

Association, individually, and as agent for Owners of Units covered by the policy, without naming them, and as agent or their mortgagees, without naming them. The Owners and their mortgagees shall be additional insured.

(d) Custody of Policies and Payment of Proceeds. All policies shall provide that payments or losses made by the insurer shall be paid to the Insurance Trustee described in Section 10.5 below, and all policies and endorsements shall be deposited with the Insurance Trustee.

(e) Copies to Mortgagees. One copy of each insurance policy, or a certificate evidencing such policy, and all endorsements, shall be furnished by the Association, upon request, to each Institutional Mortgagee holding a mortgage upon a Unit covered by the policy. Copies or certificates shall be furnished not less than 10 days prior to the beginning of the term of the policy or not less than 10 days prior to the expiration of each preceding policy that is being renewed or replaced, as appropriate.

(f) Personal Property and Liability. Any Owner may obtain, at such Owner's expense, insurance coverage upon the Property lying within the boundaries of the Owners Unit, including, but not limited to, personal property, floor, wall and ceiling covering and for Owner's personal liability and living expense and for any other risks not otherwise insured in accordance with Section 10.2.

10.2 Coverage. The Association shall maintain the following insurance coverage:

(a) Casualty. The Association shall obtain fire and extended coverage insurance, insuring the Improvements (including the Building and all fixtures, machinery and installations initially installed, in accordance with the original plans and specifications, or replacements, within the unfinished interior surfaces of the perimeter walls, floors, and ceilings of the Units but excluding all furniture, furnishings or other personal property owned, supplied or installed by Unit Owners or their tenants and further excluding all floor, wall and ceiling coverings) (collectively, the "Insured Property") in an amount not less than 80% of full insurable replacement value, excluding foundation and excavation costs. Such fire and extended coverage policy shall insure against such other risks including, but not limited to, vandalism and malicious mischief, as from time to time are customarily covered with respect to buildings and improvements similar to the Insured Property in construction location and use. The Board of Directors shall annually determine the full insurable replacement value and reasonable deductible provisions.

(b) Liability. The Association shall obtain a Comprehensive General Liability insurance policy, including Bodily Injury and Property Damage, on an occurrence basis, to afford protection in an amount of not less than \$1,000,000 combined single limit for personal injury death or property damage, occurring on, or about, or in connection with the Insured Property or adjoining driveways and walkways. The Board of Directors shall from time to time adjust the liability limit provided that the minimum amount of coverage shall be \$1,000,000. All liability insurance shall contain a cross-liability endorsement to cover the liability of all Unit Owners, as a group, to any one Unit Owner.

(c) Worker's Compensation and other mandatory insurance, when applicable.

(d) Flood Insurance, if obtainable.

(e) Fidelity Insurance covering all directors, officers and employees of the Association and managing agents who handle Association funds.

(f) Directors' and Officers' Liability Insurance, if obtainable at reasonable rates and without excessive exclusions.

(g) Such Other Insurance as the Board of Directors shall determine from time to time to be desirable.

When appropriate and obtainable at a reasonable cost, each insurance policy shall waive the insurer's right to: (i) subrogation against the Association and the Unit Owners individually and as a group, (ii) pay only a fraction of any loss in the event of co-insurance or if other insurance carriers have issued coverage upon the same risk, and (iii) avoid liability for the loss caused by an act of the Board of Directors, by a member of the Board or by one or more Unit Owners.

10.3 Additional Provisions. All policies of physical damage insurance shall provide that such policies may not be canceled or substantially modified without at least 10 days prior written notice to all of the named insured, including mortgagees of Units from whom the Association and the insurance companies have received prior written notice.

10.4 Premium. Insurance premiums for the Association's policies shall be paid as a Common Expense. Premiums may be financed in such manner as the Board of Directors deems appropriate.

10.5 Insurance Trustee; Share of Proceeds. An Insurance Trustee may be designated by the Board of Directors with the approval of the Primary Institutional Mortgagee, and shall be designated if required by the Primary Institutional Mortgagee. If so appointed, the Insurance Trustee shall be a bank or trust company in Florida with trust powers and may be the Primary Institutional Mortgagee. If the Association fails or elects not to appoint such Trustee, the Association will perform directly all obligations imposed upon such Trustee by this Declaration and shall be entitled to enforce all rights conferred upon such Trustee. Common Expenses shall include fees and expenses of any Insurance Trustee. The Insurance Trustee shall not be liable for 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 (if appointed) shall be to receive such proceeds as paid and hold them in trust for the purposes stated below, 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 on the records of the Insurance Trustee:

(a) Insured Property. Proceeds on account of damage to the Insured Property shall be held for each Unit Owner in undivided shares equal to each Owner's undivided share in the Common Elements appurtenant to the Unit, if the damaged Insured Property includes property lying within the boundaries of specific Units, that portion of the proceeds allocable to such property shall be held as if it were Optional Property described in paragraph (b) below.

(b) Optional Property. Proceeds on account of damage solely to Units and/or certain portions or all of determined by the Association in its sole discretion (collectively, "Optional Property"), if collected by reason of optional insurance which the Association, to the extent permitted by law, elects to carry, shall be held for the benefit of Owners of Units or other portions of the Optional Property damaged, in proportion to the cost of repairing the damage suffered by each affected Owner, which cost and allocation shall be determined in the sole discretion of the Board of Directors of the Association.

(c) Mortgagees. No mortgagee shall have any right to determine or participate in the determination of whether or not any damaged property shall be reconstructed or repaired. No mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds, except for actual distributions made to the Owner and mortgagee pursuant to this Declaration.

10.6 Distribution of Proceeds. Proceeds of insurance received by the Insurance Trustee shall be distributed as follows.

(a) Expenses of the Trust. All expenses of the Insurance Trustee (if appointed) shall be first paid or provision made therefor.

(b) Reconstruction or Repair. If the damaged property for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray such cost. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners thereof, 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 him. Said remittance shall be made solely to an Institutional Mortgagee, when requested by such Institutional 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.

(c) Failure to Reconstruct or Repair. If it is determined as elsewhere provided that the damaged property for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be allocated among the beneficial owners as provided in Section 10.5 and distributed first to all mortgagees in an amount sufficient to satisfy their mortgages, and the balance, if any, to the beneficial owners in the manner provided in Section 10.6(b).

(d) Certificate. In making distributions to Unit Owners and their mortgagees, the Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary as to the names of the Owners and their mortgagees and their respective shares of the distribution. Upon request of the Insurance Trustee, the Association forthwith shall deliver such certificate. In addition, the Insurance Trustee may rely on such a certificate as to whether or not the damaged property is to be repaired and restored and as to the payee and the amount to be paid from said proceeds.

10.7 Association as Agent. The Association is irrevocably appointed as agent for each Unit Owner and for each owner of a mortgage or other lien upon a Unit and for each owner of any other interest in the Condominium Property to compromise and settle claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims. This provision shall not be construed to confer upon the Association any authority with regard to any claims which a Unit Owner may have for personal injury.

10.8 Unit Owner's Personal Coverage. Unless the Association elects otherwise, the insurance purchased by the Association shall not cover claims against an Owner due to accidents occurring within such Owner's Unit. It shall be the obligation of the individual Unit Owner, if such Owner so desires, to purchase and pay for insurance as to all such and other risks not covered by insurance carried by the Association and each Owner shall bear the risk of loss of damage to the Unit, and its furniture, personal effects and other personal Property. All such insurance obtained by any Unit Owner shall, whenever available, state that the insurer waives its right of subrogation as to any claims against: (1) other Unit Owners; (2) the Association, and (3) the respective servants, agents and guests of other Owners.

10.9 Benefit of Mortgagees. Certain provisions in this Article 10 entitled "Insurance" are for the benefit of mortgagees of Units and may be enforced by such mortgagees.

11. RECONSTRUCTION OR REPAIR AFTER FIRE OR OTHER CASUALTY.

11.1 Determination to Reconstruct or Repair.

(a) Loss Less Than "Very Substantial." In the event of damage or destruction to the Insured Property (and the Optional Property, if insured by the Association) as a result of fire or other casualty, and said loss is less than "very substantial" (as hereinafter defined), it shall be obligatory upon the Association and Unit Owners to repair, restore and rebuild the damage caused by said loss. Where such loss or damage is less than "very substantial", the Board of Directors shall arrange for prompt repair and restoration of the Insured Property (and the Optional Property, if insured). The expression "prompt repair" as used in this Section, means repairs commencing not more than sixty (60) days from the date the Insurance Trustee notifies the Board of Directors and Unit Owners that it holds insurance proceeds sufficient to pay the estimated cost of restoration, or not more than ninety (90) days after the Insurance Trustee notifies the Board and Owners that such insurance proceeds are insufficient to pay the estimated costs of restoration. The insurance Trustee may rely upon a certificate of the Association made by its President and Secretary to determine whether or not the damaged property is to be reconstructed or repaired.

(b) Loss "Very Substantial." As used in this Declaration, the term "very

"substantial" damage shall mean loss or damage whereby seventy-five (75%) percent or more of the insurable value of the Insured Property is substantially damaged or destroyed, or seventy-five (75%) percent or more of the Units in the Condominium are rendered untenable. Should "very substantial" damage occur, a meeting of the Association shall be held within thirty (30) days after the casualty and the Condominium Property shall be restored and repaired, unless two-thirds (2/3) of the Unit Owners and a majority of the Institutional Mortgagees vote not to proceed with restoration and repair but rather to abandon the Condominium Project. In such event, the Condominium shall be abandoned, the Property removed from the provisions of the law in accordance with Section 718.117 of the Act, and the net proceeds of insurance resulting from such "very substantial" damage or destruction shall be divided among all the Unit Owners in proportion to their respective interest in the Common Elements (with respect to proceeds held for damage to the Insured Property other than that portion of the Insured Property lying within the boundaries of the Unit), and among affected Unit Owners in proportion to the damage suffered by each such affected Unit Owner, as determined in the sole discretion of the Board of Directors of the Association (with respect to proceeds held for damage to the Optional Property, if any, and/or that portion of the Insured Property lying within the boundaries of the Unit). No payment shall be made to a Unit Owner until there has first been paid, out of such Owner's share, all mortgages and liens on such Owner's Unit in their order of priority.

In the event two-thirds (2/3) of the Unit Owners and a majority of the Institutional Mortgagees do not vote to abandon the Condominium Project, the Board of Directors shall arrange for prompt repair and restoration as set forth in this Article. 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 shall be binding upon all Unit Owners.

11.2 Plans and Specifications. Any reconstruction or any repair shall be made either (a) substantially in accordance with the plans and specifications for the original improvements or (b) in accordance with plans and specifications approved by the Board of Directors. If the Board approves any material or substantial alterations in the Building such alterations shall also be subject to approval by (i) Owners of not less than seventy-five (75%) percent of the interest in the Common Elements, (ii) the Primary Institutional Mortgagee, and (iii) all Owner of Units (and their respective mortgagees) the plans for which are to be altered.

11.3 Responsibility. If the Optional Property which an Owner is obligated to maintain and repair is damaged, then the Owner or Owners shall be responsible for all necessary reconstruction and repair. To the extent there are insurance proceeds available with respect to such damage by reason of the purchase of optional insurance, the Association shall reconstruct and repair the damaged Optional Property, but the Owner or Owners of such damaged Unit(s) shall be individually responsible for any amount by which the cost of such repair or reconstruction exceeds such proceeds on a Unit by Unit basis, as determined in the sole discretion of the Board of Directors. In all other instances, the responsibility for all necessary reconstruction and repair shall be that of the Board of Directors.

11.4 Estimate of Cost; Assessments. Unless a determination has been made not to rebuild or repair in accordance with Section 11.1(b), the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair. If the insurance proceeds are not sufficient to defray the estimated costs, or if at any time during, or upon completion of, reconstruction and repair the funds for payment are insufficient, a charge shall be made against the Unit Owners in sufficient amount to provide for the payment of such costs. Such a charge on account of the Insured Property shall be in proportion to all of the Owner's respective shares in the Common Elements, and on account of damage to the Optional Property, in proportion to the cost of repairing the damage suffered by each Owner, as determined by the Association.

11.5 Construction Funds. The funds for payment of the costs of reconstruction and repair, which shall consist of proceeds of insurance held by the Insurance Trustee and funds collected by the Association from Assessments against the Unit Owners shall be disbursed as follows:

(a) Association. If all Assessments by the Association to provide funds for reconstruction and repair are more than \$100,000, then the sums collected from such Assessments shall be deposited with the Insurance Trustee. In all other cases, the Association shall hold and

disburse the sums collected in payment of the costs of reconstruction and repair.

(b) Disbursement. The insurance proceeds and the sums collected from Unit Owners on account of such casualty shall constitute a construction fund which shall be disbursed as follows:

(i) Association - Non Major Damage. If the amount of the estimated costs of reconstruction by the Association is \$100,000 or less, then the construction fund shall be disbursed in payment of such costs upon the order of the Board of Directors unless an Institutional Mortgagee having a lien on a damaged Unit request the Insurance Trustee to disburse the funds in the manner provided below for the reconstruction and repair of major damage.

(ii) Association - Major Damage. If the amount of the estimated cost of reconstruction and repair by the Association is more than \$100,000, then the construction fund shall be disbursed from time to time in payment of such costs in the manner contemplated by paragraph (i) above, but then only upon the further approval of an architect qualified to practice in Florida and employed by the Association to supervise the work.

(iii) Unit Owners. If there is a balance of insurance proceeds after payment of all costs of reconstruction and repair that are responsibility of the Association, it may be used by the Association to effect repairs to the Optional Property (if not insured or if underinsured), or may be distributed to Owners of the Optional Property who have the responsibility for reconstruction and repair. The distribution shall be in the proportion that the estimated costs of reconstruction and repair of such damage to each affected Unit bears to the total of such estimated costs to all affected Units, as determined by the Board. No Owner shall receive an amount in excess of the estimated costs of repair for his portion of the Optional Property. All proceeds shall be used to effect repairs to the Optional Property, and, if insufficient to complete such repairs, the Owners affected shall promptly effect the repairs and pay the deficit. Any balance remaining after such repairs have been completed shall be distributed to the affected Owners and their mortgagees jointly as elsewhere provided.

(iv) Surplus. The first monies disbursed in payment of costs of reconstruction and repair shall be charged against insurance proceeds. If there is a balance in the construction fund after payment of all costs relating to the reconstruction and repair, such balance may be retained as a reserve, or wholly or partially distributed to the beneficial owners of the fund in the manner elsewhere provided, at the discretion of the Board of Directors. However, that portion of a distribution to an Owner which is not in excess of Assessments paid by such Owner into the Owner and any mortgagee of the Owner's Unit.

(v) Certificate. Nothing in this Declaration shall obligate the Insurance Trustee to determine whether or not (i) sums paid by Unit Owners for assessments have been deposited by the Association with the Insurance Trustee, (ii) disbursements from the construction fund are to be made upon the order of the Association alone or upon the additional approval of an architect or otherwise, (iii) any disbursement is to be made from the construction fund, or (iv) surplus funds to be distributed are less than the Assessments paid by Owners. In addition, the Insurance Trustee shall not be obligated to determine the payees not the amounts to be paid. The Insurance Trustee may rely upon a certificate of the Association, made by its President and Secretary, as to any or all of such matters and stating (A) the sums to be paid are due and property payable, and (B) the names of the payees and amounts to be paid.

11.6 Adjustment of Dollar Amounts. All dollar amounts used in this Article and Article 10 shall be subject to adjustment commencing as of the fifth anniversary of the recording of this Declaration and thereafter at each succeeding five-year anniversary date (for example, on the 10th, 15th and 20th anniversary date of the recording of this Declaration). Each date upon which the dollar amounts shall be subject to adjustment shall be referred to as an "Adjustment Date". The dated of recording of this Declaration shall be referred to as the "Recording Date". The Consumer Price Index published by the Bureau of Labor Statistics of the Department of Commerce, all items, U. S. Average (or, if such index ceases to be published, any index designated by the Board of Directors reflecting changes in the cost of living in the United States generally or in the State of Florida) shall be referred to as the "Index". At each Adjustment Date each of the dollar amounts appearing in this Article and

Article 10 shall be adjusted in accordance with the following formula:

$$\frac{\text{dollar amount} \times \text{Index on Adjustment Date}}{\text{Index on Recording Date}}$$

The Index on any date shall mean the Index for the month in which the Adjustment Date or Recording Date occurs.

11.7 Benefit of Mortgagees Certain provisions in this Article 11 are for the benefit of mortgagees of Units and may be enforced by any of them.

12. CONDEMNATION

12.1 Deposit of Awards with Insurance Trustee. For purposes of this Declaration, the taking of portions of the Condominium Property by the exercise of the power of eminent domain or purchase in lieu thereof ("Taking") shall be treated as a casualty. The awards for a Taking shall be deemed to be proceeds from insurance on account of the casualty and shall be deposited with the Insurance Trustee even if the awards may be payable to Unit Owners. If any Unit Owner fails to deposit the award with the Insurance Trustee, the Board of Directors, in its discretion, may impose special Assessments against a defaulting Unit Owner in the amount of the Owner's award, or the amount of that award may be set off against the sums hereafter made payable to that Owner.

12.2 Determination Whether to Continue Condominium. The determination whether or not to continue the Condominium will be made in the manner provided for determining whether damaged property will be reconstructed and repaired after casualty.

12.3 Disbursement of Funds. If the Condominium is terminated after a Taking, the proceeds of the awards and special Assessments will be deemed to be insurance proceeds and shall be owned and distributed in the manner provided with respect to the ownership and distribution of insurance proceeds as if the Condominium is terminated after a casualty. If the Condominium is not terminated after a Taking, the size of the Condominium will be reduced and the property damaged by the Taking will be made usable in the manner provided below. The proceeds of the awards and special Assessments shall be used for these purposes and shall be disbursed in the manner provided for disbursement of funds after a casualty by the Insurance Trustee unless elsewhere provided in this Article.

12.4 Unit Reduced but Habitable. If the Taking reduces the size of a Unit and the remaining portion of the Unit can be made habitable (in the sole opinion of the Board of Directors of the Association), the award for the Taking of a portion of the Unit shall be used for the following purposes in the order stated and the following changes shall be made to the Condominium:

(a) Restoration of Unit. The Unit shall be made habitable. If the cost of the restoration exceeds the amount of the award, the Owner of the Unit shall be responsible for such additional costs.

(b) Distribution of Surplus. The balance of the award for the Unit, if any, shall be distributed to the Owner and to each mortgagee of the Unit, the remittance being made payable jointly to the Owner and such mortgagees.

(c) Adjustment of Shares in Common Elements. If the floor area of the Unit is reduced by the Taking, the percentage representing the share in the Common Elements, the Common Expenses and Common Surplus attributable to the Unit shall be reduced by multiplying the percentage of the applicable Unit prior to reduction by a fraction, the numerator of which shall be the area in square feet of the Unit after the Taking and the denominator of which shall be the area in square feet of the Unit before the Taking. The shares of all Unit Owners in the Common Elements, Common Expenses and Common Surplus shall then be restated as follows:

(i) add the total of all percentages of all Units after reduction as aforesaid

(the "Remaining Percentage Balance"): and

(ii) divide each percentage for each Unit after reduction as aforesaid by the Remaining Balance.

The result of such division for each Unit shall be the adjusted percentage for such Unit.

12.5 Unit Uninhabitable. If the Taking is of the entire Unit or so reduces the size of a Unit that it cannot be made habitable (in the sole opinion of the Board of Directors of the Association), then:

(a) Payment of Award. The award for the Taking shall be paid to the extent available: first, jointly to the Owner for each affected Unit and to the applicable Institutional Mortgagees, pro rata in accordance with each affected Units market value prior to the taking (as determined by the Board of Directors or pursuant to Section 12.5(e) below, up to the amounts sufficient to satisfy the mortgages representing the highest percentage of market value on each Unit rendered uninhabitable second, to the Association for any due and unpaid Assessments, third, jointly to the affected Unit Owners and other mortgagees of their Units. In no event shall the total of such distributions for a specific Unit exceed the market value of such Unit immediately prior to the Taking. The balance, if any shall be applied to repairing and replacing the Common Elements.

(b) Addition to Common Elements. The remaining portion of the Unit, if any, shall become part of the Common Elements and shall be placed in a condition, to the extent possible, for use by all of the Unit Owners in the manner approved by the Board of Directors. If the cost of such work shall exceed the balance remaining of the fund from the award for the Taking, such work shall be approved in the manner elsewhere required for capital improvements to the Common Elements.

(c) Adjustment of Shares. The shares in the Common Elements, Common Expenses and Common Surplus shall be adjusted to distribute the shares among the reduced number of Unit Owners (and among reduced Units) that continue as part of the Condominium as follows:

(i) add the total of all percentages of all Units of continuing Owners prior to this adjustment, but after any adjustments made necessary by Section 12.4(c) (the "Percentage Balance"); and

(ii) divide the percentage of each Unit of a continuing Owner prior to this adjustment, but after any adjustments made necessary by Section 12.4(c), by the Percentage Balance.

The result of such division for each Unit shall be the adjusted percentage for such Unit.

(d) Assessments. If the balance of the award for the Taking (after payments to the Unit Owner and such Owner's mortgagees as above provided) is not sufficient to alter the remaining portion of the Unit for use as a part of the Common Elements, the additional funds required for such purposes shall be raised by Assessments against all of the Unit Owners who will continue as Owners after the changes in the Condominium effected by the Taking. The Assessments shall be made in proportion to the applicable percentage shares of those Owners after all adjustments to such shares effected by reason of the Taking.

(e) Arbitration. If the market value of a Unit prior to the Taking cannot be determined by agreement between the Unit Owner and mortgagees of the Unit and the Association within 30 days after notice of a dispute by any affected party, such value shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit. A judgment upon the decision rendered by the arbitrators may be entered in any court of competent jurisdiction in accordance with the Florida Arbitration Code. The cost of arbitration proceedings shall be assessed against all Unit Owners, including Owners who will not continue after the Taking, in proportion to the applicable percentage shares of such Owners as they exist prior to the adjustments to such shares

affected by reason of the Taking.

12.6 Taking of Common Elements and Eminent Domain Procedure with Respect to Condominium Common Elements Awards for the Taking of Common Elements shall be used to render the remaining portion of the Common Elements usable in the manner approved by the Board of Directors. If the cost of such work shall exceed the balance of the funds from the awards for the Taking, the work shall be approved in the manner elsewhere required for capital improvements to the Common Elements. The balance of the awards for the Taking of Common Elements, if any shall be distributed to the Unit Owners in proportion to the shares in which they own the Common Elements after adjustments to these shares by reason of the Taking. If there is a mortgage on a Unit, the distribution shall be paid jointly to the Owner and the mortgagees of the Unit.

12.7 Amendment of Declaration The changes in Units, the Common Elements and in the ownership of the Common Elements and the adjustment to the shares in the Common Expenses and Common Surplus that are effected by the taking shall be evidenced by an amendment to this Declaration approved by, and executed at the direction of, a majority of the Board.

(1) Pursuant to Florida Statutes Section 73.073, any other provision of this chapter or any other provision of the Florida Statutes to the contrary notwithstanding, the procedure for the exercise of eminent domain with respect to the taking of a portion of the common elements of a condominium shall comply with the provisions of this Section.

(2) With respect to the exercise of eminent domain or a negotiated sale for the purchase or taking of a portion of the common elements of a condominium, the condemning authority shall have the responsibility of contacting the Condominium Association and acquiring the most recent rolls indicating the names of the unit owners or contacting the appropriate taxing authority to obtain the names of the owners of record on the tax rolls. Notification shall thereupon be sent by certified mail, return receipt requested, to the unit owners of record of the condominium units by the condemning authority indicating the intent to purchase or take the required property and requesting a response from the Unit Owner. The condemning authority shall be responsible for the expense of sending notification pursuant to this Section. Such notice shall, at a minimum include:

- (a) The name and address of the condemning authority
- (b) A written or visual description of the property.
- (c) The public purpose for which the property is needed.
- (d) The appraisal value of the property.
- (e) A clear, concise statement relating to the unit owners' right to object to the taking or appraisal value and the procedures and effects of exercising that right.
- (f) A clear, concise statement relating to the power of the Association to convey the property on behalf of the unit owners if no objection to the taking or appraisal value is raised, and the effects of this alternative on the unit owner.

The Division of Florida Land Sales, Condominiums, and Mobile Homes may adopt, by rule, a standard form for such notice and may require the Notice to include any additional relevant information.

(3) In the absence of a response by the Unit Owner within thirty days, the unit owner shall be deemed to have acquiesced to the Association acting as the Unit Owners' representative in any subsequent proceeding relating to the parcel at issue. Unit owners who object to the purchase or taking or the appraisal of value within thirty days after the date the Notice is received shall have all of their legal rights preserved with regard to the taking, the appraisal of value, and all other rights which appertain to unit ownership. Failure to raise an objection within the thirty day period shall only constitute an acquiescence by the unit owner to the Association acting as the Unit Owners'

representative in any subsequent proceeding relating to the parcel at issue and shall not affect any other rights of the Unit Owners. In the event that no Unit Owners shall so object, the condemning authority may rely upon a power of sale vested in the Condominium Association. The condemning authority shall only be required to name as defendants, should eminent domain proceedings be necessitated, the Association and those Owners of units which shall have objected to the taking or appraisal value within the thirty day period.

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

13.1 Occupancy. Except as otherwise expressly provided, each Unit shall be used as a residence only and shall be subject to the exclusive possession of its Owner. A Unit owned by an individual, corporation, partnership, trust or other fiduciary may only be occupied by the following individuals, and such individuals' families and guests: (i) the individual Unit Owner, (ii) an officer, director, stockholder or employee of such corporation, (iii) a partner or employee of such partnership, (iv) the fiduciary or beneficiary of such trust, etc., or (v) permitted occupants under an approved lease or sublease of the Unit (as described below). Occupants of an approved leased or subleased Unit are limited to the following persons, and such persons' families and guests: (A) and individual lessee or sublessee, (B) an officer, director, stockholder or employee of a corporate lessee or sublessee; (C) a partner or employee of a partnership lessee or sublessee; or (D) a fiduciary or beneficiary of a fiduciary lessee or sublessee. Under no circumstances may more than one family reside in a Unit at one time. "Families" or words of similar import shall be deemed to include spouses, parents, parents-in-law, brothers, sisters, children and grandchildren. In no event shall occupancy (except for temporary occupancy by visiting guests) exceed 3 persons per bedroom or studio. Children shall be permitted to reside in Units. The Board of Directors shall have the power to authorize occupancy of a Unit by persons in addition to those set forth above. The provisions of this Section shall not be applicable to Units used by Developer for model apartments, sales offices, other offices or management services.

13.2 Pets. Except for small domestic birds or tropical fish, each Unit Owner or permitted lessee (regardless of the number of joint owners) may maintain 1 household pet in such Owner's Unit, limited to a dog or a cat (neither to exceed 50 pounds at maturity), provided they are not kept, bred or maintained for any commercial purpose and do not become a nuisance or annoyance to neighbors and provided further that the household pet (dog or cat) is registered by the Unit Owner with Developer or the Board at the time of the initial purchase of the Unit or within ten (10) days of a subsequent acquisition of the pet. Owners must immediately pick up all solid wastes of their pets and dispose of such wastes appropriately. All pets (including cats) must be leashed at all times when outside the Unit on a leash not exceeding six (6) feet in length. Without limiting the generality of Article 13, violation of the provisions of this Section shall entitle the Association to all of its rights and remedies, including, but not limited to, the right to fine Owners (as provided in any applicable rules and regulations) and/or to require any pet to be permanently removed from the Condominium Property.

13.3 Alterations. Without limiting the generality of Article 7, no Unit Owner shall cause or allow improvements or changes to any Limited Common Elements or Common Elements, including, but not limited, painting or other decorating of any nature, installing any electrical wiring, television antenna, machinery or air-conditioning units or in any manner changing the appearance of any portion of the Building, without obtaining the prior written consent of the Association (in the manner specified in Article 7 hereof).

13.4 Use of Common Elements. The Common Elements shall be used only for furnishing of the services and facilities for which they are reasonably suited and which are incident to the use an occupancy of Units.

13.5 Nuisances. No nuisances (as defined by the Association) shall be allowed on the Condominium Property, nor shall any use or practice be allowed which is a source of annoyance to residents or occupants of Units or which interferes with the peaceful possession or proper use of the

Condominium Property by its residents or occupants.

13.6 No Improper Use. No immoral, improper, offensive, hazardous or unlawful use shall be made of any portion of the Condominium property and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction relating to any portion of the Condominium Property, shall be corrected by and at the sole expense of the Person obligated to maintain or repair such portion of the Condominium property, as elsewhere provided.

13.7 Leases. No portion of a Unit (other than an entire Unit) may be rented. All leases shall be on forms approved by the Association and shall provide the Association with the right to terminate the lease upon the tenant's default in observing any of the provisions of this Declaration, the Articles and By-Laws, applicable rules and regulations or other applicable provisions of any agreement, document or instrument governing the Condominium or administered by the Association. Leasing of Units shall be subject to the prior written approval of the Association. The Association may reject the leasing of any Unit on any grounds the Association elects, whether or not reasonable. Unit Owners wishing to lease their Units shall be required to place a security deposit with the Association in an amount to be determined by the Association which it may use to repair any damage to the Common Elements resulting from acts or omissions of tenants (as determined in the sole discretion of the Association). The Unit Owner shall be jointly and severally liable with the tenant to the Association for any amount in excess of such sum which is required by the Association to effect such repairs or to pay any claim for injury or damage to property caused by the negligence of the tenant. Any security deposit balance remaining, less an administrative charge determined by the Association, shall be returned to the Unit Owner within 30 days after the tenant and all subsequent tenants permanently vacate. All leases shall also comply with and be subject to the provisions of Article 14.

13.8 Exterior Improvements, Landscaping. Without limiting the generality of Section 7.1 or 13.3, no Unit Owner shall cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies, railings, fences or windows of the Building (including, but not limited to, awnings, signs, storm shutters, screens, furniture, fixtures and equipment), nor plant or grow any type of shrubbery, flower, tree, vine, grass or other plant life outside such Owner's Unit, without the prior written consent of the Board of Directors of the Association.

13.9 Effect on Association. The Association shall have the power (but not the obligation) to grant relief in particular circumstances from specific restrictions contained in this Article for good cause shown but no indulgence in any instance shall constitute waiver with respect to any other instance.

13.10 Rules and Regulations.

(a) 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.

(b) 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.

(c) Rules and Regulations. The Rules and Regulations shall be deemed in effect until amended by the Board of Directors and shall apply to and be binding upon all Unit Owners. The

Unit Owners shall, at all times, obey said Rules and Regulations and shall use their best efforts to see that they are faithfully observed by their families, guests, invitees, servants, lessees and persons over whom they exercise control and supervision. In order to change, amend or vary old or present Rules and Regulations and/or adopt new Rules and Regulations the same shall be duly passed by at least a majority vote or consent of the Board of Directors; however, no vote of Unit Owners is required. A change, amendment or adoption of a Rule and Regulation does not require an amendment to the Declaration of Condominium or the By-Laws. The Rules and Regulations, in full force and effect as of the date of this Declaration are attached to the By-Laws as Schedule A. No Rule or Regulation shall interfere with the sale or leasing of any Units held by Developer.

14. SELLING, LEASING AND MORTGAGING OF UNITS. No Unit Owner other than Developer may sell a Unit except by complying with the following provisions:

14.1 Right of First Refusal.

(a) Offer and Acceptance. If any Owner receives a bona fide offer to purchase or lease such Owner's Unit (such offer to purchase or lease a Unit, as the case may be, is called an "Offer", the party making any such Offer is called a "Buyer" and the Owner to whom the Offer is made is called a "Seller") which Seller intends to accept, Seller shall give notice, by certified or registered mail, return receipt requested, to the Board of Directors (and to Developer in accordance with Section 14.1(h)) of the receipt of such Offer. Said notice shall also state the name and address of the Buyer, the terms of the proposed transaction and such other information as the Board may reasonably require. The giving of such notice shall constitute an offer by Seller to sell Seller's Unit or to lease such Unit to the Association or its designee upon the same terms and conditions as contained in such Offer and shall also constitute a warranty and representation to the Association that Seller believes the Offer to be bona fide in all respects. Seller shall submit in writing such further information relating to the Offer as the Board (or Developer) may reasonably request. The Association or its designees shall have the right to elect to purchase such Unit or to lease such Unit, as the case may be upon the same terms and conditions as contained in the Offer and as stated in the notice from Seller. Such election shall not be effected unless contained in a written notice sent by certified or registered mail, return receipt requested, to Seller within 15 days after the later of (i) receipt of Seller's notice or (ii) receipt of such further information as may have been requested by the Board (or Developer) within 15 days from receipt of Seller's notice.

(b) Closing Procedure. If the Association timely elects to purchase or lease such Unit, whichever is its designee, title shall close or a lease shall be executed at the office of the attorneys for the purchaser, in accordance with the terms of the Offer, within 45 days after the giving of notice of acceptance of such Offer. If, pursuant to any Offer for purchase, Buyer was to assume or take title to the Unit subject to the Seller's existing mortgage or mortgages, the Association may purchase the Unit and assume or take title to the Unit subject to said existing mortgage or mortgages. At the closing for a sale, Seller shall convey title to the Association, or to its designee, by statutory warranty deed, with all tax and/or documentary stamps affixed at Seller's expense. Seller shall also pay all other taxes arising out of such sale. Title shall be good and marketable and insurable and the Seller shall deliver an abstract or provide a title binder (and subsequently, title insurance) at Seller's expense at least 15 days prior to such closing. Real estate taxes, mortgage interest, if any, and Common Expenses shall be apportioned between Seller and the Association, or its designee, as of the closing date. If the Unit is to be leased, Seller shall execute and deliver to the Board or to its designee a lease between Seller, as landlord, and the Association, or its designee, as tenant, covering such Unit for the rental and terms contained in such Offer.

(c) Rejection of Offer. In the event the Association or its designee shall fail to accept such Offer, or in the case of a lease, shall fail to reject the proposed lease permitted by Section 13.7 within the 15 day period indicated above. Seller shall be free to accept the Offer within 90 days after (i) notice of refusal is given by the Association, or (ii) the expiration of the period in which the Association or its designee might have accepted such Offer, as the case may be. In the event Seller shall not within such 90 day period, accept, in writing, the Offer, or if Seller shall accept the Offer within such 90 day period but such transaction shall not be consummated in accordance with the terms of such Offer, or within a reasonable time after the date set for closing, then, should such Seller

thereafter elect to sell such Unit or to lease such Unit. Seller shall be required to again comply with all of the terms and provisions of this Section

(d) Deed and Lease Provisions. Any deed or lease Buyer shall provide (or shall be deemed to provide), that acceptance by the grantee or tenant shall constitute an assumption of the provisions of the Declaration By-Laws, Articles, applicable rules and regulations and all other agreements, documents or instruments affecting the Condominium Property or administered by the Association, as the same may be amended from time to time.

(e) Lease Provisions. Any lease executed in connection with the acceptance of any Offer shall be consistent with this Declaration, the By-Laws and Rules and Regulations and shall provide or be deemed to provide specifically that (i) it may not be modified, amended, extended or assigned without the prior consent in writing of the Board of Directors, (ii) the tenant shall not sublet the Unit without the prior consent in writing of the Board, (iii) it shall be for a term of not less than 6 months, and (iv) the Board shall have the power, but shall not be obligated, to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord, in the event of (A) a default by the tenant in the performance of its obligations to comply with the documents described in Section 14.1(d), or (B) a foreclosure of the lien granted under the Act. Such lease shall also comply with the provisions of Section 13.7 and the failure of the Association to exercise the right of first refusal indicated in Section 14.1(a) shall not impair the ability of the Association to reject a lease pursuant to Section 13.7. Except as set forth above, the form of any such lease executed by the Association or Seller shall contain such other modifications as shall be approved in writing by the Board of Directors. Any lease executed by the Association as tenant shall provide that the Association may enter into a sublease of the premises without the consent of the landlord.

(f) Any purported sale or lease of a Unit in violation of this Section shall be voidable at any time at the Association's election if the Board of Directors shall so elect. Seller shall be deemed to have authorized and empowered the Association to institute legal proceedings to evict the purported tenant (in case of an authorized leasing), in the name of Seller as the purported landlord. Seller shall reimburse the Association for all expenses (including attorney's fees and disbursements) incurred in connection with such proceedings.

(g) Inapplicability to Developer, Institutional Mortgagee and Others. The restrictions contained in this Section 14.1 with respect to the sale of a Unit shall not apply to Units owned by Developer or by any Institutional Mortgagee acquiring title by foreclosure or by a deed in lieu of foreclosure. Developer and such Institutional Mortgagee shall have the right to sell Units they own without having to first offer the same for sale to the Association.

(h) Developer's Right of First Refusal. Anything herein to the contrary notwithstanding, commencing on the day of closing of the sale of the first Unit and continuing until the first occurring of (i) three (3) years after the recordation of this Declaration, or (ii) the date Developer has sold all Units held by Developer, Developer shall have the right of first refusal to purchase or lease any Unit concurrent and coextensive with the Association's right and exercisable in the same manner as the Association's rights under this Article but no approval of Unit Owners or the Board of Directors shall be required for any purchase or lease by Developer. The references to the Association in this Section 14.1 (excluding this Section 14.1(h)) shall be deemed to include Developer. Should both Developer and Association elect to purchase or lease an offered Unit, Developer's election shall supersede that of the Association (unless Developer has expressed the reverse in a written notice to the Board of Directors) and the purchase or lease shall be made with Developer.

14.2 Consent of Owners to Association's Purchase or Lease. The Association shall not exercise any option to purchase or lease without the prior approval of Owners of a majority of the Units present and voting at a meeting at which a quorum has been obtained.

14.3 No Severance of Ownership. Except as elsewhere provided, no part of the Common Elements may be sold, conveyed or otherwise disposed of, except as an appurtenance to the Unit in connection with a sale, conveyance or other disposition of a Unit to which such interest is

appurtenant, and any sale, conveyance or other disposition of a Unit shall be deemed to include that Unit's appurtenant interest in the Common Elements.

14.4 Release of Right of First Refusal The right of first refusal contained in Section 14.1 may be released or waived for a limited or unlimited time and/or purpose by the Association and Developer only in the manner provided in this Section. In the event the Association and Developer shall release or waive its right of first refusal as to any Unit for a particular transaction of during a particular time period, such Unit may be sold, conveyed or leased free and clear of the provisions of said Section 14.1(a). A certificate executed and acknowledged by an officer of the Association, as to the Association's right, or by a partner, officer or agent of Developer, as to Developer's right, stating that the provisions of Section 14.1 have been satisfied by a Unit Owner, or stating that the right of first refusal has been duly released or waived by the Association or Developer and that, as a result, the rights of the Association or Developer have terminated, shall be conclusive with respect to all persons who rely on such certificate in good faith. Unless the certificate specifically states that the release or waiver is perpetual, the certificate shall only apply to the Offer presented to the Association or Developer at that time. The Board of Directors as to the Association's right, and a partner, officer or agent of Developer as to Developer's right, shall furnish such certificate upon request to any Unit Owner in respect to whom the provisions of such Section have, in fact, terminated or been waived. No fee shall be charged by the Association in connection with the furnishing of such certificate in excess of the maximum amount allowed under the Act, as same may be amended from time to time.

14.5 Financing of Association Purchase The purchase of any Unit by the Association shall be made on behalf of all Unit Owners. If the available funds of the Association are insufficient to effectuate any such purchase, the Board of Directors may levy an Assessment against each Owner, in proportion to each Owner's share of the Common Expenses, and/or the Board of Directors may, in its discretion, obtain financing for the acquisition for such Unit. No such financing may be secured by an encumbrance or hypothecation of any portion of the Condominium Property other than the purchased Unit.

14.6 Permitted Transactions The provisions of Section 14.1 and the right of the Association to reject the leasing of a Unit pursuant to Section 13.7 shall not apply with respect to any lease, sale or conveyance of any Unit by (a) an Owner to his or her spouse, adult children, parents, parents-in-law, adult siblings or a trustee, corporation or other entity where the Owner or such related persons are and continue to be the sole beneficiary or equity owner of such trust, corporation or other entity, or to any one or more of the above, (b) the Association, (c) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of foreclosure, (d) an Institutional Mortgagee (or its designee) deriving title by virtue of foreclosure of its mortgage or acceptance of a deed in lieu of foreclosure, or (e) as to conveyances only, by gift, devise, will or descent by intestacy.

14.7 Succeeding Owners Each succeeding Owner acquiring title to a Unit in accordance with this Article 14 shall be bound by, and the Unit subject to, the provisions of this Article 14 and all other provisions of the Declaration.

14.8 Mortgage of Units Each Owner shall have the right to mortgage its Unit without restriction.

14.9 Developer's Unit Leasing It is understood and agreed by all parties hereto and all Unit Owners that for such period of time as Developer deems appropriate, Developer may actively undertake a leasing campaign with respect to Units owned by it. According, certain units may be occupied by tenants of the Developer under lease agreements or month to month tenancies or other types of tenancies heretofore or hereinafter consummated and agreed upon. Such tenants of Developer shall have the full right and authority to continue to occupy said premises in accordance with their lease agreements or other tenancies and to use and enjoy on a non-exclusive basis all Common Elements of the Condominium without any cost or expense. Developer reserves the right to maintain a leasing office within the Condominium during the period in which such leasing activities are undertaken.

15. **COMPLIANCE AND DEFAULT.** Each Unit Owner, every occupant of a Unit and the Association shall be governed by and shall comply with the terms of this Declaration and all exhibits and the rules and regulations adopted pursuant to those documents, as the same may be amended from time to time. The Association (and Unit Owners, if appropriate) shall be entitled to the following relief in addition to the remedies provided by the Act.

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

15.2 **Compliance.** In the event an Owner or occupant fails to maintain, or to cause to be maintained, a Unit, or fails to observe and perform all of the provisions of the Declaration, By-Laws, Articles, applicable rules and regulations or any other agreement, document or instrument affecting the Condominium Property or administered by the Association, in the manner required, the Association shall have the right to proceed by judicial action to require performance and/or compliance, to impose any applicable fines, to sue for damages, to charge the Owner and the Unit for the sums necessary to do whatever work is required to put the Owner or Unit in compliance and to collect such sums.

15.3 **Costs and Attorneys' Fees.** In any proceeding arising because of an alleged failure of an Owner or the Association to comply with the requirements of the Act, this Declaration, its exhibits or the rules and regulations adopted pursuant to said documents, as the same may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees (including appellate attorneys' fees) as may be awarded by the Court.

15.4 **No Waiver of Rights.** The failure of the Association or any Unit Owner to enforce any covenant, restriction or other provision of the Act, this Declaration and its exhibits, or the rules and regulations adopted pursuant to said documents as the same may be amended from time to time, shall not constitute a waiver of their right with respect to future actions.

16. **TERMINATION OF CONDOMINIUM.** The Condominium shall continue until (i) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in this Declaration, or (ii) such time as withdrawal of the Condominium Property from the provisions of the Act is authorized by a vote of Owners owning at least 67% of the applicable interests in the Common Elements and their respective Institutional Mortgagees. After 33% of the Units have been sold to Unit Owners other than Developer, Developer will not vote the Units owned for such withdrawal unless the Owners of at least 67% of all other applicable interests in the Common Elements elect such withdrawal, at which time Developer at its option, may choose to vote either in favor of or against withdrawal from condominium ownership. In the event such withdrawal is authorized, the Condominium Property shall be subject to an action for partition by any Owner, mortgagee or lienor as if owned in common. In such event the net proceeds of sale shall be divided among all Owners in proportion to their respective interests in the Common Elements. No payment shall be made to an Owner until there has first been satisfied out of such Owner's share of net proceeds all mortgages and liens on such Owner's Unit in the order of their priority. The termination of the Condominium shall be evidenced by a certificate of the Association executed by its President and Secretary, certifying as to the basis of the termination and said certificate shall be recorded among the Public Records of the County.

17. **ADDITIONAL PROVISIONS**

17.1 **Additional Rights of Institutional Mortgagees.** In addition to all other rights set forth, Institutional Mortgagees shall have the right, upon written notice to the Association, to:

- (a) Examine the Association's books and records during normal business hours;
- (b) Receive a statement of income and expenses of the Association within 90 days

after the end of its fiscal year;

- (c) Receive notice of Association meetings and attend such meetings.
- (d) Receive notice of an alleged default by an Owner upon whose Unit such Mortgagee holds a mortgage, which is not cured within 60 days after notice of default to such Owner; and
- (e) Receive notice of any substantial damage or loss to any portion of the Condominium Property.

Any Institutional Mortgagee giving notice pursuant to this Article shall serve its notice upon the Association, by registered or certified mail, return receipt requested, which notice shall: (1) identify the Unit(s) upon which each such Institutional Mortgagee holds any mortgage(s); and (2) designate the place to which notice are to be given by the Association to such Institutional Mortgagee.

In any case where the consent of an Institutional Mortgagee is requested, in writing, to a proposed amendment of this Declaration, then such consent shall be deemed given if the Institutional Mortgagee fails to submit a response within thirty (30) days after it receives proper notice of the proposal.

17.2 Assignment of Developer's Right. Developer may assign the whole or any portion of Developer's rights set forth in this Declaration and its Exhibits. In the event of a partial assignment, the assignee shall not be deemed "Developer" but may exercise any rights of Developer assigned to it. Any such assignment may be made on a non-exclusive basis.

17.3 Limitation of Liability. The liability of each Unit Owner for Common Expenses shall be limited to the amounts assessed against the Owner from time to time in accordance with this Declaration and the Act, Articles and By-Laws. A Unit Owner may be personally liable for any damages caused by the Association in connection with the use of the Common Elements, but only to the extent of such Owner's prorate share of that liability in the same percentage as his interest in the Common Elements and in no event shall said liability exceed the value of his Unit. Each Unit Owner shall be liable for injuries or damages resulting from an accident in his own Unit to the same extent or degree that the owner of a house or any other property owner would be liable for such an occurrence.

17.4 Covenant Running with the Land. All provisions of this Declaration, the Articles, By-Laws and applicable rules and regulations of this Association shall, to the extent applicable and unless otherwise expressly provided to the contrary, be perpetual covenants running with the Land and with every part and interest therein, and all of the provisions shall be binding upon and inure to the benefit of Developer and subsequent owner(s) of the Land or any part or interest therein, and their respective heirs, personal representatives, successors and assigns. This Section is not intended to create nor shall it be construed as creating any rights in or for the benefit of the general public. All present and future Owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the Articles, By-Laws and applicable Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance, or the entering into of a lease, or the entering into occupancy of any Unit, shall constitute an adoption and ratification of the provisions of this Declaration, the Articles, By-Laws and applicable Rules and Regulations of the Association, as they may be amended from time to time by such Unit Owner, tenant or occupant.

17.5 Notices. All notices to the Association required or desired under this Declaration or the By-Laws shall be sent by certified or registered mail (return receipt requested) to the Association care of its office at the Condominium, or to such other address as the Association may designate from time to time by Notice in writing to all Unit Owners and to all mortgagees of which Association has notice. Except as otherwise specifically provided in the Act or this Declaration, all notices to any Owner shall be sent first class mail to the Condominium address of such Unit Owner, or such other address as may have been designated by an Owner from time to time, in writing, to the Association. All notices to mortgagees of Units shall be sent certified or registered mail, return receipt requested.

to their respective addresses, or such other address as may be designated by them from time to time, in writing, to the Association. All notices shall be deemed to have been given when mailed in a postage prepaid sealed wrapper, except notices of a change of address, which shall be deemed to have been given when received, or 5 business days after proper mailing, whichever shall first occur.

17.6 No Time-Share Estates. No time-share estates will or may be created with respect to any Unit.

17.7 Interpretation. The Board of Directors shall be responsible for interpreting the provisions of this Declaration and its Exhibits. Such interpretation shall be binding upon all parties unless wholly unreasonable. An opinion of counsel that any interpretation adopted by the Association is not unreasonable shall conclusively establish the validity of such interpretation.

17.8 Mortgages. The Association shall not be responsible to any holder of a mortgage or lien on any Unit and may assume the Unit is free of any mortgages or liens, unless written notice of the existence of such mortgage or lien has been given to Association.

17.9 Exhibits. There is hereby incorporated into this Declaration any material contained in the Exhibits which under the Act are required to be part of the Declaration.

17.10 Signature of President and Secretary. Wherever the signature of the President or the Secretary of the Association is required, the signature of a vice-president may be substituted for the President, and the signature of the assistant secretary substituted for the Secretary but the same person may not execute any single instrument on behalf of the Association in two separate capacities.

17.11 Governing Law. Should any dispute or litigation arise between any parties whose rights or duties are affected or determined by this Declaration, the Exhibits or applicable Rules and Regulations adopted pursuant to such documents, as the same may be amended from time to time, said dispute or litigation shall be governed by the laws of the State of Florida.

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

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

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

17.15 Execution of Documents Required By Dade County, or City of Miami Beach, Florida. Developer's plan for the development of this Condominium may require, from time to time, the execution of certain documents required by Dade County, Florida, or by the City of Miami Beach, Florida. To the extent that said documents require the joinder of any or all Unit Owners in this Condominium, each of said Owners does irrevocably give and grant to Developer, or any of its officers, individually, full power-of-attorney to execute said documents as his agent and in his place and stead.

17.16 Agent of Developer. For convenience, any document signed on behalf of Developer by NORMANDY PALMS, INC. a Florida corporation, by DORON VALERO, its authorized agent, shall be valid and binding upon Developer as if it were signed by NORMANDY PALMS, INC.

17.17 Limitation of Developer's Liability. The interest of Developer in the Land and the

Improvements shall be the sole security for all obligations of Developer hereunder and the sole remedy in respect of all obligations hereunder shall be against said security, and it is understood and agreed that in any proceeding for the enforcement of any provision hereunder, there shall be no right of collection beyond the proceeds of said security. No other or further recourse shall be permitted, and no personal liability shall be imposed, against Developer or any individual partners or shareholders of Developer.

17.18 Gender: Plurality. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all or no genders.

17.19 Caption. The captions contained in this Declaration and its Exhibits are inserted as a matter of convenience and for ease of reference and in no way define or limit the scope of the particular document or any portion thereof.

18. NO WARRANTIES.

The developer hereby disclaims any and all statutory warranties pursuant to Section 718.203, Florida Statutes, inasmuch as the Condominium Building was constructed prior to July 1, 1974. Developer disclaims any intent to have made any warranty or representation in connection with the Condominium Documents and disclosure materials except as specifically set forth therein, and no person shall rely upon any warranty or representation not so specifically made herein. Any estimates of Common Expenses, taxes, or other charges are believed to be accurate, but no warranty or guarantee is made or intended, normally one be relied upon except where same is specifically warranted or guaranteed.

IN WITNESS WHEREOF, Developer has caused this Declaration to be signed in its name by its President this 23rd day of August, 1996.

Signed, sealed and delivered in the presence of:

NORMANDY PALMS, INC.
a Florida Corporation

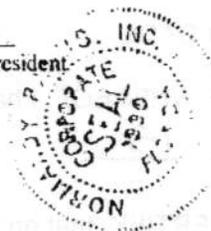
[Signature]
Witness

[Signature]
By: DORON VALERO, President

Alan J Marcus
Printed Name

Corporate Seal

[Signature]
Witness



Jannette Oeihuela
Printed Name

STATE OF FLORIDA)
COUNTY OF DADE)

I HEREBY CERTIFY that on this day personally appeared before me DORON VALERO, as President of NORMANDY PALMS, INC. a Florida Corporation, to me known to be the person who signed the foregoing Declaration as such officer, and he acknowledged the execution thereof to be his free act and deed as such officer for the uses and purposes therein mentioned, and that the said instrument is the act and deed of said corporation.

WITNESS my hand and seal in the county and state last aforesaid, this 23rd day of August, 1996.

This Instrument Prepared By:
ALAN J. MARCUS, ESQ.
20803 Biscayne Blvd #301
N. Miami Beach, FL 33180

[Signature]
Notary Public, State of Florida
ALAN J. MARCUS
Printed Name of Notary

