

By Laws

DECLARATION OF CONDOMINIUM  
OF  
SEA GRAPE CONDOMINIUM  
A Condominium

By  
1  
Declaration  
Party

THIS DECLARATION, made this 5th day of DECEMBER, 1980, by  
F & R BUILDERS, INC., a Florida corporation (hereinafter be referred to as  
"Developer"), for itself, its successors, grantees and assigns.

WHEREIN, the Developer makes the following declarations:

1. INTRODUCTION AND PURPOSE

1.1 Purpose. The purpose of this Declaration is to submit the lands,  
which are owned in fee simple by the Developer, described in this  
instrument and improvements on such lands to the condominium form  
of ownership and use in the manner provided in Chapter 718,  
Florida Statutes, as written at the time of the Declaration,  
hereinafter called the "Condominium Act".

1.2 Name and Address. The name by which this condominium is to be  
identified is SEA GRAPE CONDOMINIUM, a condominium, and its  
address is 15725 Bottlebrush Circle, Delray  
Beach, Florida.

1.3 The Lands. The lands to be submitted to the condominium form of  
ownership are located in Palm Beach County, Florida and are more  
particularly described on Exhibit No. "1" (the legal description)  
which is attached hereto and made a part hereof by reference.

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This instrument was prepared by:  
ROBERT M. SCHWARTZ, ESQ.  
DeSantis, Cook, Meahan, Cohen,  
Gaskill & Silverman, P.A.  
860 U. S. Highway One  
North Palm Beach, Florida 33408

2. DEFINITIONS. The terms used in this Declaration and in its Exhibits shall have the meanings stated in the Condominium Act, Florida Statutes Chapter 718 as written at the time this Declaration is recorded except when in conflict with the following terms. The provisions of this Declaration and Exhibits hereto shall be paramount to the Condominium Act as to those provisions where permissive variances are permitted; otherwise, the provisions of said Condominium Act shall prevail and shall be deemed incorporated herein.

- 2.1 Assessment shall mean and refer to a share of the funds required for the payment of common expenses which, from time to time, are assessed against the Unit Owner.
- 2.2 Association shall mean and refer to SEA GRAPE CONDOMINIUM ASSOCIATION, INC., a not for profit Florida corporation, which entity shall be responsible for the operation of this Condominium.
- 2.3 Board of Directors or Board of Administration shall mean and refer to the representative body responsible for the administration of the Association, hereinafter the terms shall be interchangeable.
- 2.4 By-Laws shall mean and refer to the By-Laws of the Association as said By-Laws exist from time to time.
- 2.5 Common Elements shall mean and refer to those items stated in the Condominium Act, and all those areas of "the lands" and improvements not included in the units.

Common Elements shall also include the following:

- (1) The land upon which the improvements described herein are located and any other land included in the condominium property, whether or not contiguous.
- (2) Easements through units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services to more than one unit and/or to the Common Elements.
- (3) An easement of support in every portion of a unit which contributes to the support of the building or any part thereof.
- (4) Installations for the furnishing of utility services to more than one unit or to the Common Elements or to a unit other than the unit containing the installation.

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(5) The property and installations in connection therewith required for the furnishing of services to more than one unit or to the Common Elements.

(6) All parking spaces which have not been assigned to any specific unit.

2.6 Common Expenses shall mean and refer to all expenses for which Unit Owners are liable to the Association. Common expenses shall include, but not be limited to:

(1) Expenses of administration and management, expenses of maintenance, operation, repair, insurance for and/or replacement of the Common Elements and of portions of units to be maintained by the Association.

(2) Expenses of the operation and management of any property which may be owned by the Association and the expenses of maintaining, repairing and replacing all of the improvements which may be owned by the Association.

(3) Expenses declared common expenses by the provisions of this Declaration or by the By-Laws of the Association.

(4) Expenses determined to be common expenses by the Association.

(5) Any valid charge against the Condominium as a whole.

2.7 Common Surplus shall mean and refer to the excess of all receipts of the Association, including but not limited to assessments, rents, profits and revenues on account of the Common Elements, over and above the amount of common expenses.

2.8 Condominium shall mean and refer to that form of ownership of real property which is comprised of units that may be owned by one or more owners, and there is appurtenant to each unit as part thereof an undivided share in the common elements. As used herein, the word condominium refers to SEA GRAPE, a Condominium.

2.9 Condominium Parcel shall mean and refer to a unit as herein defined. Hereinafter the term "unit" shall be interchangeable with the term condominium parcel. Each condominium parcel is deemed a separate parcel of real property, the ownership of which

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is in fee simple. There shall pass with each unit as appurtenances thereto

- (1) An undivided share in the Common Elements.
- (2) The exclusive right to use such portion of the Common Elements as may be provided by this Declaration.
- (3) An exclusive easement for the use of the air space occupied by a unit as it exists at any particular time and as a unit may be lawfully altered or reconstructed from time to time.
- (4) An undivided share in the common surplus equal to the share in the Common Elements and common expenses attributable to the unit as set forth on Exhibit "2" attached hereto.
- (5) Such other appurtenances as may be provided herein or by law.

2.10 Condominium Property shall mean and refer to and includes the lands that are subjected to condominium ownership; whether or not contiguous, and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection with the Condominium.

2.11 Declaration, or Declaration of Condominium shall mean and refer to this Document and all exhibits attached hereto which exhibits are, by this reference made a part hereof, as same may from time to time be amended.

2.12 Limited Common Elements shall mean and refer to and includes those Common Elements which are reserved for the use of a certain unit or units to the exclusion of other units as may be specified in this Declaration, including but not limited to assigned parking spaces.

2.13 Operation, or Operation of the Condominium shall mean and refer to and includes the administration and management of the condominium property.

2.14 Unit shall mean and refer to each of the seventy-two (72) separate dwellings within the Condominium which are located and individually described in Exhibit "3" hereto, each unit shall include the enclosed apartment living areas depicted upon Exhibit "3". The horizontal boundaries thereof shall be the vertical

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plane or planes formed by the unfinished or undecorated perimeter interior wall surfaces thereof. The lower vertical boundary shall be the horizontal plain formed by the undecorated or unfinished interior ceiling surface of the unit, provided however, that all heating, cooling, plumbing apparatus, utility installations and bearing columns or supports within a unit serving more than one unit shall be a part of the Common Elements. Doors, all glass, screens and/or other materials covering openings in vertical exterior walls shall be a part of the Common Elements.

2.15 Unit Owner or Owner of a Unit shall mean and refer to the owner of a condominium parcel.

2.16 Mortgages of Record shall mean and refer to any life insurance company; federal, national or state bank or savings and loan association; union pension fund; real estate investment trust; agency of the United States government; other generally recognized institutional lender who is the holder of any recorded first mortgage lien on the condominium property or any portion thereof, including any unit; or any holder of a mortgage given by the Developer whether said mortgage is a generally recognized institutional lender or private individual or other party and whether or not the lien of such mortgage is a first mortgage lien. All references in this Declaration (including all Exhibits hereto) to mortgagees holding liens on individual units shall include the holder of a mortgage given by the Developer encumbering the entire condominium property, and such holder shall be deemed to hold a mortgage lien on each individual unit until such time as it may release its lien with respect to such unit.

2.17 Condominium Building refers specifically to the building shown on the drawings attached hereto as Exhibit "3".

2.18 Utility Services, may include electrical power, water, garbage, trash and sewage disposal, telephone, cable TV and natural gas, but shall not be limited to same.

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3. DESCRIPTION OF THE CONDOMINIUM

3.1 General Description. SEA GRAPE CONDOMINIUM, is a three (3) story residential building, containing a total of seventy-two (72) residential units, Common Elements and Limited Common Elements, as herein defined. In addition to the residential building situated thereon, the Condominium Property also includes improvements, other than residential buildings, consisting of the outside parking areas, walks, landscaping and all underground structures and improvements which are not underground structures and improvements which are not part of or located within residential buildings, such as wires, cables, drains, pipes, ducts, conduits, valves and fittings.

3.2 Plan of Development. SEA GRAPE Condominium comprises a portion of a larger parcel of real property owned by Developer and described on Exhibit "1A" which is attached hereto, all of which land, including the subject Condominium Property, being hereinafter identified as "Las Verdes". A portion of LAS VERDES other than the land submitted to Condominium herewith, contains land which Developer may, but shall not be obligated to, subject subsequently to condominium ownership as separate condominium regimes or townhouse communities. Developer shall not be obligated, if it does submit any of such property to condominium ownership or to townhouse communities, to declare such condominium or community on exactly the lands described in Exhibit 3 hereto or the portions thereof, and may combine portions of such area into any combination of condominium and/or townhouse communities, and may alter the boundaries thereof. The sole purpose in delineating such parcels hereby is to reflect Developer's current plans. It is the intention of the Developer that Las Verdes shall contain a total of ten (10) separate condominiums (including SEA GRAPE CONDOMINIUM), eventually containing approximately seven hundred twenty (720) residential condominium units in total. In addition, Developer plans for "Las Verdes" to contain a total of five hundred and twelve (512) single family townhouses in clusters of varying numbers. Each

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owner of a townhouse, shall be a member of a homeowners association. Each owner of a dwelling unit, whether condominium or townhouse within "Las Verdes", regardless of the form of ownership thereof, shall be a member of the LAS VERDES PROPERTY OWNERS ASSOCIATION, INC., a Florida corporation not for profit, as is more particularly described in the MASTER DECLARATION OF COVENANTS AND RESTRICTIONS FOR LAS VERDES. The voting rights and membership interests of each unit owner shall be as provided for therein.

3.3 Recreational and Commonly Used Facilities. Another portion of the Las Verdes Project described on Exhibit 1B hereto (hereinafter called the "Recreation Parcel") shall contain improvements which it is intended will benefit and service all residential improvements of whatever nature presently or hereafter constructed with Las Verdes, including the subject Condominium Property. All owners of residential units within Las Verdes, whether such units are submitted to condominium ownership or otherwise owned in fee simple, and their tenants, shall have the benefit of and the right to use, on a non-exclusive basis, with all other owners or tenants of units within Las Verdes, all facilities presently or hereafter constructed within the Recreation Parcels. Developer agrees that prior to the time it conveys title to the last unit in Las Verdes, it will convey title to the Recreation Parcels to the Las Verdes Property Owners Association, Inc., a Florida not for profit corporation, (the "Property Owners Association"), the purpose of which Corporation is and will be, inter alia, to own, manage and maintain the Recreation Parcels. The maximum number of residential units which may be constructed within Las Verdes and which may ultimately be entitled to utilize and required to contribute to the cost of maintaining the Recreation Parcels is 1,232 units, including the units within the subject Condominium. The minimum number of units which may utilize and share in the cost of maintaining the Recreation Parcels is the number of Units within the subject Condominium (to wit: 72).

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3.3.1 In addition to the "Recreation Areas", LAS VERDES PROPERTY OWNERS ASSOCIATION shall ultimately hold title to certain streets and accessways, the lakes and water management tracts, certain landscaping and buffer areas, a bicycle/pedestrian path, all street lights, the master TV antenna system, and shall operate all security systems, (all of which shall hereinafter be referred to as "Community Facilities"), as are more particularly described in Exhibit "3C" which is attached hereto and made a part hereof. The Developer shall convey title to the "Community Facilities" to LAS VERDES PROPERTY OWNERS ASSOCIATION contemporaneously with the conveyance of the "Recreation Areas".

3.3.2 All costs of maintenance, upkeep and repair of the "Recreation Areas" and the "Community Facilities" shall be borne as set forth in the Master Declaration of Covenants for Las Verdes, which has been executed by Developer and recorded in Official Records Book 3288, Page 1352 of the Public Records of Palm Beach County, Florida.

3.3.3 All costs of maintenance, upkeep and repair of the "Recreation Areas" and the "Community Facilities" shall be borne by all Owners of all of the units constructed within Las Verdes based upon a proportional share of such costs of maintenance and upkeep. The proportional share shall be based upon a fraction, the numerator of which shall be the number of units constructed within a particular condominium or, for those units not submitted to condominium ownership, the number of units constructed within a particular town-house or other area, and the denominator of which shall be equal to the total number of units within Las Verdes for which a certificate of occupancy has been issued from time to time. The maximum number of units which may use the recreation areas and community facilities is twelve hundred and thirty-two (1,232). However, Developer may elect not to construct additional residential buildings on the undeveloped portion of Las Verdes in which case the

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denominator for the fraction may ultimately be something less than twelve hundred and thirty-two (1,232). In all instances, the proportional costs to each condominium, townhouse or other area, shall be passed on to each Unit Owner therein in accordance with his percentage share of ownership within his particular condominium, townhouse or other area.

3.3.4 Until such time as the Developer conveys title to the "Recreation Areas" and "Community Facilities" to the Las Verdes Property Owners Association, Inc. the Developer shall maintain such areas and shall collect from each Owner of each unit, or from their designated Condominium Association or Homeowners Association, the proportionate share of such units contributions to such maintenance.

3.4 Identification and Description of Units. Building plans, floor plans, a survey of the land, a graphic description of the improvements in which units are located and a plot plan of the condominium property are attached to this Declaration of Condominium as Exhibit "3" and are incorporated herein by reference. Said Exhibit "3" identifies each unit by letter, name, and/or number so that no unit bears the same designation as any other unit. The said Exhibit "3", including the legends and notes contained thereon, together with this Declaration of Condominium, are in sufficient detail to identify the Common Elements, each unit, their relative locations, and approximate dimensions. The said Exhibit "3" includes a certificate from a surveyor authorized to practice in the State of Florida as required by Florida Statute §718.104 stating that the construction of the improvements is substantially complete so that the material contained within Exhibit "3" together with the provisions of this Declaration describing the condominium property, is an accurate representation of the location and dimensions of the improvements, and that the identification, location, and dimensions of the Common Elements and of each unit may be determined from said materials.

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3.5 Parking. One (1) automobile parking space shall be made available for the exclusive use of each Unit Owner. Said parking spaces are Limited Common Elements. The Developer shall assign one (1) specific parking space to each of the Unit Owners by a separate instrument. The assignment shall not be recorded. Upon the assignment of a parking space to a specific unit, the Unit Owner shall have the exclusive right to the use of such reserved parking space without charge therefor by the Association, it being the intention that the cost of maintenance and administration of the reserved parking space shall be included as a part of the Common Expenses applicable to all units for the purposes of assessment. Upon such assignment, the exclusive right of the Owner of the unit to which such assignment is made shall become an appurtenance to such unit in the same manner as the undivided interest in the common elements appurtenant to such unit. No more than one (1) parking space shall be assigned to each unit. Guest and invitees shall park in the spaces designated "Guest Parking", all parking spaces shall be subject to rules and regulations which may be promulgated by the Association. The Association shall not have the right to change a parking space designation without consent of the Owner of the unit to which the parking space is appurtenant except in the event of emergencies, in which case the Association reserves and has the right to temporarily assign another specific parking space for use by such Unit Owner until the emergency abates.

4. OWNERSHIP AND USE OF COMMON ELEMENTS

4.1 Common Elements. Each of the Unit Owners of the Condominium shall own an undivided interest in the Common Elements. The share attributable to each unit is set forth on Exhibit "2" which is attached hereto. The fee title to each unit shall include both the unit and the respective undivided interest in Common Elements. Said undivided interest in the Common Elements shall be deemed to be conveyed or encumbered with its respective

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condominium unit. If any description in any instrument of conveyance or encumbrance refers only to the fee title to a condominium unit this description shall not operate to sever the undivided interest in the Common Elements appurtenant to each unit from such unit and any attempt to specifically sever shall be null and void. Use of the Common Elements in accordance with the purposes for which they are intended shall be available to all Unit Owners, subject to rules and regulations promulgated by the Association and subject further to the provisions regarding parking spaces contained in Article 3 hereof. The Association may designate specific storage areas and/or storage rooms for the exclusive use of particular Unit Owners, subject to regulations promulgated by the Association.

4.2 Limited Common Elements. "Limited Common Elements", as the term is used herein, shall mean and comprise the Common Elements which are reserved herein, or assigned or granted separately herefrom, for the use of a certain unit or units (as an appurtenance thereto) to the exclusion of other units, consisting of the balcony, patio, yard, terrace, storage areas on balconies or patios, and front entry alcoves, if they exist, abutting each unit as depicted on Exhibit 3. In addition each unit shall have assigned to it, by the Association, one (1) parking space which space, so long as assigned to that unit, shall be a Limited Common Element appurtenant thereto. Parking spaces so assigned may not be transferred except with a transfer of title to the unit or by reassignment to another unit which is approved by the Association. The Association may designate specific storage areas and/or storage rooms for the exclusive use of particular Unit Owners, subject to regulations promulgated by the Association.

5. COMMON EXPENSES AND COMMON SURPLUS. The term "Common Expenses", as used herein, shall mean all expenses for which all the owners of units in the Condominium (except the Association) shall be liable to the Association. The term "Common Surplus" as used herein, shall mean the

excess of all receipts of the Association, including, without limitation, assessments, rents, profits and revenues on account of the Common Elements, over the amount of the Common Expenses. All of the owners of units 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 "2".

6. VOTING RIGHTS OF UNIT OWNERS. The owner or owners of each unit 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 has been approved by the Association and otherwise complies with the terms and conditions of this Declaration, the Articles of Incorporation and By-Laws of the Association. There shall be appurtenant, and pass with title, to each unit one (1) vote as a member of the Association, which may be exercised by the owner(s) or the duly constituted proxy of the owner(s), from time to time, of each unit 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 By-Laws of the Association.

7. NAME OF ASSOCIATION. The entity responsible for the operation of the Condominium shall be SEA GRAPE CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit (the "Association") a copy of the Certificate and Articles of Incorporation of which is annexed hereto and made a part hereof as Exhibit "4". Subject to the rights reserved to Developer herein and in the Condominium Act to administer and manage the Condominium property initially, the Association shall administer and manage the Condominium Property; provided that, the Association may, to the extent permitted by the Condominium Act, by

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contract, partially or wholly delegate its maintenance, management and operational duties and obligations to the Property Owners Association in order to achieve economies in maintenance.

8. BY-LAWS OF ASSOCIATION. A copy of the By-Laws of the Association is annexed hereto and made a part hereof as Exhibit "5".

9. AMENDMENT OF 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:

9.1 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.

9.2 Proposal. Amendments to this Declaration may be proposed by the Board of Directors (the "Board") of the Association 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 Unit Owners, whether by vote of such Owners as members of the Association at a special or regular meeting of the members or by written instrument signed by them.

9.3 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 members of the Association 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

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annual meeting, as the case may be, of the members shall be held not 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 By-Laws of the Association; provided, however, that any member may, in writing signed by such member, waive notice of any such meeting in the manner provided for in the By-Laws 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 members owning units to which not less than seventy-five (75%) percent of the Common Elements are appurtenant; 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 units to which not less than seventy-five (75%) percent of the Common Elements are appurtenant.

9.4 Proviso. Notwithstanding the foregoing provisions for adoption of amendments to this Declaration or any other provisions for amendment in the Condominium Act, no amendment shall:

9.4.1 Change the size or configuration of any "Condominium Parcel" (as defined in the Condominium Act) in any material fashion unless the record owner(s) thereof and all record owners of liens thereon shall join in the execution and acknowledgement of the amendment; or

9.4.2 Discriminate against any Unit Owner or against any unit or building comprising part of the Condominium Property, unless the record owners of all affected units and record owners of all liens thereon shall join in the execution and acknowledgement of the amendment; or

9.4.3 Change, modify or alter the appurtenances to any unit or units or the share of any Unit Owner in the Common Elements

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or Common Surplus, unless the record owner of all such units so affected and the record owner of all liens encumbering such units join in the execution of the document; or

9.4.4 No amendment to this Declaration shall make any change in Article 11 hereof, entitled "Insurance", nor in Article 12 hereof, entitled "Reconstruction or Repair After Casualty", unless the record owners of all mortgages on units shall join in the execution and acknowledgement of the amendment.

9.5 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 non-members 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 or certificate of amendment in the Public Records of Palm Beach 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 cause to be filed in the Public Records of Palm Beach County, Florida, the original amendment to the Declaration, if it is in the form of an instrument executed and acknowledged by Unit Owners and the holders of liens thereon, or a certificate of amendment, if it is a certification by the proper officers of the Association that such amendment was adopted by the Association at a meeting of the members. A true and correct copy of each such amendment or certificate of amendment shall be delivered, after adoption thereof, to the record owners of all units and to the record owners of all liens on units, by the President, Vice President or other acting chief executive officer of the Association, upon request to such officer, but delivery of copies shall not be a condition precedent to the effectiveness of any such amendment.

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10. MAINTENANCE, REPAIRS AND REPLACEMENTS. Responsibility for maintenance, repairs and replacements of Condominium Property and property of Unit Owners located or situated within the Condominium shall be as follows:

10.1 Units. Each unit, and the fixtures, equipment such as air conditioning equipment, plumbing, heating and electrical wiring and appliances comprising a part thereof, located therein or exclusively serving the same (whether or not located within the unit) shall be maintained, kept in good repair and replaced by and at the expense of the owner(s) thereof. Exterior doors shall be maintained and repaired at the expense of the Unit Owner whose unit such doors serve. 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 of 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.

10.2 Common Elements. The Association shall be responsible for, and shall assess against and collect from the owners of all units in the Condominium, as a Common Expense, the costs of maintaining, repairing, replacing and keeping in clean and orderly condition, all of the Common Elements except certain of the Limited Common Elements specified below. The Association shall, at the expense of the owners of all units in the Condominium, repair any and all incidental damage to units resulting from maintenance, repairs and/or replacements of or to Common Elements.

10.3 Limited Common Elements. The owners shall be responsible for performing necessary maintenance, repairs and replacements, except structural work or maintenance affecting the exterior appearance thereof, but including floor covering on any patio-yards, and keeping in clean and orderly condition all of those Common

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Elements designated elsewhere herein as Limited Common Elements, provided that if the owner of a unit shall fail to maintain such Limited Common Elements, the Association may do so and charge the cost thereof to the Unit Owner(s) whose responsibility it is to maintain such Limited Common Elements and shall have a lien against such unit for cost thereof until paid, which lien shall arise, exist and be enforceable in the same manner as is the lien for the common expenses in Article 16 hereof.

10.4 Recreation Areas and Community Facilities Expenses. Assessments for the management and maintenance of the Community Facilities and Recreational Areas in Las Verdes and for the cost of operating, maintaining and repairing the parking and driveway area lighting in Las Verdes shall be made against all units in the Project by the Property Owners Association.

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

11.1 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 may obtain and keep in force any or 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 the mortgagees, provided that a certificate evidencing a mortgagee endorsement shall be issued to the mortgagees of each unit. The owner(s) of each unit may, at the expense of such owner(s), obtain insurance coverage against damage 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 purchased by Unit Owners shall 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 if the same is required by the

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Association's insurer; 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.

11.2 Required Coverage. The Association shall purchase and carry insurance coverage as follows:

- (1) Casualty Insurance. Casualty 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 of Directors of the Association; such insurance to afford protection against:
- (a) Loss or damage by fire or other hazards covered by the standard extended coverage or other perils endorsement; and
  - (b) 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; and
  - (c) Public liability insurance, in such amounts, with such coverage and in such forms as shall be required by the Board of Directors of the Association to protect the Association and the owners of all units, including, without limitation, hired automobile, non-owned 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

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(d) Workmen's compensation and employer's liability insurance to meet the requirements of law; and

(e) Flood insurance, of the same shall be necessary under the laws of the United States for federally related mortgage lenders to make mortgage loans on units.

11.3 Optional Coverage. The Association may purchase and carry such other insurance coverage, other than title insurance, as the Board of Directors of the Association, 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.

11.4 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.

11.5 Assured. All policies of insurance obtained and purchased by the Association shall be for the benefit of the Association, the owners of units and their mortgagees, as their interests may appear, and shall provide that all proceeds covering casualty losses be paid to the "Insurance Trustee", as herein identified, or to its successor, and the proceeds from insurance against any casualty loss shall be held for the use of the Association, Unit Owners and their respective mortgagees, as their interests may appear, to be applied or distributed in the manner herein provided. The Association is hereby 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.

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11.6 Insurer. All persons beneficially interested in the insurance coverage obtained, purchased and maintained by the Association shall be bound by the Association's selection of its insurer(s) and the amount of insurance coverage carried and kept in force by the Association.

11.7 Insurance Trustee. The Association shall have the right, prior to or upon the occurrence of any event causing or resulting in the need for the same to designate the Insurance Trustee and all persons beneficially interested in such insurance coverage shall be bound by the Association'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. 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

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Insurance Trustee upon request to the Association; such certificate to certify the name or names of the owners of each unit, the mortgagee(s) thereof, and the respective percentages of any distribution which is to be made to such 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 encumber 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 mortgage(s), unless the insurance proceeds represent a distribution to the owner(s) of the unit and the mortgagee(s) thereof, after such insurance proceeds have been first applied to the repair, replacement or reconstruction of any loss or damage, or unless such casualty insurance proceeds are authorized to be distributed to the 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.

11.8 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 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 owners of all units, 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 and the amount of the insurance proceeds. If no 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. The proceeds paid to the Insurance Trustee for loss of or damage to a building, constituting Common Elements and one or more units thereof, 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 cost of 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, the Association shall assess the amount of the difference

against, and collect the same from, the owner(s) of the unit(s) damaged or destroyed in proportion that the amount bears to the total deficit, and deposit such sum with 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 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 units of units destroyed or damaged shall be assessed by the Association against, and collected from, the owner(s) of such damaged or destroyed unit(s).

11.9 Deposits to Insurance Trustee after Damage. Within sixty (60) days after 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 of Directors 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 cost of such repair, replacement or reconstruction, the additional money required to pay the total cost thereof, whether it is to be paid by one or more Unit Owners, 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.

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11.10 Master Policies and Negotiation. While all insurance responsibilities shall lie with the Association, the Property Owners Association may, as a method of consolidating and lowering insurance costs to Unit Owners, obtain master insurance policies covering the Condominium together with insurance on all or other parts of the Project or have the Property Owners Association negotiate separate Association premiums on the Association's behalf, provided that it is approved by the Board of Directors, that it satisfies the requirements of this Article 11, that the Association (if a master policy) and Unit Owners shall be additional insureds thereof and that as to all casualty and loss coverage a separate value, pursuant to the requirement of this Article, is assigned by the insurer to this Condominium.

12. RECONSTRUCTION OR REPAIR AFTER CASUALTY. Whether, and the manner in which, any or all of the Condominium Property damaged or destroyed by casualty shall be repaired, reconstructed or replaced shall be determined as follows:

12.1 Residential Buildings. If one or more residential buildings 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 Buildings. If all of the total residential buildings of the Condominium are totally destroyed or are so damaged that no unit therein is habitable, none of 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 agree in writing, within sixty (60) days after the date of such destruction, to reconstruct the same and unless the then applicable zoning and other regulatory laws and



ordinances shall allow the same to be reconstructed, 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.

(2) Damage to and Destruction of Some Buildings. If some, but not all, of the residential buildings are damaged and/or destroyed and one or more of the units in one or more of the buildings remain habitable, the damaged or destroyed Common Elements and/or units shall be repaired or reconstructed, so that each building and/or unit 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 in the manner elsewhere herein provided that the Condominium shall be terminated.

12.2 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.

12.3 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.

12.4 Plans and Specifications. Repair or reconstruction of Condominium Property shall be substantially in accordance with the plans and specifications pursuant to which the same was originally constructed; provided, however, that the Board of Directors of the Association may authorize reasonable variations from the original plans and specifications as may appear to them to be necessary or desirable.

12.5 Responsibility. If the damage or destruction shall be limited only to one or more Units for which the

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responsibility of maintenance and repair 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.

12.6 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 towards 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 Fifteen Thousand Dollars (\$15,000.00), 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.

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(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 Fifteen Thousand Dollars (\$15,000.00), 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 Fifteen Thousand Dollars (\$15,000.00), then the construction fund shall be disbursed in payment of such costs in the manner required by the Board of Directors of the Association 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.

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(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 assessments paid by owners. Instead, the Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary as to any or all 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.

13. USE RESTRICTIONS

13.1 The use of the Condominium Property shall be in accordance with the following provisions as long as the Condominium exists upon the land, and these restrictions shall be for the benefit of, and shall be enforceable by the Condominium Association and by the Las Verdes Property Owners Association, Inc.

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13.2 Units. Each of the units shall be occupied only by the record owner or owners of the units, their family members, guests, lessees and servants, as a residence and for no other purpose. Where title to a unit is held in a partnership, trust, corporate or other than individual name or names, the Unit Owner(s) shall, by certificate delivered to the Secretary of the Association, appoint a designated family as the primary occupant entitled to use of the unit and name one (1) member of the designated family as the voting member. In such case, no more than one (1) family occupant may be designated at a time unless the Board of Directors consents and no more than two different designations may be in effect in any twelve (12) month period unless the Board of Directors consents. Where title to a unit is held in the name of an individual (with or without spouse) jointly with another individual (with or without spouse) the Unit Owners shall designate one family as the primary occupants entitled to use of the unit and shall, by certificate delivered to the Secretary of the Association, designate one of the Unit Owners as the voting member.

13.3 Approval of Designated Family. The Board of Administration shall have the right to approve or disapprove each designated family. No unit may be divided or subdivided into smaller units nor any portion sold or otherwise transferred without amending this Declaration to show the changes in the unit to be affected. Where title to a unit is held by an individual (with or without spouse) jointly with another individual (with or without spouse) there may be only two (2) such individuals (and spouses) holding title and no more.

13.4 Common Elements. In order to provide for ~~convenient~~ occupancy of each building, the Common Elements shall be used only for the purpose for which they are intended in furnishing of services and facilities for the enjoyment of the units.

13.5 Loud Vehicles or Machines. No truck, boat, jeep, van, pickup truck, trailer, motorcycle, moped, tractor, recreational or commercial vehicle, or loud or noisy vehicle, machine or device

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shall be used, operated, stored or parked in any unit, parking area, street, or other portion of the Condominium Property; provided, however, that this provision shall not preclude the use of delivery trucks or other trucks, equipment or machinery necessary for the maintenance, care or protection of the Condominium Property.

13.6 Nuisances. No nuisance shall be allowed upon the Condominium Property or recreational facilities, nor any use or practice that is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents. All parts of the Condominium shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate nor any fire hazard allowed to exist. No Unit Owner shall permit any use of his unit or make any use of the Common Elements that will increase the cost of insurance upon the Condominium Property.

13.7 Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the Condominium Property or any property operated by the Association nor any part of it; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction shall be observed.

13.8 Guests. The owners of units shall be fully responsible for the activities and actions of their guests or visitors and shall take all action necessary or required to insure that all guests and visitors fully comply with the provisions of the Declaration of Condominium and all rules and regulations of the Association.

13.9 Children. No children under the age of fifteen (15) years shall be permitted to reside in any of the units of this Condominium except that children may be permitted to visit and temporarily reside in a unit for periods not to exceed thirty (30) days in total in any calendar year subject to reasonable rules and regulations of the Association limiting their use of the Common Elements and recreational facilities. This Article shall include situations under leasehold or fee simple ownership.

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13.10 No Pets. No animal or pets of any kind shall be kept in any unit or on any property of the Condominium.

13.11 Employees and Servants. Employees and/or servants of a Unit Owner shall not be allowed to use any of the recreational areas or facilities for their personal use.

13.12 Floor Coverings-Noise Abatement. All floors in the units except bathrooms, kitchens, and foyer shall be carpeted so as to abate the noise which may be created and transmitted, to the unit or common areas of the Condominium, lying below. In the event the Board of Directors determines that any noise is being transmitted to another unit or to common areas and that such noise is unreasonable, then the owner of such unit shall, at his expense, take such steps as shall be necessary to abate such noise to the satisfaction of the Board.

13.13 Exteriors. No change shall be made in the color or kind of any exterior window, door, storm or hurricane shutter, glass or screen of a unit, except with the prior written consent of the Board of Directors and the Developer as long as any units are held for sale by the Developer. All shutters, exterior doors and windows shall be uniform in color as prescribed by the Board of Directors and the Developer as long as any units are held for sale by the Developer. A Unit Owner shall not cause anything to be affixed, attached to, hung, displayed or placed on the exterior walls, including awnings and/or storm shutters, doors or windows of the building, nor shall a Unit Owner grow any type of plant, shrubbery, flower, vine or grass outside his unit, nor shall a Unit Owner place any furniture or equipment, radio, television or lights outside his unit, except with the prior written consent of the Board of Directors; no such approval shall be required for plants on the balcony or terrace attached to a unit, and further, when approved, subject to the rules and regulations adopted by the Board of Directors; provided, however, that white furniture may be placed upon that portion of the balconies, terraces or porches without obtaining the consent of the Board of Directors. No clothesline or similar device shall

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be allowed on any portion of the Condominium Property nor shall clothes be hung anywhere except where designated by the Board of Directors.

13.14 Leasing. After approval by the Association elsewhere required, entire units may be rented provided the occupancy is only by a lessee and his family, his servants and guests. No rooms may be rented and no transient tenants may be accommodated.

13.15 Proviso. Until such time as the Developer has completed all of the contemplated improvements and closed the sales of all of the units of the Condominium, neither Unit Owners nor the Association nor the users of the Condominium Property shall interfere with the completion of the contemplated improvements and the sale, including, but not limited to interference with the maintenance of a sales office, the showing of property, and the display of signs.

13.16 Developer's Sales Office. As long as Developer owns and holds for sale any unit in the Condominium, Developer reserves unto itself, its successors and assigns the right to the use of any unsold unit or any of the Common Elements for maintaining a sales office. All furniture and furnishings, placed by the Developer in any area used by Developer as a sales office, shall remain the property of Developer. Within sixty (60) days after closing of the sale of the last unit by Developer to a unit purchaser, Developer shall vacate the sales office area and remove its furniture and furnishings and thereupon the use of the sales office portion of the Common Elements shall vest in the Unit Owners subject to rules, regulations and/or restrictions imposed by the Board of Directors of the Association. At all times while Developer maintains the sales office, Developer, its employees, agents, guests and invitees shall have access to the sales office as determined by Developer. Notwithstanding reservation of the use of a sales office by Developer, the cost of repairs and maintenance of the area so used shall be borne by the Association as in the case of all other Common Elements, except as to repairs caused by negligence of the Developer or its agents. During the period that Developer is entitled to exclusive use of the sales

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office, no alterations or improvements shall be made thereto without the prior written consent of the Developer.

13.17 Decorations. Painting, drawings, sketches, woodcuts, prints, sculptures, statuary, period pieces of furniture and other objects and works of art placed in the Lobby or other Common Elements of the Condominium may belong to and be the property of the Developer or an affiliate of Developer and be on loan to the Association, and, in such case, such objects and works of art, shall be and remain the property of such person and may be removed at any time by the Developer without liability to the Association or any Unit Owner to replace same. During the period of any such loan of objects of art, the Association shall pay the cost of insuring same.

13.18 Antennas. No television or radio antennas or towers of any nature shall be erected on any part of the exterior of the building except for a master antenna which may be installed by the Developer for common use of all Unit Owners.

14. MAINTENANCE OF COMMUNITY INTERESTS. In order to maintain a community of congenial residents who are financially responsible and thus protect the value of the units, the transfer of units by any owner other than the Developer shall be subject to the following provisions as long as the Condominium exists, which provisions each Unit Owner covenants to observe:

14.1 Transfers Subject to Approval.

(1) Sale. No Unit Owner may dispose of a unit or any interest in a unit by sale without written approval of the Association.

(2) Lease. No Unit Owner may dispose of a unit or any interest in a unit by lease without written approval of the Association. No unit may be leased more than two (2) times in any particular calendar year and no lease may be for less than three (3) months duration.

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(3) Gift. If any Unit Owner shall acquire title by gift, the continuance of ownership of the unit shall be subject to the approval of the Association.

(4) Devise or Inheritance. If any Unit Owner shall acquire title by devise or inheritance, the continuance of ownership of the unit shall be subject to the approval of the Association.

14.1 Approval by Association. The approval of the Association is required for the transfer of ownership of units shall be obtained in the following manner:

14.2.1 Notice to Association.

(a) Sale. A Unit Owner intending to make a bona fide sale of his unit or any interest in it shall give to the Association written notice of such intention, together with the name and address of the intended purchaser, the purchase price and terms, and such other information concerning the intended purchaser as the Association may reasonably require.

(b) Lease. Any Unit Owner intending to make a bona fide lease of his unit or any interest in it shall give to the Association written notice of such intention, together with the name and address of the intended lessee, and such other information concerning the intended lessee as the Association may reasonably require.

(c) Gift, Devise or Inheritance; Other Transfers. Any Unit Owner who has obtained his ownership by gift, devise or inheritance, or by any other manner not previously considered hereinabove, shall give to the Association within thirty (30) days of acquiring title to or prior to taking possession of the unit, whichever is earlier, notice in writing of the acquiring of his title, together with such information concerning the Unit Owner as

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the Association may reasonably require, and a certified copy of the instrument evidencing the owner's title.

- (d) Failure to Give Notice. If the above required notice to the Association is not given, then at any time after receiving knowledge of a transaction or event transferring ownership or possession of a unit, the Association at its election and without notice, may approve or disapprove the transaction or ownership. If the Association disapproves the transaction or ownership, the Association shall proceed as if it had received the required notice on the date of such disapproval.

- (e) Application Form. The Association is vested with the authority to prescribe an application form such as may require specific personal, social, financial and other data relating to the intended purchaser or lessee, or as relates to the new owner in the case of a transfer by gift, devise or inheritance, as may reasonably be required by the Association in order to enable the Association to responsibly investigate the intended purchaser, lessee, or new owner within the time limits extended to the Association for that purpose as hereinafter set forth and which application shall be completed and submitted to the Association along with and as an integral part of the notice. Inasmuch as units may be used only for residential purposes and a corporation cannot occupy a unit for such use, if the Unit Owner, purchaser or lessee of a unit is a corporation, the approval of ownership or of a lease may be conditioned by requiring that all persons occupying the unit be approved by the Association. A reasonable fee not to exceed

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\$50.00 may be charged to the transferee of the unit for the purpose of defraying the cost of investigation and the costs associated with granting approval, changing books and records and other matters associated with a transfer. The time limits for approval or disapproval by the Association shall not commence until any such fee is paid:

14.2.2 Certificate of Approval.

- (a) Sale. If the proposed transaction is a sale, then within thirty (30) days after receipt of such notice and information, the Association must either approve or disapprove the proposed transaction. Such approval or disapproval shall be in writing and transmitted to the seller within the aforesaid thirty (30) day period, and failure to do so shall constitute approval of the sale. If approved, the approval shall be stated in a certificate executed by the President or Vice President of the Association, which shall be attached to the deed and be recorded in the Public Records of Palm Beach County, Florida, at the expense of the seller or buyer.
- (b) Lease. If the proposed transaction is a lease, then within twenty (20) days after such notice and information, the Association must either approve or disapprove the proposed transaction. Such approval or disapproval shall be in writing and transmitted to the lessor within the aforesaid twenty (20) day period and failure to do so shall constitute approval of the lease. If approved, the approval shall be stated in a certificate approved by the President or Vice President of the Association in recordable form, which, may be recorded in the Public Records of Palm Beach

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County, Florida at the expense of the lessor or lessee.

(c) Gift, Devise or Inheritance; Other Transfers. If the Unit Owner giving notice has acquired his ownership by gift, devise or inheritance or in any manner other than by sale, then within thirty (30) days after receipt of written notice to such effect from the new Unit Owner, the Association must either approve or disapprove the continuance of the Unit Owner's ownership of his unit. Such approval or disapproval shall be in writing and transmitted to the owner within the aforesaid thirty (30) day period, and failure to do so shall constitute approval of the ownership. If approved, the approval shall be stated in a certificate executed by the President or Vice President of the Association which shall be recorded in the public records of Palm Beach County, Florida, at the expense of the Unit Owner. The Association may, but shall have no duty to, approve or disapprove of any such new Unit Owner until the Association has received the written notice specified in paragraph 13.3.1(2) of this Article 13 above.

14.2.3 Approval of Corporate or Fiduciary Owner or Purchaser.

In as much as the Condominium may be used only for residential purposes and the corporation cannot occupy a unit for such use, if the Unit Owner or purchaser of a unit is a corporation, the approval of ownership of the corporation shall be conditioned by requiring that the primary occupant of the unit be also approved by the Association. The approval of ownership by a Trustee or other holder of legal title for the beneficial owner who is to be the primary occupant of a unit shall be considered a transfer of title to the unit which shall be subject to the provision of this Article 14.

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14.3 Disapproval by Association. If the Association shall disapprove a transfer of an interest in a unit, the following provisions shall apply:

14.3.1 Sale. If the proposed transaction is a sale and the Association so desires, the Association shall deliver or mail, by certified mail, to the Unit Owner, an agreement to purchase by the Association within said thirty (30) day approval period or a purchaser approved by the Association who will purchase and to whom the Unit Owner must sell the unit on the following terms:

- (a) The price to be paid by the purchaser, to be identified in the agreement, shall be that stated in the disapproved contract for sale.
- (b) The purchase price may be paid, at the option of the purchaser, to be identified in the agreement, in cash, or in the basis set forth in the contract by the purchaser the Association disapproved.
- (c) The sale shall be closed within thirty (30) days after the delivery or mailing of said agreement to purchase.
- (d) If the Association shall fail to provide a purchaser upon the demand of the Unit Owner in the manner provided, or purchaser furnished by the Association shall default in his agreement to purchase, the proposed transaction shall be deemed to have been approved and the Association shall furnish a certificate of approval as elsewhere provided.

14.3.2 Lease. If the proposed transaction, the Unit Owner shall be advised of the disapproval in writing, and the lease shall not be made.

14.3.3 Gifts, Devise or Inheritance; Other Transfers. If the Unit Owner giving notice has acquired his title, by gift, devise, or inheritance, or in any other manner, other than by sale, (30) days after receipt from the

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Unit Owner of the notice and information required to be furnished, the Association may, if it so elects, deliver or mail to the Unit Owner an agreement to purchase the unit concerned by a purchaser approved by the Association who will purchase and to whom the Unit Owner must sell the unit upon the following terms:

- (a) The sale price 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. In the absence of agreement as to price, the price shall be determined by two (2) appraisers appointed by a judge of the Fifteenth Judicial Circuit in and for Palm Beach County, upon petition of either party. The appraisers shall base their determination upon the average of their appraisal of the unit; and a judgment of specific performance of the sale upon the award rendered by the appraisers may be entered in any court of competent jurisdiction. The expense of the appraisers and related expenses shall be borne equally by the seller and purchaser.
- (b) The purchase price shall be paid in cash.
- (c) The sale shall be closed within thirty (30) days following the determination of the sale price.
- (d) A certificate of the Association executed by its President or Vice President and approving the purchaser shall be recorded in the Public Records of Palm Beach County, Florida, at the expense of the purchaser.
- (e) If the Association shall fail to provide a purchaser as required by this instrument, or if a purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding the disapproval, such ownership by

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the then Unit Owner shall be deemed to have been approved, and the Association shall furnish a certificate of approval as elsewhere provided, which shall be recorded in the public records of Palm Beach County, Florida, at the expense of the Unit Owner.

14.4 Mortgage. No Unit Owner may mortgage his unit or any interest therein without the approval of the Association except to "an institutional lender", which term shall mean and include, banks, life insurance companies, federal or state savings and loan associations, mortgage companies and real estate investment trusts. The approval of any other mortgages may be upon conditions determined by the Association or may be arbitrarily withheld, except nothing shall prevent an approved Unit Owner who is selling his unit from accepting a purchase money mortgage from an approved purchaser, to secure the deferred portion of the selling price.

14.5 Exceptions.

- (1) The foregoing provisions of this Article 13 shall not apply to a transfer to or purchase by a mortgagee of record that acquires its title as the result of owning a mortgage upon the unit concerned, and this shall be so whether the title is acquired by deed in lieu of foreclosure from the mortgagor, his successor or assigns, or through foreclosure proceedings; nor shall such provisions apply to a transfer, sale or lease by a mortgagee of record that so acquires its title. Neither shall such provisions require the approval of a purchaser who acquires title to a unit at a duly advertised public sale with open bidding provided by law, such as, but not limited to, execution sale, foreclosure sale, judicial sale or tax sale. Provided, however, that the limitation of no more than two (2) leases in any twelve (12) month period shall apply to mortgagees of record, purchasers at foreclosure sales, purchasers at duly advertised public sales, and other acquirers of title pursuant to this paragraph 13.6(1).

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(2) The foregoing provisions of this Article 13 shall not apply in the following instances, while Developer holds any units for sale:

(a) The sale, lease, sublease or mortgage of any unit to Developer, or the sale, lease, sublease or mortgage of any unit by Developer.

(b) Any lease or sublease by the owner of a unit to a party approved by Developer or made through the auspices of the Developer.

14.6 Unauthorized Transaction. Any sale, mortgage or lease not authorized pursuant to the terms of this Declaration shall be void.

14.7 Notice of Lien or Suit.

14.7.1 Notice of Lien. Owner shall give notice to the Association of every lien upon his unit other than for permitted mortgages, taxes and special assessments within five (5) days after the Unit Owner receives knowledge thereof.

14.7.2 Notice of Suit. A Unit Owner shall give notice to the Association of every suit or other proceeding which may affect the title to his unit; such notice to be given within five (5) days after the Unit Owner receives knowledge thereof.

14.7.3 Failure to Comply. Failure to comply with this Article 14 will not affect the validity of any judicial sale.

15. COMPLIANCE AND DEFAULT. Each Unit Owner shall be governed by and shall comply with the terms of the Declaration of Condominium, Articles of Incorporation, and By-Laws and the regulations adopted pursuant to those documents, and all of such as they may be amended from time to time. Failure of a Unit Owner to comply with such documents and regulations shall entitle the Developer, Association and/or other Unit Owners to the following relief in addition to the remedies provided by the Condominium Act:

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15.1 Negligence. A Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or by that of any member of his family or his or their guests, employees, agents or lessees.

15.2 Costs and Attorney's Fees. In any proceeding arising because of an alleged failure of a Unit Owner to comply with the terms of this Declaration, the Articles of Incorporation of the Association, the By-Laws of the Association, any exhibit to this Declaration, or any rules or regulations adopted pursuant to any of the foregoing, and all other such documents, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be awarded by the court including costs and fees on appeal or certiorari.

15.3 No Waiver of Rights. The failure of the Developer, Association or any Unit Owner to enforce any covenant, restriction or other provision of the Condominium Act, this Declaration, the Articles of Incorporation of the Association, the By-Laws or the rules and regulations promulgated by the Association, shall not constitute a waiver of the right to do so thereafter.

16. ASSESSMENTS: LIABILITY, LIEN AND ENFORCEMENT. To provide the funds necessary for proper operation and management of the Condominium Association has been granted the right to make, levy and collect assessments against the owners of all units and said units. 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 by the Association.

16.1 Determination of Assessments. Assessments by the Association, against each owner of a unit and his unit shall be the fractional share of the total assessments to be made against all owners of units and their units is as set forth in the Schedule annexed hereto and made a part hereof as Exhibit "2". Should the Association become the owner of any unit(s), the assessment which would otherwise be due and payable to the Association by the owner(s) of

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such unit(s), 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 the owners of all units 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.

**16.2 Developer's Assessment Guaranty.** The Developer guarantees to initial purchasers of units in the Condominium that the monthly assessments due from such purchasers as owners of units in the Condominium for items of common expense of the Association will not exceed the amount therefor reflected in the initial budget for the Association which is provided to such purchasers by the Developer during the first calendar year after the first conveyance of a unit by the Developer and thereafter will not exceed 115% of the amount assessed to such purchaser(s) during the prior year each year thereafter. This guaranty shall only be in force until the earlier (i) the date upon which a majority of the Board of Directors of the Association are elected by Unit Owners other than the Developer, or, (ii) such earlier date as Developer elects to terminate this guaranty and pay its proportional share of assessments for common expenses of the Association based upon the number of units owned by Developer. During the period of time this guaranty is in force and affect the Developer, as owner of such units, as are owned by it, shall be relieved from the obligation of paying its prorata share of assessments for common expenses of the Association, but instead shall be obligated to pay to the Association all sums in excess of sums due from all Unit Owners other than the Developer which are necessary to pay the actual expenses of the Association.

**16.3 Time for Payment.** The assessment levied against the owner of each unit shall be payable in annual, quarterly, monthly or such other installments and at such time as shall from time to time be fixed by the Board.

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16.4 Annual Budget. The Board shall, in accordance with the By-Laws of the Association, establish an Annual Budget in advance for each fiscal year, which shall correspond to the calendar year, which shall estimate all expenses for the forthcoming 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 such 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.

16.5 Reserve Fund. The Board, in establishing each annual budget, may, when deemed necessary or desirable, or shall as provided by law, include therein a sum to be collected and maintained as a reserve fund for the replacement of Common Elements and personal property held for the joint use and benefit of owners of all units.

16.6 General Operating Reserve. The Board, when establishing each annual budget, may, when deemed necessary or desirable or shall, as provided by law, 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 owners of units, as a result of emergencies or for other reason placing financial stress upon the Association.

16.7 Use of Association Funds. All monies collected by the Association shall be treated as the separate property of the Association, and

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such monies may be applied by the Association to the payment of any expense of operating and managing the Condominium, or to the proper undertaking of all acts and duties imposed upon it by virtue of this Declaration, the Articles, and By-Laws and as the monies for annual assessments are paid to Association by any Unit Owner, the same may be co-mingled with monies paid to the Association by the other owners of units. 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 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.

- 16.8 Delinquency or 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 hereof. When in default, the delinquent assessments or installments thereof shall bear interest at the rate of ten percent (10%) per annum, until the same, and all interest thereon, has been paid in full.
- 16.9 Personal Liability of Unit Owner. The owner(s) of each unit 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 costs of collecting the assessments and interest thereon, including a 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.
- 16.10 Liability Not Subject to Waiver. No owner of a unit may exempt himself from liability for any assessment levied against such 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.
- 16.11 Lien for Assessment. The Association is hereby granted a lien upon each unit and its appurtenant undivided interest in Common

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Elements and upon any exclusive right to use any parking space or limited Common Elements appurtenant to any such unit, which lien shall and does secure the monies due for all: (1) assessments levied against the unit and the owner(s) thereof, and (2) interest, if any, which may become due on delinquent assessments owing to Association, and (3) costs and expenses, including a reasonable attorney's fee, which may be incurred by the Association in enforcing its lien upon the unit and its appurtenances. The lien granted to the Association may be established and foreclosed in the Circuit Court in and for Palm Beach County, Florida, and in any suit for the foreclosure of said lien, the Association shall be entitled to the appointment of a Receiver for said unit. The rental required to be paid shall be equal to rental charged on comparable types of units in the area of Palm Beach County, Florida. The lien of the Association shall also secure all advances for taxes, and payments on account of superior mortgages, liens or encumbrances made by the Association to preserve and protect its lien, together with interest at the rate of ten percent (10%) per annum on all such advances made for such purpose.

16.12 Recording and Priority of Lien. The lien of the Association shall be effective from and after recording, in the Public Records of Palm Beach County, Florida, a claim of lien stating the description of the unit encumbered thereby, the name of the record owner, the amount and the date when due, and shall continue in effect until all sums secured thereby shall have been fully paid. Such claims of lien shall include only assessments which are due and payable when the claim of lien is recorded, plus interest, costs, attorney's fees, advances to pay taxes and prior encumbrances and interest thereon, all as above provided. Such claims of lien shall be signed and verified by an officer or agent of the Association. Upon payment of all sums secured by such claim of lien, the same shall be satisfied of record. The lien of the Association shall be subordinate to the lien of any mortgage or any other lien recorded prior to the time of recording the Association's claim of lien, except advances made by the Association where any

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taxing authority having jurisdiction levies any tax or special assessments against the Condominium as an entirety instead of levying the same against each unit and its appurtenant undivided interest in Common Elements, shall be prior in lien, right and dignity to the lien of all mortgages, liens and encumbrances, whether or not recorded prior to the Association's claim of lien therefor, and the Association's claim of lien for collection of such portion of any tax or special assessments shall specifically designate that the same secures an assessment levied pursuant to this Declaration. In addition, the Association shall be subrogated to the lien rights of the holder of any lien which it advances funds for payment of in whole or in part.

16.13 Effect of Foreclosure, Judicial Sale or Conveyance in Lieu Thereof.

In the event that any person, firm or corporation shall acquire title to any unit and its appurtenant undivided interest in Common Elements by virtue of any foreclosure or judicial sale, or voluntary conveyance in lieu thereof, such person, firm or corporation so acquiring title shall only be liable and obligated for assessments as shall accrue and become due and payable for the unit and its appurtenant undivided interest in Common Elements subsequent to the date of acquisition of such title, and shall not be liable for the payment of any assessments which were in default and delinquent at the time it acquired such title, except that such person, firm or corporation shall acquire such title subject to the lien of any assessment by Association representing an apportionment of taxes or special assessment levied by tax authorities against the Condominium in its entirety and further subject to any subrogated rights of the Association for payments made by it as aforesaid.

In the event of such acquisition of title to a unit by foreclosure or judicial sale or voluntary conveyance in lieu thereof, any assessment or assessments as to which the party so acquiring title shall not be liable shall be absorbed and paid by all owners of all units (including the party so acquiring the title to such unit(s)) as a part of the Common Expenses, although nothing herein

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contained shall be construed as releasing the party personally liable for such delinquent assessment from the payment thereof or the enforcement of collection of such payment by means other than foreclosure.

**16.14 Effect of Voluntary Transfer.** When the owner of any unit proposes to lease, sell or mortgage the same in compliance with other provisions of this Declaration, the Association, upon written request of the owner of such unit, shall furnish to the proposed lessee, purchaser or mortgagee, a statement verifying the status of payment of any assessment which shall be due and payable to 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.

**16.14.1** In the event that a unit is to be leased, sold or mortgaged at the time when payment of any assessment against the owner of the unit and unit are 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 owner of the unit responsible for payment of such delinquent assessment.

**16.14.2** 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 such voluntary conveyance, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefor.

**16.14.3** Institution of a suit at law to attempt to effect collection of the payment of any delinquent assessment

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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.

17. REGISTRY OF OWNERS AND MORTGAGEES. The Association shall at all times maintain a Register of the names of the owners and mortgagees of all units. 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 owner of each 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 same.

18. ALTERATIONS OF AND IMPROVEMENTS TO UNITS AND 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:

18.1 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, or to any Limited Common Element to which the owner(s) has an exclusive right of use, shall be made, in whole or in part, which will

(1) replace, reroute, or otherwise affect any column, bearing

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wall or partition, pipe, duct, wire or conduit or obstruct any easement herein provided for or,

- (2) remove, or change the style, pattern, material, texture or outside color of any door, window, screen, fixture, equipment, enclosure, or appliance in or on an exterior unit or building wall, or

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 neutral color material, or

- (4) 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 prospective or decorative panel, panelling, trim, enclosure, fixture, or appliance, or
- (5) otherwise change, modify or alter the exterior of any unit or building so that it hereby differs in appearance from any other units or buildings of the same type.

18.2 There shall be no material alterations or substantial improvements or additions to the Common Elements except in the following manner: subject to the foregoing restrictions against changing the exterior appearance of units and/or buildings, 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, which have been approved by the owner(s) of units to which seventy-five percent (75%) of the Common Elements are appurtenant. The cost of such alterations, improvements and/or additions shall be assessed against and collected from the owners of all units as Common Expenses.

18.3 Notwithstanding any provision hereinabove set forth to the contrary, the Board of Directors of the Association may adopt a

basic approved plan for screening ground level rear area patios. If such plan is adopted, owners of the units of each building in the Condominium may screen said ground level rear area patios attached to their units in accordance with said approved basic plan without specific consent from the Board of Directors of the Association, provided that such screening conforms in all respects to the approved basic plans therefor.

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

19.1 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.

19.2 Agreement. The Condominium may be terminated at any time by the approval in writing of all of the owners of units 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 all mortgages upon units in the Condominium owned by Institutional Lenders and other mortgagees approved by the Association, are obtained not later than thirty (30) days from the date of such meeting, then the approving owners shall have an option to buy all of the units of the other 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 to each of the record owners of the units to be purchased of an agreement to

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purchase signed by the record owners of units who will participate in the purchase. Such agreement shall indicate which units will be purchased by each participating owner and shall agree to purchase all of the units by owners not approving the termination, but the agreement shall effect a separate contract between Seller and his purchasers.

(2) Price. The sales price for each unit shall be the fair market value determined by agreement between the seller and the purchaser within thirty (30) days from the delivery or mailing of such agreement, and in the absence of agreement as to price, it shall be determined by arbitration in accordance with the then existing rules of 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 entered in any court of competent jurisdiction. The expense of arbitration shall be paid by the Purchaser.

(3) Payment. The purchase price shall be paid in cash.

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

19.3 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 Palm Beach County, Florida.

19.4 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 mortgages 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

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in Exhibit "2" hereto.

19.5 Amendment. This Article 19 shall not be amended without consent of all Unit Owners and of all owners of mortgages required to approve termination by agreement.

20. RIGHTS OF DEVELOPER TO SELL OR LEASE UNITS. So long as Developer, or any mortgagee succeeding Developer in title, shall own any unit, it shall have the absolute right to lease or sell any such unit to any person, firm or corporation, upon any terms and conditions as it shall deem to be in the best interests, and-as to the lease or sale of such unit(s), the right of first refusal and any right of redemption herein granted to the Association shall not be operative or effective in any manner.

21. MISCELLANEOUS

21.1 Severability. The invalidity in whole or in part of any covenant of restriction, or any article, subarticle, sentence, clause, phrase or word, or other provision of this Declaration of Condominium and the Articles of Incorporation, By-Laws and regulations of the Association shall not affect the validity of the remaining portions thereof.

21.2 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 the mere act of the occupancy of any unit, shall signify that the provisions of this Declaration of Condominium are accepted and ratified in all respects.

21.3 Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan of Condominium ownership. In the event of any conflict between the provisions of this Declaration and the Condominium Act, the provisions of this Declaration shall prevail.

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21.4 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 the Common Elements and this Declaration shall be binding upon Developer, its successors and assigns, and upon all parties who may subsequently become owners of units in the Condominium, and their respective heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF, the Developer has executed this Declaration the day and year first above written.



F & R BUILDERS, INC., a Florida corporation

By: M. E. Saleda  
Vice President

STATE OF FLORIDA )  
                          ) SS:  
COUNTY OF DADE )

Before me, the undersigned authority, personally appeared M. E. SALEDA, to me known to be the Vice President of F & R BUILDERS, INC., a Florida corporation, and who acknowledged before me that he did, as such officer, execute the foregoing Declaration of Condominium as the act and deed of said corporation and that the same was executed for the purposes therein expressed.

WITNESS my hand and seal this 5th day of DECEMBER, 1980.

Wanda Corrado  
Notary Public, State of Florida at Large  
My Commission Expires: \_\_\_\_\_



(SEAL)

Notary Public, State of Florida at Large  
My Commission Expires Jan. 30, 1982  
Issued by American Fire & Casualty Company

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EXHIBIT 1

LEGAL DESCRIPTION FOR  
SEA GRAPE CONDOMINIUM

This  
320  
130  
Commencing at the Southeast corner of Section 23, Township 46 South, Range 42 East, Palm Beach County, Florida, run N 0° 43' 14" E along the East line of said section 23 a distance of 1354.20 feet to a point of intersection with Kings Retreat Drive (Las Verdes Drive) as shown on Plat No. One Kings Point P.U.D. as recorded in plat book 32 page 68; thence run N 88° 16' 49" W 1289.322 feet to a point; thence run N 19° 43' 11" E a distance of 331.432 feet to the Point of Beginning.

From the Point of Beginning continue N 19° 43' 11" E a distance of 440.0 feet to a point on a curve; thence with a radial bearing S 19° 43' 11" W run Westerly along the arc of a curve concave to the South having a radius of 771.432 feet and a central angle of 36° 15' 24" a distance of 488.16 feet to a point; thence run radially on a bearing of S 16° 32' 13" E a distance of 440.0 feet to a point on a curve concentric with the aforementioned curve; thence run Easterly along the arc of a curve concave to the South having a radius of 331.432 feet and a central angle of 36° 15' 24" a distance of 209.73 feet to the Point of Beginning.

A/K/A

All of Tract B of Kings Point Plat No. Six, according to the Plat thereof, as recorded in Plat Book 39, at Page 16-17, of the Public Records of Palm Beach County, Florida.

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EXHIBIT 1-A

OVERALL LEGAL DESCRIPTION FOR  
LAS VERDES CONDOMINIUM AND PATIO VILLA PROJECT

The Southeast one-quarter of Section 23, Township 46 South, Range 42 East, Palm Beach County, Florida less the North 40 and West 70 feet for canals L-35 and E-3 respectively; less the East 65 feet for right-of-way for Military Trail; less the South 60 feet for right-of-way for Germantown Road; and less Flat No. One Kings Point P.U.D. as recorded in plat book 32 page 68 of the public records of Palm Beach County, Florida.

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This is a certified copy



LEGAL DESCRIPTION FOR RECREATION AREAS AND  
WATERWAYS LOCATED IN THE LAS VERDES PROJECT

Las Verdes Recreation Area R-1 (located in the Bottlebrush Patio Villa Area)

Tract C-8 of Kings Point Plat No. Two, according to the Plat thereof, as recorded in Plat Book 38, at Pages 116-117, of the Public Records of Palm Beach County, Florida.

Las Verdes Recreation Area R-2 (located in the Laurel Oak Patio Villa Area)

Tract B-6 of Kings Point Plat No. Four, according to the unrecorded Plat thereof, to be recorded in the Records amongst the Public Records of Palm Beach County, Florida.

Las Verdes Recreation Area R-3 (located in the Viburnum Patio Villa Area)

Tract B-4 of Kings Point Plat No. Eight, according to the unrecorded Plat thereof, to be recorded in the Records amongst the Public Records of Palm Beach County, Florida.

Waterways

Tract A-8 and B-8 of Kings Point Plat No. Two, according to the Plat thereof, as recorded in Plat Book 38, at Pages 116-117, of the Public Records of Palm Beach County, Florida.

Tract A-7 of Kings Point Plat No. Three, according to the Plat thereof, as recorded in Plat Book 39 at Pages 14 & 15, of the Public Records of Palm Beach County, Florida.

Tract A-6 of Kings Point Plat No. Four, according to the unrecorded Plat thereof, to be recorded in the Records amongst the Public Records of Palm Beach County, Florida.

Tract A-5 of Kings Point Plat No. Five, according to unrecorded Plat thereof, to be recorded in the Records amongst the Public Records of Palm Beach County, Florida.

Tract A-4 of Kings Point Plat No. Eight, according to the unrecorded Plat thereof, to be recorded in the Records amongst the Public Records of Palm Beach County, Florida.

Tract A-3B of Kings Point Plat No. Ten, according to the unrecorded Plat thereof, to be recorded in the Records amongst the Public Records of Palm Beach County, Florida.

Tract A-3A of Kings Point Plat No. Eleven, according to the unrecorded Plat thereof, to be recorded in the Records amongst the Public Records of Palm Beach County, Florida.

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Tract A-2 of Kings Point Plat No. Thirteen; according to the unrecorded Plat thereof, to be recorded in the Records amongst the Public Records of Palm Beach County, Florida

Main Lake

A circular tract of land with a radius of 331.432 feet the center of which is more particularly described as follows:

Commencing at the Southeast corner of Section 23, Township 46 South, Range 42 East, Palm Beach County, Florida, run N 0°43'14" E, along the East line of Section 23, 1354.20 feet to a point of intersection with Las Verdes Drive (formerly Kings Retreat Drive); thence run N 89°16'49" W along the centerline and the extension of the centerline of Las Verdes Drive 1289.32 feet to a point; said point being the center of the above described circle.

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LEGAL DESCRIPTION FOR LAS VERDES COMMUNITY FACILITIES

1. Legal Description for Common Roads in Las Verdes (Las Verdes Drive, Las Verdes Circle and Las Verdes Way).

Las Verdes Drive

Commencing at the Southeast corner of Section 23, Township 46 South, Range 42 East, Palm Beach County, Florida, run N 0°43'14" E along the East line of said Section 23 a distance of 1420.78 feet to a point; thence run N 89°16'46" W a distance of 65.0 feet to the Point of Beginning.

From the Point of Beginning run S 46°13'12" W a distance of 35.66 feet to a point; thence run N 88°16'49" W a distance of 324.16 feet to a point; thence run N 45°24'25" W a distance of 34.02 feet to a point on a curve with a radial bearing S 87°27'59" W; thence run Southerly along the arc of a curve concave to the West having a radius of 851.432 feet and a central angle of 8°30'23" a distance of 126.41 feet to a point; thence run N 48°50'46" E a distance of 34.02 feet to a point; thence run S 88°16'49" E a distance of 326.43 feet to a point; thence run S 43°46'48" E a distance of 35.05 feet to a point; thence run N 0°43'14" E a distance of 130.02 feet to the Point of Beginning.

Las Verdes Circle

A circular 80 foot wide right-of-way with 40 feet lying on each side of the centerline and said centerline being a complete circle with a radius of 851.432 feet and the center of said circle more particularly described as follows:

Commencing at the Southeast corner of Section 23, Township 46 South, Range 42 East, Palm Beach County, Florida, run N 0°43'14" E along the East line of said Section 23 a distance of 1354.20 feet to a point; thence run N 88°16'49" W a distance of 1289.322 feet to the center (and radius point) of the above-described centerline circle.

Las Verdes Way

Commencing at the Southeast corner of Section 23, Township 46 South, Range 42 East, Palm Beach County, Florida, run N 88°10'14" W along the South line of said Section 23 a distance of 1265.55 feet to a point; thence run N 1°49'46" E a distance of 120.0 feet to the Point of Beginning.

From the Point of Beginning run N 43°10'14" W a distance of 35.36 feet to a point; thence run N 1°49'46" E a distance of 331.47 feet to a point; thence run N 45°11'43" E a distance of 34.33 feet to a point on a curve with a radial bearing N 1°26'21" W; thence run Westerly along the arc of a curve concave to the North having a radius of 851.432 feet and a central angle of 8°30'28" a distance of 126.43 feet to a point; thence run S 40°33'03" E a distance of 33.70 feet to a point; thence run S 1°49'46" W a distance of 331.71 feet to a point; thence run S 46°49'46" W a distance of 35.36 feet to a point; thence run S 88°10'14" E a distance of 130.0 feet to the Point of Beginning.

B3431 P0712

2. Waterways.

Tract A-8 and B-8 of Kings Point Plat No. Two, according to the Plat thereof, as recorded in Plat Book 38, at Pages 116-117, of the Public Records of Palm Beach County, Florida.

Tract A-7 of Kings Point Plat No. Three, according to the Plat thereof, as recorded in Plat Book 39, at Pages 14 - 15, of the Public Records of Palm Beach County, Florida.

Tract A-6 of Kings Point Plat No. Four, according to the unrecorded Plat thereof, to be recorded in the Records amongst the Public Records of Palm Beach County, Florida.

Tract A-5 of Kings Point Plat No. Five, according to the unrecorded Plat thereof, to be recorded amongst the Public Records of Palm Beach County, Florida.

Tract A-4 of Kings Point Plat No. Eight, according to the unrecorded Plat thereof, to be recorded in the Records amongst the Public Records of Palm Beach County, Florida.

Tract A-3B of Kings Point Plat No. Ten, according to the unrecorded Plat thereof, to be recorded amongst the Public Records of Palm Beach County, Florida.

Tract A-3A of Kings Point Plat No. Eleven, according to the unrecorded Plat thereof, to be recorded in the Records amongst the Public Records of Palm Beach County, Florida.

Tract A-2 of Kings Point Plat No. Thirteen, according to the unrecorded Plat thereof, to be recorded in the Records amongst the Public Records of Palm Beach County, Florida.

3. Main Lake.

A circular tract of land with a radius of 331.432 feet, the center of which is more particularly described as follows:

Commencing at the Southeast corner of Section 23, Township 46 South, Range 42 East, Palm Beach County, Florida, run N  $0^{\circ}43'14''$  E, along the East line of Section 23, 1354.20 feet to a point of intersection with Las Verdes Drive (formerly Kings Retreat Drive); thence run N  $88^{\circ}16'49''$  W along the centerline and the extension of the centerline of Las Verdes Drive 1289.32 feet to a point; said point being the center of the above described circle.

B9431 P0713

RECORDER'S MEMO: Legibility  
of Writing, Typing or Printing  
unsatisfactory in this document  
when received.

4. A 25' landscaping and buffer area which will contain landscaping and an 8' asphalt bicycle and pedestrian path which will be located on the following Tracts:

Tracts B-8, C-8 and L-8 of Kings Point Plat No. Two, according to the unrecorded Plat thereof, to be recorded amongst the Public Records of Palm Beach, County, Florida.

Tracts A-7 and F-7 of Kings Point Plat No. Three, according to the Plat thereof, as recorded in Plat Book 39, at Page 14 - 15, of the Public Records of Palm Beach County, Florida.

Tracts A-6, B-6 and I-6 of Kings Point Plat No. Four, according to the Plat thereof, as recorded in Plat Book 38, at Page 116, of the Public Records of Palm Beach County, Florida.

Tracts A-5 and F-5 of Kings Point Plat No. Five, according to the unrecorded Plat thereof, to be recorded amongst the Public Records of Palm Beach, County, Florida.

Tracts A-4, B-4 and L-4 of Kings Point Plat No. Eight, according to the unrecorded Plat thereof, to be recorded amongst the Public Records of Palm Beach, County, Florida.

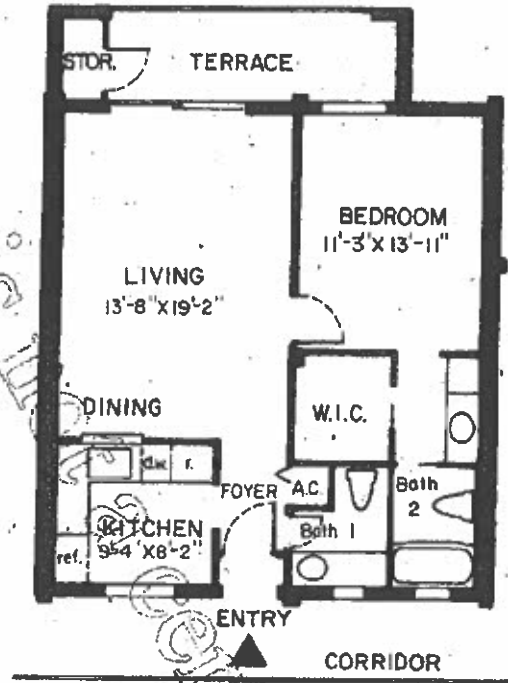
Tract E-3B of Kings Point Plat No. Ten, according to the unrecorded Plat thereof, to be recorded amongst the Public Records of Palm Beach, County, Florida.

Tracts A-3A and E-3A of Kings Point Plat No. Eleven, according to the unrecorded Plat thereof, to be recorded amongst the Public Records of Palm Beach, County, Florida.

Tract H-2 of Kings Point Plat No. Thirteen, according to the unrecorded Plat thereof, to be recorded amongst the Public Records of Palm Beach, County, Florida.

83431 P0714

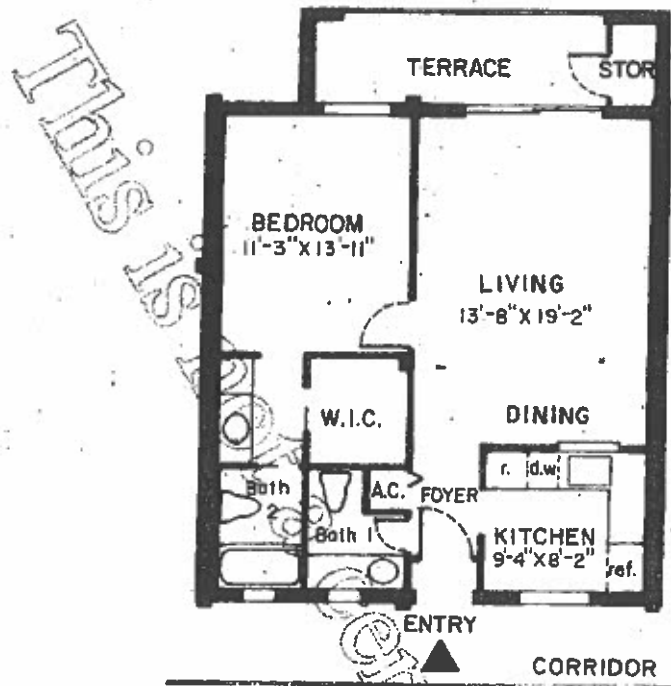
EXHIBIT 2



NOTE:  
DIMENSIONS WHERE SHOWN ARE APPROXIMATE

FLOOR PLAN  
LAS VERDES - CONDOS  
MODEL A-1  
1 BEDROOM 1 1/2 BATH

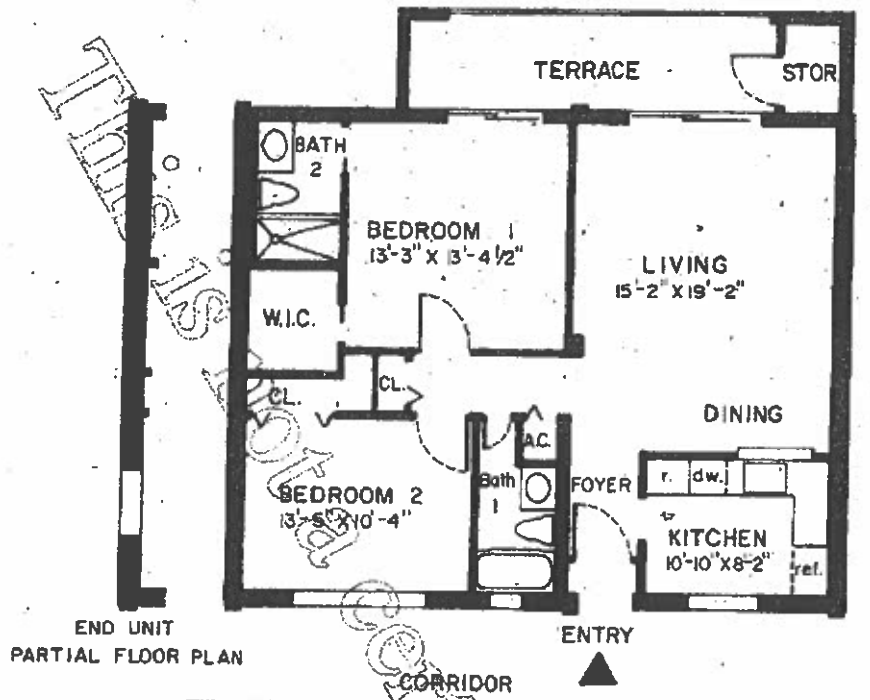
B3431 P0715



NOTE:  
DIMENSIONS WHERE SHOWN ARE APPROXIMATE

FLOOR PLAN  
 LAS VERDES - CONDOS  
 MODEL A-1 R  
 1 BEDROOM 1 1/2 BATH.

B3431 P0716



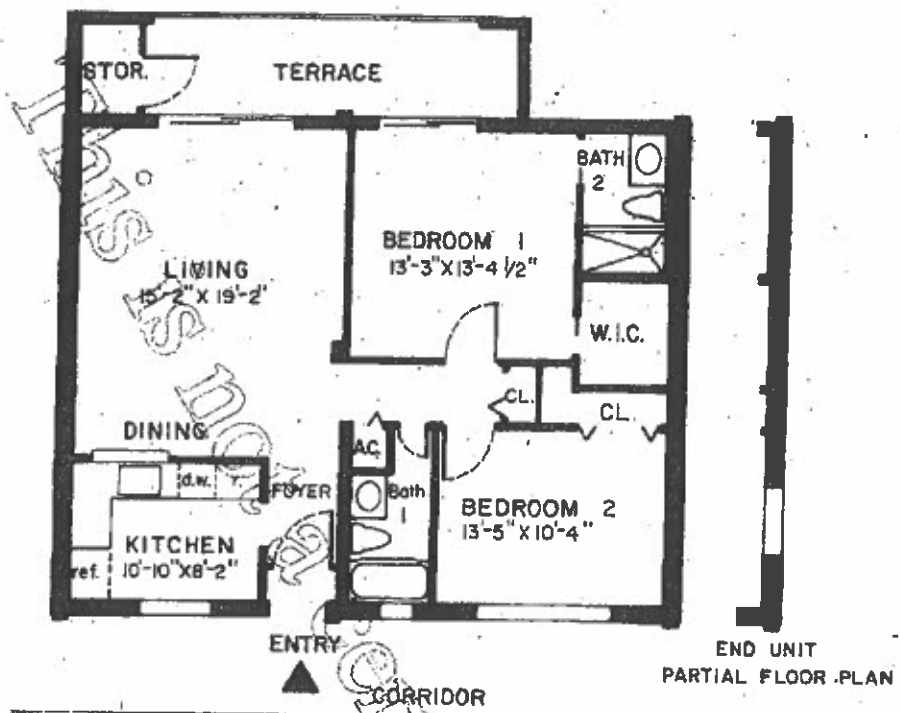
NOTE:  
DIMENSIONS WHERE SHOWN ARE APPROXIMATE

FLOOR PLAN  
LAS VERDES - CONDOS  
MODEL C-1

2 BEDROOM      2 BATH

83431 P0717

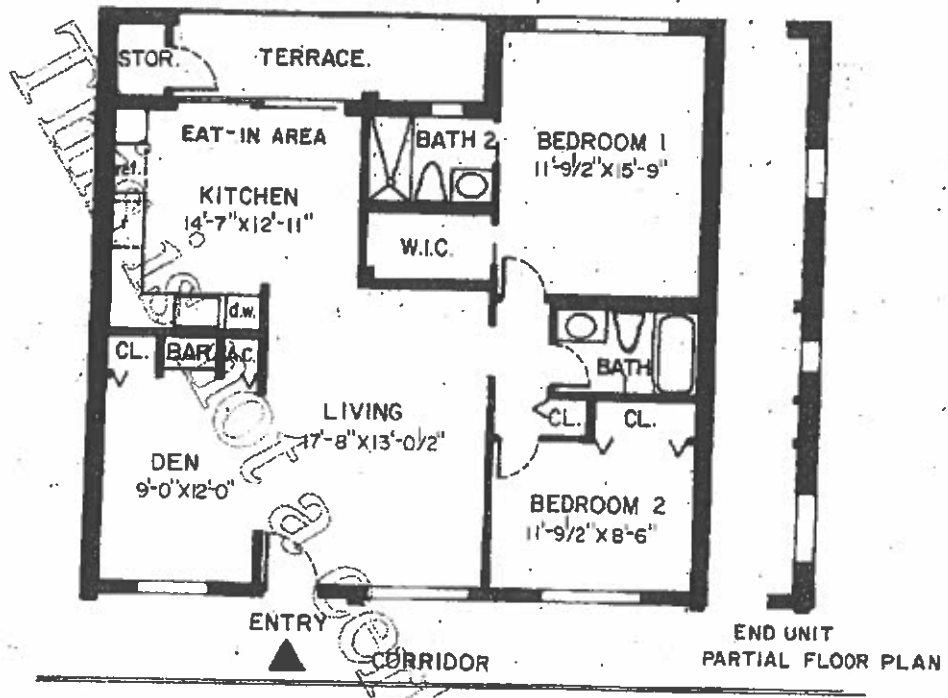




NOTE:  
DIMENSIONS WHERE SHOWN ARE APPROXIMATE

FLOOR PLAN  
 LAS VERDES - CONDOS  
 MODEL C-1 R  
 2 BEDROOM      2 BATH

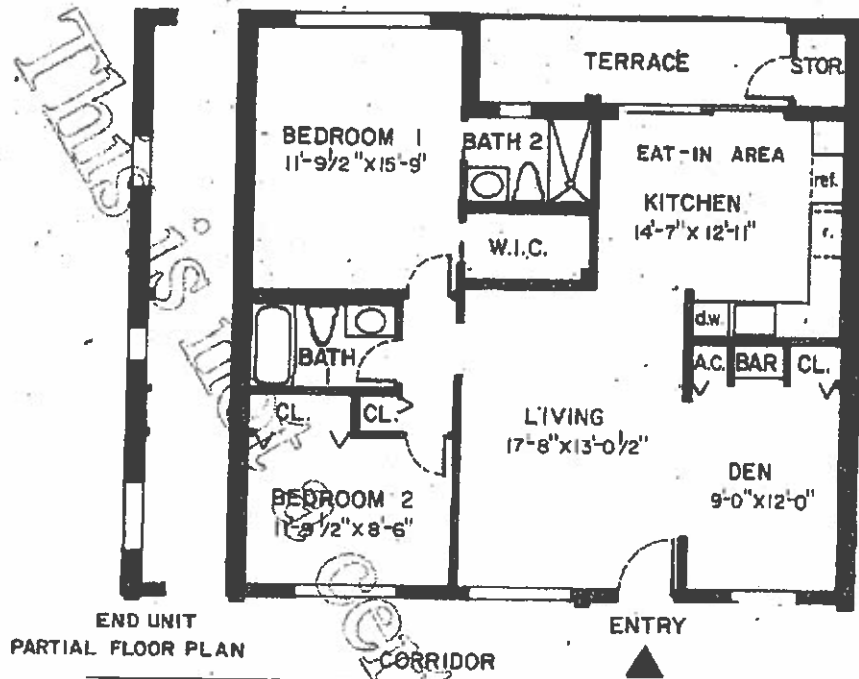
B3431 P0718



NOTE:  
DIMENSIONS WHERE SHOWN ARE APPROXIMATE

FLOOR PLAN  
 LAS VERDES - CONDOS  
 MODEL C-2  
 2 BEDROOM, DEN 2 BATH

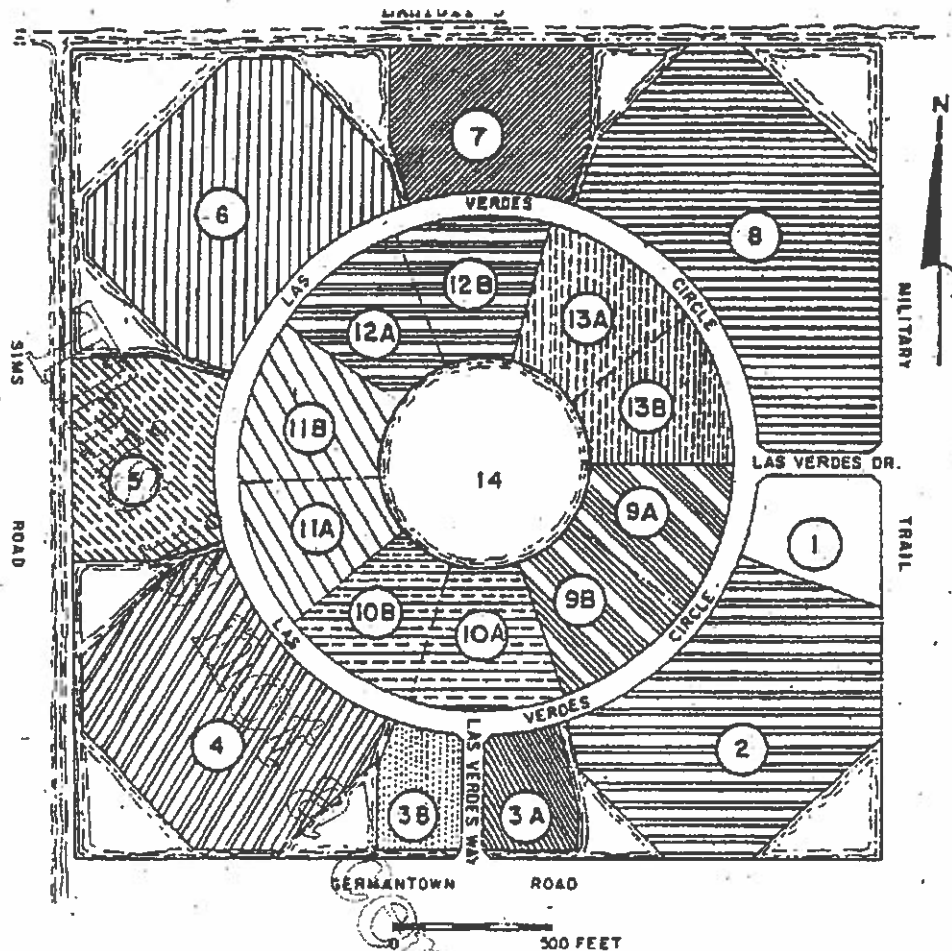
83431 P0719



NOTE:  
DIMENSIONS WHERE SHOWN ARE APPROXIMATE

FLOOR PLAN  
LAS VERDES - CONDOS  
MODEL C-2R  
2 BEDROOM, DEN 2 BATH

B3431 P0720

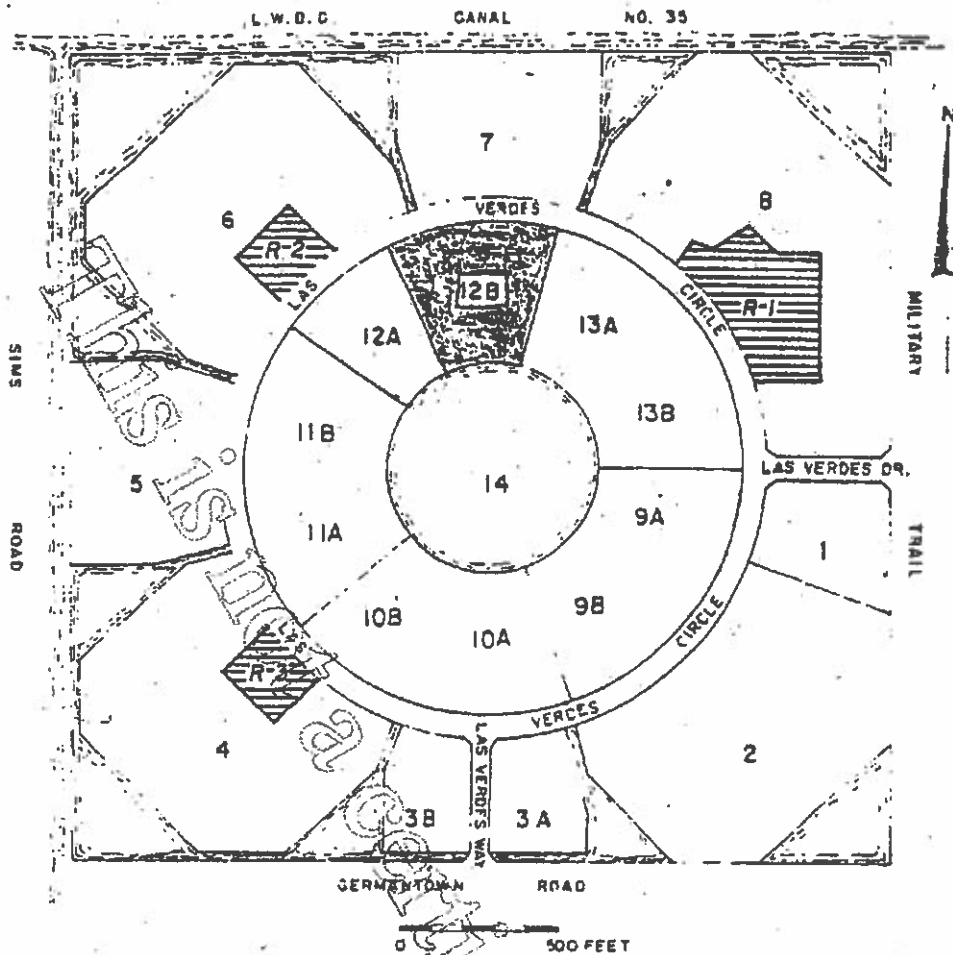


- AREA 1-----GOVERNMENT SERVICES (DEDICATED TO PALM BEACH COUNTY)
- AREA 2-----FORSYTHIA HOMEOWNERS ASSOCIATION-----101 UNITS
- AREA 3(A&B)---CARROTWOOD HOMEOWNERS ASSOCIATION-----29 UNITS
- AREA 4-----VIBURNUM HOMEOWNERS ASSOCIATION-----87 UNITS
- AREA 5-----PHILADENDRON HOMEOWNERS ASSOCIATION-----47 UNITS
- AREA 6-----LAURAL OAK HOMEOWNERS ASSOCIATION-----93 UNITS
- AREA 7-----COPPERLEAF HOMEOWNERS ASSOCIATION-----48 UNITS
- AREA 8-----BOTTLEBRUSH HOMEOWNERS ASSOCIATION-----107 UNITS
- AREA 9A--- CYPRESS CONDO ASSOCIATION-----72 UNITS
- AREA 9B--- DOGWOOD CONDO ASSOCIATION-----72 UNITS
- AREA 10A--- EVERGREEN CONDO ASSOCIATION-----72 UNITS
- AREA 10B--- COCONUT PALM CONDO ASSOCIATION-----72 UNITS
- AREA 11A--- OLEANDER CONDO ASSOCIATION-----72 UNITS
- AREA 11B--- PALMETTO CONDO ASSOCIATION-----72 UNITS
- AREA 12A--- OLIVEWOOD CONDO ASSOCIATION-----72 UNITS
- AREA 12B--- SEA GRAPE CONDO ASSOCIATION-----72 UNITS
- AREA 13A--- ASPEN CONDO ASSOCIATION-----72 UNITS
- AREA 13B--- BANYAN CONDO ASSOCIATION-----72 UNITS

B3431 P0721

# LAS VERDES - SITE PLAN

EXHIBIT 2.



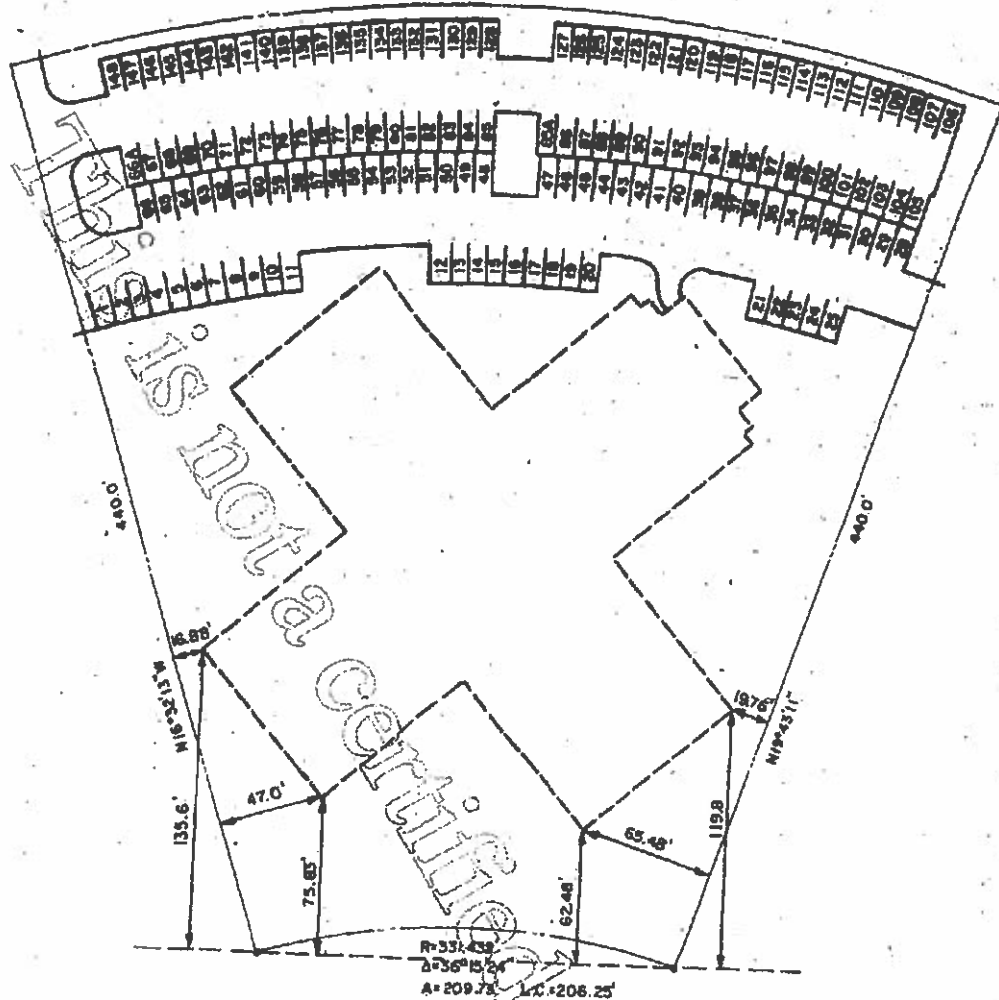
- NOTE:**
1. Unshaded areas areas to contain a maximum of 1160 units (Areas 2, 3A, 3B, 4-8, 9A and 9B, 10A and 10B, 11A and 11B, 12A and 13A and 13B).
  2. Shaded areas to contain a minimum of 72 units (Area 12B).

B3491 P0722

# LAS VERDES

## RECREATION AREAS SITE PLAN

R=771.432'  
A=36°15'24"  
A=488.18'



LAS VERDES

CONDOMINIUM NO. 3

AREA 12 B

SEA GRAPE CONDO ASSOCIATION



B3491 P0723

DESCRIPTION OF THE UNITS

Condominium Units shall mean and comprise the 72 separately numbered dwelling units excluding however all spaces and improvements lying beneath or outside of the undecorated and/or unfinished inner surfaces of the perimeter walls and floors and above the undecorated and/or unfinished inner surfaces of the ceilings of each condominium unit, and further excluding all spaces and improvements lying beneath the undecorated and/or unfurnished inner surfaces of all interior bearing walls and/or bearing portions and structural columns and further excluding all pipes, ducts, wires, conduits and other facilities running through any interior wall or partition for the furnishing of utility services to other condominium units or to the common elements.

DESCRIPTION OF THE LIMITED COMMON ELEMENTS

Limited common elements shall mean and comprise that portion of the common elements consisting of all the enclosed terraces, balconies, patios, outside storage rooms, if applicable, assigned parking spaces, and front entry alcoves and other designated areas specifically identified, as to each of which areas a right of exclusive use and possession is hereby reserved as an appurtenance to a particular condominium unit.

DESCRIPTION OF COMMON ELEMENTS

The common elements include, but are not limited to, the land, easements through units for conduits, ducts, plumbing, wiring and other facilities for furnishing of utility services to units and common elements, all structural and bearing elements of the improvements, easement of support in every portion of a unit which contributes to the support of a building, all property and installations required for the furnishing of services to more than one unit or to the common elements and unassigned parking spaces.

SURVEYORS CERTIFICATE

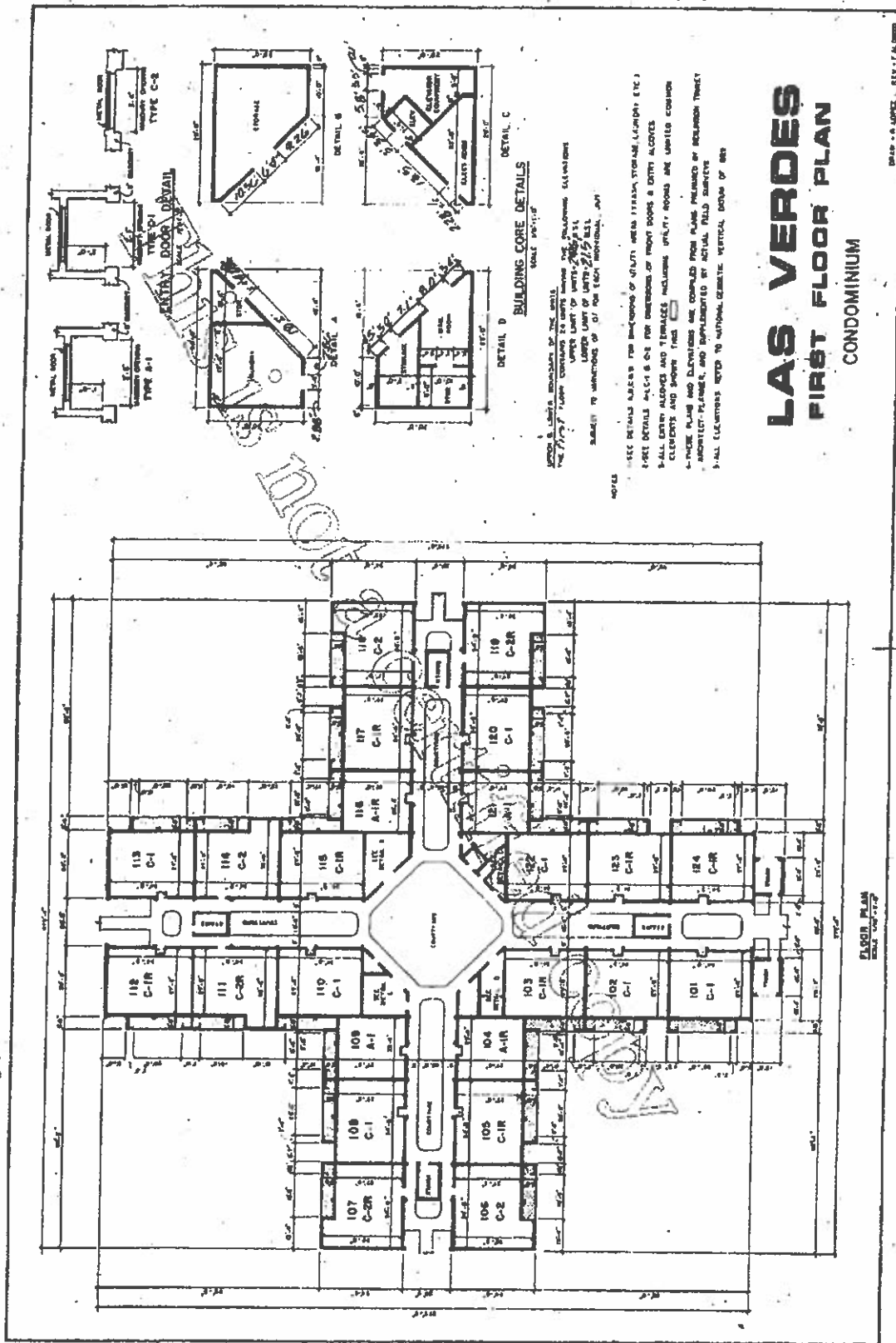
I HEREBY CERTIFY that the construction of the improvements described on this Exhibit 3 is substantially complete so that the materials comprising this Exhibit 2 together with the provisions of the Declaration describing the condominium property, is an accurate representation of the location and dimensions of the improvements, and that the identification, location and dimensions of the common elements and of each unit can be determined from these materials.

B3491 P0724



BY: E. Brett Culpepper  
E. BRETT CULPEPPER  
Registered Land Surveyor  
Florida Certificate No. 3333  
CFS and Associates, Inc.  
Consulting Engineers  
Ft. Pierce, Florida

B3431 P0725



FLOOR PLAN  
SCALE 1/8"=1'-0"

# LAS VERDES FIRST FLOOR PLAN CONDOMINIUM

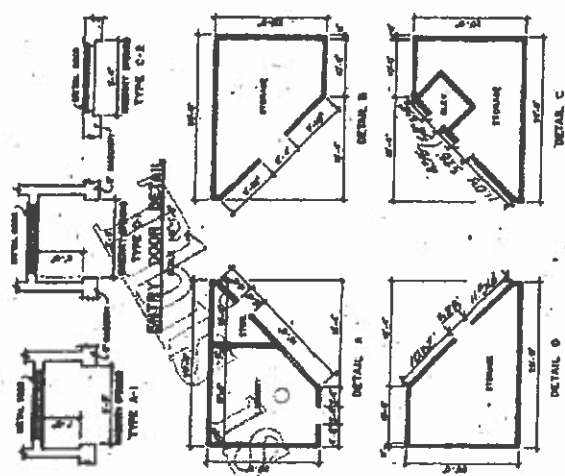
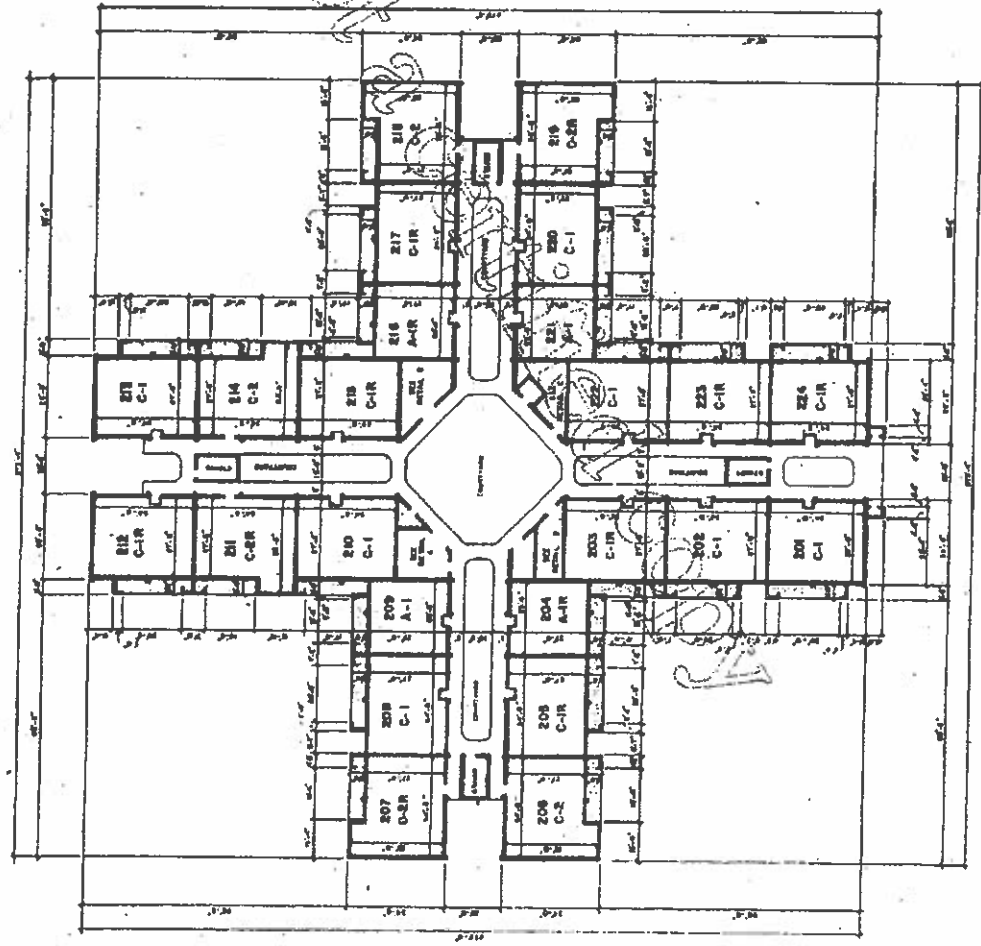
DATE: 04.10.02 REV: 1.0

### BUILDING CORE DETAILS SCALE 1/8"=1'-0"

- 1-SEE DETAILS ABOVE FOR SCHEDULES OF FINISHES, INTERIORS, STORAGE, LIGHTING, ETC.
- 2-SEE DETAILS ABOVE FOR DIMENSIONS OF ROOFS, DECKS & TERRACES
- 3-ALL ENTRY ALCOVES AND TERRACES INCLUDES OPENING DOORS AND LIMITED COMMON ELEMENTS AND SHOWN THIS WAY
- 4-THOSE PLANS AND ELEVATIONS ARE COMPILED FROM PLANS PROVIDED BY ARCHITECTURE FIRM AND SUPPLEMENTED BY ACTUAL FIELD SURVEY
- 5-ALL ELEMENTS REFER TO NATIONAL GRAPHIC VERTICAL DATUM OF 1985



B3431 P0726



**BUILDING CORE DETAILS**

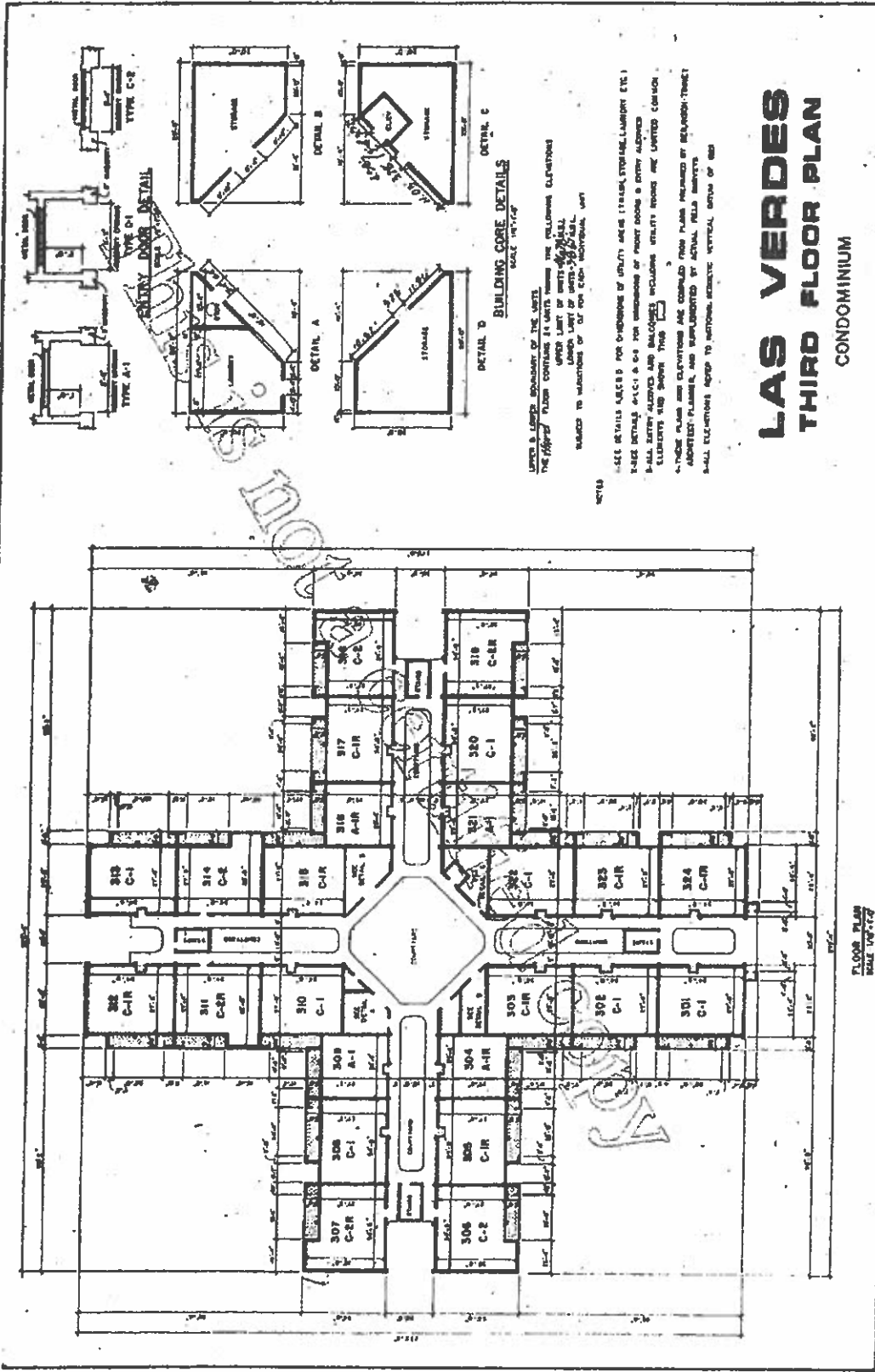
UNIT 207 & 208  
 UNIT 209 & 210  
 UNIT 211 & 212  
 UNIT 213 & 214  
 UNIT 215 & 216  
 UNIT 217 & 218  
 UNIT 219 & 220  
 UNIT 221 & 222  
 UNIT 223 & 224  
 UNIT 204 & 205  
 UNIT 206 & 208

- NOTES
- 1-SEE DETAILS A-D FOR DIMENSIONS OF UTILITY AREAS (STAIRS, STORAGE, LAUNDRY, ETC.)
  - 2-SEE DETAILS A-D FOR DIMENSIONS OF ENTRY DOORS & ENTRY ALCOVES
  - 3-ALL ENTRY ALCOVES AND BALCONIES INCLUDE STAIRWAYS, ELEVATOR ROOMS AND LIMITED COMMON ELEMENTS AND SHALL BE FINISHED WITH [ ]
  - 4-THOSE PLANS AND ELEVATIONS ARE COMPLETED FROM PLANS PROVIDED BY BUILDERS (UNIT IDENTIFIED-PLANNED, AND UNIDENTIFIED BY ACTUAL FIELD SURVEY)
  - 5-ALL ELEVATIONS REFER TO NATIONAL GRID/ICVT VERTICAL DATUM OF 1988

**LAS VERDES**  
**SECOND FLOOR PLAN**  
 CONDOMINIUM

DATE: 11/11/2011 REV: 11/11/2011

83491 P0727

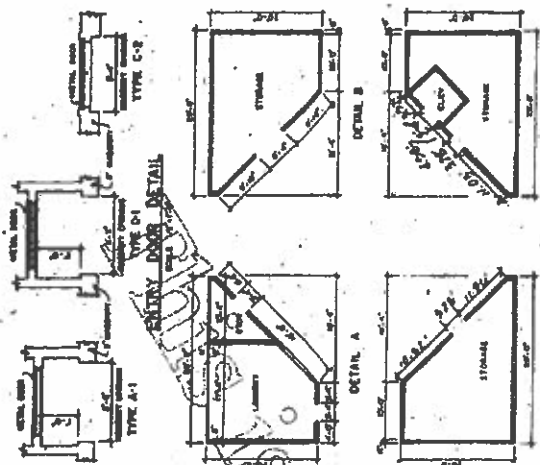


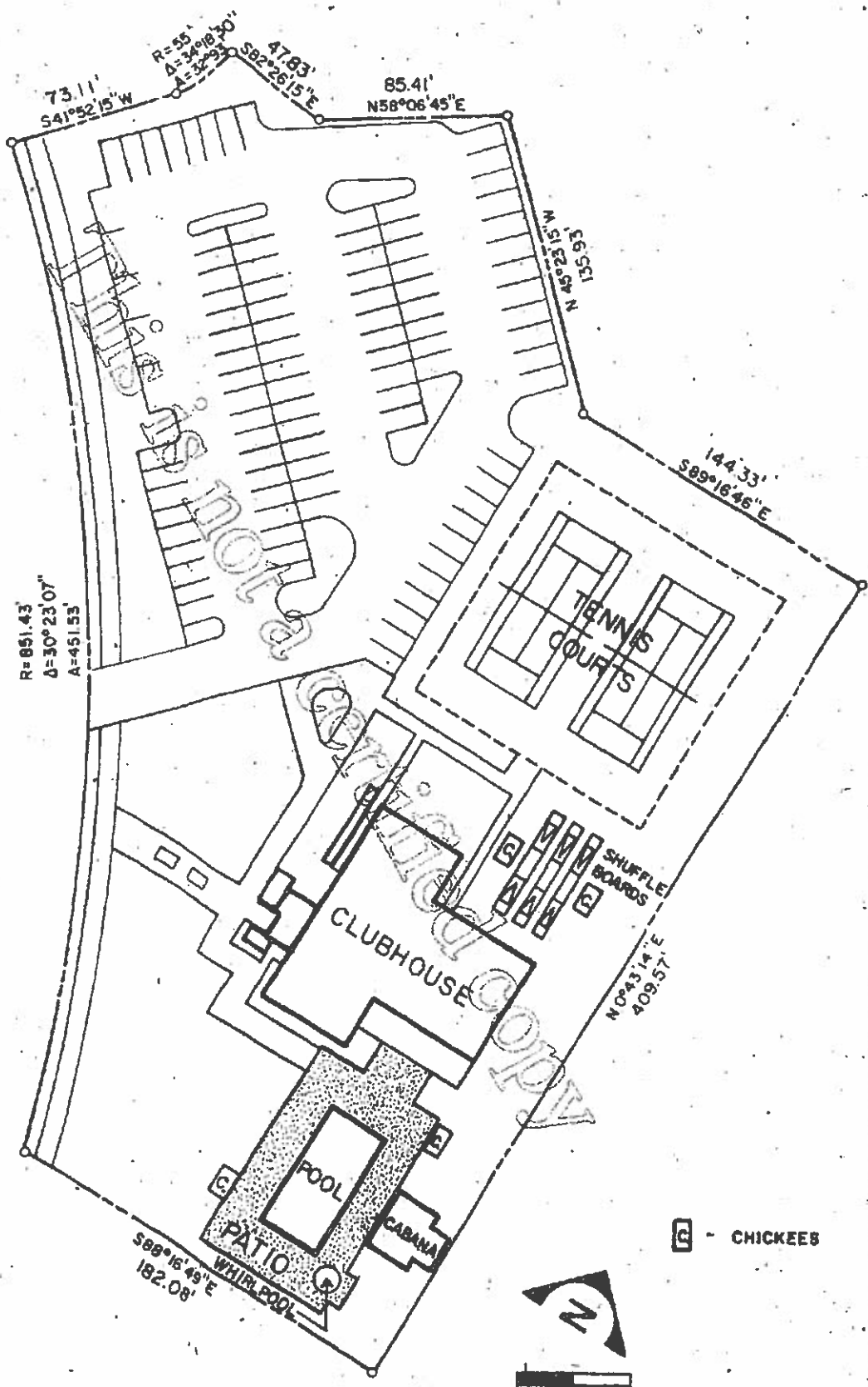
# LAS VERDES THIRD FLOOR PLAN CONDOMINIUM

PLAN - 8 LUPICE REV. 11.16.00

SEE DETAILS A-G FOR OVERHEADS OF UNITS, WALK STAIRS, STORAGE (LAUNDRY, ETC.)  
 THESE DETAILS A-G ARE FOR OVERHEADS OF UNITS, WALK STAIRS, STORAGE (LAUNDRY, ETC.)  
 WALK STAIRS, STORAGE (LAUNDRY, ETC.)  
 THESE PLANS AND ELEVATIONS ARE COMPILED FROM PLANS PREPARED BY SEARSON-THORNTON  
 ARCHITECT PLUMBER, AND SUPPLEMENTED BY ACTUAL FIELD SURVEYS.  
 ALL ELEVATIONS REFER TO NATIONAL MEAN SEA LEVEL UNLESS OTHERWISE NOTED.

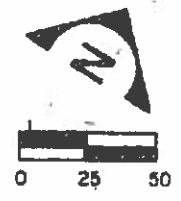
### BUILDING CORE DETAILS



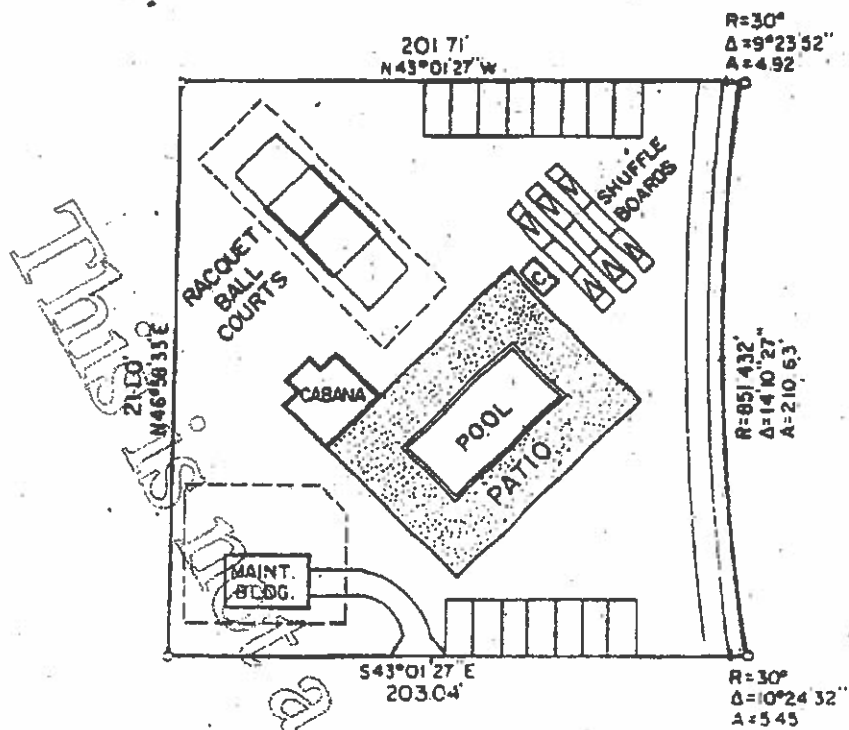


B3131 P0728

C - CHICKEES



# LAS VERDES RECREATION AREA R-1



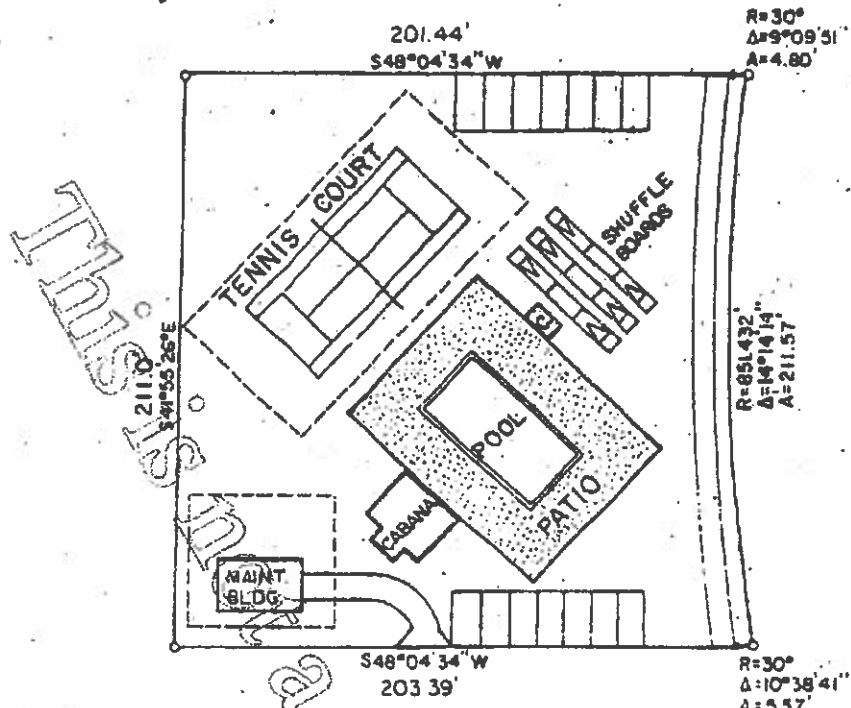
NOTE: Developer, F & R Builders, Inc., anticipates that this recreation area could be completed as early as June 1, 1981, but no later than December 1, 1981.

☐ - CHICKEES



LAS VERDES  
RECREATION AREA R-2  
(PROPOSED)

B3431 P0729



NOTE: Developer, F & R Builders, Inc. anticipates that this recreation area could be completed as early as January 1, 1984, but no later than June 1, 1984.

CHICKEES



# LAS VERDES RECREATION AREA R-3

(PROPOSED)

B3431 P0730

EXHIBIT "4"

This is a Certified Copy

# State of Florida



Department of State

I certify that the attached is a true and correct copy of the Articles of Incorporation of

SEA GRAPE CONDOMINIUM ASSOCIATION, INC,

filed on the 18th of November A.D. 1980

The Charter Number for this corporation is 556153

83431 P0731

Given under my hand and the  
Great Seal of the State of Florida,  
at Tallahassee, the Capital, this the  
18th day of November 1980



CONF 104 Rev. 5-78

George Firestone  
Secretary of State

ARTICLES OF INCORPORATION OF  
SEA GRAPE CONDOMINIUM ASSOCIATION, INC.

FILED

Nov 18 1:02 PM '00

We, the undersigned by these Articles associate ourselves for the purpose of forming a corporation not for profit under the laws of the State of Florida, in accordance with the provisions of the Laws of the State of Florida, and certify as follows:

ARTICLE I  
NAME

The name of this corporation shall be as indicated in the title of this instrument. This corporation shall hereinafter be referred to as the "Association", these Articles of Incorporation as "Articles", and the By-Laws of this corporation as "By-Laws".

ARTICLE II  
PURPOSE

The purpose for which the Association is organized is to provide an entity pursuant to Chapter 718, Florida Statutes, hereinafter referred to as the "Act" to operate that certain condominium bearing the same name as the Association (hereinafter referred to as the "Condominium"), located in Palm Beach County, Florida, in accordance with the Declaration of Condominium, (to which these Articles are attached as Exhibit 5) these Articles, and the By-Laws of the Association.

ARTICLE III  
DEFINITIONS

All of the definitions contained in the Declaration of Condominium to which these Articles are attached shall prevail in this instrument when applicable.

ARTICLE IV  
POWERS

The powers of the Association shall include and be governed by the following:

- 4.1 General. The Association shall have all of the common-law and statutory powers of a corporation not for profit under the Laws of Florida that are not in conflict with the provisions of these Articles or of the Act.
- 4.2 Enumeration. The Association shall have all the powers and duties set forth in the Act except as limited by these Articles and the Declaration, and all of the powers and duties reasonably necessary to operate the Condominium pursuant to the Declaration, and as it may be amended from time to time, including but not limited to the following:
  - a. To levy and collect assessments against members of the Association to defray the common expenses of the Condominium and other charges as provided in the Declaration, these Articles and the By-Laws; including the power to levy and collect assessments for the purpose of paying assessments levied against the unit and the Association by the LAS VERDES PROPERTY OWNERS ASSOCIATION, INC. ("The Property Owners Association").

83491 P0732

THIS DOCUMENT IS UNCLASSIFIED

- b. To buy, own, operate, lease, sell and trade both real and personal property as may be necessary or convenient in the administration of the Condominium.
- c. To maintain, repair, replace, reconstruct, add to, and operate the Condominium property and other property acquired or leased by the Association for use by Unit Owners.
- d. To purchase insurance upon the Condominium property and the Recreation Area, and insurance for the protection of the Association, its officers, directors, and members as Unit Owners.
- e. To make and amend reasonable rules and regulations for the maintenance, conservation and use of the Condominium property and for the health, comfort, safety and welfare of the Unit Owners.
- f. To approve or disapprove the leasing, transfer, mortgaging, ownership and possession of units as may be provided by the Declaration.
- g. To enforce by legal means the provisions of the Act, the Declaration, these Articles, the By-Laws, and the rules and regulations for the use of the Condominium property.
- h. To contract for the management and maintenance of the condominium properties and to authorize a management agent to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposal, collection of assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the common elements with funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the condominium documents and the condominium act, including but not limited to the making of assessments, promulgation of rules and execution of contracts on behalf of the Association.
- i. To employ personnel to perform the services required for proper operation of the Condominium.

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

4.4 Distribution of Surplus. The Association shall make no distribution of surplus unless so approved by seventy-five percent (75%) of all unit owners at the annual meeting or at a duly called special meeting of the members after proper and lawful notice is given.

4.5 Limitations. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declaration and the By-Laws.

ARTICLE V  
MEMBERS

5.1 Membership. The members of the Association shall consist of all of the record owners of units in the Condominium, and after termination of the Condominium shall consist of those who are

B3431 P0733



members at the time of the termination and their successors and assigns, except until the land is submitted to condominium ownership, the membership shall be comprised of the subscribers to these Articles, each of whom shall be entitled to cast one vote.

5.2 Evidence. Where the ownership of a unit is transferred after approval, in a manner required by the Declaration, the change of membership in the Association shall be established by the recording in the Public Records of the County in which the Condominium is located, the Deed or other instrument establishing the transfer of title, together with a Certificate of the Association stating the approval required by the Declaration. The owner receiving title will supply the Association with a copy of the recorded instruments and will become a member thereof and the membership of the prior owner will be terminated.

5.3 Assignment. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the unit for which that share is held.

5.4 Voting. On all matters upon which the membership shall be entitled to vote, there shall be only one vote for each unit, which vote shall be exercised or cast in the manner provided by the Declaration and By-Laws. Any person or entity owning more than one unit shall be entitled to one vote for each unit owned.

ARTICLE VI  
TERM OF EXISTENCE

The Association shall have perpetual existence.

ARTICLE VII  
SUBSCRIBERS

The names and addresses of the subscribers to these Articles are as follows:

| <u>NAME</u>         | <u>ADDRESS</u>  |
|---------------------|---|
| Charles I. Jacobson | 5121 Las Verdes Circle<br>Delray Beach, Florida 33445 |
| Martin L. Riefa     | 5121 Las Verdes Circle<br>Delray Beach, Florida 33445 |
| Jay Perlmutter      | 5121 Las Verdes Circle<br>Delray Beach, Florida 33445 |

ARTICLE VIII  
DIRECTORS

8.1 Number and Qualifications. The Board of Directors shall be composed of three (3) persons until such time as the Developer has conveyed title to all units in the condominium. The number of members present at a duly called meeting of the Association where a quorum is present. The Director shall be elected by the membership as provided for in the By-Laws. At least a majority

83431 P0734

of the members of the Board of Directors shall be members of the Association or shall be authorized representatives, officers, agents or employees of a corporate member of the Association.

8.1.1 When unit owners other than F & R Builders, Inc., a Florida corporation, ("The Developer") who own fifteen percent (15%) but less than fifty percent (50%) of the units that ultimately will be operated by the Association, the unit owners other than the Developer shall be entitled to elect, in a manner to be provided in the By-Laws, not less than nor more than one-third (1/3) of the members of the Board of Directors. Unit owners other than the Developer shall be entitled to elect, in the manner to be provided for in the By-Laws, not less than nor more than a majority of the members of the Board of Directors three (3) years after sales by the Developer have been closed or fifty percent (50%), but not less than ninety percent (90%) of the units that will be operated ultimately by the Association or three (3) months after sales have been closed by the Developer upon ninety percent (90%) of the units which ultimately will be operated by the Association, or when all of the units that ultimately will be operated by the Association have been completed, some have been sold, and none of the others are being offered for sale by the Developer in the ordinary course of business, whichever of the above shall first occur. The Developer shall have the right to elect, in the manner to be provided in the By-Laws, not less than one (1) member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business at least five percent (5%) of the units in the condominium. Notwithstanding the foregoing, the Developer shall be entitled at any time to waive, in writing, its rights hereunder, and thereafter to vote in elections for members of the Board of Directors in the same manner as any other member of the Association. After unit owners other than the Developer elect a majority of the members of the Board of Directors, the Developer shall, within a reasonable time, and in a manner to be provided in the By-Laws, relinquish control of the Association and shall deliver to the Association all of the property of the unit owners and the Association held or controlled by the Developer. The Developer shall be under no obligation to manage or control the Association to appoint its representatives to the Board of Directors and may, at any time, relinquish any right it has to do so and may have its representatives on the Board resign.

8.2 Duties and Powers. All of the duties and powers of the Association shall be exercised exclusively by the Board of Directors, their agents, or employees, subject only to approval by Unit Owners when that is specifically required.

8.3 Election; Removal. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the By-Laws.

8.4 Initial Directors. The Developer has appointed the members of the initial Board of Directors who shall hold office for the terms provided in the By-Laws. Their names and addresses are as follows:

B343-1 P0735

| <u>NAME</u>         | <u>ADDRESS</u>  |
|---------------------|---|
| Charles I. Jacobson | 5121 Las Verdes Circle<br>Delray Beach, Florida 33445 |
| Martin L. Riefs     | 5121 Las Verdes Circle<br>Delray Beach, Florida 33445 |
| Jay Perlmutter      | 5121 Las Verdes Circle<br>Delray Beach, Florida 33445 |

ARTICLE IX  
OFFICERS

9.1 The officers of the Association shall be elected by the Board of Directors at the first annual meeting and annually thereafter, and shall serve at the pleasure of the Board of Directors. The names and address of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

|                      |  |
|----------------------|--|
| President:           | Charles I. Jacobson<br>5121 Las Verdes Circle<br>Delray Beach, Florida 33445 |
| Vice Presidents:     | Martin L. Riefs<br>5121 Las Verdes Circle<br>Delray Beach, Florida 33445     |
| Secretary/Treasurer: | Jay Perlmutter<br>5121 Las Verdes Circle<br>Delray Beach, Florida 33445,     |

ARTICLE X  
INDEMNIFICATION

Every director and officer of the Association, shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed on him in connection with any proceeding or settlement of any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a director or officer of the Association, whether or not he is a director or officer at the time such expenses are incurred, except with regard to expenses and liabilities incurred for any of the following:

- 10.1 breach of the fiduciary relationship provided by §718.111(1), F.S.;
- 10.2 willful and knowing failure to comply with the provisions of the Condominium Act, the Declaration the Association By-Laws, or the Association's Articles of Incorporation;
- 10.3 actions taken prior to the time control of the Association is assumed by unit owners other than the developer, by Directors designated by the developer;

provided, that in the event of a settlement, the indemnification shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

ARTICLE XI  
BY-LAWS

The first By-Laws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded by the directors and

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members in the manner provided by the By-Laws.

ARTICLE XII  
AMENDMENTS

Amendments to these Articles shall be proposed and adopted in the following manner:

- 12.1 Proposal. An amendment or amendments to these Articles of Incorporation may be proposed by the Board of Directors of the Association acting upon a vote of the majority of the Directors, or by the members of the Association owning a majority of the units in the condominium, whether meeting as members individually or by instrument in writing signed by them. Upon any amendment or amendments to these Articles of Incorporation being proposed by the Board of Directors or members, such proposed amendment or amendments shall be transmitted to the President of the Association, or the acting chief executive officer in the absence of the President, who shall thereupon call a special meeting of the members of the Association not later than sixty (60) days from the receipt by him of the proposed amendment or amendments.
- 12.2 Notice. It shall be the duty of the Secretary to give each member written notice of such meeting, stating the proposed amendment or amendments in reasonably detailed form which notice shall be mailed or presented personally to each member not less than fourteen (14) days nor more than thirty (30) days before the date set for such meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States mail, addressed to the member at his post office address as it appears on the records of the Association with postage thereon prepaid. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver when filed in the records of the Association, whether before, during or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such member.
- 12.3 Resolution. At the meeting at which the amendment is to be proposed and considered, a resolution for the adoption of the proposed amendment may be made by any member of the Board of Directors of the Association, or by any member of the Association, present in person or by proxy.
- 12.4 Approval. Except as elsewhere provided, the approval of a resolution for the adoption of a proposed amendment to this Declaration shall require the affirmative vote of two (2) of the three (3) members of the Board of Directors of the Association, and the affirmative vote of not less than seventy-five (75%) percent of the total voting membership of the Association. Members of the Board of Directors and members of the Association not present in person or by proxy at the meeting at which the amendment is to be considered may express their approval (or disapproval) of the amendment in writing, provided that such approval is delivered to the Secretary of the Association prior to the commencement of the meeting.
- 12.5 Limitation. Provided, however, that no amendment shall make any changes in the qualifications for membership nor in the voting rights or property rights of members, nor any changes in Sections 4.3, 4.4, and 4.5 of Article IV, entitled "Powers", without approval in writing by all members and the joinder of all record owners of mortgages upon units. No amendment shall be made that is in conflict with the Act or the Declaration, nor shall any amendment make any changes which would in any way affect any of the rights, privileges, powers or options herein provided in

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CERTIFICATE DESIGNATING PLACE OF BUSINESS FOR SERVICE  
OF PROCESS WITHIN THIS STATE, NAMING AGENT UPON WHOM  
PROCESS MAY BE SERVED

In pursuance of Chapter 48.091, Florida Statutes,  
the following is submitted in compliance with said Act:  
THAT, SEA GRAPE CONDOMINIUM ASSOCIATION, INC.,  
desiring to organize under the laws of the State of  
Florida, with its principal offices at 9555 North  
Kendall Drive, County of Dade, State of Florida, has  
named MORRIS J. WATSKY, whose office  
is located at 9555 North Kendall Drive, Miami, Florida  
33176, as its agent to accept service of process within  
the State.

ACKNOWLEDGMENT

Having been named to accept service of process for  
the above stated Corporation, at the place designated  
in this Certificate, I hereby accept to act in this  
capacity, and agree to comply with the provisions of  
said Act relative to keeping open said office.

M. J. Watsky

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EXHIBIT "5"

BY-LAWS OF

SEA GRAPE CONDOMINIUM ASSOCIATION, INC.

A Corporation not for profit  
under the laws of the State of Florida

ARTICLE I  
GENERAL PROVISIONS

- 1.1 Identity. These are the By-Laws of that certain Condominium Association, a Florida corporation not for profit ("Association"), whose name appears in the title of this document.
- 1.2 Purpose. This Association has been organized for the purpose of administering the affairs of the Condominium which has been established pursuant to the Declaration of Condominium thereof to which these By-Laws are attached as Exhibit 5a. The provisions of these By-Laws are applicable to said Condominium and are expressly subject to the terms, provisions and conditions contained in the Articles of Incorporation of said Association ("Articles"), and the Declaration of Condominium ("Declaration").
- 1.3 Definitions. All of the terms used in these By-Laws shall have the same definitions and meanings as set forth in the Declaration when applicable.
- 1.4 Office. The office of the Association shall be at the Condominium property or at such other place as may be designated by the Board of Directors of the Association.
- 1.5 Seal. The Seal of the Association shall bear the name of the Association, the word "Florida", the words "Corporation not for Profit", and the year of incorporation.
- 1.6 Fiscal Year. The fiscal year of the Association shall be the calendar year.
- 1.7 Subject To. All members of the Association and their invitees, including, without limitation, all present or future owners and tenants of dwelling units in the Condominium ("units") and other persons using the Condominium or any of the facilities thereof in any manner, are subject to these By-Laws, the Articles of Incorporation and the Declaration.

ARTICLE II  
MEMBERSHIP

The qualifications of members, the manner of their admission to membership, termination of such membership, and provisions for voting by members shall be as set forth in the Declaration, Articles, and these By-Laws. The Association shall maintain a roster of the names and mailing addresses of all unit owners from evidence of ownership furnished to the Association as required by the Articles and the Declaration.

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ARTICLE III  
MEETINGS

- 3.1 Annual Meeting. The annual meeting of the members shall be held at least once in each calendar year at the office of the Association at the time designated on the notice thereof, for the purpose of electing directors and for transacting any other business authorized to be transacted by the members.
- 3.2 Special Meetings. Special meetings of the members shall be held when called by the President or Vice President or by a majority of the Board of Directors. Special meetings must be called by such officers upon receipt of a written request from members of the Association having a majority of the votes in the Association.
- 3.3 Notice of Meetings; Waiver. Notice of all members' meetings, annual or special shall be given by the President, Vice President or Secretary of the Association, to each member. Such notice will be written and must state the time, place and object for which the meeting is called.
- 3.3.1 Notice of a special meeting must be given or mailed to each member and posted at a conspicuous place on the Condominium property not less than forty-eight (48) hours prior to the date and time set for such meeting. The copy to be given to the members shall be hand delivered or mailed certified mail, return receipt requested, to the address of the member as it appears on the roster of members.
- 3.3.2 Notice of annual meetings shall be given to each unit owner and shall be posted in a conspicuous place on the condominium property at least fourteen (14) days prior to the annual meeting.
- 3.3.3 Proof of delivery or mailing shall be given by the affidavit of the person giving the notice.
- 3.3.4 Notice of a meeting may be waived by any Unit Owner before or after the meeting in writing.
- 3.3.5 Notice of any meeting where assessments against unit owners are to be considered for any reason shall contain a statement that assessments will be considered and the nature of any such assessments and notice will have attached to it a copy of the proposed budget.
- 3.4 Quorum. The presence of persons having at least fifty-one (51%) percent of the total votes of the Association, either in person or by proxy, shall constitute a quorum at any meeting.
- 3.5 Adjourned Meetings. If a meeting of members cannot be held because a quorum is not present, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, provided, however, that notice of the adjourned meeting shall be given in the manner required for notice of a meeting.
- 3.6 Budget Meetings. Notice of a meeting at which the annual budget will be considered shall be governed by the provisions of Florida Statutes, §718.112(2)(f) as it exists on the date of filing of the Declaration.

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3.7 Chairman. At all meetings of the membership, the President shall preside. In the absence of the president, the Board of Directors shall select a Chairman.

3.8 Order of Business. The order of business at the annual members' meetings, and as so far as practical, at any other members' meetings, shall be:

- a. Calling of roll and certifying of proxies.
- b. Proof of notice of meeting or waiver of notice.
- c. Reading and approval of the minutes.
- d. Reports of officers.
- e. Reports of committees.
- f. Appointment by Chairman of inspectors of elections.
- g. Election of directors.
- h. Unfinished business.
- i. New business.
- j. Financial matters.
- k. Adjournment.

3.9 First Meeting. The first meeting of the Association shall be held pursuant to the provisions of Florida Statutes, §718.301, as it exists on the date of filing of the Declaration.

ARTICLE IV  
VOTING

4.1 Number of Votes. In any meeting of members, the owners of Condominium units shall be entitled to cast one vote for each Condominium unit owned. The vote of a Condominium unit may not be divided.

4.1.1 The affirmative vote of a majority of those members present (provided there is a Quorum) shall be decisive of all issues unless otherwise provided by the Declarations, the Articles of Incorporation or as provided elsewhere in these By-Laws.

4.2 Corporate or Multiple Ownership. If a unit is owned by one person, his right to vote shall be established by the roster of members. If a unit is owned by more than one person, the person entitled to cast the vote for the unit shall be designated by a certificate signed by all of the record owners of the unit, as indicated on the roster of unit owners, and filed with the Secretary of the Association. If a unit is owned by a corporation, the person entitled to cast the vote for the unit shall be designated by a certificate signed by the President or Vice President and attested by the Secretary or Assistant Secretary of the corporation and filed with the Secretary of the Association. Any such certificate shall be valid until revoked by subsequent certificate. If no certificate is filed, the vote of such owners shall not be considered in determining a quorum or for any other purpose.

4.3 Proxies. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote and shall be valid only for the particular designated in the proxy and any lawfully adjourned meetings thereof. Proxies must be filed with the secretary before the meeting. In no event shall any proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the unit owner executing it.

ARTICLE V  
DIRECTORS

5.1 Number and Qualifications. The Board of Directors shall be composed of three (3) persons until such time as the Developer

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has conveyed title to all units in the condominium. The number of members present at a duly called meeting of the Association where a quorum is present. The Director shall be elected by the membership as provided for in the By-Laws. At least a majority of the members of the Board of Directors shall be members of the Association or shall be authorized representatives, officers, agents or employees of a corporate member of the Association.

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1.1 When unit owners other than F & R Builders, Inc., a Florida corporation, ("The Developer") who own fifteen percent (15%) but less than fifty percent (50%) of the units that ultimately will be operated by the Association, the unit owners other than the Developer shall be entitled to elect, in a manner to be provided in the By-Laws, not less than nor more than one-third (1/3) of the members of the Board of Directors. Unit owners other than the Developer shall be entitled to elect, in the manner to be provided for in the By-Laws, not less than nor more than a majority of the members of the Board of Directors three (3) years after sales by the Developer have been closed or fifty percent (50%), but not less than ninety percent (90%) of the units that will be operated ultimately by the Association or three (3) months after sales have been closed by the Developer upon ninety percent (90%) of the units which ultimately will be operated by the Association, or when all of the units that ultimately will be operated by the Association have been completed, some have been sold, and none of the others are being offered for sale by the Developer in the ordinary course of business, whichever of the above shall first occur. The Developer shall have the right to elect, in the manner to be provided in the By-Laws, not less than one (1) member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business at least five percent (5%) of the units in the condominium. Notwithstanding the foregoing, the Developer shall be entitled at any time to waive, in writing, its rights hereunder, and thereafter to vote in elections for members of the Board of Directors in the same manner as any other member of the Association. After unit owners other than the Developer elect a majority of the members of the Board of Directors, the Developer shall, within a reasonable time, and in a manner to be provided in the By-Laws, relinquish control of the Association and shall deliver to the Association all of the property of the unit owners and the Association held or controlled by the Developer. The Developer shall be under no obligation to manage or control the Association to appoint its representatives to the Board of Directors and may, at any time, relinquish any right it has to do so and may have its representatives on the Board resign.

5.2 Initial Board of Directors. The initial Board of Directors shall consist of the persons named in the Articles of Incorporation. The initial Board shall serve until their successors are elected pursuant to Florida Statutes, §718.301. The Developer shall have the absolute right at any time to remove any director selected by it and replace such director with another individual.

5.3 Election of Directors. Election of directors, other than the initial Board, shall be conducted in accordance with Florida Statutes, §718.301 in the following manner:

- a. Election of directors shall be held at the annual members' meeting.

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✓ b. A nominating committee of five members shall be appointed by the Board of Directors not less than 30 days prior to the annual members' meeting. The committee shall nominate one person for each director seat. Nominations for additional directors may be made from the floor.

c. The election shall be by ballot (unless dispensed by unanimous consent) and by a plurality of the votes cast, each person voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled.

d. Except as to vacancies provided by removal of directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining Directors.

e. Any director may be removed by concurrence of two thirds of the votes of the entire membership at a special meeting of the members called for that purpose. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting.

f. Provided, however, that until a majority of the directors are elected by the members other than the Developer of the Condominium, neither the first directors of the Association nor any directors named by the Developer shall be subject to removal by members other than the Developer. The first directors and directors named by the Developer may be removed by the Developer.

- 5.4 The Term. The term of each director's service shall extend until the next annual meeting of the members and subsequently until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.
- 5.5 Organization Meeting. The organization meeting of a newly-elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the directors at the meeting at which they were elected, and no further notice of the organization meeting shall be necessary.
- 5.6 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director, personally or by mail, telephone or telegraph, and shall be transmitted at least three (3) days prior to the meeting. A notice of regular meetings shall be posted conspicuously forty-eight (48) hours in advance for the attention of members of the Association.
- 5.7 Special Meetings. Special meetings of the directors may be called by the President and must be called by the Secretary at the written request of one third or more of the directors. Notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting, and shall be transmitted not less than three (3) days prior to the meeting. Notice of a special meeting shall be posted conspicuously forty-eight (48) hours in advance for the attention of members of the Association except in an emergency.
- 5.8 Waiver of Notice. Any director may waive in writing notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to the giving of notice.

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- 5.9 Quorum. A quorum at directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of directors is required by the Declaration of Condominium, the Articles of Incorporation or these By-Laws.
- 5.10 Adjourned Meetings. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business that might have been transacted at the meeting as originally called may be transacted without further notice.
- 5.11 Joinder in Meeting by Approval of Minutes. Any Director may join in the actions taken at a meeting by signing and concurring in the minutes of that meeting.
- 5.12 Presiding Officer. The presiding officer of directors' meeting shall be the Chairman of the Board if such an officer has been elected; and if none, the President shall preside. In the absence of the presiding officer, the directors present shall designate one of their number to preside.
- 5.13 Order of Business. The order of business at directors' meetings shall be:
- a. Calling of roll.
  - b. Proof of due notice of meeting.
  - c. Reading and disposal of any unapproved minutes.
  - d. Reports of officers and committees.
  - e. Election of officers.
  - f. Unfinished business.
  - g. New business.
  - h. Financial matters.
  - i. Adjournment.
- 5.14 Directors' Fees. Directors shall not receive any compensation or fee for their service as Director.
- 5.15 Powers and Duties of the Board of Directors. All of the powers and duties of the Association existing under the Condominium Act, Declaration of Condominium, Articles of Incorporation and these By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by Unit Owners when that is specifically required, and shall include, without limitation, the right, power and authority to:
- a. To levy and collect assessments against members of the Association to defray the common expenses of the Condominium and other charges as provided for in the Declaration, Articles, and these By-Laws; including the power to levy and collect assessments for the purpose of paying assessments levied against the units and the Association by the Las Verdes Property Owners Association, Inc. ("the property owners association").
  - b. To buy, own, operate, lease, sell and trade both real and personal property as may be necessary or convenient in the administration of the Condominium.
  - c. To maintain, repair, replace, reconstruct, add to and operate the condominium property and other property acquired or leased by the Association for use by unit owners.

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- d. To purchase insurance upon the condominium property and recreation area, and insurance for the protection of the Association, its officers, directors and members as unit owners.
- e. To make and amend reasonable rules and regulations for the maintenance, conservation and use of the condominium property and for the health, comfort, safety and welfare of the unit owners.

To approve or disapprove the leasing, transfer, mortgaging, ownership and possession of the units as may be provided by the Declaration.

Title

- f. To enforce, by legal means, the provisions of the act, the Declaration, the Articles, these By-Laws and the rules and regulations for the use of the condominium property.

- h. To contract for the management and maintenance of the condominium properties and to authorize a management agent to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of assessments, preparation of records, enforcement of rules, maintenance, repair or replacement of the common elements, with funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the power and duties granted by the condominium documents and the condominium act, including, but not limited to, the making of assessments, promulgation of rules and execution of contracts on behalf of the Association.

- i. To employ personnel to perform the services required for proper operation of the condominium.

- j. To pay all taxes and assessments which are liens against any part of the condominium other than the units and the appurtenances thereto and to assess the same against the members and their respective units subject to such liens.

- k. To carry insurance for the protection of the members and the Association against casualty and liability.

- l. To pay all costs of power, water, sewer and other utility services rendered to the condominium and not billed to the owners of individual units.

5.16 Resignation of Initial Board. The Developer shall have the right to elect to withdraw its representatives prior to the time at which it is required to so withdraw them in which case the Unit Owners shall, at a special meeting of the membership, elect the members of the Board of Directors who shall serve until the next annual meeting of the Unit Owners, or until their successors are elected.

5.17 Miscellaneous Provisions. To the extent now, or from time to time hereafter permitted, by the laws of Florida, the Board of Directors may take action which it might take at a meeting of the Board without a meeting; provided, that a record of all such actions so taken, signed by each director, shall be filed and retained in the minute book of the Association. Notwithstanding anything contained in these By-Laws to the contrary, any meeting of members or of the Board of Directors may be held at any place, within or without the State of Florida, designated in the notice of any such meeting, or as may be provided by a written waiver of such notice.

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ARTICLE VI  
OFFICERS

- 6.1 Executive Officers. The executive officers of the Association shall be a President, who shall be a director, a Vice President, who shall be a director, a Treasurer, and a Secretary, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed at any meeting by concurrence of a majority of all of the Directors. A person may hold more than one office except that the President may not also be the Secretary. No person shall sign an instrument nor perform an act in the capacity of more than one office. The Board of Directors from time to time shall elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.
- 6.2 President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties that are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the members from time to time to assist in the conduct of the affairs of the Association as he in his discretion may determine appropriate.
- 6.3 Vice President. The Vice President shall exercise the powers and perform the duties of the President in the absence or disability of the President. He also shall assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.
- 6.4 Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the serving of all notices to the members and Directors and other notices required by law. He shall have custody of the seal of the Association and shall affix it to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of secretary of an association and as may be required by the Directors or the President.
- 6.5 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. He shall submit a treasurer's report to the Board of Directors at reasonable intervals and shall perform all other duties incident to the office of treasurer.
- 6.6 Compensation. No officers of the Association shall receive any compensation for his services as same. The provisions that Directors' shall not receive any fee or compensation for services as same shall not preclude the Board of Directors from employing a Director as an employee of the Association nor preclude the contracting with a Director for the management of the Condominium.
- 6.7 Initial Officers. The initial officers of the Association, who shall serve until their resignation or removal and replacement by Developer or the election of their successors, shall be those persons so named in the Articles.

ARTICLE VII  
FISCAL MANAGEMENT

- 7.0 Fiscal Management. The provisions for fiscal management of the Association are set forth in the Declaration and Articles.

However, they shall be supplemented by the following provisions:

- 7.1 Assessment Role. The assessment role shall be maintained in a set of accounting books in which there shall be an account for each unit. Such account shall designate the name and mailing address of the owner(s) and mortgagee(s) (if known) of each unit, the amount of each assessment against each owner(s) of each unit, the amount of each assessment and the due date thereof as well as all amounts paid, and the balance due upon each assessment.

Current Expense, which shall include all receipts and expenditures to be made within the year for which the budget is made, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to capital surplus or to additional improvements (or to operations). The balance in this fund at the end of each year shall be applied to reduce the assessments for current expense for the succeeding year.

b. Capital surplus for

1. Deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually.
2. Replacements, which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.
3. Betterments, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the common elements.

- 7.2 Budget. The Board shall adopt, for and in advance of, each calendar year a budget showing the estimated costs of performing all of the functions of the Association for the year. Each budget shall show the total estimated expenses of the Association for that year and shall contain an itemized breakdown of the common expenses, which shall include, without limitation, the cost of operating and maintaining the common elements and limited common elements, wages and salaries of Association employees, management, legal and accounting fees, office supplies, public utility services not metered or charged separately to units, premiums for insurance carried by the Association as well as any reserve accounts and/or funds which may be established from time to time by the Board.

- 7.2.1 Each budget shall also show the proportionate share to the total estimated expenses to be assessed against and collected from the owner(s) of each unit and the due date(s) and amounts of installments thereof. Unless changed by the Board, the fiscal year of the Association shall be the calendar year. If any budget is subsequently amended, a copy thereof shall be furnished to each effective member. Delivery of a copy of any budget or amended budget to a member shall not effect the liability of any member for any such assessment nor shall delivery of a copy of such budget or amended budget be considered as a condition precedent to the effectiveness of the budget and assessments levied thereon. Nothing herein contained shall be construed as a limitation upon any additional assessment in the event that any budget originally adopted shall appear to be insufficient to pay costs and expenses of operation and management, or in the event of emergencies.

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7.2.2

A copy of the proposed annual budget of the Association shall be mailed to the unit owners not less than thirty (30) days prior to the meeting of the Board at which the budget will be considered, together with a notice of the time and place of that meeting. Such meeting of the Board shall be open to all unit owners. If a budget is adopted by the Board which requires assessment of the unit owners in any budget year exceeding one hundred and fifteen (115%) percent of such assessments for the proceeding budget year, upon written application of ten (10%) percent of the unit owners, a special meeting of the unit owners shall be held upon not less than ten (10) days written notice to each unit owner but within thirty (30) days of delivery of such application to the Board or any member thereof, at which special meeting, unit owners may consider only and enact only a revision of the budget or recall any and all members of the Board of Directors and elect their successors. Any such revision of the budget shall require a vote of not less than two-thirds (2/3) of the whole number of votes of all unit owners. Any recall of any and all members of the Board of Directors shall require a vote of not less than a majority of the whole number of votes of all unit owners. The Board may, in any event, first propose a budget to the unit owners at any such meeting of members, or may deliver same in writing, and if such budget or proposed budget shall be approved by a majority of the whole number of votes of all unit owners, either at such meeting or as evidenced by a written consent, such budget shall not thereafter be re-examined by the unit owners in the manner hereinabove set forth nor shall any and all members of the Board be recalled under the terms hereof.

7.2.3

In determining whether assessments exceed one hundred and fifteen (115%) percent of similar assessments for the prior year, there shall be excluded in the computation all amounts set forth for reasonable reserves made by the Board in respect of repair and/or replacement of condominium or Association property or property owned by or maintained in part by the Las Verdes Property Owners Association, Inc., (the "Property Owners Association"), if its assessments are made directly to the condominium as a whole, which are not anticipated to be incurred on a regular or annual basis; and there shall be excluded from such computation, assessments for betterments for the condominium property or property owned or maintained by the Property Owners Association, if so assessed to the condominium as a whole. Provided, however, that so long as Developer is in control of the Board of Directors of the Association, the Board shall not impose an assessment for a budget year greater than one hundred and fifteen (115%) percent of the prior year's assessment without the approval of a majority of the whole number of votes of all unit owners.

7.2.4

Upon adoption of budgets, the Board shall cause a written copy thereof to be written to each unit owner. Assessments shall be made against unit owners pursuant to procedures established by the Board, and in accordance with the terms of the Declaration of Condominium and the Articles of Incorporation. Unit owners shall be liable to pay assessments not more often than monthly. Provided, however, that the lien or lien

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rights of the Association shall not be impaired by failure to comply with procedures established pursuant to these By-Laws.

- 7.2.5 If the Association shall be the designated Association for more than one condominium, notwithstanding the fact that the Association shall maintain separate books of account for each of the condominiums, all sums collected by the Association from all assessments against all units in the condominium may be commingled in a single fund, or divided into more than one fund, as determined, from time to time, by the Board of Directors.
- 7.3 Depository. The depository for the Association funds shall be such bank or banks as shall be designated from time to time by the Directors. Withdrawal of monies from such accounts as may be established in the depositories shall be only by checks signed by such persons as are authorized by the Directors.
- 7.4 Summary of Accounts. A summary of the accounts of the Association shall be prepared annually and a copy of the report shall be furnished to each member of the Association not later than April 1<sup>st</sup> of the year following the year for which the report is made.
- 7.5 Bonding. All officers or directors who control or disburse funds of the Association shall have fidelity bonds. The Association shall bear the cost of bonding as provided by Florida Statutes, §718.112(2)(L). The amount of such bond shall be as set by the Board of Directors.
- 7.6 Proviso. Until the Developer has completed sales and closings of all units in the Condominium or until Developers control of the Board of Directors is terminated, whichever shall first occur, the Board of Directors may omit from the budget all allowances for contingencies and capital surplus.

ARTICLE VIII  
ASSESSMENTS

- 8.1 Payment. Except as specified to the contrary in the Declaration or these By-Laws, funds for the payment of common expenses shall be assessed against Unit Owners in the proportions or percentage provided in the Declaration. Said assessments shall be payable monthly, in advance, without notice, and shall be due on the first day of each month, unless otherwise required by the Board. Assessments may not be made payable less frequently than monthly. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors.
- 8.2 Special Assessments. Special assessments for charges by the Association against members for other than common expenses or for common expenses for emergencies that cannot be paid from the annual assessments for common expenses shall be levied in the same manner as here and before provided for regular assessments, except that notice thereof shall be given and they shall be payable in the manner determined by the Board.
- 8.3 Audit. A certified audit of the accounts of the Association shall be made annually as directed by the Board of Directors. A copy of the audit report received as a result of the audit shall be furnished to each member of the Association not less than sixty (60) days after the end of the fiscal year of the Association. The report shall show the amounts of receipts by

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accounts and receipt classifications and shall show the amounts of receipts by expenses by accounts and expense classification including, but not limited to, the items set forth as follows:

- a. Cost for security.
- b. Professional and management fees and expenses.
- c. Taxes.
- d. Cost for recreation facilities.
- e. Expenses for refuse collection and utility services.
- f. Expenses for lawn care.
- g. Cost for building maintenance and repair.
- h. Insurance costs.
- i. Administrative and salary expenses.
- j. General reserves, maintenance reserves and depreciation reserves.

8.4 Default and Payment. In the event of a default by a unit owner in the payment of any assessment, the Association shall have all rights and remedies provided by law, including but not limited to, those provided by the Act and in the Declaration.

ARTICLE IX  
RULES OF PROCEDURE

Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meetings as well as the Board of Directors meetings when not in conflict with the Declaration, the Articles, or these By-Laws. The Board of Directors may adopt additional rules by majority vote.

ARTICLE X  
AMENDMENTS

10.0 Amendments. Except as elsewhere provided otherwise, these By-Laws may be amended in the following manner:

10.1 Proposal. An amendment or amendments to these By-Laws may be proposed by the Board of Directors of the Association acting upon a vote of the majority of the Directors, or by the members of the Association owning a majority of the units in the condominium, whether meeting as members individually or by instrument in writing signed by them. Upon any amendment or amendments to these By-Laws being proposed by the Board of Directors or members, such proposed amendment or amendments shall be transmitted to the President of the Association, or the acting chief executive officer in the absence of the President, who shall thereupon call a special meeting of the members of the Association not later than sixty (60) days from the receipt by him of the proposed amendment or amendments.

10.2 Notice. It shall be the duty of the Secretary to give each member written notice of such meeting, stating the proposed amendment or amendments in reasonably detailed form which notice shall be mailed or presented personally to each member not less than fourteen (14) days nor more than thirty (30) days before the date set for such meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States

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mail, addressed to the member at his post office address as it appears on the records of the Association with postage thereon prepaid. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver when filed in the records of the Association, whether before, during or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such member.

10.3 Resolution. At the meeting at which the amendment is to be proposed and considered, a resolution for the adoption of the proposed amendment may be made by any member of the Board of Directors of the Association, or by any member of the Association, present in person or by proxy.

10.4 Approval. Except as elsewhere provided, the approval of a resolution for the adoption of a proposed amendment to this Declaration shall require the affirmative vote of two (2) of the three (3) members of the Board of Directors of the Association, and the affirmative vote of not less than seventy-five (75%) percent of the total voting membership of the Association. Members of the Board of Directors and members of the Association not present in person or by proxy at the meeting at which the amendment is to be considered may express their approval (or disapproval) of the amendment in writing, provided that such approval is delivered to the Secretary of the Association prior to the commencement of the meeting.

10.5 Limitation. Provided, however, that no amendment shall make any change in the qualifications for membership nor in the voting rights or property rights of members without the approval in writing of all members and the joinder of all record owners of mortgage upon units. No amendment shall be made that is in conflict with the act of the Declaration, nor shall any amendment make any change which would, in any way, affect any of the rights, privileges, powers or options herein provided in favor of, or reserve to the Developer, or an affiliate of the Developer, unless the Developer shall join in the execution of the amendment.

10.6 Recording. Such an amendment or amendments of these By-Laws shall be transcribed and certified in such form as may be necessary to file the same in the office of the Association and shall be recorded in the Public Records of Palm Beach County, Florida within thirty (30) days from the date upon which the same is approved.

The foregoing were adopted as the By-Laws of SEA GRAPE CONDOMINIUM ASSOCIATION, INC., a corporation not for profit established under the Laws of the State of Florida, at the first meeting of the Board of Directors on the 26th day of NOVEMBER, 1980.

Approved:

*Charles M. ...*  
President

*Jay ...*  
Secretary

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