

**DECLARATION OF CONDOMINIUM
FOR
OCEAN LINKS OF PONTE VEDRA CONDOMINIUM**

THIS DECLARATION OF CONDOMINIUM FOR OCEAN LINKS OF PONTE VEDRA CONDOMINIUM is made this _____ day of _____, 2000 by **OCEAN LINKS OF PONTE VEDRA, L.L.C.**, a Florida limited liability company ('Developer'), the owner of fee simple title to the land described in Article III hereof. The term 'Developer' shall mean and refer to the entity executing this Declaration, its successor, grantees, assigns, nominees and designees. In the event the holder of any mortgage executed by Developer obtains title to all or any portion of the Condominium Property by foreclosure or deed in lieu thereof, such mortgagee shall become the Developer only if it so elects, by written notice to the Board of Directors of the Association described by Article VIII hereof, but in any event such mortgagee may assign its rights as the Developer to any third party who acquires title to all or a portion of the Condominium Property from the mortgagee. In any event, any subsequent Developer shall not be liable for any defaults or obligations incurred by any prior Developer, except as same are expressly assumed by the subsequent Developer.

I. SUBMISSION TO CONDOMINIUM OWNERSHIP.

Developer hereby submits to the condominium form of ownership and use, the land described in Article III hereof, the improvements now and hereafter situated thereon and the easements and rights appurtenant thereto ('Condominium' or 'Condominium Property') pursuant to Chapter 718, Florida. Statutes, as amended, to the date hereof ('Condominium Act').

II. NAME AND ADDRESS.

The name by which this condominium is to be identified is OCEAN LINKS OF PONTE VEDRA CONDOMINIUM. The street address is 310 Solana Road, Ponte Vedra Beach, Florida, 32082.

III. THE LAND.

The land submitted to condominium ('Land') is situated in St. Johns County, Florida, and is described by Exhibit 'A' attached hereto and made a part hereof and consists of a parcel of real property upon which are and will be situated residential improvements which are submitted hereby to condominium ownership. A survey of the Land is attached hereto and made a part hereof as part of Exhibit 'C'.

IV. DESCRIPTION OF CONDOMINIUM PROPERTY.

A graphic description of the buildings in which Units are located, including an identification of each Unit (as defined in the Condominium Act and herein) by number is attached hereto and made a part hereof as Exhibit 'D'. A survey of the Land and plat of improvements located upon the Land is attached hereto and made a part hereof as Exhibit 'C'. The Condominium Property consists of nine (9) buildings, containing one hundred ninety-two (192) Units and Common Elements and Limited Common Elements, as those terms are herein defined.

V. DEFINITION OF UNITS, COMMON ELEMENTS AND LIMITED COMMON ELEMENTS.

The Condominium will consist of 'Units', 'Common Elements' and 'Limited Common Elements' as those terms are herein defined.

- A. **Units.** The term 'Units' as used herein shall mean and comprise the separate residential dwellings in the Condominium which are located and individually described in Exhibits 'C' and 'D' hereto excluding, however, the Common Elements and:
1. all spaces and improvements lying beneath the undercoated and/or unfinished inner surfaces of the perimeter walls and floors and above the lowest horizontal plane of the upper structural elements of each Unit;
 2. all spaces and improvements lying beneath the undecorated and/or unfinished inner surface of all interior columns, bearing walls and/or bearing partitions; and
 3. all glass and other transparent and/or translucent material, insect screens and screening in windows and doors and the material covering other openings in the exterior walls of Units shall be construed to be within the boundaries or limits and part of the Unit exclusively served by such windows, doors and other openings. All heating and circulating equipment and associated ducts, wiring, thermostats, conduits and related fixtures that exclusively serve a Unit shall be considered to be a part of such Unit.
 4. all porches (screened or unscreened), patios, terraces and balcony areas and other fixtures and equipment, if any, attached, affixed or contiguous to the exterior of and serving a Unit.
- B. **Common Elements.** The term 'Common Elements' as used herein shall mean and comprise all of the real property and improvements of the Condominium except the Units including, without limitation:
1. Easements through Units for conduits, pipes, ducts, vents, plumbing, wiring and other facilities, equipment and/or fixtures for the furnishing of utility services, heating and cooling and/or ventilation to Units, Common Elements and Limited Common Elements;
 2. Easements of support in every portion of a Unit which contribute to the support of other Units, Common Elements and/or Limited Common Element;
 3. Property and installations for the furnishing of utility services (i) to more than one Unit, (ii) to more than one Limited Common Element, (iii) to a Unit other than the Unit containing the installation or (iv) to the Common Elements, specifically excluding however, any utility main lines, force mains or collection lines and meters owned and maintained by the utility company servicing the Condominium Property;
 4. The property and installations in connection therewith required for the furnishing of services to more than one Unit or to the Common Elements;
 5. The riparian and/or littoral rights, appertaining to the Land, if any;
 6. Fixtures owned or held for the common use, benefit and enjoyment of all Unit Owners;
 7. Walkways, covered entrances and verandas located within the Condominium Property; and

8. Uncovered automobile parking areas, driveways and paved areas located within the Condominium Property, excluding covered automobile parking areas.
9. The pool, tennis court and clubhouse depicted on Exhibit 'C' attached hereto.

The Common Elements include all Limited Common Elements defined in Article III C hereafter.

- C. Limited Common Elements. The term 'Limited Common Elements' includes any and all Common Elements which are reserved herein, or assigned, or granted separately herefrom, for the use of a certain Unit or Units to the exclusion of the other Units, including, without limitation, the exclusive use of any covered parking space(s) assigned by Developer in its sole discretion as a Limited Common Element. Developer may assign to the Owner of a Unit covered parking space(s) which has not been previously assigned to another Unit for additional consideration to Developer until Developer has assigned all covered parking spaces, whether or not Developer owns any Units in the Condominium. Of the 385 parking spaces, 90 are covered, each of which is contained within Buildings 10-16 more particularly described, and numbered, on Exhibit C attached hereto. All assignments of covered parking spaces shall be made by separate instrument or in the deed of conveyance of the Unit. Upon assignment, each covered parking space so assigned shall be deemed to be a Limited Common Element of the Unit and the Unit Owner's right to use of such covered parking space shall become an appurtenance to the Unit and may be encumbered or conveyed thereafter as an appurtenance to said Unit without specific reference to said covered parking space. After exclusive use of such covered parking space is assigned by Developer, it may not be assigned, conveyed or encumbered except as an appurtenance to the Unit to which it is assigned, except that it may be separately assigned to the Association, and thereafter assigned by the Association, in its sole discretion, to another Unit Owner. Notwithstanding the foregoing, a Unit Owner may convey or transfer the exclusive use of a covered parking space (i) to the purchaser of such Unit Owner's Unit, or (ii) to another Unit Owner. Provided that with respect to a conveyance or transfer of the exclusive use of the covered parking space under (ii) above, such conveyance or transfer shall be approved in writing by the Association, which approval shall not be unreasonable withheld. Any such conveyance or transfer shall be by written instrument executed with the formalities of a deed and recorded in the public records of St. Johns County, Florida. Failure to so record the conveyance or transfer of the exclusive right to use a covered parking space and the written consent of the Association thereto, if required, shall render the transfer or conveyance null and void. So long as unassigned, any covered parking space may be used by Developer and leased, pending assignment.

VI. APPURTENANCES TO UNITS.

There shall be appurtenant, and pass with title to each Unit, the rights, shares and interests provided by the Condominium Act which shall be deemed to include, without limitation, the following:

- A. An undivided share in the Common Elements and in the 'Common Surplus' (as that term is elsewhere herein defined). The undivided share in the Common Elements and the Common Surplus of the Condominium appurtenant to each Unit is that proportion of the total set forth, as a percentage, in the schedule which is annexed hereto and made a part hereof as Exhibit 'B'.
- B. The right to use exclusively, or in common with certain other Units where so specified, those portions of the Common Elements designated and/or reserved herein and/or granted elsewhere to a certain Unit or Units as Limited Common Elements.
- C. An exclusive easement for the use of the air space occupied by the Unit as it exists at any particular time (as shown on Exhibit 'D' hereto) and as it may lawfully be altered or reconstructed from time to time, which easement shall be terminated automatically in any air space which is permanently vacated from time to time.
- D. Non-exclusive easements to be used and enjoyed in common with the owners of all Units in the Condominium, their guests and invitees, for use of the Common Elements, including, without limitation, easements for:
 - 1. the furnishing and maintenance of utility services to all parts of the Condominium Property over, across, in and through the Land, buildings and other improvements, as the fixtures and equipment therefor now exist and/or may be modified or relocated; and
 - 2. vehicular and pedestrian access over, across, upon, in and through the drives, entries, gates, walks, grounds and other portions, if any, of the Common Elements as are intended and/or provided for pedestrian and vehicular traffic through the Condominium and for access to public ways and the improvements, fixtures and equipment thereon.
- E. An exclusive easement for the unintentional and non-negligent encroachment by any Unit upon any other Unit or Common Element, or vice versa, for any reason not caused by or resulting from the willful or negligent act of Developer or any Unit Owner(s) including, without limitation, encroachments caused by or resulting from the original construction of improvements, which exclusive easement shall exist at all times during the continuance of such encroachment, as an easement appurtenant to the encroaching Unit or other improvement, to the extent of such encroachment.
- F. The right to membership in the Association with full voting rights appertaining thereto (as defined in Paragraph VIII) upon the terms and conditions set forth elsewhere herein.
- G. Unit Owners and their guests, invitees and domestic help, and all delivery, pickup and fire protection services, police and other authorities of the law. United States mail carriers, representatives of utilities authorized by Developer to serve the Condominium, holders of mortgage liens on the Condominium or any Unit and such other persons as Developer may from time to time designate shall have the non-exclusive and perpetual right of ingress and egress over and across the real property located within the Condominium intended for vehicular and pedestrian use (hereinafter

referred to as 'roadways') subject however, to the right of Developer to install, erect, construct and maintain utility lines and facilities in certain portions of the roadways and to erect security gates or other devices to limit access over certain portions of the roadways. Provided, however, notwithstanding the foregoing. Developer reserves and shall have the unrestricted and absolute right to deny ingress over the roadways to any person who, in the opinion of the Association or Developer, may create or participate in a disturbance or nuisance on any part of the Condominium or who, in the opinion of the Association or Developer, may create or participate in a disturbance or nuisance on the Condominium.

Developer and the Association shall have the right, but not the obligation, from time to time to control and regulate all types of traffic on the roadways, including the right to prohibit use of the roadways by traffic or vehicles (including, without limitation, go-carts and skateboards) which in the sole opinion of the Association or Developer would or might result in damage to the roadways or pavement or other improvements thereon, or create a nuisance for the residents, and the right, but not the obligation, to control and prohibit parking on all or any part of the roadways. Developer and the Association shall have the right to establish security procedures for the protection of the property and residents to which access is provided over the roadways, including the right to restrict the rights of the general public to access over the roadways and to require compliance with security procedures by guests and invitees of the Unit Owners.

VII. COMMON EXPENSES AND COMMON SURPLUS.

As set forth in Article VIII of this Declaration, the Association will administer the operation and affairs of the Condominium.

The term 'Common Expenses' as used herein shall mean all expenses for which the Unit Owners in the Condominium (except the Association) shall be liable to the Association. Common Expenses shall also include the amount of any fee assessed for drainage pursuant to Section 4.1 of the Deed recorded at Official Records Book 885, Page 1956, Public Records of St. Johns County, Florida and attached hereto and made a part herein in Exhibit 'G'. The term 'Common Surplus' as used herein shall mean the excess of all receipts of the Association collected on behalf of the Condominium including, without limitation, assessments, rents, profits and revenues on account of the Common Elements of the Condominium, over the amount of the Common Expenses of the Condominium. All Unit Owners (except the Association) in the Condominium shall share the Common Expenses and shall own the Common Surplus in the proportions or percentages set forth in the schedule annexed hereto and made a part hereof as Exhibit 'B'.

With respect to all covered parking spaces, whether or not assigned to a Unit, costs and expenses of such covered spaces shall be Common Expenses.

VIII. THE ASSOCIATION.

- A. Operation of the Condominium. The entity responsible for the operation of the Condominium shall be OCEAN LINKS OF PONTE VEDRA CONDOMINIUM ASSOCIATION, INC. a Florida corporation not-for-profit ('Association') of which a copy

of the Articles of Incorporation ('Articles') and Bylaws ('Bylaws') are annexed hereto and made a part hereof as Exhibits 'E' and 'F', respectively. Subject to the rights reserved to Developer herein and in the Condominium Act to administer and manage the Condominium initially, - the Association shall administer and manage the Condominium provided, that the Association may delegate its maintenance, management and operational duties and obligations by contract to the extent permitted by the Condominium Act. To the extent that the Association elects management and administration by a third party professional management company, by majority vote of the Board of Directors of the Association, and thereafter desires that the Association shall be self managed, the decision to self manage shall be subject to the approval of not less than sixty-six and two thirds (66 2/3%) of the Voting Interests and not less than fifty-one percent (51%) of the Institutional Mortgagees. This Article VIII(A) may not be amended without the approval of not less than sixty-six and two thirds (66 2/3%) of the Voting Interests and not less than fifty-one percent (51 %) of the Institutional Mortgagees.

- B. Power. Developer hereby grants to the Association the power to grant easements over the Common Elements without the necessity of joinder of all Unit Owners. The Association's power to grant such easements shall be governed and exercised in accordance with the provisions of the Articles and Bylaws and shall not be exercised in a manner that materially and adversely affects the property rights of any Unit Owner.

IX. BYLAWS OF ASSOCIATION.

A copy of the Bylaws of the Association is annexed hereto and made a part hereof as Exhibit 'F'.

X. VOTING RIGHTS OF UNIT OWNERS.

The Unit Owner(s) shall become a member or members of the Association automatically upon and simultaneously with delivery of a deed of conveyance of fee title thereto from Developer or, in a conveyance by a grantee or a remote grantee of Developer, a deed which otherwise complies with the terms and conditions of this Declaration, the Articles of Incorporation and Bylaws of the Association. There shall be appurtenant and pass with title to each Unit one vote as a member of the Association ('Voting Interest') which may be exercised by the Unit Owner (s) , or the duly constituted proxy of the Unit Owner(s) at all meetings of members and in connection with all matters upon which members of the Association are entitled to vote. The qualification of members of and manner of admission to membership in the Association, the termination of such membership and voting by members shall be as provided for in the Articles of Incorporation and Bylaws of the Association.

XI. AMENDMENT TO DECLARATION.

Except for amendments which Developer is authorized and/or obligated elsewhere herein to make and except as may be elsewhere herein or in the Condominium Act otherwise specifically provided, this Declaration may be amended only in the following manner:

- A. Notice. Notice of the subject matter of any proposed amendment to this Declaration shall be included in the notice of any meeting at which such proposed amendment is to be considered.
- B. Proposal. Amendments to this Declaration may be proposed by the Board by resolution adopted by a majority vote of the Directors present at any regular or special meeting of the Board at which a quorum is present or, in the alternative, by a written instrument signed by a majority of the Board, or by the Owners of a majority of the Voting Interests, whether by vote of such Unit Owners as members of the Association at a special or regular meeting of the members or by written instrument signed by them.
- C. Adoption. Any amendment to this Declaration so proposed by the Board or members of the Association shall be transmitted to the President of the Association or, in the absence of the President, to a Vice President or other acting chief executive officer, who shall thereupon call a special meeting of the Unit Owners to consider and vote upon such proposed amendment; provided, that a proposed amendment may be considered and voted upon at an annual meeting of the members of the Association if the next such meeting is to be held within the time hereafter limited and if notice of the proposed amendment shall be included in the notice of such meeting. The special or annual meeting, as the case may be, of the members shall be held no sooner than thirty (30) days nor later than sixty (60) days from the date of receipt by the Association of the proposed amendment. Notice of the meeting shall be in the form and shall be delivered and the meeting shall be called and held as provided for in the Bylaws of the Association; provided, that any member may, in writing signed by such member, waive notice of any such meeting in the manner provided for in the Bylaws of the Association and such waiver, when delivered to the Secretary of the Association for filing in its records, whether before, during or after such meeting shall be construed to be the equivalent of giving notice to such member. The proposed amendment may be adopted and shall become effective, by and upon the affirmative vote at such meeting of Unit Owners owning not less than sixty-six and two-thirds percent (66 2/3 %) of the Voting Interests; provided, that any amendment so proposed may be adopted, without a formal meeting of the members, by an instrument executed and acknowledged with the formalities of a deed by members owning not less than sixty-six and two-thirds percent (66 2/3%) of all the Voting Interests. Any amendment so proposed which also requires the approval of Institutional Mortgagees, and the requisite approval has been so obtained, may be adopted and reflected by a Certificate of the Secretary of the Association certifying the requisite approval. Notwithstanding the foregoing provisions for adoption of amendments to this Declaration or any other provisions for amendment in the Condominium Act, no amendment shall:
1. materially change the configuration or size of any Unit, or materially modify any appurtenance to a Unit, unless the record owner thereof and all record owners of liens thereon shall join in the execution and acknowledgment of the amendment;
 2. discriminate against any Unit Owner or against any Unit or building or class of buildings comprising part of the Condominium Property, unless records owners of all affected Units shall join in the execution and acknowledgment of the amendment;

3. change the share of Common Elements appurtenant to any Unit or Units or the share of any Unit Owner in the Common Surplus, or increase the share of any Unit Owner (s) in the Common Expenses, unless the record owners of all Units and the record owners of all liens thereon shall join the execution and acknowledgment of such amendment;
4. materially or adversely affect the lien or priority of any previously recorded mortgage to an Institutional Lender, or materially and adversely affect the rights and remedies of Institutional Lenders holding mortgages on five or more Units. Provided however, no amendment shall affect any right reserved to Developer, without the prior written consent of Developer, which may be withheld for any reason whatsoever, unless the same is required by law.

- D. Form of Proposed Amendment. No provision of the Declaration shall be revised or amended by reference to its title or number only. Proposals to amend existing provisions of the Declaration shall contain the full text of the provision to be amended; new words shall be inserted in the text underlined; and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: 'Substantial rewording of declaration. See provision for present text'. Nonmaterial errors or omissions in the amendment process shall not invalidate an otherwise properly promulgated amendment.
- E. Effective Date and Recording Evidence of Amendment. As to members of the Association and persons having actual knowledge of the adoption of any amendment to this Declaration, such amendment shall be effective as of the date of adoption or otherwise as may be specified in the resolution or instrument creating the amendment. As to nonmembers of the Association without actual knowledge of an amendment to this Declaration, the same shall be effective at the time the affected person acquires actual knowledge thereof or at the time of filing the amendment in the public records of St. Johns County, Florida, whichever occurs first. The President of the Association or, in the absence of the President, a Vice President or other acting chief executive officer of the Association, shall execute and cause to be filed in the public records of St. Johns County, Florida, the original amendment to the Declaration, which shall include the recording data identifying this Declaration and which shall be executed in the form required for the execution of a deed. A true and correct copy of each such amendment shall be delivered, forthwith after adoption thereof, to the record owners of all Units by the President, Vice President or other acting chief executive officer of the Association, but delivery of such copies shall not be a condition precedent to the effectiveness of any such amendment.
- F. Amendment to Correct Omission or Error in Condominium Documents. Notwithstanding any provision to the contrary set forth in this Article XI or elsewhere, in and of this Declaration, the Articles of Incorporation or Bylaws of the Association, the affirmative vote of the owners of not less than fifty-one percent (51%) of the Units in

the Condominium shall be sufficient to adopt an amendment to this Declaration for the purpose of correcting a defect, error or omission in or of this Declaration not materially and adversely affecting the rights of Unit Owners, lienors or mortgagees.

- G. Amendment by Developer. Notwithstanding any provision to the contrary set forth in this Article XI or elsewhere in this Declaration or in the Articles of Incorporation or Bylaws of the Association, Developer may, without the consent or joinder of any other party, amend this Declaration (i) to add any surveyor's certificates as described in Article IV and (ii) to amend any provision of this Declaration in a manner that will not materially and adversely affect the property rights of any Unit Owner other than Developer. Developer's right to amend this Declaration as provided in subsection (ii) of this paragraph G shall cease and be terminated at such time as Developer no longer owns any Unit in the Condominium. Notwithstanding anything to the contrary contained in this Section G., no amendment shall materially or adversely affect the lien or priority of any previously recorded mortgage to an Institutional Lender, or materially or adversely affect the rights and remedies of Lender, or materially and adversely affect the rights and remedies of Institutional Lenders holding mortgages on five or more Units. Any amendment to this Declaration by Developer without the consent of Unit Owners shall be in accordance with Sections 718.110(4) and 718.110(8), Florida Statutes.
- H. Amendments Relating to Surface Water or Stormwater Management System. Notwithstanding any provision to the contrary set forth in this Article XI or elsewhere in this Declaration or in the Articles of Incorporation or Bylaws of the Association, any amendment to this Declaration which alters the Surface Water or Stormwater Management System, as such term is hereafter defined, beyond maintenance in its original condition, or which in any way affects the obligation of the Association to maintain the Surface Water or Stormwater Management System, must have the prior written approval of the St. Johns River Water Management District.
- I. Amendments Relating to Provisions Benefitting Institutional Mortgagees. Notwithstanding any provision to the contrary set forth in this Article XI or elsewhere in this Declaration or in the Articles of Incorporation or Bylaws of the Association, any amendment to this Declaration which benefits an Institutional Mortgagee may not be amended without the approval of not less than sixty-six and two thirds percent (66 2/3%) of the Voting Interests and fifty-one percent (51%) of the Institutional Mortgagees.

XII. MAINTENANCE, REPAIRS AND REPLACEMENTS.

Responsibility for maintenance, repairs and replacements of the Condominium Property and property of Unit Owners located or situated within the Condominium shall be as follows:

- A. Units. Each Unit and the fixtures, equipment and appliances comprising a part thereof, located therein or exclusively serving the same, including but not limited to HVAC, shall be maintained, kept in good repair and replaced by and at the expense of the Unit Owner(s) thereof. All maintenance, repairs and/or replacements for which Unit Owners are responsible and obligated to perform, which, if not performed or omitted, would affect other Units or Common Elements, shall be performed promptly as the

need arises. Notwithstanding the obligation of Unit Owners for maintenance, repair and replacement of and in Units, the proceeds of all insurance awards or payments under insurance carried by the Association for loss or damage to or within Units shall be applied against repairs and replacements to the extent that such award or payments exceed the deductible provisions of such insurance.

- B. Common Elements. The Association shall be responsible for and shall assess against and collect from the Unit Owners, the costs of maintaining, repairing, replacing and keeping in clean and orderly condition all of the Common Elements. The Association shall, at the expense of the Unit Owners, repair any and all incidental damage to Units resulting from maintenance, repairs and/or replacements of or to the Common Elements. The Association's responsibility with respect to the Common Elements shall include, without limitation, the obligation to maintain, operate and repair the Surface Water or Stormwater Management System, as such term as hereafter defined. For purposes of this Declaration, the term Surface Water or Stormwater Management System shall mean and refer to a system which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse, water to prevent or reduce flooding, overdrainage, environmental degradation and water pollution or otherwise affect the quantity and quality of discharges from the system. The Surface Water and Stormwater Management System shall be subject to the terms of the permits therefore as now or in the future existing.
- C. Limited Common Elements. Except as otherwise provided in this Declaration, the Association shall be responsible for and shall assess against and collect from the Unit Owners, the costs of maintaining, repairing, replacing and keeping in clean and orderly condition any Common Elements designated herein as Limited Common Elements to the extent that the responsibility for the same has not been designated herein as the responsibility of a Unit Owner to which such Limited Common Element is an appurtenance; provided that the cost of the same shall be borne by the Owner(s) of the Unit(s) to which said Limited Common Elements are appurtenant and the Association shall have the option to perform those duties if the Unit Owner shall fail to do so, which performance shall not relieve the Unit Owner's obligation to so perform. The costs of any such Association performance on the Unit Owner's behalf shall be paid by the Unit Owner on demand of the Association and the amount due shall bear interest at the highest rate permitted by law from the date expended until paid in full. The Association may file a lien for such costs which a Unit Owner does not reimburse to the Association immediately upon demand. The costs for all maintenance and repair of the covered parking spaces which may be assigned by the Developer as Limited Common Elements shall be borne by all Owners of Units as Common Expenses.
- D. Maintenance and Repair Necessitated by Negligence of Unit Owners. A Unit Owner shall be responsible for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness or by that of any guests, employees, agents, lessees or other invitees, but only to the extent that such expense is not met by proceeds of insurance carried by the Association. Such liability shall include any increase in insurance rates occasioned by the use, misuse, occupancy or abandonment of a Unit or its appurtenances or the Common Elements.

- E. Water and Sewer. . A Unit Owner shall be responsible for the expense of all water and sewer charges from St. Johns Services Company attributable to the Unit. As the Units are not separately metered, the Association receives and pays the bill on behalf of the Units Owners. The Association will contract with a private company to allocate the bill based on usage, which monthly charge will be sent to each Unit Owner, which will be due not later than 30 days after such billing. The Association may file a lien for such costs which a Unit Owner does not reimburse to the Association by the due date. If permitted by law, if a Unit Owner is more than 75 days delinquent in the payment of water and sewer charges, the Association may disconnect the Unit from such services. If approved by sixty-six and two thirds percent (66 2/3%) of the Voting Interests of the Association, the Unit Owners may elect to discontinue the separate allocation based on useage, add the water and sewer charge to the common expenses of the Association, and each Unit Owner will then pay its share of the common expenses, inclusive of the water and sewer charges allocable to Units.

XIII. INSURANCE

Insurance shall be carried and kept in force at all times in accordance with the following provisions:

- A. Duty and Authority to Obtain. The Association shall obtain and keep in force at all times the insurance coverage which it is required hereby to carry and keep in force all of such other or additional insurance coverage as it is authorized hereby to carry. All insurance obtained by the Association shall be purchased for the benefit of the Association and the Unit Owners and their mortgagees. A certificate evidencing a mortgagee endorsement shall be issued to the mortgagee of each Unit upon the request of such mortgagee. The Unit Owner(s) of each Unit may, at the expense of the Unit Owner(s), obtain insurance coverage against to and loss of the contents of the Unit, personal liability for injury to and death of persons and damage to and loss of personal property of others, and against additional living expenses, provided that all such insurance purchase by Unit Owners may be obtained from the insurer from which the Association purchases coverage against the same risk, liability or peril, if the Association has such coverage; and, provided that each policy of such insurance purchased by a Unit Owner shall, where such provision is available, provide that the insurer waives its right of subrogation as to any claim or claims against other Unit Owners, the Association, and their respective employees, agents, guests and invitees. In any event, any insurance policy purchased by an individual Unit Owner shall provide that coverage afforded by such policy is excess over the amount recoverable under any other policy covering the same property without rights of subrogation against the Association.
- B. Required Coverage. The Association shall purchase and carry casualty insurance insurance covering all of the buildings and other improvements of the Condominium including, without limitation. Units and Common Elements, in an amount equal to the maximum insurance replacement value thereof, exclusive of excavation and foundation costs, as determined annually by the Board; such insurance to include or afford protection against:

1. Loss or damage by fire or other hazards covered by the standard extended coverage or other perils endorsements.
2. Such other risks of a similar or dissimilar nature as are or shall be customarily covered with respect to buildings and other improvements similar, in construction, location and use, to the buildings and other improvements of the Condominium including, without limitation, vandalism, malicious mischief, windstorm, water damage and war risk insurance, if available;
3. Public liability insurance, in such amounts, with such coverage and in such forms as shall be required by the Board to protect the Association and the Unit Owners of all Units, including, without limitation, hired automobile, off premises employee coverage, water damage and legal liability, with cross-liability endorsements to cover liability of all Unit Owners as a group to each Unit Owner and waiver of rights of subrogation;
4. Workmen's compensation insurance as may be needed to meet the requirements of law;
5. Loss or damage by flood, to the extent, if any, required or necessitated by law, including, without limitation, the Flood Disaster Protection Act of 1973, or any similar law or regulation; and
6. Fidelity bonds as may be required under the Condominium Act.

Any proposed amendment to this Article XIII(B) regarding fidelity bonds or Hazard Insurance Coverage shall require the approval of not less than sixty-six and two thirds percent (66 2/3%) of the Voting Interests and not less than fifty-one percent (51%) of the Institutional Mortgagees.

- C. Optional Coverage. The Association may purchase and carry such other insurance coverage, other than title insurance, as the Board, in its sole discretion, may determine from time to time to be in the best interests of the Association and Unit Owners, or as an Institutional Lender may reasonably require while it holds a mortgage encumbering any Unit.
- D. Premiums. Premiums for all insurance obtained and purchased by the Association shall be paid by the Association. The cost of insurance premiums, and other incidental expenses incurred by the Association in administering and carrying out the provisions of this Article, shall be assessed against and collected from Unit Owners as Common Expenses.
- E. Assured. All policies of insurance obtained and purchased by the Association shall be for the benefit of the Association, its members and their mortgagees, as their interests may appear, shall provide that all proceeds covering casualty losses shall be paid to the Condominium Association or 'Insurance Trustee' as hereinafter provided or to its successor as set forth herein, and the proceeds from insurance against any casualty loss shall be held for the use of the Association, the Unit Owners and their respective mortgagees as their interests may appear, to be applied or distributed in the manner herein provided. The Association is here constituted and appointed agent for all Unit Owners, with authority to negotiate and settle the value and extent of any and all losses covered under any policy of casualty insurance, and the Association is granted full right and authority to execute, in favor of any insurer, a release of liability arising

out of any occurrence covered by any policy or policies of casualty insurance and resulting in loss of or damage to insured property.

- F. Insurer. All persons beneficially interested in the insurance coverage obtained, purchased and maintained by the Association shall be bound by the Associations' selection of its insurer(s) and the amount of insurance coverage carried and kept in force by the Association.
- G. Insurance Trustee. The Association shall have the right to designate the Insurance Trustee and all persons beneficially interested in such insurance coverage shall be bound by the Associations's selection of the Insurance Trustee.
1. Qualifications Rights and Duties. The Insurance Trustee shall be a bank with trust powers, doing business in the State of Florida, or if no such Insurance Trustee is designated, shall be the Board of Directors of the Association. The Insurance Trustee shall not be liable for the payment of premiums, the renewal of any policy or policies of casualty insurance, the sufficiency of coverage, the form or content of policies nor for the failure to collect any insurance proceeds. The sole duty of the Insurance trustee shall be to receive such proceeds of casualty insurance as are paid and to hold the same in trust for the purposes herein stated, and for the benefit of the Association, Unit Owners and their respective mortgagees, to be disbursed as herein provided. The Association shall pay a reasonable fee to the Insurance Trustee for services rendered hereunder and shall pay such costs and expenses as the Insurance Trustee may incur in the performance of its duties hereunder; such fees and costs to be assessed against and collected from Unit Owners as a Common Expense. The Insurance Trustee shall be liable only for its willful misconduct, bad faith or gross negligence, and then only for such money as may come into the possession of the Insurance Trustee. If and when the Insurance Trustee is required to distribute insurance proceeds to Unit Owners and their mortgagees, as their respective interests may appear, the Insurance Trustee may rely upon a certificate of the President and Secretary of the Association, executed under oath and provided to the Insurance Trustee upon request to the Association; such certificate to certify the name or names of the Unit Owners, the mortgagee(s) thereof, and the respective percentages of any distribution which is to be made to the Unit Owner(s) and mortgagee(s), as their respective interests may appear. If and when insurance proceeds are paid to the Insurance Trustee for any casualty loss, the holder(s) of any mortgage or mortgages encumbering a Unit shall not have the right to determine or participate in the determination of repair or replacement of any loss or damage, and shall not have the right to elect to apply insurance proceeds to the reduction of indebtedness secured by such mortgages, unless the insurance proceeds represent a distribution to the Unit Owner(s) and the mortgagee(s) thereof, after such insurance proceeds have been first applied to repair, replacement or reconstruction of any loss or damage, or unless such casualty insurance proceeds are authorized to be distributed to the Unit Owner(s), and the mortgagee(s) thereof by reason of loss of or damage to personal property constituting a part of the Common Elements and as to which a determination is made not to repair, replace or restore such personal property.

H. Application of Insurance Proceeds. The proceeds of casualty insurance paid to the Insurance Trustee by an insurer for loss or damage to real and/or personal property upon which the Association carries insurance, shall be applied and paid as follows:

1. Common Elements Only. The proceeds paid to the Insurance Trustee for loss of or damage to real property or improvements constituting Common Elements only shall be applied to the repair, replacement or reconstruction of such loss or damage. If such insurance proceeds exceed the cost of the repair, replacement or reconstruction of such Common Elements, the excess shall be paid by the Insurance Trustee to the Unit Owners, and their respective mortgagees, as their interests may appear, in shares or proportions equal to the undivided interest appurtenant to each Unit in the Common Elements. If the insurance proceeds shall be insufficient to pay the cost of the repair, replacement or reconstruction of such Common Elements, the Association shall deposit with the Insurance Trustee, from any Association reserve fund which may have been established, the difference between the total cost of repairing, replacing or reconstructing such loss or damage to the Common Elements and the amount of the insurance proceeds. If no such Association reserve fund has been established, or if any such Association reserve fund has been established and is insufficient to pay to the Insurance Trustee such difference, the Association shall assess the amount of the difference against, and collect it from, all Unit Owners, as a Common Expense.
2. Units and Common Elements. The proceeds paid to the Insurance Trustee for loss of or damage to a building, constituting Common Elements and one or more Units thereof only, shall be first applied to the repair, replacement or reconstruction of Common Elements, then to the repair, replacement or reconstruction of any Unit or Units in such building which have been destroyed or damaged. If such insurance proceeds exceed the cost of the repair, replacement or reconstruction of such Common Elements and Units, the excess shall be paid by the Insurance Trustee to the owners of the damaged or destroyed Units and their respective mortgagees, as their interests may appear, in shares or proportions equal to the undivided interest appurtenant to each such Unit in the Common Elements. If the insurance proceeds shall be sufficient to pay for the repair, replacement or reconstruction of the Common Elements but shall be insufficient to pay the cost of the repair, replacement or reconstruction of the damaged or destroyed Unit or Units in such building, each Unit Owner shall be responsible for the portion of the deficiency attributable to his Unit and shall deposit such sum with the Insurance Trustee to be applied by the Insurance Trustee toward the total cost of repairing, replacing or reconstructing all of such damaged or destroyed Common Elements and Units. If the insurance proceeds shall be insufficient to pay the cost of the repairs, replacements, or reconstruction of the Common Elements (to which the Insurance Trustee is required first to apply such proceeds before applying any part thereof to the repair, replacement or reconstruction of Units), the difference

between the total cost of repairing, replacing or reconstructing the Common Elements and the amount of the insurance proceeds shall be assessed by the Association against, and collected from, all Unit Owners as a common expense and in such event, the cost of repairing, replacing or reconstructing the Unit or Units destroyed or damaged shall be the responsibility of the owners of such damaged or destroyed Units, who shall each deposit with the Insurance Trustee the amount necessary to repair, replace or reconstruct their respective Units.

- I. Deposits to Insurance Trustee After Damage. Within sixty (60) days after a loss of or damage to Condominium Property covered by casualty insurance, the Association shall obtain estimates of the cost of repairing, replacing or restoring the same, including the cost of professional fees and any construction bond which the Board may require. If, from such estimates, it shall appear that the insurance proceeds payable for such loss or damage will be insufficient to pay the total costs thereof, whether it is to be paid by one or more Unit Owners, the deficit shall be deposited with the Insurance Trustee not later than thirty (30) days from the day on which the Insurance Trustee receives the insurance proceeds.

XIV. RECONSTRUCTION OR REPAIR AFTER CASUALTY.

Whether, and the manner in which, any or all of the Condominium Property which shall be damaged or destroyed by casualty shall be repaired, reconstructed or replaced shall be determined as follows:

- A. Residential Buildings. If any residential building shall be damaged or destroyed, repair or reconstruction thereof, or termination of the Condominium, shall be in accordance with the following:
 1. Total Destruction of all Residential Buildings. If all residential buildings within the Condominium are totally destroyed or are so damaged that no Unit therein is habitable, the buildings and none of the improvements comprising Common Elements shall be reconstructed, and the Condominium shall be terminated unless the owners of Units to which seventy-five percent (75%) of the Common Elements are appurtenant and mortgagees holding first mortgages on not less than fifty-one percent (51%) of the Units agree in writing, within sixty (60) days after the date of such destruction, to reconstruct the same and/or unless any policy or policies of casualty insurance covering the same shall require reconstruction thereof as a condition precedent to the payment of proceeds thereunder and in either case as long as the then applicable zoning and other regulatory laws and ordinances shall allow the same to be reconstructed.
 2. Partial Destruction of the Residential Buildings. If one or more, but less than all of the Units in the buildings remain habitable, the damaged or destroyed Common Elements and/or Units shall be repaired or reconstructed so that the buildings and/or Units shall be restored to substantially the same condition as existed prior to such damage or destruction, unless within sixty (60) days after the casualty it is determined by agreement of the Unit Owners and mortgagees

in the manner provided in Article XI hereof, that the Condominium shall be terminated.

- B. Common Elements. Damaged or destroyed improvements constituting part of the Common Elements shall be repaired, reconstructed and/or replaced unless in the event of total destruction of the Units, or by agreement after partial destruction, the Condominium shall be terminated.
- C. Certificate. The Insurance Trustee may rely upon a certificate executed by the President and Secretary of the Association to determine whether or not damaged or destroyed Condominium Property shall be repaired or reconstructed.
- D. Plans and Specifications. Repair or reconstruction of the Condominium Property shall be substantially in accordance with the plans and specifications pursuant to which the same were originally constructed, provided that the Board may authorize reasonable variations from the original plans and specifications as may appear to them to be necessary or desirable.
- E. Responsibility. If the damage or destruction shall be limited only to one or more Units for which the responsibility of maintenance, repair and replacement is that of the affected Unit Owners, then such Unit Owners shall be responsible for carrying out the repair or reconstruction thereof. In all other instances of damage or destruction, the Association shall be responsible for carrying out the repair and reconstruction thereof.
- F. Construction Funds. All funds for the payment of repair and reconstruction costs, consisting of insurance proceeds and/or funds collected by the Association from Unit Owners shall be disbursed toward payment of such costs in the following manner:
 - 1. Association. If the total funds assessed against and collected from Unit Owners by the Association for payment of repair and reconstruction costs is more than Five Thousand and no/1 00 Dollars (\$5,000.00) then all such sums shall be deposited by the Association with and disbursed by the Insurance Trustee. In all other cases the Association shall hold such sums so assessed and collected and shall disburse the same in payment of the costs of reconstruction and repair.
 - 2. Insurance Trustee. The proceeds of insurance collected on account of a casualty and the sums assessed against and collected from Unit Owners by the Association and deposited with the Insurance Trustee shall constitute a construction fund which shall be disbursed in payment of the costs of repair and reconstruction in the following manner:
 - a. Unit Owner. The portion of insurance proceeds representing damage for which the responsibility of repair and reconstruction is upon one or more, but less than all Unit Owners, shall be paid by the Insurance Trustee to the affected Unit Owners and, if any of such Units are mortgaged, to the

affected Unit Owners and their mortgagees jointly, or in such other method as the effective insurance policy shall require.

- b. Association-Lesser Damage. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is less than Five Thousand and no/1 00 Dollars (\$5,000.00) then the construction fund shall be disbursed in payment of such costs upon the order of the Association; provided, however, that upon request to the Insurance Trustee by a mortgagee which is a beneficiary of an insurance policy the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner hereafter provided for the reconstruction and repair of major damage.
- c. Association-Major Damage. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is more than Five Thousand and no/1 00 Dollars (\$5,000.00) then the construction fund shall be disbursed in payment of such costs in the manner required by the Board and upon approval of an architect registered to practice in Florida and employed by the Association to supervise the work.
- d. Surplus. It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in the construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere herein stated; except, however, that the part of a distribution to a beneficial owner which is not in excess of assessments paid by such owner into the construction fund shall not be made payable to any mortgagee.
- e. Certificate. Notwithstanding the provisions herein, the Insurance Trustee shall not be required to determine whether or not sums paid by Unit Owners upon assessments shall be deposited by the Association with the Insurance Trustee, nor to determine whether the disbursements from the construction fund are to be upon the order of the Association or upon approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund nor to determine the payee nor the amount to be paid, nor to determine whether surplus funds to be distributed are less than the assessments paid by Unit Owners. Instead, 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 that the sums to be paid are due and properly payable and stating the name of the payee and the amount to be paid; provided that when a mortgagee is herein required to be named as payee the Insurance Trustee shall also name the mortgagee as payee; and further provided that when the Association, or a mortgagee which is the beneficiary of an insurance policy the proceeds of which are included in the construction

fund, so requires, the approval of an architect named by the Association shall be first obtained by the Association.

XV. USE RESTRICTIONS.

Use of the Condominium Property shall be in accordance with and subject to the following provisions so long as the Condominium exists:

- A. Units. Each of the Units shall be occupied only by a single family, its servants and guests or lessees as a residence and for no other purposes.
- B. Common Elements. The Common Elements shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of such improvements.
- C. Nuisances. No nuisances shall be allowed upon the Condominium Property, nor any use or practice which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the Condominium Property by residents. All parts of the Condominium Property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage shall be allowed to accumulate, nor shall any fire hazard be allowed to exist. No use shall be made of any Unit or of the Common Elements which will increase the rate of insurance upon the Condominium Property.
- D. Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the Condominium Property or any part thereof; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies pertaining to maintenance, replacement, modification or repair of the Condominium Property shall be the same as is elsewhere herein specified.
- E. Regulations. Reasonable regulations concerning the use of the Condominium Property may be made and amended from time to time by the Board. Such regulations may include, without limitation, limitations on the number and species of pets which may be kept within the Condominium Property. No such regulation shall contravene any portion of this Declaration or of the Association's Articles of Incorporation or Bylaws. Copies of such regulations and amendments thereto shall be furnished by the Association to all Unit Owners and residents of the Condominium upon request.
- F. Proviso. Until Developer has sold all of the Units, neither the Unit Owners nor the Association shall interfere with the sale of the Units. Developer may make such use of the unsold Units and Common Elements (including, without limitation, the clubhouse) as may facilitate such sales, including, but not limited to, maintenance of sales offices and model units, the display of signs and use of the Common Elements in the promoting of sales of Units in the Condominium.
- G. Rights of Developer. Developer, for itself, its successors, assigns, nominees, designees and grantees, hereby reserves a perpetual, alienable, releasable and non-exclusive easement, privilege and right of ingress and egress over and across all paved roadways and drives located within the Condominium Property. Developer shall

have the unrestricted and sole right and power of assigning in whole or in part, alienating and releasing the privileges, easement and rights referred to in this paragraph. Such easement is and shall remain a private easement and the sole and exclusive property of Developer, its successors, assigns, nominees, designees and grantees; provided, however, such easement rights shall not be used so as to interfere with the installation and location of completed vertical improvements upon the Condominium Property.

- H. Leasing. In order to preserve the character of the Condominium as predominantly owner-occupied, and to comply with the eligibility requirements for financing in the secondary mortgage market, leasing of Units shall be governed by the restrictions imposed by this Paragraph. Except as provided herein, the leasing of Units shall be prohibited.
1. Notice. At least seven (7) days prior to entering into the lease of a Unit, the owner shall provide the Board with a copy of the proposed lease agreement. The Board shall approve or disapprove the form and term of said lease. In the event a lease is disapproved, the Board shall notify the owner of the requisite action to be taken in order to bring the lease in compliance with the Declaration and any rules and regulations adopted pursuant thereto.
 2. General. No Unit shall be leased for a term less than three (3) months, twice each year, without prior written Board approval. Units may be leased only in their entirety; no fraction or portion may be leased without prior written Board approval. All leases shall be in writing and in a form approved by the Board prior to the effective date of the lease. The Board may maintain and, upon request, provide a form which is deemed acceptable. There shall be no subleasing of Units or assignment of leases without prior written Board approval. All leases must be for an initial term of not less than three (3) months, except with written approval, which shall not be unreasonably withheld in cases of undue hardship. Within ten (10) days after executing a lease agreement for the lease of a Unit, the Owner shall provide the Board with a copy of the lease and the name of the lessee and all other people occupying the Unit. The Owner must provide the lessee copies of the Declaration, Bylaws and the rules and regulations. Nothing herein shall be construed as giving the Association the right to approve or disapprove a proposed lessee; the Board's approval or disapproval shall be limited to the form and term of the proposed lease.
- I. Institutional Mortgagee Approval of Certain Amendments. Any proposed amendment to the provisions of Article XV (H) or any proposed amendment to impose restrictions regarding resale shall be subject to the approval of not less than sixty-six and two thirds percent (66 2/3%) of the Voting Interests and not less than fifty-one percent (51%) of the Institutional Mortgagees.

XVI. COMPLIANCE AND DEFAULT.

Each Unit Owner shall be governed by and shall comply with the terms of the Declaration of

Condominium, the Articles of Incorporation and Bylaws of the Association, and any and all regulations adopted pursuant thereto, as they may be amended from time to time. Failure of the Unit Owner to comply therewith shall entitle the Association or other Unit Owners to the following relief in addition to the remedies provided by the Condominium Act:

- A. Negligence. Each Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness or by that of any member of his family or his or their guests, employees, agents, lessees or other invitees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association.
- B. Costs and Attorneys' Fees. In any proceeding arising because of an alleged failure of a Unit Owner to comply with the terms of the Declaration, the Articles of Incorporation and Bylaws of the Association and any and all regulations adopted pursuant thereto, as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees as may be awarded by the court.
- C. Fines, etc. The Association shall be authorized to levy reasonable fines against Unit Owners for violations of the terms and conditions of this Declaration, the Articles of Incorporation and Bylaws of the Association, and any and all regulations adopted pursuant thereto. No fine may exceed One Hundred and no/1 00 Dollars (\$100.00) for any single violation, except that a fine may be levied on the basis of each day of a continuing violation. In such event, the fine shall not exceed One Thousand and no/1 00 Dollars (\$1,000.00) in the aggregate. No fine may be levied except after giving reasonable notice and opportunity for a hearing before a committee comprised of Unit Owners appointed by the Board of Directors to the offending Unit Owner in accordance with procedures to be established by the Board. No fine shall be imposed with respect to any unoccupied Unit.
- D. No Waiver of Rights. The failure of the Association or any Unit Owner to enforce any covenant, restriction or other provision of the Condominium Act, this Declaration, the Articles Incorporation and Bylaws of the Association or the regulations adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter.

XVII. ASSESSMENTS: LIABILITY, LIEN AND ENFORCEMENT.

To provide the funds necessary for proper operation and management of the Condominium Property, the Association has been granted the right to make, levy and collect assessments against the Units and Unit Owners. The following provisions shall govern the making, levying and collecting of such assessments and the payment of the costs and expenses of operating and managing the Condominium and Association Property by the Association.

- A. Determination of Assessments.
 - 1. Assessments by the Association against each Unit Owner and his Unit shall be the share of the total assessments to be made against all Unit Owners and their Units as is set forth on Exhibit 'B' attached hereto.
 - 2. Should the Association become the Unit Owner, the assessment which would otherwise be due and payable to the Association by a Unit Owner, reduced by

an amount of income which may be derived from the leasing of such unit (s) by the Association, shall be apportioned and the assessment therefor levied ratably among all Unit Owners which are not owned by the Association, based upon their proportionate interests in the Common Elements exclusive of the interests therein appurtenant to any Unit or Units owned by the Association.

- B. Time for Payment. The assessment levied against the Unit Owner and his Unit shall be payable in quarterly or monthly, or such other installments and at such time as shall from time to time be fixed by the Board as permitted by the Condominium Act.
- C. Annual Budget. The Board shall establish annual budgets in advance for each fiscal year which shall estimate all expenses for the forthcoming fiscal year required for the proper operation, management and maintenance of the Condominium, including, when deemed necessary or advisable by the Board, a reasonable allowance for contingencies and reserves and shall estimate all income to be collected during the year. Upon adoption of each annual budget by the Board, copies thereof shall be delivered to each Unit Owner, and the assessment for the year shall be based upon such budget. Failure to deliver a copy of the budget to a Unit Owner shall however, not affect the liability of the Unit owner for such assessment. Should the Board at any time and from time to time determine, in the sole discretion of the Board, that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium, or in the event of emergencies, the Board shall have the authority to levy such additional assessment or assessments as it shall deem to be necessary. The specific purpose of any special assessment approved by the Board shall be set forth in a written notice of such assessment sent or delivered to each Unit Owner. The funds collected pursuant to a special assessment shall be used only for the specific purpose or purposes set forth in such notice, or returned to the Unit Owners. However, upon completion of such specific purpose or purposes, any excess funds shall be considered Common Surplus. Without limiting the generality of the foregoing, assessments shall be used for the operation, maintenance and repair of the Surface Water or Stormwater Management System including, but not limited to, work within retention areas, drainage structures and drainage easements.
- D. Reserve Fund. The Board, in establishing each annual budget for the Condominium, shall include therein a sum to be collected and maintained as a reserve fund for the capital expenditures, deferred maintenance and replacement of the Common Elements and personal property held for the joint use and benefit of all Unit Owners. The amount to be reserved shall be computed by dividing the estimated replacement cost of an item by its estimated remaining useful life. No such reserve shall be included within the annual budget for the Condominium Property if the Unit Owners, by a majority of votes at a duly called meeting of the Association, elect to provide no fiscal reserves or a lesser amount of fiscal reserves than as provided herein for any fiscal year or the Developer elects to provide no fiscal reserves or a lesser amount of fiscal reserves than as provided herein for any fiscal year, as may be permitted by 718.112(2)(f)(2) Florida Statutes. If a meeting of the Unit Owners has been called to determine to provide no reserves or reserves less adequate than required, and such

result is not attained or a quorum is not attained, the reserves, as included in the Annual Budget, shall go into effect.

- E. General Operating Reserve. The Board, when establishing each annual budget, may, when deemed necessary or desirable, include therein a sum to be collected and maintained as a general operating reserve to provide a measure of financial stability during periods of special stress when such sums may be used to meet deficiencies from time to time existing as a result of delinquent payment of assessments by Unit Owners, as a result of emergencies or for other reason placing financial stress upon the Association.
- F. Use of Association Funds. All monies collected by the Association shall be treated as the separate property of the Association, and such monies collected from the Unit Owners may be applied by the Association to the payment of any expense of operating and managing the Condominium Property, or to the proper undertaking of all acts and duties imposed upon it by virtue of this Declaration, the Articles, and Bylaws and as the monies for annual assessments are paid to the Association by any Unit Owner, the same may be commingled with monies paid to the Association by the other Unit Owners. The prior sentence notwithstanding, funds received by the Association from other Unit Owners or otherwise attributable to other condominiums which may be administered by the Association, shall not be commingled with funds collected by the Association which are attributable to the Condominium. Although all funds and other assets of the Association, and any increments thereto or profits derived therefrom, or from the leasing or use of Common Elements, including, without limitation, Common Surplus, shall be held for the benefit of the members of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest therein, except as an appurtenance to his Unit.
- G. Delinquency Default. The payment of any assessment or installment thereof due to the Association shall be in default if not paid to the Association on or before the due date thereof. Upon such default, the Association shall be entitled to charge an administrative fee, in addition to interest, in an amount not to exceed Twenty-five and no/1 00 Dollars (\$25.00) or five percent (5%) of the delinquent installment, for each installment due that is late. Upon default and upon recording a claim of lien Pursuant to this Article XVII, the Association shall have the option of accelerating all remaining installments due from the defaulting Unit Owner for the remainder of the budget year in which the default occurs. When in default, the delinquent assessments (or accelerated installments thereof, if applicable) shall bear interest at the highest rate permitted under applicable law until the same, and all interest due thereon, has been paid in full.
- H. Personal Liability of Unit Owner. Each Unit Owner shall be personally liable, jointly and severally, as the case may be, to the Association for the payment of all assessments, regular or special, interest on such delinquent assessments or installments thereof as above provided, and for all cost of collecting the assessments and interest thereon, including reasonable attorney's fee, whether suit be brought or not, levied or otherwise coming due while such person(s) or entity own(s) a Unit.
- I. Liability Not Subject to Waiver. No Unit Owner of a Unit may exempt himself from liability for any assessment levied against the Unit Owner and his Unit by waiver of the

use or enjoyment of any of the Common Elements or by abandonment of the Unit, or in any other manner.

- J. Lien for Assessment. The Association-is hereby granted a lien upon each Unit and its appurtenant undivided interest in Common Elements which lien shall and does secure the monies due for all (1) assessments (or accelerated installments thereof, if the Association elects to accelerate installments under paragraph G above) levied against the Unit Owner(s) and each Unit, (2) interest, if any, which may become due on delinquent assessments owing to the Association, and (3) costs and expenses, including a reasonable attorney Is fee, which may be incurred by the Association in enforcing its lien upon the Unit. The lien granted to the Association may be established and foreclosed in the Circuit Court in and for St. Johns County, Florida, and in any suit for the foreclosure of said lien, upon the approval of such Circuit Court, the Association shall be entitled to rental from the Unit Owner of any Unit from the date on which the payment of any assessment or installment thereof became delinquent and shall be entitled to the appointment of a Receiver for said Unit. The rental required to be paid shall be established by the Circuit Court.
- K. Recording and Priority of Lien. The lien of the Association shall be effective from and after recording this Declaration in the public records of St. Johns County, Florida. However, as to first mortgagees of record, the lien is effective from and after recording a claim of lien. The claim of lien shall state the description of the Unit encumbered thereby, the name of the record owner, the name and address of the Association and the amount and the date when due. The claim of lien shall continue in effect until all sums secured thereby shall have been fully paid, however no claim of lien shall continue for a longer period than one (1) year after the claim of lien has been recorded, unless within that time an action to enforce the lien is commenced in a court of competent jurisdiction. Such claims of lien shall secure unpaid assessments, interest, costs, attorney's fees and interest thereon which are due and which may accrue subsequent to the recording of the claim of lien and prior to entry of a final judgment of foreclosure, all as above provided. Such claims of lien shall be signed and verified by an officer or agent of the Association. Upon full payment of all sums secured by such claim of lien, the same shall be satisfied of record.
- L. Effect of Foreclosure or Judicial Sale. A first mortgagee who acquires title to the Unit by foreclosure or deed in lieu of foreclosure is liable for the unpaid assessments that became due prior to the mortgagee's receipt of the certificate of title or deed, as applicable. However, such mortgagee's liability is limited to a period not to exceed six (6) months, but in no event shall such mortgagee's liability exceed one percent (1%) of the original mortgage debt. In no event shall the mortgagee be liable for more than six (6) months of the Unit's unpaid Common Expenses or assessments accrued before the acquisition of title to the Unit by the mortgagee, or one percent (1%) of the original mortgage debt, whichever is less.
- M. Effect of Voluntary Transfer. When the Unit Owner proposes to lease, sell or mortgage the Unit, the Association, within fifteen (15) days of written request of the Unit Owner, shall furnish to a proposed purchaser or mortgagee, a statement verifying the status of payment of any assessment or other monies which shall be due and payable to the Association by the owner of such Unit. Such statement shall be executed by any

officer of the Association and any lessee, purchaser or mortgagee may rely upon such statement in concluding the proposed lease, purchase or mortgage transaction and the Association shall be bound by such statement.

In the event that a Unit is to be leased, sold or mortgaged at the time when payment of any assessment against the Unit Owner and Unit due to the Association shall be in default (whether or not a claim of lien has been recorded by the Association) then the rent, proceeds of such sale or mortgage proceeds, as the case may be, shall be applied by the lessee, purchaser or mortgagee first to payment of any then delinquent assessment or installment thereof due to the Association before payment of the balance of such rent, proceeds of sale or mortgage to the Unit owner responsible for payment of such delinquent assessment.

In any voluntary conveyance of a Unit, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor made prior to the time of transfer of title, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefor.

Institution of a suit at law to attempt to effect collection of the payment of any delinquent assessment shall not be deemed to be an election by the Association which shall prevent its thereafter seeking enforcement of the collection of any sums remaining owing to it by foreclosure, nor shall proceeding by foreclosure to attempt to effect such collection be deemed to be an election precluding the institution of suit at law to attempt to effect collection of any sum then remaining owing to it.

- N. Commencement of Assessments. The date of commencement of the assessments against each Unit as described in this Article shall be established by the Board.
- O. Working Capital Fund. The Board shall designate how and when funds contributed to Working Capital shall be used, subject to the restriction on use at any time the Developer guarantee of assessments may be in effect, in accordance with 718.116(9)(b) *Florida Statutes*.

XVIII. REGISTRY OF OWNERS AND MORTGAGEES.

The Association shall at all times maintain a register of the names of the Unit Owners and their respective mortgagees which shall be based upon information supplied by the Unit Owners. Upon the transfer of title to any Unit, the transferee shall notify the Association in writing of his interest in such Unit together with recording information identifying the instrument by which such transferee acquired his interest in the Unit. The Unit Owner of a Unit encumbered by a mortgage shall notify the Association of the name and address of the mortgagee, the amount of such mortgage, or mortgages, and the recording information identifying the same. The holder of any mortgage encumbering a Unit may notify the Association of any such mortgage (s), and upon receipt of such notice, the Association shall register in its records all pertinent information pertaining to the same.

XIX. ALTERATIONS OF AND IMPROVEMENTS TO UNITS AND COMMON ELEMENTS AND LIMITED COMMON ELEMENTS.

Neither a Unit Owner nor the Association shall make any alterations, improvements or additions to Units, Common Elements or Limited Common Elements, except in compliance with the following:

- A. Units. Unless the Unit Owner(s) shall first submit plans for such work to the Board and the Board, by resolution unanimously adopted by the affirmative vote of all members thereof, shall approve and consent thereto, no alteration of or improvement or addition to a Unit, shall be made, constructed, erected or installed which shall:
1. remove, in whole or in part, replace, reroute or otherwise affect any column, bearing wall or partition, pipe, duct, wire or conduit or obstruct any easement herein provided for;
 2. remove or change the style, pattern, material, texture or outside color of any door, window, screen, fixture, equipment or appliance in or on an exterior Unit or building wall;
 3. cover, from the inside or outside, the glass or other transparent and/or translucent material in any exterior door or window with, or apply or affix thereto, any material or substance which shall render the same opaque or change the exterior color thereof, except interior draperies, curtains, shades or shutters which are lined, backed, covered or painted on the side visible from the exterior with a white or cream colored material;
 4. enclose in any fashion or install any flooring other than that which is approved by the Board on a balcony, patio, porch or terrace or modification of flooring type except as may be approved by the Board;
 5. affix to or over any exterior door or window, or otherwise install on the exterior of any Unit or building, any storm or hurricane shutter or awning or any protective or decorative panel, paneling, trim, enclosure, fixture or appliance. Notwithstanding anything in this Declaration to the contrary, the Board shall adopt hurricane shutter specifications for each building within the Condominium which shall include color, style and other factors deemed relevant by the Board. All such specifications adopted shall comply with the applicable building code. The Board shall not refuse approval of the installation or replacement of hurricane shutters conforming to the specifications adopted by the Board. The installation, replacement and maintenance of such shutters in accordance with the procedures set forth herein shall not be deemed a material alteration to the Common Elements for purposes of this Declaration; and
 6. otherwise change, modify or alter the exterior of any Unit or building so that it thereby differs in appearance from any other Units or buildings of the same type.

Provided however, the foregoing provisions of Paragraph A. shall not apply to any Unit owned by Developer for the period of time such Unit is owned by Developer.

- B. Common Elements. There shall be no material alterations or substantial improvements or additions to the Common Elements except as hereafter set forth. Upon the affirmative vote of a majority of the members of the Board, the Association shall have the right to make or cause to be made alterations, improvements and/or additions to the Common Elements, except the acquisition of additional real property. The acquisition of additional real property shall be approved by seventy-five percent (75%) of the Voting Interests in the Association. The cost of such alterations, improvements

and/or additions shall be assessed against and collected from all Unit Owners as Common Expenses.

- C. Limited Common Elements. There shall be no material alterations or substantial improvements or additions to the Limited Common Elements except as hereafter set forth. Upon the affirmative vote of a majority of the members of the Board and the affirmative vote of a majority of the Unit Owners to which the of the Limited Common Elements are appurtenant, the Association shall have the right to make or cause to be made alterations, improvements and/or additions to the Limited Common Elements. The cost of such alternation, improvements and/or additions shall be assessed against and collected proportionately from the Unit Owners to which the Limited Common Elements are appurtenant.

In any litigation or other dispute related to or arising out of this Article XIX, the prevailing party shall be entitled to reimbursement of its costs incurred in the litigation or dispute including, without limitation, reasonable attorneys, fees for both trial and appeal.

XX. TERMINATION.

The Condominium may be terminated in the following manner in addition to the manner provided by the Condominium Act:

- A. Destruction. In the event it is determined in the manner elsewhere herein provided that the improvements shall not be reconstructed because of total destruction or major damage, the Condominium plan of ownership will be thereby terminated without agreement.
- B. Agreement. The Condominium may be terminated at any time by the approval in writing of all of the Unit Owners in the Condominium, and by all record owners of mortgages upon Units therein owned by Institutional Lenders and other mortgagees approved by the Association. If the proposed termination is submitted to a meeting of the members of the Association (the notice of which meeting gives notice of the proposed termination) and if the approval of the Owners of Units to which not less than seventy-five percent (75%) of the Common Elements are appurtenant and of the record owners of first mortgages encumbering seventy-five percent (75%) of the Units in the Condominium owned by Institutional Lenders are obtained not later than thirty (30) days from the date of such meeting, then the approving Unit Owners shall have an option to buy all of the Units of the other Unit Owners for the period ending on the sixtieth (60th) day from the date of such meeting. Such option shall be upon the following terms:
1. Exercise of Option. The option shall be exercised by delivery or mailing by certified mail of an agreement to purchase signed by the record owners of Units who will participate in the purchase to each of the Unit Owners of the Units to be purchased. The agreement shall indicate which Units will be purchased by each participating Owner and shall agree to purchase all of the Units owned by Owners not approving the termination, but the agreement shall effect a separate contract between each seller and his purchaser.

2. Price. The sale price for each Unit shall be the fair market value determined by agreement between the seller and purchaser within thirty (30) days from the delivery or mailing of such agreement, and in the absence of agreement as to price, it shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be confirmed in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.
 3. Payment. The purchase price shall be paid in full in cash or shall include assumption of any existing mortgage financing plus cash.
 4. Closing. The sale shall be closed within ten (10) days following the determination of the sale price.
- C. Certificate. The termination of the Condominium in either of the foregoing manners shall be evidenced by a certificate of the Association executed by its President and Secretary certifying as to facts effecting the termination, which certificate shall become effective upon being recorded in the public records of St. Johns County, Florida.
- D. Shares of Owners After Termination. After termination of the Condominium, the Unit Owners shall own the Condominium Property and all assets of the Association as tenants in common in undivided shares, and their respective mortgagees and lienors shall have mortgages and liens upon the respective undivided shares of the Unit Owners. Such undivided shares of the Unit Owners shall be the same as the undivided shares in the Common Elements appurtenant to the Owner's Units prior to the termination as set forth in Exhibit 'B' hereto.
- E. Amendment. This Article XX cannot be amended without consent of all Unit Owners and of all owners of mortgages required to approve termination by agreement.

XXI. CONDEMNATION.

- A. General. Whenever all or any part of the Condominium Property shall be taken by any authority having the power of condemnation or eminent domain, each Unit Owner shall be entitled to notice thereof and to participate in the proceedings incident thereto unless otherwise prohibited by law. The award made for such taking shall be payable to the Association if such award amounts to less than Five Thousand and no/1 00 Dollars (\$5,000.00) and to the Insurance Trustee if such award amounts to Five Thousand and no/1 00 Dollars (\$5,000.00) or more. Unless otherwise provided by law at the time of such taking, any award made therefor shall be disbursed by the Association or the Insurance Trustee, as the case may be, as hereinafter provided in this Article XXI.

- B. Common Elements and Limited Common Elements. In the event of a taking by eminent domain of part or all of the Common Elements or Limited Common Elements, if seventy-five percent (75%) or more of the Unit Owners approve the repair and restoration of such Common Elements or Limited Common Elements, the Board of Directors shall arrange for the repair and restoration of such Common Elements or Limited Common Elements, and the Board of Directors or the Insurance Trustee, as the case may be, shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that seventy-five percent (75%) or more of the Unit Owners do not approve the repair and restoration of such Common Elements, or Limited Common Elements, or if no repair or restoration is required, the Board of Directors or the Insurance Trustee, as the case may be, shall disburse the net proceeds of such award in the same manner as they are required under this Declaration to distribute insurance proceeds where such proceeds exceed the cost of repair or restoration of the damage.
- C. Condemnation of a Unit or Part of a Unit. Where all or part of a Unit has been taken by eminent domain and seventy-five percent (75%) or more of the Unit Owners duly approve the repair and restoration of the Residential Building and Common Elements, the Board of Directors shall adjust such loss with the affected Unit Owner including, but not limited to, the payment of compensation and reduction or elimination of the Unit Owner's undivided interest in the Common Elements. Any such settlement shall not be effective unless approved by the mortgagee(s) of the affected Unit, a majority of the Unit Owners, and Developer, if Developer shall then own two or more Units in the Condominium. In no event shall the Board of Directors be required to make any payment in excess of that portion of the over-all condemnation award that is reasonably attributable to the particular Unit Owner's loss. In no event shall the Board of Directors be required to make any payment pursuant to the terms of this Paragraph prior to receipt of sufficient funds by the Board for such purpose from the condemning authority or Insurance Trustee. However, nothing contained in this Paragraph shall be deemed to prohibit the Board of Directors from making an advance or partial payment to such Unit Owner when the Board, in its discretion, deems such advance or partial payment to be reasonable and proper. Nothing contained in this Paragraph shall be deemed to relieve such Unit Owner of the obligation to contribute to repair or restoration of the Building and Common Elements as elsewhere provided, although the Board of Directors may, in a proper case, reduce the amount of such obligation or eliminate the same.
- D. Notice to Mortgagees. The Board of Directors immediately upon having knowledge of the institution, or threat of institution, of any proceedings or other action with respect to the taking of Units or Common Elements, or any portion thereof in condemnation, eminent domain, or other proceedings or actions involving any unit of government or any other person having power of eminent domain, shall notify all mortgagees holding liens on five (5) or more Units. Such mortgagee may, at its option, if permitted by the court, participate in any such proceedings or actions or, in any event, may, at its option, participate in negotiations in connection therewith, but shall have no obligation to do so.

XXII. RIGHTS OF DEVELOPER TO SELL OR LEASE UNITS.

So long as Developer, or any mortgagee succeeding Developer in title, shall own any Unit, subject to the provisions of Article XV and Article XXV hereof, it shall have the right to lease or sell any such Unit to any person, firm or corporation, or other entity upon any terms and conditions as it shall deem to be in its own best interests.

Any mortgagee of a Unit who makes a request in writing to the Association for the items provided in this Paragraph shall have the following rights:

- A. To be furnished with at least one (1) copy of the Annual Financial Statement and Report of the Association, including a detailed statement of annual income collected and operating expenses, such Financial Statement and Report to be furnished within sixty (60) days following the end of each fiscal year.
- B. To be given written notice by the Association of the call of a meeting of the membership to be held for the purpose of considering any proposed amendment to this Declaration of Condominium, or the Articles of Incorporation and Bylaws of Association, which notices shall state the nature of the amendment being proposed.
- C. To be given notice of default by any member owning any Unit encumbered by a mortgage held by such mortgagee, such notice to be given in writing and to be sent to the principal office of such mortgagee or to the place which it or they may designate in writing to the Association.
- D. To be given an endorsement to the insurance policies covering the Common Elements requiring that such mortgagee be given any notice of cancellation provided for in such policy.
- E. Regardless of any provision to the contrary contained in this Declaration, unless at least seventy-five percent (75%) of the Institutional First Mortgagees (based upon one vote for each loan secured by a first mortgage of individual Units in the Condominium Property) have given their prior written approval, the Association shall not be entitled to:
 1. by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer real estate or improvements thereon owned directly or indirectly by the Association. The granting of easements for public utilities or for other purposes consistent with the intended use of the Property shall not be deemed a transfer within the meaning of this clause;
 2. change the method of determining the obligations, assessments, dues or other charges which may be assessed against any Units by the Association; and
 3. by act or omission change, waive or abandon the regulations or enforcement thereof contained in this Declaration pertaining to the architectural design or the exterior appearance of Units, or the maintenance of the Units and Common Elements.

- F. Examine Books and Records. Institutional First Mortgagees shall have the rights to examine the books and records of the Association upon reasonable notice during ordinary working hours. The Association shall make available to Purchasers of Units and Institutional First Mortgagees current copies of this Declaration, the Articles of Incorporation, Bylaws and other rules governing the Association.
- G. Taxes and Other Charges. In the event the Association fails to pay, when due, taxes assessed against the Common Elements or premiums of insurance covering the improvements on the Common Elements, then any one or more of said Institutional First . Mortgagees may pay such taxes or insurance premiums, and the Association shall be obligated to reimburse such Institutional First Mortgagee or mortgagees for such payments, and until paid, the same shall constitute a lien upon the Common Elements in favor of the party or parties, entity or entities, paying same, which said lien may be enforced in a court of competent jurisdiction of the State of Florida in the same manner as a judgment lien may be enforced.
- H. Definition of Institutional Mortgagee and Institutional Lender. As used in this Article XXIII and throughout this Declaration the terms Institutional Mortgagee and Institutional Lender shall include a commercial or savings bank, trust company, insurance company, savings and loan association, pension fund, governmental agency or other such institutional lender, and institutional purchases of first mortgages on the secondary mortgage market, including without limitation, Federal National Mortgage Association ('FNMA').

XXIV. MISCELLANEOUS.

- A. Severability. The invalidity in whole or in part of any covenant or restriction, or any article, subarticle, sentence, clause, phrase or word or other provision of this Declaration of Condominium and the Articles of Incorporation, Bylaws and regulations of the Association shall not affect the validity of the remaining portions thereof.
- B. Applicability of Declaration of Condominium. All present or future owners, tenants or any other person who might use the facilities of the Condominium in any manner, are subject to the provisions of this Declaration, and the mere acquisition or rental of any Unit, or mere act of occupancy of any Unit, shall signify that the provisions of this Declaration of Condominium are accepted and ratified in all respects.
- C. Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan of Condominium ownership. The Florida Condominium Act as amended to the date hereof is hereby adopted and made a part hereof. In the event of any conflict between the provisions of this Declaration and the Condominium Act, the provisions of the Condominium Act shall prevail.
- D. Assignment by Developer. Developer shall have the right to assign any or all of its interest in the Condominium Property and rights and obligations under this Declaration without consent of any Unit Owner or the Association.
- E. Parties Bound. The restrictions and burdens imposed by this Declaration of Condominium are intended to and shall constitute covenants running with the Land

and shall constitute an equitable servitude upon each Unit and its appurtenant undivided interest in Common Elements. This Declaration shall be binding upon Developer, its successors and assigns, and upon all parties who may subsequently become Unit Owners in the Condominium, the Association and their respective heirs, legal representatives, successors and assigns.

XXV. DEVELOPER'S RESERVATION FOR LEASING.

It is Developer's present intent to have all Units in the Condominium available for sale. However, during the period in which the Developer owns any Unit the Developer reserves the right to continue a program of leasing all Units which are unoccupied and available for lease. As such, the Developer may convey Units subject to the lease applicable to such Unit.

IN WITNESS WHEREOF, Developer has caused the foregoing Declaration of Condominium to be executed, and its corporate seal to be affixed, by its duly authorized officer on the date set forth above.

Signed, sealed and delivered in the presence of:

OCEAN LINKS OF PONTE VEDRA,
L.L.C., a Florida limited liability company
By: P.E. Sessions & Associates at
Ponte Vedra, Inc., a Florida corporation,
its Manager
Patrick E. Sessions, President

STATE OF FLORIDA

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____ 2000 by Patrick E. Sessions, President of P.E. Sessions at Ponte Vedra, Inc., a Florida corporation. Manager of Ocean Links of Ponte Vedra, L.L.C., a Florida limited liability company.

NOTARY PUBLIC

State of _____ at Large

Commission #

My Commission Expires:

Personally Known Or Produced I.D.

[check one of the above]

Type of Identification Produced