Lessee is the Association, and further provided that the same shall not reduce nor abate any other of the promises, covenants or obligations of the Lessee herein. Upon the said Institutional First Mortgagee's conveying its title to the Condominium parcel so acquired by it, the foregoing abatement of rent shall immediately cease and terminate; however, pending said conveyance of title to the Condominium parcel by said Institutional

First Mortgagee, during any period of time that said Condominium unit is occupied, there shall be no abatement of rent. Should the Institutional First Mortgagee, upon conveying said parcel, receive a Purchase Money Mortgage upon said parcel, the subordination provisions set forth in this paragraph shall be self-operative and apply to said Institutional First Mortgagee's Purchase Money Mortgage, and said provisions of this paragraph shall continue as long as said Institutional First Mortgagee, its successors or assigns, is the owner and holder of a Purchase Money Mortgage on the applicable Condominium parcel. The Lessor agrees to confirm the foregoing subordination in writing if so requested by said Institutional First Mortgagee. The abatement provided in this paragraph does not include the Condominium parcel's share of common expenses under the Long-Term Lease.

D. The Lessee, its successors and assigns, understands and agrees that the within Lease imposes upon it the firm and irrevocable obligation to pay the full rent and perform the other provisions hereof, for the full term of this Lease. Article XX.B. hereinabove, provides one means of securing to the Lessor the payment of such rent by the Lessee, and the latter's performance of its other obligations hereunder, including the payment of reasonable attorneys' fees and costs which may be incurred in effecting collections thereof. The means therein set forth shall not be the Lessor's exclusive remedy.

The Lessee Association's leasehold interest in and to the leased premises described in Exhibit "A" attached hereto and made a part hereof, has been and is hereby declared to be acquired pursuant to Florida Statute 711.121. All monies due and to become due under the provisions of this Long-Term Lease including, without limitation, expenses of rent, taxes, assessments, insurance premiums, costs of maintenance and repair, including the operation of said leased premises, and all replacements and undertakings, and such other items as are specified in this Long-Term Lease, are - and shall continue to be for the term of this Lease, declared to be common expenses of the Condominium being created upon the real property described in Exhibit "B" attached hereto, by virtue of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, and made a part hereof, and as common expenses, all monies due or to become due under this Long-Term Lease are part of the costs of maintaining the common elements of said Condominium. Although the rent and other obligations under this Long-Term Lease are common expenses, as aforesaid, with the same force and effect as common expenses for the costs of maintaining the Condominium property itself - within the category of "common expenses", the priority shall be as follows: - First Priority - rent due under this Long-Term Lease; Second Priority - all obligations under this Long-Term Lease, other than rent; Third Priority - costs of maintaining the Condominium property itself, excluding the leasehold. Notwithstanding the right of the Board of Directors of the Lessee Condominium Association to apply payments by unit owners for common expenses in such manner as they determine in their sole discretion, as provided in the aforesaid Declaration of Condominium and the By-Laws of the Condominium Association attached thereto, the Lessor herein shall have the right, in its sole discretion, to require the Board of Directors of the Condominium Association to apply any and all payments by unit owners for common expenses in the manner of priority as set forth in this paragraph.

It shall be the duty of the Lessee to assess its unit owners in accordance with the Condominium Act, its Declaration of Condominium, and By-Laws, in such amounts as shall be necessary to pay its obligations, payable in money, to the Lessor hereunder, and to otherwise perform its covenants and promises herein.

The foreclosure or other actions to enforce the liens herein provided, by the Lessor or Lessee Condominium Association, shall not be considered or construed as a termination or cancellation of this Long-Term Lease, in whole or any part thereof, or as to any Condominium unit, nor shall it operate as an extinguishment or termination of such liens; and if an Institutional First Mortgagee encumbering a Condominium unit shall be foreclosed, the same shall not operate as an extinguishment of

RENT ADJUSTMENT

The Lessor and Lessee hereby covenant and agree that the rental payments provided for in Article III above, shall be adjusted higher or lower, based upon the Cost of Living Index, as hereinafter defined and provided in this paragraph, at three (3) year intervals, commencing January 1st, 1974 and continuing each three years thereafter throughout the term of this Lease. The adjustment to the rent to be made, and therefore, the monthly rent for each three (3) year term commencing January 1st, 1974, shall be determined by multiplying the basic monthly rent provided for in Article III by a fraction, the numerator of which shall be the Index figure indicated for the month of October preceding each January 1st, commencing with October, 1973, as shall be shown by the Consumers' Price Index - the United States City Average All Items and Commodity Groups, issued by the Bureau of Labor Statistics of the United States Department of Labor, and the denominator of which shall be the Basic Standard Index Figure of such Price Index for the month of October, 1970. The product of such multiplication shall be the amount of the monthly rental payments to be made hereunder for the succeeding three (3) year period until the next computations provided for hereunder shall be made. As an example of such computations, assume that the Index for the month of October, 1973 should be 130.0; the new monthly rental amount for the period from and including January 1st, 1974, through December 31st, 1976, would be arrived at by multiplying the monthly rental provided for in Article III above by a fraction, the numerator of which would be 130.0, and the denominator of which would be the basic Standard Index Figure for the month of October, 1970. The product arrived at would be the monthly rental payments due hereunder for such period. In such instance, on January 1st, 1977, a new computation would be made, as described herein, and the rent for the period from January 1st, 1977 through December 31st, 1979, would be determined by such process, and so forth, for each three (3) year term thereafter.

It is understood and agreed that the above described Index is now being published monthly by the Bureau of Labor Statistics of the United States Department of Labor. Should it be published at other intervals, the new Index hereinabove provided for shall be arrived at from the Index or Indices published by said Bureau most closely approximating the month of October of the year preceding the January 1st on which the adjustment is made. Should said Bureau of Labor Statistics change the manner of computing such Index, the Bureau shall be requested to furnish a conversion factor designed to adjust the new Index to the one previously in use, and adjustment to the new Index shall be made on the basis of such conversion factor. Should the publication of such Index be discontinued by said Bureau of Labor Statistics, then such other Index as may be published by said Bureau most nearly approximating said discontinued Index shall be used in making the adjustments herein provided for. Should the said Bureau discontinue the publication of an Index approximating the Index herein contemplated, then such Index as may be published by another United States Governmental Agency as most nearly approximates the Index herein first above referred to, shall govern and be substituted as the Index to be used, subject to the application of an appropriate conversion factor to be furnished by the Governmental Agency publishing the adopted Index. If such Governmental Agency will not furnish such conversion factor, then the parties shall agree upon a conversion factor of a new Index, and in the event an agreement cannot be reached as to such conversion factor or such new Index, then the parties hereto agree to submit to Arbitrators selected and in accordance with the Rules of the American Arbitration Association and the Arbitration Laws of the State of Florida, the selection of a new Index approximating as nearly as possible the Index hereinabove first contemplated - which new Index may be one published by a Governmental Agency or one published by a private agency and generally accepted and approved as an Index reflecting the contemplated fluctuation in the purchasing power of the United States Dollar. The Index selected and the determination made by such Arbitrators in either of the above events, shall be binding upon the parties hereto. In the event of any controversy arising as to the proper adjustment for the rental payments, as herein provided, Lessee shall continue

paying the rent to the Lessor under the last preceding rental adjustment, as herein provided, until such time as said controversy has been settled, at which time an adjustment will be made, retroactive to the beginning of the adjustment period in which the controversy arose. In no event, and under no computation, nor in anywise, shall the provisions of this Lease provide that the amount of rent to be paid shall be less than the amount provided for as "Rent" in Article III., hereinabove.

XXVIII.

**TERMINATION OF CONDOMINIUM OF WHICH THE LESSEE ASSOCIATION
HEREIN IS FORMED TO CONDUCT AND ADMINISTER THE AFFAIRS.**

A voluntary or involuntary termination of Lessee Association, or the Condominium created by virtue of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, shall not terminate this Lease; however, upon the voluntary or involuntary termination of the Condominium aforesaid or of the Lessee Association, the lien of any Institutional First Mortgage who is a holder of a mortgage encumbering a Condominium parcel in the Condominium aforesaid, shall be superior to the liens of the Lessor and all rights of the Lessor under this Long-Term Lease. All of the provisions of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, relative to this Lease, including specifically those provisions relative to the Lessor's approval and consent with regard to voluntary termination of the Condominium and, where required, any amendment of the Declaration of Condominium, are hereby declared to be an integral part of the consideration given by the Lessee to the Lessor for this Lease; however, notwithstanding all of the terms and conditions set forth above in this Article XXVIII., in the event the aforesaid Condominium is voluntarily terminated as a result of "very substantial" damage to the improvements on the Condominium real property, as defined and set forth in Article XII.B.6. of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, the consent of the Lessor hereunder shall not be required, and the liens of the Lessor upon the real property described in Exhibit "B" attached hereto, the improvements thereon, and upon the Condominium parcels in said Condominium, and all the rights of the Lessor under this Long-Term Lease shall terminate and be discharged, and this Long-Term Lease shall be deemed cancelled as of the date said "very substantial" damage was sustained.

XXIX.

AMENDMENT OF LONG-TERM LEASE

This Long-Term Lease may be amended by agreement in writing executed by the Lessor and the Lessee Association, which Amendment shall be duly recorded in the Public Records of the County wherein the leased premises are located, and the recording of said Amendment shall also constitute and be deemed an Amendment to the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, as to the provisions in said Declaration relative to said Long-Term Lease. No Amendment shall change a unit owner's rent under this Long-Term Lease, nor the manner of sharing common expenses under this Long-Term Lease, nor impair the rights of the unit owners to the use and enjoyment of the recreational area and facilities, without the unit owners so affected and all record owners of mortgages thereon, joining in the execution of said Amendment. No Amendment shall change the provisions of this Long-Term Lease with respect to Institutional Mortgages, nor shall any Amendment affect, impair or prejudice the validity, rights and priorities of any mortgages encumbering Condominium parcels in said Condominium. Where the Lessee Corporation - i.e., the owner of the land and improvements thereon, described in Exhibit "B", submitting same to Condominium ownership, continues to hold title to Condominium parcels in said Condominium at the time of the proposed Amendment - under the provisions of this Paragraph, the approval of the Lessee Corporation shall be required.

XXX.

Notwithstanding the provisions in the preceding Paragraph, the Lessor shall have the right to amend this Long-Term Lease by adding to the leased premises, those certain premises described in Article XVIII.R., of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, and such addition to the leased premises may be made at such time and upon the conditions and terms provided in said Paragraph R., of Article XVIII. of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4. Should this long-Term Lease be amended to include additional lands, as provided herein, the improvements on said additional leased lands will be constructed by the Lessor herein and/or the Developer, as defined in this Long-Term Lease, and such improvements shall consist of such recreational facilities, including the type, design, size and dimensions thereof, as the Lessor and/or Developer shall determine in their sole discretion. The filing of an Amendment to Declaration of Condominium under the provisions of said Paragraph R. of Article XVIII. of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, executed solely by the Lessor and Developer, shall be deemed to be an executed Amendment to this Long-Term Lease.

XXXI.

AGREEMENTS, ETC., TO BE COVENANTS RUNNING WITH THE LANDS

A. The terms, conditions, provisions, covenants and agreements set forth in this Long-Term Lease shall be binding upon the Lessor and Lessee, their respective heirs, legal representatives, successors and assigns, and shall be deemed to be covenants running with the land - and by land, is meant the devised premises, as well as the premises described in Exhibit "B" annexed hereto and made a part hereof.

B. Incorporation of Definitions by Reference: The definitions of the words, terms, phrases, etc., as provided in Article I, of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, are incorporated herein by reference and made a part hereof, and unless the context otherwise requires, said definitions shall prevail.

XXXII.

NOTICE PROVISIONS RE ARTICLE XXV.C. HEREIN

The Institutional First Mortgagee referred to in Article XXV.C. herein, shall be required to give notice to the Lessor if the Mortgage Note, and Mortgage given as security therefor, is in default whereby said Institutional Mortgagee has written to the Mortgagor demanding payment of sums due under the said Note or Mortgage. Failure to give such notice shall not affect the rights granted to such Institutional First Mortgagee under Article XXV.C.

Lessor shall have the right to cure said Mortgagor's default and to make any payments due by the Mortgagor; however, Lessor must make such payment within the same time period allowed to the Mortgagor in the letter mailed to the Mortgagor, which time period will not be less than ten (10) days from the date of mailing.

Notwithstanding the foregoing, said Institutional First Mortgagee shall not be required to advise the Lessor as to any modification of the Mortgage Note or Mortgage, waiver of payment(s), extension of term, or in any regard, except as is specifically provided in this Article.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed respectively by their proper Officers, and their respective Corporate Seals to be affixed, the day and year first above written.

Signed, sealed and delivered in the presence of:

James M. Muccio
Marion Hardy

FPA CORPORATION

By: Murray G. Isard
Murray G. Isard, Executive Vice President

Attest: Marion Hardy (Seal)
Marion Hardy, Asst. Secretary
(LESSOR)



Thomas C. Kraemer
James V. Cannon

PARKER-LEVITT CORPORATION

By: I. F. Levitt
I. F. Levitt, Vice President

Attest: Thomas C. Kraemer (Seal)
Thomas C. Kraemer, Assistant Secretary



James V. Cannon
Thomas C. Kraemer

PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.

By: Thomas C. Kraemer (Seal)
Thomas C. Kraemer, President

Attest: Mark R. Thayer (Seal)
Mark R. Thayer, Secretary
(LESSEE)



STATE OF Florida)
COUNTY OF Broward) ss:

BEFORE ME, the undersigned authority, personally appeared MURRAY G. ISARD and MARION HARDY, to me well known to be the persons described in and who executed the foregoing instrument as Executive Vice President and Assistant Secretary respectively of FPA CORPORATION, a Delaware Corporation, and they severally acknowledged before me that they executed such instrument as such Officers of said Corporations, and that the Seals affixed thereto are the respective Corporate Seals of said Corporations, and that such Seals were affixed thereto by due and regular Corporate authority, and that said instrument is the free act and deed of said respective Corporations.

WITNESS my hand and official seal, at the State and County aforesaid, this 20th day of Nov, 1970.

My commission expires:

NOTARY PUBLIC, STATE of FLORIDA at LARGE
MY COMMISSION EXPIRES JUN. 7, 1974
BONDED THROUGH THE FL. DISTRICT COURT

James M. Muccio
NOTARY PUBLIC
State of Florida



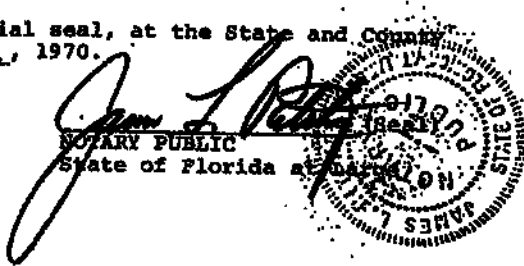
STATE OF FLORIDA }
COUNTY OF SARASOTA } ss:

BEFORE ME, the undersigned authority, personally appeared I. F. LEVITT and Thomas C. Kraemer to me well known to be the persons described in and who executed the foregoing instrument, as Vice President and Assistant Secretary respectively of PARKER-LEVITT CORPORATION, a Delaware Corporation, and they severally acknowledged before me that they executed such instrument as such Officers of said Corporation, and that the Seal affixed thereto is the Corporate Seal of said Corporation, and that it was affixed to said instrument by due and regular Corporate authority, and that said instrument is the free act and deed of said Corporation.

WITNESS my hand and official seal, at the State and County aforesaid, this 25th day of Nov., 1970.

My commission expires:

April 28, 1971

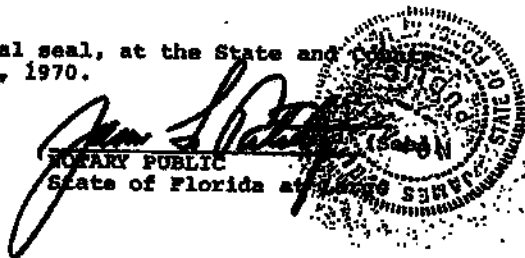


STATE OF FLORIDA }
COUNTY OF SARASOTA } ss:

BEFORE ME, the undersigned authority, personally appeared THOMAS C. KRAEMER and MARK R. THAYER to me well known to be the persons described in and who executed the foregoing instrument, as President and Vice President respectively of PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida Corporation not for profit, and they severally acknowledged before me that they executed such instrument as such Officers of said Corporation, and that the Seal affixed thereto is the Corporate Seal of said Corporation, and that it was affixed to said instrument by due and regular Corporate authority, and that said instrument is the free act and deed of said Corporation.

WITNESS my hand and official seal, at the State and County aforesaid, this 25th day of Nov., 1970.

My commission expires:
April 28, 1971



LONG-TERM LEASE

EXHIBIT "A"

ALL of Lot 4, Block 2, DeSOTO LAKES COUNTRY CLUB COLONY, UNIT 1,
SECTION C, as per plat thereof recorded in Plat Book 15, page
93, of the Public Records of Manatee County, Florida.

LONG-TERM LEASE

EXHIBIT "B"

ALL of Lot 1, Block 1, DeSOTO LAKES COUNTRY CLUB COLONY, UNIT 1,
SECTION C, as per plat thereof recorded in Plat Book 15, page
93 of the Public Records of Manatee County, Florida.

LONG-TERM LEASE

EXHIBIT "C"

<u>Condominium Unit and Parcel Number</u>	<u>Type of Unit</u>	<u>Monthly Rent Under Long-Term Lease</u>
101 and 110 201 and 210 301 and 310 401 and 410	3 BR - 2 B	\$30.00 per unit
102, 103, 108, 109 202, 203, 208, 209 302, 303, 308, 309 402, 403, 408, 409	2 BR - 2 B	\$25.00 per unit
104, 106, 107 204, 206, 207 304, 306, 307 404, 406, 407	1 BR - 1-1/2 B	\$25.00 per unit
105, 205 305, 405	1 BR - 1 B 1 BR - 1 B	\$20.00 per unit \$20.00 per unit

UNIT OWNER'S SHARE OF COMMON EXPENSES UNDER THE LONG-TERM LEASE - is defined as the other expenses and obligations, (excluding rent), payable by the Lessee under said Lease, including, without limitation, taxes, assessments, insurance premiums, and costs of maintenance and repairs. The total common expenses under the Long-Term Lease will be weighted and computed in such manner so that the following ratio will prevail:

The 1-bedroom units will be used as the base of each proration, and the base shall be 1; 2-bedroom units shall be 133-1/3rd% of the base; 3-bedroom units shall be 166-2/3rd% of the base; and 4-bedroom units shall be 200% of the base.

The Lessor under the Long-Term Lease has the right to enter into Long-Term Lease Agreements with other Lessees and Condominium Association (s), as to an undivided interest in the demised premises described in Exhibit "A" of the Long-Term Lease, and/or in the demised premises described in and pursuant to Article XXX of said Long-Term Lease, said Long-Term Lease being attached hereto as Exhibit No. 4, provided, however, that all members of the Lessee Condominium Association(s), including the Lessee Condominium Association in the Long-Term Lease attached hereto as Exhibit No. 4, share the common expenses under said Long-Term Lease(s) under the foregoing ratio as to the demised premises described in Exhibit "A" to the Long-Term Lease (if said premises are a portion of the demised premises in the Long-Term Lease), and as to the demised premises described in and pursuant to Article XXX of said Long-Term Lease.

The provisions of the foregoing paragraph are further subject to all units being classified as to "type" by the Developer in the Declaration of Condominium controlling such units, and the Lessor under the Long-Term Lease appertaining thereto, as to one of the four types hereinabove set forth.

FILED AND RECORDED
MAR 1 3 12 PM '71
M. T. McINNIS, CLERK
MANATEE CO. FLA.

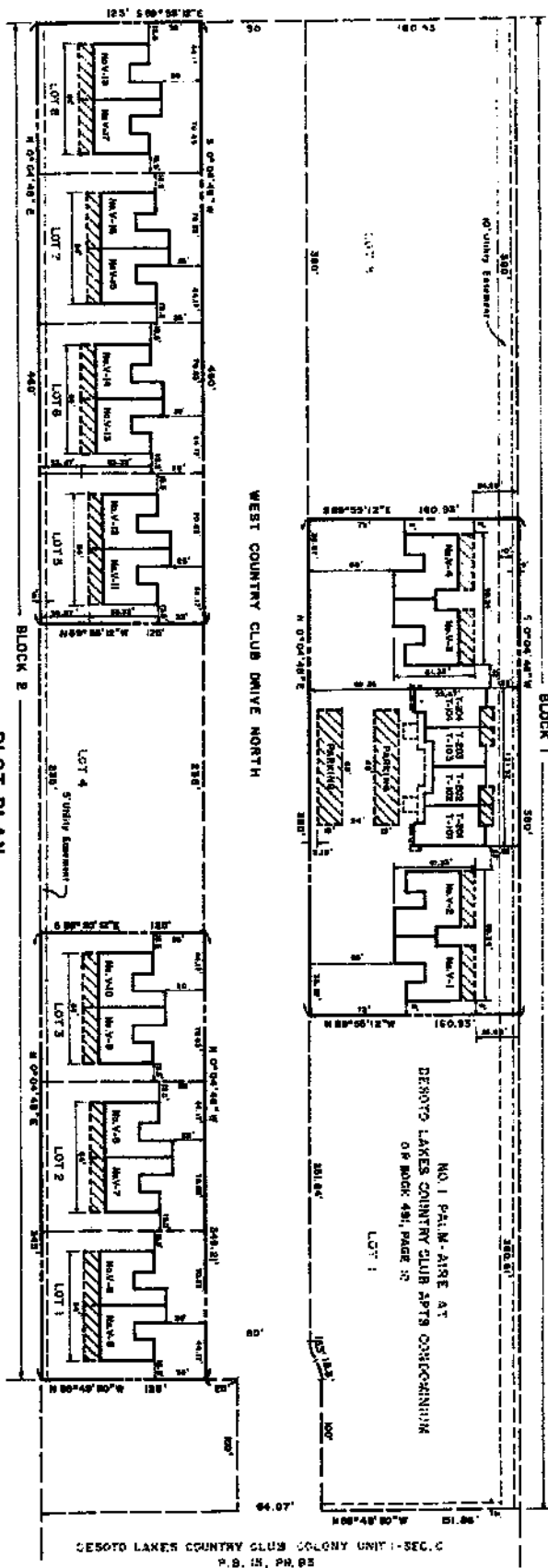
400837

NO. 2 PALM - AIRE

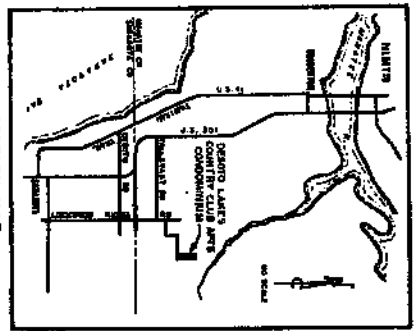
AT DESOTO LAKES COUNTRY CLUB APTS. CONDOMINIUM

SECTION 27, TWP. 35 S., RGE. 18 E. MANATEE COUNTY, FLORIDA

SHEET 1 OF 3 SHEETS



WEST COUNTRY CLUB DRIVE NORTH
BLOCK 2
PLOT PLAN
SCALE: 1" = 60'



LOCATION MAP

PLAT DESCRIPTION:
Lot 2, Block 1, and Lots 1, 2, 3, 4, 5, 6, 7 & 8 inclusive, Block 2 of Desoto Lakes Country Club Colony Unit - Section C, in Section 27, Township 35 S., Range 18 E., as per plat thereof recorded in Plat Book 15, Page 89, Public Records of Manatee County, Florida.

UNIT DESCRIPTION:
A Unit shall consist of the space bounded within the architectural plan and shown for each individual unit, including the interior floor and the vertical planes of the underwritten finished interior walls, as shown hereon.

LIMITED COMMON ELEMENTS:
Those areas reserved for the use of a certain unit owner or certain unit owners, to the exclusion of other unit owners, are designated on limited common elements. Condominium owners and specific parking areas set for the use of the association.

NOTES:
- Elevations shown refer to U.S.C. & G.S., 1989 M.S.L. Datum
- All bearings shown refer to an assumed meridian.
- No. V-1 & No. T-101 denote Unit Number.

LEGEND:
--- Condominium Boundary.
--- Unit Boundary.
----- Limited Common.

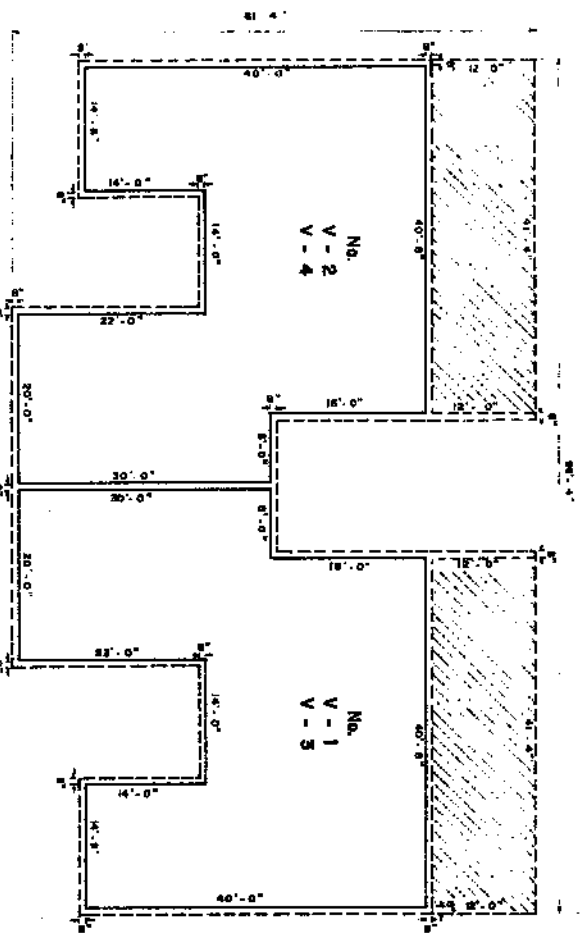
CERTIFICATE OF SURVEYOR:
I, the undersigned Registered Land Surveyor, hereby certify that a survey was made of the land shown hereon and that the Plat, as depicted on Exhibit No. 1, consisting of this Declaration of Condominium, and the Unit Numbers, as shown on the Unit Numbers, are shown hereon from the identification, location, dimensions and size of the common elements, limited common elements and of each Unit enclosed thereon.

DEANETT & BISHOP, INC.
Engineers & Surveyors, Sarasota, Fla.
By *Sharon L. Bishop*
Sharon L. Bishop, L.S.
1155 N. 2nd Ave., Suite 1155
P.O. Box 1155
Sarasota, Florida 34231

Date of survey *Aug. 21, 1987*
DECLARATION OF CONDOMINIUM recorded in Official Record Book 519 at page 220 through 229, Public Records of Manatee County, Florida.

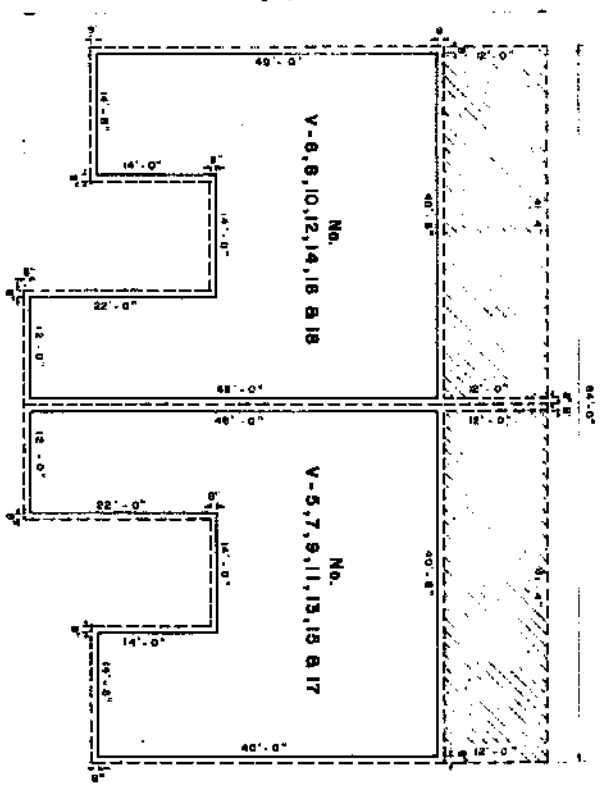


NO. 2 PALM-AIRE
 AT
 DESOTO LAKES COUNTRY CLUB APTS. CONDOMINIUM
 SEC. 27, TWP. 35 S., RGE. 18 E. MANATEE COUNTY, FLORIDA
 SHEET 2 OF 3 SHEETS



GRAPHIC UNIT DESCRIPTION
 SCALE: 1" = 10'-0"

UNIT NO.	ELEVATION OF TOP FINISHED FLOOR OVER FINISHED GRADE
V-1, V-2	22.80
V-3, V-4	22.80
V-5, V-6	24.20
V-7, V-8	24.20
V-9, V-10	24.20
V-11, V-12	24.20
V-13, V-14	23.70
V-15, V-16	23.00
V-17, V-18	22.50



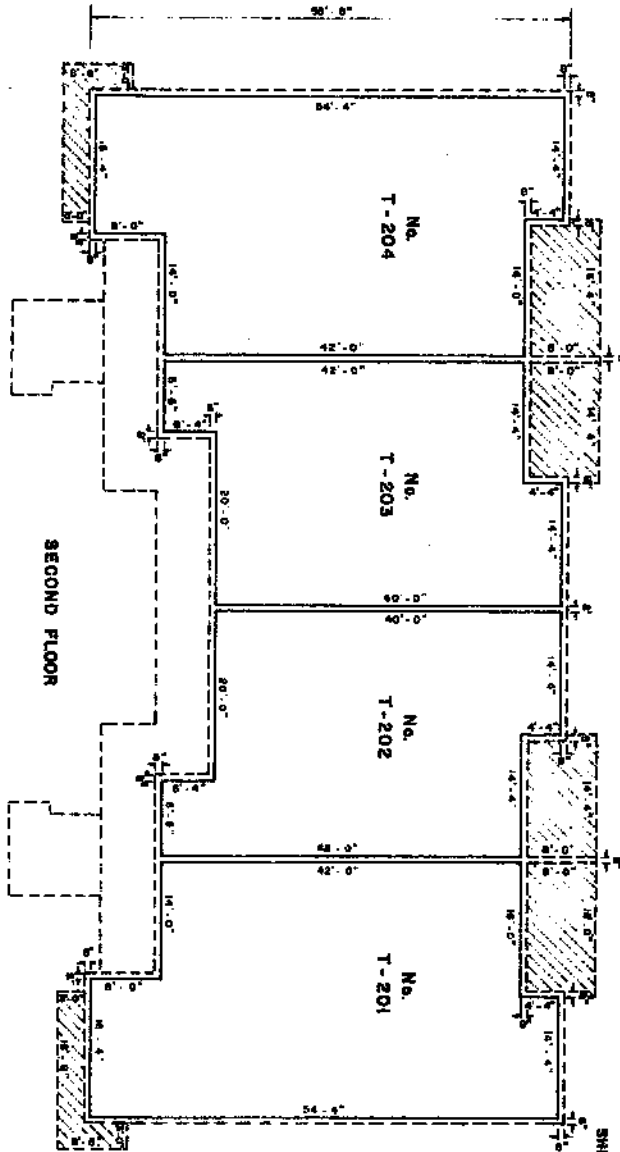
GRAPHIC UNIT DESCRIPTION
 SCALE: 1" = 10'-0"

DECLARATION OF CONDOMINIUM recorded
 in Public Records of Manatee County, Florida
 at Manatee County, Florida.

NO. 2 PALM-AIRE

AT
 DESOTO LAKE COUNTRY CLUB APTS. CONDOMINIUM
 SEC. 27, TWP. 35 S., RGE. 18 E. MANATEE COUNTY, FLORIDA

SHEET 3 OF 3 SHEETS

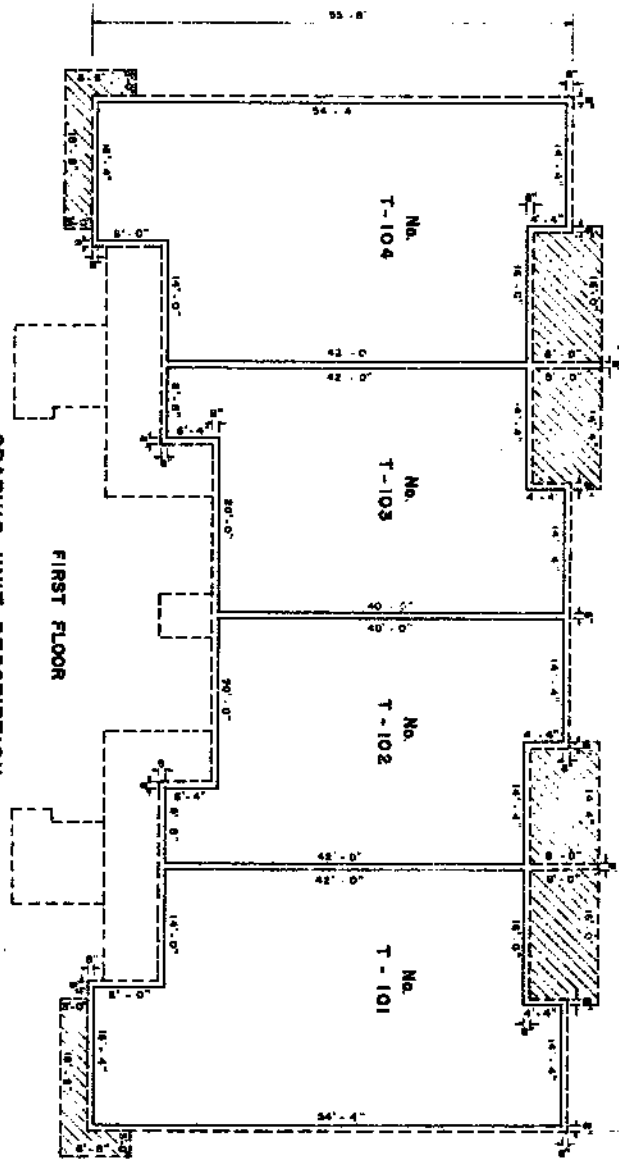


UNIT NO.	ELEVATION OF FINISHED FLOOR	AREA (SQ. FT.)
T-101 thru T-104	23.50	51.85
T-201 thru T-204	32.13	40.48

413616

FILES AND RECORDS

SEP 1 2 ON PM '71
 H.T. MARSHALL
 MANATEE COUNTY, FLA.



GRAPHIC UNIT DESCRIPTION

SCALE 1" = 10'-0"

DECLARATION OF CONDOMINIUM recorded in Public Record at Manatee County, Florida.

413617

DECLARATION OF CONDOMINIUM

NO. 2 PALM-AIRE AT

DESOTO LAKES COUNTRY CLUB APTS. CONDOMINIUM

I

SUBMISSION STATEMENT

FPA CORPORATION, a Delaware corporation, and PARKER-LEVITT CORPORATION, a Delaware corporation, being the owners of record of the fee simple title to the following described real property, situate, lying and being in the County of Manatee, State of Florida, to wit:

See Schedule I attached hereto and made a part hereof.

hereby states and declare that said realty, together with the improvements thereon, is submitted to Condominium ownership, pursuant to the Condominium Act of the State of Florida, F. S. 711 Et Seq. (hereinafter referred to as the "Condominium Act"), and the provisions of said Act are hereby incorporated by reference and included herein thereby, and herewith file for record this Declaration of Condominium.

Definitions: As used in this Declaration of Condominium, the By-Laws, and all other exhibits attached hereto, and all Amendments thereto, unless the context otherwise requires, the following definitions shall prevail:

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

B. Association, or Corporation, means PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida Corporation not for profit, being the entity responsible for the operation of the Condominium.

C. By-Laws, means the By-Laws of PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida Corporation not for profit, as they exist from time to time.

D. Common Elements, means the portions of the Condominium property not included in the Units.

E. Limited Common Elements, means and includes those common elements which are reserved for the use of a certain unit or units, to the exclusion of all other units.

F. Condominium, means that form of ownership of Condominium property under which units of improvements are subject to ownership by different owners, and there is appurtenant to each unit, as part thereof, an undivided share in the common elements.

G. Condominium Act, means and refers to the Condominium Act of the State of Florida (F.S. 711 Et Seq.), as the same may be amended from time to time.

H. Common Expenses, means the expenses for which the unit owners are liable to the Association.

I. Common Surplus, means the excess of all receipts of the Association from this Condominium, including but not limited to assess-

For Condominium Dec. Condominium Book 2 Page 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100

ments, rent, profits and revenues, on account of the common elements of this Condominium, over the amount of common expenses of this Condominium.

J. Condominium Property, means and includes the land in a Condominium, whether or not contiguous, and all improvements thereon, and all easements and rights appurtenant thereto, intended for use in connection with the Condominium.

K. Assessment, means a share of the funds required for the payment of common expenses which, from time to time, is assessed against the unit owner.

L. Condominium Parcel, means a Unit, together with the undivided share in the common elements, which is appurtenant to the Unit.

M. Condominium Unit, or Unit, means a part of the Condominium property, which is subject to private ownership. Apartment or villa shall be synonymous with Unit.

N. Unit Owner, or Owner of a Unit, or Parcel Owner, means the owner of a Condominium Parcel.

O. Developer, means FPA CORPORATION and PARKER-LEVITT CORPORATION, both Delaware corporations, their successors and assigns.

P. Institutional Mortgagee, means a Bank, Savings and Loan Association, Insurance Company or Union Pension Fund, authorized to do business in the State of Florida, or an Agency of the United States Government. The mortgage may be placed through a Mortgage or Title Company.

Q. Occupant, means the person or persons, other than the Unit Owner, in possession of a Unit.

R. Condominium Documents, means this Declaration, the By-Laws, and all Exhibits annexed thereto, as the same may be amended from time to time.

S. Unless the context otherwise requires, all other terms used in this Declaration of Condominium and Exhibits attached hereto, shall be assumed to have the meaning attributed to said term by Section 3 of the Condominium Act.

II.

N A M E

The name by which this Condominium is to be identified is:

NO. 2 PALM-AIRE AT

DESOTO LAKES COUNTRY CLUB APTS. CONDOMINIUM.

III.

IDENTIFICATION OF UNITS

The Condominium property consists essentially of twenty-six (26) units in all, and for the purpose of identification all units in the buildings located on said Condominium property are given identifying numbers and delineated on the Survey Exhibits recorded in Condominium Flat Book 2, pages 82, 83 & 84, Public Records of Manatee County, Florida, which is collectively identified as "Exhibit No. 1", attached hereto and made a part of this Declaration. No unit bears the same identifying number as does any other unit. The aforesaid identifying number as to the unit, is also the identifying number as to the parcel. The said Exhibit No. 1, also contains a Survey of the land, graphic description of the improvements

in which units are located, and a Plot Plan, and, together with this Declaration, they are in sufficient detail to identify the location, dimensions and size of the common elements and of each unit, as evidenced by the Certificate of the Registered Land Surveyor hereto attached. The Legend and notes contained within said Exhibit are incorporated herein and made a part hereof by reference.

The aforesaid buildings were constructed substantially in accordance with the Plans and Specifications on file with the Building and Zoning Department of the applicable governmental authority.

IV.

OWNERSHIP OF COMMON ELEMENTS

Each of the unit owners of the Condominium shall own an undivided interest in the common elements and limited common elements, and the undivided interest, stated as percentages of such ownership in the said common elements and limited common elements, is set forth on "Exhibit A", which is annexed to the Declaration of Condominium and made a part hereof.

The fee title to each Condominium parcel shall include both the Condominium unit and the respective undivided interest in the common elements, said undivided interest in the common elements to be deemed to be conveyed or encumbered with its respective Condominium unit, even though the description in the instrument of conveyance or encumbrance may refer only to the fee title to a Condominium unit.

Any attempt to separate the fee title to a Condominium Unit from the undivided interest in the common elements appurtenant to each unit, shall be null and void. The term "common elements", when used throughout this Declaration, shall mean both common elements and limited common elements, unless the context otherwise specifically requires.

V.

VOTING RIGHTS

There shall be one person with respect to each unit ownership who shall be entitled to vote at any meeting of the unit owners and such person shall be known (and is hereinafter referred to) as a Voting Member. If a unit is owned by more than one person, the owners of said unit shall designate one of them as the Voting Member, or in the case of a Corporate unit owner, an officer or an employee thereof shall be the Voting Member. The designation of the Voting Member shall be made, as provided by and subject to, the provisions and restrictions set forth in the By-Laws of the Association. The total number of votes shall be equal to the total number of units in the Condominium and each Condominium unit shall have no more and no less than one equal vote in the Association. If one individual owns two Condominium parcels, he shall have two votes. The vote of a Condominium unit is not divisible.

VI.

COMMON EXPENSE AND COMMON SURPLUS

The common expenses of the Condominium, including the obligation of each unit owner under the Long-Term Lease, as set forth in Article XVII herein, shall be shared by the unit owners, as specified and set forth in Exhibit "A" attached hereto. The foregoing ratio of sharing common expenses and assessments shall remain, regardless of the purchase price of the Condominium parcels, their location, or the building square footage included in each Condominium unit.

Any common surplus of the Condominium shall be owned by each of the unit owners in the same proportion as their percentage ownership interest in the common elements, - common surplus being the excess of all receipts of the Association from this Condominium, including but not limited to assessments, rents, profits and revenues on account of the common elements of this Condominium, over the amount of common expenses of this Condominium.

VII.

METHOD OF AMENDMENT OF DECLARATION

This Declaration may be amended at any regular or special meeting of the unit owners of this Condominium, called and convened in accordance with the By-Laws, by the affirmative vote of Voting Members casting not less than three-fourths (3/4ths) of the total vote of the unit owners of this Condominium.

All Amendments shall be recorded and certified as required by the Condominium Act. No Amendment shall change any Condominium parcel nor a Condominium unit's proportionate share of the common expenses or common surplus, nor the voting rights appurtenant to any unit, unless the recorded owner(s) thereof shall join in the execution of the Amendment. No Amendment shall be passed which shall impair or prejudice the rights and priorities of any mortgages, or impair or prejudice the security and rights of the Lessor's interest under the Long-Term Lease. No Amendment shall change the provisions of this Declaration with respect to Institutional Mortgagees or the Lessor under the Long-Term Lease, without the written approval of all Institutional Mortgagees of record and the Lessor under the Long-Term Lease; nor shall the provisions of Article II of this Declaration be changed without the written approval of all Institutional Mortgagees of record. The written consent of the Institutional Mortgagee holding the largest amount of first mortgage indebtedness outstanding with respect to all units shall be required for all Amendments, which consent shall not be unreasonably withheld.

Notwithstanding the foregoing, the Developer reserves the right to change the interior design and arrangement of all units, and to alter the boundaries between units, as long as the Developer owns the units so altered; however, no such change shall increase the number of units nor alter the boundaries of the common elements, except the party wall between any Condominium Units, without Amendment of this Declaration in the manner hereinbefore set forth. If the Developer shall make any changes in units, as provided in this paragraph, such changes shall be reflected by an Amendment of this Declaration, with a Survey attached, reflecting such authorized alteration of units, and said Amendment need only be executed and acknowledged by the Developer and any holders of Institutional Mortgages encumbering said altered units. The Survey shall be certified in the manner required by the Condominium Act. If more than one unit is concerned, the Developer shall apportion between the units the shares in the common elements appurtenant to the units concerned, together with apportioning the common expenses and common surplus of the units concerned, and such shares of common elements, common expenses, and common surplus, shall be duly noted in the Amendment of the Declaration. The rent under the Long-Term Lease shall be apportioned by the Developer, with the Lessor's written approval, and same shall be reflected in the Amendment to Declaration.

VIII.

BY-LAWS

The operation of the Condominium property shall be governed by By-Laws, which are set forth in a document entitled "BY-LAWS of PALM-ACRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.," a Florida Corporation not for profit, which is annexed to this Declaration, marked Exhibit No. 2, and made a part hereof.

No modification or Amendment to the By-Laws of this 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 to said By-Laws shall be adopted which would affect or impair the validity or priority of any mortgage covering any condominium parcels, or the Long-Term Lease, or which would change the provisions of the By-Laws with respect to Institutional Mortgagees or the Lessor under the Long-Term Lease, without the written approval of all Institutional Mortgagees of record, or the Lessor under the Long-Term Lease. The written consent of the Institutional Mortgagees holding the largest amount of first mortgage indebtedness outstanding with respect to all units shall be required for all Amendments, which consent shall not be unreasonably withheld.

IX.

THE OPERATING ENTITY

The name of the Association responsible for the operation of the Condominium is set forth in Article VIII hereinabove; said Corporation is a non-profit Florida Corporation, organized and existing pursuant to the Condominium Act. The said Association shall have all of the powers and duties set forth in the Condominium Act, as well as all of the powers and duties granted to or imposed upon it by this Declaration, the By-Laws of the Association and its Articles of Incorporation, copy of which Articles of Incorporation are attached hereto and marked Exhibit No. 3, and made a part hereof.

Every owner of a Condominium parcel, whether he has acquired his ownership by purchase, by gift, conveyance or transfer by operation of law, or otherwise, shall be bound by the By-Laws of said Association, the Articles of Incorporation of the Association, and by the provisions of this Declaration of Condominium.

X.

ASSESSMENTS

The Association, through its Board of Directors, shall have the power to fix and determine, from time to time, the sum or sums necessary and adequate to provide for the common expenses of the Condominium property, and such other assessments as are specifically provided for in this Declaration and the By-Laws attached hereto. The procedure for the determination of such assessments shall be as set forth in the By-Laws of the Association.

The common expenses shall be assessed against each Condominium parcel owner as provided for in Article VI of this Declaration.

Assessments that are unpaid for over thirty (30) days after due date shall bear interest at the rate of ten percent (10%) per annum from due date until paid.

The Association shall have a lien on each condominium parcel for any unpaid assessments, together with interest thereon, against the unit owner of such condominium parcel, together with a lien on all tangible personal property located within said unit, except that such lien upon aforesaid tangible personal property shall be subordinate to prior bona fide liens of record. Reasonable attorney's fees incurred by the Association incident to the collection of such assessment for the enforcement of such lien, together with all sums advanced and paid by the Association for taxes and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien, shall be payable by the unit owner and secured by such lien. The Association's liens shall also include those sums advanced on behalf of a unit owner in payment of his

obligation under the Long-Term Lease. The Board of Directors may take such action as they deem necessary to collect assessments by personal action or by enforcing and foreclosing said lien, and may settle and compromise the same if in the best interests of the Association. Said lien shall be effective as and in the manner provided for by the Condominium Act, and shall have the priorities established by said Act. The Association shall be entitled to bid at any sale held pursuant to a suit to foreclose an assessment lien, and to apply as a cash credit against its bid, all sums due the Association covered by the lien enforced. In case of such foreclosure, the unit owner shall be required to pay a reasonable rental for the condominium parcel, and the Plaintiff in such foreclosure shall be entitled to the appointment of a Receiver to collect same from the unit owner and/or occupant.

Where the mortgagee of an institutional first mortgage of record, or other purchaser of a condominium unit obtains title to a condominium parcel as a result of foreclosure of the institutional first mortgage, or when an institutional first mortgagee of record accepts a deed to said condominium parcel in lieu of foreclosure, or where the Lessor under the Long-Term Lease obtains title as a result of foreclosure of the lien under said Lease or accepts a deed to a condominium parcel in lieu of such foreclosure, or other purchaser obtains title to a condominium parcel as a result of foreclosure of the aforesaid Lessor's lien, such acquirer of title, his successors and assigns, shall not be liable for the share of common expenses or assessment by the Association pertaining to such condominium parcel, or chargeable to the former unit owner of such parcel, which became due prior to acquisition of title as a result of the foreclosure or the acceptance of such deed in lieu of foreclosure. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectable from all of the unit owners, including such acquirer, his successors and assigns.

Any person who acquires an interest in a unit, except through foreclosure of an institutional first mortgage of record, or of the Lessor's lien under the Long-Term Lease (or deed in lieu thereof), as specifically provided in the paragraph immediately preceding, including without limitation, persons acquiring title by operation of law, including purchasers at judicial sales, shall not be entitled to occupancy of the unit or enjoyment of the common elements until such time as all unpaid assessments due and owing by the former unit owner have been paid.

The Association, acting through its Board of Directors, shall have the right to assign its claim and lien rights for the recovery of any unpaid assessments to the Developer, or to any unit owner or group of unit owners, or to any third party.

XI.

PROVISIONS RELATING TO SALE OR RENTAL OR OTHER
ALIENATION OR MORTGAGING OF CONDOMINIUM UNITS

A. SALE OR RENTAL OF UNITS - Association to Have
First Right of Refusal

In the event any unit owner wishes to sell, rent or lease his unit, the Association shall have the option to purchase, rent or lease said unit, upon the same conditions as are offered by the unit owner to a third person. Any attempt to sell, rent or lease said unit without prior offer to the Association shall be deemed a breach of this Declaration and shall be wholly null and void, and shall confer no title or interest whatsoever upon the intended purchaser, tenant or lessee.

Should a unit owner wish to sell, lease or rent his Condominium parcel (which means the unit, together with the undivided share of the common elements appurtenant thereto), he shall, before making or

or accepting any offer to purchase, sell or lease or rent his Condominium parcel, deliver to the Board of Directors of the Association, a written notice containing the terms of the offer he has received or which he wishes to accept, or proposes to make, the name and address of the person(s) to whom the proposed sale, lease or transfer is to be made, and two bank references, and three individual references - local, if possible, and such other information (to be requested within five days from receipt of such notice) as may be required by the Board of Directors of the Association. The Board of Directors of the Association is authorized to waive any or all of the references aforementioned.

The Board of Directors of the Association, within ten days after receiving such notice and such supplemental information as is required by the Board of Directors, shall either consent to the transaction specified in said notice, or by written notice to be delivered to the unit owner's unit, (or mailed to the place designated by the unit owner in his notice), designate the Association, one or more persons then unit owners, or any other person(s) satisfactory to the Board of Directors of the Association, who are willing to purchase, lease or rent upon the said terms as those specified in the unit owner's notice, or object to the sale, leasing or renting to the prospective purchaser, tenant or lessee, for good cause, which cause need not be set forth in the notice from the Board of Directors to the unit owner. However, it shall require the unanimous vote of the Board of Directors in order to object for good cause. The Association shall not unreasonably withhold its consent to any prospective sale, rental or lease.

The stated designee of the Board of Directors shall have fourteen days from the date of the notice sent by the Board of Directors, to make a binding offer to buy, lease or rent, upon the same terms and conditions specified in the unit owner's notice. Thereupon, the unit owner shall either accept such offer or withdraw and/or reject the offer specified in his notice to the Board of Directors. Failure of the Board of Directors to designate such person(s), or failure of such person(s) to make such offer within said fourteen day period, or failure of the Board of Directors to object for good cause, shall be deemed consent by the Board of Directors to the transaction specified in the unit owner's notice, and the unit owner shall be free to make or accept the offer specified in his notice, and sell, lease or rent said interest, pursuant thereto, to the prospective purchaser or tenant named therein, within ninety days after his notice was given.

The sub-leasing or sub-renting of said unit owner's interest shall be subject to the same limitations as are applicable to the leasing or renting thereof. The Board of Directors shall have the right to require that a substantially uniform form of Lease or Sub-Lease be used, or in the alternative, the Board of Directors' approval of the Lease or Sub-Lease form to be used shall be required. After approval, as herein set forth, entire units may be rented, provided the occupancy is only by the Lessee, his family and guests. No individual rooms may be rented and no transient tenants may be accommodated.

Where a Corporate entity is the owner of a unit, it may designate the occupants of the unit as it desires, and for such period of time as it desires, without compliance with the provisions of Section A, of this Article XI. The foregoing shall not be deemed an assignment or subleasing of a unit, and shall be deemed to be in compliance with the provisions of the first paragraph of Article XIII. of this Declaration.

B. MORTGAGE AND OTHER ALIENATION OF UNITS.

1. A unit owner may not mortgage his unit nor any interest therein, without the approval of the Association, except as to an institutional mortgagee, as hereinbefore defined. The approval of any other mortgagee may be upon conditions determined by the Board of Directors of the Association, and said approval, if granted, shall be in recordable form, executed by two Officers of the Corporation.

2. No judicial sale of a unit nor any interest therein

shall be valid, unless:

(a) The sale is to a purchaser approved by the Association.

(b) The sale is a result of a public sale with open bidding.

3. Any sale, mortgage or lease which is not authorized pursuant to the terms of the Declaration, shall be void, unless subsequently approved by the Board of Directors.

4. The foregoing provisions of this Article XI shall not apply to transfers by a unit owner to any member of his immediate family (viz:- spouse, children or parents). The phrase, "sell, rent or lease", in addition to its general definition, shall be defined as including the transferring of a unit owner's interest by gift, devise or involuntary or judicial sale. In the event a unit owner dies and his unit is conveyed or bequeathed to some person other than his spouse, children or parents, or if some other person is designated by decedent's legal representative to receive the ownership of the condominium unit, or if under the laws of descent and distribution of the State of Florida, the condominium unit descends to some person or persons other than the decedent's spouse, children or parents, the Board of Directors of the Association shall, within thirty (30) days of proper evidence or rightful designation served upon the President or any other Officer of the Association, or within thirty (30) days from the date the Association is placed on actual notice of the said devisee or descendant, express its refusal or acceptance of the individual or individuals so designated as the owner of the condominium parcel. If the Board of Directors of the Association shall consent, ownership of the condominium parcel may be transferred to the person or persons so designated, who shall thereupon become the owner of the condominium parcel, subject to the provisions of this Enabling Declaration and By-Laws of the Association. If, however, the Board of Directors of the Association shall refuse to consent, then the members of the Association shall be given an opportunity during thirty (30) days next after said last above mentioned thirty (30) days, to purchase or to furnish a purchaser for cash, the said condominium parcel, at the then fair market value thereof. Should the parties fail to agree on the value of such condominium parcel, the same shall be determined by an appraiser appointed by the Senior Judge of the Circuit Court in and for the area wherein the Condominium is located, upon ten (10) days notice, on Petition of any party in interest. The expense of appraisal shall be paid by the said designated person or persons, or the legal representatives of the deceased owner, out of the amount realized from the sale of such Condominium parcel. In the event the then members of the Association do not exercise the privilege of purchasing or furnishing a purchaser for said Condominium parcel within such period and upon such terms, the person or persons so designated may then, and only in such event, take title to the Condominium parcel; or, such person or persons, or the legal representatives of the deceased owner, may sell the said Condominium parcel, but such sale shall be subject in all other respects to the provisions of this Enabling Declaration and the By-Laws of the Association.

5. The liability of the unit owner under these covenants shall continue, notwithstanding the fact that he may have leased, rented or sublet said interest, as provided herein. Every purchaser, tenant or lessee shall take subject to this Declaration and the By-Laws of the Association, as well as the provisions of the Condominium Act.

6. Social Provisions re Sale, Leasing, Mortgaging or Other Alienation by Certain Mortgagees and Borrower, and Lessor Under the Long Term Lease.

(a) An Institutional First Mortgagee holding a Mortgage on a Condominium parcel, or the Lessor under the Long-Term Lease,

upon becoming the owner of said Condominium parcel through foreclosure or by Deed in lieu of foreclosure, or whomsoever shall become the acquirer of title at the foreclosure sale of an Institutional First Mortgage or the lien under the Long-Term Lease, shall have the unqualified right to sell, lease or otherwise transfer said unit, including the fee ownership thereof, and/or to mortgage said parcel, without prior offer to the Board of Directors of the Association. The provisions of Sections A. and B., Nos. 1-5., of this Article XI, shall be inapplicable to such Institutional First Mortgage or the Lessor under the Long-Term Lease, or acquirer of title as above described in this paragraph.

(b) The provisions of Sections A. and B., No. 1-5., of this Article XI, shall be inapplicable to the Developer. The said Developer is irrevocably empowered to sell, lease, rent and/or mortgage Condominium parcels or unit, and portions thereof, to any purchaser, lessee or mortgagee approved by it, and the Developer shall have the right to transact any business necessary to consummate sales or rentals of units, or portions thereof, including but not limited to the right to maintain models, have signs, use the common elements, and to show units. The sales office(s)' signs, and all items pertaining to sales, shall not be considered common elements, and shall remain the property of the Developer. In the event there are unsold parcels, the Developer retains the right to be the owner of said unsold parcels under the same terms and conditions as all other parcels in the said Condominium.

(c) The provisions of this Article XI shall be operative until the 1st day of November, 1990, and shall be automatically extended for successive periods of twenty-one (21) years, unless an Amendment to this Declaration, signed by a majority of the then unit owners, has been recorded, amending this Declaration of Condominium so as to delete the provisions of this Article XI.

XII.

INSURANCE PROVISIONS

A. LIABILITY INSURANCE:

The Board of Directors of the Association shall obtain Public Liability and Property Damage Insurance covering all of the common elements of the Condominium, and insuring the Association and the common owners, as its and their interests appear, in such amounts as the Board of Directors of the Association may determine from time to time, provided that the minimum amount of coverage shall be \$100,000/\$300,000/\$10,000. Said insurance shall include but not limit the same to water damage, legal liability, hired automobile, non-owned automobile, and off-premises employee coverages. All Liability Insurance shall contain Cross-Liability Endorsement to cover liabilities of the unit owners as a group to a unit owner. Premiums for the payment of such insurance shall be paid by the Association and charged as a common expense.

B. Casualty Insurance:

1. Purchase of Insurance: The Association shall obtain Fire and Extended Coverage Insurance and Vandalism and Mischief Insurance, insuring all of the insurable improvements within the Condominium, including personal property owned by the Association, in and for the interest of the Association, all unit owners and their mortgagees, as their interests may appear, in a Company acceptable to the standards set by the Board of Directors of the Association, in an amount equal to the maximum insurable replacement value, as determined annually by the Board of Directors of the Association. The premiums for such coverage and other expenses in connection with said insurance shall be paid by the Association and charged as a common expense. The Company or Companies with whom the Association shall place its insurance coverage, as provided in this Declaration, must be good and responsible Companies,

authorized to do business in the State of Florida, and shall be rated A5A or the highest rating category as defined by Best's Key Rating Guide or other reasonably comparable publication.

2. Loss Payable Provisions - Insurance Trustee:

All Policies shall be purchased by the Association for the benefit of the Association, all unit owners, and their mortgagees, as their interests may appear; however, the Insurance Trustee shall be the named Insured and it shall not be necessary to name the Association or the unit owners - however, mortgagee endorsements shall be issued. Such Policies shall be deposited with the Insurance Trustee (as hereinafter defined), who must first acknowledge that the Policies and any proceeds thereof will be held in accordance with the terms hereof. Said Policies shall provide that all insurance proceeds payable on account of loss or damage shall be payable to the Insurance Trustee, which may be any Bank in Florida with trust powers, as may be approved by the Board of Directors of the Association, which Trustee is herein referred to as the "Insurance Trustee". 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 hold the same in trust for the purposes elsewhere stated herein, and for the benefit of the Association, the unit owners and their respective mortgagees, in the following shares, but such shares need not be set forth upon the records of the Insurance Trustee:-

(a) Common Elements: Proceeds on account of damage to common elements - an undivided share for each unit owner, such share being the same as the undivided share in the common elements appurtenant to his unit.

(b) Condominium Units: Proceeds on account of Condominium units shall be in the following undivided shares:-

(1) Partial Destruction - when units are to be repaired and restored - for the owners of the damaged units in proportion to the cost of repairing the damage suffered by each unit owner.

(2) Total destruction of Condominium improvements, or where "very substantial" damage occurs and the Condominium improvements are not to be restored, as provided hereinafter in this Article - for the owners of all Condominium units, each owner's share being in proportion to his share in the common elements appurtenant to his Condominium unit.

(c) Mortgages. In the event a Mortgagee Endorsement has been issued as to a unit, the share of the unit owner shall be held in trust for the Mortgagee and the unit owner, as their interests may appear; provided, however, that no Mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired.

3. Distribution of Proceeds: Proceeds of Insurance Policies received by the Insurance Trustee shall be distributed to or for the benefit of the beneficial owners and expended or disbursed after first paying or making provision for the payment of the expenses of the Insurance Trustee in the following manner:-

(a) Reconstruction or Repair: If the damage for which the proceeds were paid is to be repaired and restored, the remaining proceeds shall be paid to defray the cost thereof, as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, all remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by said mortgagee. Said remittance shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application of the insurance proceeds to the payment or reduction of its mortgage debt.

(b) Failure to Reconstruct or Repair: If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be repaired and restored, the proceeds shall be disbursed to the beneficial owners; remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by said mortgagee. Said remittance shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application of the insurance proceeds to the payment of its mortgage debt. In the event of the loss or damage to any personal property belonging to the Association, and should the Board of Directors of the Association determine not to replace such personal property as may be lost or damaged, the proceeds shall be disbursed to the beneficial owners as surplus, in the manner elsewhere stated herein.

(c) Certificate: In making distribution to unit owners and their mortgagees, the Insurance Trustee may rely upon a Certificate of the Association as to the names of the unit owners and their respective shares of the distribution, approved in writing by an Attorney authorized to practice law in the State of Florida, a Title Insurance Company or Abstract Company authorized to do business in the State of Florida. Upon request of the Insurance Trustee, the Association, forthwith, shall deliver such Certificate.

4. Loss Within a Single Unit: If loss shall occur within a single unit or units, without damage to the common elements and/or the party wall between units, the insurance proceeds shall be distributed to the beneficial unit owner(s) - remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by said mortgagee. Said remittance shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application of the Insurance Proceeds to the payment or reduction of its mortgage debt. The unit owner shall thereupon be fully responsible for the restoration of the unit.

5. Loss Less Than "Very Substantial": Where a loss or damage occurs to any unit or units and the common elements or to the party wall between units, or to the common elements, but said loss is less than "very substantial" (as hereinafter defined), it shall be obligatory upon the Association and the unit owners to repair, restore and rebuild the damage caused by the loss. Where such loss or damage is less than "very substantial":-

(a) The Board of Directors of the Association shall promptly obtain reliable and detailed estimates of the cost of repairing and restoration.

(b) If the damage or loss is limited to the common elements or the party wall between units, with no, or minimum damage or loss to any individual unit(s), and if such damage or loss to the common elements or the party wall between units is less than Three Thousand Dollars (\$3,000.00), the insurance proceeds shall be endorsed by the Insurance Trustee over to the Association and the Association shall promptly contract for the repair and restoration of the damage.

(c) If the damage or loss involves individual units encumbered by Institutional First Mortgagee, as well as the common elements and/or the party wall between units, or if the damage is limited to the common elements or the party wall between units, but is in excess of Three Thousand Dollars (\$3,000.00), the insurance proceeds shall be disbursed by the Insurance Trustee for the repair and restoration of the property, upon the written direction and approval of the Association, and provided, however, that upon the request of an Institutional First Mortgagee, the written approval shall also be required of the Institutional First Mortgagee owning and holding the first recorded mortgage encumbering a Condominium unit, so long as it owns and holds any mortgage encumbering a Condominium unit. At such time as the aforesaid Institutional First

Mortgagee is not the holder of a mortgage on a unit, then this right of approval shall pass to the Institutional First Mortgagee having the highest dollar indebtedness on units in the Condominium property. Should written approval be required, as aforesaid, it shall be said Mortgagee's duty to give written notice thereof to the Insurance Trustee. The Insurance Trustee may rely upon the Certificate of the Association and the aforesaid Institutional First Mortgagee, if said Institutional First Mortgagee's written approval is required, as to the Payee and the amount to be paid from said proceeds. All Payees shall deliver paid bills and waivers of mechanics' liens to the Insurance Trustee, and execute any Affidavit required by law or by the Association, the aforesaid Institutional First Mortgagee, and Insurance Trustee, and deliver same to the Insurance Trustee, and the foregoing shall be in such form as any of the aforesaid parties may require. In addition to the foregoing, the Institutional First Mortgagee whose approval may be required, as aforesaid, shall have the right to require the Association to obtain a Completion, Performance and Payment Bond, in such form and amount, and with a Bonding Company authorized to do business in the State of Florida, as are acceptable to said Mortgagee.

(d) Subject to the foregoing, the Board of Directors of the Association shall have the right and obligation to negotiate and contract for the repair and restoration of the premises.

(e) If the net proceeds of the insurance are insufficient to pay for the estimated cost of restoration and repair (or for the actual cost thereof if the work has actually been done), the Association shall promptly, upon determination of the deficiency, levy a special assessment against all unit owners in proportion to the unit owners' share in the common elements, for that portion of the deficiency as is attributable to the cost of restoration of the common elements, and against the individual unit owners for that portion of the deficiency as is attributable to his individual unit; provided, however, that if the Board of Directors finds that it cannot determine with reasonable certainty the portion of the deficiency attributable to specific individual damaged unit(s), then the Board of Directors shall levy the assessment for the total deficiency against all of the unit owners in proportion to the unit owners' shares in the common elements, just as though all of said damage had occurred to the common elements. The special assessment funds shall be delivered by the Association to the Insurance Trustee and added by the Trustee to the proceeds available for the repair and restoration of the property.

(f) In the event the insurance proceeds are sufficient to pay for the cost of restoration and repair, or in the event the insurance proceeds are insufficient, but additional funds are raised by special assessment, so that sufficient funds are on hand to fully pay for such restoration and repair, then no mortgagee shall have the right to require the application of insurance proceeds to the payment of its loan.

6. "Very Substantial" Damage:- As used in this Declaration or any other context dealing with this Condominium, the term "very substantial" damage, shall mean loss or damage whereby three-fourths (3/4ths) or more of the total unit space in the Condominium is rendered untenantable, or loss or damage whereby seventy-five percent (75%) or more of the total amount of insurance coverage (placed as per Article XII.B.1.) becomes payable. Should such "very substantial" damage occur, then:-

(a) The Board of Directors of the Association shall promptly obtain reliable and detailed estimates of the cost of repair and restoration thereof.

(b) Thereupon, a meeting of the unit owners of this Condominium shall be called by the Board of Directors of the Association, to be held not later than sixty (60) days after the casualty, to determine the wishes of the unit owners of this Condominium with reference to the abandonment of the Condominium project, subject to the following:-

(1) If the net insurance proceeds available for restoration and repair are sufficient to cover the cost thereof, so that no special assessment is required, then the Condominium property shall be restored and repaired, unless two-thirds (2/3rds) of the unit owners of this Condominium shall vote to abandon the Condominium project, in which case the Condominium property shall be removed from the provisions of the law by the recording in the Public Records wherein the Condominium property is located, an instrument terminating the Condominium, which said instrument shall further set forth the facts effecting the termination, certified by the Association and executed by its President and Secretary. The termination of the Condominium shall become effective upon the recording of said instrument, and the unit owners shall, thereupon, become owners as tenants in common in the property - i.e., the real, personal, tangible and intangible property, and any remaining structures of the Condominium, and their undivided interests in the property shall be the same as their undivided interests in the common elements of this Condominium prior to its termination, and the mortgages and liens upon Condominium parcels shall become mortgages and liens upon the undivided interests of such tenants in common, with the same priority as existed prior to the termination of the Condominium.

(2) If the net insurance proceeds available for restoration and repair are not sufficient to cover the costs thereof, so that a special assessment will be required, and if a majority of the unit owners of this Condominium vote against such special assessment and to abandon the Condominium project, then it shall be so abandoned and the Condominium property removed from the provisions of the law, and the Condominium terminated, as set forth in Paragraph 6.(b)(1) above, and the unit owners shall be tenants in common in the property in such undivided interests, and all mortgages and liens upon the Condominium parcels shall encumber the undivided interests of such tenants in common, as is provided in said Paragraph 6.(b)(1) above. In the event a majority of the unit owners of this Condominium vote in favor of the special assessment, the Association shall immediately levy such special assessment and, thereupon, the Association shall proceed to negotiate and contract for such repairs and restoration, subject to the provisions of Paragraph 5.(c) and (d) above. The special assessment funds shall be delivered by the Association to the Insurance Trustee and added by said Trustee to the proceeds available for the repair and restoration of the property. The proceeds shall be disbursed by the Insurance Trustee for the repair and restoration of the property, as provided in Paragraph 5.(c) above.

(c) In the event any dispute shall arise as to whether or not "very substantial" damage has occurred, it is agreed that such a finding made by the Board of Directors of the Association, shall be binding upon all unit owners.

7. Surplus:- It shall be presumed that the first monies disbursed in payment of costs of repair and restoration, shall be from the Insurance Proceeds, and if there is a balance in the funds held by the Insurance Trustee after the payment of all costs of the repair and restoration, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated herein.

8. Certificate:- The Insurance Trustee may rely upon a Certificate of the Association, certifying as to whether or not the damaged property is to be repaired and restored. Upon request of the Insurance Trustee, the Association shall forthwith deliver such Certificate.

9. Plans and Specifications:- Any repair and restoration must be substantially in accordance with the Plans and Specifications for the original building, or as the building was last constructed, or according to the Plans approved by the Board of Directors of the Association, which approval shall not be unreasonably withheld. If any material or substantial change is contemplated, the approval of all Institutional First Mortgages shall also be required.

10. Association's Power to Compromise Claim:- The Association is hereby irrevocably appointed Agent for each unit owner, for the purpose of compromising and settling claims arising under Insurance Policies purchased by the Association, and to execute and deliver Releases therefor, upon the payment of claims.

C. WORKMEN'S COMPENSATION POLICY - to meet the requirements of law.

D. Such other Insurance as the Board of Directors of the Association shall determine from time to time to be desirable.

E. Each individual unit owner shall be responsible for purchasing at his own expense, Liability Insurance to cover accidents occurring within his unit, and for purchasing Insurance upon his own personal property.

F. If available, and where applicable, the Board of Directors of the Association shall endeavor to obtain Policies which provide that the Insurer waives its right of subrogation as to any claims against unit owners, the Association, and their respective servants, agents and guests.

XIII.

USE AND OCCUPANCY

The owner of a unit shall occupy and use his apartment as a single family private dwelling, for himself and the members of his family, and his social guests, and for no other purpose.

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 owner commit or permit any nuisance, immoral or illegal act in or about the Condominium property.

No animal or pets of any kind shall be kept in any unit, or on any property of the Condominium, except with the written consent of the Board of Directors of the Association and, thereafter, under the Rules and Regulations adopted by the Board; provided that they are not kept, bred or maintained for any commercial purpose, and further provided that such pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the property subject to these restrictions, upon three (3) days written notice from the Board of Directors of the Association.

The unit owner shall not cause anything to be hung, displayed, or placed on the exterior walls, doors or windows of the building, without the prior written consent of the Board of Directors of the Association. No clothesline or similar device shall be allowed on any portion of the Condominium property by any person, firm or corporation, without the written consent of the Board of Directors of the Association.

No person shall use the common elements, or any part thereof, or a Condominium unit, or the Condominium property, or any part thereof, or the recreational facilities, in any manner contrary to or not in accordance with the Rules and Regulations pertaining thereto, as from time to time may be promulgated by the Association.

XIV.

MAINTENANCE AND ALTERATIONS

A. The Board of Directors of the Association may enter into a Contract with any firm, person or corporation, or may join with other Condominium Associations in contracting for the maintenance and repair of the Condominium property(s), and may contract for or may join with other Condominium Associations in contracting for the management of the Condominium property(s); and may delegate to the Contractor or Manager all the powers and duties of the Association, except such as are specifically required by this Declaration or by the By-Laws to have the approval of the Board of Directors or the membership of the Association.

The Contractor or Manager may be authorized to determine the Budget, make assessments for common expenses, and collect assessments, as provided in this Declaration and By-Laws, subject always to the supervision and right of approval of the Board of Directors of the Association.

B. There shall be no alterations or additions to the common elements or limited common elements of this Condominium where the cost thereof is in excess of ten percent (10%) of the annual Budget of this Condominium for common expenses, as to this Condominium, and this Condominium's share of common expenses as to the recreational facilities under the Long-Term Lease hereinafter referred to, except as authorized by the Board of Directors and approved by not less than seventy-five percent (75%) of the unit owners of this Condominium; provided the aforesaid alterations or additions do not prejudice the right of any unit owner, unless his consent has been obtained. The cost of the foregoing shall be assessed as common expenses. Where any alteration or additions, as aforesaid - i.e., as to the common elements or limited common elements of this Condominium, are exclusively or substantially exclusively for the benefit of the unit owner(s) requesting same, then the cost of such alterations or additions shall be assessed against and collected solely from the unit owner(s) exclusively or substantially exclusively benefiting, and the assessment shall be levied in such proportion as may be determined as fair and equitable by the Board of Directors of the Association. Where such alterations or additions exclusively or substantially exclusively benefit unit owners requesting same, said alterations or additions shall only be made when authorized by the Board of Directors and approved by not less than seventy-five percent (75%) of the unit owners exclusively or substantially exclusively benefiting therefrom, and where said unit owners are ten (10) or less, the approval of all but one shall be required.

1. There shall be no additions or alterations to the recreational facilities under the Long-Term Lease attached to this Declaration as Exhibit No. 4, except as provided for under Article VI of Exhibit No. 2 attached to this Declaration. Where the approval of unit owners for alterations or additions to the common elements or limited common elements of this Condominium, or the recreational facilities, is required, as provided herein, the approval of the owners of all Institutional First Mortgages encumbering Condominium parcels in this Condominium shall also be required.

C. Each unit owner agrees as follows:-

1. To maintain in good condition and repair, his unit and all interior surfaces within or surrounding his unit (such as the surfaces of the walls, ceilings and floors), whether or not part of the unit or common elements, and to maintain and repair the fixtures and equipment therein, which includes but is not limited to the following, where applicable:- airconditioning and heating units including but not limited to Air Conditioning Compressors, refrigerators, stoves, fans, hot-water heaters, dishwashers and other appliances, drains, plumbing fixtures and connections up to the main lines, electric panels and wiring up to the individual meters, electric outlets and fixtures, interior doors, windows, screening and glass, and fixed and/or sliding glass doors, and other facilities and fixtures from the surface of the walls, ceiling and floor inward, and pay for such utilities as are separately metered to this unit. It is anticipated that water and sewage shall be charged to the Condominium as a whole and, consequently, as long as this procedure continues, the charges for same shall be a part of the common expenses. Where a unit is carpeted, the cost of replacing carpeting shall be borne by the owner of said unit.

2. Not to make or cause to be made any structural addition or alteration to his unit, or to the common elements, without prior consent of the Association and all mortgagees holding a mortgage on his unit.

3. To make no alteration, decoration, replacement or change of the common elements, or to any outside or exterior portion

of the building, whether within a unit or part of the common elements; to use only those contractors or sub-contractors within his unit approved by the Board of Directors of the Association.

4. To permit the Board of Directors, or the agents or employees of the Association, to enter into any unit for the purpose of maintenance, inspection, repair, replacement of the improvements within the units, or the common elements, or to determine in case of emergency, the circumstances threatening units or the common elements, or to determine compliance with the provisions of this Declaration and the By-Laws of the Association.

5. To show no signs, advertisements or notices of any type on the common elements or his unit, and erect no exterior antenna or arials except as consented to by the Board of Directors of the Association.

D. In the event the owner of a unit fails to maintain it as required herein, or where a limited common element consists of an exterior porch, balcony or room which is designated for the exclusive use of a unit owner, and said unit owner fails to maintain same as required in this Declaration, or makes any structural addition or alteration without the required written consent, or otherwise violates or threatens to violate the provisions hereof, the Association shall have the right to proceed in a Court of Equity for an injunction to seek compliance with the provisions hereof. In lieu thereof, and in addition thereto, the Association, through its Board of Directors, shall have the right to levy an assessment against the owner of the unit, and the unit, for such necessary sums to remove any unauthorized structural addition or alteration, and to restore the property to good condition and repair. Said assessment shall have the same force and effect as all other special assessments. The Association shall have the further right to have its employees and agents, or any sub-contractor appointed by it, enter the unit at all reasonable times, to do such work as is deemed necessary by the Board of Directors of the Association, to enforce compliance with the provisions hereof.

E. The Association shall determine the exterior color scheme of the buildings(s), and all exteriors, and shall be responsible for the maintenance thereof, and no owner shall paint an exterior wall, door, window or balcony, or any exterior surface, or replace anything thereon or affixed thereto, without the written consent of the Association.

F. The Association shall be responsible for the maintenance, replacement and repair of the common elements and all portions of the Condominium property not required to be maintained, repaired or replaced by the unit owner(s).

XV.

LIMITED COMMON ELEMENTS

Those areas reserved for the use of a certain unit owner or certain unit owners, to the exclusion of other unit owners, are designated as "limited common elements", and are shown and located on the Surveys annexed hereto as "Exhibit No. 1". Any expense for the maintenance, repair or replacement relating to limited common elements shall be treated as and paid for as part of the common expenses of the Association. Should said maintenance, repair or replacement be caused by the negligence or misuse of a unit owner, his family or guests, servants and invitees, he shall be responsible therefor and the Association shall have the right to levy an assessment against the owner of said unit, which assessment shall have the same force and effect as all other special assessments. Where the limited common element consists of an exterior porch, patio, balcony or room, the unit owner or owners who have the right to the exclusive use of said exterior porch, patio, balcony or room, shall be

responsible for the maintenance, care and preservation of the paint and surface of the exterior walls, including floor and ceiling within said exterior porch, patio, balcony or room, and the maintenance, care, preservation, and replacement of the screening on the said porch, balcony or room, if same is screened, and the fixed and/or sliding glass doors in the entrance way to said porch, patio, balcony or room.

XVI.

TERMINATION

This Condominium may be voluntarily terminated in the manner provided for in Section 16 of the Condominium Act at any time; however, the written consent of the Lessor under the Long-Term Lease shall also be required. In addition thereto, when there has been "very substantial" damage, as defined in Article XII. B.6., above, this Condominium shall be subject to termination, as provided in Article XII.B.6. above, and in this event, the consent of the Lessor under the Long-Term Lease shall not be required, and the lien of the Lessor upon this Condominium and the Condominium parcels, and all rights of the Lessor under the Long-Term Lease, shall terminate and be discharged. In addition thereto, if the proposed voluntary termination is submitted to a meeting of the unit owners of this Condominium, pursuant to Notice, and is approved in writing, within sixty (60) days of the said meeting by three-fourths (3/4ths) of the unit owners of this Condominium, and all Institutional Mortgagees, and the Lessor under the Long-Term Lease, then the approving unit owners shall have an option to purchase all of the parcels of the other owners within a period expiring one hundred twenty (120) days from the date of such meeting. Such approvals shall be irrevocable until the expiration of the option, and if the option is exercised, the approvals shall be irrevocable. The option shall be exercised upon the following terms:-

A. Exercise of Option:- An Agreement to Purchase, executed by the Association and/or the record owners of the parcels who will participate in the purchase, shall be delivered, by personal delivery or mailed by certified mail or registered mail, to each of the record owners of the parcels to be purchased, and such delivery shall be deemed the exercise of the option. The Agreement shall indicate which parcels will be purchased by each participating owner or group of owners, and shall require the purchase of all parcels owned by owners not approving the termination, but the Agreement shall effect a separate contract between each Seller and his Purchaser.

B. Price:- The sale price for each apartment shall be the fair market value determined by agreement between the Seller and the Purchaser within thirty (30) days from the delivery or mailing of such Agreement; and in the absence of agreement as to price, it shall be determined by appraisers appointed by the Senior Judge of the Circuit Court in and for the area wherein the Condominium is located, on the Petition of the Seller. The expense of appraisal shall be paid by the Purchaser.

C. Payment:- The purchase price shall be paid in cash.

D. Closing:- The sale shall be closed within a thirty (30) days following the determination of the sale price.

XVII.

LONG-TERM LEASE

The Association, as Lessee, has entered into a Long-Term Lease Agreement with FPA CORPORATION, a Delaware Corporation, and PARKER-LEVITT CORPORATION, a Delaware Corporation, as Lessors.

Pursuant to Florida Statute 711.121, the Association has acquired a leasehold interest in and to the leased premises demise and described in the Long-Term Lease attached hereto as Exhibit No. 4, and said Exhibit No. 4 annexed to this Declaration is made a part hereof just as though the said Lease were fully set forth herein. Pursuant to Florida

Statute 711.121, and pursuant to the Long-Term Lease, all monies due and to become due under the provisions of said Lease, including, without limitation, expenses of rent, taxes, assessments, insurance premiums and costs of maintenance and repair, including the operation of said leased premises and all replacements and undertakings, and such other items as are specified in said Lease, are, and shall continue to be for the full term of said Lease, declared to be common expenses of the Condominium.

The Developer and the Association, by their execution of this Declaration of Condominium, and each unit owner, by virtue of their taking title to a Condominium parcel, agree that notwithstanding the fact that the Long-Term Lease is attached to this Declaration of Condominium and was recorded in the Public Records subsequent to the recording of this Declaration of Condominium, that said Long-Term Lease shall be deemed to have been recorded in the Public Records prior to the recording of this Declaration of Condominium. Each unit owner agrees to be bound by the terms and conditions of said Long-Term Lease and agrees to make payment to the Association of his share of the monies due, pursuant to and in the amount, or proportion, or percentage amount, if so stated, as specified in said Lease and this Declaration of Condominium. It shall be mandatory for the unit owner to make said payments, regardless of whether or not said unit owner uses the recreational facilities.

XVIII.

MISCELLANEOUS PROVISIONS

A. Escrow Account for Insurance and certain Taxes:

There shall be established and maintained in a local, National or State Bank, or a Federal or State Savings and Loan Association, two (2) interest bearing Savings Deposit Accounts, in order to accumulate sufficient monies for the following purposes:

1. To pay all Insurance Premiums for the insurance on the Condominium property obtained and purchased by the Association, pursuant to Article XII of this Declaration; and

2. To pay all Real or Personal Property Taxes assessed by the taxing authorities aforescribed, for property owned by the Condominium, or taxes which the Condominium is required to pay as part of its common expenses, which taxes are not included in the taxes assessed by the taxing authorities against the individual condominium parcels.

On or before the 30th day of each month, the Treasurer of this Condominium Association shall cause two checks to be issued and drawn on the Association's Bank Account - each check being equal respectively to one-twelfth (1/12th) of the estimated yearly amounts as to Items 1. and 2. above, and said checks shall be immediately deposited into the appropriate Savings Deposit Account.

These Accounts shall be maintained in the State or National Bank or State or Federal Savings and Loan Association owning and holding the first recorded Mortgage encumbering a Condominium unit, and upon the aforesaid Mortgagee's no longer owning and holding a mortgage on a unit, then these accounts shall be maintained in the Bank or Savings and Loan Association having the highest dollar amount of indebtedness of institutional first mortgages owing against the condominium units. Where said Institutional First Mortgagee is not a State or National Bank or State or Federal Savings and Loan Association, said account shall be maintained in one of the foregoing as selected by said Institutional First Mortgagee.

These accounts shall have the right of withdrawal restricted to a joint request by the Board of Directors of this Condominium Association and the Institution holding the first recorded mort-

gages encumbering a unit and, thereafter, the Institution having the highest dollar amount of indebtedness on units.

If, for any reason, this Condominium Association does not pay the Real Property Taxes assessed as to Item 2. above, within sixty (60) days after these taxes are permitted by law to be paid, then the Institution having the right of withdrawal, as aforescribed, shall have undisputed right to withdraw, without the written consent of the Board of Directors of this Condominium Association, such sums of money as are necessary to pay Item 2. Similarly, in the event the annual premium as to Item 1. above is not paid on or before its due date, said Institution having the right of withdrawal as aforescribed, shall have the right, without the necessity of securing the written consent of the Board of Directors of this Condominium Association, to withdraw such sums of money as are necessary to pay the then due premiums.

Should a Condominium unit owner fail to pay that portion of the monthly assessment relating to Items 1. and 2. above, within thirty (30) days from its due date, the Condominium Association shall have the right, but it is not required, to advance the necessary funds so as to deposit the required monthly sum into the Savings Deposit Accounts.

The Condominium Association shall have a lien for all sums so advanced, together with interest thereon. It shall also have the right to assign its lien to any unit owner or group of unit owners, or to any third party. In the event the Association does not advance funds as aforesaid, the holder of an Institutional First Mortgage on the delinquent unit, or the Institution having the right of withdrawal, as aforesaid, or the Institution having the highest dollar indebtedness on condominium units, may advance the necessary funds into the Savings Deposit Accounts to make up the deficiency. Said Institution shall have a lien for all sums so advanced, and may bring suit to foreclose the interest of the delinquent condominium unit owner in his Condominium unit.

The Condominium unit owners herein consent to the establishment of such lien as a result of these advances in favor of the Institution or Association, as aforescribed. However, no such foreclosure action may be brought by said Institution or individual, or group of individuals - where the Association advances the necessary funds and assigns its lien, until the delinquent unit owner has received not less than ten (10) days written notice in this regard.

B. The owners of the respective condominium units shall not be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, floors and ceilings surrounding their respective condominium units, nor shall the unit owner be deemed to own pipes, wires, conduits or other public utility lines running through said respective condominium units which are utilized for or serve more than one condominium unit, which items are by these presents, hereby made a part of the common elements. Said unit owner, however, shall be deemed to own the walls and partitions which are contained in said unit owner's respective condominium unit, and also shall be deemed to own the inner decorated and/or finished surfaces of the perimeter walls, floors, and ceilings, including plaster, paint, wallpaper, etc.

C. The owners of the respective condominium units agree that if any portion of a condominium unit or common element or limited common element encroaches upon another, a valid easement for the encroachment and maintenance of same, so long as it stands, shall and does exist. In the event the Condominium building is partially or totally destroyed, and then re-built, the owners of the Condominium parcels agree that encroachments on parts of the common elements or limited common elements or condominium units, as aforescribed, due to construction, shall be permitted, and that a valid easement for said encroachments and the maintenance thereof shall exist.

D. That no owner of a Condominium parcel may exempt himself from liability for his contribution toward the common expenses by

waiver of the use and enjoyment of any of the common elements, or by the abandonment of his condominium unit.

E. The owners of each and every condominium parcel shall return the same for the purpose of ad valorem taxes with the Tax Assessor of the County wherein the Condominium is situated, or such other future legally authorized governmental officer or authority having jurisdiction over the same. Nothing herein shall be construed, however, as giving to any unit owner the right of contribution or any right of adjustment against any other unit owner on account of any deviation by the taxing authorities from the valuations herein prescribed, each unit owner to pay ad valorem taxes and special assessments as are separately assessed against his condominium parcel.

For the purposes of ad valorem taxation, the interest of the owner of a condominium parcel, in his condominium unit and in the common elements, shall be considered as a unit. The value of said unit shall be equal to the percentage of the value of the entire Condominium, including land and improvements, as have been assigned to said unit and as set forth in this Declaration. The total of all of said percentage equals 100% of the value of all of the land and improvements thereon.

F. All provisions of this Declaration and Exhibits attached hereto and Amendments hereof, shall be construed to be covenants running with the land, and of every part thereof and interest therein, including but not limited to every unit and the appurtenances thereto, and every unit owner and claimant of the property or any part thereof, or of any interest therein, and his heirs, executors, administrators, successors and assigns, shall be bound by all of the provisions of said Declaration and Exhibits annexed hereto and Amendments thereof.

G. If any provisions of this Declaration, or of the By-Laws attached hereto, or of the Condominium Act, or any section, sentence, clause, phrase, or word, or the application thereof, in any circumstances, is held invalid, the validity of the remainder of this Declaration, the By-Laws attached hereto, or the Condominium Act, and of the application of any such provision, action, sentence, clause, phrase or word, in other circumstances, shall not be affected thereby.

H. Whenever notices are required to be sent hereunder, the same may be delivered to unit owners, either personally or by mail, addressed to such unit owners at their place of residence in the Condominium building, unless the unit owner has, by written notice duly receipted for, specified a different address. Proof of such mailing or personal delivery by the Association shall be given by the Affidavit of the person mailing or personally delivering said notices.

Notices to the Association shall be delivered by mail to the Office of the Association at: Box 3378, Sarasota, Florida 33578.

Notices to the Developer shall be delivered by mail at: Box 3378, Sarasota, Florida, 33578.

All Notices shall be deemed and considered sent when mailed. Any party may change his or its mailing address by written notice, duly receipted for. Notices required to be given the personal representative of a deceased owner, or devisee when there is no personal representative, may be delivered either personally or by mail to such party at his or its address appearing in the records of the Court wherein the Estate of such deceased owner is being administered.

I. Nothing hereinabove set forth in this Declaration shall be construed as prohibiting the Developer or the Board of Directors of the Association from removing or authorizing the removal of any party wall between any Condominium units in order that the said units might be used together as one Condominium unit. In such event, all assessments, voting rights and the share of common elements shall be calculated as if such units were as originally designated on the Exhibits attached to this Declaration, notwithstanding the fact that several units are used as one, to the intent and purpose that the unit owner of such combined units shall be treated as the unit owner of as many units as have been so

J. The "Remedy for Violation" provided for by Section 23 of the Condominium Act, shall be in full force and effect. In addition thereto, should the Association find it necessary to bring a Court action to bring about compliance with the law, this Declaration and the By-Laws, and upon a finding by the Court that the violation complained of is willful and deliberate, the unit owner so violating shall reimburse the Association for reasonable attorney's fees incurred by it in bringing such action as determined by the Court.

K. Subsequent to the filing of this Declaration of Condominium, the Condominium Association - when authorized by a vote of not less than three-fourths (3/4ths) of the total vote of the members of the Association and approved by all the owners and holders of Institutional First Mortgages encumbering Condominium parcels, and the Lessor under the Long-Term Lease, as long as said Long-Term Lease remains in effect, may acquire and enter into agreements from time to time, whereby it acquires leaseholds, memberships and other possessory or use interests in lands or facilities, including but not limited to country clubs, golf courses, marinas, and other recreational facilities, whether or not contiguous to the lands of the Condominium, intended to provide for the enjoyment, recreation and other use or benefit of the unit owners. The expenses of rental, membership fees, operations, replacements and other undertakings in connection therewith, shall be common expenses, together with all other expenses and costs herein, or by law defined as common expenses.

L. Whenever the context so requires, the use of any gender shall be deemed to include all genders, and the use of the singular shall include the plural, and plural shall include the singular. The provisions of the Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of a Condominium.

M. The captions used in this Declaration and Exhibits annexed hereto are inserted solely as a matter of convenience and shall not be relied upon and/or used in construing the effect or meaning of any of the text of this Declaration or Exhibits hereto annexed.

N. Where an Institutional First Mortgage, by some circumstance, fails to be a first mortgage, but it is evident that it is intended to be a first mortgage, it shall, nevertheless, for the purpose of this Declaration and Exhibits annexed, be deemed to be an Institutional First Mortgage.

O. The Developer specifically disclaims any intent to have made any warranty or representation in connection with the property or the Condominium documents, except as specifically set forth therein, and no person shall rely upon any warranty or representation not so specifically made therein. Any estimates of common expenses, taxes or other charges are deemed accurate, but no warranty or guaranty is made or intended, nor may one be relied upon.

P. By way of clarification as to Article VII of this Declaration, the Long-Term Lease may be amended by an instrument in writing, executed by the Lessor and the Condominium Association, by and through its Board of Directors, except there shall be no Amendment affecting the Long-Term Lease which would change a unit owner's rent under the Long-Term Lease nor the manner of sharing common expenses under the Long-Term Lease, nor impair the rights of unit owners to the use and enjoyment of the recreational area and facilities, without the unit owners so affected and all record owners of Institutional Mortgages thereon joining in the execution of said Amendment. The aforesaid Amendment shall be duly recorded in the Public Records of the County wherein the leased premises and this Condominium are located, and the recording of said Amendment shall constitute an Amendment to this Declaration of Condominium, as to the provisions herein relative to said Long-Term Lease. Where the Developer continues to hold title to Condominium units in the Condominium at the time of a proposed Amendment, as set forth in this

Paragraph, the approval of the Developer shall be required. No Amendment, as set forth in this Paragraph, shall amend the provision of the Long-Term Lease or this Declaration with respect to Institutional Mortgagees, nor shall any such Amendment affect, in any way, the validity, rights and priorities of any mortgages existing in Condominium parcels in this Condominium. The Board of Directors of the Condominium Association are empowered and authorized, without the approval of the unit owners, to amend the Long-Term Lease and this Declaration of Condominium, as contemplated in this Paragraph P.

Q. The Developer and the Lessor under the Long-Term Lease reserve the right to amend this Declaration of Condominium by adding to the leased premises demised and described in the Long-Term Lease annexed hereto as Exhibit No. 4, an area of land with improvements thereon, located on the land owned by the Developer herein. The size of the area of land, the improvements thereon, the exact location of said area within the aforesaid area, and the time when such improvements will be constructed and this Declaration amended, shall be in the sole discretion of the Lessor; however, if such improvements are not constructed and such Amendment is not made, executed and recorded in the Public Records of Manatee County, Florida, within five (5) years from the date of this Declaration of Condominium, said right shall automatically terminate. The provisions of this Paragraph do not require the Lessor to construct improvements and amend this Declaration, as herein provided. The right of the Developer and Lessor herein is conditioned upon there being no increase in the rent due the Lessor by the unit owners of this Condominium, as provided in Exhibit "A" annexed to this Declaration; and is further conditioned upon the sharing of the common expenses of the recreational area contemplated in this Paragraph in the same proportion and manner as is provided under Exhibit "A" attached to this Declaration of Condominium and Exhibit "C" attached to Exhibit No. 4 of this Declaration of Condominium, as to the recreational facilities described in said Exhibit No. 4 to this Declaration of Condominium, by all unit owners of Condominium units created by this Declaration, and all owners of Condominium units constructed as of the time of such Amendment, and all owners of Condominium units constructed subsequent to the time of such Amendment, wherein said Condominiums are created by virtue of Declarations of Condominium, which Declarations, together with Long-Term Leases, are recorded in the Public Records of Manatee County, Florida, and said documents grant to the unit owners thereof the use and enjoyment of the recreational facilities described in the Long-Term Lease attached to this Declaration of Condominium as Exhibit No. 4, or other recreational facilities, and the recreational facilities contemplated in this Paragraph. All unit owners of such Condominium units shall be entitled to the use and enjoyment of the recreational facilities contemplated by this Paragraph. An Amendment to this Declaration, as provided for in this Paragraph, need only be executed and acknowledged by the Lessor and Developer, and need not be approved by the Association, the unit owners, lienors, mortgagees, or any other parties or persons whatsoever. Such Amendment of Declaration of Condominium shall be filed in the Public Records of Manatee County, Florida, and said Amendment to the Declaration of Condominium shall be deemed an Amendment to the Long-Term Lease annexed to this Declaration as Exhibit No. 4, with the same effect as though the said Exhibit No. 4 attached hereto had included the additional demised lands and obligations thereto. The method of amending this Declaration of Condominium in regard to the matters set forth specifically in this Paragraph "Q", supersedes the provisions of the method of amendment to this Declaration of Condominium as provided in Articles VII and XVIII.P., hereinabove. Notwithstanding the foregoing provisions in this Paragraph, in the event the proposed and reasonably estimated budget as to the common expenses for the additional leased area and improvements thereon, as contemplated in this Paragraph, for the first year of operation, is in an amount which when shared by all unit owners of Condominium units who are entitled to the use and enjoyment of the additional recreational facilities contemplated in this Paragraph, would increase each unit owner's monthly common expense assessments (i.e., the unit owner's total monthly assessment, excluding rent under the Long-Term Lease), in effect at said time, by a sum more than twenty-five percent (25%), then in such event, the approval of not less than seventy-five percent (75%) of the unit owners

of Condominium units who would be entitled to the use and enjoyment of the recreational facilities contemplated in this paragraph, shall be required.

IN WITNESS WHEREOF, FPA CORPORATION, a Delaware Corporation, and PARKER-LEVITT CORPORATION, a Delaware Corporation, have caused these presents to be signed in their names by their proper Officers, and their Corporate Seals to be affixed, this 26th day of August, 1971.

Signed, sealed and delivered in the presence of:

Thomas A. Kelly
Jeanne M. Lisco

FPA CORPORATION

By: T. W. Gell
Vice President

Attest: Jeanne M. Lisco
Secretary



PARKER-LEVITT CORPORATION

James L. Parker
Thomas C. Kraemer

By: James L. Parker
President

Attest: Thomas C. Kraemer
Assistant Secretary

(COMMERCIAL))
STATE OF DELAWARE) ss:
COUNTY OF WILMINGTON)

I HEREBY CERTIFY that on this day, before me, an officer duly authorized to take acknowledgments in the state and county named above, personally appeared H. N. McVill as VICE PRESIDENT and T. W. Gell as SECRETARY of the above named FPA CORPORATION, a Delaware Corporation, to me known to be the persons described in and who executed the foregoing and acknowledged the execution thereof for and on behalf of said corporation as such officers for the purposes therein expressed, the affixing of its corporate seal, and that they were duly authorized by said corporation to do so.

WITNESS my hand and official seal in the state and county named above this 26th day of August, 1971.

Walter Cooper
Notary Public
My commission expires:
January 12, 1974

STATE OF FLORIDA)
COUNTY OF SARASOTA) ss:



I HEREBY CERTIFY that on this day, before me, an officer duly authorized to take acknowledgments in the state and county named above, personally appeared MAURICE PARKER as President and THOMAS C. KRAEMER as Assistant Secretary of the above named PARKER-LEVITT CORPORATION, a Delaware Corporation, to me known to be the persons described in and who executed the foregoing and acknowledged the execution thereof for and on behalf of said corporation as such officers for the purposes therein expressed, the affixing of its corporate seal, and that they were duly authorized by said corporation to do so.

WITNESS my hand and official seal in the state and county named above this 31 day of August, 1971.

Thomas C. Kraemer
Notary Public
My commission expires:



FOR GOOD AND VALUABLE CONSIDERATION, the receipt whereof is hereby acknowledged, PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, hereby agrees to accept all of the benefits, and all of the duties, responsibilities and burdens imposed upon it by the provisions of this Declaration of Condominium and Exhibits attached hereto.

IN WITNESS WHEREOF, PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, has caused these presents to be signed in its name by its proper Officers and its Corporate Seal to be affixed, this 31st day of August, 1971.

Signed, sealed and delivered in the presence of

PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.

James L. Pritchard
Lisa J. Hopper

By: *Thomas C. Kraemer*
President

Attest: *Mark R. Thayer*
Vice President

STATE OF FLORIDA
COUNTY OF SARASOTA } SS:

I HEREBY CERTIFY that on this day, before me, an officer duly authorized to take acknowledgments in the state and county named above, personally appeared THOMAS C. KRAEMER as President and MARK R. THAYER as Vice President of the above named PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, to me known to be the persons described in and who executed the foregoing and acknowledged the execution thereof for and on behalf of said corporation as such officers for the purposes therein expressed, the affixing of its corporate seal, and that they were duly authorized by said corporation to do so.

WITNESS my hand and official seal in the state and county named above this 31 day of August, 1971.

[Signature]
Notary Public
My Commission Expires:



Notary Public, State of Florida at Large
My Commission Expires Feb 17, 1973
Bonded by Transamerica Insurance Co.

CONSENT

THE UNDERSIGNED, as the Owner and Holder of a Mortgage encumbering the lands described in the foregoing Declaration of Condominium No. 2, PALM-AIRE AT DESOTO LAKES COUNTRY CLUB APTS. CONDOMINIUM, consents to and joins in said Declaration of Condominium solely for the purpose of waiving any rights which it, as such Mortgagee, may have to cause a termination of the Condominium as to all or any part of such lands, which waiver shall be effective upon the release of any part of such lands from the lien of the undersigned's Mortgage and shall thereupon apply to all and any part of such lands. This instrument shall not otherwise in any way affect the lien and priority of the undersigned's Mortgage.

IN WITNESS WHEREOF, FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF SARASOTA has caused their consent to be signed in its name by its proper officer the 31 day of August, 1971.

FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF SARASOTA



BY:

Lucien G. Flury
Vice President

Louis A. Holly
Secretary



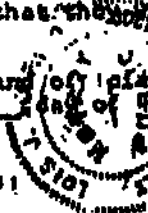
STATE OF FLORIDA)
COUNTY OF SARASOTA) ss:

I HEREBY CERTIFY that on this day, before me, an officer duly authorized to take acknowledgments in the state and county named above, personally appeared Lucien G. Flury as Vice President and Louis A. Holly as Secretary of the above named FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF SARASOTA, to me known to be the persons described in and who executed the foregoing and acknowledged the execution thereof for and on behalf of said corporation as such officers for the purposes therein expressed, the affixing of its corporate seal, and that they were duly authorized by said corporation to do so.

WITNESS my hand and official seal in the state and county named above this 31 day of August, 1971.

My commission expires:

Notary Public, State of Florida at Large
My Commission Expires Feb 17, 1973
Transamerica Insurance Co.



Louis A. Holly
Notary Public

REC 510 MAR 754

DECLARATION OF CONDOMINIUM

EXHIBIT "A"

Condominium Unit and Parcel Number	Type of Unit	Percentages of Undivided interest in Common Elements and Unit Owner's share of Common Expenses of Condominium and Recreation Facilities, Excluding Rent Under Long-Term Lease	Monthly Rent Under Long-Term Lease PER UNIT
T-101, T-104, T-201 and T-204	3 BR - 2 B	4.50% - per unit	\$30.00
V-1 through V-18 inclusive	2 BR - 2 B	3.80% - per unit	\$25.00
T-102, T-103, T-202 and T-203	2 BR - 2 B	3.40% - per unit	\$25.00

UNIT OWNER'S SHARE OF COMMON EXPENSES UNDER THE LONG-TERM LEASE - is defined as the other expenses and obligations, (excluding Rent), payable by the Lessee under said Lease, including, without limitation, taxes, assessments, insurance premiums, and costs of maintenance and repairs. The total common expenses under the Long-Term Lease will be weighted and computed in such manner so that the following ratio will prevail:

The 1-bedroom units will be used as the base of each proration, and the base shall be 1; 2-bedroom units shall be 133-1/3rd of the base; 3-bedroom units shall be 166-2/3rd of the base and 4-bedroom units shall be 200% of the base.

The Association has been formed to operate this Condominium and other Condominium properties, as set forth in the Articles of Incorporation attached hereto as Exhibit No. 3, and all members of the Association shall, as unit owners, share the common expenses under the Long-Term Lease under the foregoing ratio.

The Lessor under the Long-Term Lease has the right to enter into Long-Term Lease Agreements with other Lessors and Condominium Association (s), as to an undivided interest in the demised premises described in Exhibit "A" of the Long-Term Lease, and/or in the demised premises described in and pursuant to Article XXX of said Long-Term Lease, said Long-Term Lease being attached hereto as Exhibit No. 4, provided, however, that all members of the Lessee Condominium Association (s), including the Lessee Condominium Association in the Long-Term Lease attached hereto as Exhibit No. 4, share the common expenses under said Long-Term Lease (s) under the foregoing ratios to the demised premises described in Exhibit "A" to the Long-Term Lease (if said premises are a portion of the demised premises in the Long-Term Lease), and as to the demised premises described in and pursuant to Article XXX of said Long-Term Lease.

The provisions of the foregoing paragraph are further subject to all units being classified as to "type" by the Developer in the Declaration of Condominium controlling such units, and the Lessor under the Long-Term Lease appertaining thereto, as to one of the four types hereinabove set forth.

SCHEDULE I

ALL of Lot 2, Block 1, and all of Lots 1, 2, 3, 5, 6, 7 and 8,
Block 2, PISCATO LAKES COUNTRY CLUB COLONY, UNIT 1, SECTION C, AS
per plat thereof recorded in Plat Book 15, page 93, of
the Public Records of Manatee County, Florida.

BY-LAWS OF DEBOTO LAKE COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.

ARTICLE I. IDENTITY

The following By-Laws shall govern the operation of the Condominium created by the Declaration of Condominium to which these By-Laws are attached.

BY-LAWS OF DEBOTO LAKE COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., is a Florida Corporation not for profit, organized and existing pursuant to Florida Statutes 617 and 711.

Section 1. The Office of the Association shall be at the Condominium property, or at such other place as may be subsequently designated by the Board of Directors.

Section 2. The Seal of the Corporation shall bear the name of the Corporation, the word "Florida", the words "Corporation Not For Profit," and the year of incorporation.

Section 3. As used herein, the word "Corporation" shall be the equivalent of "Association", as defined in the Declaration of Condominium to which these By-Laws are attached, and all other words as used herein, shall have the same definitions as attributed to them in the Declaration of Condominium to which these By-Laws are attached.

ARTICLE II. MEMBERSHIP AND VOTING PROVISIONS

Section 1. The corporation shall not issue Stock or Certificates.

Section 2. Membership in the Corporation shall be limited to owners of Condominium units in Condominiums wherein this Corporation has been designated the Association to operate and administer said Condominium by virtue of the Condominium's Declaration of 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 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 officer or employee of the Corporation 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, as set forth in these By-Laws and the Declaration of Condominium to which they are attached, shall be accompanied by an application fee in an amount to be set by the Board of Directors, to cover the cost of contacting the references given by the applicant, and such other costs of investigation that may be incurred by the Board of Directors.

Section 3. Voting.

(a) The owner(s) of each condominium unit shall be entitled to one vote for each condominium unit owned. If a condominium unit owner owns more than one unit he shall be entitled to one vote for each unit owned. The vote of a condominium unit shall not be divisible.

(b) A majority of the unit owners' total votes shall decide any question unless the By-Laws or Declaration of Condominium provide otherwise, in which event the voting percentages required in the By-Laws or the Declaration of Condominium shall control.

Section 4. Quorum. Unless otherwise provided in these By-Laws, the presence in person or by proxy of a majority of the unit owners' total votes shall constitute a quorum. The term "majority" of the unit owners total votes shall mean unit owners holding 51% of the votes.

Section 5. Proxies. Votes may be cast in person or by proxy. All proxies shall be in writing and signed by the person entitled to vote (as set forth below in Section 6), and shall be filed with the Secretary prior to the meeting in which they are to be used, and 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 6. 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 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 officer or employee thereof 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 and attested to by the Secretary or Assistant Secretary of the Corporation, and filed with the Secretary of the Association. The person designated in these Certificates who is entitled to cast the vote for a unit shall be known as the "Voting Member". If such a Certificate is not on file with the Secretary of the Association, for a unit owned by more than one person or by a Corporation, the vote of the unit concerned 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, except if said unit is owned by a husband and wife. Such Certificate shall be valid until revoked, or until superseded by a subsequent Certificate, or until a change in the ownership of the unit concerned. If a condominium unit is jointly owned by a husband and wife, the following three provisions are applicable thereto:

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

(b) If they do not designate a Voting Member, and if both are present at a meeting and 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. (As previously provided, the vote of a unit is not divisible.)

(c) Where they do not designate a Voting Member and only one 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 II-A. MEETINGS OF THE MEMBERSHIP

Section 1. Place. All meetings of corporation membership shall be held at the Condominium property, or at such other place and time as

shall be designated by the Board of Directors of the Association and stated in the notice of the meeting.

Section 2. Notices. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the time and place thereof, to each unit owner of record, at least five (5), but not more than twenty-five (25) days prior to such meeting. Notice of any special meeting shall state the purpose thereof. All notices shall be mailed to or served at the address of the unit owner as it appears on the books of the Corporation.

Section 3. Annual Meeting. The annual meeting shall be held at 3:00 P.M. Eastern Standard Time, on the first Wednesday in March 1979, and thereafter, on the first Wednesday in March of each year, for the purpose of electing Directors and transacting any other business authorized to be transacted by the members, provided, however, that if that day is a legal holiday, the meeting shall be held at the same hour on the next secular day following. At the annual meeting, the members shall elect by a plurality vote (cumulative voting prohibited), a Board of Directors, and transact such other business as may properly be brought before the meeting.

Section 4. Special Meeting. Special meetings of the members for any purpose or purposes, unless otherwise prescribed by statute or by the Articles of Incorporation, may be called by the President, and shall be called by the President or Secretary, at the request, in writing, by a majority of the Board of Directors, or at the request, in writing, of Voting Members representing a majority of the unit owners' total votes, which request shall state the purpose of the proposed meeting. Business transacted at all special meetings shall be confined to the objects stated in the Notice thereof.

Section 5. Waiver and Consent. Whenever the vote of members at a meeting is required or permitted by any provision of the statutes or of the Articles of Incorporation, or of these By-Laws, to be taken in connection with any action of the Corporation, the meeting and vote of members may be dispensed with if not less than three-fourths (3/4ths) of the members who would have been entitled to vote upon the action if such meeting were held, shall consent, in writing, to such action being taken; however, notice of such action shall be given to all members, unless all members approve such 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. Proviso. Provided, however, that until the first Wednesday in March, 1979, or until the Developer elects to terminate its control of the Directorate of the Association, whichever shall first occur, there shall be no meeting of members of the Association, unless a meeting is called by the Board of Directors of the Association; and should a meeting be called, the proceedings shall have no effect unless approved by the Board of Directors of the Association. As long as the Developer, or Developers have not completed the development of the entire Condominium complex of NO. 1 PALM-ALRE AT DESOTO LAKES COUNTRY CLUB APTS. CONDOMINIUM; then notwithstanding an annual members' meeting taking place, the Developer or Developers, collectively, shall be entitled to elect a majority of the Board of Directors, which Directors need not be residents in the Condominium complex nor Condominium unit owners. The foregoing provisions of this Section 7 may not be amended without the consent of the Developer(s) of the Condominium complex, and this provision supersedes all provisions to the contrary in these By-Laws, the Association's Articles of Incorporation, and the Declaration of Condominium to which these By-Laws are attached.

Section 8. Approval or Disapproval of a unit owner upon any matter, whether or not the subject of an Association meeting, shall be by the Voting Member; provided, however, 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 III. DIRECTORS

Section 1. Number, Term and Qualifications. The affairs of the Corporation shall be governed by a Board of Directors composed of not less than three (3), nor more than nine (9) persons, as is determined by the members. All Directors shall be members of the Association; provided, however, that until one of the events in Article II-A, Section 7. of these By-Laws first occurs, all Directors shall be designated by the Developer and need not be members. All Officers of a Corporate unit owner shall be deemed to be members of the Association so as to qualify as a Director herein. 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.

Section 2. First Board of Directors.

(a) The first Board of Directors, who shall serve until the first annual meeting of members and until their successors have been elected and qualified shall consist of the following:

(b) The organizational meeting of a newly elected Board of Directors of the Association shall be held within ten (10) days of their election, at such time and place as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary, providing a quorum shall be present.

Section 3. Removal of Directors. At any time after the first annual meeting of the membership, at any duly convened regular or special meeting, any one or more of the directors may be removed with or without cause by the affirmative vote of the voting members casting not less than two-thirds of the total votes present at said meeting, and a successor may then and there be elected to fill the vacancy thus created. Should the membership fail to elect said successor, the Board of Directors may fill the vacancy in the manner provided in Section 4 below.

Section 4. Vacancies on Directorates. If the office of any Director or Directors becomes vacant by reason of death, resignation, retirement, disqualification, removal from office, or otherwise, 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.

Section 5. Disqualification and Resignation of Directors. Any Director may resign at any time by sending a written notice of such resignation to the office of the corporation delivered to the Secretary. Unless otherwise specified therein, such resignation shall take effect upon receipt thereof by the Secretary. More than three (3) consecutive absences from regular meetings of the Board of Directors, unless excused by resolution of the Board of Directors, shall automatically constitute a resignation effective when such resignation is accepted by the Board of Directors. Commencing with the Directors elected at the first annual meeting of the membership, the transfer of title of his unit by a Director shall automatically constitute a resignation, effective when such resignation is accepted by the Board of Directors. No member shall continue to serve on the Board

should he be more than 30 days delinquent in the payment of an assessment and said delinquency 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 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.

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 by a majority of the members of the Board of Directors, by giving five (5) days notice in writing to all of the members of the Board of Directors of the time and place of said meeting. 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 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 the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 9. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall 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 each such adjourned meeting, any business which might have been transacted at the meeting as originally called, may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the Minutes thereof, shall constitute the presence of such Director for the purpose of determining a quorum.

Section 10. Compensation. The Directors' fees, if any, shall be determined by the Voting Members.

Section 11. Powers and Duties.

The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Corporation and may do all such acts and things as are not by law or by the Declaration of Condominium, or by these By-Laws, directed to be exercised and done by the 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, in these By-Laws, the Articles of Incorporation, of this Corporation, and in the Condominium Act, and all powers incidental thereto.

(b) To make assessment, collect said assessments, and use and expend the assessments to carry out the purposes and powers of the Corporation.

(c) To employ, disaffect and control the personnel necessary for the maintenance and operation of the project, and of the common areas and facilities, including the right and power to employ attorneys, accountants, contractors, and other professionals as the need arises.

(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 of the Condominium and to designate to such contractor all of the powers and duties of the Association, except those which may be required by the Declaration of Condominium to have approval of the Board of Directors or membership of the Association. To contract for the management or operation of portions of the common elements or facilities susceptible to the separate management or operation, and to lease or concession such portions.

(f) The further improvement of the property, real and personal, and the right to purchase items of furniture, furnishings, fixtures and equipment.

(g) 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 of the business and affairs of the corporation. Such committee to consist of at least three (3) members of the Corporation, one of whom shall be a Director. 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 shall keep regular minutes of their proceedings and report the same to the Board of Directors, as required.

The foregoing powers shall be exercised by the Board of Directors or its contractor or employees subject only to approval by unit owners when such is specifically required.

ARTICLE IV. OFFICERS

Section 1. Elective Officers. The principal officers of the corporation shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. One person may not hold more than one of the aforementioned offices, except one person may be both Secretary and Treasurer. The President and Vice President shall be members of the Board of Directors.

Section 2. Election. The officers of the corporation 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.

Section 3. Appointive officers. The Board may appoint an Assistant Secretary and an Assistant Treasurer and such other officers as the Board deems necessary.

Section 4. Term. The officers of the corporation shall hold office until their successors are chosen and qualify 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 (e.g. if the Board of Directors is composed of five persons, then three of said Directors must vote for removal.) 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. He shall be the chief executive officer of the corporation; 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 corporation 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. He 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.

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

Section 8. The Treasurer.

(a) He shall have custody of the corporation funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation and shall deposit all monies and other valuable effects in the name of and to the credit of the corporation 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 manner required by the Condominium Act.

(b) He shall disburse the funds of the corporation 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 meeting of the Board of Directors, or whenever they may require it, an account of all of his transactions as Treasurer and of the financial condition of the corporation.

(c) He shall collect the assessments and shall promptly report the status of collections and of all delinquencies to the Board of Directors.

(d) He shall give status reports to potential transferees, on which reports the transferees may reply.

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

ARTICLE V. FINANCES AND ASSESSMENTS

Section 1. Depositories. The funds of the Corporation 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 Corporation as may be designated by the Board of Directors. Obligations of the Corporation shall be signed by at least two officers of the Corporation.

Section 2. Fidelity Bonds. The Treasurer and all Officers who are authorized to sign checks, and all officers and employees of the Association, and any Contractor handling or responsible for Association funds shall be bonded in such amount as may be determined by the Board of Directors. 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 via a signatory or a bank account or other depository account.

Section 3. Fiscal Year. The fiscal year for the Corporation shall begin on the first day of January of each year; provided however, that the Board of Directors is expressly 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, at such time as the Board of Directors deems it advisable.

Section 4. Determination of Assessments.

(a) The Board of Directors of the Corporation shall fix and determine, from time to time, the sum or sums necessary and adequate for the common expenses of the condominium property. Common expenses shall include expenses for the operation, maintenance, repair or replacement of the common elements and the limited common elements, costs of carrying out the powers and duties of the Corporation, all insurance premiums and expenses relating thereto, including fire insurance and extended coverage, and any other expenses designated as common expenses from time to time by the Board of Directors of the Corporation. The Board of Directors is specifically empowered, on behalf of the Corporation, to make and collect assessments, and to lease, maintain, repair and replace the common elements and the limited common elements of the Condominium. 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. Said assessments shall be payable monthly in advance, and shall be due the first 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) When the Board of Directors has determined the amount of any assessment, the Treasurer of the Corporation shall mail or present to each unit owner, a statement of said unit owner's assessment. All assessments shall be payable to the Treasurer of the Corporation and, upon request, the treasurer shall give a receipt for each payment made to him.

Section 5. Application of Payments and Co-Mingling of Funds. All sums collected by the Association from assessments may be co-mingled in a single fund, or divided into more than one fund, as determined by the Board of Directors. All assessment payments by a unit owner shall be applied as to interest, delinquencies, costs and attorneys' fees, other charges, expenses and advances, as provided herein and in the Declaration of Condominium, and general or special assessments, in such manner as the Board of Directors determines in its sole discretion.

Section 6. Annual Audit. An audit of accounts of the Association shall be made annually, commencing after the first annual meeting, as provided for in Article II-A, Section 3 of these By-Laws. Said audit shall be prepared by a Certified Public Accountant licensed in the State of Florida, and a copy of said Report shall be available to the members in the Office of the Association and with the Treasurer of the Association. Such report shall be available not later than three months after the end of the year for which the Report is made.

Section 7. Acceleration of Assessment Installments Upon Default. If a unit owner shall be in default in the payment of an installment, the Board of Directors may accelerate the remaining monthly installments for the fiscal year upon notice thereof to the unit owner and, thereupon, the unpaid balance of the assessment 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.

ARTICLE VI. ADDITIONS OR ALTERATIONS

There shall be no additions or alterations to the common elements or limited common elements of the Condominium which this Association operates and maintains, except as is specifically provided in Article XIV.B. of the Declaration of Condominium to which these By-Laws are attached. There shall be no additions or alterations to the recreational facilities under the Long-Term Lease which is Exhibit No. 4 to the Declaration of Condominium to which these By-Laws are attached, unless the same are authorized by the Board of Directors of this Association and the Board of Directors of any Lessee Association, as to the aforesaid recreational facilities, and the same are approved by not less than sixty-percent (60%) of the total vote of the members of this Association, and sixty percent (60%) of the total votes of any Condominium Association which is a Lessee as to the recreational facilities aforesaid, and unless all Condominium unit owners share in the cost of said additions or alterations and the maintenance thereof in the manner provided in Exhibit "A" of the Declaration of Condominium to which these By-Laws are attached, and further provided said additions or alterations are approved by the Lessor under the Long-Term Lease, as required therein.

ARTICLE VII COMPLIANCE AND DEFAULT

Section 1. Violations. In the event of a violation (other than the nonpayment of an assessment) by the unit owner in any of the provisions of the Declaration, 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, and if such violation shall continue for a period of thirty (30) days from the date of the notice, 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:

(1) An action at law to recover for its damage on behalf of the Association or on behalf of the other unit owners; (2) an action in equity to enforce performance on the part of the unit owner; or (3) an action in equity for such equitable relief as may be necessary under the circumstances, including injunctive relief. Upon a finding by the Court that the violation complained of is willful and deliberate, the unit owner so violating shall reimburse the Association for reasonable attorneys' fees incurred by it in bringing such action. Failure on the part of the Association to maintain such an 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 by the Condominium Act. Any violations which are deemed by the Board of Directors to be a hazard to public health, may be corrected immediately as an emergency matter by the Association, and the cost thereof shall be charged to the unit owner as a specific item which shall be a lien against said unit with the same force and effect as if the charge were a part of the common expense.

Section 2. Negligence or Carelessness of Unit Owner, etc. All unit owners 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. Such liability shall include any increase in insurance rates occasioned by use, misuse, occupancy or abandonment of any unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation. The expense for any maintenance, repair or replacement required, as provided in this section, shall be charged to said unit owner as a specific item which shall be a lien against said unit with the same force and effect as if the charge were a part of the common expense.

Section 3. Costs and Attorneys' Fees. In any proceeding arising because of an alleged default by a unit owner, 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 documents, shall not constitute a waiver of the right of the Association or unit owner to enforce such right, provision, covenant or condition of the future.

Section 5. No 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 VIII. ACQUISITION OF UNITS

Section 1. Voluntary Sale or Transfer. Upon receipt of a unit owner's written notice of intention to sell or lease, as described in Article XI of the Declaration of Condominium, the Board of Directors of the Association shall have full power and authority to consent to the transaction specified in said notice, or object for good cause, or to designate a person other than the Corporation as a designee, pursuant to the provisions of the said Article XI, without having to obtain any consent thereto by the membership.

The Board of Directors shall have the further right to designate the Corporation as being "willing to purchase, lease or rent", upon the proposed terms, upon adoption of a Resolution by the Board of Directors recommending such purchase or leasing to the membership, but notwithstanding the adoption of such Resolution and such designation by the Board of Directors; the Corporation shall not be bound and shall not so purchase or lease except upon the authorization and approval of the affirmative vote of Voting Members casting not less than three-fourths (3/4ths) of the total votes of the unit owners of the Condominium identified in the Declaration of Condominium to which these By-Laws are attached.

Section 2. Acquisition on Foreclosure. At any foreclosure sale of a unit, the Board of Directors of the Association may, with the authorization and approval by the affirmative vote of Voting Members casting not less than three-fourths (3/4ths) of the total votes of the unit owners of the Condominium identified in the Declaration of Condominium to which these By-Laws are attached, acquire, in the name of the Corporation 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, including a lien for assessments.

The power of the Board of Directors of the Association 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 Corporation, to do so at any foreclosure sale, the provisions hereof being 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, as aforesaid, be obtained.

ARTICLE IX. AMENDMENTS TO THE BY-LAWS

These by-laws may be altered, amended or added to at any duly called meeting of the unit owners, provided:

(1) Notice of the meeting shall contain a statement of the proposed Amendment.

(2) If the Amendment has received the unanimous approval of the full Board of Directors, then it shall be approved upon the affirmative vote of the Voting Members casting a majority of the total votes of the unit owners.

(3) If the Amendment has not been approved by the unanimous vote of the Board of Directors of the Association, then the Amendment shall be approved by the affirmative vote of the Voting Members casting not less than three-fourths (3/4ths) of the total votes of the unit owners; and,

(4) Said Amendment shall be recorded and certified as required by the Condominium Act. Notwithstanding the provisions in this Article IX, these By-Laws may only be amended in compliance with Article II-A., Section 7. of these By-Laws.

ARTICLE X. NOTICES

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

ARTICLE XI. INDEMNIFICATION

The Corporation shall indemnify every Director and every Officer, his heirs, executors and administrators, against all loss, costs and expenses 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 to be approved by the Corporation, 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 Directors or Officer may be entitled.

ARTICLE XII. 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 anyway 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 anyway connected with such ownership and membership, and the covenants and obligations incident thereto.

ARTICLE XIII. 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 caused by a latent condition in the property, nor for injury or damage caused by the elements, or by other owners or persons.

ARTICLE XIV. PARLIAMENTARY RULES

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

ARTICLE XV. LIENS

Section 1. Protection of Property. All liens against a condominium unit, other than for permitted mortgages, taxes or special assessments, shall be satisfied or otherwise removed within 30 days of the date the lien attaches. All taxes and special assessments upon a condominium unit shall be paid before become delinquent, as provided in these condominium documents or by law, whichever is sooner.

Section 2. Notice of Lien. A unit owner shall give notice to the association of every lien upon his unit, other than for permitted mortgages, taxes, and special assessments, within five (5) days after the attaching of the lien.

Section 3. Notice of Suit. Unit owners shall give notice to the Association of every suit or other proceedings which will or may affect title to his unit or any other part of the property, such notice to be given within five (5) days after the unit owner receives notice thereof.

Section 4. Failure to comply with this article concerning liens will not affect the validity of any judicial sale.

Section 5. Permitted Mortgage Register. The Association shall maintain a register of all permitted 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.

ARTICLE XVI. RULES AND REGULATIONS

Section 1. As to Common Elements The Board of Directors may from time to time adopt or amend previously adopted administrative rules and regulations governing the details of the operation, use, maintenance, management and control of the common elements of the condominium and any facilities or services made available to the unit owners. The Board of Directors shall from time to time post in a conspicuous place on the condominium property, a copy of the rules and regulations adopted from time to time by the Board of Directors.

Section 2. As to Condominium Units. The Board of Directors may from time to time adopt or amend previously adopted rules and regulations governing and restricting the use and maintenance of the Condominium unit(s), provided, however, that copies of such rules and regulations are furnished to each unit owner prior to the time the same become effective, and where applicable or desirable, copies thereof shall be posted in a conspicuous place on the Condominium property.

Section 3. Conflict. In the event any conflict between the rules and regulations adopted by the Board of Directors at any time, and the Condominium documents, or the Condominium Act, the latter shall prevail.

If any irreconcilable conflict should exist or hereafter arise, with respect to the interpretation of these By-Laws and the Declaration of Condominium, the provisions of the Declaration shall prevail.

APPROVED AND DECLARED as the By-Laws of PALM-AIRE AT DeSOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit.

PALM-AIRE AT DeSOTO LAKES COUNTRY CLUB
CONDOMINIUM ASSOCIATION, INC.

By: Thomas C. Kraemer
Thomas C. Kraemer, President

Attest: Mark R. Thayer (SEAL)
Mark R. Thayer, Vice Pres.

FPA CORPORATION

By: Murray G. Asard
Murray G. Asard, Executive Vice President

Attest: Dorinda Warr (SEAL)
Assistant Secretary

PARKER-LEVITT CORPORATION

By: I. F. Levitt
I. F. Levitt, Vice President

Attest: Thomas C. Kraemer (SEAL)
Assistant Secretary
Thomas C. Kraemer

State of Florida

Department of State



I, Tom Adams, Secretary of State of the State of Florida,
Do hereby Certify That the following is a true and correct copy of

Certificate of Incorporation
of

PALM-AIRE AT DESOTA LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.

a corporation not for profit organized and existing under the Laws of the
State of Florida, filed on the 27th day of October,
A.D., 1970, as shown by the records of this office.

Given under my hand and the Great Seal of the
State of Florida, at Tallahassee, the Capital,
this the 28th day of October,
A.D. 19 70.



Tom Adams

Secretary of State

ARTICLES OF INCORPORATION

OF

PALM-AIRE AT DeSOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.

WE, the undersigned, hereby associate ourselves together for the purpose of forming a non-profit corporation under the laws of the State of Florida, pursuant to Florida Statutes 617 et seq., and hereby certify as follows:

ARTICLE I.

The name of this Corporation shall be
PALM-AIRE AT DeSOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.

ARTICLE II.

The general purpose of this non-profit Corporation shall be as follows: - To be the "Association" (as defined in the Condominium Act of the State of Florida, F.S. 711 et seq.), for the operation of NO. 1 PALM-AIRE AT DeSOTO LAKES COUNTRY CLUB APTS. CONDOMINIUM, a condominium, to be created pursuant to the provisions of the Condominium Act, and as such Association, to operate and administer said Condominium and carry out the functions and duties of said Condominium, as set forth in the Declaration of Condominium established for said Condominium. The Corporation may also be the Association for the operation of additional condominiums which may be created on property adjacent to the above specified Condominium. The Board of Directors shall have the authority in their sole discretion to designate the above Corporation as the Association for such additional condominiums and, in such instance(s), the provisions hereafter in these Articles of Incorporation shall be interpreted in such a manner as to include such additional condominium(s).

ARTICLE III.

All persons who are owners of condominium parcels within said Condominium(s) shall automatically be members of this Corporation. Such membership shall automatically terminate when such person is no longer the owner of a condominium parcel. Membership in this Corporation shall be limited to such condominium parcel owners, except that until such time as the condominium is created the

subscribers hereto shall be the members of this corporation.

Subject to the foregoing, admission to and termination of membership shall be governed by the Declaration of Condominium that shall be filed for said Condominium among the Public Records of Sarasota County, Florida.

ARTICLE IV.

This Corporation shall have perpetual existence.

ARTICLE V.

The names and residences of the Subscribers to these Articles of Incorporation are as follows:

As to All Subscribers

WILLIAM E. GETZEN
JAMES L. RITCHEY
LOIS J. HOFFNER

1538 State Street
Sarasota, Florida 33578

ARTICLE VI.

Section 1. The affairs of the Corporation shall be managed and governed by a Board of Directors composed of not less than three (3) nor more than the number specified by the By-Laws, and in the exact number of persons as specified in said By-Laws. The Directors, subsequent to the first Board of Directors, shall be elected at the annual meeting of the membership, for a term of one (1) year, or until their successors shall be elected and shall qualify. Provisions for such election, and provisions respecting the removal, disqualification and resignation of Directors, and for filling vacancies on the Directorate, shall be established by the By-Laws.

Section 2. The principal officers of the Corporation shall be:

President
Vice President
Secretary
Treasurer

(the last two offices may be combined), who shall be elected from time to time in the manner set forth in the By-Laws adopted by the Corporation.

ARTICLE VII.

The names of the Officers who are to serve until the first

election of Officers, pursuant to the terms of the Declaration of Condominium and By-Laws, are as follows:

President	Thomas C. Kraemer
Vice President	Mark R. Thayer
Secretary-Treasurer	Margaret M. Dupertuis

ARTICLE VIII.

The following persons shall constitute the first Board of Directors, and shall serve until the first election of the Board of Directors at the first regular meeting of the membership.

Thomas C. Kraemer	<u>Address as to all Directors</u>
Mark R. Thayer	Post Office Box 3378
Margaret M. Dupertuis	Sarasota, Florida 33578

ARTICLE IX.

The By-Laws of the Corporation shall initially be made and adopted by its first Board of Directors.

Prior to the time of the creation of the Condominium described in Article II, said first Board of Directors shall have full power to amend, alter or rescind said By-Laws by a majority vote.

After the creation of said Condominium, the By-Laws may be amended, altered, supplemented or modified by the membership at the Annual Meeting, or at a duly convened special meeting of the membership, attended by a majority of the membership, by vote, as follows:

- A. If the proposed change has been approved by the unanimous approval of the Board of Directors, then it shall require only a majority vote of the membership to be adopted.
- B. If the proposed change has not been approved by the unanimous vote of the Board of Directors, then the proposed change must be approved by three fourths (3/4ths) of the total vote of the membership;

provided, however, that (1) - prior to the first Annual Meeting of the membership, the By-Laws may not be amended without a prior resolution requesting said Amendment by the Board of Directors of the Association; (2) - subsequent to the first Annual Meeting of the membership, the By-Laws may not be amended without the approval of

the Board of Directors of the Association, unless the proposed Amendment shall be filed in writing with the Secretary or President, not less than ten (10) days prior to the membership meeting at which such Amendment is to be voted upon.

ARTICLE X.

Amendments to these Articles of Incorporation may be proposed by any member or director, and shall be adopted in the same manner as is provided for the amendment of the By-Laws, as set forth in Article IX above. Said amendment(s) shall be effective when a copy thereof, together with an attached certificate of its approval by the membership, sealed with the Corporate Seal, signed by the Secretary or an Assistant Secretary, and executed and acknowledged by the President or Vice President, has been filed with the Secretary of State, and all filing fees paid.

ARTICLE XI.

This Corporation shall have all of the powers set forth in Florida Statute §17.021, all of the powers set forth in the Condominium Act of the State of Florida, and all powers granted to it by the Declaration of Condominium and Exhibits annexed thereto.

ARTICLE XII.

There shall be no dividends paid to any of the members, nor shall any part of the income of the corporation be distributed to its Board of Directors or Officers. In the event there are any excess receipts over disbursements, as a result of performing services, such excess shall be applied against future expenses, etc. The Corporation may pay compensation in a reasonable amount to its members, directors and officers, for services rendered, may confer benefits upon its members in conformity with the purposes, and upon dissolution or final liquidation, may make distribution to its members as is permitted by the Court having jurisdiction thereof, and no such payment, benefit or distribution shall be deemed to be a dividend or distribution of income.

This Corporation shall issue no shares of stock of any kind or nature whatsoever. Membership in the Corporation and the transfer thereof, as well as the number of members, shall be upon

such terms and conditions as provided for in the Declaration of Condominium and By-Laws. The voting rights of the owners of parcels in said Condominium property shall be as set forth in the Declaration of Condominium and/or By-Laws;

IN WITNESS WHEREOF, the subscribers hereto have hereunto set their hands and seals, this 23 day of OCTOBER, 1970.

Signed, Sealed and Delivered in the Presence of:

Guile M. Lugg
Margaret M. Drury

William E. Getten (SEAL)
William E. Getten
James L. Ritchey (SEAL)
James L. Ritchey
Lois J. Hoffner (SEAL)
Lois J. Hoffner

STATE OF FLORIDA)
COUNTY OF SARASOTA)

BEFORE ME, the undersigned authority, personally appeared WILLIAM E. GETTEN, JAMES L. RITCHEY, and LOIS J. HOFFNER, who after being by first duly sworn, acknowledged that they executed the foregoing Articles of Incorporation of PALM-AIRE AT DESOTO LAKES COUNTRY CLUB ASSOCIATION, INC., a Florida corporation not for profit, for the purposes therein expressed.

WITNESS my hand and official seal, in the State and County aforesaid, this 23 day of October, 1970.

Guile M. Lugg
Notary Public
My Commission Expires:

Notary Public, State of Florida at Large
My Commission Expires Aug. 24, 1974
Bonded by Transamerica Insurance Co.

V-3

LONG-TERM LEASE

THIS LEASE, made and entered into at Manatee County, Florida, this 1st day of August, 1971, by and between FPA CORPORATION, a Delaware Corporation, and PARKER-LEWITT CORPORATION, a Delaware Corporation, hereinafter called the "Lessor", and PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida Corporation not for profit, hereinafter called the "Lessee", which said terms shall be deemed to extend to and include the heirs, legal representatives, successors and assigns of the said parties;

W I T N E S S E T H : -

That the Lessor and Lessee, for and in consideration of the keeping by the parties of their respective obligations hereinafter contained, as well as for One Dollar and other good and valuable considerations by each of the parties unto the other in hand paid simultaneously with the execution and delivery of these presents, the receipt whereof is hereby acknowledged, have agreed as follows:-

I.

DEMISE

Upon the terms and conditions hereinafter set forth, and in consideration of the payment from time to time by the Lessee of the rents hereinafter set forth, and in consideration of the prompt performance continuously by the Lessee of each and every of the covenants and agreements hereinafter contained by the Lessee to be kept and performed, the performance of each and every one of which is declared to be an integral part of the consideration to be furnished by the Lessee, the Lessor does hereby lease, let and demise unto the Lessee, and the Lessee does hereby lease of and from the Lessor, certain real property, situate, lying and being in Manatee County, Florida, as more particularly described in Exhibit "A" annexed hereto and made a part hereof.

II.

DURATION OF TERM

The term and duration of this Lease shall be for a period of time commencing on the 1st day of November, 1971, and continuing up to and including October 31, 2069, unless this Lease be sooner terminated in accordance with its terms.

III.

R E N T

The Lessee agrees to pay to the Lessor as rent during the term of this Lease, the sum of SIX HUNDRED SEVENTY DOLLARS (\$670.00) per month, said rent being payable monthly in advance, with the first monthly payment of rent maturing and becoming due and payable upon the 1st day of November, 1971. In the event Lessee shall operate condominiums in addition to No. 1 and No. 2 Palm-Aire at DeSoto Lakes Country Club Apts. Condominium, Lessee shall pay additional rental commencing with the date of recording of the respective Declarations of Condominium in the public records in an amount equal to the aggregate monthly rentals for all units in each such condominium in accordance with the monthly rentals shown on Exhibit "C" for each respective type of unit in such condominiums, as such units shall be classified as to "type" by the Developer. The monthly rental is subject to an increase of such sum in accordance with the provisions of XXVII hereinbelow.

A. Rent shall be payable at such place as the Lessor may specify in writing from time to time, and a place once specified as the place for the payment of rent shall be such until it shall have been changed by written notice from the Lessor to the Lessee, in the manner hereinafter prescribed for the giving of notices. All rent shall be payable without notice or demand. For the present, and until further notice, the Lessor

specifies that the rent shall be paid to Lessor at Box 3378, Sarasota, Florida 33578.

B. All rent shall be payable in current legal tender of the United States, as the same is constituted by law at the time said rent becomes due. If at any time the Lessor shall accept anything other than current legal tender as rent, such fact or such acceptance shall not be construed as varying or modifying such provisions of this paragraph as to any subsequently maturing rent, or as requiring the Lessor to make a similar acceptance or indulgence upon any subsequent occasion.

IV.

PROVISIONS REGARDING PAYMENT OF TAXES

A. The Lessee covenants and agrees with the Lessor that the Lessee will promptly pay all taxes levied or assessed for and after the year 1970, and during the term hereby demised, by any and all taxing authorities, and including not only ad valorem and personal property taxes, but also special assessments and liens for public improvements, and including, in general, all taxes, tax liens or liens in the nature of taxes, which may be assessed or imposed against the premises (including interest, penalties, fines and costs) including the land and all buildings, furniture, fixtures and improvements which the Lessee may hereafter construct or bring upon the demised premises, but in the event any such taxes or assessments are payable, according to their terms, in installments, then the Lessee shall have the right to pay the same as such installments fall due, so long as the right to make payment of them in such installments has not been revoked or lost by reason of default in the payment of any installment.

B. Nothing in this Article contained shall obligate the Lessee to pay income, inheritance, estate or succession tax, or any tax in the nature of such described taxes, or any other tax which may be levied or assessed against the Lessor with respect to or because of the income derived from this Lease; nor shall the Lessee be deemed obligated hereby to pay any corporation franchise or excise taxes which may be assessed or levied against the Lessor or any corporate successor or successors in interest of the Lessor.

C. The said taxes shall be paid at least thirty (30) days prior to the time when the same would become delinquent, in accordance with the law then in force and effect.

D. The Lessee shall have the right, on the 1st day of each and every month of the term hereof, to contest the validity of any such tax by complying with the Florida statutes relating to such proceedings.

V.

LESSOR'S INTEREST NOT SUBJECT TO MECHANICS' LIENS

A. All persons to whom these presents may come are put upon notice of the fact that the Lessee shall never, under any circumstance, have the power to subject the interest of the Lessor in the premises to any mechanics' or materialmen's lien or liens of any kind, unless a specific provision to the contrary, authorizing in specific terms the creation of such lien or liens, is elsewhere herein contained.

B. All persons who may hereafter, during the term of this Lease, furnish work, labor, services or materials to the premises upon the request or order of the Lessee, or any person claiming under, by or through the Lessee, must look wholly to the interest of the Lessee and not to that of the Lessor.

C. If any mechanics' liens are filed or asserted against the Lessor's interest in the subject premises, the Lessee shall, within thirty (30) days after the time when notice thereof shall come to their attention, cause such lien to be released from the Lessor's interest in the subject premises, in the manner provided by the Statutes of the State of Florida.

VI.

IMPROVEMENTS

The Lessor covenants and warrants unto the Lessee that it has heretofore constructed upon the premises described as Exhibit "A", attached hereto, at Lessor's cost and expense, recreational facilities consisting of the following, to-wit:

A swimming pool and deck, pool patio, and structure containing a men and women's sauna, dressing and shower rooms, and shuffle-board courts.

All of said improvements are completed and the Certificate of Occupancy issued. Lessor reserves the right to make further improvements by adding additional recreational facilities on the land described on Exhibit "A" or other lands and to incorporate said other land into this lease or additional leased lands.

The Lessee, in consideration of the foregoing, shall commence paying the monthly rental as of the time provided in and pursuant to Article XII of this Long-Term Lease. Lessee's duties and requirements under Articles IX., X., XI., and XVII., and the obligation to make payments other than rent under Article XV., as to further improvements, shall not commence until the first day of the month following the completion of such further recreational facilities as hereinabove provided. Said further recreational facilities shall be deemed completed upon the issuance of a Certificate of Occupancy, or such other appropriate Certificate as may be issued by the appropriate governmental authority as applies to same. It shall be mandatory for the members of the Lessee Condominium Association and the Condominium Association to make payments, as provided in this paragraph and under this Long-Term Lease, regardless of whether or not the members, or any member of the Lessee Condominium Association, uses the facilities provided hereunder.

VII.

USE OF PREMISES

It is understood and agreed between the parties hereto that the said premises, during the continuance of this Long-Term Lease, may be used and occupied only for recreational purposes, at all times subject to the rules and regulations promulgated by the Lessee, or Lessee's successor in interest and authority, and additional Lessees, as provided in this Long-Term Lease, it being understood and agreed that the Lessee does not have the exclusive right of possession.

VIII.

LESSOR'S LIEN FOR RENT

The Lessor shall have a first lien, paramount to all others, on every right and interest of the Lessee in and to this Lease and on the buildings now or hereafter located on the premises, and on the furniture,

furnishings, appliances, equipment, fixtures and goods of every kind, and on the equity therein, now or hereafter brought on the premises by the Lessee as a part of the goods and equipment used therein, and all additions and accessions thereto, which lien is granted for the purpose of securing the payment of rents, taxes, assessments, charges, liens, penalties and damages herein covenanted to be paid by the Lessee, and for the purpose of securing the performance of any and all and singular the covenants, conditions and obligations of this Lease to be performed and observed by the Lessee.

IX.

INDEMNIFICATION

A. Lessee covenants and agrees with Lessor that during the entire term of this Lease, the Lessee will indemnify and save harmless the Lessor against any and all claims, debts, demands or obligations which may be made against Lessor, or against Lessor's title in the premises, arising by reason of or in connection with the making of this Lease and the ownership by Lessee of the interest created in the Lessee hereby, and if it becomes necessary for Lessor to defend any action seeking to impose any such liability, the Lessee will pay the Lessor all costs of Court and attorneys' fees incurred by the Lessor in effecting such defense, in addition to any other sums which the Lessor may be called upon to pay by reason of the entry of a Judgment against the Lessor in the litigation in which such claim is asserted.

B. The Lessee will cause to be written a Policy or Policies of Insurance in the form generally known as Public Liability and Property Damage and/or Owner's, Landlord and Tenant Policies, and Boiler Insurance Policies and Elevator Insurance Policies - when there are boilers and elevators included in any improvements located on the demised premises, insuring the Lessee against any and all claims and demands made by any person or persons whomsoever for injuries received in connection with the operation and maintenance of the improvements and buildings located on the demised premises, or for any other risk insured against by such Policies, each class of which Policies shall have been written within limits of not less than \$300,000.00 for damages incurred or claimed by any one person, and for not less than \$600,000.00 for damages incurred by more than one person. All such Policies will name the Lessee and Lessor, as their respective interests may appear, as the parties insured by such Policy or Policies, and the original or a true copy of each of such Policies shall be delivered by Lessee to Lessor promptly upon the writing of such Policy or Policies, together with adequate evidence of the fact that the premiums therefor are paid; and in any event, such Policies and evidence of payment by the Lessee of the premiums shall be delivered by the Lessee to Lessor before the expiration of any then similar coverage and in time to assure the Lessor that such coverage will be carried continuously. The foregoing Insurance Policy or Policies shall be in such form as herein set forth and in such Company or Companies, and in such amounts, in addition to the minimum amounts specified herein, as the Lessor shall reasonably require, and said Policy or Policies shall contain a proviso specifying that the Policy or Policies shall contain a proviso specifying that the Policy or Policies may not be canceled or changed without actual notice being given to the Lessor.

X.

CASUALTY INSURANCE PROVISIONS

A. Lessee covenants and agrees with Lessor that Lessee will, at all times, during the term of this Lease, keep insured any and all buildings and improvements now or hereafter located upon said demised premises, and all personal property which Lessee may bring or maintain upon the demised premises, in order to comply with the terms of this Lease, in good and responsible Insurance Companies - preferably, Insurance Companies authorized to do business in Florida - as shall have been approved by Lessor and any

mortgagee then holding a mortgage on the fee simple title to the demised premises, for protection against all loss or damage to said property by fire, windstorm or causes insured against by "extended coverage", and if the buildings or improvements on the premises at any time contain boilers or elevators, then Lessee will cause to be written what is generally known as Boiler Insurance Policies and Elevator Insurance Policies, and wherever the doctrine of co-insurance might apply to any such insurance, then the amount of the insurance so carried by the Lessee will be at all times sufficient to prevent co-insurance on the part of the Lessor and the Lessee, and all such Policies shall be payable, in the event of loss, jointly to the Lessor and Lessee, as their respective interests may appear. Nothing herein contained, however, shall be construed as prohibiting the attachment to such Policies of a standard mortgage form clause, but in such event, the said mortgage clause shall identify briefly the interest of the mortgagee as such - such as, for example, stating "first mortgagee of the fee simple title", or "mortgagee of the Long-Term Lessee's interest in the Ninety-nine Year Lease". The amount of insurance required, as specified in this paragraph, shall be an amount equal to the maximum insurable replacement value, as determined annually by the Lessee and approved by the Lessor. The Lessor may, in its sole discretion, reasonably limit or cause to be eliminated any deductible provisions applicable to any insurance coverage provided in this paragraph and all Policies provided herein shall contain a provision specifying that the Policy or Policies may not be canceled or changed without actual notice being given unto the Lessor.

B. From the inception of any construction work which Lessee may effect on the demised premises, and as often as the Lessee may construct a building or make a substantial alteration in a building, the Lessee will cause Builders' Risk Insurance Policies to be written in compliance with the provisions of the preceding paragraph, as such paragraph relates to the nature, minimum amount and naming of portion assured by such coverage, and said Policies shall be subject to the approval of the Lessor.

C. In the event of the destruction of the said building or improvements or said personal property by fire, windstorm or any other casualty for which insurance will be payable, and as often as such insurance money shall be paid to Lessor and the Lessee, said sums so paid shall be deposited in a joint account of the Lessor and the Lessee, in a Bank designated by the Lessor, and shall be available to Lessee for the reconstruction or repair, as the case may be, of any building or buildings damaged or destroyed by fire, windstorm or other casualty for which insurance money shall be payable, and shall be paid out from said joint account from time to time, by the Lessor and Lessee, on the estimates of an Architect, licensed as such in the State of Florida, having supervision of such construction and repair, certifying that the amount of such estimate is being applied to the payment of the reconstruction or repair and at a reasonable cost therefor, provided, however, that it shall be the duty of the Lessee, at the time of creating such joint bank account, and from time to time thereafter until the said work of reconstruction or repair shall have been completed and paid for, to afford the Lessor adequate evidence of the fact that at all times the undistributed portion of the fund in said joint account is sufficient to pay for the work of construction or repair in its entirety, and if the said fund is at any time insufficient to pay for the full cost of the job, the Lessee shall immediately and forthwith deposit into said fund, such fund, as may be necessary, and to procure receipted bills and full and final waivers of lien when the said work shall have been completed and done. It shall be the duty of the Lessee to cause such showing to be made and such repairs to be accomplished as often as the premises may be damaged or may need repairs; and all of such work shall be effected, completed and paid for as promptly as the exercise by the Lessee of due diligence makes possible, and in any event, it shall be completed within nine (9) months after the time when the loss or damage first took place - but such nine-month period shall be enlarged by any delays caused without fault or neglect on the part of the Lessee, by Acts of God, strikes, lock-outs, or other conditions which are not attributable to or are not caused by the Lessee's default or neglect to exercise due diligence. The work, when completed, shall restore the premises to

essentially to the condition in which they existed before such damage or destruction took place, and in any event, they shall cause the premises, as restored, to have a value which is not less than the value which the premises had or possessed prior to the loss or damage which made such repairs or reconstruction necessary. Lessor shall have the right to require the Lessee to obtain a Completion, Performance and Payment Bond, in an amount and in the form and with a Company licensed to do business in Florida, approved by the Lessor. In the event the property described in Exhibit "B" is submitted to Condominium ownership, then the provisions in said Declaration of Condominium under the Article covering Casualty Insurance, relating to the rights and designation of the Institutional First Mortgagee specified in said Declaration, are hereby incorporated herein by reference, together with the right of said Institutional First Mortgagee to require the insurance proceeds to be endorsed by the Lessor and Lessee herein to the Insurance Trustee, as specified in said Declaration, and disbursed by said Insurance Trustee upon the approval of the Lessor, Lessee and said Institutional First Mortgagee. However, where the fee simple title to the demised premises is encumbered by an Institutional Mortgage, such Mortgagees shall have the rights and powers granted the Institutional First Mortgagee referred to hereinabove - however, said rights and powers shall be joint and concurrent between the two Institutional Mortgagees.

D. The originals of all such Policies shall be delivered to Lessor by Lessee, along with the receipted bills evidencing the fact that the premiums therefor are paid, but nothing herein contained shall be construed as prohibiting Lessee from financing the premiums where the terms of the Policies are for three (3) years or more, and in such event, the receipts shall evidence the fact that the installment premium payment or payments are paid at or before their respective maturity(s). Where, however, there is a mortgage on the premises created pursuant to the provisions contained in this Lease, and if, under the terms of such mortgage or mortgages, it is obligatory upon the Lessee to cause the originals of such Policies to be delivered to the mortgagee, then Lessee shall deliver such originals to the mortgagee and shall deliver to Lessor Certificates of such Policies. The said Policies or Certificates thereof, as the case may be, together with evidence of the fact that the premiums have been paid, as aforesaid, shall be delivered by Lessee to Lessor before the expiration of the then corresponding insurance coverage, to the end that Lessor may be assured that such coverage is being carried by the Lessee continuously.

E. If at any time while the joint bank account herein provided for contains any of the proceeds of insurance, Lessee is in default under this Lease, then Lessor shall be immediately entitled to receive from said joint bank account the amount of money necessary to cure the Lessee's default; and if, while any of the funds remain in said joint bank account, the mortgagee of any mortgage made pursuant to the subordination privilege (hereinafter referred to as such) elects (and this may be the only mortgagee to have such election) under the terms of such mortgage, to receive any part or all of the proceeds of such insurance by way of application upon the said mortgage, then such sum shall be paid from said insurance awards or from the proceeds of said joint bank account to such mortgagee; but in either of these events, it shall be obligatory upon Lessee immediately to reimburse the said joint bank account with a sum of money to assure the Lessor that the said joint bank account will, at all times aforesaid, contain sufficient funds to pay for all of the costs of reconstruction and repair. If, after said work of reconstruction and repair shall have been completed and paid for, there remains any money in said joint bank account, such balance shall be paid therefrom to the Lessee if at that time the Lessee is not in default under the terms of this Lease. If at any time while the joint bank account contains any undisbursed funds, the Lease is cancelled for the Lessee's default, then the undisbursed portion of said joint bank account shall immediately become and be the property of the Lessor as part of what will accrue to the Lessor upon the occasion of default by the Lessee and the consequent cancellation of the Lease, as liquidated and agreed upon damages for such default and for such cancellation. Insurance mortgagee clause shall be subject to the terms of this Lease.

XI.

LESSOR'S DUTY TO PAY INSURANCE PREMIUMS

A. Lessee covenants and agrees with Lessor that Lessee will pay the premiums for all Insurance Policies which Lessee is obligated to carry under the terms of this Lease, and will deliver the said Policies and the evidence of payment to the Lessor within the time hereinafter limited.

B. Nothing herein contained shall ever be construed as rendering the Lessor personally liable for the payment of any such insurance premiums, but if, at any time during the continuance of this Lease, the Lessee shall fail, refuse or neglect to procure any of the Policies of Insurance required in and by this instrument to be procured by the Lessee or to keep and maintain the same in full force and effect, or pay the premium therefor promptly when due, the Lessor may, at its option, procure or renew such Insurance and thereupon, the amount or amounts of money paid as the premium or premiums thereon, plus interest at the rate of ten percent (10%) per annum, shall be collectible as though it were rent then matured hereunder and shall be due and payable forthwith, or in lieu thereof, and notwithstanding the procurement and renewal of such Policies by the Lessor, this Indenture and the terms created hereby may, at the option of the Lessor, be terminated and declared at an end, and all of the right, estate and interest of the Lessee hereunder, in such event, shall immediately cease and become null and void.

XII.

ASSIGNMENT

Provided that this Lease is not in default and is in good standing:-

A. This Lease is freely assignable.

B. No assignment or transfer shall be valid unless and until the Assignee shall expressly assume and agree to perform each and every the covenants of this Lease which, by the terms hereof, the Lessee agrees to keep and perform, and which assumption shall be evidenced by written instrument, executed in such fashion as to entitle it to recording, nor shall such assignment be deemed valid unless the assignment and assumption agreement are promptly filed for record in the County wherein the leased premises are located, and unless and until an executed original thereof is delivered to the Lessor, together with a reference to the book and page number of the recordation thereof. No assignment, transfer or assumption shall ever operate to release a prior Lessee from any of the obligations hereof, and no such prior Lessee shall be released unless and until a written discharge of such Lessee, duly executed by the Lessor, shall be recorded among the Public Records of the County in which the leased premises are located.

C. Each of the parties - i.e., Lessor and Lessee hereunder, hereby covenant and agree with the other, that either will, within fifteen (15) days after written notice received by such party from the other, requiring a statement of the status of the Lease, give such statement in writing confirming as to whether the Lease is in good standing, and if it is not, the particulars in which it is not; and failure within said period of fifteen (15) days so to give such written reply shall constitute a representation that the Lease is in good standing, which representation, within fifteen (15) days after the expiration of said fifteen (15) day period, may be relied upon by any person as being true and correct. Notice and the consequent reply shall be deemed given and time shall begin to run when, respectively, the said notice and consequent reply are deposited in the United States Certified or Registered Mail, with sufficient postage prepaid thereon to carry same to their addressed destination, and they shall be addressed to the Lessor and Lessee (as the case may be) at the places and in the manner prescribed as being the places and the manner for giving notice.

D. The obligations assumed hereunder, by the respective parties are all covenants running with the land and shall pass successively upon the occasion of each transfer or assignment of an interest unto the transferee or assignee.

XIII.

EMINENT DOMAIN

If any part of the leased premises shall be taken under the power of eminent domain, the rent shall continue unaffected as to amount unless if such portion of the leased premises is taken so as to completely destroy the usefulness of the leased premises for the purpose for which such premises were leased, then from that day, the Lessee shall have the right to terminate this Lease by written notice given by the Lessee to the Lessor within thirty (30) days after such day, or to continue in the possession of an undivided interest in the remainder of the leased premises under all of the terms provided. All damages awarded for such taking shall belong to and be the property of the Lessor whether such damages shall be awarded as compensation for diminution in the value to the Lease or to the fee of the leased premises.

XIV.

BANKRUPTCY

Neither this Lease nor any interest therein nor any estate thereby created shall pass to any Trustee or Receiver or assignee for the benefit of Creditors, or otherwise, by operation of law.

XV.

DEMOLITION, CONSTRUCTION AND MAJOR ALTERATIONS

Lessee shall undertake no demolition, rebuilding or new construction on the demised premises, nor shall Lessee make any major alteration in the buildings located on the demised premises at the time of commencement of this Lease without the prior written consent and approval of the Lessor, and upon such terms and conditions as the Lessor shall require. Nothing in this paragraph shall ever be construed to relieve Lessee of its obligation to maintain and repair the improvements located on the demised premises.

XVI.

DEFAULT CLAUSE

A. It is further covenanted and agreed by and between the parties hereto that in case, at any time, default shall be made by the Lessee in the payment of any of the rent herein provided for upon the day the same becomes due and payable, or in case of default in relation to liens, as hereinabove provided for, or if the Lessee shall fail to pay any of the taxes or assessments herein provided for, or in case of the sale or forfeiture of said demised premises or any part thereof during said demised term for non-payment of any tax or assessment, or in case the Lessee shall fail to keep insured any building or improvements which may, at any time hereafter, be upon the said premises, as herein provided for, or shall fail to expend insurance money, as herein provided for, or if the Lessee shall fail to perform any of the covenants of this Lease by it to be kept and performed, then, and in any of such events, it shall and may be lawful for the Lessor, at its election, to declare said demised term ended, and to re-enter upon said premises and the buildings and improvements situated thereon, or any part thereof, either with or without process of law, the said Lessee hereby waiving any demand for possession

of said premises, and any and all buildings and improvements then situated thereon; or, the Lessor may have such other remedies as the law and this instrument afford. The Lessee covenants and agrees that upon the termination of said demised term at such election, or in any other way, the Lessee will surrender and deliver up the premises and property (real and personal) peaceably to the Lessor, its agents or attorneys, immediately upon the termination of the said demised term, and if the Lessee, its agents, attorneys or tenants shall hold the said premises, or any part thereof, one (1) day after the same should be surrendered according to the terms of this Lease, it shall be deemed guilty of forcible detainer of said premises under the statute and shall be subject to eviction or removal, forcibly or otherwise, with or without process of law.

B. Though this be a Long-Term Lease, the parties understand and agree that the relationship between them is that of Landlord and Tenant, and the Lessee specifically acknowledges that all statutory proceedings in the State of Florida regulating the relationship of Landlord and Tenant respecting collection of rent or possession of the premises, accrues to the Landlord hereunder.

C. Nothing herein contained shall be construed as authorizing the Lessor to declare this Lease in default where the default consists in the non-payment of rent or taxes, or payments on Lessee created mortgages on Lessee's interest in the demised premises, until such non-payment shall, in violation of the terms of this Lease, have continued for fifteen (15) days after written notice of such default shall have been given by the Lessor to the Lessee; and where the alleged default consists of some violation other than the foregoing, the Lessor may not declare this Lease in default until such violation shall have continued for thirty (30) days after the Lessor shall have given the Lessee written notice of such violation, and Lessee shall not have undertaken, during said thirty-day notice period, to cure said violation by vigorous and affirmative action; provided, however, that nothing herein contained shall be construed as precluding the Lessor from having such remedy as may and/or become necessary in order to preserve the Lessor's right and the interest of the Lessor in the premises and in this Lease, even before the expiration of the grace or notice periods provided for in this paragraph if, under particular circumstances then existing, the allowance of such grace or the giving of such notice would prejudice or endanger the rights and estate of the Lessor in this Lease and in the demised premises.

D. All default and grace periods shall be deemed to run concurrently and not consecutively.

E. It is mutually covenanted and agreed that the various rights, powers, options, elections, privileges and remedies of the Lessor contained in this Lease, shall be construed as cumulative, and no one of them shall be construed as being exclusive of the other or exclusive of any rights or priorities by law.

F. It is further covenanted and agreed by and between the parties hereto that the right given to the Lessor in this Lease to collect the rent that may be due under the terms of this Lease by any proceedings under the same, or the right to collect any additional rent, money or payments due under the terms of this Lease by any proceedings under the same, or the right given the Lessor to enforce any of the terms and provisions of this Lease, shall not in any way affect the rights of such Lessor to declare this Lease void and the term hereby ended, as herein provided, when default is made in the payment of said rent, or when default is made by the Lessee in any of the terms and provisions of this Lease.

G. If, at any time, by reason of the failure of the Lessee to keep and perform any covenant or agreement which under the terms of this Lease the Lessee is bound and obligated to keep and perform, it becomes necessary for Lessor to employ an attorney to protect the rights and interests of the Lessor in the demised property, or to enforce the terms and provisions of the Lease, or proceed under it in any particular - then, in any

of such events, the Lessee will owe and will pay unto Lessor all costs of Court and reasonable Attorneys' fees incurred or expended by the Lessor in taking such actions.

H. It is further covenanted and agreed by and between the parties hereto that in the event of the termination of this Lease at any time before the expiration of the term of years hereby created, for the breach by the Lessee of any of the covenants herein contained, then all of the right, estate and interest of the Lessee in and under this Indenture and in the demised premises, and all improvements, buildings and Lessee's interest in all furniture, furnishings, fixtures, appliances, equipment and goods of every kind, and the equity therein, and all additions and accessions thereto, then situated in the said demised premises, together with all rents, issues and profits of said premises and the improvements thereon, whether then accrued or to accrue, and all insurance policies and all insurance monies paid or payable thereunder, and the then entire undisbursed balance of any building escrow fund, and the entire undisbursed balance of any then existing joint bank account which may have been created in connection with the collection of insurance, and all of them, shall at once pass to and become the property of the Lessor without any compensation therefor unto the Lessee, not as a penalty for forfeiture, but as liquidated damages to Lessor because of such default by Lessee and the consequent cancellation of the Lease - each of the parties acknowledging it to be the fact that for breach and consequent cancellation of a long-term lease of this character, the Lessor will sustain substantial damage of such character as to make it most burdensome and tedious, if not actually impossible, to ascertain with mathematical precision. Each of the parties, therefore, have agreed upon this provision for liquidated damages in the interests of obviating what would otherwise be burdensome and difficult litigation to maintain or to defend - as the case may be; and this provision for liquidated damages has been taken into account by both parties in fixing the terms of and the consideration for the making of this Lease.

I. The Lessee pledges with and assigns unto the Lessor, all of the rents, issues and profits which might otherwise accrue to the Lessee for the use, enjoyment and operation of the demised premises, and in connection with such pledging of such rents, the Lessee covenants and agrees with the Lessor that if the Lessor upon the default of the Lessee, elects to file a suit in chancery to enforce or cancel the Lease and perfect the Lessor's rights thereunder; then the Lessor may, as ancillary to such suit, apply to any Court having jurisdiction thereof for the appointment of a Receiver of all and singular the demised premises, the improvements and buildings located thereon, and the furniture, furnishings, fixtures, equipment, appliances and goods contained therein, and all additions and accessions thereto, and thereupon, it is expressly covenanted and agreed that the Court shall forthwith appoint a Receiver with the usual powers and duties of Receivers in like cases, and such appointment shall be made by such Court as a matter of strict right to the Lessor, and without reference to the adequacy or inadequacy of the value of the property which is subject to the Landlord's lien, or to the solvency or insolvency of the Lessee, and without reference to the commission of waste.

XVII.

LESSEE'S DUTY TO KEEP PREMISES IN GOOD REPAIR

The Lessee covenants and agrees with the Lessor that during the continuation of this Lease, the Lessee will keep in good state of repair and in first-class condition, any and all buildings now or hereafter constructed thereon, and all furniture, furnishings, fixtures, equipment, appliances and goods brought or hereafter placed upon the demised premises, and all additions and accessions thereto; nor will the Lessee suffer or permit any strip, waste or neglect of any building or goods to be committed; and the Lessee will repair, replace and renovate the said real property and goods as often as it may be necessary in order to keep the building or buildings and the goods which are subject to the Lessor's lien, in first class repair and condition.

ADDITIONAL COVENANTS OF THE LESSEE

A. The Lessee covenants and agrees with the Lessor that the premises will be used for legal purposes only.

B. The Lessee covenants and agrees with the Lessor that no damage or destruction to any building or improvement by fire, windstorm, or any other casualty, shall be deemed to entitle the Lessee to surrender possession of the premises or to terminate this Lease, or to violate any of its provisions, or to cause any abatement or rebate in the rent then due or thereafter becoming due under the terms hereof; and if the Lease is cancelled for the Lessee's default at any time while there remains outstanding any obligation from any insurance company to pay for the damage or any part thereof, then the claim against the insurance company shall, upon the cancellation of the within Lease, be deemed immediately to become the absolute and unconditional property of the Lessor.

C. The Lessee covenants and agrees with the Lessor that nothing in this Lease contained shall ever be construed as empowering the Lessee to encumber or cause the Lessor to encumber the title or interest of the Lessor.

D. The Lessee covenants and agrees with the Lessor that at the termination of this Lease, the Lessee will peaceably and quietly deliver unto the Lessor, possession of the premises and all buildings and improvements located thereon, as well as all fixtures and equipment appertaining thereto.

E. This Lease shall be subject and subordinate at all times to the lien of any mortgages, ground rents or other encumbrances now or hereafter placed on the Demised Premises, without the necessity of any further instrument or act on the part of Lessee to effectuate such subordination, but Lessee covenants and agrees to execute and deliver upon demand such further instrument or instruments evidencing such subordination of this Lease to the lien of any such mortgage or mortgages, ground rent or other encumbrances as shall be required by any mortgage or proposed mortgage or by any interested person.

The subordination of this Lease and of Lessee's leasehold interest hereunder to the lien of any mortgage, ground rent or other encumbrance hereafter placed on the Demised Premises is conditioned upon execution and delivery by such mortgagee, ground-rent owner or other encumbrancer to the Lessee of an agreement in recordable form under which such mortgagee, ground-rent owner or other encumbrancer (for itself, its successors and assigns, and for anyone asserting title to, or right to possession of, the Demised Premises under the remedies afforded by the mortgage, ground-rent or other encumbrance), shall covenant and agree for the benefit of Lessee, its successors and assigns,

(a) to take no action to interfere with the possession and use of the Demised Premises by Lessee, its successors and assigns and/or Lessee's rights hereunder, except to the extent permitted to Lessor by the express provisions of this Lease; and

(b) upon any foreclosure sale or other sale of Lessor's interest hereunder, the purchaser thereof shall become the Lessor under this Lease and agrees to be bound by all its terms, and Lessee hereby agrees to attorn to such purchaser to the same extent as if such purchaser were the original Lessor herein.

Although the Lessee has the power itself of mortgaging or otherwise encumbering the Lessee's interest in this Lease, any such mortgage or encumbrance shall be subject in all respects to the rights and claims of the Lessor, and all persons claiming under, by or through the Lessor, by reason of or in connection with this Lease, and the extinguishment of this

Lease shall, ipso facto, extinguish any of the mortgages or encumbrances placed on the Lessee's interest in this Lease by the Lessee.

XIX.

COVENANT OF QUIET ENJOYMENT

The Lessor covenants and agrees with the Lessee that so long as the Lessee keeps and performs all of the covenants and conditions by the Lessee to be kept and performed, the Lessee shall have quiet and undisturbed and continuous possession of the premises, free from any claims against the Lessor and all persons claiming by, through or under the Lessor, but this undertaking shall not extend to any interruption in the possession of the Lessee occasioned by the failure of the Lessee to keep in good standing and to pay in accordance with their terms, any mortgage or mortgages encumbering the Lessee's interest in the within Lease and Leasehold premises.

XX.

LESSOR'S RIGHT OF ENTRY

The Lessor, or its agents, shall have the right to enter upon the premises at all reasonable times to examine the condition and use thereof, provided only that such right shall be exercised in such manner as not to interfere with the Lessee in the conduct of Lessee's business on said premises. If the said premises are damaged by fire, windstorm or by any other casualty which causes the premises to be exposed to the elements, then the Lessor may enter upon the premises to make emergency repairs, but if the Lessor exercises its option to make emergency repairs, such act or acts shall not be deemed to excuse the Lessee from its obligations to keep the premises in good repair, and the Lessee shall, upon demand of the Lessor, reimburse the Lessor for the cost and expense of such emergency repairs, and such costs and expense shall be collectible as though the same were rent then matured under this Lease.

XXI.

MISCELLANEOUS PROVISIONS

It is mutually covenanted and agreed by and between the parties, as follows:

A. That no waiver of a breach of any of the covenants in this Lease contained shall be construed to be a waiver of any succeeding breach of the same covenant.

B. That time is of the essence in every particular and particularly where the obligation to pay money is involved.

C. That all arrearages in the payment of rent or in the repayment to the Lessor of any sums which the Lessor may have paid in order to cure a default of the Lessee, or to make emergency repairs (as elsewhere provided for herein) shall bear interest from the date when due and payable at the rate of ten percent (10%) per annum until paid.

D. That no modification, release, discharge or waiver of any provisions hereof shall be of any force, effect or value unless in writing, and signed by the parties who are then Lessor and Lessee.

E. That all covenants, premises, conditions and obligations herein contained or implied by law, are covenants running with the land and shall attach to and be binding upon the heirs, executors, administrators, successors, legal representatives and assigns of each of the parties to this Lease.

F. That this instrument contains the entire agreement between the parties as of this date, and that the execution hereof has not been induced by either of the parties by representations, promises or understandings not expressed herein, and that there are no collateral agreements, stipulations, promises or understandings whatsoever between the respective parties in any way touching the subject matter of this instrument which are not expressly contained in this instrument.

XXII.

NOTICES

Whenever, under this Lease, a provision is made for notice of any kind, it shall be deemed sufficient notice and service thereof if such notice to Lessee is in writing, addressed to Lessee at its last known address and sent by certified mail with postage prepaid, and if such notice to Lessor is in writing, addressed to the last known postoffice address of Lessor, and sent by certified mail with postage prepaid. Notice need be sent to only one Lessee where Lessee is more than one person or Corporation.

XXIII.

LESSEE'S ACCEPTANCE OF OBLIGATIONS OF LEASE

The Lessee is a non-profit Florida Corporation and is an Association formed to conduct and administer the affairs of NO. 1 PALM-AIRE AT DESOTO LAKES COUNTRY CLUB APTS. CONDOMINIUM, and such other Condominiums as provided in the Association's Articles of Incorporation. The Lessee agrees to accept all of the benefits and all of the duties, responsibilities, obligations and burdens imposed upon it by the provisions of this Lease - it being understood and agreed that this Lease is for the benefit of the members of the said Lessee Association, and said Lessee Association understands and agrees that its undertakings, as set forth in this Lease, is an essential consideration flowing to the Lessor without which this Lease would not have been made.

XXIV.

LESSEE DOES NOT HAVE EXCLUSIVE RIGHT OF POSSESSION

This Lease does not grant unto the Lessee the exclusive right of possession to the demised premises. The Lessee understands and agrees that the Lessor shall have the right to make and enter into similar Lease arrangements with others, including corporations, on apartment house projects under the condominium format, and the Lessee Association herein, on behalf of other unit owners in subsequent Condominiums where in this Lessee Association is designated to operate and administer said Condominiums, and such Lessees will have equal rights to the possession, use and occupancy of the demised premises, and each and every part thereof. However, notwithstanding the foregoing, possession and use of the demised premises shall be limited to owners of Condominium units in the Palm-Aire Condominium complex, and the guests of such Condominium unit owners; however, the use of the demised premises by unit owners' guests shall be subject to the limitations and regulations of the unit owners' Condominium Association and other Associations, as Lessee.

Notwithstanding the fact that the Lessor may contract with other Lessees for the possession, use and occupancy of the demised premises, as above set forth, the obligation to pay the rent in the sum provided and specified hereinabove in this Lease, is and shall continue as the sole obligation of the Lessee herein, its successors and assigns, without diminution, reduction or abatement, because of the leasing to other Lessees of the demised premises, or for any cause or reason whatsoever,

and the liability for the payment of rent and of the other obligations due and to become due hereunder may not be avoided by waiver of the use, enjoyment or abandonment of the leased premises, or any part hereof.

XXV.

MISCELLANEOUS CONDOMINIUM PROVISIONS

The following provision shall become operative and effective immediately upon the filing among the Public Records of the County wherein the premises described in Exhibit "B" are located, a Declaration of Condominium submitting the premises described in Exhibit "B" attached hereto and made a part hereof, to Condominium ownership, in accordance with the laws of the State of Florida.

A. Exhibit "C" annexed hereto and made a part hereof, is a listing of each Condominium apartment unit to be located on the Condominium property described in Exhibit "B", together with its share of the monthly rental payable hereunder, and its pro-rata share (percentage-wise) of the other expenses and obligations payable by the Lessee hereunder, including without limitation, taxes, assessments, insurance premiums and costs of maintenance and repairs. The number of units shown on Exhibit "C" shall not be increased or decreased, nor shall the designation of each unit by a number, as therein set forth, be changed during the term of the Lease, without the Lessor's prior consent.

Commencing on the first or the fifteenth day of the month following the filing of the Declaration of Condominium, whichever is the nearer, the obligations for the payment of monthly rent in accordance with Exhibit "C" shall be the several obligations of the owners of each of the Condominium apartment units. A default arising from the non-payment of rent or of the prescribed prorata share of Lessee's other obligations hereunder by any other Condominium apartment unit owner or owners, shall not be a default on the part of those owners of Condominium apartment units who have paid their obligations, and the Lessor may exercise his rights and have his remedies, as described herein, against only the defaulting owner or owners.

B. In order to secure the payment of all monies due and to become due hereunder, the Lessor is hereby given a lien on each Condominium apartment unit (together with its proportionate interest in the common elements) described in the Declaration of Condominium which submits to Condominium ownership the property in Exhibit "B" hereto annexed and made a part hereof, and together with a lien on all tangible personal property located within each Condominium apartment unit, except that such lien upon the aforesaid tangible personal property shall be subordinate to prior bona fide liens of record.

The lien herein granted shall accrue against each Condominium apartment unit severally, and may be enforced against only those Condominium apartment units whose owners have not paid the rent or the prorata share of the other obligations attributable to such units. The lien shall be for the amount of such unpaid sums, together with interest thereon, and all sums advanced by and paid by the Lessor for taxes and payments on account of a superior mortgage, lien or encumbrance, which may be advanced by the Lessor in order to preserve and protect his lien, and all reasonable attorneys' fees incurred in the collection and enforcement thereof. The lien hereby created in this Article is an extension of the lien granted to the Lessor under the provisions of Article XXIII of this Lease, and shall have the same dignity and priority as said lien, except that said lien shall apply to and be enforceable against the Condominium apartment units severally, as herein provided.

Upon full payment of arrearages, advances as set forth in the preceding paragraph, interest and costs (including attorney's fees), the party making payment shall be entitled to a recordable satisfaction discharging the lien as to such arrearages, advances, interest, and costs

only, provided such satisfaction shall in no way diminish or extinguish the lien hereby created as to any other amounts due or to become due, but said lien shall continue throughout the term. The parties understand and agree that the Lessor's lien, as provided for herein, is a continuing lien and shall be in force and effect during the life of this Lease. The lien hereby given may be foreclosed either in the manner in which a mortgage on real property is foreclosed, or, alternatively, at the option of the Lessor, in the amount in which statutory liens on real property are foreclosed, or at the further option of the Lessor, by any other remedy available to the Lessor for the foreclosure of the said lien.

For and in consideration of the granting to the Lessor of the lien hereinabove described, together with the remedies for its enforcement hereinabove set forth, the Lessor hereby agrees that it will not terminate or cancel the Lease by statutory summary proceedings, or otherwise, because of the Lessee's failure to pay the sums provided and reserved to be paid hereunder.

As to the Lessor's liens provided in this Long-Term Lease, notwithstanding any language herein to the contrary, where the Mortgagee of an Institutional First Mortgage of record, notwithstanding when the mortgage was created, or other purchaser of a Condominium parcel, as a result of foreclosure of the Institutional First Mortgage (as hereinafter defined), or when an Institutional First Mortgagee of record accepts a Deed to said Condominium parcel in lieu of foreclosure, or where the Lessor under the Long-Term Lease obtains title as a result of foreclosure of the lien under said Lease or accepts a Deed to Condominium parcel in lieu of such foreclosure, or other purchaser obtains title to a Condominium parcel as a result of foreclosure of the aforesaid Lessor's lien, such acquirer of title, his successors and assigns, shall not be liable for the rent and share of common expenses coming due under this Long-Term Lease chargeable to the former unit owner of such parcel which became due prior to acquisition of title as a result of the foreclosure or the acceptance of such Deeds in lieu of foreclosure.

c. The Lessor understands and acknowledges that in connection with the sale of each individual Condominium unit in the Condominium property, the purchaser thereof may desire to purchase his unit utilizing the proceeds of a mortgage loan, which mortgage will encumber the unit being so acquired. In the light of such information, the Lessor hereby covenants that said Lessor's liens described in the preceding paragraphs are subordinate to the mortgage lien or individual Condominium units held by any National or State Bank, Insurance Company authorized to do business in the State of Florida, or a State or Federal Savings or Building and Loan Association. The subordination provisions of this paragraph shall be self-operative; however, if requested, the Lessor shall confirm said subordination in writing. The subordination provided in this paragraph is limited to the following provisions of this paragraph:-

In the event the Institutional First Mortgagee, to which the lien above referred to has been made subordinate, forecloses its mortgage against said Condominium parcel and obtains title to the same by public sale held as a result of such foreclosure suit, or said Institutional First Mortgagee acquires title by conveyance in lieu of foreclosure, the said Institutional First Mortgagee shall take title free of the Lessor's lien for rent accruing prior thereto with respect to said unit and, for so long as it shall continue to hold title, shall receive an abatement of rent in the amount provided under this Article XXV of this Lease shall be reduced to the extent as if said Condominium parcel did not exist, provided the said Institutional First Mortgagee must receive in full the benefit of such reduction in rent by credit against its portion of the common expenses of the Condominium of which the Lessee is the Association, and further provided that the same shall not reduce nor abate any other of the promises, covenants or obligations of the Lessee herein. Upon the said Institutional First Mortgagee's conveying its title to the Condominium parcel so acquired by it, the foregoing abatement of rent shall immediately cease and terminate; however, pending said conveyance of title to the Condominium parcel by said Institutional

First Mortgage, during any period of time that said Condominium unit is occupied, there shall be no abatement of rent. Should the Institutional First Mortgage, upon conveying said parcel, receive a Purchase Money Mortgage upon said parcel, the subordination provisions set forth in this paragraph shall be self-operative and apply to said Institutional First Mortgage's Purchase Money Mortgage, and said provisions of this paragraph shall continue as long as said Institutional First Mortgage, its successors or assigns, is the owner and holder of a Purchase Money Mortgage on the applicable Condominium parcel. The Lessor agrees to confirm the foregoing subordination in writing if so requested by said Institutional First Mortgage. The abatement provided in this paragraph does not include the Condominium parcel's share of common expenses under the Long-Term Lease.

D. The Lessee, its successors and assigns, understands and agrees that the within Lease imposes upon it the firm and irrevocable obligation to pay the full rent and perform the other provisions hereof, for the full term of this Lease. Article XX.B. hereinabove, provides one means of securing to the Lessor the payment of such rent by the Lessee, and the latter's performance of its other obligations hereunder, including the payment of reasonable attorneys' fees and costs which may be incurred in effecting collections thereof. The means therein set forth shall not be the Lessor's exclusive remedy.

The Lessee Association's leasehold interest in and to the leased premises described in Exhibit "A" attached hereto and made a part hereof, has been and is hereby declared to be acquired pursuant to Florida Statute 711.121. All monies due and to become due under the provisions of this Long-Term Lease including, without limitation, expenses of rent, taxes, assessments, insurance premiums, cost of maintenance and repair, including the operation of said leased premises, and all replacements and undertakings, and such other items as are specified in this Long-Term Lease, are - and shall continue to be for the term of this Lease, declared to be common expenses of the Condominium being created upon the real property described in Exhibit "B" attached hereto, by virtue of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, and made a part hereof, and as common expenses, all monies due or to become due under this Long-Term Lease are part of the costs of maintaining the common elements of said Condominium. Although the rent and other obligations under this Long-Term Lease are common expenses, as aforesaid, with the same force and effect as common expenses for the costs of maintaining the Condominium property itself - within the category of "common expenses", the priority shall be as follows: - First Priority - rent due under this Long-Term Lease; Second Priority - all obligations under this Long-Term Lease, other than rent; Third Priority - costs of maintaining the Condominium property itself, excluding the leasehold. Notwithstanding the right of the Board of Directors of the Lessee Condominium Association to apply payments by unit owners for common expenses in such manner as they determine in their sole discretion, as provided in the aforesaid Declaration of Condominium and the By-Laws of the Condominium Association attached thereto, the Lessor herein shall have the right, in its sole discretion, to require the Board of Directors of the Condominium Association to apply any and all payments by unit owners for common expenses in the manner of priority as set forth in this paragraph.

It shall be the duty of the Lessor to assess its unit owners in accordance with the Condominium Act, its Declaration of Condominium, and By-Laws, in such amounts as shall be necessary to pay its obligations, payable in money, to the Lessor hereunder, and to otherwise perform its covenants and promises herein.

The foreclosure or other actions to enforce the liens herein provided, by the Lessor or Lessee Condominium Association, shall not be considered or construed as a termination or cancellation of this Long-Term Lease, in whole or any part thereof, or as to any Condominium unit, nor shall it operate as an extinguishment or termination of such liens; and if an Institutional First Mortgage encumbering a Condominium unit shall be foreclosed, the same shall not operate as an extinguishment of

Lease, in whole or in part, or as a termination of the Lessor's lien, as aforesaid, against the entire Condominium property or the Condominium units so foreclosed, and such lien shall be renewed without any act on the part of the Lessor or the Mortgagee, or subsequent owner, but only for money which shall become due and payable hereunder after the purchaser at a foreclosure sale shall have acquired title to the Condominium unit foreclosed, or upon the date that such Institutional Mortgagee, Lessor, Lessee Condominium Association, or its nominee, obtains a Deed in lieu of foreclosure; subject, however, to the paramount provisions as to abatement of the Lessor's rent for such time in favor of certain Institutional First Mortgagees, as hereinabove provided in this Article.

In the event that the Lessor's lien granted by the provisions of Article XXV.B., hereinabove, should, as to the whole or any part of the premises described in Exhibit "B", for any cause or reason whatsoever, be determined to be invalid, extinguished or unenforceable, then the Lessee agrees that such fact shall not extinguish or diminish in the slightest degree the Lessee's financial or other obligations hereunder, and that it will, in the manner as now prescribed by Chapter 711, Florida statutes, and as such statute may be amended, make such assessments and enforce its lien therefor on the individual Condominium units in the Condominium property, in order to comply with and fulfill the Lessee's obligations to the Lessor hereunder.

The parties understand and agree that nothing herein contained shall authorize the Lessor to collect the same indebtedness twice, and any Condominium unit owner who pays the proportionate share of the rent payable by his Condominium unit hereunder, and its prorata share of the common expenses incurred in connection with the leased premises, shall be entitled to require from the Association and the Lessor, a recordable satisfaction of the lien for the amount paid and discharged.

XXVI.

LESSOR'S OPTION RE ESCROW FOR TAXES AND INSURANCE

Notwithstanding anything contained in Articles IV. and XI. herein, the Lessor shall have the right, which it may exercise as frequently as it may wish, to require the Lessee to pay to the Lessor, on the first day of each month during the term hereof, one-twelfth (1/12th), or such portion thereof as the Lessor may determine, of the premiums for insurance required under Articles IX and X of this Lease which will next become due and payable, plus taxes required to be paid under Article IV. of this Lease which will next become due and payable. Notice of the sums required to be paid hereunder shall be given to the Lessee and said sums shall be computed so as to enable the Lessor to have sufficient monies to pay insurance premiums one (1) month prior to their being payable, and to pay the taxes no later than January of each year. The sums so paid to and received by the Lessor shall be held in trust by the Lessor to pay said premiums and taxes, and all monies so paid and received by the Lessor from the Lessee, or other Lessees, shall be deposited in an account or accounts in a Federally insured Bank or Savings and Loan Association in the State of Florida, and the said monies may be commingled with other monies as Lessor determined. The said account(s) need not be interest bearing; however, if any interest is earned, it shall inure to the benefit of the Lessee and such other Lessees.

In the event the property described in Exhibit "B" attached hereto and made a part hereof is submitted to Condominium ownership, then the provisions of Article XXVIII., Section A., of the Declaration of Condominium shall be controlling where such provisions are required to be followed by the Condominium Association or the Institutional First Mortgagee therein described; however, Lessor shall be entitled to written proof of compliance therewith by the Depositary.

RENT ADJUSTMENT

The Lessor and Lessee hereby covenant and agree that the rental payments provided for in Article III above, shall be adjusted higher or lower, based upon the Cost of Living Index, as hereinafter defined and provided in this paragraph, at three (3) year intervals, commencing January 1st, 1974 and continuing each three years thereafter throughout the term of this Lease. The adjustment to the rent to be made, and therefore, the monthly rent for each three (3) year term commencing January 1st, 1974, shall be determined by multiplying the basic monthly rent provided for in Article III by a fraction, the numerator of which shall be the Index figure indicated for the month of October preceding each January 1st, commencing with October, 1973, as shall be shown by the Consumers' Price Index - the United States City Average All Items and Commodity Groups, issued by the Bureau of Labor Statistics of the United States Department of Labor, and the denominator of which shall be the Basic Standard Index Figure of such Price Index for the month of October, 1970. The product of such multiplication shall be the amount of the monthly rental payments to be made hereunder for the succeeding three (3) year period until the next computations provided for hereunder shall be made. As an example of such computations, assume that the Index for the month of October, 1973 should be 130.0; the new monthly rental amount for the period from and including January 1st, 1974, through December 31st, 1976, would be arrived at by multiplying the monthly rental provided for in Article III above by a fraction, the numerator of which would be 130.0, and the denominator of which would be the Basic Standard Index Figure for the month of October, 1970. The product arrived at would be the monthly rental payments due hereunder for such period. In such instance, on January 1st, 1977, a new computation would be made, as described herein, and the rent for the period from January 1st, 1977 through December 31st, 1979, would be determined by such process, and so forth, for each three (3) year term hereafter.

It is understood and agreed that the above described Index is now being published monthly by the Bureau of Labor Statistics of the United States Department of Labor. Should it be published at other intervals, the new Index hereinabove provided for shall be arrived at from the Index or Indices published by said Bureau most closely approximating the month of October of the year preceding the January 1st on which the adjustment is made. Should said Bureau of Labor Statistics change the manner of computing such Index, the Bureau shall be requested to furnish a conversion factor designed to adjust the new Index to the one previously in use, and adjustment to the new Index shall be made on the basis of such conversion factor. Should the publication of such Index be discontinued by said Bureau of Labor Statistics, then such other Index as may be published by said Bureau most nearly approximating said discontinued Index shall be used in making the adjustments herein provided for. Should the said Bureau discontinue the publication of an Index approximating the Index herein contemplated, then such Index as may be published by another United States Governmental Agency as most nearly approximates the Index herein first above referred to, shall govern and be substituted as the Index to be used, subject to the application of an appropriate conversion factor to be furnished by the Governmental Agency publishing the adopted Index. If such Governmental Agency will not furnish such conversion factor, then the parties shall agree upon a conversion factor of a new Index, and in the event an agreement cannot be reached as to such conversion factor or such new Index, then the parties hereto agree to submit to Arbitrators selected and in accordance with the Rules of the American Arbitration Association and the Arbitration Laws of the State of Florida, the selection of a new Index approximating as nearly as possible the Index hereinabove first contemplated - which new Index may be one published by a Governmental Agency or one published by a private agency and generally accepted and approved as an Index reflecting the contemplated fluctuation in the purchasing power of the United States Dollar. The Index selected and the determination made by such Arbitrators in either of the above events, shall be binding upon the parties hereto. In the event of any controversy arising as to the proper adjustment for the rental payments, as herein provided, Lessee shall continue

paying the rent to the Lessor under the last preceding rental adjustment, as herein provided, until such time as said controversy has been settled, at which time an adjustment will be made, retroactive to the beginning of the adjustment period in which the controversy arose. In no event, and under no computation nor in anywise, shall the provisions of this Lease provide that the amount of rent to be paid shall be less than the amount provided for as "Rent" in Article III., hereinabove.

XXVIII.

**TERMINATION OF CONDOMINIUM OF WHICH THE LESSEE ASSOCIATION
HEREIN IS FORMED TO CONDUCT AND ADMINISTER THE AFFAIRS.**

A voluntary or involuntary termination of Lessee Association, or the Condominium created by virtue of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, shall not terminate this Lease; however, upon the voluntary or involuntary termination of the Condominium aforesaid or of the Lessee Association, the lien of any Institutional First Mortgagee who is a holder of a mortgage encumbering a Condominium parcel in the Condominium aforesaid, shall be superior to the liens of the Lessor and all rights of the Lessor under this Long-Term Lease. All of the provisions of the Declaration of Condominium to which this Long-Term Lease is attached is Exhibit No. 4, relative to this Lease, including specifically those provisions relative to the Lessor's approval and consent with regard to voluntary termination of the Condominium and, where required, any amendment of the Declaration of Condominium, are hereby declared to be an integral part of the consideration given by the Lessee to the Lessor for this Lease; however, notwithstanding all of the terms and conditions set forth above in this Article XXVIII., in the event the aforesaid Condominium is voluntarily terminated as a result of "very substantial" damage to the improvements on the Condominium real property, as defined and set forth in Article XII.B.6. of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, the consent of the Lessor hereunder shall not be required, and the liens of the Lessor upon the real property described in Exhibit "B" attached hereto, the improvements thereon, and upon the Condominium parcels in said Condominium, and all the rights of the Lessor under this Long-Term Lease shall terminate and be discharged, and this Long-Term Lease shall be deemed cancelled as of the date said "very substantial" damage was sustained.

XXIX.

AMENDMENT OF LONG-TERM LEASE

This Long-Term Lease may be amended by agreement in writing executed by the Lessor and the Lessee Association, which Amendment shall be duly recorded in the Public Records of the County wherein the leased premises are located, and the recording of said Amendment shall also constitute and be deemed an Amendment to the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, as to the provisions in said Declaration relative to said Long-Term Lease. No Amendment shall change a unit owner's rent under this Long-Term Lease, nor the manner of sharing common expenses under this Long-Term Lease, nor impair the rights of the unit owners to the use and enjoyment of the recreational area and facilities, without the unit owners so affected and all record owners of mortgages thereon, joining in the execution of said Amendment. No Amendment shall change the provisions of this Long-Term Lease with respect to Institutional Mortgagees, nor shall any Amendment affect, impair or prejudice the validity, rights and priorities of any mortgages encumbering Condominium parcels in said Condominium. Where the Lessee Corporation - i.e., the owner of the land and improvements thereon, described in Exhibit "B", submitting same to Condominium ownership, continues to hold title to Condominium parcels in said Condominium at the time of the proposed Amendment - under the provisions of this Paragraph, the approval of the Lessee Corporation shall be required.

XXX.

Notwithstanding the provisions in the preceding Paragraph, the Lessor shall have the right to amend this Long-Term Lease by adding to the leased premises, those certain premises described in Article XVIII.R., of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, and such addition to the leased premises may be made at such time and upon the conditions and terms provided in said Paragraph R., of Article XVIII. of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4. Should this long-Term Lease be amended to include additional leased lands, as provided herein, the improvements on said additional leased lands will be constructed by the Lessor herein and/or the Developer, as defined in this Long-Term Lease, and such improvements shall consist of such recreational facilities, including the type, design, size and dimensions thereof, as the Lessor and/or Developer shall determine in their sole discretion. The filing of an Amendment to Declaration of Condominium under the provisions of said Paragraph R. of Article XVIII. of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, executed solely by the Lessor and Developer, shall be deemed to be an executed Amendment to this Long-Term Lease.

XXXI.

AGREEMENTS, ETC., TO BE COVENANTS RUNNING WITH THE LANDS

A. The terms, conditions, provisions, covenants and agreements set forth in this Long-Term Lease shall be binding upon the Lessor and Lessee, their respective heirs, legal representatives, successors and assigns, and shall be deemed to be covenants running with the land - and by land, is meant the demised premises, as well as the premises described in Exhibit "B" annexed hereto and made a part hereof.

B. Incorporation of Definitions by Reference: The definitions of the words, terms, phrases, etc., as provided in Article I, of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, are incorporated herein by reference and made a part hereof, and unless the context otherwise requires, said definitions shall prevail.

XXXII.

NOTICE PROVISIONS RE ARTICLE XXV.C. HEREIN

The Institutional First Mortgagee referred to in Article XXV.C. herein, shall be required to give notice to the Lessor if the Mortgage Note, and Mortgage given as security therefor, is in default whereby said Institutional Mortgagee has written to the Mortgagor demanding payment of sums due under the said Note or Mortgage. Failure to give such notice shall not affect the rights granted to such Institutional First Mortgagee under Article XXV.C.

Lessor shall have the right to cure said Mortgagor's default and to make any payments due by the Mortgagor; however, Lessor must make such payment within the same time period allowed to the Mortgagor in the letter mailed to the Mortgagor, which time period will not be less than ten (10) days from the date of mailing.

Notwithstanding the foregoing, said Institutional First Mortgagee shall not be required to advise the Lessor as to any modification of the Mortgage Note or Mortgage, waive of payment(s), extension of term, or in any regard, except as is specifically provided in this Article.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed respectively by their proper Officers; and their respective Corporate Seals to be affixed, the day and year first above written.

Signed, sealed and delivered in the presence of:

FPA CORPORATION

Walter H. Harty
Francis M. Purcell

By: Walter H. Harty
 Vice President

Attest: Francis M. Purcell (Seal)
 Secretary



(LESSOR)

PARKER-LEVITT CORPORATION

James L. Paddy
Francis J. Haffner

By: James L. Paddy
 President

Attest: Francis J. Haffner (Seal)
 Assistant Secretary



PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.

James L. Paddy
Francis J. Haffner

By: James L. Paddy
 President

Attest: Francis J. Haffner (Seal)
 Vice President



(LESSEE)

(COMMUNALITY)
 STATE OF PENNSYLVANIA)
 COUNTY OF PHILADELPHIA) ss:

I HEREBY CERTIFY that on this day, before me, an officer duly authorized to take acknowledgments in the state and county named above, personally appeared H. N. MULVILL as VICE PRESIDENT and T. W. GALE as SECRETARY of the above named FPA CORPORATION, a Delaware Corporation, to me known to be the persons described in and who executed the foregoing and acknowledged the execution thereof for and on behalf of said corporation as such officers for the purposes therein expressed, the affixing of its corporate seal, and that they were duly authorized by said corporation to do so.

WITNESS my hand and official seal in the state and county of PHILADELPHIA this 26th day of August, 1971.



Walter C. ...
 Notary Public
 My commission expires: January 12, 1974

STATE OF FLORIDA)
COUNTY OF SARASOTA) ss:

I HEREBY CERTIFY that on this day, before me, an officer duly authorized to take acknowledgments in the state and county named above, personally appeared MAURICE PARKER as President, and THOMAS C. KRAEMER as Assistant Secretary of the above named PARKER-LEVITT CORPORATION, a Delaware Corporation, to me known to be the persons described in and who executed the foregoing and acknowledged the execution thereof for and on behalf of said corporation as such officers for the purposes therein expressed, the affixing of its corporate seal, and that they were duly authorized by said corporation to do so.

WITNESS my hand and official seal in the state and county named above this 31 day of August, 1971


Notary Public
My commission expires:




Notary Public, State of Florida at Large
My Commission Expires Feb 17, 1973
Bonded by Transamerica Insurance Co.

STATE OF FLORIDA)
COUNTY OF SARASOTA) ss:

I HEREBY CERTIFY that on this day, before me, an officer duly authorized to take acknowledgments in the state and county named above, personally appeared THOMAS C. KRAEMER as President and MARK R. THAYER as Vice President of the above named PALM-AIRE AT DESOTO LARES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida Corporation, to me known to be the persons described in and who executed the foregoing and acknowledged the execution thereof for and on behalf of said corporation as such officers for the purposes therein expressed, the affixing of its corporate seal, and that they were duly authorized by said corporation to do so.

WITNESS my hand and official seal in the state and county named above this 31 day of August, 1971


Notary Public
My commission expires:



Notary Public, State of Florida at Large
My Commission Expires Feb 17, 1973
Bonded by Transamerica Insurance Co.

LONG-TERM LEASE

EXHIBIT "A"

ALL of Lot 4, Block 2, DESOTO LAKES COUNTRY CLUB COLONY, UNIT 1,
SECTION C, as per plat thereof recorded in Plat Book 15, page
93, of the Public Records of Manatee County, Florida.

LONG - TERM LEASE

EXHIBIT "B"

All of Lot 2, Block 1, and all of Lots 1, 2, 3, 5, 6, 7 and 8, Block 2, DeSOTO LAKES COUNTRY CLUB COLONY, UNIT 1, SECTION C, as per plat thereof recorded in Plat Book 15, page 93, of the Public Records of Manatee County, Florida.

LONG-TERM LEASE

EXHIBIT "C"

<u>Condominium Unit and Parcel Number</u>	<u>Type of Unit</u>	<u>Monthly Rent Under Long-Term Lease</u>
T-101, T-104, T-201 and T-204	3 BR - 2 B	\$30.00 per unit
V- through V-18 inclusive	2 BR - 2 B	\$25.00 per unit
T-102, T-103, T-202 and T-203	2 BR - 2 B	\$25.00 per unit

UNIT OWNER'S SHARE OF COMMON EXPENSES UNDER THE LONG-TERM LEASE -
is defined as the other expenses and obligations, (excluding rent),
payable by the Lessee under said Lease, including, without limita-
tion, taxes, assessments, insurance premiums, and costs of main-
tenance and repairs. The total common expenses under the Long-Term
Lease will be weighted and computed in such manner so that the
following ratio will prevail:

The 1-bedroom units will be used as the base of each
proration, and the base shall be 1; 2-bedroom units shall
be 133-1/3rd% of the base; 3-bedroom units shall be
166-2/3rd% of the base; and 4-bedroom units shall be
200% of the base.

The Lessor under the Long-Term Lease has the right to enter into
Long-Term Lease Agreements with other Lessees and Condominium
Association (s), as to an undivided interest in the demised pre-
mises described in Exhibit "A" of the Long-Term Lease, and/or in
the demised premises described in and pursuant to Article XXX of
said Long-Term Lease, said Long-Term Lease being attached hereto
as Exhibit No. 4, provided, however, that all members of the
Lessee Condominium Association(s), including the Lessee Condo-
minium Association in the Long-Term Lease attached hereto as Exhibit
No. 4, share the common expense under said Long-Term Lease(s)
under the foregoing ratio as to the demised premises described in
Exhibit "A" to the Long-Term Lease (if said premises are a portion
of the demised premises in the Long-Term Lease), and as to the
demised premises described in and pursuant to Article XXX of said
Long-Term Lease.

The provisions of the foregoing paragraphs are further subject to
all units being classified as to "type" by the Developer in the
Declaration of Condominium controlling such units, and the Lessor
under the Long-Term Lease appertaining thereto, as to one of the
four types hereinabove set forth.

2 DE. PR. 11
LEASING, CLERK
LE CO. FLA.

443617

NO. 3 PALMAIRE

AT

DESOTO LAKES COUNTRY CLUB APTS.

A CONDOMINIUM

IN

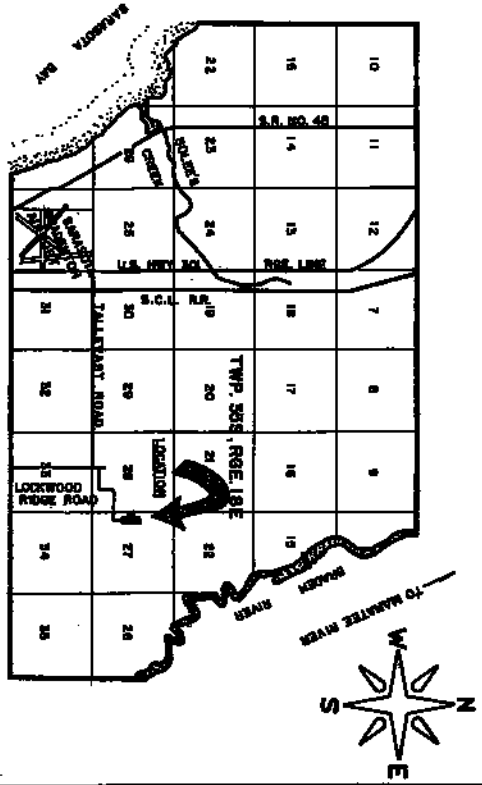
SECTION 27, TWP 35 S, RGE 18 E
MANATEE COUNTY, FLORIDA

469740

DESCRIPTION

LOT 3, BLOCK 1, DESOTO LAKES COUNTRY CLUB COLONY, UNIT 1, SECTION 5, RECORDED IN PLAT BOOK 19, PAGE 58, OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA.
ALSO: TRACT 'N' 9 LOTS 24, 4 & 5, BLOCK 1 AND LOT 9, BLOCK 2, DESOTO LAKES COUNTRY CLUB COLONY, UNIT 1, SECTION 5, RECORDED IN PLAT BOOK 25, PAGE 62 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA.
ALL LYING AND BEING IN SEC. 27, TWP. 35S, RGE. 18E, MANATEE COUNTY, FLORIDA.

LOCATION MAP



SCALE: 1" = MILE

UNIT DESCRIPTION

A UNIT SHALL CONSIST OF THE SPACE BOUNDED WITHIN THE HORIZONTAL PLANS OF THE INTEGRATED FINISHED CEILING TO THE UNDEGRADED FINISHED FLOOR AND THE VERTICAL PLANES OF THE UNDEGRADED FINISHED INTERIOR WALLS, AS SHOWN HEREON.

SURVEYOR'S CERTIFICATE

I, THE UNDERSIGNED REGISTERED LAND SURVEYOR HEREBY CERTIFY THAT THIS PLAT IS A TRUE REPRESENTATION OF THE LAND DESCRIBED AND SHOWN HEREON AND IS A CORRECT REPRESENTATION OF THE IMPROVEMENT SHOWN, AND THAT IT CAN BE DETERMINED THEREFROM THE IDENTIFICATION, LOCATION, DIMENSIONS AND SIZES OF THE COMMON ELEMENTS AND OF EACH UNIT CONTAINED THEREIN TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Samuel S. Hill

SAMUEL S. HILL
REGISTERED SURVEYOR
FLORIDA

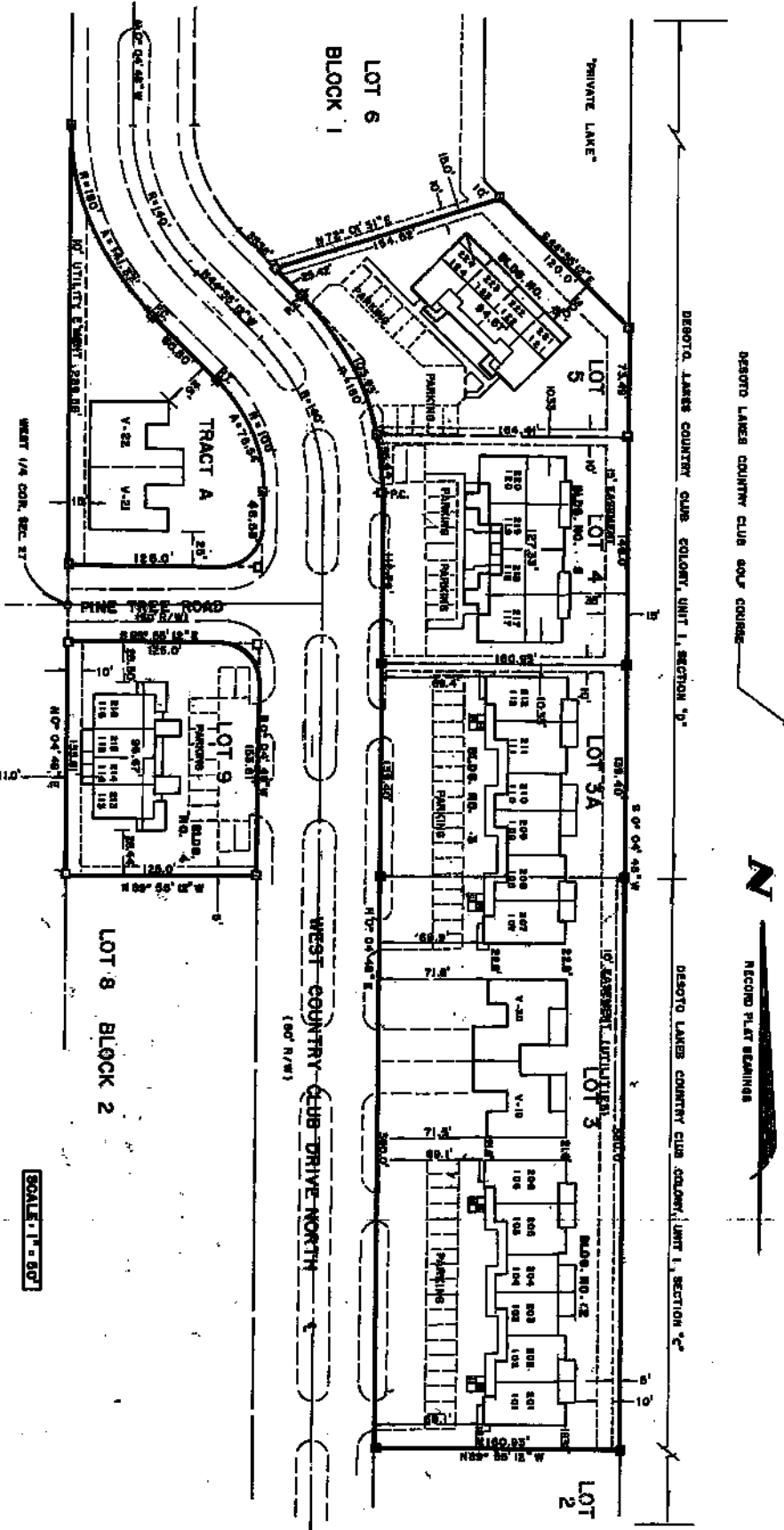
DATE OF SURVEY: March 9, 1973
EXHIBIT: 1, 721
DECLARATION OF CONDOMINIUM RECORDED IN PLAT BOOK 46, AT PAGE 222 THROUGH 223, IN THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA.

LIMITED COMMON ELEMENTS - SHOWN AS: [diagonal lines]

THOSE AREAS RESERVED FOR THE USE OF A CERTAIN UNIT OR CERTAIN UNITS OR COMMON TO THE EXCLUSION OF OTHER UNIT OWNERS, ARE DESIGNATED AS LIMITED COMMON ELEMENTS. NOTE: PARKING AREAS ARE FOR THE USE OF CONDOMINIUM OWNERS AND SPECIFIC PARKING AREAS WILL BE ASSIGNED BY THE ASSOCIATION.

NO. 3 PALMAIRE
 AT
 DESOTO LAKES
 COUNTRY CLUB CONDOMINIUM
 A CONDOMINIUM
 IN
 SEC. 27, TWP. 36 S., RGE. 18 E.
 MANATEE COUNTY, FLORIDA

LOT PLAN



NOTES: - ELEVATIONS SHOWN REFER TO M.S.L. DATUM
 - BEARINGS REFER TO RECORD PLAT

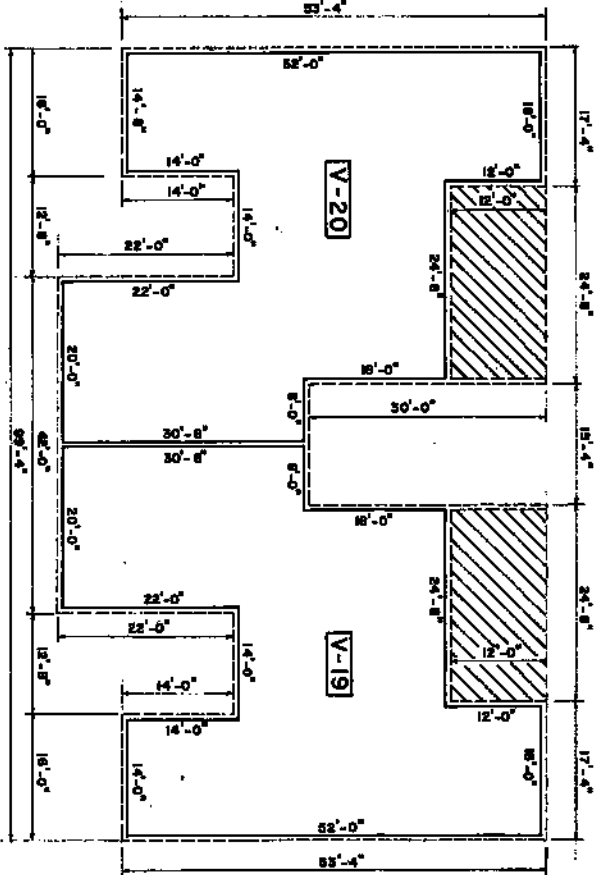
NOTE: SEE FOLLOWING SHEETS FOR ENCLINGS AND UNIT DIMENSIONS.

SCALE: 1" = 60'

MOSEY & RUSSELL ENGINEERING ASSOCIATES, INC.
 8801 SUPERIOR AVE - SARASOTA, FLORIDA

NO. 3 PALMAIRE
 AT
 DESOTO LAKES
 COUNTRY CLUB CONDOMINIUM
 A CONDOMINIUM
 IN
 SEC. 27, TWP. 28 S., RGE. 18 E.
 MANATEE COUNTY, FLORIDA

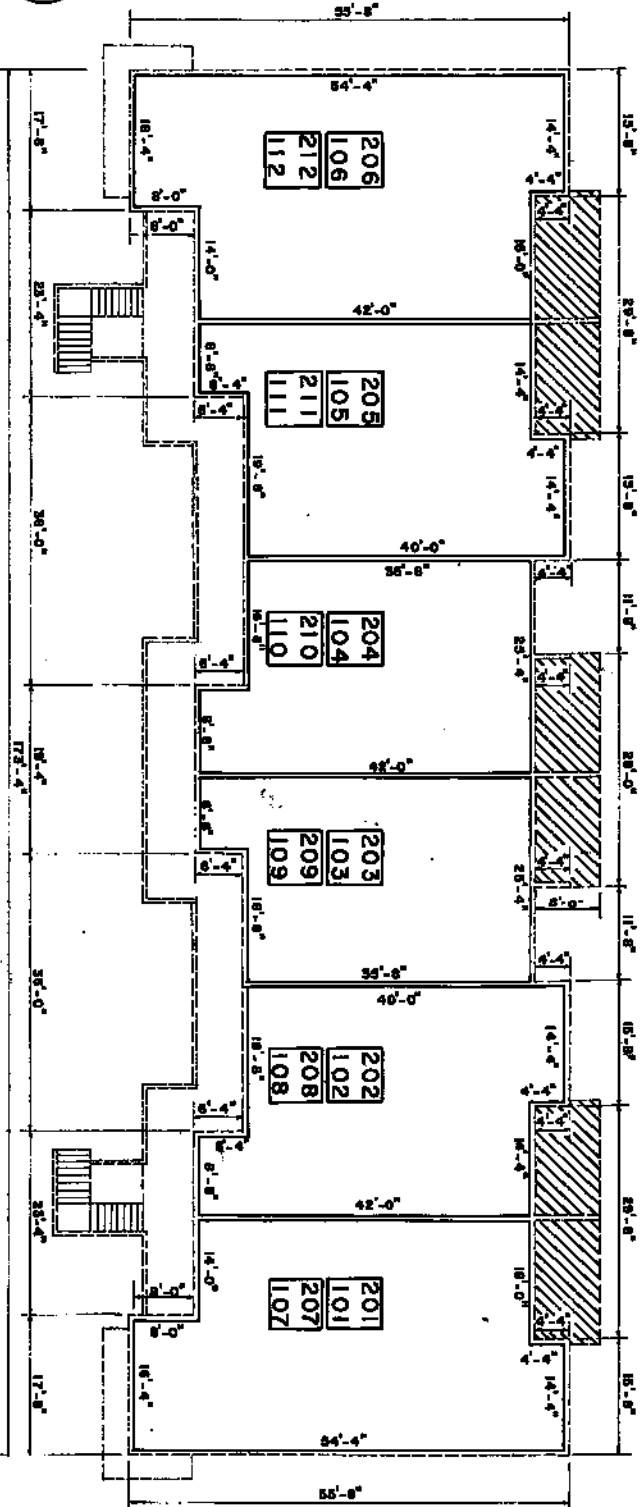
BUILDING NO. (VILLA)



NOTE:
 ALL EXTERIOR WALLS AND COMMON
 WALLS ARE 6 INCHES THICK

FLOOR ELEVATION = 23.04
 CEILING ELEVATION = 31.85

SCALE: 3/32" = 1'-0"



BUILDING NO. 2 & NO. 3

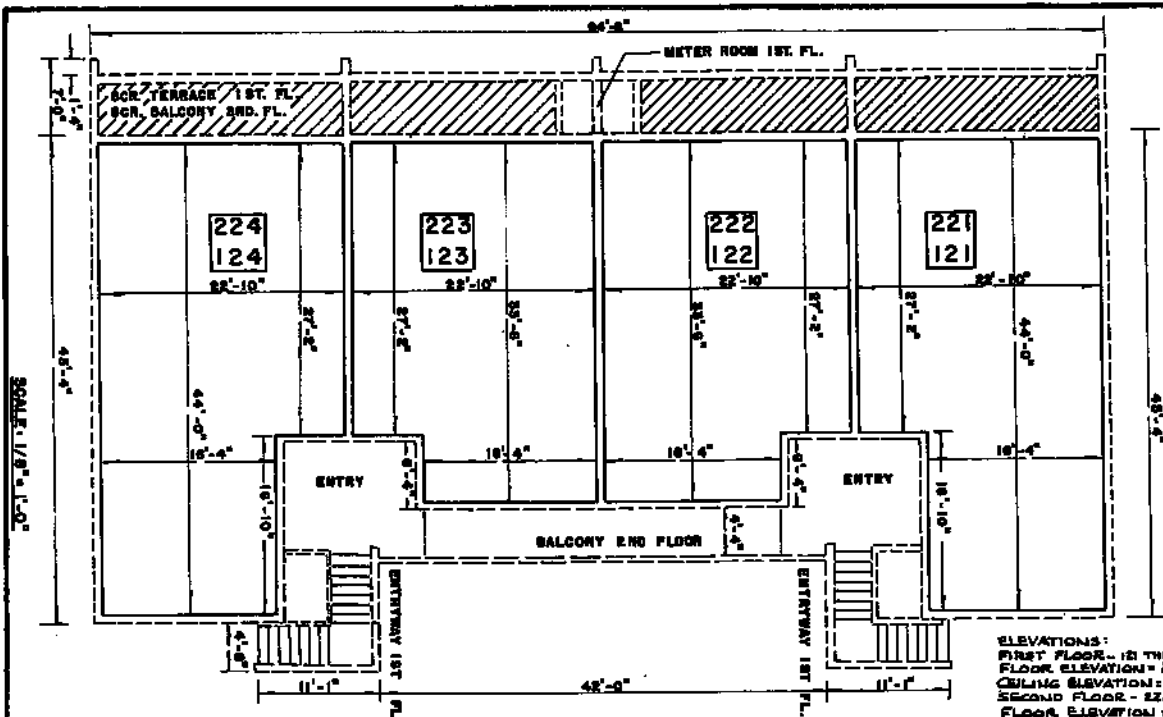
SCALE: 3/32" = 1'-0"

ELEVATIONS:
 FINISH FLOOR - 101 THRU 112
 FLOOR ELEVATION = 22.87
 CEILING ELEVATION = 30.85
 FINISH FLOOR - 201 THRU 212
 FLOOR ELEVATION = 31.40
 CEILING ELEVATION = 39.75

NOTE: ELEVATIONS REFER TO
 UNFINISHED FLOOR & CEILING.
 MOSBY & RUSSELL ENGINEERING ASSOCIATES, INC.
 6601 SUPERIOR AVE - SARASOTA, FLORIDA

NO. 3 PALMAIRE
AT
DESOTO LAKES
COUNTRY CLUB CONDOMINIUM
A CONDOMINIUM
IN
SEC. 27, TWP. 35 S. 9, RGE. 19 E
MANATEE COUNTY, FLORIDA

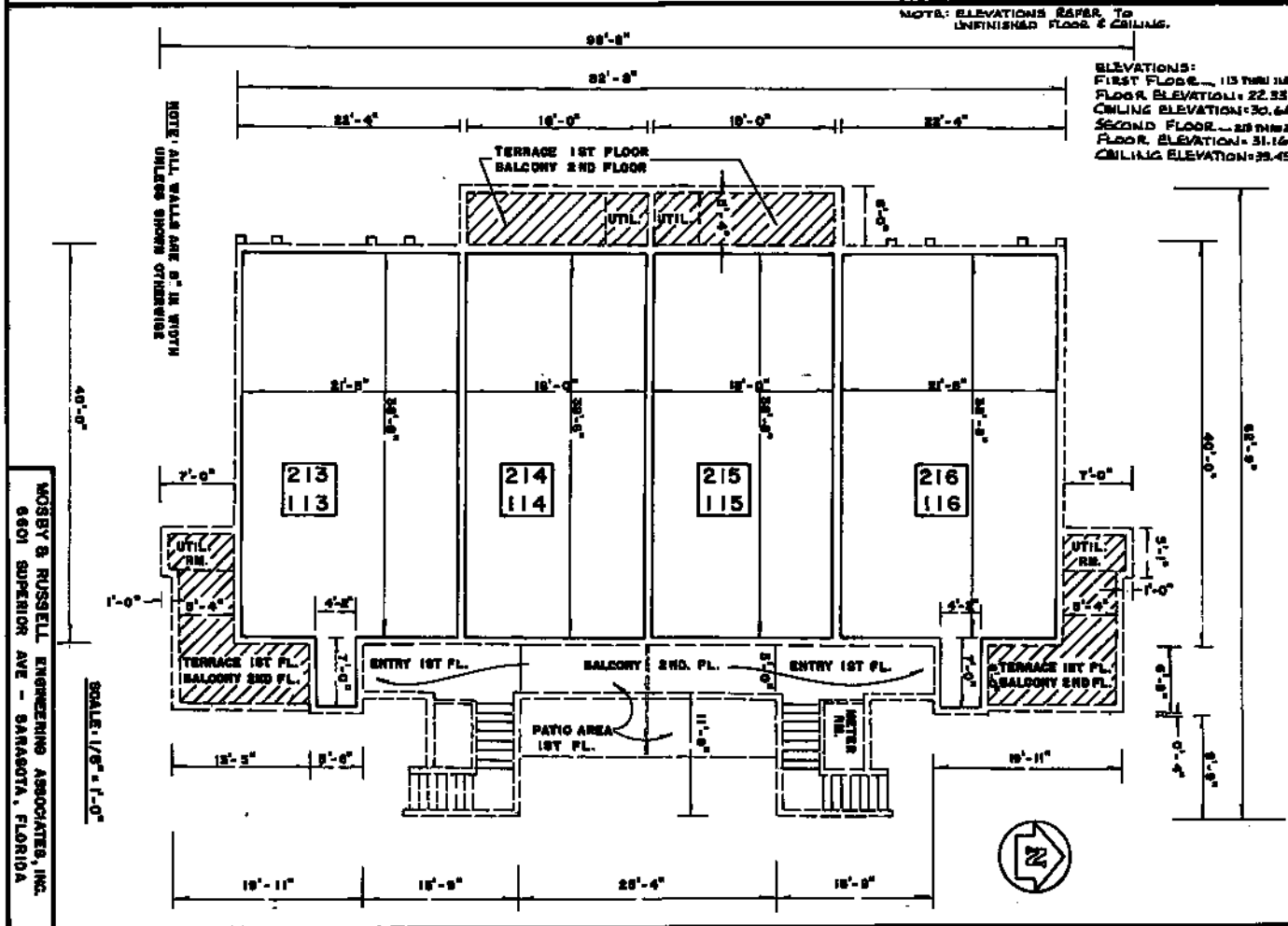
BUILDING NO. 6
FIRST AND SECOND FLOOR PLAN



NOTE: ELEVATIONS REFER TO UNFINISHED FLOOR & CEILING.

BUILDING NO. 4
FIRST AND SECOND FLOOR PLAN

ELEVATIONS:
FIRST FLOOR - 113 THRU 16
FLOOR ELEVATION = 22.32
CEILING ELEVATION = 30.24
SECOND FLOOR - 213 THRU 24
FLOOR ELEVATION = 31.16
CEILING ELEVATION = 39.49

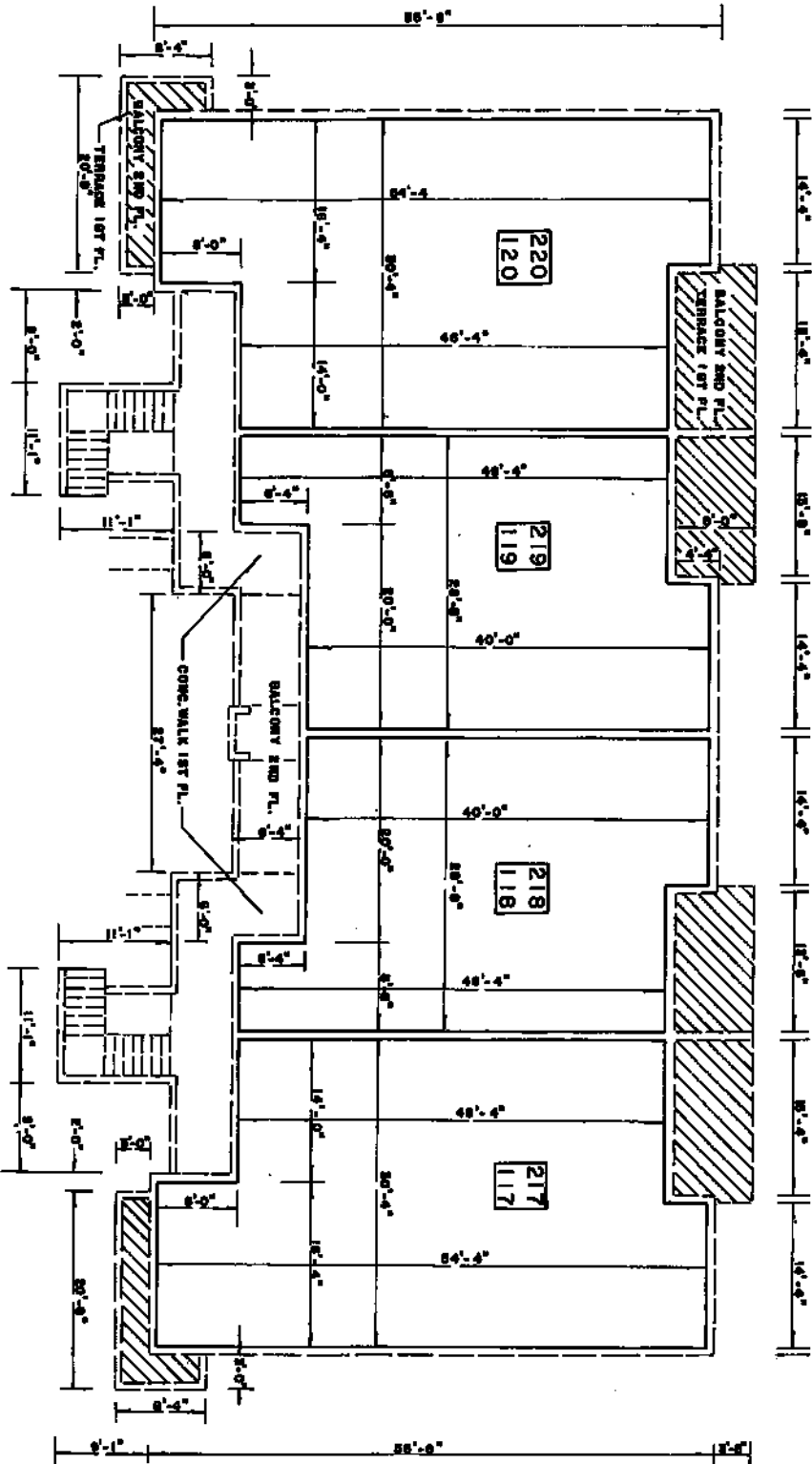


CONDOMINIUM BOOK 4 PAGE 19
SHEET 4 OF 6 SHEETS

KOSBY & RUSSELL ENGINEERING ASSOCIATES, INC.
6601 SUPERIOR AVE - SARASOTA, FLORIDA

NO. 3 PALMAIRE
 AT
 DESOTO LAKES
 COUNTRY CLUB CONDOMINIUM
 A CONDOMINIUM
 IN
 SEC. 27, TWP. 36 S., RGE. 18 E.
 MANATEE COUNTY, FLORIDA

BUILDING NO. 5
 FIRST AND SECOND FLOOR PLAN



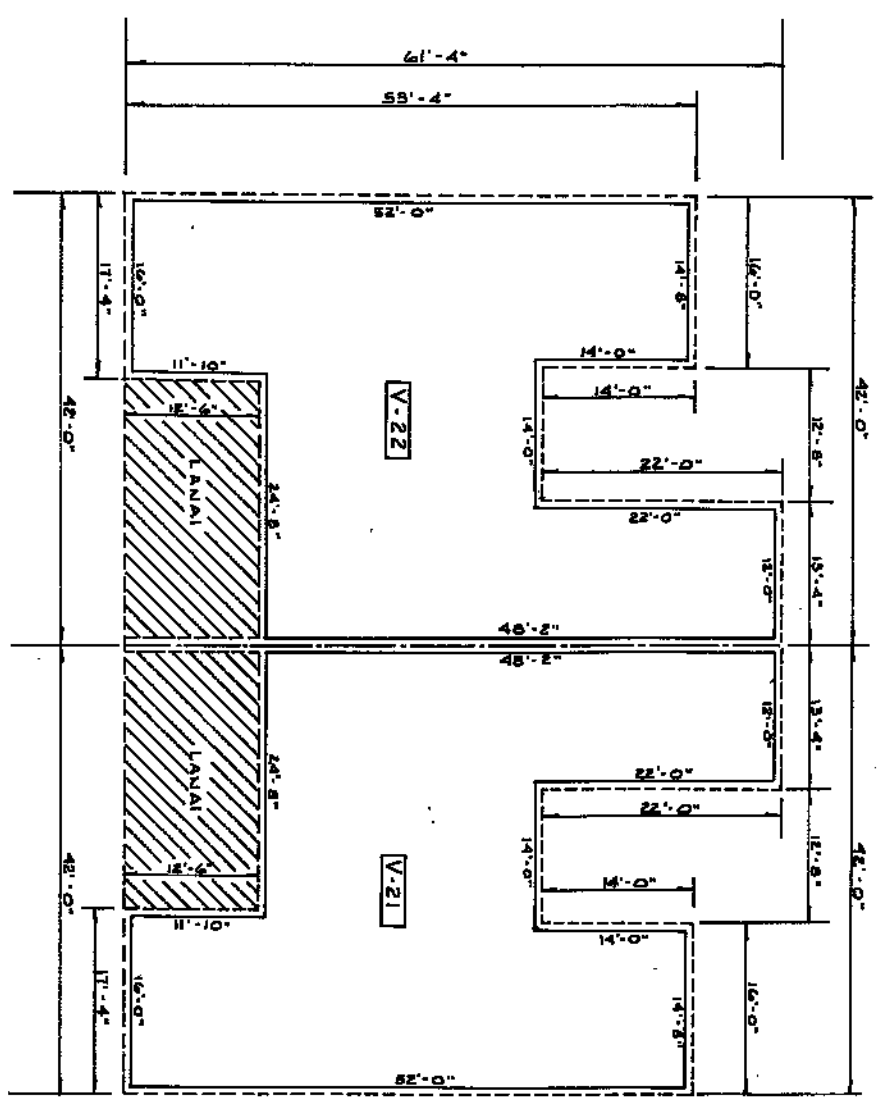
ELEVATIONS: GRESSE TO UNFINISHED FLOOR & CEILING
 FIRST FLOOR - 117 THRU 120
 FLOOR ELEVATION - 21.30
 CEILING ELEVATION - 28.63
 SECOND FLOOR: 217 THRU 220
 FLOOR ELEVATION - 30.15
 CEILING ELEVATION - 38.46

NOTE: WALLS ARE 0'-9" UNLESS
 SHOWN OTHERWISE

SCALE: 1/8" = 1'-0"

NO. 3 PALMAIRE
 AT
 DESOTO LAKES
 COUNTRY CLUB CONDOMINIUM
 IN
 A CONDOMINIUM
 SEC. 27, TWP. 35 S., RGE. 19 E
 MANATEE COUNTY, FLORIDA

BUILDING NO. (VILLA)



SCALE: 1/8" = 1'-0"



480 / 48

78828

08 11 13 PM '13
 M.P. ESK
 0123456789

480740

ELEVATIONS REFER TO UNFURNISHED
 FLOOR & CEILING.
 FLOOR ELEVATION - 22.05
 CEILING ELEVATION - 50.58

MOSEY & RUSSELL ENGINEERING ASSOCIATES, INC.
 6601 SUPERIOR AVE. - SARASOTA, FLORIDA

DECLARATION OF CONDOMINIUM

469741

NO. 3 PALM-AIRE AT

DESOTO LAKES COUNTRY CLUB APTS. CONDOMINIUM

I

SUBMISSION STATEMENT

FPA CORPORATION, a Delaware corporation, being the owner of record of the fee simple title to the following described real property, situate, lying and being in the County of Manatee, State of Florida, to wit:

See Schedule I attached hereto and made a part hereof.

hereby states and declares that said realty, together with the improvements thereon, is submitted to Condominium ownership, pursuant to the Condominium Act of the State of Florida, F. S. 711 Et Seq. (hereinafter referred to as the "Condominium Act"), and the provisions of said Act are hereby incorporated by reference and included herein thereby, and herewith files for record this Declaration of Condominium.

Definitions: As used in this Declaration of Condominium, the By-Laws, and all other Exhibits attached hereto, and all Amendments thereto, unless the context otherwise requires, the following definitions shall prevail:

- A. Declaration, or Declaration of Condominium, or Enabling Declaration, means this instrument, as it may be from time to time amended.
- B. Association, or Corporation, means PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, being the entity responsible for the operation of the Condominium.
- C. By-Laws, means the By-Laws of PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, as they exist from time to time.
- D. Common Elements, means the portions of the Condominium property not included in the Units.
- E. Limited Common Elements, means and includes those common elements which are reserved for the use of a certain unit or units to the exclusion of all other units.
- F. Condominium, means that form of ownership of Condominium property under which units of improvements are subject to ownership by different owners, and there is appurtenant to each unit, as part thereof, an undivided share in the common elements.
- G. Condominium Act, means and refers to the Condominium Act of the State of Florida (F.S. 711 Et Seq.), as the same may be amended from time to time.
- H. Common Expenses, means the expenses for which the unit owners are liable to the Association.
- I. Common Surplus, means the excess of all receipts of the Association from this Condominium, excluding but not limited to assess-

For Condominium See Condominium Book 4 Page 16, 17, 18, 19, 20 & 21.

RECORDED BY: JAMES L. GIBNEY
TAMPA, FLORIDA, MANATEE, HILLSBORO, SHERMAN & BRYSON
125 SOUTH WASHINGTON, P. O. BOX 2222
TAMPA, FLORIDA 33601

ments, rent, profits and revenues, on account of the common elements of this Condominium, over the amount of common expenses of this Condominium.

J. Condominium Property, means and includes the land in a Condominium, whether or not contiguous, and all improvements thereon, and all easements and rights appurtenant thereto, intended for use in connection with the Condominium.

K. Assessment, means a share of the funds required for the payment of common expenses which, from time to time, is assessed against the unit owner.

L. Condominium Parcel, means a Unit, together with the undivided share in the common elements, which is appurtenant to the Unit.

M. Condominium Unit, or Unit, means a part of the Condominium property, which is subject to private ownership. Apartment or villa shall be synonymous with Unit.

N. Unit Owner, or Owner of a Unit, or Parcel Owner, means the owner of a Condominium Parcel.

O. Developer, means FPA CORPORATION, a Delaware corporation, its successors and assigns.

P. Institutional Mortgagee, means a Bank, Savings and Loan Association, Insurance Company or Union Pension Fund, authorized to do business in the State of Florida, or an Agency of the United States Government. The mortgage may be placed through a Mortgage or Title Company.

Q. Occupant, means the person or persons, other than the Unit Owner, in possession of a Unit.

R. Condominium Documents, means this Declaration, the By-Laws, and all Exhibits annexed thereto, as the same may be amended from time to time.

S. Unless the context otherwise requires, all other terms used in this Declaration of Condominium and Exhibits attached hereto, shall be assumed to have the meaning attributed to said terms by Section 3 of the Condominium Act.

II.

NAME

The name by which this Condominium is to be identified is:

NO. 3 PALM-AIRE AT
DESOTO LAKES COUNTRY CLUB APTS. CONDOMINIUM.

III.

IDENTIFICATION OF UNITS

The Condominium property consists essentially of fifty-two (52) units in all, and for the purpose of identification all units in the building located on said Condominium property are given identifying numbers and delineated on the Survey Exhibits recorded in Condominium Plat Book 66, pages 6, 17, 18, 20 & 21, Public Records of Manatee County, Florida, which is collectively identified as "Exhibit No. 1," attached hereto and made a part of this Declaration. No unit bears the same identifying number as does any other unit. The aforesaid identifying number as to the unit, is also the identifying number as to the parcel. The said Exhibit No. 1, also contains a Survey of the land, graphic description of the improvements

in which units are located, and a Plot Plan, and, together with this Declaration, they are in sufficient detail to identify the location, dimensions and size of the common elements and of each unit, as evidenced by the Certificate of the Registered Land Surveyor hereto attached. The legend and notes contained within said Exhibit are incorporated herein and made a part hereof by reference.

The aforesaid buildings were constructed substantially in accordance with the Plans and Specifications on file with the Building and Zoning Department of the applicable governmental authority.

IV.

OWNERSHIP OF COMMON ELEMENTS

Each of the unit owners of the Condominium shall own an undivided interest in the common elements and limited common elements, and the undivided interest, stated as percentages of such ownership in the said common elements and limited common elements, is set forth on "Exhibit A", which is annexed to the Declaration of Condominium and made a part hereof.

The fee title to each Condominium parcel shall include both the Condominium unit and the respective undivided interest in the common elements, said undivided interest in the common elements to be deemed to be conveyed or encumbered with its respective Condominium unit, even though the description in the instrument of conveyance or encumbrance may refer only to the fee title to a Condominium unit.

Any attempt to separate the fee title to a Condominium Unit from the undivided interest in the common elements appurtenant to each unit, shall be null and void. The term "common elements", when used throughout this Declaration, shall mean both common elements and limited common elements, unless the context otherwise specifically requires.

V.

VOTING RIGHTS

There shall be one person with respect to each unit ownership who shall be entitled to vote at any meeting of the unit owners and such person shall be known (and is hereinafter referred to) as a Voting Member. If a unit is owned by more than one person, the owners of said unit shall designate one of them as the Voting Member, or in the case of a Corporate unit owner, an officer or an employee thereof shall be the Voting Member. The designation of the Voting Member shall be made, as provided by and subject to, the provisions and restrictions set forth in the By-Laws of the Association. The total number of votes shall be equal to the total number of units in the Condominium and each Condominium unit shall have no more and no less than one equal vote in the Association. If one individual owns two Condominium parcels, he shall have two votes. The vote of a Condominium unit is not divisible.

VI.

COMMON EXPENSE AND COMMON SURPLUS

The common expenses of the Condominium, including the obligation of each unit owner under the Long-Term Lease, as set forth in Article XVII herein, shall be shared by the unit owners, as specified and set forth in Exhibit "A" attached hereto. The foregoing ratio of sharing common expenses and assessments shall remain, regardless of the purchase price of the Condominium parcels, their location, or the building square footage included in each Condominium unit.

Any common surplus of the Condominium shall be owned by each of the unit owners in the same proportion as their percentage ownership interest in the common elements, - common surplus being the excess of all receipts of the Association from this Condominium, including but not limited to assessments, rents, profits and revenues on account of the common elements of this Condominium, over the amount of common expenses of this Condominium.

VII.

METHOD OF AMENDMENT OF DECLARATION

This Declaration may be amended at any regular or special meeting of the unit owners of this Condominium, called and convened in accordance with the By-Laws, by the affirmative vote of Voting Members casting not less than three-fourths (3/4ths) of the total vote of the unit owners of this Condominium.

All Amendments shall be recorded and certified as required by the Condominium Act. No Amendment shall change any Condominium parcel nor a Condominium unit's proportionate share of the common expenses or common surplus, nor the voting rights appurtenant to any unit, unless the recorded owner(s) thereof shall join in the execution of the Amendment. No Amendment shall be passed which shall impair or prejudice the rights and priorities of any mortgages, or impair or prejudice the security and rights of the Lessor's interest under the Long-Term Lease. No Amendment shall change the provisions of this Declaration with respect to Institutional Mortgagees or the Lessor under the Long-Term Lease, without the written approval of all Institutional Mortgagees of record and the Lessor under the Long-Term Lease; nor shall the provisions of Article II of this Declaration be changed without the written approval of all Institutional Mortgagees of record. The written consent of the Institutional Mortgagee holding the largest amount of first mortgage indebtedness outstanding with respect to all units shall be required for all Amendments, which consent shall not be unreasonably withheld.

Notwithstanding the foregoing, the Developer reserves the right to change the interior design and arrangement of all units, and to alter the boundaries between units, as long as the Developer owns the units so altered; however, no such change shall increase the number of units nor alter the boundaries of the common elements, except the party wall between any Condominium Units, without Amendment of this Declaration in the manner hereinbefore set forth. If the Developer shall make any changes in units, as provided in this paragraph, such changes shall be reflected by an Amendment of this Declaration, with a Survey attached, reflecting such authorized alteration of units, and said Amendment need only be executed and acknowledged by the Developer and any holders of Institutional Mortgages encumbering said altered units. The Survey shall be certified in the manner required by the Condominium Act. If more than one unit is concerned, the Developer shall apportion between the units the shares in the common elements appurtenant to the units concerned, together with apportioning the common expenses and common surplus of the units concerned, and such shares of common elements, common expenses, and common surplus, shall be duly noted in the Amendment of the Declaration. The rent under the Long-Term Lease shall be apportioned by the Developer, with the Lessor's written approval, and same shall be reflected in the Amendment to Declaration.

VIII.

BY-LAWS

The operation of the Condominium property shall be governed by By-Laws, which are set forth in a document entitled "BY-LAWS of PALM-ATRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.," a Florida Corporation not for profit, which is annexed to this Declaration, marked Exhibit No. 2, and made a part hereof.

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 to said By-Laws shall be adopted which would affect or impair the validity or priority of any mortgage covering any condominium parcels, or the Long-Term Lease, or which would change the provisions of the By-Laws with respect to Institutional Mortgages or the Lessor under the Long-Term Lease, without the written approval of all Institutional Mortgages of record, or the Lessor under the Long-Term Lease. The written consent of the Institutional Mortgages holding the largest amount of first mortgage indebtedness outstanding with respect to all units shall be required for all Amendments, which consent shall not be unreasonably withheld.

IX.

THE OPERATING ENTITY

The name of the Association responsible for the operation of the Condominium is set forth in Article VIII hereinaabove; said Corporation is a non-profit Florida Corporation, organized and existing pursuant to the Condominium Act. The said Association shall have all of the powers and duties set forth in the Condominium Act, as well as all of the powers and duties granted to or imposed upon it by this Declaration, the By-Laws of the Association and its Articles of Incorporation, copy of which Articles of Incorporation are attached hereto and marked Exhibit No. 3, and made a part hereof.

Every owner of a Condominium parcel, whether he has acquired his ownership by purchase, by gift, conveyance or transfer by operation of law, or otherwise, shall be bound by the By-Laws of said Association, the Articles of Incorporation of the Association, and by the provisions of this Declaration of Condominium.

X.

ASSESSMENTS

The Association, through its Board of Directors, shall have the power to fix and determine, from time to time, the sum or sums necessary and adequate to provide for the common expenses of the Condominium property, and such other assessments as are specifically provided for in this Declaration and the By-Laws attached hereto. The procedure for the determination of such assessments shall be as set forth in the By-Laws of the Association.

The common expenses shall be assessed against each Condominium parcel owner as provided for in Article VI of this Declaration.

Assessments that are unpaid for over thirty (30) days after due date shall bear interest at the rate of ten percent (10%) per annum from due date until paid.

The Association shall have a lien on each condominium parcel for any unpaid assessments, together with interest thereon, against the unit owner of such condominium parcel, together with a lien on all tangible personal property located within said unit, except that such lien upon aforesaid tangible personal property shall be subordinate to prior bona fide liens of record. Reasonable attorney's fees incurred by the Association incident to the collection of such assessment for the enforcement of such lien, together with all sums advanced and paid by the Association for taxes and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien, shall be payable by the unit owner and secured by such lien. The Association's liens shall also include those sums advanced on behalf of a unit owner in payment of his

such terms and conditions as provided for in the Declaration of Condominium and By-Laws. The voting rights of the owners of parcels in said Condominium property shall be as set forth in the Declaration of Condominium and/or By-Laws.

IN WITNESS WHEREOF, the subscribers hereto have herunto set their hands and seals, this 23 day of OCTOBER, 1970.

Signed, Sealed and Delivered in the Presence of:

Heidi M. Lugg
Marjorie B. Stang

William E. Getzen (SEAL)
William E. Getzen
James L. Ritchey (SEAL)
James L. Ritchey
Lois J. Hoffner (SEAL)
Lois J. Hoffner

STATE OF FLORIDA
COUNTY OF SARASOTA

BEFORE ME, the undersigned authority, personally appeared WILLIAM E. GETZEN, JAMES L. RITCHEY, and LOIS J. HOFFNER, who after being by first duly sworn, acknowledged that they executed the foregoing Articles of Incorporation of PALM-AIRE AT DESOTO LAKES COUNTRY CLUB ASSOCIATION, INC., a Florida corporation not for profit, for the purposes therein expressed.

WITNESS my hand and official seal, in the State and County aforesaid, this 23 day of October, 1970.

Heidi M. Lugg
Notary Public
My Commission Expires:

Notary Public, State of Florida at Large
My Commission Expires Aug. 24, 1974
Bonded by Transamerica Insurance Co.

obligation under the Long-Term Lease. The Board of Directors may take such action as they deem necessary to collect assessments by personal action or by enforcing and foreclosing said lien, and may settle and compromise the same if in the best interests of the Association. Said lien shall be effective as and in the manner provided for by the Condominium Act, and shall have the priorities established by said Act. The Association shall be entitled to bid at any sale held pursuant to a suit to foreclose an assessment lien, and to apply as a cash credit against its bid, all sums due the Association covered by the lien enforced. In case of such foreclosure, the unit owner shall be required to pay a reasonable rental for the condominium parcel, and the Plaintiff in such foreclosure shall be entitled to the appointment of a Receiver to collect same from the unit owner and/or occupant.

Where the mortgagee of an institutional first mortgage of record, or other purchaser of a condominium unit obtains title to a condominium parcel as a result of foreclosure of the institutional first mortgage, or when an institutional first mortgagee of record accepts a deed to said condominium parcel in lieu of foreclosure, or where the Lessor under the Long-Term Lease obtains title as a result of foreclosure of the lien under said Lease or accepts a deed to a condominium parcel in lieu of such foreclosure, or other purchaser obtains title to a condominium parcel as a result of foreclosure of the aforesaid Lessor's lien, such acquirer of title, his successors and assigns, shall not be liable for the share of common expenses or assessment by the Association pertaining to such condominium parcel, or chargeable to the former unit owner of such parcel, which became due prior to acquisition of title as a result of the foreclosure or the acceptance of such deed in lieu of foreclosure. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectable from all of the unit owners, including such acquirer, his successors and assigns.

Any person who acquires an interest in a unit, except through foreclosure of an institutional first mortgage of record, or of the Lessor's lien under the Long-Term Lease (or deed in lieu thereof), as specifically provided in the paragraph immediately preceding, including without limitation, persons acquiring title by operation of law, including purchasers at judicial sales, shall not be entitled to occupancy of the unit or enjoyment of the common elements until such time as all unpaid assessments due and owing by the former unit owner have been paid.

The Association, acting through its Board of Directors, shall have the right to assign its claim and lien rights for the recovery of any unpaid assessments to the Developer, or to any unit owner or group of unit owners, or to any third party.

XI.

PROVISIONS RELATING TO SALE OR RENTAL OR OTHER ALLENATION OR MORTGAGING OF CONDOMINIUM UNITS

A. SALE OR RENTAL OF UNITS - Association to Have First Right of Refusal

In the event any unit owner wishes to sell, rent or lease his unit, the Association shall have the option to purchase, rent or lease said unit, upon the same conditions as are offered by the unit owner to a third person. Any attempt to sell, rent or lease said unit without prior offer to the Association shall be deemed a breach of this Declaration and shall be wholly null and void, and shall confer no title or interest whatsoever upon the intended purchaser, tenant or lessee.

Should a unit owner wish to sell, lease or rent his Condominium parcel (which means the unit, together with the undivided share of the common elements appurtenant thereto), he shall, before making or

or accepting any offer to purchase, sell or lease or rent his Condominium parcel, deliver to the Board of Directors of the Association, a written notice containing the terms of the offer he has received or which he wishes to accept, or proposes to make, the name and address of the person(s) to whom the proposed sale, lease or transfer is to be made, and two bank references, and three individual references - local, if possible, and such other information (to be requested within five days from receipt of such notice) as may be required by the Board of Directors of the Association. The Board of Directors of the Association is authorized to waive any or all of the references aforementioned.

The Board of Directors of the Association, within ten days after receiving such notice and such supplemental information as is required by the Board of Directors, shall either consent to the transaction specified in said notice, or by written notice to be delivered to the unit owner's unit, (or mailed to the place designated by the unit owner in his notice), designate the Association, one or more persons then unit owners, or any other person(s) satisfactory to the Board of Directors of the Association, who are willing to purchase, lease or rent upon the said terms as those specified in the unit owner's notice, or object to the sale, leasing or renting to the prospective purchaser, tenant or lessee, for good cause, which cause need not be set forth in the notice from the Board of Directors to the unit owner. However, it shall require the unanimous vote of the Board of Directors in order to object for good cause. The Association shall not unreasonably withhold its consent to any prospective sale, rental or lease.

The stated designee of the Board of Directors shall have fourteen days from the date of the notice sent by the Board of Directors, to make a binding offer to buy, lease or rent, upon the same terms and conditions specified in the unit owner's notice. Thereupon, the unit owner shall either accept such offer or withdraw and/or reject the offer specified in his notice to the Board of Directors. Failure of the Board of Directors to designate such person(s), or failure of such person(s) to make such offer within said fourteen day period, or failure of the Board of Directors to object for good cause, shall be deemed consent by the Board of Directors to the transaction specified in the unit owner's notice, and the unit owner shall be free to make or accept the offer specified in his notice, and sell, lease or rent said interest, pursuant thereto, to the prospective purchaser or tenant named therein, within ninety days after his notice was given.

The sub-leasing or sub-renting of said unit owner's interest shall be subject to the same limitations as are applicable to the leasing or renting thereof. The Board of Directors shall have the right to require that a substantially uniform form of Lease or Sub-Lease be used, or in the alternative, the Board of Directors' approval of the Lease or Sub-Lease form to be used shall be required. After approval, as herein set forth, entire units may be rented, provided the occupancy is only by the Lessee, his family and guests. No individual rooms may be rented and no transient tenants may be accommodated.

Where a Corporate entity is the owner of a unit, it may designate the occupants of the unit as it desires, and for such period of time as it desires, without compliance with the provisions of Section A, of this Article XI. The foregoing shall not be deemed an assignment or subleasing of a unit, and shall be deemed to be in compliance with the provisions of the first paragraph of Article XIII. of this Declaration.

B. MORTGAGE AND OTHER ALIENATION OF UNITS.

1. A unit owner may not mortgage his unit nor any interest therein, without the approval of the Association, except as to an institutional mortgagee, as hereinbefore defined. The approval of any other mortgagee may be upon conditions determined by the Board of Directors of the Association, and said approval, if granted, shall be in recordable form, executed by two Officers of the Corporation.

2. No judicial sale of a unit nor any interest therein

shall be valid, unless:

- (a) The sale is to a purchaser approved by the Association.
- (b) The sale is a result of a public sale with open bidding.

3. Any sale, mortgage or lease which is not authorized pursuant to the terms of the Declaration, shall be void, unless subsequently approved by the Board of Directors.

4. The foregoing provisions of this Article XI shall not apply to transfers by a unit owner to any member of his immediate family (viz: spouse, children or parents). The phrase, "sell, rent or lease", in addition to its general definition, shall be defined as including the transferring of a unit owner's interest by gift, devise or involuntary or judicial sale. In the event a unit owner dies and his unit is conveyed or bequeathed to some person other than his spouse, children or parents, or if some other person is designated by decedent's legal representative to receive the ownership of the condominium unit, or if under the laws of descent and distribution of the State of Florida, the condominium unit descends to some person or persons other than the decedent's spouse, children or parents, the Board of Directors of the Association shall, within thirty (30) days of proper evidence or rightful designation served upon the President or any other Officer of the Association, or within thirty (30) days from the date the Association is placed on actual notice of the said devisee or descendant, express its refusal or acceptance of the individual or individuals so designated as the owner of the condominium parcel. If the Board of Directors of the Association shall consent, ownership of the condominium parcel may be transferred to the person or persons so designated, who shall thereupon become the owner of the condominium parcel, subject to the provisions of this Enabling Declaration and By-Laws of the Association. If, however, the Board of Directors of the Association shall refuse to consent, then the members of the Association shall be given an opportunity during thirty (30) days next after said last above mentioned thirty (30) days, to purchase or to furnish a purchaser for cash, the said condominium parcel, at the then fair market value thereof. Should the parties fail to agree on the value of such condominium parcel, the same shall be determined by an appraiser appointed by the Senior Judge of the Circuit Court in and for the area wherein the Condominium is located, upon ten (10) days notice, on Petition of any party in interest. The expense of appraisal shall be paid by the said designated person or persons, or the legal representatives of the deceased owner, out of the amount realized from the sale of such Condominium parcel. In the event the then members of the Association do not exercise the privilege of purchasing or furnishing a purchaser for said Condominium parcel within such period and upon such terms, the person or persons so designated may then, and only in such event, take title to the Condominium parcel; or, such person or persons, or the legal representatives of the deceased owner, may sell the said Condominium parcel, but such sale shall be subject in all other respects to the provisions of this Enabling Declaration and the By-Laws of the Association.

5. The liability of the unit owner under these covenants shall continue, notwithstanding the fact that he may have leased, rented or sublet said interest, as provided herein. Every purchaser, tenant or lessee shall take subject to this Declaration and the By-Laws of the Association, as well as the provisions of the Condominium Act.

6. Special Provisions re Sale, Leasing, Mortgaging or Other Alienation by Certain Mortgagees and Devisees, and Lessor Under the Long Term Lease.

- (a) An Institutional First Mortgagee holding a Mortgage on a Condominium parcel, or the Lessor under the Long-Term Lease,

upon becoming the owner of said Condominium parcel through foreclosure or by Deed in lieu of foreclosure, or whomsoever shall become the acquirer of title at the foreclosure sale of an Institutional First Mortgage or the lien under the Long-Term Lease, shall have the unqualified right to sell, lease or otherwise transfer said unit, including the fee ownership thereof, and/or to mortgage said parcel, without prior offer to the Board of Directors of the Association. The provisions of Sections A. and B., Nos. 1-5., of this Article XI, shall be inapplicable to such Institutional First Mortgage, the Lessor under the Long-Term Lease, or acquirer of title as above described in this paragraph.

(L) The provisions of Sections A. and B., No. 1-5., of this Article XI, shall be inapplicable to the Developer. The said Developer is irrevocably empowered to sell, lease, rent and/or mortgage Condominium parcels or unit, and portions thereof, to any purchaser, lessee or mortgagee approved by it, and the Developer shall have the right to transact any business necessary to consummate sales or rentals of units, or portions thereof, including but not limited to the right to maintain models, have signs, use the common elements, and to show units. The sales office(s)' signs, and all items pertaining to sales, shall not be considered common elements, and shall remain the property of the Developer. In the event there are unsold parcels, the Developer retains the right to be the owner of said unsold parcels under the same terms and conditions as all other parcels in the said Condominium.

(c) The provisions of this Article XI shall be operative until the 1st day of November, 1990, and shall be automatically extended for successive periods of twenty-one (21) years, unless an Amendment to this Declaration, signed by a majority of the then unit owners, has been recorded, amending this Declaration of Condominium so as to delete the provisions of this Article XI.

XII.

INSURANCE PROVISIONS

A. LIABILITY INSURANCE:

The Board of Directors of the Association shall obtain Public Liability and Property Damage Insurance covering all of the common elements of the Condominium, and insuring the Association and the common owners, as its and their interests appear, in such amounts as the Board of Directors of the Association may determine from time to time, provided that the minimum amount of coverage shall be \$100,000/\$300,000/\$10,000. Said insurance shall include but not limit the same to water damage, legal liability, hired automobile, non-owned automobile, and off-premises employee coverages. All Liability Insurance shall contain Cross-Liability Endorsement to cover liabilities of the unit owners as a group to a unit owner. Premiums for the payment of such insurance shall be paid by the Association and charged as a common expense.

B. Casualty Insurance:

1. Purchase of Insurance: The Association shall obtain Fire and Extended Coverage Insurance and Vandalism and Malicious Mischief Insurance, insuring all of the insurable improvements within the Condominium, including personal property owned by the Association, in and for the interest of the Association, all unit owners and their mortgages, as their interests may appear, in a Company acceptable to the standards set by the Board of Directors of the Association, in an amount equal to the maximum insurable replacement value, as determined annually by the Board of Directors of the Association. The premiums for such coverage and other expenses in connection with said insurance shall be paid by the Association and charged as a common expense. The Company or Companies with whom the Association shall place its insurance coverage, as provided in this Declaration, must be good and responsible Companies,

authorized to do business in the State of Florida, and shall be rated ASA or the highest rating category as defined by Best's Key Rating Guide or other reasonably comparable publication.

2. Loss Payable Provisions - Insurance Trustee:

All Policies shall be purchased by the Association for the benefit of the Association, all unit owners, and their mortgagees, as their interests may appear; however, the Insurance Trustee shall be the named Insured and it shall not be necessary to name the Association or the unit owners - however, mortgagee endorsements shall be issued. Such Policies shall be deposited with the Insurance Trustee (as hereinafter defined), who must first acknowledge that the Policies and any proceeds thereof will be held in accordance with the terms hereof. Said Policies shall provide that all insurance proceeds payable on account of loss or damage shall be payable to the Insurance Trustee, which may be any Bank in Florida with trust powers, as may be approved by the Board of Directors of the Association, which Trustee is herein referred to as the "Insurance Trustee". 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 hold the same in trust for the purposes elsewhere stated herein, and for the benefit of the Association, the unit owners and their respective mortgagees, in the following shares, but such shares need not be set forth upon the records of the Insurance Trustee:-

(a) Common Elements: Proceeds on account of damage to common elements - an undivided share for each unit owner, such share being the same as the undivided share in the common elements appurtenant to his unit.

(b) Condominium Units: Proceeds on account of Condominium units shall be in the following undivided shares:-

(1) Partial Destruction - when units are to be repaired and restored - for the owners of the damaged units in proportion to the cost of repairing the damage suffered by each unit owner.

(2) Total destruction of Condominium improvements, or where "very substantial" damage occurs and the Condominium improvements are not to be restored, as provided hereinafter in this Article - for the owners of all Condominium units, each owner's share being in proportion to his share in the common elements appurtenant to his Condominium unit.

(c) Mortgages. In the event a Mortgage Endorsement has been issued as to a unit, the share of the unit owner shall be held in trust for the mortgagee and the unit owner, as their interests may appear; provided, however, that no Mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired.

3. Distribution of Proceeds: Proceeds of Insurance Policies received by the Insurance Trustee shall be distributed to or for the benefit of the beneficial owners and expended or disbursed after first paying or making provision for the payment of the expenses of the Insurance Trustee in the following manner:-

(a) Reconstruction or Repair: If the damage for which the proceeds were paid is to be repaired and restored, the remaining proceeds shall be paid to defray the cost thereof, as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, all remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by said mortgagee. Said remittance shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application of the insurance proceeds to the payment or reduction of its mortgage debt.

(b) Failure to Reconstruct or Repair: If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be repaired and restored, the proceeds shall be disbursed to the beneficial owners; remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by said mortgagee. Said remittance shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application of the insurance proceeds to the payment of its mortgage debt. In the event of the loss or damage to any personal property belonging to the Association, and should the Board of Directors of the Association determine not to replace such personal property as may be lost or damaged, the proceeds shall be disbursed to the beneficial owners as surplus, in the manner elsewhere stated herein.

(c) Certificate: In making distribution to unit owners and their mortgagees, the Insurance Trustee may rely upon a Certificate of the Association as to the names of the unit owners and their respective shares of the distribution, approved in writing by an Attorney authorized to practice law in the State of Florida, a Title Insurance Company or Abstract Company authorized to do business in the State of Florida. Upon request of the Insurance Trustee, the Association, forthwith, shall deliver such Certificate.

4. Loss Within a Single Unit: If loss shall occur within a single unit or units, without damage to the common elements and/or the party wall between units, the insurance proceeds shall be distributed to the beneficial unit owner(s) - remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by said mortgagee. Said remittance shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application of the Insurance Proceeds to the payment or reduction of its mortgage debt. The unit owner shall thereupon be fully responsible for the restoration of the unit.

5. Loss Less Than "Very Substantial": Where a loss or damage occurs to any unit or units and the common elements or to the party wall between units, or to the common elements, but said loss is less than "very substantial" (as hereinafter defined), it shall be obligatory upon the Association and the unit owners to repair, restore and rebuild the damage caused by the loss. Where such loss or damage is less than "very substantial":-

(a) The Board of Directors of the Association shall promptly obtain reliable and detailed estimates of the cost of repairing and restoration.

(b) If the damage or loss is limited to the common elements or the party wall between units, with no, or minimum damage or loss to any individual unit(s), and if such damage or loss to the common elements or the party wall between units is less than Three Thousand Dollars (\$3,000.00), the insurance proceeds shall be endorsed by the Insurance Trustee over to the Association and the Association shall promptly contract for the repair and restoration of the damage.

(c) If the damage or loss involves individual units encumbered by Institutional First Mortgages, as well as the common elements and/or the party wall between units, or if the damage is limited to the common elements or the party wall between units, but is in excess of Three Thousand Dollars (\$3,000.00), the insurance proceeds shall be disbursed by the Insurance Trustee for the repair and restoration of the property, upon the written direction and approval of the Association, and provided, however, that upon the request of an Institutional First Mortgagee, the written approval shall also be required of the Institutional First Mortgagee owning and holding the first recorded mortgage encumbering a Condominium unit, so long as it owns and holds any mortgage encumbering a Condominium unit. At such time as the aforesaid Institutional First

Mortgagee is not the holder of a mortgage on a unit, then this right of approval shall pass to the Institutional First Mortgagee having the highest dollar indebtedness on units in the Condominium property. Should written approval be required, as aforesaid, it shall be said Mortgagee's duty to give written notice thereof to the Insurance Trustee. The Insurance Trustee may rely upon the Certificate of the Association and the aforesaid Institutional First Mortgagee, if said Institutional First Mortgagee's written approval is required, as to the Payee and the amount to be paid from said proceeds. All Payees shall deliver paid bills and waivers of mechanics' liens to the Insurance Trustee, and execute any Affidavit required by law or by the Association, the aforesaid Institutional First Mortgagee, and Insurance Trustee, and deliver same to the Insurance Trustee, and the foregoing shall be in such form as any of the aforesaid parties may require. In addition to the foregoing, the Institutional First Mortgagee whose approval may be required, as aforesaid, shall have the right to require the Association to obtain a Completion, Performance and Payment Bond, in such form and amount, and with a Bonding Company authorized to do business in the State of Florida, as are acceptable to said Mortgagee.

(d) Subject to the foregoing, the Board of Directors of the Association shall have the right and obligation to negotiate and contract for the repair and restoration of the premises.

(e) If the net proceeds of the insurance are insufficient to pay for the estimated cost of restoration and repair (or for the actual cost thereof if the work has actually been done), the Association shall promptly, upon determination of the deficiency, levy a special assessment against all unit owners in proportion to the unit owners' share in the common elements, for that portion of the deficiency as is attributable to the cost of restoration of the common elements, and against the individual unit owners for that portion of the deficiency as is attributable to his individual unit; provided, however, that if the Board of Directors finds that it cannot determine with reasonable certainty the portion of the deficiency attributable to specific individual damaged unit(s), then the Board of Directors shall levy the assessment for the total deficiency against all of the unit owners in proportion to the unit owners' shares in the common elements, just as though all of said damage had occurred to the common elements. The special assessment funds shall be delivered by the Association to the Insurance Trustee and added by the Trustee to the proceeds available for the repair and restoration of the property.

(f) In the event the insurance proceeds are sufficient to pay for the cost of restoration and repair, or in the event the insurance proceeds are insufficient, but additional funds are raised by special assessment, so that sufficient funds are on hand to fully pay for such restoration and repair, then no mortgagee shall have the right to require the application of insurance proceeds to the payment of its loan.

6. "Very Substantial" Damage:- As used in this Declaration or any other context dealing with this Condominium, the term "very substantial" damage, shall mean loss or damage whereby three-fourths (3/4ths) or more of the total unit space in the Condominium is rendered untenantable, or loss or damage whereby seventy-five percent (75%) or more of the total amount of insurance coverage (placed as per Article XII.B.1.) becomes payable. Should such "very substantial" damage occur, then:-

(a) The Board of Directors of the Association shall promptly obtain reliable and detailed estimates of the cost of repair and restoration thereof.

(b) Thereupon, a meeting of the unit owners of this Condominium shall be called by the Board of Directors of the Association, to be held not later than sixty (60) days after the casualty, to determine the wishes of the unit owners of this Condominium with reference to the abandonment of the Condominium project, subject to the following:-

(1) If the net insurance proceeds available for restoration and repair are sufficient to cover the cost thereof, so that no special assessment is required, then the Condominium property shall be restored and repaired, unless two-thirds (2/3rds) of the unit owners of this Condominium shall vote to abandon the Condominium project, in which case the Condominium property shall be removed from the provisions of the law by the recording in the Public Records wherein the Condominium property is located, an instrument terminating the Condominium, which said instrument shall further set forth the facts affecting the termination, certified by the Association and executed by its President and Secretary. The termination of the Condominium shall become effective upon the recording of said instrument, and the unit owners shall, thereupon, become owners as tenants in common in the property - i.e., the real, personal, tangible and intangible property, and any remaining structures of the Condominium, and their undivided interests in the property shall be the same as their undivided interests in the common elements of this Condominium prior to its termination, and the mortgages and liens upon Condominium parcels shall become mortgages and liens upon the undivided interests of such tenants in common, with the same priority as existed prior to the termination of the Condominium.

(2) If the net insurance proceeds available for restoration and repair are not sufficient to cover the costs thereof, so that a special assessment will be required, and if a majority of the unit owners of this Condominium vote against such special assessment and to abandon the Condominium project, then it shall be so abandoned and the Condominium property removed from the provisions of the law, and the Condominium terminated, as set forth in Paragraph 6. (b) (1) above, and the unit owners shall be tenants in common in the property in such undivided interests, and all mortgages and liens upon the Condominium parcels shall encumber the undivided interests of such tenants in common, as is provided in said Paragraph 6. (b) (1) above. In the event a majority of the unit owners of this Condominium vote in favor of the special assessment, the Association shall immediately levy such special assessment and, thereupon, the Association shall proceed to negotiate and contract for such repairs and restoration, subject to the provisions of Paragraph 5. (c) and (d) above. The special assessment funds shall be delivered by the Association to the Insurance Trustee and added by said Trustee to the proceeds available for the repair and restoration of the property. The proceeds shall be disbursed by the Insurance Trustee for the repair and restoration of the property, as provided in Paragraph 5. (c) above.

(c) In the event any dispute shall arise as to whether or not "very substantial" damage has occurred, it is agreed that such a finding made by the Board of Directors of the Association, shall be binding upon all unit owners.

7. Surplus:- It shall be presumed that the first monies disbursed in payment of costs of repair and restoration, shall be from the Insurance Proceeds, and if there is a balance in the funds held by the Insurance Trustee after the payment of all costs of the repair and restoration, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated herein.

8. Certificate:- The Insurance Trustee may rely upon a Certificate of the Association, certifying as to whether or not the damaged property is to be repaired and restored. Upon request of the Insurance Trustee, the Association shall forthwith deliver such Certificate.

9. Plans and Specifications:- Any repair and restoration must be substantially in accordance with the Plans and Specifications for the original building, or as the building was last constructed, or according to the Plans approved by the Board of Directors of the Association, which approval shall not be unreasonably withheld. If any material or substantial change is contemplated, the approval of all Institutional First Mortgages shall also be required.

10. Association's Power to Compromise Claims:- The Association is hereby irrevocably appointed Agent for each unit owner, for the purpose of compromising and settling claims arising under Insurance Policies purchased by the Association, and to execute and deliver Releases therefor, upon the payment of claims.

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C. WORKMEN'S COMPENSATION POLICY - to meet the requirements of law.

D. Such other Insurance as the Board of Directors of the Association shall determine from time to time to be desirable.

E. Each individual unit owner shall be responsible for purchasing at his own expense, Liability Insurance to cover accidents occurring within his unit, and for purchasing Insurance upon his own personal property.

F. If available, and where applicable, the Board of Directors of the Association shall endeavor to obtain Policies which provide that the Insurer waives its right of subrogation as to any claims against unit owners, the Association, and their respective servants, agents and guests.

XIII.

USE AND OCCUPANCY

The owner of a unit shall occupy and use his apartment as a single family private dwelling, for himself and the members of his family, and his social guests, and for no other purpose.

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 owner commit or permit any nuisance, immoral or illegal act in or about the Condominium property.

No animal or pets of any kind shall be kept in any unit, or on any property of the Condominium, except with the written consent of the Board of Directors of the Association and, thereafter, under the Rules and Regulations adopted by the Board; provided that they are not kept, bred or maintained for any commercial purpose, and further provided that such pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the property subject to these restrictions, upon three (3) days written notice from the Board of Directors of the Association.

The unit owner shall not cause anything to be hung, displayed, or placed on the exterior walls, doors or windows of the building, without the prior written consent of the Board of Directors of the Association. No clothesline or similar device shall be allowed on any portion of the Condominium property by any person, firm or corporation, without the written consent of the Board of Directors of the Association.

No person shall use the common elements, or any part thereof, or a Condominium unit, or the Condominium property, or any part thereof, or the recreational facilities, in any manner contrary to or not in accordance with the Rules and Regulations pertaining thereto, as from time to time may be promulgated by the Association.

XIV.

MAINTENANCE AND ALTERATIONS

A. The Board of Directors of the Association may enter into a Contract with any firm, person or corporation, or may join with other Condominium Associations in contracting for the maintenance and repair of the Condominium property(s), and may contract for or may join with other Condominium Associations in contracting for the management of the Condominium property(s); and may delegate to the Contractor or Manager all the powers and duties of the Association, except such as are specifically required by this Declaration or by the By-Laws to have the approval of the Board of Directors or the membership of the Association.

The Contractor or Manager may be authorized to determine the Budget, make assessments for common expenses, and collect assessments, as provided in this Declaration and By-Laws, subject always to the supervision and right of approval of the Board of Directors of the Association.

B. There shall be no alterations or additions to the common elements or limited common elements of this Condominium where the cost thereof is in excess of ten percent (10%) of the annual Budget of this Condominium for common expenses, as to this Condominium, and this Condominium's share of common expenses as to the recreational facilities under the Long-Term Lease hereinafter referred to, except as authorized by the Board of Directors and approved by not less than seventy-five percent (75%) of the unit owners of this Condominium; provided the aforesaid alterations or additions do not prejudice the right of any unit owner, unless his consent has been obtained. The cost of the foregoing shall be assessed as common expenses. Where any alteration or additions, as aforesaid - i.e., as to the common elements or limited common elements of this Condominium, are exclusively or substantially exclusively for the benefit of the unit owner(s) requesting same, then the cost of such alterations or additions shall be assessed against and collected solely from the unit owner(s) exclusively or substantially exclusively benefiting, and the assessment shall be levied in such proportion as may be determined as fair and equitable by the Board of Directors of the Association. Where such alterations or additions exclusively or substantially exclusively benefit unit owners requesting same, said alterations or additions shall only be made when authorized by the Board of Directors and approved by not less than seventy-five percent (75%) of the unit owners exclusively or substantially exclusively benefiting therefrom, and where said unit owners are ten (10) or less, the approval of all but one shall be required.

1. There shall be no additions or alterations to the recreational facilities under the Long-Term Lease attached to this Declaration as Exhibit No. 4, except as provided for under Article VI of Exhibit No. 2 attached to this Declaration. Where the approval of unit owners for alterations or additions to the common elements or limited common elements of this Condominium, or the recreational facilities, is required, as provided herein, the approval of the owners of all Institutional First Mortgages encumbering Condominium parcels in this Condominium shall also be required.

C. Each unit owner agrees as follows:-

1. To maintain in good condition and repair, his unit and all interior surfaces within or surrounding his unit (such as the surfaces of the walls, ceilings and floors), whether or not part of the unit or common elements, and to maintain and repair the fixtures and equipment therein, which includes but is not limited to the following, where applicable:- airconditioning and heating units including but not limited to Air Conditioning Compressors, refrigerators, stoves, fans, hot-water heaters, dishwashers and other appliances, drains, plumbing, fixtures and connections up to the main lines, electric panels and wiring up to the individual motors, electric outlets and fixtures, interior doors, windows, screening and glass, and fixed and/or sliding glass doors, and other facilities and fixtures from the surface of the walls, ceiling and floor inward, and pay for such utilities as are separately metered to this unit. It is anticipated that water and sewage shall be charged to the Condominium as a whole and, consequently, as long as this procedure continues, the charges for same shall be a part of the common expenses. Where a unit is carpeted, the cost of replacing carpeting shall be borne by the owner of said unit.

2. Not to make or cause to be made any structural addition or alteration to his unit, or to the common elements, without prior consent of the Association and all mortgagees holding a mortgage on his unit.

3. To make no alteration, decoration, replacement or change of the common elements, or to any outside or exterior portion

of the building, whether within a unit or part of the common elements, to use only those contractor, or sub-contractors within his unit approved by the Board of Directors of the Association.

4. To permit the Board of Directors, or the agents or employees of the Association, to enter into any unit for the purpose of maintenance, inspection, repair, replacement of the improvements within the units, or the common elements, or to determine in case of emergency, the circumstances threatening units or the common elements, or to determine compliance with the provisions of this Declaration and the By-Laws of the Association.

5. To show no signs, advertisements or notices of any type on the common elements or his unit, and erect no exterior antenna or aerials except as consented to by the Board of Directors of the Association.

D. In the event the owner of a unit fails to maintain it as required herein, or where a limited common element consists of an exterior porch, balcony or room which is designated for the exclusive use of a unit owner, and said unit owner fails to maintain same as required in this Declaration, or makes any structural addition or alteration without the required written consent, or otherwise violates or threatens to violate the provisions hereof, the Association shall have the right to proceed in a Court of Equity for an injunction to seek compliance with the provisions hereof. In lieu thereof, and in addition thereto, the Association, through its Board of Directors, shall have the right to levy an assessment against the owner of the unit, and the unit, for such necessary sums to remove any unauthorized structural addition or alteration, and to restore the property to good condition and repair. Said assessment shall have the same force and effect as all other special assessments. The Association shall have the further right to have its employees and agents, or any sub-contractor appointed by it, enter the unit at all reasonable times, to do such work as is deemed necessary by the Board of Directors of the Association, to enforce compliance with the provisions hereof.

E. The Association shall determine the exterior color scheme of the buildings(s), and all exteriors, and shall be responsible for the maintenance thereof, and no owner shall paint an exterior wall, door, window or balcony, or any exterior surface, or replace anything thereon or affixed thereto, without the written consent of the Association.

F. The Association shall be responsible for the maintenance, replacement and repair of the common elements and all portions of the Condominium property not required to be maintained, repaired or replaced by the unit owner(s).

XV.

LIMITED COMMON ELEMENTS

Those areas reserved for the use of a certain unit owner or certain unit owners, to the exclusion of other unit owners, are designated as "limited common elements", and are shown and located on the Surveys annexed hereto as "Exhibit No. 1". Any expense for the maintenance, repair or replacement relating to limited common elements shall be treated as and paid for as part of the common expenses of the Association. Should said maintenance, repair or replacement be caused by the negligence or misuse of a unit owner, his family or guests, servants and invitees, he shall be responsible therefor and the Association shall have the right to levy an assessment against the owner of said unit, which assessment shall have the same force and effect as all other special assessments. Where the limited common element consists of an exterior porch, patio, balcony or room, the unit owner or owners who have the right to the exclusive use of said exterior porch, patio, balcony or room, shall be

responsible for the maintenance, care and preservation of the paint and surface of the exterior walls, including floor and ceiling within said exterior porch, patio, balcony or room, and the maintenance, care, preservation, and replacement of the screening on the said porch, balcony or room, if same is screened, and the fixed and/or sliding glass doors in the entrance way to said porch, patio, balcony or room.

XVI.

TERMINATION

This Condominium may be voluntarily terminated in the manner provided for in Section 16 of the Condominium Act at any time; however, the written consent of the Lessor under the Long-Term Lease shall also be required. In addition thereto, when there has been "very substantial" damage, as defined in Article XII.B.6., above, this Condominium shall be subject to termination, as provided in Article XII.D.6. above, and in this event, the consent of the Lessor under the Long-Term Lease shall not be required, and the lien of the Lessor upon this Condominium and the Condominium parcels, and all rights of the Lessor under the Long-Term Lease, shall terminate and be discharged. In addition thereto, if the proposed voluntary termination is submitted to a meeting of the unit owners of this Condominium, pursuant to Notice, and is approved in writing, within sixty (60) days of the said meeting by three-fourths (3/4ths) of the unit owners of this Condominium, and all Institutional Mortgagees, and the Lessor under the Long-Term Lease, then the approving unit owners shall have an option to purchase all of the parcels of the other owners within a period expiring one hundred twenty (120) days from the date of such meeting. Such approvals shall be irrevocable until the expiration of the option, and if the option is exercised, the approvals shall be irrevocable. The option shall be exercised upon the following terms:-

A. Exercise of Option:- An Agreement to Purchase, executed by the Association and/or the record owners of the parcels who will participate in the purchase, shall be delivered, by personal delivery or mailed by certified mail or registered mail, to each of the record owners of the parcels to be purchased, and such delivery shall be deemed the exercise of the option. The Agreement shall indicate which parcels will be purchased by each participating owner or group of owners, and shall require the purchase of all parcels owned by owners not approving the termination, but the Agreement shall effect a separate contract between each Seller and his Purchaser.

B. Price:- The sale price for each apartment shall be the fair market value determined by agreement between the Seller and the Purchaser within thirty (30) days from the delivery or mailing of such Agreement, and in the absence of agreement as to price, it shall be determined by appraisers appointed by the Senior Judge of the Circuit Court in and for the area wherein the Condominium is located, on the Petition of the Seller. The expense of appraisal shall be paid by the Purchaser. a

C. Payment:- The purchase price shall be paid in cash.

D. Closing:- The sale shall be closed within thirty (30) days following the determination of the sale price.

XVII.

LONG-TERM LEASE

The Association, as Lessee, has entered into a Long-Term Lease Agreement with FFA CORPORATION, a Delaware Corporation, as Lessor.

Pursuant to Florida Statute 711.121, the Association has acquired a leasehold interest in and to the leased premises demise and described in the Long-Term Lease attached hereto as Exhibit No. 4, and said Exhibit No. 4 annexed to this Declaration is made a part hereof just as though the said Lease were fully set forth herein. Pursuant to Florida

Statute 711.121, and pursuant to the Long-Term Lease, all monies due and to become due under the provisions of said Lease, including, without limitation, expenses of rent, taxes, assessments, insurance premiums and costs of maintenance and repair, including the operation of said leased premises and all replacements and undertakings, and such other items as are specified in said Lease, are, and shall continue to be for the full term of said Lease, declared to be common expenses of the Condominium.

The Developer and the Association, by their execution of this Declaration of Condominium, and each unit owner, by virtue of their taking title to a Condominium parcel, agree that notwithstanding the fact that the Long-Term Lease is attached to this Declaration of Condominium and was recorded in the Public Records subsequent to the recording of this Declaration of Condominium, that said Long-Term Lease shall be deemed to have been recorded in the Public Records prior to the recording of this Declaration of Condominium. Each unit owner agrees to be bound by the terms and conditions of said Long-Term Lease and agrees to make payment to the Association of his share of the monies due, pursuant to and in the amount, or proportion, or percentage amount, if so stated, as specified in said Lease and this Declaration of Condominium. It shall be mandatory for the unit owner to make said payments, regardless of whether or not said unit owner uses the recreational facilities.

XVIII.

MISCELLANEOUS PROVISIONS

A. Escrow Account for Insurance and certain Taxes:

There shall be established and maintained in a local, National or State Bank, or a Federal or State Savings and Loan Association, two (2) interest bearing Savings Deposit Accounts, in order to accumulate sufficient monies for the following purposes:

1. To pay all Insurance Premiums for the insurance on the Condominium property obtained and purchased by the Association, pursuant to Article XII of this Declaration; and

2. To pay all Real or Personal Property Taxes assessed by the taxing authorities aforescribed, for property owned by the Condominium, or taxes which the Condominium is required to pay as part of its common expenses, which taxes are not included in the taxes assessed by the taxing authorities against the individual condominium parcels.

On or before the 30th day of each month, the Treasurer of this Condominium Association shall cause two checks to be issued and drawn on the Association's Bank Account - each check being equal respectively to one-twelfth (1/12th) of the estimated yearly amounts as to Items 1. and 2. above, and said checks shall be immediately deposited into the appropriate Savings Deposit Account.

These Accounts shall be maintained in the State or National Bank or State or Federal Savings and Loan Association owning and holding the first recorded Mortgage encumbering a Condominium unit, and upon the aforesaid Mortgagee's no longer owning and holding a mortgage on a unit, then these accounts shall be maintained in the Bank or Savings and Loan Association having the highest dollar amount of indebtedness of institutional first mortgages owing against the condominium units. Where said Institutional First Mortgagee is not a State or National Bank or State or Federal Savings and Loan Association, said account shall be maintained in one of the foregoing as selected by said Institutional First Mortgagee.

These accounts shall have the right of withdrawal restricted to a joint request by the Board of Directors of this Condominium Association and the Institution holding the first recorded mort-

gages encumbering a unit and, thereafter, the Institution having the highest dollar amount of indebtedness on units.

If, for any reason, this Condominium Association does not pay the Real Property Taxes assessed as to Item 2. above, within sixty (60) days after these taxes are permitted by law to be paid, then the Institution having the right of withdrawal, as aforescribed, shall have undisputed right to withdraw, without the written consent of the Board of Directors of this Condominium Association, such sums of money as are necessary to pay Item 2. Similarly, in the event the annual premium as to Item 1. above is not paid on or before its due date, said Institution having the right of withdrawal as aforescribed, shall have the right, without the necessity of securing the written consent of the Board of Directors of this Condominium Association, to withdraw such sums of money as are necessary to pay the then due premiums.

Should a Condominium unit owner fail to pay that portion of the monthly assessment relating to Items 1. and 2. above, within thirty (30) days from its due date, the Condominium Association shall have the right, but it is not required, to advance the necessary funds so as to deposit the required monthly sum into the Savings Deposit Accounts.

The Condominium Association shall have a lien for all sums so advanced, together with interest thereon. It shall also have the right to assign its lien to any unit owner or group of unit owners, or to any third party. In the event the Association does not advance funds as aforesaid, the holder of an Institutional First Mortgage on the delinquent unit, or the Institution having the right of withdrawal, as aforesaid, or the Institution having the highest dollar indebtedness on condominium units, may advance the necessary funds into the Savings Deposit Accounts to make up the deficiency. Said Institution shall have a lien for all sums so advanced, and may bring suit to foreclose the interest of the delinquent condominium unit owner in his Condominium unit.

The Condominium unit owners herein consent to the establishment of such lien as a result of these advances in favor of the Institution or Association, as aforescribed. However, no such foreclosure action may be brought by said Institution or individual, or group of individuals - where the Association advances the necessary funds and assigns its lien, until the delinquent unit owner has received not less than ten (10) days written notice in this regard.

B. The owners of the respective condominium units shall not be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, floors and ceilings surrounding their respective condominium units, nor shall the unit owner be deemed to own pipes, wires, conduits or other public utility lines running through said respective condominium units which are utilized for or serve more than one condominium unit, which items are by these presents, hereby made a part of the common elements. Said unit owner, however, shall be deemed to own the walls and partitions which are contained in said unit owner's respective condominium unit, and also shall be deemed to own the inner decorated and/or finished surfaces of the perimeter walls, floors, and ceilings, including plaster, paint, wallpaper, etc.

C. The owners of the respective condominium units agree that if any portion of a condominium unit or common element or limited common element encroaches upon another, a valid easement for the encroachment and maintenance of same, so long as it stands, shall and does exist. In the event the Condominium building is partially or totally destroyed, and then re-built, the owners of the Condominium parcels agree that encroachments on parts of the common elements or limited common elements or condominium units, as aforescribed, due to construction, shall be permitted, and that a valid easement for said encroachments and the maintenance thereof shall exist.

D. That no owner of a Condominium parcel may exempt himself from liability for his contribution toward the common expenses by

waiver of the use and enjoyment of any of the common elements, or by the abandonment of his condominium unit.

E. The owners of each and every condominium parcel shall return the same for the purpose of ad valorem taxes with the Tax Assessor of the County wherein the Condominium is situated, or such other future legally authorized governmental officer or authority having jurisdiction over the same. Nothing herein shall be construed, however, as giving to any unit owner the right of contribution or any right of adjustment against any other unit owner on account of any deviation by the taxing authorities from the valuations herein prescribed, each unit owner to pay ad valorem taxes and special assessments as are separately assessed against his condominium parcel.

For the purposes of ad valorem taxation, the interest of the owner of a condominium parcel, in his condominium unit and in the common elements, shall be considered as a unit. The value of said unit shall be equal to the percentage of the value of the entire Condominium, including land and improvements, as have been assigned to said unit and as set forth in this Declaration. The total of all of said percentage equals 100% of the value of all of the land and improvements thereon.

F. All provisions of this Declaration and Exhibits attached hereto and Amendments hereof, shall be construed to be covenants running with the land, and of every part thereof and interest therein, including but not limited to every unit and the appurtenances thereto, and every unit owner and claimant of the property or any part thereof, or of any interest therein, and his heirs, executors, administrators, successors and assigns, shall be bound by all of the provisions of said Declaration and Exhibits annexed hereto and Amendments thereof.

G. If any provisions of this Declaration, or of the By-Laws attached hereto, or of the Condominium Act, or any section, sentence, clause, phrase, or word, or the application thereof, in any circumstances, is held invalid, the validity of the remainder of this Declaration, the By-Laws attached hereto, or the Condominium Act, and of the application of any such provision, action, sentence, clause, phrase or word, in other circumstances, shall not be affected thereby.

H. Whenever notices are required to be sent hereunder, the same may be delivered to unit owners, either personally or by mail, addressed to such unit owners at their place of residence in the Condominium building, unless the unit owner has, by written notice duly receipted for, specified a different address. Proof of such mailing or personal delivery by the Association shall be given by the Affidavit of the person mailing or personally delivering said notices.

Notices to the Association shall be delivered by mail to the Office of the Association at: Box 3378, Sarasota, Florida 33578.

Notices to the Developer shall be delivered by mail at: Box 3378, Sarasota, Florida, 33578.

All Notices shall be deemed and considered sent when mailed. Any party may change his or its mailing address by written notice, duly receipted for. Notices required to be given the personal representative of a deceased owner, or devisee when there is no personal representative, may be delivered either personally or by mail to such party at his or its address appearing in the records of the Court wherein the Estate of such deceased owner is being administered.

I. Nothing hereinabove set forth in this Declaration shall be construed as prohibiting the Developer or the Board of Directors of the Association from removing or authorizing the removal of any party wall between any Condominium units in order that the said units might be used together as one Condominium unit. In such event, all assessments, voting rights and the share of common elements shall be calculated as if such units were as originally designated on the Exhibits attached to this Declaration, notwithstanding the fact that several units are used as one, to the intent and purpose that the unit owner of such combined units shall be treated as the unit owner of as many units as have been so combined.

J. The "Remedy for Violation" provided for by Section 23 of the Condominium Act, shall be in full force and effect. In addition thereto, should the Association find it necessary to bring a Court action to bring about compliance with the law, this Declaration and the By-Laws, and upon a finding by the Court that the violation complained of is willful and deliberate, the unit owner so violating shall reimburse the Association for reasonable attorney's fees incurred by it in bringing such action as determined by the Court.

K. Subsequent to the filing of this Declaration of Condominium, the Condominium Association - when authorized by a vote of not less than three-fourths (3/4ths) of the total vote of the members of the Association and approved by all the owners and holders of Institutional First Mortgages encumbering Condominium parcels, and the Lessor under the Long-Term Lease, as long as said Long-Term Lease remains in effect, may acquire and enter into agreements from time to time, whereby it acquires leaseholds, memberships and other possessory or use interests in lands or facilities, including but not limited to country clubs, golf courses, marinas, and other recreational facilities, whether or not contiguous to the lands of the Condominium, intended to provide for the enjoyment, recreation and other use or benefit of the unit owners. The expenses of rental, membership fees, operations, replacements and other undertakings in connection therewith, shall be common expenses, together with all other expenses and costs herein, or by law defined as common expenses.

L. Whenever the context so requires, the use of any gender shall be deemed to include all genders, and the use of the singular shall include the plural, and plural shall include the singular. The provisions of the Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of a Condominium.

M. The captions used in this Declaration and Exhibits annexed hereto are inserted solely as a matter of convenience and shall not be relied upon and/or used in construing the effect or meaning of any of the text of this Declaration or Exhibits hereto annexed.

N. Where an Institutional First Mortgage, by some circumstance, fails to be a first mortgage, but it is evident that it is intended to be a first mortgage, it shall, nevertheless, for the purpose of this Declaration and Exhibits annexed, be deemed to be an Institutional First Mortgage.

O. The Developer specifically disclaims any intent to have made any warranty or representation in connection with the property or the Condominium documents, except as specifically set forth therein, and no person shall rely upon any warranty or representation not so specifically made therein. Any estimates of common expenses, taxes or other charges are deemed accurate, but no warranty or guaranty is made or intended, nor may one be relied upon.

P. By way of clarification as to Article VII of this Declaration, the Long-Term Lease may be amended by an instrument in writing, executed by the Lessor and the Condominium Association, by and through its Board of Directors, except there shall be no Amendment affecting the Long-Term Lease which would change a unit owner's rent under the Long-Term Lease nor the manner of sharing common expenses under the Long-Term Lease, nor impair the rights of unit owners to the use and enjoyment of the recreational area and facilities, without the unit owners so affected and all record owners of Institutional Mortgages thereon joining in the execution of said Amendment. The aforesaid Amendment shall be duly recorded in the Public Records of the County wherein the leased premises and this Condominium are located, and the recording of said Amendment shall constitute an Amendment to this Declaration of Condominium, as to the provisions herein relative to said Long-Term Lease. Where the Developer continues to hold title to Condominium units in this Condominium at the time of a proposed Amendment, as set forth in this

Paragraph, the approval of the Developer shall be required. No Amendment, as set forth in this Paragraph, shall change the provisions of the Long-Term Lease or this Declaration with respect to Institutional Mortgagees, nor shall any such Amendment affect, impair or prejudice the validity, rights and priorities of any mortgagees encumbering Condominium parcels in this Condominium. The Board of Directors of the Condominium Association are empowered and authorized, without the approval of the unit owners, to amend the Long-Term Lease and this Declaration of Condominium, as contemplated in this Paragraph P.

Q. The Developer and the Lessor under the Long-Term Lease reserve the right to amend this Declaration of Condominium by adding to the leased premises demised and described in the Long-Term Lease annexed hereto as Exhibit No. 4, an area of land with improvements thereon, located on the land owned by the Developer herein. The size of the area of land, the improvements thereon, the exact location of said area within the aforescribed area, and the time when such improvements will be constructed and this Declaration amended, shall be in the sole discretion of the Lessor; however, if such improvements are not constructed and such Amendment is not made, executed and recorded in the Public Records of Manatee County, Florida, within five (5) years from the date of this Declaration of Condominium, said right shall automatically terminate. The provisions of this Paragraph do not require the Lessor to construct improvements and amend this Declaration, as herein provided. The right of the Developer and Lessor herein is conditioned upon there being no increase in the rent due the Lessor by the unit owners of this Condominium, as provided in Exhibit "A" annexed to this Declaration; and is further conditioned upon the sharing of the common expenses of the recreational area contemplated in this Paragraph in the same proportion and manner as is provided under Exhibit "A" attached to this Declaration of Condominium and Exhibit "C" attached to Exhibit No. 4 of this Declaration of Condominium, as to the recreational facilities described in said Exhibit No. 4 to this Declaration of Condominium, by all unit owners of Condominium units created by this Declaration, and all owners of Condominium units constructed as of the time of such Amendment, and all owners of Condominium units constructed subsequent to the time of such Amendment, wherein said Condominiums are created by virtue of Declarations of Condominium, which Declarations, together with Long-Term Leases, are recorded in the Public Records of Manatee County, Florida, and said documents grant to the unit owners thereof the use and enjoyment of the recreational facilities described in the Long-Term Lease attached to this Declaration of Condominium as Exhibit No. 4, or other recreational facilities, and the recreational facilities contemplated in this Paragraph. All unit owners of such Condominium units shall be entitled to the use and enjoyment of the recreational facilities contemplated in this Paragraph. An Amendment to this Declaration, as provided for in this Paragraph, need only be executed and acknowledged by the Lessor and Developer, and need not be approved by the Association, the unit owners, lienors, mortgagees, or any other parties or persons whomsoever. Such Amendment of Declaration of Condominium shall be filed in the Public Records of Manatee County, Florida, and said Amendment to the Declaration of Condominium shall be deemed an Amendment to the Long-Term Lease annexed to this Declaration as Exhibit No. 4, with the same effect as though the said Exhibit No. 4 attached hereto had included the additional demised lands and obligations thereto. The method of amending this Declaration of Condominium in regard to the matters set forth specifically in this Paragraph "Q", supersedes the provisions of the method of amendment to this Declaration of Condominium as provided in Articles VII and XVIII.P., hereinabove. Notwithstanding the foregoing provisions in this Paragraph, in the event the proposed and reasonably estimated budget as to the common expenses for the additional leased area and improvements thereon, as contemplated in this Paragraph, for the first year of operation, is in an amount which when shared by all unit owners of Condominium units who are entitled to the use and enjoyment of the additional recreational facilities contemplated in this Paragraph would increase said unit owner's monthly common expense assessments (i.e., the unit owner's total monthly assessment, excluding rent under the Long-Term Lease), in effect at said time, by a sum more than twenty-five percent (25%), then in such event, the approval of not less than seventy-five percent (75%) of the unit owners

of Condominium units who would be entitled to the use and enjoyment of the recreational facilities contemplated in this paragraph, shall be required.

IN WITNESS WHEREOF, FPA CORPORATION, a Delaware Corporation, has caused these presents to be signed in its name by its proper officers, and the Corporate Seal to be affixed, this 2 day of APRIL, 1973.

Signed, sealed and delivered in the presence of:

J. M. Muccio
Mary Ann Muccio

FPA CORPORATION

By J. M. Muccio
Vice President

Attest: [Signature]
Secretary



STATE OF FLORIDA

COUNTY OF Broward

I HEREBY CERTIFY that on this day, before me, an officer duly authorized to take acknowledgments in the state and county named above, personally appeared THOR Amie, as Vice President and T. W. Gell as Secretary of the above named corporation, to me known to be the persons described in and who executed the foregoing Declaration of Condominium and acknowledged the execution thereof for and on behalf of said corporation as such officers for the purposes therein expressed, the affixing of its corporate seal, and that they were duly authorized by said corporation to do so.

WITNESS my hand and official seal in the state and county named above this 2 day of APRIL, 1973.

J. M. Muccio
Notary Public

My commission expires:

NOTARY PUBLIC STATE OF FLORIDA at LARGE
MY COMMISSION EXPIRES JUN. 7, 1974
BONDED THROUGH FIDELITY & BOND COMPANY



FOR GOOD AND VALUABLE CONSIDERATION, the receipt whereof is hereby acknowledged, PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, hereby agrees to accept all of the benefits, and all of the duties, responsibilities and burdens imposed upon it by the provisions of this Declaration of Condominium and Exhibits attached hereto.

IN WITNESS WHEREOF, PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, has caused these presents to be signed in its name by its proper officers and its Corporate Seal to be affixed, this 5 day of April, 19 73.

Signed, sealed and delivered in the presence of

[Handwritten signatures]

PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION INC.

By E.A. Warren
President

Attest: Robert Keller
Vice President



STATE OF FLORIDA
COUNTY OF SARASOTA

I HEREBY CERTIFY that on this day, before me, an officer duly authorized to take acknowledgments in the state and county named above, personally appeared E.A. WARREN, as President, and ROBERT KELLER, as Vice President of the above named PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, to me known to be the persons described in and who executed the foregoing and acknowledged the execution thereof for and on behalf of said corporation as such officers for the purposes therein expressed, the affixing of its corporate seal, and that they were duly authorized by said corporation to do so.

WITNESS my hand and official seal in the state and county named above this 5 day of April, 19 73.

[Handwritten signature]
Notary Public

My commission expires:
FEBRUARY 17, 1977



C O N S E N T

THE UNDERSIGNED, as Owner and Holder of Mortgages encumbering the lands described in the foregoing Declaration of Condominium of NO. 3 PALM-AIRE AT DESOTO LAKES COUNTRY CLUB APTS. CONDOMINIUM, consents to and joins in said Declaration of Condominium.

IN WITNESS WHEREOF, FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF SARASOTA has caused their consent to be signed in its name by its proper officers the 17 day of April, 1973.

FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF SARASOTA

By Lucien G. Fluty
Vice President

Attest: D. K. Martin
Assistant Secretary



STATE OF FLORIDA
COUNTY OF SARASOTA

I HEREBY CERTIFY that on this day, before me, an officer duly authorized to take acknowledgments in the state and county named above, personally appeared LUCIEN G. FLUTY as Vice President and D. K. MARTIN as Assistant Secretary of the above named FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF SARASOTA, to me known to be the persons described in and who executed the foregoing and acknowledged the execution thereof for and on behalf of said corporation as such officers for the purposes therein expressed, the affixing of its corporate seal, and that they were duly authorized by said corporation to do so.

WITNESS my hand and official seal in the state and county named above this 17th day of April, 19 73.

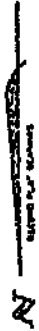
Margaret J. Hutchinson
Notary Public

Notary Public, State of Florida
My Commission Expires March 14, 1975

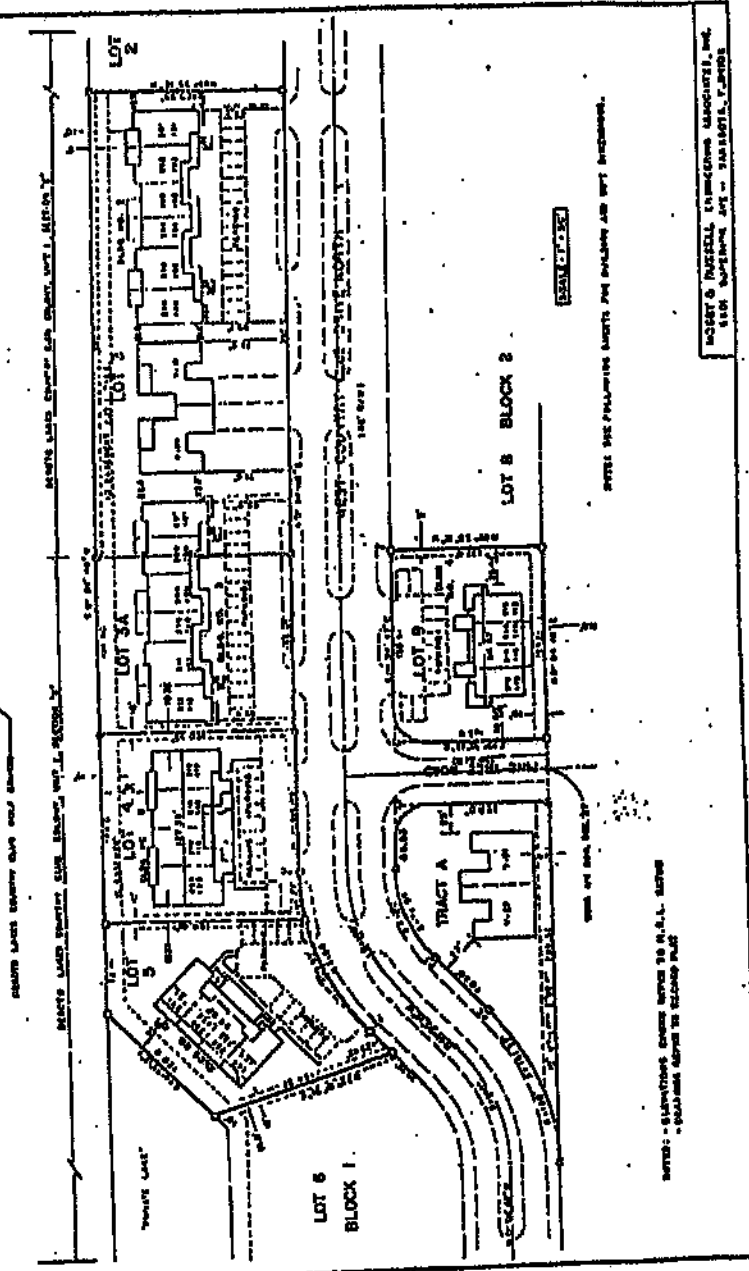
My commission expires:

COMMISSION NO. 4, PAGE 22
PLAT NO. 1, SHEET 1

PILOT PLAN



NO. 3 PALMAIRE
AT
DESOTO LAKES
COUNTRY CLUB CONDOMINIUM
A CONDOMINIUM
IN
SEC. 17, TWP. 20 S., R. 10 E.,
MANATEE COUNTY, FLORIDA



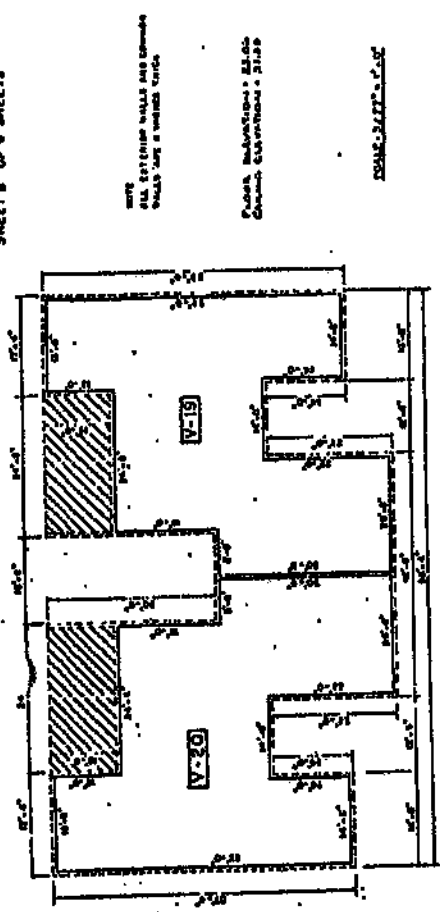
SCALE: 1" = 20'

NOTES: SEE FOLLOWING SHEETS FOR BUILDING AND SITE INFORMATION.

NOTES: DIMENSIONS SHOWN ON THIS PLAN SHALL GOVERN OVER ANY DISCREPANCY BETWEEN THIS PLAN AND THE RECORD PLAT.

ROBERT S. BAZZELL, LICENSED ARCHITECT, INC.
1401 N. W. 10TH AVENUE, SUITE 100, MIAMI, FLORIDA 33136

CONDOMINIUM BOOK 11, PAGE 11
SHEET 8 OF 8 SHEETS



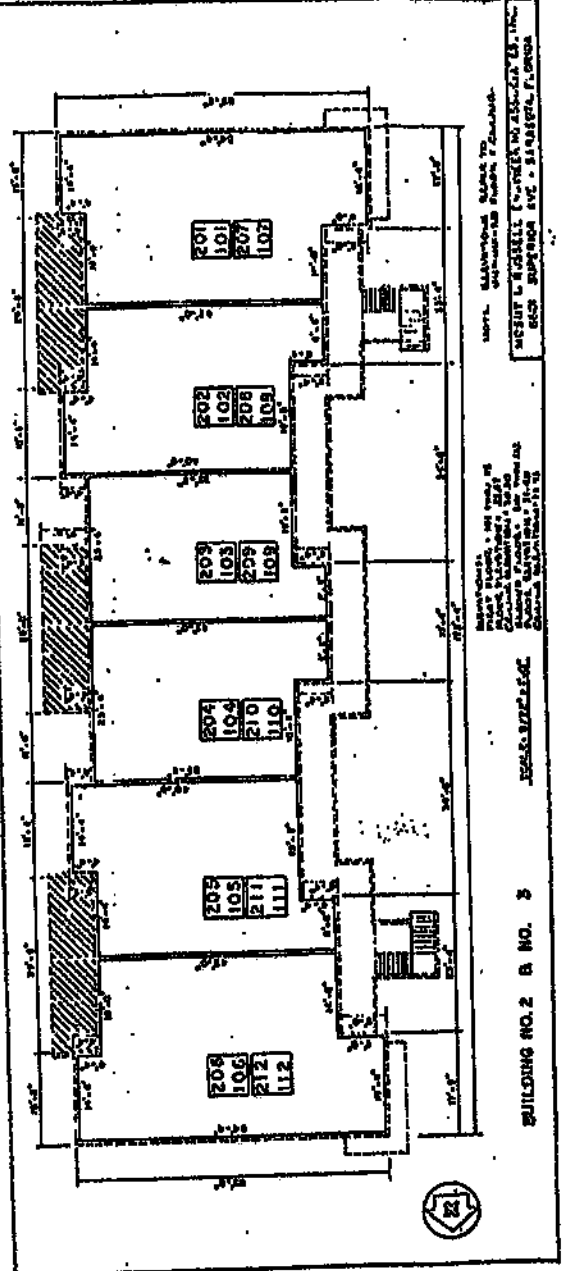
NOTE
ALL EXTERIOR WALLS AND CORNERS
SHALL HAVE A WEIGHT CURB

CEILING, INSULATION, SLAB,
CHIMNEY, ELEVATION, STAIRS

CONCRETE, STAIRS, E.C.

**NO. 3 PALMBAIRE
AT LAKES
DESOTO LAKES
COUNTRY CLUB CONDOMINIUM
A CONDOMINIUM
IN
SEC. 27, TWP. 33 S., RGE. 18 E.,
MARLBOROUGH COUNTY, FLORIDA**

BUILDING NO. 2 (VILLA)



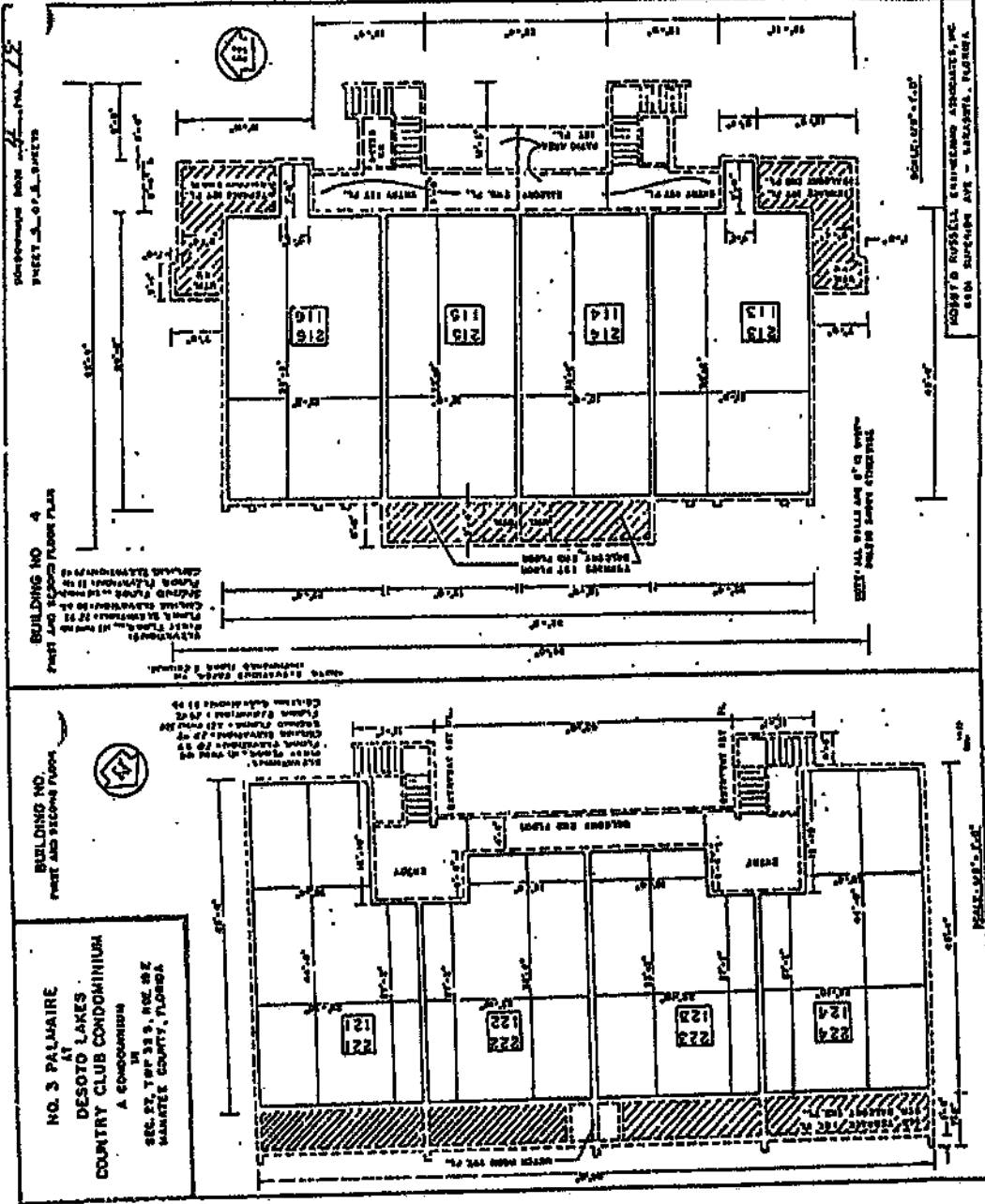
NOTE: UNITS 201, 202, 203, 204, 209, 210, 211, 212
SHALL BE CONSIDERED AS ONE UNIT FOR
PURPOSES OF THE CONDOMINIUM ACT.

REVISIONS:
1. ADD UNIT 208
2. ADD UNIT 209
3. ADD UNIT 210
4. ADD UNIT 211
5. ADD UNIT 212

DESIGNED BY: J.E.S. ARCHITECTS, P.A.
1000 N. W. 10th St., Ft. Lauderdale, Fla. 33304

BUILDING NO. 2 & NO. 3





CONSTRUCTION DRAWING
SHEET 3 OF 3 SHEETS

BUILDING NO. 4
FIRST AND SECOND FLOOR PLANS

BUILDING NO. 3
FIRST AND SECOND FLOOR PLANS

**NO. 3 PALMAIRE
AT
DESOTO LAKES
COUNTRY CLUB CONDOMINIUM**
A CONDOMINIUM
IN THE 1ST, 2ND, 3RD, 4TH & 5TH
SECTIONS OF THE 1ST 1/2
SECTION 27, T. 14 N., R. 10 E.,
HAMILTON COUNTY, FLORIDA

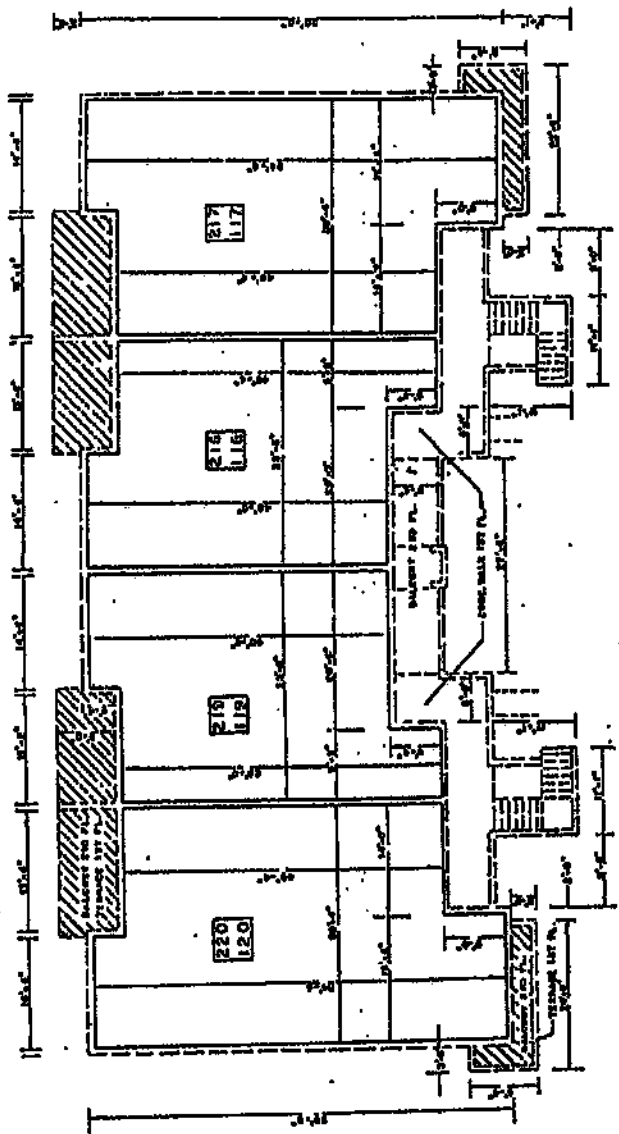
ROBERTO RUFFALO ENGINEERING ASSOCIATES, INC.
8800 BUCKINGHAM AVE. - WILMINGTON, FLORIDA

CONTRACT NO. 100-1-11-10
SHEET 2 OF 2 SHEETS



BUILDING NO. 5
FIRST AND SECOND FLOOR PLANS

NO 3 PALMVAIRE
AT
DESOTO LAKES
COUNTRY CLUB CONDOMINIUM
& COOPERATIVE
IN
SEC 27, TWP. 24 S., R2E. 10E
HILLSBORO COUNTY, FLORIDA



WALLS AND 2 1/2" WALLS
SHOW STRUCTURES

SCALE: 1/8" = 1'-0"

REVISIONS: SEE THE ARCHITECT'S PLANS & SPECIFICATIONS
FIRST FLOOR ELEVATION - 2130
SECOND FLOOR ELEVATION - 2140
SECTION ELEVATION - 2140
SECTION ELEVATION - 2140
SECTION ELEVATION - 2140
SECTION ELEVATION - 2140

WOLFE & BARTON ARCHITECTS, INC.
2000 W. UNIVERSITY AVE. SUITE 100
GAINESVILLE, FLORIDA 32609

SCHEDULE I ..

ALL of Lot 3, Block 1, DESOTO LAKES COUNTRY CLUB COLONY, UNIT 1, SECTION C, as per plat thereof recorded in Plat Book 15, page 93, of the Public Records of Manatee County, Florida.

ALSO, all of Lots 3A, 4 and 5, Block 1; Lot 9, Block 2 and Tract A, DESOTO LAKES COUNTRY CLUB COLONY, Unit 1, Section D, as per plat thereof recorded in Plat Book 16, page 81, Public Records of Manatee County, Florida.

DECLARATION OF CONDOMINIUM - EXHIBIT "A"

Condominium Unit and Parcel Number	Type of Unit	Percentages of Undivided Interest in Common Elements and Unit Owner's share of Long-Term Lease	Monthly Rent Under Long-Term Lease	PER UNIT
101, 106, 201, 206 107, 112, 207, 212 117, 120, 217, 220	3 BR - 2B	2.33% - per unit	\$30.00	
102, 105, 202, 205 108, 111, 208, 211 113, 116, 213, 216 118, 119, 218, 219 121, 124, 221, 224	2 BR - 2B	1.67% - per unit	\$25.00	
103, 104, 203, 204 109, 110, 209, 210 114, 115, 214, 215 122, 123, 222, 223	1 BR-1-1/2B	1.40% - per unit	\$25.00	
V-21	2BR - 2B	2.79% - per unit	\$25.00	
V-19 and V-22	3BR - 2B	3.15% - per unit	\$30.00	
V-20	3BR - 3B	3.15% - per unit	\$30.00	

UNIT OWNER'S SHARE OF COMMON EXPENSES UNDER THE LONG-TERM LEASE - is defined as the other expenses and obligations, (excluding rent), payable by the Lessee under said Lease, including, without limitation, taxes, assessments, insurance premiums, and costs of maintenance and repairs. The total common expenses under the Long-Term Lease will be weighted and computed in such manner so that the following ratio will prevail:

The 1-bedroom units will be used as the base of each proration, and the base shall be 1; 2-bedroom units shall be 133-1/3rds of the base; 3-bedroom units shall be 166-2/3rds of the base and 4-bedroom units shall be 200% of the base.

The Association has been formed to operate this Condominium and other Condominium properties, as set forth in the Articles of Incorporation attached hereto as Exhibit No. 3, and all members of the Association shall, as unit owners, share the common expenses under the Long-Term Lease under the foregoing ratio.

The Lessor under the Long-Term Lease has the right to enter into Long-Term Lease Agreements with other Lessees and Condominium Association (s), as to an undivided interest in the demised premises described in Exhibit "A" of the Long-Term Lease, and/or in the demised premises described in and pursuant to Article XXX of said Long-Term Lease, said Long-Term Lease being attached hereto as Exhibit No. 4, provided, however, that all members of the Lessee Condominium Association (s), including the Lessee Condominium Association in the Long-Term Lease attached hereto as Exhibit No. 4, share the common expenses under said Long-Term Lease (s) under the foregoing ratio as to the demised premises described in Exhibit "A" to the Long-Term Lease (if said premises are a portion of the demised premises in the Long-Term Lease), and as to the demised premises described in and pursuant to Article XXX of said Long-Term Lease.

The provisions of the foregoing paragraph are further subject to all units being classified as to "type" by the Developer in the Declaration of Condominium controlling such units, and the Lessor under the Long-Term Lease appertaining thereto, as to one of the four types hereinabove set forth.

BY-LAWS

OF

PALM-BIRK AT DEBONO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.

ARTICLE I. IDENTITY

The following By-Laws shall govern the operation of the Condominium created by the Declaration of Condominium to which these By-Laws are attached.

PALM-BIRK AT DEBONO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., is a Florida Corporation not for profit, organized and existing pursuant to Florida Statutes 617 and 711.

Section 1. The Office of the Association shall be at the Condominium property, or at such other place as may be subsequently designated by the Board of Directors.

Section 2. The Seal of the Corporation shall bear the name of the Corporation, the word "Florida", the words "Corporation Not For Profit," and the year of incorporation.

Section 3. As used herein, the word "Corporation" shall be the equivalent of "Association", as defined in the Declaration of Condominium to which these By-Laws are attached, and all other words as used herein, shall have the same definitions as attributed to them in the Declaration of Condominium to which these By-Laws are attached.

ARTICLE II. MEMBERSHIP AND VOTING PROVISIONS

Section 1. The corporation shall not issue Stock or Certificates.

Section 2. Membership in the Corporation shall be limited to owners of Condominium units in Condominiums wherein this Corporation has been designated the Association to operate and administer said Condominiums by virtue of the Condominium's Declaration of 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 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 officer or employee of the Corporation 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, as set forth in these By-Laws and the Declaration of Condominium to which they are attached, shall be accompanied by an application fee in an amount to be set by the Board of Directors, to cover the cost of contacting the referees given by the applicant, and such other costs of investigation that may be incurred by the Board of Directors.

Section 3. Voting.

(a) The owner(s) of each condominium unit shall be entitled to one vote for each condominium unit owned. If a condominium unit owner owns more than one unit he shall be entitled to one vote for each unit owned. The vote of a condominium unit shall not be divisible.

(b) A majority of the unit owners' total votes shall decide any question unless the By-Laws or Declaration of Condominium provide otherwise, in which event the voting percentage required in the By-Laws or the Declaration of Condominium shall control.

Section 4. Quorum. Unless otherwise provided in these By-Laws, the presence in person or by proxy of a majority of the unit owners' total votes shall constitute a quorum. The term "majority" of the unit owners total votes shall mean unit owners holding 51% of the votes.

Section 5. Proxies. Votes may be cast in person or by proxy. All proxies shall be in writing and signed by the person entitled to vote (as set forth below in Section 6), and shall be filed with the Secretary prior to the meeting in which they are to be used, and 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 6. 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 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 officer or employee thereof 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 and attested to by the Secretary or Assistant Secretary of the Corporation, and filed with the Secretary of the Association. The person designated in these Certificates who is entitled to cast the vote for a unit shall be known as the "Voting Member". If such a Certificate is not on file with the Secretary of the Association, for a unit owned by more than one person or by a Corporation, the vote of the unit concerned 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, except if said unit is owned by a husband and wife. 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. If a condominium unit is jointly owned by a husband and wife, the following three provisions are applicable thereto:

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

(b) If they do not designate a Voting Member, and if both are present at a meeting and 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. (As previously provided, the vote of a unit is not divisible.)

(c) Where they do not designate a Voting Member and only one 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 II-A. MEETINGS OF THE MEMBERSHIP

Section 1. Place. All meetings of corporation membership shall be held at the Condominium property, or at such other place and time as

shall be designated by the Board of Directors of the Association and stated in the Notice of the meeting.

Section 2. Notices. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the time and place thereof, to each unit owner of record, at least five (5), but not more than twenty-five (25) days prior to such meeting. Notice of any special meeting shall state the purpose thereof. All Notices shall be mailed to or served at the address of the unit owner as it appears on the books of the Corporation.

Section 3. Annual Meeting. The annual meeting shall be held at 5:00 P.M. Eastern Standard Time, on the first Wednesday in March 1979, and thereafter, on the first Wednesday in March of each year, for the purpose of electing Directors and transacting any other business authorized to be transacted by the members, provided, however, that if that day is a legal holiday, the meeting shall be held at the same hour on the next secular day following. At the annual meeting, the members shall elect by a plurality vote (cumulative voting prohibited), a Board of Directors, and transact such other business as may properly be brought before the meeting.

Section 4. Special Meeting. Special meetings of the members for any purpose or purposes, unless otherwise prescribed by statute or by the Articles of Incorporation, may be called by the President, and shall be called by the President or Secretary, at the request, in writing, by a majority of the Board of Directors, or at the request, in writing, of Voting Members representing a majority of the unit owners' total votes, which request shall state the purpose of the proposed meeting. Business transacted at all special meetings shall be confined to the objects stated in the Notice thereof.

Section 5. Waiver and Consent. Whenever the vote of members at a meeting is required or permitted by any provision of the statutes or of the Articles of Incorporation, or of these By-Laws, to be taken in connection with any action of the Corporation, the meeting and vote of members may be dispensed with if not less than three-fourths (3/4ths) of the members who would have been entitled to vote upon the action if such meeting were held, shall consent in writing, to such action being taken; however, notice of such action shall be given to all members, unless all members approve such 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. Proviso. Provided, however, that until the first Wednesday in March, 1979, or until the Developer elects to terminate its control of the Directorate of the Association, whichever shall first occur, there shall be no meeting of members of the Association, unless a meeting is called by the Board of Directors of the Association; and should a meeting be called, the proceedings shall have no effect unless approved by the Board of Directors of the Association. As long as the Developer, or Developers have not completed the development of the entire Condominium complex of NO. 1 PALM-AIRE AT DESOTO LAKES COUNTRY CLUB APTS. CONDOMINIUM then notwithstanding an annual members' meeting taking place, the Developer or Developers, collectively, shall be entitled to elect a majority of the Board of Directors, which Directors need not be residents in the Condominium complex nor Condominium unit owners. The foregoing provisions of this Section 7 may not be amended without the consent of the Developer(s) of the Condominium complex, and this provision supersedes all provisions to the contrary in these By-Laws, the Association's Articles of Incorporation, and the Declaration of Condominium to which these By-Laws are attached.

Section 8. Approval or Disapproval of a unit owner upon any matter, whether or not the subject of an Association meeting, shall be by the Voting Member; provided, however, 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

is 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 III. DIRECTORS

Section 1. Number, Term and Qualifications. The affairs of the Corporation shall be governed by a Board of Directors composed of not less than three (3), nor more than nine (9) persons, as is determined by the members. All Directors shall be members of the Association; provided, however, that until one of the events in Article II-A, Section 7. of these By-Laws first occurs, all Directors shall be designated by the Developer and need not be members. All Officers of a Corporate unit owner shall be deemed to be members of the Association so as to qualify as a Director herein. 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.

Section 2. First Board of Directors.

(a) The first Board of Directors, who shall serve until the first annual meeting of members and until their successors have been elected and qualified shall consist of the following:

(b) The organizational meeting of a newly elected Board of Directors of the Association shall be held within ten (10) days of their election, at such time and place as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary, providing a quorum shall be present.

Section 3. Removal of Directors. At any time after the first annual meeting of the membership, at any duly convened regular or special meeting, any one or more of the directors may be removed with or without cause by the affirmative vote of the voting members casting not less than two-thirds of the total votes present at said meeting, and a successor may then and there be elected to fill the vacancy thus created. Should the membership fail to elect said successor, the Board of Directors may fill the vacancy in the manner provided in Section 4 below.

Section 4. Vacancies on Directorate. If the office of any Director or Directors becomes vacant by reason of death, resignation, retirement, disqualification, removal from office, or otherwise, 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.

Section 5. Disqualification and Resignation of Directors. Any Director may resign at any time by sending a written notice of such resignation to the office of the corporation delivered to the Secretary. Unless otherwise specified therein, such resignation shall take effect upon receipt thereof by the Secretary. More than three (3) consecutive absences from regular meetings of the Board of Directors, unless excused by resolution of the Board of Directors, shall automatically constitute a resignation effective when such resignation is accepted by the Board of Directors. Commencing with the Directors elected at the first annual meeting of the membership, that transfer of title of his unit by a Director shall automatically constitute a resignation, effective when such resignation is accepted by the Board of Directors. No member shall continue to serve on the Board

should be more than 30 days delinquent in the payment of an assessment and said delinquency 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 shall nevertheless be given to each Director personally or by mail, telephone or teletype, at least five (5) days prior to the day named for such meeting.

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 by a majority of the members of the Board of Directors, by giving five (5) days notice in writing to all of the members of the Board of Directors of the time and place of said meeting. 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 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 the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 9. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall 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 each such adjourned meeting, any business which might have been transacted at the meeting as originally called, may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the Minutes thereof, shall constitute the presence of such Director for the purpose of determining a quorum.

Section 10. Compensation. The Directors' fees, if any, shall be determined by the Voting Members.

Section 11. Powers and Duties.

The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Corporation and may do all such acts and things as are not by law or by the Declaration of Condominium, or by these By-Laws, directed to be exercised and done by the 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, in these By-Laws, the Articles of Incorporation, of this Corporation, and in the Condominium Act, and all powers incidental thereto.

(b) To make assessment, collect said assessments, and use and expend the assessments to carry out the purposes and powers of the Corporation.

(c) To employ, dismiss and control the personnel necessary for the maintenance and operation of the project, and of the common areas and facilities, including the right and power to employ attorneys, accountants, contractors, and other professionals as the need arises.

(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 of the Condominium and to designate to such contractor all of the powers and duties of the Association, except those which may be required by the Declaration of Condominium to have approval of the Board of Directors or membership of the Association. To contract for the management or operation of portions of the common elements or facilities susceptible to the separate management or operation, and to lease or concession such portions.

(f) The further improvement of the property, real and personal, and the right to purchase items of furniture, furnishings, fixtures and equipment.

(g) Designates 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 of the business and affairs of the corporation. Such committee to consist of at least three (3) members of the Corporation, one of whom shall be a Director. 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 shall keep regular minutes of their proceedings and report the same to the Board of Directors, as required.

The foregoing powers shall be exercised by the Board of Directors or its contractor or employees subject only to approval by unit owners when such is specifically required.

ARTICLE IV. OFFICERS

Section 1. Elective Officers. The principal officers of the corporation shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. One person may not hold more than one of the aforementioned offices, except one person may be both Secretary and Treasurer. The President and Vice President shall be members of the Board of Directors.

Section 2. Election. The officers of the corporation 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 masters.

Section 3. Appointive officers. The Board may appoint an Assistant Secretary and an Assistant-Treasurer and such other officers as the Board deems necessary.

Section 4. Term. The officers of the corporation shall hold office until their successors are chosen and qualify 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 (e.g. if the Board of Directors is composed of five persons, then three of said Directors must vote for removal.) 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. He shall be the chief executive officer of the corporation; 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 corporation 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. He 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.

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

Section 8. The Treasurer.

(a) He shall have custody of the corporation funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation and shall deposit all monies and other valuable effects in the name of and to the credit of the corporation 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 manner required by the Condominium Act.

(b) He shall disburse the funds of the corporation 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 meeting of the Board of Directors, or whenever they may require it, an account of all of his transactions as Treasurer and of the financial condition of the corporation.

(c) He shall collect the assessments and shall promptly report the status of collections and of all delinquencies to the Board of Directors.

(d) He shall give status reports to potential transferees, on which reports the transferees may reply.

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

ARTICLE V. FINANCES AND ASSESSMENTS

Section 1. Depositories. The funds of the Corporation 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 Corporation as may be designated by the Board of Directors. Obligations of the Corporation shall be signed by at least two officers of the Corporation.

Section 2. Fidelity Bonds. The Treasurer and all Officers who are authorized to sign checks, and all officers and employees of the Association, and any Contractor handling or responsible for Association funds shall be bonded in such amount as may be determined by the Board of Directors. 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 via a signatory or a bank account or other depository account.

Section 3. Fiscal Year. The fiscal year for the Corporation shall begin on the first day of January of each year; provided however, that the Board of Directors is expressly 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, at such time as the Board of Directors deems it advisable.

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Section 4. Determination of Assessments.

(a) The Board of Directors of the Corporation shall fix and determine, from time to time, the sum or sums necessary and adequate for the common expenses of the condominium property. Common expenses shall include expenses for the operation, maintenance, repair or replacement of the common elements and the limited common elements, costs of carrying out the powers and duties of the Corporation, all insurance premiums and expenses relating thereto, including fire insurance and extended coverage, and any other expenses designated as common expenses from time to time by the Board of Directors of the Corporation. The Board of Directors is specifically empowered, on behalf of the Corporation, to make and collect assessments, and to lease, maintain, repair and replace the common elements and the limited common elements of the Condominium. 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. Said assessments shall be payable monthly in advance, and shall be due the first 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) When the Board of Directors has determined the amount of any assessment, the Treasurer of the Corporation shall mail or present to each unit owner, a statement of said unit owner's assessment. All assessments shall be payable to the Treasurer of the Corporation and, upon request, the treasurer shall give a receipt for each payment made to him.

Section 5. Application of Payments and Co-Mingling of Funds. All sums collected by the Association from assessments may be co-mingled in a single fund, or divided into more than one fund, as determined by the Board of Directors. All assessment payments by a unit owner shall be applied as to interest, delinquencies, costs and attorneys' fees, other charges, expenses and advances, as provided herein and in the Declaration of Condominium, and general or special assessments, in such manner as the Board of Directors determines in its sole discretion.

Section 6. Annual Audit. An audit of accounts of the Association shall be made annually, commencing after the first annual meeting, as provided for in Article II-A, Section 3 of these By-Laws. Said audit shall be prepared by a Certified Public Accountant licensed in the State of Florida, and a copy of said report shall be available to the members in the Office of the Association and with the Treasurer of the Association. Such report shall be available not later than three months after the end of the year for which the Report is made.

Section 7. Acceleration of Assessment Installments Upon Default. If a unit owner shall be in default in the payment of an installment, the Board of Directors may accelerate the remaining monthly installments for the fiscal year upon notice thereof to the unit owner and, thereupon, the unpaid balance of the assessment 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.

ARTICLE VI. ADDITIONS OR ALTERATIONS

There shall be no additions or alterations to the common elements or limited common elements of the Condominium which this Association operates and maintains, except as is specifically provided in Article XIV.B. of the Declaration of Condominium to which these By-Laws are attached. There shall be no additions or alterations to the recreational facilities under the long-Term Lease which is Exhibit No. 4 to the Declaration of Condominium to which these By-Laws are attached, unless the same are authorized by the Board of Directors of this Association and the Board of Directors of any Lessee Association, as to the aforesaid recreational facilities, and the same are approved by not less than sixty-percent (60%) of the total vote of the members of this Association, and sixty-percent (60%) of the total votes of any Condominium Association which is a Lessee as to the recreational facilities aforesaid, and unless all Condominium unit owners share in the cost of said additions or alterations and the maintenance thereof in the manner provided in Exhibit "A" of the Declaration of Condominium to which these By-Laws are attached, and further provided said additions or alterations are approved by the Lessor under the Long-Term Lease, as required therein.

ARTICLE VI: COMPLIANCE AND DEFAULT

Section 1. Violations. In the event of a violation (other than the nonpayment of an assessment) by the unit owner in any of the provisions of the Declaration, 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, and if such violation shall continue for a period of thirty (30) days from the date of the notice, 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:

(1) An action at law to recover for its damage on behalf of the Association or on behalf of the other unit owners; (2) an action to enforce performance on the part of the Unit Owner; or (3) an action in equity for such equitable relief as may be necessary under the circumstances, including injunctive relief. Upon a finding by the Court that the violation complained of is willful and deliberate, the unit owner so violating shall reimburse the Association for reasonable attorneys' fees incurred by it in bringing such action. Failure on the part of the Association to maintain such an 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 by the Condominium Act. Any violations which are deemed by the Board of Directors to be a hazard to public health, may be corrected immediately as an emergency matter by the Association, and the cost thereof shall be charged to the unit owner as a specific item which shall be a lien against said unit with the same force and effect as if the charge were a part of the common expense.

Section 2. Negligence or Carelessness of Unit Owner, etc. All unit owners 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 licensees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in insurance rates occasioned by use, misuse, occupancy or abandonment of any unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation. The expense for any maintenance, repair or replacement required, as provided in this section, shall be charged to said unit owner as a specific item which shall be a lien against said unit with the same force and effect as if the charge were a part of the common expense.

Section 3: Costs and Attorneys' Fees. In any proceeding arising because of an alleged default by a unit owner, 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 documents, shall not constitute a waiver of the right of the Association or unit owner to enforce such right, provision, covenant or condition of the future.

Section 5. No 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 VIII. ACQUISITION OF UNITS

Section 1. Voluntary Sale or Transfer. Upon receipt of a unit owner's written notice of intention to sell or lease, as described in Article XI of the Declaration of Condominium, the Board of Directors of the Association shall have full power and authority to consent to the transaction specified in said notice, or object for good cause, or to designate a person other than the Corporation as a designee, pursuant to the provisions of the said Article XI, without having to obtain any consent thereto by the membership.

The Board of Directors shall have the further right to designate the Corporation as being "willing to purchase, lease or rent", upon the proposed terms, upon adoption of a Resolution by the Board of Directors recommending such purchase or leasing to the membership, but notwithstanding the adoption of such Resolution and such designation by the Board of Directors, the Corporation shall not be bound and shall not so purchase or lease except upon the authorization and approval of the affirmative vote of Voting Members casting not less than three-fourths (3/4ths) of the total votes of the unit owners of the Condominium identified in the Declaration of Condominium to which these By-Laws are attached.

Section 2. Acquisition on Foreclosure. At any foreclosure sale of a unit, the Board of Directors of the Association may, with the authorization and approval by the affirmative vote of Voting Members casting not less than three-fourths (3/4ths) of the total votes of the unit owners of the Condominium identified in the Declaration of Condominium to which these By-Laws are attached, acquire, in the name of the Corporation 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, including a lien for assessments.

The power of the Board of Directors of the Association 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 Corporation, to do so at any foreclosure sale, the provisions hereof being 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, as aforesaid, be obtained.

ARTICLE IX. AMENDMENTS TO THE BY-LAWS

These by-laws may be altered, amended or added to at any duly called meeting of the unit owners, provided:

(1) Notice of the meeting shall contain a statement of the proposed Amendment.

(2) If the Amendment has received the unanimous approval of the full Board of Directors, then it shall be approved upon the affirmative vote of the Voting Members casting a majority of the total votes of the unit owners.

(3) If the Amendment has not been approved by the unanimous vote of the Board of Directors of the Association, then the Amendment shall be approved by the affirmative vote of the Voting Members casting not less than three-fourths (3/4ths) of the total votes of the unit owners; and,

(4) Said Amendment shall be recorded and certified as required by the Condominium Act. Notwithstanding the provisions in this Article IX, these By-Laws may only be amended in compliance with Article II-B., Section 7. of these By-Laws.

ARTICLE X. NOTICES

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

ARTICLE XI. INDEMNIFICATION

The Corporation shall indemnify every Director and every Officer, his heirs, executors and administrators, against all loss, costs and expenses 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 to be approved by the Corporation, 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 Directors or Officer may be entitled.

ARTICLE XII. 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 anyway 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 anyway connected with such ownership and membership, and the covenants and obligations incident thereto.

ARTICLE XIII. 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 caused by a latent condition in the property, nor for injury or damage caused by the elements, or by other owners or persons.

ARTICLE XIV. PARLIAMENTARY RULES

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

ARTICLE XV. LIENS

Section 1. Protection of Property. All liens against a condominium unit, other than for permitted mortgages, taxes or special assessments, shall be satisfied or otherwise removed within 30 days of the date the lien attaches. All taxes and special assessments upon a condominium unit shall be paid before become delinquent, as provided in these condominium documents or by law, whichever is sooner.

Section 2. Notice of Lien. A unit owner shall give notice to the association of every lien upon his unit, other than for permitted mortgages, taxes, and special assessments, within five (5) days after the attaching of the lien.

Section 3. Notice of Suit. Unit owners shall give notice to the Association of every suit or other proceedings which will or may affect title to his unit or any other part of the property, such notice to be given within five (5) days after the unit owner receives notice thereof.

Section 4. Failure to comply with this article concerning liens will not affect the validity of any judicial sale.

Section 5. Permitted Mortgage Register. The Association shall maintain a register of all permitted 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.

ARTICLE XVI. RULES AND REGULATIONS

Section 1. As to Common Elements. The Board of Directors may from time to time adopt or amend previously adopted administrative rules and regulations governing the details of the operation, use, maintenance, management and control of the common elements of the condominium and any facilities or services made available to the unit owners. The Board of Directors shall from time to time post in a conspicuous place on the condominium property, a copy of the rules and regulations adopted from time to time by the Board of Directors.

Section 2. As to Condominium Units. The Board of Directors may from time to time adopt or amend previously adopted rules and regulations governing and restricting the use and maintenance of the Condominium unit(s), provided, however, that copies of such rules and regulations are furnished to each unit owner prior to the time the same become effective, and where applicable or desirable, copies thereof shall be posted in a conspicuous place on the Condominium property.

Section 3. Conflict. In the event any conflict between the rules and regulations adopted by the Board of Directors at any time, and the Condominium documents, or the Condominium Act, the latter shall prevail.

If any irreconcilable conflict should exist or hereafter arise, with respect to the interpretation of these By-Laws and the Declaration of Condominium, the provisions of the Declaration shall prevail.

APPROVED AND DECLARED as the By-Laws of PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit.

PALM-AIRE AT DESOTO LAKES COUNTRY CLUB
CONDOMINIUM ASSOCIATION, INC.

By: Thomas C. Kraemer
Thomas C. Kraemer, President

Attest: Mark R. Thayer (SEAL)
Mark R. Thayer, Vice Pres.

FPA CORPORATION

By: Murray G. Asard
Murray G. Asard, Executive Vice President

Attest: Dorinda S. ... (SEAL)
Assistant Secretary

MANKER-LEVITT CORPORATION

By: I. F. Levitt
I. F. Levitt, Vice President

Attest: Thomas C. Kraemer (SEAL)
Assistant Secretary
Thomas C. Kraemer

State of Florida

Department of State



I, Tom Adams, Secretary of State of the State of Florida,
Do Hereby Certify That the following is a true and correct copy of

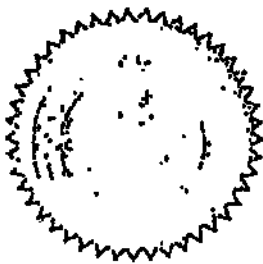
Certificate of Incorporation

of

PALM-AIRE AT DESOTA LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.

a corporation not for profit organized and existing under the Laws of the
State of Florida, filed on the 27th day of October,
A.D., 1970, as shown by the records of this office.

Given under my hand and the Great Seal of the
State of Florida, at Tallahassee, the Capital,
this the 28th day of October,
A.D. 19 70.



A handwritten signature in cursive script, appearing to read "Tom Adams".

Secretary of State

7-10-64
3-54

EXHIBIT NO. 3

REC- 616 REC 416

ARTICLES OF INCORPORATION

OF

PALM-AIRE AT DeSOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.

WE, the undersigned, hereby associate ourselves together for the purpose of forming a non-profit corporation under the laws of the State of Florida, pursuant to Florida Statutes 617 et seq., and hereby certify as follows:

ARTICLE I.

The name of this Corporation shall be PALM-AIRE AT DeSOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.

ARTICLE II.

The general purpose of this non-profit Corporation shall be as follows: - To be the "Association" (as defined in the Condominium Act of the State of Florida, F.S. 711 et seq.), for the operation of NO. 1 PALM-AIRE AT DeSOTO LAKES COUNTRY CLUB APTS. CONDOMINIUM, a Condominium, to be created pursuant to the provisions of the Condominium Act, and as such Association, to operate and administer said Condominium and carry out the functions and duties of said Condominium, as set forth in the Declaration of Condominium established for said Condominium. The Corporation may also be the Association for the operation of additional condominiums which may be created on property adjacent to the above specified Condominium. The Board of Directors shall have the authority in their sole discretion to designate the above Corporation as the Association for such additional condominiums and, in such instance(s), the provisions hereafter in these Articles of Incorporation shall be interpreted in such a manner as to include such additional condominium(s).

ARTICLE III.

All persons who are owners of condominium parcels within said Condominium(s) shall automatically be members of this Corporation. Such membership shall automatically terminate when such person is no longer the owner of a condominium parcel. Membership in this Corporation shall be limited to such condominium parcel owners, except that until such time as the condominium is created the

subscribers hereto shall be the members of this corporation.

Subject to the foregoing, admission to and termination of membership shall be governed by the Declaration of Condominium that shall be filed for said Condominium among the Public Records of Sarasota County, Florida.

ARTICLE IV.

This Corporation shall have perpetual existence.

ARTICLE V.

The names and residences of the Subscribers to these Articles of Incorporation are as follows:

As to All Subscribers

WILLIAM E. GETZEN
JAMES L. RITCHEY
LOIS J. HOFFNER

1538 State Street
Sarasota, Florida 33578

ARTICLE VI.

Section 1. The affairs of the Corporation shall be managed and governed by a Board of Directors composed of not less than three (3) nor more than the number specified by the By-Laws, and in the exact number of persons as specified in said By-Laws. The Directors, subsequent to the first Board of Directors, shall be elected at the annual meeting of the membership, for a term of one (1) year, or until their successors shall be elected and shall qualify. Provisions for such election, and provisions respecting the removal, disqualification and resignation of Directors, and for filling vacancies on the Directorate, shall be established by the By-Laws.

Section 2. The principal officers of the Corporation shall be:

President
Vice President
Secretary
Treasurer

(the last two offices may be combined), who shall be elected from time to time in the manner set forth in the By-Laws adopted by the Corporation.

ARTICLE VII.

The names of the Officers who are to serve until the first

election of Officers, pursuant to the terms of the Declaration of Condominium and By-Laws, are as follows:

President	Thomas C. Kraemer
Vice President	Mark R. Thayer
Secretary-Treasurer	Margaret M. Dupertuis

ARTICLE VIII.

The following persons shall constitute the first Board of Directors, and shall serve until the first election of the Board of Directors at the first regular meeting of the membership.

Thomas C. Kraemer
Mark R. Thayer
Margaret M. Dupertuis

Address as to all Directors

Post Office Box 3378
Sarasota, Florida 33578

ARTICLE IX.

The By-Laws of the Corporation shall initially be made and adopted by its first Board of Directors.

Prior to the time of the creation of the Condominium described in Article II, said first Board of Directors shall have full power to amend, alter or rescind said By-Laws by a majority vote.

After the creation of said Condominium, the By-Laws may be amended, altered, supplemented or modified by the membership at the Annual Meeting, or at a duly convened special meeting of the membership, attended by a majority of the membership, by vote, as follows:

- A. If the proposed change has been approved by the unanimous approval of the Board of Directors, then it shall require only a majority vote of the membership to be adopted.
- B. If the proposed change has not been approved by the unanimous vote of the Board of Directors, then the proposed change must be approved by three fourths (3/4ths) of the total vote of the membership;

provided, however, that (1) - prior to the first Annual Meeting of the membership, the By-Laws may not be amended without a prior resolution requesting said Amendment by the Board of Directors of the Association; (2) - subsequent to the first Annual Meeting of the membership, the By-Laws may not be amended without the approval of

the Board of Directors of the Association, unless the proposed amendment shall be filed in writing with the Secretary or President, not less than ten (10) days prior to the membership meeting at which such Amendment is to be voted upon.

ARTICLE X.

Amendments to these Articles of Incorporation may be proposed by any member or director, and shall be adopted in the same manner as is provided for the amendment of the By-Laws, as set forth in Article IX above. Said amendment(s) shall be effective when a copy thereof, together with an attached certificate of its approval by the membership, sealed with the Corporate Seal, signed by the Secretary or an Assistant Secretary, and executed and acknowledged by the President or Vice President, has been filed with the Secretary of State, and all filing fees paid.

ARTICLE XI.

This Corporation shall have all of the powers set forth in Florida Statute 617.021, all of the powers set forth in the Condominium Act of the State of Florida, and all powers granted to it by the Declaration of Condominium and Exhibits annexed thereto.

ARTICLE XII.

There shall be no dividends paid to any of the members, nor shall any part of the income of the corporation be distributed to its Board of Directors or Officers. In the event there are any excess receipts over disbursements, as a result of performing services, such excess shall be applied against future expenses, etc. The Corporation may pay compensation in a reasonable amount to its members, directors and officers, for services rendered, may confer benefits upon its members in conformity with the purposes, and upon dissolution or final liquidation, may make distribution to its members as is permitted by the Court having jurisdiction thereof, and no such payment, benefit or distribution shall be deemed to be a dividend or distribution of income.

This Corporation shall issue no shares of stock of any kind or nature whatsoever. Membership in the Corporation and the transfer thereof, as well as the number of members, shall be upon

LONG-TERM LEASE

THIS LEASE, made and entered into at Manatee County, Florida, this 1st day of April, 1973, by and between FPA CORPORATION, a Delaware Corporation, hereinafter called the "Lessor", and PALM-AIRE AT DESOTO LAKES COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC., a Florida Corporation not for profit, hereinafter called the "Lessee", which said terms shall be deemed to extend to and include the heirs, legal representatives, successors and assigns of the said parties;

WITNESSETH: -

That the Lessor and Lessee, for and in consideration of the keeping by the parties of their respective obligations hereinafter contained, as well as for One Dollar and other good and valuable considerations by each of the parties unto the other in hand paid simultaneously with the execution and delivery of these presents, the receipt whereof is hereby acknowledged, have agreed as follows:-

I.

DEMISE

Upon the terms and conditions hereinafter set forth, and in consideration of the payment from time to time by the Lessee of the rents hereinafter set forth, and in consideration of the prompt performance continuously by the Lessee of each and every of the covenants and agreements hereinafter contained by the Lessee to be kept and performed, the performance of each and every one of which is declared to be an integral part of the consideration to be furnished by the Lessee, the Lessor does hereby lease, let and demise unto the Lessee, and the Lessee does hereby lease of and from the Lessor, certain real property, situate, lying and being in Manatee County, Florida, as more particularly described in Exhibit "A" annexed hereto and made a part hereof.

II.

DURATION OF TERM

The term and duration of this Lease shall be for a period of time commencing on the 1st day of April, 1973, and continuing up to and including October 31, 2069, unless this Lease be sooner terminated in accordance with its terms.

III.

RENT

The Lessee agrees to pay to the Lessor as rent during the term of this Lease, the sum of ONE THOUSAND THREE HUNDRED SEVENTY-FIVE DOLLARS (\$1,375.00) per month, said rent being payable monthly in advance, with the first monthly payment of rent maturing and becoming due and payable upon the 1st day of January, 1973. In the event Lessee shall operate condominiums in addition to No. 1, No. 2 and No. 3 Palm-Aire at DeSoto Lakes Country Club Apts. Condominium, Lessee shall pay additional rental commencing with the date of recording of the respective Declarations of Condominium in the public records in an amount equal to the aggregate monthly rentals for all units in each such condominium in accordance with the monthly rentals shown on Exhibit "C" for each respective type of unit in such condominiums, as such units shall be classified as "type" by the Developer. The monthly rental is subject to an increase of such sum in accordance with the provisions of XXVII hereinbelow.

A. Rent shall be payable at such place as the Lessor may specify in writing from time to time, and a place once specified as the place for the payment of rent shall be such until it shall have been changed by written notice from the Lessor to the Lessee, in the manner hereinafter prescribed for the giving of notices. All rent shall be payable without notice or demand. For the present, and until further notice, the Lessor

EXHIBIT NO. 4

specifies that the rent shall be paid to Lessor at Box 3378, Sarasota, Florida 33578.

B. All rent shall be payable in current legal tender of the United States, as the same is constituted by law at the time said rent becomes due. If at any time the Lessor shall accept anything other than current legal tender as rent, such fact or such acceptance shall not be construed as varying or modifying such provisions of this paragraph as to any subsequently maturing rent, or as requiring the Lessor to make a similar acceptance or indulgence upon any subsequent occasion.

IV.

PROVISIONS REGARDING PAYMENT OF TAXES

A. The Lessee covenants and agrees with the Lessor that the Lessee will promptly pay all taxes levied or assessed for and after the year 1970, and during the term hereby demised, by any and all taxing authorities, and including not only ad valorem and personal property taxes, but also special assessments and liens for public improvements, and including, in general, all taxes, tax liens or liens in the nature of taxes, which may be assessed or imposed against the premises (including interest, penalties, fines and costs) including the land and all buildings, furniture, fixtures and improvements which the Lessee may hereafter construct or bring upon the demised premises, but in the event any such taxes or assessments are payable, according to their terms, in installments, then the Lessee shall have the right to pay the same as such installments fall due, so long as the right to make payment of them in such installments has not been revoked or lost by reason of default in the payment of any installment.

B. Nothing in this Article contained shall obligate the Lessee to pay income, inheritance, estate or succession tax, or any tax in the nature of such described taxes, or any other tax which may be levied or assessed against the Lessor with respect to or because of the income derived from this Lease; nor shall the Lessee be deemed obligated hereby to pay any corporation franchise or excise taxes which may be assessed or levied against the Lessor or any corporate successor or successors in interest of the Lessor.

C. The said taxes shall be paid at least thirty (30) days prior to the time when the same would become delinquent, in accordance with the law then in force and effect.

D. The Lessee shall have the right, on the 1st day of each and every month of the term hereof, to contest the validity of any such tax by complying with the Florida statutes relating to such proceedings.

V.

LESSOR'S INTEREST NOT SUBJECT TO MECHANICS' LIENS

A. All persons to whom these presents may come are put upon notice of the fact that the Lessee shall never, under any circumstance, have the power to subject the interest of the Lessor in the premises to any mechanics' or materialmen's lien or liens of any kind, unless a specific provision to the contrary, authorizing in specific terms the creation of such lien or liens, is elsewhere herein contained.

B. All persons who may hereafter, during the term of this Lease, furnish work, labor, services or materials to the premises upon the request or order of the Lessee, or any person claiming under, by or through the Lessee, must look wholly to the interest of the Lessee and not to that of the Lessor.

C. If any mechanics' liens are filed or asserted against the Lessor's interest in the subject premises, the Lessee shall, within thirty (30) days after the time when notice thereof shall come to their attention, cause such lien to be released from the Lessor's interest in the subject premises, in the manner provided by the Statutes of the State of Florida.

VI. . . .

IMPROVEMENTS

The Lessor covenants and warrants unto the Lessee that it has heretofore constructed upon the premises described as Exhibit "A" attached hereto, at Lessor's cost and expense, recreational facilities consisting of the following, to-wit:

A. swimming pool and deck, pool patio, and structures containing a man and women's sauna, dressing and shower rooms, and shuffleboard courts.

All of said improvements are completed and the Certificate of Occupancy issued. Lessor reserves the right to make further improvements by adding additional recreational facilities on the land described as Exhibit "A" or other lands and to incorporate said other land into this lease or additional leased lands.

The Lessee, in consideration of the foregoing, shall commence paying the monthly rental as of the time provided in and pursuant to Article III. of this Long-Term Lease. Lessee's duties and requirements under Articles IX., X., XI., and XVII., and the obligation to make payments other than rent under Article XXV., as to further improvements, shall not commence until the first day of the month following the completion of such further recreational facilities as hereinabove provided. Said further recreational facilities shall be deemed completed upon the issuance of a Certificate of Occupancy, or such other appropriate Certificate as may be issued by the appropriate governmental authority as applies to same. It shall be mandatory for the members of the Lessee Condominium Association and the Condominium Association to make payments, as provided in this paragraph and under this Long-Term Lease, regardless of whether or not the members, or any member of the Lessee Condominium Association, uses the facilities provided hereunder.

VII.

USE OF PREMISES

It is understood and agreed between the parties hereto that the said premises, during the continuance of this Long-Term Lease, may be used and occupied only for recreational purposes, at all times subject to the rules and regulations promulgated by the Lessee, or Lessee's successor in interest and authority, and additional Lessees, as provided in this Long-Term Lease, it being understood and agreed that the Lessee does not have the exclusive right of possession.

VIII.

LESSOR'S LIEN FOR RENT

The Lessor shall have a first lien, paramount to all others, on every right and interest of the Lessee in and to this Lease and on the buildings now or hereafter located on the premises, and on the furniture,

furnishings, appliances, equipment, fixtures and goods of every kind, and on the equity therein, now or hereafter brought on the premises by the Lessee as a part of the goods and equipment used therein, and all additions and accessions thereto, which lien is granted for the purpose of securing the payment of rents, taxes, assessments, charges, liens, penalties and damages herein covenanted to be paid by the Lessee, and for the purpose of securing the performance of any and all and singular the covenants, conditions and obligations of this Lease to be performed and observed by the Lessee.

IX.

INDEMNIFICATION

A. Lessee covenants and agrees with Lessor that during the entire term of this Lease, the Lessee will indemnify and save harmless the Lessor against any and all claims, debts, demands or obligations which may be made against Lessor, or against Lessor's title in the premises, arising by reason of or in connection with the making of this Lease and the ownership by Lessee of the interest created in the Lessee hereby, and if it becomes necessary for Lessor to defend any action seeking to impose any such liability, the Lessee will pay the Lessor all costs of Court and attorneys' fees incurred by the Lessor in effecting such defense, in addition to any other sums which the Lessor may be called upon to pay by reason of the entry of a Judgment against the Lessor in the litigation in which such claim is asserted.

B. The Lessee will cause to be written a Policy or Policies of Insurance in the form generally known as Public Liability and Property Damage and/or Owner's, Landlord and Tenant Policies, and Boiler Insurance Policies and Elevator Insurance Policies - when there are boilers and elevators included in any improvements located on the demised premises, insuring the Lessee against any and all claims and demands made by any person or persons whomsoever for injuries received in connection with the operation and maintenance of the improvements and buildings located on the demised premises, or for any other risk insured against by such Policies, each class of which Policies shall have been written within limits of not less than \$300,000.00 for damages incurred or claimed by any one person, and for not less than \$600,000.00 for damages incurred by more than one person. All such Policies will name the Lessee and Lessor, as their respective interests may appear, as the parties insured by such Policy or Policies, and the original or a true copy of each of such Policies shall be delivered by Lessee to Lessor promptly upon the writing of such Policy or Policies, together with adequate evidence of the fact that the premiums therefor are paid; and in any event, such Policies and evidence of payment by the Lessee of the premiums shall be delivered by the Lessee to Lessor before the expiration of any then similar coverage and in time to assure the Lessor that such coverage will be carried continuously. The foregoing Insurance Policy or Policies shall be in such form as herein set forth and in such Company or Companies, and in such amounts, in addition to the minimum amounts specified herein, as the Lessor shall reasonably require, and said Policy or Policies shall contain a proviso specifying that the Policy or Policies shall contain a proviso specifying that the Policy or Policies may not be canceled or changed without actual notice being given to the Lessor.

X.

CASUALTY INSURANCE PROVISIONS

A. Lessee covenants and agrees with Lessor that Lessee will, at all times, during the term of this Lease, keep insured any and all buildings and improvements now or hereafter located upon said demised premises, and all personal property which Lessee may bring or maintain upon the demised premises, in order to comply with the terms of this Lease, in good and responsible Insurance Companies - preferably, Insurance Companies authorized to do business in Florida - as shall have been approved by Lessor and any

mortgagee then holding a mortgage, encumbering the fee simple title of the demised premises, for protection against all loss or damage to said property by fire, windstorm or causes insured against by "extended coverage", and if the buildings or improvements on the premises at any time certain boilers or elevators, then Lessee will cause to be written what is generally known as Boiler Insurance Policies and Elevator Insurance Policies, and wherever the doctrine of co-insurance might apply to any such insurance, then the amount of the insurance so carried by the Lessee will be at all times sufficient to prevent co-insurance on the part of the Lessor and the Lessee, and all such Policies shall be payable, in the event of loss, jointly to the Lessor and Lessee, as their respective interests may appear. Nothing herein contained, however, shall be construed as prohibiting the attachment to such Policies of a standard mortgage form clause, but in such event, the said mortgage clause shall identify briefly the interest of the mortgagee as such - such as, for example, stating "first mortgagee of the fee simple title" or "mortgagee of the Long-Term Lessee's interest in the Ninety-nine Year Lease". The amount of insurance required, as specified in this paragraph, shall be an amount equal to the maximum insurable replacement value, as determined annually by the Lessee and approved by the Lessor. The Lessor may, in its sole discretion, reasonably limit or cause to be eliminated any deductible provisions applicable to any insurance coverage provided in this paragraph, and all Policies provided herein shall contain a proviso specifying that the Policy or Policies may not be canceled or changed without actual notice being given unto the Lessor.

D. From the inception of any construction work which Lessee may effect on the demised premises, and as often as the Lessee may construct a building or make a substantial alteration in a building, the Lessee will cause Builders' Risk Insurance Policies to be written in compliance with the provisions of the preceding paragraph, as such paragraph relates to the nature, minimum amount and naming of portion assured by such coverage, and said Policies shall be subject to the approval of the Lessor.

C. In the event of the destruction of the said building or improvements or said personal property by fire, windstorm or any other casualty for which insurance will be payable, and as often as such insurance money shall be paid to Lessor and the Lessee, said sums so paid shall be deposited in a joint account of the Lessor and the Lessee, in a Bank designated by the Lessor, and shall be available to Lessee for the reconstruction or repair, as the case may be, of any building or buildings damaged or destroyed by fire, windstorm or other casualty for which insurance money shall be payable, and shall be paid out from said joint account from time to time, by the Lessor and Lessee, on the estimates of an Architect, licensed as such in the State of Florida, having supervision of such construction and repair, certifying that the amount of such estimate is being applied to the payment of the reconstruction or repair and at a reasonable cost therefor, provided, however, that it shall be the duty of the Lessee, at the time of creating such joint bank account, and from time to time thereafter until the said work of reconstruction or repair shall have been completed and paid for, to afford the Lessor adequate evidence of the fact that at all times the undisbursed portion of the fund in said joint account is sufficient to pay for the work of construction or repair in its entirety, and if the said fund is at any time insufficient to pay for the full cost of the job, the Lessor shall immediately and forthwith deposit into said fund, such funds as may be necessary, and to procure receipted bills and full and final waivers of lien when the said work shall have been completed and done. It shall be the duty of the Lessee to cause such showing to be made and such repairs to be accomplished as often as the premises may be damaged or may need repairs; and all of such work shall be effected, completed and paid for as promptly as the exercise by the Lessee of due diligence makes possible, and in any event, it shall be completed within nine (9) months after the time when the loss or damage first took place - but such nine-month period shall be enlarged by any delays caused without fault or neglect on the part of the Lessee, by Acts of God, strikes, lock-outs, or other conditions which are not attributable to or are not caused by the Lessee's default or neglect to exercise due diligence. The work, when completed, shall restore the premises sub-

stantially to the condition in which they existed before such damage or destruction took place, and in any event, they shall cause the premises, as restored, to have a value which is not less than the value which the premises had or possessed prior to the loss or damage which made such repairs or reconstruction necessary. Lessor shall have the right to require the Lessee to obtain a Completion, Performance and Payment Bond, in an amount and in the form and with a Company licensed to do business in Florida, approved by the Lessor. In the event the property described in Exhibit "B" is submitted to Condominium ownership, then the provisions in said Declaration of Condominium under the Article covering Casualty Insurance, relating to the rights and designation of the Institutional First Mortgagee specified in said Declaration, are hereby incorporated herein by reference, together with the right of said Institutional First Mortgagee to require the insurance proceeds to be endorsed by the Lessor and Lessee herein to the Insurance Trustee, as specified in said Declaration, and disbursed by said Insurance Trustee upon the approval of the Lessor, Lessee and said Institutional First Mortgagee. However, where the fee simple title to the demised premises is encumbered by an Institutional Mortgage, such Mortgagee shall have the rights and powers granted the Institutional First Mortgagee referred to hereinabove - however, said rights and powers shall be joint and concurrent between the two Institutional Mortgagees.

D. The originals of all such Policies shall be delivered to Lessor by Lessee, along with the receipted bills evidencing the fact that the premiums therefor are paid, but nothing herein contained shall be construed as prohibiting Lessee from financing the premiums where the terms of the Policies are for three (3) years or more, and in such event, the receipts shall evidence the fact that the installment premium payment or payments are paid at or before their respective maturity(s). Where, however, there is a mortgage on the premises created pursuant to the provisions contained in this Lease, and if, under the terms of such mortgage or mortgages, it is obligatory upon the Lessee to cause the originals of such Policies to be delivered to the mortgagee, then Lessee shall deliver such originals to the mortgagee and shall deliver to Lessor Certificates of such Policies. The said Policies or Certificates thereof, as the case may be, together with evidence of the fact that the premiums have been paid, as aforesaid, shall be delivered by Lessee to Lessor before the expiration of the then corresponding insurance coverage, to the end that Lessor may be assured that such coverage is being carried by the Lessee continuously.

E. If at any time while the joint bank account herein provided for contains any of the proceeds of insurance, Lessee is in default under this Lease, then Lessor shall be immediately entitled to receive from said joint bank account the amount of money necessary to cure the Lessee's default; and if, while any of the funds remain in said joint bank account, the mortgagee of any mortgage made pursuant to the subordination privilege (hereinafter referred to as such) elects (and this may be the only mortgagee to have such election) under the terms of such mortgage, to receive any part or all of the proceeds of such insurance by way of application upon the said mortgage, then such sum shall be paid from said insurance awards or from the proceeds of said joint bank account to such mortgagee; but in either of these events, it shall be obligatory upon Lessee immediately to reimburse the said joint bank account with a sum of money to assure the Lessor that the said joint bank account will, at all times aforesaid, contain sufficient funds to pay for all of the costs of reconstruction and repair. If, after said work of reconstruction and repair shall have been completed and paid for, there remains any money in said joint bank account, such balance shall be paid therefrom to the Lessee if at that time the Lessee is not in default under the terms of this Lease. If at any time while the joint bank account contains any undisbursed funds, the Lease is cancelled for the Lessee's default, then the undisbursed portion of said joint bank account shall immediately become and be the property of the Lessor as part of what will accrue to the Lessor upon the occasion of default by the Lessee and the consequent cancellation of the Lease, as liquidated and agreed upon damages for such default and for such cancellation. Insurance mortgage clause shall be subject to the terms of this Lease.

XI.

LESSOR'S DUTY TO PAY INSURANCE PREMIUMS

A. Lessee covenants and agrees with Lessor that Lessee will pay the premiums for all Insurance Policies which Lessor is obligated to carry under the terms of this Lease, and will deliver the said Policies and the evidence of payment to the Lessor within the time hereinafter limited.

B. Nothing herein contained shall ever be construed as rendering the Lessor personally liable for the payment of any such insurance premiums, but if, at any time during the continuance of this Lease, the Lessee shall fail, refuse or neglect to procure any of the Policies of Insurance required in and by this instrument to be procured by the Lessee or to keep and maintain the same in full force and effect, or pay the premium therefor promptly when due, the Lessor may, at its option, procure or renew such Insurance and thereupon, the amount or amounts of money paid as the premium or premiums thereon, plus interest at the rate of ten percent (10%) per annum, shall be collectible as though it were rent then matured hereunder and shall be due and payable forthwith, or in lieu thereof, and notwithstanding the procurement and renewal of such Policies by the Lessor, this Indenture and the terms created hereby may, at the option of the Lessor, be terminated and declared at an end, and all of the right, estate and interest of the Lessee hereunder, in such event, shall immediately cease and become null and void.

XII.

ASSIGNMENT

Provided that this Lease is not in default and is in good standing:-

A. This Lease is freely assignable.

B. No assignment or transfer shall be valid unless and until the Assignee shall expressly assume and agree to perform each and every the covenants of this Lease which, by the terms hereof, the Lessee agrees to keep and perform, and which assumption shall be evidenced by written instruments, executed in such fashion as to entitle it to recording, nor shall such assignment be deemed valid unless the assignment and assumption agreement are promptly filed for record in the County wherein the leased premises are located, and unless and until an executed original thereof is delivered to the Lessor, together with a reference to the book and page number of the recordation thereof. No assignment, transfer or assumption shall ever operate to release a prior Lessee from any of the obligations hereof, and no such prior Lessee shall be released unless and until a written discharge of such Lessee, duly executed by the Lessor, shall be recorded among the Public Records of the County in which the leased premises are located.

C. Each of the parties - i.e., Lessor and Lessee hereunder, hereby covenant and agree with the other, that either will, within fifteen (15) days after written notice received by such party from the other, requiring a statement of the status of the Lease; give such statement in writing confirming as to whether the Lease is in good standing, and if it is not, the particulars in which it is not; and failure within said period of fifteen (15) days so to give such written reply shall constitute a representation that the Lease is in good standing, which representation, within fifteen (15) days after the expiration of said fifteen (15) day period, may be relied upon by any person as being true and correct. Notice and the consequent reply shall be deemed given and time shall begin to run when, respectively, the said notice and consequent reply are deposited in the United States Certified or Registered Mail, with sufficient postage prepaid thereon to carry same to their addressed destination, and they shall be addressed to the Lessor and Lessee (as the case may be) at the places and in the manner prescribed as being the places and the manner for giving notice.

D. The obligations assumed hereunder by the respective parties are all covenants running with the land and shall pass successively upon the occasion of each transfer or assignment of an interest unto the transferee or assignee.

XIII.

EMINENT DOMAIN

If any part of the leased premises shall be taken under the power of eminent domain, the rent shall continue unaffected as to amount unless if such portion of the leased premises is taken so as to completely destroy the usefulness of the leased premises for the purpose for which such premises were leased, then from that day, the Lessee shall have the right to terminate this Lease by written notice given by the Lessee to the Lessor within thirty (30) days after such day, or to continue in the possession of an undivided interest in the remainder of the leased premises under all of the terms provided. All damages awarded for such taking shall belong to and be the property of the Lessor whether such damages shall be awarded as compensation for diminution in the value to the Lease or to the fee of the leased premises.

XIV.

BANKRUPTCY

Neither this Lease nor any interest therein nor any estate thereby created shall pass to any Trustee or Receiver or assignee for the benefit of Creditors, or otherwise, by operation of law.

XV.

DEMOLITION, CONSTRUCTION AND MAJOR ALTERATIONS

Lessee shall undertake no demolition, rebuilding or new construction on the demised premises, nor shall Lessee make any major alteration in the buildings located on the demised premises at the time of commencement of this Lease without the prior written consent and approval of the Lessor, and upon such terms and conditions as the Lessor shall require. Nothing in this paragraph shall ever be construed to relieve Lessee of its obligation to maintain and repair the improvements located on the demised premises.

XVI.

DEFAULT CLAUSE

A. It is further covenanted and agreed by and between the parties hereto that in case, at any time, default shall be made by the Lessee in the payment of any of the rent herein provided for upon the day the same becomes due and payable, or in case of default in relation to liens, as hereinabove provided for, or if the Lessee shall fail to pay any of the taxes or assessments herein provided for, or in case of the sale or forfeiture of said demised premises or any part thereof during said demised term for non-payment of any tax or assessment, or in case the Lessee shall fail to keep insured any building or improvements which may, at any time hereafter, be upon the said premises, as herein provided for, or shall fail to expend insurance money, as herein provided for, or if the Lessee shall fail to perform any of the covenants of this Lease by it to be kept and performed, then, and in any of such events, it shall and may be lawful for the Lessor, at its election, to declare said demised term ended, and to re-enter upon said premises and the buildings and improvements situated thereon, or any part thereof, either with or without process of law, the said Lessee hereby waiving any demand for possession

of said premises, and any and all buildings and improvements then situated thereon; or, the Lessor may have such other remedies as the law and this instrument afford. The Lessee covenants and agrees that upon the termination of said demised term at such election, or in any other way, the Lessee will surrender and deliver up the premises and property (real and personal) peaceably to the Lessor, its agents or attorneys, immediately upon the termination of the said demised term, and if the Lessee, its agents, attorneys or tenants shall hold the said premises, or any part thereof, one (1) day after the same should be surrendered according to the terms of this Lease, it shall be deemed guilty of forcible detainer of said premises under the statute and shall be subject to eviction or removal, forcibly or otherwise, with or without process of law.

B. Though this be a Long-Term Lease, the parties understand and agree that the relationship between them is that of Landlord and Tenant, and the Lessee specifically acknowledges that all statutory proceedings in the State of Florida regulating the relationship of Landlord and Tenant respecting collection of rent or possession of the premises, accrues to the Landlord hereunder.

C. Nothing herein contained shall be construed as authorizing the Lessor to declare this Lease in default where the default consists in the non-payment of rent or taxes, or payments on Lessee created mortgages on Lessee's interest in the demised premises, until such non-payment shall, in violation of the terms of this Lease, have continued for fifteen (15) days after written notice of such default shall have been given by the Lessor to the Lessee; and where the alleged default consists of some violation other than the foregoing, the Lessor may not declare this Lease in default until such violation shall have continued for thirty (30) days after the Lessor shall have given the Lessee written notice of such violation, and Lessee shall not have undertaken, during said thirty-day notice period, to cure said violation by vigorous and affirmative action; provided, however, that nothing herein contained shall be construed as precluding the Lessor from having such remedy as may and/or become necessary in order to preserve the Lessor's right and the interest of the Lessor in the premises and in this Lease, even before the expiration of the grace or notice periods provided for in this paragraph if, under particular circumstances then existing, the allowance of such grace or the giving of such notice would prejudice or endanger the rights and estate of the Lessor in this Lease and in the demised premises.

D. All default and grace periods shall be deemed to run concurrently and not consecutively.

E. It is mutually covenanted and agreed that the various rights, powers, options, elections, privileges and remedies of the Lessor contained in this Lease, shall be construed as cumulative, and no one of them shall be construed as being exclusive of the other or exclusive of any rights or priorities by law.

F. It is further covenanted and agreed by and between the parties hereto that the right given to the Lessor in this Lease to collect the rent that may be due under the terms of this Lease by any proceedings under the same, or the right to collect any additional rent, money or payments due under the terms of this Lease by any proceedings under the same, or the right given the Lessor to enforce any of the terms and provisions of this Lease, shall not in any way affect the rights of such Lessor to declare this Lease void and the term hereby ended, as herein provided, when default is made in the payment of said rent, or when default is made by the Lessee in any of the terms and provisions of this Lease.

G. If, at any time, by reason of the failure of the Lessee to keep and perform any covenant or agreement which under the terms of this Lease the Lessee is bound and obligated to keep and perform, it becomes necessary for Lessor to employ an attorney to protect the rights and interests of the Lessor in the demised property, or to enforce the terms and provisions of the Lease, or proceed under it in any particular - then, in any

of such events, the Lessee will owe and will pay unto Lessor all costs of Court and reasonable Attorneys' fees incurred or expended by the Lessor in taking such actions.

H. It is further covenanted and agreed by and between the parties hereto that in the event of the termination of this Lease at any time before the expiration of the term of years hereby created, for the breach by the Lessee of any of the covenants herein contained, then all of the right, estate and interest of the Lessee in and under this Indenture and in the demised premises, and all improvements, buildings and Lessee's interest in all furniture, furnishings, fixtures, appliances, equipment and goods of every kind, and the equity therein, and all additions and accessions thereto, then situated in the said demised premises, together with all rents, issues and profits of said premises and the improvements thereon, whether then accrued or to accrue, and all insurance policies and all insurance monies paid or payable thereunder, and the then entire undisbursed balance of any building escrow fund, and the entire undisbursed balance of any then existing joint bank account which may have been created in connection with the collection of insurance, and all of them, shall at once pass to and become the property of the Lessor without any compensation therefor unto the Lessee, not as a penalty for forfeiture, but as liquidated damages to Lessor because of such default by Lessee and the consequent cancellation of the Lease - each of the parties acknowledging it to be the fact that for breach and consequent cancellation of a long-term lease of this character, the Lessor will sustain substantial damage of such character as to make it most burdensome and tedious, if not actually impossible, to ascertain with mathematical precision. Each of the parties, therefore, have agreed upon this provision for liquidated damages in the interests of obviating what would otherwise be burdensome and difficult litigation to maintain or to defend - as the case may be; and this provision for liquidated damages has been taken into account by both parties in fixing the terms of and the consideration for the making of this Lease.

I. The Lessee pledges with and assigns unto the Lessor, all of the rents, issues and profits which might otherwise accrue to the Lessee for the use, enjoyment and operation of the demised premises, and in connection with such pledging of such rents, the Lessee covenants and agrees with the Lessor that if the Lessor, upon the default of the Lessee, elects to file a suit in chancery to enforce or cancel the Lease and perfect the Lessor's rights thereunder, then the Lessor may, as ancillary to such suit, apply to any Court having jurisdiction thereof for the appointment of a Receiver of all and singular the demised premises, the improvements and buildings located thereon, and the furniture, furnishings, fixtures, equipment, appliances and goods contained therein, and all additions and accessions thereto, and thereupon, it is expressly covenanted and agreed that the Court shall forthwith appoint a Receiver with the usual powers and duties of Receivers in like cases, and such appointment shall be made by such Court as a matter of strict right to the Lessor, and without reference to the adequacy or inadequacy of the value of the property which is subject to the Landlord's lien, or to the solvency or insolvency of the Lessee, and without reference to the commission of waste.

XVII.

LESSEE'S DUTY TO KEEP PREMISES IN GOOD REPAIR

The Lessee covenants and agrees with the Lessor that during the continuation of this Lease, the Lessee will keep in good state of repair and in first-class condition, any and all buildings now or hereafter constructed thereon, and all furniture, furnishings, fixtures, equipment, appliances and goods brought or hereafter placed upon the demised premises, and all additions and accessions thereto; nor will the Lessee suffer or permit any strip, waste or neglect of any building or goods to be committed; and the Lessee will repair, replace and renovate the said real property and goods as often as it may be necessary in order to keep the building or buildings and the goods which are subject to the Lessor's lien, in first class repair and condition.

ADDITIONAL COVENANTS OF THE LESSEES

A. The Lessee covenants and agrees with the Lessor that the premises will be used for legal purposes only.

B. The Lessee covenants and agrees with the Lessor that no damage or destruction to any building or improvement by fire, windstorm, or any other casualty, shall be deemed to entitle the Lessee to surrender possession of the premises or to terminate this Lease, or to violate any of its provisions, or to cause any abatement or rebate in the rent then due or thereafter becoming due under the terms hereof; and if the Lease is cancelled for the Lessee's default at any time while there remains outstanding any obligation from any insurance company to pay for the damage or any part thereof, then the claim against the insurance company shall, upon the cancellation of the within Lease, be deemed immediately to become the absolute and unconditional property of the Lessor.

C. The Lessee covenants and agrees with the Lessor that nothing in this Lease contained shall ever be construed as empowering the Lessee to encumber or cause the Lessor to encumber the title or interest of the Lessor.

D. The Lessee covenants and agrees with the Lessor that at the termination of this Lease, the Lessee will peaceably and quietly deliver unto the Lessor, possession of the premises and all buildings and improvements located thereon, as well as all fixtures and equipment appertaining thereto.

E. This Lease shall be subject and subordinate at all times to the lien of any mortgages, ground rents or other encumbrances now or hereafter placed on the Demised Premises, without the necessity of any further instrument or act on the part of Lessee to effectuate such subordination, but Lessee covenants and agrees to execute and deliver upon demand such further instrument or instruments evidencing such subordination of this Lease to the lien of any such mortgage or mortgages, ground rent or other encumbrances as shall be required by any mortgage or proposed mortgage or by any interested person.

The subordination of this Lease and of Lessee's leasehold interest hereunder to the lien of any mortgage, ground rent or other encumbrance placed on the Demised Premises is conditioned upon execution and delivery by such mortgage, ground-rent owner or other encumbrancer to the Lessee of an agreement in recordable form under which such mortgage, ground-rent owner or other encumbrancer (for itself, its successors and assigns, and for anyone asserting title to, or right to possession of, the Demised Premises under the remedies afforded by the mortgage, ground-rent or other encumbrance), shall covenant and agree for the benefit of Lessee, its successors and assigns,

(a) to take no action to interfere with the possession and use of the Demised Premises by Lessee, its successors and assigns and/or Lessee's rights hereunder, except to the extent permitted to Lessor by the express provisions of this Lease; and

(b) upon any foreclosure sale or other sale of Lessor's interest hereunder, the purchaser thereof shall become the Lessor under this Lease and agree to be bound by all its terms, and Lessee hereby agrees to attorn to such purchaser to the same extent as if such purchaser were the original Lessor herein.

Although the Lessee has the power itself of mortgaging or otherwise encumbering the Lessee's interest in this Lease, any such mortgage or encumbrance shall be subject in all respects to the rights and claims of the Lessor, and all persons claiming under, by or through the Lessor, by reason of or in connection with this Lease, and the extinguishment of this

Lease shall, ipso facto, extinguish any of the mortgages or encumbrances placed on the Lessee's interest in this Lease by the Lessee.

XIX.

COVENANT OF QUIET ENJOYMENT

The Lessor covenants and agrees with the Lessee that so long as the Lessee keeps and performs all of the covenants and conditions by the Lessee to be kept and performed, the Lessee shall have quiet and undisturbed and continuous possession of the premises, free from any claims against the Lessor and all persons claiming by, through or under the Lessor, but this undertaking shall not extend to any interruption in the possession of the Lessee occasioned by the failure of the Lessee to keep in good standing and to pay in accordance with their terms, any mortgage or mortgages encumbering the Lessee's interest in the within Lease and Leasehold premises.

XX.

LESSOR'S RIGHT OF ENTRY

The Lessor, or its agents, shall have the right to enter upon the premises at all reasonable times to examine the condition and use thereof, provided only that such right shall be exercised in such manner as not to interfere with the Lessee in the conduct of Lessee's business on said premises. If the said premises are damaged by fire, windstorm or by any other casualty which causes the premises to be exposed to the elements, then the Lessor may enter upon the premises to make emergency repairs, but if the Lessor exercises its option to make emergency repairs, such act or acts shall not be deemed to excuse the Lessee from its obligations to keep the premises in good repair, and the Lessee shall, upon demand of the Lessor, reimburse the Lessor for the cost and expense of such emergency repairs, and such costs and expense shall be collectible as though the same were rent then matured under this Lease.

XXI.

MISCELLANEOUS PROVISIONS

It is mutually covenanted and agreed by and between the parties, as follows:

A. That no waiver of a breach of any of the covenants in this Lease contained shall be construed to be a waiver of any succeeding breach of the same covenant.

B. That time is of the essence in every particular and particularly where the obligation to pay money is involved.

C. That all arrearages in the payment of rent or in the repayment to the Lessor of any sums which the Lessor may have paid in order to cure a default of the Lessee, or to make emergency repairs (as elsewhere provided for herein) shall bear interest from the date when due and payable at the rate of ten percent (10%) per annum until paid.

D. That no modification, release, discharge or waiver of any provisions hereof shall be of any force, effect or value unless in writing, and signed by the parties who are then Lessor and Lessee.

E. That all covenants, promises, conditions and obligations herein contained or implied by law, are covenants running with the land and shall attach to and be binding upon the heirs, executors, administrators, successors, legal representatives and assigns of each of the parties to this Lease.

F. That this instrument contains the entire agreement between the parties as of this date, and that the execution hereof has not been induced by either of the parties by representations, promises or understandings not expressed herein, and that there are no collateral agreements, stipulations, promises or understandings whatsoever between the respective parties in any way touching the subject matter of this instrument which are not expressly contained in this instrument.

XXII.

NOTICES

Whenever, under this Lease, a provision is made for notice of any kind, it shall be deemed sufficient notice and service thereof if such notice to Lessee is in writing, addressed to Lessee at its last known address and sent by certified mail with postage prepaid, and if such notice to Lessor is in writing, addressed to the last known postoffice address of Lessor, and sent by certified mail with postage prepaid. Notice need be sent to only one Lessee where Lessee is more than one person or Corporation.

XXIII.

LESSEE'S ACCEPTANCE OF OBLIGATIONS OF LEASE

The Lessee is a non-profit Florida Corporation and is an Association formed to conduct and administer the affairs of NO. 1 PALM-AIRE AT DESOTO LAKES COUNTRY CLUB APTS. CONDOMINIUM, and such other Condominiums as provided in the Association's Articles of Incorporation. The Lessee agrees to accept all of the benefits and all of the duties, responsibilities, obligations and burdens imposed upon it by the provisions of this Lease - it being understood and agreed that this Lease is for the benefit of the members of the said Lessee Association, and said Lessee Association understands and agrees that its undertakings, as set forth in this Lease, is an essential consideration flowing to the Lessor without which this Lease would not have been made.

XXIV.

LESSEE DOES NOT HAVE EXCLUSIVE RIGHT OF POSSESSION

This Lease does not grant unto the Lessee the exclusive right of possession to the demised premises. The Lessee understands and agrees that the Lessor shall have the right to make and enter into similar Lease arrangements with others, including corporations, on apartment house projects under the condominium format, and the Lessee Association herein, on behalf of other unit owners in subsequent Condominiums where-in this Lessee Association is designated to operate and administer said Condominiums, and such Lessees will have equal rights to the possession, use and occupancy of the demised premises, and each and every part thereof. However, notwithstanding the foregoing, possession and use of the demised premises shall be limited to owners of Condominium units in the Palm-Aire Condominium complex, and the guests of such Condominium unit owners; however, the use of the demised premises by unit owners' guests shall be subject to the limitations and regulations of the unit owners' Condominium Association and other Associations, as Lessee.

Notwithstanding the fact that the Lessor may contract with other Lessees for the possession, use and occupancy of the demised premises, as above set forth, the obligation to pay the rent in the sum provided and specified hereinabove in this Lease, is and shall continue as the sole obligation of the Lessee herein, its successors and assigns, without diminution, reduction or abatement, because of the leasing to other Lessees of the demised premises, or for any cause or reason whatsoever,

and the liability for the payment of rent and of the other obligations due and to become due hereunder may not be avoided by waiver of the use, enjoyment or abandonment of the leased premises, or any part hereof.

XXV.

MISCELLANEOUS CONDOMINIUM PROVISIONS

The following provisions shall become operative and effective immediately upon the filing among the Public Records of the County wherein the premises described in Exhibit "B" are located, a Declaration of Condominium submitting the premises described in Exhibit "B" attached hereto and made a part hereof, to Condominium ownership, in accordance with the laws of the State of Florida.

A. Exhibit "C" annexed hereto and made a part hereof, is a listing of each Condominium apartment unit to be located on the Condominium property described in Exhibit "B", together with its share of the monthly rental payable hereunder, and its pro-rata share (percentage-wise) of the other expenses and obligations payable by the Lessee hereunder, including without limitation, taxes, assessments, insurance premiums and costs of maintenance and repairs. The number of units shown on Exhibit "C" shall not be increased or decreased, nor shall the designation of each unit by a number, as therein set forth, be changed during the term of the Lease, without the Lessor's prior consent.

Commencing on the first or the fifteenth day of the month following the filing of the Declaration of Condominium, whichever is the nearer, the obligations for the payment of monthly rent in accordance with Exhibit "C" shall be the several obligations of the owners of each of the Condominium apartment units. A default arising from the non-payment of rent or of the prescribed prorata share of Lessee's other obligations hereunder by any other Condominium apartment unit owner or owners, shall not be a default on the part of those owners of Condominium apartment units who have paid their obligations, and the Lessor may exercise his rights and have his remedies, as described herein, against only the defaulting owner or owners.

B. In order to secure the payment of all monies due and to become due hereunder, the Lessor is hereby given a lien on each Condominium apartment unit (together with its proportionate interest in the common elements) described in the Declaration of Condominium which submits to Condominium ownership the property in Exhibit "B" hereto annexed and made a part hereof, and together with a lien on all tangible personal property located within each Condominium apartment unit, except that such lien upon the aforesaid tangible personal property shall be subordinate to prior bona fide liens of record.

The lien herein granted shall accrue against each Condominium apartment unit severally, and may be enforced against only those Condominium apartment units whose owners have not paid the rent or the prorata share of the other obligations attributable to such units. The lien shall be for the amount of such unpaid sums, together with interest thereon, and all sums advanced by and paid by the Lessor for taxes and payments on account of a superior mortgage, lien or encumbrance, which may be advanced by the Lessor in order to preserve and protect his lien, and all reasonable attorneys' fees incurred in the collection and enforcement thereof. The lien hereby created in this Article is an extension of the lien granted to the Lessor under the provisions of Article XXIII of this Lease, and shall have the same dignity and priority as said lien, except that said lien shall apply to and be enforceable against the Condominium apartment units severally, as herein provided.

Upon full payment of arrearages, advances as set forth in the preceding paragraph, interest and costs (including attorney's fees), the party making payment shall be entitled to a recordable Satisfaction discharging the lien as to such arrearages, advances, interest and costs

only, provided such Satisfaction shall in no way diminish or extinguish the lien hereby created as to any other amounts due or to become due, but said lien shall continue throughout the term. The parties understand and agree that the Lessor's lien, as provided for herein, is a continuing lien and shall be in force and effect during the life of this Lease. The lien hereby given may be foreclosed either in the manner in which a mortgage on real property is foreclosed, or alternatively, at the option of the Lessor, in the amount in which statutory liens on real property are foreclosed, or at the further option of the Lessor, by any other remedy available to the Lessor for the foreclosure of the said lien.

For and in consideration of the granting to the Lessor of the lien hereinabove described, together with the remedies for its enforcement hereinabove set forth, the Lessor hereby agrees that it will not terminate or cancel the Lease by statutory summary proceedings, or otherwise, because of the Lessee's failure to pay the sums provided and reserved to be paid hereunder.

As to the Lessor's liens provided in this Long-Term Lease, notwithstanding any language herein to the contrary, where the Mortgagee of an Institutional First Mortgage of record, notwithstanding when the mortgage was created, or other purchaser of a Condominium parcel as a result of foreclosure of the Institutional First Mortgage (as hereinafter defined), or when an Institutional First Mortgagee of record accepts a Deed to said Condominium parcel in lieu of foreclosure, or where the Lessor under the Long-Term Lease obtains title as a result of foreclosure of the Lien under said Lease or accepts a Deed to Condominium parcel in lieu of such foreclosure, or other purchaser obtains title to a Condominium parcel as a result of foreclosure of the aforesaid Lessor's Lien, such acquirer of title, his successors and assigns, shall not be liable for the rent and share of common expenses coming due under this Long-Term Lease chargeable to the former unit owner of such parcel which became due prior to acquisition of title as a result of the foreclosure or the acceptance of such Deeds in lieu of foreclosure.

c. The Lessor understands and acknowledges that in connection with the sale of each individual Condominium unit in the Condominium property, the purchaser thereof may desire to purchase his unit utilizing the proceeds of a mortgage loan, which mortgage will encumber the unit being so acquired. In the light of such information, the Lessor hereby covenants that said Lessor's liens described in the preceding paragraphs are subordinate to the mortgage lien on individual Condominium units held by any National or State Bank, Insurance Company authorized to do business in the State of Florida, or a State or Federal Savings or Building and Loan Association. The subordination provisions of this paragraph shall be self-operative; however, if requested, the Lessor shall confirm said subordination in writing. The subordination provided in this paragraph is limited to the following provisions of this paragraph:-

In the event the Institutional First Mortgagee, to which the lien above referred to has been made subordinate, forecloses its mortgage against said Condominium parcel and obtains title to the same by public sale held as a result of such foreclosure suit, or said Institutional First Mortgagee acquires title by conveyance in lieu of foreclosure, the said Institutional First Mortgagee shall take title free of the Lessor's lien for rent accruing prior thereto with respect to said unit and, for so long as it shall continue to hold title, shall receive an abatement of rent in the amount provided under this Article XXV of this Lease shall be reduced to the extent as if said Condominium parcel did not exist, provided the said Institutional First Mortgagee must receive in full the benefit of such reduction in rent by credit against its portion of the common expenses of the Condominium of which the Lessee is the Association, and further provided that the same shall not reduce nor abate any other of the promises, covenants or obligations of the Lessee herein. Upon the said Institutional First Mortgagee's conveying its title to the Condominium parcel so acquired by it, the foregoing abatement of rent shall immediately cease and terminate; however, pending said conveyance of title to the Condominium parcel by said Institutional

First Mortgagee, during any period of time that said Condominium unit is occupied, there shall be no abatement of rent. Should the Institutional First Mortgagee, upon conveying said parcel, receive a Purchase Money Mortgage upon said parcel, the subordination provisions set forth in this paragraph shall be self-operative and apply to said Institutional First Mortgagee's Purchase Money Mortgage, and said provisions of this paragraph shall continue as long as said Institutional First Mortgagee, its successors or assigns, is the owner and holder of a Purchase Money Mortgage on the applicable Condominium parcel. The Lessor agrees to confirm the foregoing subordination in writing if so requested by said Institutional First Mortgagee. The statement provided in this paragraph does not include the Condominium parcel's share of common expenses under the Long-Term Lease.

D. The Lessee, its successors and assigns, understands and agrees that the within Lease imposes upon it the firm and irrevocable obligation to pay the full rent and perform the other provisions hereof, for the full term of this Lease. Article XX.D. hereinabove, provides one means of securing to the Lessor the payment of such rent by the Lessee, and the latter's performance of its other obligations hereunder, including the payment of reasonable attorneys' fees and costs which may be incurred in effecting collections thereof. The means therein set forth shall not be the Lessor's exclusive remedy.

The Lessee Association's leasehold interest in and to the leased premises described in Exhibit "A" attached hereto and made a part hereof, has been and is hereby declared to be acquired pursuant to Florida Statute 711.121. All monies due and to become due under the provisions of this Long-Term Lease including, without limitation, expenses of rent, taxes, assessments, insurance premiums, costs of maintenance and repair, including the operation of said leased premises, and all replacements and undertakings, and such other items as are specified in this Long-Term Lease, are - and shall continue to be for the term of this Lease, declared to be common expenses of the Condominium being created upon the real property described in Exhibit "B" attached hereto, by virtue of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, and made a part hereof, and as common expenses, all monies due or to become due under this Long-Term Lease are part of the costs of maintaining the common elements of said Condominium. Although the rent and other obligations under this Long-Term Lease are common expenses, as aforesaid, with the same force and effect as common expenses for the costs of maintaining the Condominium property itself - within the category of "common expenses", the priority shall be as follows:- First Priority - rent due under this Long-Term Lease; Second Priority - all obligations under this Long-Term Lease, other than rent; Third Priority - costs of maintaining the Condominium property itself, excluding the leasehold. Notwithstanding the right of the Board of Directors of the Lessee Condominium Association to apply payments by unit owners for common expenses in such manner as they determine in their sole discretion, as provided in the aforesaid Declaration of Condominium and the By-Laws of the Condominium Association attached thereto, the Lessor herein shall have the right, in its sole discretion, to require the Board of Directors of the Condominium Association to apply any and all payments by unit owners for common expenses in the manner of priority as set forth in this paragraph.

It shall be the duty of the Lessee to assess its unit owners in accordance with the Condominium Act, its Declaration of Condominium, and By-Laws, in such amounts as shall be necessary to pay its obligations, payable in money, to the Lessor hereunder, and to otherwise perform its covenants and promises herein.

The foreclosure or other actions to enforce the liens herein provided, by the Lessor or Lessee Condominium Association, shall not be considered or construed as a termination or cancellation of this Long-Term Lease, in whole or any part thereof, or as to any Condominium unit, nor shall it operate as an extinguishment or termination of such liens; and if an Institutional First Mortgage encumbering a Condominium unit shall be foreclosed, the same shall not operate as an extinguishment of

Lease, in whole or in part, or as a termination of the Lessor's lien, as aforesaid, against the entire Condominium property or the Condominium units so foreclosed, and such lien shall be renewed without any act on the part of the Lessor or the Mortgagee, or subsequent owner, but only for money which shall become due and payable hereunder after the purchaser at a foreclosure sale shall have acquired title to the Condominium unit foreclosed, or upon the date that such Institutional Mortgagee, Lessor, Lessee Condominium Association, or its nominee, obtains a Deed in lieu of foreclosure; subject, however, to the paramount provisions as to abatement of the Lessor's rent for such time in favor of certain Institutional First Mortgagees, as hereinabove provided in this Article.

In the event that the Lessor's lien granted by the provisions of Article XXV.B., hereinabove, should, as to the whole or any part of the premises described in Exhibit "B", for any cause or reason whatsoever, be determined to be invalid, extinguished or unenforceable, then the Lessee agrees that such fact shall not extinguish or diminish in the slightest degree the Lessee's financial or other obligations hereunder, and that it will, in the manner as now prescribed by Chapter 711, Florida Statutes, and as such statute may be amended, make such assessments and enforce its lien therefor on the individual Condominium units in the Condominium property, in order to comply with and fulfill the Lessee's obligations to the Lessor hereunder.

The parties understand and agree that nothing herein contained shall authorize the Lessor to collect the same indebtedness twice, and any Condominium unit owner who pays the proportionate share of the rent payable by his Condominium unit hereunder, and its prorata share of the common expenses incurred in connection with the leased premises, shall be entitled to require from the Association and the Lessor, a recordable satisfaction of the lien for the amount paid and discharged.

XXVI.

LESSOR'S OPTION RE ESCROW FOR TAXES AND INSURANCE

Notwithstanding anything contained in Articles IV. and XI. herein, the Lessor shall have the right, which it may exercise as frequently as it may wish, to require the Lessee to pay to the Lessor, on the first day of each month during the term hereof, one-twelfth (1/12th), or such portion thereof as the Lessor may determine, of the premiums for insurance required under Articles IX and X of this Lease which will next become due and payable, plus taxes required to be paid under Article IV. of this Lease which will next become due and payable. Notice of the sums required to be paid hereunder shall be given to the Lessee and said sums shall be computed so as to enable the Lessor to have sufficient monies to pay insurance premiums one (1) month prior to their being payable, and to pay the taxes no later than January of each year. The sums so paid to and received by the Lessor shall be held in trust by the Lessor to pay said premiums and taxes, and all monies so paid and received by the Lessor from the Lessee, or other Lessees, shall be deposited in an account or accounts in a Federally insured Bank or Savings and Loan Association in the State of Florida, and the said monies may be commingled with other monies as Lessor determined. The said account(s) need not be interest bearing; however, if any interest is earned, it shall inure to the benefit of the Lessee and such other Lessees.

In the event the property described in Exhibit "B" attached hereto and made a part hereof is submitted to Condominium ownership, then the provisions of Article XXVIII., Section A., of the Declaration of Condominium shall be controlling where such provisions are required to be followed by the Condominium Association or the Institutional First Mortgagee therein described; however, Lessor shall be entitled to written proof of compliance therewith by the Depository.

RENT ADJUSTMENT

The Lessor and Lessee hereby covenant and agree that the rental payments provided for in Article III above, shall be adjusted higher or lower, based upon the Cost of Living Index, as hereinafter defined and provided in this paragraph, at three (3) year intervals, commencing January 1st, 1974 and continuing each three years thereafter throughout the term of this Lease. The adjustment to the rent to be made, and therefore, the monthly rent for each three (3) year term commencing January 1st, 1974, shall be determined by multiplying the basic monthly rent provided for in Article III by a fraction, the numerator of which shall be the Index figure indicated for the month of October preceding each January 1st, commencing with October, 1973, as shall be shown by the Consumers' Price Index - the United States City Average All Items and Commodity Groups, issued by the Bureau of Labor Statistics of the United States Department of Labor, and the denominator of which shall be the Basic Standard Index Figure of such Price Index for the month of October, 1970. The product of such multiplication shall be the amount of the monthly rental payments to be made hereunder for the succeeding three (3) year period until the next computations provided for hereunder shall be made. As an example of such computations, assume that the Index for the month of October, 1973 should be 130.0; the new monthly rental amount for the period from and including January 1st, 1974, through December 31st, 1976, would be arrived at by multiplying the monthly rental provided for in Article III above by a fraction, the numerator of which would be 130.0, and the denominator of which would be the basic Standard Index Figure for the month of October, 1970. The product arrived at would be the monthly rental payments due hereunder for such period. In such instance, on January 1st, 1977, a new computation would be made, as described herein, and the rent for the period from January 1st, 1977 through December 31st, 1979, would be determined by such process, and so forth, for each three (3) year term thereafter.

It is understood and agreed that the above described Index is now being published monthly by the Bureau of Labor Statistics of the United States Department of Labor. Should it be published at other intervals, the new Index hereinabove provided for shall be arrived at from the Index or Indices published by said Bureau most closely approximating the month of October of the year preceding the January 1st on which the adjustment is made. Should said Bureau of Labor Statistics change the manner of computing such Index, the Bureau shall be requested to furnish a conversion factor designed to adjust the new Index to the one previously in use, and adjustment to the new Index shall be made on the basis of such conversion factor. Should the publication of such Index be discontinued by said Bureau of Labor Statistics, then such other Index as may be published by said Bureau most nearly approximating said discontinued Index shall be used in making the adjustments herein provided for. Should the said Bureau discontinue the publication of an Index approximating the Index herein contemplated, then such Index as may be published by another United States Governmental Agency as most nearly approximates the Index herein first above referred to, shall govern and be substituted as the Index to be used, subject to the application of an appropriate conversion factor to be furnished by the Governmental Agency publishing the adopted Index. If such Governmental Agency will not furnish such conversion factor, then the parties shall agree upon a conversion factor of a new Index, and in the event an agreement cannot be reached as to such conversion factor or such new Index, then the parties hereto agree to submit to Arbitrators selected and in accordance with the Rules of the American Arbitration Association and the Arbitration Laws of the State of Florida, the selection of a new Index approximating as nearly as possible the Index hereinabove first contemplated - which new Index may be one published by a Governmental Agency or one published by a private agency and generally accepted and approved as an Index reflecting the contemplated fluctuation in the purchasing power of the United States Dollar. The Index selected and the determination made by such Arbitrators in either of the above events, shall be binding upon the parties hereto. In the event of any controversy arising as to the proper adjustment for the rental payments, as herein provided, Lessee shall continue

paying the rent to the Lessee under the last preceding rental adjustment, as herein provided, until such time as said controversy has been settled, at which time an adjustment will be made, retroactive to the beginning of the adjustment period in which the controversy arose. In no event, and under no computation nor in anywise, shall the provisions of this Lease provide that the amount of rent to be paid shall be less than the amount provided for as "Rent" in Article III., hereinabove.

XXVIII.

TERMINATION OF CONDOMINIUM OF WHICH THE LESSEE ASSOCIATION
HEREIN IS FORMED TO CONDUCT AND ADMINISTER THE AFFAIRS.

A voluntary or involuntary termination of Lessee Association, or the Condominium created by virtue of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, shall not terminate this Lease; however, upon the voluntary or involuntary termination of the Condominium aforesaid or of the Lessee Association, the lien of any Institutional First Mortgage who is a holder of a mortgage encumbering a Condominium parcel in the Condominium aforesaid, shall be superior to the liens of the Lessor and all rights of the Lessor under this Long-Term Lease. All of the provisions of the Declaration of Condominium to which this Long-Term Lease is attached is Exhibit No. 4, relative to this Lease, including specifically those provisions relative to the Lessor's approval and consent with regard to voluntary termination of the Condominium and, where required, any amendment of the Declaration of Condominium are hereby declared to be an integral part of the consideration given by the Lessee to the Lessor for this Lease; however, notwithstanding all of the terms and conditions set forth above in this Article XXVIII., in the event the aforesaid Condominium is voluntarily terminated as a result of "very substantial" damage to the improvements on the Condominium real property, as defined and set forth in Article XII.B.6. of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, the consent of the Lessor hereunder shall not be required, and the liens of the Lessor upon the real property described in Exhibit "B" attached hereto, the improvements thereon, and upon the Condominium parcels in said Condominium, and all the rights of the Lessor under this Long-Term Lease shall terminate and be discharged, and this Long-Term Lease shall be deemed cancelled as of the date said "very substantial" damage was sustained.

XXIX.

AMENDMENT OF LONG-TERM LEASE

This Long-Term Lease may be amended by agreement in writing executed by the Lessor and the Lessee Association, which Amendment shall be duly recorded in the Public Records of the County wherein the leased premises are located, and the recording of said Amendment shall also constitute and be deemed an Amendment to the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, as to the provisions in said Declaration relative to said Long-Term Lease. No Amendment shall change a unit owner's rent under this Long-Term Lease, nor the manner of sharing common expenses under this Long-Term Lease, nor impair the rights of the unit owners to the use and enjoyment of the recreational area and facilities, without the unit owners so affected and all record owners of mortgages thereon, joining in the execution of said Amendment. No Amendment shall change the provisions of this Long-Term Lease with respect to Institutional Mortgages, nor shall any Amendment affect, impair or prejudice the validity, rights and priorities of any mortgages encumbering Condominium parcels in said Condominium. Where the Lessee Corporation - i.e., the owner of the land and improvements thereon, described in Exhibit "B", submitting same to Condominium ownership, continues to hold title to Condominium parcels in said Condominium at the time of the proposed Amendment - under the provisions of this Paragraph, the approval of the Lessee Corporation shall be required.

XXX.

Notwithstanding the provisions in the preceding Paragraph, the Lessor shall have the right to amend this Long-Term Lease by adding to the leased premises, those certain premises described in Article XVIII.R., of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, and such addition to the leased premises may be made at such time and upon the conditions and terms provided in said Paragraph R., of Article XVIII. of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4. Should this long-Term Lease be amended to include additional leased lands, as provided herein, the improvements on said additional leased lands will be constructed by the Lessor herein and/or the Developer, as defined in this Long-Term Lease, and such improvements shall consist of such recreational facilities, including the type, design, size and dimensions thereof, as the Lessor and/or Developer shall determine in their sole discretion. The filing of an Amendment to Declaration of Condominium under the provisions of said Paragraph R. of Article XVIII. of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, executed solely by the Lessor and Developer, shall be deemed to be an executed Amendment to this Long-Term Lease.

XXXI.

AGREEMENTS, ETC., TO BE COVENANTS RUNNING WITH THE LANDS

A. The terms, conditions, provisions, covenants and agreements set forth in this Long-Term Lease shall be binding upon the Lessor and Lessee, their respective heirs, legal representatives, successors and assigns, and shall be deemed to be covenants running with the land - and by land, is meant the demised premises, as well as the premises described in Exhibit "B" annexed hereto and made a part hereof.

B. Incorporation of Definitions by Reference: The definitions of the words, terms, phrases, etc., as provided in Article I, of the Declaration of Condominium to which this Long-Term Lease is attached as Exhibit No. 4, are incorporated herein by reference and made a part hereof, and unless the context otherwise requires, said definitions shall prevail.

XXXII.

NOTICE PROVISIONS RE ARTICLE XXV.C. HEREIN

The Institutional First Mortgagee referred to in Article XXV.C. herein, shall be required to give notice to the Lessor if the Mortgage Note, and Mortgage given as security therefor, is in default whereby said Institutional Mortgagee has written to the Mortgagor demanding payment of sums due under the said Note or Mortgage. Failure to give such notice shall not affect the rights granted to such Institutional First Mortgagee under Article XXV.C.

Lessor shall have the right to cure said Mortgagor's default and to make any payments due by the Mortgagor; however, Lessor must make such payment within the same time period allowed to the Mortgagor in the letter mailed to the Mortgagor, which time period will not be less than ten (10) days from the date of mailing.

Notwithstanding the foregoing, said Institutional First Mortgagee shall not be required to advise the Lessor as to any modification of the Mortgage Note or Mortgage, waiver of payment(s), extension of term, or in any regard, except as is specifically provided in this Article.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed respectively by their proper Officers, and their respective Corporate Seals to be affixed, the day and year first above written.

Signed, sealed and delivered in FPA CORPORATION
the presence of:

John M. Muccio By: Thos. Amico (SEAL)
Vice President

Mary Ann Mancini Attest: Thos. Amico (SEAL)
Secretary
(LESSOR)

PAIJI-AIRE AT DESOTO LAKES COUNTRY
CLUB CONDOMINIUM ASSOCIATION, INC.

John A. Kelly By: E. J. Murray (SEAL)
President

John J. Hyman Attest: Robert Keller (SEAL)
Vice President
(LESSEE)

STATE OF FLORIDA
COUNTY OF Broward

I HEREBY CERTIFY that on this day, before me, an officer duly authorized to take acknowledgments in the state and county named above, personally appeared Thos. Amico as VICE-PRESIDENT and Mary Ann Mancini as SECRETARY of the above named FPA CORPORATION, a Delaware Corporation, to me known to be the persons described in and who executed the foregoing and acknowledged the execution thereof for and on behalf of said corporation as such officers for the purposes therein expressed, the affixing of its corporate seal, and that they were duly authorized by said corporation to do so.

WITNESS my hand and official seal in the state and county named above this 2 day of APRIL, 1973.

My commission expires:

NOTARY PUBLIC, STATE OF FLORIDA #11482
MY COMMISSION EXPIRES JUNE 7, 1974
BONDED THROUGH THE W. GUARANTEE

STATE OF FLORIDA)
COUNTY OF SARASOTA

I HEREBY CERTIFY that on this day, before me, an officer duly authorized to take acknowledgments in the state and county named above personally appeared E. A. WARRON as PRESIDENT and ROBERT KELLER as VICE PRESIDENT of the above named PALM-BLUE AT DESOTO LAKES COURTYARD CLUB CONDOMINIUM ASSOCIATION, INC., a Florida Corporation, to me known to be the persons described in and who executed the foregoing and acknowledged the execution thereof for and on behalf of said corporation as such officers for the purposes therein expressed, the affixing of its corporate seal, and that they were duly authorized by said corporation to do so.

WITNESS my hand and official seal in the state and county named above this 5 day of APRIL, 1973.

Lain J. Huffer
Notary Public

My commission expires:
FEBRUARY 17, 1977.



LONG-TERM LEASE

EXHIBIT "A"

ALL of Lot 4, Block 2, DESOTO LAKES COUNTRY CLUB COLONY, UNIT 1,
SECTION C, as per plat thereof recorded in Plat Book 15, page
91, of the Public Records of Manatee County, Florida.

LONG-TERM LEASE

EXHIBIT "D"

ALL of Lot 3, Block 1, DESOTO LAKES COUNTRY CLUB COLONY, UNIT 1, SECTION C, as per plat thereof recorded in Plat Book 15, page 93, of the Public Records of Manatee County, Florida.

ALSO, all of Lots 3A, 4 and 5, Block 1; Lot 9, Block 2 and Tract A, DESOTO LAKES COUNTRY CLUB COLONY, Unit 1, Section D, as per plat thereof recorded in Plat Book 16, page 01, Public Records of Manatee County, Florida.

LONG TERM LEASE

EXHIBIT "C"

<u>Condominium Unit and Parcel Number</u>	<u>Type of Unit</u>	<u>Monthly Rent under Long-Term Lease</u>
101, 106, 201, 206 107, 112, 207, 212 117, 126, 217, 220	3 BR - 2B	\$30.00 per unit
102, 105, 202, 205 108, 111, 208, 211 113, 116, 213, 216 118, 119, 218, 219 121, 124, 221, 224	2 BR - 2B	\$25.00 per unit
103, 104, 203, 204 109, 110, 209, 210 114, 115, 214, 215 122, 123, 222, 223	1 BR--1-1/2B	\$25.00 per unit
V-21	2 BR - 2B	\$25.00 per unit
V-19 and V-22	3 BR - 2B	\$30.00 per unit
V-20	3 BR - 3B	\$30.00 per unit

UNIT OWNER'S SHARE OF COMMON EXPENSES UNDER THE LONG-TERM LEASE - is defined as the other expenses and obligations, (excluding Rent), payable by the Lessee under said Lease, including, without limitation, taxes, assessments, insurance premiums, and costs of maintenance and repairs. The total common expenses under the Long-Term Lease will be weighted and computed in such manner so that the following ratio will prevail:

The 1-bedroom units will be used as the base of each proration, and the base shall be 1; 2-bedroom units shall be 133-1/3rd% of the base; 3-bedroom units shall be 166-2/3rds% of the base; and 4-bedroom units shall be 200% of the base.

The Lessor under the Long-Term Lease has the right to enter into Long-Term Lease Agreements with other Lessees and Condominium Association (s); as to an undivided interest in the demised premises described in Exhibit "A" of the Long-Term Lease, and/or in the demised premises described in and pursuant to Article XXX of said Long-Term Lease, said Long-Term Lease being attached hereto as Exhibit No. 4, provided, however, that all members of the Lessee Condominium Association (s), including the Lessee Condominium Association in the Long-Term Lease attached hereto as Exhibit No. 4, share the common expenses under said Long-Term Lease (s) under the foregoing ratio as to the demised premises described in Exhibit "A" to the Long-Term Lease (if said premises are a portion of the demised premises in the Long-Term Lease), and as to the demised premises described in and pursuant to Article XXX of said Long-Term Lease.

The provisions of the foregoing paragraph are further subject to all units being classified as to "type" by the Developer in the Declaration of Condominium controlling such units, and the Lessor under the Long-Term Lease appertaining thereto, as to one of the four types hereinabove set forth.

469748
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 CLERK
 MANATEE CO. FLA.

Palm-Aire at DeSoto Lakes Condominium Association, Inc. (CONDOA)
Also Known as Palm Aire Golf Side

Rules and Regulations

These Rules and Regulations have been established to ensure the creation of pleasant and harmonious relations for all residents, guests and renters and supplement those contained in the Declaration of Condominium and the By-Laws.

Recreation facilities, equipment and other association property are for the exclusive use of owners, house guests and renters. PLEASE USE THEM WITH CARE.

- 1. SALE or LEASE** No sale, lease, or lease renewal of a unit is valid without the prior written consent of the Board of Directors. A \$100.00 processing fee must accompany each initial application. No additional fee is levied on renewals, but owners account status and tenant's compliance to Rules and Regulations will be reviewed before lease extensions are granted. All necessary forms are available from Progressive Community Management's office and/or our on-site office. When renting a unit, the owner shall place these Rules and Regulations in a prominent location so renters can be expected to abide by them.
- 2. RENTALS** No owner may rent a unit for a period less than one month and without prior written consent of the board of Directors. No rental shall be made to groups three or more unrelated males or females. The \$100.00 processing fee must accompany each application. The renter indicating the rules have been read and are understood must sign the application. Failure to properly process and identify new tenants entering a unit could create an embarrassing situation and possible expense to the owner. The Association has the right, under Florida Statute 718.116, to collect rent from a tenant occupying a unit whose owner is delinquent to the Association for any monetary obligation.
- 3. GUESTS (Relatives-in the owner's absence)** Owners shall notify the board of Directors in writing of the number of people, names, automobiles, arrival and departure dates. Guests shall notify the manager upon their arrival.
- 4. CHILDREN** Children under the age of 18 years of age are not permitted to occupy a unit unless a parent or other responsible adult is occupying the unit at the same time.
- 5. PETS** All pets must be approved by the Board of Directors. With said approval, unit owners may have one (1) small dog or cat, which at no time shall exceed the weight of **30 lbs, or two (2) small dogs which at no time shall exceed a combined weight 30 lbs.** A written, authoritative opinion of a breed or veterinarian stating the dog will remain within the weight limit during its adult life must accompany each request. **Renters are not allowed to have pets.** The median strip is the only permissible place for walking dogs. A county ordinance exists requesting owners to remove their animal's feces. Defecation not removed on any private or public property is subject to a fine - \$50 for the first offense, \$75 thereafter. (Ordinance #90-32 Section IX.A -XVII _XV.B.)
- 6. NOISE** Out of consideration for others, the noise level of party conversations, televisions, radios, record players, sound systems, etc. must be kept at a reasonable level at all times. Any pets causing a nuisance or unreasonable disturbance shall be removed from the property.
- 7. PASS KEYS** Owners must give duplicate property keys to the association manager for use in case of emergency. **THIS IS FLORIDA LAW.** Keys and locks cannot be changed without management's knowledge and replacement keys given for emergency use.
- 8. RAILINGS, WALKWAYS AND LOBBIES** must be kept clear at all times and may not be used for drying or airing towels, bathing suits, clothing or for storing household furnishings or recreational equipment. Outdoor furniture may not be left out on the walkway overnight.

9. **TRASH** Refuse and garbage shall be deposited only in the facilities provided. Garbage must be bagged and tied. Recycled items must be separated and placed in proper containers. Replacement garbage cans will be supplied by the condo association.
10. **PARKING AND VEHICLE TYPE** - *Owners and tenants shall park in their own Section, and are limited to no more than two (2) conventional passenger vehicles.* No boats, boat trailers, campers, motor homes, recreational vehicles, pickup trucks, *panel trucks*, motorcycles, or similar vehicles may be parked on the premises *overnight. If the individual unit has been assigned a parking space, the owner or tenant of that unit shall use it and not take one of the guest spots.* Commercial vehicles may be parked only during the time they are actually performing services. Parking on the median or any grassed area is not permitted. We must prevent damage to our sprinklersystem.
11. **RECREATIONAL AREAS** All persons using the pools or other recreational facility do so at their own risk and are expected to abide by the rules governing the area. This association is not responsible for accidents or injury.
12. **SIGNS** No unauthorized signs are permitted to be displayed on the premises.
13. **ALTERATION** All exterior building alterations must be approved, in writing, by the Board of Directors. Interior renovations are both a privilege and responsibility of the owner. Engineering Integrity must be employed when supporting structure is involved. When floor covering in upper floor units are altered to a hard surface, proper soundproofing shall be included in the renovating plans. Individual planting of trees and large shrubs must be approved by the Board. When smaller plants are planted, they must be chosen and positioned as so not to interfere with or hamper the work of maintenance people. The care and upkeep of such plantings is the responsibility and expense of the owner.
14. **PURCHASES, REPAIRS AND SERVICES** No owner may purchase any item or arrange any repair or service for or to common elements, without the written permission from the Condo Board of Directors.
15. **MAINTENANCE REQUEST & SUGGESTIONS** All requests for maintenance or repair must be made in writing to the Property Manager.
16. **PENALTIES:** It is the obligation and intention of the Board of Directors to strictly enforce these rules and regulations and take whatever action necessary to correct violations -- using its power given in the By-Laws and the Declaration of Condominium.

Pool Rules:

THE POOL AREAS ARE PRIVATE FACILITIES for the exclusive use of Condo "A "owners, renters and their guests only. Guests, other than housed guests must be accompanied by resident /owners

You MUST shower before entering the pool. (Florida State Law)

1. Proper swimming attire must be worn at all times.
2. No glassware, food or alcoholic beverages are allowed in the pool area.
3. Pets are not permitted in the pool area.
4. All children under 12 must be accompanied by an adult.
5. Do not remove poolside furniture outside the fenced area.
6. No diving, running, pushing or other rough play is allowed.
7. Except for life belts or other safety equipment not made of Styrofoam, **NOTHING ELSE IS ALLOWED IN THE POOL.**
8. Only authorized persons are permitted to adjust pool heatercontrols.
9. Pool hours are 7:00 am to 10:00 pm.

Exercise Room Rules

THE EXERCISE EQUIPMENT is for the exclusive use of Condo "A" owners, renters and their guests only. Guests, other than housed guests, must be accompanied by resident/owners

1. Use equipment at your own risk.
2. Members and Guests over the age of 18 may use all equipment without supervision. Children under the age of 18 must be accompanied at all times by an adult who is at least 18 years old.
3. Equipment use is restricted to members and their guests. Guests **MUST** be accompanied by a member or member's immediate family at all times. Unauthorized persons using the Exercise room will be considered trespassing and may be prosecuted.
4. No breakable containers are allowed in the Exercise Room.
5. All members are responsible for cleaning up after themselves. Any items left in the Exercise Room may be discarded by the association.
6. Leave room as you found it.
7. Common sense and safety practices shall be used by all exercisers.
8. Vandalism will be reported to the POLICE DEPARTMENT. Any member caught vandalizing will be held financially responsible for repairs and may be subject to fines issued by the association. Any nonmember may be prosecuted and will be held financially accountable.
9. Violation of the Exercise Room rules may result in suspension of privileges of the member and member's family for a period of time to be determined by the Board of Directors.

In case of an emergency, call 911

"IT IS EVERY OWNER'S DUTY TO SEE THAT THE ABOVE RULES ARE OBSERVED AND TO REQUEST COMPLIANCE BY OTHER OWNERS!"

January 26, 2016