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IN THE RECORDS OF
JEFFREY K. BARTON
CLERK CIRCUIT COURT
INDIAN RIVER CO., FLA

**DECLARATION OF CONDOMINIUM
OF
SEA COLONY AT VERO BEACH, A CONDOMINIUM**

THIS DECLARATION OF CONDOMINIUM is made this 20th day of May, 2002, by SEA COLONY DEVELOPMENT COMPANY, a Florida corporation, whose principal office is located at 8200 North A-1-A, Vero Beach, Florida 32963, for itself, its successors, grantees, assigns and its transferees.

SECTION 1. PURPOSE AND SUBMISSION STATEMENT. The purpose of this Declaration is to submit real property and improvements on the real property to the condominium form of ownership and use, in the manner provided by the Condominium Act, as hereinafter defined. Developer does hereby submit the real property and improvements on the 22,500 square feet +/- (0.5165 acres +/-) of real property legally described in Exhibit "A" to this Declaration to the condominium form of ownership and use pursuant to the Condominium Act.

SECTION 2. NAME OF CONDOMINIUM AND ADDRESS. The name by which this Condominium is to be identified is SEA COLONY AT VERO BEACH, A CONDOMINIUM (hereinafter called the "Condominium"), and its address is 8200 North A-1-A, Vero Beach, Florida 32963.

SECTION 3. DEFINITIONS. The following definitions shall apply in this Declaration and in the Articles of Incorporation and Bylaws, unless the context otherwise requires:

3.1 "Articles" means the Association's Articles of Incorporation, as amended from time to time, which are attached as Exhibit "C".

3.2 "Assessment" means a share of the funds required for the payment of expenses related to the Condominium which from time to time is assessed against the Units. Assessments shall be levied against each Owner in a percentage equal to that Owner's undivided share in the Common Elements and Common Surplus, and Owners are obligated to the Association for such Assessments pursuant to the Condominium Act, as well as common law assessments which are created by this Declaration and the Master Declaration and are covenants running with the land, and include without limitation:

3.2.1 "Annual Assessment" which includes but is not limited to each Owner's annual share of funds required for the payment of: (i) "Common Expenses", as determined in accordance with this Declaration; and (ii) "Operating Expenses", as determined in accordance with the Master Declaration; and

3.2.2 "Special Assessment" which includes any Assessments levied by the Board in addition to the Annual Assessment, which are more particularly described in Section 10, and special assessments of the Corporation.

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3.3 "Association" means SEA COLONY AT VERO BEACH CONDOMINIUM ASSOCIATION, INC., a not for profit Florida corporation, the entity responsible for the operation of the Condominium, its successors and assigns.

3.4 "Association Property" means all property, real or personal, owned or leased by the Association or over which a beneficial easement has been established or dedicated by a recorded subdivision plat to the Association for the use and benefit of Owners.

3.5 "Board" means the board of directors or representative body which is responsible for the Association's administration.

3.6 "Building and Improvements" means the structures and improvements on the Properties.

3.7 "Bylaws" means the Association's bylaws, as amended from time to time, which are attached as Exhibit "D".

3.8 "Charges" shall have the meaning set forth in Section 10.11.1 below.

3.9 "Common Elements" means all portions of the Condominium Property not included within the Units, but not Association Property or Corporation Property, and includes without limitation the following:

3.9.1 The land beneath and around the building in which Units are located.

3.9.2 All portions of the Building and Improvements not included within the Units, including Limited Common Elements.

3.9.3 Easements through Units for conduits, ducts, plumbing, wiring, and other facilities for furnishing utility services to more than one (1) Unit and/or the Common Elements, including roof drains and pipe chases.

3.9.4 An easement of support and access in every portion of the Condominium Property that contributes to the support of the Building and Improvements.

3.9.5 The property and installments required for furnishing utilities and other services to more than one (1) Unit or to the Common Elements.

3.9.6 Any other parts of the Condominium Property designated as Common Elements in this Declaration.

3.10 "Common Expenses" shall have the meaning set forth in Section 10.1 below.

3.11 "Common Surplus" shall have the meaning set forth in the Articles.

3.12 "Condominium Act" means the Condominium Act, Chapter 718, Florida Statutes (2000), as amended through the date of recording this Declaration amongst the County Public Records, unless the context specifically requires that future amendments to the Condominium Act apply.

3.13 "Condominium Documents" means and includes this Declaration and all recorded exhibits, including the Association's Articles of Incorporation and Bylaws, the Master Declaration, the Corporation's Articles of Incorporation and Bylaws, any rules and regulations promulgated by the Association or the Corporation, and all instruments and documents referred to therein and executed in connection with this Condominium, all as amended from time to time.

3.14 "Condominium Parcel" means and includes each Unit and its appurtenances (as described in Section 6.2 below).

3.15 "Condominium Property" means the real and personal property not Association Property that is subject to condominium ownership under this Declaration, including but not limited to the Building and Improvements, the Common Elements, and all easements and rights appurtenant thereto intended for use in connection with the Condominium, including a perpetual, nonexclusive easement pursuant to the Master Declaration to, over, and across the Corporation Property (as hereafter defined) and to public ways, including dedicated streets, if any. Notwithstanding anything contained herein to the contrary, however, the term "Condominium Property" shall not include any telecommunications lines or equipment owned by a utility and/or telecommunications firm(s) and/or other entity (entities) which have contracted with or have imposed other legal requirements upon Developer and/or the Association to provide a utility or telecommunications service and/or equipment nor shall Condominium Property include telecommunications equipment, if any, owned by Developer, the title to which is hereby specifically reserved to Developer, Developer's successors and/or assigns.

3.16 "Corporation" means Sea Colony at Vero Beach Community Association, Inc., a Florida corporation not for profit, organized to administer the Master Declaration and having among its members Developer and all dwelling unit owners within the Sea Colony at Vero Beach Community.

3.17 "Corporation Property" means all property, real or personal, owned or leased by the Corporation or in which the Corporation has easement rights, or dedicated by the Master Declaration or by a recorded subdivision plat to the Corporation for the use and benefit of the Corporation's members, and includes the "Committed Property" which is not within a "Building Area", "Corporate Easements", "Recreation Areas", "Street Lights", "Parking Areas", "Landscaped Areas", "Masonry Walls and Fences", "Entranceways", "Buffers", and "Roads", and all other Committed Property not within a Building Area or located in Corporate Easements, as such terms are defined in the Master Declaration, all of which are more particularly described in the Master Declaration.

3.18 "County" means Indian River County, Florida.

3.19 "Declaration" means this Declaration, as amended from time to time.

3.20 "Developer" means SEA COLONY DEVELOPMENT COMPANY, a Florida corporation, its successors, assigns and legal representatives. Developer shall have the right to assign any and all of the rights and privileges reserved for Developer under this Declaration. An Owner shall not, solely by the purchase of a Unit, be deemed to be a successor or assign of Developer or of the rights of Developer under the Condominium Documents, unless such Owner is specifically so designated as a successor or assign of such rights in the instrument of conveyance or any other instrument executed by Developer.

3.21 "Fixtures" means those items of tangible personal property which by being physically annexed or constructively affixed to the Unit have become accessory to it and part and parcel of it, including but not limited to, interior partitions, walls, appliances which have been built in or permanently affixed, and plumbing fixtures in kitchens and bathrooms. Fixtures do not include floor, wall or ceiling coverings.

3.22 "Guest" means any person who is not a member of the family which occupies a Unit, and who is physically present in, or occupies the Unit at the invitation of the Owner or other legally permitted Occupant, without requirement to contribute money, perform any services or provide any other consideration to the Owner or Occupant in connection with any such occupancy of the Unit. A Permanent Occupant of a Unit (as described in Section 3.28) shall not be considered a Guest. Furthermore, an Owner of a Unit shall never be considered a Guest in the Unit owned, unless the Owner is visiting an Occupant in the Unit.

3.23 "Institutional Mortgagee" means the holder (or its assignee) of a mortgage encumbering a Unit, which mortgagee is a bank, savings and loan association, mortgage company, insurance company, real estate or mortgage investment trust, pension or profit sharing trust, the Federal Housing Administration, the Veterans Administration, or any agency of the United States of America. The term also refers to any holder of a mortgage against a Unit which mortgage is guaranteed or insured by the Federal Housing Administration, the Veterans Administration, any agency of the United States of America, or by any other public or private corporation engaged in the business of guaranteeing or insuring residential mortgage loans, and their successors and assigns. The term also refers to Developer who may hold a mortgage on a Unit. "Institutional First Mortgagee" means the foregoing, but is limited to the holder of a first mortgage lien.

3.24 "Lease" means the grant by an Owner of a temporary right of use of the Owner's Unit for good and valuable consideration.

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

3.26 "Master Declaration" means the Declaration of Protective Covenants and Restrictions for the Sea Colony at Vero Beach Community, as recorded in Official Records Book ____, Page ____, of the County Public Records, and all Amendments and Supplements thereto, as those terms are defined in the Master Declaration, whereby portions of the real property in the Sea Colony at Vero Beach Community are set aside from time to time by Developer in accordance with the "Plan for Development" set forth therein and whereby the Assessments, as defined therein, are made specifically applicable to Owners to be collected by the Association on behalf of the Corporation in the same manner and by the same procedure as Common Expenses. In accordance with the Master Declaration, the Condominium is a "Neighborhood" as that term is used and defined in the Master Declaration.

3.27 "Member" means a record Owner of a Unit.

3.28 "Occupant" is a person who is physically present in a Unit for two (2) or more consecutive days, including staying overnight. A "Permanent Occupant" means a person who is occupying a Unit other than as a Guest or for a vacation.

3.29 "Owner" means the record owner, whether one (1) or more persons or entities of the fee simple title to a Unit, but excludes those having such interests merely as security for the performance of an obligation.

3.30 "Plans and Specifications" means the plans and specifications prepared for the Building and Improvements prepared by ROBERT SWEDROE & ASSOCIATES, Job No. 9940.

3.31 "Primary Institutional Mortgagee" means that institutional mortgagee which, at the time a determination is made, holds first mortgages on more Units than any other Institutional Mortgagee, such determination to be made by reference to the number of Units encumbered, and not by the dollar amount of such mortgages.

3.32 "Primary Occupant" means a designated natural person approved for occupancy when title to a Unit is held in the name of a corporation, limited liability company, partnership, trust, or other entity.

3.33 "Properties" means the Condominium Property (Units, Common Elements and Limited Common Elements) and Association Property.

3.34 "Sea Colony at Vero Beach Community" means the name given to the planned residential development being developed in stages by Developer upon portions of property in accordance with the "Plan for Development" referred to in the Master Declaration and consisting of various "Neighborhoods" as that term is defined in the Master Declaration.

3.35 "Rules and Regulations" means those rules and regulations promulgated from time to time by the Board governing the use of the Properties, including the Units, and the operation of the Association.

3.36 "Transfer" shall mean any Lease, Lease renewal or change in occupancy of a Unit under, during or along with a Lease as described in Section 13 below, and any transfer of ownership as provided in Section 14 below.

3.37 "Undivided Share" shall have the meaning set forth in Section 6.1 below.

3.38 "Unit" means and refers to that portion of the Condominium Property that is subject to exclusive ownership.

3.39 "Utility" means and refers to a public or private utility.

3.40 "Voting Interest" means and refers to the arrangement established in the Condominium Documents by which Owners of each Unit collectively are entitled to one (1) vote in Association matters.

SECTION 4. DESCRIPTION OF CONDOMINIUM PROPERTY AND IMPROVEMENTS; SURVEYS AND PLANS.

4.1 Improvements Described. Developer is constructing twelve (12) residential Units, in a three (3)-story building (three (3) living levels over a lobby level), and associated improvements. The twelve (12) residential units are identified as Units 2-A, 2-B, 2-C, 2-D, 3-A, 3-B, 3-C, 3-D, PH-A, PH-B, PH-C, and PH-D. Commonly used facilities include: covered parking garage; two (2) elevators; storage areas; hallways; stairways; lobby; mail room; two (2) trash rooms; and

electrical/mechanical room; and elsewhere on the Condominium Property the landscaping and lawn areas, entrance driveway, and walkways. The Corporation Property will contain retention areas, internal roads and exterior parking.

4.2 Survey and Plot Plans. Attached to and made a part of this Declaration as Exhibits "A" and "B" are the following: a legal description of the condominium property; the Certificate of Surveyor; and survey and plot plans, which geographically describe the improvements in which the Units are located, and which show all Units, their approximate dimensions and the Common Elements and Limited Common Elements. Together with this Declaration, the foregoing provides sufficient detail to identify each Unit, the Common Elements, and Limited Common Elements, and their relative locations and dimensions.

4.3 Developer Reservation. Developer specifically intends to sell Units as fee simple estates. Developer reserves the right, however, to Lease the Units or convey any Units in fee simple subject to a Lease.

4.4 Alteration of Properties by Developer. Developer reserves the right to change the interior design and arrangement of all Units, including the right to combine Units, as long as any such change is ratified by a majority of the voting interests of the Association. Such change may alter the boundaries of the Units and Common Elements, but shall not change the number of Units. In the event of the foregoing, Developer shall amend the Declaration reflecting such authorized alteration of the Survey, Plot Plans and/or Floor Plans. Refer to Section 22 for instances where an amendment to the Declaration may be necessary; if an amendment is necessary, the amendment shall include an amended Survey, Plot Plans and/or Floor Plans, as applicable, as well as an amended surveyor's certificate reflecting the alterations made.

4.5 Unit Boundaries. Each Unit shall include that part of the Building that lies within the following boundaries, the boundaries being part of the Unit:

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

4.5.1.1 Upper Boundaries: The horizontal plane up to but not including the lower surface of the ceiling material of the ceiling of the Unit.

4.5.1.2 Lower Boundaries: The horizontal plane immediately adjacent to but not including the concrete floor slab of the Unit.

4.5.2 Perimetrical Boundaries. The perimetrical boundaries of the Unit shall be: the vertical planes of the exterior surfaces of the outside walls of the building and including any fixtures thereon; the vertical planes of the center line of an interior wall bounding another Unit, extended to the upper and lower boundaries; the undecorated interior surfaces of any window frames, window sills, doors and door frames bounding the Unit; and the exterior surfaces of any window panes or sliding glass door panes bounding the Unit. As to the elevator, the boundary of the Unit includes only the surface that faces the Unit.

4.5.3 Interior Walls. No part of the non-structural interior partition walls within a Unit shall be considered part of the boundary of a Unit.

4.5.4 Excluded from the Units: The following are excluded from the Units notwithstanding any provision to the contrary in this Declaration:

4.5.4.1 Any apertures in any boundary, including, without limitation, windows and doors, and their frameworks and hardware, and surfaces made of glass or other transparent material and all framing, casing and hardware, shall all be excluded from the Unit.

4.5.4.2 Any items referred to as Common Elements shall be excluded from the Units even though they may lie within a Unit boundary.

4.5.4.3 All of the terrace/veranda/balcony, if any, including the dividing wall between the terraces/verandas/balconies of two (2) Units, except the Unit does include the stucco surface of the building which forms the innermost boundary of the terrace/veranda/balcony.

In cases not specifically covered in this Section 4.5 or in any case of conflict or ambiguity, the graphic depictions of the Unit boundaries set forth in Exhibit "B" to this Declaration shall control in determining the boundaries of a Unit, except that the provisions of Sections 4.5.3 and 4 above shall control over said Exhibits.

4.6 Amendments to this Section. This Section 4 may not be amended without the written consent of Developer at any time prior to the later to occur of (i) seven (7) years from the date of recordation of this Declaration or (ii) the maximum time allowed by law.

SECTION 5. EASEMENTS. Each of the easements and easement rights referred to in this Section 5 is reserved through the Properties and is a covenant running with the land in the Condominium, and notwithstanding any other provisions of this Declaration, shall survive the removal of any of the Properties from the Condominium. None of the easements specified in this Section 5 may be encumbered by any leasehold or lien other than those on the Units. Any lien encumbering these easements shall automatically be subordinate to the rights of Owners with respect to such easements.

5.1 Utility, Service and Drainage Easements.

5.1.1 There is hereby created a blanket easement upon, across, over, through and under the Properties for the installation, replacement, repair and maintenance of all utility and service lines and systems and drainage, including but not limited to electric, gas, water, sewer, telephone, electric, cable television, security, and surveillance or communication lines and systems. By virtue of this easement, it shall be expressly permissible for Developer or the providing Utility or service company to install and maintain facilities and equipment on the Properties, to excavate for such purposes and to affix and maintain wires, circuits, and conduits on the Units and on, in and under the roofs and exterior walls of the Units, providing the disturbed areas are restored to the condition in which they were found and that an easement does not prevent or unreasonably interfere with the use of the Units. Except as otherwise provided in Section 5.1.2 below, no sewer, electrical lines, water lines, or other utility service lines or facilities for such utilities, and no cable or communication lines and systems or drainage systems, may be installed or relocated on the Properties except as are approved by Developer. Developer may also transfer title to utility-related equipment, facilities or material, and to take any other action to satisfy the requirements of any Utility or governmental agency to which any such utility-related equipment, facilities or material are to be so transferred. Developer reserves the power to modify or relocate the above-referenced easements.

5.1.2 Once Developer closes upon the sale of the last Unit in the Condominium, the powers vested in Developer under Article 5.1.1 above shall terminate, and shall then vest in the Association. The Board shall exercise such powers in its reasonable discretion without the need for joinder of any Owner.

5.1.3 Developer under Section 5.1.1 and the Association under Section 5.1.2 above, or the Developer's or Association's designee, as applicable, shall have a right to remove any improvements interfering with or impairing such facilities or easements herein reserved. No Owner shall do anything anywhere on his Unit or elsewhere that interferes with or impairs or may interfere with or impair the provision of such utilities or other services or the use of these easements.

5.1.4 The Properties are also subject to all easements set forth in the Master Declaration.

5.2 Encroachments. If any Unit encroaches upon any of the Common Elements or Association Property for any reason other than the intentional act of an Owner, or if any Common Elements or Association Property encroaches upon any Unit, as a result of: (i) construction of the Building and Improvements; (ii) settling or shifting of the Building or Improvements; (iii) any alteration or repair to the Common Elements made by or with the consent of the Association; (iv) any repair or restoration of a Building or Improvements (or any portion thereof) or any Unit after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements; or (v) for any other reason, then an easement shall exist to the extent of that encroachment and for the maintenance of the same as long as the encroachment exists.

5.3 Ingress and Egress. A nonexclusive easement shall exist in favor of each Owner and Occupant and their respective guests, for pedestrian traffic over, through, and across sidewalks, streets, paths, walks, and other portions of the Common Elements and Association Property as from time to time may be intended and designated for such purpose and use, and for vehicular and pedestrian traffic over, through, and across such portions of the Common Elements and Association Property as from time to time may be paved or intended for such purposes, and for purposes of ingress and egress to the public ways. Speed bumps shall be permitted and shall be deemed not to violate any rights of any person in whose favor the easement for ingress and egress lies. Neither the Association nor any Owner shall be permitted to construct or maintain a locked door between any elevator door and the nearest stairwell without the advance written approval of the State of Florida Bureau of Elevator Safety.

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

5.5 Sales Activity. For as long as there are any unsold Units, Developer, Developer's designees, successors and assigns, shall have the right to use any such Units, other Units (with the Unit Owner's permission), and parts of the Common Elements for model Units and sales offices, to show model Units, sales offices, and the Common Elements to prospective purchasers

and tenants of Units, to erect on the Condominium Property signs and other promotional material to advertise Units for sale or lease and for any other similar purpose Developer deems appropriate in Developer's opinion.

SECTION 6. CONDOMINIUM PARCELS; APPURTENANCES AND USE.

6.1 Condominium Parcels. Each Unit's percentage of ownership share in the Common Elements and Common Surplus shall be one twelfth (1/12th) (which shall be referred to as the "Undivided Share").

6.2 Appurtenances to Each Unit. The Owner of each Unit shall have certain rights and own a certain interest in the Condominium Property, including without limitation the following:

6.2.1 An Undivided Share in the ownership of the land and other Common Elements and the Common Surplus, as specifically set forth in Section 6.1 above.

6.2.2 Membership and voting rights in the Association, which shall be acquired and exercised as provided in the Articles of Incorporation and Bylaws of the Association, attached to this Declaration as Exhibit "C" (Articles of Incorporation) and Exhibit "D" (Bylaws).

6.2.3 The exclusive right to use the Limited Common Elements reserved for the Unit.

6.2.4 An exclusive easement for the use of the airspace occupied by the Unit as it exists at any particular time and as the Unit may lawfully be altered or reconstructed from time to time. An easement in airspace which is vacated shall be terminated automatically.

6.2.5 Other appurtenances as may be provided in this Declaration and the Exhibits attached hereto.

6.3 Use and Possession. An Owner is entitled to exclusive use and possession of the Unit owned. An Owner is entitled to use the Properties in accordance with the purposes for which they are intended, but no use of the Unit or of the Properties may unreasonably interfere with the rights of other Owners or other persons having rights to use the Properties. No Unit may be divided or any fractional portion sold, leased or otherwise transferred. The Condominium Documents and the Rules and Regulations shall govern the use of the Properties, including the Units.

6.4 Special Provision Regarding Use When the Unit is Leased. When a Unit is leased, a tenant in such Unit shall have all use rights in the Properties otherwise readily available for use generally by Owners and the Owner of such Unit shall temporarily relinquish such rights and not have such rights except as a Guest. Nothing in this Section 6.4 shall interfere with the access rights of the Owner as a landlord pursuant to Chapter 83, Florida Statutes, or otherwise. The Board shall have the right to adopt Rules and Regulations to prohibit dual usage by an Owner and a tenant of the Properties otherwise readily available for use generally by Owners.

SECTION 7. COMMON ELEMENTS.

7.1 Generally. The Common Elements are located and bounded as shown on the Survey and Plot Plans set forth in Exhibit "B", as amended. Each Unit shall have appurtenant thereto the Undivided Share of the ownership in the Common Elements, as they then exist. The

Board shall have the authority to adopt rules and regulations respecting the use and enjoyment of the Common Elements.

7.2 Restraint Upon Separation and Partition. The fee title to each Unit shall include both the Unit and the Unit's Undivided Share and such Undivided Share shall be deemed to be conveyed or encumbered with its respective Unit, even though the description in the instrument of conveyance or encumbrance may refer only to the Unit. Any attempt to separate the fee title to a Unit from the Undivided Share appurtenant to such Unit shall be null and void, and no action shall lie for partition of the Common Elements, except as specifically set forth in Section 8.1.4.

SECTION 8. LIMITED COMMON ELEMENTS.

8.1 Description of Limited Common Elements. Certain Common Elements have been designated as Limited Common Elements, reserved for the use of a particular Unit or Units, to the exclusion of all other Units. The Limited Common Elements and the Units to which their use has been designated are as described in this Declaration and as further identified on the Survey and Plot Plans (Exhibit "B"), as amended. The following Common Elements are hereby designated as Limited Common Elements, and shall be appurtenant to the particular Unit(s):

8.1.1 Verandas/Balconies/Terraces. Each veranda/balcony/terrace, other than the veranda/balcony/terrace slab, shall be a Limited Common Element appurtenant to the Unit served.

8.1.2 Windows, Window and Door Screens and their Frames, Storm Shutters, if any, and Doors. The windows, window and door screens and their frames and hardware, storm shutters, if any, sliding glass doors, including glass, hardware and framings/casings for sliding glass doors, are Limited Common Elements of the Unit served thereby.

8.1.3 Heating and Air Conditioning Units and Certain Electrical and Plumbing Lines, Fixtures and Outlets. The air conditioning/heating unit, including the handling equipment and all appurtenances and lines wherever situated serving each Unit shall be a Limited Common Element of the Unit served thereby. Also, any electrical and plumbing lines, fixtures and outlets located in the Common Elements but which serve only one (1) Unit shall be a Limited Common Element of the Unit served thereby.

8.1.4 Garages. Developer shall assign two (2) garage parking spaces as a Limited Common Element appurtenant to each Unit. The garage parking spaces are numbered in Exhibit "B" to this Declaration. Such assignment shall be accomplished by Developer's execution of a Garage Space Assignment at each closing of a Unit. The form to be used in connection therewith is attached to and made a part of this Declaration as Exhibit "E". This form shall neither be recorded nor shall any Garage Space Assignment be reflected on any deed or other instrument of conveyance. No garage parking space may be severed by an Owner of a Unit to which said garage parking space is appurtenant or by the Association, except: (i) in connection with the transfer of title to a Unit, and then only to another Owner in the same building or to the Association, only if all mortgagees holding mortgages encumbering said Unit from which the garage parking space is severed consent in writing, or (ii) upon the written consent of the Owner and the Association, so long as in all circumstances each Unit is assigned no less than one (1) garage parking space, or (iii) if Developer owns the Units affected, Developer and the Association consent in writing. Upon such severance, the garage parking space shall become a Limited Common Element of the new Unit to which it is assigned. If the assignment is to the Association, the garage parking space shall become a Limited Common Element of a Unit only when the Association

reassigns said garage parking space by written instrument, which assignment shall not be recorded.

8.1.5 Others. Any part of the Common Elements connected to or exclusively serving a single Unit, and which is specifically required in Section 11.2 of this Declaration to be maintained, repaired, or replaced by or at the expense of the Owner, shall be deemed a Limited Common Element appurtenant to that Unit, whether specifically described above or not.

8.2 Exclusive Use; Transfer of Use Rights. The exclusive use of a Limited Common Element is an appurtenance to the Unit to which it is designated or assigned. The right of exclusive use to each Limited Common Element passes with the Unit, whether or not separately described, and cannot be separated from the Unit, except as specifically provided in this Declaration.

8.3 Conflict. In the event of a conflict between Exhibit "B" to the Declaration and this Section 8 as to Limited Common Elements, this Section 8 shall control.

SECTION 9. ASSOCIATION. The Condominium's operation is by SEA COLONY AT VERO BEACH CONDOMINIUM ASSOCIATION, INC., a Florida not-for-profit corporation, which shall perform its functions pursuant to the Declaration of Condominium and the provisions of this Section 9.

9.1 Articles of Incorporation. The Association's Articles of Incorporation shall be the Articles of Incorporation attached hereto as Exhibit "C".

9.2 Bylaws. The Association's Bylaws shall be the Bylaws attached hereto as Exhibit "D".

9.3 Membership and Voting Rights. The Association's membership shall be as provided in the Articles of Incorporation and Bylaws. Owners of each Unit shall collectively be entitled to vote in accordance with the terms and provisions set forth in the Articles of Incorporation and Bylaws.

9.4 Limitation on Liability. Notwithstanding the Association's duty to maintain and repair certain Properties, the Association shall not be liable to Owners for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the Properties to be maintained and repaired by the Association, or caused by the elements. Furthermore, in the event that any portion of the Properties for which an Owner has the maintenance responsibility under this Declaration, or an Owner's property or personal belongings, are damaged in the course of the Association's maintenance, repair, replacement or reconstruction after casualty of those Properties for which the Association has responsibility, that Owner bears the full risk of loss. The only exception is where the Association (whether for itself or its contractor) is guilty of gross negligence or willful misconduct which causes the loss, in which case the Association bears the risk of loss created by the same.

9.5 Purchase, Conveyance, Leasing and Mortgaging of Real Property. The Association shall be permitted to acquire title to real property and convey the same, to enter into agreements for the acquisition of fee interests, leaseholds, easements, and other possessory or use interests in lands, beach clubs, clubhouses, pools, parking, docks, dockslips, marinas, and other recreational facilities and any other property of any kind whatsoever, whether or not contiguous to the lands of the Condominium, intended to be used by or for the benefit of the Owners (whether or not on an exclusive basis) upon the prior vote of a majority of the entire Voting

Interest of Owners. The Association's authority to purchase Units is as set forth in the Articles of Incorporation. The Association shall only be permitted to lease property with the approval of the Board. The Association may mortgage real property as permitted by the Articles of Incorporation. The expenses of ownership (including the expense of making and carrying any mortgage related to such ownership), rental, membership fees, operation, replacements, and other expenses and undertakings in connection therewith shall be Common Expenses. No actions authorized hereunder, however, may be taken as long as Developer owns any Units without the prior written consent of Developer.

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

9.7 Corporation. The Association's members shall be members of the Corporation as described in the Master Declaration and Articles of Incorporation of the Corporation. The Corporation has been organized for the purpose of administering the covenants and obligations relating to the Sea Colony at Vero Beach Community, including the Corporation Property, the use of which is shared by all owners in the Sea Colony at Vero Beach Community as set forth in the Master Declaration. All Association members acquire the benefits as to use of the Corporation Property and the obligation to pay Assessments in accordance with the Master Declaration.

SECTION 10. ASSESSMENT, CHARGES AND LIENS. The Association has the power to levy and collect Assessments against each Unit and Owner to provide the necessary funds for the Condominium's proper operation and management and for the Association's operation, including both Annual Assessments for each Unit's share of Common Expenses as set forth in the annual budget, and Special Assessments for any proper Common Expenses. The Association may also levy Charges against individual Unit(s) and Owner(s) for any amounts, other than Common Expenses, which are properly chargeable against such Unit and Owner under the Condominium Documents.

10.1 Common Expenses. Common Expenses include all expenses of the operation, maintenance, repair, replacement, protection or insurance of the Properties, the expenses of operating the Association, fines levied by governmental authority, and any other expenses properly incurred by the Association for the Condominium, including legal fees and any amounts budgeted for the purpose of funding reserve accounts. Common Expenses shall include the cost of providing exterminating services for the Units, and may include basic cable television charges.

10.2 Share of Common Expenses. Except as otherwise provided in Section 10.4 below, each Owner and Unit shall be liable for a one-twelfth (1/12th) share of Common Expenses.

10.3 Ownership. Assessments collected by or on behalf of the Association become the Association's property. No Owner has the right to claim, assign, or transfer any interest therein except as an appurtenance to his Unit. No Owner has the right to withdraw or receive distribution of his share of the Common Surplus, except as otherwise provided in the Condominium Documents or by law.

10.4 Who is Liable for Assessments. The Owner of each Unit, regardless of how title was acquired, is liable for all Assessments or installments thereon coming due while he is the Owner. Multiple Owners are jointly and severally liable. Except as otherwise provided in Section 10.8.1 below, whenever title to a Unit is transferred for any reason, the transferee is jointly and severally liable with the transferor for all unpaid Assessments against the transferor, regardless of when incurred, without prejudice to any right the transferee may have to recover from the transferor any amounts paid by the transferee.

10.5 No Waiver or Excuse From Payment. The liability for Assessments may not be avoided or abated by waiver of the use or enjoyment of any Common Elements, by abandonment of the Unit on which the Assessments are made, by interruption in the availability of the Unit or the Common Elements or Association Property for any reason whatsoever, or by dissatisfaction with the Association and/or its operation and policies. No Owner may be excused from payment of such Owner's share of the Common Expenses unless all Owners are likewise proportionately excused from payment, except as otherwise provided in Section 10.8.1 as to certain mortgagees. Developer may be excused from payment for Common Expenses as stated within this Declaration or in accordance with Section 718.116 (9)(a), Florida Statutes.

10.6 Application of Payments; Failure to Pay; Interest; Late Fees. Assessments and installments thereon paid on or before ten (10) days after the date due shall not bear interest, but all sums not so paid shall bear interest at the highest rate allowed by law on open accounts at the particular time, calculated from the date due until paid. In addition, Assessments or installments not paid on or before ten (10) days after the date due shall result in the imposition of a late fee equal to the maximum amount permitted by the Condominium Act from time to time. (At the time of recordation, the maximum late fee chargeable is the greater of Twenty-Five Dollars (\$25.00) or five percent (5%) of the late payment.) Assessments or installments thereon shall become due, and the Owner shall become liable for the Assessments or installments, on the date established in the Bylaws or otherwise set by the Board for payment. All payments on account shall be applied in the following order irrespective of any restrictive endorsement, designation, or instruction placed on or accompanying any payment: to interest; late fees; costs; attorneys' fees and paralegal charges; and Annual and/or Special Assessments. If payment is made by a check that fails to clear, then the Owner shall be considered not to have made payment.

10.7 Liens. The Association has a lien on each Unit securing payment of past due Assessments, including interest, paralegal charges, attorneys' fees and costs incurred by the Association incident to the collection of the Assessment and/or enforcement of the lien, whether before, during, or after a lien foreclosure suit or other lawsuit. Any "Claim of Lien" recorded shall state the Unit's legal description, the record Owner's name, the Association's name and address, the Assessments past due and the due dates. Subject to the provisions of Section 10.8 below, the Claim of Lien is effective from and has those priorities as stated in the Condominium Act, as amended from time to time, and is in effect until barred by law. The Claim of Lien secures all unpaid Assessments, interest, paralegal charges, attorneys' fees and costs coming due prior to a final judgment of foreclosure. Upon full payment, the person making the payment is entitled to a satisfaction of the lien. The lien shall not secure late fees unless the Condominium Act is amended to permit same.

10.8 Priority of Lien; Liability of Mortgagees and Other Lienholders, Leases.

10.8.1 Rights of Mortgagees and Other Lienholders. The liability and priority of mortgagees and other lienholders and successors in title to Units as result of a mortgage or lien foreclosure shall be as provided in the Condominium Act, as amended from time to time.

10.8.2 Leases. Any Unit's lease shall be subordinate and inferior to any Claim of Lien of the Association, regardless of when the lease was executed.

10.9 Foreclosure of Lien; Action at Law. The Association may bring an action in the Association's name to foreclose the Association's lien for unpaid Assessments in the manner provided for in the Condominium Act and may also bring an action to recover a monetary judgment for unpaid Assessments without waiving any lien rights. In addition to any Assessments due, the Association shall be entitled to recover interest, paralegal charges, attorneys' fees and all costs of collection, including court costs. Late fees are recoverable at law, and as part of the Claim of Lien, unless prohibited by the Condominium Act from time to time. If the Association shall bring a lien foreclosure action, the Association shall be entitled to the appointment of a receiver to collect the rent for the Unit if the court in which the foreclosure action is pending determines that the Owner of the Unit is required to pay such rent. Such receiver shall be appointed pursuant to a court order in the foreclosure action. If some person other than the Association acts as a receiver, then the cost of the receiver shall be borne by the non-prevailing party in the lawsuit. Homestead shall not be a defense to a lien foreclosure action.

10.10 Certificate As To Assessments. Within fifteen (15) days after request by an Owner or mortgagee, the Association shall provide a certificate stating whether all Assessments and other monies owed to the Association by the Owner with respect to the Unit have been paid. Any person other than the Owner who relies upon such certificate shall be protected thereby. The Association may levy an administrative charge for the issuance of said Certificate.

10.11 Charges.

10.11.1 Defined. Each Unit and Owner shall be liable for Charges levied by the Association against the Unit and Owner. Charges shall be deemed to include but not be limited to maintenance or other services furnished by the Association for the benefit of an Owner, damages, and any other sums other than Assessments which are referred to as Charges in the Condominium Documents. At no time shall a Charge be deemed an Assessment under the Condominium Act or under the Condominium Documents, but will give rise to a cause of action against an Owner if not paid.

10.11.2 Who is Liable for Charges. Each Unit's Owner, regardless of how title was acquired, is liable for all Charges coming due while such party is the Owner. Multiple Owners are jointly and severally liable.

10.11.3 Application of Payments; Failure to Pay; Late Fees; Interest. Any Charges paid within ten (10) days after the date due as specified in the notice of Charge from the Association shall not bear interest, but all Charges not so paid shall bear interest at the highest rate allowed by law, calculated from the date due until paid. In addition, any Charges or installments not paid within ten (10) days after the date due shall result in the imposition of a late fee of the higher of Twenty-Five Dollars (\$25.00) or five percent (5%) of the late payment. All payments on account shall be applied in the sole discretion of the Board, irrespective of any restrictive endorsement, designation, or instruction placed on or accompanying any payment. The Association also has the right to refuse to accept a partial or insufficient payment. No payment by check is deemed paid until the check has cleared. However, interest and late fees shall be calculated as accrued until the date the Association actually receives payment.

10.11.4 Collection of a Charge. The Association may bring an action to recover a monetary judgment for unpaid Charges and shall be entitled to recover interest, late fees, paralegal charges, attorneys' fees and all costs of collection, including court costs.

10.12 Working Capital Contributions. Developer may require that each Unit's initial purchaser from Developer make a working capital contribution to the Association. Such contribution, if made, may be used to reimburse Developer for start-up expenses, or otherwise as the Board shall determine from time to time; however, notwithstanding the terms set forth above, no working capital contributions shall be used by the Association for the payment or reimbursement of common expenses prior to the expiration of any guarantee period in which Developer is excused from the payment of Assessments.

SECTION 11. MAINTENANCE, REPAIR AND REPLACEMENT MAINTENANCE STANDARDS: ALTERATIONS AND IMPROVEMENTS. Responsibility for the Properties' protection, maintenance, repair, replacement, and maintenance standards, and the alteration and improvement of the Properties, shall be as follows.

11.1 Association Maintenance. In addition to other provisions contained elsewhere in this Declaration, the following Properties shall be protected, maintained, repaired, and replaced by the Association at the Association's expense, as an item of Common Expense:

11.1.1 Units. The exterior outside portions of the Building which comprise Units (including light fixtures on building walls) and interior surfaces contributing to the support of the Building, including concrete slabs, firewalls, and outside walls which comprise the Units.

11.1.2 Common Elements and Association Property. All Common Elements and Association Property.

11.1.3 Limited Common Elements. All Limited Common Elements, other than those referred to in Section 11.2.2 below which are the responsibility of the individual Owner or Owners.

11.1.4 Utility/Plumbing. All conduits, rough plumbing and other installations located within or outside of the Unit for the furnishing of utilities to more than one (1) Unit, to the Common Elements, or to the Limited Common Elements maintained by the Association, or to Association Property.

11.1.5 Exterminating. The Association shall be responsible to provide termite treatment to the Common Elements and Association Property as well as to individual Units, which may be delegated to the Master Association. If a building must be "tented", the Association shall be responsible only for the cost of the actual tenting, and not for an Owner's or Occupant's incidental expenses such as food and lodging, and not for any losses to property within the Unit due to the tenting process. All Owners and Occupants shall be responsible to remove themselves, their pets and their perishable items upon reasonable notice by the Association, for tenting to be effected. Any Owner (for himself and/or for his tenants and other Occupants) who fails to so cooperate shall be liable to the Association for damages caused by delays and otherwise. The Association shall be entitled to a preliminary injunction order requiring compliance with this Section 11.1.5.

11.2 Owner Maintenance. Each Owner is responsible, at such Owner's sole expense, for the maintenance, repair, and replacement of the following Properties:

11.2.1 Units. All portions of the Unit, whether the maintenance, repair, or replacement is ordinary or extraordinary; exclusive of exterminating within the Unit, except for those portions of the Unit which are specifically enumerated to be the Association's responsibility under Section 11.1.1 above.

11.2.2 Limited Common Elements. The Owner(s) of Unit(s) to which Limited Common Elements are appurtenant shall be responsible to maintain, repair and replace the following Limited Common Elements:

11.2.2.1 Verandas/Balconies/Terraces: The entirety of the items referred to in Section 8.1.1 above, except for the following: painting or steam-cleaning of the stucco walls and ceiling inside the veranda/balcony/terrace, and the veranda/balcony/terrace railings.

11.2.2.2 As to Windows, Window and Door Screens and Their Frames, Shutters, if any, and Doors: The entirety of the items referred to in Section 8.1.2 above.

11.2.2.3 Heating and Air Conditioning Units and Certain Electrical and Plumbing Lines; Fixtures and Outlets: The entirety of the items referenced in Section 8.1.3 above.

11.2.3 Miscellaneous Covenants of Each Owner.

11.2.3.1 Each Owner must perform promptly all maintenance, repairs, and replacements which are necessary to ensure a high quality condition and appearance and/or which if not performed would affect any of the Properties, including any Unit(s) belonging to any other Owner(s).

11.2.3.2 Each Owner shall be liable for any damages or costs incurred which occur due to a failure to perform and/or in connection with the performance of the maintenance, repair and replacement responsibilities under this Section 11.

11.2.3.3 Each Owner shall promptly report to the Association or its agents in writing any defect or need for repair on Properties that the Association is responsible to maintain, repair, and replace under this Declaration.

11.2.3.4 No Owner shall do anything that would adversely affect the Common Elements' safety or soundness, or any other portion of Properties that the Association is obligated to maintain under this Declaration. The Board's opinion shall control in determining whether the Properties' safety or soundness is adversely affected or whether damage might be caused to such Properties.

11.2.3.5 Each Owner is responsible for the expense of all decorating within that Owner's Unit, including painting, wall papering, paneling, floor covering, window coverings, lamps and other light fixtures, and other interior furnishings and interior decorating.

11.2.3.6 Except for verandas/balconies/terraces, and first living floor Units, all floor coverings shall have placed beneath them, so as to be between any such covering and the Unit's floor, generally-accepted and approved material for diminution of noise and sound having a IIC rating of 52 or better for sound proofing qualities as designed, manufactured and installed. An Owner has the burden of proving that this standard has been met as installed.

11.3 Maintenance Standards for Owners and Residents. Owners' maintenance obligations under this Declaration shall be performed to ensure a high standard for the Condominium's appearance at all times. Each Owner must perform promptly all maintenance, repairs, and replacement for which the Owner is responsible and which are necessary to ensure such high standards. No Owner or resident shall impede or otherwise perform or interfere with the Association's maintenance responsibilities under this Declaration. Each Owner and resident shall be governed by maintenance standards that the Board may adopt from time to time. The following constitutes maintenance standards for Owners, which the Board is empowered to supplement from time to time without having to amend this Declaration:

11.3.1 Windows and Glass Doors. Broken or cracked glass shall be immediately replaced for safety concerns as well as cosmetic reasons.

11.3.2 Screens and Screen Frames. Torn, cut, or otherwise damaged screening and damaged screen frames shall be replaced with new materials as soon as reasonably possible after the damage occurs. Screen frames shall remain freshly painted at all times.

11.3.3 Shutters. Permitted shutters, if any, shall not be allowed to peel or fade or otherwise appear to be in worn condition.

11.4 Alterations and Improvements by Owners.

11.4.1 Owners' Limited Rights. Developer has established a uniform scheme and appearance of the Building and Improvements, which must be maintained. Therefore, Owners' rights to make alterations and improvements to the exterior and outside of the Building, and alterations, improvements, decorations and changes to Units' interiors that can be seen from outside the Unit, are very limited. THEREFORE, IF THIS DECLARATION FAILS TO PERMIT AN OWNER TO MAKE AN ALTERATION OR IMPROVEMENT THAT FALLS WITHIN THE SCOPE OF THE IMMEDIATELY PRECEDING SENTENCE, THEN SAME SHALL NOT BE PERMITTED. IF IT DOES FALL WITHIN THE SCOPE, THE SAME SHALL BE PERMITTED ONLY IF THE ALTERATION OR IMPROVEMENT FALLS WITHIN THE GUIDELINES REFERRED TO IN SECTION 11.4.2 BELOW (AS AMENDED BY THE BOARD FROM TIME TO TIME), AND UNLESS OTHERWISE STATED, ONLY UPON THE BOARD'S PRIOR WRITTEN APPROVAL.

11.4.2 Architectural Standards. The following constitute architectural standards for the Condominium applicable to Owners. THE FOLLOWING ARE THE ONLY PERMITTED ALTERATIONS AND IMPROVEMENTS REFERRED TO IN SECTION 11.4.1 ABOVE WHICH, UNLESS OTHERWISE STATED, REQUIRE THE BOARD'S PRIOR WRITTEN APPROVAL:

11.4.2.1 Terraces/Verandas/Balconies. No terrace/veranda/balcony enclosures of any kind are permitted, unless made by Developer. The terraces/verandas/balconies shall contain only furnishings typically contained in such areas, neatly arranged for use and not of any unsightly or disorderly nature. No barbecues, exercise equipment, or Jacuzzis shall be permitted on a terrace/veranda/balcony other than those built-in gas barbecues provided with each Unit, if any, or their replacements. The foregoing restrictions shall not apply to rooftop terraces, if any.

11.4.2.2 Shutters. In the event Developer does not install shutters, laminated glass, or window film architecturally designed to function as hurricane protection that complies with the applicable building code, it shall be mandatory for all Owners to have and

maintain such hurricane protection in good working condition. Such hurricane protection, other than that which may be installed by Developer, if any, shall be of such color and specification as the Board shall determine and shall be architecturally designed to function as hurricane protection in compliance with the applicable building code. The shutters, if any, shall be placed in a closed position in the event of a hurricane warning.

11.4.2.3 Doors. Screen doors shall be permitted.

11.4.2.4 Solar Panels/Devices; Roof Ventilators; Turbines; Antennae; Satellite Dishes; Roofs. No solar panels/devices, roof ventilators, turbines, antennae, or satellite dishes in excess of two (2) feet in any dimension (which shall be screened from view in accordance with the Associations' Rules and Regulations), shall be permitted without advance written approval of the Association. No device, including the foregoing, which to be installed requires cutting into the roof membrane shall be allowed without the Association's advance written approval.

11.4.3 Removal of Interior Partition Wall or Unit Floor; Combination of Units.

11.4.3.1 If any Owner desires to remove any interior partition wall, the removal shall be permitted so long as the removal would not materially affect or interfere with the utility services constituting Common Elements, if any, located therein, or the structural integrity of the Building or Improvements. However, if a permit is required, the Owner shall provide a copy of such permit to the Association prior to the start of the work.

11.4.3.2 If any Owner desires to remove any boundary wall or Unit floor between Units to make one (1) dwelling, the same shall be permitted so long as all affected Units are owned by the same Owner and the removal would not materially affect or interfere with the utility services constituting Common Elements, if any, located therein, or the structural integrity of the Building or Improvements. However, such removal shall not alter the percentage of ownership of the Common Elements or sharing in the Common Surplus, nor the sharing of Common Expenses. The foregoing may be made only after obtaining the approval required by Section 22.5.2 below.

11.4.4 Indemnification. An Owner making or causing to be made any such alterations or improvements agrees, and shall be deemed to have agreed, for such Owner, and his heirs, personal representatives, successors and assigns, as appropriate, to hold the Association and all other Owners harmless from any liability or damage to the Condominium Property and expenses arising therefrom.

11.5 Alterations and Improvements by the Association. Subject to the provisions of Sections 15 and 16 below relating to insurance and casualty, the Association shall have the right to make or cause to be made alterations or improvements to the Properties, as are approved by the Board. If the cost of same is five percent (5%) or less of the annual budget cumulatively in a budget year, the Board's approval alone is sufficient. However, if the cost of same shall exceed five percent (5%) of the annual budget cumulatively in a budget year, then the alteration or improvement is deemed to be material and substantial and may not be made unless ratified either before or after the fact by a majority of the Voting Interests of the Association's entire membership. Notwithstanding the foregoing, at no time shall any alteration or improvement made by the Association jeopardize the safety or soundness of the Building and Improvements or interfere with Owners' peaceful use of their Units.

12.4.2.4 Vehicles for handicapped persons, with the term "handicapped" being as defined by any fair housing or accessibility law.

12.4.2.5 Other permitted vans. Subject to the provisions above, a two (2)-axle van as defined below which is not a commercial vehicle as defined below, which contains windows on the rear of the vehicle on both sides of the vehicle adjacent to the first row of seating, and also at least one (1) set of windows on each side of the vehicle beyond the windows adjacent to the first row of seating, and which does not exceed the manufacturer's standard height, width and length for the vehicle.

12.4.2.6 Vehicles referred to in Section 21.2 below with respect to Developer.

12.4.2.7 Police and fire safety vehicles.

12.4.3 Removal of Vehicles. There will be times where vehicles must be removed from the parking areas to accommodate Condominium parking area maintenance, repair, or replacement. Upon reasonable notice from the Association that the foregoing will occur, each Owner, resident, Guest, and invitee shall remove their vehicle for the time period requested, or be in violation of this Section 12.4.

12.4.4 Remedy of Towing. If upon the Association's provision of that notice required by Section 715.07, Florida Statutes, and any applicable ordinance, as amended from time to time, an offending vehicle owner does not remove a prohibited or improperly parked vehicle from Condominium or Association Property, the Association shall have the option and right to have the vehicle towed at the vehicle owner's expense. By this provision, each Owner, Guest, Occupant, Permanent Occupant, and vehicle owner provides the Association with the necessary consent to effect the tow.

12.4.5 Alternative/Concurrent Remedies. Whether or not the Association exercises the Association's right to have a vehicle towed, the Association shall nonetheless have the right to seek compliance with this Section 12.4 by injunctive and other relief through the Courts, and/or any other remedy conferred upon the Association by law or the Condominium Documents. The Association's right to tow shall in no way be a condition precedent to any other remedies available to the Association incident to the enforcement of this Section 12.4.

12.5 Signs. No signs of any type shall be maintained, kept, or permitted on the Properties, including a Unit (interior or exterior) such that they may be viewed from the Common Elements, Limited Common Elements, or other Units, with the following exceptions:

12.5.1 Signs referred to with respect to Developer in Section 21.2 below.

12.5.2 Official notices of the Association.

12.5.3 Signs on permitted vehicles under Sections 12.4.2.1, 12.4.2.2, 12.4.2.3, 12.4.2.4, 12.4.2.6 and 12.4.2.7 above which shall not violate this Section 12.5.

12.6 No Business Activity. No business of any kind whatsoever shall be maintained, operated, carried on, permitted, or conducted on the Properties. Garage sales, yard sales, and the like are also prohibited. Notwithstanding the foregoing:

12.6.1 Any business which qualifies as a home occupation under the applicable zoning code shall be permitted.

12.6.2 The practice of marketing, selling or leasing Units shall not be considered to be a business activity under this Section 12.6.

12.6.3 The business of operating the Association shall not be considered to be a business activity under this Section 12.6.

SECTION 13. LEASING OF UNITS. An Owner may lease only an entire Unit and only in accordance with the Declaration after receiving the Association's prior written approval as provided for in this Section 13. Reference to "leasing" in this Section 13 shall also include rental. Prior written approval is also required in connection with any lease renewal and any change in occupancy under, during, or along with a lease.

13.1 Procedures.

13.1.1 Notice by the Owner. An Owner shall give to the Board or the Board's designee written notice of an intended Transfer or lease at least fifteen (15) days prior to the proposed date of lease execution and occupancy thereunder, together with the name and address of the proposed tenant(s), an executed copy of the proposed lease, and such other information as the Board may reasonably require. The Board may require the personal appearance of any tenant(s), the spouse and any other intended Occupants, as a condition of approval.

13.1.2 Approval. After the required notice and all information, transfer fee, and appearances have been provided to the Board, the Board shall approve or disapprove the proposed Transfer or lease within ten (10) days. If the Board neither approves nor disapproves the lease and the intended Occupants within this time period, such failure to act shall be deemed the equivalent of an approval, and on demand, the Board shall issue a letter of approval to the Owner.

13.1.3 Disapproval. A proposed Transfer or lease shall be disapproved only if a majority of the entire Board so votes, and in such case the lease shall not be made. Notice of disapproval shall be sent or delivered in writing to the Owner.

13.1.4 Failure to Give Notice or Obtain Approval. If proper notice is not given, the Board at the Board's election may approve or disapprove the Transfer or lease.

13.1.5 Unapproved Transfers. Any Transfer or lease which is not approved, or which is disapproved pursuant to the terms of this Declaration, shall be void unless subsequently approved in writing by the Board. The Association shall have the right to remove any Occupant(s) and personal belongings by injunctive relief or by other means provided in this Declaration should this Section 13 be violated.

13.1.6 Application Form. The Association is vested with the authority to prescribe an application form such as may require specific personal, social, financial, and other data relating to the intended tenant(s) and Occupants, as may reasonably be required by the Association to enable the Association to reasonably investigate the intended tenant(s) and Occupants within the time limits extended to the Association for that purpose as set forth in this Section 13. The application shall be completed and submitted to the Association along with and as an integral part of the notice of intended Transfer.

13.1.7 Transfer Fee. The Board is empowered to charge a fee in connection with and as a condition for the approvals set forth in this Section 13, in an amount not to exceed the maximum allowed by applicable law from time to time. So long as and only so long as prohibited by law at the particular time, there shall be no transfer fee in connection with the renewal of a lease, with the same tenant, if the renewed lease term immediately follows the expiration of the previous lease term.

13.1.8 Certain Exceptions; First Mortgagee. Section 13 shall not apply to Units owned by an Institutional Mortgagee that acquires its title as the result of owning a mortgage upon the Unit concerned, and this shall be so, whether the title is acquired by deed from the mortgagor, its successors or assigns, or through foreclosure proceedings. Nor shall such Transfer, lease, or lease renewal require the approval of a purchaser who acquires title to a Unit at a duly advertised public sale with open bidding provided by law, such as but not limited to execution sale, foreclosure sale, judicial sale or tax sale. Notwithstanding the foregoing, this Section 13.1.8 shall not be construed to exempt the foregoing from compliance or permit the foregoing to be in noncompliance with the Condominium Act and all other provisions of the Condominium Documents; and the grantee (other than another Institutional Mortgagee) of the foregoing shall not be exempt from the requirements of this Section 13.

13.2 Contents in Lease Agreement. Every lease as of the Effective Date of this Declaration, whether oral or written shall contain, and if it does not contain, shall automatically be deemed to contain, the following:

13.2.1 The tenant and all Occupants shall abide by all provisions of the Condominium Documents.

13.2.2 The parties recognize that the Association, as agent for the landlord/Owner, has the power to evict or eject tenants and Occupants under Chapter 83, Florida Statutes, or otherwise, for violations of the Condominium Documents.

13.3 Subleasing; Renting Rooms. Subleasing of a Unit shall be absolutely prohibited. Furthermore, no rooms shall be rented in any Unit. The intention is that only entire Units may be rented, and Units may not be sublet.

13.4 Frequency of Leasing. No lease shall be made more often than four (4) times in any calendar year. For purposes of calculation, a lease shall be considered as made on the first day of the lease term.

13.5 Minimum and Maximum Lease Terms. No lease shall be made with a lease term which is less than ninety (90) consecutive days or more than twelve (12) consecutive months in duration.

SECTION 14 OWNERSHIP AND TRANSFER OF OWNERSHIP OF UNITS. In order to maintain a community of congenial, financially-responsible residents with the objectives of protecting the value of the Units, inhibiting transiency, and facilitating the development of a stable, quiet community and peace of mind for all residents, the transfer of the ownership of a Unit shall be subject to the following provisions so long as the Condominium exists, which provisions each Owner agrees to observe.

14.1 Forms of Ownership.

14.1.1 General. Except as otherwise provided in this Section 14.1, there is no limitation with regard to how a Unit may be owned.

14.1.2 Life Estate. A Unit may be subject to a life estate, either by operation of law or by a voluntary conveyance approved under Section 14.2 below. In that event, the life tenant shall be the only Association Member from such Unit, and the occupancy of the Unit shall be as if the life tenant was the only Owner. Upon termination of the life estate, the holders of the remainder interest shall have no occupancy rights unless separately approved by the Association. The life tenant shall be liable for all Assessments and Charges against the Unit. Any consent or approval required of Association members may be given by the life tenant alone, and the consent or approval of the holders of the remainder interest shall not be required or permitted. If there is more than one (1) life tenant, the life tenants shall be treated as co-Owners.

14.1.3 Ownership by Corporations, Business-Named Partnerships, or Limited Liability Companies. A Unit may be owned by a corporation, business-named partnership, or limited liability company (the foregoing hereinafter collectively referred to as the "Entity") if approved in the manner provided for under Section 14.2 of this Declaration. This provision's intent is to allow flexibility in estate, financial or tax planning, and not to create circumstances in which the Unit may be used as short-term, transient accommodations for several individuals or families. The approval of the Entity under Section 14.2 shall be conditioned upon designation by Entity of one (1) natural person to be the Primary Occupant, which Primary Occupant and other intended Occupants shall also be subject to approval along with the Entity. All references to Owner or Member in the Condominium Documents as to use and occupancy of and voting and other membership rights with respect to the Unit owned by the Entity shall mean and refer to the Primary Occupant; this shall not, however, relieve the Entity of any of the Entity's responsibilities and obligations under the Condominium Documents. The foregoing provisions place personal responsibility and liability upon the Primary Occupant; such personal responsibility and liability exists notwithstanding any provision to the contrary contained in the articles of incorporation or bylaws of the corporate Owner, contained in any partnership agreement of the partnership, or in the regulations of the limited liability company. Any change in the Primary Occupant shall be treated as a transfer of ownership by the Entity subject to the provisions of Section 14.2 of this Declaration. Notwithstanding the foregoing, this Section 14.1.3 shall not apply to Developer.

14.1.4 Ownership by Trustees. If a Unit is owned by trustee(s), the trustee(s) shall have liability to the Association in their individual capacity and not as trustee(s).

14.2 Transfer of Ownership of Units.

14.2.1 Transfers Subject to Section 14.2.

14.2.1.1 Sale or Gift. No Owner may dispose of a Unit or any interest in the Unit by sale or gift (including agreement for deed) without the Board's prior written approval.

14.2.1.2 Devise or Inheritance. If any Owner acquires title by devise or inheritance, the right to occupy or use the Unit shall be subject to the Board's approval.

14.2.1.3 Other Transfers. If any person acquires title in any manner not considered in the foregoing Sections 14.2.1.1 or 14.2.1.2, the right to occupy or use the Unit

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shall be subject to the Board's approval (that person having no right to occupy or use the Unit before being approved by the Board) under the procedures outlined in Section 14.2.2 below.

14.2.2 Procedures.

14.2.2.1 Notice to Association.

14.2.2.1.1 Sale or Gift. An Owner intending to make a sale or gift of his Unit or any interest in the Unit shall give to the Board or the Board's designee written notice of such intention at least thirty (30) days prior to the intended closing date, together with the name and address of the proposed purchaser or donee, an executed copy of the sales contract, if any, and such other information as the Board may reasonably require. The Board may require the personal appearance of any purchaser(s) or donee(s) and the spouse and other intended Occupants, as a condition of approval.

14.2.2.1.2 Devise, Inheritance or Other Transfers. The transferee(s) must notify the Board of the change in ownership and submit a certified copy of the instrument evidencing the change in ownership and such other information as the Board may reasonably require. The transferee(s) shall have no occupancy or use rights unless approved by the Board.

14.2.2.1.3 Demand. With the notice required in Section 14.2.2.1.1 above, the Owner or transferee seeking approval may make a written demand that if the transfer is disapproved without good cause, the Association shall furnish an approved alternate purchaser upon the same price and terms as in the disapproved sales contract, or if no contract is involved, for the fair market value of the Unit determined as provided below. This obligation of the Association exists only if the written demand is made by the Owner or transferee along with and at the same time as the provision of the Section 14.2.2.1.1 notice.

14.2.2.1.4 Failure to Give Notice. If no notice is given, the Board, at the Board's election, may approve or disapprove at the time the Board learns of the transfer. If any Owner fails to obtain the Association's approval prior to selling an interest in a Unit, or making a gift of the Unit, such failure shall create a rebuttable presumption that the seller and the purchaser, or Owner making the gift, intended to violate the covenants of this Declaration, and shall constitute good cause for Association disapproval.

14.2.2.2 Approval. Within twenty (20) days after receipt of the required notice, transfer fee, personal appearances and information requested, the Board shall approve or disapprove the transfer. If a transfer is approved, the approval shall be stated in a Certificate of Approval executed by the Association's President or Vice-President in recordable form and delivered to the transferee. If the Board neither approves nor disapproves within this twenty (20)-day time limit, such failure to act shall be deemed the equivalent of approval and on demand the Board shall issue a Certificate of Approval to the transferee.

14.2.2.3 Disapproval.

14.2.2.3.1 With Good Cause. The Association's approval shall be withheld if a majority of the whole Board so votes. Only the following may be deemed to constitute good cause for disapproval: (i) the person seeking approval or intended Occupants have been convicted of a felony involving violence to persons or property, or a felony demonstrating dishonesty or moral turpitude; (ii) the person seeking approval has a record of

financial irresponsibility, including without limitation prior bankruptcies, foreclosures or bad debts; (iii) the person seeking approval or intended Occupants have evidenced an attitude of disregard for covenants or restrictions applicable to the Condominium and/or Rules and Regulations of the Association or the Corporation, by his conduct in this Condominium as a tenant, Owner or Occupant of a Unit, or by such attitude at the personal appearance before the Board or its designee; or (iv) the person seeking approval has failed to provide the information, fees or appearances required to process the application in a timely manner, or provided false information during the application process.

14.2.2.3.2 Without Good Cause. If the Board disapproves without good cause, and if the Owner or transferee has made the demand set forth in Section 14.2.2.1.3 above, then within thirty (30) days after the Board meeting at which the disapproval took place, the Board shall deliver in writing to the Owner or transferee (hereafter "the Seller") the name of an approved purchaser who will purchase the Unit upon substantially the same price and terms as in the disapproved sales contract. If no sales contract was involved, or if the Association challenges the contract price as not being a good faith purchase price, then the purchase price shall be paid in cash, and the price to be paid shall be determined by agreement, or in the absence of agreement, shall be the fair market value determined by the arithmetic average of appraisals by two (2) MAI appraisers, one (1) selected by the seller and the other by the Association. The cost of the appraisals and all other closing costs in cases where no sales contract is involved, shall be shared equally by the purchaser and Seller, except that the purchaser shall pay for Purchaser's title insurance, and all costs of mortgage financing; real property taxes and Assessments and Charges shall be prorated for the year of closing and the parties shall bear their own attorneys' fees, if any. The closing shall take place no longer than sixty (60) days after the date of Board disapproval or thirty (30) days after determination of fair market value by appraisal, whichever occurs last. Failure to close by the Seller shall constitute a breach of contract and shall entitle the purchaser to specific performance or damages.

14.2.2.3.3 If the Board fails to deliver the name of the approved purchaser within thirty (30) days as required above, or if the approved purchaser defaults in his/her purchase, then the original proposed purchaser shall be deemed to be approved, despite the Board's former disapproval, and upon demand a Certificate of Approval shall be issued.

14.3 General Provisions.

14.3.1 Unapproved Transfers. Any Transfer which is not approved, or which is disapproved pursuant to the terms of this Declaration, shall be void unless subsequently approved in writing by the Board. The Association shall have the right to remove any Occupant(s) and personal belongings by injunctive relief or by other means provided in this Declaration should this Section 14 be violated.

14.3.2 Application Form. The Association is vested with the authority to prescribe an application form such as may require specific personal, social, financial, and other data relating to the intended purchasers or new Owners, and Occupants, as may reasonably be required by the Association in order to enable the Association to reasonably investigate the intended purchasers, new Owners and Occupants within the time limits extended to the Association for that purpose as set forth in this Section 14. The application shall be complete and submitted to the Association along with and as an integral part of the notice of intended Transfer.

14.3.3 Transfer Fee. The Board is empowered to charge a fee in connection with and as a condition for the approvals set forth in this Section 14 in the amount not to exceed the maximum allowed by applicable law from time to time.

14.3.4 Certain Exceptions. Section 14.2 shall not apply to a transfer to or purchase by an Institutional Mortgagee that acquires its title as the result of owning a mortgage upon the Unit concerned, and this shall be so whether the title is acquired by deed from the mortgagor, its successors or assigns, or through foreclosure proceedings; nor shall such Section 14.2 apply to a transfer or sale by an Institutional Mortgagee that so acquires its title. Nor shall this Section require the approval of a purchaser who acquires title to a Unit at a duly advertised public sale with open bidding provided by law, such as but not limited to execution sale, foreclosure sale, judicial sale or tax sale. Notwithstanding the foregoing, this Section 14.3.4 shall not be construed to exempt the foregoing from compliance or permit the foregoing to be in noncompliance with the Condominium Act and all other provisions of the Condominium Documents; nor shall the grantee (other than another Institutional Mortgagee) of the foregoing be exempt from the requirements of Section 14.2 above.

14.3.5 Additional Exceptions. Section 14.2 above shall not apply to transfers of title to or from Developer or by the Owner thereof to his spouse, adult children, parents, parents-in-law, adult siblings or a trustee, corporation or other entity where the Owner or the aforementioned related persons are and continue to be the sole beneficiary or equity Owner of such trustee, corporation or other entity.

SECTION 15. INSURANCE. In order to adequately protect the Properties that are required to be insured by the Association, insurance shall be carried and kept in force at all times in accordance with the following provisions.

15.1 Duty and Authority to Obtain. The Board shall obtain and keep in force the insurance coverage which the Association is required to carry by law and under the Condominium Documents, and may obtain and keep in force any or all additional insurance coverage as the Board deems necessary. The insured's name shall be the Association and Owners without naming them, and their mortgagees, as their interests shall appear. To the extent permitted by law, and by the insurance guidelines as published from time to time by FNMA, the Association may self-insure.

15.2 Required Coverage. The Association shall maintain adequate insurance covering the minimum Properties which the Condominium Act requires, as the Act is amended from time to time, in an amount determined annually by the Board, such insurance to afford the following protection:

15.2.1 Property. Loss or damage by fire, extended coverage (including windstorm), vandalism and malicious mischief, and other hazards covered by the standard "All Risk" property contract.

15.2.2 Liability. Premises and operations liability for bodily injury and property damage in such limits of protection and with such coverage as required by the Board of the Association, with cross liability endorsement to cover liabilities of Owners as a group, to an Owner.

15.2.3 Automobile. Automobile liability for bodily injury and property damage for all hired and/or non-owned motor vehicles in such limits or protection and with such coverage as may be required by the Board.

15.2.4 Workers' Compensation. The Association shall maintain Workers' Compensation insurance on at least a minimum premium basis.

15.2.5 Statutory Fidelity Bond. A minimum of that required by the Condominium Act, per person having access to Association funds.

15.2.6 Directors and Officers Liability Insurance. To the extent available, the Association shall purchase insurance to protect the persons referred to in Article VII of the Articles of Incorporation.

15.3 Optional Coverage. The Association may purchase and carry other such insurance coverage as the Board may determine to be in the best interests of the Association and the Owners. Some of the more common options include:

15.3.1 Flood insurance.

15.3.2 Boiler and Machinery Coverage Endorsement (including breakdown on air conditioning equipment).

15.3.3 Scheduled equipment floater (protection for specialized mobile equipment).

15.3.4 Broad Form Comprehensive General Liability Endorsement.

15.3.5 Elevator liability and elevator collision.

15.3.6 Medical payments.

15.3.7 Leakage, seepage and wind-driven rain.

15.3.8 Plate glass insurance - perimeter Unit walls.

15.3.9 Employment Liability.

15.4 Description of Coverage. A detailed summary of the coverage included in the master policies, and copies of the master policies, shall be available for inspection by Owners or their authorized representatives upon written request.

15.5 Waiver of Subrogation. If available and where applicable, the Board shall endeavor to obtain insurance policies that provide that the insurer waives the insurer's right to subrogation as to any claim against the Developer, Association, Owners, or their respective servants, agents or guests, except for any claim based upon gross negligence evidencing reckless, willful and wanton disregard for life or property.

15.6 Insurance Proceeds. All insurance policies purchased solely by the Association shall be for the benefit of the Association, Owners, and their mortgagees as their interests may appear, and all proceeds shall be payable to the Association. The Association's duty shall be to receive such proceeds as are paid and hold and disburse them in trust for the purposes stated in this Declaration and for the benefit of Owners and their respective mortgagees in the following shares:

15.6.1 Common Elements and/or Association Property. Proceeds on account of damage to Common Elements and/or Association Property shall be held in as many undivided shares as there are Units, the shares of each Owner being the same as each Owner's Undivided Share in the Common Elements.

15.6.2 Units. Proceeds on account of damage within Units shall be held in undivided shares based on the prorated amount of damage within each damaged Unit as a percentage of the total damage within all Units.

15.6.3 Mortgagee. If a mortgagee endorsement has been issued as to a Unit, the shares of the mortgagee and the Owner shall be as their interests appear. In no event shall any mortgagee have the right to demand application of insurance proceeds to any mortgage or mortgages which it may hold against Unit(s), except as otherwise provided in this Section 15 or Section 16 below. No mortgagee shall have any right to participate in determining whether improvements will be restored after casualty.

15.7 Distribution of Proceeds. Proceeds of insurance policies received by the Association shall be distributed to or for the benefit of Owners in the following manner:

15.7.1 Cost of Reconstruction or Repair. If the damage for which the proceeds are paid is to be reconstructed or repaired by the Association, the proceeds shall be paid to defray the costs. Any proceeds remaining after defraying the costs shall be distributed to the beneficial Owners, with remittances to Owners and their mortgagees being paid jointly. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by the mortgagee. This remittance shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application of the insurance proceeds to the payment or reduction of its mortgage debt.

15.7.2 Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided in this Declaration that the damages for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial Owners, remittances to Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by the mortgagee. This remittance shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application of the insurance proceeds to the payment of its mortgage debt.

15.8 Association as Agent. The Association is hereby irrevocably appointed as agent for each Owner to adjust all claims arising under insurance policies purchased by the Association for damage or loss to the Properties and to execute and deliver releases upon the payment of such claims.

15.9 Owners. Owners may, but shall not be required, to procure the title insurance, and insurance upon their personal property and for their personal liability and living expense and for any other risks not otherwise insured by the Association in accordance with this Section 15. Owners may at their option purchase insurance for Properties that are also insured by the Association under this Section 15. Insurance purchased by Owners under this Section 15.9 shall be so purchased at their own expense. Unless the Association elects otherwise, the insurance purchased by the Association shall not cover claims against an Owner due to accidents occurring within his Unit, nor casualty or theft loss to the contents of an Owner's Unit. It shall be the

obligation of the individual Owner, if such Owner so desires, to purchase and pay for insurance as to all such and other risks not covered by insurance carried by the Association.

SECTION 16. RECONSTRUCTION OR REPAIR AFTER CASUALTY. If any part of the Properties is damaged by casualty, whether and how same shall be reconstructed or repaired shall be determined as follows:

16.1 Damage to Units. Where loss or damage occurs within one (1) or more Units, any Association insurance proceeds on account of the loss or damage, less the deductible, shall be distributed to the Owner(s) of the damaged Unit(s) in shares as provided for in Section 15.6 above, and to the Owner(s)' mortgagees, being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by the mortgagee. This remittance shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application of the insurance proceeds to the payment or reduction of its mortgage debt. The Owner(s) of the damaged Unit(s) shall thereupon be responsible for reconstruction and repair.

16.2 Damage to Common Elements and Association Property - Less than "Very Substantial". Where loss or damage occurs to the Common Elements, Limited Common Elements and/or Association Property, but the loss is less than "very substantial", as defined in Section 16.3 below, it shall be mandatory for the Association to repair, restore and rebuild the damage caused by the loss, and the following procedures shall apply:

16.2.1 The Board shall promptly obtain reliable and detailed estimates of the cost of repair and restoration, and shall negotiate and contract for repair and reconstruction.

16.2.2 If the proceeds of insurance and available reserves are insufficient to pay for the cost of repair and of the Common Elements and/or Association Property, the Association shall promptly, upon determination of the deficiency, either utilize existing available funds of the Association; or if necessary or desirable, levy a Special Assessment against all Owners for the deficiency. Notwithstanding any other provision in this Declaration to the contrary, such Special Assessment need not be approved by Owners. The Special Assessment shall be added to the funds available for repair and restoration of the Properties.

16.3 "Very Substantial" Damage. As used in this Declaration, the term "very substantial" damage shall mean that two-thirds (2/3) or more of the Units in the Building are or have been rendered untenable by casualty loss or damage.

16.4 Determination Whether to Reconstruct. Should Very Substantial Damage occur as defined in Section 16.3 above:

16.4.1 The Board shall promptly obtain reliable and detailed estimates of the cost of repair and restoration.

16.4.2 A membership meeting shall be called by the Board to be held not later than ninety (90) days after the Board has obtained the estimates referred to in Section 16.4.1 above and has been able to locate not less than two-thirds (2/3) of the membership of the Association to determine the opinion of such membership with reference to rebuilding or termination of the Condominium, subject to the following:

16.4.2.1 If the insurance proceeds and reserves available for restoration and repair are sufficient to cover the cost so that no Special Assessment will be required, then the Condominium shall be restored or repaired unless two-thirds (2/3) of the voting interests of the membership shall vote for termination, or unless the then applicable zoning or other regulatory laws will not allow reconstruction of the same number and general type of Units, in either of which cases the Condominium shall be terminated.

16.4.2.2 (i) If the insurance proceeds and reserves available for restoration and repair are not sufficient to cover the costs thereof so that a Special Assessment will be required, then unless two-thirds (2/3) of the voting interests of the membership of the Association vote in favor of such Special Assessment and against termination of the Condominium, the Condominium shall be terminated. (ii) If two-thirds (2/3) of the voting interests of the Association approve the Special Assessment, the Association, through its Board, shall levy such Special Assessment and shall proceed to negotiate and contract for necessary repairs and restoration. The Special Assessment shall be added to the funds available for repair and restoration of the property as to the Units with Very Substantial Damage.

16.4.2.3 If any dispute shall arise as to whether Very Substantial Damage has occurred, a determination by the Board shall be binding upon all Owners.

16.5 Application of Insurance Proceeds. It shall be presumed that the first monies disbursed for repair and restoration are from the insurance proceeds. If there is a balance in the funds held by the Association after the payment of all costs of repair and restoration, such balance shall be distributed to Owners, except as otherwise provided in Sections 15 or 16 of this Declaration.

16.6 Equitable Relief. In the event of damage to the Common Elements which renders any Unit untenantable, and the damage is not repaired, reconstructed, or rebuilt within a reasonable period of time, the Owner of the untenantable Unit may petition a Court for equitable relief, which may include a termination of the Condominium or a partition. For the purposes of this provision, it shall be presumed that repair, reconstruction or rebuilding has occurred within a reasonable period of time if substantial work is commenced within four (4) months following the damage or destruction and is completed within nine (9) months thereafter.

16.7 Plans and Specifications. Any reconstruction or repairs must be made substantially in accordance with the Plans and Specifications for the original Building and Improvements; or otherwise according to different plans and specifications approved by the Board, by the vote of not less than three-fourths (3/4) of the voting interests of the membership, and by the Primary Institutional Mortgagee, if any.

16.8 Termination. In the event of termination of the entire Condominium, the provisions of Section 18 below shall apply.

SECTION 17. CONDEMNATION OR EMINENT DOMAIN.

17.1 Deposit of Awards with Association. The taking of all or any part of the Properties by condemnation or eminent domain shall be deemed to be a casualty to the portion taken and the awards for that taking shall be deemed to be proceeds from insurance on account of the casualty. Even though the awards may be payable to Owners, Owners shall deposit the awards with the Association; and if any fail to do so, a Charge shall be made against a defaulting Owner in the amount of his award, or the amount of that award shall be set off against any sums payable to that Owner; the Charge shall be collected as provided for in this Declaration.

17.2 Determination Whether to Continue Condominium. Whether the Condominium will be continued after condemnation will be determined in the same manner provided for determining whether damaged property will be reconstructed and repaired after a casualty.

17.3 Disbursement of Funds. If the Condominium is terminated after condemnation, the proceeds of all awards and Special Assessments will be deemed to be Condominium Property and shall be owned and distributed in the manner provided for insurance proceeds when the Condominium is terminated after a casualty. If the Condominium is not terminated after condemnation, the size of the Condominium will be reduced; Owners of condemned Units, if any, will be made whole, and any property damaged by the taking will be made usable in the manner provided below. Proceeds of awards and Special Assessments shall be used for these purposes and shall be disbursed in the manner provided for disbursements of funds after a casualty.

17.4 Association as Agent. The Association is hereby irrevocably appointed as each Owner's attorney-in-fact for purposes of negotiating or litigating with the condemning authority for the purpose of realizing just compensation.

17.5 Units Reduced but Habitable. If the condemnation reduces the size of a Unit and the remaining portion of the Unit can be made habitable, the awards for the taking of a portion of that Unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the Condominium:

17.5.1 Restoration of Unit. The Unit shall be made habitable. If the cost of the restoration exceeds the amount of the award, the additional funds required shall be paid by the Unit's Owner.

17.5.2 Distribution of Surplus. The balance of the award, if any, shall be distributed to the Unit's Owner and to each mortgagee of the Unit, the remittance being made payable jointly to the Owner and mortgagees.

17.5.3 Adjustment of Shares in Common Elements. If a Unit's floor area is reduced by the taking, the number representing the share in the Common Elements appurtenant to the Unit shall be reduced in the proportion by which the Unit's floor area is reduced by the taking, and then the shares of all Owners in the Common Elements shall be restated as percentages of the total of the numbers representing their original shares as reduced by the taking.

17.6 Unit Made Uninhabitable. If the condemnation is of an entire Unit or reduces the size of a Unit so that it cannot be made habitable, the award for the taking of the Unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the Condominium:

17.6.1 Payment of Award. The Unit's fair market value immediately prior to the taking shall be paid to the Unit's Owner and to each mortgagee of the Unit, the remittance being made payable jointly to the Owner and mortgagee(s).

17.6.2 Addition to Common Elements. If possible and practical, the Unit's remaining portion shall become a part of the Common Elements and shall be placed in condition for use by some or all Owners in a manner approved by the Board.

17.6.3 Adjustment of Shares in Common Elements. The shares in the Common Elements appurtenant to the Units that continue as part of the Condominium shall be adjusted to distribute the ownership of the Common Elements among the reduced number of Owners. This shall be done by restating the shares of continuing Owners in the Common Elements as percentages of the total of the numbers representing the shares as they existed prior to the adjustment.

17.6.4 Assessments. If the amount of the award for the taking is not sufficient to pay the fair market value of the condemned Unit to the Owner and to condition the remaining portion of the Unit for use as a part of the Common Elements, the additional funds required for those purposes shall be raised by Special Assessment against all Owners who will continue as Owners of Units after the changes in the Condominium affected by the taking. The Special Assessments shall be made in proportion to the shares of those Owners in the Common Elements after the changes affected by the taking.

17.6.5 Arbitration. If a Unit's fair market value prior to the taking cannot be determined by agreement between the Owner and the Association within thirty (30) days after notice by either party, the value shall be determined by appraisal in accordance with the following. The Owner, the first mortgagee, if any, and the Association shall each appoint one (1) qualified appraiser, who shall appraise the Unit and determine the fair market value by computing the arithmetic average of their appraisals of the Unit. A judgment of specific performance upon the fair market value calculated in this way may be entered in any Court of competent jurisdiction. Each party shall bear the cost of its own appraiser.

17.7 Taking of Common Elements and Association Property. Awards for the taking of Common Elements and Association Property shall be used to make the remaining portion of the Common Elements usable in a manner approved by the Board. The balance of such awards, if any, shall be distributed to Owners in the shares in which they own the Common Elements after adjustment of these shares on account of the condemnation, if any. If a Unit is mortgaged, the remittance shall be paid jointly to the Owner and the mortgagee(s) of the Unit.

17.8 Amendment of Declaration. Any changes in Units and in the Common Elements, in the ownership of the Common Elements, and in the sharing of Common Expenses that are necessitated by condemnation shall be accomplished by amending this Declaration. Such amendment need be approved only by a majority of all Directors. The consent of Owners or lienholders is not required for any such amendment.

17.9 Priority-Conflict. In the event of any conflict between Section 16 and this Section 17, the provisions of this Section 17 shall control and govern.

SECTION 18. TERMINATION. The Condominium may be terminated in the following manner in addition to the manner provided in Condominium Act:

18.1 Agreement. The Condominium may be terminated at any time by the approval in writing of all of Owners of Units in the Condominium and by all record mortgagees.

18.2 Very Substantial Damage. If the Building, as a result of casualty, suffers Very Substantial Damage as defined in Section 16 of this Declaration, or Section 17.2 applies and it is not decided as provided in those Sections that the Building will be reconstructed or repaired, the Condominium form of ownership of the property in this Condominium will terminate without agreement.

18.3 General Provisions. Upon termination, the former Owners shall become Owners, as tenants in common, of all Condominium and Association Property and the assets of the Association. The shares of such tenants in common shall be the same as were their Undivided Shares of the Common Elements. The mortgagee or lienor of an Owner, shall have a mortgage or lien solely and exclusively upon the Undivided Share of such tenant in common in and to the lands and other properties and rights which such tenant in common may receive by reason of such termination. The termination of the Condominium shall be evidenced by a certificate of the Association executed by its President and Secretary certifying as to facts effecting the termination. Termination shall become effective when that certificate is recorded in the Public Records of the County.

18.4 New Condominium. The Condominium's termination does not bar creation of another Condominium affecting all or any portion of the same property.

18.5 Sale; Partition.

18.5.1 Very Substantial Damage. Except as may be provided otherwise in Section 18.5.2 below, following termination the former Condominium Property and the Association Property may be partitioned and sold upon the application of any Owner. If following a termination, at least seventy-five percent (75%) of the voting interests of Owners determine to accept an offer for the sale of the property, all Owners shall be bound to execute deeds and other documents reasonably required to effect the sale. In such event, any action for partition of the property shall be held in abeyance pending the sale, and upon the consummation of the sale, shall be discontinued by all parties.

18.5.2 By Agreement (Other Than For Very Substantial Damage). If the proposed termination is submitted to a meeting of the membership of the Association, pursuant to notice, and is approved in writing within sixty (60) days of said meeting by seventy-five percent (75%) of the voting interests of all members of the Association, and by all Institutional Mortgagees, then the Association and the approving Owners, if they desire, shall have an option to purchase all of the Units of the other Owners within a period expiring one hundred twenty (120) days from the date of such meeting. Such approvals shall be irrevocable until the expiration of the option and if the option is exercised, the approvals shall be irrevocable. During this option period, and up through the date of closing on the option, no actions for partition shall lie. The option shall be exercised upon the following terms:

18.5.2.1 Exercise of Option. An agreement to purchase executed by the Association and/or the record Owners of the Units who will participate in the purchase, shall be delivered by personal delivery or mailed by certified or registered mail, to each of the record Owners of the Units to be purchased, and such delivery shall be deemed the exercise of the option. The agreement shall indicate which Units will be purchased by each participating Owner and/or the Association, and shall require the purchase of all Units owned by Owners not approving

the termination, but the agreement shall effect a separate contract between the seller and his purchaser.

18.5.2.2 Price. The sale price for each Unit shall be the fair market value determined by agreement between the seller and the purchaser within thirty (30) days from the delivery or mailing of such Agreement and, in the absence of agreement as to price, it shall be determined by appraisers appointed by a Judge of the Circuit Court in and for the County, on the petition of the seller. The purchaser shall pay the expense of appraisal.

18.5.2.3 Payment. The purchase price shall be paid in cash.

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

18.6 Last Board. The members of the last Board shall continue to have the powers granted in the Condominium Documents for the purpose of winding up the affairs of the Association, notwithstanding the fact that the Association itself may be dissolved upon termination of the Condominium.

18.7 Provisions Survive Termination. The provisions of this Section 18 shall be deemed covenants running with the land, and shall survive the termination of the Condominium until all matters covered by those provisions have been completed.

SECTION 19. COMPLIANCE AND DEFAULT; REMEDIES.

19.1 Duty to Comply; Right to Sue.

19.1.1 Each Owner, Guest, Occupant, tenant and other invitee, and the Association, shall be governed by and shall comply with the provisions of the Condominium and Corporate Acts and the Condominium Documents. Actions for damages, for injunctive relief, and/or for declaratory relief, for failure to comply may be brought by the Association, by an Owner or by a Guest, Occupant, tenant or other invitee occupying a Unit against:

19.1.1.1 The Association;

19.1.1.2 Any Owner;

19.1.1.3 Any member of the Board who willfully and knowingly fails to comply with these provisions.

19.1.1.4 Any tenant leasing a Unit, and any other Guest, Occupant or invitee occupying a Unit.

19.1.2 Any Owner prevailing in an action between the Association and the Owner and if entitled to recover attorneys' fees, may recover additional amounts determined by a court to be necessary to reimburse him for his share of Assessments levied by the Association to fund its expenses of the litigation.

19.1.3 The Association shall also have any other remedies provided for in the Condominium Documents and law.

19.1.4 The mandatory procedures regarding the non-binding arbitration of disputes set forth in Florida Statutes, 718.1255, as amended from time to time, and the applicable Administrative Rules, shall be followed and shall apply so long as they exist and apply.

19.1.5 Notwithstanding anything contained herein to the contrary, the Association shall be required to obtain the approval of Owners of three-fourths (3/4) of all Units (at a duly called meeting called by the Members on behalf of the Association at which a quorum is present) prior to the payment of, retaining or contracting for legal or other fees to persons or entities engaged by the Association for the purpose of suing, or making, preparing or investigating any lawsuit, or commencing any lawsuit other than for the following purposes:

19.1.5.1 the collection of Assessments;

19.1.5.2 The collection of other charges which Owners are obligated to pay pursuant to the Condominium Documents;

19.1.5.3 The enforcement of the use and occupancy restrictions contained in the Condominium Documents;

19.1.5.4 The enforcement of the restrictions on the sale and other transfer of Units contained in the Condominium Documents;

19.1.5.5 In an emergency where waiting to obtain the approval of Owners creates a substantial risk of irreparable injury to the Condominium Property or to Owner(s) (the imminent expiration of a statute of limitations shall not be deemed an emergency obviating the need for the requisite vote of three-fourths (3/4) of Owners); or

19.1.5.6 Filing a compulsory counterclaim.

Notwithstanding other provisions in this Declaration, Section 19.1 shall not be amended except by the affirmative vote of a majority of the entire Board and seventy-five percent (75%) of the voting interests of the Members.

19.2 Association Notice to Correct. If any Owner shall fail to properly discharge the maintenance, repair and replacement obligations as provided for in Sections 11.2, 11.3, and 11.4 above, or shall fail to make and pay for maintenance, repair or replacement as provided for in Sections 11.2, 11.3 and 11.4 above and in the judgment of the Board, the same shall result in a condition of unsightliness tending to adversely affect the value or enjoyment of neighboring Owners and residents, or should any Owner violate Sections 11.2, 11.3 or 11.4 above, or should the neglect or the willful misconduct of Owner(s) cause damage which then requires maintenance, repair or replacement by the Association, then the following shall apply:

19.2.1 The Board may (but shall not be required to) provide notice of such condition(s) to the proper Owner(s), demanding that the condition(s) be corrected within thirty (30) days from the date the notice was sent. If the Owner does not rectify the condition at the end of this period, then the Association may seek a court order authorizing it to contract to have the necessary work performed (and entry onto the Unit), whereupon the cost of this work shall become a charge against the Owner and Unit concerned (solely or proportionately as the Board shall determine) and collectible as Charges are collected under this Declaration.

19.2.2 Provisos. Notwithstanding any provision to the contrary in this Section 19.2: (i) the thirty (30)-day notice period may be shortened or eliminated if the Board determines that an emergency exists to effect correction, and (ii) the thirty (30)-day notice shall not apply to Section 19.3 below.

19.3 Negligence; Damage Caused by Condition on Unit. Each Owner shall be liable to the Association for the expenses of any maintenance, repair or replacement of Common Elements, Limited Common Elements and Association Property made necessary by his act or negligence, or by that of any member of his family or his guests, employees, agents, or lessees. If any condition, defect or malfunction existing on a Unit, whether caused by the Owner's negligence or otherwise, shall cause damage to the Properties, the Owner of the offending Unit shall be liable to the person or entity responsible for repairing the damaged areas, for all costs of repair or replacement not paid by insurance. If the Association effects correction, the cost shall be levied as a Charge against the Owner and Unit and collectible as Charges are collected under this Declaration, and the Association may, but is not required to, provide notice to the Owner prior to effecting correction.

19.4 Association's Access onto the Properties; Key.

19.4.1 The Association, by and through the Board, officers, or the agents or employees of the Association, has an irrevocable right of access to each Unit during reasonable hours, when necessary for the maintenance, repair or replacement of those Properties for which the Association is obligated to maintain, repair and replace under this Declaration.

19.4.2 Each Owner shall deposit a key to the Unit with the Association. Should the Owner change any lock or install or add a new one, the Owner shall deposit the new additional key(s) with the Association. The Association's use of the key to gain access to a Unit shall be limited to the need to perform maintenance, repairs, replacement, alterations and protection of the Condominium and Association Property. Should the Owner fail to provide a key, and should the Association be required to gain access to a Unit, the Owner shall be liable for any damage caused by the Association to the Unit and Common Elements resulting from the Association's forced entry into the Unit for the purposes stated in this Section 19.4.

19.5 Owners' Responsibility. Owners are strictly responsible to ensure that their family members, Guests, agents, tenants, servants, etc. or any Occupants of their Units comply with the Condominium Documents, and all applicable statutes and laws. As such, Owners are responsible and liable to the Association for violations of the Condominium Documents by their family members, Guests, agents, tenants, servants, etc. or any Occupants of their Units.

19.6 Waiver of Rights. The failure of the Association or of a Member to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or Member to enforce such right, provision, covenant or condition in the future.

19.7 Costs and Attorneys' and Paralegal Fees. Except and to the extent otherwise provided in Florida Statutes Section 718.1255, as amended from time to time, and the applicable Administrative Rules, in any legal proceeding arising out of an alleged failure of an Owner (for himself/herself or for his/her family members, Guests, agents, tenants, servants, etc. or any Occupants of the Unit), or the Association to comply with the Condominium Documents, or law, the prevailing party shall be entitled to recover costs of the proceedings and attorneys' fees and paralegals' charges (including appellate attorneys' fees and paralegals' charges).

19.8 No Election of Remedies. All rights, remedies and privileges granted to the Association or Owners under any terms, provisions, covenants, or conditions of the Condominium Documents or law, shall be deemed to be cumulative, and the exercise of any one (1) or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party from exercising such other additional rights, remedies, or privileges as may be granted by the Condominium Documents or at law or in equity.

19.9 Eviction of Tenants and Occupants. Except and to the extent otherwise provided in or barred by Florida Statutes Section 718.1255, as amended from time to time, and the applicable Administrative Rules, the Association possesses all rights and remedies of the lessor/Owner under Chapter 83, Florida Statutes, for the purposes of enforcing against violations of the Condominium Documents. If tenants and/or Occupants shall be in non-compliance with any of the Condominium Documents, the following may occur. Such non-compliance shall be a breach of the Condominium Documents and therefore a breach of the lease. The Association on behalf of the lessor/Owner may terminate the lease, and re-enter and re-take possession of the Unit for and on behalf of the lessor/Owner, after providing the notices required by Chapter 83, Florida Statutes. The Association has the right to serve such notices, terminate the lease and seek possession of the Unit for and on behalf of the lessor/Owner, upon the expiration of thirty (30) days after the Association mails notice of such intent to the lessor/Owner, without further notification nor the need to obtain specific permission from the lessor/Owner. The Association then has the right to institute eviction proceedings in Court against the lessees as agent for and on behalf of the lessor/Owner, based on the non-compliances mentioned above. The Association may exercise the Association's rights and remedies under this Section 19.9 without any liability to the lessor/Owner or lessees/occupancy (including, but not limited to, the loss of rent to the lessor/Owner and loss of possession by the lessees/Permanent Occupants), except as may be provided for in Chapter 83, Florida Statutes. The tenants shall be jointly and severally responsible for the costs, paralegal charges and attorneys' fees incurred by the Association in connection with this matter.

SECTION 20. RIGHTS OF MORTGAGEES. The following rights shall apply to certain or all mortgagees, in addition to those rights contained elsewhere in the Condominium Documents:

20.1 Amendments to the Declaration. Written consent of certain mortgagees of a Unit shall be required for certain amendments to this Declaration. (Refer to Section 22.5.4 below for the same.)

20.2 Association Lien Foreclosure. Certain named mortgagees have certain rights in connection with Association lien foreclosure actions, as provided for in Section 10.8.1 above.

20.3 Redemption. If proceedings are instituted to foreclose any mortgage or lien on any Unit, the Association, on behalf of one (1) or more Owners and with the permission of the mortgagee, may redeem the mortgage or lien for the amount due thereon and be thereby subrogated to all of the mortgagee's or lienor's rights of action, or the Association may purchase the Unit at the foreclosure sale. Any mortgagee shall have the right to accept title to the Unit in settlement and satisfaction of the mortgage or to foreclose its mortgage in accordance with its terms, and to bid upon the Unit at the foreclosure sale. If the Association or any of its members redeem the mortgage or cure the default, it or they shall have a lien against the Unit for all sums expended in connection therewith and shall have the same rights to collect such sums as in the case of a past due Assessment.

20.4 Right to Inspect Books. The Association shall make available to Institutional Mortgagees requesting the same current copies of the Condominium Documents and the

Association's official records, which, by the Condominium Act, may be inspected by Owners. "Available" shall mean ready for inspection, upon written request, during normal business hours or under other reasonable circumstances. Photocopies shall be provided at the expense of the person requesting the same.

20.5 Financial Statements. Any Institutional Mortgagee is entitled, upon written request, to a copy of the financial statements of the Association for the immediately preceding fiscal year.

20.6 Lender's Notices. Upon written request to the Association, any Institutional Mortgagee shall be entitled to timely written notice of:

20.6.1 Any sixty (60) day or longer delinquency in the payment of Assessments or charges owed by the Owner of any Unit on which the mortgagee holds a mortgage; and any thirty (30) day or longer default of any other provision in the Condominium Documents by an Owner of any Unit on which the mortgagee holds a mortgage.

20.6.2 A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.

20.6.3 Any condemnation or casualty loss that affects a material portion of the Condominium or any Unit.

20.6.4 Any proposed action that requires the consent of a specified percentage of mortgage holders.

20.6.5 Outstanding Assessments unpaid with respect to the Unit on which the Institutional Mortgagee holds a mortgage.

20.6.6 Notice of Association meetings.

20.7 Access. All Institutional Mortgagees shall specifically have a complete right of access to all of the Common Elements and Association Property, for the purpose of ingress and egress to any Unit upon which they have a mortgage loan. Any Institutional Mortgagee shall be entitled to attend meetings of the Association.

20.8 Presumption. Where an institutional first mortgage, by some circumstance fails to be a first mortgage but it is evident that such mortgage is intended to be a first mortgage, such mortgage nevertheless, for the purpose of the Condominium Documents, shall be deemed to be an institutional first mortgage.

SECTION 21. DEVELOPER'S UNITS AND PRIVILEGES; DEVELOPER DESIGNEES. The following provisions shall apply in addition to any and all provisions contained elsewhere in this Declaration with respect to Developer's Units and privileges. The provisions of this Section 21 shall take precedence over any other provisions to the contrary in the Condominium Documents.

21.1 Changes in General Plan of Development. Until the sale of all Units, in addition to Developer's rights in accordance with Sections 4.3, 4.4 and 4.6, Developer reserves the right to make such physical modifications to the Condominium as may be required by any lender, governmental authority, or as may be, in Developer's judgment, necessary or desirable. Provided, however, that the forgoing is subject to the rights of any Owner or other person under the Condominium Act, and shall require the approval of Owners as required by Florida Statutes

Section 718.110(2), and if so required, the provisions of Section 22.5.2 below shall control and govern.

21.2 Sales/Lease Activities. No Owner, person, or the Association, or their respective use of the Units, shall interfere with Developer's construction, completion, and sale or leasing of the Units (except that the Association shall have the right to approve leases and lessees of Units to be leased by Developer), whether in this Condominium or otherwise. Until all of the Units have been sold by Developer or are no longer being offered for sale in the ordinary course of business by Developer, Developer shall be irrevocably empowered: (i) to sell Units to any person or entity approved by Developer without any interference or objection from the Association, and without any limitation; and (ii) to prohibit any changes to any provision of the Condominium Documents, which addresses an Owner's use of a Unit which, in Developer's sole discretion, negatively impacts on Developer's ability to sell Units owned by Developer. Furthermore, Developer reserves the right to retain title to any Units and lease all or portions of same, without any intention of selling them so long as Developer obtains the approval of the Association for any such lease. Developer shall have the right to transact upon the Properties any business necessary to consummate the sale/lease of Units, including, but not limited to, the right to construct, install, maintain, and use temporary construction, office, storage and sales facilities, place signs, banners and flags on the Properties for construction or sales purposes, use the Common Elements and Association Property for sales offices or for sales and promotional purposes, and conduct sales activities relating to property owned by Developer or any of Developer's affiliates or designees which are situated outside of the Condominium. Any sales offices, signs, fixtures, furnishings, or other tangible personal property belonging to Developer shall not be considered as part of the Properties nor owned by the Association and shall remain the property of Developer. Developer shall further be exempt from the parking restrictions of Section 12.4 only to the extent that the vehicles in question are engaged in any activity relating to the construction, maintenance or marketing for sale or for lease of Units, or of property owned by Developer or any of Developer's affiliates or designees which are situated outside of the Condominium.

21.3 Specific Exemptions Under the Declaration. In addition to any other exemptions provided in favor of Developer in this Declaration, Developer and its designees shall be exempt from all use restrictions contained in this Declaration, except for those use restrictions that are precluded by law.

SECTION 22. AMENDMENT OF DECLARATION.

22.1 Proposal. Amendments to this Declaration may be proposed by the Board or by written petition signed by Owners of one-fourth (1/4) of the Units.

22.2 Procedure; Notice and Format. Upon any amendment or amendments to this Declaration being proposed as provided above, the proposed amendment or amendments shall be submitted to a vote of the Members not later than the next annual meeting for which sufficient time exists to give proper notice before that meeting. The full text of any amendment to the Declaration shall be included in the notice of Owners' meeting at which a proposed amendment is to be considered by Owners. New words shall be inserted in the text by underlining and words to be deleted shall be lined through with hyphens; provided, however, that if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of Declaration. See provision _____ for present text."

22.3 Vote Required. Except as otherwise provided by Florida law, or by specific provision of the Condominium Documents, this Declaration may be amended as follows:

22.3.1 Up through a date which is the earlier of: (i) the date on which Developer no longer owns any Units in the Condominium; or (ii) seven (7) years from the date of the recording of this Declaration, by the vote of a majority of the entire Board and (a) if Developer opposes the amendment, seventy-five percent (75%) of the voting interests of the Members; or (b) if Developer does not oppose the amendment, a majority of the voting interests of the Members.

22.3.2 After the date referred to in Section 22.3.1 above, by a vote of a majority of the entire Board and a majority of the voting interests of all Members.

22.3.3 If the amendments were proposed by written petition signed by Owners pursuant to Section 22.1 above, then the concurrence of the Board shall not be required.

22.4 Certificate; Recording. A copy of each adopted amendment shall be attached to a certificate that the amendment was duly adopted as an amendment to the Declaration, which certificate shall be in the form required by law and shall be executed by any officer of the Association with the formalities of a deed. The Certificate of Amendment shall on the first page state the book and page of the public records where the Declaration is recorded. If the written consent procedure is used, the Owners' consents need not be recorded, so long as the Certification of Amendment executed by the officer of the Association attests to the execution of a sufficient number of consents to pass the amendment in question. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records of the County.

22.5 Provisos. Notwithstanding any provision contained in the Condominium Documents to the contrary:

22.5.1 No amendment shall operate to unlawfully discriminate against any Unit or class or group of Units.

22.5.2 No amendment shall be made which falls under Florida Statutes Section 718.110(4), unless the Members vote and the approvals required therein are obtained. However, any such amendment related to a matter that falls under Sections 11.4.3.2 and 21.1 above and 22.6 below may be approved without the approval of the Board so long as a majority of the voting interests of all Members do approve.

22.5.3 Developer shall be permitted to unilaterally amend this Declaration without the approval of any Owner and the Association, as permitted by Florida Statutes Section 718.110(2). Furthermore, so long as Developer owns any Unit in the Condominium, no amendment to this Declaration that impairs or removes any reservation, right, or privilege of Developer or Developer's designees shall be effective unless Developer or Developer's designees, as applicable, shall join and consent to the amendment.

22.5.4 Except as to Section 22.6 as to which no mortgagee consent is necessary, except as provided therein, any amendment which materially affects the rights or interests of mortgages or for which the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation require mortgagee consent in the manner so provided in Florida Statutes Section 718.110(11), as the same shall be amended from time to time, shall not take effect without

obtaining the written consent of the mortgagee, which consent may not be unreasonably withheld (joinder being unnecessary). In such case, the Certificate of the Association mentioned in Section 22.4 above shall reference the obtaining of the necessary consents.

22.6 Modifying Appurtenances; Changing Undivided Share; Merger. For so long as Developer owns Units for sale, the declaration, bylaws and common elements of two (2) or more independent condominiums in the Sea Colony at Vero Beach Community may be merged to form a single condominium upon the approval of Developer and a majority of voting interest of Members and all record owners of liens; and upon the recording of new or amended articles of incorporation, declaration and bylaws. For so long as Developer owns Units for sale, only the approval of Developer and a majority of voting interests of Members is required to: (i) change the number, configuration, or size of any Unit not yet conveyed to an Owner, the Common Elements or Association Property; (ii) materially alter or modify appurtenances to the Units; or (iii) change the Undivided Share, by an amendment to the Declaration. Such an amendment shall not require the consent of an Institutional Mortgagee or Owner unless: (a) Developer changes the proportion by which an Owner, other than Developer, shares the Common Expenses and the Common Surplus or owns the Common Elements, in which event, such Owner whose share of the Common Expenses and Common Surplus and ownership in the Common Elements are being so changed and the Institutional Mortgagees of record holding mortgages on the affected Units consent in writing thereto; or (b) such change materially and adversely affects an Owner as determined by Developer, in Developer's reasonable discretion, in which event such Owner and the Institutional Mortgagee of record holding the mortgage on the affected Unit consent in writing thereto.

SECTION 23. MISCELLANEOUS PROVISIONS.

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

23.2 Priorities in Case of Conflict. In the event of conflict between or among the provisions of any of the following, the order of priorities shall be from highest priority to lowest:

23.2.1 The Condominium Act that applies.

23.2.2 The Corporate Acts that apply.

23.2.3 Other Florida Statutes that apply.

23.2.4 This Declaration.

23.2.5 The Articles of Incorporation.

23.2.6 The Bylaws.

23.2.7 The Rules and Regulations and architectural guidelines promulgated by the Board.

23.3 Interpretation; Construction. The Board is responsible for interpreting the provisions of this Declaration and its Exhibits. Such interpretation shall be binding upon all parties unless

wholly unreasonable. A written opinion rendered by legal counsel that an interpretation adopted by the Board is not unreasonable shall conclusively establish the validity of such interpretation. The provisions of this Declaration shall be liberally construed to effectuate the purpose of creating a uniform plan of condominium ownership.

23.4 Invalidity. If any Court shall hereafter determine that any provisions of this Declaration as originally drafted, or amended, violate the rule against perpetuities or any other rules of law because of the duration of the period involved, the period specified in the Declaration shall not thereby become invalid, but instead shall be reduced to the maximum period allowed such rules of law, and for such purpose measuring lives shall be that of the (original) incorporator(s) of the Association.

23.5 Captions. The captions in the Condominium Documents are inserted only as a matter of convenience and for ease of reference and in no way define or limit any provision in the Condominium Documents.

23.6 Gender; Plurality. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all or no genders.

23.7 Owners' Affirmative Duties. All Owners are charged with the affirmative duty to keep the Association advised, in writing, of any mailing addresses as they change from time to time. All Owners must also advise the Association of any second addresses. The Association shall be permitted to rely on the information supplied by Owners in writing. Each Owner also consents to the Association distributing to each Owner a directory of Owners and their addresses.

23.8 Covenant Running with the Land. All provisions of the Condominium Documents shall, to the extent applicable be perpetual and be construed to be covenants running with the Properties in the Condominium, and all of the provisions of the Condominium Documents shall be binding upon and inure to the benefit of Developer, Owners, Association and their respective heirs, personal representatives, successors and assigns, and shall be binding on all residents, Occupants, Guests and invitees to the Properties. None of the provisions contained in the Condominium Documents are intended to create, nor shall be construed as creating, any rights in and for the benefit of the general public.

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

23.10 Signature of President and Secretary. Wherever the signature of the President of the Association is required hereunder, the signature of a Vice-President may be substituted therefor, and wherever the signature of the Secretary of the Association is required hereunder, the signature of an Assistant Secretary may be substituted therefor, provided that the same person may not execute any single instrument on behalf of the Association in two (2) separate capacities.

23.11 Ratification. Each Owner, by reason of having acquired ownership (whether by purchase, gift, operation of law or otherwise), and each occupant of a Unit, by reason of his occupancy, shall be deemed to have acknowledged and agreed that all of the provisions of the Condominium Documents are fair and reasonable in all material respects.

23.12 Developer, as Sole Beneficiary of Condominium Documents. Notwithstanding any provision or language in the Condominium Documents to the contrary, the legal counsel of

Developer prepared the Condominium Documents solely for the benefit of their client, the Developer, and not for the benefit of any third parties. The terms, covenants and conditions established by the Condominium Documents, while continuing to be valid after turn over of control of the Association to the Owners, were intended for the sole benefit of Developer. Therefore, no third party, including Owners of Units, may claim that such party was an intended, third-party beneficiary of the services of such legal counsel.

IN WITNESS WHEREOF, SEA COLONY DEVELOPMENT COMPANY, a Florida corporation, as Developer, has caused the execution of this Declaration of Condominium of SEA COLONY AT VERO BEACH, a Condominium, on the 30th day of May, 2002.

WITNESSES:

SEA COLONY DEVELOPMENT COMPANY,
a Florida corporation

Name: Christine Young
[legibly printed name of witness] ()

By: M. A. Simpson
R. Mason Simpson, President

[Corporate Seal]

Name: Traci Register
[legibly printed name of witness]

8200 North A-1-A
Vero Beach, Florida 32963

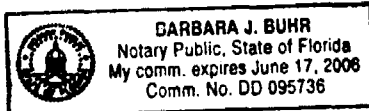
STATE OF FLORIDA)
) ss:
COUNTY OF INDIAN RIVER)

I HEREBY CERTIFY that on this 20th day of May, 2002, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared R. Mason Simpson, the President of SEA COLONY DEVELOPMENT COMPANY, a Florida corporation, who is personally known to me or who has produced a _____ as identification and who did not take an oath and that the official seal of the Corporation is duly affixed and the instrument is the act and deed of the Corporation.

WITNESS my signature and official seal at Indian River Shores, in the County of Indian River, State of Florida, the day and year last aforesaid.

(SEAL)

Barbara J. Buhre
Print Name: Barbara J. Buhre
Notary Public, State of Florida
My Commission Expires:



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SEA COLONY AT VERO BEACH CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, hereby agrees to accept all the benefits and all of the duties, responsibilities, obligations and burdens imposed upon it by the provisions of this Declaration and Exhibits attached hereto.

IN WITNESS WHEREOF, SEA COLONY AT VERO BEACH CONDOMINIUM ASSOCIATION, INC. has caused these presents to be signed in its name by its proper officer and its corporate seal to be affixed this 20 day of May, 2002.

WITNESSES:

SEA COLONY AT VERO BEACH
CONDOMINIUM ASSOCIATION,
INC., a Florida corporation not for profit

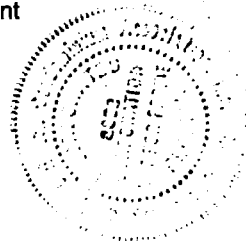
Christine Young
Name: Christine Young
[legibly printed name of witness]

Traie Register
Name: Traie Register
[legibly printed name of witness]

By: R. Mason Simpson
R. Mason Simpson, President

[Corporate Seal]

8200 North A-1-A
Vero Beach, Florida 32963



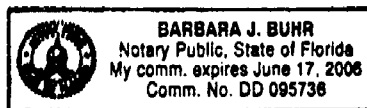
STATE OF FLORIDA)
) ss:
COUNTY OF INDIAN RIVER)

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally R. Mason Simpson, the President of SEA COLONY AT VERO BEACH CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, who is personally known to me or who has produced a _____ as identification and who did take an oath and that the official seal of the Corporation is duly affixed and the instrument is the act and deed of the Corporation.

WITNESS my signature and official seal at Indian River Shores, in the County of Indian River, State of Florida, the day and year last aforesaid.

(SEAL)

Barbara J. Buhr
Print Name: Barbara J. Buhr
Notary Public, State of Florida
My Commission Expires:



081490662325

JOINDER OF MORTGAGEE TO DECLARATION OF CONDOMINIUM

FIDELITY FEDERAL BANK & TRUST, a U.S. corporation, the owner and holder of a mortgage encumbering the land described in Exhibit "A" attached to the Declaration of Condominium of SEA COLONY AT VERO BEACH, A CONDOMINIUM, according to the Declaration thereof to which this Joinder is attached, hereby consents to and joins in the Declaration.

The undersigned also agrees that the lien of its mortgage on the land described on Exhibit "A" attached to the Declaration, shall be upon all of the Condominium Parcels of SEA COLONY AT VERO BEACH, A CONDOMINIUM, according to the Declaration thereof, together with all of the appurtenances, including, but not limited to, any Common Elements appurtenant to the Condominium Parcels so encumbered and to the undivided shares of the Common Elements, and shall be subordinate to the terms and conditions of the Declaration.

This instrument is executed by the undersigned for the purpose of complying with and pursuant to Florida Statutes Section 718.104(6).

EXECUTED this 20th day of May, 2002.

WITNESSES:

[Signature]
Name: P. A. CONKLING
[legibly printed name of witness]

[Signature]
Name: JOY DILLIN
[legibly printed name of witness]

FIDELITY FEDERAL BANK & TRUST

By: [Signature]
Name: JOHN M. AURENHOLZ
Its: FIRST VICE PRESIDENT.

Current Address:

218 Datura Street
West Palm Beach, FL 33401

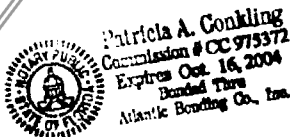
STATE OF FLORIDA)

COUNTY OF)

I HEREBY CERTIFY that on this 20th day of May, 2002, before me personally appeared JOHN M. AURENHOLZ, as FIRST VICE PRESIDENT of FIDELITY FEDERAL BANK & TRUST, who is personally known to me or who has produced a as identification and who did not take an oath.

WITNESS my signature and official seal at West Palm Beach, in the County of Palm Beach, State of Florida, the day and year last aforesaid.

(SEAL)



[Signature]
Print Name: _____
Notary Public, State of Florida
My Commission Expires: _____

JOINDER OF MORTGAGEE TO DECLARATION OF CONDOMINIUM

BeachCo, LLC, a Florida limited liability company, the owner and holder of a mortgage encumbering the land described in Exhibit "A" attached to the Declaration of Condominium of SEA COLONY AT VERO BEACH, A CONDOMINIUM, according to the Declaration thereof to which this Joinder is attached, hereby consents to and joins in the Declaration.

The undersigned also agrees that the lien of its mortgage on the land described on Exhibit "A" attached to the Declaration, shall be upon all of the Condominium Parcels of SEA COLONY AT VERO BEACH, A CONDOMINIUM, according to the Declaration thereof, together with all of the appurtenances, including, but not limited to, any Common Elements appurtenant to the Condominium Parcels so encumbered and to the undivided shares of the Common Elements, and shall be subordinate to the terms and conditions of the Declaration.

This instrument is executed by the undersigned for the purpose of complying with and pursuant to Florida Statutes Section 718.104(6).

EXECUTED this 30th day of May, 2002.

WITNESSES:

Christine Young
Name: Christine Young
[legibly printed name of witness]

Traci Register
Name: Traci Register
[legibly printed name of witness]

BeachCo, LLC, a Florida limited liability company

By: R. Mason Simpson, M.M.
R. Mason Simpson, Managing Member

Current Address:

7777 North A-1-A
Vero Beach, FL 32963

STATE OF FLORIDA)

COUNTY OF)

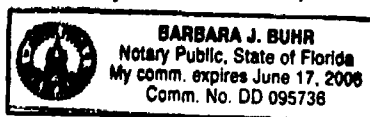
) ss

I HEREBY CERTIFY that on this 30th day of May, 2002, before me personally appeared R. Mason Simpson, as Managing Member of BeachCo, LLC, a Florida limited liability company, who is personally known to me or who has produced a _____ as identification and who did not take an oath.

WITNESS my signature and official seal at Indian River Shores, in the County of Indian River, State of Florida, the day and year last aforesaid.

(SEAL)

Barbara J. Buhr
Print Name: Barbara J. Buhr
Notary Public, State of Florida
My Commission Expires:



INDEX OF EXHIBITS

Exhibit "A"	Legal Description of the Condominium
Exhibit "B"	Survey Exhibits, Plot Plan and Certificate of Surveyor
Exhibit "C"	Articles of Incorporation of the Condominium Association
Exhibit "D"	Bylaws of the Condominium Association
Exhibit "E"	Garage Space Assignment

EXHIBIT "A"

LEGAL DESCRIPTION OF THE CONDOMINIUM

OR 14-90FG2329

OR 14,90862330

GRAPHIC SCALE



(IN FEET)
1 inch = 120 ft



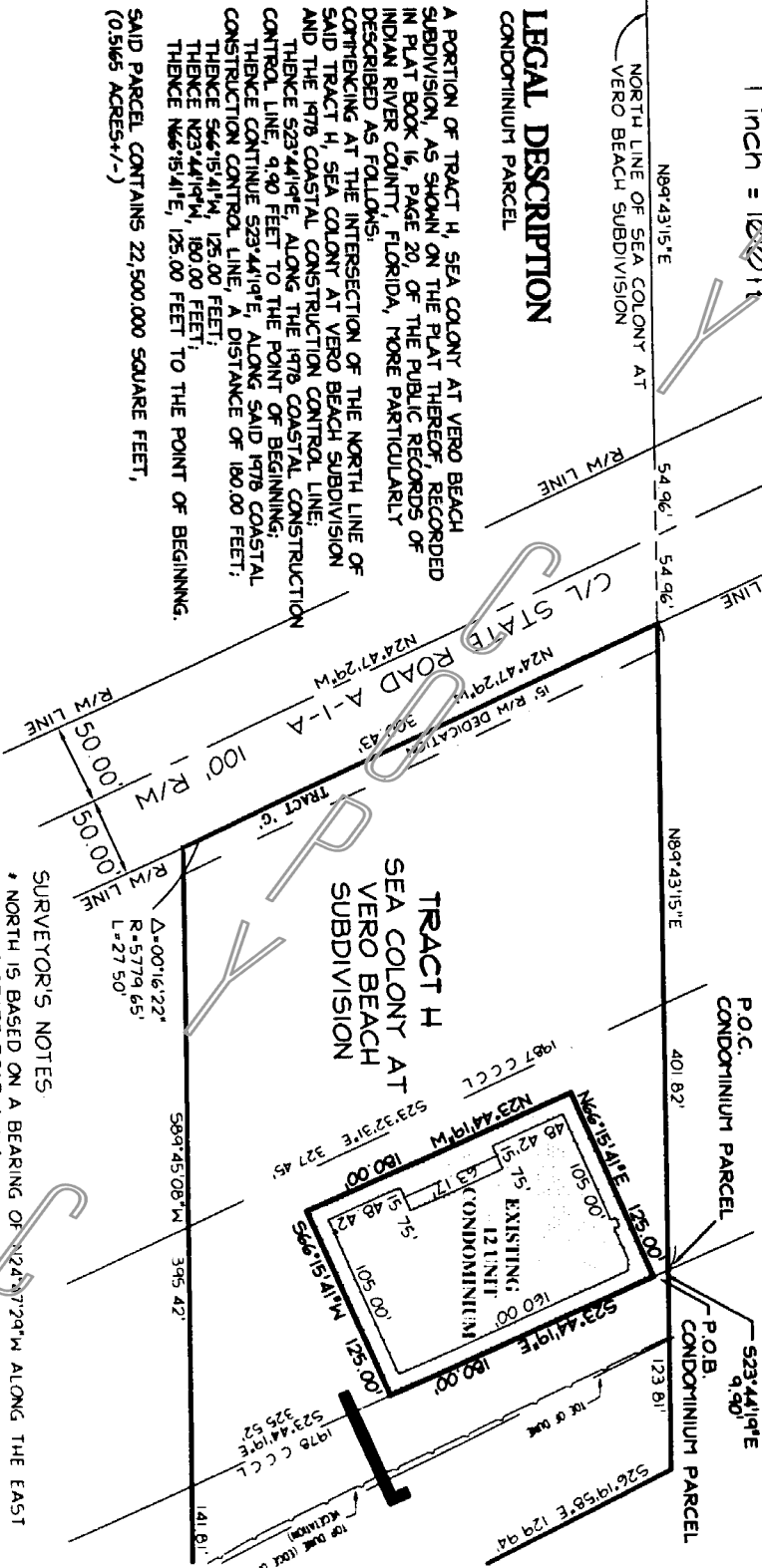
SEA COLONY AT VERO BEACH A CONDOMINIUM CONDOMINIUM LEGAL DESCRIPTION NOT A BOUNDARY SURVEY

LEGAL DESCRIPTION CONDOMINIUM PARCEL

A PORTION OF TRACT H, SEA COLONY AT VERO BEACH SUBDIVISION, AS SHOWN ON THE PLAT THEREOF, RECORDED IN PLAT BOOK 16, PAGE 20, OF THE PUBLIC RECORDS OF INDIAN RIVER COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:
CONCERNING AT THE INTERSECTION OF THE NORTH LINE OF SAID TRACT H, SEA COLONY AT VERO BEACH SUBDIVISION AND THE 197B COASTAL CONSTRUCTION CONTROL LINE:
THENCE 523°44'19"E, ALONG THE 197B COASTAL CONSTRUCTION CONTROL LINE, 4.90 FEET TO THE POINT OF BEGINNING;
THENCE CONTINUE 523°44'19"E, ALONG SAID 197B COASTAL CONSTRUCTION CONTROL LINE, A DISTANCE OF 180.00 FEET;
THENCE 566°15'41"W, 125.00 FEET;
THENCE N23°44'19"W, 180.00 FEET;
THENCE N66°15'41"E, 125.00 FEET TO THE POINT OF BEGINNING.
SAID PARCEL CONTAINS 22,500.000 SQUARE FEET, (0.5165 ACRES+/-)

SURVEYOR'S NOTES

- * NORTH IS BASED ON A BEARING OF N24°37'29"W ALONG THE EAST R/W OF STATE ROAD A-1-A.
- * P.O.B. = POINT OF BEGINNING
- * P.O.C. = POINT OF COMMENCEMENT
- * R/W = RIGHT OF WAY
- * C/L = CENTERLINE
- * Δ = DELTA ANGLE
- * R = RADIUS
- * L = ARC LENGTH
- * CCL = COASTAL CONSTRUCTION CONTROL LINE



HOUSTON & PRICE, INC.
Professional Land Surveying-Certificate No.1286905
9436 U.S. Highway 1
Sebastian, Florida 32968-6395
Tel (772)388-8603 Fax (772)388-8604

CONDOMINIUM DECLARATION
EXHIBIT 'A'

PROJECT #99-III CD
10/14/00

REVISION #1 - REVISE LEGAL - S.A.H. - 5/20/02

C:\OLD DRIVE C\DRAWINGS\SCONDO\SC.T1A-1.DWG

EXHIBIT "B"

**SURVEY EXHIBITS, PLOT PLAN AND CERTIFICATE OF
SURVEYOR**

OR 14-0062331

SEA COLONY AT VERO BEACH

A CONDOMINIUM

SURVEYOR'S CERTIFICATE

BEFORE ME, THE UNDERSIGNED AUTHORITY DULY AUTHORIZED TO ADMINISTER OATHS AND TAKE ACKNOWLEDGMENTS, PERSONALLY APPEARED STUART A. HOUSTON, WHO AFTER FIRST BEING DULY CAUTIONED AND SWORN DEPOSES AND SAYS AS FOLLOWS:

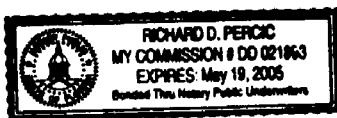
1. THAT HE IS A DULY REGISTERED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF FLORIDA, HAVING CERTIFICATE NUMBER 4490.
2. THAT THE CONSTRUCTION OF THE IMPROVEMENTS OF SEA COLONY AT VERO BEACH, A CONDOMINIUM, AND ALL PLANNED IMPROVEMENTS, INCLUDING, BUT NOT LIMITED TO LANDSCAPING, UTILITY SERVICES, AND ACCESS TO THE UNITS, AND COMMON ELEMENT FACILITIES SERVING SEA COLONY AT VERO BEACH, A CONDOMINIUM, ARE SUBSTANTIALLY COMPLETE, AND THAT THE ATTACHED SURVEY, SITE PLAN, AND GRAPHIC DESCRIPTION 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 LIMITED COMMON ELEMENTS, OF THE COMMON ELEMENTS, AND OF EACH UNIT, CAN BE DETERMINED FROM THESE MATERIALS.

FURTHER AFFIANT SAYETH NAUGHT

May 20, 2002, Stuart A. Houston
STUART A. HOUSTON
PROFESSIONAL LAND SURVEYOR
FLORIDA CERTIFICATE NUMBER 4490

SWORN TO AND SUBSCRIBED BEFORE ME
THIS 20th DAY OF May, 2002

Richard D. Percic
NOTARY PUBLIC, STATE OF FLORIDA
MY COMMISSION EXPIRES:



HOUSTON & PRICE, INC.

Professional Land Surveying-Certificate No LB6905
9436 U.S. Highway 1
Sebastian, Florida 32958-6395
Tel (561)388-8603 Fax (561)388-8604

PROJECT #99-III CD
EXHIBIT 'B'
SHEET 1 05/15/02

OR 1490PG2332

SEA COLONY AT VERO BEACH

A CONDOMINIUM

SURVEYOR'S NOTES:

- 1) SEE EXHIBIT 'A' FOR BOUNDARY SURVEY OF CONDOMINIUM PROPERTY.
- 2) SEE EXHIBIT 'B' FOR SURVEYOR'S CERTIFICATE, REPORT OF SURVEY, SKETCH OF CONDOMINIUM AND LEGAL DESCRIPTIONS, GARAGE/LOBBY, LIVING LEVELS, AND SEA COLONY AT VERO BEACH COMMUNITY.

HOUSTON & PRICE, INC.

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Sebastian, Florida 32958-6395
Tel (561)388-8603 Fax (561)388-8604

PROJECT #99-III CD
EXHIBIT 'B'
SHEET 2

05/15/02

OR 1490762333

SEA COLONY AT VERO BEACH

A CONDOMINIUM

Report of Survey:

* TYPE OF SURVEY: CONDOMINIUM

* THIS SURVEY PERFORMED BY:

HOUSTON & PRICE, INC. L.B. #6905
9436 U.S. HIGHWAY 1
SEBASTIAN, FLORIDA
32958-6395

* PROFESSIONAL SURVEYOR & MAPPER IN RESPONSIBLE CHARGE:

STUART A. HOUSTON, P.L.S. #4490

* THE EXPECTED USE OF THE LAND, AS CLASSIFIED IN THE MINIMUM TECHNICAL STANDARDS (61G17-6, FAC) IS RESIDENTIAL/HIGH-RISK. THE MINIMUM RELATIVE ACCURACY FOR THIS TYPE OF BOUNDARY SURVEY IS 1 FOOT IN 7,500. THE MEASUREMENT AND CALCULATION OF A CLOSED GEOMETRIC FIGURE WAS FOUND TO BE IN EXCESS OF THIS ACCURACY REQUIREMENT.

* ELEVATIONS AND DIMENSIONS SHOWN HEREON ARE MEASURED IN FEET AND DECIMAL PARTS THEREOF.

* THE LAST DATE OF FIELD WORK WAS: 05/03/02

* THE BEARING BASE FOR THIS SURVEY IS: N24°47'29"W, ASSUMED ALONG THE EAST R/W OF S.R. A-1-A.

* THIS SURVEY DOES NOT CERTIFY TO THE EXISTENCE OR LOCATION OF ANY UNDERGROUND IMPROVEMENTS: UTILITIES, FOUNDATIONS, OR ENCROACHMENTS, EXCEPT AS SHOWN.

* NO INSTRUMENTS OF RECORD REGARDING EASEMENTS, RIGHT-OF-WAYS, OR OWNERSHIP WERE SUPPLIED TO THIS SURVEYOR, EXCEPT AS SHOWN.

* NO TITLE OPINION OR GUARANTEE IS EXPRESSED OR IMPLIED.

* UNLESS A COMPARISON IS SHOWN, PLAT VALUES AND MEASURED VALUES ARE THE SAME.

* LEGAL DESCRIPTION IS AS PROVIDED BY THE CLIENT

* THE PARCEL OF LAND SHOWN HEREON APPEARS TO BE IN FLOOD ZONES 'X' & 'VE' PER FLOOD INSURANCE RATE MAP #12061C0091 E, DATED MAY 4th., 1989

Legend & Abbreviations: (symbols not scaleable for size)

PLS - PROFESSIONAL LAND SURVEYOR
PSM - PROFESSIONAL SURVEYOR & MAPPER
LB - LAND SURVEYING BUSINESS
CL - CENTERLINE
R - RADIUS
L - LENGTH
Δ - DELTA ANGLE

POC - POINT OF COMMENCEMENT
POB - POINT OF BEGINNING
○ - IRON PIPE (IP)
● - IRON ROD & CAP (IRC)
□ - CONCRETE MONUMENT (CM)
FD - FOUND
(M) - MEASURED

EXHIBIT 'B' PROJECT #99-III CD
SHEET 3 05/15/02

HOUSTON & PRICE, INC.
Professional Land Surveying-Certificate No LB6905
9436 U.S. Highway 1
Sebastian, Florida 32958-6395
Tel (561)388-8603 Fax (561)388-8604

THIS SURVEY IS NOT VALID WITHOUT THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF THE FLORIDA LICENSED SURVEYOR AND MAPPER NAMED BELOW

Stuart A. Houston 5/20/02
STUART A. HOUSTON, PSM #4490

081490PG2334

OR 149052335

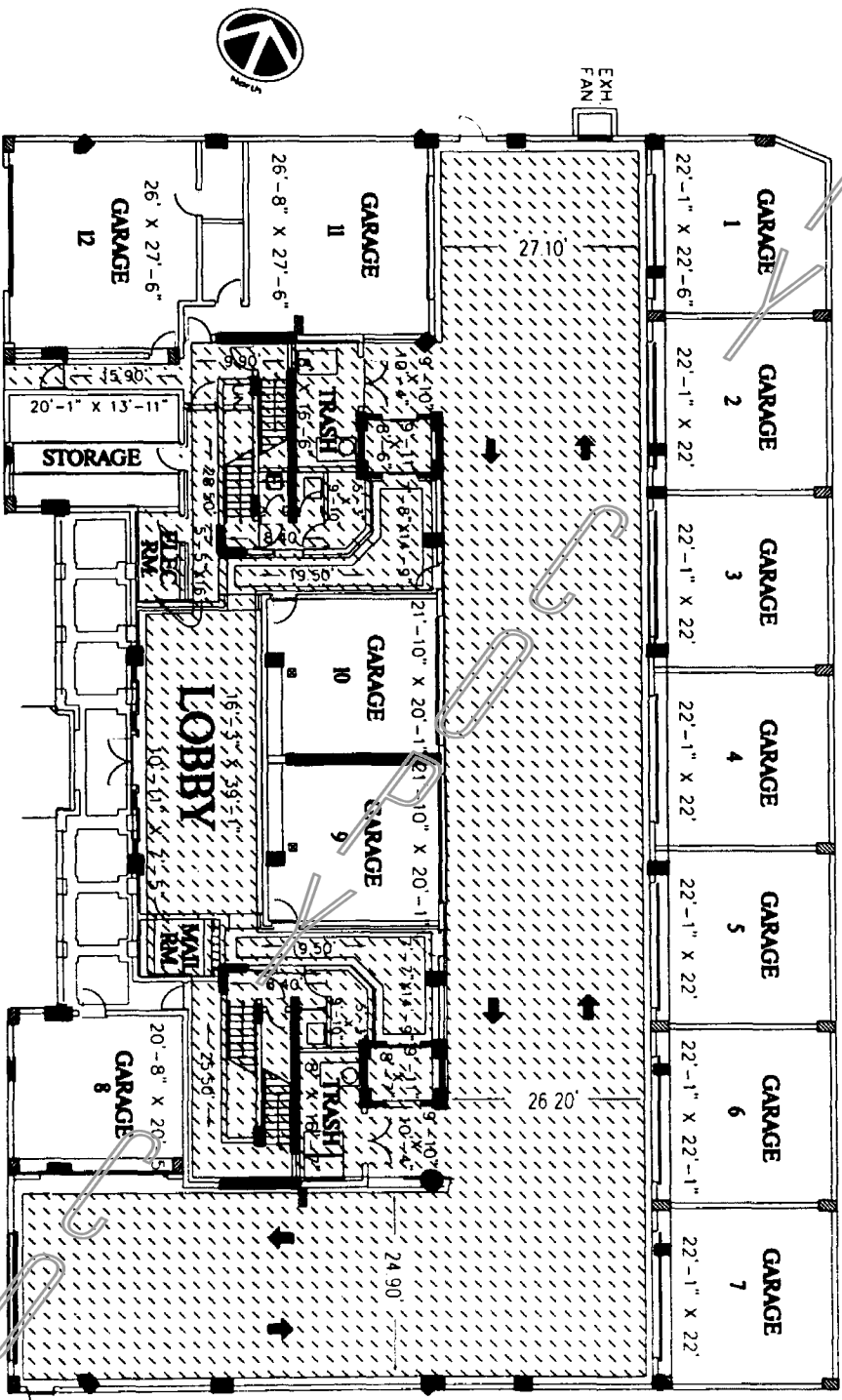
GRAPHIC SCALE



1 inch = 20 ft.

FINISH FLOOR ELEVATION = 14.59
FINISH CEILING ELEVATION = 24.49

SEA COLONY AT VERO BEACH A CONDOMINIUM FLOOR 1 (GARAGE/LOBBY)



HOUSTON & PRICE, INC.

Professional Land Surveying-Certificate No. LB6905
9436 U.S. Highway 1
Sebastian, Florida 32958-6395
Tel: (561)386-8603 Fax: (561)388-8604

NOTE: ALL IMPROVEMENTS AS
SHOWN ARE EXISTING.

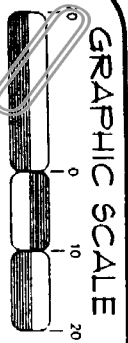


COMMON ELEMENT
LIMITED COMMON ELEMENT BOUNDARY
STRUCTURAL COLUMN OR WALL
COMMON ELEMENT

PROJECT #99-111 CD
EXHIBIT 'B' SHEET 4

REVISED 05/15/02
ISSUED 1/14/02

OR 14-90PG2336

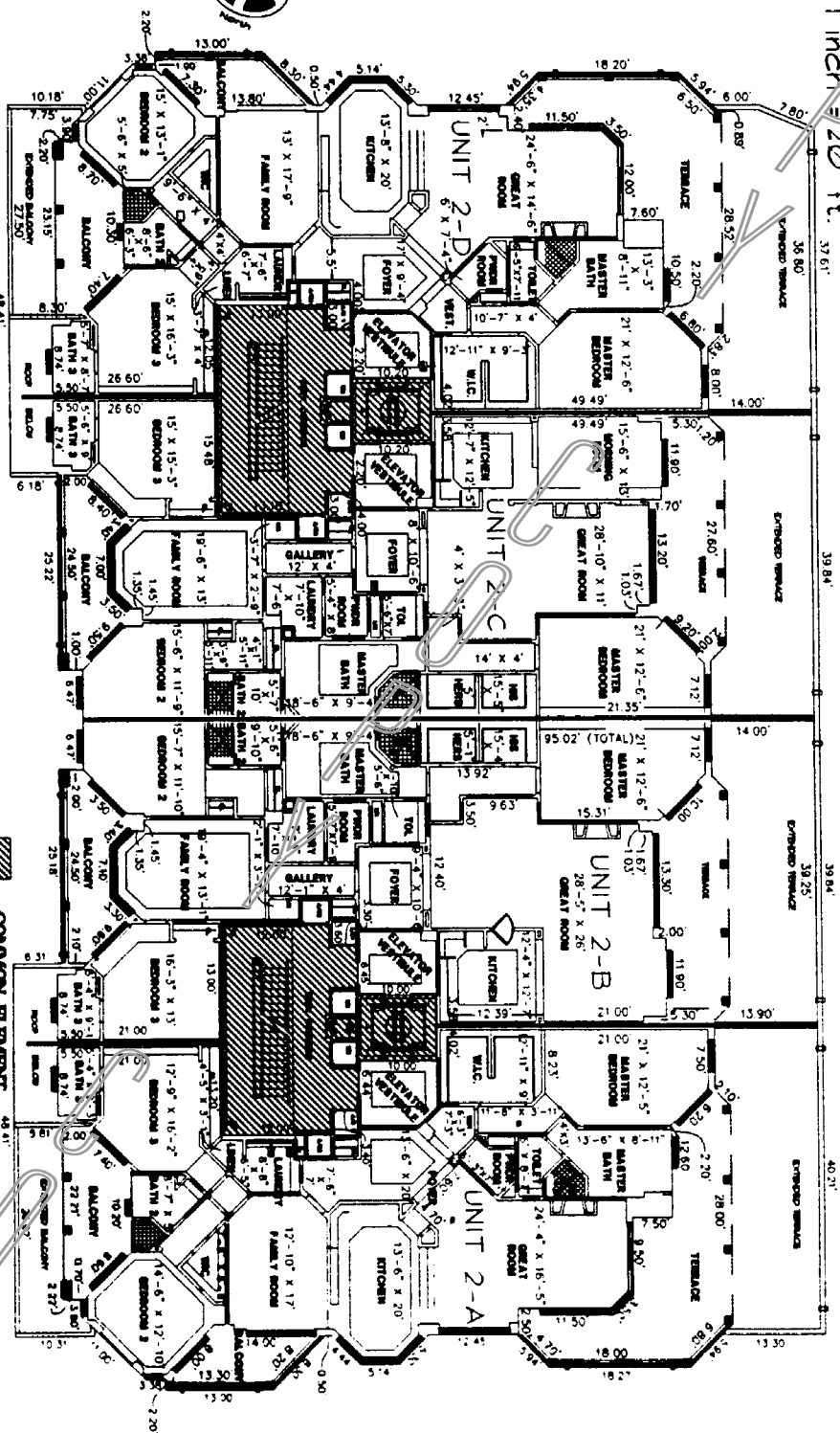


GRAPHIC SCALE

1 inch = 20 ft.

FINISH FLOOR ELEVATION = 24.85
FINISH CEILING ELEVATION = 34.75

SEA COLONY AT VERO BEACH A CONDOMINIUM FLOOR 2



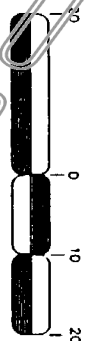
HOUSTON & PRICE, INC.
Professional Land Surveying-Certificate No LB6905
9436 U.S. Highway 1
Sebastian, Florida 32958-6395
Tel (361)388-8603 Fax (361)388-8604

Note: ALL IMPROVEMENTS AS SHOWN ARE EXISTING.
PROJECT #99-III CD
EXHIBIT 'B' SHEET 5

COMMON ELEMENT
UNIT BOUNDARY
STRUCTURAL COLUMN OR WALL
COMMON ELEMENT
REVISED 05/15/02
ISSUED 10/13/01

081490062337

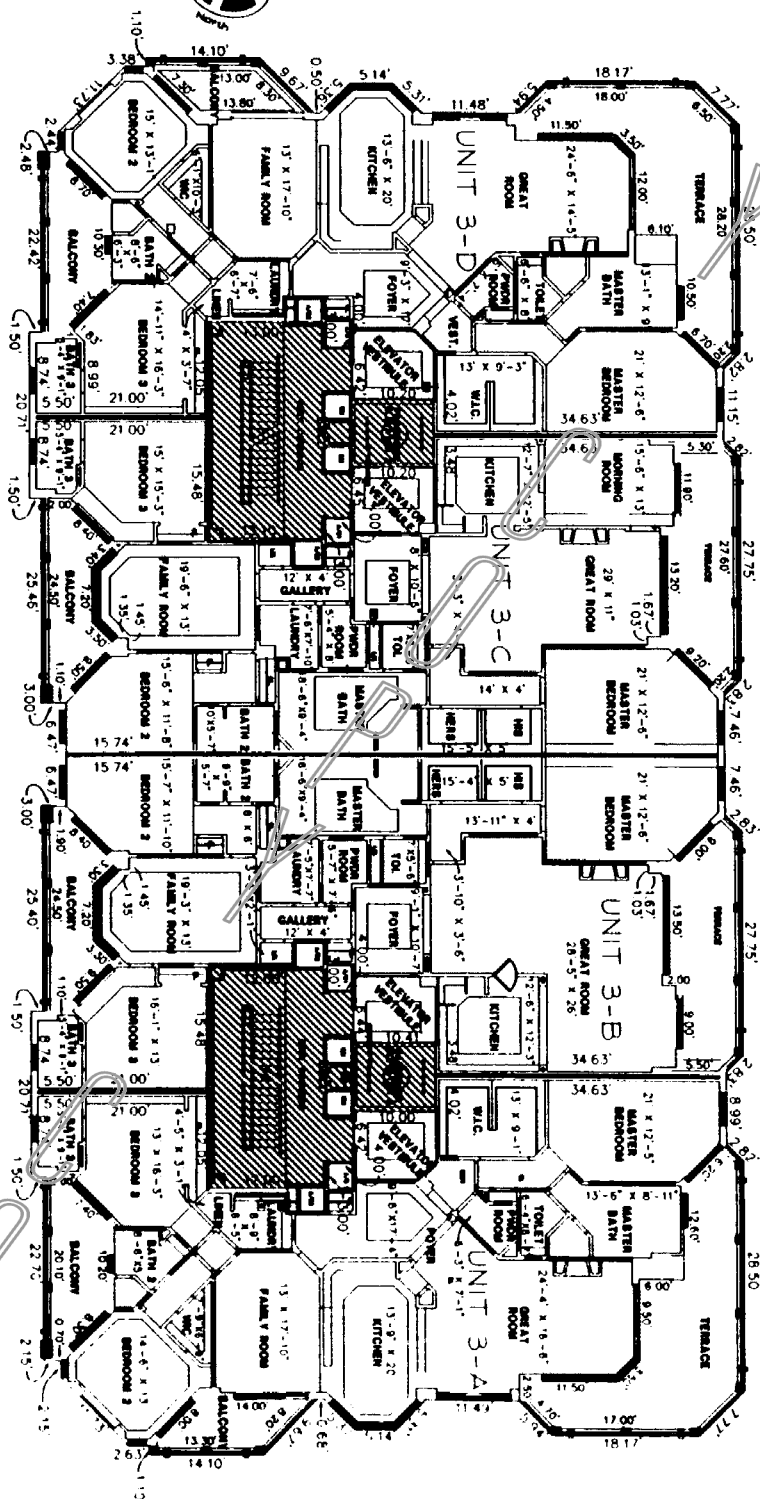
GRAPHIC SCALE



1 inch = 20 ft.

FINISH FLOOR ELEVATION = 35.44
FINISH CEILING ELEVATION = 45.34

SEA COLONY AT VERO BEACH A CONDOMINIUM FLOOR 3



HOUSTON & PRICE, INC.

Professional Land Surveying-Certificate No. LB6905
9436 U.S. Highway 1
Sebastian, Florida 32958-6395
Tel. (861)388-6603 Fax (861)388-8604

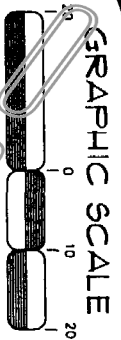
Note: ALL IMPROVEMENTS AS
SHOWN ARE EXISTING

PROJECT #99-III CD
EXHIBIT 'B' SHEET 6

- COMMON ELEMENT
- LIMITED COMMON ELEMENT BOUNDARY
- UNIT BOUNDARY
- STRUCTURAL COLUMN OR WALL
- COMMON ELEMENT

05/15/02

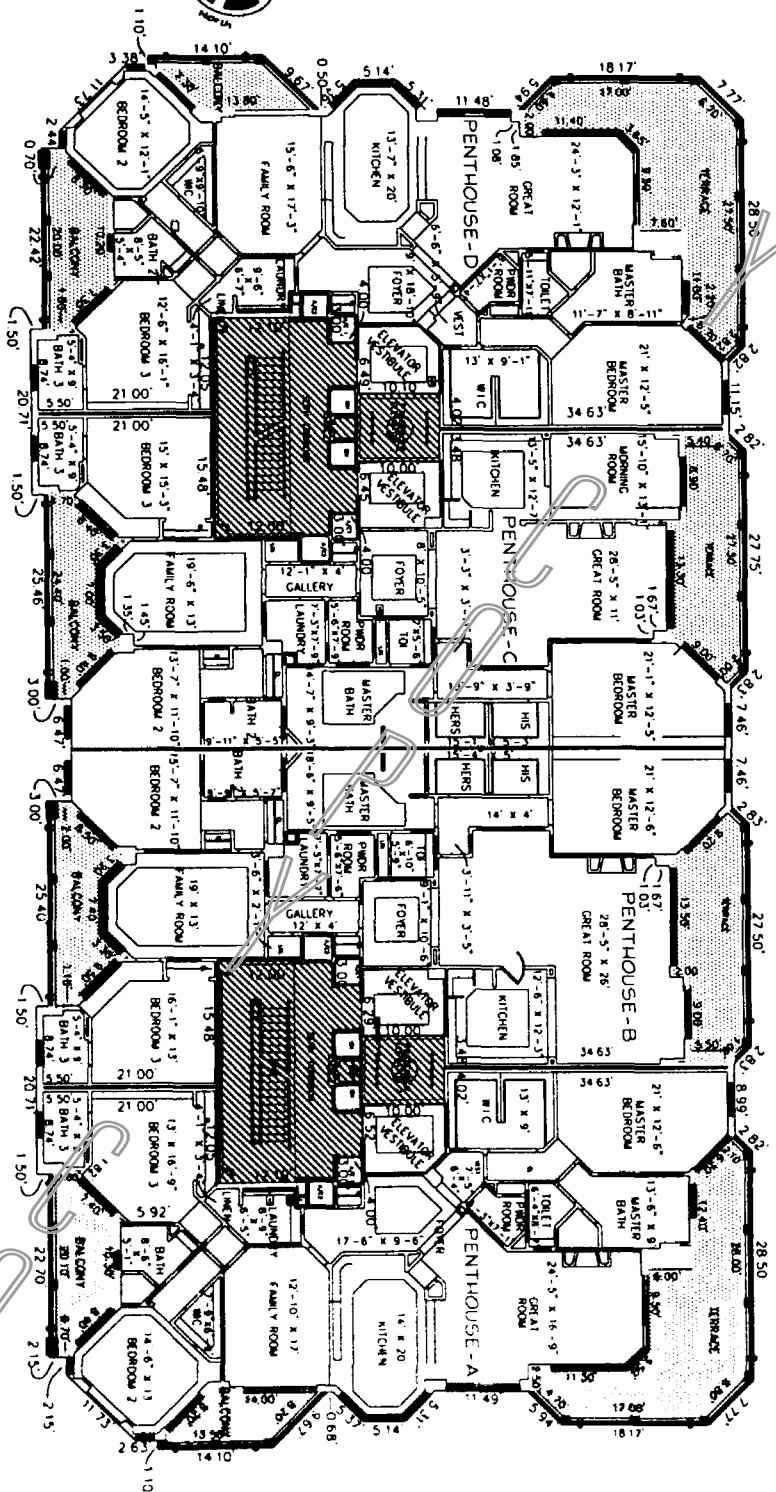
OR 14,90PG2338



GRAPHIC SCALE

SEA COLONY AT VERO BEACH
A CONDOMINIUM
PENTHOUSE FLOOR

FINISH FLOOR ELEVATION = 45.98
FINISH CEILING ELEVATION = 55.88



HOUSTON & PRICE, INC.

Professional Land Surveying-Certificate No. LB8905
9436 US Highway 1
Sebastian, Florida 32958-6395
Tel (561)388-8603 Fax (561)388-8604

Note: ALL IMPROVEMENTS AS
SHOWN ARE EXISTING.

PROJECT #99-III CD
EXHIBIT 'B' SHEET 7

- COMMON ELEMENT
- LIMITED COMMON ELEMENT BOUNDARY
- UNIT BOUNDARY
- STRUCTURAL COLUMN OR WALL
- COMMON ELEMENT

05/15/02

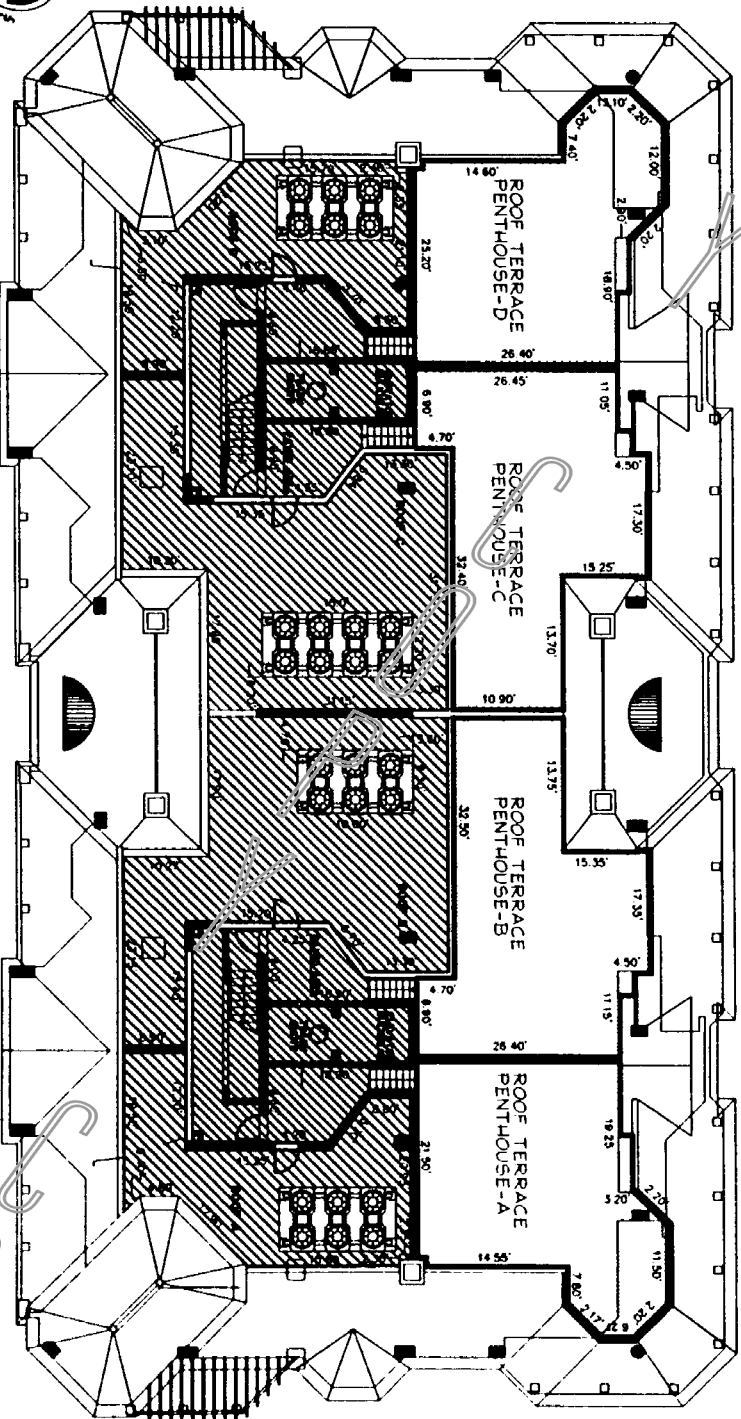
SEA COLONY AT VERO BEACH A CONDOMINIUM ROOF

GRAPHIC SCALE



1 inch = 20 ft.

FINISH ROOF ELEVATION = 56.87



HOUSTON & PRICE, INC.

Professional Land Surveying-Certificate No. LB6905

9436 U.S. Highway 1

Sebastian, Florida 32958-6395

Tel. (561)388-8603

Fax (561)388-8604

Note: ALL IMPROVEMENTS AS
SHOWN ARE EXISTING.

PROJECT #99-III CD
EXHIBIT 'B' SHEET 8

05/15/02

SEA COLONY AT VERO BEACH A CONDOMINIUM SEA COLONY AT VERO BEACH COMMUNITY SITE PLAN

CURVE TABLE

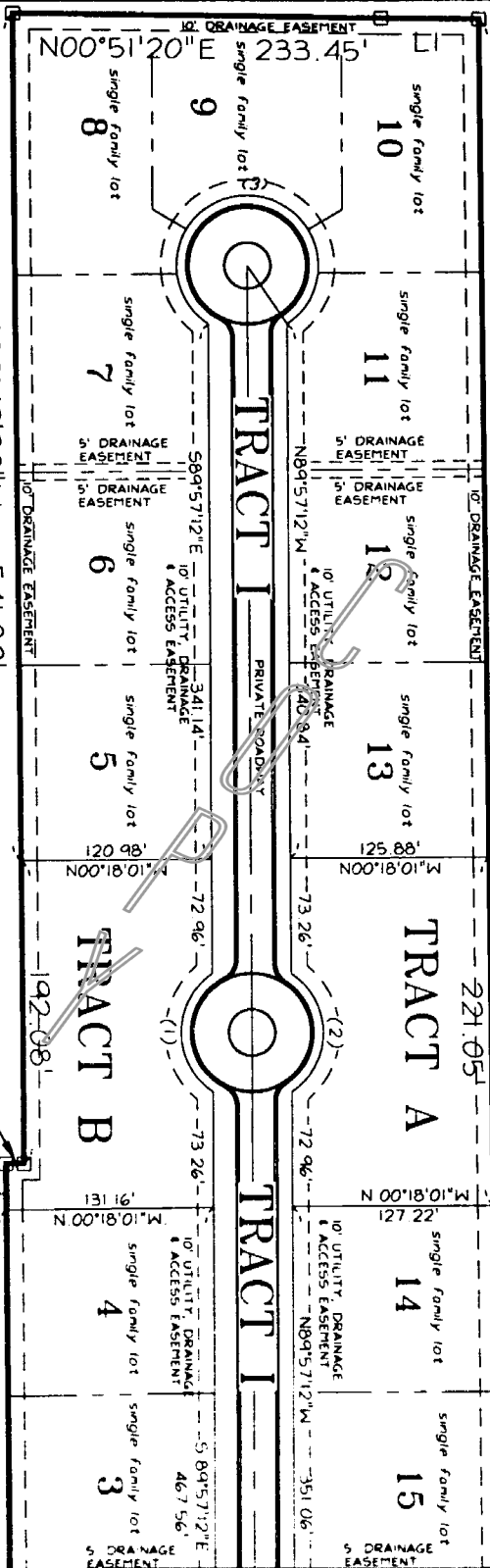
NO.	RADIUS	DELTA	ARC	CHORD	BEARING
1	45.00'	112°30'07"	88.36'	N89°57'12"E	
2	45.00'	112°30'07"	88.36'	S89°57'12"E	
3	45.00'	292°30'07"	229.73'	N00°02'48"E	
4	5779.65'	00°16'22"	27.50'	N2°31'08"W	

NOTE:
TRACT I CONTAINS AN EASEMENT IN FAVOR OF THE
CITY OF VERO BEACH, RECORDED IN OFFICIAL RECORDS
BOOK 1427, PAGE 1076.

N89°41'59"E 535.90'

N89°41'59"E 351.05'

"MATCH LINE"
SEE SHEET 10



LINE TABLE

No.	Bearing	Distance
L1	N00°47'34"E	62.31'
L2	N65°21'51"E	15.00'
L3	S89°43'27"W	16.49'
L4	N65°21'51"E	49.73'

HOUSTON & PRICE, INC.
Professional Land Surveying-Certificate No. LB6805
8436 U.S. Highway 1
Sebastian, Florida 32958-6395
Tel. (361)386-8603 Fax. (361)386-8604

GRAPHIC SCALE



1 inch = 100 ft.



"MATCH LINE"
SEE SHEET 10

PROJECT #99-III CD
EXHIBIT 'B' SHEET 9

05/15/02

OR 1490PG2341

SEA COLONY AT VERO BEACH A CONDOMINIUM SEA COLONY AT VERO BEACH COMMUNITY SITE PLAN

NOTE
TRACT 1 CONTAINS AN EASEMENT IN FAVOR OF THE
CITY OF VERO BEACH, RECORDED IN OFFICIAL RECORDS
BOOK 1427, PAGE 103.

TRACT E

351.05' 89.13' 89°41'59"E

1987 COASTAL
CONTROL LINE

401.82'

1978 COASTAL
CONTROL LINE

CURVE TABLE

NO	RADIUS	DELTA	ARC	CHORD BEARING
1	45.00'	112°30'07"	88.36'	N89°57'12"W
2	45.00'	112°30'07"	88.36'	S89°57'12"E
3	45.00'	112°30'07"	88.36'	N00°02'48"E
4	579.65'	00°16'22"	27.50'	N24°39'08"W

LINE TABLE

No	Bearing	Distance
L1	N00°47'34"E	62.31'
L2	N65°21'51"E	15.00'
L3	S89°43'27"W	16.49'
L4	N65°21'51"E	49.73'

"MATCH LINE"
SEE SHEET 9

"MATCH LINE"
SEE SHEET 9

NOTE: ALL IMPROVEMENTS AS
SHOWN ARE EXISTING

RESERVED FOR FUTURE
RIGHT-OF-WAY DEDICATION

TRACT F

TRACT G

RESERVED FOR FUTURE
RIGHT-OF-WAY DEDICATION

HOUSTON & PRICE, INC.
Professional Land Surveying-Certificate No. LB8805
9406 U.S. Highway 1
Sebastian, Florida 32958-6395
Tel. (361)388-8603 Fax (361)388-8604

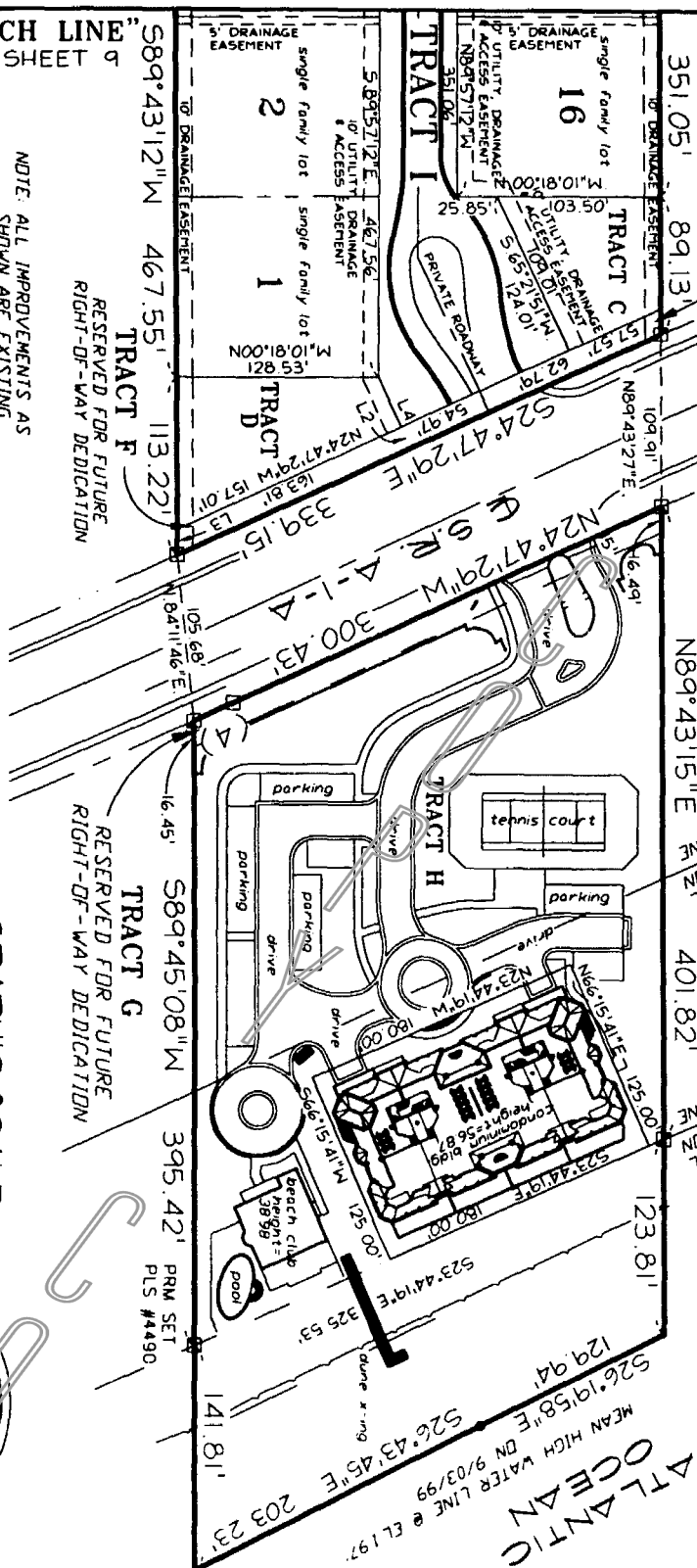
GRAPHIC SCALE



1 inch = 100 ft.



05/20/02



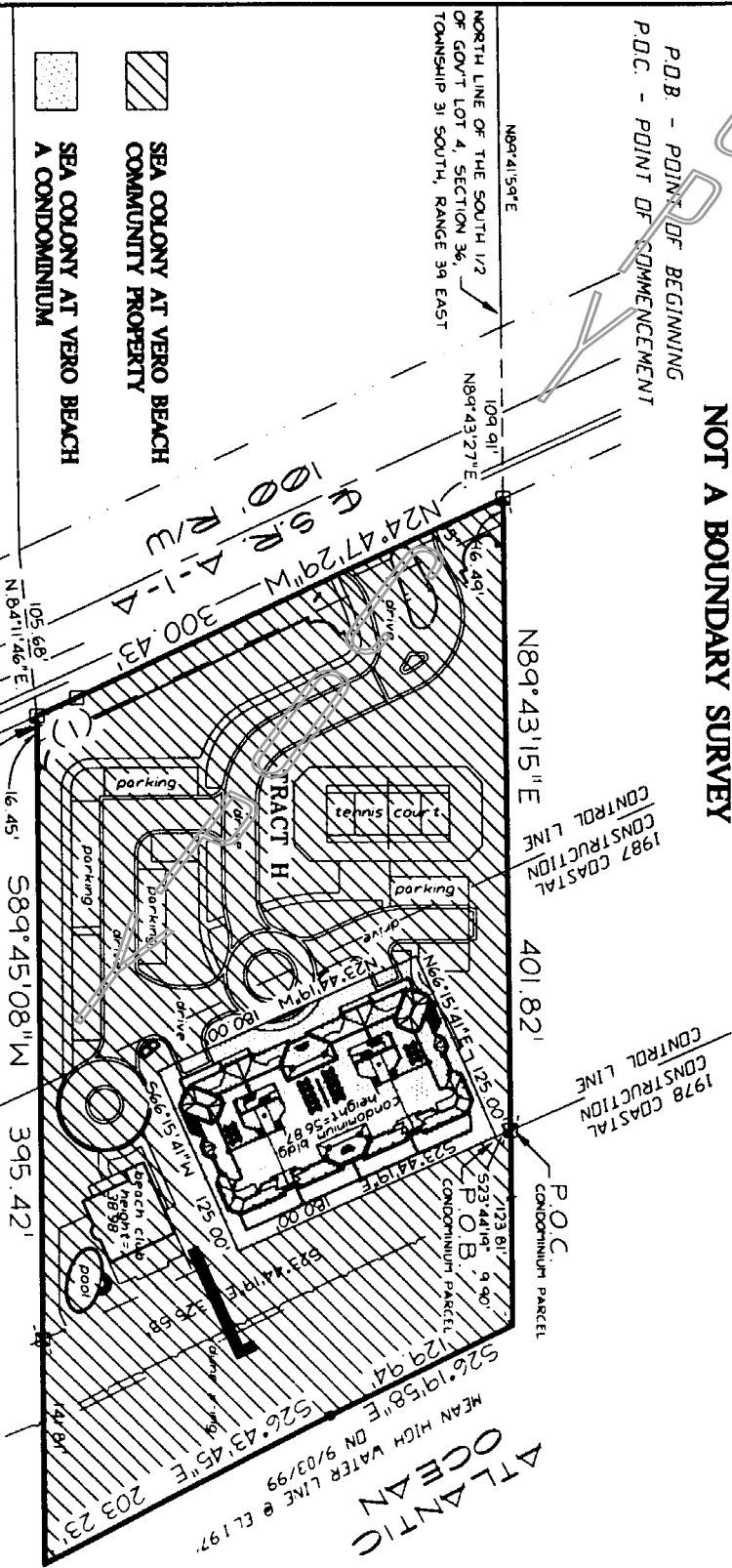
0814.90262342

SEA COLONY AT VERO BEACH A CONDOMINIUM NOT A BOUNDARY SURVEY

P.O.B. - POINT OF BEGINNING
P.O.C. - POINT OF COMMENCEMENT

CURVE TABLE

NO	RADIUS	DELTA	ARC	CHORD	BEARING
1	5779.65'	00°16'22"	27.50'	N24°39'08"W	

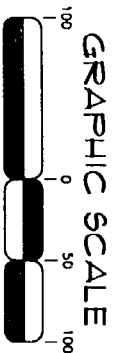


- SEA COLONY AT VERO BEACH COMMUNITY PROPERTY
- SEA COLONY AT VERO BEACH A CONDOMINIUM

NOTE: ALL IMPROVEMENTS AS SHOWN ARE EXISTING

HOUSTON & PRICE, INC.
Professional Land Surveying-Certificate No. LB6905
9436 U.S. Highway 1
Sebastian, Florida 32958-6395
Tel (561)388-8603 Fax (561)388-8604

PROJECT #99-III CD
EXHIBIT 'B' SHEET II



05/20/02

EXHIBIT "C"
**ARTICLES OF INCORPORATION
OF
SEA COLONY AT VERO BEACH CONDOMINIUM
ASSOCIATION, INC.**

OR 1490762343



FLORIDA DEPARTMENT OF STATE
Katherine Harris
Secretary of State

April 25, 2002

SEA COLONY AT VERO BEACH CONDOMINIUM ASSOCIATION, INC.
8200 NORTH A-1-A
VERO BEACH, FL 32963

The Articles of Incorporation for SEA COLONY AT VERO BEACH CONDOMINIUM ASSOCIATION, INC. were filed on April 25, 2002, and assigned document number N02000003087. Please refer to this number whenever corresponding with this office.

This document was electronically received and filed under FAX audit number H02000103255.

A corporation annual report/uniform business report will be due this office between January 1 and May 1 of the year following the calendar year of the file date. A Federal Employer Identification (FEI) number will be required before this report can be filed. Please apply NOW with the Internal Revenue Service by calling 1-800-829-3676 and requesting form SS-4.

Please be aware if the corporate address changes, it is the responsibility of the corporation to notify this office.

Should you have any questions regarding corporations, please contact this office at the address given below.

Sincerely,
Neysa Culligan
Document Specialist
New Filings Section
Division of Corporations

Letter Number: 402A00025375

**ARTICLES OF INCORPORATION
OF
SEA COLONY AT VERO BEACH CONDOMINIUM ASSOCIATION, INC.
(A Florida Corporation Not for Profit)**

In order to form a corporation not for profit, under and in accordance with Chapter 617 of the Florida Statutes, I, the undersigned, hereby incorporate this corporation not for profit, for the purposes and with the powers hereinafter set forth and to that end, I do, by these Articles of Incorporation, certify as follows:

The terms with initial capital letters contained in these "Articles" not herein defined are defined in the Declaration and the Condominium Act, Chapter 718, Florida Statutes, 2000 ("Act"), as amended through the date of recording the Declaration amongst the Public Records of Indian County, Florida, and shall have the meaning of such terms set forth in the Declaration, the Act, and as set forth below:

- A. "Common Surplus" means the excess over the Common Expenses of receipts of the Association collected on behalf of the Condominium (including, but not limited to, Assessments, rents, profits and revenues, on account of the Common Elements).
- B. "Declaration" means a Declaration of Condominium by which Sea Colony at Vero Beach, A Condominium (the "Condominium"), is submitted by Developer to the condominium form of ownership in accordance with the Act.
- C. "Director" means a member of the Board.
- D. "Public Records" mean the Public Records of the County.
- E. "Voting Certificate" means "voting certificate" as defined in the Act and is the document which designates one (1) of the record title owners, or the corporate, partnership or entity representative who is authorized to vote on behalf of a Unit owned by more than one (1) owner or by any entity.

**ARTICLE I
NAME**

The name of this Association shall be Sea Colony at Vero Beach Condominium Association, Inc., whose principal address and mailing address is 8200 North A-1-A, Vero Beach, Florida 32963.

**ARTICLE II
PLAN OF DEVELOPMENT AND
PURPOSE OF ASSOCIATION**

- A. Developer intends to develop the Condominium on property Developer owns within the Sea Colony at Vero Beach Community.
- B. All or any portion of Sea Colony at Vero Beach Community not included in the Condominium may be developed with residential housing units which will not be part of the Condominium, such as single-family lots, non-condominium townhouses, rental housing or cooperatively-owned housing, etc.

C. 1. The Association shall be the condominium association responsible for the operation of the Condominium. Each Owner shall be a Member of the Association as provided in these Articles.

2. Each Member of the Association shall also be a Member of the Sea Colony at Vero Beach Community Association, Inc., a Florida corporation not for profit (described in these Articles of Incorporation only as the "Community Corporation"). The Community Corporation has been organized for the purpose of administering the covenants and obligations relating to the Community Corporation property, the use of which is shared by all owners at Sea Colony at Vero Beach Community as set forth in the Master Declaration. All Members of the Association acquire the benefits as to use of the Community Corporation property and the obligation to pay assessments as set forth in the Master Declaration, which are collected as set forth in the Condominium Documents.

3. The purpose for which this Association is organized is to maintain, operate and manage the Condominium, including the Condominium Property; to own portions of, operate, lease, sell, trade and otherwise deal with the Condominium and certain of the improvements located therein now or in the future; all in accordance with the plan set forth in the Condominium Documents and all other lawful purposes.

ARTICLE III POWERS

The Association shall have the following powers that shall be governed by the following provisions:

A. The Association shall have all of the common law and statutory powers of a corporation not for profit, which are not in conflict with the terms of the Condominium Documents or the Act.

B. The Association shall have all of the powers of a condominium association under the Act and shall have all of the powers reasonably necessary to implement the purposes of the Association including, but not limited to, the following:

1. To make, establish and enforce reasonable Rules and Regulations governing the use of the Condominium Property (including the Units and the Common Elements), Association Property, and any other portions of the Condominium;

2. To make, levy, collect and enforce Assessments and special charges and any other charges and/or fees as provided in the Condominium Documents against Owners, in order to provide funds to pay for the expenses of the Association and the Community Corporation, the maintenance, operation, and management of the Condominium and the payment of Common Expenses and other expenses in the manner provided in the Condominium Documents, the Act and to use and expend the proceeds of such Assessments in the exercise of the powers and duties of the Association;

3. To maintain, repair, replace, and operate the Condominium, Association Property, and any other portions of the Condominium in accordance with the Declaration and the Act;

4. To reconstruct improvements of the Condominium, Association Property, or any other portions of the Condominium in the event of casualty or other loss;
5. To enforce by legal means the provisions of the Condominium Documents and the Act;
6. To employ personnel, retain independent contractors and professional personnel;
7. To enter into service contracts to provide for the maintenance, operation, and management of the Condominium, Association Property, and any other portions of the Condominium;
8. To enter into any other agreements consistent with the purposes of the Association including, but not limited to: (i) agreements as to the management of the Condominium, Association Property and any other portions of the Condominium; and (ii) agreements to acquire possessory or use interests in real property and to provide therein that the expenses of said real property and any improvements thereon, including taxes, insurance, utility expenses, maintenance and repairs shall be Common Expenses of the Condominium; and (iii) agreements with regard to the installation, maintenance and operation of a "master" television antenna system and a cable television, communications and monitored alarm system;
9. To ensure its Members become and continue to be Members in accordance with the Community Corporation and other Condominium Documents and that they perform the functions and discharge the duties incumbent upon such membership, including, but not limited to, collecting and transmitting to the Community Corporation any assessments duly levied thereby; and
10. To purchase: (i) Unit(s) upon which the Association has chosen to exercise any rights of first refusal the Association may have and to obtain such financing as is necessary to effectuate the same; and (ii) other real and/or personal property as determined by the Association in compliance with the Condominium Documents.

ARTICLE IV MEMBERS

The qualification of Members of the Association, the manner of their admission to membership, the manner of the termination of such membership, and the manner of voting by Members shall be as follows:

- A. Until such time as the Condominium is submitted to condominium ownership by the recordation of the Declaration, the membership of this Association shall be comprised solely of the members of the "First Board" (as defined in Article IX hereof).
- B. Once the Condominium is submitted to condominium ownership by the recordation of a Declaration, the Owners, which shall mean in the first instance Developer as the owner of all the Units, shall be entitled to exercise all of the rights and privileges of Members.

C. Except as set forth above, membership in the Association shall be established by the acquisition of ownership of fee title to a Unit as evidenced by the recording of a deed or other instrument of conveyance amongst the Public Records whereupon the membership of the prior Owner shall terminate as to that Unit. Where title to a Unit is acquired from a party other than Developer, the person, persons, corporation or other legal entity thereby acquiring such Unit, shall not be a Member unless and until such acquisition is in compliance with the provisions of the Declaration. New Members shall deliver to the Association a certified copy of the deed of conveyance, letter of approval or other instrument of acquisition of title to the Unit in accordance with the Declaration.

D. No Member may assign, hypothecate, or transfer in any manner his membership or his share in the funds and assets of the Association, except as an appurtenance to his Unit.

E. With respect to voting, the following provisions shall apply:

1. Each Unit, including each Unit owned by the Developer, shall be entitled to only one (1) vote, which vote shall be exercised and cast in accordance with the Declaration and the Condominium Documents. In the event there is more than one (1) owner with respect to a Unit as a result of the fee interest in such Unit being held by more than one (1) person or entity, such owners collectively shall be entitled to only one (1) vote in the manner determined by the applicable Declaration.

2. Matters substantially pertaining to the Association as a whole shall be voted on by the Membership and shall be determined by a vote of the majority of the Membership in attendance at any meeting having a quorum (as determined in accordance with the Bylaws) (unless another percentage is required in the Condominium Documents).

3. The membership shall be entitled to elect the Board as provided in Article IX of these Articles.

ARTICLE V TERM

The term for which this Association is to exist shall be perpetual.

ARTICLE VI INCORPORATOR

The name and address of the Incorporator of these Articles are as follows:

R. Mason Simpson
8200 North A-1-A
Vero Beach, Florida 32963

OR 1450 2348

ARTICLE VII OFFICERS

A. The affairs of the Association shall be managed by a President, one (1) or several Vice Presidents, a Secretary and a Treasurer and, if elected by the Board, an Assistant Secretary and an Assistant Treasurer, which officers shall be subject to the directions of the Board. The Board may employ a managing agent and/or such other managerial and supervisory personnel or entities as the Board deems necessary to administer or assist in the administration of the operation or management of the Association and Developer shall have the rights to be reimbursed for expenses incurred by Developer on behalf of the Association in managing the Association.

B. The Board shall elect the President, the Vice President, the Secretary, and the Treasurer, and as many other Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board shall from time to time determine appropriate. Such officers shall be elected annually by the Board at the first meeting of the Board following the "Annual Members' Meeting" (as described in Section 3.2 of the Bylaws); provided, however, such officers may be removed by such Board and other persons may be elected by the Board in the manner provided in the Bylaws. The President shall be a Director of the Association, but no other officer need be a Director. The same person may hold two (2) offices, the duties of which are not incompatible; provided, however, the offices of President and Vice President shall not be held by the same person, nor shall the same person hold the office of President who holds the office of Secretary or Assistant Secretary.

ARTICLE VIII FIRST OFFICERS

The names of the officers who are to serve until the first election of officers by the Board are as follows:

President
Vice President
Secretary
Treasurer

R. Mason Simpson
David Martin
Barbara Buhr
R. Mason Simpson

ARTICLE IX BOARD OF DIRECTORS

A. The number of Directors on the first Board of Directors ("First Board"), the "Initial Elected Board" (as hereinafter defined) and all Boards elected prior to the Annual Members' Meeting following the "Developer's Resignation Event" (as hereinafter defined) shall be three (3). The number of Directors elected by the Members subsequent to the Developer's Resignation Event shall be as provided in Paragraph J of this Article IX. Except for Developer-appointed Directors, Directors must be Members or the spouses, parents or children of Members.

B. The names and addresses of the persons who are to serve as the First Board are as follows:

<u>Name</u>	<u>Address</u>
R. Mason Simpson	8200 North A-1-A Vero Beach, FL 32963
David Martin	8200 North A-1-A Vero Beach, FL 32963
Barbara Buhr	8200 North A-1-A Vero Beach, FL 32963

Developer reserves the right to designate successor Directors to serve on the First Board for so long as the First Board is to serve, as hereinafter provided. Developer reserves the right to remove any Director from the First Board and the right to remove any Director designated by Developer in accordance with these Articles.

C. Upon the conveyance by Developer to Owners, other than Developer ("Purchaser Members"), of fifteen percent (15%) or more of all Units, the Purchaser Members shall be entitled to elect one-third (1/3) of the Board, which election shall take place at the Initial Election Meeting. Developer shall designate the remaining Directors on the Board at the Initial Election Meeting. The Director to be so elected by the Purchaser Members and the remaining Directors to be designated by Developer are hereinafter collectively referred to as the "Initial Elected Board" and shall succeed the First Board upon their election and qualification. The Directors shall continue to be so designated and elected at each subsequent Annual Members' Meeting until such time as the Purchaser Members are entitled to elect not less than a majority of the Directors on the Board. Developer reserves the right, until such time as the Purchaser Members are entitled to elect not less than a majority of the Directors on the Board, to designate successor Directors to fill any vacancies caused by the resignation or removal of Directors designated by Developer pursuant to this Paragraph IX.C.

D. Purchaser Members are entitled to elect not less than a majority of the Board upon the happening of any of the following events, whichever shall first occur:

1. Three (3) years after sales by Developer of fifty percent (50%) of the sum of the Units in the Condominium have been "Closed" (as hereinafter defined); or
2. Three (3) months after sales by Developer of ninety percent (90%) of the Units in the Condominium have been Closed; or
3. When all of the Units in the Condominium have been completed (as evidenced by the issuance of Certificates of Occupancy for all of same) and some have been sold to Purchaser Members and none of the others are being offered for sale by Developer in the ordinary course of business; or
4. When some of the Units in the Condominium have been conveyed to Purchaser Members and none of the others are being constructed or offered for sale by Developer in the ordinary course of business; or

5. Seven (7) years after the recordation of the Declaration; or

6. When Developer, as Developer has the right to do at any time upon written notice to the Association, relinquishes Developer's right to designate a majority of the Board.

The term "Closed" shall mean the recording amongst the Public Records of a deed or other instrument of conveyance to a Purchaser Member.

E. A majority of Directors shall be elected by the Purchaser Members other than Developer at a meeting of the membership to be called by the Board for such purpose ("Majority Election Meeting").

F. At the Majority Election Meeting, the Purchaser Members shall elect the number of Directors necessary to elect a majority of the Directors (taking into account the fact that the Purchaser Members may have already elected one (1) Director) and Developer, until Developer holds for sale less than five percent (5%) of the Units operated by the Association or the Developer's Resignation Event, whichever first occurs, shall be entitled to designate one (1) Director. Developer reserves the right, until Developer holds for sale less than five percent (5%) of the Units operated by the Association or the Developer's Resignation Event, whichever first occurs, to name the successor, if any, to any Director Developer has so designated; provided, however, Developer shall in any event be entitled to exercise any right Developer may have to representation on the Board as granted by law, notwithstanding the occurrence of the Developer's Resignation Event.

G. At the first Annual Members' Meeting held after the Majority Election Meeting, a "staggered" term of office of the Board shall be created as follows:

1. A number equal to fifty percent (50%) of the total number of Directors rounded to the nearest whole number is the number of Directors whose term of office shall be established at two (2) years and the Directors serving for a two (2)-year term will be the Directors receiving the most votes at the meeting; and

2. The remaining Directors' terms of office shall be established for one (1) year.

At each Annual Members' Meeting thereafter, as many Directors of the Association shall be elected as there are Directors whose regular term of office expires at such time, and the term of office of the Directors so elected shall be for two (2) years expiring when their successors are duly elected and qualified.

H. The Board shall continue to be elected by the Members (subject to Developer's rights to appoint a member to the Board as specified in the Act) at each subsequent Annual Members' Meeting, until Developer is no longer entitled to appoint a member to the Board.

I. The Initial Election Meeting and the Majority Election Meeting shall be called by the Association, through its Board, within seventy-five (75) days after the Purchaser Members are entitled to elect a Director or the majority of Directors, as the case may be. A notice of the election shall be forwarded to all Members in accordance with the Bylaws; provided, however, that the Members shall be given at least sixty (60)-days' notice of such election. The notice shall also specify the number of Directors that shall be elected by the Purchaser Members and the remaining number of Directors designated by Developer.

J. Developer shall cause all of Developer's designated Directors to resign when Developer no longer holds at least five percent (5%) of the sum of the Units operated by the Association for sale in the ordinary course of business. In addition, Developer may, at any time in Developer's sole discretion, cause the voluntary resignation without replacement of all of the Directors designated by Developer. The happening of either such event is herein referred to as the "Developer's Resignation Event". Within seventy-five (75) days after Developer's Resignation Event, the Association shall call, and give not less than sixty (60)-days' notice of an election for the Board; provided, however, nothing herein contained shall be deemed to waive any right to representation on the Board that Developer may have pursuant to the Act. Developer specifically reserves the right to assert any right to representation on the Board Developer may have pursuant to the Act, notwithstanding that the Developer's Resignation Event may have previously occurred.

K. At each Annual Members' Meeting held subsequent to the year in which the Developer's Resignation Event occurs, the number of Directors to be elected shall be determined by the Board from time to time, but there shall not be less than three (3) Directors.

L. The following provisions shall govern the right of each Director to vote and the manner of exercising such right:

1. There shall be only one (1) vote for each Director.
2. All of the Directors of the Board shall vote thereon as one (1) body on matters that pertain to this Association or the Condominium.
3. In the determination of whether a quorum exists or whether the Board has duly acted with respect to any matter, a quorum of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board.

ARTICLE X POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association shall be exercised by the Board in accordance with the provisions of the Act and the Condominium Documents, where applicable, and shall include, but not be limited to, the following:

- A. Making and collecting Assessments against Members to defray the costs of the Common Expenses of the Condominium; collecting that portion of Operating Expenses attributable to Owners as determined in accordance with the Master Declaration; and collecting charges for cable and monitored alarm expenses as determined in accordance with the cable television agreement, if any, and the monitored alarm system agreement, if any, as such assessments are described in the Declaration.
- B. Using the proceeds of Assessments in the exercise of the powers and duties of the Association and the Board.
- C. Maintaining, repairing and operating the improvements within the Condominium and the Association Property, if any.
- D. Reconstructing improvements after casualties and losses and making further authorized improvements within the Condominium and the Association Property, if any.

E. Making and amending rules and regulations with respect to the Condominium administered by the Association and for the Association Property, if any.

F. Enforcing by legal means the provisions of the Condominium Documents.

G. Contracting for the management and maintenance of the Condominium Property, the Association Property, and other portions of the Condominium and authorizing a management agent to assist the Association in carrying out its powers and duties by performing such functions as: (a) submission of proposals; (ii) collection of Assessments; (iii) preparation of records; (iv) enforcement of rules and regulations; (v) maintenance, repair and replacement of improvements or portions thereof for which the Association has such responsibility; (vi) other services, with funds that shall be made available by the Association for such purposes and (vii) terminating such contracts and authorizations. The Association and its officers shall, however, retain at all times the powers and duties granted by the Condominium Documents and the Act including, but not limited to, the making of Assessments, promulgation of rules and regulations and execution of contracts on behalf of the Association.

H. Paying taxes and assessments which are or may become liens against the Common Elements of the Condominium, and "Association Property" (as defined in the Act) and assessing the same against Units, the Owners of which are responsible for the payment thereof.

I. Purchasing and carrying insurance for the protection of Members and the Association against casualty and liability in accordance with the Act and the Condominium Documents and acquiring one (1) insurance policy to insure the Condominium Property and to allocate the premiums in a fair and equitable manner.

J. Paying costs of all power, water, sewer and other utility services rendered to the Condominium Property and other portions of the Condominium and not billed directly to Owners of the individual Units.

K. Hiring and retaining such employees as are necessary to administer and carry out the services required for the proper administration and purposes of this Association and paying all salaries therefor.

L. Approving or disapproving of proposed purchasers of Units by gift, devise, or inheritance and other transferees and approving or disapproving of proposed lessees of Units in accordance with the provisions set forth in the Condominium Documents and the Act and collecting the highest fee allowed by the Act therefor.

M. Engaging in mandatory, non-binding arbitration as provided for in Section 718.112(2)(1) of the Act, for the settlement of internal disputes arising regarding the operation of the Condominium among Developer, Members, the Association, their agents and assigns. The provisions of Section 718.1255 of the Act are incorporated by reference herein.

N. Preparing a question and answer sheet, if and as required by the Act, and the rules promulgated in the Florida Administrative Code by the Division of Florida Land Sales, Condominiums and Mobile Homes, and updating the question and answer sheet at least annually.

O. Maintaining an adequate number of copies of the Condominium Documents, as well as the question and answer sheet referred to in Paragraph N. above, on the Condominium Property to ensure their availability to Unit Owners and prospective purchasers. The Association may charge its actual costs for preparing and furnishing the foregoing to those requesting same.

P. Ensuring that the following contracts shall be in writing:

1. Any contract for the purchase, lease or renting of materials or equipment which is not to be fully performed within one (1) year from the date of execution of the contract.

2. Any contract, regardless of term, for the provision of services; other than contracts with employees of the Association, and contracts for attorneys and accountant services, and any other service contracts exempted from the foregoing requirement by the Act or rules set forth in the Florida Administrative Code as they relate to condominiums, as the Act and such rules may be amended from time to time.

Q. Obtaining competitive bids for materials, equipment and services where required by the Act and rules set forth in the Florida Administrative Code as they relate to condominiums.

R. All other powers and duties reasonably necessary to operate and maintain the Condominium and Association Property in compliance with the Condominium Documents and the Act.

ARTICLE XI INDEMNIFICATION

Every Director and/or every officer of the Association (and the Directors and/or officers as a group) (hereinafter individually as "Indemnatee" and collectively as Indemnitees") shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, paralegal charges and court costs (at all trial and appellate levels) reasonably incurred by or imposed upon Indemnitees in connection with any proceeding, litigation or settlement in which Indemnitees may become involved by reason of Indemnitees being or having been a Director and/or officer of the Association. The foregoing provisions for indemnification shall apply whether or not Indemnitees are Directors and/or officers at the time such expenses and/or liabilities are incurred. Notwithstanding the above, in the event of a settlement, the indemnification provisions herein shall not be automatic and shall apply only when the Board approves such settlement and authorizes reimbursement for the costs and expenses of the settlement as in the best interest of the Association. In instances where an Indemnatee admits or is adjudged to have engaged in willful misfeasance or malfeasance in the performance of Indemnitee's duties, the indemnification provisions of these Articles shall not apply. Otherwise, the foregoing rights to indemnification shall be in addition to and not exclusive of any and all rights of indemnification to which Indemnitees may be entitled whether by statute or common law. The indemnification hereby afforded to Indemnitees shall also extend to any entity other than the Association found responsible or liable for the actions of such individuals in their capacity as Directors and/or officers, including, but not limited to, Developer.

ARTICLE XII BYLAWS

The Association's Bylaws shall be adopted by the First Board and thereafter may be altered, amended or rescinded by the affirmative vote of not less than a majority of the Members present at an Annual Members' Meeting or special meeting of the membership and the affirmative approval of the majority of the Board at a regular or special meeting of the Board. In the event of a conflict between these Articles and the Bylaws, the provisions of these Articles shall control.

ARTICLE XIII AMENDMENTS

A. Prior to the recording of a Declaration amongst the Public Records, these Articles may be amended by an instrument in writing signed by the President (or a Vice President) and the Secretary (or an Assistant Secretary) and filed in the Office of the Secretary of State of Florida. The instrument amending these Articles shall identify the particular Article or Articles being amended, give the exact language of such amendment and give the date of adoption of the amendment by the Board. A certified copy of each such amendment shall always be attached to any certified copy of these Articles or a certified copy of the Articles as restated to include such Amendments and shall be an exhibit to each Declaration upon the recording of each Declaration. This Article XIII is intended to comply with Chapter 617, Florida Statutes.

B. After the recording of the first Declaration amongst the Public Records, these Articles may be amended in the following manner:

1. The Board shall adopt a resolution setting forth the proposed amendment and directing that the proposed amendment be submitted to a vote at a meeting of Members, which may be either the Annual Members' Meeting or a special meeting. Any number of amendments may be submitted to the Members and voted upon by them at one (1) meeting;

2. Written notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each Member of record entitled to vote within the time and in the manner provided in the Bylaws for the giving of notice of Meetings of Members ("Required Notice");

3. At such meeting a vote of the Members shall be taken on the proposed amendments. The proposed amendments shall be adopted upon receiving the affirmative vote of a majority of the votes of all Members entitled to vote thereon; or

4. An amendment may be adopted by a written statement signed by all Directors and written consent of Members representing the Voting Interests sufficient to pass the amendment at a meeting where all members are present and setting forth their intention that an amendment to the Articles be adopted. Where an amendment is passed by written consent in lieu of meeting, those Members not submitting written consents shall be notified in writing of the passage thereof.

C. So long as Developer holds title to a Unit, Developer shall be entitled to vote on all amendments made pursuant to Paragraph XIII.B. above.

D. No amendment may be made to the Articles which shall in any manner reduce, amend, affect, or modify the terms, conditions, provisions, rights and obligations set forth in the applicable Declaration.

E. A copy of each amendment shall be certified by the Secretary of State of the State of Florida and, after the recordation of the Declaration, recorded amongst the Public Records as an amendment to the Declaration.

F. Notwithstanding the foregoing provisions of this Article XIII, there shall be no amendment to these Articles which shall abridge, amend, or alter the rights of Developer, including the right to designate and select the Directors as provided in Article IX hereof, without the prior written consent thereto by Developer nor shall there be any amendment to these Articles which shall abridge, alter or modify the rights of the holder, guarantor or insurer of a first mortgage on any Unit or of any Institutional Mortgagee without such holder's, guarantor's or insurer's or Institutional Mortgagee's prior written consent.

ARTICLE XIV EMERGENCY POWERS

The following shall apply to the extent not viewed to be in conflict with the Act:

A. During any emergency defined in Paragraph XIV.E below or in anticipation of such emergency, the Board may:

1. Modify lines of succession to accommodate the incapacity of any Director, officer, agent or employee of the Association; and
2. Relocate the principal office of the Association or designate alternate principal offices or authorize officers to do so.

B. During any emergency defined in Paragraph XIV.E below:

1. One or more officers of the Association present at a meeting of the Board may be deemed to be Directors for the meeting, in order of rank and within the same order of rank in order of seniority, as necessary to achieve a quorum; and
2. The Director or Directors in attendance at a meeting shall constitute a quorum.

C. Corporate action taken in good faith during an emergency under this Article XIV to further the ordinary affairs of the Association:

1. Binds the Association; and
2. May not be used to impose liability on a Director, officer, employee, or agent of the Association.

D. A Director, officer, or employee of the Association acting in accordance with any emergency bylaws is only liable for willful misconduct.

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E. An emergency exists for the purposes of this Article XIV if a quorum of the Directors cannot readily assemble because of a catastrophic event.

**ARTICLE XV
REGISTERED OFFICE AND REGISTERED AGENT**

The street address of the initial registered office of the Association is 1081 East Indiantown Road, Suite 400, Jupiter, Florida 33477, and the initial registered agent of the Association at that address shall be Philippe C. Jeck.

IN WITNESS WHEREOF, the Incorporator has hereunto affixed his signature, this
24th day of April, 2002.



R. Mason Simpson

The undersigned hereby accepts the designation of Registered Agent of Sea Colony at Vero Beach Condominium Association, Inc., as set forth in Article XV of these Articles of Incorporation and acknowledges that he is familiar with, and accepts the obligations imposed upon registered agents under, the Florida Not For Profit Corporation Act.



Philippe C. Jeck

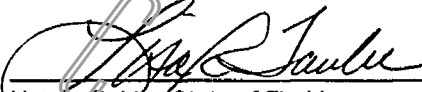
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OR 1490PS2357

STATE OF FLORIDA)
) SS:
COUNTY OF PALM BEACH)

I HEREBY CERTIFY that on this day, before me a Notary Public duly authorized in the State and County named above to take acknowledgements, personally appeared R. Mason Simpson, to me known to be the person described as the Incorporator in and who executed the foregoing Articles of Incorporation and he acknowledged before me that he executed the same for the purposes therein expressed. He is personally known to me or has produced _____ as identification.

WITNESS my hand and official seal in the State and County last aforesaid this 24th day of April, 2002.




Notary Public, State of Florida
Print name: Lisa R. Taube
Commission No.:
My Commission Expires:



STATE OF FLORIDA)
) SS:
COUNTY OF PALM BEACH)

The foregoing instrument was acknowledged before me this 24th day of April, 2002, by Philippe C. Jeck, as Registered Agent, who is personally known to me or who has produced _____ as identification.

(SEAL)



Notary Public, State of Florida
Print name: Lisa R. Taube
Commission No.:
My Commission Expires:



EXHIBIT "D"

**BYLAWS
OF SEA COLONY AT VERO BEACH CONDOMINIUM
ASSOCIATION, INC.**

**BYLAWS
OF
SEA COLONY AT VERO BEACH CONDOMINIUM ASSOCIATION, INC.**

Section 1. Identification of Association

These are the Bylaws ("Bylaws") as duly adopted by the Board of Directors ("Board") of SEA COLONY AT VERO BEACH CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit ("Association") organized pursuant to Chapter 617, Florida Statutes, for the purpose of managing, operating, and administering the condominium known as Sea Colony at Vero Beach, a Condominium (the "Condominium"), as more particularly set forth in the Articles of Incorporation of the Association ("Articles").

1.1 The office of the Association shall be for the present at 8200 North A-1-A, Vero Beach, Florida 32963, and thereafter may be located at any place designated by the Board.

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

1.3 The seal of the corporation shall bear the name "Sea Colony at Vero Beach Condominium Association, Inc.", the word "Florida" and the words "Corporation Not For Profit."

Section 2. Definitions

2.1 All terms shall have the meanings set forth in the Condominium Act, Chapter 718, Florida Statutes, 2000 ("Act"), as amended through the date of recording the Declaration amongst the Public Records of Indian River County, Florida ("County") and, for clarification, certain terms shall have the meanings defined herein or as ascribed to them in the Articles. All terms defined herein or in the Articles shall appear with initial capital letters each time each such term appears in these Bylaws.

2.2 Notwithstanding anything to the contrary, references to any of the Condominium Documents shall be deemed to include any amendment to such documents as set forth therein.

Section 3. Membership; Members' Meetings; Voting and Proxies

3.1 The qualification of Members, the manner of their admission to Membership and the termination of such Membership shall be as set forth in Article IV of the Articles.

3.2 The Members shall meet annually at the office of the Association or at such other place in the County, at such time as determined by the Board and as designated in the notice of such meeting ("Annual Members' Meeting"), commencing with the year following the year in which the Articles are filed with the Secretary of State. The purpose of the Annual Members' Meeting shall be to hear reports of the officers, elect members of the board (subject to the provisions of Article IX of the Articles) and transact any other business authorized to be transacted by the Members.

3.3 Special meetings of the Members shall be held at any place within the State of Florida whenever called by the President or Vice President of the Association or by a majority of the Board. A special meeting must be called by the President or Vice President upon receipt of a written request from one-third (1/3) of the Members, except as otherwise provided in Sections 4.5(a) and 7.3(b) hereof.

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3.4 Except as otherwise provided herein, written notice of a meeting (whether the Annual Members' Meeting or a special meeting of the Members) shall be mailed to each Member at each Member's last known address as such address appears on the books of the Association. Proof of such mailing shall be given by affidavit of the person who mailed such notice and also by such other method as may be required by the Act. The notice shall state the time and place of such meeting and the purpose for which the meeting is called. Unless a Member waives in writing the right to receive notice of the meeting, written notice of Annual Members' Meetings and special meetings of the Members shall be mailed or delivered to each Member in the manner required by the Act, not less than fourteen (14) days prior to the date of the meeting. Notice of the Annual Members' Meeting or special meeting of the Members shall be posted at a conspicuous place on the Association Property at least fourteen (14) continuous days prior to the meeting. If a meeting of the Members, either a special meeting or an Annual Members' Meeting, is one which, by express provision of the Act or Condominium Documents (provided such express provision of the Condominium Documents is in accordance with the requirements of the Act) there is permitted or required a greater or lesser amount of time for the mailing or posting of notice than is required or permitted by the provisions of this Paragraph 3.4, then such express provision shall govern.

3.5 The Members may waive notice of special meetings; and, at the discretion of the Board, act by written agreement in lieu of a meeting. Written notice of the matter or matters to be considered by written agreement in lieu of a meeting shall be given to the Members at the addresses and within the time periods set forth in Section 3.4 hereof or duly waived in accordance with such Section. The notice shall set forth a time period during which time a response must be made by a Member or "Proxy" (as hereinafter defined). The decision of a majority of a quorum of the Voting Interests (as evidenced by written response to be solicited in the notice) shall be binding on the Members provided a quorum of the Members submits a response. However, if the question is one upon which, by express provisions of the Act or the Condominium Documents (provided the express provisions of the Condominium Documents are in accordance with the requirements of the Act), requires a vote of other than a majority vote of a quorum, then such express provision shall govern and control the required vote on the decision of such question.

3.6 A quorum of the Members shall consist of persons entitled to cast votes on behalf of a majority of the entire Membership. When a quorum is present at any meeting and a question which raises the jurisdiction of such meeting is presented, the holders of a majority of the Voting Interests present in person or represented by written Proxy shall be required to decide the question. However, if the question is one which, by express provision of the Act or the Condominium Documents (provided the express provision of the Condominium Documents is in accordance with the requirements of the Act), requires a vote other than the majority vote of a quorum, then such express provision shall govern and control the required vote on the decision of such question.

3.7 If any meeting of Members cannot be properly held because a quorum is not in attendance, the Members who are present, either in person or by Proxy, may adjourn the meeting from time to time until a quorum is present. A quorum is not required for an election to occur; however, at least twenty percent (20%) of the eligible voters must cast a ballot in order to have a valid election of Directors. In the case of the meeting being adjourned, the notice provisions for the adjournment shall, subject to the Act, be as determined by the Board.

3.8 At any Annual Members' Meeting at which elections of Directors are to occur Directors shall be elected by written ballot or voting machine. In no event shall Proxies be used in electing the Board, either in general elections or elections to fill vacancies caused by resignation, recall, or otherwise, unless otherwise provided in the Act. The procedures for the nomination of candidates and voting in elections shall be as provided in Section 718.112(2)(d)(3) of the Act.

3.9 If a quorum is not in attendance at a meeting, the Members entitled to vote who are present, either in person or by Proxy, may adjourn the Meeting from time to time until a quorum is present with no further notice of such meeting being required unless otherwise determined by the Board. In the event any meeting is adjourned or postponed to be continued at another time because a quorum is not present at such meeting, then and in that event, the quorum requirements provided herein shall be reduced to the presence in person or by Proxy of one-third (1/3) of the Voting Interests of Members of the Association at the adjourned meeting. Actions approved by a majority of the Voting Interests of Members present in person or by Proxy at such adjourned meeting at which such reduced quorum exists shall be binding upon all Members and for all purposes, except where otherwise provided by the Act, the Declaration, the Articles, or these Bylaws. This reduction of the quorum requirements shall apply only if the Board sends notice of the adjourned or postponed meeting to the Members as elsewhere provided, which notice must specifically provide that quorum requirements will be reduced at the adjourned or postponed meeting.

3.10 Minutes of all meetings shall be kept in a business-like manner and available for inspection by the Members and Directors at all reasonable times. The Association shall retain minutes for at least seven (7) years subsequent to the date of the each respective meeting.

3.11 Members shall vote in the manner stated in Article IV of the Articles. Voting rights of Members shall be as stated in the Declaration and the Articles. Such votes may be cast in person or by Proxy. "Proxy" is defined to mean an instrument in writing, signed by a Member, appointing a person to whom the Member delegates the Member's right to cast a vote or votes in the Member's place and stead. Proxies shall be valid only for the particular meeting designated therein and any lawful adjournments thereof; provided, however, that no Proxy shall be valid for a period longer than ninety (90) days after the date of the first meeting for which such Proxy was given, provided, this express provision is not inconsistent with the requirements of the Act, in which case the Act shall govern and control. Each Proxy shall contain the date, time and place of the meeting for which the Proxy is given. A limited Proxy shall set forth those items for which the Proxy holder may vote and the manner in which the vote is cast. Members shall not vote by general Proxy, except as provided in Florida Statutes 718.112(2)(b)(2), but may vote by limited Proxy. A Proxy must be filed with the Secretary of the Association before the appointed time of the meeting in order to be effective. Any Proxy may be revoked prior to the time a vote is cast by virtue of such Proxy.

3.12 Upon demand of any Member at any time prior to a vote upon any matter at a meeting of the Members, any Member may demand voting on such matter shall be by secret ballot. The chairman of the meeting shall call for nominations for inspectors of election to collect and tally written ballots upon the completion of balloting upon the subject matter. Notwithstanding the terms set forth above, pursuant to Florida Statutes Section 718.112(2)(d)3, the Board shall be elected by written ballot or voting machine.

3.13 Members shall have the right to participate in meetings with reference to all designated agenda items in accordance with rules established by the Board. In addition, any Member may tape record or videotape a meeting in accordance with rules established by the Board.

Section 4. Board of Directors; Directors' Meetings

4.1 The form of administration of the Association shall be by a Board consisting of not less than three (3) Directors. At each Annual Members' Meeting held subsequent to the year in which the Developer's Resignation Event occurs, the number of Directors (which must be an odd number) shall be determined by the Board. Except for Developer-appointed Directors, Directors must be Association Members or the spouses, parents or children of Members.

4.2 The Articles' provisions setting forth the selection, designation, election and removal of Directors are hereby incorporated herein by reference. Directors elected by the Members in accordance with Article IX of the Articles shall be elected by a plurality of votes cast by the Members present in person or by Proxy and entitled to vote at a properly held Annual Members' Meeting or special meeting of the Members.

4.3 Subject to Section 4.5 below and Developer's rights set forth in the Articles and as set forth in Section 4.5(b) below, Board vacancies shall be filled by person(s) elected by the affirmative vote of a majority of the remaining Directors. Such person shall be a Director and have all the rights, privileges, duties and obligations as a Director elected at the Annual Members' Meeting. A Director elected by the Board to fill a vacancy shall hold office only until the next election of Directors by the Members.

4.4 The term of each Director's service, except as provided in Section 4.3 of these Bylaws, shall extend until the next Annual Members' Meeting and thereafter, until a successor Director is duly elected and qualified or until such Director is removed in the manner elsewhere provided herein.

4.5 (a) Any member of the Board elected by the Purchaser Members as provided in the Articles may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all the voting interests of all Members. A special meeting of Members to recall a member or members of the Board may be called by ten percent (10%) of the Members giving notice of the meeting as required for a meeting of Members and the notice shall state the purpose of the meeting. Any such recall shall be completed and a recall election shall be held, if applicable, as provided in Section 718.112(2)(j), of the Act, as such Section may be amended from time to time.

(b) A Director on the First Board or a Director designated by Developer as provided in the Articles may be removed by Developer, in Developer's sole discretion, without any need for a meeting or vote. Developer shall have the unqualified right for any reason to name successors to fill such vacancies. Upon the removal of a Director and designation of a successor Director pursuant to the terms of this Section 4.5.(b), Developer shall notify the Board as to: (i) any such removal or vacancy; (ii) the name of the successor Director; and (iii) the commencement date for the term of such successor Director.

4.6 Notice to Members of the Annual Members' Meeting at which the Board is elected shall specify that the organizational meeting of the newly elected Board shall be held immediately following the Annual Members' Meeting. In the event the newly elected Board announces at the Annual Members' Meeting that the Board will not have its organizational meeting immediately after the Annual Members' Meeting, the Members shall be properly noticed as provided for in these Bylaws. No further notice of the organizational meeting shall be necessary, providing that a quorum shall be present at such organizational meeting.

4.7 The Board's regular meetings may be held at such time and place as shall be determined by a majority of Directors. The Board's special meetings may be called at the discretion of the President or the Vice President of the Association. Special meetings must be called by the Secretary at the written request of one-third (1/3) of the Directors. The provisions of these Bylaws pertaining to meetings of the Board as a whole shall also be applicable to meetings of Class Directors.

4.8 Notice of the time, agenda and place of regular and special meetings of the Board, or adjournments thereof, shall be given to each Director personally or by mail, telephone or telegraph at least three (3) days prior to the day specified for such meeting. Except in an emergency, notice of a Board meeting shall be posted conspicuously on the Association Property for the attention of Members at least forty-eight (48) continuous hours in advance. Notice of any meeting where regular Assessments payable by Members are to be considered for any reason shall specifically contain a statement that Assessments will be considered and the nature of any such Assessments will be specified. Notice of a meeting where non-emergency Special Assessments or amendments to rules regarding a Unit's use will be considered, shall be mailed or delivered to the Owners and posted conspicuously on the Association Property not less than fourteen (14) days prior to the meeting. Proof of such mailing shall be given by affidavit executed by the person providing the notice and filed among the official records of the Association. Any Director may waive notice of the meeting before, during or after a meeting and such waiver shall be deemed equivalent to the receipt of notice by such Director.

4.9 For matters to be considered by the Board as a whole, a quorum of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. Matters approved by a majority of the Directors present at a meeting at which a quorum is present shall constitute the official acts of the Board, except as specifically provided elsewhere herein or in any of the Condominium Documents. A Director who is present at a Board meeting at which action on any corporate matter is taken shall be presumed to have assented to the action taken, unless said Director votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest. A vote or abstention for each Director present shall be recorded in the minutes. If at any Board meetings there shall be less than a quorum present, the majority of those present entitled to vote may adjourn the meeting from time to time until a quorum is present. When a quorum is present after adjournment of a meeting, any business which might have been transacted at the meeting as originally called may be transacted. In the case of a meeting adjournment, the notice provisions for the adjournment shall, subject to the Act, be determined by the Board.

4.10 The presiding officer at Board meetings shall be the President. In the President's absence, the Directors present shall designate any one (1) of their number to preside.

4.11 Directors shall not receive any compensation for their services.

4.13 Board meetings shall be open to all Members. Members shall have the right to participate in meetings with reference to all designated agenda items in accordance with rules established by the Board. In addition, any Member may tape record or videotape a meeting in accordance with rules established by the Board.

5.1 The Association may levy reasonable fines against a Unit for the failure of the Owner of the Unit or its occupant, licensee, or invitee, to comply with any provision of the Declaration, the Bylaws or the applicable Rules and Regulations. No fine will become a lien against a Unit. No fine may exceed the amounts set forth in Section 718.303(3) of the Act. However, a fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing, provided that such fine shall not exceed the amounts established by Section 718.303(3) of the Act. No fine may be levied except after giving reasonable notice and opportunity for a hearing to the Unit Owner and, if applicable, the Unit Owner's licensee or invitee. The hearing must be held before a committee of other Unit Owners. If the committee of said Unit Owners does not agree with the fine, the fine may not be levied. The provisions hereof do not apply to unoccupied Units.

(b) Where the Association levies fines, such fines shall be levied pursuant to the procedures set forth in rules established by the Board so long as said rules comply with Section 718.303(3) of the Act.

5.4 (a) The existence of the Association's right to fine as herein provided shall not preclude nor limit the Association's right to seek any other enforcement method or remedy established: (i) by the Condominium Documents; (ii) at law; or (iii) in equity.

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applicable requirements as to the maximum dollar amount of such fines as such maximum dollar amount may be increased by Act amendments from time to time.

5.5 Written complaints or inquiries by Owners to the Board shall be handled in accordance with Section 718.112(2)(a)2 of the Act, as it may be amended from time to time.

5.6 The Board may charge a fee in an amount determined by the Board in compliance with the provisions of the Act for the approving or disapproving of proposed purchasers of Units.

Section 6. Officers of the Association

6.1 The Association's executive officers shall be: (i) the President, who shall be a Director; (ii) one or more Vice Presidents; (iii) a Treasurer; (iv) a Secretary and, if the Board so determines, (v) an Assistant Secretary and an Assistant Treasurer, all of whom the Board shall elect annually. Any officer may be removed from office without cause by vote of the Directors at any meeting of the Board. The Board shall, from time to time, elect and designate the powers and duties of such other officers and assistant officers as the Board shall find to be required to manage the Association's affairs.

6.2 The President shall be the chief executive officer of the Association. The President shall have all of the powers and duties which are usually vested in the office of the President of a condominium association including, but not limited to: (i) the power to appoint committees from among the Members at such times as the President may, in the President's discretion, determine appropriate to assist in conducting the Association's affairs; (ii) assist in the conduct of the affairs of the Association; and (iii) preside at all Board meetings.

6.3 The Vice President shall: (i) in the absence or disability of the President, exercise the powers and perform the duties of the President; (ii) generally assist the President; (iii) exercise such other powers and perform such other duties as the Board shall prescribe. In the event the Board elects more than one (1) Vice President, then said Vice Presidents shall be designated "First," "Second," etc. and shall be called upon in such order to exercise the powers and perform the duties of the President if the President is absent or incapacitated.

6.4 The Secretary shall: (i) keep the minutes of all proceedings of the Board and Members' meetings, which minutes shall be recorded in a business-like manner and shall be available for inspection by Members and Directors at all reasonable times; (ii) have custody of the Association's seal and affix the same to instruments requiring a seal when duly signed; (iii) keep the Association's records, except those of the Treasurer; and (iv) perform all of the duties incident to the office of Secretary of the Association as may be required by the Board or the President. The Assistant Secretary, if any, shall assist the Secretary and shall perform the duties of the Secretary when the Secretary is absent.

6.5 The Treasurer shall: (i) have custody of all the Association's property, including funds, securities and evidences of indebtedness; (ii) keep the Members' assessment rolls and accounts; (iii) keep the Association's books in accordance with good accounting practices; and (iv) perform all the duties incident to the office of Treasurer. The Assistant Treasurer, if any, shall assist the Treasurer and shall perform the duties of the Treasurer whenever the Treasurer is absent.

6.6 Officers shall not receive compensation for their services. The Board shall fix the compensation, if any, of all other Association employees. This provision shall not preclude the Board from employing a Director or an officer as an employee of the Association nor preclude contracting with a Director or an officer for the management of all or any portion of the Condominium.

Section 7. Accounting Records; Fiscal Management; Budget

7.1 (a) The Association shall maintain the Association's official records in accordance with Section 718.111(12) of the Act, which records shall be open to inspection by Members and holders of first mortgages encumbering Units or their authorized representatives at reasonable times. The Association may charge Owners, holders of first mortgages encumbering Units or their authorized representatives, the Association's actual costs for preparing and furnishing copies of documents including, but not limited to, the Declaration, Articles, these Bylaws, Rules and Regulations, question and answer sheet and any amendment to the foregoing. Authorization requests for a representative of a Member must be in writing, signed by the Member requesting such authorization, and dated within ten (10) working days before the date of the inspection. The official records shall include accounting records for the Association and separate accounting records for each condominium operated by the Association, maintained according to good accounting practices. Such accounting records shall be maintained for a period of not less than seven (7) years. Accounting records so maintained by the Association shall include, but are not limited to: (i) accurate, itemized and detailed records of all receipts and expenditures of the Association; (ii) for each Unit the following information: (a) a current account, and a quarterly statement of the account (or for any other interval required by the Act, as amended from time to time); (b) the name of the Owner; (c) the due date of each Assessment and Special Assessment, if any; (d) the amount of each Assessment and Special Assessment, if any; (e) the amount paid upon the account; and (f) the balance due; (iii) all audits, reviews, accounting statements and financial reports of the Association; (iv) all contracts for work to be performed; and (v) bids received by the Association for work by or for the Association. Sub-items (iv) and (v) above shall be considered official records and shall be maintained by the Association for a period of one (1) year.

(b) An accountant or Certified Public Accountant shall prepare a report of the Association's actual receipts and expenditures for the previous twelve (12) months ("Report"). Such individual shall also prepare financial statements to comply with the requirements of Rule 61B-22.006(10), Florida Administrative Code ("F.A.C."), unless this requirement is waived pursuant to Rule 61B-22.006(11), F.A.C., and Section 718.111(13) of the Act. The Report shall be prepared consistent with the requirements of Rule 61B-22.006, F.A.C., and a copy of such report shall be furnished in accordance with the Act to each Member not later than the first day of April of the year following the year for which the Report is made. The Report will include account classifications designated in the Act, if applicable, and accounts otherwise included at the Board's discretion. The Report shall be deemed to be furnished to the Member upon delivery or mailing to the Member at the last known address shown on the Association's books and records. In the event the requirements of Rule 61B-22.006, F.A.C., are properly waived, then the Report shall be prepared and furnished complying with Section 718.111(13) of the Act and Rule 61B-22.006, F.A.C.

7.2 (a) The Board shall adopt a Budget for the Common Expenses of the Condominium ("Budget") for each fiscal year ("Budget Year") at a special meeting of the Board ("Budget Meeting") called for that purpose in October or November prior to the applicable

- (1) Administration of the Association;
- (2) Utilities;
- (3) Management Fees;
- (4) Maintenance;
- (5) Rent for recreational and other commonly used facilities;
- (6) Taxes upon Association Property;
- (7) Taxes upon leased areas;
- (8) Insurance;
- (9) Security provisions including monitored alarm expenses, if any;
- (10) Other expenses;
- (11) Operating capital;
- (12) Reserves for Capital Expenditures and Deferred Maintenance;
- (13) Fees payable to the Division of Florida Land Sales, Condominiums and Mobile Homes;
- (14) Master Association Assessments and fees; and
- (15) Cable television expenses, if any.

UTILIZING THE VOTE OF EACH UNIT OWNED BY DEVELOPER, DEVELOPER
HEREBY ACKNOWLEDGES DEVELOPER'S INTENTION TO VOTE FOR THE
WAIVER OF RESERVES FOR THE FIRST TWO (2) FISCAL YEARS OF THE
ASSOCIATION, BEGINNING WITH THE YEAR IN WHICH THE DECLARATION IS
RECORDED.

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(d) In administering Association finances, the following procedures shall govern: (i) the fiscal year shall be the calendar year; (ii) any income received by the Association in any calendar year may be used by the Association to pay expenses incurred by the Association in the same calendar year; (iii) there shall be apportioned between calendar years on a pro rata basis any expenses which are prepaid in any one (1) calendar year for Common Expenses which cover more than such calendar year; (iv) Assessments shall be made not less frequently than quarterly in amounts no less than are required to provide funds in advance for payment of all of the anticipated current expenses and for all unpaid expenses previously incurred; and (v) expenses incurred in a calendar year shall be charged against income for the same calendar year regardless of when the bill for such expenses is received. Notwithstanding the foregoing, Assessments shall be of sufficient magnitude to insure an adequacy and availability of cash to meet all budgeted expenses and anticipated cash needs in any calendar year as such expenses are incurred in accordance with the cash-basis method of accounting. The cash-basis method of accounting shall conform to generally-accepted accounting standards and principles.

(e) No Board shall be required to anticipate revenue from Assessments or expend funds to pay for Common Expenses, Operating Expenses or cable and monitored alarm expenses, if any, which were not included in a Budget or which will exceed budgeted items, and no Board shall be required to engage in deficit spending. Should there exist any deficiency which results from expenses being greater than income from Assessments, then such deficits shall be carried into the applicable Budget for the next succeeding year as a deficiency or shall be the subject of a Special Assessment to be levied by the Board as otherwise provided in the applicable Declaration.

(f) The Board may also include in the proposed Budget a sum of money as an Assessment for the making of betterments to Association Property and for anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis.

7.3 The following provisions shall be applicable to the adoption of the Budget:

(a) The Board may propose a Budget to the Members at a meeting of the Members or in writing. Notice of any Budget meeting, together with a copy of the proposed Budget of common expenses, shall be hand delivered or mailed to each Member at the address last furnished to the Association not less than fourteen (14) days prior to the meeting at which the proposed Budget will be considered. Evidence of compliance with the fourteen (14)-day notice provision must be made by an affidavit executed by an officer of the Association or the manager or other person providing notice of the Budget meeting, and such affidavit shall be filed among the official records of the Association. If the proposed Budget is approved by the Members at a meeting of the Members by a majority of all the voting interest of Members, or in writing by a majority of all the voting interests of Members, the Budget is adopted. If an adopted Budget requires assessments against Members which exceed one hundred fifteen percent (115%) of the Assessments for the immediately preceding year ("Excess Assessment"), the Board, upon written application to the Board of ten percent (10%) of the voting interests of Members, shall call a special meeting of the Members within thirty (30) days upon not less than ten (10)-days written notice to each Member. At the special meeting, the Members shall consider and enact a Budget. Said Budget must be approved by a vote of not less than a majority vote of all the voting interests at such special meeting. If a special meeting of the Members has been called and a quorum is not attained or a substitute Budget is not adopted by the Members, then the Budget adopted by the Board shall go into effect as scheduled. This sub-item (a) shall only be required when the Board is not controlled by the Developer.

(b) For so long as the Developer is in control of the Board, the Budget may be adopted by the Board at a meeting of the Members without the requirement of approval of the Budget by a majority of all the voting interests of Members, so long as the Budget adopted by the Board at the Budget Meeting establishes Assessments for common expenses in an amount which is less than or equal to one hundred fifteen percent (115%) of such Assessments for common expenses for the immediately preceding year. Notice of the Budget meeting, together with copies of the proposed Budget, shall be hand delivered or mailed to each Member at the address last furnished to the Association not less than fourteen (14) days prior to the meeting of the Board at which the proposed Budget will be considered. Evidence of compliance with the fourteen (14)-day notice provision must be made by an affidavit executed by an officer of the Association or manager or other person providing notice of the Budget meeting, and such affidavit shall be filed among the official records of the Association.

(c) For so long as the Developer is in control of the Board, the Board may not impose Assessments for any year which are greater than one hundred fifteen percent (115%) of the Assessments for the immediately preceding year without the approval of a majority of all of the voting interests of Members at a meeting at which the proposed Budget is considered. Notice of the Budget meeting, together with a copy of the proposed Budget of common expenses, shall be hand delivered or mailed to each Member at the address last furnished to the Association not less than fourteen (14) days prior to the meeting at which the proposed Budget will be considered.

(d) In determining whether Assessments exceed one hundred fifteen percent (115%) of similar Assessments for the immediately preceding year, the following items of expense shall be excluded:

- (1) Reserves for repair or replacement of any portion of the Condominium Property;
- (2) Expenses of the Association that are not anticipated to be incurred on a regular or annual basis;
- (3) Assessments for betterments to the Condominium Property; and
- (4) "Assessments" (as defined in the Master Declaration of the Corporation).

(e) The provisions of this Section 7.3 concerning Members' approval of a Budget requiring Assessments greater than one hundred fifteen percent (115%) of such Assessments in the immediately preceding year shall continue in full force and effect, unless the applicable provisions of Section 718.112(2)(e) of the Act: (i) are declared invalid by the courts; or (ii) amended by the Florida Legislature (however, if such an amendment merely substitutes another amount for one hundred fifteen percent (115%), then such new amount shall be substituted for one hundred fifteen percent (115%) each time it is set forth in this Section 7.3).

7.4. Allocation of Common Expenses

(a) Common Expenses shall be apportioned to each Unit based upon each Unit's share of Common Expenses, as established in the Declaration.

(b) Notwithstanding the allocation to each Unit of each Unit's share of Common Expenses, the Owner of each Unit shall also be liable for any Special Assessments levied by the Board against each such Unit as provided in the Condominium Documents. The funds collected pursuant to a Special Assessment shall be used only for the specific purpose or purposes set forth in such notice. If the funds collected pursuant to said Special Assessment exceed the funds necessary, the excess funds shall be considered Common Surplus. The Association shall collect Assessments and Special Assessments for Common Expenses from an Owner in the manner set forth in the Condominium Documents.

7.5 The Board from time to time shall designate as the Association's depository such bank or banks in which the Association's monies shall be deposited. Withdrawal of monies from such account shall be only by checks signed by such persons as the Board authorizes. Notwithstanding the foregoing, the President and/or the Treasurer of the Association shall be authorized to sign checks on the Association's behalf, unless otherwise specified by the Board.

Section 8. Rules and Regulations

The Board may adopt rules and regulations or amend or rescind existing rules and regulations for the operation and use of the Condominium at any Board meeting; provided such rules and regulations are not inconsistent with the Condominium Documents nor detrimental to sales of Units by Developer. Copies of any rules and regulations promulgated, amended or rescinded shall be mailed to all Owners at the last known address as shown on the Association's books and records and shall not take effect until forty-eight (48) hours after such mailing.

Section 9. Parliamentary Rules

The latest available edition of Robert's Rules of Order shall govern the conduct of Association meetings when not in conflict with the Condominium Documents or the Act. In the event of a conflict, the provisions of the Condominium Documents and the Act shall govern.

Section 10. Amendments to the Bylaws

10.1 These Bylaws may be amended by the affirmative vote of not less than a majority of the votes of Members entitled to vote thereon, represented in person or by Proxy at a properly held Annual Members' Meeting or special meeting of the Membership and the approval of a majority of the Board at a regular or special meeting of the Board. A copy of the proposed amendment shall be sent to each Member along with notice of the Annual Members' Meeting or special meeting. An amendment may be approved at the same meeting of the Board and/or Members at which such amendment is proposed.

10.2 An amendment may be proposed by either the Board or by the Members, and, after being proposed and approved by one (1) of such bodies, must be approved by the other as set forth above in order to become enacted as an amendment.

10.3 No modification or amendment to these Bylaws shall be adopted which would affect or impair the priority of any holder, insurer or guarantor of a first mortgage encumbering any Unit in the Condominium, the validity of such mortgage or any of Developer's rights.

Section 11. Fidelity Bonding

The Association shall obtain and maintain adequate fidelity bonding of all persons who control or disburse Association funds in accordance with Section 718.111(11)(d) of the Act.

Section 12. Condemnation of Common Elements

The Association has a limited power to convey a portion of the common elements to a condemning authority for the purpose of providing utility easements, right-of-way expansions or other public purposes, whether negotiated or as a result of eminent domain proceedings.

Section 13. Mandatory Non-Binding Arbitration

13.1 In the event of a Dispute, as defined below in Sections 13.2 and 13.3, the parties involved shall submit such dispute to non-binding arbitration pursuant to Florida Statutes Section 718.1255.

13.2 The term "Dispute" means any disagreement between two (2) or more parties that involves: (i) the authority of the Board under the Act or the Condominium Documents to: (a) require any Owner to take any action, or not to take any action, involving that Owner's Unit or the appurtenances thereto; or (b) alter or add to the Common Elements; or (ii) the Association's failure, when required by the Act or the Condominium Documents to: (a) properly conduct elections; (b) provide adequate notice of meetings; or (c) allow the inspection of books and records by a Unit Owner.

13.3 A definition of Dispute does not include: (i) any disagreement that primarily involves title to any Unit or Common Element; (ii) the interpretation or enforcement of any warranty; (iii) the levy of a fee, fine or assessment; (iv) the collection of an assessment levied against an Owner; (v) the eviction or removal of a tenant from a Unit; (vi) alleged breaches of fiduciary duty by one (1) or more Directors; or (vii) claims for damage to a Unit based upon the Association's alleged failure to maintain Common Elements or Condominium Property.

Section 14. Compliance with Fire and Life Safety Code

The Board may accept a certificate of compliance from a licensed electrical contractor or electrician as evidence of compliance by the Units with appropriate fire and life safety codes.

SEA COLONY AT VERO BEACH
CONDOMINIUM ASSOCIATION, INC.,
a Florida corporation not for profit

By: *R. Mason Simpson*
R. Mason Simpson
Its President

Attest: _____
(SEAL)

Date: May 20, 2002

EXHIBIT "E"
GARAGE SPACE ASSIGNMENT

GARAGE SPACE ASSIGNMENT

Pursuant to the provisions of Section 8.1.4 of the Declaration of Condominium of SEA COLONY AT VERO BEACH, a Condominium, Developer hereby assigns Garage Parking Space Number ____ to Condominium Unit Number _____. Upon Developer's execution of this Assignment, said garage parking space shall become a limited common element appurtenant to said Condominium Unit. This Parking Space Assignment shall not be recorded in the Public Records or elsewhere.

DATED this _____ day of _____, 200__

DEVELOPER:

SEA COLONY DEVELOPMENT COMPANY, a
Florida corporation

By: _____
Name: _____
Its: _____

OR 1490PG2374