

85202543

85201935

O.R. 6081 PAGE 1422

01 Cash 11 Chg SEP 26 10 17 AM '05
40 Rec 317.00
43 Int. 115.00
Tot 432.00 BK.

DECLARATION OF CONDOMINIUM
OF
SUN KETCH I, A CONDOMINIUM

O.R. 6082 PAGE 484

THIS DECLARATION OF CONDOMINIUM made this 17th day of SEPTEMBER, 1985, by Sunstyle Homes Corporation, a Florida corporation, having a principal place of business in Pinellas County, Florida (hereinafter referred to as "DEVELOPER"), for itself, its successors, grantees and assigns.

W I T N E S S E T H :

WHEREAS, the DEVELOPER is the owner in fee simple of certain real property situate, lying and being in Pinellas County, Florida, as more particularly described in Exhibits "A-1," "A-2" and "A-3" attached hereto and made a part hereof (said real property hereinafter referred to as the "Land"); and

WHEREAS, the DEVELOPER contemplates erecting upon portions of said land from time to time multi-unit residential buildings, housing up to but not exceeding 97 Condominium Units and related facilities in phases pursuant to the provisions set forth in Section 718.403 of the Florida Statutes. A copy of the plot plan and preliminary phase division being attached hereto as Exhibit "B"; and

WHEREAS, the DEVELOPER from time to time desires to submit portions of said lands together with improvements constructed thereon to Condominium Ownership, pursuant to Chapter 718, Florida Statutes, known as the Condominium Act.

NOW, THEREFORE, DEVELOPER makes the following declarations:

ARTICLE I

Name

The name by which this Condominium is to be identified is SUN KETCH I, A CONDOMINIUM.

ARTICLE II

Definitions

For all purposes in this Declaration and for all purposes in the Articles of Incorporation and By-Laws of SUN KETCH I CONDOMINIUM ASSOCIATION, INC., a Florida non-profit corporation, the following words shall have the definitions as hereinafter stated, to wit:

(A) Assessments: A share of the funds required for the payment of common expenses which, from time to time is assessed against the Unit Owner.

(B) Association: The corporate entity known as SUN KETCH I CONDOMINIUM ASSOCIATION, INC., responsible for the operation of the Condominium.

Return to: James B. Soble, Attorney
Taub & Williams
Suite 1700
201 E. Kennedy Blvd.
Tampa, Florida 33602

Original Condominium Plats pertaining hereto are filed in condominium Plat Book 87 p. 23 thru 32. Being re-recorded to correct clerks error.

SEP 25 4 39 PM '05

(C) Association Property: That property, real and personal, in which title or ownership is vested in the Association for the use and benefit of the members.

(D) Board of Administration: The Board of Directors or any other representative body responsible for the administration of the Association.

(E) By-Laws: The By-Laws of the Association existing from time to time.

(F) Common Elements: That portion of the property submitted to condominium ownership not included in the Units or Limited Common Elements.

(G) Limited Common Elements: Those Common Elements which are reserved for the use of certain Condominium Units to the exclusion of all others as are specifically set out herein.

(H) Common Expenses: All expenses and assessments properly incurred by the Association for the Condominium.

(I) Common Surplus: The excess of all receipts of the Association collected on behalf of the Condominium, including, but not limited to, assessments, rents, profits, and revenues on account of the Common Elements, over the Common Expenses.

(J) Condominium: That form of ownership of real property created pursuant to the provisions of Chapter 718, Florida Statutes, known as the "Condominium Act," and which is comprised of Units that may be owned by one or more persons, and there is, appurtenant to each Unit, an undivided share in the Common Elements.

(K) Condominium Parcel: A Unit, together with any Limited Common Elements appurtenant thereto and the undivided share in the Common Elements which is appurtenant to the Unit.

(L) Condominium Property: The lands, leaseholds and personal property that are subjected to Condominium Ownership, whether or not contiguous, and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection with the Condominium.

(M) Declaration or Declaration of Condominium: The instrument or instruments by which the Condominium is created, as they are from time to time amended.

(N) Institutional Mortgagee: A bank, federal savings and loan association, state savings and loan association, institutional investor, mortgage banker, insurance company, real estate investment trust, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Housing Administration, and/or Veterans Administration, holding, guaranteeing, or insuring a mortgage on one or more of the Condominium Parcels.

(O) Member: An owner of a Condominium Parcel who is a member of SUN KETCH I CONDOMINIUM ASSOCIATION, INC., (hereinafter referred to as the "Association").

(P) Special Assessment: Any Assessment levied against Unit Owners other than the Assessment required by a budget adopted annually.

(Q) Unit: That part of the Condominium Property which is subject to exclusive ownership. A Unit may be an improvement, land, or lands and improvements together, as specified in this Declaration.

(R) Unit Owner or Owner of Unit: The owner of a Condominium Parcel.

(S) Voting Certificate: A document which designates one of the record title owners, or the corporate, partnership, or entity representative who is authorized to vote on behalf of a condominium unit owned by more than one owner or by any entity.

(T) Voting Interest: The voting rights distributed to the Members pursuant to Article IX of the Declaration.

ARTICLE III

Property Submitted To Condominium Form of Ownership

THIS IS A PHASE CONDOMINIUM. ADDITIONAL LAND AND UNITS MAY BE ADDED TO THIS CONDOMINIUM.

(A) Phase One: The following property is hereby submitted to the Condominium Ownership: that certain property situate, lying and being in Pinellas County, Florida, as more particularly set forth and designated as Phase One in Exhibit "A-1" attached hereto and made a part hereof, which lands are hereinafter referred to as "Phase One," together with all improvements erected or installed thereon. Phase One shall consist of six (6) buildings containing no more and no less than twenty-eight (28) Units as set forth in the Plot Plan attached hereto as Exhibit "B", the floor plan attached hereto as Exhibit "B-1", the site plan attached hereto as Exhibit "B-2", and the building plan attached hereto as Exhibit "B-3", "B-4" and "B-5" and made a part hereof. Each building will contain a minimum of three (3) and a maximum of six (6) Units. There will be eight (8) two bedroom, one bath Units containing approximately 946 square feet, fourteen (14) two bedroom, two bath Units containing approximately 1069 square feet and six (6) three bedroom, two bath Units containing approximately 1128 square feet. Each Unit will also have a one car garage. Purchasers of the two bedroom, one bath Units and the three bedroom, two bath Units will have the option to have one of the bedrooms constructed as a den, otherwise the number of rooms in each type of Unit is fixed. The square footage of the Units as set forth above refers to the living level of the Unit which includes the living area, storage space, balcony and landing. These Unit sizes will not vary. In conjunction with Phase One, all site improvements for the Condominium, including streets, utilities and recreation facilities will be constructed. These recreational facilities will consist of an 800 square foot unheated swimming pool with a 2,000 square foot deck, 24 chaise lounges and a bath house with a storage room. The legal descriptions for the roadways and recreational parcel are set forth in Exhibit "A-3" and the site plan for the recreation parcel is set forth in Exhibit "B-6". Phase One must be completed within seven (7) years of the date of the recording of the Declaration.

(B) Phase Two: DEVELOPER, pursuant to the provisions of Section 718.403, Florida Statutes, hereby retains the right to submit to Condominium Ownership, by amendment to this Declaration, an additional phase which may be constructed on the real property described as Phase Two as more particularly set forth and designated in Exhibit "A-1" attached hereto and made a part hereof. Phase Two, if constructed, shall consist of seven (7) buildings containing no more and no less than thirty-two (32) Units as set forth in the Plot Plan attached hereto as Exhibit "B" and made a part hereof. Each building will contain a minimum

of three (3) and a maximum of six (6) Units. Current plans call for there to be four (4) two bedroom, one bath Units containing approximately 946 square feet, eighteen (18) two bedroom, two bath Units containing approximately 1069 square feet and ten (10) three bedroom, two bath Units containing approximately 1128 square feet. Each Unit will also have a one car garage. Purchasers of the two bedroom, one bath Units and the three bedroom, two bath Units will have the option to have one of the bedrooms constructed as a den. The square footage of the Units as set forth above refers to the living level of the Unit which includes the living area, storage space, balcony and landing. Phase Two will not be constructed if DEVELOPER determines that it is economically unfeasible to construct the phase. The residential buildings and Units in Phase Two will not be substantially different from those in Phase One, however DEVELOPER reserves the right to vary the number of each of the three (3) types of Units from that set forth above so as to be able to supply prospective purchasers with a greater number of the most popular model, and to make other modifications as set forth in this Declaration. However, if such changes are made, each Unit will have a minimum of one (1) and a maximum of three (3) bedrooms, a minimum of one (1) and a maximum of two (2) bathrooms and a minimum of approximately eight hundred (800) and a maximum of approximately twelve hundred (1200) square feet. Phase Two, if developed, must be completed within seven (7) years of the date of the recording of the Declaration.

(C) Phase Three: DEVELOPER, pursuant to the provisions of Section 718.403, Florida Statutes, hereby retains the right to submit to Condominium Ownership, by amendment to this Declaration, an additional phase which may be constructed on the real property described as Phase Three as more particularly set forth and designated in Exhibit "A-2" attached hereto and made a part hereof. Phase Three, if constructed, shall consist of six (6) buildings containing no more and no less than twenty-nine (29) Units as set forth in the Plot Plan attached hereto as Exhibit "B" and made a part hereof. Each building will contain a minimum of three (3) and a maximum of six (6) Units. Current plans call for there to be six (6) two bedroom, one bath Units containing approximately 946 square feet, fourteen (14) two bedroom, two bath Units containing approximately 1069 square feet and nine (9) three bedroom, two bath Units containing approximately 1128 square feet. Each Unit will also have a one car garage. Purchasers of the two bedroom, one bath Units and the three bedroom, two bath Units will have the option to have one of the bedrooms constructed as a den. The square footage of the Units as set forth above refers to the living level of the Units which includes the living area, storage space, balcony and landing. Phase Three will not be constructed if DEVELOPER determines that it is economically unfeasible to construct the phase. The residential buildings and Units in Phase Three will not be substantially different from those in Phase One, however DEVELOPER reserves the right to vary the number of each of the three (3) types of Units from that set forth above so as to be able to supply prospective purchasers with a greater number of the most popular model, and to make other modifications as set forth in this Declaration. However, if such changes are made, each Unit will have a minimum of one (1) and a maximum of three (3) bedrooms, a minimum of one (1) and a maximum of two (2) bathrooms and a minimum of approximately eight hundred (800) and a maximum of approximately twelve hundred (1200) square feet. Phase Three, if developed, must be completed within seven (7) years of the date of the recording of the Declaration.

(D) Phase Four: DEVELOPER, pursuant to the provisions of Section 718.403, Florida Statutes, hereby retains the right to submit to Condominium Ownership, by amendment to this Declaration, an additional phase which may be constructed on the real property described as Phase Four as more particularly set forth and designated in Exhibit "A-2" attached hereto and made a part

hereof. Phase Four, if constructed, shall consist of two (2) buildings containing no more and no less than eight (8) Units as set forth in the Plot Plan attached hereto as Exhibit "B" and made a part hereof. Each building will contain a minimum of three (3) and a maximum of six (6) Units. Current plans call for there to be one (1) two bedroom, one bath Unit containing approximately 946 square feet, four (4) two bedroom, two bath Units containing approximately 1069 square feet and three (3) three bedroom, two bath Units containing approximately 1128 square feet. Each Unit will also have a one car garage. Purchasers of the two bedroom, one bath Units and the three bedroom, two bath Units will have the option to have one of the bedrooms constructed as a den. The square footage of the Units as set forth above refers to the living level of the Unit which includes the living area, storage space, balcony and landing. Phase Four will not be constructed if DEVELOPER determines that it is economically unfeasible to construct the phase. The residential buildings and Units in Phase Four will not be substantially different from those in Phase One, however DEVELOPER reserves the right to vary the number of each of the three (3) types of Units from that set forth above so as to be able to supply prospective purchasers with a greater number of the most popular model, and to make other modifications as set forth in this Declaration. However, if such changes are made, each Unit will have a minimum of one (1) and a maximum of three (3) bedrooms, a minimum of one (1) and a maximum of two (2) bathrooms and a minimum of approximately eight hundred (800) and a maximum of approximately twelve hundred (1200) square feet. Phase Four, if developed, must be completed within seven (7) years of the date of the recording of the Declaration. Phase Four, and the real property set forth for Phase Four in Exhibit "A-2," will be used initially by the DEVELOPER as model Units, a sales office and temporary parking for sales of Units in both SUN KETCH I, A CONDOMINIUM and SUN KETCH II, A CONDOMINIUM.

(E) DEVELOPER hereby reserves the right to make non-material changes in the plot plan and legal description of any Phase. In addition, the Developer reserves the right to make modifications to the Units as set forth in Article XIX hereof.

(F) There shall be no time share estates created with respect to the Units in any Phase of the Condominium.

(G) All taxes, assessments, mechanics liens and other charges affecting the property to be added to the Condominium pursuant to the above phasing plan shall be either paid or otherwise satisfactorily provided for by the DEVELOPER prior to that Phase being added to the Condominium. In addition, DEVELOPER may purchase, at it's own expense, a liability insurance policy in an amount determined by the Veterans Administration to cover any liability to which Owners of previously sold Units might be exposed as a result of the Phasing. The policy shall be endorsed "as owner's interest might appear."

(H) Amendment of Declaration Adding Phases:

Notwithstanding anything to the contrary contained herein or the provisions of Section 718.110, Florida Statutes, the DEVELOPER, pursuant to this Article III and Section 718.403, Florida Statutes, expressly reserves the right to amend this Declaration so as to submit to Condominium Ownership the additional phases set forth in this Article III, together with improvements thereon, as part of this Condominium without consent thereto by the Association or Unit Owners other than DEVELOPER.

The DEVELOPER may amend this Declaration as aforescribed by filing an Amendment (or Amendments) of Declaration among the public records of Pinellas County, Florida, which Amendment (or

Amendments) shall legally describe and submit the land being submitted to Condominium Ownership and which Amendment (or Amendments) shall contain or have attached thereto such certificates, surveys, plans and sketches and other information as required by Chapter 718, Florida Statutes. Such Amendment (or Amendments) need be executed or acknowledged only by DEVELOPER and all other persons having record title interest in the land being submitted to condominium ownership or their lawfully authorized agents, and need not be approved by the Association, Unit Owners, or lienors, or mortgagees of Units of the Condominium, whether or not elsewhere required for amendments, save and except that so long as any recognized lending institution has any interim or permanent financing on the property of DEVELOPER being submitted to Condominium Ownership, then only in that event shall it be mandatory for the DEVELOPER to obtain a joinder from said recognized lending institution to the amendments provided for herein. However, the Condominium may not be merged with a successor Condominium regime without the prior approval of the Veterans Administration.

Nothing herein contained shall require the DEVELOPER to submit the additional phases to Condominium Ownership.

ARTICLE IV

Identification of Each Unit

The Condominium Units and the Condominium Property submitted to Condominium Ownership as Phase One are set forth in the plot plan attached hereto and made a part hereof as Exhibit "B." Each Condominium Unit is described in said plot plan in such a manner that there can be determined therefrom the identification, location, dimensions and size of each Unit, as well as the Common Elements and the Limited Common Elements appurtenant thereto. Each Condominium Unit is identified by a number as shown on the plot plan attached hereto as Exhibit "B," and made a part hereof, so that no Unit bears the same designation as does any other unit.

The Condominium Units on the property which may be submitted to Condominium Ownership as Phase Two, Phase Three and Phase Four, are set forth in the plot plan attached hereto as Exhibit "B." Each Condominium Unit is described in said plot plan in such a manner that there can be determined therefrom the identification, location, dimensions and approximate size of each Unit. Each Condominium Unit of Phase Two, Phase Three and Phase Four is identified by a number and shown on the plot plan attached hereto as Exhibit "B," so that no Unit bears the same designation as does any other Unit. The DEVELOPER reserves the right to modify the plot plan as to Unit mix as set forth in Article III.

Each numbered Unit shall have as its boundary lines the interior, unpainted finished surfaces of the ceiling, floor and perimeter walls; provided, however, that lower boundary of the garage shall be four (4) inches below the floor slab of the garage. All load-bearing walls located within a Unit constitute part of the Common Elements up to the unpainted finished surfaces of said walls. All doors, be they glass or otherwise, which are in the perimeter walls of the Unit shall be part of the Unit up to the exterior unfinished surfaces thereof.

ARTICLE V

Common Elements and Limited Common Elements

(A) Common Elements: Common Elements, as hereinabove defined, shall include within its meaning, in addition to the

items as listed in Section 718.108, Florida Statutes, the following items:

1. An exclusive easement for the use for the air space occupied by the Condominium Unit as it exists in any particular time as the Unit may lawfully be allowed.
2. An undivided share in the Common Surplus;
3. Cross easements for ingress, egress, support, maintenance, repair, replacement and utilities;
4. Easements for encroachments onto any Unit by the perimeter walls, ceilings and floors surrounding each Condominium Unit, or the encroachment of any Unit onto another Unit on the Common Elements, caused by the settlement or movement of the buildings or by minor inaccuracies in building or re-building which may now exist or hereinafter exist and, such easements shall continue until such encroachments no longer exists.

(B) Limited Common Elements: Limited Common Elements, as hereinabove defined, shall include within its meaning those Common Elements which are reserved for the use of certain Units to the exclusion of other Units and, for all purposes herein, shall be treated as Common Elements as to the Unit or Units for which they are reserved. The balcony, patio, exterior stairway entrance and driveway adjacent to each Unit, as set forth in the floor plan attached hereto and made a part hereof as Exhibit "B-1," are Limited Common Elements appurtenant to those Units to which they abut, the use of which is restricted to the Units to which they are appurtenant.

(C) Amendments to the Common Elements and Limited Common Elements may be made as provided for in Sections 718.110(5) and (6), Florida Statutes.

ARTICLE VI

Proportion of Ownership Of Common Elements

The undivided interest in the Common Elements appurtenant to each Unit shall be as follows:

(A) Upon completion of Phase One and recordation of this Declaration, each Unit in Phase One shall have an undivided share in the ownership of the Common Elements as designated in Exhibit "C" and made a part hereof.

(B) If the DEVELOPER submits Phase Two, Phase Three and/or Phase Four to Condominium Ownership as provided for in Article III hereof, the undivided share in the ownership of the Common Elements appurtenant to each Unit shall be automatically adjusted to reflect the ownership interest of all Units submitted to Condominium Ownership. The adjusted proportions of the undivided share in the ownership of the Common Elements appurtenant to each Unit shall automatically take effect upon the recordation of the Amendment submitting the additional phase to Condominium Ownership pursuant to this Declaration, and upon recordation of such Amendments, the undivided interest in the Common Elements appurtenant to each Unit shall be as designated in Exhibit "C" attached hereto and made a part hereof. The adjusted proportions of the undivided interest in the Common Elements appurtenant to each Unit shall be binding upon the Unit Owners and their grantees, assigns, successors, executors or heirs of each and

every Unit previously submitted to Condominium Ownership pursuant to this Declaration.

(C) Each Unit shall have appurtenant thereto the same undivided interest in and to the Limited Common Elements as stated in paragraphs (A) and (B) of this Article, subject, however, to the exclusive right of the use of Limited Common Elements which are appurtenant to a particular Unit.

ARTICLE VII

Common Surplus

The Common Surplus shall be owned by Unit Owners in accordance with the provisions set forth in Article VI hereof as they relate to the undivided share in the ownership of the Common Elements and Limited Common Elements attributable to each Unit submitted to Condominium Ownership pursuant to this Declaration.

ARTICLE VIII

Restraint Upon Separation And Partition of Common Elements

The undivided share in the Common Elements and Limited Common Elements which is appurtenant to a Unit shall not be separated from it and shall pass with the title to the Unit whether or not separately described in this Declaration of Condominium or in any other instrument. The share in the Common Elements and Limited Common Elements appurtenant to a Unit cannot be conveyed or encumbered except together with the Unit. The share in the Common Elements and Limited Common Elements appurtenant to the Units are undivided, and no action for partition of the Common Elements shall lie.

ARTICLE IX

Administration Of Condominium By Association

This Condominium shall be conducted by a corporation incorporated pursuant to Chapter 617, Florida Statutes. The name of the corporation to conduct the affairs of the Condominium shall be SUN KETCH I CONDOMINIUM ASSOCIATION, INC. The Articles of Incorporation of said corporation are attached hereto as Exhibit "D" and made a part hereof as if set out in full. The By-Laws of the said corporation are attached hereto as Exhibit "E" and made a part hereof as if set out in full. The Owner or Owners of each Unit shall automatically become members of the Association upon his, their or its acquisition of any ownership interest to such Unit and its appurtenant undivided interest in Common Elements and Limited Common Elements. The Owner or Owners collectively of each Unit shall have the right to cast one vote either in person or by proxy on such issues as specified in this Declaration, The Articles of Incorporation and By-Laws of the Association. Each such vote shall represent and be referred to as a "Voting Interest." Such membership of each Owner or Owners shall terminate automatically upon such Owner or Owners being divested of such ownership interest in such Unit, regardless of the means by which such ownership may be divested. No person, firm or corporation holding any lien, mortgage or other encumbrance upon any Unit shall be entitled by virtue of such lien, mortgage or other encumbrance, to membership in the Association. In the administration of the operation and management of the Condominium, the Association shall have and is hereby granted the authority to levy and collect assessments in the manner hereafter provided, and to adopt, promulgate and enforce such rules and regulations governing the use of the Units, Common Elements and Limited

Common Elements, as the Board of Directors of the Association may deem to be in the best interest of the Condominium.

ARTICLE X

Amendment Of Declaration

(A) Save and except for expressed provisions providing for a different percentage for approval of amendments, this Declaration may be amended by affirmative vote of two-thirds of the Condominium Unit Owners at a meeting duly called for such purpose pursuant to the By-Laws of the Association; provided, however, that no amendment shall be made which shall in any manner impair the security of an institutional mortgagee having a mortgage or other lien against any one or more Condominium Units, or any other record owners of liens thereon; save and except if such amendment is for the purpose to correct an error or omission of this Declaration of Condominium or in any other documentation required by law to establish the Condominium form of ownership, then such amendment shall nevertheless be effective when duly passed by an affirmative vote of a majority of the Voting Interests present or represented by written proxy in accordance with the By-Laws of the Association, and recorded among the Public Records of Pinellas County, Florida; provided, however, that the property rights of the Owners are not materially or adversely affected by such amendment, unless the affected unit owners consent in writing. This latter method of amendment shall not restrict the powers of the Association to otherwise amend this Declaration or other condominium documents but authorizes a simple process of amendment for the purpose of curing defects, errors, or omissions, when property rights of Condominium Unit Owners are not materially or adversely affected.

(B) However, no such amendment shall change the configuration or size of any Condominium Unit in any material fashion, materially alter or modify the appurtenances to such Unit, nor change the proportion or percentage by which the Owner of the Parcel shares the Common Expenses and owns the Common Surplus, unless the record owner thereof and all record owners of liens thereon, shall join in the execution of the amendment.

(C) No provision of this Declaration shall be revised or amended by reference to its title or number only. Proposals to amend existing provisions of this Declaration shall contain the full text of the provision to be amended; new words shall be inserted in the text underlined, and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist the understanding of the proposed amendment, it is not necessary to use the underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of declaration. See provision _____ for present text." Provided, however, non-material errors in the amendment process shall not invalidate an otherwise properly promulgated amendment to this Declaration.

(D) If it shall appear that because of a scrivener's error, that a Unit has not been designated an appropriate share of the Common Elements or that all of the Common Expenses or interest in the Common Surplus or all of the Common Elements in the Condominium have not been distributed in the Declaration, such that the total sum of the shares of Common Elements which have been distributed or the total sum of the shares of the Common Expenses or ownership of the Common Surplus fails to equal one hundred percent (100%) (or if it shall appear that, through such error, more than one hundred percent (100%) of the Common Elements or the Common Expenses or ownership of the Common Surplus shall have been distributed), such error may be corrected by the filing of

an amendment to this Declaration approved by the Association, or a majority of the Unit Owners.

(E) If there is an omission or error in this Declaration or any other document required to establish this Condominium, which would effect the valid existence of the Condominium and which may not be corrected by the amendment procedures set forth in this Declaration or in Chapter 718, Florida Statutes, then one or more Unit Owners or the Association may petition the Circuit Court, in accordance with Section 718.110(10), Florida Statutes, to correct such error or omission.

(F) Notwithstanding anything contained herein, the DEVELOPER retains the right to amend this Declaration from time to time pursuant to the provisions set forth in Article III hereinabove for the purpose of submitting additional phases to Condominium ownership pursuant to the terms of this Declaration and to amend this Declaration, if required, in order to qualify the Condominium for approval by the Federal Housing Administration, the Veteran's Administration, the Federal National Mortgage Association or any similar entity.

ARTICLE XI

Common Expenses, Assessments, Liabilities
Liens, Priority, Interest And Collection

(A) The Association, through its Board of Directors, shall have the power and the duty to make and collect Assessments, Special Assessments and such other assessments as are provided for by the Condominium Act, this Declaration and the By-Laws.

(B) Common Expenses shall include but not be limited to costs and expenses of operation, maintenance and management, property taxes and assessments against the Condominium Property (until such time as any of such taxes and assessments are made against the Condominium Parcels individually and thereafter only as to such taxes or assessments, if any, as may be assessed against the Condominium as a whole), insurance premiums for fire, flood, windstorm and extended coverage insurance on the Condominium real property and personal property, premiums for public liability insurance, legal and accounting fees, management fees and operating expenses of the Condominium Property and the Association; maintenance, repairs and replacements to the Condominium Property, charges for utility and water used in and for the benefit of the Condominium, cleaning and janitorial services for the Common Elements and Limited Common Elements, expenses and liabilities incurred by the Association in and about the enforcement of its rights and duties against the Members or others, and the creation of reasonable contingency or reserve requirements for the protection of the Members and the Condominium Property (i.e., reserve for replacements, operating reserve, deficiency in collections), and all other expenses declared by the Board of Directors of the Association to be Common Expenses from time to time, and any and all other sums due from the Association under any lease, contract or undertaking for recreational facilities.

(C) The Association shall estimate from time to time the amount of Common Expenses it expects to incur in the period of time involved therein and may assess sufficient monies from Unit Owners to meet this estimate. Assessments for Common Expenses shall be borne by the Unit Owners in the proportions or shares set forth in Article VI hereof. Assessments shall be payable monthly or in such other installments and at such times as may be fixed by the Board of Directors.

(D) Should the Association, through its Board of Directors, at any time determine that the Assessments made are not sufficient to pay the Common Expenses, or, in the event of emergencies, the Board of Directors shall have the authority to levy and

collect additional Special Assessments to meet such needs of the Association. The specific purpose or purposes of any such Special Assessment shall be set forth in a written notice of such assessment sent or delivered to each Unit Owner. The funds collected pursuant to a Special Assessment shall be used only for the specific purpose or purposes set forth in such notice or returned to the Unit Owners. However, upon completion of such specific purpose or purposes, any excess funds shall be considered Common Surplus.

(E) All notices of Assessments from the Association to the Unit Owners shall designate when they are due and payable. Assessments and installments thereof not paid when due shall bear interest from due date at the maximum annual percentage rate allowed by law.

(F) The Association shall have a lien on each Condominium Unit for any unpaid Assessment and interest thereon against the Unit Owner of each Condominium Unit as provided in the Condominium Act. In the event such lien is asserted or claimed, the delinquent Unit Owner agrees to pay reasonable attorney's fees sustained by the Association incident to the collection of such unpaid Assessment or the enforcement of such lien and the said lien shall also secure the payment of such attorney's fees. Said lien shall be effective from and after its recording in accordance with the provisions of the Condominium Act, and shall otherwise be enforceable as provided in the Condominium Act. The lien shall be deemed to be prior to and superior to the creation of any homestead status and every purchaser of a Condominium Unit interest hereby consents to the imposition of such lien prior to any homestead status. This lien shall be inferior and subordinate to the lien of an Institutional Mortgagee.

(G) 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. Further, liability for Assessments shall not be reduced by virtue of the fact that a Unit has not been used or occupied.

(H) Except as provided in (I) below, the grantee of a Unit shall be jointly and severally liable with the grantor for all unpaid Assessments against the grantor for his share of the Common Expenses up to the time of transfer of title, without prejudice to any right the grantee may have to recover from the grantor the amounts paid by the grantee.

(I) If the holder of a first mortgage of record or other purchaser of a Condominium Unit obtains title to the Condominium Parcel by a purchase at the public sale resulting from the first mortgagee's foreclosure judgment in a foreclosure suit in which the Association has been named a defendant junior lienholder or as a result of deed given in lieu of foreclosure, such acquirer of title and his successors and assigns shall not be liable for the share of the Common Expenses or Assessments attributable to the Condominium Parcels so acquired or chargeable to the former Unit Owner of the acquired Parcel which became due prior to the acquisition of the title as a result of the foreclosure or deed in lieu of foreclosure unless the share is secured by claim of lien for assessments recorded prior to the recording of the mortgage which is foreclosed or for which a deed was given in lieu of foreclosure. Any such sale or transfer pursuant to foreclosure shall not relieve the purchaser or transferee of a Unit from liability for, nor the Unit so sold or the transferred, from the lien of any Common Expense charges thereafter becoming due. The unpaid share of the Common Expenses or assessments shall be Common Expenses collectible from all the Unit Owners, including such acquirer, his successor and assigns.

(J) Within fifteen (15) days after request by a Unit Owner or Unit Mortgagee, the Association shall provide a certificate

stating all assessments and other moneys owed to the Association by the Unit Owner with respect to the Condominium Parcel. Any person other than the Unit Owner who relies upon such certificate shall be protected thereby.

ARTICLE XII

Maintenance

(A) The Owner of each Unit, at his own expense, shall have the responsibility to maintain, repair and replace all portions of the Unit, including the garage and garage floor, contained within the perimeter boundary of the Unit as described in this Declaration; all portions of the Limited Common Elements appurtenant to the Unit; all electrical and mechanical equipment within and outside of said Unit which service said Unit, including attached exterior lighting, telephone lines and equipment, cable television equipment and hookups, all air conditioning and heating equipment; all water, plumbing and sewer equipment and lines exclusively serving the Unit including the line up to the sewer cleanout and the water line through the exterior wall; and all doors, including the garage door, and all window glass and window screening. Due to soil conditions, the garage floor slab may be subject to cracking and/or separation from surrounding walls. Such cracking and/or separation is not an indication of a defect in the structure. The maintenance and repair of the garage floor shall be the sole responsibility of each Unit Owner. The Owner of each Unit shall not paint, decorate, or otherwise change the appearance of any portion of the exterior of the Unit. The Owner of each Unit shall have the responsibility to properly report to the Association any defect, or need for repair or maintenance, for which the Association is responsible. If the Unit Owner fails to properly maintain any of the above items such that it detrimentally affects the appearance or operation of the Condominium, the Common Elements, the Limited Common Elements or any other Unit, the Association has the right to repair and/or maintain the item and charge the Unit Owner for any expense incurred. The Association shall have a lien on the Unit for any such unpaid charge and interest thereon at the maximum annual percentage rate allowed by law. In the event such lien is asserted or claimed, the delinquent Unit Owner agrees to pay reasonable attorneys' fees sustained by the Association incident to the collection of such unpaid charge or the enforcement of such lien and said lien shall also secure the payment of such attorneys' fees. Such lien shall be effective from and after its recording in accordance with the provisions of the Condominium Act, and shall otherwise be enforceable as provided in the Condominium Act. The lien shall be deemed to be prior to and superior to the creation of any homestead status and every purchaser of a Condominium Unit interest hereby covenants to the imposition of such lien prior to any homestead status. This lien shall be inferior and subordinate to the lien of an Institutional Mortgage.

(B) The Association shall maintain, repair and replace the Common Elements and the Limited Common Elements (except Common Elements or Limited Common Elements to be maintained by Unit Owners as provided in subparagraph (A) of this Article). The Association shall also maintain, repair and replace at the Association's expense: all portions of the Units (except interior wall surfaces; exterior air conditioning, compressors and equipment, window glass and all portions of the Units or the Common Elements or Limited Common Elements to be maintained by Unit Owners as provided in subparagraph (A) of this Article) contributing to the support of the building, which portion shall include, but not be limited to, the outside walls of the building, and load bearing columns, the roof and its trusses, and all conduits, ducts, plumbing, wiring and other facilities for furnishing of utilities services which are contained in the portions of the Unit contributing to the support of the building, or

within interior boundary walls or within a Unit which service part or parts of the Condominium other than the Unit in which it is contained.

(C) No Condominium Unit Owner shall make any alterations in or improvements to a Unit or the Limited Common Elements or Common Elements without first obtaining approval from the Board of Directors of the Association.

(D) The Association shall have the right to enter upon any Unit and its associated Limited Common Elements to make emergency repairs and a reasonable right of entry thereupon to effect other repairs and to do other work reasonably necessary for the proper inspection, maintenance and operation of the Condominium Property. The Association shall have the right to grant permits, licenses and easements over, under, through and across the Common Elements and Limited Common Elements for ingress and egress, utilities, roads and other purposes reasonably necessary or useful for the proper development, maintenance and operation of the Condominium Property.

(E) The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the Common Elements and those Limited Common Elements which the Association is obligated to maintain. This fund shall be maintained out of regular Assessments for Common Expenses. An Operating Capital Fund shall be established for the initial months of the Condominium Property operation, equal to at least two months estimated common expense charge for each Unit. Each Unit's share of the Operating Capital Fund shall be collected and transferred to the Association at the time of closing of the initial sale of such Unit and shall be maintained in a segregated account for the use and benefit of the Association. The purpose of the fund shall be to provide the Board of Directors of the Association with cash to meet unforeseen expenditures, or to acquire additional equipment or services deemed necessary or desirable by the Board of Directors. Amounts paid into the Operating Capital Fund shall not be considered as advance payments of regular assessments.

ARTICLE XIII

Delegation of Authority

The Association, by and through its Board of Directors, is hereby vested with power to contract for the management and maintenance of the Condominium Property and to authorize a management agent to assist the Association in carrying out its power and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules, and maintenance, repair and replacement of the Common Elements with funds that shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the Condominium documents and the Condominium Act, including but not limited to the making of Assessments, promulgation of rules and regulations and execution of contracts on behalf of the Association.

ARTICLE XIV

Personal Liability And Separate Insurance Coverage

The Owner of each Unit may, at his own expense, obtain insurance coverage for loss of or damage to any furniture, furnishings, personal effects and other personal property belonging to such Owner, and may, at his own expense and option, obtain

insurance policies against personal liability injury to the person or property of another within such Owner's Unit, or upon the Common Elements, or Limited Common Elements. Any such policies issued to a Unit Owner shall provide that the coverage afforded by such policies is excess over any amount recoverable under any other policy covering the same property without rights of subrogation against the Association. Risk of loss or damage to any furniture, furnishings, personal effects and other personal property (other than such furniture, furnishings and personal property constituting a portion of the Common Elements) belonging to or carried on the person of the Owner of each Unit, or which may be stored in any Unit, or in, to or upon Common Elements or Limited Common Elements shall be borne by the Owner of each such Unit. All furniture, furnishings and personal property constituting a portion of the Common Elements and held for the joint use and benefit of all Owners of all Units shall be covered by such insurance as shall be maintained in force and effect by the Association as hereafter provided. The Owner of each Unit shall have no personal liability for any damage caused by the Association or in connection with the use of the Common Elements or the Limited Common Elements. The Owner of a Unit shall be liable for injuries or damages resulting from an accident in his own Unit to the same extent and degree that the Owner of a house shall be liable for an accident occurring within the house.

ARTICLE XV

Insurance Carried by Association

(A) The Association shall maintain in full force and effect and pay the premiums for the following insurance coverage:

(1) Casualty insurance covering all the Units, the Association Property, Common Elements, and Limited Common Elements (exclusive of excavation and foundation costs), including fixtures and building service equipment to the extent they are part of the Common Elements. In addition, any fixtures, equipment or other property within a Unit which is to be financed by a mortgage to be purchased by Federal National Mortgage Association (regardless of whether or not such property is part of the Common Elements or Limited Common Elements), shall be covered by said policy. Said insurance coverage shall afford protection against (i) loss or damage by fire or other perils normally covered by the standard extended coverage endorsement; and (ii) all other perils which are customarily covered with respect to projects of similar construction, location and use, including all perils normally covered by the standard "all risk" endorsement, where such is available; and (iii) such other insurance coverage as and to the extent available, which may from time to time be deemed by the Board of Directors of the Association to be necessary and proper and in the best interest of the Association, and the owners therein. The policies shall be in an amount equal to 100% of the current replacement costs of the property covered. The policies shall provide for the following: recognition of any insurance trust agreement; waiver of the right of subrogation against any Unit Owners individually; the insurance is not prejudiced by any act or neglect of individual Unit Owners which is not in control of such owners collectively; the policy is primary in the event the Unit Owner has other insurance covering the same loss. Agreed amount and inflation guard endorsement is required, if available. Construction code endorsements (such as a demolition cost endorsement, a contingent liability from operation of building laws endorsement, and an increased cost of construction endorsement) shall be required if the Condominium

Property subject to a construction code provision which would become operative and require changes to undamaged portions of the buildings, thereby imposing significant costs in the event of partial destruction of the project by an insured peril.

(2) Steam boiler coverage, if applicable, is required for loss or damage resulting from steam boiler equipment accidents in an amount not less than \$50,000 per accident per location, or such greater amount as deemed prudent based on the nature of the property.

(3) If the Condominium Property is located within an area having special flood hazards and for which flood insurance has been made available under the National Flood Insurance Program (NFIP), the Association shall obtain and pay, as a common expense, the premiums on a flood insurance policy on the buildings and any other property covered by the required form of policy (herein "insurable property"), in an amount deemed appropriate by the Board of Directors, but not less than the following: the lesser of (i) the maximum coverage available under the NFIP for all buildings and other insurable property within the designated flood hazard area; or (ii) 100% of the "current replacement cost" of all such buildings and other insurable property. Such policy shall be in a form which meets the criteria set forth in the most current Guideline on the subject issued by the Federal Insurance Administrator.

(4) Comprehensive general liability insurance covering all the common areas, public ways and commercial spaces owned by the Association, whether or not they are leased to some third party. Coverage limits shall be in amounts generally required by private institutional mortgage investors for projects similar in construction, location and use. However, such coverage shall be for at least Five Million Dollars (\$5,000,000.00) for bodily injury, including deaths of persons and property damage arising out of a single occurrence. Coverage under this policy shall include, without limitation, legal liability for the insured's property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the common areas, and legal liability arising out of lawsuits related to employment contracts of the Association. Such policies shall provide that they may not be cancelled or substantially modified, by any party, without at least ten days prior written notice to the Association and to each holder of a first mortgage which is listed as a scheduled holder of a first mortgage in the insurance policy.

(5) Workmen's compensation insurance to meet the requirements of law;

(6) Such other insurance coverage, other than title insurance, as the Board of Directors of the Association, in its sole discretion, may determine from time to time to be in the best interest of the Association and the Owners of all of the Units.

(B) All insurance policies purchased by the Association hereunder shall be for the benefit of the Association and all Unit Owners and their mortgagees as their interests may appear. The cost of obtaining the insurance coverage authorized above is declared to be a Common Expense, as are any other fees and expenses incurred which may be necessary or incidental to carry out the provisions hereof. All policies of casualty insurance covering the Condominium Property shall provide for the insurance proceeds covering any loss to be payable to an Insurance Trustee with whom the Association has entered into an Insurance Trust

Agreement, by successor to such trustee. Insurance proceeds from casualty loss shall be held for the use and benefit of the Association and all Owners of all Units and their respective mortgagees, as their interests may appear. Evidence of insurance shall be issued to each Unit Owner and mortgagee upon request. All insurance policies shall contain the standard mortgage clause or equivalent endorsement (without contribution), which is commonly accepted by private institutional mortgage investors in the area in which the Condominium Property is located, and which appropriately names Federal National Mortgage Association or Federal National Mortgage Association's servicer in the policy if Federal National Mortgage Association is a holder of one or more of the first mortgages on Units within the Condominium Project. If a servicer is named as mortgagee in the mortgage clause, the servicer's name shall be followed by the phrase "its successors and assigns." The Association shall not accept any policy where, (i) under the terms of the insurance carrier's charter, by-laws or policy, contributions or assessments may be made against the Association, borrowers, Federal National Mortgage Association, or the designee of Federal National Mortgage Association; or (ii) by the terms of the insurance carrier's charter, by-laws or policy, loss payments are contingent upon action by the insurance carrier's Board of Directors, policy holders or members; or (iii) the policy includes a limiting clause (other than insurance conditions) which could prevent Federal National Mortgage Association or the borrowers collecting the insurance proceeds. The policies shall provide that they may not be cancelled or substantially modified without at least ten days prior written notice to the Association and to each holder of a first mortgage which is listed as a scheduled holder of a first mortgage in the insurance policy.

The Association is hereby declared to be appointed as attorney-in-fact for all the owners of all the Units for the purpose of purchasing and maintaining insurance, including, but not limited to, the following: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and the execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accommodate such purpose. The company or companies with which any insurance may be placed, shall be selected by the Association, and all parties, beneficially interested in such insurance coverage shall be bound by such selection of insurance company or companies made by the Association.

The Association shall have the right to designate the Insurance Trustee, and all parties beneficially interested in such insurance shall be bound thereby. The Insurance Trustee shall be a banking institution having trust powers and doing business in the State of Florida. The Insurance Trustee shall not be liable for the payment of premiums nor for the renewal of any policy or policies of casualty insurance, nor for the sufficiency of coverage, nor for the form or content of the policies, nor for the failure to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to receive such proceeds of casualty insurance as are paid and to hold or properly dispose of the same in trust for the purposes herein stated, and for the benefit of the Association and the Owners of all of the Units, and their respective mortgagees, as their interests may appear, and such insurance proceeds shall be distributed and paid by the Insurance Trustee as hereinafter provided. The Insurance Trustee shall be liable only for its willful misconduct, bad faith, or gross negligence, and then for only such money which comes into the possession of the said Insurance Trustee. When-ever the Insurance Trustee may be required to make distribution of insurance proceeds to Owners of Units and their mortgagees, as their respective interests may appear, the Insurance Trustee may rely upon a certificate of the President and Secretary of the Association, executed under oath, and which certificate shall be provided to said Insurance Trustee upon request of said Insurance

Trustee made to the Association, such certificate to certify the name or names of the Owners of each Unit, the name or names of the mortgagee or mortgagees who may hold a mortgage or mortgages encumbering such Unit, and the respective percentages of any distribution which may be required to be made to the Owner or Owners of any Unit or Units, and his or their respective mortgagee or mortgagees, as their respective interests may appear. When insurance proceeds are paid to the Insurance Trustee for any casualty loss, the holder or holders of any mortgage or mortgages encumbering a Unit or Units shall not have the right to determine or participate in the determination of repair or replacement of any loss or damages, and shall not have the right to elect to apply insurance proceeds to the reduction of any mortgage or mortgages, unless such insurance proceeds represent a distribution to the Owner or Owners of a Unit or Units, and their respective mortgagees, after such insurance proceeds have been first applied to repair, replacement or reconstruction of any loss or damage, or unless such casualty or insurance proceeds are authorized to be distributed to Owner or Owners of any Unit or Units and their respective mortgagee or mortgagees by reason of loss or damage to a part of the Common Elements and as to which a determination is made not to repair, replace or restore such Common Elements. The Association, as a Common Expense, may pay, if required, a reasonable fee to said Insurance Trustee for its services rendered hereunder, and shall pay such costs and expenses as said Insurance Trustee may incur in the performance of any duties and obligations imposed upon it hereunder.

Immediately after a casualty damage to any part of the Condominium Property, the Board of Directors of the Association shall obtain reliable and detailed estimates of the costs necessary to repair and replace the damage of the Property to a condition as good as the condition that existed prior to the casualty loss, provided that if a casualty causing damage is limited to a single Unit, then it shall be the responsibility of the Unit Owner to obtain estimates of the cost of replacement as aforesaid. If the net proceeds of insurance are insufficient to pay the estimated cost of reconstruction and repair, the Board of Directors of the Association shall promptly, upon determination of a deficiency, levy a Special Assessment against all Unit Owners for that portion of the deficiency related to Common Elements and Limited Common Elements in accordance with the percentages set forth in Article VI of this Declaration and against the individual Unit Owners for that portion of the deficiency related to any individual damaged Units; provided, however, that if in the opinion of the Board of Directors it is impossible to accurately and adequately determine the portion of the deficiency relating to individual damaged Units, the Board of Directors shall levy the Special Assessment for the total deficiency against each of the Unit Owners according to the proportions set forth in Article VI hereof.

Unless there occurs substantial damage to or destruction of all or a substantial portion of the Condominium Property and the Unit Owners fail to elect to rebuild or repair as provided below, the Insurance Trustee shall disburse the net insurance proceeds and the funds collected by the Board of Directors from the Special Assessment hereinabove set forth to repair and replace any damage or destruction of Property and shall pay any balance remaining to the Unit Owners and their mortgagees as their interests may appear in accordance with their proportion of ownership of the Common Elements. The proceeds of insurance and the funds collected by the Board of Directors from the Special Assessment as hereinabove provided, shall be held by the Insurance Trustee in trust for the uses and purposes herein provided. The Insurance Trustee shall have no obligation or duty to see that the repairs, reconstruction or replacements required hereunder, are performed or accomplished, and the said duty shall be that of the Association's.

As used in this Declaration, and in any other connection or context dealing with this Condominium, "substantial damage to or destruction of all or a substantial portion of the Condominium Property" shall mean that two-thirds (2/3) or more of all Units are to have been rendered untenable by casualty loss or damage. Should there occur such substantial damage to or destruction of all or a substantial part of the Condominium Property, the damage or loss shall not be reconstructed or repaired unless a majority of all the Unit Owners shall agree thereto, in writing, within sixty (60) days after the casualty loss or damage occurs. In the event that reconstruction and repair shall not be approved as aforesaid, the Insurance Trustee is authorized to pay the proceeds of the insurance to the Unit Owners and their mortgagees as their interest may appear in accordance with their proportion of ownership of the Common Elements, and the Condominium Property shall be removed from the provisions of the Condominium Act, as hereinafter provided. The determination not to reconstruct or repair after casualty shall be evidenced by a certificate, signed by one (1) of the officers of the Association, under oath, stating that the said sixty (60) day period has elapsed and the Association has not received the necessary writings from a majority of the Unit Owners.

ARTICLE XVI

Lease Restrictions

Units may not be leased more frequently than six (6) times per year or as otherwise set by ordinance by the City of Treasure Island, Florida; provided, however, that no lease shall be for a period shorter than thirty days. All leases shall be in writing and subject to the terms of this Declaration and the By-Laws. The Association does not retain the right to review or approve lessees, as long as the leases meet the above guidelines. The Association will not charge any fee for the Unit Owner exercising its rights to lease a Unit.

If the Association holds title to any Unit or Units it may lease said Unit(s) upon any terms and conditions consistent with this Declaration and the By-Laws, including the charging of a reasonable rental rate and requiring reasonable security and/or damage deposits from any lessee.

ARTICLE XVII

Remedies In Event Of Default

The Owner or Owners of each Unit shall be governed by and shall comply with the provisions of this Declaration of Condominium, and the Articles of Incorporation and By-Laws of the Association, and its rules and regulations as any of the same are now constituted or as they may be adopted or amended from time to time. A default by the Owner or Owners of any Unit shall entitle the Association or the Owner or Owners of another Unit or Units to the following relief:

1. Failure to comply with any of the terms of this Declaration of Condominium or other restrictions and regulations contained in the Articles of Incorporation or By-Laws of the Association or its rules and regulations, shall be grounds for relief which may include, without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien or any combination thereof, in which relief may be sought by the Association or, if appropriate, by any aggrieved Owner of a Unit.

2. The Owner or Owners of each Unit shall be liable for the expense of any maintenance, repair or replacement

rendered necessary by his act, neglect or carelessness, or by that of any member of his family, or his or their guests, employees, agents or lessees, but only to the extent that such expenses are not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in insurance rates occasioned by use, misuse, occupancy or abandonment of a Unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation.

3. In any proceeding arising because of an alleged default by the Owner of a Unit, the Association or its successors shall be entitled to recover the cost of the proceedings and such reasonable attorney's fees as may be determined by the Court, but in no event shall the Owner of any Unit be entitled to such attorney's fees.

4. The failure of the Association or of the Owner of a Unit to enforce any right, provision, covenant or condition which may be granted by this Declaration of Condominium or any of the above mentioned documents shall not constitute a waiver of the right of the Association or of the Owner of a Unit to enforce such right, provisions, covenant or condition in the future.

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

6. The failure of the DEVELOPER to enforce any right, privilege, covenant or condition which may be granted to it by this Declaration or any of the other above mentioned documents shall not constitute a waiver of the right to enforce such right, provision, covenant or condition in the future.

ARTICLE XVIII

Termination

All of the Unit Owners in fee simple, and all of the Owners of leasehold estates having their original term of ten (10) years or more, may remove the Condominium Property from the provisions of this Declaration of Condominium and from the provisions of Chapter 718, Florida Statutes, by an instrument to that effect duly recorded, provided, further, that all the holders of all mortgage liens affecting any of the Condominium Parcels must consent thereto and agree by joining in the instrument duly recorded that their liens shall thereupon be transferred to the percentage of the undivided interest of the Unit Owner in the Property as hereinafter provided. Upon removal of the Condominium Property from the provisions of this Declaration of Condominium and from the provisions of Chapter 718, Florida Statutes, the Condominium Property shall be deemed to be owned in common by the Unit Owners. Unless otherwise provided in this Declaration, the undivided interest in the property owned in common by each Unit Owner shall be the percentage of undivided interest previously owned by such Owner in the Common Elements.

ARTICLE XIX

Developer's Units And Privileges

Notwithstanding anything herein to the contrary, the

DEVELOPER is irrevocably empowered to sell, lease or rent Units to any person approved by it. The DEVELOPER reserves the right to make changes to the interior of any unsold Unit, or to change the size of the Unit including additions to or reductions in the number of bedrooms and baths contained in a Unit, to vary the location of entrances and stairwells or to increase the number of living levels in a Unit from one to two, provided that such changes do not modify the Unit's share of the Common Elements, Limited Common Elements, or Common Expenses. The DEVELOPER shall have the right to transact on the Condominium Property any business necessary to consummate the sale or rental of Units, including, but not limited to, the right to maintain Condominium models, have signs, staff employees in the office, use the Common Elements and show Units. A sales or rental office, signs, and all items pertaining to sales or rentals, shall not be considered Common Elements and shall remain the Property of the DEVELOPER. Phase Four will be used by the DEVELOPER for model Units and temporary parking for the sales of Units in both SUN KETCH I, A CONDOMINIUM and SUN KETCH II, A CONDOMINIUM a separate condominium to be constructed by the Developer. The DEVELOPER reserves the right to maintain the models and temporary parking facilities until all other Units in SUN KETCH I, A CONDOMINIUM and SUN KETCH II, A CONDOMINIUM are sold. At such time, or earlier if so desired by the DEVELOPER, the remaining Units in Phase Four will be offered for sale and constructed on the location of the temporary parking facilities. In the event there are unsold Units, the DEVELOPER retains the right to be the Owner thereof, under the same terms and conditions as other Owners, save for the unrestricted right to sell, rent or lease as contained in this Article.

The DEVELOPER hereby guarantees to each Unit Owner that the maximum Assessment for each Unit shall be as follows:

(a) Commencing on January 1, 1985 and through December 31, 1986, the maximum Assessment shall not exceed \$99.48 per month; and

(b) Each year thereafter the DEVELOPER guarantees that the maximum yearly Assessment shall not exceed 115% of the prior year's Assessment without approval of a majority of all the Voting Interest.

Notwithstanding the foregoing, this guarantee shall be effective until such time as the Unit Owners other than the DEVELOPER are entitled to elect not less than a majority of the members of the Board of Directors pursuant to Article X of the Articles of Incorporation of the Association. During calendar years 1985 and 1986 the DEVELOPER shall pay any amount of the Common Expenses incurred during such periods which are not satisfied by the Assessments receivable from the other Unit Owners. In exchange for this guarantee the DEVELOPER, during the period set forth in (a) above, (i.e. 1985 and 1986) shall be excused from the payment of a monthly Assessment on any Unit owned by the DEVELOPER.

No funds receivable from Unit purchases or Unit Owners payable to the Association or collected by the DEVELOPER on behalf of the Association, other than regular periodic Assessments for Common Expenses as provided above in this Declaration and disclosed in the Estimated Operating Budget shall be owed for payment of Common Expenses prior to the expiration of the period during which the DEVELOPER is so excused. This restriction shall apply to funds including, but not limited to, capital contributions or start-up funds collected from Unit Purchasers at closing.

Notwithstanding anything herein to the contrary, the DEVELOPER shall have the right to take all steps DEVELOPER may deem appropriate or necessary to complete construction of the improvements shown on Exhibit "B" attached hereto and made a part

hereof, including the development of Phase One, Phase Two, Phase Three and Phase Four, and neither the Association nor any Unit Owner shall have any right in any manner to interfere with, hinder, or impede completion of construction of the improvements by the DEVELOPER or the sale or rental of Units by DEVELOPER, and the DEVELOPER is hereby expressly authorized to take all such action as DEVELOPER may deem appropriate to complete the construction of the improvements and the sale of Units by the DEVELOPER.

The DEVELOPER shall have the right to exercise the vote appurtenant to Units owned by DEVELOPER in the same manner as other Unit Owners. For purposes of voting or approval of matters as provided for herein or in the Articles or By-Laws of the Association, the DEVELOPER shall be considered a separate Unit Owner for each Unit owned by it.

It is specifically recognized that some or all of the persons comprising the original Board of Directors and the Officers of the Association are Owners of some or all of the stock of the DEVELOPER or its parent corporation or are employees of the DEVELOPER, and all such circumstances shall not and cannot be construed or considered as a breach of any duty or obligation to the Association by such persons.

ARTICLE XX

Use Restrictions

The existing rules and regulations promulgated by the Association pursuant to the authority granted herein are attached hereto as Exhibit "F."

Said rules and regulations may be amended or modified from time to time by the Association as provided in the By-Laws, and said rules and regulations need not be recorded as an amendment to this Declaration, but the same shall be construed and enforced as a provision of this Declaration.

Subject to the rules and regulations referred to above and the rights reserved by the DEVELOPER, the Condominium Property shall be used for single-family residential purposes. No business or professional enterprise or operation of any type shall be operated in the Condominium Units. The lower level of any Unit (i.e. garage and surrounding area) shall not be converted into or used for living space.

ARTICLE XXI

General Provisions

(A) Invalidity of any of the covenants, conditions, limitations or provisions of this Declaration or of the By-Laws of the Association shall not affect the remaining part or parts hereof which are unaffected by such invalidity and the same shall remain in full force and effect.

(B) All provisions of this Declaration shall be construed to be covenants running with the Land and with every part thereof and interest therein, and every Unit Owner or claimant of the Land or any part thereof or interest therein, and his heirs, executors, successors, administrators, personal representatives and assigns shall be bound by all of the provisions of this Declaration.

(C) Unless by written approval of all holders of first mortgage liens affecting the fee simple title to any Condominium Parcel, such approval, however, not to be unreasonably withheld,