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DECLARATION OF CONDOMINIUM
FOR
THE DOCKS ON OLD RIVER, A CONDOMINIUM

Escambia County, Florida

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DECLARATION OF CONDOMINIUM
FOR
THE DOCKS ON OLD RIVER, A CONDOMINIUM

ESCAMBIA COUNTY

MADE this 4th day of March, 1988, by THE DOCKS ON OLD RIVER, INC., a Florida corporation, as owner of the real property hereinafter described, and developer of the improvements thereon (hereinafter called the "Developer"), for itself, its successors, grantees, assignees and/or their transferees.

WHEREAS, said Developer, as owner, makes the following declaration:

I. PURPOSE

The purpose of this Declaration is to submit the lands described as in Exhibit A of this instrument and improvements on such lands, to the condominium form of ownership and use, in the manner provided by Chapter 718, Florida Statutes (hereinafter referred to as the "Condominium Act"), and the Developer does hereby submit the lands described in this instrument and improvements on such lands, to the condominium form of ownership and use.

1.1 The name by which this condominium is to be identified is THE DOCKS ON OLD RIVER, A CONDOMINIUM.

1.2 The address of this condominium is 16310 Perdido Key Drive, Pensacola, Florida 32593.

1.3 The lands owned by the Developer, which by this instrument are submitted to the condominium form of ownership, are those certain lands lying in Escambia County, Florida, as described in Exhibit A, attached hereto and made a part hereof, which shall hereinafter be referred to as "the land". Said land shall be subject to conditions, restrictions, limitations, easements and reservations of record.

1.4 All provisions of the Declaration shall be construed to be perpetual covenants running with the land and with every part thereof and interest therein, and every condominium parcel owner and claimant of the land or any part thereof or interest therein, and his heirs, executors and administrators, successors and assigns, shall be bound by all of the provisions of the Declaration, unless this Declaration shall be terminated pursuant to the Condominium Act and/or as provided herein. Both the burdens imposed and the benefits shall run with each condominium parcel as herein defined.

2. DEFINITIONS

The terms used in this Declaration and in the Articles of Incorporation, the ByLaws and Regulations of THE DOCKS ON OLD RIVER CONDOMINIUM ASSOCIATION, INC., shall have the meaning stated in the Condominium Act, unless the context otherwise requires. Further, whenever the context so requires, the use of any gender shall be deemed to include all genders, the use of the plural shall include the singular and the singular shall include the plural.

3. DEVELOPMENT PLANS

The Developer plans a conversion of previously-occupied improvements to condominium use. A legal description and survey of the land, together with a narrative and graphic description of the improvements in which units are located and a plot plan thereof, in sufficient detail to identify the common elements, limited common elements, if any, and each unit and its relative location and approximate dimensions is set forth in Exhibit A to this Declaration of Condominium.

Time-share estates will not be created with respect to units in any phase of this condominium.

4. UNIT BOUNDARIES, COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

Each unit shall include that part of the unit, which boundaries are as follows:

4.1 Upper and Lower Boundaries

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

4.1.1 Upper Boundary shall be the horizontal plane of the undecorated, finished ceiling.

4.1.2 Lower Boundary shall be the horizontal plane of the undecorated, finished floor.

4.2 Perimetrical Boundaries

The perimetrical boundaries of the unit shall be the vertical plane of the undecorated and/or unfinished inner surfaces of the walls bounding the unit, extended to intersections with each other and with the upper and lower boundaries.

4.3 Boundaries - Further Defined

The boundaries of the unit shall not include all of those spaces and improvements lying within the undecorated and/or unfinished inner surfaces of the perimeter walls and those surfaces above the undecorated finished ceilings of each unit, and those surfaces below the undecorated finished floor of each unit, and further, shall not include those spaces and improvements lying within the undecorated and/or unfinished inner surfaces of all interior walls and/or partitions, and further, shall exclude all pipes, ducts, wires, conduits and other utilities running through any interior wall or partition for the furnishing of utility services to the unit, other units and/or for the common elements.

4.4 Common Elements

The common elements shall include the following:

4.4.1 All condominium property which is not include within the units and not defined as limited common elements.

4.4.2 Easements through units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services to units and the common elements.

4.4.3 An easement of support in every portion of a unit which contributes to the support of the building.

4.4.4 The property and installations required for the furnishing of utilities and other services to more than one (1) unit or to the common elements.

4.5 Limited Common Elements

Limited common elements, as the term is used herein, shall mean the common elements which are reserved herein, or assigned, or granted separately herefrom, for the use of a certain unit to the exclusion of other units, and shall include:

4.5.1 To each unit, the balcony area contiguous to and serving only that unit.

4.5.2 To each unit in the condominium, the heating and air-conditioning equipment serving only that unit.

5. OWNERSHIP

5.1 Type of Ownership.

Ownership of each condominium parcel may be in fee simple or in any other estate in real property recognized by law and subject to this Declaration.

5.2 Association Membership

The owners of record of the units shall be members of the Association. There shall be one (1) membership for each unit and if there is more than one (1) record owner per unit, then such membership shall be divided among such owners in the same manner and proportion as is their ownership in the unit.

5.3 Unit Owner's Rights

The owner of a unit is entitled to the exclusive possession of his unit. He shall be entitled to use the common elements in accordance with the purposes for which they are intended, but no such use shall hinder or encroach upon the lawful rights of owners of other units. There shall be a joint use of the common elements and a joint mutual easement for that purpose is hereby created.

6. RESTRAINT UPON SEPARATION AND PARTITION OF COMMON ELEMENTS

The fee title of each condominium parcel shall include both the condominium unit and an undivided interest in the common elements; said undivided interest in the common elements is deemed to be conveyed or encumbered with its respective condominium unit, even though the description in the instrument of conveyance may refer only to the fee title to the condominium unit. The share in the common elements appurtenant to a unit cannot be conveyed or encumbered except together with the unit. Any attempt to separate and/or any action to partition the fee title to a condominium unit from the undivided interest in the common elements appurtenant to each unit shall be null and void.

7. PERCENTAGE OF OWNERSHIP OF COMMON ELEMENTS

Each of the unit owners of the condominium shall own an undivided interest in the common elements. The percentage of ownership of the common elements is the same as the percentage share of the common expense and common surplus. (See paragraph 8 below.)

8. COMMON EXPENSE AND COMMON SURPLUS

The common expenses to be borne by each unit owner shall be a proportionate share of the total expenses and costs of the Association. Each unit owner shall be responsible for a portion of the common expenses and costs, and such share shall be the same as the undivided share in the common elements appurtenant to his unit. The share for each unit owner shall be one-twenty-seventh (1/27th) of the total.

9. MAINTENANCE, ALTERATIONS AND IMPROVEMENTS

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

9.1 Units

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

9.1.1.1 All portions of a unit contributing to the support of the condominium building, which portions shall include, but not be limited to, outside walls of the apartment building and all fixtures on its exterior, those portions of boundary walls not a part of unit; floor and ceiling slabs; load-bearing columns and load-bearing walls.

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

9.1.1.3 All incidental damage caused to a unit by such work immediately above-described shall be repaired promptly at the expense of the Association.

9.1.1.4 All common elements of the condominium.

9.1.2 By the Unit Owner. The responsibility of the unit owner shall be as follows:

9.1.2.1 To keep and maintain his unit, its equipment and appurtenances in good order, condition and repair, and to perform promptly all maintenance and repair work within the unit which, if omitted, would affect the condominium in its entirety or in a part belonging to others; being expressly responsible for the damages and liability which his failure to do so may engender. Notwithstanding anything contained in his Declaration, the owner of each unit shall be liable and responsible for the maintenance, repair and replacement, as the case may be, of all windows and all exterior doors, including sliding glass doors, storm doors and windows, and all air-conditioning and heating equipment whether located with or without the unit, stoves, refrigerators, fans and other appliances and equipment, including pipes, wiring, ducts, fixtures and/or their connection required to provide water, light, power, air-conditioning and heating, telephone, sewage and sanitary service to his unit which may now or hereafter be situated in his unit.

9.1.2.2 To maintain, repair and replace any and all walls, ceilings and floor interior surfaces, painting, decorating furnishings, and all other accessories which such owner may desire to place and maintain in his unit.

9.1.2.3 Where applicable, to maintain and keep in a neat and trim condition the floor, interior walls, railings, columns or balconies.

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

9.1.2.5 Plumbing and electrical repairs to fixtures and equipment located within a unit and exclusively servicing a unit shall be paid for and be a financial obligation of the unit owner.

9.1.2.6 Any officer of the Association or any agent of the Board shall have the irrevocable right to have access to each unit from time to time during reasonable hours as may be necessary for inspection, maintenance, repair or replacement of any common element therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the common elements or to another unit or units.

9.1.2.7 Not to change the paint color or otherwise decorate or change the appearance of any portion of the exterior of the condominium building and/or property.

9.1.2.8 To keep clean and in orderly condition those limited common elements which are assigned or granted to a particular unit to the exclusion of other units. The cost shall be borne by the owner or owners of the unit to which the same are appurtenant.

9.1.2.9 To maintain, repair and replace at the owner's expense the heating and air-conditioning unit, and all of its parts, serving only his unit.

9.1.3 Alteration and Improvement. Except as elsewhere reserved to the Developer, neither a unit owner nor the Association shall make any alteration in the portions of a unit that are to be maintained by the Association, remove any portion of such, make any additions to them, do anything that would jeopardize the safety or soundness of the building or impair any easement, without first obtaining 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.

9.2 Common Elements

9.2.1 By the Association. The maintenance and operation of the common elements, including the repair, maintenance and replacement of landscaping and other improvements and facilities shall be the responsibility of the Association as a common expense.

9.2.2 Alteration and Improvement. There shall be no alteration or further improvement of the real property constituting the common elements without prior approval in writing by not less than two-thirds (2/3) of the members of the Association, if the cost of same shall be a common expense which exceeds in cumulative expenditure for the calendar year, the sum of $5,000.00. Any such alteration or improvement shall not interfere with the rights of any unit owner without their consent. The cost of such work shall not be assessed against a mortgagee, that acquires its title as the result of owning a mortgage upon a unit owned, unless such owner shall approve the alteration or improvement and this shall be so whether the title is acquired by deed from the mortgagor or through foreclosure proceedings. The share of any cost not so approved by a mortgagee shall be assessed to the other unit owners in the proportion that their shares for the common expenses bear to each other.

There shall be no change in the shares and rights of a unit owner in the common elements, or in his share of the common expenses whether or not the unit owner contributes to the costs of such alteration or improvements.

9.2.3 Land Acquisition. Land acquired by the Association may be added to the land submitted to condominium ownership hereby. This may be done by an amendment to this Declaration that includes the description of the acquired land and submits the said land to condominium ownership under the terms of this Declaration. The amendment shall be executed by the Association and adopted by the unit owners in the manner elsewhere acquired. Such amendment when recorded in the public records of Escambia County, Florida, shall divest the Association of title to the land and shall state that it conveys all interest of the Association to and vests the title in the unit owners, without naming them and without further conveyance, in the same undivided shares as the undivided shares in the common elements appurtenant to the units owned by them.

9.2.4 Land Not Incorporated. Any land acquired by the Association that is not incorporated into the land by amendment of this Declaration, may be sold or mortgaged or otherwise disposed of by the Association after approval in writing by the record unit owners of not less than seventy-five percent (75%) of the common elements. This approval shall be evidenced by a certificate stating that the approval was duly given, which certificate shall be executed by the officers of the Association with the formalities of a deed and delivered to a purchaser or mortgagee of such land.

9.2.5 Personal Property. Any personal property acquired by the Association may be sold or mortgaged or otherwise disposed of by the Association.

9.3 Enforcement of Maintenance

In the event the owner of a unit fails to maintain a unit as required above, the Association, Developer or any other unit owner shall have the right to proceed to any appropriate court to seek compliance with the foregoing provisions; or the Association shall have the right to assess the unit owner and the unit for the necessary sums to put the improvements within the unit in good condition. After such assessment, the Association shall have the right to have its employees or agents enter the unit and do the necessary work to enforce compliance with the above provisions.

Further, in the event a unit owner violates any of the provisions of this section, the Developer and/or the Association shall have the right to take any and all such steps as may be necessary to remedy such violation, including, but not limited to, entry of the subject unit with or without the consent of the unit owner, and the repair and maintenance of any item requiring same, all at the expense of the unit owner.

10. USE RESTRICTIONS

The use of the property of the condominium shall be in accordance with the following provisions:

10.1 Units

10.1.1 Each of the units shall be occupied only by an owner, members of his family, his servants and guests or his tenants, as a residence and for no other purpose.

10.1.2 No unit may be divided or subdivided into a smaller unit nor any portion thereof sold or otherwise transferred without first amending this Declaration to show the changes in the units to be affected thereby.

10.1.3 Nothing shall be hung, displayed or placed on the exterior walls, balconies, doors or windows of the unit or the apartment building without the prior written consent of the Board of Directors of the Association. All exterior windows shall be free from obstructions except curtains or drapes lined in white or beige, or blinds showing exterior in white or beige.

10.1.4 No clotheslines or similar devices shall be allowed on any porches, stoops or balconies of the condominium units, or any other part of the condominium property, without the written consent of the Board of Directors of the Association.

10.1.5 No owner shall make, allow or cause to be made, any structural addition or alteration of his unit or the common elements without the prior written consent of the Board of Directors of the Association.

10.2 Common Elements and Limited Common Elements

The common elements and limited common elements shall be used only for the purpose for which they are intended.

10.3 Nuisances

No nuisances shall be allowed on the condominium property nor any use or practice which is the source of annoyance to residents or which interferes with the peaceful possession and proper residential use of the property by its residents. All parts of the property shall be kept in a clean and sanitary condition and no rubbish, refuse or garbage shall be allowed to accumulate or any fire hazard allowed to exist. No unit owner shall permit any use of his unit or of the common elements which will increase the rate of insurance upon the condominium property.

10.4 Lawful Use

No immoral, improper, offensive or unlawful use shall be made of the condominium property or any part thereof; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies which require maintenance, modification or repair of the condominium property shall be the same as the responsibility for the maintenance and repair of the property concerned.

10.5 Signs

No signs shall be displayed from a unit or on common elements except such signs as shall have advance written approval by the Board of Directors of the Association.

10.6 Animals. No livestock, animals, chickens or fowl of any kind shall be permitted except dogs, cats and birds owned as personal pets. Dogs, cats and birds shall not be kept in such number as to be an annoyance to other unit owners. In addition, no dogs or cats shall be permitted on the condominium property, except inside a unit, without being on a hand leash and under the immediate control of a responsible individual. All such pets must be walked in appropriate areas and owners of such pets must clean up after their pets. If any such pet owner fails to properly clean up after his pet then the Association shall perform such service and shall bill the pet owner accordingly. The Association shall have the right to adopt and enforce such additional pet regulations as are reasonably necessary to insure that such pets are not and do not become a nuisance.

10.7 Parking. No trailer, mobile home, house trailer, truck, tractor, commercial vehicle of any kind, or other machine, equipment or apparatus, or motorbike, motorcycle or motor scooter (herein collectively referred to a "vehicles") shall be parked any place on the condominium property other than in the designated parking areas. No such vehicle that takes up more than one regular parking space shall be permitted on the condominium property. All such vehicles which were initially designed and manufactured to be self-propelled with an individual engine must be in operating condition in order to be parked in any designated parking space and no designated parking space shall be used as a site to store, repair and/or overhaul any such vehicle. Parking of boats and boat trailers shall be in accordance with such rules and regulations as may be adopted by the Association from time to time. This restriction with respect to parking does not apply to the Developer in the performance of activities authorized by the Declaration and does not apply to commercial vehicles, machines and equipment required to perform construction, maintenance, refurbishing or repair services to a unit or building for the period of time necessary for such construction, maintenance, refurbishing or repair. Parking rules and regulations, including the assignment of parking spaces, may be adopted by the Association from time to time.

10.8 Rules and Regulations

Reasonable rules and 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 thereto shall be furnished by the Association to all unit owners and residents of the condominium upon request.

10.9 Proviso

Provided, however, that until the Developer has completed all of the contemplated improvements and closed the sales of all of the units of this condominium, neither the unit owners nor the Association nor the use of the condominium property shall interfere with the completion of all contemplated improvements and the sale of all units, and the Developer may make such use of the unsold units and common areas as may facilitate such completion and sale, including, but not limited to, maintenance of a sales office, showing of the property and the display of signs.

10.10. Units may be physically combined into a single dwelling, but they shall nevertheless, for all other pertinent purposes including but not limited to assessments, attribution of common elements and voting, be deemed separate units. Units which had been or are combined to form one dwelling may be severed into their component units (separate units) at any time the owner of the combined units so desires. In a construction or modification of the interior of such units as may be required to effectuate the severance of the combined units into separate units shall be subject to the written approval of the board of directors of the Association, which approval shall not be unreasonably withheld. Such modification for the combining or severing of combined units shall in any and all events be accomplished at the sole expense of the unit owner or owners of the combined units and not at the expense of the Association. Nothing herein shall be deemed to require the Association or the developer to approve any structural modifications of any loadbearing element. Furthermore, nothing herein shall be deemed to require the Association or developer to approve any modification which will alter the exterior appearance of the condominium apartment building in which the combined unit being severed into its component units is located or in which the separate units being combined are located.

11. NOTICE OF LIEN OR SUIT

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

11.2 Notice of Suit. A unit owner shall give notice to the Association of every suit or other proceeding which may affect title to his unit, such notice to be given within five (5) days after the unit owner receives knowledge thereof.

Failure to comply with this subsection concerning liens will not affect the validity of any judicial sale.

12. EASEMENTS

Each of the following easements is a covenant running with the land of the condominium and notwithstanding any of the other provisions of this Declaration, may not be substantially amended or revoked in such a way as to unreasonably interfere with their proper and intended use and purpose, and shall survive the termination of the condominium and the exclusion of any lands of the condominium from the condominium.

12.1 Utilities

As may be required for utility services in order to adequately serve the condominium property; provided, however, easements through a unit shall be only according to the plans and specifications for the building or as the building is actually constructed, unless approved, in writing, by the unit owner.

12.2 Pedestrian and Vehicular Traffic

For pedestrian traffic over, through and across sidewalks, paths, lanes and walks, as the same may from time to time exist, upon the common elements; and for the vehicular traffic over, through and across such portions of the common elements as may be from time to time paved and intended for such purposes.

12.3 Support

Every portion of a unit contributing to the support of the condominium building or an adjacent unit shall be burdened with an easement of support for the benefit of all other units and common elements in the building.

12.4 Perpetual Non-Exclusive Easement in Common Elements

The common elements shall be, and the same is hereby declared to be subject to a perpetual non-exclusive easement in favor of all of the owners of units in the condominium for their use and the use of their immediate families, guests and invitees, for all proper and normal purposes, and for the furnishing of services and facilities for which the same are reasonably intended, for the enjoyment of said owners.

12.5 Right of Entry into Private Dwelling in Emergencies

In case of an emergency originating in or threatening any unit, regardless of whether or not the owner is present at the time of such emergency, the Board of Directors of the Association, or any other person authorized by it, or the building manager or managing agent, shall have the right to enter such unit for the purpose of remedying or abating the cause of such emergency, and such right of entry shall be immediate and to facilitate entry in the event of any such emergency, the owner of each unit, if required by the Association, shall deposit under the control of the Association, a key to such unit.

12.6 Right of Entry for Maintenance of Common Property

Whenever it is necessary to enter any unit for the purpose of performing any maintenance, alteration or repair to any portion of the condominium property, the owner of each unit shall permit other owners by their representatives, or the duly constituted and authorized agent of the Association, to enter such unit for such purpose, provided that such entry shall be made only at reasonable times and with reasonable advance notice.

12.7 Easement for Unintentional and Non-Negligent Encroachment

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

12.8 Air Space

An exclusive easement for the use of the air space occupied by a condominium unit as it exists at any particular time and as the unit may lawfully be altered.

12.9 Easements or Encroachments

Easements or encroachments by the perimeter walls, ceilings and floor surrounding each condominium unit.

12.10 Easement for Overhangs

Easement for overhanging troughs or gutters, downspouts and the discharge therefrom of rainwater and the subsequent flow thereof over condominium units or any of them.

12.11 Easement for Air Space of Common Elements

An exclusive easement for the use of the area and air space occupied by the air-conditioning compressor and the equipment and fixtures appurtenant thereof, situated in and/or on common elements of the condominium but exclusively serving and individually owned by the owner of the unit, as the same exist in and on the land, which exclusive easement shall be terminated automatically in any air space which is permanently vacated by such air-conditioning compressor, and the equipment and fixtures appurtenant thereto; provided, however, that the removal of same for repair and/or replacement shall not be construed to be a permanent vacation of the air space which it occupies.

13. ASSOCIATION

In order to provide for the proficient and effective administration of this condominium by the owners of units, a non-profit corporation known and designated as THE DOCKS ON OLD RIVER CONDOMINIUM ASSOCIATION, INC., has been organized under the laws of the State of Florida and said corporation shall administer the operation and management of this condominium, and undertake and perform all acts and duties incident thereto in accordance with the terms, provisions and conditions of this Declaration of Condominium, its ByLaws and the Rules and Regulations promulgated by the Association from time to time.

13.1 Articles of Incorporation

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

13.2 ByLaws

The ByLaws of the Association shall be the by-laws of the condominium, a copy of which is attached hereto as Exhibit C.

13.3 Limitation Upon Liability of Association

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

13.4 Restraint Upon Assignment of Shares in Assets

The shares of members in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to a unit.

13.5 Approval or Disapproval of Matters

Whenever the decision of a unit owner is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed in accordance with the ByLaws of the Association.

13.6 Membership

The record owners of all units in this condominium shall be members of the Association, and no other persons or entities shall be entitled to membership except for subscribers to the Articles of Incorporation. Membership shall be established by acquisition of ownership of fee title to, or fee interest in a condominium parcel in said condominium, whether by conveyance, devise, judicial decree or otherwise, subject to the provisions of this Declaration and by the recordation among the public records of Escambia County, Florida, of the deed or other instrument establishing the acquisition and designating the parcel affected thereby and by the delivery to the Association of a true copy of such recorded deed or other instrument. The new owner designated in such deed or other instrument shall thereupon become a member of the Association, and the membership of the prior owner as to the parcel designated shall be terminated.

13.7 Voting

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

13.8 Board of Directors

The first Board of Directors shall consist of three (3) persons who shall be subscribers to the Articles. Succeeding Boards may consist of not less than three (3) nor more than fifteen (15) members. At least the majority of each succeeding Board of Directors shall be Members of the Association or shall be authorized representatives, or officers or employees of a corporate Member of the Association. When unit owners other than the "Developer" own fifteen percent (15%) or more of the units that ultimately will be operated by the Association and the unit owners other than the Developer shall be entitled to elect, in the manner provided in the ByLaws, not less than nor more than one-third (1/3) of the members of the Board of Directors. The unit owners, other than the Developer, are entitled to elect not less than a majority of the members of the Board of Administration of an Association: (1) three (3) years after fifty percent (50%) of the units that will be operated ultimately by the Association have been conveyed to purchasers; (2) three (3) months after ninety percent (90%) of the units that will be operated ultimately by the Association have been conveyed to purchasers; (3) when all of the units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business: or (4) when some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business, whichever occurs first. The Developer shall have the right to elect in the same manner provided in the ByLaws the members of the Board of Directors which other unit owners are not entitled to elect as long as the Developer holds for sale in the ordinary course of business any unit in the Condominium and the Developer shall be entitled to elect not less than one (1) member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business at least five percent (5%) of the units in the condominium. Notwithstanding the foregoing, the Developer shall be entitled at any time to waive its rights hereunder by turning over control as required by the Condominium Act and thereafter to vote in elections for members of the Board of Directors in the same manner as any other owner.

14. INSURANCE

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

14.1 Authority to Purchase

All insurance policies upon the condominium property shall be purchased by the Association for the benefit of the Association and the unit owners and their mortgagees, as their interest may appear, and provisions shall be made for the issuance of certificates or mortgagee endorsements to the mortgagees of unit owners. Such policies and endorsements shall be deposited with the Insurance Trustee. Unit owners may obtain insurance coverage at their own expense upon their personal property and for their personal liability and living expense. All policies purchased by the Association must be written by insurance companies authorized to do business in the State of Florida, and with offices or agents in Florida, provided, however, all such insurance policies must be accepted and approved by the institutional mortgagee holding the largest aggregate dollar sum of mortgages encumbering condominium parcels in the condominium, said sum to be ascertained at the time of purchase or renewal of each policy.

14.2 Coverage

14.2.1 Casualty. All buildings and improvements upon the land, including units and all personal property of the Association included in the condominium property, are to be insured in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs as determined annually by the Board of Directors of the Association, and all such insurance must be obtained, if possible, from the same company. Such coverage shall provide protection against:

14.2.1.1 Loss or damage by fire, flood and other hazards covered by a standard extended coverage endorsement.

14.2.1.2 Such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use, including, but not limited to, vandalism and malicious mischief.

14.2.2 Public Liability. In such amounts and with such coverage as shall be required by the Board of Directors of the Association with cross liability endorsements to cover liability of the unit owners as a group to a unit owner.

14.2.3 Workmen's Compensation. As shall be required to meet the requirements of law.

14.2.4 Association Insurance. Such other insurance as the Board of Directors of the Association, in its discretion, may determine from time to time to be in the best interest of the Association and the unit owners, including Directors' Liability Insurance or other insurance that an institutional mortgagee may reasonably require so long as it is the owner of a mortgage on any condominium parcel.

14.3 Premiums

Premiums for insurance policies purchased by the Association shall be paid by the Association.

14.4 Assured

All insurance policies purchased by the Association shall be for the benefit of the Association and the unit owners and their mortgagees as their interest may appear and shall provide that all proceeds covering casualty losses shall be paid to any bank in Escambia County, with trust powers as may be approved and designated an insurance trustee by the Board of Directors of the Association, which trustee is herein referred to as the "Insurance Trustee". All insurance policies shall require written notification to each institutional mortgagee not less than ten (10) days in advance of cancellation of any insurance policy insuring the condominium property.

The Insurance Trustee shall not be liable for payments of premiums, nor for the renewal or sufficiency of the 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 hold same in trust for the purposes elsewhere stated herein and for the benefit of the unit owners and their mortgagees in the following shares, but which shares need not be set forth in the records of the Insurance Trustee.

14.4.1 Common Elements. Proceeds on account of common elements shall be held in as many undivided shares as there are units, the shares of each unit owner being the same as his share in the common elements, as same are hereinabove stated.

14.4.2 Units. Proceeds on account of units shall be held in the following undivided shares:

14.4.2.1 Partial Destruction. When the building is to be restored, for the owners of damaged units in proportion to the cost of repairing the damage suffered by each unit owner.

14.4.2.3 Mortgagee. In the event a mortgagee endorsement has been issued as to a unit, the share of the unit owner shall be held in trust for the mortgagee and the unit owner as their interests appear. In no event shall any mortgagee have the right to demand the application of insurance proceeds to any mortgage or mortgages which it may hold against units, and no mortgagee shall have any right to participate in the determination as to whether or not improvements will be restored after casualty.

14.5 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:

14.5.1 Expense of the Trust. All expenses of the Insurance Trustee shall be first paid or provisions made therefor.

14.5.2 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 costs thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to all unit owners in proportion to their undivided share of the common surplus.

14.5.3 Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damages for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to all unit owners in proportion to their "termination share" as defined in Paragraph 20.4, remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by such mortgagee.

14.5.4 Certificate. In making distribution to unit owners and their mortgagees, the Insurance Trustee may rely upon a certificate of the Association made by the President and Secretary as to the names of the unit owners and their respective shares of the distribution.

14.5.5 Association as Agent. The Association is hereby irrevocably appointed agent for each unit owner to adjust all claims arising under insurance policies purchased by the Association.

15. RECONSTRUCTION OR REPAIR AFTER CASUALTY

15.1 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:

15.1.1 Common Elements. If the damaged improvements 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.

15.1.2 Apartment Building. If the damaged improvement is a part of the condominium buildings, and if units to which forty percent (40%) of the common elements are appurtenant are found by the Board of Directors of the Association to be tenantable, the damaged property shall be reconstructed or repaired, unless within sixty (60) days after the casualty it is determined in the manner elsewhere provided that the condominium shall be terminated.

15.1.2.2 Major Damage. If the damaged improvement is part of the condominium buildings and if units to which more than sixty percent (60%) of the common elements are appurtenant are found by the Board of Directors of the Association to be not tenantable, then the damaged property will not be reconstructed or repaired and the condominium will be terminated as elsewhere provided, unless within sixty (60) days after the casualty the owners of seventy-five percent (75%) of the common elements agree in writing to such reconstruction or repair.

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

15.2 Plans and Specifications

Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original buildings, or if not, then according to plans and specifications approved by the Board of Directors of the Association.

15.3 Responsibility.

If the damage is only to those parts of one (1) unit for which the responsibility of maintenance and repair is that of the unit owner, then the unit owner shall be responsible for coordination of the reconstruction and repair after casualty. In all other instances, the responsibility for coordination of construction or repair after casualty shall be that of the Association.

15.4 Estimates of Costs

Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance and repair, the Association shall obtain reliable and detailed estimates of the cost to repair or rebuild.

15.5 Assessments

If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, or if at any time during the reconstruction and repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made against all unit owners in sufficient amounts to provide funds to pay the estimated costs. Such assessments shall be in proportion to the owner's share in the common elements.

15.6 Deductible Provision

The funds necessary to cover any deductible amount under an insurance policy against which a claim is made shall be a common expense.

15.7 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 assessments against unit owners, shall be disbursed in payment of such costs in the following manner:

15.7.1 Association. If costs of reconstruction and repair which are the responsibility of the Association are more than Five Thousand ($5,000.00) Dollars, then the sums paid upon assessments to meet such costs shall be deposited by the Association with the Insurance Trustee. In all other cases, the Association shall hold the sums paid upon such assessments and disburse the same in payment of the costs of reconstruction and repair.

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

15.7.2.1 Unit Owner. The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with the unit owner, shall be paid by the Insurance Trustee to the unit owner, or if there is a mortgagee endorsement, then to the unit owner and the mortgagee jointly.

15.7.2.2 Association - Lesser Damage. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is less than Five Thousand ($5,000.00) Dollars, 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 which is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner hereafter provided for the reconstruction and repair of major damage.

15.7.2.3 Association - Major Damage. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is more than Five Thousand ($5,000.00) Dollars, then the construction fund shall be disbursed in payment of such costs in the manner required by the Board of Directors of the Association and upon approval of an architect or engineer qualified to practice in the State of Florida and employed by the Association to supervise the work.

15.7.2.4 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 owners of the fund in the manner elsewhere stated.

15.7.2.5 Certificate. Notwithstanding the provisions herein, the Insurance Trustee shall not be required to determine whether or not sums paid by unit owners upon assessments shall be deposited by the Association with the Insurance Trustee, nor to determine whether the disbursements from the construction fund are to be upon the order of the Association or upon approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund nor to determine the payee nor the amount to be paid, nor to determine whether surplus funds to be distributed are less than the assessments paid by owners. 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 that the sums to be paid are due and properly payable and stating the name of the payee and the amount to be paid; provided, that when a mortgagee is herein required to be named as payee, the Insurance Trustee shall also name the mortgagee as payee of any distribution of insurance proceeds to a unit owner, and further provided, that when the Association or a mortgagee which is the beneficiary of an insurance policy the proceeds of which are included in the construction funds, so requires, the approval of an architect named by the Association shall first be obtained by the Association upon disbursements in payment of costs of reconstruction and repair.

16. ASSESSMENTS

The making and collecting of assessments against unit owners for common expenses shall be the obligation of the Board of Directors pursuant to the ByLaws and subject to the following provisions:

16.1 Share of the Common Expenses

Each unit owner shall be liable for a proportionate share of the common expenses and shall be entitled to an undivided share of the common surplus, such shares being set forth in paragraph 8. A unit owner, regardless of how title is acquired, including, without limitation, a purchaser at a judicial sale, shall be liable for all assessments coming due while he is the owner of a unit. In a voluntary conveyance, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his share of the common expenses up to the time of such voluntary conveyance, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefor.

16.2 Non-Waiver

The liability for assessments may not be avoided by waiver of the use or enjoyment of any common elements or by abandonment of the unit for which the assessment is made.

16.3 Interest, Application of Payments

Assessments and installments on such assessments paid on or before ten (10) days after the date when due shall not bear interest, but all sums not paid on or before ten (10) days after the date when due shall bear interest at the highest rate allowed by the laws of the State of Florida 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.

16.4 Lien for Assessments

The association shall have a lien on each condominium parcel for any unpaid assessments, together with interest thereon, against the owner of such condominium parcel, together with a lien on all tangible personal property located within the unit, except that such lien upon the aforesaid tangible personal property shall be subordinate to prior bona fide liens of record. Reasonable attorney's fees incurred by the Association incident to the collection of such assessment for the enforcement of such lien, together with all sums advanced and paid by the Association for taxes and payment on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien shall be payable by the unit owner and secured by such lien. The Association's liens shall also include those sums advanced on behalf of each unit owner in payment of his obligation for use charges and operation costs likewise referred to as common expenses.

Said lien shall be effective from and after the time of recording in the public records of Escambia County, Florida, of a claim of lien stating the description of the condominium parcel, the name of the record owner, the competent jurisdiction. Such claims of lien shall be signed and verified by an officer of the Association. Upon full payment, the party making payment shall be entitled to a recordable satisfaction of the lien. All such liens shall be subordinate to the lien of an institutional mortgage recorded prior to the time of recording of the claim of lien.

16.5 Collection and Foreclosure

The Board of Directors may take such action as they deem necessary to collect assessments of the Association by personal action or by enforcing and foreclosing said lien, and may settle and compromise same, if in the best interests of the Association. Said lien shall be effective as and in the manner provided for by the Condominium Act, and shall have the priorities established by said Act. The Association shall be entitled to bid at any sale held pursuant to a suit to foreclose an assessment lien, and to apply as a cash credit against its bid, all sums due the Association covered by the lien enforced. In case of such foreclosure, the unit owner shall be required to pay a reasonable rental for the condominium parcel and the plaintiff in such foreclosure shall be entitled to the appointment of a Receiver to collect same from the unit owner and/or occupant.

16.6 Liability of Mortgagee for Assessment

Notwithstanding anything to the contrary contained in this Declaration of Condominium, where the mortgagee of a first mortgage of record or other purchaser of a unit, obtains title to a condominium parcel as a result of foreclosure of the first mortgage, or when the mortgagee of a first mortgage of record accepts a deed to said condominium parcel in lieu of foreclosure, 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 condominium parcel, or chargeable to the former unit owner of such parcel which become due prior to the acquisition of title as a result of the foreclosure, or the acceptance of such deed in lieu for assessments that is recorded prior to the recording of the foreclosed mortgage. 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 of title, whether as a result of foreclosure or by acceptance of a deed to the condominium parcel in lieu of foreclosure. The new owner by virtue of the acquiring of such title shall forthwith become liable for payment of the common expenses and such other expenses as may be chargeable to the owner of a condominium unit hereunder.

16.7 Assignment of Claim and Lien Rights

The Association shall not have the right to assign its claim and lien rights for the recovery of any unpaid assessment to the Developer, or to any unit owner or group of unit owners, or to any third party.

16.8 Unpaid Assessments - Certificate

Any unit owner shall have the right to require from the Association a certificate showing the amount of unpaid assessments against him with respect to this condominium parcel. The holder of a mortgage or other lien shall have the same right as to any condominium parcel upon which he has a lien. Any person other than the owner who relies upon such certificate shall be protected thereby.

17. COMPLIANCE AND DEFAULT

Each unit owner shall be governed by and shall comply with the terms of the Declaration of Condominium, ByLaws and Rules and Regulations adopted pursuant thereto, and said documents and rules and regulations as they may be amended from time to time. Failure of unit owners to comply therewith shall entitle the Association or other unit owners to the following relief in addition to the remedies provided by the Condominium Act.

17.1 Negligence

A unit owner shall be liable for the expenses of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness or by that of any member of his family or his or their guests, invitees, employees or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increases in insurance rates occasioned by use, misuse, occupancy or abandonment of a unit or its appurtenances or of the common elements.

17.2 Costs and Attorneys' Fees

In any proceeding arising because of an alleged failure of a unit owner to comply with the terms of the Declaration, the ByLaws and the Rules and Regulations adopted pursuant thereto, and said documents and rules 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.

17.3 No Waiver of Rights

The failure of the Association or any unit owner to enforce a covenant, restriction or other provision of the Condominium Act, this Declaration or any of the exhibits attached hereto, shall not constitute a waiver of the right to do so thereafter.

18. AMENDMENT OF DECLARATION

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

18.1 Notice

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

18.2 Resolution of Adoption

A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be either by:

18.2.1 Not less than seventy-five percent (75%) of the votes of the entire membership of the Board of Directors and by not less than seventy-five percent (75%) of the votes of the entire membership of the Association; or

18.2.2 Not less than eighty percent (80%) of the votes of the entire membership of the Association; or

18.3 Resolution of Adoption for Errors or Omissions Not Materially Adversely Affecting Property Rights of the Unit Owners

A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by members of the Association whenever it appears that there is an omission or error in this Declaration of Condominium, or any exhibit attached hereto, or amendment hereto, as follows:

18.3.1 Not less than fifty percent (50%) of the votes of the entire membership of the Board of Directors and by not less than fifty percent (50%) of the votes of the entire membership of the Association.

18.3.2 Any amendment adopted pursuant to the provisions of paragraph 17.3 shall not materially adversely affect the property rights of unit owners.

18.3.3 Unit the Developer has sold and conveyed all of the units in the condominium, any amendment adopted pursuant to this paragraph 18.3 must be approved and consented to by the Developer.

18.4 Proviso

No amendment shall discriminate against any unit owner or against any unit, or class or group of units, unless the unit owners so affected and their institutional mortgagees shall consent; and no amendment shall change any unit or the share in the common elements, and other of its appurtenances or increase the owner's share of the common elements, and other of its appurtenances or increase the owner's share of the common expenses, except as hereinabove provided, unless the owner of the unit concerned and all such mortgagees as first above recited, shall approve the amendment. 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 owner of all mortgages upon the condominium shall approve the execution of the amendment; nor shall any amendment of this Declaration make any change which would in any way affect any of the rights, privileges, powers and options of the Developer unless the Developer shall approve the amendment.

18.5 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 a copy of the amendment are recorded in the public records of Escambia County, Florida.

18.6 Amendments

The section concerning termination and the matters set forth in Section 718.403 F.S. cannot be amended without the consent of all unit owners.

19. DEVELOPER'S UNITS AND PRIVILEGES

19.1 Developer

The Developer, at the time of filing of this Declaration, is the owner of all of the real property, individual units and appurtenances comprising this condominium. Therefore, the Developer, until all of the units have been sold and closed, shall be irrevocably empowered, notwithstanding anything herein to the contrary, to sell, lease or rent units to any person approved by the Developer. Said Developer shall have the right to transact upon the condominium property any business necessary to consummate the sale of units, including, but not limited to, the right to maintain models, have signs, staff employees, maintain offices, use the common elements and show units. Any sales office, signs, fixtures or furnishings or other tangible personal property belonging to the Developer shall not be considered common elements and shall remain the property of the Developer.

19.2 Expenses

The Developer, in lieu of establishing a guarantee period, elects to be excused from the payment of the Developer's share of the common expenses and assessments with respect to each unit owned by the Developer for a period subsequent to the recording of the Declaration of Condominium and terminating on the first day of the fourth (4th) calendar month following the month in which the closing of the purchase and sale of the first condominium unit occurs, provided that the Developer shall be obligated to pay that portion of the common expenses incurred during the aforesaid period which exceeds the amount assessed against other unit owners.

20. TERMINATION

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

20.1 Destruction

In the event that it is determined in the manner elsewhere provided that the condominium building shall not be reconstructed because of major damage, the condominium plan of ownership will be thereby terminated without agreement.

20.2 Agreement

The condominium may be terminated by the approval in writing of all of the owners of the units therein and by all record owners of mortgages thereon. If the proposed termination is submitted to a meeting of the members of the Association, the notice of which meeting gives notice of the proposed termination, and if the approval of the owners of not less than seventy-five percent (75%) of the common elements, and of the record owners of all mortgages upon the 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 units of the other owners for the period ending on the sixtieth (60th) day from the day of such meeting. Such approvals shall be irrevocable until the expiration of the option, and if the option is exercised, the approval shall be irrevocable. Such option shall be upon the following terms:

20.2.1 Exercise of Option. The option shall be exercised by delivery or mailing by certified mail, to each of the record owners of the units to be purchased, of an agreement to purchase, signed by the record owners of units who will participate in the purchase. Such agreement shall indicate which apartment will be purchased by each participating owner and shall provide for the purchase of all of the units owned by owners not approving the termination, and the effect of said agreement shall be to create a separate contract between each seller and his purchaser.

20.2.2 Price. The sale price for each unit shall be the fair market value determined by agreement between the seller and 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 (2) appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the unit; and a judgment of specific performance 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.

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

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

20.3 Certificate

The termination of the condominium in either of the foregoing manners shall be evidenced by a certificate of the Association, executed by the President and Secretary, certifying as to the facts effecting the termination, which certificate shall become effective upon being recorded in the public records of Escambia County, Florida.

20.4 Shares of Owners After Termination

After termination of the condominium, unit owners shall own the condominium property and all assets of the Association as tenants in common in undivided shares, and their respective mortgagees and lienors shall have mortgages and liens upon the respective undivided shares of the unit owners. Such undivided shares of the unit owners shall be known as "termination shares" and shall be ascertained as follows:

20.4.1 The Board of Directors, upon advisement by one or more independent appraiser, shall determine the value of each unit and appurtenances thereto prior to termination and of the total condominium property prior to termination. The total value of all units and appurtenances thereto shall equal the value of the condominium property.

20.4.2 The undivided share of each unit owner after termination shall equal the assessed value of his unit and appurtenances thereto divided by the assessed value of the total condominium property terminated.

20.4.3 The undivided share of each unit owner after termination shall be referred to as a "termination share". After termination, the words "termination share" shall be to the Secretary of the Association by each such owner, substituted for the words "share in the common elements" or similar phrases used in this Declaration in order to ascertain the rights and duties of the holders of termination shares.

20.4.4 No amendment to this Paragraph 20.4 may change the termination share attributable to a unit without the written consent of the unit owner of that unit and of all mortgagees holding mortgages encumbering that unit.

20.5 Amendments

This section concerning termination cannot be amended without consent of all unit owners and all record owners of mortgages upon condominium parcels.

21. SEVERABILITY AND INVALIDITY

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 and the Articles of Incorporation, the ByLaws and the Rules and Regulations of the Association, shall not affect the validity of the remaining portions which shall remain in full force and effect.

In the event any court shall hereafter determine that any provisions of this Declaration of Condominium, as originally drafter, or as amended, violates 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 under such rules of law, and for such purpose measuring lives shall be those of the incorporators of the Association.

22. INTERPRETATION

The provisions of this Declaration of Condominium shall be liberally construed to effectuate its purposes of creating a uniform plan for the operation of a condominium in accordance with the laws made and provided for same; i.e., Chapter 718, Florida Statutes, as amended.

IN WITNESS WHEREOF, the Developer has caused the execution of this Declaration of Condominium, this 4th day of March, 1988.

WITNESSES:

THE DOCKS ON OLD RIVER, INC.,
A Florida corporation

W C [signature]

Joyce A. Williams

By: [signature]
By: Its Vice President

[CORPORATE SEAL]

THE DOCKS ON OLD RIVER, INC. INCORPORATED 1987 FLORIDA

STATE OF FLORIDA)
COUNTY OF ESCAMBIA)

The foregoing instrument was acknowledged before me this 4th day of March, 1988, by Chester M. Fox, the President of THE DOCKS ON OLD RIVER, INC., a Florida corporation, on behalf of said corporation.

Joyce A. Williams
Notary Public
State of Florida at Large

[NOTARIAL SEAL]

My Commission Expires: 4-14-91

NOTARY PUBLIC STATE OF FLORIDA AT LARGE

EXHIBIT A TO DECLARATION

NARRATIVE DESCRIPTION, LEGAL DESCRIPTION,
SITE PLAN, FLOOR PLANS AND ELEVATIONS

NARRATIVE DESCRIPTION

The condominium building contains three (3) floors with parking under the first floor. There are nine (9) units on each floor for a total of twenty-seven (27) units. All units except units 8-C and 12-A have two bedrooms and two bathrooms. Units 8-C and 12-A contain one bedroom and two bathrooms. The units are numbered 7-A through 15-A; 7-B through 15-B; and 7-C through 15-C.

LEGAL DESCRIPTION

PARCEL 1:

Commence at the Northeast corner of Section 6, Township 4 South, Range 32 West, Escambia County, Florida; thence go South 00°05'20" East a distance of 158.07 feet to the Northerly R/W line of Gulf Beach Highway (State Road No. 292 - 100' R/W); thence go South 70°52'40" West along aforesaid R/W a distance of 1059.06 feet; thence go North 00°05'20" West a distance of 237.85 feet to the point of beginning; thence go South 89°54'40" West 174.63 feet; thence go North 00°05'20" West 342.50 feet more or less to the mean high water line of Old River; thence meander Easterly along the aforesaid mean high water line to a point of intersection on a line that passes through the Point of Beginning with a bearing of North 00°05'20" West; thence go South 00°05'20" East a distance of 366.15 feet more or less to the Point of Beginning. All of the above property being situated in Section 6, Township 4 South, Range 32 West, Escambia County, Florida and Section 31, Township 3 South, Range 32 West, Escambia County, Florida.

PARCEL 2:

A strip of land 15.0 feet wide to be used for Ingress & Egress purposes, the center line of which is described as follows: Commence at the Northeast corner of Section 6, Township 4 South, Range 32 West, Escambia County, Florida; thence go South 00°05'20" East a distance of 158.07 feet to the Northerly R/W line of Gulf Beach Highway (State Road No. 292 - 100' R/W); thence go South 75°52'40" West along aforesaid R/W a distance of 1231.33 feet to the Point of Beginning; thence go North 00°05'20" West a distance of 279.63 feet to the Point of Terminus. All of the above property being situated in Section 6, Township 4 South, Range 32 West, Escambia County, Florida.

PARCEL 3:

A strip of land 15.0 feet wide to be used for ingress & egress purposes, the center line of which is described as follows: Commence at the Northeast corner of Section 6, Township 4 South, Range 32 West, Escambia County, Florida; thence go South 00°05'20" East a distance of 158.07 feet to the Northerly R/W line of Gulf Beach Highway (State Road No. 292 - 100' R/W); thence go South 75°52'40" West along aforesaid R/W a distance of 1066.79 feet to the point of beginning; thence go North 00°05'20" West a distance of 239.73 feet to the Point of Terminus. All of the above property being situated in Section 6, Township 4 South, Range 32 West, Escambia County, Florida.

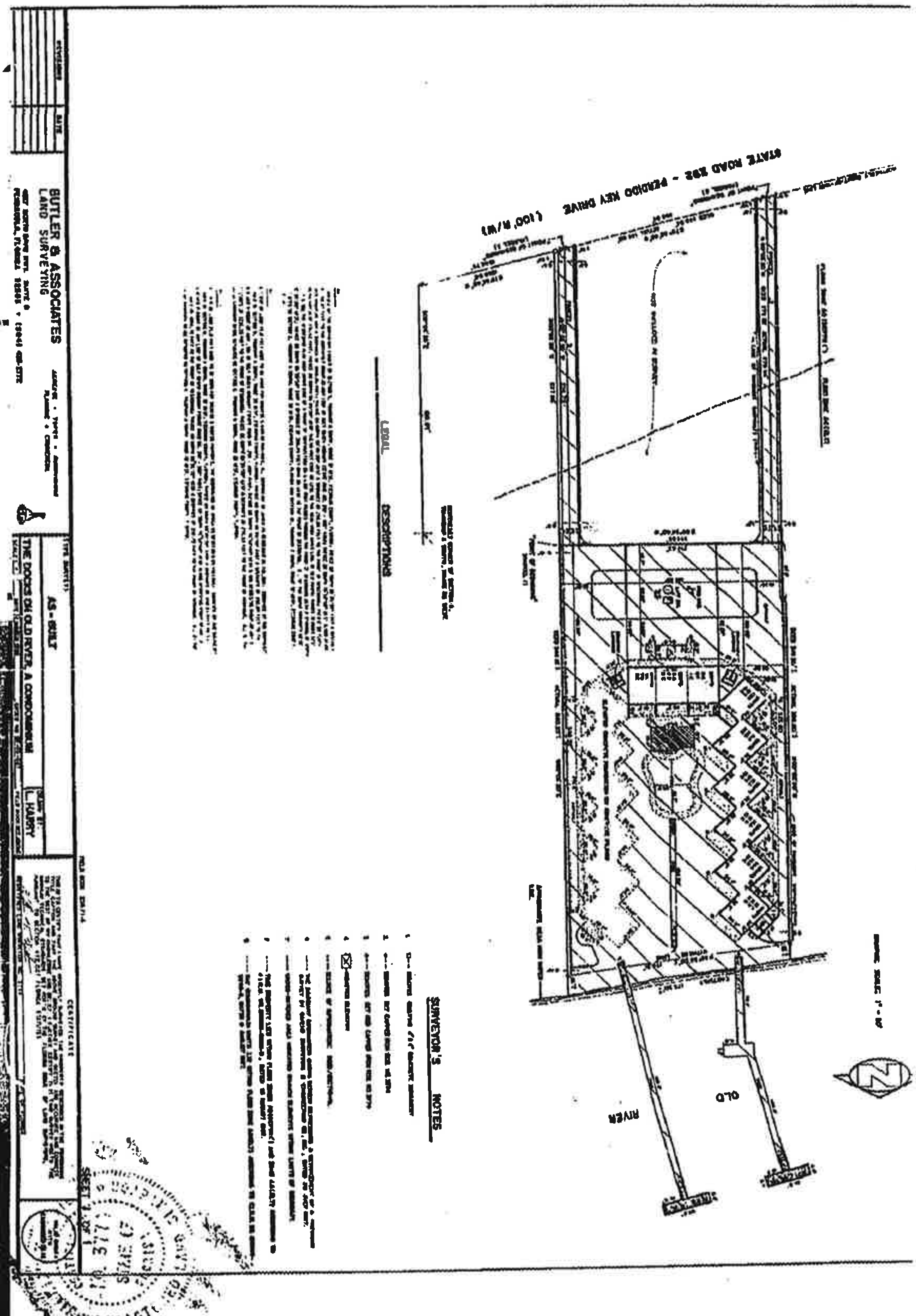
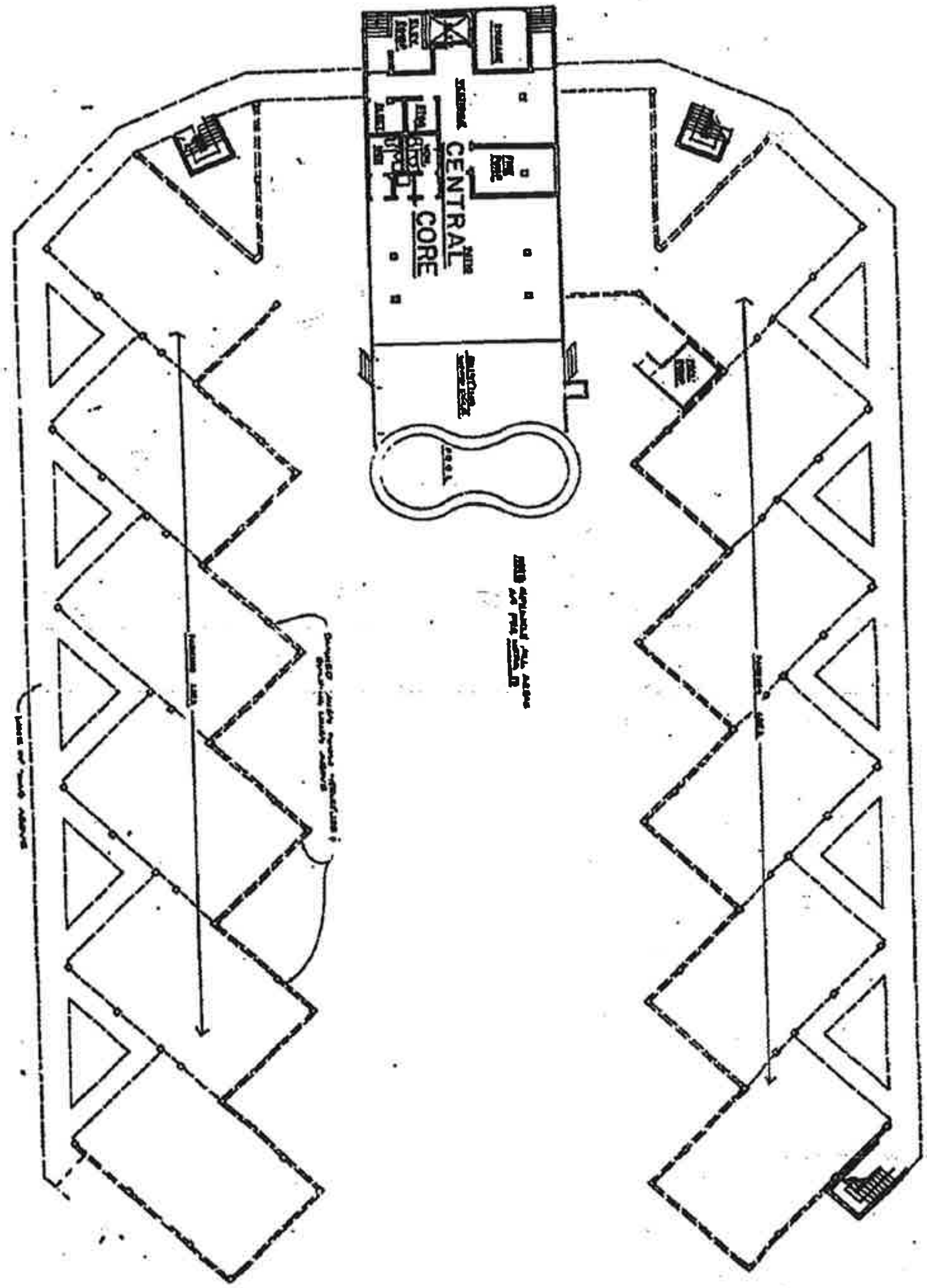


EXHIBIT A
PAGE 3

FIRST LEVEL BUILDING PLAN

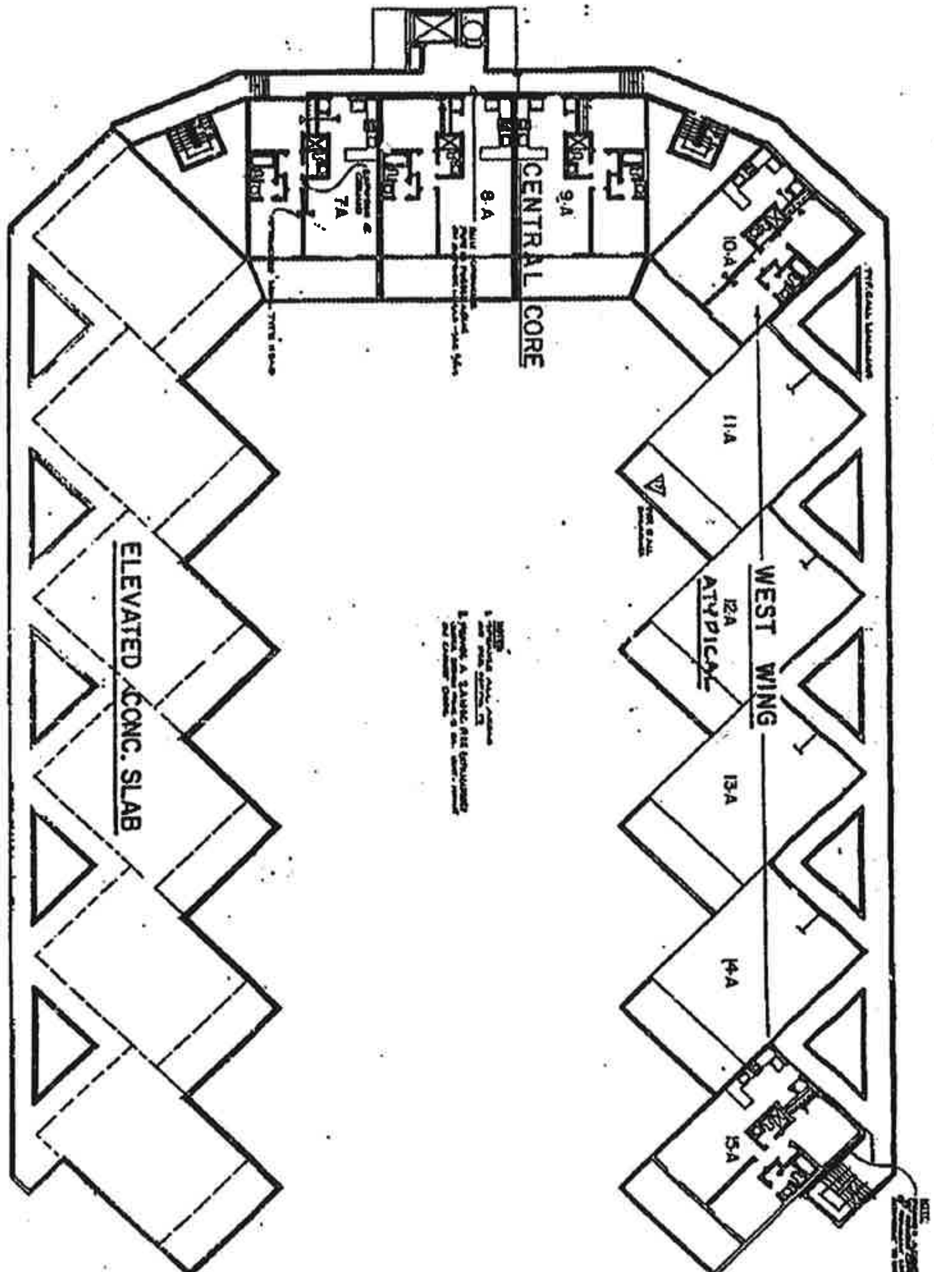


prepared by:
Henry Norris & Assoc.
Pensacola, Florida

EXHIBIT A
PAGE 4

"THE DOCKS ON OLD RIVER,
A CONDOMINIUM"
PERDIDO KEY DRIVE,
ESCAMBIA COUNTY, FLORIDA

SECOND LEVEL BUILDING PLAN

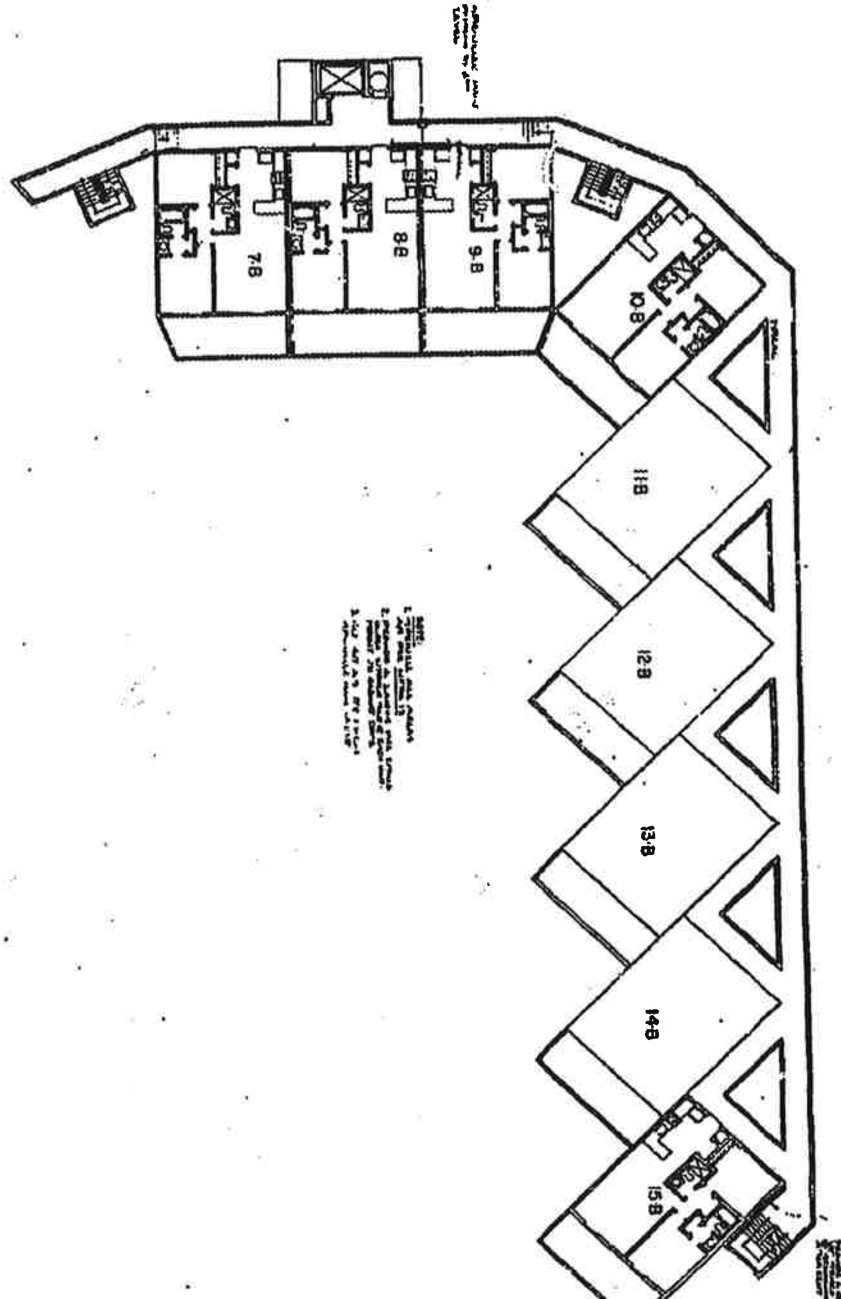


prepared by:
Henry Norris & Assoc.
Pensacola, Florida

EXHIBIT A
PAGE 5

"THE DOCKS ON OLD RIVER,
A CONDOMINIUM"
PERDIDO KEY DRIVE,
ESCAMBIA COUNTY, FLORIDA

THIRD LEVEL BUILDING PLAN



prepared by:
Henry Norris, Architect
Pensacola, Florida

EXHIBIT A
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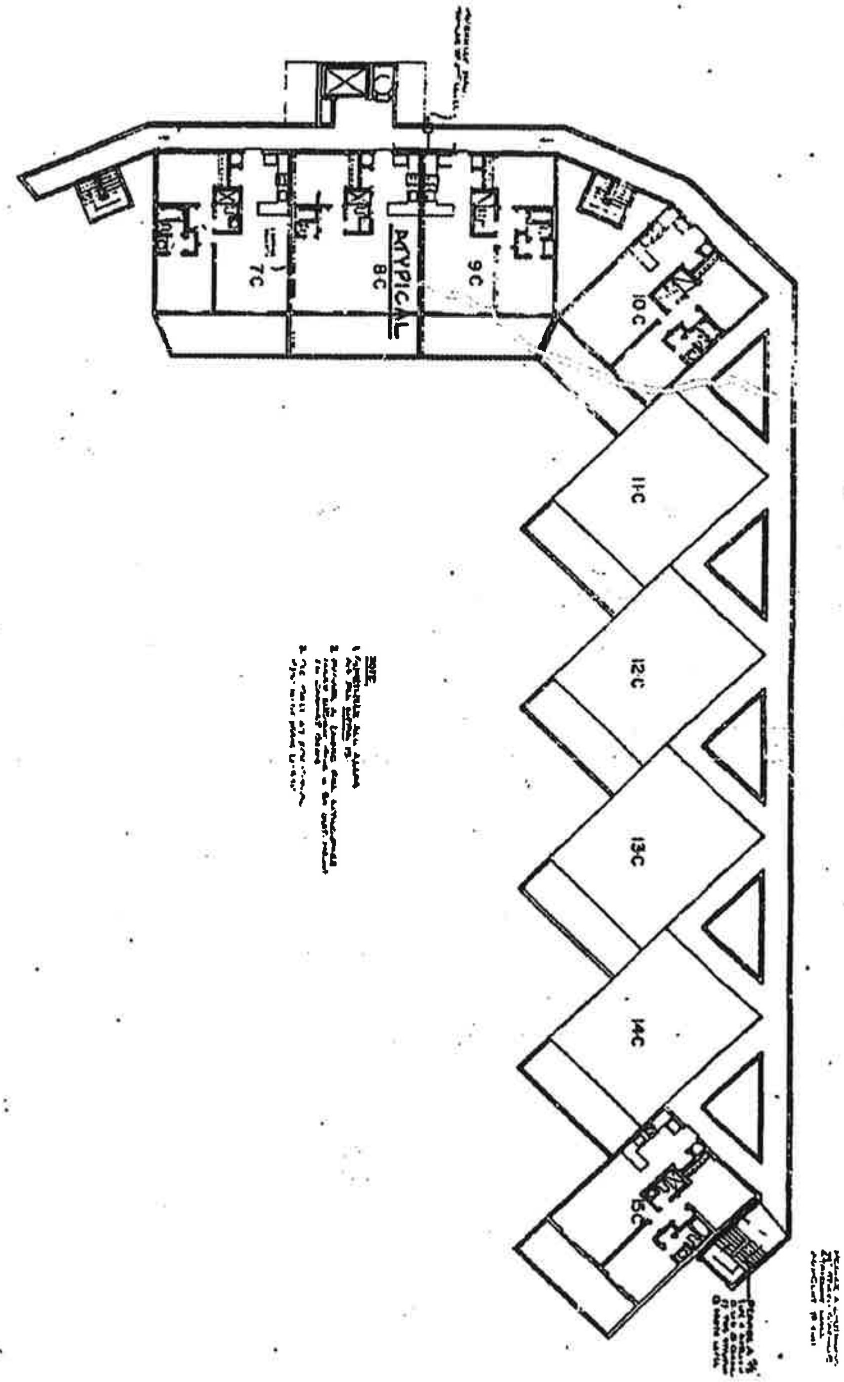
"THE DOCKS ON OLD RIVER,
A CONDOMINIUM"
PERDIDO KEY DRIVE,
ESCAMBIA COUNTY, FLORIDA

FOURTH LEVEL BUILDING PLAN



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"THE DOCKS ON OLD RIVER, A CONDOMINIUM"
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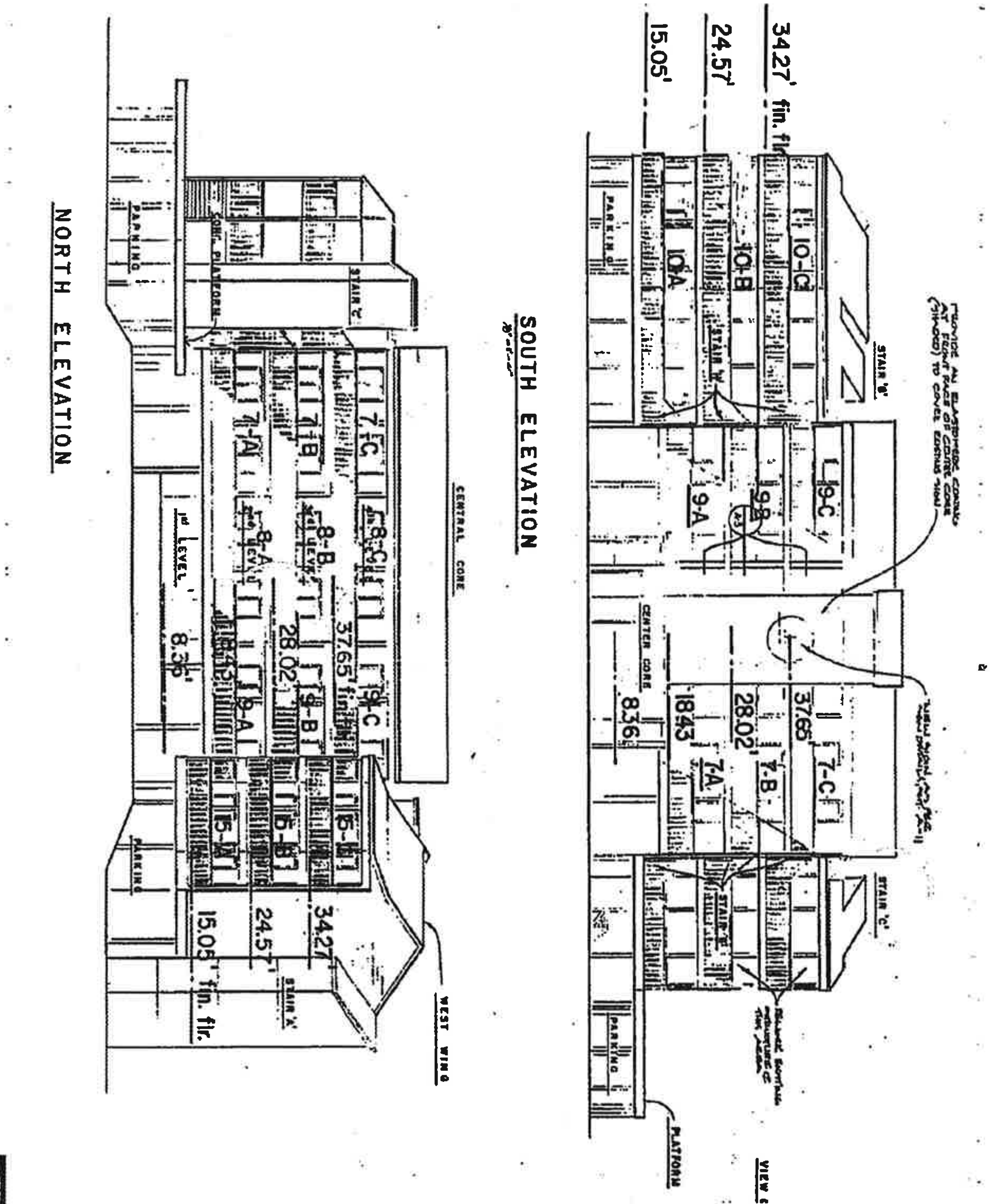
ESCAMBIA COUNTY, FLORIDA



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"THE DOCKS ON OLD RIVER, A CONDOMINIUM"

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ESCAMBIA COUNTY, FLORIDA

EAST ELEVATION

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A·CONDOMINIUM"

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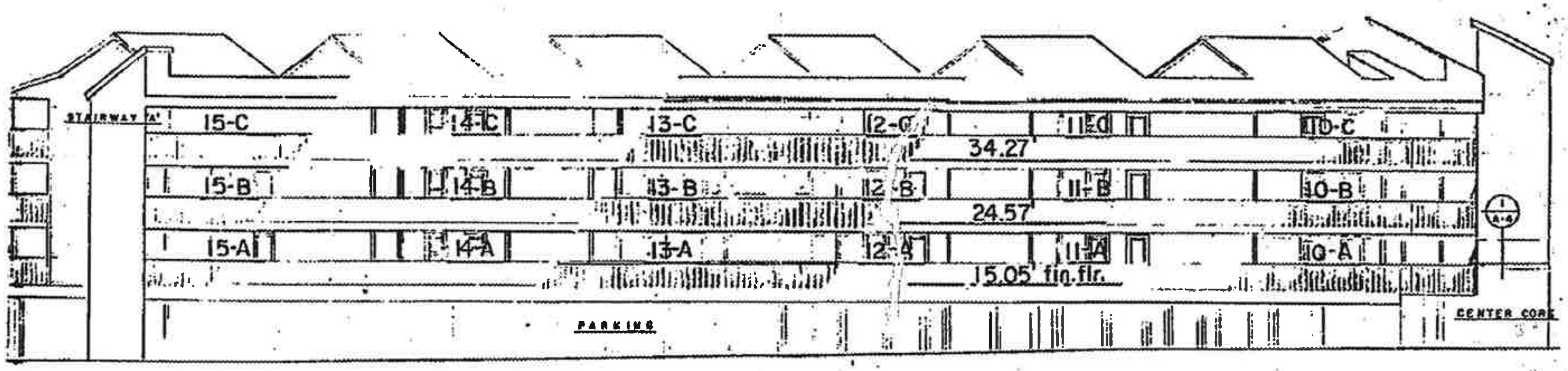

WEST ELEVATION

EXHIBIT A
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A CONDOMINIUM"

PERDIDO KEY DRIVE,
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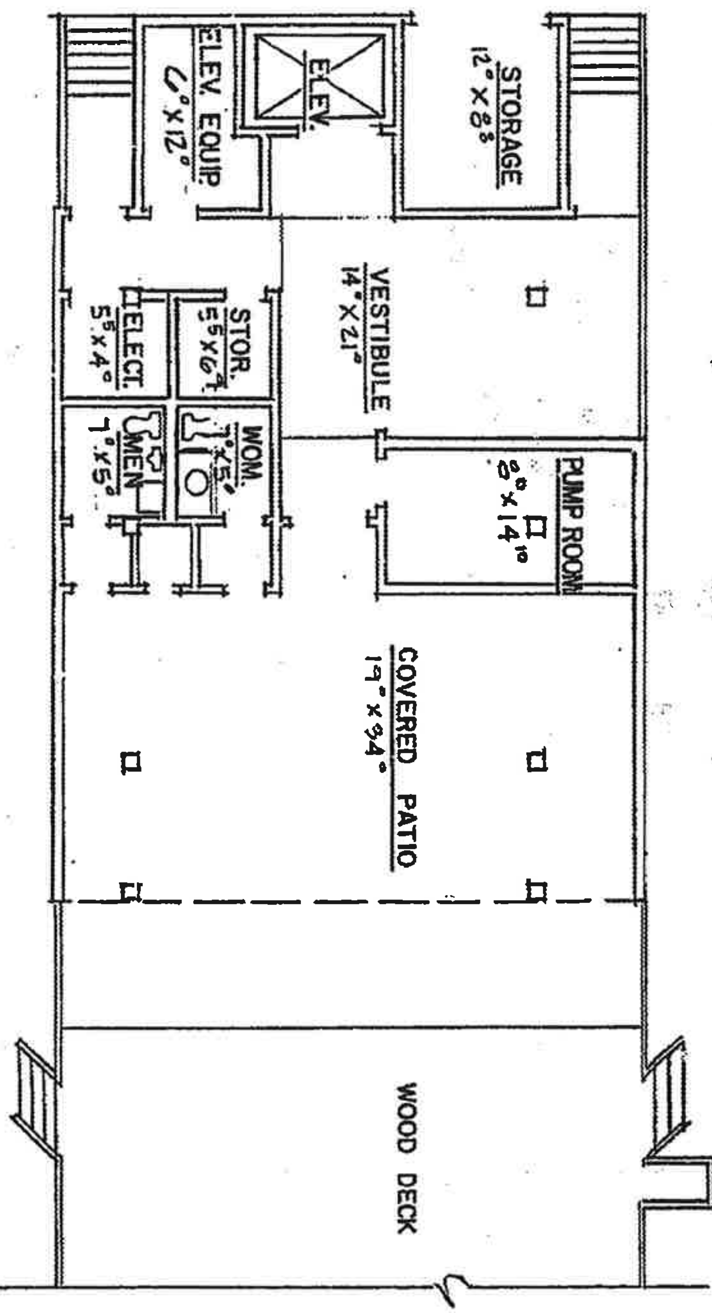
Pensacola, Florida

CENTRAL CORE @ 1st LEVEL

1/8" = 1'-0"



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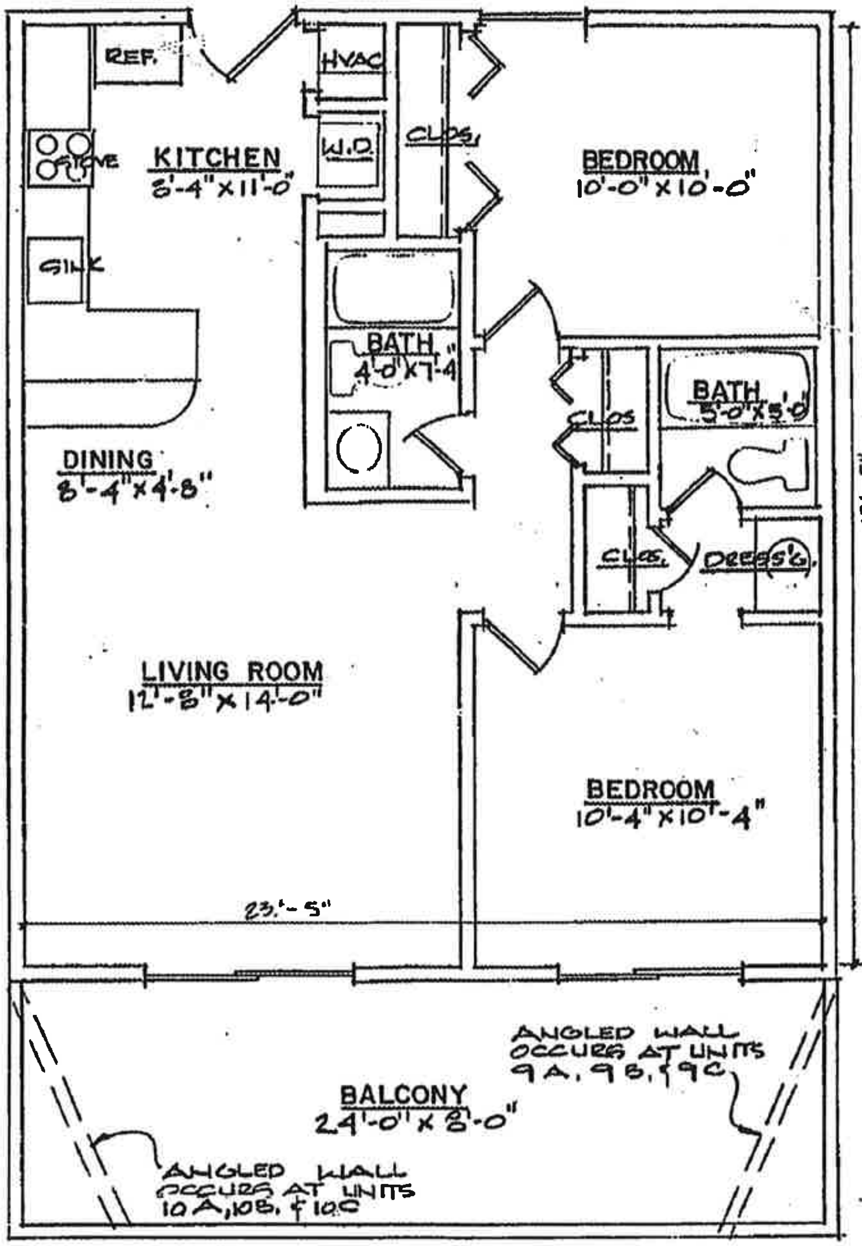
CONDOMINIUM,
PERDIDO KEY DRIVE,
ESCAMBIA COUNTY, FLORIDA



UNIT FLOOR PLAN 1/4" = 1'-0"

TYPICAL FOR ALL WEST WING UNITS & CENTER CORE UNITS: 9A, 9B, 9C

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Pensacola, Florida

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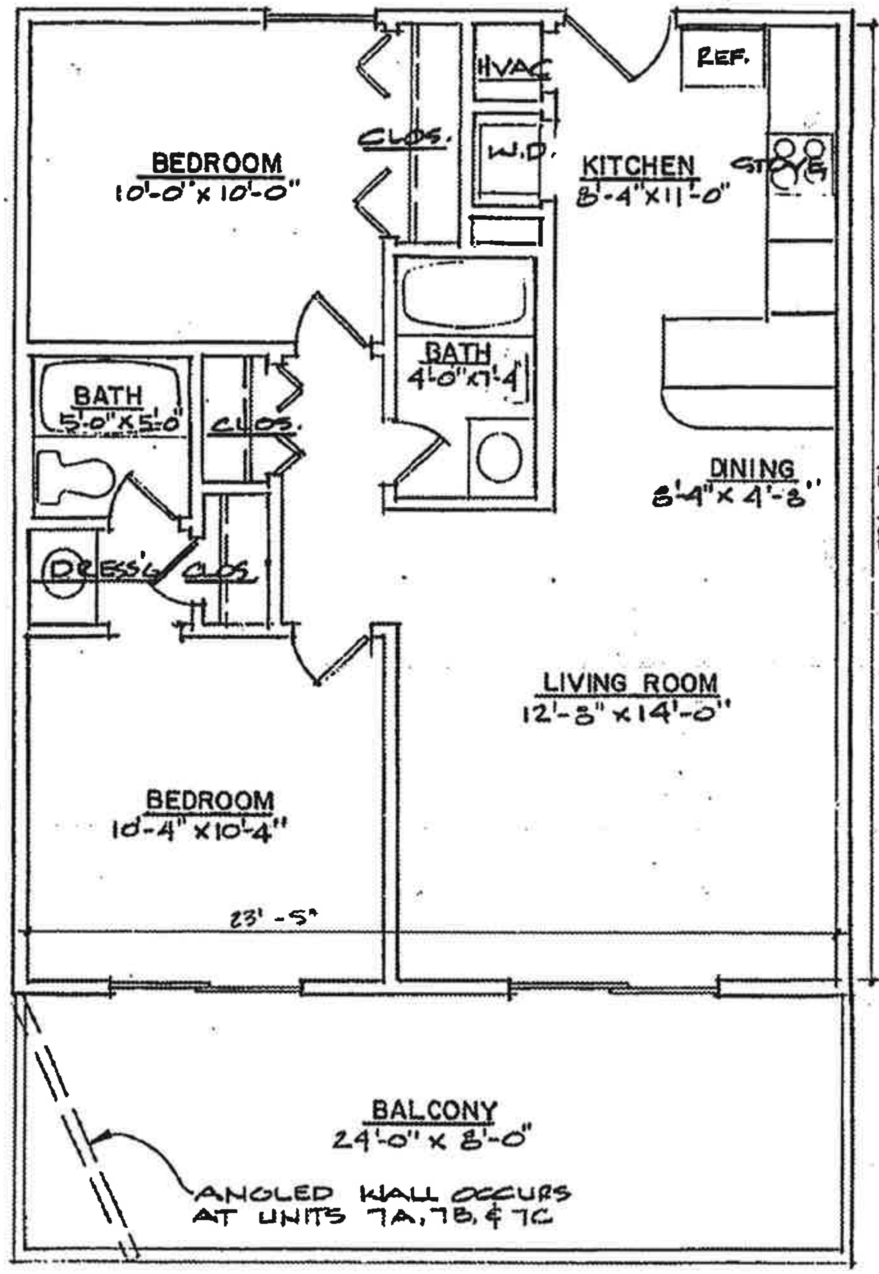
"THE DOCKS ON OLD RIVER, A CONDOMINIUM"
PERDIDO KEY DRIVE,
ESCAMBIA COUNTY, FLORIDA



UNIT FLOOR PLAN 1/4" = 1'-0"

TYPICAL FOR CENTER CORE UNITS: 7A, 7B, 7C, 8A, 8B, 8C

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Pensacola, Florida

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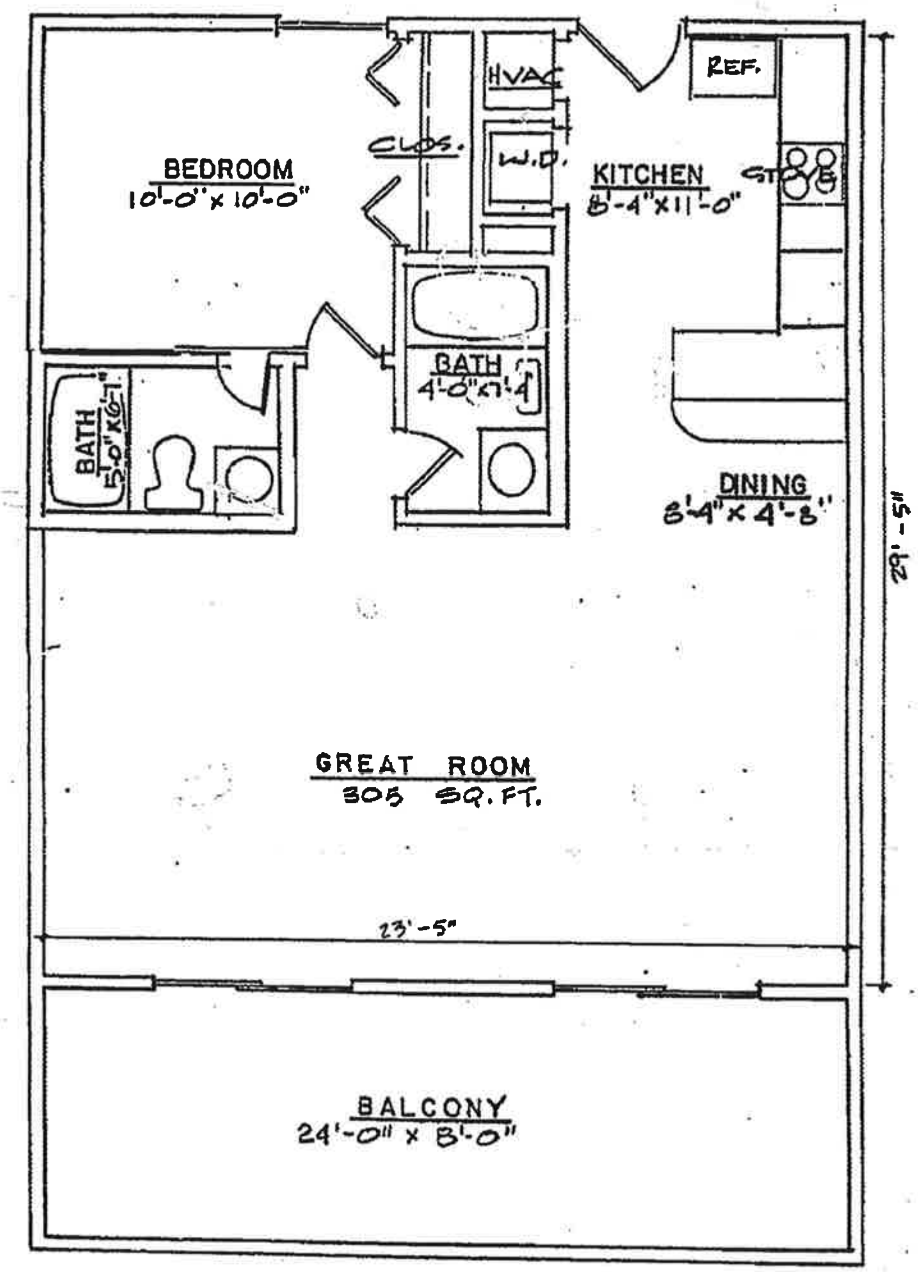
"THE DOCKS ON OLD RIVER, A CONDOMINIUM"
PERDIDO KEY DRIVE,
ESCAMBIA COUNTY, FLORIDA



8 C – (ATYPICAL)
UNIT FLOOR PLAN

1/4" = 1'-0"

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Pensacola, Florida

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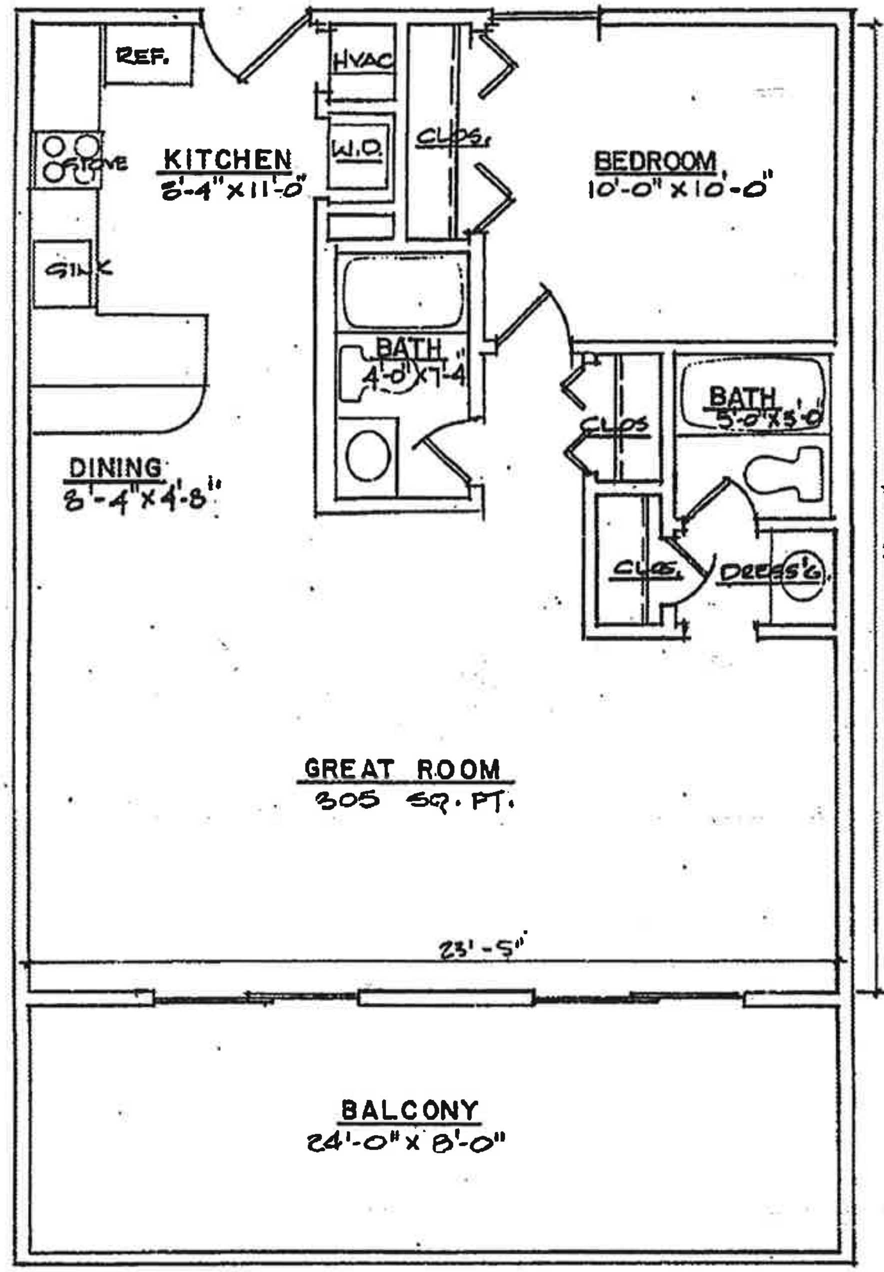
"THE DOCKS ON OLD RIV
A CONDOMINIUM"
PERDIDO KEY DRIVE,
ESCAMBIA COUNTY, FLO



12 A – (ATYPICAL) UNIT FLOOR PLAN

1/4" = 1'-0"

prepared by:
Henry Norris & Assoc.
Pensacola, Florida

EXHIBIT A
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"THE DOCKS ON OLD RIVER, A CONDOMINIUM"
PERDIDO KEY DRIVE,
ESCAMBIA COUNTY, FLORIDA

SURVEYOR'S CERTIFICATE

THE DOCKS ON OLD RIVER, A CONDOMINIUM

I, WILLIAM T. BUTLER, (Registered Land Surveyor No. 3774, State of Florida), a surveyor authorized to practice in the State of Florida, hereby certify that the construction of the improvements described in Exhibit "A" of the Declaration of Condominium of THE DOCKS ON OLD RIVER, A CONDOMINIUM attached hereto, consisting of fifteen (15) pages, is substantially complete so that the material, together with the provisions of the Declaration relating to matters of survey describing the condominium property is an accurate representation of the location and dimensions of the improvements, and that the identification, location and dimensions of the common elements, limited common elements, and of each unit can be determined from these materials.

Registered Land Surveyor No. 3774
State of Florida

(SEAL)

SWORN to and subscribed before me this 22nd day of March, 1988.

Notary Public
State of Florida at Large

(NOTARIAL SEAL)

My Commission Expires: January 24, 1989

EXHIBIT B

FORM OF ARTICLES OF INCORPORATION

ARTICLES OF INCORPORATION
OF
THE DOCKS ON OLD RIVER CONDOMINIUM ASSOCIATION, INC.
A FLORIDA CORPORATION NOT FOR PROFIT

The undersigned incorporators by these articles associate themselves for the purpose of forming a corporation not for profit pursuant to the laws of the State of Florida, and adopt the following articles of incorporation:

ARTICLE I. NAME

The name of the corporation is THE DOCKS ON OLD RIVER CONDOMINIUM ASSOCIATION, INC. For convenience, the corporation shall be referred to in this instrument as the "association," these articles of incorporation as the "articles" and the bylaws of the association as the "bylaws."

ARTICLE II. TERM OF EXISTENCE

The association shall have perpetual existence.

ARTICLE III. PURPOSE

This association is organized for the purpose of providing an entity under the Florida Condominium Act (the Act) for the operation of a condominium located in Escambia County, Florida, and known as THE DOCKS ON OLD RIVER, a Condominium (the condominium), created pursuant to the declaration of condominium (the declaration).

ARTICLE IV. MEMBERS

The qualification of members and the manner of their admission shall be as regulated by the bylaws.

ARTICLE V. INITIAL REGISTERED OFFICE AND REGISTERED AGENT

The street address of the office of this corporation is 16310 Perdido Key Drive, Pensacola, Florida 32593, and the name of the initial registered agent of this corporation is W. Christopher Hart, 125 West Romana Street, Pensacola, Florida 32501.

ARTICLE VI. FIRST BOARD OF DIRECTORS

The number of persons constituting the first board of directors shall be three and their names and addresses are as follows:

NAME	ADDRESS
Chester M. Fox	851 South Beltline Highway, Mobile, AL 36606
Kerry O'Connor	124B Cove Commercial Park, Gulf Shores, AL 36542
Wanda J. Stevens	851 South Beltline Highway, Mobile, AL 36606.

ARTICLE VII. INCORPORATORS

The name and address of the incorporator to these articles are as follows:

NAME	ADDRESS
W. Christopher Hart	125 West Romana Street, Pensacola, FL 32501.

ARTICLE VIII. NONSTOCK BASIS

This corporation is organized and shall be operated on a nonstock basis within the meaning of the Florida Not For Profit Corporation Act, and shall not have the power to issue shares of any type or class of stock or other certificates or writings evidencing an ownership or proprietary interest in the corporation.

ARTICLE IX. AMENDMENT

The corporation reserves the right to amend or repeal any provisions contained in these Articles of Incorporation or any amendment to them and all rights and privileges conferred upon the members, directors, and officers of the corporation are subject to this reservation.

IN WITNESS WHEREOF the undersigned incorporator has executed these articles of incorporation on March 10, 1988.

/s/ ______________________
W. CHRISTOPHER HART

STATE OF FLORIDA)
:
COUNTY OF ESCAMBIA)

The foregoing instrument was acknowledged before me this 10th day of March, 1988, by W. CHRISTOPHER HART.

/s/ ______________________
Notary Public
State of Florida at Large

[NOTARIAL SEAL]

My Commission Expires: ______________

ACCEPTANCE OF REGISTERED AGENT

Having been named as registered agent to accept service of process for The Docks on Old River Condominium Association, Inc., a corporation, at the place designated in these articles, I agree to act in this capacity and I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties.

/s/ ______________________
W. CHRISTOPHER HART
Registered Agent

DATE: March 10, 1988

EXHIBIT C TO DECLARATION

BYLAWS OF HOMEOWNER'S ASSOCIATION

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BYLAWS
OF
THE DOCKS ON OLD RIVER CONDOMINIUM ASSOCIATION, INC.

ARTICLE I. IDENTITY

These are the Bylaws of THE DOCKS ON OLD RIVER CONDOMINIUM ASSOCIATION, INC. (the Association), a corporation not for profit under the laws of the State of Florida, organized for the purpose of administering that certain condominium located in Escambia County, Florida, and known as The Docks on Old River, a Condominium (the Condominium).

1.1 Principal office.

The principal office of the Association shall be at 16310 Perdido Key Drive, Pensacola, Florida 32593, or at such other place as may be designated by the board of directors.

1.2 Fiscal year.

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

1.3 Seal.

The seal of the Association shall bear the name of the corporation, the word "Florida," the words "corporation not for profit" and the year of the incorporation.

1.4 Definitions.

For convenience, these bylaws shall be referred to as the "Bylaws"; the articles of incorporation of the association as the "Articles"; and the declaration of condominium for the condominium as the "Declaration." The other terms used in these Bylaws shall have the same definitions and meaning as those set forth in F.S. Chapter 718, The Condominium Act (the Act), as well as those set forth in the Declaration and the Articles, unless provided to the contrary in these Bylaws, or unless the context otherwise requires.

ARTICLE II. MEETINGS OF MEMBERS AND VOTING

2.1 Annual meeting.

The annual meeting of the members shall be held on the date and at the place and time as determined by the board of directors from time to time, provided that there shall be an annual meeting every calendar year and no later than 13 months after the last annual meeting. The purpose of the meeting shall be to elect directors and to transact any other business authorized to be transacted by the members.

2.2 Special meetings.

Special meetings of the members shall be held at such places as provided for annual meetings and may be called by the president or by a majority of the board of directors of the association, and must be called by the president or secretary on receipt of a written request from at least 10% of the members of the association entitled to vote at the meeting. Requests for a meeting by the members shall state the purpose for the meeting and business conducted at any special meeting shall be limited to the matters stated in the notice for it. The provisions of this section, as applicable, shall be modified by the provisions of F.S. 718.112(2)(f), concerning budget meetings; F.S. 718.112(2)(g), concerning recall; F.S. 718.112(2)(k); concerning budget reserves; and F.S. 718.301(1) and (2), concerning election of directors by unit owners other than the developer.

2.3 Notice of annual meeting.

Written notice of the annual meeting shall be mailed to each unit owner at least 14 days and not more than 60 days before the annual meeting. A copy of the notice shall be posted in a conspicuous place on the Condominium property at least 14 days before the annual meeting. The post office certificate of mailing shall be retained as proof of the mailing. Unit owners may waive notice of the annual meeting.

2.4 Notice of special meetings, generally.

Except as modified by the specific requirements for special kinds of members' meetings as set out in these Bylaws, notice of special meetings, generally, shall be in writing, shall state the place, day and hour of the meeting and the purpose or purposes for which the meeting is called. The notice shall be delivered to each member entitled to vote at the meeting not less than ten or more than 60 days before the date of the meeting, either personally or by first class mail, by or at the direction of the president, the secretary, or the officer or persons calling the meeting. If mailed, the notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears in the records of the Association, with postage prepaid. Payment of postage for notice of any special meeting, by whomever called, shall be an obligation of the Association.

2.5 Notice of budget meeting.

The board of directors shall mail a notice and a copy of the proposed annual budget to the unit owners not less than 30 days before the meeting at which the board will consider the budget.

2.6 Notice of meeting to consider excessive budget.

If a budget adopted by the board of directors requires assessment against the unit owners for any calendar year exceeding 115% of the assessment for the preceding year, the board, on written application of 10% of the unit owners to the board, shall call a special meeting of the unit owners within 30 days, on not less than ten days written notice to each unit owner.

2.7 Notice of meeting to consider recall of board members.

A special meeting of the unit owners to recall a member or members of the board of directors may be called by 10% of the unit owners giving notice of the meeting as required for a meeting of unit owners, stating the purpose of the meeting.

2.8 Notice of meeting to elect nondeveloper directors.

Notice of a meeting to elect a director or directors from unit owners other than the developer shall be given not less than 30 days nor more than 40 days before the meeting. The meeting may be called and notice given by any unit owner if the Association fails to do so.

2.9 Quorum.

A quorum at meetings of members shall consist of persons entitled to cast, either in person or by proxy, a majority of the votes of the entire membership. Absentee ballots, alone, may not be counted in determining a quorum.

2.10 Voting.

(a) Number of votes.

In any meeting of members, the owners of units shall be entitled to cast one vote for each unit owned. The vote of a condominium unit is not divisible.

(b) Majority vote.

The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum is present shall be binding on all unit owners for all purposes unless the Act, the Declaration, the Articles, or these Bylaws require a larger percentage of vote, in which case that larger percentage shall control.

2.11 Membership-designation of voting member.

Persons or entities shall become members of the Association on the acquisition of fee title to a unit in the Condominium after approval of the acquisition in the manner provided in the Declaration. Membership shall be terminated when a person or entity no longer owns a unit in the Condominium. If a unit is owned by more than one natural person, any record owner of the unit may vote in person or by proxy, provided there shall be no more than one vote per unit. In the case of conflict among the owners of the unit, the vote for that unit shall not be counted as to the matter under consideration in which the conflict arose, and whether the conflict appears by vote in person or by proxy. Ballots may be cast for units owned by corporations or partnerships by a president, vice president, a partner, or any other person designated in a written certificate filed with the secretary of the association and signed by a president or vice president of a corporation or a partner of a partnership.

2.12 Proxies; Powers of Attorney.

Votes may be cast in person or by proxy. Each proxy shall set forth specifically the name of the person voting by proxy and the name of the person authorized to vote the proxy for him. Each proxy shall contain the date, time and place of the meeting for which the proxy is given. If the proxy is a limited proxy, it shall set forth those items that the holder of the proxy may vote and the manner in which the vote is to be cast. The proxy shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings. No proxy shall be valid for a period longer than 90 days after the date of the first meeting for which it was given, and it may be revoked at any time at the pleasure of the unit owner executing it. The proxy shall be signed by the unit owner or owners (if more than one) or by the appropriate officer or partner of a corporation or partnership or other designated person mentioned in 2.11, or the duly authorized attorney-in-fact of that person or persons (provided the power of attorney is filed with the secretary of the association). The proxy shall be filed with the secretary before or at the meeting for which the proxy is given. One holding a power of attorney from a unit owner, properly executed and granting such authority, may vote that unit.

2.13 Adjourned meetings.

If any meeting of members cannot be organized because a quorum is not present, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present. The time and place to which the meeting is adjourned shall be announced at the meeting at which the adjournment is taken and a notice shall be posted in a conspicuous place on the Condominium property as soon thereafter as may be practical stating the time and place to which the meeting is adjourned.

2.14 Waiver of notice.

Unit owners may waive their right to receive notice of any meeting, whether annual or special, by a writing signed by them to that effect. The waiver shall be filed with the secretary of the Association either before, at or after the meeting for which the waiver is given.

2.15 Action by members without a meeting.

Unit owners may take action by written agreement without a meeting, as long as written notice is given to the unit owners in the manner prescribed elsewhere in these Bylaws appropriate to the subject matter to be agreed on, unless that notice is waived as provided in these Bylaws. The decision of a majority of the unit owners, or a larger percentage vote as otherwise may be required by the Act, the Declaration, the Articles or these Bylaws (the decision to be evidenced by written response to be solicited in the notice), shall be binding on the membership, provided a quorum submits a response. The notice shall set forth a time period within which responses must be made by the members.

2.16 Minutes of meetings.

The minutes of all meetings of unit owners shall be kept in a book available for inspection by unit owners or their authorized representatives, and board members at any reasonable time. The minutes shall be retained by the Association for a period of not less than seven years. Unit owners and their authorized representatives shall have the right to make handwritten notations from the minutes.

2.17 Order of business.

The order of business at annual meetings of members and as far as practical at other members' meetings, shall be:

(a) Call to order

(b) Election of a chairman of the meeting, unless the president or vice president is present, in which case he shall preside

(c) Calling of the roll, certifying of proxies, determination of a quorum

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

(e) Reading and disposal of any unapproved minutes

(f) Reports of officers

(g) Reports of committees

(h) Appointment of inspectors of election

(i) Determination of number of directors

(j) Election of directors

(k) Unfinished business

(l) New business

(m) Adjournment

2.18 Actions specifically requiring unit owner votes.

The following actions require approval by the unit owners and may not be taken by the board of directors acting alone:

(a) Amendments to the Declaration, except those made by the developer adding a phase to the condominium and recording a certificate of surveyor.

(b) Merger of two or more independent condominiums of a single complex to form a single condominium.

(c) Purchase of land or recreation lease.

(d) Cancellation of certain grants or reservations made by the Declaration, a lease or other document and any contract made by the association before the transfer of control of the Association from the developer to unit owners other than the developer.

(e) Exercise of Option to purchase or lease recreational or other commonly used facilities lease.

(f) Providing no Reserves, or less than adequate reserves.

(g) Recall of members of board of directors.

(h) Other matters contained in the Declaration, the Articles or these Bylaws that specifically require a vote of the members.

2.19 Secret ballots, proxy.

Any vote to amend the Declaration to change the percentage of ownership in the common elements or the sharing of the common expense must be conducted by secret ballot. Unit owners wishing to vote a secret ballot by proxy shall be mailed a ballot slip on a paper separate from that containing the proxy and notice of meeting. The proxy shall be only for the purpose of establishing a quorum at the meeting at which the secret ballot is to be conducted, and shall not contain on its face instructions as to how the proxy holder should vote the secret ballot. The provision shall be made for the secret ballot slip to be returned to the secretary of the Association in a sealed, unmarked envelope, separate from the proxy, which shall be placed in a larger envelope containing the sealed ballot. At the meeting at which the secret ballot is to be taken, the secretary will present the unopened envelopes to the inspectors of election, who will then examine and verify the proxies separately from the secret ballots in a manner that will ensure the integrity of the secret vote. The inspectors of election will then tally the secret ballots of those present at the meeting together with those of the unit owners voting by proxy and announce the results.

ARTICLE III. DIRECTORS

3.1 Number and qualifications.

The affairs of the Association shall be managed initially by a board of three directors selected by the developer. When unit owners other than the developer are entitled to elect a majority of the directors, the board shall be composed of any odd number of directors that the unit owners may decide. The number of directors, however, shall never be less than three. Other than those selected by the developer, directors must be either unit owners; tenants residing in the Condominium; officers of a corporate unit owner; or partners of a partnership unit owner. No director (except those selected by the developer) shall continue to serve on the board after he ceases to be a unit owner or tenant residing in the Condominium.

3.2 Election of directors

Directors shall be elected at the annual meeting of members by a plurality of the votes cast. Each voter shall be entitled to cast votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting. Not less than 60 days before the annual meeting of the members, a nominating committee of five members shall be appointed by the board of directors and the committee shall nominate one person for each directorship to be filled. Nominations for additional directorships created at the meeting shall be made from the floor. Other nominations also may be made from the floor.

3.3 Term.

Each director's term of service shall extend until the next annual meeting of the members and thereafter until his successor is duly elected and qualified or until he is removed in the manner provided in 3.5. The members, however, at any annual meeting after the developer has relinquished control of the Association and in order to provide a continuity of experience, may vote to create classes of directorships having a term of one, two or three years so that a system of staggered terms will be initiated.

3.4 Vacancies.

Except as to vacancies resulting from removal of directors by members, vacancies in the board of directors occurring between annual meetings of members shall be filled by majority vote of the remaining directors. Any director elected to fill a vacancy shall hold office only until the next election of directors by the members; irrespective of the length of the remaining term of the vacating director.

3.5 Removal.

Any director, except those selected by the developer, may be recalled and removed from office with or without cause by the vote or agreement in writing of a majority of all unit owners. A special meeting of the unit owners to recall a member or members of the board of directors may be called by 10% of the unit owners giving notice of the meeting as required in these Bylaws. The notice shall state the purpose of the meeting. Any vacancy on the board of directors thus created shall be filled by the members of the Association at the same meeting. If more than one director is subject to recall, there shall be a separate vote on the question to remove each director.

3.6 Disqualification and resignation.

Any director may resign at any time by sending or personally delivering a written notice of resignation to the Association, addressed to the secretary. The resignation shall take effect on receipt by the secretary, unless it states differently. Any board member elected by the unit owners who is absent from more than three consecutive regular meetings of the board, unless excused by resolution of the board, shall be deemed to have resigned from the board of directors automatically, effective when accepted by the board. Any board member more than 30 days delinquent in the payment of an assessment shall be deemed to have resigned from the board, effective when the resignation is accepted by the board of directors.

3.7 Organizational meeting.

The organizational meeting of a newly elected board of directors shall be held within ten days of their election at a place and time that shall be fixed by the directors at the meeting at which they were elected and without further notice, except notice to unit owners required by F.S. 718.112(2)(c).

3.8 Regular meetings.

The board of directors may establish a schedule of regular meetings to be held at a time and place as a majority of them shall determine from time to time. Notice of regular meetings, however, shall be given to each director personally or by mail, telephone or telegraph, at least three days before the day named for the meeting with the notice of each meeting posted conspicuously on the Condominium property at least 48 hours before the meeting, except in an emergency.

3.9 Special meetings.

Special meetings of the board of directors may be called by the president and, in his absence, by the vice president and must be called by the secretary at the written request of one third of the directors. Notice of the meeting shall be given personally or by mail, telephone or telegraph. The notice shall state the time, place and purpose of the meeting and shall be transmitted not less than three days before the meeting. A copy of the notice of any special meeting shall be posted conspicuously on the Condominium property at least 48 hours before the meeting, except in an emergency.

3.10 Waiver of notice.

Any director may waive notice of a meeting before, at or after the meeting and that waiver shall be deemed equivalent to the giving of notice. Attendance by any director at a meeting shall constitute a waiver of notice of the meeting, except when his attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

3.11 Quorum.

A quorum at the meetings of the directors shall consist of a majority of the entire board of directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the board of directors, except when approval by a greater number of directors is required by the Declaration, the Articles or these Bylaws.

3.12 Adjourned meetings.

If there is less than a quorum present at any meeting of the board of directors, the majority of those present may adjourn the meeting until a quorum is present. At any adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

3.13 No proxy.

There shall be no voting by proxy at any meeting of the board of directors.

3.14 Joinder in meeting by approval of minutes.

A director may join in the action of a meeting by signing and concurring in the minutes of that meeting. That concurrence, however, shall not constitute the presence of that director for the purpose of determining a quorum.

3.15 Meetings open to members.

Meetings of the board of directors shall be open to all unit owners to attend and observe. No unit owner, however, shall be entitled to participate in the meeting unless specifically invited to do so by the board. Notice of any meeting in which assessments against unit owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and set out the nature of the assessments.

3.16 Presiding officer.

The presiding officer at board meetings shall be the president or, in his absence, the vice president, and in his absence, the directors present shall designate any one of their number to preside.

3.17 Minutes of meetings.

The minutes of all meetings of the board of directors shall be kept in a book available for inspection by unit owners or their authorized representative and board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven years. Unit owners and their authorized representatives shall have the right to make written notations from the minutes.

3.18 Executive committee.

The board of directors, by resolution, may appoint an executive committee to consist of three or more members of the board. The executive committee shall have and may exercise all of the powers of the board in the management of the business and affairs of the Condominium during the intervals between the meetings of the board insofar as may be permitted by law. The executive committee, however, shall not have power to: (a) determine the common expenses required for the operation of the Condominium; (b) determine the assessments payable by the unit owners to meet the common expenses of the Condominium; (c) adopt or amend rules and regulations covering the details of the operation and use of the Condominium property; (d) purchase, lease or otherwise acquire units in the Condominium in the name of the Association; (e) approve or recommend to unit owners any actions or proposals required by the Act, the declaration, the Articles or these Bylaws to be approved by unit owners; or (f) fill vacancies on the board of directors. Meetings of the executive committee shall be open to unit owners.

3.19 Compensation.

Directors shall serve without pay but shall be entitled to reimbursement for expenses reasonably incurred in the discharge of their duties.

3.20 Order of business.

The order of business at meetings of directors shall be:

(a) Calling of roll
(b) Proof of notice of meeting or waiver of notice
(c) Reading and disposal of any unapproved minutes
(d) Reports of officers and committees
(e) Election of officers
(f) Unfinished business
(g) New business
(h) Adjournment

3.21 Election of directors by unit owners other than the developer.

(a) One third.

When unit owners other than the developer own 15% or more of the units in any one condominium that will be operated ultimately by the Association, they shall be entitled to elect no less than one third of the members of the board of directors.

(b) Majority.

Unit owners other than the developer are entitled to elect not less than a majority of the members of the board of directors at the earliest of:

(i) three years after 50% of the units that ultimately will be operated by the Association have been conveyed to purchasers; or

(ii) three months after 90% of the units that ultimately will be operated by the Association have been conveyed to purchasers; or

(iii) when all the units that ultimately will be operated by the Association have been completed, some of them have been conveyed to purchasers and none of the others are being offered for sale by the developer in the ordinary course of business; or

(iv) when some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the developer in the ordinary course of business.

(c) Developer member.

The developer is entitled to elect at least one member of the board of directors as long as the developer holds for sale in the ordinary course of business at least 5% of the units that ultimately will be operated by the Association, if that number shall be fewer than 500 units, and 2% if that number shall be more than 500 units.

(d) Election.

Within 60 days after the unit owners other than the developer are entitled to elect a member or members of the board of directors, the Association shall call, and give not less than 30 days nor more than 40 days notice of a meeting of the unit owners to elect the member or members of the board of directors. The meeting may be called and the notice given by any unit owner if the Association fails to do so.

(e) Relinquishment of control.

Either before or not more than 60 days after the time that unit owners other than the developer elect a majority of the members of the board of directors, the developer shall relinquish control of the Association and the unit owners shall accept control. Simultaneously, the developer shall deliver to the Association all property of the unit owners and of the Association held or controlled by the developer, including but not limited to those items specified in the Act.

(f) Compelling compliance.

In any action brought to compel compliance with F.S. 718.301 regarding transfer of Association control and election of directors by unit owners other than the developer, the summary procedure provided for in F.S. 51.011 may be employed, and the prevailing party shall be entitled to recover reasonable attorneys' fees.

(g) Early transfer.

Nothing contained in this 3.21 shall be deemed to prevent the developer from transferring control of the Association to unit owners other than the developer before the occurrence of the events described in this section.

3.22 Failure to elect director quorum.

If the Association or the board of directors fails to fill vacancies on the board of directors sufficient to constitute a quorum, any unit owner may apply to the circuit court within whose jurisdiction the Condominium is situated for the appointment of a receiver to manage the affairs of the Association, in the manner prescribed in the Act. If a receiver is appointed, the Association shall be responsible for the salary of the receiver, court costs, and attorneys' fees. The receiver shall have all the powers and duties of a duly constituted board of directors and shall serve until the Association fills vacancies on the board sufficient to constitute a quorum.

ARTICLE IV. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association existing under the Act, the Declaration, the Articles and these Bylaws shall be exercised exclusively by the board of directors, or its duly authorized agents, contractors or employees, subject only to the approval by unit owners when that approval is specifically required. The powers and duties of the board shall include, but shall not be limited to, the following:

4.1 Maintenance, management and operation of the Condominium property.

4.2 Contract, sue or be sued.

After control of the Association is obtained by unit owners other than the developer, the Association may institute, maintain, settle or appeal actions or hearings in its name on behalf of all unit owners concerning matters of common interest, including but not limited to the common elements and commonly-used facilities. The statute of limitations for any actions in law or equity that the Association may have shall not begin to run until the unit owners have elected a majority of the members of the board of directors.

4.3 Right of access to units.

The Association has the irrevocable right of access to each unit during reasonable hours as necessary for the maintenance, repair or replacement of any common elements or for making emergency repairs necessary to prevent damage to the common elements or to another unit or units.

4.4 Make and collect assessments.

4.5 Lease, maintain, repair and replace the common elements.

4.6 Lien and foreclosure for unpaid assessments.

The Association has a lien on each Condominium parcel for any unpaid assessments with interest and for reasonable attorneys' fees incurred in the collection of the assessment or enforcement of the lien. It also has the power to purchase the Condominium parcel at the foreclosure sale and to hold, lease, mortgage or convey it.

4.7 Purchase unit.

In addition to its right to purchase units at a lien foreclosure sale, the Association generally has the power to purchase units in the Condominium and to acquire, hold, lease, mortgage and convey them.

4.8 Modify easements.

The Association, without the joinder of any unit owner, may modify or move any easement for ingress and egress or for utilities purposes if the easement constitutes part of or crosses the Condominium property.

4.9 Purchase land or recreation lease.

Any land or recreation lease may be purchased by the Association on the approval of two thirds of the unit owners of the Association.

4.10 Acquire use interest in recreational facilities.

The Association may enter into agreements, acquire leaseholds, memberships and other possessory or use interests in lands or facilities, such as country clubs, golf courses, marinas and other recreational facilities, whether contiguous to the Condominium property or not if (a) they are intended to provide enjoyment, recreation or other use or benefit to the unit owners and (b) if they exist or are created at the time the Declaration was recorded, they are fully stated and described in the Declaration.

4.11 Authorize certain amendments

If it appears that through a drafter's error in the Declaration that the common elements, common expenses or common surplus has been stated or distributed improperly, an amendment to the Declaration correcting that error may be approved by the board of directors or a majority of the unit owners. No unit owners except those directly affected must join in the execution of the amendment.

4.12 Adopt rules and regulations.

The Association may adopt reasonable rules and regulations for the use of the common elements, common areas and recreational facilities serving the Condominium.

4.13 Maintain accounting records.

4.14 Obtain insurance.

The Association shall use its best efforts to obtain and maintain adequate insurance to protect the Association and the common elements.

4.15 Furnish annual financial reports to members.

4.16 Give notice of liability exposure.

If the Association may be exposed to liability in excess of insurance coverage in any legal action, it shall give notice of the exposure to all unit owners, who shall have the right to intervene and defend.

4.17 Provide certificate of unpaid assessment.

Any unit owner, mortgagee or other record lienholder has the right to require from the Association a certificate showing the amount of unpaid assessments respecting the unit owner's Condominium parcel.

4.18 Pay the annual fee to the division of Florida Land Sales and Condominiums for each residential unit operated by the association.

4.19 Approve or disapprove unit transfers and impose fees.

The Association may charge a preset fee of up to $50 in connection with the approval or disapproval of any proposed transfer, lease, sale or other disposition of a unit in the Condominium.

4.20 Contract for maintenance and management of the Condominium.

4.21 Pay taxes or assessments against the common elements or Association property.

4.22 Pay costs of utilities services rendered to the Condominium and Association property and not billed directly to individual unit owners.

4.23 Employ personnel.

The Association may employ and dismiss personnel as necessary for the maintenance and operation of the Condominium property and may retain those professional services that are required for those purposes.

[redacted]

4.24 Impose fines.

Pursuant to F.S. 617.10(3), the board of directors may impose fines on unit owners in such reasonable sums as they may deem appropriate, not to exceed $150, for violations of the Act, the Declaration, the Articles, these Bylaws and lawfully adopted rules and regulations, by owners or their guests or tenants. The board may collect those fines as an assessment in one or more installments. Each day of violation shall be a separate violation. No fine shall be imposed until the offending party (which always shall include the unit owner) has been given written notice of the violation and an opportunity to appear and be heard before the board of directors.

4.25 Suspend rights of delinquent unit owners.

The board of directors may suspend the right of any unit owner, his tenants or guests, to use the recreation facilities of the Condominium as long as the unit owner is delinquent in the payment of assessments for common expenses. The board of directors also may disapprove the prospective tenant of any delinquent owner.

4.26 Authorize private use of the common elements.

The board of directors may authorize unit owners or others to use portions of the common elements, such as social rooms and meeting rooms for private parties and gatherings, for which reasonable charges may be imposed.

4.27 Repair or reconstruct improvements after casualties.

4.28 Lien for labor and materials furnished to the common elements.

Labor performed on or materials furnished to the common elements, if authorized by the board of directors, may be the basis for the filing of a lien against all Condominium parcels in the proportion for which the owners are liable for common expenses.

ARTICLE V. OFFICERS

5.1 Executive officers.

The executive officers of the Association shall be a president, who shall be a director, a vice president, who shall be a director, a treasurer, a secretary and an assistant secretary. The officers shall be elected annually by the board of directors and may be removed without cause at any meeting by a vote of a majority of all of the directors. A person may hold more than one office except that the president may not also be the secretary or assistant secretary. No person shall sign an instrument nor perform an act in the capacity of more than one office. The board of directors from time to time shall elect other officers and designate their powers and duties as the board shall find to be required to manage the affairs of the association.

5.2 President.

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

5.3 Vice president.

The vice president shall exercise the powers and perform the duties of the president in the absence or disability of the president. He also shall assist the president and exercise those other powers and perform those other duties as shall be prescribed by the directors.

5.4 Secretary.

The secretary shall keep the minutes of all proceedings of the directors and the members. He shall attend to the serving of all notices to the members and directors and other notices required by law. He shall have custody of the seal of the Association and shall affix it to instruments requiring the seal when duly signed. He shall keep the records of the Association, except those of the treasurer, and shall perform all other duties incident to the office of the secretary of an association and as may be required by the directors or the president.

5.5 Treasurer.

The treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the board of directors for examination at reasonable times. He shall submit a treasurer's report to the board at reasonable intervals and shall perform all other duties incident to the office of treasurer. All money and other valuable effects shall be kept for the benefit of the Association in such depositories a may be designated by a majority of the board.

5.6 Compensation.

The compensation, if any, of all officers and other employees of the Association shall be fixed by the board of directors. This provision shall not preclude the board from employing a director as an employee of the Association or preclude the contracting with a director for the management of the Condominium.

ARTICLE VI. FISCAL MANAGEMENT

6.1 Board adoption of budget.

The board of directors shall adopt a budget for the common expenses of the Association in advance of each fiscal year at a special meeting of the board called for that purpose at least 45 days before the end of each fiscal year.

6.2 Budget requirements.

The proposed annual budget of common expenses shall be detailed and shall show the amounts budgeted by accounts and expense classifications, including, when applicable, but not limited to:

(a) Administration of the Association
(b) Management fees
(c) Maintenance
(d) Rent for recreational and other commonly used facilities
(e) Taxes on Association property
(f) Taxes on leased areas
(g) Insurance
(h) Security provisions
(i) Other expenses
(j) Operating capital
(k) Fees payable to the Division of Florida Land Sales and Condominiums
(l) Reserve accounts for capital expenditures and deferred maintenance, including, but not limited to, roof replacement, building painting and pavement resurfacing. Reserves may be removed from the final budget if by vote of the majority of the unit owners present at a duly called meeting of the Association they shall determine for a fiscal year to provide no reserves or reserves less adequate than required by F.S. 718.112(2)(k)

6.3 Notice of budget meeting.

The board of directors shall mail a meeting notice and copies of the proposed annual budget to the unit owners not less than 30 days before the meeting at which the budget will be considered. The meeting shall be open to all the unit owners.

6.4 Member rejection of excessive budget.

If a budget adopted by the board of directors requires assessment against the unit owners in any fiscal year exceeding 115% of the assessment for the previous year, the board, on written application of 10% of the unit owners shall call a special meeting of the unit owners within 30 days. The special meeting shall be called on not less than ten days written notice to each unit owner. At the special meeting, unit owners shall consider and enact a budget by not less than a majority vote of all unit owners. Provisions for reasonable reserves for repair or replacement of the Condominium property, nonrecurring expenses and assessments for betterments to the Condominium property shall be excluded from the computation in determining whether assessments exceed 115% of similar assessments in the previous year.

6.5 Alternative budget adoption by members.

At its option, for any fiscal year, the board of directors may propose a budget to the unit owners at a meeting of members or in writing. If the proposed budget is approved by the unit owners at the meeting or by a majority of all unit owners in writing, the budget shall be adopted.

6.6 Budget restraints on developer.

As long as the developer is in control of the board of directors, the board shall not impose an assessment for any year greater than 115% of the previous year's assessment without approval of a majority of all unit owners.

6.7 Accounting records and reports.

The Association shall maintain accounting records in the county in which the Condominium is located, according to good accounting practices. The records shall be open to inspection by unit owners or their authorized representatives at reasonable times. The records shall include, but are not limited to: (a) a record of all receipts and expenditures and (b) an account for each unit, designating the name and current mailing address of the unit owner, the amount of each assessment, the dates and amounts in which the assessments come due, the amount paid on the account and the balance due. Within 60 days after the end of each fiscal year, the board of directors shall mail or furnish by personal delivery to each unit owner a complete financial report of actual receipts and expenditures for the previous 12 months.

6.8 Depository.

The depository of the Association shall be those banks or savings and loan associations, state or federal, located in Florida, as shall be designated from time to time by the board of directors and in which the money for the Association shall be deposited. Withdrawal of money from those accounts shall be only by checks or other withdrawal instruments signed by those persons as are authorized by the directors.

6.9 Fidelity bonding.

Each officer and director of the Association who controls or disburses its funds shall be bonded by a fidelity bond in the principal sum of not less than $10,000.00. The cost of bonding shall be at the expense of the Association.

6.10 Annual election of income reporting method.

The board of directors shall make a determination annually, based on competent advice, whether it shall cause the Association's income to be reported to the Internal Revenue Service by the "regular" method (Federal Tax Form 1120) or the "alternative" method (Federal Tax Form 1120H), according to which method of reporting shall best serve the interests of the Association for the reporting period under consideration.

ARTICLE VII. ASSESSMENTS AND COLLECTION

7.1 Assessments, generally.

Assessments shall be made against the unit owners not less frequently than quarterly in the discretion of the board of directors. The assessments shall be made in an amount no less than required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. The assessment funds shall be collected against unit owners in the proportions or percentages provided in the Declaration. Unit owners' shares of common expenses shall be in the same proportions as their ownership interest in the common elements.

7.2 Emergency assessments.

Assessments for common expenses of emergencies that cannot be paid from the annual assessment for common expenses shall be made by the board of directors after 30 days notice given to the unit owners. These assessments shall be paid at all times and in the manner that the board may require in the notice of assessment.

7.3 Assessment for charges.

Charges by the Association against members for other than common expenses shall be payable in advance and may be collected by assessment in the same manner as common expenses, provided, however, such charges may not be collected under the Association's lien rights. Charges for other than common expenses may be made only after approval of a member or when expressly provided for in the declaration or other Condominium documents. These charges may include, without limitation, charges for the use of the Condominium property or recreation area, maintenance services furnished at the expense of a member and other services furnished for the benefit of a member.

7.4 Liability for assessments.

Each unit owner, regardless of how title is acquired, shall be liable for all assessments coming due when he is the unit owner. The unit owner and his grantee in a voluntary conveyance shall be jointly and severally liable for all unpaid assessments due and payable up to the time of the voluntary conveyance. A first mortgagee who acquired title by foreclosure or deed in lieu of foreclosure, however, shall not be liable for unpaid assessments of previous owners unless those assessments are evidenced by a lien recorded before the foreclosed mortgage. The liability for assessments may not be avoided by waiver of the use or enjoyment of any common element or by abandonment of the unit for which the assessments are made.

7.5 Assessments, amended budget.

If the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the board of directors. Unpaid assessments for the remaining portion of the year for which an amended assessment is made shall be payable in as many equal installments as there are payment dates remaining in the budget year as of the date of the amended assessment. The budget shall not be amended for emergency or special nonrecurring expenses.

7.6 Collection: Interest, application of payment.

Assessments and installments on them, if not paid within ten days after they become due, shall bear interest at the rate of 18% per year until paid. All assessment payments shall be applied first to interest and then to the assessment payment due.

7.7 Lien for assessment.

The Association has a lien on each Condominium parcel for any unpaid assessments with interest and for reasonable attorneys' fees incurred by the Association incident to the collection of the assessment or enforcement of the lien. The lien is effective from and after recording a claim of lien in the public records in the county in which the Condominium parcel is located. The claim of lien shall secure all unpaid assessments, interest, costs, and attorney's fees which are due and which may accrue subsequent to the recording of the claim of lien and prior to entry of a final judgment of foreclosure. The lien is subordinate to any mortgage on the Condominium parcel recorded before it.

7.8 Collection: suit, notice.

The Association may bring an action to foreclose any lien for assessment in the manner that a mortgage of real property is foreclosed. It also may bring an action to recover a money judgment for the unpaid assessment without waiving any claim of lien. The Association shall give notice to the unit owner of its intention to foreclose its lien at least 30 days before the foreclosure action is filed. The notice shall be given by delivery of a copy of it to the unit owner or by certified mail, return receipt requested, addressed to the unit owner.

ARTICLE VIII. ASSOCIATION CONTRACTS, GENERALLY

8.1 Fair and reasonable, cancellation.

Any contracts made by the Association before the unit owners assume control from the developer must be fair and reasonable. All contracts for the operation, maintenance or management of the Association or property serving the unit owners, made by the Association, whether before or after assumption of control of the Association by the unit owners, must not be in conflict with the powers and duties of the association or the rights of the unit owners. Contracts made by the Association before the unit owners assume control may be canceled by the unit owners after assumption of control in the manner and under the circumstances as provided in the Act.

8.2 Vending equipment.

The developer may obligate the Association under lease agreements or other contractual arrangements for vending equipment. The leases or agreements for the vending equipment may not be subject to cancellation by unit owners other than the developer if the vending equipment leases or agreements contain certain provisions as prescribed by the Act.

8.3 Escalation clauses in management contracts prohibited.

No management contract entered into by the Association shall contain an escalation clause, since they have been declared to be against the public policy of the State of Florida.

8.4 Requirements for maintenance and management contracts.

Written contracts for operation, maintenance and management entered into by the Association must contain certain elements in order to be valid and enforceable. These include, but are not limited to:

(a) Specification of the services, obligations and responsibilities of the service provided.

(b) Specification of costs for services performed.

(c) An indication of frequency of performance of services.

(d) Specification of minimum number of personnel to provide the services contracted for.

(e) The disclosure of any financial or ownership interest that the developer has in the service provided, if the developer is in control of the Association.

ARTICLE IX. ROSTER OF UNIT OWNERS AND MORTGAGEES

Each unit owner shall file with the Association a copy of the deed or other instrument showing his ownership, together with a copy of any mortgage on his unit and any satisfaction of that mortgage. The Association shall maintain these documents in a suitable binder for reference as required in the exercise of its powers and duties.

ARTICLE X. COMPLIANCE AND DEFAULT

10.1 Violations, notice, actions.

In the case of a violation (other than the nonpayment of an assessment) by a unit owner of any of the provisions of the Act, the Declaration, the Articles, these Bylaws or any lawfully adopted rules and regulations, the association by direction of its board of directors may transmit to the unit owner by certified mail, return receipt requested, a notice of the violation. If the violation shall continue for a period of 30 days from the date of the notice, the Association shall have the right to treat the violation as an intentional and material breach of the provision cited in the notice. It then, at its option, make take the following actions:

(a) File an action to recover for its damages on behalf of the Association or on behalf of other unit owners.

(b) File an action for injunctive relief requiring the offending unit owner to take or desist from taking certain actions.

(c) File an action for both damages ad injunctive relief.

A unit owner may bring an action against the Association f r damages, injunctive relief, or both, if the Association fails to comply with the provisions of the Act, the Declaration, the Articles, these Bylaws or the rules and regulations.

The foregoing action may be taken in addition to the Association's right to impose fines under 4.24 of these bylaws.

10.2 Attorneys' fees.

In any action brought pursuant to the provisions of 10.1, the prevailing party is entitled to recover reasonable attorneys' fees.

10.3 No waiver of rights.

Neither a unit owner nor the Association may waive a provision of the Act if that waiver would adversely affect the rights of a unit owner or the purposes of the provision, except that unit owners or board members may waive notice of specific meetings in writing.

XI. ARBITRATION OF INTERNAL DISPUTES

Internal disputes arising from the operation of the Condominium among unit owners, the Association, their agents and assigns may be resolved by voluntarily binding arbitration. Arbitrators shall be provided by the Division of Florida Land Sales and Condominiums pursuant to F.S. 718.112(2)(m). Each party to the dispute first must agree to the arbitration process and, in such case the arbitrator's decision will be final. If judicial proceedings are taken after arbitration, the arbitrator's final decision will be admissible in evidence. Any party may seek enforcement of the arbitrator's final decision in a court of competent jurisdiction. Nothing in this article shall preclude any party from proceeding alternatively in the manner prescribed in Article X above.

ARTICLE XII. LIABILITY SURVIVES MEMBERSHIP TERMINATION

Termination of membership in the Association shall not relieve or release a former member from any liability or obligation incurred with respect to the Condominium during the period of membership, nor impair any rights or remedies that the Association may have against the former member arising out of his membership and his covenants and obligations incident to that membership.

ARTICLE XIII. LIMITATIONS ON UNIT OWNER LIABILITY FOR USE OF COMMON ELEMENTS

Each unit owner may be personally liable for the acts or omissions of the Association relating to the use of the common elements. That liability shall be shared with other unit owners in the same percentage as their respective interests in the common elements. No individual unit owner's liability shall exceed the value of his unit.

ARTICLE XIV. PARLIAMENTARY RULES

ROBERTS' RULES OF ORDER (latest edition) shall govern the conduct of the Association's meetings when not in conflict with the Act, the Declaration, the Articles or these Bylaws.

ARTICLE XV. RULES AND REGULATIONS

15.1 Board may adopt.

The board of directors may adopt and amend, from time to time, reasonable rule and regulations governing the details of the use and operation of the common elements, common areas and recreational facilities serving the Condominium.

15.2 Posting and furnishing of copies.

A copy of the rules and regulations adopted from time to time by the board of directors, and any amendments to existing rules and regulations, shall be posted in a conspicuous place on the Condominium property and a copy furnished to each unit owner. No rule, regulation or amendment shall become effective until 30 days after posting, except in the case of an emergency, in which case the rule, regulation or amendment shall become effective immediately on posting.

15.3 Limitations on authority.

The board of directors may not unreasonably restrict any unit owner's right to peaceably assemble or right to invite public officers or candidates for public office to appear and speak in common elements, common areas and recreational facilities. The board may not deny any resident of the Condominium, whether tenant or owner, access to any available franchised or licensed cable television service or exact a charge or anything of value in excess of charges normally paid for like services by residents of single-family homes within the same franchise or license area.

15.4 Reasonableness test.

Any rule or regulation created and imposed by the board of directors must be reasonably related to the promotion of the health, happiness and peace of mind of the unit owners and uniformly applied and enforced.

ARTICLE XVI. RESTRICTIONS ON AND REQUIREMENTS FOR USE, MAINTENANCE AND APPEARANCE OF THE UNITS

16.1 Where contained.

Restrictions on the use, maintenance and appearance of the individual Condominium units shall be as stated in the Declaration and no amendments or additions shall be contained elsewhere than in the Declaration as adopted by a vote of the unit owners in the manner prescribed elsewhere in these Bylaws.

16.2 Tests for validly of restrictions.

Restrictions contained in the Declaration and any amendments duly adopted by a vote of the unit owners shall be valid and in the nature of covenants running with the land, unless it is shown that they: (1) are wholly arbitrary in their application; (2) are in violation of public policy; or (3) abrogate some fundamental constitutional rights.

ARTICLE XVII. BYLAWS DEEMED AMENDED

These Bylaws shall be deemed amended in those particulars as may be required to make them consistent with the provisions of the Act, as it may be amended from time to time.

ARTICLE XVIII. 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:

(a) The Act
(b) The Declaration
(c) The Articles
(d) These Bylaws
(e) The rules and regulations

ARTICLE XIX. INDEMNIFICATION

Every officer and director of the Association shall be indemnified by the Association against all expenses and liabilities, including reasonable attorneys' fees incurred and imposed in connection with any proceedings to which he may be a party, or in which he may become involved by reason of his being or having been an officer or director of the Association, whether or not he is an officer or director at the time the expenses are incurred. The officer or director shall be indemnified to the maximum extent allowed under Florida law.

ARTICLE XX. DEFECTIVE CONDOMINIUM DOCUMENTS, CURATIVE PROVISIONS

The Association or a unit owner may petition the circuit court having jurisdiction in the county in which the Condominium property is situated to correct an error or omission in the Declaration or any other documents required to establish the Condominium, affecting its valid existence, and which errors or omissions are not correctable by the amendment procedures in the Declaration or the Act. In any case, after three years from the filing of the Declaration, it shall be deemed to be effective under the Act to create a condominium, whether in fact it substantially complies with the mandatory requirements of the Act or not.

ARTICLE XXI. AMENDMENTS

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

21.1 Notice.

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

21.2 Adoption.

An amendment may be proposed either by a majority of the board of directors or by not less than one third of the members of the Association. The amendment shall be adopted if it is approved either by: (a) not less than a majority of the votes of the entire membership of the Association and by not less than two thirds of the board of directors; or (b) by not less than 75% of the votes of the entire membership of the Association.

21.3 Limitation.

No amendment shall be made that is in conflict with the Act or the declaration, nor shall any amendment abridge, alter or amend the rights of the developer or mortgagees of units without their consent.

21.4 Recording.

A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of the Declaration and Bylaws. The certificate shall be executed by the president or vice president and attested by the secretary or assistant secretary of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the public records of the county, where the Condominium property is located.

21.5 Format.

Proposals to amend existing bylaws shall contain the full text of the bylaws to be amended. New words shall be underlined and words to be deleted shall be lined through with hyphens. If the proposed change is so extensive that this procedure would hinder rather than assist understanding, a notation must be inserted immediately preceding the proposed amendment saying "SUBSTANTIAL REWORDING OF BYLAW. SEE BYLAW NUMBER _____ FOR PRESENT TEXT."

ARTICLE XXII. CONSTRUCTION

Whenever the context permits or requires, the singular shall include the plural, the plural shall include the singular and the use of any gender shall be deemed to include all genders.

The foregoing were adopted as the bylaws of The Docks On Old River Condominium Association, Inc. on March ____, 1988.

THE DOCKS ON OLD RIVER CONDOMINIUM ASSOCIATION, INC.

ATTEST:

By: /s/ CHESTER M. FOX
President

/s/ WANDA J. STEVENS
Secretary

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FILED AND RECORDED IN THE PUBLIC RECORDS OF ESCAMBIA CO. FLA. ON
MAR 28 11 17 AM '88
IN BOOK & PAGE NOTED ABOVE
JOE A. FLOWERS, COMPTROLLER

THIS IS THE LAST PAGE OF THE DECLARATION OF CONDOMINIUM FOR THE DOCKS ON OLD RIVER, A CONDOMINIUM.