

COPY

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PALM TERRACE CONDOMINIUM

DECLARATION OF CONDOMINIUM

By
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PALM TERRACE, INC.

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DECLARATION OF CONDOMINIUM

ESTABLISHING

PALM TERRACE CONDOMINIUM

PALM TERRACE INC., a Florida corporation, having its principal place of business in Broward County, Florida, does hereby make and declare this Declaration of Condominium for PALM TERRACE CONDOMINIUM, being the property and improvements hereinafter described.

ARTICLE I

ESTABLISHMENT OF CONDOMINIUM

PALM TERRACE INC., hereinafter called "DEVELOPER" is the owner of the fee simple title to the property situate in the County of Broward and State of Florida, more particularly described as follows, to-wit:

Lots 14, 15, 16 in Block "P" of CORAL SPRINGS COUNTRY CLUB SUBDIVISION, according to the plat thereof, recorded in Plat Book 60, page 43, Public Records of Broward County, Florida;

and on which property there has been constructed an apartment housing project containing 35 dwelling units and other appurtenant improvements. DEVELOPER does hereby submit the above described property and improvements to condominium ownership, and hereby declares the same to be a condominium to be known and identified as the "PALM TERRACE CONDOMINIUM". Hereafter in this Declaration of Condominium, PALM TERRACE CONDOMINIUM shall be referred to as "CONDOMINIUM".

ARTICLE II

SURVEY AND DESCRIPTION OF IMPROVEMENTS

Annexed hereto and expressly made a part hereof as Exhibit "A", consisting of pages, is a survey of the land and graphic description and plot plans of the improvements constituting the CONDOMINIUM, identifying the PRIVATE DWELLINGS (sometimes referred to in the Condominium Documents as "Units"), the

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COMMON PROPERTY, and the LIMITED COMMON PROPERTY, as said terms are hereinafter defined, and their respective locations and approximate dimensions. Each PRIVATE DWELLING is identified by a specific numeral as designated on said Exhibit "A" and no PRIVATE DWELLING or parcel of LIMITED COMMON PROPERTY bears the same designation as any other PRIVATE DWELLING or parcel of LIMITED COMMON PROPERTY.

ARTICLE III

PRIVATE DWELLINGS, COMMON PROPERTY AND LIMITED COMMON PROPERTY

The CONDOMINIUM consists of PRIVATE DWELLINGS, COMMON PROPERTY and LIMITED COMMON PROPERTY, as said terms are hereinafter defined.

PRIVATE DWELLINGS (or "Units"), as the term is used herein, shall mean and comprise the 35 separate numerically identified Dwelling Units which are designated in Exhibit "A" to this Declaration of Condominium, excluding, however, all spaces and improvements lying beneath the undecorated and/or unfinished inner surfaces of the perimeter walls and floors, and above the undecorated and/or unfinished inner surfaces of the ceilings of each Dwelling Unit, and further excluding all spaces and improvements lying beneath the undecorated and/or unfinished inner surfaces of all interior bearing walls and/or bearing partitions, and further excluding all pipes, ducts, wires, conduits and other facilities running through any interior wall or partition for the furnishing of utility services to PRIVATE DWELLINGS, LIMITED COMMON PROPERTY, and COMMON PROPERTY, and including connecting balconies to inside edge of perimeter walls and connecting terraces.

LIMITED COMMON PROPERTY, as the term is used herein, shall mean and comprise the 61 automobile parking spaces designated on page "1" of Exhibit "A" by numerical identification in combination with the designation "LIMITED COMMON PROPERTY" or "LCP".

COMMON PROPERTY, as the term is used herein, shall mean and comprise all of the real property, improvements, and facilities of the CONDOMINIUM other than the PRIVATE DWELLINGS and LIMITED COMMON PROPERTY as same are hereinabove defined, and shall include easements through PRIVATE DWELLINGS and LIMITED COMMON PROPERTY for conduits, pipes, ducts, plumbing, wiring and other facilities for the furnishing of utility services to PRIVATE DWELLINGS and COMMON PROPERTY and easements of support

in every portion of a PRIVATE DWELLING which contributes to the support of improvements, and shall further include all personal property held and maintained for the joint use and enjoyment of all of the owners of all such PRIVATE DWELLINGS.

ARTICLE IV

OWNERSHIP OF PRIVATE DWELLING AND APPURTENANT INTEREST IN COMMON PROPERTY

Each PRIVATE DWELLING shall be conveyed and treated as an individual property capable of independent use and fee simple ownership, and the owner or owners of each said PRIVATE DWELLING shall own, as an appurtenance to the ownership of each said PRIVATE DWELLING, an undivided interest in the COMMON PROPERTY, the undivided interest appurtenant to each said PRIVATE DWELLING being that which is hereinafter specifically assigned thereto. The percentage of undivided interest in the COMMON PROPERTY assigned to each PRIVATE DWELLING shall not be changed except with the unanimous consent of all of the owners of all of the PRIVATE DWELLINGS. Any parcel of LIMITED COMMON PROPERTY which shall be made an appurtenance to any PRIVATE DWELLING in the manner hereinafter provided shall constitute an appurtenance to the ownership of such PRIVATE DWELLING.

ARTICLE V

RESTRICTION AGAINST FURTHER SUBDIVIDING OF PRIVATE DWELLINGS AND SEPARATE CONVEYANCE OF APPURTENANT COMMON PROPERTY AND LIMITED COMMON PROPERTY, ETC.

No PRIVATE DWELLING may be divided or subdivided into a smaller Dwelling Unit or smaller Units than as shown on Exhibit "A" hereto, nor shall any PRIVATE DWELLING or portion thereof be added to or incorporated into any other PRIVATE DWELLING. Any parcel of LIMITED COMMON PROPERTY and the undivided interest in the COMMON PROPERTY declared to be an appurtenance to a PRIVATE DWELLING shall not be conveyed, devised, encumbered or otherwise dealt with separately from said PRIVATE DWELLING, except as otherwise provided in ARTICLE XXXIV, and any parcel of LIMITED COMMON PROPERTY and the undivided interest in COMMON PROPERTY appurtenant to a PRIVATE DWELLING shall be deemed conveyed, devised, encumbered or otherwise included with the PRIVATE DWELLING even though such parcel and/or undivided interest is not expressly mentioned or described in the instrument conveying, devising, encumbering or otherwise dealing with such PRIVATE

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DWELLING. Any conveyance, mortgage or other instrument which purports to effect the conveyance, devise or encumbrance, or which purports to grant any right, interest, or lien in, to or upon a PRIVATE DWELLING, shall be null, void and of no effect insofar as the same purports to affect any interest in a PRIVATE DWELLING and its appurtenant undivided interest in COMMON PROPERTY and any appurtenant LIMITED COMMON PROPERTY, unless the same purports to convey, devise, encumber or otherwise trade or deal with the entire PRIVATE DWELLING, except as may be otherwise permitted under ARTICLE XXXIV. Any instrument conveying, devising, encumbering or otherwise dealing with any PRIVATE DWELLING, which describes said PRIVATE DWELLING by the PRIVATE DWELLING Unit, numerical designation assigned thereto in Exhibit "A" without limitation or exception, shall be deemed and construed to affect the entire PRIVATE DWELLING and its appurtenant undivided interest in the COMMON PROPERTY and any appurtenant LIMITED COMMON PROPERTY. Nothing herein contained shall be construed as limiting or preventing ownership of any PRIVATE DWELLING and any appurtenant LIMITED COMMON PROPERTY and its appurtenant undivided interest in the COMMON PROPERTY by more than one person or entity as tenants in common, joint tenants, or as tenants by the entirety.

ARTICLE VI

THE CONDOMINIUM SUBJECT TO RESTRICTIONS, ETC.

The PRIVATE DWELLING, LIMITED COMMON PROPERTY, and COMMON PROPERTY are hereby declared to be subject to the restrictions, easements, conditions and covenants prescribed and established herein, governing the use of said PRIVATE DWELLINGS, LIMITED COMMON PROPERTY, and COMMON PROPERTY and setting forth the obligations and responsibilities incident to ownership of each PRIVATE DWELLING and its appurtenant LIMITED COMMON PROPERTY and undivided interest in the COMMON PROPERTY.

ARTICLE VII

PERPETUAL NON-EXCLUSIVE EASEMENT IN COMMON PROPERTY

The COMMON PROPERTY shall be, and the same is hereby declared to be subject to a PERPETUAL NON-EXCLUSIVE EASEMENT in favor of all of the owners of PRIVATE DWELLINGS in the CONDOMINIUM for their use and the use of their immediate families, guests, and invitees, for all proper and normal purposes, including a Non-Exclusive Easement for ingress and egress over streets, walks, and other rights-of-way serving the units of a condominium as part of the common elements necessary to provide reasonable access to the public ways, and for the furnishing of services and facilities for

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which the same are reasonably intended for the enjoyment of said owners of PRIVATE DWELLINGS. Notwithstanding anything above provided in this ARTICLE, the ASSOCIATION, hereinafter identified, shall have the right to establish the rules and regulations pursuant to which the owners of PRIVATE DWELLINGS may be entitled to use COMMON PROPERTY.

ARTICLE.VIII

EASEMENT FOR UNINTENTIONAL AND NON-NEGLIGENT ENCROACHMENTS

In the event that an PRIVATE DWELLING shall encroach upon any COMMON PROPERTY for any reason not caused by the purposeful or negligent act of the PRIVATE DWELLING owner or owners, or agents o such owner or owners, then an easement appurtenant to such PRIVATE DWELLING shall exist for the continuance of such encroachment unto the COMMON PROPERTY for so long as such encroachment shall naturally exist; and, in the event that any portion of the COMMON PROPERTY shall encroach upon any PRIVATE DWELLING, then an easement shall exist for the continuance of such encroachment of the COMMON PROPERTY into any PRIVATE DWELLING for so long as such encroachment shall naturally exist.

ARTICLE IX

RESTRAINT UPON SEPARATION AND PARTITION OF COMMON PROPERTY

Recognizing that the proper use of a PRIVATE DWELLING by any owner or owners is dependent upon the use and enjoyment of the COMMON PROPERTY in common with the owners of all other PRIVATE DWELLINGS, and that it is in the interest of all owners of PRIVATE DWELLINGS that the ownership of the COMMON PROPERTY be retained in common by the owners of PRIVATE DWELLINGS in the CONDOMINIUM, it is declared that the percentage of the undivided interest in the COMMON PROPERTY appurtenant to each PRIVATE DWELLING shall remain undivided and no owner of any PRIVATE DWELLING shall bring or have any right to bring any action or partition or division.

ARTICLE X

PERCENTAGE OF UNDIVIDED INTEREST IN COMMON PROPERTY APPURTENANT TO EACH PRIVATE DWELLING

The undivided interest in COMMON PROPERTY appurtenant

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to each PRIVATE DWELLING is that percentage indicated for each respective PRIVATE DWELLING on Exhibit "B" hereto attached.

ARTICLE XI

EASEMENT FOR AIR SPACE

The owner of each PRIVATE DWELLING shall have an exclusive easement for the use of the air space occupied by said PRIVATE DWELLING as it exists at any particular time and as said PRIVATE DWELLING may lawfully be altered or reconstructed from time to time, which easement shall be terminated automatically in any air space which is vacated from time to time.

ARTICLE XII

ADMINISTRATION OF THE CONDOMINIUM BY PALM TERRACE CONDOMINIUM, INC.; MEMBERSHIP AND VOTING APPURTENANT TO PRIVATE DWELLINGS

To efficiently and effectively provide for the administration of the CONDOMINIUM by the owners of PRIVATE DWELLINGS, a non-profit Florida corporation, known and designated as PALM TERRACE CONDOMINIUM, INC., herein called "ASSOCIATION", has been organized, and said corporation shall administer the operation and management of the CONDOMINIUM, and undertake and perform all acts and duties incident thereto in accordance with the terms of its Articles of Incorporation and By-Laws. A true copy of said Articles of Incorporation and By-Laws are annexed hereto and expressly made a part hereof as Exhibits "C" and "D", respectively. The owner or owners of each PRIVATE DWELLING shall automatically become a member or members of said corporation upon his, their or its acquisition of an ownership interest in title to any PRIVATE DWELLING and its appurtenant undivided interest in COMMON PROPERTY, and the membership of such owner and owners shall terminate automatically upon such owner or owners being divested of such ownership interest in the title to such PRIVATE DWELLING, regardless of the means by which such ownership may be divested. On all matters on which the Membership of the "ASSOCIATION" shall be entitled to vote, there shall be one vote for each PRIVATE DWELLING, which vote may be cast by the owner or owners of each PRIVATE DWELLING in such manner as shall be provided by said Articles of Incorporation and By-Laws. No person, firm or corporation holding any lien, mortgage, or other encumbrance upon any PRIVATE DWELLING shall be entitled, by virtue of such lien, mortgage or other encumbrance to membership in said ASSOCIATION,

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or to any of the rights or privileges of such membership. In the administration of the operation and management of the CONDOMINIUM, said ASSOCIATION shall have and is hereby granted the authority and power to enforce the provisions of this Declaration of Condominium, levy and collect assessments in the manner herein-after provided, and to adopt, promulgate and enforce such rules and regulations governing the use of the PRIVATE DWELLINGS and COMMON PROPERTY as the Board of Directors of said Corporation may deem to be in the best interests of the Corporation.

ARTICLE XIII

RESIDENTIAL USE RESTRICTIONS APPLICABLE TO PRIVATE DWELLINGS

Each PRIVATE DWELLING is hereby restricted to residential use by the owner or owners thereof, their immediate families, guests and invitees. No owner or owners of any PRIVATE DWELLING shall permit the use of the same for transient hotel or commercial purposes. Corporate members other than DEVELOPER shall only permit the use of a PRIVATE DWELLING owned by it, by its principal officers or directors, or other guests, provided, however, that such corporate member shall sign and deliver to ASSOCIATION a written statement designating the name of the party or parties entitled to use such PRIVATE DWELLING in favor of the ASSOCIATION, whereby such party or parties agree to comply with the terms and provisions of this Declaration of Condominium, and of the rules and regulations which may be promulgated by ASSOCIATION from time to time, acknowledging that the party's or parties' right to use such PRIVATE DWELLING shall exist only so long as the Corporation shall continue to be a member of ASSOCIATION. Upon demand by ASSOCIATION to any corporate member to remove any party given permission to use a PRIVATE DWELLING owned by such corporate member, for failure of such user to comply with the terms and provisions of the Declaration of Condominium and/or the rules and regulations of the ASSOCIATION or for any other reason, the corporate member shall forthwith cause such user to be removed, failing which, the ASSOCIATION, as agent of the owner, may take such action as it may deem appropriate to accomplish to removal of such user, and all such action by the ASSOCIATION shall be at the cost and expense of the owner who shall reimburse ASSOCIATION therefor upon demand, together with such attorney's fees as the ASSOCIATION may have incurred in the premises. The provisions of this Article do not apply to DEVELOPER who is hereby expressly exempted from same.

ARTICLE XIV

USE OF COMMON PROPERTY SUBJECT TO RULES OF ASSOCIATION

The use of COMMON PROPERTY by the owner or owners of all PRIVATE DWELLINGS, and all other parties authorized to use the same, shall be at all times subject to such reasonable rules and regulations as may be prescribed and established governing such use, or which may be hereafter prescribed and established by the ASSOCIATION.

ARTICLE XV

THE CONDOMINIUM TO BE USED FOR LAWFUL PURPOSES. RESTRICTION AGAINST NUISANCES, ETC.

No immoral, improper, offensive or unlawful use shall be made of any PRIVATE DWELLING or of the COMMON PROPERTY, nor any part thereof, and all laws, zoning ordinances and regulations of all governmental authorities having jurisdiction of the CONDOMINIUM shall be observed. No owner of any PRIVATE DWELLING shall permit or suffer anything to be done or kept in his PRIVATE DWELLING, or on the COMMON PROPERTY, which will increase the rate of insurance on the CONDOMINIUM, or which will obstruct or interfere with the rights of other occupants of the building or annoy them by unreasonable noises, nor shall any such owner undertake any use or practice which shall create and constitute a nuisance to any other owner of a PRIVATE DWELLING, or which interferes with the peaceful possession and proper use of any other PRIVATE DWELLING or the COMMON PROPERTY.

ARTICLE XVI

RIGHT OF ENTRY INTO PRIVATE DWELLINGS IN EMERGENCIES

In case of any emergency originating in or threatening any PRIVATE DWELLING, regardless of whether the owner is present at the time of such emergency, the Board of Directors of ASSOCIATION, or any other person authorized by it, or the building superintendent or Managing Agent, shall have the right to enter such PRIVATE DWELLING for the purpose of remedying or abating the cause of such emergency, and such right of entry shall be immediate, and to facilitate entry in the event of any such emergency, the owner of each PRIVATE DWELLING, if required by the ASSOCIATION, shall deposit under the control of the ASSOCIATION a key to such PRIVATE DWELLING.

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ARTICLE XVII

RIGHT OF ENTRY FOR MAINTENANCE OF COMMON PROPERTY

Whenever it is necessary to enter any PRIVATE DWELLING for the purpose of performing any maintenance, alteration or repair to any portion of the COMMON PROPERTY, the owner of each PRIVATE DWELLING shall permit other owners or their representatives, or the duly constituted and authorized Agent of ASSOCIATION, to enter such PRIVATE DWELLING for such purpose, provided that such entry shall be made only at reasonable times and with reasonable advance notice.

ARTICLE XVIII

LIMITATION UPON RIGHT OF OWNERS TO
ALTER AND MODIFY PRIVATE DWELLINGS

No owner of a PRIVATE DWELLING shall permit there to be made any structural modifications or alterations in such PRIVATE DWELLING, included but not limited to the balconies and terraces, which shall mean the enclosing thereof, increasing the size, changing the configuration thereof, altering or the installation of awnings, without first obtaining the written consent of the Institutional Lender, as defined in Article XXXIII hereof, if any, then holding a mortgage encumbering such PRIVATE DWELLING and of ASSOCIATION, which consent of ASSOCIATION may be withheld in the event that a majority of the Board of Directors of said ASSOCIATION shall determine, in their sole discretion, that such structural modifications or alterations would adversely affect or in any manner endanger the CONDOMINIUM in part or in its entirety. If the modification or alteration desired by the owner of any PRIVATE DWELLING involves the removal of any permanent interior partition, subject to obtaining the prior written consent of said Institutional Lender, ASSOCIATION shall have the right to permit such removal so long as the permanent interior partition to be removed is not a load bearing partition, and so long as the removal thereof would in no manner affect or interfere with the provision of utility services constituting COMMON PROPERTY located thereon. No owner shall cause any improvements or changes to be made on the exterior of the CONDOMINIUM, including painting or other decoration, or installation of electrical wiring, television antenna, machines or air conditioning units, which may protrude through the walls or roof of the CONDOMINIUM, or in any manner change the appearance of any portion of the CONDOMINIUM, not within the walls of such PRIVATE DWELLING, without the written consent of ASSOCIATION being first had and obtained.

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ARTICLE XIX

RIGHT OF ASSOCIATION TO ALTER AND
IMPROVE PROPERTY AND ASSESSMENT THEREFOR

ASSOCIATION shall have the right to make or cause to be made such alterations or improvements to the COMMON PROPERTY which do not prejudice the rights of the owner of any PRIVATE DWELLING in the use and enjoyment of his PRIVATE DWELLING and any appurtenant LIMITED COMMON PROPERTY, unless such owner's written consent has been obtained; provide the making of such alterations and improvements are approved by the Board of Directors of said ASSOCIATION, and the cost of such alterations or improvements shall be assessed as common expense to be assessed and collected from all of the owners of PRIVATE DWELLINGS. However, where any alterations and improvements are exclusively or substantially exclusively for the benefit of the owner or owners of a PRIVATE DWELLING or PRIVATE DWELLINGS requesting the same, then the cost of such alterations or improvements shall be assessed against and collected solely from the owner or owners of the PRIVATE DWELLING or PRIVATE DWELLINGS exclusively or substantially exclusively benefitted, the assessment to be levied in such proportion as may be determined by the Board of Directors of ASSOCIATION.

ARTICLE XX

MAINTENANCE AND REPAIR BY OWNERS OF PRIVATE DWELLINGS

Every owner must perform promptly all maintenance and repair work within his PRIVATE DWELLING which, if omitted, would affect CONDOMINIUM units belonging to other owners, being expressly responsible for the damages and liability which his failure to do so may engender. The owners of each PRIVATE DWELLING shall be liable and responsible for the maintenance, repair and replacement, as the case may be, of all air conditioning and heating equipment, stoves, refrigerators, fans, or other appliances or equipment, including any fixtures and/or their connections required to provide water, light, power, telephone, sewage and sanitary service to his or her PRIVATE DWELLING and which may now or hereafter be situated in his PRIVATE DWELLING. Such owner shall further be responsible and liable for maintenance, repair and replacement of any and all wall, ceiling and floor exterior surfaces, painting, decorating and furnishings, and all other accessories which such owner may desire to place or maintain in his or her PRIVATE DWELLING. Whenever the maintenance, repair and replacement of any items for which the owner of a PRIVATE DWELLING is obligated to maintain, replace or repair

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at his or her own expense is occasioned by any loss or damage which may be covered by any insurance maintained in force by ASSOCIATION, the proceeds of the insurance received by ASSOCIATION, or the Insurance Trustee hereinafter designated, shall be used for the purpose of making such maintenance, repair or replacement, except that the owner of such PRIVATE DWELLING shall be, in said instance, required to pay such portion of the costs of such maintenance, repair or replacement as shall, by reason of the applicability of any deductibility provision of such insurance, exceed the amount of the insurance proceeds applicable to such maintenance, repair or replacement. The floor and interior walls of any balconies or terraces attached to any PRIVATE DWELLING shall be maintained by the owners thereof at their own expense. Although windows, sliding glass doors and plate glass installations, as the case may be, are part of the COMMON PROPERTY, ordinary maintenance on windows, sliding glass doors and plate glass, shall be performed by each PRIVATE DWELLING owner at his own cost and expense. Repair or replacement of window, sliding glass door or plate glass installations occasioned by reason of damage covered by insurance maintained by ASSOCIATION shall be paid for as provided in the next succeeding Article.

ARTICLE XXI

MAINTENANCE AND REPAIR OF LIMITED COMMON PROPERTY AND COMMON PROPERTY BY ASSOCIATION

ASSOCIATION, at its expense, shall be responsible for the maintenance, repair and replacement of all of the LIMITED COMMON PROPERTY and COMMON PROPERTY, including those portions thereof which contribute to the support of the buildings, and all conduits, ducts, plumbing, wiring and other facilities located in the COMMON PROPERTY for the furnishing of utility services to the PRIVATE DWELLINGS and said COMMON PROPERTY and should any incidental damage be caused to any PRIVATE DWELLING by virtue of any work which may be done or caused to be done by ASSOCIATION in the maintenance, repair or replacement of any LIMITED COMMON PROPERTY or COMMON PROPERTY, the said ASSOCIATION shall, at its expense, repair such incidental damage. Whenever repair or replacement of windows, sliding glass doors, plate glass installations, or screening is necessitated by any casualty covered by insurance carried by ASSOCIATION, the cost and expense of such repair or replacement up to the amount of its said insurance recovery shall be paid by ASSOCIATION, with any additional cost or expense to be paid by each PRIVATE DWELLING owner; otherwise the repair and replacement of all such installations shall be performed by each PRIVATE DWELLING owner for his

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or her PRIVATE DWELLING at his cost and expense.

ARTICLE XXII

PERSONAL LIABILITY AND RISK OF LOSS OF OWNER OF PRIVATE DWELLING AND SEPARATE INSURANCE COVERAGE, ETC.

The owner of each PRIVATE DWELLING may, at his own expense, obtain insurance coverage for loss of or damage to any furniture, furnishings, personal effects and other personal property belonging to such owner, and may, at his or her own expense and option, obtain insurance coverage against personal liability for injury to the person or property of another while within such owner's PRIVATE DWELLING or upon the COMMON PROPERTY. All such insurance obtained by the owner of each PRIVATE DWELLING shall, wherever such provisions shall be available, provide that the insurer waives its right of subrogation as to any claims against other owners of PRIVATE DWELLINGS, ASSOCIATION, and the respective servants, agents, and guests of said other owners and ASSOCIATION, and such other insurance coverage shall be obtained from the insurance company from which ASSOCIATION obtains coverage against the same risk, liability or peril, if ASSOCIATION has such coverage. Risk of loss of or damage to any furniture, furnishings, personal effects, and other personal property (other than such furniture, furnishings, and personal property constituting a portion of the COMMON PROPERTY) belonging to the owner of each PRIVATE DWELLING, or which may be kept in any PRIVATE DWELLING, shall be borne by the owner of each such PRIVATE DWELLING. All furniture, furnishings, and personal property constituting a portion of the COMMON PROPERTY and held for the joint use and benefit of all owners of all PRIVATE DWELLINGS shall be covered by such insurance as shall be maintained in force and effect by ASSOCIATION as hereinafter provided. The owner of a PRIVATE DWELLING shall have no personal liability for any damages caused by the ASSOCIATION or in connection with the use of the COMMON PROPERTY.

ARTICLE XXIII

INSURANCE COVERAGE TO BE MAINTAINED BY ASSOCIATION; INSURANCE TRUSTEE, APPOINTMENT AND DUTIES; USE AND DISTRIBUTION OF INSURANCE PROCEEDS, ETC.

The following insurance coverage shall be maintained in full force and effect by ASSOCIATION covering the operation and management of the CONDOMINIUM, meaning the PRIVATE DWELLINGS,

LIMITED COMMON PROPERTY and COMMON PROPERTY; to-wit:

A) Hazard insurance covering all of the PRIVATE DWELLINGS, LIMITED COMMON PROPERTY and COMMON PROPERTY in an amount equal to the maximum insurance replacement value thereof, exclusive of excavation and foundation costs, as determined annually by the insurance carrier; or, if approved, by the Board of Directors of ASSOCIATION, said hazard insurance may be carried on not less than 80% co-insurance basis; such coverage to afford protection against (i) loss or damage by fire or other hazards covered by the standard extended coverage or other perils endorsement, subject to such deductible provision as the Board of Directors of ASSOCIATION may approve from time to time; and (ii) such other risks of a similar or dissimilar nature as are or shall be customarily covered with respect to buildings similar in construction, location and use to the CONDOMINIUM, including, but not limited to, vandalism, malicious mischief, windstorm, water damage and war risk insurance, if available.

B) Public liability and property damage insurance in such amounts and in such form as shall be required by ASSOCIATION to protect said ASSOCIATION and the owners of all PRIVATE DWELLINGS, including, but not limited to, hired automobile, non-owned automobile and off-premises employee coverage.

C) Workmen's Compensation insurance to meet the requirements of law.

D) Such other insurance coverage as the Board of Directors of ASSOCIATION, in its sole discretion, may determine from time to time to be in the best interests of ASSOCIATION and the owners of all of the PRIVATE DWELLINGS.

All liability insurance maintained by ASSOCIATION shall contain liability endorsements to cover liability of all owners of PRIVATE DWELLINGS as a group to each PRIVATE DWELLING owner.

All insurance coverage authorized to be purchased shall be purchased by ASSOCIATION for itself and for the benefit of all of the owners of all PRIVATE DWELLINGS. The cost of obtaining the insurance coverage authorized above is declared to be a common expense, as are any other fees and expenses incurred which may be necessary or incidental to carrying out the provisions hereof.

All policies of fire and casualty insurance covering the CONDOMINIUM shall provide for the insurance proceeds covering any loss to be payable to the Insurance Trustee named as hereinafter provided, or to its successor, and the insurance proceeds from any

fire and casualty loss shall be held for the use and benefit of ASSOCIATION and all of the owners of all PRIVATE DWELLINGS and their respective Mortgagees, as their interests may appear, and such insurance proceeds shall be applied or distributed in the manner herein provided. ASSOCIATION is hereby declared to be and appointed as Authorized Agent for all of the owners of all PRIVATE DWELLINGS for the purpose of filing such Proofs of Loss as may be required under any policy or policies of fire and casualty insurance, and negotiating and agreeing to a settlement as to the value and extent of any loss which may be covered under any policy of fire and casualty insurance, and is granted full right and authority to execute in favor of any insurer a release of liability arising out of any occurrence covered by any policy or policies of fire and casualty insurance and resulting in loss of or damage to insured property. Proof of Loss and/or any Release of Liability executed by ASSOCIATION shall be binding upon all owners of all PRIVATE DWELLINGS and their respective Mortgagees and other parties who may claim any lien or encumbrance upon their respective PRIVATE DWELLINGS.

The ASSOCIATION shall have the right to select the insurance company or companies with whom insurance coverage may be placed and the Board of Directors of ASSOCIATION shall have the right to designate the Insurance Trustee. All parties beneficially interested in such insurance coverage shall be bound by such selection so made.

The Insurance Trustee shall be a banking institution having trust powers and doing business in the State of Florida. The Insurance Trustee shall not be liable for the payment of premiums nor for the renewal of any policy or policies of fire and casualty insurance, nor for the sufficiency of coverage, nor for the form or content of the policies, nor for the failure to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to receive such proceeds of fire and casualty insurance as are paid and to hold same in trust for the purposes herein stated, and for the benefit of ASSOCIATION and the owners of all PRIVATE DWELLINGS and their respective Mortgagees, such insurance proceeds to be disbursed and paid by the Insurance Trustee as hereinafter provided. ASSOCIATION, as a common expense, shall pay a reasonable fee to said Insurance Trustee for its services rendered hereunder, and shall pay such costs and expenses as said Insurance Trustee may incur in the performance of any duties and obligations imposed upon it hereunder. Said Insurance Trustee shall be liable only for its wilful misconduct, bad faith or gross negligence, and then for only such money which comes into the possession of said Insurance Trustee. Whenever the Insurance Trustee may be required to make distribution of insurance proceeds

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to owners of PRIVATE DWELLINGS and their Mortgagees, as their respective interests may appear, or to any other party for repair, replacement or reconstruction of property, the Insurance Trustee may rely upon a Certificate of the President or Secretary of the ASSOCIATION, executed under oath, and which Certificate will be provided to said Insurance Trustee upon request of said Insurance Trustee made to ASSOCIATION, such Certificate to certify unto said Insurance Trustee the name or names of the owners of each PRIVATE DWELLING, the name or names of the mortgagee or mortgagees who may hold a mortgage or mortgages encumbering each PRIVATE DWELLING, and the respective percentages of any distribution which may be required to be made to the owner or owners of any PRIVATE DWELLING or PRIVATE DWELLINGS, and his or their respective interests which may appear, or to certify the name or names of the party or parties to whom payments are to be made for repair, replacement or reconstruction of property. In the event any insurance proceeds are paid to the Insurance Trustee for any fire or casualty loss, the holder or holders of any mortgage or mortgages encumbering a PRIVATE DWELLING shall not have the right to determine or participate in the determination of repair or replacement of any loss or damage, and shall not have the right to elect to apply insurance proceeds to the reduction of any mortgage or mortgages, unless such insurance proceeds represent a distribution to the owner or owners of any PRIVATE DWELLING or PRIVATE DWELLINGS and their respective mortgagee or mortgagees as herein authorized.

In the event of the loss of or damage to only COMMON PROPERTY, real or personal, which loss or damage is covered by the fire and casualty insurance, the proceeds paid for the Insurance Trustee to cover such loss or damage shall be applied to the repair, replacement or reconstruction of such loss or damage. If the insurance proceeds are in excess of the cost of the repair, replacement, or reconstruction of such COMMON PROPERTY, then such excess insurance proceeds shall be paid by the Insurance Trustee to the owners of all of the PRIVATE DWELLINGS and their respective mortgagees, the distribution to be separately made to the owner of each PRIVATE DWELLING and his respective mortgagee or mortgagees, as their respective interests may appear, in such proportion that the share of such excess insurance proceeds paid to the owner of each PRIVATE DWELLING and his said mortgagee or mortgagees, if any, shall bear the same ratio to the total excess insurance proceeds as the undivided interest in COMMON PROPERTY appurtenant to each PRIVATE DWELLING bears to the total undivided interest in COMMON PROPERTY appurtenant to all PRIVATE DWELLINGS. If it appears that the insurance proceeds covering the fire and casualty loss or damage payable to the Insurance Trustee are not sufficient to pay for the repair, replacement or reconstruction of the loss or damage, or that the insurance proceeds when

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collected will not be so sufficient, then ASSOCIATION shall deposit with the Insurance Trustee a sum which, together with the insurance proceeds received or to be received will enable said Insurance Trustee to completely pay for the repair, replacement or reconstruction of any loss or damage, as the case may be. The monies to be deposited by ASSOCIATION with the Insurance Trustee, in said latter event, may be paid by ASSOCIATION out of its Reserve for Replacement Fund, and if the sum in such Reserve for Replacement Fund is not sufficient, then ASSOCIATION shall levy and collect as assessment against the owners of all PRIVATE DWELLINGS and said PRIVATE DWELLINGS in an amount which shall provide the funds required to pay for said repair, replacement or reconstruction.

In the event of loss of or damage to COMMON PROPERTY and any PRIVATE DWELLING or PRIVATE DWELLINGS, which loss or damage is covered by the fire and casualty insurance, the proceeds paid to the Insurance Trustee to cover such loss or damage shall be first applied to the repair, replacement or reconstruction, as the case may be, of COMMON PROPERTY, real or personal, and then any remaining insurance proceeds shall be applied to the repair, replacement, or reconstruction of any PRIVATE DWELLING or PRIVATE DWELLINGS which may have sustained any loss or damage so covered. If the insurance proceeds are in excess of the cost of the repair, replacement or reconstruction of the COMMON PROPERTY and the PRIVATE DWELLING or PRIVATE DWELLINGS sustaining any loss or damage, then such excess insurance proceeds shall be paid and distributed by the Insurance Trustee to the owners of all PRIVATE DWELLINGS, and to their mortgagee or mortgagees, as their respective interests may appear, such distribution to be made in the manner and in the proportions as are provided hereinbefore. If it appears that the insurance proceeds covering the fire and casualty loss or damage payable to the Insurance Trustee are not sufficient to pay for the repair, replacement or reconstruction of the loss or damage, or that the insurance proceeds when collected will not be so sufficient, then the Board of Directors of ASSOCIATION shall, based upon reliable and detailed estimates obtained by it from competent and qualified parties, determine and allocate the cost of repair, replacement or reconstruction between the COMMON PROPERTY and the PRIVATE DWELLING or PRIVATE DWELLINGS sustaining any loss or damage. If the proceeds of said fire and casualty insurance are sufficient to pay for the repair, replacement or reconstruction of any loss of or damage to COMMON PROPERTY, but should the same not be sufficient to repair, replace or reconstruct any loss of or damage to any PRIVATE DWELLING or PRIVATE DWELLINGS, then ASSOCIATION shall levy and collect an assessment from the owner or owners of the PRIVATE DWELLING or PRIVATE DWELLINGS sustaining any loss or damage, and the

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assessment so collected from said owner or owners shall be deposited with said Insurance Trustee so that the sum on deposit with said Insurance Trustee shall be sufficient to completely pay for the repair, replacement or reconstruction of all COMMON PROPERTY and PRIVATE DWELLING or PRIVATE DWELLINGS. In said latter event, the assessment to be levied and collected from the owner or owners of each PRIVATE DWELLING or PRIVATE DWELLINGS sustaining loss or damage shall be apportioned between such owner or owners in such manner that this assessment levied against each owner of a PRIVATE DWELLING and his PRIVATE DWELLING shall bear the same proportion to the total assessment levied against all of said owners of PRIVATE DWELLINGS sustaining loss or damage as does the cost of repair, replacement or reconstruction of each owner's PRIVATE DWELLING bear to the cost applicable to all of said PRIVATE DWELLINGS sustaining loss or damage. If the fire and casualty insurance proceeds payable to the Insurance Trustee in the event of the loss of or damage to COMMON PROPERTY and PRIVATE DWELLING or PRIVATE DWELLINGS is not in an amount which will pay for the complete repair, replacement or reconstruction of the COMMON PROPERTY, it being recognized that such insurance proceeds are to be first applied to payment for repair, replacement or reconstruction of said COMMON PROPERTY before being applied to the repair, replacement or reconstruction of a PRIVATE DWELLING or PRIVATE DWELLINGS, then the cost to repair, replace or reconstruct said COMMON PROPERTY in excess of available fire and casualty insurance proceeds shall be levied and collected as an assessment from all of the owners of all PRIVATE DWELLINGS in the same manner as would such assessment be levied and collected had the loss or damage sustained been solely to COMMON PROPERTY and the fire and casualty insurance proceeds been not sufficient to cover the cost of repair, replacement or reconstruction, and the cost of repair, replacement or reconstruction of each PRIVATE DWELLING or PRIVATE DWELLINGS sustaining loss or damage shall then be levied and collected by assessment of the owner or owners of PRIVATE DWELLING or PRIVATE DWELLINGS sustaining the loss or damage in the same manner as is above provided for the apportionment of such assessment between the owner or owners of PRIVATE DWELLING or PRIVATE DWELLINGS sustaining such loss or damage.

In the event of loss of or damage to property covered by such fire and casualty insurance, ASSOCIATION shall, within sixty (60) days after any such occurrence, obtain reliable and detailed estimates of the cost to place such damaged property in condition as good as that before such loss or damage, such estimates to contain and include the cost of any professional fees and premium for such Bond as the Board of Directors of ASSOCIATION may

deem to be in the best interests of the membership of ASSOCIATION. Whenever it shall appear that the insurance proceeds payable for such loss or damage will not be sufficient to defray the cost of the repair, replacement or reconstruction thereof, the additional monies required to completely pay for such repair, replacement or reconstruction of said loss or damage, whether to be paid by all of the owners of PRIVATE DWELLINGS or only by the owner or owners of any PRIVATE DWELLING or PRIVATE DWELLINGS sustaining loss or damage, or both, shall be deposited with said Insurance Trustee not later than thirty (30) days from the date on which said Insurance Trustee shall receive the monies payable under the policy or policies of fire and casualty insurance.

In the event of loss of or damage to personal property belonging to ASSOCIATION, the insurance proceeds, when received by the Insurance Trustee, shall be paid to ASSOCIATION. In the event of the loss of or damage to personal property constituting a portion of the COMMON PROPERTY, and should the Board of Directors of ASSOCIATION determine not to replace such personal property as may be lost or damaged, then the insurance proceeds received by the Insurance Trustee shall be paid to all of the owners of all PRIVATE DWELLINGS and their respective mortgagee or mortgagees, as their interests may appear, in the manner and in the proportions hereinbefore provided for the distribution of excess insurance proceeds.

Contracts for repair, replacement or reconstruction of loss or damage shall be let by the Board of Directors in name of ASSOCIATION and said Board of Directors shall authorize payments to be made thereunder by Insurance Trustee. Board of Directors may enter into such agreement with the Insurance Trustee as it may deem in the best interest of ASSOCIATION for purpose of effectuating the intent hereof.

ARTICLE XXIV

RIGHT OF FIRST REFUSAL TO ASSOCIATION TO LEASE OR PURCHASE PRIVATE DWELLINGS

With the exception of transfers of ownership of any PRIVATE DWELLING by one spouse to another, should the owner of any PRIVATE DWELLING be desirous of leasing or selling such PRIVATE DWELLING, ASSOCIATION is hereby given and granted the right of first refusal to lease or purchase such PRIVATE DWELLING, as the case may be, on the terms and conditions herein stated, and no owner of a PRIVATE DWELLING shall lease or sell

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the same to any party without first giving the ASSOCIATION notice in writing of such lease or sale as herein provided, thereby giving ASSOCIATION the opportunity to determine whether it will exercise the right of first refusal to lease or purchase said PRIVATE DWELLING on the same terms and conditions as those contained in any bona fide offer which the owner of such PRIVATE DWELLING may have received for the lease or purchase of his said PRIVATE DWELLING. Whenever the owner of any PRIVATE DWELLING has received a bona fide offer to lease or purchase his PRIVATE DWELLING and is desirous of accepting such bona fide offer, a bona fide offer being defined herein as an offer in writing, binding upon the offeror and containing all of the pertinent terms and conditions of such lease or sale, and accompanied by an earnest money deposit in an amount equal to at least 10% of the purchase price if the same is an offer for the purchase of such PRIVATE DWELLING, the owner of such PRIVATE DWELLING shall notify the Board of Directors of ASSOCIATION in writing by registered or certified mail sent to the offices of said corporation, or by personal delivery made to the President or Secretary of said ASSOCIATION, of his desire to accept such offer for the lease or purchase of his PRIVATE DWELLING, stating the name, address, business, occupation or employment, if any, of the offeror, an executed copy of the bona fide offer for said lease or purchase to be enclosed with such notice. If ASSOCIATION is desirous of exercising its option to lease or purchase said PRIVATE DWELLING on the same terms and conditions as are contained in said bona fide offer, then ASSOCIATION shall notify the owner of said PRIVATE DWELLING desiring to lease or sell the same of the exercise by ASSOCIATION of its election to so lease or purchase said PRIVATE DWELLING, such notice to be in writing and posted by registered or certified mail to said owner within fourteen (14) days from receipt by ASSOCIATION of owner's notice to said Corporation as hereinabove required, or said notice in writing may be personally delivered to said owner within said fourteen (14) day period. If ASSOCIATION has elected to lease or purchase such PRIVATE DWELLING, then, upon notifying the owner of such PRIVATE DWELLING of its election to lease or purchase said PRIVATE DWELLING, ASSOCIATION shall execute a lease or contract to purchase, and shall consummate such contract to purchase, all on the same terms and conditions as those contained in said bona fide offer. When any owner of a PRIVATE DWELLING has notified ASSOCIATION as above provided of his desire to lease or sell his PRIVATE DWELLING, such owner shall be free to consummate such lease or sale of his PRIVATE DWELLING, unless, within fourteen (14) days after the owner has delivered his required notice to ASSOCIATION, ASSOCIATION has notified said owner of its intention to exercise its right of first refusal and to lease or purchase such PRIVATE

DWELLING. However, in said event, the owner of said PRIVATE DWELLING shall not lease or sell said PRIVATE DWELLING to any party other than the party designated to the Board of Directors of ASSOCIATION in the afordescribed and required notice, nor for any lower rental or purchase price, nor on any more favorable terms and conditions than those originally contained in said bona fide offer presented to ASSOCIATION, without again giving ASSOCIATION the right of first refusal to lease or purchase such PRIVATE DWELLING in the manner above provided.

If the Board of Directors of ASSOCIATION shall so elect, it may cause its right of first refusal to lease or purchase any PRIVATE DWELLING to be exercised in its name for itself or for a party approved by said Board of Directors, or said Board of Directors of ASSOCIATION may elect to cause said PRIVATE DWELLING to be leased or purchased directly in the name of a party approved by it, which party shall enter into a lease or contract to purchase and consummate such contract to purchase said PRIVATE DWELLING in the same manner as would ASSOCIATION upon its exercise of said right of first refusal to lease or purchase such PRIVATE DWELLING. Whenever such right of first refusal granted to ASSOCIATION is to be exercised in the name of a party approved by ASSOCIATION, notice of such election as required herein shall be executed by ASSOCIATION, and the party approved by the Board of Directors of said Corporation.

In the event that the owner of a PRIVATE DWELLING shall lease or sell such PRIVATE DWELLING without giving written notice to ASSOCIATION as herein provided, to the end that said Board of Directors of ASSOCIATION is not afforded the opportunity to determine whether or not it will elect to lease or purchase said PRIVATE DWELLING prior to the consummation of such lease or purchase and on the terms and provisions thereof, then the said ASSOCIATION shall have the right to redeem said PRIVATE DWELLING from such lease or sale transaction by reimbursing the lessee for the amount of any rent paid in advance, by executing a lease in favor of the owner of such PRIVATE DWELLING identical with that being redeemed, or by refunding unto the purchase of such PRIVATE DWELLING the purchase price paid therefor, in which latter event, the purchase of such PRIVATE DWELLING shall convey the same to ASSOCIATION or to a party designated and approved by ASSOCIATION. The right of redemption granted herein shall exist for a period of six (6) months from the date on which such lease or sale may be consummated without prior notice to the Board of Directors of

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ASSOCIATION as required herein, or six (6) months from the date on which an elected officer of the ASSOCIATION shall have first obtained actual knowledge of same, whichever is later, but such PRIVATE DWELLING may not be redeemed by the ASSOCIATION from said lease or sale transaction after the expiration of said six (6) month period. In the event that such sale or lease of a PRIVATE DWELLING has been accomplished without the prior notice to the Board of Directors of ASSOCIATION as required herein, and without affording the said Board of Directors of ASSOCIATION the opportunity to determine whether or not it will exercise its first right to lease or purchase such PRIVATE DWELLING on the terms and conditions offered, then the lessee or purchaser in such transaction shall notify the Board of Directors of ASSOCIATION of his lease or purchase of such PRIVATE DWELLING, such notice to be in writing and to state the name and address and business, occupation or employment, if any, of such lessee or purchaser, and the terms and conditions of said lease or purchase, such notice to be in writing and to be delivered to ASSOCIATION in the same manner as such notice is required to be given prior to consummation of such lease or sale transaction. Thereafter, the Board of Directors of ASSOCIATION shall have forty-five (45) days from receipt of such notice within which to exercise the right of redemption granted to ASSOCIATION and to accomplish such redemption. Failure to exercise said right of redemption and to accomplish the redemption of said lease or purchase within said forty-five (45) day period of time, provided the same is not obstructed by the party from whom such redemption must be made, shall cause the right of redemption granted to ASSOCIATION to terminate and expire as to said lease or purchase transaction.

Notwithstanding the foregoing, no PRIVATE DWELLING shall be leased unless the terms and provisions of such lease shall provide that such PRIVATE DWELLING may not be sublet without the prior written approval of ASSOCIATION being first had and obtained, and any lease shall provide that the lessee shall comply with and abide by all of the restrictions pertaining to the use of PRIVATE DWELLINGS, LIMITED COMMON PROPERTY and COMMON PROPERTY contained in this Declaration of Condominium, and with the rules and regulations contained herein or hereafter established by ASSOCIATION governing the use of same, and should any lessee not comply with such covenants, then ASSOCIATION shall be given the right to cancel and terminate such lease, all without any obligation to the owner, and in said respect, ASSOCIATION shall be regarded as the owner's agent, fully authorized to take such steps as may be necessary to effect the cancellation and termination of such lease.

Notwithstanding the foregoing provisions of this Article XXIV,

the right of first refusal granted to ASSOCIATION shall not apply or be operative to the following: (i) any foreclosure or other judicial sale of a PRIVATE DWELLING and its appurtenances although the title thereto of the purchaser at any foreclosure or judicial sale shall thereafter be subject to the right of first refusal granted to ASSOCIATION; (ii) any conveyance made by the owner of a PRIVATE DWELLING to an Institutional Lender in lieu of foreclosure; and (iii) any lease or sale of any PRIVATE DWELLING and its appurtenances by DEVELOPER, or lease or sale of any PRIVATE DWELLING and its appurtenances to DEVELOPER, or lease or sale of any PRIVATE DWELLING and its appurtenances to a party approved by DEVELOPER so long as DEVELOPER is the owner, lessee, or holder of a Mortgage effecting or encumbering, any such PRIVATE DWELLING; (iv) any conveyance made by a Institutional Lender of a PRIVATE DWELLING.

ARTICLE XXV

ASSOCIATION TO MAINTAIN REGISTER OF OWNERS AND MORTGAGEES

ASSOCIATION shall at all times maintain a Register setting forth the names of the owners of all of the PRIVATE DWELLINGS, and, in the event of the sale or transfer of any PRIVATE DWELLING to a third party, the purchaser or transferee shall notify ASSOCIATION in writing of his interest in such PRIVATE DWELLING, together with such recording information as shall be pertinent to identify the instrument by which such purchaser or transferee has acquired his interest in any PRIVATE DWELLING. Further, the owner of each PRIVATE DWELLING shall at all times notify ASSOCIATION of the names of the parties holding any mortgage or mortgages of any PRIVATE DWELLING, the amount of such mortgage or mortgages and the recording information which shall be pertinent to identify the mortgage or mortgages. The holder of any mortgage or mortgages upon any PRIVATE DWELLING may, if they so desire, notify ASSOCIATION of the existence of any mortgage or mortgages held by such party on any PRIVATE DWELLING, and upon receipt of such notice, ASSOCIATION shall register in its records all pertinent information pertaining to the same.

ARTICLE XXVI

ASSESSMENTS: LIABILITY, LIEN AND ENFORCEMENT

ASSOCIATION is given the authority to administer the operation and management of the CONDOMINIUM, it being recognized that the delegation of such duties to one entity is in the best interests of the owners of all PRIVATE DWELLINGS. To properly administer the operation and management of the Project,

ASSOCIATION will incur, for the mutual benefit of all of the owners of PRIVATE DWELLINGS, costs and expenses which will be continuing or non-recurring costs, as the case may be, which costs and expenses are sometimes herein referred to as "common expense". To provide the funds necessary for such proper operation and management, the said ASSOCIATION has heretofore been granted the right to make, levy and collect assessments against the owners of all PRIVATE DWELLINGS and said PRIVATE DWELLINGS. In furtherance of said grant of authority to ASSOCIATION to make, levy and collect assessments to pay the costs and expenses for the operation and management of the CONDOMINIUM, the following provisions shall be operative and binding upon the owners of all PRIVATE DWELLINGS, to-wit:

A) All assessments levied against the owners of PRIVATE DWELLINGS and said PRIVATE DWELLINGS shall be uniform, and, unless specifically otherwise provided for in this Declaration of Condominium, the assessments made by ASSOCIATION shall be in such proportion that the amount of assessment levied against each owner of a PRIVATE DWELLING and his PRIVATE DWELLING shall bear the same ratio to the total assessment made against all owners of PRIVATE DWELLINGS and their PRIVATE DWELLINGS as the undivided interest in COMMON PROPERTY appurtenant to each PRIVATE DWELLING bears to the total undivided interest in COMMON PROPERTY appurtenant to all PRIVATE DWELLINGS. Should ASSOCIATION be the owner of any PRIVATE DWELLING or PRIVATE DWELLINGS, the assessment which would otherwise be due and payable to ASSOCIATION by the owner of such PRIVATE DWELLING or PRIVATE DWELLINGS, reduced by the amount of income which may be derived from the leasing of such PRIVATE DWELLING or PRIVATE DWELLINGS by ASSOCIATION, shall be apportioned and assessment therefor levied ratably among the owners of all PRIVATE DWELLINGS which are not owned by ASSOCIATION, based upon their proportionate interests in COMMON PROPERTY, exclusive of the interests therein appurtenant to any PRIVATE DWELLING or PRIVATE DWELLINGS owned by ASSOCIATION.

B) The assessment levied against the owner of each PRIVATE DWELLING and his PRIVATE DWELLING shall be payable in annual, quarterly or monthly installments, or in such other installments and at such times as may be determined by the Board of Directors of ASSOCIATION.

C) The Board of Directors of ASSOCIATION shall establish an Annual Budget in advance, for each fiscal year which shall correspond to the calendar year, and such budget shall

project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the CONDOMINIUM, including a reasonable allowance for contingencies and reserves, such budget to take into account projected anticipated income which is to be applied in reduction of the amounts required to be collected as an assessment each year. Upon adoption of such Annual Budget by the Board of Directors of ASSOCIATION, copies of said Budget shall be delivered to each owner of a PRIVATE DWELLING and the assessment for said year shall be established upon such Budget, although the delivery of a copy of said Budget to each owner shall not affect the liability of any owner for such assessment. Should the Board of Directors at any time determine, in the sole discretion of said Board of Directors, that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the CONDOMINIUM, or in the event of emergencies, said Board of Directors shall have the authority to levy such additional assessment or assessments as it may deem to be necessary.

D) The Board of Directors of ASSOCIATION, in establishing said Annual Budget for operation, management and maintenance of the Project, shall include therein a sum to be collected and maintained as a reserve fund for replacement of COMMON PROPERTY (which term, for the purpose of this section of this Article shall include LIMITED COMMON PROPERTY), which reserve fund shall be for the purpose of enabling ASSOCIATION to replace structural and functional elements and mechanical equipment constituting a part of COMMON PROPERTY, as well as the replacement of personal property which may constitute a portion of the COMMON PROPERTY held for the joint use and benefit of all of the owners of all PRIVATE DWELLINGS. The amount to be allocated to such Reserve Fund for Replacement shall be established by said Board of Directors so as to accrue and maintain at all times a sum reasonably necessary to anticipate the need for replacement of COMMON PROPERTY. The amount collected and allocated to the Reserve Fund for Replacement from time to time

shall be maintained in a separate account by ASSOCIATION, although nothing herein contained shall limit ASSOCIATION from applying any monies in such Reserve Fund for Replacement to meet other needs or requirements of ASSOCIATION in operating or managing the Project in the event of emergencies, or in the event that the sums collected from the owners of PRIVATE DWELLINGS are insufficient to meet the then fiscal financial requirements of ASSOCIATION, but it shall not be a requirement that these monies be used for such latter purposes, as a separate assessment may be levied therefor if deemed to be preferable by the Board of Directors of ASSOCIATION in the sole discretion of said Board of Directors.

E) The Board of Directors of ASSOCIATION, in establishing said Annual Budget for operation, management and maintenance of the Project, shall include therein a sum to be collected and maintained as a general operating reserve which shall be used to provide a measure of financial stability during periods of special stress when such sums may be used to meet deficiencies from time to time existing as a result of delinquent payment of assessments by owners of PRIVATE DWELLINGS, as a result of emergencies or for other reasons placing financial stress upon the ASSOCIATION. The annual amount allocated to such operating reserve and collected therefor shall not exceed ten (10%) per cent of the current annual assessment levied against the owners of all PRIVATE DWELLINGS and their PRIVATE DWELLINGS. Upon accrual in said operating reserve of a sum equal to fifty (50%) of the current annual assessment, no further payments shall be collected from the owners of PRIVATE DWELLINGS as a contribution to such operating reserve, unless such operating reserve shall be reduced below said fifty (50%) per cent level, in which event, contributions to such operating reserve shall be included in the annual assessment so as to restore said operating reserve to an amount which will equal fifty (50%) per cent of the current annual amount of said assessments.

F) All monies collected by ASSOCIATION shall be treated as the separate property of said ASSOCIATION, and such monies may be applied by ASSOCIATION to the payment of any expense of operating and managing the CONDOMINIUM, or to the proper undertaking of all acts and duties imposed upon it by virtue of this Declaration of Condominium and the Articles of Incorporation and By-Laws of said ASSOCIATION, and as monies for any assessment are paid unto ASSOCIATION by any owner of a PRIVATE DWELLING, the same may be commingled with monies paid to said ASSOCIATION by the other owners of PRIVATE DWELLINGS.

Although all funds and common surplus, including other assets of ASSOCIATION, and any increments thereto or profits derived therefrom, or from the leasing or use of COMMON PROPERTY, shall be held for the benefit of the members of ASSOCIATION, no member of said ASSOCIATION shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest therein, except as an appurtenance to his PRIVATE DWELLING. When the owner of a PRIVATE DWELLING shall cease to be a member of ASSOCIATION by reason of his divestment of ownership of such PRIVATE DWELLING, by whatever means, ASSOCIATION shall not be required to account to such owner for any share of the funds or assets of ASSOCIATION, or which may have been paid to ASSOCIATION by such owner, as all monies which any owner has paid to ASSOCIATION shall be and constitute an asset of said ASSOCIATION which may be used in the operation and management of the CONDOMINIUM.

G) The payment of any assessment or installment thereof due to ASSOCIATION shall be in default if such assessment, or any installment thereof, is not paid unto ASSOCIATION on or before the due date for such payment. When in default, the delinquent assessment or delinquent installment thereof due to ASSOCIATION shall bear interest at the rate of ten (10%) per cent per annum until such delinquent assessment or installment thereof, and all interest due thereon, has been paid in full to ASSOCIATION.

H) The owner or owners of each PRIVATE DWELLING shall be personally liable, jointly and severally, as the case may be, to ASSOCIATION for the payment of such portion of all assessments, regular or special, which may be levied by ASSOCIATION against the PRIVATE DWELLING of such owner or owners while such party or parties are owner or owners of a PRIVATE DWELLING in the CONDOMINIUM. In the event that any owner or owners are in default in payment of any assessment or installment thereof against his, her or their PRIVATE DWELLINGS owed to ASSOCIATION, such owner or owners of any PRIVATE DWELLING shall be personally liable, jointly and severally, for interest on such delinquent assessment or installment thereof as above provided, and for all costs of collecting such assessment or installment thereof and interest thereon, including a reasonable attorney's fee, whether suit be brought or not.

I) No owner of a PRIVATE DWELLING may exempt himself from liability for any assessment levied against such owner and his PRIVATE DWELLING by waiver of the use or enjoyment of any of the COMMON PROPERTY, or by abandonment of the PRIVATE DWELLING or in any other way.

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J) Recognizing that the necessity for providing proper operation and management of the Project entails the continuing payments of costs and expenses therefor, which results in benefit to all of the owners of PRIVATE DWELLINGS, and that the payment of such common expense represented by the assessments levied and collected by ASSOCIATION is necessary in order to preserve and protect the investment of the owner of each PRIVATE DWELLING, ASSOCIATION is hereby granted a lien upon such PRIVATE DWELLING and its appurtenant undivided interest in COMMON PROPERTY and any appurtenant LIMITED COMMON PROPERTY, which lien shall secure and does secure the monies due for all assessments now or hereafter levied against the owner of each PRIVATE DWELLING, which lien shall also secure interest, if any, which may be due on the amount of any delinquent assessments owing to ASSOCIATION, and which lien shall also secure all costs and expenses, including a reasonable attorney's fee, which may be incurred by ASSOCIATION in enforcing this lien upon said PRIVATE DWELLING and its appurtenant undivided interest in COMMON PROPERTY. The lien granted to ASSOCIATION may be foreclosed in the same manner as real estate mortgages may be foreclosed in the State of Florida, and in any suit for foreclosure of said lien, ASSOCIATION shall be entitled to rental from the owner of any PRIVATE DWELLING from the date on which the payment of any assessment or installment therefor became delinquent, and shall be entitled to the appointment of a Receiver for said PRIVATE DWELLING, without notice to the owner of such PRIVATE DWELLING. The rental required to be paid shall be equal to the rental charged on comparable dwelling units in Broward County, Florida. The lien granted to ASSOCIATION shall further secure such advances for taxes, and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by ASSOCIATION in order to preserve and protect its lien, and ASSOCIATION shall further be entitled to interest at the rate of ten (10%) per cent per annum on any such advances made for such purpose. All persons, firms or corporations who shall acquire, by whatever means, any interest in the ownership of any PRIVATE DWELLING or who may be given or acquire a mortgage, lien or other encumbrance thereon, is hereby placed on notice of the lien rights granted to ASSOCIATION, and shall acquire such interest in any PRIVATE DWELLING expressly subject to such lien rights.

K) The lien herein granted unto ASSOCIATION shall be effective from and after the time of recording in the Public Records of Broward County, Florida, a claim of lien stating the description of the PRIVATE DWELLING and appurtenant LIMITED COMMON PROPERTY encumbered thereby, the name of the record owner, the amount due and the date due, and the lien shall continue in effect until all sums are secured by said lien, as herein provided,

shall have been fully paid. Such claims of lien shall include only assessments which are due and payable when the claim of lien is recorded, plus interest, costs, attorney's fees, advances to pay taxes and prior encumbrances and interest thereon, all as above provided. Such claims of lien shall be signed and verified by an officer or agent of ASSOCIATION. Upon full payment of all sums secured by such claim of lien, ASSOCIATION shall deliver to the owner of the PRIVATE DWELLING affected a recordable satisfaction of said claim of lien.

In the event that any person, firm or corporation shall acquire title to any PRIVATE DWELLING, and its appurtenances by virtue of any foreclosure or judicial sale, such person, firm or corporation so acquiring title shall only be liable and obligated for assessments as shall accrue and become due and payable for said PRIVATE DWELLING subsequent to the date of acquisition of such title, and shall not be liable for the payment of any assessments which were in default and delinquent at the time it acquired such title. In the event of the acquisition of title to PRIVATE DWELLING by foreclosure or judicial sale, any assessment or assessments as to which the party so acquiring title shall not be liable shall be absorbed and paid by all owners of all PRIVATE DWELLINGS as a part of the common expense, although nothing herein contained shall be construed as releasing the party liable for such delinquent assessment from the payment thereof or the enforcement of collection of such payment by means other than foreclosure.

L) Whenever any PRIVATE DWELLING may be leased, sold or mortgaged by the owner thereof, which lease or sale shall be concluded only upon compliance with other provisions of this Declaration of Condominium, ASSOCIATION, upon written request of the owner of such PRIVATE DWELLING, shall furnish to the proposed lessee, purchaser or mortgagee, a statement verifying the status of payment of any assessment which shall be due and payable to ASSOCIATION by the owner of such PRIVATE DWELLING. Such statement shall be executed by an Officer of the ASSOCIATION, and any lessee, purchaser or mortgagee may rely upon such statement in concluding the proposed lease, purchase or mortgage transaction, and ASSOCIATION shall be bound by such statement.

In the event that a PRIVATE DWELLING is to be leased, sold or mortgaged at the time when payment of any assessment against the owner of said PRIVATE DWELLING and such PRIVATE DWELLING due to ASSOCIATION shall be in default (whether or not a claim of lien has been recorded by ASSOCIATION), then the rent, proceeds of such purchase or mortgage proceeds, shall be applied by the

lessee, purchaser or mortgagee first to payment of any then delinquent assessment or installments thereof due to ASSOCIATION before the payment of any rent, proceeds of purchase or mortgage proceeds to the owner of any PRIVATE DWELLING who is responsible for payment of such delinquent assessment.

In any voluntary conveyance of a PRIVATE DWELLING, the Grantee shall be jointly and severally liable with Grantor for all unpaid assessments against Grantor made prior to the time of such voluntary conveyance, without prejudice to the rights of Grantee to recover from Grantor the amounts paid by Grantee therefor.

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

ARTICLE XXVII

COMMON SURPLUS

"COMMON SURPLUS", meaning all funds and other assets of the ASSOCIATION (including excess of receipts of ASSOCIATION from any and all sources, over amount of the common expense), shall be owned by the owners of all PRIVATE DWELLINGS in the same proportion that the undivided interest in COMMON PROPERTY appurtenant to each owner's PRIVATE DWELLING bears to the total of all undivided interests in COMMON PROPERTY appurtenant to all PRIVATE DWELLING; provided, however, that said common surplus shall be held by the ASSOCIATION in the manner, and subject to the terms, provisions and conditions hereof imposing certain limitations and restrictions upon the use and distribution of said common surplus. Except for distribution of any insurance indemnity herein provided, or termination of the CONDOMINIUM, any distribution of common surplus which may be made from time to time shall be made to the then owners of PRIVATE DWELLINGS in accordance with their percentage interest in common surplus as declared herein.

ARTICLE XXVIII

TERMINATION

Notwithstanding anything to the contrary contained in

Article XXIII hereof, in the event of fire or other casualty or disaster which shall totally demolish the CONDOMINIUM, or which shall so destroy the CONDOMINIUM as to require more than two-thirds of the buildings and improvements, as determined by the Board of Directors of ASSOCIATION, to be reconstructed, then this Declaration of Condominium and the Plan of Condominium Ownership established herein shall terminate, unless the owners of at least three-quarters of the PRIVATE DWELLINGS agree that the CONDOMINIUM shall be reconstructed, or unless any policy or policies of casualty insurance which may cover the damage or destruction of said buildings requires the reconstruction thereof as a condition precedent to the payment of insurance proceeds under such policy or policies, but notwithstanding the fact that the owners of at least three-quarters of the PRIVATE DWELLINGS agree to reconstruct said building, or if such policy or policies of casualty insurance require the same to be reconstructed, this Declaration of Condominium and the Plan of Condominium Ownership established herein shall still be terminated if there exists any regulation or order of any governmental authority having jurisdiction of the Project which may then prevent the reconstruction of the CONDOMINIUM, although nothing herein contained shall be construed as releasing or in any manner changing any obligation which may be owed to ASSOCIATION, for itself and for the benefit of the owners of all PRIVATE DWELLINGS, under any insurance policy or policies then existing. Reference to two-thirds of the building and improvements shall be taken to mean two-thirds of the total value of all of the building and improvements as of the date prior to the event or events causing such damage or destruction as determined by the Board of Directors of ASSOCIATION.

If, as above provided, this Declaration of Condominium and the Plan of Condominium Ownership established herein is to be terminated, then a Certificate of a Resolution of the Board of Directors of ASSOCIATION to said effect, and notice of the cancellation and termination hereof, shall be executed by the President and Secretary of ASSOCIATION in recordable form, and such instrument shall be recorded in the Public Records of Broward County, Florida. Upon termination of this Declaration of Condominium and the Plan of Condominium Ownership established herein, all of the owners of PRIVATE DWELLINGS shall be and become tenants in common as to ownership of the real property herein described, and any then remaining improvements thereon, the undivided interest in such real property, and remaining improvements held by the owner or owners of each PRIVATE DWELLING to be the same as the undivided interest in COMMON PROPERTY which was formerly appurtenant to such PRIVATE DWELLING, and the lien

of any mortgage or other encumbrance upon each PRIVATE DWELLING shall attach, in the same order of priority, to the percentage of undivided interest of the owner of a PRIVATE DWELLING in the property and then remaining improvements as above provided. Upon termination of this Declaration of Condominium and the Plan of Condominium Ownership established herein, the owner or owners of all PRIVATE DWELLINGS still habitable shall, within sixty (60) days from date of recording of said Certification of Resolution, deliver possession of their respective PRIVATE DWELLINGS to ASSOCIATION. Upon termination of this Declaration of Condominium and the Plan of Condominium Ownership established herein, the Insurance Trustee shall distribute any insurance indemnity which may be due under any policy or policies of casualty insurance to the owners of the PRIVATE DWELLINGS and their mortgagees, as their respective interests may appear, such distribution to be made to the owner or owners of each PRIVATE DWELLING in accordance with their then undivided interest in the real property and remaining improvements as hereinbefore provided. The assets of ASSOCIATION, upon termination of the Plan of Condominium Ownership created hereby, shall then be distributed to all of the owner or owners of each PRIVATE DWELLING and to his or their mortgagees, as their respective interests may appear, in the same manner as was above provided for the distribution of any final insurance indemnity.

Except in the event of this Declaration of Condominium and the Plan of Condominium Ownership established herein being terminated as hereinbefore provided, this Declaration of Condominium and said Plan of Condominium Ownership may only be otherwise terminated by the consent of the owners of at least twenty-seven (27) PRIVATE DWELLINGS and all of the parties holding mortgages, liens or other encumbrances against any of the said twenty-seven (27) PRIVATE DWELLINGS, in which event, the termination of the CONDOMINIUM shall be by such plan as may be then adopted by said owners and parties holding any mortgages, lien or other encumbrances. Such election to terminate this Declaration of Condominium and the Plan of Condominium Ownership established herein shall be executed in writing by all of the aforesaid parties, and such instrument or instruments shall be recorded in the Public Records of Broward County, Florida. In the above event, the owners of the remaining PRIVATE DWELLINGS and all parties holding any mortgages, liens, or other encumbrances on any of said remaining PRIVATE DWELLINGS shall be bound by the election to terminate this Declaration of Condominium, and shall execute any and all documents necessary to effect termination of said Declaration of Condominium in the same manner as though the consent to termination was by unanimous vote of all interested parties.

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ARTICLE XXIX

AMENDMENT OF DECLARATION OF CONDOMINIUM

This Declaration of Condominium may be amended in the following manner:

An Amendment or Amendments to this Declaration of Condominium may be proposed by the Board of Directors of ASSOCIATION acting upon a vote of the majority of the Directors, or by the members of ASSOCIATION owning a majority of the PRIVATE DWELLINGS in the CONDOMINIUM, whether meeting as members or by instrument in writing signed by them. Upon any Amendment or Amendments to this Declaration of Condominium being proposed by said Board of Directors of members, such proposed Amendment or Amendments shall be transmitted to the President of ASSOCIATION, or other officer of ASSOCIATION in the absence of the President, who shall thereupon call a Special Meeting of the Members of the ASSOCIATION for a date not sooner than twenty (20) days nor later than sixty (60) days from receipt by him of the proposed Amendment or Amendments, and it shall be the duty of the Secretary to give to each member written or printed notice of such Special Meeting, stating the time and place thereof, and reciting the proposed Amendment or Amendments in reasonably detailed form, which notice shall be mailed not less than ten (10) days nor more than thirty (30) days before the date set for such Special Meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States mail addressed to the member at his Post Office address as it appears on the records of ASSOCIATION, the postage thereon prepaid. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of ASSOCIATION, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such member. At such meeting, the Amendment or Amendments proposed must be approved by an affirmative vote of the members owning not less than twenty-seven (27) PRIVATE DWELLINGS in the CONDOMINIUM in order for such Amendment or Amendments to become effective. Thereupon, such Amendment or Amendments of this Declaration of Condominium shall be transcribed and certified by the President and Secretary of ASSOCIATION as having been duly adopted, and the original or an executed copy of such Amendment or Amendments so certified and executed with the same formalities as a Deed shall be recorded in the Public Records of Broward County, Florida, within ten (10) days from the date on which the same became effective, such Amendment or Amendments to specifically refer to the recording data identifying the Declaration of Condominium. Thereafter, a copy of said Amendment or Amend-

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ments in the form in which the same were placed of record by the Officers of ASSOCIATION shall be delivered to all of the owners of all PRIVATE DWELLINGS, but delivery of a copy thereof shall not be a condition precedent to the effectiveness of such Amendment or Amendments. At any meeting held to consider such Amendment or Amendments, the written vote of any member of ASSOCIATION shall be recognized if such member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of ASSOCIATION prior to such meeting or at such meeting.

Notwithstanding anything herein contained to the contrary, it is declared as follows:

- a) No alteration in the percentage of ownership in COMMON PROPERTY appurtenant to each PRIVATE DWELLING or alteration for the basis of sharing common expenses and other apportionment of assessments which may be levied by ASSOCIATION in accordance with provisions hereof, or alteration of basis of ownership of COMMON SURPLUS, shall be made without written consent of all of the owners of all PRIVATE DWELLINGS and their respective mortgagees, being first had and obtained.
- b) Notwithstanding anything to the contrary provided in this Declaration, no alteration, amendment or modification of the rights and privileges granted and reserved hereunder in favor of Institutional Lender or Institutional Lenders shall be made without written consent of all Institutional Lenders then holding mortgages on PRIVATE DWELLINGS in the CONDOMINIUM being first had and obtained.
- c) No alteration, amendment or modification of the rights and privileges granted and reserved hereunder in favor of DEVELOPER, shall be made without the written consent of said DEVELOPER being first had and obtained.

ARTICLE XXX

REMEDIES IN EVENT OF DEFAULT

The owner or owners of each PRIVATE DWELLING shall be

governed by and shall comply with the provisions of this Declaration of Condominium, and the Articles of Incorporation and By-Laws of ASSOCIATION, as any of the same are now constituted or as they may be amended from time to time. A default by the owner or owners of any PRIVATE DWELLINGS shall entitle ASSOCIATION or the owner or owners of other PRIVATE DWELLINGS to the following relief:

A) Failure to comply with any of the terms of this Declaration of Condominium or other restrictions and regulations contained in the Articles of Incorporation or By-Laws of ASSOCIATION, or which may be adopted pursuant thereto, shall be grounds for relief which may include, without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien or any combination thereof, and which relief may be sought by ASSOCIATION or, if appropriate, by an aggrieved owner of a PRIVATE DWELLING.

B) The owner or owners of each PRIVATE DWELLING shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any member of his family, or his or their guests, employees, agents, or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by ASSOCIATION. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy, or abandonment of a PRIVATE DWELLING or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation.

C) In any proceeding arising because of an alleged default by the owner of any PRIVATE DWELLING, ASSOCIATION, if successful, shall be entitled to recover the costs of the proceeding, and such reasonable attorney's fees as may be determined by the Court, but, in no event shall the owner of any PRIVATE DWELLING be entitled to such attorney's fees.

D) The failure of ASSOCIATION or of the owner of a PRIVATE DWELLING to enforce any right, provision, covenant or condition which may be granted by this Declaration of Condominium or other above mentioned documents shall not constitute a waiver of the right of ASSOCIATION or of the owner of a PRIVATE DWELLING to enforce such right, provision, covenant, or condition in the future.

E) All rights, remedies and privileges granted to ASSOCIATION or the owner or owners of a PRIVATE DWELLING pur-

suant to any terms, provisions, covenants or conditions of this Declaration of Condominium or other above mentioned documents, shall be deemed to be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.

F) The failure of DEVELOPER to enforce any right, privilege, covenant or condition which may be granted to the DEVELOPER by this Declaration of Condominium or other above mentioned document shall not constitute waiver of the right of DEVELOPER to thereafter enforce such right, provision, covenant or condition in the future.

ARTICLE XXXI

USE OR ACQUISITION OF INTEREST IN THE CONDOMINIUM TO RENDER USER OR ACQUIRER SUBJECT TO PROVISIONS OF DECLARATION OF CONDOMINIUM, RULES AND REGULATIONS

All present or future owners, tenants, or any other person who might use the facilities of the CONDOMINIUM in any way, are subject to the provisions of this Declaration of Condominium, and the mere act of occupancy of any PRIVATE DWELLING, or the mere acquisition or rental of any PRIVATE DWELLING, shall signify that the provisions of this Declaration of Condominium are accepted and ratified in all respects.

ARTICLE XXXII

RIGHT OF DEVELOPER TO PURCHASE, SELL OR LEASE PRIVATE DWELLINGS FREE OF RIGHT OF FIRST REFUSAL OR RIGHT OF REDEMPTION; RIGHT OF DEVELOPER TO REPRESENTATION ON BOARD OF DIRECTORS OF ASSOCIATION; AND RIGHTS OF DEVELOPER ASSIGNABLE

DEVELOPER shall have the absolute right to purchase, sell or lease any PRIVATE DWELLING from or to any person, firm or corporation, upon any terms and conditions deemed by DEVELOPER to be in its own best interests, and any such purchase, sale, or lease shall be free from the right of first refusal and right of redemption herein granted to ASSOCIATION, and further, the sale or lease of any PRIVATE DWELLING to a party approved by DEVELOPER shall be free of said right of first refusal and right of redemption granted unto ASSOCIATION and shall be treated and regarded

in the same manner as though such sale, purchase and/or lease was made to or by DEVELOPER, the term "leases" including sublease.

THE DEVELOPER shall further have the right to use any PRIVATE DWELLING or PRIVATE DWELLINGS owned by it as model apartments and/or sales office in connection with DEVELOPER'S program to sell or lease said PRIVATE DWELLING or PRIVATE DWELLINGS owned by it, and in connection therewith shall have the right to place upon the COMMON PROPERTY signs designating DEVELOPER'S model apartments and/or sales office and advertising for sale or lease of the said PRIVATE DWELLING or PRIVATE DWELLINGS owned by DEVELOPER, any said sign or signs to be placed at DEVELOPER'S expense and shall be in good taste.

In the event of dissolution of DEVELOPER, or merger of DEVELOPER into any other entity which survives DEVELOPER, at a time when the DEVELOPER shall be entitled to have and exercise any rights and privileges hereunder, the rights and privileges of DEVELOPER shall pass and may be exercised by its said successor or survivor, as the case may be.

The DEVELOPER shall have the right to select and designate Member or Members of the Board of Directors of ASSOCIATION, and to remove and replace any person or persons selected by it to act and serve on said Board of Directors, all as is set forth and provided in the Articles of Incorporation and By-Laws of ASSOCIATION. The Member or Members of the Board of Directors of ASSOCIATION designated and selected by DEVELOPER need not be resident or residents in the CONDOMINIUM. Any representative of DEVELOPER serving on the Board of Directors of ASSOCIATION shall not be required to disqualify himself upon any vote upon any contract or other agreement between DEVELOPER and ASSOCIATION where said DEVELOPER may have a pecuniary or other interest. Similarly, DEVELOPER, as a member of ASSOCIATION, shall not be required to disqualify itself in any vote which may come before the membership of ASSOCIATION upon any contract or other agreement between DEVELOPER and ASSOCIATION, where the said DEVELOPER may have a pecuniary or other interest.

The DEVELOPER shall have exclusive use of the recreation room and office until all PRIVATE DWELLINGS have been sold.

ARTICLE XXXIII

RIGHTS RESERVED UNTO INSTITUTIONAL LENDER

"Institutional Lender" or "Institutional Lenders", as

the terms are used herein, shall mean and refer to banks, savings and loan associations, insurance companies, FHA approved mortgage lenders, real estate investment trusts as defined in the U.S. Internal Revenue Code and DEVELOPER, and mortgage holders joining in this Declaration and the successors and assigns of any such Institutional Lender. So long as any Institutional Lender or Institutional Lenders shall hold any mortgage upon any PRIVATE DWELLING or PRIVATE DWELLINGS, or shall be the owner of any PRIVATE DWELLING or PRIVATE DWELLINGS, such Institutional Lender or Institutional Lenders shall have the following rights, to-wit:

A) To approve the company or companies with whom casualty insurance is placed and the amount of such casualty insurance to be carried from time to time by the ASSOCIATION.

B) To approve the Insurance Trustee designated by the ASSOCIATION.

C) To be furnished with at least one copy of the Annual Financial Statement and Report of ASSOCIATION, prepared by Certified Public Accountant designated by the ASSOCIATION, including a detailed statement of annual carrying charges or income collected and operating expenses, such Financial Statement and Report to be furnished within sixty (60) days following the end of each calendar year.

D) To be given notice by the ASSOCIATION of the call of any meeting of the membership to be held for the purpose of considering any proposed Amendment to this Declaration of Condominium, or the Articles of Incorporation and By-Laws of ASSOCIATION, which notice shall state the nature of the Amendment being proposed.

E) To be given notice of default in payment of assessments or otherwise under this Declaration and the By-Laws on the part of any member owning any PRIVATE DWELLING encumbered by a mortgage held by such Institutional Lender, such notice to be given in writing and to be sent to the principal office of the Institutional Lender holding the mortgage or mortgages encumbering such member's PRIVATE DWELLING, or to the place designated by said Lender in writing to ASSOCIATION.

F) To cause ASSOCIATION to create and maintain an Escrow Account for the purpose of assuring the availability of funds with which to pay premium or premiums due from time to time on insurance policy or policies which the ASSOCIATION is

required to keep in existence, it being understood that the ASSOCIATION shall deposit in an Escrow Depository satisfactory to such Institutional Lender or Institutional Lenders a monthly sum equal to one-twelfth (1/12th) of the annual amount of such insurance expense, and to contribute such other sum as may be required therefor to the end that there shall be on deposit in said Escrow Account at least one month prior to the due date for payment of such premium or premiums, a sum which will be sufficient to make full payment therefor. The Insurance Trustee designated by ASSOCIATION shall be the Escrow Depository for the purposes hereof or Board of Directors of ASSOCIATION may designate any Institutional Lender interested in the CONDOMINIUM to act in such capacity.

Whenever any Institutional Lender or Institutional Lenders desire the provisions of this Article XXXIII to be applicable unto it, it shall serve written notice of such fact upon the ASSOCIATION by Registered Mail or Certified Mail, addressed to the ASSOCIATION and sent to its address stated herein identifying the PRIVATE DWELLING or PRIVATE DWELLINGS upon which any such Institutional Lender or Institutional Lenders hold any mortgage or mortgages, or identifying any PRIVATE DWELLINGS owned by them, or any of them, together with sufficient pertinent facts to identify any mortgage or mortgages which may be held by it or them, and which notice shall designate the place to which notices are to be given by the ASSOCIATION to such Institutional Lender or Institutional Lenders.

The Institutional Lender holding first mortgage lien or fee simple interests in the largest number of PRIVATE DWELLINGS in which all Institutional Lenders hold such interests shall exercise the rights reserved unto Institutional Lender under items "A", "B" and "F" of this Article. At any time that more than one Institutional Lender shall hold first mortgage lien or fee simple interests in an equal number of PRIVATE DWELLINGS, but no one Institutional Lender shall hold such interests in a larger number of such PRIVATE DWELLINGS than any other Institutional Lender, then such rights reserved unto Institutional Lenders shall vest in the Institutional Lender whose principal office is located in the closest proximity to the CONDOMINIUM, and the decision of such Institutional Lender shall be controlling. In such case, ASSOCIATION shall apprise all Institutional Lenders of the name of said Institutional Lender which maintains its principal office located in closest proximity to the CONDOMINIUM, and will, within ten (10) days after request of any Institutional Lender, provide it with the name of all Institutional Lenders having an interest in the CONDOMINIUM, as reflected by the books and records of the ASSOCIATION.

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ARTICLE XXXIV

ASSIGNMENT OF LIMITED COMMON PROPERTY AS APPURTENANCE TO
PRIVATE DWELLING; SEPARATE CONVEYANCE; EXCLUSIVE USE; ETC.

DEVELOPER shall have the absolute right at the time of the initial transfer of title to a PRIVATE DWELLING by DEVELOPER to assign and designate such parcel or parcels of LIMITED COMMON PROPERTY as an appurtenance to such PRIVATE DWELLING as DEVELOPER, in its sole discretion, shall determine. DEVELOPER shall, however, assign at least one parcel of LIMITED COMMON PROPERTY to each PRIVATE DWELLING. Such assignment and designation of a parcel of LIMITED COMMON PROPERTY as an appurtenance to a particular PRIVATE DWELLING shall be made in the deed of conveyance of the PRIVATE DWELLING executed by DEVELOPER, which deed shall refer to the "LCP" and numerical identification of the parcel or parcels of LIMITED COMMON PROPERTY thereby being assigned. Notwithstanding anything in this Declaration of Condominium to the contrary provided, the owner of any PRIVATE DWELLING to which more than one parcel of LIMITED COMMON PROPERTY is appurtenant may at any time transfer to any other owner of a PRIVATE DWELLING as an appurtenance to the transferee's PRIVATE DWELLING, any of said parcels of LIMITED COMMON PROPERTY or may transfer same to the ASSOCIATION provided that there shall at all times remain at least one parcel of LIMITED COMMON PROPERTY which shall be appurtenant to the transferor's PRIVATE DWELLING. No transfer may be made of any parcel of LIMITED COMMON PROPERTY which would leave the PRIVATE DWELLING to which it is appurtenant immediately prior to transfer without at least one appurtenant parcel of LIMITED COMMON PROPERTY after such transfer and any such attempted transfer shall be null and void.

Any transfer of LIMITED COMMON PROPERTY shall be made by recordable deed which shall identify the PRIVATE DWELLING to which the parcel of LIMITED COMMON PROPERTY transferred is being made appurtenant by the transfer and which shall recite the fact that by virtue of the transfer the transferred parcel of LIMITED COMMON PROPERTY is made appurtenant to the PRIVATE DWELLING so identified, unless such transfer is to the ASSOCIATION. Such transfer shall be effective upon recordation of said Deed in the Public Records of Broward County, Florida. Notice of such transfer and a copy of said deed shall be given to ASSOCIATION within ten (10) days of such transfer becoming effective.

No right of first refusal or right of redemption in favor of ASSOCIATION or any other party shall apply in the case of a transfer of a parcel of LIMITED COMMON PROPERTY made in

accordance with this Article, notwithstanding any other provision of this Declaration of Condominium.

Any parcel of LIMITED COMMON PROPERTY transferred to the ASSOCIATION shall be utilized while owned by the ASSOCIATION in accordance with such rules as shall be established by the Board of Directors and any parcel of LIMITED COMMON PROPERTY acquired by the ASSOCIATION may be transferred by the ASSOCIATION to any owner of a PRIVATE DWELLING as an appurtenance in the same manner as above provided regarding such transfers by the owner of a PRIVATE DWELLING.

Each parcel of LIMITED COMMON PROPERTY shall be for the exclusive use as an automobile parking space for the owner or owners of the PRIVATE DWELLING to which it is appurtenant. No parcel of LIMITED COMMON PROPERTY, except as hereinafter provided, shall be used for any purpose other than the parking of an automobile of such size as not to encroach upon or restrict or make inconvenient the use for proper purposes hereunder of any other parcel of LIMITED COMMON PROPERTY or the COMMON PROPERTY. There shall be no parking of trailered boats or trailers either in the LIMITED COMMON PROPERTY or the COMMON PROPERTY. No parcel of LIMITED COMMON PROPERTY shall be used by any person other than an owner of the PRIVATE DWELLING to which it is appurtenant and his or her immediate family residing in such PRIVATE DWELLING, except for occasional use of an invitee of such owner. No owner of any PRIVATE DWELLING to which a parcel of LIMITED COMMON PROPERTY is appurtenant shall lease said parcel, nor license the use thereof to any third person. The ASSOCIATION shall have the right to make reasonable rules and regulations with regard to the use of the LIMITED COMMON PROPERTY, provided that same shall not unreasonably restrict the permissible use thereof under the terms of this Article by the owners of the PRIVATE DWELLINGS to which such LIMITED COMMON PROPERTY shall be appurtenant and provided that same shall not violate the provisions of this Declaration of Condominium.

ARTICLE XXXV

PETS

There shall be no dogs in any PRIVATE DWELLING or on the Condominium premises, except for dogs owned by tenants in possession prior to conversion into a Condominium. Any such tenant who purchases a PRIVATE DWELLING, may keep his or her dog until the dog dies.

ARTICLE XXXVI

SEVERABILITY

In the event that any of the terms, provisions or covenants of this Declaration of Condominium are held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding shall not affect, alter, modify or impair in any manner whatsoever any of the other terms, provisions or covenants held to be partially invalid or unenforceable.

ARTICLE XXXVII

LIBERAL CONSTRUCTION

The provisions of this Declaration of Condominium shall be liberally construed to effectuate its purpose of creating a uniform plan of condominium ownership.

ARTICLE XXXVIII

DECLARATION OF CONDOMINIUM BINDING UPON DEVELOPER
ITS SUCCESSORS AND ASSIGNS, AND SUBSEQUENT OWNERS

The restrictions and burdens imposed by the covenants of this Declaration of Condominium are intended to and shall constitute covenants running with the land, and shall constitute an equitable servitude upon each PRIVATE DWELLING and its appurtenant undivided interest in COMMON PROPERTY. This Declaration of Condominium shall be binding upon DEVELOPER, its successors and assigns, and upon all parties who may subsequently become owners of PRIVATE DWELLINGS in the CONDOMINIUM, and their respective heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF, DEVELOPER has caused these presents to be executed in its name, by its President, and the Corporate Seals to be hereunto affixed, attested by its Secretary, this 7 day of March, A.D., 1980, at Miami, Florida.

Signed, sealed and delivered
in the presence of:

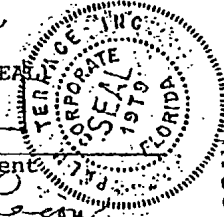
PALM TERRACE, INC. (SEAL)

By:

FRANK LEGOW, President

Attest:

GERALDINE LEGOW, Secretary



8118801 PAGE 730


STATE OF FLORIDA)

COUNTY OF)

SS:

BEFORE ME, the undersigned authority, personally appeared FRANK LEGOW and GERALDINE LEGOW, to me known to be the President and Secretary, respectively, of PALM TERRACE INC., a Florida corporation, and who acknowledged before me that they did, as such officers, execute the foregoing Declaration of Condominium, and that the execution of said Declaration of Condominium is the act and deed of said Corporation, and that the same was executed for the purposes thereof.

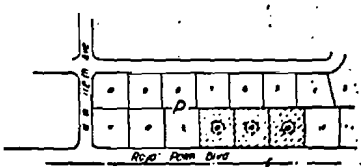
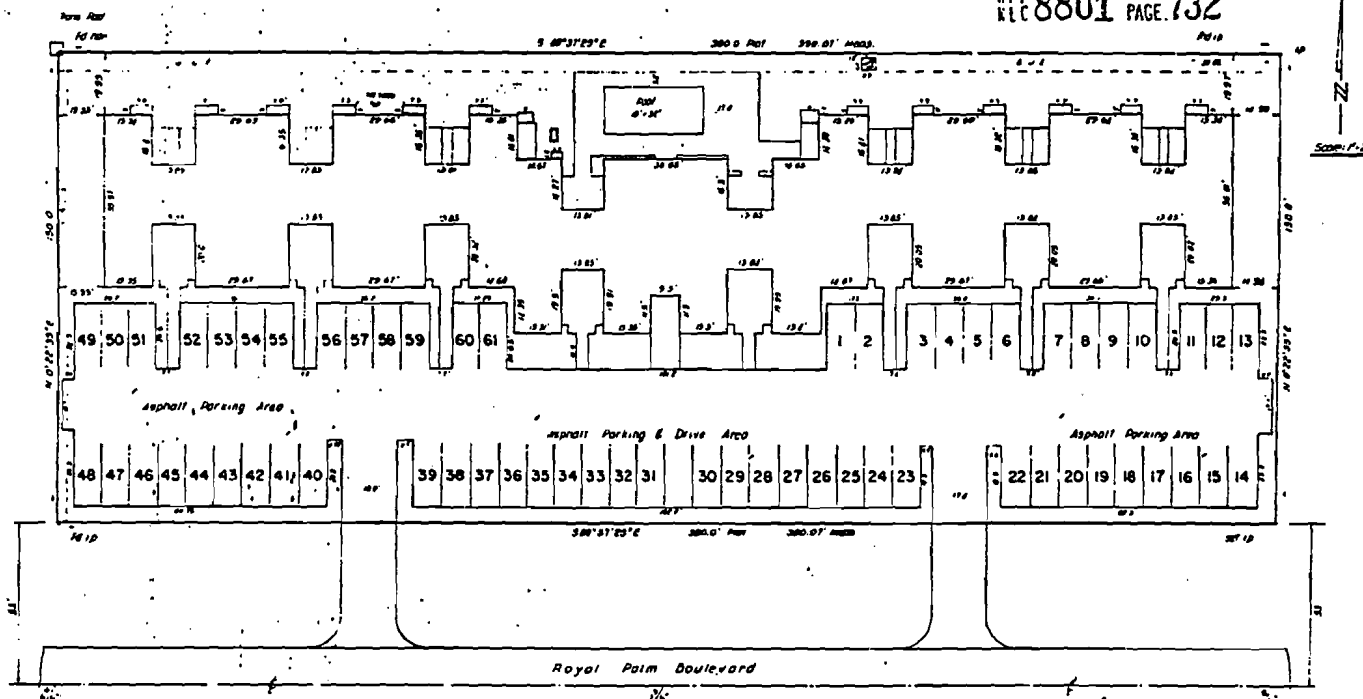
IN WITNESS WHEREOF, I have hereunto set my hand and seal this 29-day of March, A.D., 1976.


NOTARY PUBLIC, State of Florida
At Large

My Commission Expires:

Notary Public, State of Florida at Large
My Commission Expires April 3, 1977
Issued by Alan B. Kessler & Company, Congress





DESCRIPTION
 Lots 14, 15, and 16, Block "D", CORAL SPRINGS COUNTRY CLUB SUBDIVISION
 as shown in Plat Book 60, Page 43, in the Public Records of Broward County, Florida

CERTIFICATION
 I hereby certify that the above plat correctly represents a survey made under
 my direction November 13, 1978 and that said survey is true and correct to the best of my knowledge.
 I further certify that the construction of the improvements is substantially complete
 so that the material, together with the provisions of the declaration describing the
 condominium property, is an accurate representation of the location and dimensions
 of the improvements, and that the identification, location, and dimensions of the
 common elements and of each unit can be determined from these materials.

Dennis R. Poore
 DENNIS R. POORE
 REAL LAND SURVEYOR - 0006

A COPY OF THIS SURVEY IS NOT
 TO BE REPRODUCED

**EXHIBIT "A" TO THE DECLARATION
 OF CONDOMINIUM OF
 PALM TERRACE
 CONDOMINIUM**

DENNIS R. POORE, INC.
 LAND SURVEYING & ENGINEERING
 1000 N.W. 35th St.
 Ft. Lauderdale, Florida 33309

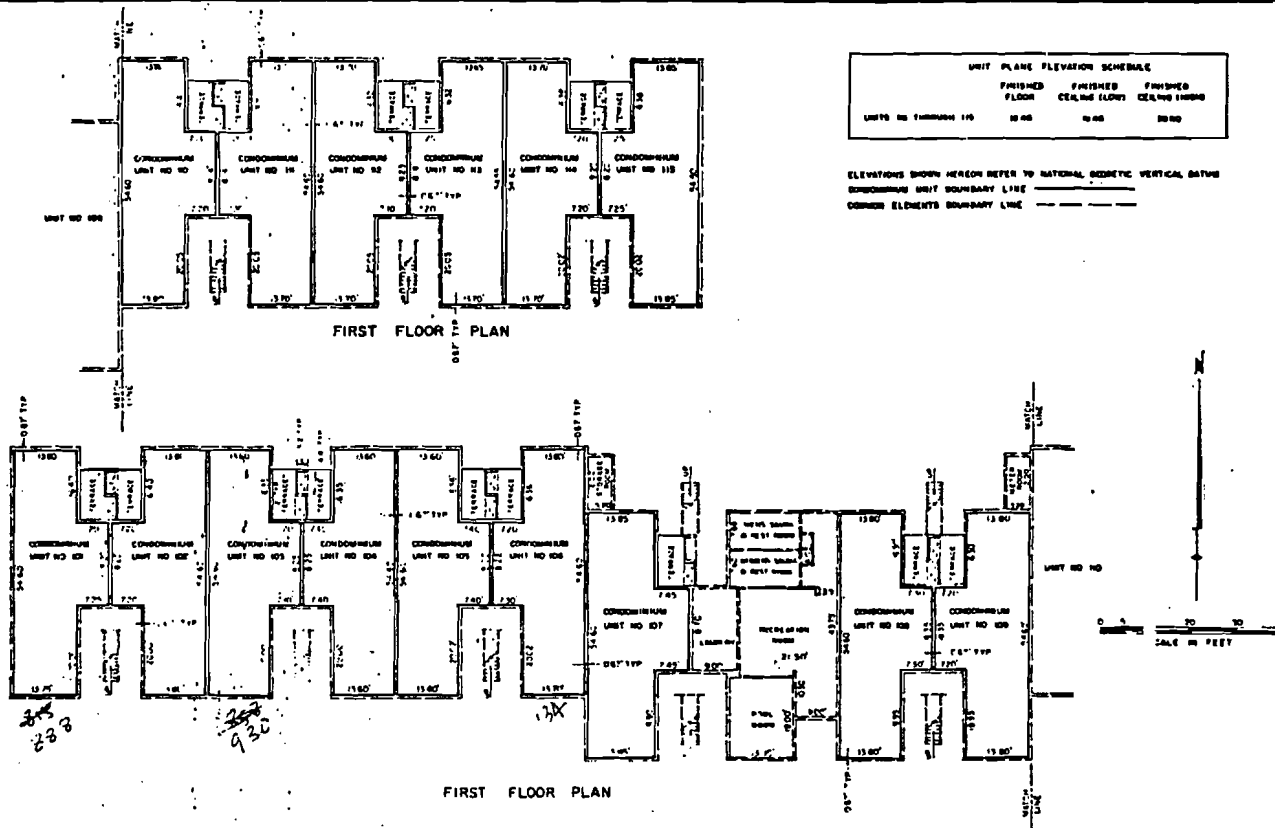


EXHIBIT "A" TO THE DECLARATION OF CONDOMINIUM OF
PALM TERRACE CONDOMINIUM

DEWIS R. POORE
REGISTERED LAND SURVEYOR NO. 2225
STATE OF FLORIDA

DEWIS R. POORE, INC., LAND SURVEYING AND ENGINEERING
2001 N. 10th STREET, SUITE 200, MIAMI, FLORIDA 33136

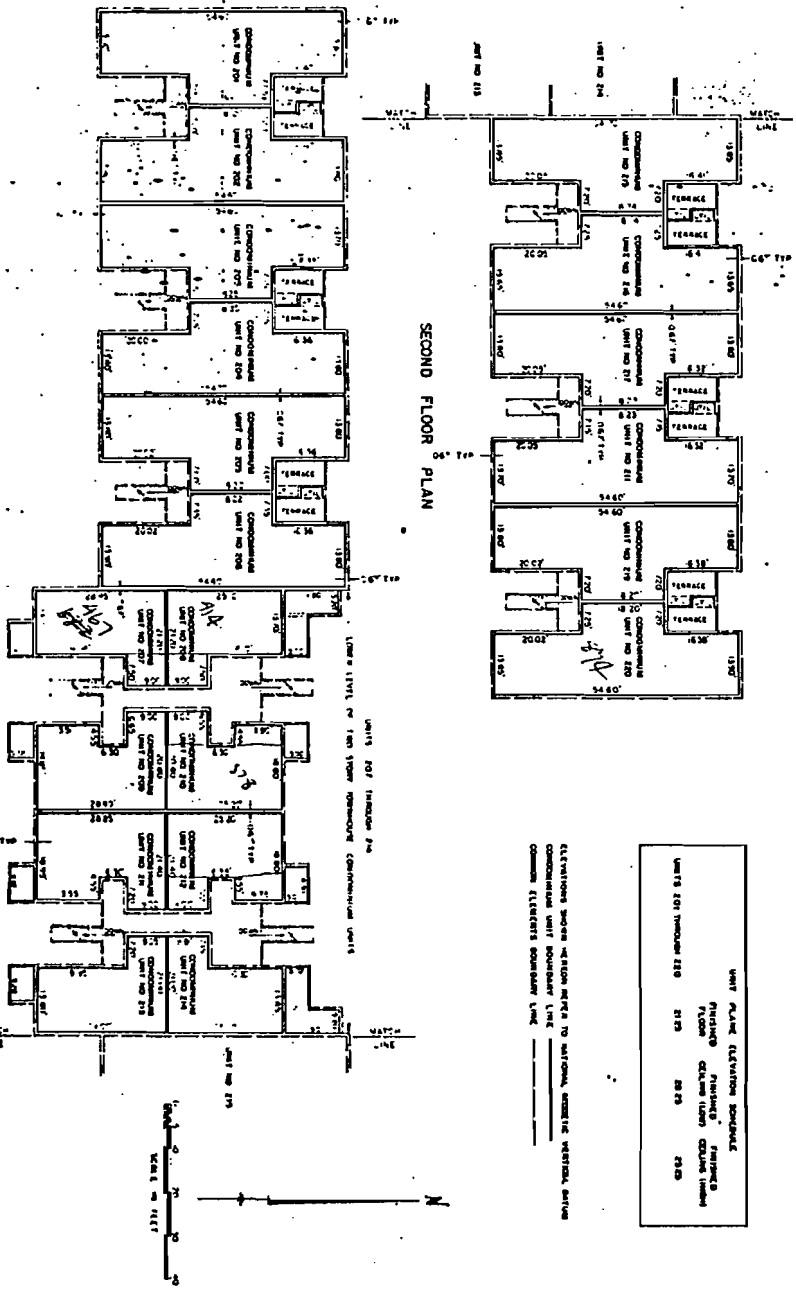
PALM TERRACE CONDOMINIUM

DATE: DECEMBER 14, 1979
SHEET: 1 OF 1

UNIT PLANT ELEVATION SCHEDULE			
UNIT	PLANT	ELEVATION	REMARKS
UNIT 101 THROUGH 110	PLANTING	21.00	PLANTING
UNIT 101 THROUGH 110	CEILING	21.00	CEILING
UNIT 101 THROUGH 110	FLOOR	21.00	FLOOR
UNIT 101 THROUGH 110	CEILING	21.00	CEILING
UNIT 101 THROUGH 110	FLOOR	21.00	FLOOR

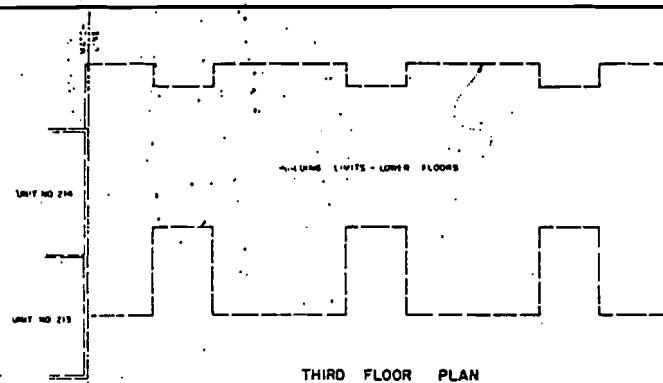
ELEVATIONS SHOWN ARE TO NATIONAL MEAN SEA LEVEL, BASED ON THE MEAN SEA LEVEL OF THE GULF OF MEXICO, AS DETERMINED BY THE U.S. NAVY, WASHINGTON, D.C.

SECOND FLOOR PLAN



SECOND FLOOR PLAN

EXHIBIT "A" TO THE DECLARATION OF CONDOMINIUM OF
PALM TERRACE CONDOMINIUM



UNIT PLANE ELEVATION SCHEDULE			
	FINISHED FLOOR	FINISHED CEILING (LOW)	FINISHED CEILING (HIGH)
UNITS 207 THROUGH 214	30'0"	37'0"	38'0"

ELEVATIONS SHOWN HEREON REFER TO NATIONAL GEODETIC VERTICAL DATUM
 CONDOMINIUM UNIT BOUNDARY LINE _____
 COMMON ELEMENTS BOUNDARY LINE _____

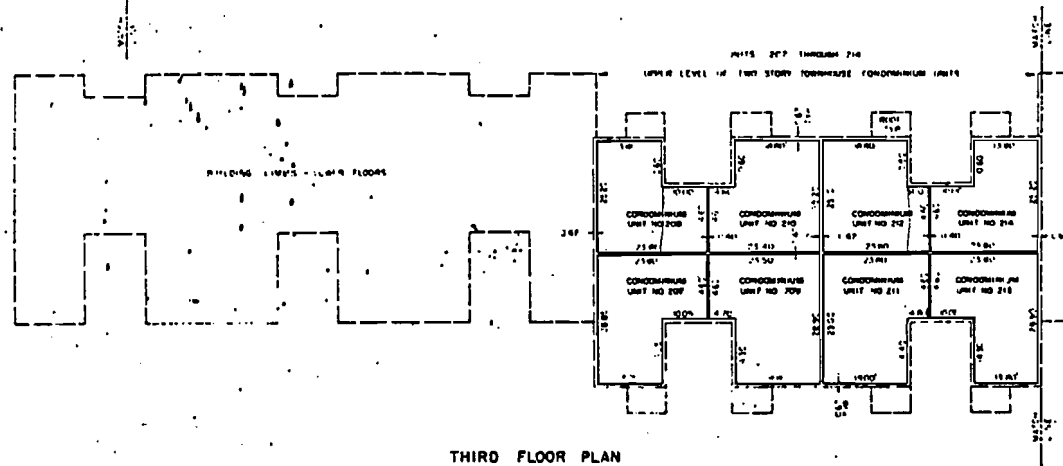


EXHIBIT "A" TO THE DECLARATION OF CONDOMINIUM OF
 PALM TERRACE CONDOMINIUM

DEWITT R. POORE
 REGISTERED LAND SURVEYOR NO. 2226
 STATE OF FLORIDA

DEWITT R. POORE, INC., LAND SURVEYING AND ENGINEERING
 1800 N.W. 21st STREET, GAITHERSBURG, MARYLAND 20878

PALM TERRACE CONDOMINIUM

DEWITT R. POORE, INC.
 1800 N.W. 21st STREET, GAITHERSBURG, MARYLAND 20878

SCHEDULE
OF
PERCENTAGE OF UNDIVIDED INTEREST
IN COMMON PROPERTY

<u>PRIVATE DWELLING</u>	<u>Per Cent Undivided Interest</u>
101	2.813
102	2.736
103	2.736
104	2.736
105	2.736
106	2.762
107	2.762
108	2.762
109	2.762
110	2.762
111	2.736
112	2.736
113	2.736
114	2.736
115	2.813
201	2.813
202	2.736
203	2.736
204	2.736
205	2.736
206	2.762
207	3.222
208	2.903
209	3.556
210	3.138
211	3.556
212	3.138
213	3.222
214	2.903
215	2.762
216	2.736
217	2.736
218	2.736
219	2.736
220	2.813

EXHIBIT "B"

-1-

R118801 PAGE 736

State of Florida



Department of State

I certify that the attached is a true and correct copy of the Articles of Incorporation of PALM TERRACE CONDOMINIUM, INC., a corporation not for profit organized under the Laws of the State of Florida, filed on February 27, 1980, as shown by the records of this office.

The charter number for this corporation is 751275.



CEN 101 Rev. 9-79

EXHIBIT 'C'

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
28th day of February, 1980

George Firestone
Secretary of State

ALL
PAGE 1
100

FILED
FEB 27 3 00 PM '88
TALLAHASSEE
FLORIDA

ARTICLE OF INCORPORATION

OF

PALM TERRACE CONDOMINIUM, INC.

(A Corporation Not For Profit)

In order to form a corporation under and in accordance with the provisions of the laws of the State of Florida for the Formation of Corporations Not For Profit, we, the undersigned, hereby associate ourselves into a corporation for the purpose and with the powers hereinafter mentioned; and to that end we do, by these Articles of Incorporation, set forth:

ARTICLE ONE

The name of the proposed corporation shall be:

PALM TERRACE CONDOMINIUM, INC.

ARTICLE TWO

The purposes and objects of the Corporation shall be to administer the operation and management of PALM TERRACE CONDOMINIUM, hereinafter in these Articles of Incorporation referred to as the "CONDOMINIUM", an apartment project and condominium regime to be established in accordance with the laws of the State of Florida, upon the following described property, situate, lying and being in Broward County, Florida, to-wit:

Lots 14, 15, 16 in Block "P" of CORAL SPRINGS COUNTRY CLUB SUBDIVISION, according to the plat thereof, recorded in Plat Book 60, Page 43, Public Records of Broward County, Florida;

-1-

EXHIBIT "C"

V

and to undertake the performance of the acts and duties incident to the administration of the operation and management of said CONDOMINIUM in accordance with the terms, provisions, conditions and authorizations contained in these Articles of Incorporation and which may be contained in the formal Declaration of Condominium which will be recorded in the Public Records of Broward County, Florida, at the time said property, and the improvements now or hereafter situate thereon, are submitted to a Plan of Condominium Ownership; and to own, operate, lease, sell, trade and otherwise deal with such property, whether real or personal, as may be necessary or convenient in the administration of said CONDOMINIUM. The Corporation shall be conducted as a non-profit organization for the benefit of its members.

ARTICLE THREE

The Corporation shall have the following powers:

1. The Corporation shall have all of the powers and privileges granted to Corporations Not For Profit under the laws pursuant to which this Corporation is chartered, and all of the powers and privileges which may be granted unto said Corporation or exercised by it under any other applicable laws of the State of Florida, including the Condominium Act.

2. The Corporation shall have all of the powers reasonably necessary to implement and effectuate the purposes of the Corporation, including but not limited to the following:

(a) To make and establish reasonable rules and regulations governing the use of PRIVATE DWELLINGS, LIMITED COMMON PROPERTY, and COMMON PROPERTY in the CONDOMINIUM as said terms may be defined in said Declaration of Condominium to be Recorded.

(b) To levy and collect assessments against members of the Corporation to defray the Common Expenses of the CONDOMINIUM as may be provided in said Declaration of Condominium and in the By-Laws of this Corporation which may be hereafter adopted, including the right to levy and collect assessments for the purposes of acquiring, operating, leasing, managing and otherwise trading and dealing with such property, whether real or personal, including PRIVATE DWELLINGS in the CONDOMINIUM, which may be necessary or convenient in the operation and management of the CONDOMINIUM and in accomplishing the purposes set forth in said Declaration of Condominium.

(c) To maintain, operate and manage the CONDOMINIUM and the property comprising same, including the right to recon-

struct improvements after casualty and to make further improvement of the CONDOMINIUM property.

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

(e) To enforce the provisions of said Declaration of Condominium, these Articles of Incorporation, the By-Laws of the Corporation which may be hereafter adopted, and the Rules and Regulations governing the use of the CONDOMINIUM as same may be hereafter established.

(f) To exercise, undertaken and accomplish all of the rights, duties and obligations which may be granted to or imposed upon the Corporation pursuant to the Declaration of Condominium aforementioned.

ARTICLE FOUR

The qualifications of the members, the manner of their admission to membership and termination of such membership and

voting by members shall be as follows:

1. The owners of all PRIVATE DWELLINGS in the CONDOMINIUM shall be members of the Corporation, and no other persons or entities shall be entitled to membership, except as provided in Item (5) of ARTICLE FOUR.

2. Membership shall be established by the acquisition of fee title to a PRIVATE DWELLING in the CONDOMINIUM, or by acquisition of a fee ownership interest therein, whether by conveyance, devise, judicial decree or otherwise, and the membership of any party shall be automatically terminated upon his being divested of all title to or his entire fee ownership interest in any PRIVATE DWELLING, except that nothing herein contained shall be construed as terminating the membership of any party who may own two or more PRIVATE DWELLINGS, or who may own a fee ownership interest in two or more PRIVATE DWELLINGS, so long as such party shall retain title to or a fee ownership interest in a PRIVATE DWELLING.

3. The interest of a member in the funds and assets of the Corporation cannot be assigned, hypothecated or transferred in any manner, except as an appurtenance to his PRIVATE DWELLING. The funds and assets of the Corporation shall belong solely to the Corporation subject to the limitation that the same be expended, held or used for the benefit of the Membership and for the purposes authorized herein, in the Declaration

of Condominium, and in the By-Laws which may be hereafter adopted.

4. On all matters on which the Membership shall be entitled to vote, there shall be only one vote for each PRIVATE DWELLING in the CONDOMINIUM, which vote may be exercised or cast by the owner or owners of each PRIVATE DWELLING in such manner as may be provided in the By-Laws hereafter adopted by the Corporation. Should any member own more than one PRIVATE DWELLING, such member shall be entitled to exercise or cast as many votes as he owns PRIVATE DWELLINGS, in the manner provided by said By-Laws.

5. Until such time as the property described in Article Two hereof, and the improvements constructed thereon, are submitted to a Plan of Condominium Ownership by the recordation of said Declaration of Condominium, the Membership of the Corporation shall be comprised of the Subscribers to these Articles, each of which Subscribers shall be entitled to cast one vote on all matters on which the Membership shall be entitled to vote.

ARTICLE FIVE

The Corporation shall have perpetual existence.

ARTICLE SIX

The principal office of the corporation shall be located at 1110 Brickell, Suite 606, Miami, Florida 33131, but

the corporation may maintain offices and transact business in such other places within or without the State of Florida as may from time to time be designated by the Board of Directors. In compliance with Section 617.023, Florida Statutes, 1977, ALAN B. KESSLER is designated Resident Agent of the Corporation upon whom service of process may be served and 1110 Brickell Avenue, Miami, Florida 33131 as the office to be maintained for such purpose, provided that such Resident Agent and office may be changed from time to time as the Board of Directors of the corporation may determine.

ARTICLE SEVEN

The affairs of the Corporation shall be managed by the President of the Corporation assisted by the Vice President, Secretary and Treasurer, and, if any, the Assistant Secretaries and Assistant Treasurers, subject to the directions of the Board of Directors. The Board of Directors, or the President, with the approval of the Board of Directors, may employ a Managing Agent and/or such other managerial and supervisory personnel or entities to administer or assist in the administration of the operation and management of the CONDOMINIUM, and the affairs of the Corporation, and any such person or entity may be so employed without regard to whether such person or entity is a member of the Corporation or a Director or officer of the Corporation, as the case may be.

ARTICLE EIGHT

The number of members of the first Board of Directors of the Corporation shall be three. The number of members of succeeding Boards of Directors shall be as provided from time to time by the By-Laws of the Corporation. The members of the Board of Directors shall be elected by the Members of the Corporation at the Annual Meeting of the Membership as provided by the By-Laws of the Corporation, and at least a majority of the Board of Directors shall be Members of the Corporation or shall be authorized representatives, officers or employees of a corporate member of the corporation. Notwithstanding the foregoing, so long as PALM TERRACE INC., a Florida corporation, herein called "DEVELOPER", or its successor or survivor in the event of dissolution of said DEVELOPER or merger of DEVELOPER into any other entity which survives DEVELOPER, is the owner of any PRIVATE DWELLINGS in the CONDOMINIUM, DEVELOPER shall have the right to designate and select all members of the Board of Directors not required to be elected by the other members of the corporation under Section 718.301, Florida Statutes, 1977; provided DEVELOPER may waive and relinquish this right by written notice to the ASSOCIATION and thereafter all members of the Board of Directors shall be elected by the Members of the corporation without regard to any right which might otherwise exist for designation of Directors by DEVELOPER.

ARTICLE NINE

The Board of Directors shall elect a President, Secretary and Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board of Directors shall determine. The President shall be elected from among the membership of the Board of Directors, but no other officer need be a Director. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the office of President and Vice President shall not be held by the same person, nor shall the office of President and Secretary or Assistant Secretary be held by the same person.

ARTICLE TEN

The names and Post Office addresses of the first Board of Directors who, subject to the provisions of these Articles of Incorporation, the By-Laws, and the laws of the State of Florida, shall hold office for the first year of the corporation's existence, or until their successors are elected and have qualified, are as follows:

FRANK LEGOW	7800 Red Road, Suite 112 Miami, Florida 33143
GERALDINE LEGOW	7800 Red Road, Suite 112 Miami, Florida 33143
MEL GEBROE	2 W. Northfield Road Livingston, New Jersey 07039

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ARTICLE ELEVEN

The Subscribers to these Articles of Incorporation are the three (3) persons herein named to act and serve as members of the first Board of Directors of the Corporation, the names of which Subscribers and their respective Post Office addresses are more particularly set forth in Article Ten above.

ARTICLE TWELVE

The Officers of the Corporation who shall serve until the first election under these Articles of Incorporation shall be the following:

President	FRANK LEGOW 7800 Red Road, Suite 112 Miami, Florida 33143
Vice President	MEL GEBROE 2 W. Northfield Road Livingston, New Jersey 07039
Secretary and Treasurer	GERALDINE LEGOW 7800 Red Road, Suite 112 Miami, Florida 33143

ARTICLE THIRTEEN

The original By-Laws of the Corporation shall be adopted by a majority vote of the members of the Corporation present at a meeting of Members at which a majority of the Membership is present, and thereafter, such By-Laws may be altered or rescinded only in such manner as said By-Laws may provide.

ARTICLE FOURTEEN

Every Director and every Officer of the Corporation

shall be indemnified by the Corporation against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a Director or Officer of the Corporation, whether or not he is a Director or Officer at the time such expenses are incurred, except in such cases wherein the Director or Officer is adjudged guilty of wilful misfeasance or malfeasance in the performance of his duties; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the Director or Officer seeking such reimbursement or indemnification, the indemnification herein shall only apply if the Board of Directors approves such settlement and reimbursement as being in the best interests of the Corporation. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or Officer may be entitled.

ARTICLE FIFTEEN

An Amendment or Amendments to these Articles of Incorporation may be proposed by the Board of Directors of the Corporation acting upon a vote of the majority of the Directors, or by the members of the Corporation owning a majority of the PRIVATE

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DWELLINGS in the CONDOMINIUM, whether meeting as members or by instrument in writing signed by them. Upon any Amendment or Amendments to these Articles of Incorporation being proposed by said Board of Directors of Members, such proposed Amendment or Amendments shall be transmitted to the President of the Corporation or other Officer of the Corporation in the absence of the President, who shall thereupon call a Special Meeting of the Members of the Corporation for a date not sooner than twenty (20) days nor later than sixty (60) days from the receipt by him of the proposed Amendment or Amendments, and it shall be the duty of the Secretary to give to each Member written or printed notice of such meeting, stating the time and place of the meeting and reciting the proposed Amendment or Amendments in reasonably detailed form, which notice shall be mailed or presented personally to each Member not less than ten (10) nor more than thirty (30) days before the date set for such meeting. If mailed — such notice shall be deemed to be properly given when deposited in the United States Mail, addressed to the Member at his Post Office address as it appears on the records of the Corporation, the postage thereon prepaid. Any member may, by written waiver of notice signed by such Member, waive such notice, and such waiver when filed in the records of the Corporation, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such Member. At such

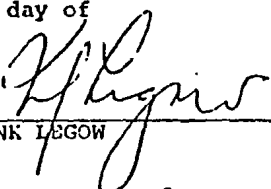
meeting, the Amendment or Amendments proposed must be approved by an affirmative vote of the Members owning not less than three-quarters of the PRIVATE DWELLINGS in the CONDOMINIUM in order for such Amendment or Amendments to become effective. Thereupon, such Amendment or Amendments of these Articles of Incorporation shall be transcribed and certified in such form as may be necessary to register the same in the Office of the Secretary of State of Florida, and upon the registration of such Amendments or Amendments with said Secretary of State, a certified copy thereof shall be recorded in the Public Records of Broward County, Florida, within ten (10) days from the date on which the same are so registered. At any meeting held to consider such Amendment or Amendments of these Articles of Incorporation, the written vote of any Member of the Corporation shall be recognized, if such Member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the Corporation at or prior to such meeting,

In the event that the Members owning the number of PRIVATE DWELLINGS in the CONDOMINIUM necessary to pass any Amendment or Amendments to these Articles of Incorporation shall execute an Instrument amending these Articles of Incorporation, the same shall be and constitute, when duly registered in the Office of the Secretary of State, a valid Amendment to these

Articles of Incorporation, and it shall not be necessary for the Meeting otherwise prescribed above to be held.

Notwithstanding the foregoing provisions of this Article Fifteen, no Amendment to these Articles of Incorporation which shall abridge, amend or alter the right of DEVELOPER to designate and select members of each Board of Directors of the Corporation, as provided in Article Eight hereof, may be adopted or become effective without the prior written consent of DEVELOPER.


IN WITNESS WHEREOF, the Subscribers have hereunto set their hands and seals, this _____ day of _____, A.D., 1979.



FRANK LEGOW (SEAL)



GERALDINE LEGOW (SEAL)



MEL GEBROE (SEAL)

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STATE OF FLORIDA)
) SS.
COUNTY OF)

BEFORE ME, the undersigned authority, personally appeared
FRANK LEGOW; CERALDINE LEGOW, who, upon being by me first duly sworn,
acknowledged that they executed the foregoing Articles of Incorporation
for the purposes therein expressed, this 1st day of February,
A.D., 1980.

[Signature]
NOTARY PUBLIC, State of Florida
at Large

My Commission Expires:
NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES JUNE 9 1980
BONDED THRU GENERAL INS. UNDERWRITERS

STATE OF NEW JERSEY)
) SS.
COUNTY OF Essex)

BEFORE ME, the undersigned authority, personally appeared
MEL GEBROE, who, upon being by me first duly sworn, acknowledged that
he executed the foregoing Articles of Incorporation for the purposes
therein expressed, this 1st day of February, A.D., 1980.

[Signature]
NOTARY PUBLIC, State of New Jersey
at Large

My Commission Expires:

NANCY A REILLY
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Apr 1, 1980

ALL 8801 PAGE 752

FILED

FEB 27 3 00 PM '80

ACCEPTANCE OF REGISTERED
AGENT

SUGGESTION: STATE
ATLANTA, GEORGIA

HAVING BEEN NAMED TO ACCEPT SERVICE OF PROCESS
FOR THE ABOVE STATED CORPORATION, AT THE PLACE DESIGNATED
IN THIS CERTIFICATE, I HEREBY AGREE TO ACT IN THIS
CAPACITY, AND I FURTHER AGREE TO COMPLY WITH THE PROVISIONS
OF ALL STATUTES RELATIVE TO THE PROPER AND COMPLETE
PERFORMANCE OF MY DUTIES.

SIGNATURE:

Alan B. Zerk
REGISTERED AGENT

DATE:

FEB 6, 1980

0118801 PAGE 753

BY-LAWS

OF

PALM TERRACE CONDOMINIUM, INC.

A Corporation Not For Profit
Under the Laws of the State of Florida

1. IDENTITY

These are the By-Laws of PALM TERRACE CONDOMINIUM, INC., a corporation not for profit under the laws of the State of Florida, the Articles of Incorporation of which were filed in the Office of the Secretary of State on February 27, 1980. PALM TERRACE CONDOMINIUM, INC., hereinafter called "ASSOCIATION", has been organized for the purpose of administering the operation and management of PALM TERRACE CONDOMINIUM, an apartment project and condominium regime established or to be established in accordance with the laws of the State of Florida upon the following described property, situate, lying and being in Broward County, Florida, to-wit:

Lots 14, 15, 16 in Block "P" of CORAL SPRINGS
COUNTRY CLUB SUBDIVISION, according to the
plat thereof, recorded in Plat Book 60, Page
43, Public Records of Broward County, Florida.

Hereafter in these By-Laws PALM TERRACE CONDOMINIUM is referred to as "CONDOMINIUM".

a) The provisions of these By-Laws are applicable to the CONDOMINIUM, and the terms and provisions hereof are expressly subject to the effect of the terms, provisions, conditions and authorizations contained in the Articles of Incorporation and which may be contained in the formal Declaration of Condominium which will be recorded in the Public Records of Broward County, Florida, at the time said property and the improvements now or hereafter situate thereon are submitted to the Plan of Condominium Ownership, the terms and provisions of said Articles of Incorporation and Declaration of Condominium to be controlling wherever the same may be in conflict herewith.

EXHIBIT "D"

-1-

b) All present or future owners, tenants, future tenants, or their employees, or any other person that might use the CONDOMINIUM or any of the facilities thereof in any manner, are subject to the regulations set forth in these By-Laws and in said Articles of Incorporation and Declaration of Condominium.

c) The office of the ASSOCIATION shall be at 11101 Royal Palm Boulevard, Coral Springs, Florida.

d) The fiscal year of the ASSOCIATION shall be the calendar year.

e) The seal of the ASSOCIATION shall bear the name of the ASSOCIATION, the word "FLORIDA", the words "CORPORATION NOT FOR PROFIT", and the year of incorporation, an impression of which seal is as follows:



2. MEMBERSHIP, VOTING, QUORUM, PROXIES

a) The qualification of members, the manner of their admission to membership and termination of such membership, and voting by members, shall be set forth in Article Four of the Articles of Incorporation of the ASSOCIATION, the provisions of which said Article Four of the Articles of Incorporation are incorporated herein by reference.

b) A quorum at members' meetings shall consist of persons entitled to cast a majority of the votes of the entire membership. The joinder of a member in the action of a meeting by signing and concurring in the Minutes thereof shall constitute the presence of such person for the purpose of determining a quorum.

c) The vote of the owners of a PRIVATE DWELLING owned by more than one person or by a corporation or other entity shall be cast by the person named in a Certificate signed by all of the owners of the PRIVATE DWELLING and filed with the Secretary of

the ASSOCIATION, and such Certificate shall be valid until revoked by subsequent Certificate. If such a Certificate is not on file, the vote of such owners shall not be considered in determining the requirement for a quorum, nor for any other purpose. The person named in any such Certificate shall have the right to designate proxy or proxies to cast the vote of the owners of a PRIVATE DWELLING who have executed such Certificate.

d) Votes may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated thereon and must be filed with the Secretary before the appointed time of the meeting.

e) Approval or disapproval of a PRIVATE DWELLING owner upon any matters, whether or not the subject of an ASSOCIATION meeting, shall be by the same person who would cast the vote of such owner if in an ASSOCIATION meeting.

f) Except where otherwise required under the provisions of the Articles of Incorporation of the ASSOCIATION, these By-Laws, the Declaration of Condominium, or where the same may otherwise be required by law, the affirmative vote of the owners of a majority of the PRIVATE DWELLINGS represented at any duly called members' meeting at which a quorum is present shall be binding upon the members. Wherever any PRIVATE DWELLING is owned by husband and wife, absent any notice by them to the contrary, the husband or wife, as the case may be, shall be treated and regarded as the agent and proxy of the other when in attendance at any membership meeting for the purpose of determining a quorum and casting the vote for each PRIVATE DWELLING owned by them, without necessity for filing of a Certificate.

3. ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP

a) The Annual Members' Meeting shall be held at the office of the ASSOCIATION, at 10:00 o'clock A.M., Eastern Standard Time, or at such other place and time as the Board of Directors may designate, on the first Saturday in October of each year for the purpose of electing Directors and of transacting any other business authorized to be transacted by the members; provided, however, that if that day is a legal holiday, the Meeting shall be held at the same hour on the next succeeding Monday.

b) Special Members' Meetings shall be held whenever called by the President or Vice President or by a majority of the Board of Directors, and must be called by such officers upon

receipt of a written request from members of the ASSOCIATION owning a majority of the PRIVATE DWELLINGS.

c) Notice of all Members' Meetings, Regular or Special, shall be given by the President, Vice President or Secretary of the ASSOCIATION, or other Officer of the ASSOCIATION in absence of said Officers, to each Member, unless waived in writing, such notice to be written or printed and to state the time and place and object for which the Meeting is called. Such notice shall be given to each Member not less than fourteen (14) days nor more than thirty (30) days prior to the date set for such Meeting, which notice shall be mailed or presented personally to each Member within said time. If presented personally, receipt of such notice shall be signed by the Member, indicating the date on which such notice was received by him. If mailed, such notice shall be deemed to be properly given when deposited in the United States mails addressed to the Member at his Post Office Address as it appears on the records of the ASSOCIATION (register of Owners) as of the date of mailing such notice, the postage thereon prepaid. Such mailing shall be by regular U.S. mail. Proof of such mailing shall be given by the Affidavit of the person giving notice. A notice of the meeting shall be posted in a conspicuous place on the CONDOMINIUM property at least fourteen (14) days prior to the Meeting. Any Member may, by written waiver of notice signed by such Member, waive such notice, and such waiver, when filed in the records of the ASSOCIATION, whether before or after the holding of the Meeting, shall be deemed equivalent to the giving of such notice of such Member. If any Members' Meeting cannot be organized because a quorum has not attended, or because the greater percentage of the Membership required to constitute a quorum for particular purposes has not attended, wherever the latter percentage of attendance may be required as set forth in the Articles of Incorporation, these By-Laws or the Declaration of Condominium, the Members who are present, either in person or by proxy, may adjourn the Meeting from time to time until a quorum, or the required percentage of attendance if greater than a quorum, is present.

d) The order of business at Annual Members' Meetings, and, as far as practical, at any other Members' Meeting, shall be:

- (i) Calling of the roll and certifying of proxies
- (ii) Proof of notice of meeting or waiver of notice
- (iii) Reading and disposal of any unapproved minutes
- (iv) Reports of Officers

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- (v) Reports of Committees
- (vi) Appointment of Inspectors of Election by Chairman
- (vii) Election of Directors
- (viii) Unfinished Business
- (ix) New business.
- (x) Adjournment

4. Board of Directors

a) At such time as Members other than DEVELOPER (which term includes its successor or survivor in event of its dissolution or merger or consolidation) own fifteen (15%) per cent or more of the PRIVATE DWELLINGS, they shall be entitled to elect one (1) Director. Members other than DEVELOPER shall be entitled to elect two (2) Directors three (3) years after DEVELOPER has closed sale of fifty (50%) per cent of the PRIVATE DWELLINGS, or three (3) months after DEVELOPER has closed sales of ninety (90%) per cent of the PRIVATE DWELLINGS, or when no unsold units are any longer being offered for sale by DEVELOPER, whichever shall first occur. DEVELOPER shall be entitled to designate and select all Directors whom the other Members shall not be entitled to elect. When ninety-five (95%) per cent of the PRIVATE DWELLINGS have been sold by DEVELOPER in the ordinary course of business, DEVELOPER shall no longer be entitled to designate and select any Directors and Members other than DEVELOPER shall then be entitled to elect all Directors. DEVELOPER may waive its rights hereunder as provided in the Articles of Incorporation.

b) Election of Directors shall be conducted in the following manner:

- (i) DEVELOPER shall, at the beginning of the election of the Board of Directors, designate and select that number of the members of the Board of Directors which it shall be entitled to designate and select in accordance with the provisions of these By-Laws and upon such designation and selection by DEVELOPER by written instrument presented to the Meeting at which such election is held, said individuals so designated and selected by DEVELOPER shall be deemed and considered for all purposes Directors of the ASSOCIATION, and shall thenceforth perform the offices and duties of such Directors until their successors shall have been selected or elected in accordance

with the provisions of these By-Laws.

- (ii) All members of the Board of Directors who DEVELOPER shall not be entitled to designate and select under the terms and provisions of these By-Laws shall be elected by a plurality of the votes of the Members other than DEVELOPER cast at the Annual Meeting of the Members of the ASSOCIATION immediately following the designation and selection of the members of the Board of Directors who DEVELOPER shall be entitled to designate and select.
- (iii) Vacancies in the Board of Directors may be filed until the date of the next Annual Meeting by the remaining Directors, except that should any vacancy in the Board of Directors be created in any directorship previously filed by any person designated and selected by DEVELOPER such vacancy shall be filled by DEVELOPER designating and selecting, by written instrument delivered to any Officer of the ASSOCIATION, the successor Director to fill the vacated Directorship for the unexpired term thereof.
- (iv) At the first Annual Meeting of the Members held after the property identified herein has been submitted to the Plan of Condominium Ownership and the Declaration of Condominium has been recorded in the Public Records of Broward County, Florida, the term of office of the one (1) Director receiving the highest plurality of votes shall be established at two (2) years, and the term of office of the other two (2) Directors shall be established at one (1) year. Thereafter, as many Directors of the ASSOCIATION shall be elected at the Annual Meeting as there are regular terms of office of Directors expiring at such time, and the term of office of the Directors so elected at the Annual Meeting of the Members each year shall be for two (2) years expiring at the second Annual Meeting following their election, and thereafter until their successors are duly elected and qualified, or until removed in the manner elsewhere provided or as

may be provided by law. If at the time of the first Annual Meeting, DEVELOPER is entitled to select one (1) or more Directors, then DEVELOPER shall have the right to designate the Director whose term of office shall be established at two (2) years.

(v) In the election of Directors, there shall be appurtenant to each PRIVATE DWELLING as many votes for Directors as there are Directors to be elected, provided, however, that no member or owner of any PRIVATE DWELLING may cast more than one (1) vote for any person nominated as a Director, it being the intent hereof that voting for Directors shall be non-cumulative.

(vi) In the event that DEVELOPER, in accordance with the privilege granted unto it, selects any person or persons to serve on any Board of Directors of the ASSOCIATION, the said DEVELOPER shall have the absolute right, at any time, in its sole discretion, to replace any such person or persons with another person or other persons to serve on said Board of Directors. Replacements of any person or persons designated by DEVELOPER to serve on any Board of Directors of the ASSOCIATION shall be made by written instrument delivered to any Officer of the ASSOCIATION, which instrument shall specify the name or names of the person or persons designated as successor or successors to the persons so removed from said Board of Directors. The removal of any Director and designation of his successor shall be effective immediately upon delivery of such written instrument by DEVELOPER to any officer of the ASSOCIATION. Whenever DEVELOPER'S right to designate and select a Director or Directors expires, the DEVELOPER shall forthwith cause any of its Director or Directors then serving to resign and the remaining Director or Directors shall immediately fill such vacancy or vacancies.

c) The organization meeting of a newly elected Board of Directors shall be held within (10) days of their election, at such time and at such place as shall be fixed by the Directors at the meeting at which they were elected, and no further notice

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of the organization meeting shall be necessary provided a quorum shall be present.

d) 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 telegram, at least three (3) days prior to the day named for such meeting, unless notice is waived. Special meetings of the Directors may be called by the President, and must be called by the Secretary at the written request of one-third (1/3) of the votes of the Board. Not less than three (3) days' notice of a meeting shall be given to each Director, personally or by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting. Any Member may attend any meeting of the Board of Directors and notice of any Board Meeting shall be posted in a conspicuous place on the CONDOMINIUM property at least forty-eight (48) hours prior to the meeting, except in an emergency as determined by a majority of the Board at or before the meeting.

e) Any Director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

f) A quorum at a Directors' meeting shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as specifically otherwise provided in the Articles of Incorporation, these By-Laws or the Declaration of Condominium. If any Directors' meeting cannot be organized because a quorum has not attended, or because the greater percentage of the Directors required to constitute a quorum for particular purposes has not attended, wherever the latter percentage of attendance may be required as set forth in the Articles of Incorporation, these By-Laws or the Declaration of Condominium, the Directors who are present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for the purpose of determining a quorum.

g) The Presiding Officer of Directors' meetings

shall be the Chairman of the Board, if such an Officer has been elected; and if none, then the President shall preside. In the absence of the Presiding Officer, the Directors present shall designate one of their number to preside.

h) Directors' fees, if any, shall be determined by the members.

i) All of the powers and duties of the ASSOCIATION shall be exercised by the Board of Directors, including those existing under the common law and statutes, the Articles of Incorporation of the ASSOCIATION, these By-Laws and the Declaration of Condominium. Such powers and duties shall be exercised in accordance with said Articles of Incorporation, these By-Laws and the Declaration of Condominium, and shall include, without limiting the generality of the foregoing, the following:

- (i) To make, levy and collect assessments against members and members' PRIVATE DWELLINGS to defray the costs of the CONDOMINIUM, and to use the proceeds of said assessments in the exercise of the powers and duties granted unto the ASSOCIATION;
- (ii) The maintenance, repair, replacement, operation and management of the CONDOMINIUM wherever the same is required to be done and accomplished by the ASSOCIATION for the benefit of its members;
- (iii) The reconstruction of improvements after casualty, and the further improvement of the property, real and personal;
- (iv) To make and amend regulations governing the use of the property, real and personal, in the CONDOMINIUM, so long as such regulations or amendments thereto do not conflict with the restrictions and limitations which may be placed upon the use of such property under the terms of the Articles of Incorporation and Declaration of Condominium;
- (v) To approve or disapprove proposed purchasers and lessees of PRIVATE DWELLINGS in the manner which may be specified in the Declaration of Condominium;

- (vi) To acquire, operate, lease, manage and otherwise trade and deal with property, real and personal, including PRIVATE DWELLINGS in the CONDOMINIUM, as may be necessary or convenient in the operation and management of the CONDOMINIUM, and in accomplishing the purposes set forth in the Declaration of Condominium;
- (vii) To contract for the management and maintenance of the condominium property and to authorize a management agent to assist the association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the common elements with funds as shall be made available by the association for such purposes. The association and its officers shall, however, retain at all times the powers and duties granted by the condominium documents and the Condominium Act, including but not limited to the making of assessments, promulgation of rules and execution of contracts on behalf of the association.
- (viii) To pay all taxes and assessments which are liens against any part of the CONDOMINIUM other than PRIVATE DWELLINGS and the appurtenances thereto, and to assess the same against the members and their respective PRIVATE DWELLINGS subject to such liens;
- (ix) To carry insurance for the protection of the members and the ASSOCIATION against casualty and liability;
- (x) To pay all costs of power, water, sewer and other utility services rendered to the CONDOMINIUM and not billed to the owners of the separate PRIVATE DWELLINGS; and
- (xi) To employ personnel for reasonable compensation to perform the services required for proper administration of the purposes of the ASSOCIATION.
- j) The first Board of Directors of the ASSOCIATION shall be comprised of the three (3) persons designated to act and serve as Directors in the Articles of Incorporation, which said persons shall serve until their successors are elected at the first Annual Meeting of the members of the ASSOCIATION called after the property identified herein has been submitted to the Plan of Condominium Ownership and the Declaration of Condominium has been recorded in the Public Records of Broward County, Florida. Should any member of said first Board of Directors be unable to serve for any reason, a majority of the remaining mem-

bers of the Board of Directors shall have the right to select and designate a party to act and serve as a Director for the unexpired term of said Director who is unable to serve.

k) The undertakings and contracts authorized by said first Board of Directors shall be binding upon the ASSOCIATION in the same manner as though such undertakings and contracts had been authorized by the first Board of Directors duly elected by the membership after the property identified herein has been submitted to the Plan of Condominium Ownership and said Declaration of Condominium has been recorded in Broward County Public Records, so long as any undertakings and contracts are within the scope of the powers and duties which may be exercised by the Board of Directors of the ASSOCIATION in accordance with all applicable condominium documents.

l) Any one or more of the members of the Board of Directors of the ASSOCIATION may be removed either with or without cause, at any time by a vote of the members owning a majority of the PRIVATE DWELLINGS, at any Special Meeting called for such purpose, or at the Annual Meeting; provided, however, that only DEVELOPER shall have the right to remove a Director appointed by it.

5. OFFICERS

a) 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 annually by the Board of Directors and who may be peremptorily removed by vote of the Directors at any meeting. Any person may hold two or more offices, except that the President shall not also be the Secretary or an Assistant Secretary. The Board of Directors shall from time to time 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.

b) The President shall be the chief executive officer of the ASSOCIATION. He shall have all the powers and duties which 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, as he may, in his discretion, determine appropriate, to assist in the conduct of the affairs of the ASSOCIATION.

c) The Vice President shall, in the absence or dis-

ability of the President, exercise the powers and perform the duties of President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

d) The Secretary shall keep the Minutes of all proceedings of the Directors and the Members. He shall attend to the giving and serving of all notices to the Members and Directors, and such other notices required by law. He shall have custody of the seal of the ASSOCIATION and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the ASSOCIATION, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of an Association and as may be required by the Directors or President. The Assistant Secretary shall perform the duties of Secretary when the Secretary is absent.

e) The Treasurer shall have custody of all of the property of the ASSOCIATION, including funds, securities and evidences of indebtedness. He shall keep the assessment rolls and accounts of the members; he shall keep the books of the ASSOCIATION in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer.

f) The compensation of all officers and employees of the ASSOCIATION shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee of the ASSOCIATION, nor preclude the contracting with a Director for the management of the CONDOMINIUM.

g) All Officers shall serve at the pleasure of the Board of Directors and any Officer may be removed from office at any time, with or without cause, by a majority vote of the Board of Directors.

6. FISCAL MANAGEMENT

The provisions for fiscal management of the ASSOCIATION set forth in the Declaration of Condominium and Articles of Incorporation shall be supplemented by the following provisions:

a) The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each PRIVATE DWELLING. Such an account shall designate the name and address of the owner or owners, the amount of each

assessment against the owners, the dates and amounts in which assessments come due, the amounts paid upon the account and the balance due upon assessments. Assessments shall be paid to ASSOCIATION monthly on the first day of each month without demand or notice unless the amount of the assessments shall be changed in which case written notice by mail or delivery shall be given each Member of the new assessment applicable to his PRIVATE DWELLING at least ten (10) days before the due date but failure of notice shall not excuse non-payment upon demand.

B) The Board of Directors shall adopt a budget for each calendar year which shall contain estimates of the cost of performing the functions of the ASSOCIATION, including, but not limited to the following:

- (i) Common expense budget, which shall include, without limiting the generality of the foregoing, the estimated amounts necessary for maintenance and operation of COMMON PROPERTY, landscaping, street and walkways, office expense, management, utility services, casualty insurance; liability insurance, administration, reserves (operating and replacement); and costs of maintaining leaseholds, membership and other possessory or use interests in lands or facilities to provide enjoyment, recreation or other use or benefit to owners of PRIVATE DWELLINGS; and

- (ii) Proposed assessments against each member.

Copies of the proposed budget and proposed assessments shall be transmitted to each member by mail at least thirty (30) days prior to the meeting at which adoption of the budget is to be considered. If the budget is subsequently amended before the assessments are made, a copy of the amended budget shall be furnished each member concerned. Delivery of a copy of any budget or amended budget to each member shall not affect the liability of any member for any such assessment, nor shall delivery of a copy of such budget or amended budget be considered as a condition precedent to the effectiveness of said budget and assessments levied pursuant thereto, and nothing herein contained shall be construed as restricting the right of the Board of Directors to at any time in their sole discretion to levy any additional assessment in the event that the budget originally adopted shall appear to be insufficient to pay costs.

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and expenses of operation and management, or, in the event of emergencies.

c) The depository of the ASSOCIATION shall be such bank or banks 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 such accounts shall be only by checks signed by such persons as are authorized by the Directors.

d) An audit of the accounts of the ASSOCIATION shall be made annually by a Certified Public Accountant, and a copy of the report shall be furnished to each member not later than March 1 of the year following the year for which the report is made.

e) Fidelity bonds shall be required by the Board of Directors from all officers and employees of the ASSOCIATION and from any contractor handling or responsible for ASSOCIATION funds. The amount of such bonds shall be determined by the Directors, but shall be at least the amount of the total annual assessments against members for common expenses. The premium on such bonds shall be paid by the ASSOCIATION.

7. PARLIAMENTARY RULES

Roberts Rules of Order (latest edition) shall govern the conduct of corporate proceedings when not in conflict with the Articles of Incorporation and these By-Laws or with the Statutes of the State of Florida.

8. AMENDMENTS TO BY-LAWS

Amendments to these By-Laws shall be proposed and adopted in the following manner:

a) Amendments to these By-Laws may be proposed by the Board of Directors of the ASSOCIATION acting upon vote of the majority of the Directors, or by members of the ASSOCIATION owning a majority of the PRIVATE DWELLINGS in the CONDOMINIUM, whether meeting as members or by instrument in writing signed by them.

b) Upon any amendment or amendments to these By-Laws being proposed by said Board of Directors or members, such proposed amendment or amendments shall be transmitted to the President of the ASSOCIATION, or other Officer of the ASSOCIATION in

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absence of the President, who shall thereupon call a Special Joint Meeting of the members of the Board of Directors of the ASSOCIATION and the membership for a date not sooner than twenty (20) days or later than sixty (60) days from receipt by such Officer of the proposed amendment or amendments, and it shall be the duty of the Secretary to give to each member written or printed notice of such meeting in the same form and in the same manner as notice of the call of a Special Meeting of the members is required as herein set forth.

c) In order for such amendment or amendments to become effective, the same must be approved by an affirmative vote of the members owning not less than three-quarters of the PRIVATE DWELLINGS in the CONDOMINIUM. Thereupon, such amendment or amendments to these By-Laws shall be transcribed, certified by the President and Secretary of the ASSOCIATION, and a copy thereof shall be recorded in the Public Records of Broward County, Florida, within ten (10) days from the date on which any amendment or amendments have been affirmatively approved by the members.

d) At any meeting held to consider such amendment or amendments to the By-Laws, the written vote of any member of the ASSOCIATION shall be recognized if such member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the ASSOCIATION at or prior to such meeting.

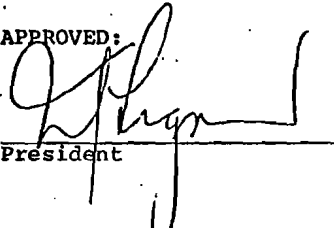
e) In the event that the members owning the number of PRIVATE DWELLINGS in the CONDOMINIUM necessary to pass any amendment or amendments to these By-Laws shall execute any Instrument amending these By-Laws, the same shall be and constitute an amendment hereto in the same manner as though such amendment had been duly passed at a meeting held to consider the same, and it shall not be necessary for the meeting otherwise prescribed above to be held, and a copy of such amendment or amendments to the By-Laws, bearing the signature of the member or members, and certified by the President and Secretary of the ASSOCIATION as being the amendment or amendments so adopted by the members, and that the persons signing the same are in fact members of the ASSOCIATION owning the PRIVATE DWELLINGS identified therein, shall be recorded in the Public Records of Broward County, Florida within ten (10) days from the date on which such amendment or amendments have been approved.

f) Notwithstanding the foregoing provisions of this Article 8, no amendment to these By-Laws which shall abridge,

amend or alter the right of DEVELOPER to designate and select members of each Board of Directors of the ASSOCIATION, as provided in Article 4 hereof, may be adopted or become effective without the prior written consent of DEVELOPER. Should the number of members of the Board of Directors be changed by the Membership, the number of Directors which DEVELOPER shall have the right to select and designate pursuant to Article 4 shall be adjusted so that DEVELOPER shall be entitled to appoint the same proportion of the Board of Directors as when the Board consisted of three (3) Directors.

The foregoing were adopted as the By-Laws of PALM TERRACE CONDOMINIUM, INC., a Corporation Not For Profit under the Laws of the State of Florida, at the first meeting of the Board of Directors on March 7, 1980.

APPROVED:



President



Secretary

RECORDED IN THE OFFICIAL RECORDS BOOK
OF BROWARD COUNTY, FLORIDA
GRAHAM W. WATT
COUNTY ADMINISTRATOR