Palm Court Condominium

Declaration of Condominium

Articles of Incorporation

By – Laws

This document is present for the use of the Residents and Owners of

Palm Court Condominium

Coral Springs, Fla

Every effort has been made to insure accuracy, but should not be taken as a legal document, the original having been recorded with

Broward County Florida.

This copy was compiled by R. Cutcher
DECLARATION OF CONDOMINIUM

LANDA AT CORAL SPRINGS, INC., a Florida corporation (hereinafter called the "Developer"), does hereby declare as follows:

1. Introduction and Submission.

1.1 The Land. The Developer owns the fee title to certain land located in Broward County, Florida, as more particularly described as follows:

Lots 1 and 2, CORAL SPRINGS RIVERSIDE DRIVE SUBDIVISION, according to the Plat thereof, as recorded in Plat Book 64, at Page 31 of the Public Records of Broward County, Florida.

1.2 Submission statement. The Developer hereby submits the Land and all improvements erected or to be erected thereon, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, to the condominium form of ownership and use in the manner provided herein and in the Florida Condominium Act as it exists on the date hereof.

1.3 Name. The name by which this condominium is to be identified is PALM COURT, A CONDOMINIUM (hereinafter called the "Condominium").

2. Definitions. The following terms when used in this Declaration and in its exhibits, and as they may hereafter be amended, shall have the meanings ascribed to them in this Section, except where the context clearly indicates a different meaning:

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

2.2 "Articles" mean the Articles of Incorporation of the Association.

2.3 "Assessment" means a share of the funds required for the payment of Common Expenses which from time to time is assessed against the Unit Owner, and such additional sums which may be assessed directly against one or more Unit Owners (though not necessarily against other Unit Owners).

2.4 "Association" means PALM COURT CONDOMINIUM ASSOCIATION, INC., a not for profit Florida corporation, the entity responsible for the operation of the Condominium.

2.5 "Building" means the structure or structures on the Condominium Property in which the units are located, regardless of the number of such structures.

2.6 "By-Laws" mean the By-Laws of the Association.

2.7 "Common Elements" mean and include:

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

(b) Easements through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility and other services to Units and the Common Elements.

(c) An easement of support in every portion of a Unit which contributes to the support of the Building.

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

(e) Any other parts of the Condominium Property designated as

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Common Elements in this Declaration

2.8  "Common Expenses" mean all expenses incurred by the Association for or relating to the Condominium.

2.9  "Common Surplus" means the amount of all receipts of the Association, including, but not limited to, assessments, rents, profits and revenues on account of the Common Elements, in excess of the amount of Common Expenses.

2.10 "Condominium Parcel" means a Unit together with the undivided share in the Common Elements which is appurtenant to said Unit; and when the context permits, the terms includes all other appurtenances to the Unit.

2.11 "Condominium Property" means the Land and personal property that is subjected to condominium ownership under this Declaration, all improvements on the Land, and all easements and rights appurtenant thereto intended for use in connection with the Condominium.

2.12 "County" means the County of Broward, State of Florida.

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

2.14 "Improvements" means all structures, or any portion thereof, and artificial changes to the natural environment (exclusive of landscaping) located on the Condominium Property, including, but not limited to, the Building.

2.15 "Institutional First Mortgage" means a bank, savings and loan association, insurance company, real estate or mortgage investment trust, pension fund, an agency of the United States Government, mortgage banker, or any other lender generally recognized as an institutional-type lender, or the Developer, holding a first mortgage on a Unit or Units.

2.16 "Limited Common Elements" means those Common Elements the use of which are reserved to a certain unit or Units to the exclusion of other Units, as specified in this Declaration. Reference herein to Common Elements shall include also all Limited Common Elements unless the context would prohibit or it is otherwise expressly provided.

2.17 "Primary Institutional First Mortgagee" means the Institutional First Mortgagee which owns at any time Unit mortgages securing a greater aggregate indebtedness than is owed to any other institutional First Mortgagee.

2.18 "Residential unit" means a Unit intended for complete residential uses as specified in this Declaration.

2.19 "Unit" means a part of the Condominium Property which is subject to exclusive ownership.

2.20 "Unit Owner" or "Owner of a Unit" or "Owner" means the Owner of a Condominium Parcel.

3. Description of Condominium.

3.1 Identification of Units. The Land has constructed thereon the Building containing Eighty-Five (85) Residential Units. Each such Unit is identified by a separate alpha-numerical designation. The designation of each of such Units is set forth on Exhibit A attached hereto. Exhibit "A" consists of a survey of the Land, a graphic description of the Improvements located thereon, including, but not limited to, the Building in which the Units are located, and a plot plan thereof. Said Exhibit "A", together with this Declaration, is sufficient in detail to identify the Common Elements and each Unit and their relative locations and

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approximate dimensions. There shall pass with each unit as appurtenances thereto (a) an undivided share in the Common Elements and Common surplus; (b) the exclusive right to use such portion of the Common Elements as may be provided in this Declaration; (c) an exclusive easement for the use of the airspace occupied by the Unit as it exists at any particular time and as the Unit may lawfully be altered or reconstructed from time to time, provided that an easement in airspace which is vacated shall be terminated automatically; and (d) other appurtenances as may be provided in this Declaration.

3.2 Unit Boundaries. Each Unit shall include that part of the Building containing the Unit that lies within the boundaries of the Unit, which boundaries are as follows:

(a) Upper and Lower Boundaries. The upper and lower boundaries of the Unit shall be the following boundaries extended to their planar intersections with the perimetrical boundaries:

(i) **Upper Boundaries.** The horizontal plane of the unfinished lower surface of the structural ceiling of the Unit.

(ii) **Lower Boundaries** The horizontal plane of the unfinished upper surface of the concrete floor of the Unit.

(iii) **Interior Divisions.** No part of the nonstructural interior walls shall be considered a boundary of the Unit.

(b) Perimetrical Boundaries. The perimetrical boundaries of the Unit shall be the vertical planes of the unfinished interior surfaces of the walls bounding the Unit extended to their planar intersections with each other and with the upper and lower boundaries.

(c) Apertures. Where there are apertures in any boundary, including, but not limited to, windows and doors, such boundaries shall be extended to include the interior unfinished surfaces of such apertures, including all frameworks thereof. Exterior surfaces made of glass or other transparent material, and all framings and casings thereof, shall be included in the boundaries of the Unit.

(d) Exceptions. In cases not specifically covered above, and/or in any case of conflict or ambiguity, the survey of the Units set forth as Exhibit "A" hereto shall control in determining the boundaries of a Unit, except the provisions of Section 3.2(c) above shall control unless specifically reflected on such survey.

3.3 Limited Common Elements. Residential Units shall have, as Limited Common Elements appurtenant thereto, if applicable:

- **Storage Areas, Parking Spaces.** The Developer may assign to specific Units, as Limited Common Elements, designated storage areas, if any are constructed or the exclusive use of a designated Parking Space.

3.4 Easements. The following easements are hereby created (in addition to any easements created under the Act):

(a) **Support.** Each unit shall have an easement of support and of necessity and shall be subject to an easement of
support and necessity in favor of all other Units and the Common Elements.

(b) Utility and Other services, Drainage. Easements are reserved under, through and over the Condominium Property as may be required from time to time for utility, cable TV and other services and drainage in order to serve the Condominium. A Unit Owner shall do nothing within or outside his unit that interferes with or impairs, or may interfere with or impair, the provision of such utility or other services or drainage facilities or the use of these easements. The Board of Directors of the Association or its designee shall have a right of access to each unit to inspect same, to maintain, repair or replace the pipes, wires, ducts, vents, cables, conduits and other utility, service and drainage facilities, and Common Elements contained in the Unit or elsewhere in the Condominium Property, and to remove any Improvements interfering with or impairing such facilities or easements herein reserved; provided such right of access, except in the event of an emergency, shall not unreasonably interfere with the Unit Owner's permitted use of the Unit, and except in the event of an emergency, entry shall be made on not less than one (1) day's notice. Drainage systems on the Condominium Property, if any, shall be maintained continuously in good condition by the Condominium Association and easements are granted hereby over all Units in favor of all Owners and the Association with respect thereto.

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

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

(e) Construction Maintenance. The Developer (including its designees, contractors, successors and assigns) shall have the right, in its and their sole discretion from time to time, to enter the Condominium Property and take all other action necessary or convenient for the purpose of
completing the construction thereof, or any part thereof, or any improvements or Units located or to be located thereon, and for repair, replacement and maintenance purposes where the Association fails to do so, or for any other purpose, provided such activity does not prevent or unreasonably interfere, in the opinion of the Developer, with the use or enjoyment by the Unit Owners of the Condominium Property.

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

(g) Additional Easements. The Developer (so long as it owns any Units) and the Association, on their behalf and on behalf of all Unit Owners (each of whom hereby appoints the Developer and the Association irrevocably as their attorney-in-fact for this purpose), each shall have the right to grant such additional electric, drainage, gas, cable TV or other utility or service easements, or relocate any existing utility or service easements or drainage facilities (subject to applicable restrictions), in any portion of the Condominium Property, and to grant access easements or relocate any existing access easements in any portion of the Condominium Property, as the Developer or the Association shall deem necessary or desirable for the proper operation and maintenance of the Improvements, or any portion thereof, or for the general health or welfare of the Unit Owners, or for the purpose of carrying out any provisions of this Declaration or otherwise, provided that such easements or the relocation of existing easements will not prevent or unreasonably interfere with the reasonable use of the Units for dwelling purposes.
6. Amendments. Except as elsewhere provided herein, amendments may be effected as follows:

6.1 By the Association. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors of the Association or by not less than one-third (1/3) of the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided that such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, approvals must be by affirmative vote of:

(a) Unit Owners owning in excess of 50% of the Units Represented at any meeting at which a quorum has been attained and by not less than 66 2/3% of the Board of Directors of the Association; or

(b) After the time control of the Board of Directors has been turned over to unit Owners other than Developer, unit Owners owning not less than 80% of the Units represented at any meeting at which a quorum has been attained; or

(c) 100% of the Board of Directors; or

(d) Not less than 50% of the entire membership of the Board of Directors in the case of amendments to the section hereof entitled "Insurance" or other sections that are reasonably required by insurors or the Primary Institutional First Mortgagee.

6.2 By the Developer. The Developer, during the time it is in control of the Board of Directors of the Association, may amend the Declaration, the Articles of Incorporation or the By-Laws (including the rules and regulations attached thereto) of the Association to correct an omission or error, or effect any other amendment, except that this procedure for amendment cannot be used if such an amendment would, in the reasonable opinion of the Developer, materially adversely affect substantial property rights of Unit Owners, unless the affected Unit Owners consent in writing. The execution and recording of any amendment by the Developer pursuant hereto shall be conclusive evidence that the amendment does not materially adversely affect substantial property rights of Unit Owners who did not join in or consent to such execution, and any such amendment shall be effective as provided below unless subsequently rescinded.

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

6.4 Proviso. Unless otherwise provided specifically to the contrary in this Declaration, no amendment shall change the configuration or size of any Unit in any material fashion, materially alter or modify the appurtenances to any Unit, or change the percentage by which the Owner of a Unit shares the Common Expenses and owns the Common Elements and Common Surplus, unless the record Owner(s) thereof, and all record owners of mortgages or other liens thereon, shall join in the execution of the amendment. No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Developer or mortgagees of Units without the consent of said Developer and mortgagees in each
instance; nor shall an amendment make any change in the sections hereof entitled "Insurance", "Reconstruction or Repair After Casualty", or "Condemnation", unless the Primary Institutional First Mortgagee shall consent to the amendment. The provisions of this Section 6.4 may not be amended in any manner.

7. Maintenance and Repairs.

7.1 Units. All maintenance, repairs and replacements in or to any unit and Limited Common Elements appurtenant thereto, whether structural or non-structural, ordinary or extraordinary, including, without limitation, maintenance, repair and replacement of screens, windows, the interior side of the entrance door and all other doors within or affording access to a Unit, and the electrical (including wiring), plumbing (including fixtures and connections), heating and air conditioning equipment, fixtures and outlets, appliances, carpets and other floor covering, all interior surfaces and the entire interior of the Unit or the Limited Common Elements or other property belonging to the Unit Owner, shall be performed by the Owner of such Unit at the Unit Owner's sole cost and expense, except as otherwise expressly provided to the contrary herein.

7.2 Common Elements. Except to the extent (i) expressly provided to the contrary herein, or (ii) proceeds of insurance are made available therefor, all maintenance, repairs and replacements in or to the Common Elements (other than Limited Common Elements as provided above) shall be performed by the Association and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense, except to the extent arising from or necessitated by the negligence or misuse of specific Unit Owners in the opinion of the Board, in which case such cost and expense shall be paid solely by such Unit Owners.

7.3 Specific Unit Owner Responsibility The obligation to maintain and repair the following specific items shall be the responsibility of the Unit Owners, individually, and not the Association, without regard to whether such items are included within the boundaries of the Units, are Limited Common Elements or are Common Elements other than Limited Common Elements.

Assigned storage areas, if any;

8. Additions Alterations or Improvements by the Association. Wherever in the judgment of the Board of Directors, the Common Elements, or any part thereof, shall require capital additions, alterations or improvements (as distinguished from repairs and replacements) costing in excess of $10,000 in the aggregate in any calendar year, the Association may proceed with such additions, alterations or improvements only if the making of such additions, alterations or improvements shall have been approved by a majority of the Units represented at a meeting at which a quorum is attained. Any such additions, alterations or improvements to such Common Elements, or any part thereof, costing in the aggregate of $10,000 or less in a calendar year may be made by the Association without approval of the Unit Owners. The cost and expense of any such additions, alterations or improvements to such Common Elements shall constitute a part of the Common Expenses and shall be assessed to the Unit Owners as Common Expenses.

9. Additions Alterations or Improvements by Unit Owners.

9.1 Consent of the Board of Directors. No Unit Owner shall make any addition, alteration or improvement in or to the Common Elements, or to any Limited Common Element, without the prior written consent of the Board of Directors. The Board shall have the obligation to answer any written request by a unit Owner for approval of such an addition, alteration or improvement in such Unit Owner's Limited Common Elements within thirty (30) days after such request and all additional information requested is received, and the failure to so answer within, the stipulated time shall constitute the Board's consent, provided that during such period, the Board
shall have the absolute right, with or without cause, to reject any such request. The proposed additions, alterations and improvements by the Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction, and with any conditions imposed by the Association with respect to design, structural integrity, aesthetic appeal, construction details, lien protection or otherwise. Once approved by the Board, such approval may not be revoked thereafter. A Unit Owner making or causing to be made any such additions, alterations or improvements agrees, and shall be deemed to have agreed, for such Owner, and his heirs, personal representatives, successors and assigns, as appropriate, to hold the Association and all other Unit Owners harmless from any liability or damage to the Condominium Property and expenses arising therefrom, and shall be solely responsible for the maintenance, repair and insurance thereof from and after that date of installation or construction thereof as may be required by the Association. If the Owner fails to construct the addition, alteration or improvement in the manner approved, the Owner shall be obligated to make all corrections necessary, and if such Owner fails to do so, the Association, upon notice to the Owner, may make such corrections and impose on such Owner a special assessment in the amount of the cost of such correction and an administrative charge of 10%. The Board may appoint an Architectural Control Committee to assume the foregoing functions on behalf of the Board.

9.2 Additions Alterations or Improvements by Developer. The foregoing restrictions of this Section 9 shall not apply to Developer owned Units. The Developer shall have the additional right, without the consent or approval of the Board of Directors or other Unit Owners, to make alterations, additions or improvements, structural and non-structural, interior and exterior, ordinary and extraordinary, in, to and upon any Unit owned by it and/or the Common Elements (including, without limitation, the removal of walls, floors, ceiling and other structural portions of the Improvement).

10. Changes in Developer Owned Units. Without limiting the generality of the provisions of Paragraph 9.2 above, the Developer shall have the specific right, without the vote or consent of the Association or Unit Owners, to (i) make alterations, additions or improvements in, to and upon Units owned by the Developer, whether structural or non-structural, interior or exterior, ordinary or extraordinary; (ii) change the layout or number of rooms in any Developer owned Units; (iii) change the size and/or number of Developer owned Units into two or more separate Units, combining separate Developer owned units (including those resulting from such subdivision or otherwise) into one or more Units, or otherwise; and (iv) reapportion among the Developer owned Units so affected by such change in size or number their appurtenant interests in the Common Elements and shares of the Common Surplus and Common Expenses, provided, however, that the percentage interest in the Common Elements and share of the Common Surplus and Common Expenses of any Units (other than Developer owned Units) shall not be changed by reason thereof unless the Owners of such Units shall consent thereto and, provided further, that Developer shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction in so doing. In making the above alterations, additions and improvements the Developer may relocate and alter Common Elements adjacent to or affected by such Units, provided that such relocation or alteration does not materially adversely affect the market value (in the Developer’s opinion) or ordinary use of Units owned by unit Owners other than the Developer. Any amendments to this Declaration required by actions taken pursuant to this Paragraph 10 may be effected by the Developer alone. Without limiting the generality of Section 6.4 hereof, the provisions of this Section may not be added to, amended or deleted without the prior written consent of the Developer.

11. Operation of the Condominium by the Association: Powers and Duties. 11.1 Power and Duties. The Association shall be the entity responsible for the operation of the Condominium. The powers and duties of the Association shall include those set forth in the By-Laws and Articles.
(respectively, Exhibits "C" and "D" attached hereto), as amended from time to time. In addition, the Association shall have all the powers and duties set forth in the Act, as well as all powers and duties granted to, or imposed upon it by this Declaration, including, without limitation:

(a) The irrevocable right to have access to each Unit from time to time during reasonable hours to the extent deemed necessary for the maintenance, repair or replacement of any Common Elements therein, or at any time and by force, if necessary, for making emergency repairs therein deemed necessary to prevent damage to the Common Elements or to any other Unit or Units, or for determining compliance with the terms and provisions of this Declaration, the exhibits attached hereto and the rules and regulations adopted pursuant to such documents, all as the same may be amended from time to time.

(b) The power to make and collect assessments and other charges against Unit Owners and to lease, maintain repair and replace the Common elements.

c) The duty to maintain accounting records according to accounting practices normally used by similar associations, which shall be open to inspection by Unit Owners or their authorized representatives at reasonable times.

d) To contract for the management and maintenance of the Condominium Property and to authorize a management agent (who may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by collection of assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the Common Elements with such 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.

e) The power to borrow money, execute promissory notes and other evidences of indebtedness and to give as security therefor mortgages and security interests in property owned by the Association, provided that such actions are approved by a majority of the entire membership of the Board of Directors and of the Units represented at a meeting at which a quorum has been attained, or by such greater percentage of the Board or Unit Owners as may be specified in the By-Laws with respect to certain borrowing, provided further that no such action shall, be permitted while the Developer owns any Units without the prior written consent of the Developer.

(f) Subsequent to the recording of this Declaration, the Association, when authorized by a majority of the Units represented at a meeting at which a quorum has been attained, shall have the power to acquire, and enter into agreements for the acquisition of fee interests, leaseholds, memberships and other possessory or use interests in lands or facilities, including, but not limited to, country clubs, golf courses, marinas and other recreational facilities, whether or not contiguous to the lands of the Condominium, intended to provide for the use
or benefit of the Unit Owners (whether or not on an exclusive basis). The expenses of ownership (including the expense of making and carrying any mortgage related to such ownership), rental, membership fees, operation, replacements and other expenses and undertakings in connection therewith shall be Common Expenses. No actions authorized here under, however, may be taken as long as the Developer owns any Units without the prior written consent of the Developer.

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

(h) All of the powers which a corporation not for profit in the State of Florida may exercise.

In the event of any conflict, the Declaration shall take precedence over the Articles of Incorporation, By-laws and applicable rules and regulations; the Articles shall take precedence over the By-Laws and applicable rules and regulations; and the By-Laws shall take precedence over applicable rules and regulations, all as amended from time to time.

11.1 Limitation Upon Liability of Association. Notwithstanding the duty of the Association to maintain and repair parts of the Condominium Property, the Association shall not be liable to Unit Owners for injury or damage, other than for the cost of maintenance and repair, caused by any latent condition of the Condominium Property.

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

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

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

12. Determination of Common Expenses and Fixing of Assessments Therefor. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Condominium, determine the amount of assessments payable by the Unit Owners to meet the Common Expenses of the Condominium and allocate and assess such expenses among the unit Owners in accordance with the provisions of this Declaration and the By-Laws. The Board of Directors shall advise all unit Owners promptly in writing of the amount of the assessments payable by each of them as determined by the Board of Directors as aforesaid, and shall furnish copies of each budget, on which such assessments are based, to all Unit Owners and (if requested in writing) to their respective mortgagees. The Common Expenses shall include the
expenses of and reserves for (if required by law) the operation, maintenance, repair and replacement of the Common Elements, costs of carrying out the powers and duties of the Association and any other expenses designated as Common expenses by the Act, this Declaration, the Articles or By-Laws of the Association, applicable rules and regulations or by the Association. Working capital contributions may be used to reimburse the Developer for start-up expenses, to fund deficits prior to the time the Developer must begin to fund such deficits in accordance with the provisions of Section 13.5 hereof or otherwise as the Board shall determine from time to time and need not be restricted or accumulated. Any Budget adopted shall be subject to change to cover actual expenses at any time. Any such change shall be adopted consistent with the provisions of the By-Laws.


13.1 Liability for Assessments. A Unit Owner, regardless of how title is acquired, including a purchaser at a judicial sale, shall be liable for all assessments coming due while he is the Unit Owner. In a voluntary conveyance, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor for his share of the Common Expenses or otherwise up to the time of the conveyance, without prejudice to any right the grantee may have to recover from the grantor the amounts paid by the grantee. The liability for assessments may not be avoided by waiver of the use or enjoyment of any Common Elements or by the abandonment of the Unit against which the assessments are made or otherwise.

13.2 Default in Payment of Assessments. Assessments and installments thereof not paid within ten (10) days from the date when they are due shall bear interest at the highest lawful rate from the due date until paid. The Association has a lien on each Condominium Parcel for any unpaid assessments on such Parcel, with interest and for reasonable attorney's fees and costs incurred by the Association incident to the collection of the assessments or enforcement of the lien. The lien is effective from and after recording a claim of lien in the Public Records of the County, stating the description of the Condominium Parcel, the name of the record Owner, the amount(s) due and the due date(s). The lien is in effect until all sums secured by it have been fully paid or until barred by law. The claim of lien includes only assessments which are due when the claim is recorded, together with such other sums specified herein. A claim of lien shall be signed and acknowledged by an officer or agent of the Association. Upon payment, the person making the payment is entitled to a satisfaction of the lien. The Association may bring an action in its name to foreclose a lien for unpaid assessments in the manner a mortgage of real property is foreclosed and may also bring an action at law to recover a money judgment for the unpaid assessments without waiving any claim of lien.

13.3 Appointment of Receiver to Collect Rental. If the Unit Owner remains in possession of the Unit and the claim of lien is foreclosed, the court, in its discretion, may require the Unit Owner to pay a reasonable rental for the Unit and the Association is entitled to the appointment of a receiver to collect the rent.

13.4 Institutional First Mortgage. In the event an Institutional First Mortgagee shall obtain title to the Unit as a result of foreclosure of its mortgage, or as a result of a deed given in lieu of foreclosure, such Institutional First Mortgagee, its successors and assigns, shall not be liable for the share of Common Expenses or Assessments or other charges imposed by the Association pertaining to such Condominium Parcel or chargeable to the former Unit Owner of such Condominium Parcel which became due prior to acquisition of title as a result of the foreclosure or the acceptance of such deed in lieu, unless such share is secured by a claim of lien that is recorded prior to the recording of the foreclosed mortgage. Such unpaid share of Common Expenses or assessments or other charges shall be deemed to be Common Expenses collectible from all of the Unit Owners, including such acquirer, and such acquirer's successors and assigns.
13.5 Developer's Liability for Assessments. The Developer shall be excused from the payment of the share of the Common Expenses and assessments relating to Units it is offering for sale, for a period beginning with the recording of this Declaration and ending the first day of the fourth calendar month following the month in which the closing of the purchase and sale of the first Unit occurs. However, the Developer must pay the portion of Common Expenses incurred during that period which exceed the amount assessed against other Unit Owners (including, but not limited to, however, capital contributions).

During the period from the first day of the fourth calendar month following the month in which the closing of the purchase and sale of the first Unit occurs, until the earlier of the date control of the Association is turned over to Unit Owners other than the Developer, or one (1) year after the date of closing of the first Unit in the Condominium (the "Guarantee Expiration Date"), the Developer shall not be obligated to pay the share of the Common Expenses and assessments attributable to Units it is offering for sale, provided that the regular monthly assessments for Common Expenses (exclusive of special assessments) imposed on each Unit Owner other than the Developer shall not increase during such period over the amount set opposite such Unit's alpha-numerical designation in the Estimated Operating Budget contained in the Prospectus delivered to such Unit Owner when such Owner contracted to purchase the unit, if applicable, and provided further that the Developer shall be obligated to pay any amount of Common Expenses actually incurred during such period and not produced by the assessments at the guaranteed level, capital contributions and other sums receivable from Unit Owners or others.

13.6 Possession of Unit. Any person who acquires an interest in a unit, except Institutional First Mortgagees through foreclosure of a first mortgage of records (ordeed in lieu thereof), unless a claim of lien was filed by the Association prior to the recording of the applicable mortgage, including without limitation, persons acquiring title by operation of law, shall not be entitled to occupancy of the Unit or enjoyment of the Common Elements until such time as all unpaid assessments and other charges due and payable from the former Owner, if any, have been paid.

13.7 Certificate of Unpaid Assessments. Any Unit Owner has the right to require from the Association a certificate showing the amount of unpaid assessments against him with respect to his Unit.

13.8 Installments. Regular assessments may be collected monthly or quarterly, in advance, at the option of the Association from time to time.

14. Insurance. Insurance covering portions of the Condominium Property shall be governed by the following provisions:

14.1 Purchase Custody and Payment.

(a) Purchase. All insurance policies described herein covering portions of the Condominium Property shall be purchased by the Association and shall be issued by an insurance company authorized to do business in Florida.

(b) Approval. Each insurance policy, the agency and company issuing the policy and the Insurance Trustee hereinafter described shall be subject to the approval of the Primary Institutional First Mortgage in the first instance.

(c) Named Insured. The named insured shall be the Association, individually, and as agent for Owners of Units covered by the policy, without naming them, and as agent for their mortgagees, without naming them. The Unit Owners and their mortgagees shall be deemed
additional insureds.

(d) Custody of Policies and Payment of Proceeds. All policies shall provide that payments for losses made by the insurer shall be paid to the insurance Trustee, and all policies and endorsements thereto shall be deposited with the Insurance Trustee.

(e) Copies to Mortgagees. One copy of each insurance policy, or a certificate evidencing such policy, and all endorsements thereto, shall be furnished by the Association upon request to each Institutional First Mortgagee who holds a mortgage upon a Unit covered by the policy. Copies or certificates also shall be furnished, upon request, not less than ten (10) days prior to the beginning of the term of the policy, or not less than ten (20) days prior to the expiration of each preceding policy that is being renewed or replaced, as appropriate.

(f) Personal Property and Liability. Unit Owners may obtain insurance coverage at their own expense and at their own discretion upon the property lying within the boundaries of their Unit, including, but not limited to, their personal property, and for their personal liability and living expense and for any other risks not otherwise insured in accordance herewith.

14.2 Coverage. The Association shall maintain insurance covering the following:

(a) Casualty. The Building (including all fixtures, installations or additions comprising that part of the Building within the boundaries of the Units initially installed, or replacements thereof, in accordance with the original plans and specifications therefor, but excluding all furniture, furnishings or other personal property owned, supplied or installed by Unit Owners or tenants of Unit Owners) and all improvements located on the Common Elements from time to time, together with all service machinery contained therein (collectively, the "Insured Property"), shall be insured in an amount not less than 100% of the full insurable replacement value thereof, excluding foundation and excavation costs. Such policies may contain reasonable deductible provisions as determined by the Board of Directors of the Association. Such coverage shall afford protection against:

   (i) Loss or Damage by Fire and Other Hazards covered by a standard extended coverage endorsement; and

   (ii) Such Other Risks as from time to time are customarily covered with respect to buildings and improvements similar to the Insured Property in construction, location and use, including, but not limited to, vandalism and malicious mischief.

(b) Liability. Comprehensive general public liability and automobile liability insurance covering loss or damage resulting from accidents or occurrences on or about or in connection with the Insured Property or adjoining driveways and walkways, or any work, matters or things related to the Insured Property, with such coverage as shall be required by the Board of Directors of the Association, but with combined single limit liability of not less than $300,000 for each accident or occurrence, $100,000 per person and $50,000 property damage, and with
a cross liability endorsement to cover liabilities of the Unit Owners as a group to any Unit Owner, and vice versa.

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

(d) Flood Insurance, if required by the Primary Institutional First Mortgagee or if the Association so elects.

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

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

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

14.3 Additional Provisions. All policies of physical damage insurance shall provide that such policies may not be canceled or substantially modified without at least thirty (30) days prior written notice to all of the named insureds, including all mortgagees of Units. Prior to obtaining any policy of casualty insurance or any renewal thereof, the Board of Directors shall obtain an appraisal from a fire insurance company, or other competent appraiser, of the full insurable replacement value of the Insured Property (exclusive of foundations), without deduction for depreciation, for the purpose of determining the amount of insurance to be effect pursuant to this Section.

14.4 Premiums. Premium for insurance policies purchased by the Association shall be paid by the Association as a Common Expense, except that the amount of increase in the premium occasioned by misuse, occupancy or abandonment of any one or more Units or their appurtenances or of the Common Elements by particular Unit Owners shall be assessed against and paid by such Owners. Premiums may be financed in such manner as the Board of Directors deems appropriate.

14.5 Insurance Trustee: Share of Proceeds. All insurance policies obtained by the Association shall be for the benefit of the Association, the Unit Owners and their mortgagees, as their respective interests may appear, and shall provide that all proceeds covering property losses shall be paid to the Insurance Trustee which may be designated by the Board of Directors and which, if so appointed, shall be a bank, or trust company in Florida with trust powers, with its principal place of business in the State of Florida. The Insurance Trustee shall not be liable for payment of premiums, nor for the renewal or the sufficiency of policies, nor for the failure to collect any insurance proceeds. The duty of the Insurance Trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purposes elsewhere stated herein, and for the benefit of the Unit Owners and their respective mortgagees in the following shares, but which shares need not be set forth on the records of the Insurance Trustee:

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

(b) **Optional Property**. Proceeds on account of damage solely to Units and/or certain portions or all of the contents thereof not included in the Insured Property (all as determined by the Association in its sole discretion) (collectively the "Optional Property"), if any is collected by reason of optional insurance which the Association elects to carry thereon (as contemplated herein), shall be held for the benefit of the Owners of Units or other portions of the Optional Property damaged in proportion to the cost of repairing the damage suffered by each such affected Owner, which cost and allocation shall be determined in the sole discretion of the Association.

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

14.6 **Distribution of Proceeds**. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the beneficial earners thereof in the following manner:

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

(b) Reconstruction or Repair. If the damaged property for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided herein. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners thereof, remittances to Unit Owners and their mortgagees being payable jointly to them.

(c) Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damaged property for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be allocated among the beneficial owners as provided in Section 14.5 above, and distributed first to all Institutional First Mortgagees in an amount sufficient to pay off their mortgages, and the balance, if any, to the beneficial owners.

(d) Certificate. In making distributions to Unit Owners and their mortgagees, the Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary as to the names of the Unit Owners and their mortgagees and their respective shares of the distribution.

14.7 **Association as Agent**. The Association is hereby irrevocably appointed as agent and attorney-in-fact for each Unit Owner and for each
owner of a mortgage or other lien upon a Unit and for each owner of any
other interest in the Condominium Property to adjust all claims arising
under insurance policies purchased by the Association and to execute and
deliver releases upon the payment of such claims.

14.8 Unit Owners Personal Coverage. Unless the Association
elects otherwise, the insurance purchased by the Association shall not
cover claims against an Owner due to accidents occurring within his Unit,
nor casualty or theft loss to the contents of an Owner's Unit. It shall be
the obligation of the individual unit Owner, if such Owner so desires, to
purchase and pay for insurance as to all such and other risks not covered
by insurance carried by the Association.

14.9 Benefit of Mortgagees. Certain provisions in this Section 14
entitled "Insurance" are for the Benefit of mortgagees of Units and may be
enforced by such mortgagees.

14.10 Insurance Trustee. The Board of Directors of the
Association shall have the option in its sole discretion of appointing an
Insurance Trustee here under. If the Association fails or elects not to
appoint such Trustee, the Association will perform directly all
obligations imposed upon such Trustee by this Declaration. Fees and
expenses of any Insurance Trustee are Cannon Expenses.

15. Reconstruction or Repair After Fire or Other Casualty.

15.1 Determination to Reconstruct or Repair. In the event of damage
to or destruction of the Insured Property (and the Optional Property, if
insurance has been obtained by the Association with respect thereto) as a
result of fire or other casualty [unless 75% or more of the Insured
Property (and the Optional property, if insurance has been obtained by the
Association with respect thereto) is destroyed or substantially damaged
and unless Unit Owners owning 80% or more of the applicable interests in
the Common Elements elect not to proceed with repairs or restoration and
the Primary Institutional First Mortgagee approves such election], the
Board of Directors shall arrange for the prompt repair and restoration of
the Insured Property (and the Optional Property, if insurance has been
obtained by the Association with respect thereto) and the Insurance
Trustee shall disburse the proceeds of all insurance policies to the
contractors engaged in such repair and restoration in appropriate progress
payments under procedures it adopts. If 75% or more of the insured
Property (and the Optional Property, if insurance has been obtained by the
Association with respect thereto) is substantially damaged or destroyed
and if unit Owners owning 80% of the applicable interests in the Common
Elements duly and promptly resolve not to proceed with the repair or
restoration thereof and the Primary Institutional First Mortgagee approves
such resolution, the Condominium Property will not be repaired and shall
be subject to an action for partition instituted by the Association, any
Unit Owner, mortgagee or lienor, as if the Condominium Property were owned
in common, in which event the net proceeds of insurance resulting from
such damage or destruction shall be divided among all the Unit Owners in
proportion to their respective interests in the Common Elements (with
respect to proceeds held for damage to the Insured Property lying within
the boundaries of the Unit), and among affected Unit Owners in proportion
to the damage suffered by each such affected Unit Owner, as determined in
the sole discretion of the Association (with respect to proceeds held for
damage to the Optional Property, if any, and/or that portion of the
Insured Property lying within the boundaries of the Unit); provided,
however, that no payment shall be made to a Unit Owner until there has
first been paid off out of his share of such fund all mortgages and liens
on his Unit in the order of priority of such mortgages and liens.

Whenever in this Section the words "promptly repair" or similar
words are used, they shall mean that repairs are to begin not more than
sixty (60) days from the date the Insurance Trustee notifies the Board of
Directors and Unit Owners that it holds proceeds of insurance on account
of such damage or
destruction sufficient to pay the estimated cost of such work, or not more than ninety (90) days after the Insurance Trustee notifies the Board of Directors and the Unit Owners that such proceeds of insurance are insufficient to pay the estimated costs of such work. The Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary to determine whether or not the damaged property is to be reconstructed or repaired.

15.2 Plans and Specifications. Any reconstruction or repair must be made substantially in accordance with the plans and specifications for the original Improvements; or if not, then in accordance with the plans and specifications approved by the Board of Directors of the Association, and if the damaged property which is to be altered is the Building or the Optional Property, by the Owners of not less than 80% of the applicable interests in the Common Elements, as well as the Owners of all Units and other portions of the Optional property (and their respective mortgagees).

15.3 Special Responsibility. If the damage is only to those parts of the Optional Property for which the responsibility of maintenance and repair is that of the respective Unit Owners, then the Unit Owners shall be responsible for all necessary reconstruction and repair, which shall be effected promptly and in accordance with guidelines established by the Board (unless insurance proceeds are held by the Association with respect thereto by reason of the purchase of optional insurance thereon, in which case the Association shall have the responsibility to reconstruct and repair the damaged Optional property, provided the respective Unit Owners shall be individually responsible for any amount by which the cost of such repair or reconstruction exceeds the insurance proceeds held for such repair or reconstruction on a Unit by Unit basis, as determined in the sole discretion of the Association). In all other instances, the responsibility for all necessary reconstruction and repair shall be that of the Association.

15.4 Estimate of Costs. Immediately after a determination is made to rebuild or repair damage to property for which the Association has the responsibility of reconstruction and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair.

15.5 Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair to be effected by the Association, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs of reconstruction and repair are insufficient, assessments shall be made against the Unit Owners in sufficient amounts to provide funds for the payment of such costs. Such assessments on account of damage to the insured property shall be made in proportion to all of the Owners' respective shares in the Common Elements, and on account of damage to the Optional property (whether or not insured by the Association), in proportion to the cost of repairing the damage suffered by each Owner thereof, as determined by the Association.

15.6 Construction Funds. The funds for payment of the costs of reconstruction and repair, which shall consist of proceeds of insurance held by the Insurance Trustee and funds collected by the Association from assessments against Unit Owners, shall be disbursed in payment of such costs in the following manner:

(a) Association. If the total assessments made by the Association in order to provide funds for payment of the costs of reconstruction and repair which are the responsibility of the Association are more than $100,000, then the sums paid upon such assessments shall be deposited by the Association with the Insurance Trustee. In all other cases, the Association shall hold the sums paid upon such assessments and disburse the same in payment of the costs of reconstruction and repair.
(b) Disbursement. The proceeds of insurance collected on account of a casualty, and the sums collected from Unit Owners on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner and order:

(i) **Association - Lesser Damage.** If the amount of the estimated costs of reconstruction and repair which are the responsibility of the Association is less than $100,000, then the construction fund shall be disbursed in payment of such costs upon the order of the Board of Directors of the Association; provided, however, that upon request made to the Insurance Trustee by an Institutional First 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 provided below for the reconstruction and repair of major damage.

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

(iii) **Unit Owners.** If there is a balance of insurance proceeds after payment of all costs of reconstruction and repair that is the responsibility of the Association, such balance may be used by the Association to effect repairs to the Optional Property (if not insured or if under-insured), or may be distributed to Owners of the Optional Property who have the responsibility for reconstruction and repair thereof. The distribution shall be made in the same proportion that the estimated cost of reconstruction and repair of such damage to each affected Unit Owner bears to the total of such estimated costs to all affected Unit Owners, as determined by the Board; provided, however, that no unit Owner shall be paid an amount in excess of the estimated costs of repair for his portion of the Optional Property. All proceeds must be used to effect repairs to the Optional Property, and if insufficient to complete such repairs, the Owners shall pay the deficit with respect to their portion of the Optional Property and promptly effect the repairs in the manner elsewhere herein contemplated. Any balance remaining after such repairs have been effected shall be distributed to the affected unit Owners and their mortgagees jointly as elsewhere herein contemplated.

(iv) **Surplus.** It shall be presumed that the first monies disbursed in payment of the costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs relating to 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 that part of a distribution to an Owner which is not in excess of assessments paid by such Owner into the construction fund shall not be made payable jointly to any mortgagee.

(v) Certificate. Notwithstanding the provisions hereof, the Insurance Trustee shall not be required to determine whether or not sums paid by Unit Owners upon assessments shall be deposited with the Association with the Insurance Trustee, nor to determine whether the disbursements from the construction fund are to be made upon the order of the Association alone or upon the additional approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund, nor to determine whether surplus funds to be distributed are less than the Assessments paid by Owners, nor to determine the payees or the amounts to be paid. The Insurance Trustee may rely upon a certificate of the Association, made by its President and Secretary, as to any or all of such matters and stating that the sums to be paid are due and properly payable, and stating the names of the payees and the amounts to be paid.

15.7 Benefit of Mortgagees. Certain provisions in this Section 15 are for the benefit of mortgagees of Units and may be enforced by any of them.


16.1 Deposit of awards with Insurance Trustee. The taking of portions of the Condominium Property by the exercise of the power of eminent domain shall be deemed to be a casualty, and the awards for that taking shall be deemed to be proceeds from insurance on account of the casualty and shall be deposited with the Insurance Trustee. Even though the awards may be payable to Unit Owners, the Unit Owners shall deposit the awards with the Insurance Trustee; and in the event of failure to do so, in the discretion of the Board of Directors of the Association, a special assessment shall be made against a defaulting Unit Owner in the amount of his award, or the amount of that award shall be set off against the sums here after made payable to that Owner.

16.2 Determination Whether, to Continue The Condominium. Whether the Condominium will be continued after condemnation will be determined in the manner provided for determining whether damaged property will be reconstructed and repaired after casualty. For this purpose, the taking by eminent domain shall also be deemed to be a casualty.

16.3 Disbursement of Funds. If the Condominium is terminated after condemnation, the proceeds of the awards and special assessments will be deemed to be insurance proceeds and shall be owned and distributed in the manner provided with respect to the ownership and distribution of insurance proceeds if the Condominium is terminated after a casualty. If the Condominium is not terminated after condemnation, the size of the Condominium will be reduced and the property damaged by the taking will be made useable in the manner provided below. The proceeds of the awards and special assessments shall be used for these purposes and shall be disbursed in the manner provided for disbursement of funds by the Insurance Trustee after a casualty, or as elsewhere in this Section 16 specifically provided.

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

(a) Restoration of Unit. The Unit shall be made habitable. If the cost of the restoration exceeds the amount of the award, the additional funds required shall be assessed against the Owner of the Unit.

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

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

(i) add the total of all percentages of all Units after reduction as aforesaid (the "Remaining Percentage Balance"), and

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

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

16.5 Unit Made Uninhabitable. If the taking is of the entire Unit or so reduces the size of a Unit that it cannot be made habitable (in the sole opinion of the Association), the award for the taking of the Unit shall be used for the following purposes in the order stated and the following changes shall be made to the Condominium:

(a) Payment of Award. The awards shall be paid first to the applicable Institutional First Mortgagees in amounts sufficient to payoff their mortgages in connection with each Unit which is not so habitable; second, to the Association for any due and unpaid assessments; third, jointly to the affected unit Owners and other mortgagees of their units. In no event shall the total of such distributions in respect of a specific Unit exceed the appraised value of such Unit immediately prior to the taking as determined by the applicable trier of fact or as agreed upon between the parties. The balance, if any, shall be applied to repairing and replacing the Common Elements.

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

(c) Adjustment of shares. The shares in the Common Elements, Common Expenses and Common Surplus appurtenant to the Units that continue as part of the Condominium shall be adjusted to distribute the shares in the Common Elements, Common Expenses and Common Surplus among the reduced number of unit owners (and among reduced units). This shall be effected by restating the shares of continuing Unit Owners as follows:

(i) add the total of all percentages of all Units of continuing Owners prior to this adjustment, but after any adjustments made necessary by subsection 16.4(c) hereof (the "Percentage Balance"); and

(ii) divide the percentage of each Unit of a continuing Owner prior to this adjustment, but after any adjustments made necessary by subsection 16.4(c) hereof, by the Percentage Balance.

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

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

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

16.6 Taking of Common Elements. Awards for the taking of Common Elements shall be used to render the remaining portion of the Common Elements useable in the manner approved by the Board of Directors of the Association; provided that if the cost of such work shall exceed the balance of the funds from the awards for the taking, the work shall be approved in the manner elsewhere required for capital improvements to the Common Elements. The balance of the awards for the taking of Common
Elements, if any, shall be distributed to the Unit Owners in the shares in which they own the Common Elements after adjustments to these shares effected pursuant hereto by reason of the taking. If there is a mortgage on a Unit, the distribution shall be paid jointly to the Owner and the mortgagees of the Unit.

16.7 Discretion of Board. In circumstances not covered by this Declaration or by law, a 2/3rds majority of the Board may, upon an opinion that its decision is reasonable, deal with the condemnation in such reasonable manner as it determines to be appropriate under the circumstances.

16.8 Amendment of Declaration. The changes in Units, in the Common Elements and in the ownership of the Common Elements and share in the Common Expenses and Common Surplus that are affected by the taking shall be evidenced by an amendment to this Declaration of Condominium that is only required to be approved by, and executed upon the direction of, a majority of all Directors of the Association.

17. Occupancy and Use Restrictions. In order to provide for congenial occupancy of the Condominium Property and for the protection of the values of the units, the use of the Condominium Property shall be restricted to and shall be in accordance with the following provisions:

17.1 Occupancy. Each Residential unit shall be used as a residence only, except as otherwise herein expressly provided. A Unit owned by an individual, corporation, partnership, trust or other fiduciary may only be occupied by the following persons, and such persons' families and guests: (i) the individual Unit Owner, (ii) an officer, director, stockholder or employee of such corporation, (iii) a partner or employee of such partnership, (iv) the fiduciary or beneficiary of such fiduciary, or (v) permitted occupants under an approved lease or sublease of the Unit (as described below), as the case may be. Occupants of an approved leased or subleased Unit must be the following persons, and such persons' families and guests: (i) an individual lessee or sublessee, (ii) an officer, director, stockholder or employee of a corporate lessee or sublessee, (iii) a partner or employee of a partnership lessee or sublessee, or (iv) a fiduciary or beneficiary of a fiduciary lessee or sublessee. "Families" or words of similar import used herein shall be deemed to include spouses, parents, parents-in-law, brothers, sisters, children and grandchildren or two (2) single people. The Board of Directors shall have the power to authorize occupancy of a Unit by persons in addition to those set forth above. Without limiting the generality of section 17.1 hereof, the provisions of this Section 17.1 shall not be applicable to units used by the Developer for model apartments, sales offices, management services or otherwise.

17.2 Children. Children shall be permitted to reside in Units, except for leases, in which instances, children under 14 shall not be permitted.

17.3 Pets. No Unit Owner may maintain any pets or animals in a Unit without the prior written consent of the Board. Consent, if given, may be revoked at any time without cause. No tenants, guests or invitees of an Owner shall be permitted to bring animals of any kind on the Condominium Property. Consent to keep a pet shall expire when the pet dies or is no longer kept by the Owner. The existing rules and regulations do permit original unit owners to have one small pet as is more clearly set forth therein. No animal shall be allowed to commit a nuisance in any public portion of the Condominium Property. The term "pet" shall be limited to a dog, cat or small domestic bird. A pet (particularly a dog) must be carried at all times in the Building and must be leashed. Dogs may not be kept in Limited Common Elements when the Owner is not in the Unit. Without limiting the generality of Section 19 hereof, violation of the provisions of this paragraph shall entitle the Association to all of its rights and remedies, including, but not limited to, the right to fine
Unit Owners (as provided in any applicable rules and regulations and/or to require any pet permanently removed from the Condominium Property upon (3) days notice.

17.4 Alteration Without limiting the generality of Section 9.1 hereof, no unit Owner shall cause or allow improvements or changes of any kind to any Limited Common Elements or Common Elements, including, but not limited to, painting or other decorating of any nature, installing any electrical wiring, television antenna, machinery or air-conditioning units or in any manner changing the appearance of the building without obtaining the prior written consent of the Association (in the manner specified in Section 9.1 hereof).

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

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

17.7 No improper Uses. No improper, offensive, hazardous or unlawful use shall be made of the Condominium Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereover shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereover, relating to any portion of the Condominium Property, shall be corrected by, and at the sole expense of, the party obligated to maintain or repair such portion of the Condominium Property, as elsewhere herein set forth.

17.8 Leases. No portion of a Unit (other than an entire Unit) may be rented. All leases shall be on forms approved by the Association and shall provide that the Association shall have the right to terminate the lease upon default by the tenant in observing any of the provisions of this Declaration, the Articles of Incorporation and By-Laws of the Association, applicable rules and regulations, or other applicable provisions of any agreement, document or instrument governing or affecting the Condominium. Leasing of Units shall also be subject to the prior written approval of the Association (which approval shall not be unreasonably withheld). No lease shall be approved for a term less than one hundred-twenty (120) days. The Unit Owner will be jointly and severally liable with the tenant to the Association for any amount which is required by the Association to repair any damage to the Common Elements resulting from acts or omissions of tenants (as determined in the sole discretion of the Association) or to pay any claim for injury or damage to property caused by the negligence of the tenant and special assessments may be levied against the Unit therefor. All leases shall also comply with and be subject to the provisions of Section 18 hereof and shall be, and are hereby made, subordinate to any lien filed by the Condominium Association, whether prior or subsequent to such lease. The Board may elect to waive or not to enforce the provisions of this Section 17.8 in any given case or cases, provided no such intentional waiver or failure to enforce shall thereafter prevent the Board from enforcing these provisions in the future in any given case or cases.

17.9 Exterior Improvements: Landscaping. Without limiting the generality of Sections 9.1 or 17.4 hereof, no Unit Owner shall cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies or windows of the Building (including, but not limited to, awnings, signs, storm shutters, screens, furniture, fixtures and equipment), nor to plant or grow any type of shrubbery, flower, tree, vine, grass or other plant life outside his Unit, without the prior written consent of the Association.
17.10 **Parking.** One parking space shall be assigned to the exclusive use of each Unit.

17.11 **Effect on Developer; Association.** The restrictions and limitations set forth in this Section 17 shall not apply to the Developer or to Units owned by the Developer. The Association shall have the power (but not the obligation) to grant relief in particular circumstances from the provisions of specific restrictions contained in this Section 17 for good cause shown.

18. **Selling, Leasing and Mortgaging of Units.** No Unit Owner other than the Developer may sell or lease his Unit except by complying with the following provisions:

18.1 **Right of First Refusal.** Any Unit owner who receives a bona fide offer to purchase or lease his unit (such offer to purchase or lease a Unit, as the case may be, is called an "Outside Offer", the party making any such Outside Offer is called an "Outside Offeror", and the Unit Owner to whom the outside offer is made is called an "Offeree Unit Owner"), which he intends to accept, shall give notice by certified mail, return receipt requested, to the Board of Directors of the receipt of such Outside Offer. Said notice shall also state the name and address of the Outside Offeror, the terms of the proposed transaction and such other information as the Board of Directors may reasonably require. The giving of such notice to the Board of Directors shall constitute an offer by such Unit Owner to sell his Unit or to lease his Unit to the Association or its designee upon the same terms and conditions as contained in such Outside Offer and shall also constitute a warranty and representation by the Unit Owner who has received such Outside Offer to the Association that such Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board of Directors may reasonably request. Not later than twenty (20) days after receipt of such notice, together with such further information as may have been requested, the Association or its designee may elect, by sending written notice to such Offeree Unit Owner before the expiration of said twenty (20) day period by certified mail, to purchase such unit or to lease such Unit, as the case may be, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner.

In the event the Association shall timely elect to purchase such Unit or to lease such Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed at the office of the attorneys for the Association, in accordance with the terms of the Outside Offer, within forty-five (45) days after the giving of notice by the Association of its election to accept such offer. If, pursuant to such Outside Offer to purchase said Unit, the Outside Offeror was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Association may purchase the Unit and assume or take title to the Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Unit is to be sold, shall convey the same to the Association, or to its designee by statutory warranty deed, with all tax and/or documentary stamps affixed at the expense of such Unit Owner, who shall also pay all other taxes arising out of such sale. Title shall be good and marketable and insurable and the Offeree Unit Owner shall deliver an abstract or provide a title binder (and, subsequently, title insurance) at its expense at least thirty (30) days prior to such closing. Real estate taxes, mortgage interest, if any, and Common Expenses shall be apportioned between the Offeree Unit Owner and the Association, or its designee, as of the closing date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board of Directors or to its designee a lease between the Offeree Unit Owner, as landlord, and the Association, or its designee, as tenant, covering such Unit, for the rental and term contained in such Outside Offer.
In the event the Association or its designee shall fail to accept such offer, or, in the case of a lease, shall fail to reject the proposed lease as permitted by Section 17.8 hereof, within twenty (20) days after receipt of notice and all additional information requested, as aforesaid, the Offeree Unit Owner shall be free to accept the Outside Offer within sixty (60) days after (i) notice of refusal is given by the Association, or (ii) the expiration of the period within which the Association or its designee might have accepted such offer, as the case may be. In the event the Offeree Unit Owner shall not, within such sixty (60) day period, accept, in writing, the outside Offer or if the Offeree Unit Owner shall accept the Outside Offer within such sixty (60) day period, but such sale or lease, as the case may be, shall not be consummated in accordance with the terms of such Outside Offer or within a reasonable time after the date set for closing there under, then, should such Offeree Unit Owner thereafter elect to sell such Unit or to lease such unit, as the case may be, the Offeree unit Owner shall be required to again comply with all of the terms and provisions of this Section.

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

Any lease executed in connection with the acceptance of any Outside Offer to lease a Unit shall be consistent herewith and with the By-Laws and rules and regulations and shall provide specifically that (i) it may not be modified, amended, extended or assigned, without the prior consent in writing of the Board of Directors, (ii) the tenant shall not assign his interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board of Directors, and (iii) the Board of Directors shall have the power, but shall not be obligated, to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord there under in the event of (a) a default by the tenant in the performance of its obligations under such lease to the extent such default affects the Association in the opinion of the Board, or (b) a foreclosure of the lien granted under the Act. Such lease shall also comply with the provisions of Section 17.8 hereof.

Except as herein before set forth, the form of any such lease executed by the Association or an outside offeror shall contain such other provisions as may be reasonably required in writing by the Board of Directors. Any lease executed by the Association as tenant shall provide, however, that the Association may enter into a sublease of the premises without the consent of the landlord.

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

The foregoing restrictions shall not apply to Units owned by or leased to the Developer or owned by any Institutional First Mortgagee acquiring title by foreclosure or by a deed in lieu of foreclosure. The Developer and such Institutional First Mortgagees shall have the right to sell, and the Developer also to lease or sublease, Units they own without having to first offer the same for sale or lease to the Association.

18.2 Consent of Unit Owners to Purchase or Lease of units, by the Association. The Association shall not exercise any option herein above
set forth to purchase or lease any unit without the prior approval of Owners of a majority of the Units present in person or by proxy and voting at a meeting at which a quorum has been obtained.

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

18.4 Release by The Association of the Right of First Refusal. The right of first refusal contained in Section 18.1 may be released or waived by the Association only in the manner provided in Section 18.5. In the event the Association shall release or waive its right of first refusal as to any Unit, such Unit may be sold, conveyed or leased free and clear of the provisions of said Section 18.1.

18.5 Certificate of Termination of Right of First Refusal. A certificate executed and acknowledged by an officer of the Association stating that the provisions of Section 18.1 have been satisfied by a Unit Owner, or stating that the right of first refusal contained therein has been duly released or waived by the Association and that, as a result thereof, the rights of the Association thereunder have terminated (as to that sale or lease only) shall be conclusive with respect to all persons who rely on such certificate in good faith. The Board of Directors shall furnish such certificate upon request to any Unit Owner in respect to whom the provisions of such Section have, in fact, terminated or been waived. No fee shall be charged by the Association in connection with the furnishing of such certificate in excess of the charges reasonably required for same, and such charges shall not exceed the maximum amount allowed under the Act (as it is amended from time to time). No charge shall be made in connection with the consideration of the approval of an extension or renewal of a previously approved lease.

18.6 Financing of Purchase of Units by the Association. The purchase of any unit by the Association shall be made on behalf of all Unit Owners, if approved in the manner set forth in Section 18.2 hereof. If the available funds of the Association are insufficient to effectuate any such purchase, the Board of Directors may levy an assessment against each unit Owner (other than the Offeree Unit Owner), in proportion to his share of the Common expenses, and/or the Board of Directors may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Condominium Property other than the Unit to be purchased.

18.7 Exceptions. The provisions of Section 18.1 shall not apply with respect to any lease, sale or conveyance of any Unit by (a) the Unit Owner thereof to his spouse, adult children, parents, parents-in-law, adult siblings or a trustee, corporation or other entity where the Unit Owner or the aforementioned related persons are and continue to be the sole beneficiary or equity owner of such trustee, corporation or other entity, or to any one or more of the above, (b) the Developer, (c) the Association, (d) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such unit or delivering a deed in lieu of foreclosure, or (e) an Institutional First Mortgagee (or its designee) deriving title by virtue of foreclosure of its mortgage or acceptance of a deed in lieu of foreclosure; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Section 18.

18.8 Gifts and Devisees, etc. Any Unit Owner shall be free to convey or transfer his Unit by gift, to devise his Unit by will, or to have his Unit pass by intestacy, without restriction; provided, however, that
each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Section 18.

18.9 Mortgage of Units. Each Unit Owner shall have the right to Mortgage his Unit without restriction.

19. Compliance and Default. Each Unit Owner and every occupant of a Unit and the Association shall be governed by and shall comply with the terms of this Declaration of Condominium and all exhibits attached hereto, and the rules and regulations adopted pursuant to those documents, as the same may be amended from time to time. The Association (and Unit Owners, if appropriate) shall be entitled to the following relief in addition to the remedies provided by the Acts

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

19.2 Compliance. In the event a Unit Owner or occupant fails to maintain a Unit or fails to cause such Unit to be maintained, or fails to observe and perform all of the provisions of the Declaration, the By-Laws, the Articles of Incorporation of the Association, applicable rules and regulations, or any other agreement, document or instrument affecting the Condominium Property or administered by the Association, in the manner required, the Association shall have the right to proceed in a court of equity to require performance and/or compliance, to impose any applicable fines, to sue in a court of law for damages, to suspend voting rights in Association matters, to assess the Unit Owner and the Unit for the sums necessary to do whatever work is required to put the Unit Owner or Unit in compliance and to collect such assessments and have a lien therefor as elsewhere herein provided. In addition, the Association shall have the right, for itself and its employees and agents, to enter the Unit and perform the necessary work to enforce compliance with the above provisions (by force, if necessary), without having committed a trespass or incurred any other liability to the Unit Owner.

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

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

20. Termination of Condominium. The Condominium shall continue until (i) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in this Declaration, or (ii) such time as withdrawal of the Condominium Property from the provisions of the Act is authorized by a vote of Owners owning at least 80% of the applicable interests in the Common Elements and by the Primary Institutional First Mortgagee. In the event such withdrawal is authorized as aforesaid, the Condominium Property shall be subject to an action for partition by any unit Owner, mortgagee or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective interests in the Common Elements, provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his share
of such net proceeds all mortgages and liens on his unit in the order of their priority. The termination of the Condominium, as aforesaid, shall be evidenced by a certificate of the Association executed by its President and Secretary, certifying as to the basis of the termination and said certificate shall be recorded among the public records of the County.

This section may not be amended without the consent of all Institutional First Mortgagees and the Developer as long as it owns any such Dwelling Units.

21. Additional Rights of Institutional Mortgagees. In addition to all other rights herein set forth, Institutional First Mortgagees shall have the right, upon written request to the Association, to:

21.1 Examine the Association's books;
21.2 Receive notice of Association meetings and attend such meetings;
21.3 Receive notice of an alleged default by any Unit Owner, for whom such Mortgagee holds a mortgage, which is not cured within thirty (30) days of notice of default to such Unit Owner; and

22. Covenant Running with the Land. All provisions of this Declaration, the Articles, By-Laws and applicable rules and regulations of the Association shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the Developer and subsequent owner(s) of the land or any part thereof, or any interest therein, and their respective heirs, personal representatives, successors and assigns, but not to create any rights in or for the benefit of the general public. All present and future Unit Owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration and such Articles, By-Laws and applicable rules and regulations, as they may be amended from time to time. The acceptance of a deed or conveyance, or the entering into of a lease, or the entering into occupancy of any Unit, shall constitute an adoption and ratification by such unit Owner, tenant or occupant of the provisions of this Declaration, and the Articles, By-Laws and applicable rules and regulations of the Association, as they may be amended from time to time, including, but not limited to, a ratification of any appointments of attorneys-in-fact contained therein.


23.1 Notices. All notices to the Association required or desired hereunder or under the By-Laws of the Association shall be sent by certified mail (return receipt requested) to the Association c/o its office at the Condominium, or to such other address as the Association may hereafter designate from time to time by notice in writing to all unit Owners. Except as provided specifically in the Act, all notices to any unit Owner shall be sent by first class mail to the Condominium address of such Unit Owner, or such other address as may have been designated by him from time to time, in writing, to the Association. All notices to mortgagees of Units shall be sent by first class mail to their respective addresses, or such other address as may be designated by them from time to time in writing to the Association. All notices shall be deemed to have been given when mailed in a postage prepaid sealed wrapper, except notices of a change of address, which shall be deemed to have been given when received, or Five (5) business days after proper mailing, whichever shall first occur.

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

23.3 Mortgagees. Anything to the contrary herein notwithstanding, the Association shall not be responsible to any mortgagee or lienor of any Unit under any of the provisions hereof, and may assume the Unit is free of any such mortgages or liens, unless written notice of the existence of such mortgage or lien is received by the Association.

23.4 Exhibits. There is hereby incorporated in this Declaration any materials contained in the exhibits attached hereto which under the Act are required to be part of the Declaration.

23.5 Signature of President and Secretary. Wherever the signature of the President of the Association is required hereunder, the signature of a vice-president may be substituted therefor, and wherever the signature of the Secretary of the Association is required hereunder, the signature of an assistant secretary may be substituted therefor, provided that the same person may not execute any single instrument on behalf of the Association in two separate capacities.

23.6 Governing Law. Should any dispute or litigation arise between any of the parties whose rights or duties are affected or determined by this Declaration, the exhibits attached hereto or applicable rules and regulations adapted pursuant to such documents, as the same may be amended from time to time, said dispute or litigation shall be governed by the laws of the State of Florida.

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

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

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

23.10 Execution of Documents; Attorney-in-Fact. Without limiting the generality of other sections of this Declaration and without such other sections limiting the generality hereof, each owner, by reason of the acceptance of a deed to such Owner's Unit, hereby agrees to execute, at the request of the Developer, all documents or consents which may be required by all governmental agencies to allow the Developer and its affiliates to complete the plan of development of the project known as PALM COURT CONDOMINIUM, as hereafter amended, and each such Owner further appoints hereby and thereby the Developer as such Owner's agent and attorney-in-fact to execute, on behalf and in the name of such Owner, any and all of such documents or consents. This power of attorney is irrevocable and coupled with an interest. The provisions of this section may not be amended without the consent of the Developer.

23.11 Gender: Plurality. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all or no genders.
23.12 Captions. The captions herein and in the exhibits attached hereto are inserted only as a matter of convenience and for ease of reference and in no way define or limit the scope of the particular document or any provisions thereof.

IN WITNESS WHEREOF, the Developer has caused this Declaration to be duly executed and its corporate seal to be hereunto affixed this ___ day of _________, 19___

Signed, sealed and delivered LANDA AT CORALSPRINGS, INC.
in the presence of:

__________________________________________

By:_____________________________________

__________________________________________

President

(CORPORATE SEAL)

STATE OF FLORIDA: ss
COUNTY OF DADE:

The foregoing Declaration of Condominium was acknowledged before me this ___ day of ____________, 19___, by _____________________, as President of LANDA AT CORALSPRINGS, INC., a Florida corporation, on behalf of said corporation.

Notary Public State of Florida

My commission expires:

PALM COURT CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, hereby agrees to accept all the benefits and all of the duties, responsibilities, obligations and burdens imposed upon it by the provisions of this Declaration and exhibits attached hereto.

IN WITNESS WHEREOF, PALM COURT CONDOMINIUM ASSOCIATION, INC. has caused these presents to be signed in its name by its proper officer and its corporate seal to be affixed this ___ day of _________, 19___

Signed, Sealed and delivered PALM COURT CONDOMINIUM ASSOCIATION INC.
in the presence of

__________________________________________

By: ________________________________

President

(CORPORATE SEAL)
The foregoing joinder was acknowledged before me this ___ day of

__________, 19 __, by ____________________________, as President of
PALM COURT CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, on behalf of said corporation.

________________________
Notary Public, State of Florida

My commission expires:
WESTFIELD FINANCIAL CORPORATION, being the holder of that certain
mortgage dated _________________, recorded ___________________,
in Official Records Book ___ , Page_____ of the Public Records of
Broward County, Florida, hereby consents to the filing of the foregoing
Declaration in accordance with the applicable provisions of Florida
Statutes, Section 718.104.

Signed, sealed and delivered WESTFIELD FINANCIAL CORPORATION
in the presence of:

By:______________________________

______________________________ President

STATE OF FLORIDA

ss
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this day
of _____________, 19___, by _________________, President of
WESTFIELD FINANCIAL CORPORATION, on behalf of said corporation.

Notary Public, State of

My commission expires:
## PALM COURT CONDOMINIUM

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EXHIBIT "B"
ARTICLES OF INCORPORATION
FOR
PALM COURT CONDOMINIUM ASSOCIATION, INC.

The undersigned subscribers by these articles associate themselves for the purpose of forming a corporation not for profit, pursuant to the laws of the State of Florida (Chapter 617/ Florida statutes, 1977), and hereby adopt the following Articles of Incorporation:

ARTICLE I
NAME

The name of the corporation shall be PALM COURT CONDOMINIUM ASSOCIATION, INC. For convenience, the corporation shall be referred to in this instrument as the "Association", or the "Corporation", these Articles of Incorporation as the "Articles", and the By-laws of the Association as the "By-Laws".

ARTICLE II
PURPOSE

The purpose for which the Association is organized is to provide an entity pursuant to the Florida Condominium Act (the "Act") for the operation of a condominium which may be established within the property as legally described as Lots 1 and 2 of CORAL SPRINGS RIVERSIDE DRIVE SUBDIVISION according to the Plat thereof, as recorded in Plat Book 64, at Page 31 of the Public Records of Broward County, Florida, hereto. The developer of said condominium is LANDA AT CORAL SPRINGS, INC. and is hereafter referred to as the "Developer".

ARTICLE III
DEFINITIONS

These terms used in these Articles shall have the same definitions and meanings as those set forth in the Declaration of the Condominium to be recorded in the Public Records of Broward County, Florida, unless herein provided to the contrary, or unless the context otherwise requires.

Exhibit "C" to Declaration

R. Cutcher
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, the Declaration, the By-Laws or 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 its Declaration, and as it may be amended from time to time, including, but not limited to, the following:

(a) To make and collect assessments and other charges against members as unit owners, and to use the proceeds thereof in the exercise of its powers and duties.

(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 and other property acquired or leased by the Association for use by unit owners.

(d) To purchase insurance upon the condominium and insurance for the protection of the Association, its officers, directors, and members as unit owners, and such other parties as the Association may determine in the best interest of the Association.

(e) To make and amend reasonable rules and regulations for the maintenance, conservation and use of the condominium 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.

(h) To contract for the management of the condominium, and to delegate to the party with whom such contract has been entered into all of the powers and duties of the Association, except those which require specific approval of or implementation by the Board of Directors or the membership of the Association.

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

(j) To enter into agreements with other parties for easements or sharing arrangements as the Board of Directors may deem in the best interests of the condominium.

4.3 **Assets of the Association.** 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 **Limitation.** 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, if same shall occur, the members of the Association shall consist of those who are members at the time of the termination, and their successors and assigns. Membership shall be established by the acquisition of ownership of fee title to, or fee interest in, a condominium parcel in the condominium, whether by conveyance, devise, judicial decree, or otherwise, subject to the
provisions of the Declaration and by the recordation amongst the Public Records of Broward County, Florida, of the deed or other instrument establishing the acquisition and designating the parcel affected thereby, and by the delivery to the Association of a true copy of such deed or other instrument. The new owner designated in such deed or other instrument shall thereupon become a member of the Association and the membership of the prior owner as to the parcel designated shall be terminated.

5.2 Assignment. The share of a member in the funds and assets of the Association, in its common elements and its common surplus, and Membership in this Association, cannot be assigned, hypothecated or Transferred in any manner except as an appurtenance to the unit for which that share is held.

5.3 Voting. On all matters upon which the membership shall be entitled to vote, there shall be only one (1) 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 (1) unit shall be entitled to one (1) vote for each unit owned.

5.4 Meetings. The By-Laws shall provide for an annual meeting of members and may make provisions for regular and special meetings of members other than the annual meeting.

5.5 Class of Members. In the event there is more than one (1) condominium governed by this Association the membership in the Association shall be divided into classes pursuant to and as provided for under the By-Laws.

ARTICLE VI
TERMS OF EXISTENCE
The Association shall have perpetual existence.

ARTICLE VII
SUBSCRIBERS

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

Michael Ambrosio 18999 Biscayne Boulevard
North Miami, Florida 33180

Jerry Kaufman 18999 Biscayne Boulevard
North Miami, Florida 33180

Sanford N. Reinhard 10899 Sunset Drive
Miami, Florida 33173

ARTICLE VIII
OFFICERS

The affairs of the Association shall be administered by the officers designated in the By-Laws. The officers shall be elected by the Board of Directors of the Association at its first meeting following the annual meeting of the members of the Association, and shall serve at the pleasure of the Board of Directors. The By-laws may provide for the removal from office of officers, for filling vacancies, and for the duties of the officers. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

Michael Ambrosio President/Treasurer
Jerry Kaufman Vice President
Sanford N. Reinhard Secretary

ARTICLE IX
DIRECTORS

9.1 Number and Qualification. The property, business and affairs of the Association shall be managed by a Board consisting of the number of directors determined by the By-Laws, but which shall consist of not less than three (3) directors. Except for directors appointed by the Developer, all directors must be members of the Association.

9.2 Duties and Powers. All of the duties and powers of the Association existing under the Act, the Declaration, these Articles and the By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by unit owners.
9.3 **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.

9.4 **Term of Developer's Directors.** The Developer of the Condominium shall appoint the members of the first Board of Directors, who shall hold office for the periods in the By-Laws.

9.5 **First Directors.** The names and addresses of the members of the first Board of Directors, who shall hold office until their successors are elected and have qualified, are as follows:

<table>
<thead>
<tr>
<th>NAME</th>
<th>ADDRESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Michael Ambrosio</td>
<td>18999 Biscayne Boulevard North Miami, Florida 33180</td>
</tr>
<tr>
<td>Jerry Kaufman</td>
<td>18999 Biscayne Boulevard North Miami, Florida 33180</td>
</tr>
<tr>
<td>Sanford N. Reinhard</td>
<td>10899 Sunset Drive Miami, Florida 33173</td>
</tr>
</tbody>
</table>

**ARTICLE X**

**INDEMNIFICATION**

10.1 **Indemnity.** The Association shall indemnify any person who was or is a party or is threatened to be made a party, to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of Association) by reason of the fact that he is or was a Director, employee, officer or agent of the Association, against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interest of the Association and, with respect to any criminal action or proceeding, he had no reasonable cause to believe his conduct was unlawful; except, that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been
adjudged to be liable for gross negligence or willful misfeasance or
malfeasance in the performance of his duty to the Association unless and
only to the extent that the court in which such action or suit was brought
shall determine, upon application, that despite the adjudication
of liability, but in view of all the circumstances of the case, such person
is fairly and reasonably entitled to indemnify for such expenses which
such court shall deem proper. The termination of any action, suit or
proceeding by judgment, order, settlement, conviction, or upon a plea of
nolo contendere or its equivalent, shall not, of itself, create a
presumption that the person did not act in good faith and in a manner
which he reasonably believed to be in, or not opposed to, the best interest of the
Association; and with respect to any criminal action or
proceeding, he had no reasonable cause to believe that his conduct
was unlawful.

10.2 Expenses. To the extent that a Director, officer, employee
or agent of the Association has been successful on the merits or otherwise in defense
of any action, suit or proceeding referred to in Section 10.1
above, or in defense of any claim issue or matter therein, he shall be
indemnified against expenses (including attorneys' fees, and appellate
attorneys' fees) actually and reasonably incurred by him in connection therewith.

10.3 Approval. Any indemnification under Section 10.1 above
(unless ordered by a court) shall be made by the Association only as authorized in the
specific case upon a determination that indemnification of the director, officer,
employee or agent is proper in the circumstances because he has met the applicable
standard of conduct set forth in Section 10.1 above. Such determination shall be made
(a) by the Board of Directors by a majority vote of a quorum consisting of directors
who were not parties to such action, suit or proceeding, or (b) if such quorum is not
obtainable, or, even if obtainable a quorum of disinterested directors so directs, by
independent legal counsel in a written opinion, or (c) by a majority of the members.

10.4 Advances. Expenses incurred in defending a civil or criminal
action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the Directors, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article.

10.5 Miscellaneous. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by-laws, agreement, vote of members, or otherwise, both as to action in his official capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee, or agent, and shall inure to the benefit of the heirs, executors and administrators of such person.

10.6 Insurance. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association, or is or was serving at the request of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article.

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 members in the manner provided by law.

ARTICLE XII

AMENDMENTS

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

12.1 Notice. Notice of the subject matter of a proposed amendment
shall be included in the notice of any meeting at which a proposed amendment is to be considered.

12.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors or by no less than one-third (1/3) of the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided that approval is delivered to the secretary at or prior to the meeting. The approvals must be either:

(a) Not less than sixty-six and two-thirds percent (66-2/3%) of the entire membership of the Board of Directors and by not less than a majority of the votes of the entire membership of the Association; or

(b) By not less than eighty percent (80%) of the votes of the entire membership of the Association; or

(c) By not less than One hundred percent (100%) of the entire Board of Directors.

12.3 Limitation. 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 and 4.4 of Article 4, entitled "Powers", without the approval in writing of all mergers 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 favor of or reserved to the Developer, unless the Developer shall join in the execution of the amendment.

12.4 Recording. A copy of each amendment shall be filed with the Secretary of State pursuant to the provisions of the applicable Florida Statutes, and a copy certified by the Secretary of State shall be recorded in the Public Records of Broward County, Florida.
ARTICLE XIII
ADDRESS
The principal place of business of the Corporation shall be located at: 18999 Biscayne Boulevard, North Miami, Florida 33180, but the Corporation may maintain offices and transact business in such other places within or without the State of Florida as may from time to time be designated by the Board of Directors.

ARTICLE XIV
INITIAL REGISTERED OFFICE ADDRESS
AND NAME OF REGISTERED AGENT
The initial registered office of this Corporation shall be located at: 10899 Sunset Drive, Miami, Florida 33173, and the name of the Registered Agent is: Sanford N. Bernhard, Esquire.

IN WITNESS WHEREOF, the subscribers have affixed their signatures hereto this ___ day of April, 1984.

/s/ Michael Ambrosio
MICHAEL AMBROSIO

/s/ Jerry Kaufman
JERRY KAUFMAN

/s/ Sanford N. Reinhard
SANFORD N. REINHARD

ACCEPTANCE BY REGISTERED AGENT
HAVING BEEN NAMED TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE STATED NON-PROFIT CORPORATION AT THE PLACE DESIGNATED IN ARTICLE XIV OF THESE ARTICLES OF INCORPORATION, THE UNDERSIGNED HEREBY AGREES TO ACT IN THIS CAPACITY, AND FURTHER AGREES TO COMPLY WITH THE PROVISIONS OF ALL STATUTES RELATIVE TO THE PROPER AND COMPLETE DISCHARGE OF HIS DUTIES.

DATED THIS ___ day of April, 1984.

/s/ Sanford N. Reinhard
(Registered Agent)

See following page for Acknowledgment
STATE OF FLORIDA
COUNTY OF DADE

I HEREBY CERTIFY that on this 9th day of April 1984, personally appeared before me, the undersigned authorities, MICHAEL AMBRIO, JERRY KAUFMAN and SANFORD N. REINHARD, to me well known to be the persons named in and who executed the foregoing instrument as subscribers to the Articles of Incorporation of PALM COURT CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, and they acknowledged before me that they executed the same for the purposes therein expressed.

WITNESS my hand and official seal the day and year first above written.

/s/ Lia S. Clark Notary - seal affixed

Notary Public, State of Florida

My commission expires:

Commission expires 8/11/85
BY-LAWS
OF
PALM COURT CONDOMINIUM ASSOCIATION, INC.

ARTICLE I
GENERAL

1.1 The Name. The name of the corporation shall be PALM COURT CONDOMINIUM ASSOCIATION, INC., hereinafter referred to as "the Association".

1.2 Principal Office. The principal office of the corporation shall be at: 18999 Biscayne Boulevard, North Miami, Florida 33180, or at such other places as may be subsequently designated by the Board of Directors.

1.3 Identity. In addition to the within By-laws being the By-Laws of the Association, these By-Laws are established pursuant to the Florida Condominium Act, Chapter 718, for the purpose of administering, operating and managing PALM COURT CONDOMINIUM and such other condominiums as are described in the Articles of Incorporation of the Association.

1.4 Definition. As used herein, the term "Corporation", shall, be the equivalent of "Association", and all other words as used herein shall have the same definitions as attributed to them in the Declaration of Condominium. Any terms not defined in the Declaration shall have those definitions established by Florida Statute 718. If any definition in the Declaration conflicts with a definition in the Florida Statutes, the definition in the Declaration shall prevail and govern the interpretation of this document.

ARTICLE II
MEMBERSHIP AND VOTING PROVISIONS

2.1 Membership. Membership in this corporation shall be limited to owners of units in the condominium as are described in the Articles of Incorporation of the Association. Transfer of unit ownership, either voluntarily or by operation of law, shall automatically terminate membership, and the transferee shall automatically become a member of this Corporation. If unit ownership is vested in more than one person, all of the persons owning a unit shall be eligible to hold office, attend meetings, etc., but, as hereinafter indicated, the vote of a unit shall be cast by the

R. Cutcher
"voting member". If unit ownership is vested in a corporation, the corporation may designate an individual officer or employee as its voting member. Developer, or its assignee, nominee, designee or successor, as an owner of unsold units, shall be deemed a member of this Corporation.

2.2 (a) Voting. The owner of each unit shall be entitled to one (1) vote. If any owner owns more than one unit, he shall be entitled to one (1) vote for each unit owned, the vote of a unit shall not be divisible.

(b) Majority Vote. The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum shall be present shall be binding upon all unit owners for all purposes, except where otherwise provided by law, in the Declaration, in the Articles of Incorporation or in these By-Laws; and as used in these By-Laws, the Articles of Incorporation or the Declaration, the term "majority of the members" shall mean those unit owners having more than fifty percent (50%) of the total authorized votes of all unit owners present in person or by proxy and voting at any meeting of the unit owners at which a quorum shall be present.

2.2 Quorum. Unless otherwise provided in these By-Laws, the presence in person or by proxy of a majority of unit owners shall constitute a quorum.

2.3 Proxies. Votes may be cast in person or by proxy. All proxies shall be in writing, signed by the person entitled to vote, shall be filed with the Secretary of the Corporation prior to or at the meeting at which they are to be used, and shall be valid only for the particular meeting designated in the proxy. Where a unit is owned jointly by a husband and wife and they have not designated one of themselves as a voting member, a proxy must be signed by both in order to designate a third party as proxy.

2.4 Designation of Voting Member. If a unit is owned by one person, his right to vote shall be established by the record title to the unit, if a unit is owned by more than one person, the person entitled to cast the unit's vote shall be designated in a certificate to be filed with the Secretary, signed by all of the record owners of the unit. If a unit is owned by a corporation, it shall designate the officer or employee entitled
to cast the unit's vote by executing a certificate to be filed with the Secretary of the Association, signed by its President or Vice President, and attested to by its Secretary or Assistant Secretary. The person designated in such certificate shall be known as the voting member. If, for a unit owned by more than one person or by a corporation, such certificate is not on file with the Secretary of the Corporation, the vote of the unit shall not be counted in determining the presence of a quorum, or for any purpose requiring the approval of the person entitled to cast the vote for the unit, except if said unit is owned jointly by a husband and wife. Such certificate shall be valid until revoked or superseded by a subsequent certificate, or until a change occurs in the ownership of the unit. If a unit is owned jointly by a husband and wife, the following provisions are applicable:

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

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

(c) Where they do not designate a voting member, and only one is present at a meeting, the person present may cast the unit's vote.

2.6 Limitation on Right to Vote. Each member has an obligation to pay a monthly maintenance assessment and may be obligated to pay a special assessment. The Corporation has the responsibility and obligation to make and collect these assessments. If, at the time of any meeting of the membership, any member is more than thirty (30) days delinquent in the payment of any assessment, subject to the discretion of the Board of Directors, he may not be entitled to vote until all assessments, whether general, special or regular, are paid in full. The Treasurer, or such other person or entity charged with the responsibility of collecting assessments, shall, at the commencement of any meeting, certify to the person conducting the meeting which units are current in the payment of all assessments and are therefore eligible to vote.
ARTICLE III
MEMBERSHIP AND MEETINGS

3.1 Place. All meetings of the membership shall be held at the principal office of the Corporation or at such other place and at such time shall be designated by the Board and stated in the notice of meeting.

3.2 Notices. It shall be the duty of the Secretary to send by regular mail or deliver a notice of each annual or special meeting to each owner and to post a copy of said notice in a conspicuous place on the property at least fourteen (14) days but not more than sixty (60) days prior to such meeting. Notice of any meeting shall list the time, place and purpose thereof. All notices shall be mailed to or served at the address of the owner as it appears on the books of the Corporation. Proof of posting, delivery or mailing of the notice (if required) shall be given by the affidavit of the person serving the notice. Notice of specific meetings may be waived before or after the meeting.

3.3 Annual Meeting. The annual meeting for the purpose of electing directors and transacting any other authorized business shall be held at 6:00 P.M., Eastern Standard Time, on the first Wednesday in February of each year, or at such other time as shall be selected by the Board of Directors. At the annual meeting, the members shall elect a Board by plurality vote (cumulative voting prohibited), and shall transact such other business as may be properly brought before the meeting.

3.4 Special Meeting. Special meetings of the members for any purpose, unless otherwise prescribed by statute, may be called by the President, or shall be called by the President or Secretary at the request, in writing, of a majority of the Board of Directors or at the request, in writing, of voting members representing forty (40%) percent of the total numbers of units. Such requests shall state the purpose of the proposed meeting. Business transacted at all special meetings shall be confined to the subjects stated in the notice of meeting.

3.5 Waiver and Consent. Whenever the vote of members at a meeting is required or permitted, by any provision of the statutes, or the certificate of incorporation, or of these By-Laws, to be taken in connection with any
action of the Corporation, the meeting and vote of members may be dispensed with if all the members who would have been entitled to vote upon the action of such meeting, if such meeting were held, shall consent in writing to such action being taken.

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

3.7 **Order of Business.** The order of business at annual members' meetings and as far as practical at other members' meetings, shall be:

(a) Call to order by President or Chairperson;

(b) Appointment of a Chairperson of the meeting by the President, or, in his absence, by a majority of the Board of Directors. The Chairperson may be the attorney for the Association who will conduct the meeting without vote;

(c) Calling of the roll and certifying of proxies;

(d) Proof of notice of the meeting or waiver of notice;

(e) Reading and disposal of any unapproved minutes;

(f) Reports of officers;

(g) Reports of committees;

(h) Appointment of inspectors of election;

(i) Determination of number of directors;

(j) Election of directors;

(k) Unfinished business;

(l) New business;

(m) Adjournment.

3.8 **Minutes of Meeting.** The minutes of all meetings of unit owners shall be kept in a book available for inspection by unit owners or their authorized representative, and board members, at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

**ARTICLE IV DIRECTORS**

4.1 **Membership.** The affairs of the Association shall be managed by
a board of not less than three (3) nor more than five (5) directors, the exact number to be determined from time to time upon majority vote of the membership. All directors shall be unit owners or spouses of unit owners, or mortgagees of units, or a spouse of an individual mortgagee; or, in the case of partnership unit owners or partnership mortgagees, shall be members or employees (or their spouses) of such partnerships; or, in the case of corporate unit owners or corporate mortgagees, shall be directors, officers, stockholders or employees (or their spouses) of such corporation; or, in the case of fiduciary unit owners or fiduciary mortgagees, shall be the fiduciaries or their beneficiaries (or their spouses), or directors, officers, stockholders or employees (or their spouses) of a corporate fiduciary, or their corporate beneficiary, or partners or employees (or their spouses) of a partnership fiduciary. No director shall continue to serve on the board after he ceases to be a unit owner or an interested party in a unit owner as specified in the preceding sentence. The above provisions of this subsection 4.1 shall not apply to directors elected by the Developer in accordance with subsection 4.16 hereof.

4.2 Election of Directors. Election of directors shall be conducted in the following manner:

(a) Election of directors shall be held at the annual members meeting.

(b) A nominating committee of three (3) members may be appointed by the Board of Directors not less than thirty (30) days prior to the annual members meeting. The committee shall nominate one person for each director then serving. Nominations for additional directorships created at the meeting shall be made from the floor, and other nominations may be made from the floor.

(c) The election shall be by ballot (unless dispensed with 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. There shall be no cumulative voting.

(d) At any time after a majority of the board is elected by members other than the Developer of the Condominium, at any duly convened
regular or special meeting of members at which a quorum is present, any one or more of the directors may be removed, with or without cause, by the affirmative vote of voting members casting not less than a majority of the total votes present at said meeting, or by agreement in writing by a majority of all unit owners. A successor may then and there be elected to fill any vacancy created. Should the membership fail to elect a successor, the board may fill the vacancy in the manner provided below.

(e) If the office of any director becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining directors, though less than a quorum, shall choose a successor who shall hold office for the balance of the unexpired term of office. The election held for the purpose of filling said vacancy may be held at any regular or special meeting of the board.

4.3 Disqualification and Resignation of Directors.

(a) Any director may resign at any time by sending a written notice of such resignation to the office of the corporation, addressed to the president or secretary, unless otherwise specified therein, such resignation shall take effect upon receipt thereof by the secretary. Commencing with the organizational meeting of any newly elected board, more than three (3) consecutive absences unless excused by resolution of the board shall automatically constitute a resignation from the board. The transfer by a director of title to his parcel shall, effective as of the date of title transfer, automatically constitute a resignation from the board. No member shall continue to serve on the board should he be more than thirty (30) days delinquent in the payment of any assessment. Such delinquency shall automatically constitute a resignation from the board. All of these regulations are self-operating and shall become effective immediately upon the happening of the event or the passage of time provided for herein.

(b) Until a majority of the directors are elected by the members other than the Developer of the Condominium, however, neither the first directors of the Association nor any directors replacing them, nor any directors named by the Developer, shall be subject to removal by members.
This page, Page # 8 , of the Palm Court Bylaws is missing in all known copies of this Document including the originals filed with the Broward County Clerk.
the giving of the notice. Attendance by any director at a meeting shall constitute a waiver of notice of such meeting, except when his attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

4.9 Quorum. A quorum at a directors' meeting 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 the Directors, except when approval by a greater number of directors is required by the Declaration, the Articles or these By-Laws.

4.10 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.

4.11 Joinder in Meeting by Approval of Minutes or Consent. The joinder or consent of a director in the action of a meeting by signing and concurring in the minutes of that meeting, or by executing a consent to a proposal, shall constitute the presence of that director for the purpose of voting on a proposal. Notwithstanding the foregoing, no form of absentee concurrence can be used to meet the quorum requirements to meetings of the Board of Directors of the Association.

4.12 Presiding Officer. The presiding officer of the directors' meetings shall be the chairperson 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. The president, or, in his absence, a majority of the Board of Directors, may appoint without vote, the attorney of the Association to act as chairperson to conduct the meeting.

4.13 Order of Business. The order of business at directors' meetings shall be:

(a) Calling of roll:

(b) Proof of The notice of meeting;
minutes of meetings, The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by unit owners, or their authorized representative, and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than Seven (7) years.

4.15 Compensation. Directors' fees, if any, shall be determined by the voting members.

4.16 Proviso. Notwithstanding anything to the contrary contained in this Section 4, the Board shall consist of three (3) directors during the period that the Developer is entitled to appoint a majority of the directors, as hereinafter provided. The first Board as appointed by the Developer shall hold office and serve until their successors have been elected and qualified as hereinafter provided, and the first Board shall consist of:

MICHAEL AMBROSIO,
JERRY KAUFMAN; and
SANFORD N. REINHARD.

The Developer shall have the right to appoint all the members of the Board of Directors until unit owners other than the Developer own fifteen (15%) percent or more of the units that will be operated ultimately by the Association. When the unit owners other than the Developer own Fifteen (15%) percent or more of the units that will be operated ultimately by the Association, the unit owners other than the Developer shall be entitled to elect not less than one-third (1/3) of the members of the Board of Directors. Unit owners other than the Developer are entitled to elect not less than a majority of the members of the Board of Directors (a) three years after fifty (50%) percent of the units that will be operated ultimately by the Association have been conveyed to purchasers; (b) three
months after ninety (90%) percent of the units that will be operated ultimately by the Association have been conveyed to purchasers; (c) when all of the units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business, whichever occurs first. The Developer is entitled to elect at least 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 (5%) percent of the total number of units to be ultimately operated by the Association. Within sixty (60) days after the unit owners other than the Developer are entitled to elect a member or members of the Board of Directors the Association shall call, and give not less than thirty (30) days, nor more than forty (40) days notice of a meeting of the unit owners to elect the members of the Board of Directors. The meeting may be called and the notice given by any unit owner if the Association fails to do so. Directors appointed by the Developer need not be unit owners.

ARTICLE V

POWERS AND DUTIES

In the event that Developer, in accordance with the privileges reserved herein, selects any person to serve on the Board, Developer shall have the absolute right, at any time, in its sole discretion, to replace such person with another person to serve on the Board. Replacement by any director designated by Developer shall be made by written instrument delivered to any officer, which instrument shall specify the name of the person designated as successor director. The removal of any director and designation of his successor shall become effective immediately upon delivery of such written instrument by Developer to any officer.

The Board of directors shall have the powers and duties necessary for the administration of the affairs of the condominium in the project, and may do all such acts except such acts which by law, the Declaration, or these By-laws, may not be delegated to the Board of Directors by the unit owners. Such powers and duties of the Board of Directors shall include, without limitation (except as limited elsewhere herein) the following:
(a) Operation, care, upkeep and maintenance of the common element.

(b) Determination of the expenses required for the operation of the condominiums and the Association.

(c) Collection of the assessments for common expenses from unit owners required to pay same.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the common elements.

(e) Adoption and amendment of the rules and regulations covering the details of the operation and use of condominium property.

(f) Maintaining of bank accounts on behalf of the Association and the designation of the signatories required therefor.

(g) Purchasing, leasing or other acquiring of units in the name of the Association, or its designee.

(h) Purchase of all units at foreclosure or other judicial sales, in the name of the Association, or its designee.

(i) Selling, leasing, mortgaging, or otherwise dealing with units acquired by, and subleasing units leased by, the Association or its designee.

(j) Obtaining and reviewing insurance for the condominium property.

(k) Making repairs, additions and improvements to, or alterations of, the condominium property, and repairs to and restoration of the condominium property, in accordance with the provisions of the Declaration, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

(l) Enforcement of the obligations of the unit owners, the allocation of profits and expenses, and the performance of anything and everything else necessary and proper for sound management of the condominium in the Project.

(m) Levying fines against the unit owners for violations of the rules and regulations established by it to govern the conduct of the unit owners.

(n) Purchasing or leasing a unit for use by a resident superintendent.
(o) Borrowing money on behalf of the Association when required in connection with the operation, care, up keep, and maintenance of the common elements; provided, however, that

(i) the consent of the unit owners of at least two-thirds (2/3) of the units, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these By-Laws, shall be required for the borrowing of any sum in excess of $10,000.00; and

(ii) no lien to secure repayment of any sum borrowed may be created on any unit without the consent of the owner of such unit.

If any sum borrowed by the Board of Directors on behalf of the Association pursuant to authority contained in this subparagraph (o) is not repaid by the Association, a unit owner who pays to the creditor such proportion thereof as his interest in the common elements bears to the interest of all the unit owners in the common elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against the unit owner's unit.

(p) Contracting for the management of the condominium in the Project and the delegation to such manager such powers and duties of the Board of Directors as the Board may deem appropriate in the circumstances, except those which may be required by the Declaration and these By-laws to have approval of the Board of Directors or other unit owners; and contracting for the management or operation of portions of condominium property susceptible to separate management or operation thereof; and the granting of concessions for the purpose of providing services to the unit owners.

(q) Exercise of all powers specifically set forth in the Declaration for the Project, the Articles of the Association, these By-Laws, and in the Florida Condominium Act, and all powers incidental thereto.

(r) Imposing a lawful fee in connection with the approval of the
transfer, lease, sale or sublease of units.

(s) Entering into and upon the units when necessary and with as little inconveniences to the owner as possible in connection with such maintenance, care and preservation.

(t) Collecting delinquent assessments by suit or otherwise, abating nuisances, and enjoining or seeking damages from the unit owners for violations of these By-Laws and the terms and conditions of the Declaration for the Project.

ARTICLE VI

OFFICERS

6.1 Executive Officers. The executive officers of the corporation shall be a president, one or more vice presidents, secretary, assistant secretary, and treasurer; all of whom shall be elected annually by said Board. Any two of said offices may be united in one person; except that the president shall not also be the secretary or an assistant secretary of the corporation.

6.2 Appointive Officers. The Board of Directors may appoint such other officers and agents as they may deem necessary, who shall hold office at the pleasure of the Board of Directors and have such authority and perform such duties as from time to time may be prescribed by said Board.

6.3 Election. The Board of Directors at its first meeting after each annual meeting of general members shall elect all officers, none of whom, except the president, need be a member of the Board.

6.4 Term. The officers of the corporation shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed, for cause, at any time by the affirmative vote of a majority of the whole Board of Directors.

6.5 The President. The president shall be the chief executive officer of the corporation, subject to the provisions of 4.12 herein above, the president shall preside at all meetings of owners and of the Board. He shall exercise the executive powers of the corporation and have general supervision over its affairs and other officers. He shall sign all written
contracts and perform all of the duties incident to his office and such other duties as may be delegated to him from time to time by the Board.

6.6 **The Vice President.** The vice president shall perform all of the duties of the president in the absence of the president, and such other duties as may be required of him by the Board.

6.7 **The Secretary.** The secretary or assistant secretary shall issue notices of all Board meetings and all meetings of owners; he shall attend and keep the minutes of same; he shall have charge of all of the books of the corporation as well as its records and papers, except those kept by the treasurer. All minutes shall be kept in a businesslike manner, and shall be available for inspection by owners and Board members at all reasonable times.

6.8 **The Treasurer.**

(a) The treasurer shall have custody of the corporation's funds and securities. He shall keep full and accurate accounts of the corporation's receipts and disbursements. He shall deposit all monies and other valuable effects in the name of, and to the credit of, the corporation, in such depositories as may be designated by the Board. The book shall reflect an account for each unit in the manner required by the Act.

(b) He shall disburse the funds of the corporation as may be ordered by the Board, making proper vouchers for such disbursements. He shall render an account of all his transactions as the treasurer, and of the financial condition of the corporation to the Board whenever it may require it.

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

(d) He shall maintain accounting records according to good accounting practices, which records shall be open to inspection by owners or their authorized representatives at reasonable times. He shall render to owners or their authorized representatives, at least annually, a written summary of the corporation's fiscal activities.

(e) He shall prepare the corporation's budget.
6.9 **Initial Officers.** The officers of the Association who shall hold office and serve until the first election of officers by the Board of Directors of the Association following the first meeting of members, wherein a majority of directors are elected by unit owners other than the Developer, pursuant to the terms of these By-Laws, are as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>MICHAEL AMBRROSIO</td>
<td>President/Treasurer</td>
</tr>
<tr>
<td>JERRY KAUFMAN</td>
<td>Vice President</td>
</tr>
<tr>
<td>SANFORD N. REINHARD</td>
<td>Secretary</td>
</tr>
</tbody>
</table>

6.10 **Compensation.** Officers shall not receive compensation for their services as such, but this provision shall not preclude the Board of Directors from employing a director or officer as an employee of the Association, nor preclude the contracting with a director or officer for the management of the condominium or for any other service to be supplied by such director or officer.

6.11 **Resignations.** Any director or officer may resign his post at any time by written resignation, delivered to the president or secretary, which shall take effect upon its receipt unless a later date is specified in the resignation, in which event the resignation shall be effective from such date. The acceptance of a resignation shall not be required to make it effective.

**ARTICLE VII**

**FINANCES AND ASSESSMENTS**

7.1 **Depositories.** The funds of the corporation shall be deposited in such banks and depositories as may be determined and approved by appropriate resolutions of the Board. Funds shall be withdrawn only upon checks and demands for money signed by such officer or officers as may be designated by the Board.

7.2 **Fiscal Year.** The fiscal year of the corporation shall begin on the first day of January of each year; provided, however, that the Board, whenever it deems it advisable, is expressly authorized to change to a different fiscal year in accordance with the applicable provisions of the
Internal Revenue Code.

7.3 Determination of Assessments.

(a) The Board of Directors shall fix and determine the sum or sums necessary and adequate to assess owners for their share of the common expenses set forth in the budget. Common expenses shall include expenses for the operation, maintenance, repair or replacement of the common elements and limited common elements; costs of carrying out the powers and duties of the corporation; all insurance premiums and expenses, including fire insurance and extended coverage; and any other expenses designated as common expenses by the Board or the Declaration. Funds for the payment of common expenses shall be assessed against owners as provided in the Declaration for any condominium in the Project. Assessments shall be payable monthly in advance and shall be due on the first day of each month unless otherwise ordered by the Board. Special assessments, if necessary, shall be levied in the same manner as regular assessments and shall be payable in the manner determined by the Board. All funds due under these By-laws and the Declaration are common expenses.

(b) A copy of the proposed budget shall be mailed to owners not less than thirty (30) days prior to the Board meeting at which the budget will be considered, together with a notice of that meeting.

(c) When the Board determines the amount of any assessment, the treasurer shall mail or present to each owner a statement of assessment. All assessments shall be paid to the treasurer and, upon request, the treasurer shall give a receipt for each payment received.

7.4 Application of Payments and Commingling of Funds. All sums collected by the corporation from assessments may be commingled in a single fund or divided into more than one fund, as determined by the Board. Any delinquent payment by an owner shall be applied to interest, costs, attorney’s fees, other charges, expenses, advances and general or special assessments in such manner and amounts as the Board determines.

7.5 Acceleration of Assessment Installments Upon Default. If a unit owner shall be in default in the payment of an installment upon an assessment, the Board of Directors may accelerate the remaining
installments of the assessment upon notice to the unit owner, and the then unpaid balance of the assessment shall be due upon the date stated in the notice, but not less than five (5) days after delivery of the notice to the unit owner, or not less than ten (10) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur.

7.6 Fidelity Bonds. Fidelity bonds may be required by the Board of Directors for all persons handling or responsible for Association funds in such amounts as shall be determined by a majority of the Board. The premiums on such bonds shall be paid by the Association.

7.7 Audit. An audit of the accounts of the Association may be made from time to time as directed by the Board of Directors. A copy of any audit report received as a result of an audit shall be furnished each member of the Association not less than thirty (30) days after its receipt by the Board.

7.8 Accounting Records and Reports. The Association shall maintain accounting records in the county, according to good accounting practices. The records shall be open to inspection by unit owners or their authorized representatives at reasonable times, and written summaries of them shall be supplied at least annually. The records shall include, but not be limited to,

(a) a record of all receipts and expenditures, and

(b) an account for each unit designating the name and current mailing address of the unit owner, the amount of each assessment, the dates and amounts in which the assessments come due, the amount paid upon the account, and the balance

7.9 Application of Payment. All assessment payments by a unit owner shall be applied as provided herein and in the Declaration of his condominium.

ARTICLE VIII

ROSTER OF UNIT OWNERS AND MORTGAGEES

Each unit owner shall file with the Association a copy of the deed or other document showing his ownership. The Association shall maintain such information in the Association's records. A unit owner who mortgages
his unit shall notify the Association of the name and address of his mortgagee and shall file a copy of the note and mortgage with the Association. A unit owner who satisfies a mortgage covering a unit shall also notify the Association thereof and file a copy of the satisfaction of mortgage with the Association.

ARTICLE IX

PARLIAMENTARY RULES

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

ARTICLE X

AMENDMENTS

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

10.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

10.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors or by not less than one-third (1/3) of the mentors of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided that approval is delivered to the secretary at or prior to the meeting. The approvals must be either:

(a) Not less than sixty-six and two-thirds (66-2/3%) percent of the entire membership of the Board of Directors, and by not less than a majority of the votes of the entire membership of the Association; or

(b) By not less than seventy-five (75%) percent of the votes of the entire membership of the Association.

10.3 Proviso, no amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Developer or mortgagees of units without the consent of said Developer and mortgagees in
each instance. No amendment shall be made that is in conflict with the Articles or Declaration.

10.4 Execution and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of the Declaration and By-Laws, which certificate shall be executed by the president or vice president and attested by the secretary or assistant secretary of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the public records of the County.

ARTICLE XI
COMPLIANCE AND DEFAULT

11.1 Violations. In the event of a violation (other than the non-payment of an assessment) by an owner of any of the provisions of the Declaration, By-Laws, or the Act, the corporation, by direction of its Board, shall notify the owner of said breach by written notice, transmitted to the owner at his unit by certified mail. If such violation shall continue for a period of Ten (10) days from the date of mailing of the notice, the corporation shall have the right to treat such violation as an intentional, material breach of the Declaration, By-Laws, or the Act, and the corporation shall then, at its option, have the following elections:

(a) To commence an action in equity to enforce performance on the part of the owner; or

(b) To commence an action at law to recover its damages; or

(c) To commence an action in equity for such equitable relief as may be necessary under the circumstances, including injunctive relief. Upon a finding by a Court that the owner was in violation of any of the provisions of the above mentioned documents, the owner shall reimburse the corporation for its reasonable attorney's fees incurred in bringing such action. Failure on the part of the corporation to commence an action at law or in equity within sixty (60) days from the date of receipt of a written request, signed by an owner, sent to the Board, shall authorize any owner to bring an action in equity or suit at law relating to an alleged violation, in the manner provided for by the Act. Any violations which are
deemed by the Board to be a hazard to public health or safety may be corrected by the corporation immediately as an emergency matter. The cost thereof shall be charged to the owner as a specific item, which shall, until paid in full, be a lien against his unit with the same force and effect as if the charge were a part of the caiman expenses.

11.2 Violations (Monetary). In the event an owner of a condominium parcel does not pay any sums, charges, or assessments required to be paid to the corporation within thirty (30) days from the due date, the corporation, acting on its own behalf, or through the Board of Directors or manager acting on behalf of the corporation, may foreclose the lien encumbering the condominium parcel created by non-payment of the required monies in the same fashion as mortgage liens are foreclosed. The corporation shall be entitled to the appointment of a receiver if it so requests. The corporation shall have the right to bid-in the condominium parcel at a foreclosure sale and to acquire, hold, mortgage and convey the same. In lieu of foreclosing its lien, the corporation may, through its Board of Directors or manager acting on behalf of the corporation or on its own behalf, bring suit to recover a money judgment for any sums, charges or assessments required to be paid to the corporation without waiving its lien securing same. In any action either to foreclose its lien or to recover a money judgment, brought by or on behalf of the corporation against a condominium parcel owner, the losing defendants shall pay the costs thereof, together with a reasonable attorney’s fee. If the corporation becomes the owner of a condominium parcel by reason of foreclosure, it shall offer said unit for sale and at such time as a sale is consummated, it shall deduct from such proceeds all sums of money due it for monthly assessments and charges, all costs incurred in the bringing of the foreclosure suit, including reasonable attorney’s fees, and any and all expenses incurred in the resale of the condominium parcel, which shall include but not be limited to advertising expenses, real estate brokerage fees and expenses necessary for the repairing and refurnishing of the condominium parcel in question.

11.3 Negligence or Carelessness of an Owner. Each owner shall be
liable for the expenses of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by the negligence of any member of his family, his or their guests, employees, agents, licensees, or lessees. Such liability shall be limited to the extent that such expense is not met by the proceeds of insurance carried by the corporation. Such liability shall include any increase in insurance rates occasioned by use, misuse, occupancy or abandonment of any unit or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by an insurance company as to its rights of subrogation. The cost of any maintenance, repair or replacement performed pursuant to this section shall be charged to said owner as a specific item, which shall, until paid in full, be a lien against his unit with the same force and effect as if the charges were a part of the common expenses.

11.4 Costs and Attorney's Fees. In any proceeding arising because of an alleged default by an owner, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be determined by the court.

11.5 No waiver of Rights. The failure of the corporation or an owner to enforce any right, provision, covenant or condition which may be granted by the condominium documents shall not constitute a waiver of the right of the corporation or owner to enforce such right, provision, covenant or condition in the future.

11.6 Election of Remedies. All rights, remedies, and privileges granted to the corporation or an owner pursuant to any terms, provisions, covenants or conditions of the condominium documents shall be deemed to be cumulative, and the exercise of any one or more shall neither be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other additional rights, remedies, or privileges as may be granted by the condominium documents.

11.7 Generally. Each owner of a condominium parcel, for himself, his heirs, successors and assigns, agrees to the foregoing provisions relating to default and abatement of nuisance, regardless of the harshness of the remedy utilized by the corporation and regardless of the
availability of other equally adequate legal procedures. It is the intent of all owners of a condominium parcel to give the corporation a method and procedure which will enable it at all times to operate on a businesslike basis, to collect those monies due and owing it from owners of condominium parcels, and to preserve each others right to enjoy his condominium unit free from unreasonable restraint and nuisance.

ARTICLE XII

INDEMNIFICATION

Every director and officer of the corporation shall be indemnified by the corporation against all expenses and liabilities, including counsel fees reasonably incurred by or imposed upon him in connection with any proceeding or settlement thereof in which he may become involved, by reason of his being or having been a director or officer of the corporation. This indemnification shall apply whether or not he is a director or officer at the time such liabilities or expenses are incurred, except in cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties. In the event of a settlement, the indemnification established herein shall apply only when the Board approves such settlement and reimbursement. The foregoing right of indemnification shall be in addition to and not exclusive of any and all rights or indemnification to which such director or officer may be entitled.

ARTICLES XIII

LIABILITY SURVIVES TERMINATION OF MEMBERSHIP

The termination of membership in the corporation shall not relieve or release any former owner or member from any liability or obligation incurred under or in any way connected with the condominium during the period of ownership and membership, or impair any rights or remedies which the corporation may have against such former owner and member, arising out of, or which is in any way connected with, such ownership and membership.

ARTICLE XIV

LIMITATION OF LIABILITY

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

ARTICLE XV

LIENS

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

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

15.3 Notice of Suit. An owner shall give notice to the corporation of
every suit or other proceeding which will or may affect title to his unit or any
part of the property, such notice to be given within five (5) days after the
owner receives notice thereof. Failure to comply with this article concerning
liens will not affect the validity of any judicial sale.

15.4 Permitted Mortgage Register. The corporation shall maintain a
register of all permitted mortgages, and at the request of a mortgagee, the
corporation shall forward copies of all notices for unpaid assessments or
violations served upon an owner to said mortgages. If a register is maintained,
the corporation may make such charge as it deems appropriate against the
applicable unit for supplying the information provided herein.

ARTICLE XVI

SEAL

The seal of the corporation shall have inscribed thereon the name of the
corporation, the year of its organization, and the words "Non-Profit". Said seal may be used by causing it or a facsimile thereof to be impressed,
affixed, reproduced or otherwise.

ARTICLE XVII

CONSTRUCTION

Whenever the masculine singular form of the pronoun is used in these
By-Laws, it shall be construed to mean the masculine, feminine, or neuter, singular or plural, wherever the content so requires. Should any of the covenants herein imposed be void or be or become unenforceable at law or in equity, the remaining provisions of this instrument shall, nevertheless, be and remain in full force and effect.

ARTICLE XVIII

CONFLICT

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

ARTICLE XIX

CAPTIONS

The captions herein are inserted only as a matter of convenience, and for reference, and in no way define, limit or prescribe the scope of these By-Laws, or the intent of any provision hereof.

APPROVED AND DECLARED AS THE BY-LAWS OF PALM COURT CONDOMINIUM ASSOCIATION, INC., this 9th day of April _________, A.D., 1984.

By. /s/ Michael Ambrosio

President

Attest: /s/ Sanford N. Reinhard

Secretary