

CERTIFICATE OF AMENDMENT

TO DECLARATION OF CONDOMINIUM OF VILLA MADRID I

INSTR # 100527351
OR BK 30845 PG 1793
RECORDED 09/13/2000 02:30 PM
COMMISSION
BROWARD COUNTY
PUBLIC CLERK 1037

A Condominium

We, the undersigned, President and Secretary respectively of VILLA MADRID I, a Condominium Association, Inc., a corporation not for profit organized under the laws of the State of Florida and located in the City of Coral Springs, State of Florida, hereby certify:

1. The name of the corporation is VILLA MADRID I CONDOMINIUM ASSOCIATION, INC.
2. That at a Special Meeting of the Board of Directors held on 7/17/00, it was resolved that the Declaration of Condominium of VILLA MADRID I CONDOMINIUM be amended as follows:

RESOLVED, that the Declaration of Condominium, Section 17.1 of the Condominium Documents, shall be amended and shall now read as follows:

17.1 OCCUPANCY. Each 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) and 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 a lease or sublease of the Unit (as directed below), as the case may be. Occupants of a lease 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. Under no circumstance may more than one family reside in a Unit at one time. Families' or words of similar import used herein shall be deemed to include spouse, parents, parent-in-law, brothers, sisters, children and grandchildren. In no event may more than two (2) persons occupy a one-bedroom Unit nor may more than four (4) persons occupy a two-bedroom Unit. The Board of Directors shall have the power to authorize occupancy of a Unit by persons in addition to those set forth above.

If the occupants of any one bedroom leased unit shall have a child during the term of the lease, they shall be permitted to continue occupancy of the property throughout the remaining term of the lease.

The above resolution and Certification of Amendment was adopted by the Board of Directors of VILLA MADRID I CONDOMINIUM ASSOCIATION, INC. on 7/17/00, having previously been submitted to a vote of the members of the Condominium Association, and having been approved by said members, all in accordance with the Condominium documents.

The above Amendment is to become effective as of 7/18/00. The original Declaration of Condominium was recorded at OR Book 7124 Page 348 Public Records of Broward County, Fla.

IN WITNESS WHEREOF, this Certificate of Amendment has been executed this 31 day of August, 2000.

Signed, Sealed & delivered
in the presence of:

VILLA MADRID I CONDOMINIUM
ASSOCIATION, INC.

[Signature]
Signature of Witness

[Signature] President

[Signature]
Signature of Witness

[Signature]
Signature of Witness

[Signature] Secretary

Anne M. Sauthoff
Signature of Witness

STATE OF FLORIDA)

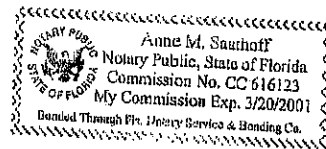
COUNTY OF BROWARD)

Before me this day personally appeared Rebecca Berkowitz and Amina Johnson who, being duly sworn, depose and say that they are officers of Villa Madrid I Condominium Association, Inc. and have affixed their signatures hereto:

Dated this 31 day of August, 2000.

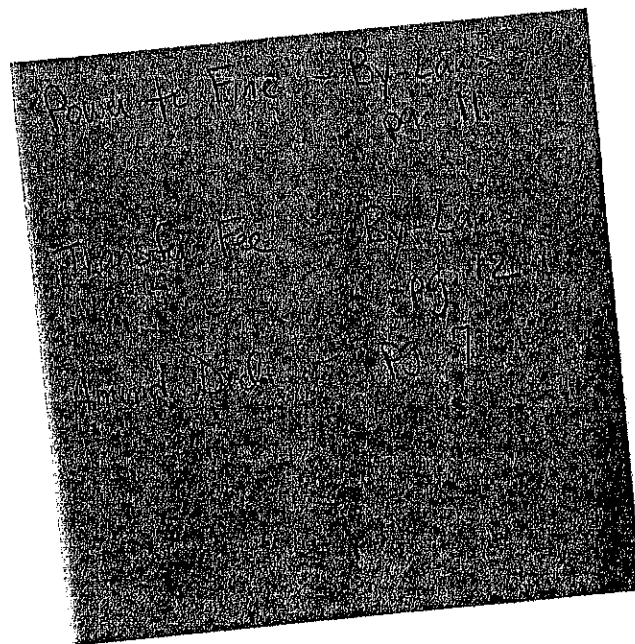
[Signature]
Notary Public

(Seal)



AMENDMENTS TO THE
DECLARATION OF CONDOMINIUM
VILLA MADRID CONDOMINIUM ASSOCIATION

O.R. BK 12011 PG 183
O.R. BK 17058 PG 0840
O.R. BK 18964 PG0668



CERTIFICATE OF AMENDMENT TO CONDOMINIUM OF
VILLA MADRID I, a Condominium

84-327587

WE, the undersigned, President and Secretary respectively of VILLA MADRID I, a Condominium Association, Inc., a corporation not for profit organized under the laws of the State of Florida and located in the City of Coral Springs, State of Florida, hereby certify:

1. The name of the corporation is VILLA MADRID I CONDOMINIUM ASSOCIATION, INC.

2. That at a Special Meeting of the Board of Directors held on August 9, 1983, it was resolved that the Declaration of Condominium of VILLA MADRID I CONDOMINIUM be amended as follows:

RESOLVED, that the Declaration of Condominium shall be amended and Sections 17.2 and 17.3 of the Condominium Documents shall be amended and read now as follows:

17.2 - "CHILDREN" - No children under the age of 12 years may reside in any unit which is occupied by an owner/resident and no one under the age of 18 years may reside in any tenant occupied unit.

17.3 - "PETS" - No pets are permitted in any unit or elsewhere on the common areas or grounds of the aforementioned condominium. Any owner currently owning a pet may retain the pet until such time as the pet becomes deceased. No replacement pet will be permitted.

The above resolution and Certificate of Amendment was adopted by the Board of Directors of VILLA MADRID I CONDOMINIUM ASSOCIATION, INC., on August 9, 1983, having previously been submitted to a vote of the members of the Condominium Association, and having been approved by said members.

The above Amendment is to become effective as of August 9, 1983.

IN WITNESS WHEREOF, this Certificate of Amendment has been executed this 9th day of September 1984.

Signed, sealed & delivered
in the presence of:

[Signature]

VILLA MADRID I CONDOMINIUM
ASSOCIATION, INC.

[Signature] President
[Signature] Secretary



Prepared By: A. Return to:
WALTER R. BLAKE, ESQ.
WALTER R. BLAKE, P.A.
12111 University Drive
Suite 202
Coral Springs, Florida 33065

84 SEP 21 AM 10 33

RECEIVED 120111Z189

STATE OF FLORIDA
COUNTY OF BROWARD

I HEREBY CERTIFY that on this day before me, an officer
duly qualified to take acknowledgments, personally appeared
Nelson Berkowitz and Barbara Weindorf, well known to me
to be the President and Secretary of the corporation named herein
in the foregoing document, and that they severally acknowledged
executing the same in the presence of two subscribing witnesses
freely and voluntarily under authority duly vested in them
by said corporation and that the seal affixed thereto is the
true corporate seal of said corporation.

WITNESS MY HAND and official seal in the County and State
aforesaid this 9 day of September 1984.

[Signature]
Notary Public

My commission expires:
Notary Public, State of Florida at Large
My Commission Expires April 5, 1984
BROWARD COUNTY, FLORIDA
- 6 MONTHS INSURANCE & BONDING FEE



FILED IN THE OFFICIAL RECORDS OF
BROWARD COUNTY, FLORIDA
F. T. JOHNSON
COUNTY ADMINISTRATOR

RECORDED
1201184

STATE OF FLORIDA
BROWARD COUNTY

I HEREBY CERTIFY that the above
and foregoing is a true and correct copy of
Certificate

is recorded in Book 12011 Page 184

WITNESS my hand and official seal in the City of Fort
Lauderdale, Fla. this 11 day of Nov. D. 19 85

F. T. JOHNSON, County Administrator
By [Signature] D. 19 85

CERTIFICATE OF AMENDMENT TO CONDOMINIUM OF VILLA MADRID I,
A Condominium
91476981

WE, the undersigned, President and Secretary respectively of VILLA MADRID I,
a Condominium Association, Inc., a corporation not for profit organized under
the laws of the State of Florida and located in the City of Coral Springs,
State of Florida,, hereby certify:

1. The name of the corporation is VILLA MADRID I CONDOMINIUM ASSOCIATION, INC.
2. That at a Special Meeting of the Board of Directors held on October 8, 1991,
it was resolved that the Declaration of Condominium of VILLA MADRID I
CONDOMINIUM be amended as follows:

RESOLVED, that the Declaration of Condominium shall be amended and Section
17.1 of the Condominium Documents shall be amended and read now as follows:

17.1 OCCUPANCY. Each 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) and officer, director, stockholder or
employee of such corporation, (iii) a partner or employee of such partner-
ship, (iv) the fiduciary or beneficiary of such fiduciary, or (v) permitted
occupants under a lease or sublease of the Unit (as described below), as
the case may be. Occupants of a 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. Under no circumstance may more than one
family reside in a Unit at one time. "Families" or words of similar
import used herein shall be deemed to include spouse, parents, parent-
in-law, brothers, sisters, children and grandchildren. In no event may
more than three (3) persons occupy a one-bedroom Unit nor may more than
four (4) persons occupy a two-bedroom Unit. The Board of Directors shall
have the power to authorize occupancy of a Unit by persons in addition to
those set forth above. The provisions of this subdivision 17.1 shall not
be applicable to Units used by the Developer for model apartments, sales
offices or management services.

The above resolution and Certification of Amendment was adopted by the Board of
Directors of VILLA MADRID I CONDOMINIUM ASSOCIATION, INC. on October 8, 1991,
having previously been submitted to a vote of the members of the Condominium
Association, and having been approved by said members.

The above Amendment is to become effective as of October 8, 1991.
The original Declaration of Condominium was recorded at OR Book 7124 Page 348
of the Public Records of Broward County, Fla.

IN WITNESS WHEREOF, this Certificate of Amendment has been executed this 26
day of November, 1991.

Signed, Sealed & delivered
in the presence of:

Marcia J. Berkowitz
David L. McCloy

RECORDED IN THE OFFICIAL RECORDS BOOK
OF BROWARD COUNTY, FLORIDA
COUNTY ADMINISTRATOR

VILLA MADRID I CONDOMINIUM
ASSOCIATION, INC.

Rebecca Berkowitz Pres.
Mary Beth McCloy Sec'y

STATE OF FLORIDA)
COUNTY OF BROWARD)

(Seal)

Before me this day personally appeared Rebecca Berkowitz and
Mary Beth McCloy who, being duly sworn, depose and say that
they are officers of Villa Madrid Condominium Association, Inc.
and have affixed their signatures hereunto.

NOTARY PUBLIC, STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES MAY 20, 1994
BONDED THRU HUCKLEBERRY & ASSOCIATES

[Signature]
Notary Public State of Florida

5.00
5.00

JOHN B. ROGERS, P.A.
1881 UNIVERSITY DRIVE
SUITE 206
CORAL SPRINGS, FLA 33071

31 DEC 4 AIO: 23

BR78964PG0668

DECLARATION

of the

VILLA MADRID I, A CONDOMINIUM

INVESTORS DIVERSIFIED SERVICES, INC., a Delaware 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 in Exhibit "1" annexed hereto (the "Land").
- 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 by 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 VILLA MADRID I, 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 meaning ascribed to them in this Section, except where the context clearly indicates a different meaning:

- 2.1 "Act" means the Condominium Act (Chapter 718 of the Florida Statutes) as it exists on the date hereof and as hereafter renumbered.
- 2.2 "Assessment" means a share of the funds required for the payment of common expenses which from time to time are assessed against the Unit Owner.
- 2.3 "Association" means VILLA MADRID I CONDOMINIUM ASSOCIATION, INC., a not for profit Florida corporation, the entity responsible for the operation of the Condominium.
- 2.4 "By-Laws" mean the By-Laws of the Association.
- 2.5 "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 services to Units and the common elements.
 - (c) An easement of support in every portion of a Unit which contributes to the support of a 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 common elements in this Declaration.
- 2.6 "Common expenses" mean all expenses and assessments properly incurred by the Association for the Condominium.
- 2.7 "Common surplus" means the excess of all receipts of the Association, including, but not limited to, assessments, rents, profits and revenues on account of the common elements, over the amount of common expenses.
- 2.8 "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 term includes all of the appurtenances to the Unit.
- 2.9 "Condominium property" means the Land and personal property that are 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.
- 2.10 "Declaration" or "Declaration of Condominium" means this instrument, as it may be amended from time to time.
- 2.11 "Institutional First Mortgagee" 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.
- 2.12 "Limited common elements" mean those common elements which are reserved for the use of a certain Unit or Units to the exclusion of other Units, as specified in this Declaration. Reference herein to common elements shall include also the limited common elements unless it is otherwise expressly provided.

- 2.13 "Unit" means a part of the condominium property which is subject to exclusive ownership.
- 2.14 "Unit Owner" or "Owner of a Unit" means the Owner of a condominium parcel.
- 2.15 "County" means the County of Broward, State of Florida.
3. Description of Condominium.

3.1 Identification of Units. The condominium property includes a building containing twenty (20) Units. Each Unit is identified by a separate numerical designation. The designation of each Unit is set forth on Exhibit "2" annexed hereto. Exhibit "3" consists of a survey of the Land, a graphic description of the improvements in which the Units are located and a plot plan thereof. Said Exhibit "3", together with this Declaration, are sufficient in detail to identify the common elements and each Unit and their relative locations and approximate dimensions. There shall pass with a 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 ceiling.
- (ii) Lower boundaries. The horizontal plane of the unfinished upper surface of the concrete floor.
- (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.

3.3 Limited Common Elements. Each Unit shall have, as a limited common element appurtenant thereto:

(a) Storage Locker Spaces. The storage locker space, located in the storage locker room on the second floor of the building, having stencilled on the outside thereof the numerical designation corresponding to the numerical designation of the Unit.

(b) Automobile Parking Spaces. The parking space identified on the parking plan contained in Exhibit "3" hereof by, and having stencilled thereon, the numerical designation corresponding to the numerical designation of the Unit.

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 Services; Drainage. Easements are reserved under, through and over the condominium property as may be required for utility services and drainage in order to serve the Condominium; provided, however, such easements running through a Unit shall be limited to those provided in the plans and specifications for the building, or existing in such building as constructed or reconstructed, unless approved in writing by the Unit Owner. 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 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 services, drainage facilities and common elements contained in the Unit or elsewhere in the condominium property and to remove any improvements interfering with or impairing the utility services, drainage 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) days' notice.

- (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 improvement, (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 Unit after damage by fire or other 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. An easement in favor of each Unit Owner and resident, their guests and invitees, shall exist for pedestrian traffic over, through and across sidewalks, 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.
- (e) Construction; Maintenance. The Developer (including its designees, successors and assigns) shall have the right in its sole discretion from time to time to enter the condominium property for the purpose of completing the construction thereof and for repair, replacement and maintenance purposes where the Association fails to do so, provided such activity does not prevent or unreasonably interfere with the use or enjoyment of 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 common elements to prospective purchasers of Units, and to erect on the condominium property signs and other promotional material to advertise Units for sale or lease.

- (g) Additional Easements. The Developer (so long as it owns any Units) and the Association each shall have the right to grant such additional electric, gas, or other utility easements or relocate any existing utility easements or drainage facilities 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, provided that such easements or the relocation of existing easements will not prevent or unreasonably interfere with the use of the Units for dwelling purposes.
4. Restraint Upon Separation and Partition of Common Elements. The undivided share in the common elements and common surplus which is appurtenant to a Unit shall not be separated therefrom and shall pass with the title to the Unit, whether or not separately described. A share in the common elements and common surplus appurtenant to a Unit cannot be conveyed or encumbered except together with the Unit. The share in the common elements appurtenant to Units shall remain undivided, and no action for partition of the common elements, the condominium property, or any part thereof, shall lie.
5. Ownership of Common Elements and Common Surplus and Share of Common Expenses; Voting Rights.
- 5.1 Percentage Ownership and Shares. The undivided percentage interest in the common elements and common surplus, and the percentage share of the common expenses appurtenant to each Unit, is set forth in Exhibit "2" annexed hereto.
- 5.2 Voting. Each Unit shall be entitled to one vote to be cast by its Owner in accordance with the provisions of the By-Laws and Articles of Incorporation of the Association.
6. Amendment of the Declaration. Except as elsewhere provided, this Declaration may be amended 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 considered. A resolution for the adoption of a proposed amendment may be proposed either by the 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 not less than 66-2/3% of the Units and by not less than a majority of the Board of Directors of the Association; or
- (b) Unit Owners owning not less than 75% of the Units; or
- (c) Not less than 50% of the entire membership of the Board of Directors in the case of amendments of the section entitled "Insurance" that are reasonably required by insurers or Institutional First Mortgagees.

6.2 By The Developer. The Developer, during the time it owns any Units, may amend the Declaration to correct an omission or error, except that this procedure for amendment cannot be used if such an amendment would materially adversely affect substantial property rights of Unit Owners, unless the affected Unit Owners consent in writing.

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 evidenced in writing but a certificate of the Association is not required. An amendment of the Declaration is effective when 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 entitled "Insurance", "Reconstruction or Repair after Casualty," or "Condemnation" unless all Institutional First Mortgagees whose mortgages are of record shall join in the amendment.

7. Maintenance and Repairs.

7.1 Units. All maintenance, repairs and replacements of, in or to any Unit (other than maintenance of and repairs to any common elements contained therein), 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 a Unit, the electrical, plumbing, heating and air-conditioning fixtures if any, within the Unit or 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 proceeds of insurance are made available therefor, all maintenance, repairs and replacement in or to the common elements 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, misuse or neglect of a Unit Owner, in which case such cost and expense shall be paid solely by such Unit Owner.

8. Additions, Alterations or Improvements by the Association. Whenever in the judgment of the Board of Directors, the common elements, or any of them, shall require capital additions, alterations, or improvements (as distinguished from repairs and replacements) costing in excess of \$25,000 in the aggregate in any calendar year, the Association shall proceed with such additions, alterations or improvements only if the making of such additions, alterations or improvements shall have been approved by (i) a majority of the Unit Owners present and voting at a meeting at which a quorum is present, and (ii) the Institutional First Mortgagee which owns at that time unit mortgages securing a greater aggregate indebtedness than is owed to any other Institutional First Mortgagee. Any such additions, alterations or improvements to such common elements, or any of them, costing in the aggregate \$25,000 or less in a calendar year may be made by the Association without approval of the Unit Owners or any Institutional First Mortgagee. 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 structural addition, alteration or improvement in or to his Unit 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 a proposed structural addition, alteration or improvement in such Unit Owner's Unit within thirty (30) days after such request and all additional information requested is received, and the failure to do so within the stipulated time shall con-

stitute the Board's consent to the proposed addition, alteration or improvement. All structural 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. A Unit Owner making or causing to be made any structural additions, alterations or improvements agrees, and shall be deemed to have agreed, to hold the Association and all other Unit Owners harmless from any liability and expenses arising therefrom.

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

10. Changes in Developer-owned Units. Developer shall have the right, without the vote or consent of the Association to (i) make alterations, additions, or improvements in, to, and upon Units owned by 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 by subdividing one or more 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 affected by such change in size or number pursuant to the preceding clause (iii) their appurtenant interest in the common elements and share of the common expenses; provided, however, that the percentage interest in the common elements 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. 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. 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 of Incorporation of the Association (respectively, Exhibits "4" and "5" annexed 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 as may be necessary for the maintenance, repair or replacement of any common elements therein, or for making emergency repairs therein necessary to prevent damage to the common elements or to any other Unit or Units, or to determine compliance with the terms and provisions of this Declaration, the exhibits annexed hereto, and the rules and regulations adopted pursuant to such documents, 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 good accounting practices, which shall be open to inspection by Unit Owners or their authorized representatives at reasonable times, and to provide to each Unit Owner annually written summaries thereof.
- (d) The power to enter into contracts with others, for valuable consideration, for maintenance and management of the condominium property, and in connection therewith to delegate the powers and rights herein contained, including, without limitation, the making and collecting of assessments and other charges against Unit Owners, and perfecting liens for non-payment thereof.
- (e) Subsequent to the recording of this Declaration, the Association, when authorized by the majority of the total votes of the members of the Association and approved by the Institutional First Mortgagee which owns at that time unit mortgages securing a greater aggregate indebtedness than is owed to any other Institutional First Mortgagee, shall have the power to acquire and enter into agreements for the acquisition of 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. The expense of ownership, rental, membership fees, operations, replacements, and other undertakings in connection therewith shall be common expenses.
- (f) The powers to adopt and amend rules and regulations covering the details of the operation and use of the condominium property.

In the event of conflict between the powers and duties of the Association as set forth in the Declaration, Articles of Incorporation and By-Laws, the Declaration shall take precedence over the Articles of Incorporation and By-Laws, and the Articles of Incorporation shall take precedence over the By-Laws.

- 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 the cost of maintenance and repair, caused by any latent condition of the 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 of that Owner if in an Association meeting, unless the joinder of record Owners is specifically required by this Declaration.
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. The Board of Directors shall advise all Unit Owners promptly in writing of the amount of the assessment 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 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.
13. Collection of Assessments.
 - 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 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 for which the assessments are made.

- 13.2 Default in payment of assessments for common expenses. Assessments and installments thereof not paid within ten (10) days from the date when they are due shall bear interest at the rate of ten (10%) per cent per annum 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 incurred by the Association incident to the collection of the assessment 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 due and the due dates. 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. 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 assessments in the manner a mortgage of real property is foreclosed and may also bring an action to recover a money judgment for the unpaid assessments without waiving any claim of lien.
- 13.3 Notice of intention to foreclose lien. No foreclosure judgment may be entered until at least thirty (30) days after the Association gives written notice to the Unit Owner of its intention to foreclose its lien to collect the unpaid assessments. If this notice is not given at least thirty days before the foreclosure action is filed, and if the unpaid assessments, including those coming due after the claim of lien is recorded, are paid before the entry of a final judgment of foreclosure, the Association shall not recover attorney's fees or costs. The notice must be given by delivery of a copy of it to the Unit Owner or by certified mail, return receipt requested, addressed to the Unit Owner. If after diligent search and inquiry the Association cannot find the Unit Owner or a mailing address at which the Unit Owner will receive the notice, the court may proceed with the foreclosure action and may award attorney's fees and costs as permitted by law. The notice requirements of this subsection are satisfied if the Unit Owner records a Notice of Contest of Lien as provided in the Act.
- 13.4 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.

- 13.5 Institutional First Mortgagee. 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 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, its successors and assigns.
- 13.6 Developer's liability for assessments. The Developer shall be excused from the payment of the share of the common expenses and assessments related to Units it is offering for sale, for a period beginning with the recording of this Declaration and ending no later than 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 exceeds the amount assessed against other Unit Owners.
- 13.7 Possession of Unit. Any person who acquires an interest in a Unit, except through foreclosure of a first mortgage of record (or deed in lieu thereof), including without limitation persons acquiring title by operation of law, including purchasers at judicial sales, shall not be entitled to occupancy of the Unit or enjoyment of the common elements until such time as all unpaid assessments and other charges due and owing by the former Owner have been paid.
- 13.8 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.

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

14.1 Purchase, custody and payment of policies.

- (a) Purchase. All insurance policies covering the condominium property shall be purchased by the Association and shall be issued by an insurance company authorized to do business in Florida and with an office or agent located in the County.
- (b) Approval. Each insurance policy, the agency and company issuing the policy, and the Insurance Trustee hereinafter designated shall be subject to the initial approval of the Institutional First Mortgagee which then owns Unit mortgagees securing a greater aggregate indebtedness than is owed to any other Institutional First Mortgagee.
- (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.
- (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 on them 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 thereon, shall be furnished by the Association to each mortgagee included in the mortgagee roster who holds a mortgage upon a Unit covered by the policy. Copies or certificates shall be furnished not less than ten (10) days prior to the beginning of the term of the policy or not less than ten (10) days prior to the expiration of each preceding policy that is being renewed or replaced, whichever date shall first occur.
- (f) Personal property and liability. Unit Owners may obtain insurance coverage at their own expense and at their own discretion upon their personal property and for their personal liability and living expense and for flood damage.

INSURANCE

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

- (a) Casualty. All buildings (including all of the Units and the bathroom and kitchen fixtures initially installed therein by Developer, but not including furniture, furnishings, or other personal property supplied or installed by Unit Owners or tenants of Unit Owners), together with all service machinery contained therein, shall be insured in an amount not less than 100% of the replacement value thereof, excluding foundation and excavation costs, all as determined annually 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 shall be customarily covered with respect to buildings similar 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 condominium property or adjoining driveways and walkways, or any work, matters or things related to the condominium property or this Declaration and its exhibits, 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 cross liability endorsements to cover liabilities of the Unit Owners as a group to any Unit Owner, and vice versa.
- (c) Workmen's compensation and other mandatory insurance, when applicable.
- (d) Machinery insurance.
- (e) Plate glass insurance.
- (f) Flood insurance.
- (g) Fidelity insurance covering all officers and employees of the Association and managing agent who handle Association funds.
- (h) 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) the pro rata clause that reserves to the insurer the right to pay only a fraction of any loss 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 member 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 contain waivers of subrogation and waivers of any defense based on co-insurance or other insurance or of invalidity arising from any acts of the insured and of pro-rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including all mortgagees of Units. Duplicate originals (or certificates) of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Institutional First Mortgagees at least ten (10) days prior to the expiration of the then current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Directors shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the building (exclusive of foundation), including all of the Units and all of the common elements therein, without deduction for depreciation, for the purpose of determining the amount of fire insurance to be effected pursuant to this Section.
- 14.4 Premiums. Premiums upon 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.
- 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 interests may appear, and shall provide that all proceeds covering property losses shall be paid to the Insurance Trustee, which shall be designated by the Board of Directors and which shall be any bank or trust company in Florida with trust powers and with its principal place of business in the County. 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) Common elements. An undivided share for each Unit Owner, such share being the same as the undivided share in the common elements appurtenant to his Unit.

(b) Units. Proceeds on account of damage to Units shall be held in the following undivided shares:

(i) When the building is to be restored - for the Owners of damaged Units in proportion to the cost of repairing the damage suffered by each Unit Owner, which cost shall be determined by the Association.

(ii) When the building is not to be restored - an undivided share for each Unit Owner, such share being the same as the undivided share in the common elements appurtenant to his Unit.

(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 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 owners in the following manner:

(a) Expense of the trust. All expenses of the Insurance Trustee shall be first paid or provision made therefor.

(b) Reconstruction or repair. If the damage 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, remittances to Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by such mortgagee.

(c) Failure to reconstruct or repair. If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be 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, remittances to Unit Owners and their mortgagees being payable jointly to them and with credit being given for payments previously reserved for Institutional First Mortgagees. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by them.

(d) Certificate. In making distribution 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 respective shares of the distribution.

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

14.8 Unit Owners personal coverage. The insurance purchased by the Association shall not cover claims against an Owner due to accidents occurring within his Condominium Unit nor casualty or theft loss to the contents of an Owner's Unit or flood damage. 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 risks.

14.9 Benefit of mortgagees and Seller. Certain provisions in this Section 14 entitled "Insurance" are for the benefit of mortgagees of Condominium Units. All of these provisions are covenants for the benefit of any mortgagee of a Unit and may be enforced by such mortgagee.

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 building as a result of fire or other casualty (unless 75% or more of the building is destroyed or substantially damaged and Unit Owners owning 75% or more of the Units and interests in the common elements elect not to proceed with repairs or restoration), the Board of Directors shall arrange for the prompt repair and restoration of the building (including all common elements in any damaged Units contained therein, and the bathroom and kitchen fixtures initially installed therein by the Developer, but not including furniture, furnishings, or other personal property supplied or installed by any Unit Owner or a tenant of a Unit Owner), 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. If 75% or more

of the building is substantially damaged or destroyed and if Unit Owners owning 75% of all Units and interests in the common elements duly and promptly resolve not to proceed with the repair or restoration thereof, the condominium property will not be repaired and shall be subject to an action for partition instituted by any Unit Owner 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, 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 liens on his Unit in the order of priority of such liens. Whenever in this Section the words "promptly repair" are used, it shall mean 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 and 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 said 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 is a building containing Units, by the owners of not less than 75% of the common elements, including the Owners of all Units (and their respective mortgagees) the plans for which are to be altered.
- 15.3 Special Responsibility. If the damage is only to those parts of one or more Units for which the responsibility of maintenance and repair is that of the respective Unit Owners, then such Unit Owners shall be responsible for reconstruction and repair after casualty. In all other instances, the responsibility of reconstruction and repair after casualty 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 the insurance are not sufficient to defray the estimated costs of

reconstruction and repair 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 the case of damage to common elements, in sufficient amounts to provide funds for the payment of such costs. Such assessments on account of damage to common elements shall be in proportion to the Owner's share in the common elements.

15.6 Construction funds. The funds for payment of the costs of reconstruction and repair after casualty, 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 costs of reconstruction and repair which is the responsibility of the Association is more than \$10,000.00, 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) Insurance Trustee. The proceeds of insurance collected on account of a casualty, and the sums deposited with the Insurance Trustee by the Association from collections of assessment against 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 is the responsibility of the Association is less than \$10,000.00, 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 to the Insurance Trustee by a mortgagee which is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner 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 more than \$10,000.00, then the construction fund shall be disbursed in payment of such costs in the manner required by the Board of Directors of the Association and upon approval of an architect qualified to practice in Florida and employed by the Association to supervise the work.
- (iii) Unit Owner. If there is a balance of insurance proceeds after payment of costs of reconstruction and repair that is the responsibility of the Association, this balance shall be distributed to Owners of damaged Units who have responsibility for reconstruction and repair of their Units. The distribution shall be in the proportion that the estimated cost of reconstruction and repair of such damage in each damaged Unit bears to the total of such estimated costs in all damaged Units; provided, however, that no Unit Owner shall be paid an amount in excess of the estimated costs for his Unit. If there is a mortgage upon a Unit, the distribution shall be paid to the Unit Owner and the mortgagee jointly and they may use the proceeds as they may determine.
- (iv) Surplus. It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated; except, however, that the part of a distribution to a beneficial owner which is not in excess of assessments paid by such owner into the construction fund shall not be made payable to any mortgagee.
- (v) Certificate. Notwithstanding the provisions herein, the Insurance Trustee shall not be required to determine whether or not sums paid by Unit Owners upon assessments shall be deposited by the Association with the Insurance Trustee, nor to determine whether the disbursements from the construction fund are to be upon the order of the Association or upon approval of an architect or otherwise, nor whether a disbursement is

to be made from the construction fund, nor to determine whether surplus funds to be distributed are less than the assessments paid by Owners, nor to determine the payee nor the amount paid. Instead, the Insurance Trustee may rely upon a certificate of the Association, made by its president and secretary as to any or all of such matters and stating that the sums to be paid are due and properly payable, and stating the name of the payee and the amount to be paid; provided that when a mortgagee is herein required to be named as payee, the Insurance Trustee shall also name the mortgagee as a payee of any distribution of insurance proceeds to a Unit Owner; and further provided that when the Association or a mortgagee that is the beneficiary of an insurance policy, the proceeds of which are included in the construction fund, so requires, the approval of an architect named by the Association shall be first obtained by the Association upon disbursements in payment of costs of reconstruction and repair.

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

16. Condemnation.

16.1 Deposit of Awards with Insurance Trustee. The taking of Condominium property by condemnation 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 hereafter made payable to that Owner.

16.2 Determination Whether to Continue 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 condemnation shall 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 condominium property and shall be owned and distributed in the manner provided for 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, the Owners of condemned Units will be made whole 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.
- 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, 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 effected in 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, 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 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 appurtenant to the Unit shall be reduced in the proportion by which the floor area of the Unit is reduced by the taking, and then the shares of all Unit Owners in the common elements shall be restated as percentages of the total of the new shares as reduced by the taking.
- 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, 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 effected in the Condominium:
- (a) Payment of Award. The award shall be paid first to all Institutional First Mortgagees in an amount sufficient to pay off their mortgages due from those Units which are not tenantable; and then jointly to the Unit Owners and mortgagees of Units not habitable

in an amount equal to the market value of the Unit immediately prior to the taking and with credit being given for payments previously reserved for Institutional First Mortgagees; and the balance, if any, 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 condition 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 shall exceed the balance of the fund from the award for the taking, the work shall be approved in the manner elsewhere required for further improvement of the common elements.
- (c) Adjustment of Shares in Common Elements. The shares in the common elements appurtenant to the Units that continue as part of the Condominium shall be adjusted to distribute the ownership of the common elements among the reduced number of Unit Owners. This shall be done by restating the shares of continuing Unit Owners in the common elements as percentages of the total of all percentages representing the aggregate shares of these continuing Owners as they exist prior to the adjustment.
- (d) Assessments. If the balance of the award (after payments to the Unit Owner and such Owner's mortgagee 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 shares of those Owners in the common elements after the changes effected by 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 by either party, the 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; and a judgment of specific performance upon the decision rendered by the arbitrators may be entered in any court of competent jurisdiction. The cost of arbitration

proceedings shall be assessed against all Units Owners in proportion to the shares of the Owners in the common elements as they exist prior to the changes effected by the taking.

16.6 Taking of Common Elements. Awards for the taking of common elements shall be used to make 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 the 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 further improvement of 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 adjustment of these shares on account of the condemnation. If there is a mortgage of a Unit, the distribution shall be paid jointly to the Owner and the mortgagees of the Unit.

16.7 Amendment of Declaration. The changes in Units, in the common elements and in the ownership of the common elements that are effected by condemnation shall be evidenced by an amendment of the Declaration of Condominium that need be approved only by 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 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 a lease or sublease of the Unit (as described below), as the case may be. Occupants of a 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. Under no circumstances may more than one family

reside in a Unit at one time. "Families" or words of similar import used herein shall be deemed to include spouse, parents, parents-in-law, brothers, sisters, children and grandchildren. In no event may more than four (4) persons occupy a one-bedroom Unit, nor may more than six (6) persons occupy a two-bedroom Unit. The Board of Directors shall have the power to authorize occupancy of a Unit by persons in addition to those set forth above. The provisions of this subdivision 17.1 shall not be applicable to Units used by the Developer for model apartments, sales offices or management services.

- 17.2 Children. No children under the age of twelve (12) years may reside in any Unit.
- 17.3 Pets. A Unit Owner or occupant may keep one (1) dog, provided said dog does not weigh more than 20 pounds and is kept, transported and walked in accordance with the rules and regulations of the Association. No other pets are permitted (except fish and small birds). Pets may not be raised for commercial purposes.
- 17.4 Exterior Alterations. No Unit Owner shall cause or allow improvements or changes to the exterior of a Unit or the building, including, but not limited to, painting or other decoration of any aesthetic nature, the installation of electrical wiring, television antenna, machines or air conditioning units which may protrude through the walls or roof of the building or in any manner change the appearance of any portion of the building, without obtaining the prior written consent of the Association.
- 17.5 Use of common elements. The common elements shall be used only for furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of Units.
- 17.6 Nuisances. No nuisances shall be allowed on the condominium property, nor shall any use or practice be allowed which is a source of annoyance to its residents or occupants or which interferes with the peaceful possession or proper use of the condominium property by its residents or occupants.
- 17.7 No improper uses. No immoral, improper, offensive or unlawful use shall be made of the condominium property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction 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 complied with 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 No transients. No portion of a Unit (other than an entire Unit) may be rented, and no transient tenants may be accommodated therein. (Occupants of Developer-owned Units or of Units leased to the Developer or its designee shall not be considered "transient tenants" regardless of the duration of their occupancy).
- 17.9 Exterior improvements; landscaping. No Unit Owner shall cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors or windows of the building (including 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.
18. Selling, Leasing and Mortgaging of Units. Unit Owners may sell, lease or mortgage their Units freely, provided that each subsequent owner or lessee and each mortgagee shall be bound to the terms and conditions of this Declaration and all Exhibits attached hereto, as they may be amended from time to time. *See Section 4.2(f) All*
19. Compliance and default. Each Unit Owner and the Association shall be governed by and shall comply with the terms of this Declaration of Condominium and all exhibits annexed 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 shall be entitled to the following relief in addition to the remedies provided by the Act:
- 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 or lessees, but only to the extent such expense is not met by the proceeds of insurance collected by the Association.
- 19.2 Maintenance. In the event a Unit Owner fails to maintain his unit in the manner herein required, the Association or any other Unit Owner shall have the right to proceed in a court of equity to seek compliance; or the Association shall have the right to assess the Unit Owner and the Unit for the sums necessary to do whatever work is required to put the Unit Owner in compliance herewith, and to collect such assessment and have a lien therefor as elsewhere 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.
- 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 annexed 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 such reasonable attorneys' fees (including appellate attorneys' fees) as may be awarded by the court.

- 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 annexed 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 rights 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 of at least 80% of the Units and common elements (after 20% of the Units have been sold to Unit Owners other than the Developer, the Developer will not vote the Units owned by it for such withdrawal unless the Owners of at least 80% of all other Units and common elements so elect for such withdrawal, at which time Developer may choose to vote either in favor of or against withdrawal from condominium ownership, as it sees fit). In the event such withdrawal is authorized as aforesaid, the condominium property shall be subject to an action for partition by any Unit Owner 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 liens on his Unit in the order of their priority. The termination of the Condominium in either of the foregoing manner 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 so long as it owns any Unit.
21. Covenant Running With the Land. All provisions of this Declaration, the Articles, By-Laws and 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 Owner of all or any part thereof, or interest therein, and his heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating 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 the Articles, By-Laws and 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 of occupancy of any Unit, shall constitute an adoption and ratification of the provisions of this Declaration, and the Articles, By-Laws and Rules and Regulations of the Association, by such Unit Owner, tenant or occupant.

22. Additional Provisions.

- 22.1 Notices. All notices 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 certified mail (return receipt requested) to their respective addresses, or such other address as may be designated by them from time to time, in writing to the Association. All notices shall be deemed to have been given when mailed in a postage prepaid sealed wrapper, except notices of changes of address which shall be deemed to have been given when received.
- 22.2 Exhibits. There is hereby incorporated in this Declaration any materials contained in the Exhibits annexed hereto which under the Act are required to be part of the Declaration.
- 22.3 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 whenever 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.
- 22.4 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 annexed hereto or the Rules and Regulations adopted pursuant to such documents, as the same may be amended from time to time, said dispute or litigation shall be governed by the laws of the State of Florida.
- 22.5 Severability. The invalidity in whole or in part of any covenant or restriction, or any section, subsection, sentence, clause, phrase or word, or other provision of this Declaration, the exhibits annexed hereto, or the Rules and Regulations adopted pursuant to such documents, as the same may be amended from time to time, shall not affect the validity of the remaining portions thereof.
- 22.6 Waiver. No provisions contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.
- 22.7 Ratification. Each Unit Owner, by reason of having acquired ownership (whether by purchase, gift, operation of law, or otherwise) shall be deemed to have acknowledged and agreed that all

the provisions of this Declaration, and the Articles and By-Laws of the Association, are fair and reasonable in all material respects.

22.8 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.

22.9 Captions. The captions herein and in the Exhibits annexed hereto are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of the particular document or any provision thereof.

IN WITNESS WHEREOF, the Developer has caused this Declaration to be executed by its duly authorized officers and its corporate seal to be hereunto affixed this ____ day _____, 197__.

Signed, Sealed & Delivered
in the presence of:

INVESTORS DIVERSIFIED
SERVICES, INC.

By _____

(CORPORATE SEAL)

Attest _____

STATE OF)
COUNTY OF) ss:

The foregoing Declaration of Condominium was acknowledged before me this _____ day of _____, 197____, by _____ and _____, as _____ President and _____ Secretary, respectively, of INVESTORS DIVERSIFIED SERVICES, INC., a Delaware corporation, on behalf of said corporation.

My Commission Expires:

NOTARY PUBLIC
State of _____

VILLA MADRID I 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, VILLA MADRID I CONDOMINIUM ASSOCIATION, INC. has caused these presents to be signed in its name by its proper officers and its corporate seal to be affixed this _____ day of _____, 197____.

Signed, Sealed & Delivered
in the Presence of:

VILLA MADRID I CONDOMINIUM
ASSOCIATION, INC.

By _____
(CORPORATE SEAL)

Attest _____

STATE OF)
COUNTY OF) ss:

The foregoing joinder was acknowledged before me this _____ day of _____, 197____, by _____ and _____, as _____ and _____, respectively, of VILLA MADRID I CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, on behalf of said corporation.

My Commission Expires:

NOTARY PUBLIC
State of _____

EXHIBIT 1

Lots 13 and 14, Block L of CORAL SPRINGS
COUNTRY CLUB SUBDIVISION, as recorded in Plat
Book 60, Page 43 of the Public Records of
Broward County, Florida.

EXHIBIT 2

NIT NO.	BDRMS./BATHRMS.	% SHARE OF COMMON EXPENSES, COMMON ELEMENTS AND COMMON SURPLUS	ESTIMATED MONTHLY ASSESSMENT FOR COMMON EXPENSES FOR FIRST TWELVE MONTH PERIOD	ESTIMATED ANNUAL ASSESSMENT FOR COMM EXPENSES FOR FIRST TWELVE MONTH PERIOD
1	2/2	5.09472	448.34 \$49.42	\$593.04
2	2/2	5.09472	448.34 49.42	593.04
3	1/1-1/2	4.14753	367.78 40.23	482.76
4	2/2	5.09472	448.34 49.42	593.04
5	2/2	5.56831	54.01	648.12
6	2/2	5.56831	54.01	648.12
7	1/1-1/2	4.14753	367.78 40.23	482.76
8	2/2	5.09472	448.34 49.42	593.04
9	2/2	5.09472	448.34 49.42	593.04
10	2/2	5.09472	448.34 49.42	593.04
11	2/2	5.09472	448.34 49.42	593.04
12	2/2	5.09472	448.34 49.42	593.04
13	1/1-1/2	4.14753	40.23	482.76
14	2/2	5.09472	448.34 49.42	593.04
15	2/2	5.56831	54.01	648.12
16	2/2	5.56831	54.01	648.12
17	1/1-1/2	4.14753	40.23	482.76
18	2/2	5.09472	448.34 49.42	593.04
19	2/2	5.09472	448.34 49.42	593.04
20	2/2	5.09472	448.34 49.42	593.04

2312 WILTON DRIVE

WILLIAMS, HATFIELD AND STONER, INC.
CIVIL ENGINEERS AND LAND SURVEYORS

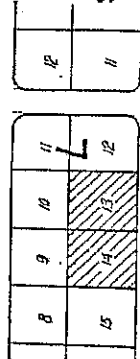
FT. LAUDERDALE, FLORIDA

SURVEY OF:

Lots 13 & 14
Block L,

"CORAL SPRINGS COUNTRY CLUB SUBDIVISION"
As recorded in Plat Book 60, Page 43, of the Public Records
of Broward County, Florida.

LOCATION
SKETCH



SEAL

NOT VALID UNLESS
SEALED HERE WITH
AN EMBOSSED LAND
SURVEYOR'S SEAL.

Set Iron Pipe
Electrical Pad
5' Street Light Easement

6' Utility Easement
150.0'

Asphalt Parking

2-STY. C.B.S.

1-STY. C.B.S.
RECREATION BLDG.

POOL

2-STY. C.B.S.

Asphalt Parking

Asphalt Parking

5' Street Light Easement
150.0'

Set Iron Pipe

GUEST

GUEST

GUEST

GUEST

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GUEST

ROYAL PALM BOULEVARD

5' Asphalt Walk

Scale: 1" = 30'

NOTE: THE LANDS SHOWN HEREOF WERE NOT ABSTRACTED FOR OWNERSHIP, RIGHTS-OF-WAY, OR EASEMENTS.

CERTIFICATE

THIS IS TO CERTIFY THAT I HAVE RECENTLY SURVEYED THE PROPERTY DESCRIBED IN THE FOREGOING TITLE CAPTION AND HAVE SET OR FOUND MONUMENTS AS INDICATED ON THIS SKETCH AND THAT SAID ABOVE GROUND SURVEY AND SKETCH ARE ACCURATE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER CERTIFY THAT THIS SURVEY MEETS THE MINIMUM REQUIREMENTS ADOPTED BY THE FLORIDA SOCIETY OF PROFESSIONAL LAND SURVEYORS AND THE FLORIDA LAND TITLE ASSOCIATION.

REVISIONS

REVISIONS	DATE	BY
Add legal	4-29-77	

PROFESSIONAL LAND SURVEYOR NO. 2162

DATE OF SURVEY 4-15-77 DRAWN BY C.C.T. CHECKED BY FIELD BOOK 514-10

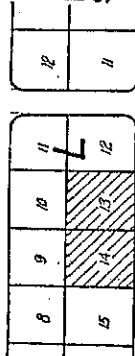
NO. 10034

2312 WILTON DRIVE

WILLIAMS, HATFIELD AND STONER, INC.
CIVIL ENGINEERS AND LAND SURVEYORS

FT. LAUDERDALE, FLORIDA

SURVEY OF:

Lots 13 & 14
Block L."CORAL SPRINGS COUNTRY CLUB SUBDIVISION"
As recorded in Plat Book 60, Page 43, of the Public Records
of Broward County, Florida.LOCATION
SKETCH

ROYAL PALM BLVD

SEAL
NOT VALID UNLESS
SEALED HERE WITH
AN EMBOSSED LAND
SURVEYOR'S SEAL.

Set Iron Pipe

Set Iron Pipe

NOTE: THE LANDS SHOWN HEREDA WERE NOT ABSTRACTED FOR OWNERSHIP, RIGHTS-OF-WAY, OR EASEMENTS.

CERTIFICATE

THIS IS TO CERTIFY THAT I HAVE RECENTLY SURVEYED THE PROPERTY DESCRIBED IN THE FOREGOING TITLE CAPTION AND HAVE SET OR FOUND MONUMENTS AS INDICATED ON THIS SKETCH AND THAT SAID ABOVE GROUND SURVEY AND SKETCH ARE ACCURATE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER CERTIFY THAT THIS SURVEY MEETS THE MINIMUM REQUIREMENTS ADOPTED BY THE FLORIDA SOCIETY OF PROFESSIONAL LAND SURVEYORS AND THE FLORIDA LAND TITLE ASSOCIATION.

REVISIONS

Add legal

DATE

BY

C.G.T.

PROFESSIONAL LAND SURVEYOR NO. 2162 - STATE OF FLORIDA

DATE OF SURVEY

DRAWN

BY

C.G.T.

CHECKED

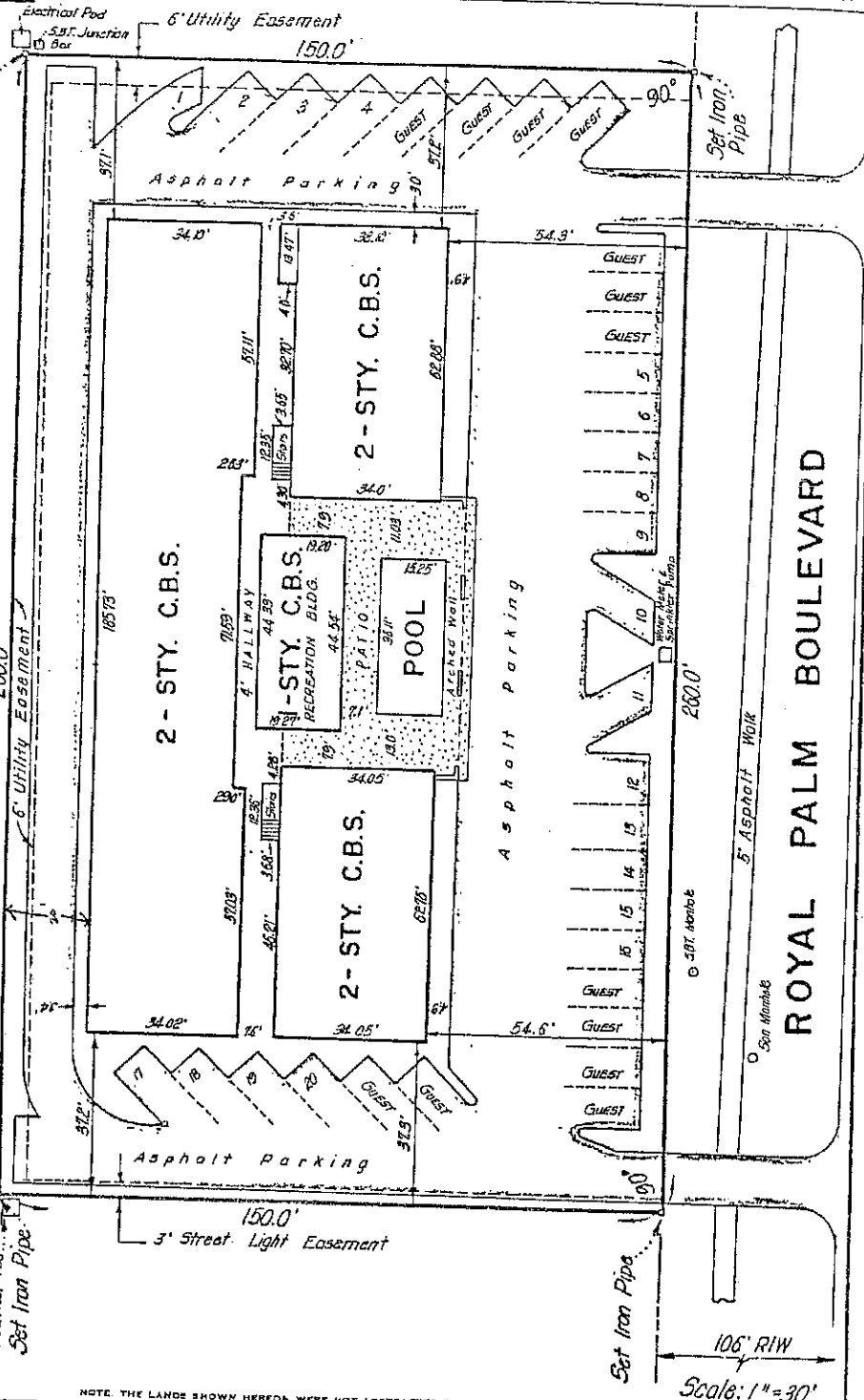
BY

FIELD

BOOK

514-10

10034-05

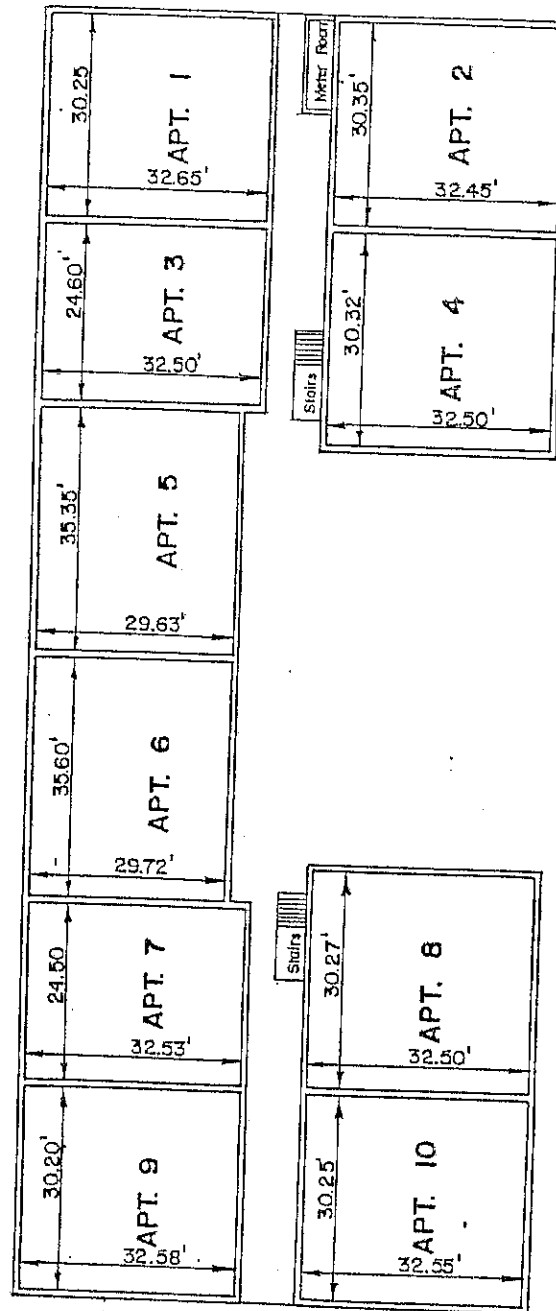


NOTES:

1. Internal partition walls are not shown.
2. Elevations, in feet, are referred to Mean Sea Level (U.S.C. & G.S. Datum).

1st floor contains 10 apartment units having the following limiting elevations

	Apt. 1, 3, 5, 6, 7 & 9	Apt. 8 & 10	Apt. 2 & 4
Lower limits of units	12.34	12.35	12.38
Upper limits of units	20.37	20.38	20.41



SCALE: 1" = 20'

REVISIONS

DATE BY

PROFESSIONAL LAND SURVEYOR NO. 2162 - STATE OF FLORIDA

DATE 3-15-77 DRAWN BY C.C.T. CHECKED BY J.B. FIELD BOOK 514, 11-12

TON
HOLES

1-2001-05

2312 WILTON DRIVE

WILLIAMS, HATFIELD AND STONER, INC.
CIVIL ENGINEERS AND LAND SURVEYORS

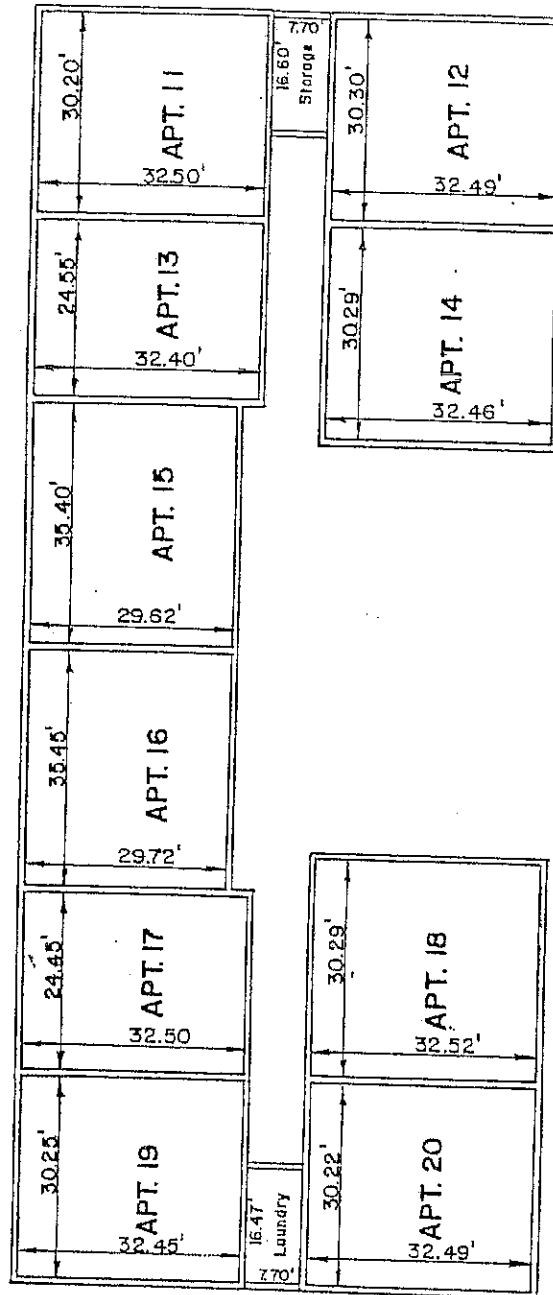
FT. LAUDERDALE, FLORIDA

NOTES:

1. Internal partition walls are not shown.
2. Elevations, in feet, are referred to Mean Sea Level (U.S.C. & G.S. Datum).

2nd floor contains 10 apartment units having the following limiting elevations

	Apt. 11, 13, 15, 16,	Apt. 12 & 14
Lower limits of units	17.81	21.11
Upper limits of units	21.18	29.25



SCALE: 1" = 20'

REVISIONS	DATE	BY

PROFESSIONAL LAND SURVEYOR NO. 2162 - STATE OF FLORIDA
DATE 3-15-77 DRAWN BY C.C.T. CHECKED BY FIELD BOOK 514-11-12

SECTION NO. 30-10034

EXHIBIT 4

BY-LAWS OF

VILLA MADRID I CONDOMINIUM ASSOCIATION, INC.

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

1. Identity. These are the By-Laws of VILLA MADRID I CONDOMINIUM ASSOCIATION, INC. (the "Association"), a corporation not for profit under the laws of the State of Florida, organized for the purpose of administering that certain condominium located in Broward County, Florida, and known as VILLA MADRID I, a Condominium (the "Condominium").

1.1 Principal Office. The principal office of the Association shall be 1220 First Federal Building, One S. E. Third Avenue, Miami, Florida 33131, or at such other place as may be subsequently designated by the Board of Directors. All books and records of the Association shall be kept at its principal office.

1.2 Fiscal Year. The fiscal year of the Association shall be the calendar year.

1.3 Seal. The seal of the Association shall bear the name of the corporation, the word "Florida", the words "Corporation Not for Profit", and the year of incorporation.

2. Definitions. For convenience, these By-Laws shall be referred to as the "By-Laws" and the Articles of Incorporation of the Association as the "Articles". The other terms used in these By-Laws shall have the same definitions and meaning as those set forth in the Declaration for the Condominium, unless herein provided to the contrary, or unless the context otherwise requires.

3. Members.

3.1 Annual Meeting. The annual members meeting shall be held on the date, at the place, and at the time, as determined by the Board of Directors from time to time, provided that there shall be an annual meeting every calendar year, and no later than thirteen (13) months after the last preceding annual meeting. The purpose of the meeting shall be to elect Directors and to transact any other business authorized to be transacted by the members, or stated in the notice of meeting sent to Unit Owners in advance thereof.

- 3.2 Special Meetings. Special members' meetings shall be held at such places as provided for annual meetings and may be called by the President or by a majority of the Board of Directors of the Association, and must be called by the President or Secretary upon receipt of a written request from a majority of the members of the Association. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting.
- 3.3 Notice of Meeting. Notice of a meeting of members stating the time and place and the objects for which the meeting is called shall be given by the President or Secretary. A copy of the notice shall be posted at a conspicuous place on the Condominium property and a copy shall be delivered or mailed to each member entitled to attend the meeting. The notice of the annual meeting shall be sent by certified mail to each Unit Owner, unless the Unit Owner waives in writing the right to receive notice of the annual meeting by certified mail. The delivery or mailing shall be to the address of the member as it appears on the roster of members. The posting, delivery or mailing of the notice shall be effected not less than fourteen (14) days nor more than sixty (60) days prior to the date of the meeting. Proof of posting, delivery or mailing of the notice shall be given by the affidavit of the person serving the notice. Notice of specific meetings may be waived before or after the meeting.
- 3.4 Quorum. A quorum at members' meetings shall be attained by the presence, either in person or by proxy, of persons entitled to cast a majority of the votes of the entire membership.
- 3.5 Voting.
- (a) Number of Votes. In any meeting of members, the owners of units shall be entitled to cast one 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 have been attained shall be binding upon all Unit Owners for all purposes except where otherwise provided by law, the Declaration, the Articles of Incorporation or these By-Laws. As used in these By-Laws, the Articles of Incorporation or the Declaration the terms "majority of the Unit Owners" and "majority of the members" shall mean those Unit Owners having more than 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 have been attained.

(c) Voting Member. If a Unit is owned by one person, his right to vote shall be established by the roster of members. If a Unit is owned by more than one person, or is under lease, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by all of the record owners of the Unit according to the roster of Unit Owners and filed with the Secretary of the Association. If a Unit is owned by a corporation, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by the President or Vice-President and attested by the Secretary or Assistant Secretary of the corporation and filed with the Secretary of the Association. Those certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Unit concerned. A certificate designating the person entitled to cast the vote for a Unit may be revoked by any owner of a share in the Unit. If a certificate designating the person entitled to cast the vote for a Unit is not on file or has been revoked, the vote of the owners shall not be considered in determining whether a quorum is present nor for any other purpose, except if the Unit is owned jointly by a husband and wife. If a unit is owned jointly by a husband and wife, they may, without being required to do so, designate a voting member in the manner provided above. In the event a husband and wife do not designate a voting member, the following provisions shall apply:

- (i) 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, and their vote shall not be considered in determining whether a quorum is present on that subject at the meeting.
- (ii) If only one is present at a meeting, the person present shall be counted for purposes of a quorum and may cast the unit vote, just as though he or she owned the unit individually, and without establishing the concurrence of the absent person.
- (iii) If both are present at a meeting and concur, either one may cast the unit vote.

- 3.6 Proxies. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote and shall be valid only for the particular meeting designated in the proxy. A proxy must be filed in writing, signed by the voting member generating the proxy and filed with the Secretary before the appointed time of the meeting, or before the time to which the meeting is adjourned. No one person (other than the Developer) may hold more than five proxies.
- 3.7 Adjourned Meetings. If any meeting of members cannot be organized because a quorum has not been attained, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, provided notice of the adjourned meeting is given in the manner required for notice of a meeting.
- 3.8. Order of Business. The order of business at annual members' meetings, and, if applicable, at other members' meetings, shall be:
- (a) Call to order by President;
 - (b) Election of chairman of the meeting;
 - (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.
- 3.9 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 representatives and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven years.
4. Directors.
- 4.1 Membership. The affairs of the Association shall be governed by a Board of not less than three (3) nor more than nine (9) 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 mortgagees, shall be members or employees (or their spouses) of such partnerships, or in the case of corporate Unit Owners or mortgagees, shall be directors, officers, stockholders or employees (or their spouses) of such corporations, or in the case of fiduciary Unit Owners or 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 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 subdivision 4.1 shall not apply to directors elected by the Developer in accordance with subdivision 4.15 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 five (5) members shall 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) Except as to vacancies resulting from removal of Directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining Directors, provided that all vacancies in directorships to which Directors were appointed by the Developer pursuant to the provisions of subdivision 4.15 hereof shall be filled by the Developer.
- (e) Any director may be removed by concurrence of two-thirds (2/3) of the votes of the entire membership at a special meeting of the members called for that purpose. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting.

(F) Provided, however, that until a majority of the Directors are elected by the members other than the Developer of the Condominium, neither the first Directors of the Association nor any Directors replacing them nor any Directors named by the Developer shall be subject to removal by members other than the Developer. The first Directors and Directors replacing them may be removed and replaced by the Developer.

- 4.3 Term. The term of each Director's service shall extend until the next annual meeting of the members and subsequently until his successor is duly elected and qualified, or until he is removed in the manner elsewhere provided.
- 4.4 Organizational Meeting. The organizational meeting of a newly-elected or appointed Board of Directors shall be held within ten (10) days of their election or appointment at such place and time as shall be fixed by the Directors at the meeting at which they were elected or appointed, and no further notice of the organizational meeting shall be necessary.
- 4.5 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegraph, and shall be transmitted at least three (3) days prior to the meeting. Regular meetings of the Board of Directors shall be open to all Unit Owners and notice of such meetings shall be posted conspicuously at the Condominium property forty-eight (48) hours in advance for the attention of the members of the Association, except in the event of an emergency.
- 4.6 Special Meetings. Special meetings of the Directors may be called by the President and must be called by the President or Secretary at the written request of one-third (1/3) of the Directors. Notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting, and shall be transmitted not less than three (3) days prior to the meeting. Special meetings of the Board of Directors shall be open to all Unit Owners and notice of a special meeting shall be posted conspicuously at the Condominium property forty-eight (48) hours in advance for the attention of the members of the Association except in the event of an emergency.
- 4.7 Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to the giving of 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.

- 4.8 Quorum. A quorum at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is required by the Declaration, the Articles or these By-Laws.
- 4.9 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.
- 4.10 Joinder in Meeting by Approval of Minutes. The joinder of a Director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of that Director for the purpose of determining a quorum.
- 4.11 Presiding Officer. The presiding officer of the Directors' meetings shall be the Chairman of the Board if such an officer has been elected; and if none, the President shall preside. In the absence of the presiding officer, the Directors present shall designate one of their number to preside.
- 4.12 Order of Business. The order of business at Directors' meetings shall be:
- (a) Calling of roll;
 - (b) Proof of due notice of meeting;
 - (c) Reading and disposal of any unapproved minutes;
 - (d) Reports of officers and committees;
 - (e) Election of officers;
 - (f) Unfinished business;
 - (g) New business;
 - (h) Adjournment.
- 4.13 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 representatives and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven years.

- 4.14 Executive Committee. The Board of Directors may, by resolution duly adopted, appoint an Executive Committee to consist of three (3) or more members of the Board of Directors. Such Executive Committee shall have and may exercise all of the powers of the Board of Directors in management of the business and affairs of the Condominium during the period between the meetings of the Board of Directors insofar as may be permitted by law, except that the Executive Committee shall not have power (a) to determine the common expenses required for the affairs of the Condominium, (b) to determine the assessments payable by the Unit Owners to meet the common expenses of the Condominium, (c) to adopt or amend the rules and regulations covering the details of the operation and use of the condominium property, or (d) to exercise any of the powers set forth in subdivision (g) and (p) of Section 5 below.
- 4.15 Proviso. Notwithstanding anything to the contrary contained in this Section 4, the Board shall consist of three directors during the period that the Developer is entitled to appoint a majority of the directors, as hereinafter provided. The Developer shall have the right to appoint 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 Unit Owners other than the Developer own 15% 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; or (d) when some of the Units have been conveyed to purchasers, and none of the others are being constructed or 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 any Unit 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 such member or 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.

Solely to the extent legally required by Rules of the Department of Legal Affairs, the following indented paragraphs are added to these By-Laws. In the event that the Rule requiring the addition of the following paragraphs is held unenforceable, such paragraphs shall be deleted in their entirety, or in such part as shall be held unenforceable, as if such paragraphs or parts thereof were not included in these By-Laws:

Within a reasonable time after Unit Owners other than the Developer elect a majority of the members of the Board of Directors of the Association, the Developer shall relinquish control of the Association and shall deliver to the Association all property of the Unit Owners and of the Association held by or controlled by the Developer, including but not limited to the following items, if applicable:

- (a) Original Declaration, Association Articles of Incorporation, By-Laws, minute books and regulations.
- (b) Resignation of officers and members of Board of Directors.
- (c) Accountings for Association funds. The Developer shall be liable to the association for all of these funds that are not properly expended. The Developer shall bear all expenses of the Association and of the operation of the Condominium in excess of assessments or payments collected or due from unit owners by or to the Association or the Developer prior to the time the Developer relinquished control of the Association.
- (d) Association funds.
- (e) All tangible personal property that is represented by the Developer to be part of the common elements, or that is ostensibly part of the common elements or that is property of the Association, and inventories of these properties.
- (f) As-built plans and specifications for construction or improvements and equipment, and for construction and installation of all mechanical components servicing the improvements and the site, certified by the Developer or by an architect authorized to practice in this state that the plans represent the building and other improvements as constructed or remodeled.

- (g) Insurance policies.
- (h) Certificates of occupancy.
- (i) Other permits issued by governmental bodies.
- (j) Warranties of the contractor, subcontractors and suppliers.
- (k) Roster of Unit Owners and their addresses and telephone numbers.
- (l) Leases.
- (m) Employment contracts.
- (n) Service contracts.
- (o) Other contracts.

5. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Condominium and may take all acts in executing such powers 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 elements.
- (b) Determination of the expenses required for the operation of the Condominium 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 concerning the details of the operation and use of the condominium property, subject to a right of the Unit Owners to overrule the Board as provided in Section 12 hereof.
- (f) Maintaining bank accounts on behalf of the Association and designating the signatories required therefor.
- (g) Purchasing, leasing or otherwise acquiring Units in the name of the Association, or its designee.
- (h) Purchasing 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) Organizing corporations to act as designees of the Association in acquiring title to or leasing Units by the Association.
- (k) Obtaining and reviewing insurance for the condominium property.
- (l) 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.
- (m) Enforcing obligations of the Unit Owners, allocating profits and expenses and doing anything and everything else necessary and proper for the sound management of the Condominium.
- (n) Levying fines against the Unit Owners for violations of the rules and regulations established by it to govern the conduct of the Unit Owners.
- (o) Purchasing or leasing a Unit for use by a resident superintendent.
- (p) Borrowing money on behalf of the Association when required in connection with the operation, care, upkeep and maintenance of the common elements; provided, however, that (i) the consent of the Owners of at least two-thirds (2/3rds) 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 \$20,000.00, (ii) no lien to secure repayment of any sum borrowed may be created voluntarily 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 (p) 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.
- (q) Contract for the management of the Condominium and delegate to such contractor 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 be approved by the Board of Directors

or other Unit Owners; to contract for the management or operation of portions of the condominium property susceptible to separate management or operation thereof; and to grant concessions for the purpose of providing services to the Unit Owners.

- (r) At its discretion, authorize Unit Owners or other persons to use common elements such as social rooms, meeting rooms, pool terraces, etc., for private parties and gatherings and to impose reasonable charges for such private uses.
- (s) To exercise all powers specifically set forth in the Declaration, the Articles of the Association, these By-Laws, and in the Florida Condominium Act, and all powers incidental thereto.
- (t) To suspend the right of any Unit Owner to use the recreation facilities of the Condominium so long as said Unit Owner is delinquent in the payment of common expenses.
- (u) To impose a lawful fee in connection with the approval of the transfer, lease, sale or sublease of Units, not to exceed \$50 in any one case.

6. Officers.

6.1 Executive Officers. The executive officers of the Association shall be a President, who shall be a Director, a Vice-President, who shall be a Director, a Treasurer, a Secretary and an Assistant Secretary, all of whom shall be elected mutually by the Board of Directors and who may be peremptorily removed at any meeting by concurrence of a majority of all of the Directors. A person may hold more than one office except that the President may not also be the Secretary or Assistant Secretary. No person shall sign an instrument nor perform an act in the capacity of more than one office. The Board of Directors from time to time shall elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

6.2 President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties that are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the members from time to time to assist in the conduct of the affairs of the Association as he in his discretion may determine appropriate.

- 6.3 Vice-President. The Vice-President shall exercise the powers and perform the duties of the President in the absence or disability of the President. He also shall assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.
- 6.4 Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the serving of all notices to the members and Directors and other notices required by law. He shall have custody of the seal of the Association and shall affix it to instruments requiring the seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the secretary of an association and as may be required by the Directors or the President.
- 6.5 Assistant Secretary. The Assistant Secretary shall exercise the powers and perform the duties of the Secretary in the absence or disability of the Secretary.
- 6.6 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. He shall submit a treasurer's report to the Board of Directors at reasonable intervals and shall perform all other duties incident to the office of treasurer. All monies and other valuable effects shall be kept for the benefit of the Association in such depositories as may be designated by a majority of the Board of Directors.
7. Compensation. Neither Directors nor officers shall 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.
8. 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.

9. Fiscal Management. The provisions for fiscal management of the Association set forth in the Declaration and Articles shall be supplemented by the following provisions:

9.1 Budget.

- (a) Adoption by Board. 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 expenses of the Condominium and allocate and assess such expenses among the Unit Owners in accordance with the provisions of the Declaration. The adoption of a budget for the Condominium shall comply with the requirements hereinafter set forth:
 - (i) Notice of Meeting. A copy of the proposed budget of common expenses shall be mailed to each Unit Owner not less than thirty (30) days prior to the meeting of the Board of Directors at which the budget will be considered together with a notice of that meeting indicating the time and place of such meeting. The meeting shall be open to the Unit Owners.
 - (ii) Special Membership Meeting. If a budget is adopted by the Board of Directors which requires assessment against the Unit Owners in any year exceeding one hundred fifteen percent (115%) of such assessments for the preceding year, as hereinafter defined, upon written application of ten percent (10%) of the Unit Owners, a special meeting of the Unit Owners shall be held within thirty (30) days of delivery of such application to the Board of Directors or any member thereof. Each Unit Owner shall be given at least ten (10) days notice of said meeting. At the special meeting Unit Owners shall consider and adopt a budget. The adoption of said budget shall require a vote of Owners of not less than 66-2/3% of all the Units; provided, however, that during the period that the Developer is entitled to elect a majority of the Board of Directors, any revision by the Unit Owners of the budget shall require a vote of Owners of not less than 80% of all the Units.

- (iii) Approval by Membership. The Board of Directors may propose a budget to the Unit Owners at a meeting of the members or by writing and if such budget or proposed budget be approved by a majority of the Unit Owners at the meeting or by majority of all Unit Owners in writing, the budget shall be adopted.
- (iv) Determination of Budget Amount. In determining whether a budget requires assessment against Unit Owners in any year exceeding one hundred fifteen percent (115%) of assessments for the preceding year, there shall be excluded in the computations any authorized provisions for reasonable reserves made by the Board of Directors in respect of repair or replacement of the condominium property or in respect of anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis, and there shall be excluded from such computation assessments for improvements to the condominium property.
- (v) Proviso. As long as the Developer is in control of the Board of Directors of the Association, such Board shall not impose an assessment for a year greater than one hundred fifteen percent (115%) of the prior year's assessment, as hereinafter defined, without the approval of a majority of the Unit Owners.
- (b) Adoption by Membership. In the event that the Board of Directors shall be unable to adopt a budget for the Association in accordance with the requirements of Subsection 9.1(a) above, the Board of Directors may call a special membership meeting for the purpose of considering and adopting the budget for the Association, which meeting shall be called and held in the manner provided for such special membership meetings in said subsection, and such budget adopted by the membership, upon approval of the majority of the Board of Directors, shall become the budget of the Association for such year.
- (c) Proviso. Until the Developer has completed sales and closings of all units in the Condominium, or until the Developer's control of the Board of Directors is terminated, whichever shall first occur, the Board of Directors may, without liability to the Association or Unit Owners, omit from the budget all allowances for contingencies, capital surplus and reserves.

- 9.2 Assessments. Assessments against the Unit Owners for their share of the items of the budget shall be made for the calendar year annually in advance on or before December 20th preceding the year for which the assessments are made. Such assessments shall be due in equal installments, payable in advance on the first day of each month of the year for which the assessments are made. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment, and monthly installments on such assessment shall be due upon each installment payment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors. Unpaid assessments for the remaining portion of the calendar year for which an amended assessment is made shall be payable in as many equal installments as there are full months of the calendar year left as of the date of such amended assessment, each such monthly installment to be paid on the first day of the month, commencing the first day of the next ensuing month.
- 9.3 Assessments for Charges. Charges by the Association against members for other than common expenses shall be payable in advance. These charges may be collected by assessment in the same manner as common expenses, and when circumstances permit, those charges shall be added to the assessments for common expenses. Charges for other than common expenses may be made only after approval of a member or when expressly provided for in the Declaration or the exhibits annexed thereto as the same may be amended from time to time, which charges may include without limitation charges for the use of the Condominium property or Recreation Area, maintenance services furnished at the expense of a member and other services furnished for the benefit of a member.
- 9.4 Assessments for Emergencies. Assessments for common expenses for emergencies that cannot be paid from the annual assessments for common expenses shall be due only after thirty (30) days notice is given to the Unit Owners concerned, and shall be paid in such manner as the Board of Directors of the Association may require in the notice of assessment.
- 9.5 Depository. The depository of the Association shall be such bank or banks in the County, as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from those accounts shall be made only by checks signed by such person or persons as are authorized by the Directors. All sums collected by the Association from assessments may be commingled in a single fund or divided into more than one fund, as determined by a majority of the Board of Directors.

- 9.6 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.
- 9.7 Fidelity Bonds. Fidelity bonds may be required by the Board of Directors for all persons handling or responsible for Association funds in such amount as shall be determined by a majority of the Board. The premiums on such bonds shall be paid by the Association.
- 9.8 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.
- 9.9 Accounting Records and Reports. The Association shall maintain copies of 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 due. Written summaries of such records shall be supplied to each Unit Owner annually. *
- 9.10 Application of Payment. All assessment payments by a Unit Owner shall be applied as provided herein and in the Declaration.
10. 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 a booklet entitled "Owners of Units". 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 shall file a copy of the satisfaction of mortgage with the Association. The Association shall maintain such information in a booklet entitled "Mortgagees of Units". The Association may rely

upon the accuracy of such booklets for all purposes until notified in writing of changes therein as provided above. Only Unit Owners or Mortgagees of record on the date notice of any meeting requiring their vote is given shall be entitled to vote at such meeting, unless prior to such meeting, other Owners or Mortgagees shall produce adequate evidence, as provided above, of their interest and shall waive in writing notice of such meeting.

11. 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.

12. Amendments. Except as elsewhere provided otherwise, these By-Laws may be amended 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 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. The approval must be either:

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

(b) by not less than 75% of the votes of the entire membership of the Association.

12.3 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.

12.4 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.

13. Rules and Regulations. Annexed hereto as Schedule A and made a part hereof are rules and regulations concerning the use of portions of the Condominium. The Board of Directors may from time to time modify, amend or add to such rules and regulations, except that owners of a majority of the Units present and voting at a meeting at which a quorum is present may overrule the Board with respect to any such modifications, amendments or additions. Copies of such modified, amended or additional rules and regulations shall be furnished by the Board of Directors to each Unit Owner not less than thirty (30) days prior to the effective date thereof.

14. Construction. 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 genders.

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

The foregoing was adopted as the By-Laws of VILLA MADRID I CONDOMINIUM ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, at the first meeting of the Board of Directors on the _____ day of _____, 19____.

Approved:

Secretary

President

EXHIBIT "5"

ARTICLES OF INCORPORATION FOR
VILLA MADRID I 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, and hereby adopt the following Articles of Incorporation:

ARTICLE 1

NAME

The name of the corporation shall be VILLA MADRID I CONDOMINIUM ASSOCIATION, INC. For convenience, the corporation shall be referred to in this instrument as the "Association", these Articles of Incorporation as the "Articles", and the By-Laws of the Association as the "By-Laws".

ARTICLE 2

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 that certain condominium located in Broward County, Florida, and known as VILLA MADRID I, a Condominium (the "Condominium").

ARTICLE 3

DEFINITIONS

The terms used in these Articles shall have the same definitions and meaning 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.

ARTICLE 4

POWERS

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

- 4.1 General. The Association shall have all of the common-law and statutory powers of a corporation not for profit under the Laws of Florida that are not in conflict with the provisions of these Articles or of the Act.

4.2 Enumeration. The Association shall have all the powers and duties set forth in the Act except as limited by these Articles and the Declaration, and all of the powers and duties reasonably necessary to operate the Condominium pursuant to the Declaration, 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 property and other property acquired or leased by the Association for use by Unit Owners.
- (d) To purchase insurance upon the Condominium property and insurance for the protection of the Association, its officers, directors, and members as Unit Owners.
- (e) To make and amend reasonable rules and regulations for the maintenance, conservation and use of the Condominium property and for the health, comfort, safety and welfare of the Unit Owners.
- (f) To approve or disapprove the leasing, transfer, mortgaging, ownership and possession of Units as may be provided by the Declaration.
- (g) To enforce by legal means the provisions of the Act, the Declaration, these Articles, the By-Laws, and the rules and regulations for the use of the Condominium property.
- (h) To contract for the management of the Condominium and any facilities used by the Unit Owners, 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 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.

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

- 4.4 Distribution of income. The Association shall make no distribution of income to its members, directors or officers.
- 4.5 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 5

MEMBERS

- 5.1 Membership. The members of the Association shall consist of all of the record owners of units in the Condominium, and after termination of the Condominium shall consist of those who were members at the time of the termination and their successors and assigns.
- 5.2 Assignment. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the Unit for which that share is held.
- 5.3 Voting. On all matters upon which the membership shall be entitled to vote, there shall be only one vote for each Unit, which vote shall be exercised or cast in the manner provided by the Declaration and By-Laws. Any person or entity owning more than one Unit shall be entitled to one vote for each Unit owned.
- 5.4 Meetings. The By-Laws shall provide for an annual meeting of members, and may make provision for regular and special meetings of members other than the annual meeting.

ARTICLE 6

TERM OF EXISTENCE

The Association shall have perpetual existence.

ARTICLE 7

SUBSCRIBERS

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

<u>NAME</u>	<u>ADDRESS</u>
Charles W. Strawser, Jr.	3933 Barr Circle Tucker, Georgia 30084
Richard Anderson	2400 IDS Tower Minneapolis, Minnesota 55402
Richard Sveen	2400 IDS Tower Minneapolis, Minnesota 55402

ARTICLE 8

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:

President:	Charles W. Strawser, Jr. 3933 Barr Circle Tucker, Georgia 30084
Vice President and Assistant Secretary:	Richard Anderson 2400 IDS Tower Minneapolis, Minnesota 55402
Secretary-Treasurer:	Richard Sveen 2400 IDS Tower Minneapolis, Minnesota 55402

ARTICLE 9

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 either members of the Association or residents of a unit in the Condominium.

- 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 when such approval is specifically required.
- 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 described 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:

<u>NAME</u>	<u>ADDRESS</u>
Charles W. Strawser, Jr.	3933 Barr Circle Tucker, Georgia 30084
Richard Anderson	2400 IDS Tower Minneapolis, Minnesota 55402
Richard Sveen	2400 IDS Tower Minneapolis, Minnesota 55402

ARTICLE 10

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 the 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 be-

lied to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, 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 of the circumstances of the case, such person is fairly and reasonably entitled to indemnity 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, had 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, if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or 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 director, 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-law, agreement, vote of members or otherwise, both as to action in his official capacity while holding such office or otherwise, 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 the Association as a director, officer, employee or agent 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 11

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 the By-Laws.

ARTICLE 12

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 the 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 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, providing the approval is delivered to the secretary at or prior to the meeting. The approvals must be either
- (a) by not less than 66 2/3% of the votes of the entire membership of the Association and by not less than a majority of the Board of Directors; or

(b) by not less than 75% of the votes of the entire membership of the Association.

12.3 Limitation. Provided, however, that no amendment shall make any changes in the qualifications for membership nor in the voting rights or property rights of members, nor any changes in Sections 4.3, 4.4, and 4.5 of Article 4, entitled "Powers", without approval in writing by all members and the joinder of all record owners of mortgages upon units. No amendment shall be made that is in conflict with the Act or the Declaration, nor shall any amendment make any changes which would in any way affect any of the rights, privileges, powers or options herein provided in favor of or reserved to the Developer, or an affiliate of 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 13

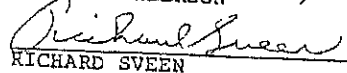
INITIAL REGISTERED OFFICE ADDRESS AND NAME OF REGISTERED AGENT

The initial registered office of this corporation shall be at 1220 First Federal Building, One S. E. Third Avenue, Miami, Florida 33131, with the privilege of having its office and branch offices at other places within or without the State of Florida. The initial registered agent at that address shall be DeWitt C. Casey, Jr.

IN WITNESS WHEREOF, the subscribers have affixed their signatures the days and years set forth below.


 (SEAL)
CHARLES W. STRAWSER, JR.

 (SEAL)
RICHARD ANDERSON

 (SEAL)
RICHARD SVEEN

STATE OF FLORIDA)
COUNTY OF DADE) ss:

The foregoing instrument was acknowledged before me this 5th day of May, 1977, by CHARLES W. STRAWSER, JR.


Notary Public, State of FLORIDA

My commission expires:

December 12, 1978

STATE OF Minnesota)
COUNTY OF Hennepin) ss:

The foregoing instrument was acknowledged before me
this 2nd day of May, 1977, by RICHARD ANDERSON.

Johanne M. Stoffel
Notary Public, State of Minnesota

My commission expires:
JOHANNE M. STOFFEL
Notary Public, Hennepin County, Minn.
My Commission Expires July 24, 1981

STATE OF Minnesota)
COUNTY OF Hennepin) ss:

The foregoing instrument was acknowledged before me
this 2nd day of May, 1977, by RICHARD SVEEN.

Johanne M. Stoffel
Notary Public, State of Minnesota

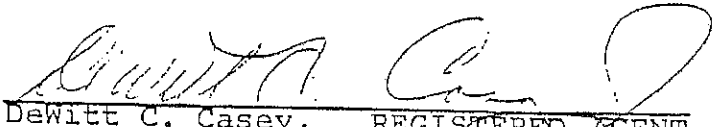
My commission expires:
JOHANNE M. STOFFEL
Notary Public, Hennepin County, Minn.
My Commission Expires July 24, 1981

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

In compliance with the laws of Florida, the following
is submitted:

First -- That VILLA MADRID I CONDOMINIUM ASSOCIATION, INC.
desiring to organize under the laws of the State of Florida
with its principal office, as indicated in the articles of
incorporation at City of Miami, County of
Dade, State of Florida, has named DeWitt C.
Casey, Jr., located at One S. E. Third Avenue,
1220 First Federal Building
City of Miami, County of Dade
State of Florida, as its statutory registered agent.

Having been named the statutory agent of the above
corporation at the place designated in this certificate I
hereby accept the same and agree to act in this capacity,
and agree to comply with the provisions of Florida law
relative to keeping the registered office open.


DeWitt C. Casey, Jr. REGISTERED AGENT

DATED this 23 day of May,
1977.

SPECIAL WARRANTY DEED

THIS INDENTURE, made this _____ day of _____, 197____, by and between INVESTORS DIVERSIFIED SERVICES, INC., a Delaware corporation, hereinafter called "Grantor," and _____ whose Post Office address is _____, hereinafter called "Grantee,"

W I T N E S S E T H :

That the Grantor, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to it in hand well and truly paid by the Grantee, the receipt of which is hereby acknowledged, has granted, bargained and sold to the Grantee, their heirs and assigns forever, the following-described condominium unit, situate, lying and being in Broward County, Florida, to-wit:

Condominium Unit _____ in Villa Madrid I, A CONDOMINIUM, according to the Declaration of Condominium thereof, recorded _____, 19____, under Clerk's File No. _____ in Official Record Book _____, Page _____, of the Public Records of Broward County, Florida.

The conveyance is subject to the following:

1. Real estate taxes for the year 197__ and subsequent years.
2. Conditions, restrictions, limitations, reservations and easements of record, or visible upon the ground.
3. The terms and conditions of the Declaration of Condominium described above and each and every exhibit attached thereto.
4. Purchase money mortgage of even date herewith in the principal amount of \$_____.

The Grantor does hereby fully warrant title to the afore-described condominium unit and will defend same against the lawful claims of all persons claiming by, through or under the said Grantor.

IN WITNESS WHEREOF, the undersigned has caused these presents to be executed the day and year first above written.

Signed, Sealed and Delivered
in the Presence of:

INVESTORS DIVERSIFIED SERVICES, INC.

By _____

[Corporate Seal]

STATE OF FLORIDA)
 : SS
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 197____, by _____ of INVESTORS DIVERSIFIED SERVICES, INC., a Delaware corporation, on behalf of the corporation.

My Commission Expires:

NOTARY PUBLIC

MANAGEMENT AGREEMENT

THIS AGREEMENT is made and entered into as of the day of 1977, by and between VILLA MADRID I CONDOMINIUM ASSOCIATION, INC., a not for profit Florida corporation (the "Association"), and BAILEY & CASEY, INC., a Florida corporation (the "Manager").

W I T N E S S E T H:

A. The Association is the entity responsible for the operation of VILLA MADRID I, A CONDOMINIUM (the "Condominium"), to be established by the Declaration of Condominium therefor when recorded in the Official Records Book of the Public Records of Broward County, Florida, (the "Declaration").

B. The Association desires to retain the Manager, and the Manager desires to be so retained, to manage the Condominium.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration received by each party from the other, the receipt and sufficiency of which is hereby acknowledged, and in further consideration of the mutual covenants and agreements hereinafter set forth, the parties hereto hereby agree as follows:

1. EXCLUSIVE MANAGER. The Association hereby retains and appoints the Manager, and the Manager hereby accepts such retainer and appointment, on the terms and conditions hereinafter set forth, as exclusive Manager of the Condominium.

2. TERM. This Agreement shall commence on the date hereof and shall continue for a term of one (1) year, unless terminated sooner in accordance with the provisions hereinafter set forth.

3. MANAGER'S DUTIES. During the term hereof, the Manager shall:

- 3.1 Engage all persons necessary to properly maintain and operate the Condominium, it being understood that all personnel so engaged shall be engaged on behalf of the Association and engaged at its sole cost and expense, provided, however, no person shall be so engaged without the prior written authorization of the Association.
- 3.2 Provide the day to day bookkeeping services necessary to pay the bills of the Association, the payroll of its employees and any other debts approved by the Association. This service shall include, but not be limited to, keeping all records of and performing all services in connection with the payment of bills, payrolls and such other items as may be provided for in the budget. At the end of each month, a cash receipts and disbursements report and a statement indicating the balance or deficit in the Manager's account shall be submitted to the Association, and at the end of each year, the Manager shall prepare a written summary thereof for such year and send such summary to each of the unit owners.
- 3.3 Collect, on behalf of the Association, all common expenses, charges, assessments, rentals or other payments from concessionaires, monies and debts which may become due the Association, and in the

event of default in such payment take all such legal or other action in the name of the Association as may be necessary or appropriate to enforce any rights which the Association may have as a result of such default.

- 3.4 Supervise the maintenance, repair and replacement of those portions of the Condominium property which the Association is responsible for maintaining, repairing and replacing, in accordance with the Declaration, and in accordance with maintenance standards established by the Association, including, but not limited to, cleaning, painting, pool maintenance, lawn and shrubbery maintenance and such other maintenance and repair as may be necessary. All such services shall be planned and made consistent with the approved Association budget or maintenance schedule. Except for emergency repairs, no sums in excess of \$1,000.00 shall be expended for matters described in this Section 3.4 without the prior written consent of the Association.
- 3.5 Take such action as may be necessary to cause the Association and Manager to comply with all laws, statutes, ordinances and rules of all appropriate governmental authorities having jurisdiction in connection with the operation of the Condominium and performance of this Agreement.
- 3.6 Purchase, on behalf of the Association, all tools, equipment, supplies and materials as may be necessary or desirable for the maintenance and upkeep of the Condominium. Such purchases shall be made in the name of the Association. Any such purchases shall be subject to the prior written consent of the Association unless provided for in the approved budget of the Association.
- 3.7 Subject to the prior written consent of the Association, enter into contracts on behalf of the Association for electricity, gas, air-conditioning, fuel, water treatment, elevator, telephone, window cleaning, rubbish removal, oil, vermin extermination, security, pool and lawn maintenance and other services that the Association shall require.
- 3.8 Check all bills received by the Association for services, work and supplies ordered in connection with maintaining and operating the Condominium, and cause to be paid by the Association all such bills as and when the same shall become due and payable.
- 3.9 Prepare, review and analyze periodic financial statements with comparative budget figures, including a proposed annual Operating Budget (at least sixty days prior to the end of each fiscal year) and submit such statements and Budget promptly to the Association.
- 3.10 Maintain appropriate records of all insurance coverage carried by the Association.
- 3.11 Supervise the moving in and moving out of unit owners and arrange dates therefor so that disturbance of the operation of the Condominium and inconvenience to the unit owners will be kept to a minimum.
- 3.12 Accept applications and references from all prospective unit purchasers and facilitate transfers of apartment units from one owner to another. This shall not apply to any units owned by the Developer or any Mortgagee, as defined in the Declaration.

- 3.13 Consider, and when reasonable, attend to complaints of unit owners, provided that if the Manager shall deem any such complaint unreasonable, it shall advise the unit owner of the reason for such opinion, and the Manager shall not be responsible for its failure to act further thereon.
 - 3.14 Prepare and file the necessary forms for employment insurance, withholding and social security taxes and all other taxes and other forms relating to employment of the Association's employees and maintenance and operation of the Condominium, required by federal, state or municipal authorities.
 - 3.15 Prepare and send all letters, reports and notices as may be reasonably requested by the Board of Directors of the Association, and attend all meetings of directors and unit owners and prepare and file minutes thereof.
 - 3.16 Cause all required insurance to be carried and maintained in full force and effect and make appropriate adjustments with the insurance companies and cause all of said insurance proceeds to be promptly paid when due.
 - 3.17 Deposit all funds collected from unit owners into a bank account established by the Manager as custodian for the Association so that said funds may be withdrawn therefrom to pay all expenses of operation of the Condominium.
 - 3.18 Generally, do all things deemed reasonably necessary or desirable by the Association to attend to the proper management of the Condominium property.
4. DEPOSITS. All funds collected by the Manager for the account of the Association shall be deposited in a bank, the deposits of which are insured by an agency of the United States. Such account will be styled so as to indicate the custodial nature thereof and the funds therein will not be commingled with other funds collected by the Manager, as Agents for others, or otherwise. The Manager shall not be liable for any loss resulting from the insolvency of such depository.
5. MANAGER'S COMPENSATION. The compensation to be paid by the Association to the Manager for its services to be performed hereunder shall not be an obligation of or paid by the Association.
6. INDEMNIFICATION. The Manager shall not be liable to the Association for any loss or damage not caused by the Manager's (or its agents' and employees') negligence or failure to comply with its obligations hereunder. The Association will indemnify the Manager against and hold the Manager harmless from:
- 6.1 Any losses, damages, costs and expenses (including reasonable Attorneys' fees) sustained or incurred as a result of injury to any person or property in, about or in connection with the Condominium property from any cause whatsoever, except such losses, damages, costs or expenses as are caused by Manager's (or its agents' and employees') own actions or negligence or failure to comply with its obligations hereunder for which Manager hereby agrees to indemnify Association.
 - 6.2 Any liabilities, damages, penalties, costs and expenses, statutory or otherwise, for any acts properly performed by the Manager, pursuant to the direction of the Association, provided that, in each of the foregoing instances, the Manager promptly advises the Association of its receipt of information concerning any such injury and the amount of any such liabilities, damages, penalties costs and expenses. The Association shall

carry public liability insurance, workmen's compensation and employer's liability insurance, which will include the Manager as a named insured under the liability policy and will deliver a copy of such liability policy to the manager, or a certificate evidencing the existence thereof.

7. ASSIGNMENT. Manager may not assign this Agreement without the prior written consent of the Association. If, during the term hereof, either DeWitt C. Casey, Jr. or C. W. Bailey shall cease to be either a principal officer or stockholder of Manager, then at the option of the Association, this Agreement may be cancelled forthwith.

8. DESIGNATION. The Association shall designate a single individual who shall be authorized to deal with the Manager on any matter relating to the management of the Condominium. In the absence of any designation, the President of the Association shall have this authority.

9. CANCELLATION. Either party hereto may, with or without cause and with 30 days' prior written notice to the other party, cancel this Agreement. This Agreement may also be cancelled in the manner provided in the Florida Condominium Act. Upon the effective date of any such cancellation, the Association shall not be obligated for any additional fees to the Manager, and the Manager shall turn over and make available to the Association all properties and funds of every kind and character in the possession of Manager which relate to the Condominium or the performance of the Manager's duties hereunder.

10. NOTICES. All notices required hereunder shall be in writing and shall be effective when deposited in the United States mail, with proper postage for ordinary mail prepaid, and addressed

If to the Association: c/o IDS Mortgage Development Corp.
Suite 390, 47 Perimeter Center
Atlanta, Ga. 30346
Attn: Mr. Charles W. Strawser, Jr.; and

If to the Manager: 1220 First Federal Building
One S.E. Third Avenue
Miami, Florida 33131

or to such other address as either party shall, from time to time, designate for itself, in writing, to the other party, provided that notice of a change of address shall not be effective until received.

11. INDEPENDENT CONTRACTOR. Unless specifically provided to the contrary herein, the Manager, its employees and agents, shall be deemed to be an independent contractor and not an employee of the Association. The Manager shall be free to contract for similar services to be performed for other entities while it is under contract with the Association.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

Witnesses:

[Signature]
[Signature]
(As to Association)

ASSOCIATION:

VILLA MADRID I CONDOMINIUM ASSOCIATION,
INC.

BY [Signature]
President

(CORP. SEAL)

[Signature]
[Signature]
(As to Manager)

MANAGER:

BAILEY & CASEY, INC.

BY [Signature]
President

(CORP. SEAL)

ESTIMATED OPERATING BUDGET
June 1, 1977. to May 31, 1978

VILLA MADRID I

<u>Contracted Services</u>	<u>Monthly</u>	<u>Annually</u>
Pool Service	\$ 80.	\$ 960.
Lawn	100.	1,200.
Exterminating	30.	360.
Trash Removal	50.	600.
<u>Utilities</u>		
Water & Sewer	\$250.	\$3,000.
Electricity	80.	960.
<u>Maintenance & Repairs</u>		
T.V. Antenna	\$ 5.	60.
Electric	10.	120.
Plumbing	10.	120.
Fire Equipment	5.	60.
Supplies - General	5.	60.
Cleaning & Supplies	150.	1,800.
<u>Other</u>		
Insurance	\$125.	\$1,500.
Personal Property & other Taxes	20.	240.
Contingencies	50.	600.
TOTAL ESTIMATED EXPENSES	<u>\$970.</u>	<u>\$11,640.</u>

ASSESSMENT FOR EACH UNIT:

1 - One bedroom units	\$40.23	\$482.76
2 - Two bedroom units (small)	49.42	\$593.04
3 - Two bedroom units (large)	54.01	\$648.12

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. FOR CORRECT REPRESENTATIONS, REFERENCE SHOULD BE MADE TO THIS CONTRACT AND THE DOCUMENTS REQUIRED BY SECTION 718.503, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE.

CONDOMINIUM PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT is executed as of the _____, day of _____, 1977, by and between INVESTORS DIVERSIFIED SERVICES, INC., a Delaware corporation ("Seller"), and _____ ("Purchaser"), whose mailing address is _____.

WITNESSETH:

1. THE UNIT. Seller agrees to sell and convey, and Purchaser agrees to purchase, Unit _____ (the "Unit") in VILLA MADRID I, A Condominium (the "Condominium"), together with the exclusive use of Parking Space _____, according to the Declaration recorded (or to be recorded) in Official Record Book _____, Page _____, of the Public Records of Broward County, Florida, as amended.

2. PURCHASE PRICE AND TERMS OF PAYMENT. The purchase price for the Unit that Seller agrees to accept and Purchaser agrees to pay shall be in the aggregate amount of \$ _____, payable by Purchaser to Seller on account of the purchase price as follows:

- (a) Advance deposits paid to date, . . . \$ _____
subject to collection
- (b) An advance deposit of \$ _____
no later than _____
- (c) Approximate mortgage amount \$ _____
- (d) The balance of the purchase price
shall be payable at closing of
title by cash or cashier's check
in the sum of approximately \$ _____,
subject to adjustments.

TOTAL \$ _____

3. MORTGAGE. Purchaser agrees to apply for a mortgage from a lender selected by Seller in the amount of \$ _____, repayable in monthly installments over at least _____ years at an annual interest rate of _____ (%) percent (if "N/A" appears in these blanks the purchase will be for cash and will not depend on Purchaser qualifying for a mortgage from a lender selected by the Seller, or Purchaser's own lender if Purchaser decides to arrange his own financing). The lender to be selected by Seller will be an institutional lender (for example, a bank, savings and loan association or mortgage banker), or the Seller, or an affiliate of the Seller.

The following provisions on mortgages apply only if the blanks above have been filled in above.

Purchaser agrees to submit his application for a mortgage from the lender selected by Seller within ten (10) days of the day Purchaser receives the application. Purchaser understands that the application must be fully completed and signed before it is returned and that all his answers must be truthful. Purchaser will cooperate fully in order to allow him to obtain

the mortgage, and will make a good faith attempt to qualify for the mortgage. Purchaser understands that additional information may be requested from time to time and agrees to supply it on the forms and applications sent to him.

If Purchaser has a spouse who has not signed this Agreement, Purchaser agrees to have his spouse sign the mortgage, note and other mortgage documents.

If the Unit is being purchased by a corporation, partnership or other organization, Purchaser agrees to obtain any personal endorsements or guarantees required.

In addition, Purchaser may be required to pay an installment of property taxes with each mortgage payment. This prepayment will be put into an "escrow account" so that it will be available to pay taxes when they become due.

Except as provided below, Seller agrees to pay all loan fees and closing costs the lender selected by the Seller charges in connection with the mortgage, and the cost of an owner's title insurance policy. Purchaser will pay any prepaid interest due on the mortgage at time of title closing and an amount the lender may require to be put in escrow toward the payment of property taxes on the Unit. Purchaser will also pay any prepaid insurance required by such lender.

If Purchaser does not qualify for any mortgage with the institutional lender selected by Seller, then Seller will have three options: (i) Seller may substitute another institutional lender; (ii) Seller (or an affiliate of Seller) may give Purchaser the mortgage; or (iii) Seller may refund Purchaser's deposits (without interest). If Seller refunds the deposits, this Agreement will automatically be cancelled.

If Purchaser does not qualify with the institutional lender selected by Seller for the full mortgage applied for, Purchaser agrees to accept the mortgage offered by the institutional lender (and pay the difference in cash) unless Purchaser gives Seller notice to the contrary within fifteen (15) days after Purchaser receives the offer. If Purchaser gives Seller such notice, Seller will have the same options as if Purchaser had failed to qualify for any mortgage, or Seller can give a second mortgage for the difference between the mortgage applied for and the mortgage offered to Purchaser. (The contract interest rate and number of years for the second mortgage will be the same as for the first mortgage. It will also be repayable monthly and will contain provisions substantially the same as the institutional lender's mortgage.) Seller will pay all loan fees and closing costs required to be paid in connection with the second mortgage.

4. INSPECTION STATEMENT. Purchaser shall be given a reasonable opportunity to examine his Unit with Seller's representative prior to closing of title, and at that time shall present to Seller an Inspection Statement signed by Purchaser setting forth any defects in workmanship or materials. As to any items therein described which are truly defects in workmanship and materials (keeping in mind the construction standards prevalent in Broward County relative to the type and price of Units contained in this Building), Seller shall be obligated to correct the same at its cost within a reasonable period of time, but Seller's obligation to correct shall not be a ground for deferring the closing of title nor the imposition of any condition upon closing.

5. CLOSING OF TITLE. Closing of title shall be held at such place in Broward County, Florida, and on such day and hour as Seller may designate to Purchaser on not less than ten (10) days' prior notice. Seller intends to schedule the closing within thirty (30) days of the date the Purchaser qualifies for his mortgage with the selected lender. Seller may postpone the closing on notice to Purchaser, which notice shall fix a new date for closing.

At closing of title, Seller will deliver to Purchaser a recordable Special Warranty Deed, in a form substantially similar to that in the Binder of Condominium Documents delivered herewith, and Purchaser shall (a) pay to Seller and the selected lender all sums then required to be paid pursuant to this Agreement, and (b) execute and deliver all instruments (to Seller's and the selected lender's satisfaction) for the closing of title and the closing of Purchaser's mortgage.

Purchaser shall be entitled to possession of the Unit upon the closing of title and the mortgage, and his rendering of the Inspection Statement.

6. TITLE. Title to the Unit shall be good and marketable or insurable subject only to the following:

- (a) Taxes for the year in which title is closed and thereafter;
- (b) Conditions, restrictions, limitations, easements and utility agreements of record (Seller represents that none of the foregoing title conditions contain provision for reversion or forfeiture of title in the event of violation, or substantially impair the intended use of the Unit);
- (c) All matters set forth in the Declaration and Exhibits attached thereto;

If Seller is unable to deliver title as provided herein, Seller shall not be obligated to cure any objections or defects, but shall be afforded a reasonable time (not less than sixty (60) days) to do so; and if not cured, Purchaser may accept title in its then existing condition but without any reduction in the purchase price, or terminate this Agreement and receive a refund of all deposits (without interest) (and, upon refund being made, Seller shall be released of any liability to Purchaser and this Agreement shall thereafter be null and void).

7. CLOSING CHARGES AND ADJUSTMENTS. Seller shall pay the cost of recording the Warranty Deed and Mortgage (if any), and the cost of documentary taxes and surtaxes on the Warranty Deed, and documentary and intangible taxes on the note and Mortgage (if any).

Real estate taxes assessed to the Unit, Unit assessments and any other proratable items will be prorated as of the scheduled closing of title.

At closing of title, Purchaser shall make a contribution to the working capital of the Condominium Association in an amount equal to two (2) times the Unit's monthly assessment.

Seller shall not be obligated to deliver to Purchaser an abstract of title (but shall provide such abstract to the lender selected by Seller if required). Seller shall make available to Purchaser a policy of title insurance (subject to all standard printed exceptions and all exceptions set forth in paragraph 7 hereof) at Seller's sole cost and expense.

8. DEFAULT BY PURCHASER. Should Purchaser fail to close on the title to the Unit as herein provided, or fail to perform any of the Purchaser's other obligations hereunder (including the timely making of either of the deposits provided in Paragraph 2 hereof), and such default is not cured within five (5) days after notice thereof, Seller may, at its option, cancel this Agreement by notice to Purchaser. In such event, Purchaser's deposits and all other sums paid to Seller (including any interest earned thereon) shall be retained by Seller as liquidated and agreed damages for Purchaser's default, and all rights and privileges hereunder shall terminate and come to an end. Seller has removed the Unit from the market and has incurred indirect expenses relative to sales, model apartments, advertising, etc., and Purchaser recognizes that no other method could determine the precise damage resulting from Purchaser's default. The cancellation of this Agreement and the retention of all sums theretofore paid as liquidated and agreed damages shall be Seller's sole remedy in the event of Purchaser's default. If this Agreement is so cancelled, Seller may sell the Unit to any third party as though this Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale). Purchaser agrees not to file any action against Seller seeking the return of any portion of said deposits or seek any reduction in the amount of the liquidated and agreed upon damages if this Agreement is terminated for Purchaser's default.

9. DAMAGE TO UNIT. If between the date of this Agreement and closing of title, the Unit is damaged by fire or other casualty, the following shall apply:

(a) Risk of loss to the Unit by fire or other casualty until closing of title as herein provided is assumed by Seller, but without any obligation by Seller to repair or replace same, except if Seller elects to repair or replace such loss or damage to the Unit, this Agreement shall continue in full force and effect, and Purchaser shall not have the right to reject title or receive a credit against or abatement in the purchase price. In such event, Seller shall be entitled to a reasonable period of time within which to complete said repairs or replacement. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss or damage shall (subject to the rights of the Board of Directors in the event the Declaration shall have been filed) belong entirely to Seller and if such proceeds shall be paid to Purchaser, Purchaser shall promptly upon receipt thereof turn same over to the Seller.

(b) If Seller notifies Purchaser that it does not elect to repair or replace any such loss or damage, or in the event the Condominium Association does not resolve to make such repairs or replacement pursuant to the Declaration, then this Agreement shall be deemed cancelled and of no further force or effect, and Seller shall refund to Purchaser all monies deposited hereunder, whereupon the parties shall be released and discharged of all claims and obligations hereunder, except that if Purchaser is then in default hereunder, Seller shall retain all such deposits as and for liquidated damages.

10. PURCHASER'S RIGHT TO CANCEL. THIS AGREEMENT IS VOIDABLE BY PURCHASER BY DELIVERING WRITTEN NOTICE OF THE PURCHASER'S INTENTION TO CANCEL WITHIN FIFTEEN (15) DAYS AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE PURCHASER, AND RECEIPT BY PURCHASER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO HIM BY THE SELLER UNDER SECTION 718.503, FLORIDA STATUTES. PURCHASER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN FIFTEEN (15) DAYS AFTER THE PURCHASER HAS RECEIVED ALL OF THE ITEMS REQUIRED. PURCHASER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

11. MAINTENANCE ASSESSMENTS. The Operating Budget set forth in the Binder of Condominium Documents delivered herewith sets forth the estimated expenses of operating the Condominium during the current fiscal year and each Unit's share thereof. The Budget is subject to modification at any time and from time to time to reflect changes in estimated expenses. Such modifications shall not affect Purchaser's obligation to purchase in accordance with the terms of this Agreement, nor shall Seller have any liability in the event actual expenses exceed the estimated expenses set forth in the Operating Budget.

12. ENTIRE AGREEMENT; NO REPRESENTATIONS. This Agreement sets forth the entire agreement between the parties, superseding any and all prior understandings and agreements, and no oral representations or statements shall be considered a part of this Agreement. This Agreement may not be subsequently amended or modified except by written agreement of the parties hereto. Purchaser acknowledges that he has not relied on any representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Seller, the selling agent, or otherwise, except as herein or in the documents contained in the Binder of Condominium Documents specifically represented.

13. AGREEMENT MAY NOT BE ASSIGNED; BINDING EFFECT. Purchaser may not assign this Agreement without the prior written consent of Seller, and any purported assignment in violation hereof shall be voidable at the option of Seller. This Agreement shall enure to the benefit of Seller's successors and assigns.

14. SELLING AGENT. Purchaser represents to Seller that the only sales agent(s) with whom Purchaser has dealt in connection herewith is the sales agent(s) with whom Seller has agreed to pay the commission earned by said sales agent (if any).

15. NOTICES. Any notice to be given hereunder (including the cancellation notice described in Paragraph 11 hereof) shall be in writing and sent by registered or certified mail, return receipt requested, to the Purchaser at the address inserted on the face of this Agreement, and addressed to the Seller c/o Bailey & Casey, Inc., 1220 First Federal Building, One S.E. Third Avenue, Miami, Florida 33131. Except as otherwise expressly provided herein, the date of mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be the date of the giving of any notice of change of address.

16. PRIOR OCCUPATION. The Unit has (has not) been occupied prior to the date hereof.

17. RECEIPT OF OFFERING MATERIALS. The parties acknowledge having executed this Agreement on the date set forth above, and that on or prior to such date, Purchaser received the Binder of Condominium Documents containing all documents required by Florida Statutes Section 718.503.

18. WARRANTY. At closing of title, Seller shall deliver to Purchaser a Homeowner's Limited Warranty, substantially in the form attached hereto as Schedule A.

19. SURVIVAL. The provisions hereof which are intended to have effect subsequent to closing of title shall survive such closing and delivery of the deed.

20. MISCELLANEOUS PROVISIONS.

(a) This Agreement shall constitute Purchaser's subscription to membership in the Condominium Association and his agreement to take subject to and fully perform each of the obligations and responsibilities imposed upon him as a member of the Condominium Association as set forth in the Declaration and Exhibits attached thereto.

(b) No lien shall arise as a result of this Agreement or any monies deposited hereunder.

(c) As long as Seller or any nominee of Seller owns any unit in the Building, Seller and/or its said nominees shall have the right and privilege to maintain general and sales offices in and about the Building, including model apartments, and to have their employees present on the premises to show units, use the common elements and, without limitation, to do any and all other things necessary or appropriate by them to sell units, all without charge or contribution; provided, however, that said activities shall be carried on in such a manner as will not unreasonably interfere with the unit owner's enjoyment of their property.

(d) The term "Purchaser" shall be read as "Purchasers" if more than one person are purchasers, in which case their obligations shall be deemed joint and several. The terms used herein shall have the same meaning as described thereto in the Declaration and all Exhibits attached thereto.

(e) The use of the masculine gender in this Agreement shall be deemed to refer to the feminine or neuter gender, and the singular shall include the plural (and vice versa), wherever the context so requires.

(f) The captions in this Agreement are for convenience and reference only and in no way define, limit or describe the scope of this Agreement, or the intent of any provision hereof.

IN WITNESS WHEREOF, this Agreement has been
executed by the parties as of the date first given above:

Signed, Sealed and Delivered
in the Presence of:

Purchaser _____ (SEAL)

(As to Purchaser) Purchaser _____ (SEAL)

INVESTORS DIVERSIFIED SERVICES, INC
By BAILEY & CASEY, INC., Agent

(CORP. SEAL)

By _____

(As to Seller)

SCHEDULE A

HOMEOWNER'S LIMITED WARRANTY

1. We hope that you will be happy in your new condominium unit ("Unit").
2. The warranty set forth in this Limited Warranty commences on the date on which title to your Unit is conveyed to you (the "Closing").
3. Any request for service under this Limited Warranty must be sent in writing, during the period of the applicable portion of this Limited Warranty, to our agent, Bailey & Casey, Inc., 1220 First Federal Building, One S.E. Third Avenue, Miami, Florida 33131. The request for service must set forth the nature of your warranty claim. The request for service should also indicate reasonable times during which you will be available at your Unit so that we can schedule the appropriate warranty work.
4. Components of your Unit, including but not limited to, walls, floors, ceiling, plumbing system and electrical wiring system are considered "Common Elements" and are excluded from this warranty. We will use our best efforts to assist you in any warranty claims against the builder.
5. For the period of one year after Closing, we will repair or replace, whichever we determine to be appropriate, any defects in workmanship or materials in the heating and air-conditioning systems (if installed).
6. During the 60 day period commencing at Closing, we agree that, upon receipt of a service request, we will make an inspection of your Unit with you, and will repair or replace, whichever we determine to be appropriate, any defects in workmanship or materials in, and will adjust where necessary, the following items:
 - a. doors, including hardware;
 - b. windows or jalousies;
 - c. electrical switches, receptacles and fixtures;
 - d. caulking around exterior openings;
 - e. plumbing fixtures; and
 - f. cabinet work.
7. We hereby assign and pass through to you (to the extent assignable) the manufacturer's warranty for appliances and equipment such as refrigerator, range, space heater, hot water heater, dishwasher, garbage disposal, ventilating fan, air-conditioner, and like items. Such items are excluded from this Limited Warranty. We will use our best efforts to assist you in any warranty claims against the manufacturer.
8. We do not assume responsibility for, and there is excluded from this warranty:
 - a. damage due to ordinary wear and tear, or abusive use;
 - b. defects which are the result of characteristics common to the material used, such as, but not limited to:
 - (i) warping and deflection of wood;

- (ii) fading, chalking and checking of paint due to sunlight;
- (iii) cracks due to drying and curing of concrete, stucco, plaster, bricks and masonry; and
- (iv) drying, shrinking and cracking of caulking and weatherstripping;

- c. loss or injury caused in any way by the elements;
- d. conditions resulting from condensation on, or expansion or contraction of, materials; and
- e. paint over newly plastered interior walls.

9. This Limited Warranty is the only express warranty given by the undersigned warrantor. Warranties implied under State law (if applicable), including any implied warranty of merchantability or fitness for a particular purpose, shall be limited to the warranty periods set forth above AND ARE HEREBY DISCLAIMED FOR ALL PERIODS THEREAFTER. Some states do not allow limitation on how long an implied warranty lasts, so the above limitation may not apply to you. THE UNDERSIGNED WARRANTOR DISCLAIMS ANY LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES. Some states do not allow the exclusion or limitation of incidental or consequential damages, so the above exclusion may not apply to you. This warranty gives you specific legal rights, and you may also have other rights which vary from state to state.

This warranty runs in favor only of the original purchaser of this Unit, and is non-transferable. Any obligation under this Limited Warranty terminates if the property is resold or shall cease to be occupied by the Unit Owner to whom it is originally issued.

10. Warranty work under this Limited Warranty will be done only by the undersigned warrantor or by a sub-contractor provided by the undersigned warrantor. There will be no charge for labor, materials or transportation on the warranty work covered by items 5 and 6 of this Limited Warranty.

By: _____

SCHEDULE A
RULES AND REGULATIONS
FOR
VILLA MADRID I, A CONDOMINIUM

1. The sidewalks, entrances, passages, vestibules, stairways, corridors, halls, and portions of the common elements, shall not be obstructed or used for any purpose other than for ingress and egress to and from the premises; nor shall any carts, carriages, chairs, tables or any other similar objects be stored therein. Children are not permitted to play, run or loiter in corridors, laundry room, on stairways, sun deck or other common areas. Normal play will be tolerated but not excessive noise or screaming. Adults only on sun deck after 8 p.m.
2. The personal property of Unit Owner/Resident must be stored either in their respective Units, or assigned storage areas.
3. No garbage cans, supplies, milk bottles, or other articles shall be placed in the halls, balconies, or staircase landings, nor shall any lines, cloths, clothing, curtains, rugs, mops, or laundry of any kind, or other articles, be shaken or hung from any of the windows or doors. This includes hanging bathing suits, towels, or any other laundry on balcony railings or lounge chairs on sun deck.
4. No Unit Owner/Resident shall permit anything to fall from a window, corridor or door of the premises, or sweep or throw from the premises any dirt or other substance into any of the corridors, halls, balconies, elevators, ventilators, or elsewhere in the building or upon the grounds.
5. All garbage must be deposited with all other refuse in areas designated for such purpose.
6. Parking areas are solely for automobiles, delivery vehicles, and bicycles. Boats and trailers are not permitted in the parking areas. Parking assignments shall be strictly observed.
7. Employees of the Association are not to be sent out of the building by Unit Owners/Residents for personal errands. The Board of Directors shall be solely responsible for directing and supervising employees of the Association.
8. No vehicle which cannot operate on its own power shall remain on the premises for more than twenty-four (24) hours, and no repair of vehicles shall be made on the premises.
9. No Unit Owner/Resident shall make or permit any disturbing noises in the building by himself or his family.

servants, employees, agents, visitors, and licensees, or permit any conduct by such persons that will interfere with the rights, comforts, or conveniences of other Unit Owners/Residents. No Unit Owner/Resident shall play or permit to be played any musical instrument, or operate or permit to be operated, a phonograph, television, radio or sound amplifier in his Unit in such a manner as to disturb or annoy other residents. No Unit Owner/Resident shall conduct, or permit to be conducted, a vocal or instrumental instruction at any time which disturbs other residents.

10. No radio or television installation may be permitted in any Unit which interferes with the television or radio reception of another Unit. Any antenna or aerial erected or installed by a Unit Owner/Resident on the roof, exterior walls of the building or other portion of the common elements may be removed without notice by the Board of Directors at the cost of the Unit Owner/Resident installing the same, unless prior consent to such installation is given by the Board.

11. No sign, advertisement, notice or other lettering shall be exhibited, displayed, inscribed, painted or affixed in, on or upon any part of the premises which may be seen from the common area. Additionally, no awning, canopy, shutter or other projection shall be attached to or placed upon the outside walls or roof of the building.

12. The Association may retain a pass-key to all Units. No Unit Owner/Resident shall alter any lock or install a new lock, without the prior written consent of the Board of Directors. Where such consent is given, the Unit Owner shall provide the Association with an additional key.

13. No cooking shall be permitted in any part of the common elements.

14. No flammable, combustible, or explosive fluids, chemical or substance, shall be kept in any Unit or storage area, except such as may be required for normal household or permitted business uses.

15. A Unit Owner/Resident who plans to be absent during the hurricane season, must prepare his Unit prior to his departure, by designating a responsible firm or individual, if other than the Association, to care for his Unit should the Unit suffer hurricane damage, and furnishing the Association with the name of such firm or individual. Such firm or individual shall contact the Association for clearance to install or remove hurricane shutters, and such party shall be subject to the approval of the Association.

16. Food and beverages may not be consumed outside of a Unit, except in designated areas.

17. A Unit Owner/Resident shall not cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, door or windows of the building. Curtains and drapes (or linings thereof) which face on exterior windows or glass doors of Units shall be in a color uniform throughout the building. Said color shall be designated by the Developer or the Board of Directors.

18. All dogs must be walked on a leash and must be curbed outside of the limits of the Condominium property.

19. No bottles or other glassware is permitted around the pool area.

20. Furniture or other items for a personal nature are not permitted around the pool deck at any time.

21. The patio furniture on the sun deck is not to be removed from the sun deck. All furniture must be covered with a protective towel unless you are dressed in street clothes.

22. Violators will receive a written notice. Second violation requires a \$25.00 fine. Third violation requires a \$50.00 fine and other appropriate action.

23. Children allowed in pool only during the hours of 10-11:30 a.m. and 3:30-5p.m., seven days a week.

All other times will be for adults (21 or over) only. No children allowed in the pool or pool enclosure area during these hours.

Children must be toilet trained and not in diapers or training pants.

Anyone with hair longer than shoulder length must either tie hair back or wear a bathing cap.

Swim suits only to be worn in pool. No cut-offs allowed.

No rafts, pool chairs or other floating devices allowed in pool.

24. No sharing of apartment with anyone who has not filed application, paid screening fee, been interviewed and approved by the Association.

25. GUESTS: No guest may stay longer than two (2) weeks without a written request to, and approval by, the Association.

State of Florida



Department of State

I certify from the records of this office that

VILLA MADRID I CONDOMINIUM ASSOCIATION, INC.
is a corporation not for profit organized under the laws of
the State of Florida.

The charter number for this corporation is 739080.

I further certify that said corporation has paid all filing fees
due this office through December 31, 1980, and its status is active.



CER 101 Rev. 5-79

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
16TH day of May, 1980

George Firestone
Secretary of State

CERTIFICATE OF AMENDMENT TO CONDOMINIUM OF VILLA MADRID I,
A Condominium

90004291

WE, the undersigned, President and Secretary respectively of VILLA
MADRID I, a Condominium Association, Inc., a corporation not for profit
organized under the laws of the State of Florida and located in the City
of Coral Springs, State of Florida, hereby certify:

1. The name of the corporation is VILLA MADRID I CONDOMINIUM ASSOCIATION,
INC.

2. That at a Special Meeting of the Board of Directors held on July 12,
1989 it was resolved that the Declaration of Condominium of VILLA MADRID
I CONDOMINIUM be amended as follows:

RESOLVED, that the Declaration of Condominium shall be amended and
Section 17.3 of the Condominium Documents as amended August 9, 1983
shall be amended and read now as follows:

17.3 - "PETS" - A unit owner may keep (1) dog or (1) cat (but not both)
provided the maximum anticipated weight for the said breed does not
exceed twenty (20) pounds and is kept, transported and walked in
accordance with the rules and regulations of the Association. The
Board may request a certification by a Florida licensed Veterinarian
of actual or anticipated adult weight. No other pets are permitted
(except fish and small birds). Pets may not be raised for commercial
purposes.

The above resolution and Certification of Amendment was adopted by the Board
of Directors of VILLA MADRID I CONDOMINIUM ASSOCIATION, INC. on July 12, 1989,
having previously been submitted to a vote of the members of the Condominium
Association, and having been approved by said members.

The above Amendment is to become effective as of July 12, 1989.
The original Declaration of Condominium was recorded at CR Book 7124
Page 348 of the Public Records of Broward County, Fla.

IN WITNESS WHEREOF, this Certificate of Amendment has been executed this 28
day of July, 1989.

Signed, Sealed & delivered
in the presence of:

[Signature]
Sandra Lynn

RECORDED IN THE OFFICIAL RECORDS BOOK
OF BROWARD COUNTY, FLORIDA

L. A. HESTER
COUNTY ADMINISTRATOR

VILLA MADRID I CONDOMINIUM
ASSOCIATION, INC.

[Signature] Rebecca Berkowitz
President
[Signature] Sandra Lynn
Secretary

STATE OF FLORIDA)
COUNTY OF BROWARD)

(Seal)

Before me this day personally appeared Rebecca
Berkowitz and Sandra Lynn who, being duly sworn;
depose and say that they are officers of Villa
Madrid Condominium Association, Inc. and have
affixed their signatures hereunto.

[Signature] Linda Stevic, 12-29-89

Notary Public
State of Florida

LINDA STEVIC
Notary Public
State of Florida
My Comm. Exp. 11/21/93
BONDED

John B. Rogers, P.A.
881 University Dr. #200
Coral Springs, FL 33071

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