TEQUESTA TOWERS
Condominium Association, Inc.

Tequesta Towers

Declaration of Condominium
Articles of Incorporation
By-Laws

October 2003

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November 10, 2003

ATTORNEY/CLIENT PRIVILEGED COMMUNICATION

Board of Directors
Tequesta Towers Condominium Association, Inc.
c/o Christopher A. Cameron, VP
18185 S. E. Village Circle
Tequesta, FL 33469

RE: Certificate of Recording Merged Declaration, Articles and Bylaws

Dear Board Members:

Enclosed please find a copy of the recorded Certificate of Recording Merged Declaration, Articles and Bylaws which was recorded in the Public Records of Palm Beach County, in Official Records Book **16127** at Page **1200.** We have retained the original for our file.

Please do not hesitate to contact this office with any questions you may have.

Very truly yours,

PETER C. MOLLENGARDEN
For the Firm

PCM/dj
Enclosure

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11/03/2003 11:58:13 20030679241
OR BK 16127 PG 1200
Palm Beach County, Florida

This instrument was prepared by:
PETER C. MOLLENGARDEN, ESQ.
Becker & Poliakoff, P.A.
500 Australian Avenue South
9th Floor
West Palm Beach, FL 33401
(W-C112)

CERTIFICATE OF RECORDING MERGED DECLARATION OF CONDOMINIUM FOR TEQUESTA TOWERS CONDOMINIUM APARTMENTS AND MERGED ARTICLES OF INCORPORATION AND AMENDED AND RESTATED BY-LAWS FOR TEQUESTA TOWERS CONDOMINIUM ASSOCIATION, INC.

WHEREAS, the **Declaration of Condominium** for **Tequesta Towers Condominium Apartments,** has been duly recorded in the Public Records of Palm Beach County, Florida, in Official Record Book **2239** at Page **382**; and

WHEREAS, the Articles of Incorporation and By-Laws for **Tequesta Towers Condominium Association, Inc.** are attached as Exhibits thereto; and

WHEREAS, the Declaration of Condominium, Articles of Incorporation and By-Laws were last amended at a meeting of the Association on July 21, 2003; and

WHEREAS, the Association desires to record a merged Declaration of Condominium, Articles of Incorporation and Amended and Restated By-Laws, representing the entire text of those documents, including exhibits, as they exist as of the date of this recordation. **THIS MERGED SET OF DOCUMENTS SETS FORTH THE CONTENTS OF THE DOCUMENTS AS THEY EXIST AS OF THIS DATE, INCORPORATING ALL AMENDMENTS AND EXHIBITS.**

NOW, THEREFORE, the undersigned hereby certify that the attached merged Declaration of Condominium, Articles of Incorporation and Amended and Restated By-Laws are true and correct copies of the full text of those documents, as amended by the membership, as they exist as of this date.

WITNESS my signature hereto this 20th day of OCT, 2003, at Tequesta, Palm Beach County, Florida.

TEQUESTA TOWERS CONDOMINIUM ASSOCIATION, INC.

Robert A. Harris
Witness
Robert A. HARRIS
(PRINT NAME)

By: Roo Berns
President

Pete Wilson
Witness
Pete Wilson
(PRINT NAME)

Attest C. J. Strickcomb
Secretary

STATE OF FLORIDA :
COUNTY OF PALM BEACH :

The foregoing instrument was acknowledged before me this 20th day of Oct. 2003, by MR Berns and MR. Strickcomb, as pres. and Sec., respectively, of Tequesta Towers Condominium Association, Inc., a Florida not-for-profit corporation, on behalf of the corporation. They are personally known to me, or have produced _____ as identification and did take an oath.

RC (Signature)

RACHAEL FLORA PENNA (Print Name)
Notary Public, State of Florida at Large

242149_1.DOC

Rachael Flora Penna
My Commission DD087749
Expires October 24, 2005

DECLARATION OF CONDOMINIUM OF TEQUESTA TOWERS CONDOMINIUM APARTMENTS

ARTICLE I

PURPOSE

The purpose of this Declaration is to submit the lands described in this instrument and the improvements on such lands to the condominium form of ownership and use in the manner provided by Chapter 718, Florida Statutes as amended from time to time, hereinafter called the "Condominium Act".

A. Name and Address. The name by which this condominium is to be identified is TEQUESTA TOWERS CONDOMINIUM APARTMENTS, located at 400 Beach Road, Tequesta, Palm Beach County, Florida.

B. The Land. The lands owned by the Developer, which by this instrument are submitted to the condominium form of ownership, are the following described lands lying and being in Palm Beach County, Florida:

See Schedule "A" attached hereto and made a part hereof.

ARTICLE II

DEFINITIONS

The terms used in this Declaration and in its exhibits shall have the meanings stated in the Condominium Act and as follows unless the context otherwise requires:

A. Dwelling Unit means unit as defined by the Condominium Act, and the terms dwelling unit and apartment shall be used interchangeably in this Declaration and have the same meaning.

B. Dwelling Unit Owner means unit owner as defined by the Condominium Act.

C. Association means Tequesta Towers Condominium Association, Inc., as lawfully amended from time to time, and its successors.

D. Common Elements shall include the tangible, personal property required for the maintenance and operation of the condominium, even though owned by the Association, as well as the items stated in the Condominium Act.

E. Limited Common Elements. That portion of the common elements consisting of the separate and designated underground parking spaces and storage lockers, as specifically identified on Exhibit A attached hereto, and as to each of which

said underground parking spaces and storage lockers the right of exclusive use and enjoyment shall be reserved as an appurtenance to a particular dwelling unit.

F. Common expenses include:

1. Expenses of administration; expenses of maintenance, operation, repair and replacement of the common elements and of the portions of dwelling units to be maintained by the Association, such expenses may also include the cost of interior pest control for the dwelling units pursuant to any contract or agreement for such service entered into by the Board of Directors.

2. Expenses declared common expenses by the provisions of this Declaration or by the Bylaws.

3. Any valid charge against the condominium property as a whole.

4. Expenses of security and directors and officers liability insurance.

G. Condominium means all of the condominium property as a whole when the context so permits, as well as the meaning stated in the Condominium Act.

H. Singular, plural, gender. Whenever the context so permits, the use of the plural shall include the singular; the singular shall include the plural, and the use of any gender shall be deemed to include all genders.

I. Utility service, as used in the Condominium Act and as construed with reference to this condominium, and as used in this Declaration and the Bylaws, shall include but not be limited to electric power, gas, cold water, sewage, garbage collection and lawn and pool maintenance.

ARTICLE III

DEVELOPMENT PLAN

The condominium is described and established as follows:

A. Survey. A survey of the land, showing the improvements on it is attached as Exhibit A.

B. Plans. The improvements upon the land are constructed substantially in accordance with the plans and specifications for such which are attached hereto as Exhibit A, and made a part hereof.

C. Improvements – general description.

1. Apartment building. The condominium includes an apartment building consisting of a ground floor, a first floor, a second floor, a third floor, a fourth floor, a fifth floor, a sixth floor, a seventh floor, an eighth floor, a ninth floor, a tenth floor and a penthouse floor. The apartment building contains forty-four (44) dwelling units.

2. Other improvements. The condominium includes gardens, landscaping, sauna bath, swimming pool, automobile parking areas for guests, two elevators, and other facilities located substantially as shown upon said survey and plans, and which are a part of the common elements.

D. Dwelling Unit Boundaries. The term dwelling unit, as used in this subsection concerning boundaries, shall include that part of the building containing the dwelling unit that lies within the boundaries of the dwelling unit, which boundaries are as follows:

1. Upper and lower boundaries. The upper and lower boundaries of the dwelling unit shall be the following boundaries extended to an intersection with the perimetrical boundaries:

a. Upper boundary – the horizontal plane of the lower surface of the ceiling slab.

b. Lower boundary – the horizontal plane of the lower surface of the floor slab.

2. Perimetrical boundaries. The perimetrical boundaries of the dwelling unit shall be the following boundaries extended to an intersection with the upper and lower boundaries:

a. Exterior building walls – The intersecting vertical plane adjacent to, and which includes the exterior of the outside walls of the apartment building bounding a dwelling unit and the fixtures thereon, and which there is attached to the building a private terrace or other portion of the building serving only the dwelling unit being bounded, such boundaries shall be the intersecting vertical planes adjacent to and which include all of such structures and fixtures thereon.

b. Interior building walls – The vertical planes of the center line of walls bounding a dwelling unit extended to intersection with other perimetrical boundaries with the following exceptions:

(1) When the walls between dwelling units are of varying thickness, or abut a column or shaft, the plane of the

center line of a bounding wall shall be extended to an intersection with the connecting bounding plane without regard to the plane of the center line of an intervening column or shaft.

(2) When walls of different thickness abut with a flush side so that their center lines do not intersect, the plane of the center line of the thinner wall shall be extended into the thicker wall for a distance which is one-half the thickness of the thinner wall, and the boundary shall thence run at a right angle to the plane of the center line of the thicker wall.

E. Easements are reserved through the condominium property as may be required for utility services in order to serve the condominium adequately; provided , however, that such easements through a dwelling unit shall be only according to the plans and specifications for the apartment building or as the building is constructed, unless approved in writing by the dwelling unit owner.

F. Common Elements. The common elements include the land and all other parts of the condominium not within the dwelling units.

ARTICLE IV

THE DWELLING UNITS

The dwelling units of the condominium are described more particularly and the rights and obligations of their owners are established as follows:

A. Typical Dwelling Unit plans. There are three dwelling unit floor plans for the dwelling units in the condominium. The dwelling units on the North end of the building and on the South end of the building and the dwelling units in the center of the building contain a foyer, a kitchen, dining and living room, two bedrooms, two bathrooms, a study and a private terrace, except for the two dwelling units in the center of the building on the first floor, which contain a foyer, a kitchen, dining and living room, two bedrooms, two bathrooms and a private terrace.

B. Dwelling Unit Numbers. There are four dwelling units on the first floor of the building. The dwelling units are numbered as follows: 101, 102, 103 and 104, beginning with 101 on the north end of the building and ending with 104 on the south end of the building. There are four dwelling units on the second floor of the building. The dwelling units are numbered as follows: 201, 202, 203 and 204, beginning with 201 on the north end of the building and ending with 204 on the south end of the building. There are four dwelling units on the third floor of the building. The dwelling units are numbered as follows: 301, 302, 303 and 304, beginning with 301 on the north end of the building and ending with 304 on the south end of the building. There are four

dwelling units on the fourth floor of the building. The dwelling units are numbered as follows: 401, 402, 403 and 404, beginning with 401 on the north end of the building and ending with 404 on the south end of the building. There are four dwelling units on the fourth floor of the building. The dwelling units are numbered as follows: 401, 402, 403 and 404, beginning with 401 on the north end of the building and ending with 404 on the south end of the building. There are four dwelling units on the fifth floor of the building. The dwelling units are numbered as follows: 501, 502, 503 and 504, beginning with 501 on the north end of the building and ending with 504 on the south end of the building. There are four dwelling units on the sixth floor of the building. The dwelling units are numbered as follows: 601, 602, 603 and 604, beginning with 601 on the north end of the building and ending with 604 on the south end of the building. There are four dwelling units on the seventh floor of the building. The dwelling units are numbered as follows: 701, 702, 703 and 704, beginning with 701 on the north end of the building and ending with 704 on the south end of the building. There are four dwelling units on the eighth floor of the building. The dwelling units are numbered as follows: 801, 802, 803 and 804, beginning with 801 on the north end of the building and ending with 804 on the south end of the building. There are four dwelling units on the ninth floor of the building. The dwelling units are numbered as follows: 901, 902, 903 and 904, beginning with 901 on the north end of the building and ending with 904 on the south end of the building. There are four dwelling units on the tenth floor of the building. The dwelling units are numbered as follows: 1001, 1002, 1003 and 1004, beginning with 1001 on the north end of the building and ending with 1004 on the south end of the building. There are four penthouse units on the eleventh floor of the building. The penthouses are numbered as follows: A, B, C and D, beginning with A on the north end of the building and ending with D on the south end of the building.

C. Appurtenances to Dwelling Units. The owner of each dwelling unit shall own a share and a certain interest in the condominium property, which share and interest are appurtenant to his dwelling unit, including but not limited to the following items which are appurtenant to the several dwelling units as indicated:

1. Common elements and common surplus. The undivided share in the land and other common elements and in the common surplus which are appurtenant to each apartment is an undivided one-forty-fourth (1/44) each.

2. Association membership. The membership of each dwelling unit owner in the Association and the interest of each dwelling unit owner in the funds and assets held by the Association.

D. Liability for common expenses. Each dwelling unit owner shall be liable for an equal share of the common expenses.

ARTICLE V

ACCESS EASEMENT

Developer has granted an exclusive easement to all subsequent owners of any portion of the hereinafter described property over and across the South 5 feet of the condominium property as set out in the Schedule A attached hereto for purposes of ingress and egress to and from the Atlantic Ocean:

That part of Lot 194 of Jupiter Island, GOMEZ GRANT, according to the plat on file and of record in Plat Book 1, Page 80 of the Public Records of Palm Beach County, Florida, bounded as follows: On the South by the line parallel to and 407.5 feet Northerly from, measured at right angles, to the South line of Lot 195 of said Subdivision of GOMEZ GRANT and JUPITER ISLAND; on the North by a line parallel to and 820 feet Northerly from, measured at right angles, to the South line of said Lot 195, on the East by the Westerly right of way line of State Road Number 707; and on the West by the waters of Hobe Sound.

Together with a parcel of submerged land in Jupiter Sound in Section 30, Township 40 South, Range 43 East, GOMEZ GRANT, Palm Beach County, Florida, more particularly described as follows: Commencing at the Point of Beginning of the Bulkhead line as described on a plat entitled Bulkhead Line Intracoastal Waterway, said plat being recorded in Plat Book 28, Page 154 and 155, Public Records of Palm Beach County, Florida, and from said Point of Beginning run thence North 7°3'45" West along the said Bulkhead line, a distance of 838.00 feet, more or less, to a point in a line parallel with and 227.10 feet Southerly from, measured at right angles to the Northline of Lot 194, Subdivision of GOMEZ GRANT and JUPITER ISLAND as recorded in Plat Book 1, Page 80, Public Records of Palm Beach County, Florida, to the true POINT OF BEGINNING of the herein described parcel of land, thence continue North 7°03'45" West on said Bulkhead line, a distance of 113.37 feet, more or less, to a point in a line parallel with and 114.60 feet Southerly from, measured at right angels to the North line of said Lot 194 Subdivision of GOMEZ GRANT and JUPITER ISLAND: thence South 89°57'03" East along said parallel line a distance of 210 feet, more or less, to a point in the mean high water line of Jupiter Sound; thence Southerly along said mean high water line to a point in a line parallel with and 227.10 feet Southerly from, measured at right angles to the North line of said Lot 194; thence North 89°57'03" West along said parallel line a distance of 180 feet, more or less, to a point in the said Palm Beach County Bulkhead Line and the true POINT OF BEGINNING.

ARTICLE VI

MAINTENANCE, ALTERATION AND IMPROVEMENT

Responsibility for the maintenance of the condominium property and restrictions upon its alteration and improvements shall be as follows:

A. Dwelling Units.

1. By the Association. The Association shall maintain, repair and replace at the Association's expense:

a. All portions of a dwelling unit, except interior surfaces, contributing to the support of the apartment building, which portions shall include but not be limited to the outside walls of the apartment building and all fixtures on its exterior, boundary walls of dwelling units, floor and ceiling slabs, load-bearing columns and load-bearing walls.

b. All conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services contained in the portion of a dwelling unit maintained by the Association; and all such facilities contained within a dwelling unit that service part or parts of the condominium other than the dwelling unit within which contained.

c. All incidental damage caused to a dwelling unit by such work shall be repaired promptly at the expense of the Association; provided, however, the Association shall not be responsible for incidental damage caused to wall, floor or ceiling coverings, appliances, fixtures, improvements, additions or any personal property contained or located in the dwelling unit.

2. By the dwelling unit owner. The responsibility of the dwelling unit owner shall be as follows:

a. To maintain, repair and replace at his expense all portions of his dwelling unit except the portions to be maintained, repaired and replaced by the Association. Such shall be done without disturbing the rights of other dwelling unit owners.

b. Not to paint or otherwise decorate or change the appearance of any portion of the exterior of the apartment building without the approval of the Association, which approval may be denied or withheld at the sole discretion of the Board of Directors.

c. To promptly report to the Association any defect or need for repairs for which the Association is responsible.

d. To maintain, replace and repair all hurricane shutters on the exterior of his dwelling unit, provided, however, that the Association shall have the authority to approve the purchase and initial installation of same. The Board of Directors shall adopt specifications, which the Board may amend from time to time, concerning the style, color and other factors deemed relevant by the Board with respect to hurricane shutters, which specifications shall comply with applicable code

requirements. Dwelling unit owners shall be permitted to install hurricane shutters which comply with the specifications in effect at the time of installation.

3. Alteration and Improvement. Neither a dwelling unit owner nor the Association shall make any alteration in the portions of a dwelling unit or of an apartment building that are to be maintained by the Association, or remove any portion of such, or make any additions to them, or do anything that would jeopardize the safety or soundness of an apartment building, or impair any easement, without first obtaining approval in writing of owners of all dwelling units in which such work is to be done and the approval of the Board of Directors of the Association. A copy of plans for all such work prepared by an architect licensed to practice in this state shall be filed with the Association prior to the start of the work. Alterations and/or additions by the Association to the common elements and/or Association property which the Board reasonably determines are necessary or needed for the maintenance, repair, replacement, protection or preservation of the Condominium property, or the protection of its residents, may be made without dwelling unit owner approval.

B. Common Elements.

1. By the Association. The maintenance, repair, replacement and operation of the common elements shall be the responsibility of the Association and a common expense.

2. Alteration and improvement. After the completion of the improvements included in the common elements contemplated by this Declaration, there shall be no material alteration nor further substantial improvement of the real property constituting the common elements, or Association property, costing in excess of $10,000.00 without prior approval by vote, or in writing in lieu of a meeting, by the owners of not less than a majority of the dwelling units. Any such alteration or improvement shall not interfere with the rights of any dwelling unit owners without their consent. Notwithstanding the foregoing, material alterations and substantial additions to the common elements or Association property costing $10,000.00 or less, or which the Board reasonably determines are necessary or needed for the maintenance, repair, replacement, protection or preservation of the Condominium or Association property, or for the protection of the residents, may be made without dwelling unit owner approval. There shall be no change in the shares and rights of an apartment owner in the common elements altered or further improved.

C. Access to Dwelling Units. The Association has the irrevocable right of access to each dwelling unit during reasonable hours (or at any time in the event of an emergency), when necessary for the maintenance, repair or replacement of any common elements or of any portion of a dwelling unit to be maintained by the Association pursuant to this Declaration or as necessary to prevent damage to the common elements, Association property or to a dwelling unit or units. The Board of Directors may require that dwelling unit owners provide the Association with copies of keys to their dwelling unit(s).

ARTICLE VII

ASSESSMENTS

The making and collection of assessments against dwelling unit owners for common expenses shall be pursuant to the Bylaws and subject to the following provisions:

A. Share of Common Expenses. Each dwelling unit owner shall be liable for an equal share of the common expenses. Each dwelling unit owner shall share in the common surplus such shares being the same as the undivided share of the common elements appurtenant to the dwelling unit owned by him. Provided, however, that if services are made available to dwelling unit owners from a revenue producing operation, no assessment on account of such services shall be made against a bank, life insurance company or savings and loan association that acquires its title as a result of owning a first mortgage upon a dwelling unit, and this shall be so whether the title is acquired by deed from the mortgagor or through foreclosure proceedings; but this shall not preclude such an assessment against an occupant of a dwelling unit owned by such an institution for services voluntarily accepted by the occupant. The shares of any cost or loss not so assessed shall be assessed to the other dwelling unit owners in the shares that their shares in the common elements bear to each other.

B. Interest; application of payments. Assessments and installments on such assessments paid on or before fifteen (15) days after the date when due shall not bear interest, but all sums not paid on or before fifteen (15) days after the date when due shall bear interest at the highest rate allowed by law from time to time per annum from the date when due until paid. All payments upon account shall be first applied to interest and then to the assessment payment first due.

C. Lien for Assessments. The lien for unpaid assessments shall also secure reasonable attorneys' fees incurred by the Association incident to the collection of such assessment or enforcement of such lien in addition to interest and late charges. In the event any assessment or installment thereof is not paid on or before fifteen (15) days after the due date, the Association may accelerate the balance of the annual assessment for such fiscal year and/or levy an administrative late charge not to exceed the maximum amount allowed by law from time to time.

D. Rental Pending Foreclosure. In any foreclosure of a lien for assessments the owner of the dwelling unit subject to the lien shall be required to pay a reasonable rental, for the dwelling unit, and the Association shall be entitled to the appointment of a receiver to collect the same.

E. Assessments, Pending Foreclosure. Except as otherwise provided by law from time to time, when the mortgagee of a first mortgage of record or other purchaser

of an apartment obtains title to the apartment as a result of foreclosure of the first mortgage, such acquirer of title, his successors and assigns, shall not be liable for the share of common expenses or assessments by the Association pertaining to such apartment or chargeable to the former unit owner of such parcel which became due prior to acquisition of title as a result of the foreclosure until said apartment is either sold or leased by the first mortgage holder. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all of the unit owners including such acquirer, his successors and assigns.

F. Liability for Assessments and Charges. A dwelling unit owner shall be liable for all assessments and charges coming due while the owner of a dwelling unit, and such owner and owner's grantee(s) after a conveyance shall be jointly and severally liable for all unpaid assessments and charges due and payable up to the time of transfer of title. Liability may not be avoided by waiver of the use or enjoyment of any common elements or Association property or by abandonment of the dwelling unit for which the assessments are made.

ARTICLE VIII

ASSOCIATION

The operation of the condominium shall be by TEQUESTA TOWERS CONDOMINIUM ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, which shall fulfill its functions pursuant to the following provisions:

A. Articles of Incorporation. A copy of the Articles of Incorporation of the Association is attached hereto as Exhibit "B".

B. The Bylaws. The Bylaws of the Association shall be the Bylaws of the condominium, a copy of which is attached hereto as Exhibit "C".

C. Limitation upon liability of Association. Notwithstanding the duty of the Association to maintain and repair parts of the condominium property, the Association shall not be liable to dwelling unit owners for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the Association, or caused by the elements or by other owners or persons.

D. Restraint upon assignment of shares in assets. The share of members in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his dwelling unit.

E. Approval or disapproval of matters. Whenever the decision of a dwelling unit owner is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed by the same person who would cast the vote

of such owner if in an Association meeting, unless the joinder of record owners is specifically required by this Declaration.

ARTICLE IX

INSURANCE

The insurance, other than title insurance, that shall be carried upon the condominium property and the property of the dwelling unit owners shall be governed by the following provisions:

A. Authority to purchase; named insured. Except as otherwise provided herein, all insurance policies upon the condominium property shall be purchased by the Association and shall be placed in a single company, if possible. The named insured shall be the Association individually and as agent for the dwelling unit owners, without naming them, and as agent for their mortgagees. Provision shall be made for the issuance of mortgagee endorsements and memoranda of insurance to the mortgagees of dwelling unit owners. Such policies shall provide that payments by the insurer for losses shall be made to the Insurance Trustee for the benefit of the beneficial dwelling unit owners, and all policies and their endorsement shall be deposited with the Insurance Trustee, and with the mortgagee if required by the mortgagee. The dwelling unit owners may obtain coverage at their own expense upon such portions of their dwelling units not required to be insured by the Association, their personal property and for their personal liability and living expense.

B. Coverage.

1. Casualty. All buildings and improvements upon the land shall be insured in an amount equal to the maximum insurance replacement value, excluding foundation and excavation costs, and all personal property, included in the common elements shall be insured for its value, all as determined annually by the Board of Directors of the Association. Notwithstanding the foregoing, the Association shall not insure wall, floor and ceiling coverings within any dwelling unit nor the following equipment in the dwelling units if required to be maintained by the dwelling unit owner under this Declaration: appliances, water heaters, air conditioning and heating equipment, electrical fixtures, and built-in cabinets. The Association shall not be required to insure any other property excluded from the insurance responsibility of the Association pursuant to Chapter 718, Florida Statutes, as amended from time to time. The coverage obtained by the Association shall afford protection against:

a. loss or damage by fire and other hazards covered by a standard extended coverage endorsement, and

b. such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location, and use as the

building on the land, including but not limited to vandalism, malicious mischief, windstorm and water damage.

2. Public liability in such amounts and with such coverage as shall be required by the Board of Directors of the Association, including but not limited to hired automobile coverage, and with cross liability endorsement to cover liabilities of the dwelling unit owners as a group to a dwelling unit owner.

3. Workmen's compensation policy to meet the requirements of law.

4. Such other insurance as the Board of Directors of the Association shall determine from time to time to be desirable including, without limitation, director's and officer's liability insurance.

C. Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association and charged to the dwelling unit owner in accordance with the undivided share in the common elements appurtenant to the dwelling unit owned by him.

D. Insurance Trustee; shares of proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the dwelling unit owners and their mortgagees, as their interests may appear, and shall provide that all proceeds covering property losses shall be paid to a financial institution or bank in Florida with trust powers as may be designated as insurance trustee by the Board of Directors of the Association, which trustee is referred to in this instrument as the Insurance Trustee. In the alternative, the Board of Directors may designate the Association, acting through the Board, as the Insurance Trustee. Except for the Association acting as the Insurance Trustee, the Insurance Trustee shall not be liable for payment of premiums nor for the renewal or the sufficiency of policies nor for the failure to collect any insurance proceeds. The duty of the Insurance Trustee shall be to receive such proceeds as are paid and to hold the proceeds in trust for the purposes elsewhere stated in this instrument and for the benefit of the dwelling unit owners and their mortgagees in the following shares, but which shares need not be set forth on the records of the Insurance Trustee:

1. Common elements. Proceeds on account of damage to common elements: an undivided share for each dwelling unit owner, such share being the same as the undivided share in the common elements appurtenant to his dwelling unit.

2. Dwelling units. Proceeds on account of damage to dwelling units shall be held in the following undivided shares:

   a. <u>When the building is to be restored</u> - for the owners of damaged dwelling units in proportion to the cost of repairing

the damage suffered by each dwelling unit owner; which cost shall be determined by the Association.

b. When the building is not to be restored - an undivided share for each dwelling unit owner, such share being the same as the undivided share in the common elements appurtenant to his dwelling unit;

3. Mortgagee. In the event a mortgagee endorsement has been issued as to a dwelling unit, the share of the dwelling unit owner shall be held for the mortgagee and the dwelling unit owner as their interests may appear, provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distributions of such proceeds made to the dwelling unit owner and mortgagee pursuant to the provisions of this Declaration.

E. Distribution of proceeds. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the beneficial owners in the following manner:

1. Expense of the trust. All expenses of the Insurance Trustee shall be paid first or provisions made for such payment.

2. Reconstruction or repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost of such as elsewhere provided. Any proceeds which remain after defraying such costs shall be distributed to the beneficial owners, remittances to dwelling unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a dwelling unit and may be enforced by such mortgagee.

3. Failure to reconstruct or repair. If it is determined in the manner elsewhere provided that the damage for which proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners, remittances to dwelling unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a dwelling unit and may be enforced by such mortgagee.

4. Certificate. In making distribution to dwelling unit owners and their mortgagees, the Insurance Trustee may rely upon a certificate of

the Association made by its President and Secretary as to the names of the dwelling unit owners and their respective shares of the distribution.

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

ARTICLE X

RECONSTRUCTION OR REPAIR AFTER CASUALTY

A. Determination to Reconstruct or Repair. If any part of the condominium property shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined in the following manner:

1. Common elements. If the damaged improvement is a common element, the damaged property shall be reconstructed or repaired unless it is determined in the manner elsewhere provided that the condominium shall be terminated.

2. Apartment building.

a. Lesser damage. If the damaged improvement is an apartment building or buildings and if at least fifty percent (50%) of the dwelling units are found by the Board of Directors of the Association to be habitable or tenantable, the damaged property shall be reconstructed or repaired unless within 120 days after the casualty it is determined by agreement in the manner elsewhere provided that the condominium shall be terminated.

b. Major damage. If the damaged improvement is an apartment building or buildings, and if more than fifty percent (50%) of the dwelling units are found by the Board of Directors to be not habitable or tenantable, then the damaged property will not be reconstructed or repaired and the condominium will be terminated without agreement as elsewhere provided, unless within 120 days after the casualty the owners of 75% of the dwelling units agree in writing to such reconstruction or repair.

3. Certificate. The Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary to determine whether or not the damaged property is to be reconstructed or repaired.

B. Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original buildings portions of which are attached hereto as exhibits; or if not, then according to plans and specifications approved by the Board of Directors of the Association, and if the damaged property is an apartment building or buildings, by the owners of not less than 75% of the common elements, including the owners of all damaged dwelling units, which approval shall not be unreasonably withheld.

C. Responsibility. If the damage is only to those parts of a dwelling unit for which the responsibility of maintenance and repair is that of the dwelling unit owner, then the dwelling unit owner shall be responsible for the reconstruction and repair after casualty. In all other instances, the responsibility of reconstruction and repair shall be that of the Association.

D. Estimates of costs. Immediately after a determination is made to rebuild or repair damage to property for which the Association has the responsibility of reconstruction and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair. Such costs may include professional fees and premiums for such bonds as the Board of Directors desires.

E. Assessments. If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction and repair by the Association, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair the funds for the payment of the costs of reconstruction and repair are insufficient, including the aforesaid fees and premiums, assessments shall be made in sufficient amounts to provide funds for the payment of such costs. Such assessments shall be in proportion to each owner's share in the common elements.

F. Construction funds. The funds for payment of costs of reconstruction and repair after casualty, which shall consist of proceeds of insurance held by the Insurance Trustee and funds collected by the Association from the assessments against dwelling unit owners, shall be distributed in payment of such costs in the following manner:

1. Association. If the total of assessments made by the Association in order to provide funds for payment of costs of reconstruction and repair that is the responsibility of the Association is more than $15,000.00, then the sums paid upon such assessments shall be deposited by the Association with the Insurance Trustee. In all other cases the Association shall hold the sums paid upon such assessments and disbursed them in payment of the costs of reconstruction and repair.

2. Insurance Trustee. The proceeds of insurance collected on account of a casualty and the sums deposited with the Insurance Trustee by the Association from collections of assessments against dwelling unit owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the costs of repair and reconstruction in the following manner and order:

a. Association – lesser damage. If the amount of the estimated costs of reconstruction and repair that is the responsibility of the Association is less than $15,000.00, then the construction fund shall be disbursed in payment of such costs upon the order of the Association; provided, however, that upon request to the Insurance Trustee by a mortgagee that is a beneficiary or an insurance policy the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner provided for the reconstruction and repair of major damage.

b. Association – major damage. If the amount of the estimated costs of reconstruction and repair that is the responsibility of the Association is more than $15,000.00, then the construction fund that is held by the Insurance Trustee shall be disbursed in payment of such costs in the manner required by the Board of Directors of the Association and upon approval of an architect qualified to practice in Florida and employed by the Association to supervise the work.

c. Dwelling unit owner. The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with a dwelling unit owner shall be paid by the Insurance Trustee to the dwelling unit owner; or if there is a mortgagee endorsement as to the dwelling unit, then to the dwelling unit owner and the mortgagee jointly, who may use such proceeds as they may be advised by the Association.

d. Surplus. It shall be presumed that the first moneys disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund, in the manner elsewhere stated; except, however; that the part of a distribution to a beneficial owner that is not in excess of assessments paid by such owner into the construction fund shall not be made payable to any mortgagee.

e. Certificate. Notwithstanding the provisions of this instrument, the Insurance Trustee shall not be required to determine whether or not

sums paid by the dwelling unit owners upon assessments shall be deposited by the Association with the Insurance Trustee, not to determine whether the disbursements from the construction fund are to be upon the order of the Association or upon approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund nor to determine the payee nor the amount to be paid. Instead, the Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary as to any or all of such matters and stating that the sums to be paid are due and properly payable and stating the name of the payee and the amount to be paid; provided that when a mortgagee is required in this instrument to be named as payee, the Insurance Trustee shall also name the mortgagee as a payee of any distribution of insurance proceeds to a dwelling unit owner; and further provided that when the Association, or a mortgagee that is the beneficiary of an insurance policy whose proceeds are included in the construction fund, so requires, the approval of an architect named by the Association shall be first obtained by the Association upon disbursements in payment of costs of reconstruction and repair.

ARTICLE XI

USE RESTRICTIONS

The use of the condominium property shall be in accordance with the following provisions as long as the condominium exists and the apartment building or buildings in useful condition exist upon the land.

A. Dwelling Units. Each of the dwelling units shall be occupied only by a single family, its servants and guests, as a residence and for no other purpose. No dwelling unit may be divided or subdivided into a smaller unit. "Single family" shall mean one (1) person, or two (2) or more persons related by blood, marriage or adoption, or not more than two (2) persons who are not related by blood, marriage or adoption, provided, however, in no event may any dwelling unit be occupied by more than two (2) persons per bedroom except for temporary guest occupancy. The Rules and Regulations of the Association may establish limits or restrictions concerning guest occupancy of any dwelling unit.

B. Common Elements. The common elements shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of the dwelling unit owners.

C. Nuisances. No nuisance shall be allowed upon the condominium property, nor any use or practice that is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents.

All parts of the condominium shall be kept in a clean and sanitary condition and no rubbish, refuse or garbage shall be allowed to accumulate nor any fire hazard allowed to exist. No dwelling unit owner shall permit any use of his dwelling unit or make any use of the common elements that will increase the cost of insurance upon the condominium property.

D. Pets. No cat, dog, reptile or animal of any kind shall be permitted, kept or harbored in the condominium except for fish kept in a fish tank or small birds kept in cages which do not annoy or disturb other residents by making noise or odors.

E. Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the condominium property nor any part of it, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction shall be observed. The responsibility of meeting the requirements of governmental bodies for maintenance, modification or repair of the condominium property shall be the same as the responsibility for the maintenance and repair of the property concerned.

F. Leasing.

(1) After approval by the Association elsewhere required, entire dwelling units may be rented provided the occupancy is only by the lessee and his family, servants, and guests.

(2) No rooms may be rented and no transient tenants may be accommodated.

(3) No apartment shall be leased for a period of less than six (6) consecutive calendar months. Within the meaning and intent of this provision the use and occupancy of an apartment in the absence of the owner, by any party other than a member of the owner's immediate family (i.e. spouse, offspring, parent or sibling), shall be deemed a lease of the premises.

G. Regulations. Reasonable regulations concerning the use of the condominium property may be made and amended from time to time by the Association in the manner provided by its Articles of Incorporation and Bylaws. Copies of such regulations and amendments shall be furnished by the Association to all dwelling unit owners and residents of the condominium upon request.

H. Guests. Guests may occupy dwelling units of the owner of the dwelling unit, provided, however, that the owner of the dwelling unit registers his guest with the Board of Directors of the Association and such occupancy complies with the Rules and Regulations of the Association concerning guest occupancy as amended from time to time. Such rules and regulations may address, without limitation, the number and term of guest occupancy in the presence and absence of the dwelling unit owner.

a dwelling unit in the Condominium shall be transferred to a corporation or partnership (excepting ownership of dwelling units by the Association, or by any mortgagee acquiring a dwelling unit by foreclosure or deed in lieu of foreclosure). This provision has prospective application only and does not affect the title to any unit, previously recorded, in the name of a corporation or partnership. Dwelling units shall not be owned by a trust, except for trusts established for estate planning or tax planning purposes.

J. Carpeting. In order to avoid a private nuisance, disturbing noises or unnecessary annoyances, all apartments shall be carpeted with underpadding in all walking and movable furniture areas, except the foyer, the kitchen and bathrooms, provided, however, hard surface flooring may be installed in an apartment with the prior written approval of the Board of Directors, and the Board may adopt specifications from time to time with respect to the installation of such hard surface flooring.

K. Use of Indoor Parking Spaces. Indoor parking spaces shall be used only by the owner to whom the space is assigned or such owner's tenant. For security reasons, no owner shall permit any other person, other than another unit owner, to use his assigned indoor parking space at any time. All guests, non-residents and visitors must use the designated guest parking space provided outside the Condominium building.

(1) ONLY passenger automobiles, mini vans and sport utility vehicles equipped with original automobile manufacturer's factory design passenger bodies may park on the Condominium property or Association property.

(2) Without limiting the general provisions set forth above, the following types of vehicles WILL NOT be permitted to park on the Condominium or Association Properties, except as provided by sub-paragraph 3 below:

(a) Commercial vehicles (including vehicles with commercial signs or lettering);

(b) Motorcycles or other two-wheeled motorized vehicles;

(c) Mopeds and other self-powered bicycles;

(d) Bicycles and tricycles (other than in specified bicycle storage areas);

(e) Trucks, including pick-up trucks or any vehicle with a passenger cab and cargo bed, whether covered or uncovered, whether with a bed top or without;

(f) Agriculture vehicles;

(f) Agriculture vehicles;

(g) Dune buggies;

(h) Any trailer or other device transportable by vehicular towing;

(i) Semis, tractors or tractor trailers;

(j) Buses;

(k) Travel trailers;

(l) Boats and boat trailers with or without boats;

(m) Vehicles which are not fully mechanically operable or not currently licensed for use;

(n) Motorcycle delivery wagons;

(o) Campers;

(p) Recreational vehicles;

(q) Mobile homes or mobile houses;

(r) Truck mounted campers attached or detached from the truck chassis;

(s) Motor homes or motor houses'

(t) Motor vehicles not having any bodies whatever, or incomplete buggies;

(u) Swamp buggies;

(v) Passenger automobiles that have converted to a different type of motor vehicle by replacing the original body, or by modifying the exterior and/or interior of the vehicle; and

3. On a temporary basis, trucks or commercial vehicles may be parked when performing deliveries or service for the Association or any apartment.

4. All vehicles parked on the Condominium or Association Properties contrary to the provisions contained herein shall be subject to being towed in accordance with Section 715.07, Florida Statutes, as amended from time to time, at the expense of the owner of the vehicle. Towing shall not be the exclusive remedy of the Association.

5. Parking of vehicles may be subject to additional Rules and Regulations adopted and amended by the Board of Directors from time to time, not in conflict with the provisions of this Declaration.

ARTICLE XII

MAINTENANCE OF COMMUNITY INTERESTS

In order to maintain a community of congenial residents who are financially responsible and thus protect the value of the dwelling units, the transfer of dwelling units by any owner other than the Developer shall be subject to the following provisions as long as the condominium exists and the apartment building is in useful condition, which provisions each dwelling unit owner covenants to observe:

A. Transfer Subject to Approval.

1. Sale. No dwelling unit owner may dispose of a dwelling unit or any interest in a dwelling unit by sale without the approval of the Association, except to another dwelling unit owner.

2. Lease. No dwelling unit owner may dispose of a dwelling unit, or any interest in a dwelling unit by lease without the approval of the Association, except to another dwelling unit owner.

3. Gift. If any dwelling unit owner shall acquire his title by gift, the continuance of his ownership of his dwelling unit shall be subject to the approval of the Association.

4. Devise or inheritance. If any dwelling unit owner shall acquire his title by devise or inheritance, the continuance of his ownership of his dwelling unit shall be subject to the approval of the Association.

5. Other transfers. If any dwelling unit owner shall acquire his title by any manner not considered in the foregoing subsections, the continuance of his ownership of his dwelling unit shall be subject to the approval of the Association.

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

1. Notice to Association.

a. Sale. A dwelling unit owner intending to make a bona fide sale of his dwelling unit or any interest in it shall give to the Association notice of such

intention, together with the name and address of the intended purchaser and such other information concerning the intended purchaser as the Association may reasonably require. Such notice at the dwelling unit owner's option may include a demand by the dwelling unit owner that the Association furnish a purchaser of the dwelling unit if the proposed purchaser is not approved; and if such demand is made, the notice shall be accompanied by an executed copy of the proposed contract to sell. The Board of Directors may require a personal face to face interview at the condominium, or other location designated by the Board, with the proposed purchaser and all proposed occupants of the dwelling unit and the Board or any designated committee or representative of the Association.

b. Lease. A dwelling unit owner intending to make a bona fide lease of his dwelling unit or any interest therein shall give to the Association notice of such intention, together with the name and address of the intended lessee, such other information concerning the intended lessee as the Association may reasonably required, and an executed copy of the proposed lease. The Board may require a personal face to face interview at the Condominium, or other location designated by the Board, with the proposed lessee(s) and all proposed occupants of the dwelling unit and the Board or any designated committee or representative of the Association.

c. Gift; devise or inheritance; other transfers. A dwelling unit owner who has obtained his title by gift, devise or inheritance, or by any other manner not previously considered, shall give to the Association notice of the acquiring of his title, together with such information concerning the dwelling unit owner as the Association may reasonably require, and a certified copy of the instrument evidencing the owner's title. The Board of Directors may require a personal face to face interview at the Condominium, or such other location designated by the Board, with the transferee and all owners of the Dwelling unit.

d. In connection with the sale, lease, gift or other transfer of ownership or occupancy of a dwelling unit, the Board may require a transfer fee per purchaser, lessee or other transferee of an amount not to exceed the maximum amount allowed by law from time to time. In addition, with respect to any proposed lease, the Board may require the payment of a security deposit to protect against damage to the common elements and the Association Property, in an amount not to exceed the maximum allowed by law from time to time. The deposit shall be handled in the manner required by applicable law.

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

2. Certificate of Approval.

a. Sale. If the proposed transaction is a sale, then within 30 days after receipt of such notice and information and all required appearances and fees, the Association must either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate executed by the President and Secretary of the Association, which shall be recorded in the Public Records of Palm Beach County, Florida, at the expense of the purchaser.

b. Lease. If the proposed transaction is a lease, then within 30 days after receipt of such notice and information and all required appearances, fees and deposit(s), the Association must either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate executed by the President and Secretary of the Association in recordable form, which, at the election of the Association, shall be delivered to the lessee or shall be recorded in the Public Records of Palm Beach County, Florida, at the expense of the lessee.

c. Gift; devise or inheritance; other transfers. If the dwelling unit owner giving notice has acquired his title by gift, devise or inheritance, or in any other manner, then within thirty (30) days after receipt of such notice and information and all required appearances and fees, the Association must either approve or disapprove the continuance of the dwelling unit owner's ownership of his dwelling unit. If approved, the approval shall be stated in a certificate executed by the President and Secretary of the Association, which shall be recorded in the Public Records of Palm Beach County, Florida, at the expense of the dwelling unit owner.

C. Disapproval by Association. If the Association shall disapprove a transfer of ownership of a dwelling unit for reasons other than "good cause" as set forth in Paragraph G below, the matter shall be disposed of in the following manner:

1. Sale. If the proposed transaction is a sale and if the notice of sale given by the dwelling unit owner shall so demand, then within thirty (30) days after receipt of such notice and information and all requested appearances and fees, the Association shall deliver or mail by registered mail to the dwelling unit owner an agreement to purchase the dwelling unit concerned by a purchaser approved by the Association who will purchase and to whom the dwelling unit owner must sell the dwelling unit upon the following terms:

a. At the option of the purchaser to be stated in the agreement, the price to be paid shall be that stated in the disapproved contract to sell or shall be the fair market value determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association, who shall base their determination upon an average of their separate appraisals of the dwelling unit; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

b. The purchase price shall be paid in cash.

c. The sale shall be closed within forty-five (45) days after the delivery or mailing of the agreement to purchase, or within twenty (20) days after the determination of the sale price if such is by arbitration, whichever is the later.

d. A certificate of the Association executed by its President and Secretary and approving the purchaser shall be recorded in the Public Records of Palm Beach County, Florida, at the expense of the purchaser.

e. If the Association shall fail to provide a purchaser upon demand of the dwelling unit owner in the manner provided, or if a purchaser furnished by the Association shall default in his agreement to purchase, then, notwithstanding the disapproval, the proposed transaction shall be deemed to have been approved and the Association shall furnish a certificate of approval as elsewhere provided, which shall be recorded in the Public Records of Palm Beach County, Florida, at the expense of purchaser.

2. Lease. If the proposed transaction is a lease, the dwelling unit owner shall be advised of the disapproval in writing and the lease shall not be made. A proposed lease or rental of a dwelling unit may be disapproved by the Board for any reasonable grounds including, without limitation, that the dwelling unit owner is delinquent in any assessment or other payment to the Association or such owner or any lessee or occupant of the dwelling unit is in violation of any rules or regulations of the Association or any provision of this Declaration or the Articles of Incorporation or Bylaws of the Association.

3. Gift; devise or inheritance; other transfers. If the dwelling unit owner giving notice has acquired title by gift, devise or inheritance, or in any other manner, then within thirty (30) days after receipt from the dwelling unit owner of the notice and information, appearances and fees required to be furnished, the Association shall disapprove of the transfer for "good cause" as described in Paragraph D below or deliver or mail by registered mail to the dwelling unit owner an agreement to purchase the dwelling unit concerned by a purchaser approved by the Association who will purchase and to whom the dwelling unit owner must sell the dwelling unit upon the following terms:

a. The sale price shall be the fair market value determined by agreement between the seller and the purchaser within twenty (20) days from the delivery or mailing of such agreement. In the absence of agreement as to price, the price shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the dwelling unit; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in

any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

b. The purchase price shall be paid in cash.

c. The sale shall be closed within twenty (20) days following the determination of the sale price.

d. A certificate of the Association executed by its President and Secretary and approving the purchaser shall be recorded in the Public Records of Palm Beach County, Florida, at the expense of the purchaser.

e. If the Association shall fail to provide a purchaser as required by this instrument, or if a purchaser furnished by the Association shall default in his agreement to purchase, the ownership shall be deemed to have been approved, and the Association shall furnish a certificate of approval as elsewhere provided, which shall be recorded in the Public Records of Palm Beach County, Florida, at the expense of the dwelling unit owner.

D. Mortgage. No dwelling unit owner may mortgage his dwelling unit nor any interest in it without the approval of the Association, except to a bank, life insurance company or a savings and loan association, or to a vendor to secure a portion or all of the purchase price. The approval of any other mortgagee may be upon conditions determined by the Association or may be arbitrarily withheld.

E. Exceptions. The foregoing provisions of this section entitled "Maintenance of Community interests" shall not apply to a transfer to or purchase by a bank, life insurance company or savings and loan association that acquires its title as a result of owning a mortgage upon the dwelling unit concerned, and this shall be so whether the title is acquired by deed from the mortgagor, his successors or assigns, or through foreclosure proceedings; nor shall such provisions apply to a transfer, sale or lease by a bank, life insurance company or savings and loan association that so acquires its title. Neither shall such provisions require the approval of a purchaser who acquires title to a dwelling 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.

F. Unauthorized transactions. Any sale, mortgage or lease not authorized pursuant to the terms of this Declaration shall be void unless subsequently approved by the Association.

G. Disapproval for "Good Cause". Notwithstanding anything herein to the contrary, the time period to review and approve any notice of any sale, lease, gift, devise or inheritance, or any other transfer of any use, possession or ownership interest in any dwelling unit shall not commence until all information, material, transfer fees and appearances have been provided, made or furnished to the Association. In addition,

any proposed sale, gift or other transfer of ownership of a dwelling unit, or continued ownership of a dwelling unit may be disapproved for "good cause" as follows, in which event the Association shall not be obligated to exercise its right of first refusal to furnish an alternate or substitute purchaser or dwelling unit owner and the transaction shall not occur or the continued ownership or use of the dwelling unit shall terminate:

(1) Any person seeking approval or any intended occupant has been convicted of a felony involving violence to persons or property, or a felony demonstrating dishonesty or moral turpitude;

(2) Any applicant has a record of financial irresponsibility, including, without limitation, prior bankruptcies, foreclosures or bad debts;

(3) It is discovered, through the application process, that any person seeking approval or any intended occupant intends to conduct himself/themselves in a manner inconsistent or contrary to the Declaration of Condominium, Articles of Incorporation, Bylaws or Rules and Regulations of the Association;

(4) Any person seeking approval or any intended occupant has a history of disruptive behavior or disregard for the rights of the property of others;

(5) Any person seeking approval or any intended occupant has evidenced an attitude of disregard for the governing documents of this Condominium, by his or her conduct in this Condominium as a lessee, owner or occupant of a dwelling unit, or as the guest or invitee of any dwelling unit owner;

(6) Any person seeking approval has failed to provide the information, fees, or appearances required to process the application in a timely manner, or has provided false information during the application process.

ARTICLE XIII

COMPLIANCE AND DEFAULT

Each dwelling unit owner shall be governed by and shall comply with the terms of the Declaration of Condominium, Articles of Incorporation and Bylaws and the Regulations adopted pursuant to those documents, and all of such as they may be amended from time to time. Failure of a dwelling unit owner to comply with such documents and regulations shall entitle the Association or other dwelling unit owners to the following relief in addition to the remedies provided by the Condominium Act.

A. Negligence. A dwelling unit owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or by that of any member of his family or his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the

Association. A dwelling unit owner shall pay the Association the amount of any increase in its insurance premiums occasioned by use, misuse, occupancy or abandonment of a dwelling unit or its appurtenances, or of the common elements, by the dwelling unit owner. The expenses which the dwelling unit owner is responsible for pursuant to this paragraph shall be an assessment and lien upon the owner's dwelling unit, collectible and enforceable in the same manner as other assessments imposed by the Association pursuant to this Declaration, and shall be the personal obligation of the dwelling unit owner.

B. Costs and Attorney's fees. In any proceedings arising because of an alleged failure of a dwelling unit owner or the Association to comply with the terms of the Declaration, Articles of Incorporation of the Association, the Bylaws, or the Regulations adopted pursuant to them, and the documents and regulations as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be awarded by the Court. If the Association is the prevailing party, the attorneys' fees awarded to the Association shall be an assessment and lien upon the dwelling unit and the personal obligation of the dwelling unit owner, collectible and enforceable in the same manner as any other assessment levied by the Association.

C. The Association may levy reasonable fines against a dwelling unit for the failure of the dwelling unit owner, or any occupant, licensee, or invitee, to comply with any provision of the Declaration, Bylaws, or reasonable Rules or Regulations of the Association, as such documents are amended from time to time. No fine may exceed the maximum amount allowed by law from time to time. However, a fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for a hearing, provided that no fine shall in the aggregate exceed the maximum aggregate amount allowed by law from time to time. No fine may be levied except after giving reasonable notice and opportunity for a hearing to the dwelling unit owner and, if applicable, its licensee or invitee. Unless otherwise provided by applicable law, the hearing must be held before a committee of other dwelling unit owners. Unless otherwise provided by law, no officer or director may serve on the committee. If the committee does not agree with the fine, the fine may not be levied. The provisions of this paragraph do not apply to unoccupied dwelling units.

D. No Waiver of Rights. The failure of the Association or any dwelling unit owner to enforce, any covenant, restriction or other provision of the Condominium Act, this Declaration, the Articles of Incorporation of the Association, the Bylaws or the Regulations, shall not constitute a waiver of the right to do so thereafter.

ARTICLE XIV

AMENDMENTS

Except as elsewhere provided otherwise, this Declaration of Condominium may be amended in the following manner:

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

B. A resolution for the adoption of a proposed amendment may be proposed by either the Board of Directors of the Association or by the members of the Association. A proposed amendment may be approved by the requisite percentage of the membership of the Association either at a duly noticed and convened meeting thereof, or by written consent in lieu of a meeting. Except as elsewhere provided, such approvals must be by:

1. Not less than a majority of the entire membership of the Board of Directors and by not less than two-thirds (2/3) of the votes of the entire membership of the Association.

C. Proviso. Provided, however, that no amendment shall discriminate against any dwelling unit owner nor against any dwelling unit or class or group of apartments, unless the dwelling unit owners so affected shall consent; and no amendment shall change any dwelling unit nor the share in the common elements appurtenant to it, nor increase the owner's share of the common expenses, unless the record owner of the dwelling unit concerned and all record owners of mortgages on such dwelling unit shall join in the execution of the amendments. Neither shall an amendment make any change in the section entitled "Insurance" nor in the section entitled "Reconstruction or Repair After Casualty" unless the record owners of all mortgages upon the condominium shall join in the execution of the amendment.

D. Execution and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted, which certificate shall be executed by the officers of the Association with the formalities of a deed. The amendment shall be effective when such certificate and copy of the amendments are recorded in the Public Records of Palm Beach County, Florida.

ARTICLE XV

TERMINATION

The condominium may be terminated in the following manner in addition to the manner provided by the Condominium Act.

A. Destruction. If it is determined in the manner elsewhere provided that the apartment building or buildings shall not be reconstructed because of major damage, the condominium plan of ownership will be terminated without agreement.

B. Agreement. The condominium may be terminated at any time by the approval in writing of all record owners of dwelling units and all record owners of mortgages on dwelling units. If the proposed termination is submitted to a meeting of

the members of the Association, the notice of the meeting shall give notice of the proposed termination, and if the approval of the owners of not less than 75% of the common elements, and of the record owners of all mortgages upon the dwelling units, are obtained in writing not later than thirty (30) days from the date of such meeting, then the approving owners shall have an option to buy all of the dwelling units of the other owners for the period ending on the 60th day 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. The option shall be upon the following terms:

1. Exercise of option. The option shall be exercised by delivery or mailing by registered mail to each of the record owners of the units to be purchased, an agreement to purchase signed by the record owners of dwelling units who will participate in the purchase. Such an agreement shall indicate which dwelling units will be purchased by each participating owner and shall require the purchase of all dwelling units owned by owners not approving the termination, but the agreement shall effect a separate contract between each seller and his purchaser.

2. Price. The sale price for each dwelling unit shall be the fair market value determined by agreement between the seller and the purchaser within thirty (30) days from the delivery or mailing of such agreement and in the absence of agreement as to price it shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon the average of their appraisals of the dwelling unit and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

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

4. Closing. The sale shall be closed within ten (10) days following the determination.

C. Certificate. The termination of the condominium in either of the foregoing manners shall be evidenced by a certificate of the Association executed by its President and Secretary certifying as to facts effecting the termination, which certificate shall become effective upon being recorded in the Public Records of Palm Beach County, Florida.

D. Shares of Owners after Termination. After termination of the condominium, the dwelling unit owners shall own the condominium property and all assets of the Association as tenants in common in undivided shares that shall be the same as the undivided shares in the common elements appurtenant to the owner's dwelling units prior to the termination.

E. Amendment. This section concerning termination cannot be amended without consent of all dwelling unit owners and of all record owners of mortgages upon the dwelling unit.

ARTICLE XVI

SEVERABILITY AND CONCLUSION

The invalidity in whole or in part of any covenant or restriction or any section, subsection, sentence, clause, phrase or word, or other provision of this Declaration of Condominium, Articles of Incorporation, Bylaws or Regulations of the Association shall not affect the validity of the remaining portions.

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SCHEDULE "A"

That part of Lots 194 and 193 of JUPITER ISLAND, GOMEZ GRANT, according to the Plat on file and of record in Plat Book 1, Page 80 of the Public Records of Palm Beach County, Florida, bounded as follows: On the South by a line parallel to and 520 feet northerly from, measured at right angles, the south line of Lot 195; on the North by a line parallel to and 820 feet northerly from, measured at right angles, the south line of Lot 195; on the East by the waters of the Atlantic Ocean; and on the West by the easterly right of way line of State Road 707.