

This instrument prepared by and return to: *←PR*
 CURTIS R. MOSLEY, ESQ.
 MOSLEY & WALLIS, P.A.
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 Melbourne, Florida 32902-1210


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INDEX TO DECLARATION OF CONDOMINIUM

OF

ANCHORAGE, A CONDOMINIUM

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Exhibit 1 to the Prospectus

Scott Ellis

Clerk Of Courts, Brevard County

#Pgs: 71 #Names: 2
 Trust: 36.00 Rec: 285.00 Serv: 0.00
 Debt: 0.00 Excise: 0.00
 Mtg: 0.00 Int Tax: 0.00

**DECLARATION OF CONDOMINIUM****OF****ANCHORAGE, A CONDOMINIUM**

ANCHORAGE DEVELOPMENT, INC., a Florida corporation, hereinafter called "Developer," does hereby make, declare, and establish this Declaration of Condominium (hereinafter sometimes called "this Declaration"), as and for a plan of condominium unit ownership for ANCHORAGE, A CONDOMINIUM consisting of real property and improvements thereon as hereinafter described.

All restrictions, reservations, covenants, conditions and easements contained herein shall constitute covenants running with the land or equitable servitudes upon the land, as the case may be, and shall rule perpetually unless terminated as provided herein and shall be binding upon all parties or persons subsequently owning property in said condominium, and in consideration of receiving and by acceptance of a conveyance, grant, devise, lease, or mortgage, all grantees, devisees, leasees, and assigns and all parties claiming by, through or under such persons, agree to be bound by all provisions hereof. Both the burdens imposed and the benefits shall run with each unit and the interests in the common property as herein defined.

I.**ESTABLISHMENT OF CONDOMINIUM**

The Developer is the owner of the fee simple title to that certain real property situate in the City of Merritt Island, County of Brevard, and State of Florida, which property is more particularly described as follows; to-wit:

Lots 6 through 10, Block C, MERRITT WINTER HOME DEVELOPMENT, according to the plat thereof recorded in Plat Book 2, Page 55, of the Public Records of Brevard County, Florida. Together with the 12-foot alley between said Lots 8 and 10 and those lands lying between said Lots 9 and 10 and the Indian River.

and on which property the Developer owns one (1) three (3) story building containing twenty-one (21) residential units and three (3) separate garage buildings. Garage Building No. 1 contains ten (10) garage parking spaces. Garage No. 2 contains twelve (12) garage parking spaces. Garage No. 3 contains twenty (20) garage parking spaces. Each garage space contains two (2) parking spaces. There are three (3) type "A" units each of which contains three (3) bedrooms, three (3) baths and contains approximately 2,206 square feet excluding balconies. There are three (3) type "B" units each of which contains three (3) bedrooms, three (3) baths and contains approximately 2,170 square feet excluding balconies. There are three (3) type "C" units each of which contains three (3) bedrooms, three (3) baths and contains approximately 2,522 square feet excluding balconies. There are three (3) type "D" units each of which contains three (3) bedrooms, three (3) baths and contains approximately 2,401 square feet excluding balconies. There are three (3) type "E" units each of which contains three (3) bedrooms, three (3) baths and contains approximately 2,160 square feet excluding balconies. There are three (3) type "F" units each of which contains three (3) bedrooms, three (3) baths and contains approximately 2,245 square feet excluding balconies. There are three (3) type "G" units each of which contains three (3) bedrooms, three (3) baths and contains approximately 2,459 square feet excluding balconies. The graphic description of each unit is shown on Sheets 4 through 6, inclusive of Exhibit "A" to the Declaration of Condominium. The garages are shown on Sheets 14 through 16 of Exhibit "A". The Developer reserves the right to designate the garage parking spaces for the exclusive use of the unit owners, and upon such designation, the garage parking spaces shall become limited common elements. The Developer may charge a fee for assignment of the garages. For legal description, survey and plot plan of the condominium see Exhibit "A" to the Declaration of Condominium. The Developer estimates the Condominium will be completed on or before December 31, 2004 but time is not of the essence. The Developer does hereby submit the above described real property, together with the improvements thereon, to condominium ownership pursuant to the Florida Condominium Act, and

hereby declares the same to be known and identified as ANCHORAGE, A CONDOMINIUM, hereinafter referred to as the "condominium".

The provisions of the Florida Condominium Act are hereby adopted herein by express reference and shall govern the condominium and the rights, duties and responsibilities of unit owners hereof, except where permissive variances therefrom appear in the Declaration and the By-Laws and Articles of Incorporation of ANCHORAGE CONDOMINIUM ASSOCIATION OF BREVARD, INC., a Florida corporation not for profit.

The definitions contained in the Florida Condominium Act shall be the definition of like terms as used in this Declaration and exhibits hereto unless other definitions are specifically set forth.

II.

SURVEY AND DESCRIPTION OF IMPROVEMENTS

Attached hereto and made a part hereof, and marked Exhibit A consisting of 16 pages, are boundary surveys of the entire premises, a graphic plot plan of the overall planned improvements, and graphic descriptions of the improvements in which units are located, and plot plans thereof, identifying the units, the common elements and the limited common elements, and their respective locations and dimensions.

Said surveys, graphic descriptions and plot plans were prepared by:

Allen Engineering
Robert M. Salmon
Professional Land Surveyor
No.4262, State of Florida



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and have been certified in the manner required by the Florida Condominium Act. Each unit is identified and designated by a specific number. No unit bears the same numerical designation as any other unit. The specific numbers identifying each unit are listed on Sheets 4 through 6, inclusive, of Exhibit A.

The units to be located on the lands described in Exhibit A, are not substantially completed but are merely proposed.

The Recreational Facilities may be expanded or added without the consent of the unit owners or the Association.

III.

OWNERSHIP OF UNITS AND APPURTENANT SHARE IN COMMON ELEMENTS AND COMMON SURPLUS, AND SHARE OF COMMON EXPENSES

Each unit shall be conveyed as an individual property capable of independent use and fee simple ownership and the owner or owners of each unit shall own, as an appurtenance to the ownership of each said unit, an undivided one-twenty first (1/21) share of all common elements of the condominium, which includes, but is not limited to, ground support area, walkways, yard area, parking areas, foundations, etc., and substantial portions of the exterior walls, floors, ceiling and walls between units. The space within any of the units and common elements shall not be further subdivided. Any undivided interest in the common property is hereby declared to be appurtenant to each unit and such undivided interest shall not be separate from the unit and such interest shall be deemed conveyed, devised, encumbered or otherwise included with the unit even though such interest is not expressly mentioned or described in the conveyance, or other instrument. Any instrument, whether a conveyance, mortgage or otherwise, which describes only a portion of the



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space within any unit shall be deemed to describe the entire unit owned by the person executing such instrument and an undivided one-twenty first (1/21) interest in all common elements of the condominium.

The Developer hereby, and each subsequent owner of any interest in a unit and in the common elements, by acceptance of a conveyance or any instrument transferring an interest, waives the right of partition of any interest in the common elements under the laws of the State of Florida as it exists now or hereafter until this condominium unit project is terminated according to the provisions hereof or by law. Any owner may freely convey an interest in a unit together with an undivided interest in the common elements subject to the provisions of this Declaration. The Developer hereby reserves the right to remove any party walls between any condominium units owned by the Developer in order that the said units may be used together as one (1) integral unit provided the amendment is approved by a majority of the total voting interests in the condominium. All assessments and voting rights, however, shall be calculated as if such units were as originally designated on the exhibits attached to this Declaration, notwithstanding the fact that the several units are used as one.

All owners of units shall have as an appurtenance to their units a perpetual easement of ingress to and egress from their units over streets, walks, terraces and other common elements from and to the public highways bounding the condominium complex, and a perpetual right or easement, in common with all persons owning an interest in any unit in the condominium complex, to the use and enjoyment of all public portions of the buildings and to other common facilities (including but not limited to facilities as they now exist) located in the common elements.

All property covered by the exhibits hereto shall be subject to a perpetual easement for encroachments which now exist or hereafter may exist caused by settlement or movement of the buildings, and such encroachments shall be permitted to remain undisturbed and such easement shall continue until such encroachment no longer exists.

All units and the common elements shall be subject to a perpetual easement in gross granted to ANCHORAGE CONDOMINIUM ASSOCIATION OF BREVARD, INC., and its successors, for ingress and egress for the purpose of having its employees and agents perform all obligations and duties of the Association set forth herein. The Association shall have the right to grant utility easements under, through or over the common elements and such other easements as the Board, in its sole discretion, shall decide. The consent of the unit owners to the granting of any such easement shall not be required.

The common expenses shall be shared and the common surplus shall be owned in the same proportion as each such unit owner's share of the ownership of the common elements, that is one-twenty first (1/21).

IV.

UNIT BOUNDARIES, COMMON ELEMENTS, AND LIMITED COMMON ELEMENTS

The units of the condominium consist of that volume of space which is contained within the decorated or finished exposed interior surfaces of the perimeter walls, floors (excluding carpeting and other floor coverings) and ceilings of the units, the boundaries of the units are more specifically shown in Exhibit A, attached hereto. The dark solid lines on the floor plans hereinabove mentioned represent the perimetrical boundaries of the units, while the upper and lower boundaries of the units, relating to the elevations of the units, are shown in notes on said plan. The term "unit" shall mean a part of the condominium property which is subject to exclusive ownership of the construction of which has been substantially completed as evidenced by a Certificate of Occupancy or its equivalent by the appropriate governmental agency.

There are limited common elements appurtenant to each of the units in this condominium, as shown and reflected by the floor and plot plans. These limited common elements are reserved for the use of the units appurtenant thereto, to the exclusion of other units, and there shall pass with a



unit, as an appurtenance thereto, the exclusive right to use the limited common elements so appurtenant. In addition there are forty-two (42) garage parking spaces as shown on Sheets 14 through 16 inclusive, of Exhibit "A". These garage parking spaces are common elements for which the Developer reserves the right to designate the unit which shall be entitled to the exclusive use of the garage. After such designation the garage parking space shall be appurtenant to the unit and shall become a limited common element.

Unit owners have the right to transfer garage parking spaces to other units or unit owners pursuant to Section 718.106(2)(b), Florida Statutes. Any transfer of garage parking spaces shall be subject to rules promulgated by the Association.

Any air conditioning and/or heating equipment which exclusively services a Unit shall be a Limited Common Element appurtenant to the Unit it services.

The common elements of the condominium unit consist of all of the real property, improvements and facilities of the condominium other than the units and the limited common elements as the same are hereinabove defined, and shall include easements through the units for conduits, pipes, ducts, plumbing, wiring and other facilities for the furnishing of utility services to the units, limited common elements and common elements and easements of support in every portion of a unit which contributes to the support of improvements and shall further include all personal property held and maintained for the joint use and enjoyment of all the owners of the units.

There are located on the common elements of the condominium property swale areas for the purpose of water retention and these areas are to be perpetually maintained by the Association so that they will continue to function as water retention areas.

V.

ADMINISTRATION OF CONDOMINIUM BY ANCHORAGE CONDOMINIUM ASSOCIATION OF BREVARD, INC.

The operation and management of the condominium shall be administered by ANCHORAGE CONDOMINIUM ASSOCIATION OF BREVARD, INC., a corporation not for profit, organized and existing under the laws of the State of Florida, hereinafter referred to as the "Association."

The Association shall make available to unit owners, lenders and the holders and insurers of the first mortgage on any unit, current copies of the Declaration, By-Laws and other rules governing the condominium, and other books, records and financial statements of the Association. The Association also shall be required to make available to prospective purchasers current copies of the Declaration, By-Laws, other rules governing the condominium, and the most recent annual audited financial statement, if such is prepared. "Available" shall at least mean available for inspection upon request, during normal business hours or under other reasonable circumstances.

The Association, upon written request from any of the agencies or corporations which have an interest or prospective interest in the condominium, shall prepare and furnish within a reasonable time a financial statement of the Association for the immediately preceding fiscal year.

The Association shall have all of the powers and duties set forth in the Florida Condominium Act and, where not inconsistent therewith, those powers and duties set forth in this Declaration, Articles of Incorporation and By-Laws of the Association. True and correct copies of the Articles of Incorporation and the By-Laws are attached hereto, made a part hereof, and marked Exhibit B and Exhibit C, respectively.



VI.

MEMBERSHIP AND VOTING RIGHTS

The Developer and all persons hereafter owning a vested present interest in the fee title to any one of the units shown on the exhibits hereto and which interest is evidenced by recordation of a proper instrument in the Public Records of Brevard County, Florida, shall automatically be members and their memberships shall automatically terminate when they no longer own such interest.

There shall be a total of twenty-one (21) votes to be cast by the owners of the condominium units. Such votes shall be apportioned and cast as follows: The owner of each condominium unit (designated as such on the exhibits attached to this Declaration) shall be entitled to cast one (1) vote. Where a condominium unit is owned by a corporation, partnership or other legal entity or by more than one (1) person, all the owners thereof shall be collectively entitled to the vote assigned to such unit and such owners shall, in writing, designate an individual who shall be entitled to cast the vote on behalf of the owners of such condominium unit of which he is a part until such authorization shall have been changed in writing. The term, "owner," as used herein, shall be deemed to include the Developer.

All of the affairs, policies, regulations and property of the Association shall be controlled and governed by the Board of Administration of the Association who are all to be elected annually by the members entitled to vote, as provided in the By-Laws of the Association. Each director shall be the owner of a condominium unit (or a partial owner of a condominium unit where such unit is owned by more than one (1) individual, or if a unit is owned by a corporation, including the Developer, any duly elected officer or officers of an owner corporation may be elected a director or directors).

The owners shall place members on the Board or Administration in accordance with the schedule as follows: When unit owners other than the Developer own fifteen percent (15%) or more of the units in a condominium that will be operated ultimately by an Association, the unit owners other than a Developer shall be entitled to elect not less than one-third (1/3) of the members of the Board of Administration of the Association. Unit owners other than the Developer are entitled to elect not less than a majority of the members of the Board of Administration of the Association: (a) Three years after fifty (50%) percent of the units that will be operated ultimately by the Association have been conveyed to the purchasers; (b) Three (3) months after ninety (90%) percent of the units that will be operated ultimately by the Association have been conveyed to purchasers; (c) When all 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; (d) 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; or (e) seven years after recordation of the declaration of condominium. The Developer is entitled to elect or appoint at least one member of the Board of Administration of an association as long as the Developer holds for sale in the ordinary course of business at least five (5%) percent of the units in the condominium operated by the Association. Following the time the Developer relinquishes control of the Association, the Developer may exercise the right to vote any Developer-owned units in the same manner as any other unit owner except for purposes of reacquiring control of the Association or selecting the majority members of the Board of Administration.

The Developer reserves the right to transfer control of the Association to unit owners other than the developer at any time, in its sole discretion. The unit owners shall take control of the Association if the Developer so elects prior to the time stated in the above schedule.

VII.

COMMON EXPENSES, ASSESSMENTS, COLLECTION
LIEN AND ENFORCEMENT, LIMITATIONS

The Board of Administration of the Association shall propose annual budgets in advance for each fiscal year which shall contain estimates of the cost of performing the functions of the Association, including but not limited to the common expense budget, which shall include, but not be limited to, the estimated amounts necessary for maintenance, and operation of common elements and limited common elements, landscaping, street and walkways, office expense, utility services, replacement and operating reserve, casualty insurance, liability insurance, administration and salaries. Failure of the board to include any item in the annual budget shall not preclude the board from levying an additional assessment in any calendar year for which the budget has been projected. Each unit owner shall be liable for the payment to the Association of one-twenty first(1/21) of the common expenses as determined in said budget.

Common expenses include the expenses of the operation, maintenance, repair, or replacement of the common elements, costs of carrying out the powers and duties of the Association and any other expenses designated as common expense by the Condominium Act, the Declaration, the Articles of Incorporation, or the Bylaws of the Association. Common expenses also include reasonable transportation services, insurance for directors and officers, road maintenance and operation expenses, in-house communications, and security services, which are reasonably related to the general benefit of the unit owners, even if such expenses do not attach to the common elements or property of the condominium. However, such common expenses must either have been services or items provided from the date the control of the Board of Administration of the Association was transferred from the Developer to the unit owners or must be services or items provided for in the condominium documents or Bylaws.

After adoption of the budget and determination of the annual assessment per unit, as provided in the By-Laws, the Association shall assess such sum by promptly notifying all owners by delivering or mailing notice thereof to the voting member representing each unit at such member's most recent address as shown by the books and records of the Association. One-twelfth (1/12) of the annual assessment shall be due and payable in advance to the Association on the first (1st) day of each month.

Each initial unit owner other than the Developer shall pay at closing a contribution in an amount at least equal to two monthly assessments for common expenses to the Developer. The present monthly assessment is \$275.00 per month, therefor, the current contribution is \$550.00. This contribution shall not be credited as advance maintenance payments for the unit.

Special assessments may be made by the Board of Administration from time to time to meet other needs or requirements of the Association in the operation and management of the condominium and to provide for emergencies, repairs or replacements, and infrequently recurring items of maintenance. However, any special assessment in excess of five hundred dollars (\$500.00) which is not connected with an actual operating, managerial or maintenance expense of the condominium, shall not be levied without the prior approval of the members owning a majority of the units in the condominium.

The specific purpose or purposes of any special assessment approved in accordance with the condominium documents 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. However, upon completion of such specific purpose or purposes, any excess funds will be considered common surplus, and may, at the discretion of the board, either be returned to the unit owners or applied as a credit towards future assessments.

The liability for any assessment or portion thereof may not be avoided by a unit owner or waived by reason of such unit owner's waiver of the use and enjoyment of any of the common elements of the condominium or by abandonment of the unit for which the assessments are made.

The record owners of each unit shall be personally liable, jointly and severally, to the Association for the payment of all assessments, regular or special, made by the Association and for



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all costs of collection of delinquent assessments. In the event assessments against a unit are not paid within thirty (30) days after their due date, the Association shall have the right to foreclose its lien for such assessments.

Assessments and installments on them that are unpaid for over thirty (30) days after due date shall bear interest at the maximum rate permitted by law per annum from the due date until paid. If a payment is more than ten (10) days late, the Association may charge an administrative late fee in addition to such interest, in an amount not to exceed the greater of \$25.00 or five percent of each installment of the assessment for each delinquent installment that the payment is late. Any payment received by the Association shall be applied first to any interest accrued by the Association, then to any administrative late fee, then to any costs and reasonable attorney's fees incurred in collection, and then to the delinquent assessment. The foregoing shall be applicable notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment. A late fee shall not be subject to the provisions in Chapter 687 or Section 718.303(3), Florida Statutes.

The Association has a lien on each condominium parcel for any unpaid assessments with interest and for reasonable attorney's fees incurred by the Association which are incident to the collection of the assessment for enforcement of the lien. Except as set forth below, the lien shall be effective from and shall relate back to the recording of the original Declaration of Condominium.

However, as to first mortgages of record, the lien is effective from and after recording of a claim of lien. The lien shall be recorded in the Public Records in the county in which the condominium parcel is located and shall state the description of the condominium parcel, the name of the record owner, the amount due, the due dates, and the name and address of the Association which is ANCHORAGE CONDOMINIUM ASSOCIATION OF BREVARD, INC., _____ Moore Park Lane, Merritt Island, Florida 32952. No such lien shall continue for a longer period than one year after the claim of lien has been recorded unless, within that time, an action to enforce the lien is commenced in a court of competent jurisdiction. 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. A claim of lien must be signed and acknowledged by an officer or agent of the association. Upon payment, the person making the payment is entitled to a satisfaction of the lien. By recording a notice in substantially the following form, a unit owner or his agent or attorney may require the Association to enforce a recorded claim of lien against his condominium parcel:

Notice of Contest of Lien

TO: ANCHORAGE CONDOMINIUM ASSOCIATION OF BREVARD, INC.

Moore Park Lane
Merritt Island, Florida 32952

You are notified that the undersigned contests the claim of lien filed by you on _____, 20____, and recorded in Official Records Book ____ at Page ____ of the Public Records of Brevard County, Florida, and that the time within which you may file suit to enforce your lien is limited to ninety (90) days from the date of service of this notice.

Executed this ____ day of _____, 20____.

Signed: _____
Owner, Agent or Attorney

After service of a copy of the Notice of Contest of Lien, the Association shall have ninety (90) days in which to file an action to enforce the lien, and if the action is not filed within that ninety (90) day period, the lien is void.

The Association may bring an action in its name to foreclose a lien for assessments in the manner a mortgage on real property is foreclosed and may also bring an action to recover a money judgment for the unpaid assessments without waiving any claim of lien. The Association is entitled to recover its reasonable attorney's fees incurred in either a lien foreclosure action or any action to recover a money judgment for unpaid assessments.



No foreclosure judgment may be entered until at least thirty (30) days after the Association gives written notice to the unit owner of its intention to foreclose its lien to collect the unpaid assessments. If this notice is not given at least thirty (30) days before the foreclosure action is filed, and if the unpaid assessments, including those coming due after the claim of lien is recorded, are paid before the entry of a final judgment of foreclosure, the Association shall not recover attorney's fees or costs. The notice must be given by delivery of a copy of it to the unit owner or by certified or registered mail, return receipt requested, addressed to the unit owner at his last known address; and upon such mailing, the notice shall be deemed to have been given, and the court shall proceed with the foreclosure action and may award attorney's fees and costs as permitted by law. The notice requirements of this subsection are satisfied if the unit owner records a Notice of Contest of Lien as provided above. The notice requirements of this subsection do not apply if an action to foreclose a mortgage on the condominium unit is pending before any court; if the rights of the Association would be affected by such foreclosure; and if actual, constructive, or substitute service of process has been made on the unit owner.

If the unit owner remains in possession of the unit after a foreclosure judgment has been entered, the court, in its discretion, may require the unit owner to pay a reasonable rental for the unit. If the unit is rented or leased during the pendency of the foreclosure action, the Association is entitled to the appointment of a receiver to collect the rent. The expenses of the Receiver shall be paid by the party which does not prevail in the foreclosure action.

The Association has the power to purchase the condominium parcel at the foreclosure sale and to hold, lease, mortgage or convey it.

A first mortgagee acquiring title to a condominium parcel as a result of foreclosure, or a deed in lieu of foreclosure, may not during the period of its ownership of such parcel, whether or not such parcel is unoccupied, be excused from the payment of some or all of the common expenses coming due during the period of such ownership.

Within fifteen (15) days after request by a unit owner or unit mortgagee, the Association shall provide a certificate stating all assessments and other monies owed to the Association by the unit owner with respect to the condominium parcel. Any person other than the owner who relies upon such certificate shall be protected thereby.

Any unit owner has the right to require from the Association a certificate showing the amount of unpaid assessments against him with respect to his condominium parcel. The holder of a mortgage or other lien of record has the same right as to any condominium parcel upon which he has a lien.

Any first mortgagee may make use of any unit acquired as may facilitate its sale including, but not limited to, the showing of the property and the display of "For Sale" signs and neither the other unit owners nor the association shall interfere with the sale of such units.

As to priority between the lien of a recorded mortgage and the lien for any assessment, the lien for assessment shall be subordinate and inferior to any recorded mortgage, unless the assessment is secured by a claim of lien which is recorded prior to the recording date of the mortgage.

Any person purchasing or encumbering a unit shall have the right to rely upon any statement made in writing by an officer of the Association regarding assessments against units which have already been made and which are due and payable to the Association, and the Association and the members shall be bound thereby.

In addition the Association may accelerate assessments of an owner delinquent in payment of common expenses. Accelerated assessments shall be due and payable on the date the claim of lien is filed. Such accelerated assessments shall include the amounts due for the remainder of the budget year in which the claim of lien was filed.

A unit owner, regardless of how his title has been acquired, including a purchaser at a judicial sale, is liable for all assessments which come due while he is the unit owner. The grantee is 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 the transfer of title, without prejudice to any right the grantee may have to recover from the grantor the amounts paid by the grantee. A first mortgage who acquires title to the unit by foreclosure or by deed in lieu of foreclosure is liable for the unpaid assessments that became due prior to the mortgagee's receipt of the deed. However, the mortgagee's liability is limited to a period not exceeding six months, but in no event does the first mortgagee's liability exceed one percent of the original mortgage debt provided the mortgagee joined the Association in the foreclosure action. The person acquiring title shall pay the amount owed to the Association within 30 days after transfer of title. In no event shall the mortgagee be liable for more than six months of the unit's unpaid common expenses or assessments accrued before the acquisition of the title to the unit by the mortgagee or one percent of the original mortgage debt, whichever amount is less.

VIII.

INSURANCE COVERAGE, USE AND DISTRIBUTION OF PROCEEDS, REPAIR OR RECONSTRUCTION AFTER CASUALTY, CONDEMNATION

A. Type and Scope of Insurance Coverage Required

1. Insurance for Fire and Other Perils

The Association shall obtain, maintain, and pay the premiums upon, as a common expense, a "master" or "blanket" type policy of property insurance covering all of the common elements and limited common elements, (except land, foundation and excavation costs) including fixtures, to the extent they are part of the common elements of the condominium, building service equipment and supplies, and other common personal property belonging to the Association. All references herein to a "master" or "blanket" type policy of property insurance shall denote single entity condominium insurance coverage. Every hazard policy which is issued to protect a condominium building shall provide that the word "building" wherever used in the policy include, but not necessarily be limited to, fixtures, installations, or additions comprising that part of the building within the unfinished interior surfaces of the perimeter walls, floors, and ceilings of the individual units initially installed, or replacements thereof of like kind or quality, in accordance with the original plans and specifications, or as they existed at the time the unit was initially conveyed if the original plans and specifications are not available. The word "building" does not include unit floor coverings, wall coverings, or ceiling coverings, and does not include the following equipment if it is located within a unit and the unit owner is required to repair or replace such equipment: electrical fixtures, appliances, air conditioner or heating equipment, water heaters, or built-in-cabinets. With respect to the coverage provided for by this paragraph, the unit owners shall be considered additional insureds under the policy.

The "master" policy shall be in an amount equal to one hundred (100%) percent of current replacement cost of the condominium, exclusive of land, foundation, excavation and other items normally excluded from coverage, if available.

The policies may also be issued in the name of an authorized representative of the Association, including any insurance trustee with whom the Association has entered into an insurance trust agreement, or any successor trustee, as insured, for the use and benefit of the individual owners. Loss payable shall be in favor of the Association or insurance trustee, as a trustee, for each unit owner and each such owner's mortgagee. The Association or insurance trustee, if any, shall hold any proceeds of insurance in trust for unit owners and their first mortgage holders, as their interests may appear. Each unit owner and each unit owner's mortgagee, if any, shall be beneficiaries of the policy in the fraction of common ownership set forth in this Declaration. Certificates of insurance shall be issued to each unit owner and mortgagee upon request. Such policies shall contain the standard mortgage clause, or equivalent endorsement (without contribution), which is commonly accepted by private institutional mortgage



investors in the Brevard County area and shall name any holder of first mortgages on units within the condominium. Such policies shall provide that they may not be canceled or substantially modified, without at least ten (10) days' prior written notice to the Association and to each holder of a first mortgage listed as a scheduled holder of a first mortgage in the policies.

Policies are unacceptable where: (i) under the terms of the insurance carrier's charter, by-laws, or policy, contributions or assessments may be made against borrowers, FEDERAL HOME LOAN MORTGAGE CORPORATION, hereinafter referred to as FHLMC, FEDERAL NATIONAL MORTGAGE ASSOCIATION, hereinafter referred to as FNMA, or the designee of FHLMC or FNMA; or (ii) by the terms of the carrier's charter, by-laws or policy, loss payments are contingent upon action by the carrier's board of directors, policyholders, or members, or (iii) the policy includes any limiting clauses (other than insurance conditions) which could prevent FNMA, FHLMC, or the borrowers from collecting insurance proceeds.

The policies shall also provide for the following: recognition of any insurance trust agreement; a waiver of the right of subrogation against unit owners individually; that the insurance is not prejudiced by any act or neglect of individual unit owners which is not in the control of such owners collectively; and that the policy is primary in the event the unit owner has other insurance covering the same loss.

The insurance policy shall afford, as a minimum, protection against the following:

- (a) Loss or damage by fire and other perils normally covered by the standard extended coverage endorsement; and
- (b) in the event the condominium contains a steam boiler, loss or damage resulting from steam boiler equipment accidents in an amount not less than \$50,000.00 per accident per location (or such greater amount as deemed prudent based on the nature of the property); and
- (c) all other perils which are customarily covered with respect to condominiums similar in construction, location and use, including all perils normally covered by the standard "all-risk" endorsement.

In addition, such policies shall include an "agreed amount endorsement" and, if available, an "inflation guard endorsement."

The Association shall provide, on an individual case basis, if required by the holder of first mortgages on individual units, 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) if the condominium is subject to a construction code provision which would become operative and require changes to undamaged portions of the building(s), thereby imposing significant costs in the event of partial destruction of the condominium by an insured hazard.

2. Liability Insurance

The Association shall maintain comprehensive general liability insurance coverage covering all of the common elements, commercial space owned and leased by the Association, and public ways of the condominium project. Coverage limits shall be for at least \$1,000,000.00 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 of the insureds for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the common elements, and legal liability arising out of lawsuits related to employment contracts of the Association, if available at a reasonable cost. Such policies shall provide that they may not be canceled or substantially modified, by any party, without at least ten (10) days' prior written notice to the Association and to each holder



of a first mortgage on any unit in the condominium which is listed as a scheduled holder of a first mortgage in the insurance policy. The Association shall provide, if required by the holder of first mortgages on individual units, such coverage to include protection against such other risks as are customarily covered with respect to condominiums similar in construction, location and use, including but not limited to, host liquor liability, employers liability insurance, contractual and all written contract insurance, and comprehensive automobile liability insurance.

3. Flood Insurance

If the condominium is located within an area which has been officially identified by the Secretary of Housing and Urban Development as having special flood hazards and for which floor insurance has been made available under the National Flood Insurance Program (NFIP), the Association shall obtain and pay the premiums upon, as a common expense, a "master" or "blanket" policy of flood insurance on the buildings and any other property covered by the required form of policy (herein insurable property), in an amount deemed appropriate by the Association, as follows:

The lesser of: (a) the maximum coverage available under the NFIP for all buildings and other insurable property within the condominium to the extent that such buildings and other insurable property are within an area having special flood hazards; or (b) one hundred (100%) percent of current "replacement cost" of all buildings and other insurable property within such area. Due to circumstances existing in Florida at the present time the Developer believes that the maximum flood insurance coverage that is available is 80% of the full value of the buildings.

Such policy shall be in a form which meets the criteria set forth in the most current guidelines on the subject issued by the Federal Insurance Administrator.

4. Fidelity Bonds

Blanket fidelity bonds shall be obtained and maintained by the Association for all officers, directors, and employees of the Association and all other persons who control or disburse funds of the Association. If a management agent has the responsibility for handling or administering funds of the Association, the Association shall obtain and maintain adequate fidelity bond coverage for the management company, its officers, employees and agents handling or responsible for funds of, or administered on behalf of, the Association. However, the cost of bonding the officers, employees and agents of the management company may be reimbursed to the Association by the management company. Such fidelity bonds shall name the Association as an obligee. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees," or similar terms or expressions. The premiums of all bonds required herein, shall be paid by the Association as a common expense subject to reimbursement by the management company. The bonds shall provide that they may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days' prior written notice to the Association, insurance trustee and the Federal National Mortgage Association, if applicable. Under no circumstances shall the principal sum of the bonds be less than the amount required by Section 718.111(11)(d), Florida Statutes.

5. Insurance Trustees; Power of Attorney

The Association may name as an insured, on behalf of the Association, the Association's authorized representative, including any trustee with whom the Association may enter into any insurance trust agreement or any successor to such trustee (each of whom shall be referred to herein as "insurance trustee"), who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance and to perform such other functions as are necessary to accomplish this purpose.



Each unit owner by acceptance of a deed conveying a unit in the condominium to the unit owner hereby appoints the Association, or any insurance trustee or substitute insurance trustee designated by the Association, as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose.

6. Qualifications of Insurance Carriers

The Association shall use generally acceptable insurance carriers. Only those carriers meeting the specific requirements regarding the qualifications of insurance carriers as set forth in the Federal National Mortgage Association Conventional Home Mortgage Selling Contract Supplements and the FHLMC Sellers Guide shall be used.

7. Condemnation and Total or Partial Loss or Destruction

The Association shall represent the unit owners in the condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the common elements, or part thereof, by the condemning authority. Each unit owner hereby appoints the Association as attorney-in-fact for such purpose.

The Association may appoint a trustee to act on behalf of the unit owners, in carrying out the above functions, in lieu of the Association.

In the event of a taking or acquisition of part or all of the common elements by a condominium authority, the award or proceeds of settlement shall be payable to the Association, or any trustee, to be held in trust for the unit owners and their first mortgage holders as their interests may appear.

In the event any loss, damage or destruction to the insured premises is not substantial (as such term "substantial" is hereinafter defined), and such loss, damage or destruction is replaced, repaired or restored with the Association's funds, the first mortgagees which are named as payees upon the draft issued by the insurance carrier shall endorse the draft and deliver the same to the Association, provided, however, that any repair and restoration on account of physical damage shall restore the improvements to substantially the same condition as existed prior to the casualty.

Substantial loss, damage or destruction as the term is herein used, shall mean any loss, damage or destruction sustained to the insured improvements which would require an expenditure of sums in excess of ten (10%) percent of the amount of coverage under the Association's casualty insurance policy or policies then existing, in order to restore, repair or reconstruct the loss, damage or destruction sustained.

In the event the Association chooses not to appoint an insurance trustee, any casualty insurance proceeds becoming due by reason of substantial loss, damage or destruction sustained to the condominium improvements shall be payable to the Association and all first mortgagees which shall have been issued loss payable mortgagee endorsements, and such proceeds shall be made available to the first mortgagee which shall hold the greater number of mortgages encumbering the units in the condominium, which proceeds shall be held in a construction fund to provide for the payment for all work, labor and materials to be furnished for the reconstruction, restoration and repair of the condominium improvements. Disbursements from such construction fund shall be by usual and customary construction loan procedures. No fee whatsoever shall be charged by such first mortgagee for its services in the administration of the construction loan fund. Any sums remaining in the construction loan fund after the completion of the restoration, reconstruction and repair of the improvements and full payment therefor, shall be paid over to the Association and held for, and/or distributed to the unit owners in proportion to each unit owner's share of common surplus. If the insurance proceeds payable as the result of such casualty are not sufficient to pay the estimated costs of such restoration, repair and reconstruction, which estimate shall be made prior to proceeding



with restoration, repair or reconstruction, the Association shall levy a special assessment against the unit owners for the amount of such insufficiency, and shall pay said sum into the aforesaid construction loan fund.

Notwithstanding which first mortgagee holds the greater number of mortgages encumbering the units, such mortgagees may agree between themselves as to which one shall administer the construction loan fund.

If the damage sustained to the improvements is less than substantial, as heretofore defined, the Board of Administration may determine that it is in the best interests of the Association to pay the insurance proceeds into a construction fund to be administered by an institutional first mortgagee as hereinabove provided. No institutional first mortgagee shall be required to cause such insurance proceeds to be made available to the Association prior to completion of any necessary restoration, repairs or reconstruction, unless arrangements are made by the Association to satisfactorily assure that such restoration, repairs and reconstruction shall be completed. Such assurances may consist of, without limitation: (1) obtaining a construction loan from other sources; (2) obtaining a binding contract with a contractor or contractors to perform the necessary restoration, repairs and reconstruction; and (3) the furnishing of performance and payment bonds.

Any restoration, repair or reconstruction made necessary through a casualty shall be commenced and completed as expeditiously as reasonably possible, and must substantially be in accordance with the plans and specifications for the construction of the original building. In no event shall any reconstruction or repair change the relative locations and approximate dimensions of the common elements and of any unit, unless an appropriate amendment be made to this Declaration.

Where physical damage has been sustained to the condominium improvements and the insurance proceeds have not been paid into a construction loan fund as hereinabove more fully provided, and where restoration, repair or reconstruction has not been commenced, an institutional mortgagee who has commenced foreclosure proceedings upon a mortgage encumbering a unit, shall be entitled to receive that portion of the insurance proceeds apportioned to said unit in the same share as the share in the common elements appurtenant to said unit.

If substantial loss, damage or destruction shall be sustained to the condominium improvements, and at a special members' meeting called for such purpose, the owners of a majority of the units in the condominium vote and agree in writing that the damaged property will not be repaired or reconstructed, the condominium shall be terminated; provided, however, such termination will not be effective without the written consent of all first mortgagees holding mortgages encumbering units.

IX.

RESPONSIBILITY FOR MAINTENANCE AND REPAIRS

- A. Each unit owner shall bear the cost and be responsible for the maintenance, repair and replacement, as the case may be, of all air conditioning and heating equipment, electrical and plumbing fixtures, kitchen and bathroom fixtures, and all other appliances or equipment, including any fixtures and/or their connections required to provide water, light, power, telephone, sewage and sanitary service to his unit and which may now or hereafter be affixed or contained within his unit. Such owner shall further be responsible for maintenance, repair and replacement of any air conditioning equipment servicing his unit, although such equipment not be located in the unit, and of any and all wall, ceiling and floor surfaces, painting, decorating and furnishings and all other accessories which such owner may desire



to place or maintain therein. Unit owners are responsible for the maintenance, including cleaning, repair or replacement of windows and screening thereon, storm shutters on windows and balconies, screening on balconies, screen doors, and fixed and sliding glass doors. Air conditioning and heating equipment servicing individual units is a limited common element appurtenant to such units.

- B. The Association, at its expense, shall be responsible for the maintenance, repair and replacement of all the common elements, including those portions thereof which contribute to the support of the building, and all conduits, ducts, plumbing, sprinkler systems, wiring and other facilities located in the common elements, for the furnishing of utility services to the units, and including artesian wells, pumps, piping, and fixtures serving individual air conditioning units. Painting and cleaning of all exterior portions of the building, including all exterior doors opening into walkways, shall also be the Association's responsibility. Sliding glass doors, screen doors, storm shutters on balconies and windows, windows and screens on windows or balconies, shall not be the Association's responsibility, but shall be the responsibility of the unit owner. Should any damage be caused to any unit by reason of any work which may be done by the Association in the maintenance, repair or replacement of the common elements, the Association shall bear the expense of repairing such damage.
- C. Where loss, damage or destruction is sustained by casualty to any part of the building, whether interior or exterior, whether inside a unit or not, whether a fixture or equipment attached to the common elements or attached to and completely located inside a unit, and such loss, damage or destruction is insured for such casualty under the terms of the Association's casualty insurance policy or policies, but the insurance proceeds payable on account of such loss, damage or destruction are insufficient for restoration, repair or reconstruction, all the unit owners shall be specially assessed to make up the deficiency, irrespective of a determination as to whether the loss, damage or destruction is to a part of the building, or to fixtures or equipment which it is a unit owner's responsibility to maintain.

No unit owner shall do anything within his unit or on the common elements which would adversely affect the safety or soundness or the common elements or any portion of the Association property or Condominium property which is to be maintained by the Association.

- D. In the event owners of a unit make any structural addition or alteration without the required written consent, the Association or an owner with an interest in any unit shall have the right to proceed in a court of equity to seek compliance with the provisions hereof. The Association has the irrevocable right of access to each unit during reasonable hours, when necessary for the maintenance, repair, or replacement of any common elements or as necessary to prevent damage to the common elements or to a unit or units.

Maintenance of the common elements is the responsibility of the Association. All limited common elements shall be maintained by the Association except for air conditioning and heating equipment servicing individual units. If the record owner of the unit has been granted permission to install a DSS Satellite Dish which has a maximum diameter of 18 inches and can be mounted or affixed to the condominium building at a location approved by the Association in writing, in advance of the installation, then the record owner of each such unit shall bear the costs and shall be responsible for the maintenance, repair and replacement, as the case may be, of the satellite dish.

- E. The Board of Administration of the Association may enter into a contract with any firm, person or corporation for the maintenance and repair of the common elements and may join with other condominium corporations in contracting with the same firm, person or corporation for maintenance and repair.
- F. The Association shall determine the exterior color scheme of all buildings and shall be responsible for the maintenance thereof, and no owner shall paint an exterior wall, door, window, patio or any exterior surface, etc., at any time without the written consent of the Association.



X.

USE RESTRICTIONS

- A. Each unit is hereby restricted to residential use by the owner or owners thereof, their immediate families, lessees, guests and invitees. Each unit is restricted to no more than six (6) occupants, without the Association's consent. There are no restrictions upon children.
- B. The unit may be rented provided the occupancy is only by one (1) lessee and members of his immediate family and guests. The minimum rental period is ninety (90) days which minimum rental period shall not be amended nor any restrictions upon rentals be added without the approval of eighty (80%) percent of the unit owners in the condominium. There is no restriction upon the maximum length of rentals. No rooms may be rented and no transient tenants may be accommodated. No lease of a unit shall release or discharge the owner thereof of compliance with this Section X or any of his other duties as a unit owner. Time sharing of units is prohibited. Ownership of a unit on a monthly or weekly time sharing program is prohibited. Subleasing of units is prohibited. All leases shall be in writing and shall be subject to this Declaration, the Articles of Incorporation, By-Laws, and the Rules and Regulations of the Association and shall be approved by the Association.
- C. No nuisances shall be allowed to be committed or maintained upon the condominium property, nor any use or practice that is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents. All parts of the property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate, nor any fire hazard allowed to exist. No unit owner shall permit any use of his unit or use of the common elements that will increase the cost of insurance upon the condominium property.
- D. No immoral, improper, or offensive use shall be made of the condominium property nor any part thereof, and all laws, zoning ordinances and regulations of all governmental authorities having jurisdiction of the condominium shall be observed.
- E. Reasonable rules and regulations concerning the use of the condominium property may be made and amended from time to time by the Board of Administration of the Association as provided by its Articles of Incorporation and By-Laws.
- F. The Association has the irrevocable right of access to each unit during reasonable hours, when necessary for the maintenance, repair, or replacement of any common elements or of any portion of a unit to be maintained by the Association pursuant to the Declaration or as necessary to prevent damage to the common elements or to a unit or units.
- G. No sign, advertisement or notice of any type shall be shown on the common elements or any unit. This restrictions on signs, advertising and notices shall not apply to the developer or any institutional lender. No exterior antennas, aerials or satellite dishes shall be erected except as provided under uniform regulations promulgated by the Association. The Developer or the Association after transfer of control of the Association to unit owners other than the Developer, may grant permission to record unit owners to install DSS satellite dishes which are presently approximately 18 inches in diameter. The Developer or the Association after turnover may grant written permission to the record unit owner and if granted shall designate the location of the DSS satellite antenna in writing prior to the installation of the satellite antenna. The record unit owner shall be responsible for all costs related to the installation, maintenance, repair and replacement, as the case may be, of the DSS satellite antenna and shall indemnify and hold the Association harmless therefor. Upon the sale of the unit by the record owner of the unit the DSS satellite antenna may be removed, at the owners expense, or it may be transferred to the purchaser as part of the sale and purchase. In the event the DSS satellite antenna is not removed by the record unit owner at closing then, by acceptance of the deed of conveyance by the purchaser, the purchaser shall be deemed to have assumed the responsibility for the maintenance, repair and replacement, as the case may be, of the DSS satellite antenna, together with the costs and expenses thereof, including the obligation to



indemnify and hold the Association harmless therefor. This provision shall be deemed a covenant running with the land and shall be binding upon each successive owner of any condominium unit utilizing a DSS satellite antenna.

- H. An owner shall not place or cause to be placed in the walkways or in or on any other common elements and facilities, stairs, or stairwells, any furniture, packages or objects of any kind. Such areas shall be used for no other reason than for normal transit through them. The Association may permit a unit owner to place small potted plants near the front doors of the unit so long as the potted plants do not protrude into or block access to the common walkways. The Association reserves the right to restrict or prohibit the placement of potted plants on the common elements.
- I. It is prohibited to hang garments, rugs, etc., from the windows, patios or balconies from any of the facades of the buildings. However, any Unit Owner may display one portable, removable United States flag in a respectful way.
- J. It is prohibited to hang dust rugs, etc., from windows, patios or balconies or to clean rugs, etc., by beating on the exterior of the buildings.
- K. No auto parking space may be used for any purpose other than parking automobiles, sport utility vehicles and non-commercial pick-up trucks which are in operating condition with a current license tag. Other vehicles such as commercial trucks, trucks, motorcycles, recreational vehicles, motorhomes, trailers, and boats, shall be parked in parking areas, open or enclosed, designated by the Board of Administration, if any. In the event boats, motorhomes or recreational vehicles are permitted to be parked in designated areas, overnight camping in these vehicles is prohibited. No parking space shall be used by any other person other than an occupant of the condominium who is an actual resident or by a guest or visitor and by such guest or visitor only when such guest or visitor is, in fact, visiting and upon the premises. All owners and residents of the condominium are restricted to two (2) permitted vehicles per unit without the association's consent to bring additional vehicles on the premises. All vehicles shall be parked in the open parking spaces or garages except when loading or unloading vehicles. It is acknowledged and agreed by all unit owners that a violation of any of the provisions of this paragraph shall impose irreparable harm to the other owners in this condominium and that levying of fines by the Association for violations is appropriate. See Article XXVI Fines for Procedures for Levying fines by the Association.
- L. Until the Developer has closed all the sales of the units in the condominium, neither the other unit owners nor the Association shall interfere with the sale of such units. The Developer may make such use of the unsold units and common elements as may facilitate its sales, including but not limited to maintenance of a sales office, model units, the showing of the property, and the display of signs. The Developer may not be restricted in the use of the other common elements or areas, including but not limited to, lobbies, exercise rooms, or the sales office in the recreation building by anyone until the sale of all units is completed by the Developer.
- M. Two (2) pets, not exceeding a total of forty (40) pounds each, shall be allowed to be kept in the owner's unit. All pets must be kept on a leash outside the owner's unit. Each pet owner shall be responsible for cleaning up after his pets in the common elements. Pets shall not create a nuisance.
- N. No unit owner shall allow anything whatsoever to fall from the window, patio, balcony, terrace, porch, or doors of the premises, nor shall he sweep or throw from the premises any dirt or other substance into any of the corridors, halls, patios, balconies, terraces or porches, elevators, ventilators, or elsewhere in the building or upon the grounds. A unit owner shall not place, store or use any item, upon any patio, balcony, terrace or porch without the approval of the Association, other than standard patio chairs, tables and furnishings. Gas or electric grills and potted plants are permitted on balconies but charcoal grills are prohibited.



- O. When a unit is leased, a tenant shall have all use rights in the Association property and those common elements otherwise readily available for use generally by unit owners and the unit owner shall not have such rights except as a guest. Nothing in this subsection shall interfere with the access rights of the unit owner as a landlord pursuant to Chapter 83, Florida Statutes. The Association shall have the right to adopt rules to prohibit dual usage by a unit owner and a tenant of Association property and common elements otherwise readily available for use generally by unit owners.
- P. Carpeting of any type on individual unit balconies or any common walk-ups is prohibited and the Association shall not grant permission to install carpet on the individual unit balconies or walk-ups.

XI.

LIMITATIONS UPON RIGHT OF OWNER TO ALTER OR MODIFY UNIT

No owner of a unit shall make any structural modifications or alterations of the unit. Further, no owner shall cause any improvements or changes to be made on or to the exterior of the unit buildings, including painting or other decoration, the installation of awnings, shutters, electrical wiring, air conditioning units and other things which might protrude through or be attached to the walls of the unit building; further, no owner shall in any manner change the appearance of any portion of the unit building not wholly within the boundaries of his unit. The Association has adopted hurricane shutter specifications and will permit the installation of hurricane shutters for any balcony and storm window panels for the windows provided the color of the shutters and storm window panels is white and the installation of shutters and storm window panels complies with applicable building codes and provided that prior to installation or replacement of the hurricane shutters and storm window panels the Association has approved the installation. If the Board fails to act within the thirty day period, the plans and specifications shall be deemed approved. The installation, replacement, and maintenance of such shutters in accordance with the procedures set forth herein shall not be deemed a material alteration to the common elements within the meaning of the Condominium Act. Any unit owner may display one portable, removable United States flag in a respectful way and on Armed Forces Day, Memorial Day, Flag Day, Independence Day and Veterans Day any unit owner may display in a respectful way portable, removable official flags, not larger than 4 ½ feet by 6 feet, that represent the United States Army, Navy, Air Force, Marine Corps or Coast Guard, regardless of any declaration rules or requirements dealing with flags or decorations.

XII.

ADDITIONS, ALTERATIONS OR IMPROVEMENTS BY ASSOCIATION

Whenever in the judgment of the Board of Administration the condominium property shall require additions, alterations or improvements (in the excess of the usual items of maintenance), and the making of such additions, alterations or improvements shall have been approved by a majority of the unit owners, the Board of Administration shall proceed with such additions, alterations or improvements and shall specially assess all unit owners for the cost thereof as a common expense.

XIII.

AMENDMENT OF DECLARATION

These restrictions, reservations, covenants, conditions and easements may be modified or amended by recording such modifications in the Public Records of Brevard County, Florida, after approval by the owners of seventy-five (75%) percent of the units whose votes were cast in person or by proxy at the meeting duly held in accordance with the By-Laws and Articles of Incorporation



of the Association. No amendment to this Declaration shall be adopted which would operate to materially affect the validity or priority of any mortgage held by an institutional first mortgagee or which would alter, amend or modify, in any manner whatsoever, the rights, powers, interests or privileges granted and reserved herein in favor of any institutional first mortgagee or in favor of the Developer without the consent of all such mortgagees or the Developer, as the case may be, or as otherwise required by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation which consent may not be unreasonably withheld. There shall be no amendment adopted altering the share of ownership in the common elements or surplus, or altering the share of common expenses, except by the unanimous vote of all members in the Association and by their respective institutional first mortgagees.

Notwithstanding anything to the contrary contained in this Declaration, the Developer expressly reserves the right to amend the Declaration so as to correct any legal description contained herein, which legal description or descriptions may have been incorrect by reason of a scrivener's or surveyor's error. The Developer may amend this Declaration as aforescribed by filing an amended legal description (or descriptions) as an amendment to the Declaration among the Public Records of Brevard County, Florida, which amendment (or amendments) shall expressly describe that legal description which is being corrected (by reference to the exhibit containing said legal description or otherwise), in addition to the corrected legal description. Such amendments need be executed and acknowledged only by the Developer and need not be approved by the Association, unit owners, lienors or mortgagees of units of the condominium whether or not elsewhere required for amendments. As part and parcel of any such amendment as provided for in this subparagraph, however, there shall be attached thereto an affidavit of the individual or individuals responsible for the original incorrect legal description, whether he be scrivener or surveyor, which affidavit shall set forth (1) that said individual made an error in the legal description, (2) that the error is corrected by the description contained in the amendment, and (3) that it was the intent at the time of the incorrect original legal description to make that description such as is contained in the new amendment. In the event the party responsible for the original incorrect legal description has died, or is not available, then in that event, any other party having personal knowledge of the incorrect legal description by reason of the scrivener's or surveyor's error may execute the required affidavit for the amendment provided herein. Any amendment subject to Section 718.110(4), Florida Statutes, shall be approved by a majority of the voting interests of the condominium.

Pursuant to Section 718.110(2), Florida Statutes, the Developer may make amendments to this Declaration without consent of the unit owners which shall be limited to matters other than those under Sections 718.110(4) and (8), Florida Statutes.

In the event it shall appear that there is an error or omission in this Declaration or exhibits thereto, then and in that event the Association may correct such error and/or omission by an amendment to this Declaration in the manner hereinafter described to effectuate an amendment for the purpose of curing defects, errors or omissions. Such an amendment shall not require a vote of approval as provided above but shall require a vote in the following manner:

- (a) Notice of the subject matter of a proposed amendment to cure a defect, error or omission shall be included in the notice of any meeting at which such proposed amendment is to be considered.
- (b) A resolution for the adoption of such a proposed amendment may be proposed by either the Board of Administration of the Association or by the members of the Association. Except as elsewhere provided, such approvals must be either by:
 - (i) Not less than thirty-three and one-third (33 1/3%) percent of the Board of Directors and by not less than ten (10%) percent of the votes of the entire membership of the condominium; or
 - (ii) Not less than twenty-five (25%) percent of the votes of the entire membership of the Association; or



(iii) In the alternative, an amendment may be made by an agreement signed and acknowledged by eighty (80%) percent of the unit owners in the manner required for the execution of a deed, and such amendment shall be effective when recorded in the Public Records of Brevard County, Florida.

(c) The foregoing provisions relative to amendments for defects, errors or omissions are in accordance with and pursuant to Section 718.110(10) and (5), Florida Statutes.

(d) That the amendment made pursuant to this paragraph need only be executed and acknowledged by the Developer or the Association and by no other parties whatsoever.

(e) Any amendment pursuant to Section 718.110(5) may be approved by the Board of Administration or a majority of the voting interests.

Notwithstanding anything to the contrary contained in this Declaration, the Developer reserves the right to change the interior designs and arrangement of all units and to alter the boundaries between units, as long as the Developer owns the units so altered; however, no such change shall increase the number of units nor alter the boundaries of the common elements, except the party wall between any units, without amendment of this Declaration in the manner hereinbefore set forth. If the Developer shall make any changes in units, as provided in this paragraph, such changes shall be reflected by an amendment to this Declaration with a survey attached reflecting such authorized alteration of units, and said amendment need only be executed and acknowledged by the Developer, any holders of institutional mortgages encumbering the altered units and if the amendment is subject to Section 718.110(4), Florida Statutes, it shall be approved by a majority of the voting interests of the condominium. The survey shall be certified in the manner required by the Condominium Act. If more than one (1) unit is concerned, the Developer shall not apportion between the units the shares in the common elements, common expenses and common surplus of the units concerned and such shares of common elements, common expenses and common surplus shall remain unchanged in the amendment of this Declaration unless all unit owners approve the amendment changing the shares.

No provision of the Declaration shall be revised or amended by reference to its title or number only. Proposals to amend existing provisions of the 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 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." Non-material errors or omissions in the amendment process shall not invalidate an otherwise properly promulgated amendment.

Invalidation of any one (1) or more of these restrictions, reservations, covenants, conditions and easements, or any provision contained in this Declaration, or in a conveyance of unit by the Developer, by judgment, court order, or law, shall in no way affect any of the other provisions which shall remain in full force and effect.

In the event that any court should hereafter determine that any provision, as originally drafted herein, violates the rule against perpetuities or any other rule of law because of the duration of the period involved, the period specified in this Declaration shall not thereby become invalid, but instead shall be reduced to the maximum period allowed under such rule of law, and for such purpose, the measuring life shall be that of the youngest incorporator of the Association.

These restrictions, reservations, covenants, conditions and easements shall be binding upon and inure to the benefit of all property owners and their grantees, heirs, personal representatives, successors and assigns, and all parties claiming by, through or under any member.

**XIV.****TERMINATION OF CONDOMINIUM**

Except as otherwise provided in Article VIII of this Declaration, the condominium created and established hereby may only be terminated upon the vote of members of the Association owning ninety (90%) of the units in the condominium, provided that the written consent to such termination is obtained from all institutional first mortgagees holding mortgages encumbering the units.

Immediately after the required vote of consent to terminate, each and every unit owner shall immediately convey by warranty deed to the Association all of said unit owners' right, title and interest to any unit and to the common elements, provided the Association's officers and employees handling funds have been adequately bonded and the Association or any member shall have the right to enforce such conveyance by specific performance in a court of equity.

The Board of Administration of the Association shall then sell all of the property at public or private sale upon terms approved in writing by all of the institutional first mortgagees. Upon the sale of said property, the costs, fees and charges for affecting said sale, the cost of liquidation and dissolution of the Association and all obligations incurred by the Association in connection with the management and operation of the property up to and including the time when distribution is made to the unit owners, shall be paid out of the proceeds of said sale, and the remaining balance (hereinafter referred to as "net proceeds of sale") shall be distributed to the unit owners in the manner now about to be set forth.

The distributive share of each unit owner in the net proceeds of sale, though subject to the provisions hereinafter contained, shall be the following portion thereof; to-wit:

AN UNDIVIDED ONE-TWENTY FIRST (1/21)

Upon the determination of each unit owner's share as above provided for, the Association shall pay out of each unit owner's share all mortgages and other liens encumbering said unit in accordance with their priority, and upon such payment being made, all mortgagees and lienors shall execute and record satisfactions or releases of their liens against said unit or units, regardless of whether the same are paid in full. Thereupon, the directors of the Association shall proceed to liquidate and dissolve the Association, and distribute the remaining portion of each distributive share, if any, to the owner or owners entitled thereto. If more than one person has an interest in a unit, the Association shall pay the remaining distributive share allocable to said unit to the various owners of such unit, excepting that if there is a dispute as to the validity, priority or amount of mortgages or liens encumbering a unit, then payment shall be made to the owner and/or owners of such unit and to the owners and holders of the mortgages and liens encumbering said unit.

As evidence of the members' resolution to abandon passed by the required vote or written consent of the members, the President and Secretary of the Association shall effect and place in the Public Records of Brevard County, Florida, an affidavit stating that such resolution was properly passed, so approved by the members, and also shall record the written consents, if any, of institutional first mortgagees to such abandonment. Upon recordation of the instrument evidencing consent of ninety (90%) percent of the unit owners to terminate the condominium, the Association shall notify the division within 30 working days of the termination and the date the document was recorded, the county where the document was recorded, and the book and page number of the public records where the document was recorded.

After such an affidavit has been recorded and all owners have conveyed their interest in the condominium parcel to the Association and the Association to the purchaser, the title to said property thereafter shall be free and clear from all restrictions, reservations, covenants, conditions and easements set forth in this Declaration, and the purchaser and subsequent grantees of any of said property shall receive title to said lands free and clear thereof.



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XV.**ENCROACHMENTS**

If any portion of the common elements now encroaches upon any unit, or if any unit now encroaches upon any other unit or upon any portion of the common elements, or if any encroachment shall hereafter occur as the result of settling of the building, or alteration to the common elements made pursuant to the provisions herein, or as the result of repair and restoration, a valid easement shall exist for the continuance of such encroachment for so long as the same shall exist.

XVI.**ASSOCIATION TO MAINTAIN REGISTER
OF OWNERS AND MORTGAGEES**

The Association shall at all times maintain a register setting forth the names of all owners of units in the condominium, and any purchaser or transferee of an unit shall notify the Association of the names of any party holding a mortgage upon any unit and the name of all lessees in order that the Association may keep a record of same.

XVII.**ESCROW FOR INSURANCE PREMIUMS**

Any institutional first mortgagee holding a mortgage upon a unit in the condominium shall have the right to cause the Association to create and maintain an escrow account for the purpose of assuring the availability of funds with which to pay premium or premiums due from time to time on casualty insurance policy or policies which the Association is required to keep in existence, it being understood that the Association shall deposit in an escrow depository satisfactory to such institutional first mortgagee or institutional first mortgagees a monthly sum equal to one-twelfth (1/12) of the annual amount of such insurance expense, and to contribute such other sum as may be required therefor to the end that there shall be on deposit in said escrow account at least one (1) month prior to the due date for payment of such premium or premiums, a sum which will be sufficient to make full payment therefor.

Premiums for insurance required to be placed by the Association shall be a common expense and shall be paid by the Association.

If two (2) or more institutional mortgagees hold any mortgage or mortgages upon any condominium parcel of condominium parcel, and/or shall be the owner of any condominium parcel or condominium parcels, the exercise of the rights above described or manner of exercising said rights shall vest in the institutional mortgagee owning and holding the first recorded mortgage encumbering a condominium parcel, and the decision of such institutional mortgagee shall be controlling.

XVIII.**REAL PROPERTY TAXES
DURING INITIAL YEAR OF CONDOMINIUM**

In the event that during the year in which this condominium is established, real property taxes are assessed against the condominium property as a whole, such taxes will be a common expense.

XIX.**RESPONSIBILITY OF UNIT OWNERS**



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The owner of each unit shall be governed by and shall comply with the provisions of this Declaration as well as the By-Laws and Articles of Incorporation of the Association. Any unit owner shall be liable for the expense of any maintenance, repair or replacement made necessary by his act, neglect or carelessness, or by that of any members of his family, or his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Nothing herein contained, however, shall be construed so as to modify any waiver of rights or subrogation by insurance companies.

In any action brought against a unit owner by the Association for damages, or injunctive relief due to such unit owner's failure to comply with the provisions of this Declaration or By-Laws of the Association, the prevailing party shall be entitled to court costs, reasonable attorney's fees and expenses incurred by it in connection with the prosecution of such action.

XX.

WAIVER

The failure of the Association, a unit owner or institutional first mortgagee to enforce any right, provision, covenant or condition which may be granted herein, or in the By-Laws and Articles of Incorporation of the Association, or the failure to insist upon the compliance with same, shall not constitute a waiver by the Association, such unit owner or institutional first mortgagee to enforce such right, provision, covenant or condition, or insist upon the compliance with same, in the future.

No breach of any of the provisions contained herein shall defeat or adversely affect the lien of any mortgage at any time made in good faith and for a valuable consideration upon said property, or any part thereof, and made by a bank, savings and loan association, or insurance company authorized to transact business in the State of Florida and engage in the business of making loans constituting a first lien upon real property, but the rights and remedies herein granted to the Developer, the Association, and the owner or owners of any part of said condominium, may be enforced against the owner of said property subject to such mortgage, notwithstanding such mortgage.

XXI.

CONSTRUCTION

The provisions of this Declaration shall be liberally construed so as to effectuate its purposes. The invalidity of any provision herein shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration.

XXII.

GENDER

The use of the masculine gender in this Declaration shall be deemed to refer to the feminine or neuter gender, and the use of the singular or plural shall be taken to mean the other whenever the context may require.

XXIII.

CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration nor the intent of any provisions hereof.

**XXIV.****REMEDIES FOR VIOLATIONS**

Each unit owner, each tenant and other invitee, and each association shall be governed by, and shall comply with the provisions of the Florida Condominium Act, the declaration, the documents creating the Association, and the Association By-Laws and the provisions thereof shall be deemed expressly incorporated into any lease of a unit. Actions for damages for injunctive relief, or both, for failure to comply with these provisions may be brought by the Association or by a unit owner against:

- a. The Association.
- b. A unit owner.
- c. Directors designated by the Developer, for actions taken by them prior to the time control of the Association is assumed by unit owners other than the Developer.
- d. Any director who willfully and knowingly fails to comply with these provisions.
- e. Any tenant leasing a unit, and any other invitee occupying a unit.

The prevailing party in any such action or in any action in which the purchaser claims a right of voidability based upon contractual provisions as required in Section 718.503(1)(a), Florida Statutes, is entitled to recover reasonable attorney's fees. A unit owner prevailing in an action between the association and the unit owner under this section, in addition to recovering his reasonable attorney's fees, may recover additional amounts as determined by the Court to be necessary to reimburse the unit owner for his share of assessments levied by the Association to fund its expenses of the litigation. This relief does not exclude other remedies provided by law.

XXV.**TIMESHARE RESERVATION**

No reservation is made pursuant to Section 718.1045, Florida Statutes, for the creation of timeshare estates. Timeshare estates are prohibited.

XXVI.**FINES**

The Association may levy reasonable fines against a unit for the failure of the owner of the unit, or its occupant, licensee, or invitee, to comply with any provision of the Declaration, the Association By-Laws, or reasonable rules of the Association. No fine will become a lien against a unit. No fine may exceed \$100.00 per violation. However, a fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing, provided that no fine in the aggregate exceed \$1,000.00. No fine may be levied except after giving reasonable notice and opportunity for a hearing to the unit owner and, if applicable, its licensee or invitee. The hearing must be held before a committee of other unit owners. If the committee does not agree with the fine the fine may not be levied. The provisions of this Article do not apply to unoccupied units.

XXVII.**SIGNAGE**

After the Developer has completed its sales program, the Association, through its Board of Administration, shall have the right to determine the type, style and location of all signage associated

with the condominium property. Prior to completion of its sales program the Developer shall control signage for the condominium.

XXVIII.

INSTITUTIONAL MORTGAGEE



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An institutional mortgagee means the owner and holder of a mortgage encumbering a condominium parcel, which owner and holder of said mortgage is either a bank or life insurance company or a federal or state savings and loan association, or a mortgage or real estate investment trust, or a pension and profit sharing fund, or a credit union, or a Massachusetts business trust, or an agency of the United States Government, or the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation, or any entity controlling, controlled by or under common control with any of the foregoing, or a lender generally recognized in the community as an institutional lender or the Developer, or assignee, nominee, or designee of the Developer.

An institutional mortgage means a mortgage owned or held by an institutional mortgagee.

An insurance trustee means that Florida bank having trust powers, designated by the board to receive proceeds on behalf of the association, which proceeds are paid as a result of casualty or fire loss covered by insurance policies.

XXIX.

RIGHTS RESERVED UNTO INSTITUTIONAL MORTGAGEES

All rights in favor of the Developer reserved in this Declaration of Condominium and exhibits attached hereto, are likewise reserved to any institutional mortgagee that acquires title to a condominium parcel through foreclosure or a deed in lieu of foreclosure with regard to the acquired condominium parcel.

The rights and privileges in this Declaration of Condominium and the exhibits hereto in favor of the Developer are freely assignable, in whole or in part, by the Developer to any party who may be hereafter designated by the Developer to have and exercise such rights. Such rights may be exercised by the nominee, assignee or designee of the Developer and/or exercised by the successor or successors in trust of the Developer and/or exercised by the successor or successors in interest or the nominees, assignees or designees of the nominees, assignees or designees of the Developer.

XXX.

NOTICE TO INSTITUTIONAL MORTGAGEES

The Association shall provide a holder, insurer or guarantor of a first mortgagee, upon written request (such request to state the name and address of such holder, insurer or guarantor and the unit number) timely notice of:

- A. Any proposed amendment of the condominium instruments effecting a change in (i) the boundaries of any unit or the exclusive easement rights appertaining thereto, (ii) the interests in the general or limited common elements appertaining to any unit or the liability for common expenses appertaining thereto, (iii) the number of votes in the owners Association appertaining to any unit; or (iv) the purposes to which any unit or the common elements are restricted;
- B. Any proposed termination of the condominium regime;
- C. Any condemnation loss or any casualty loss which affects a material portion of the condominium or which affects any unit on which there is a first mortgage held, insured or guaranteed by such eligible holder;

- D. Any delinquency in the payment of assessments or charges owed by an owner of a unit subject to the mortgage of such eligible holder, insurer or guarantor, where such delinquency has continued for a period of 60 days;
- E. Any lapse, cancellation or material modification of any insurance policy maintained by the Association.

XXXI.



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CABLE TELEVISION AND SATELLITE DISH

The cost of a master antenna television system or duly franchised cable television service obtained pursuant to a bulk contract shall be deemed a common expense, and if not, such cost shall be considered common expense if it is designated as such in a written contract between the board of administration and the company providing the master television antenna system or the cable television service. The contract shall be for a term of not less than two years.

A. Any contract made by the board for a community antenna system or duly franchised cable television service may be canceled by a majority of the voting interests present at the next regular or special meeting of the Association. Any member may make a motion to cancel said contract, but if no motion is made or if such motion fails to obtain the required majority at the next regular or special meeting, whichever is sooner, following the making of the contract, then such contract shall be deemed ratified for the term therein expressed.

B. Any such contract shall provide, and shall be deemed to provide if not expressly set forth, that any hearing impaired or legally blind unit owner who does not occupy the unit with a nonhearing impaired or sighted person may discontinue the service without incurring disconnect fees, penalties, or subsequent service charges, and as to such units, the owners shall not be required to pay any common expenses charge related to such service. If less than all members of an association share the expenses of cable television, the expense shall be shared equally by all participating unit owners. The Association may use the provisions of Section 718.116, Florida Statutes, to enforce payment of the shares of such costs by the unit owners receiving cable television.

C. The Association has approved the installation of DSS type satellite dishes for the condominium property. The approved satellite dish is approximately 18 inches in diameter and may be bolted to an exterior wall of the condominium. Prior to the installation of a DSS type satellite dish the record owner of the condominium unit shall submit a written request for permission to install the satellite dish to the Association pursuant to rules promulgated by the Association. The Association shall determine the location of the satellite dish, in its sole discretion. All costs of installation, maintenance or repair of the satellite dish shall be the responsibility of the record owner of the condominium unit and the owner shall indemnify and hold the Association harmless therefor.

XXXII.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT

The rules of the St. Johns River Water Management District require the following provisions to be included in this Declaration of Condominium:

- A. Property Description: Property encompassed by the permit granted by the St. Johns River Water Management District (where the surface water management system will be located) is included in the legal description of the parent tract located on sheet 2 of Exhibit "A" attached hereto and made a part hereof.
- B. Definitions: "Surface Water or Stormwater Management System" means a system which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store,



absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, overdrainage, environmental degradation, and water pollution or otherwise affect the quantity and quality of discharges.

- C. Duties of Association: The Association shall be responsible for the maintenance, operation and repair of the surface water or stormwater management system. Maintenance of the surface water or stormwater management system(s) shall mean the exercise of practices which allow the systems to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities as permitted by the St. Johns River Water Management District. Any repair or reconstruction of the surface water or stormwater management system shall be as permitted or, if modified, as approved by the St. Johns River Water Management District.
- D. Covenant for Maintenance assessments for Association: Assessments shall also be used for the maintenance and repair of the surface water or stormwater management systems including, but not limited to, work within retention areas, drainage structures and drainage easements.
- E. Easement for Access and Drainage: The Association shall have a perpetual non-exclusive easement over all areas of the surface water or stormwater management system for access to operate, maintain or repair the system. By this easement, the Association shall have the right to enter upon any portion of the common elements which is a part of the surface water or stormwater management system, at a reasonable time and in a reasonable manner, to operate, maintain or repair the surface water or stormwater management system as required by the St. Johns River Water Management District permit. Additionally, the Association shall have a perpetual non-exclusive easement for drainage over the entire surface water or stormwater management system. No person shall alter the drainage flow of the surface water or stormwater management system, including buffer areas or swales, without prior written approval of the St. Johns River Water Management District.
- F. Amendment: Any amendment to the Declaration of Condominium which alter any provision relating to the surface water or stormwater management system, beyond maintenance in its original condition, including the water management portions of the common elements must have the prior approval of the St. Johns River Water Management District.
- G. Enforcement: The St. Johns River Water Management District shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in the Declaration of Condominium which relate to the maintenance, operation and repair of the surface water or stormwater management system.
- H. Swale Maintenance: The Developer has constructed a Drainage Swale upon each Lot for the purpose of managing and containing the flow of excess surface water, if any, found upon such lot from time to time. Each lot owner, including builders, shall be responsible for the maintenance, operation and repair of the swales on the lot. Maintenance, operation and repair shall mean the exercise of practices, such as mowing and erosion repair, which allow the swales to provide drainage, water storage, conveyance or other stormwater management capabilities as permitted by the St. Johns River Water Management District. Filling, excavation, construction of fences or otherwise obstructing the surface water flow in the swales is prohibited. No alteration of the Drainage Swale shall be authorized and any damage to any Drainage Swale, whether caused by natural or human-induced phenomena, shall be repaired and the Drainage Swale returned to its former condition as soon as possible by the Owner(s) of the Lot(s) upon which the Drainage Swale is located.

IN WITNESS WHEREOF, the above-stated Developer has caused these presents to be signed and sealed on this 19th day of May, 2004.



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**SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:**

DEVELOPER:

ANCHORAGE DEVELOPMENT, INC.
a Florida corporation

Shelly Gruszynski
Print Name: Shelly Gruszynski

Dee Dee Thompson
Print Name: Dee Dee Thompson

By: [Signature]

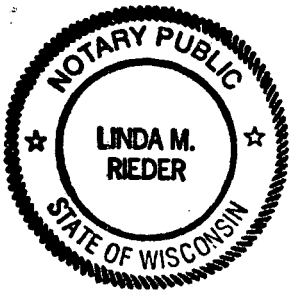
Howard Zetley, President

(CORPORATE SEAL)

^{Wisconsin}
STATE OF ~~FLORIDA~~)
COUNTY OF ~~BREVARD~~)
^{Milwaukee}

BEFORE ME, the undersigned authority, personally appeared Howard Zetley, President of ANCHORAGE DEVELOPMENT INC., a Florida corporation, personally known to me, or who produced _____ as identification, who did/did not take an oath, and who executed the foregoing and acknowledged the execution thereof to be his free act and deed for the uses and purposes therein mentioned.

WITNESS my signature and official seal in the State and County last aforesaid on 19th day of May, 2004.



Linda M. Rieder

Notary Public

My Commission Expires: 8/26/07

SURVEYOR'S CERTIFICATE FOR ANCHORAGE, A CONDOMINIUM

STATE OF FLORIDA
COUNTY OF BREVARD

BEFORE ME, THE UNDERSIGNED AUTHORITY DULY AUTHORIZED TO ADMINISTER OATHS AND TAKE ACKNOWLEDGEMENTS, PERSONALLY APPEARED "ROBERT M. SALMON", BY ME WELL KNOWN, AND KNOWN TO ME TO BE THE PERSON HEREINAFTER DESCRIBED, WHO AFTER BEING BY ME FIRST DULY CAUTIONED AND SWORN, DEPOSES AND SAYS AN OATH AS FOLLOWS, TO-WIT:

I HEREBY CERTIFY THAT THE CONSTRUCTION OF THE PROPOSED IMPROVEMENTS SHOWN AND DESCRIBED ON THE ATTACHED EXHIBIT "A" IS NOT SUBSTANTIALLY COMPLETE; HOWEVER, THESE DRAWINGS ARE SUFFICIENTLY DETAILED SO THAT THE MATERIAL DESCRIBED AND SHOWN ON THE ATTACHED EXHIBIT "A" TOGETHER WITH THE PROVISIONS OF THE DECLARATION OF CONDOMINIUM ESTABLISHING ANCHORAGE, A CONDOMINIUM, IS AN ACCURATE REPRESENTATION OF THE LOCATIONS AND DIMENSIONS OF THE IMPROVEMENTS, AND THAT THE IDENTIFICATION, LOCATIONS AND DIMENSIONS OF THE COMMON ELEMENTS AND OF EACH UNIT CAN BE DETERMINED FROM THESE MATERIALS.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND OFFICIAL SEAL,
THIS 30TH DAY OF JANUARY 2003, A.D.

ALLEN ENGINEERING, INC.

BY: 

ROBERT M. SALMON
PROFESSIONAL LAND SURVEYOR
STATE OF FLORIDA, NO 4262

THIS FOREGOING INSTRUMENT WAS ACKNOWLEDGED
BEFORE ME THIS 30TH DAY OF JANUARY, 2003
BY ROBERT M. SALMON, WHO IS PERSONALLY
KNOWN AND WHO DID TAKE AN OATH.




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OR Book/Page: 5303 / 3265



Jill B Nickel
My Commission DD124038
Expires July 05, 2006


JILL B. NICKEL
NOTARY PUBLIC-STATE OF FLORIDA
MY COMMISSION EXPIRES: JULY 5, 2006
MY COMMISSION NO IS DD124038

ALLEN ENGINEERING, INC.
106 DIXIE LANE
COCOA BEACH, FLORIDA

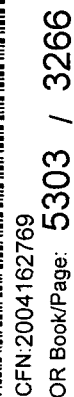
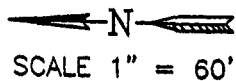
JANUARY 30, 2003

EXHIBIT "A-1"

SHEET 1 OF 1

ALLEN ENGINEERING, INC.

GRAPHIC PLOT PLAN OF PROPOSED IMPROVEMENTS



1. SEE SHEET 2 FOR THE NOTES CONCERNING THE GRAPHIC PLOT PLAN.
2. REFER TO SHEETS 2 AND 3 FOR THE SKETCH OF SURVEY, SURVEYOR'S CERTIFICATION AND LEGAL DESCRIPTION.

SHEET 1 OF 16

0110 000011111111

ANCHORAGE, A CONDOMINIUM DESCRIPTION

SURVEYOR'S NOTES CONCERNING THE GRAPHIC PLOT PLAN :

1. Anchorage, A Condominium shall contains a 3-story Building with a total of 21 living units. Anchorage, A Condominium shall also contain Garage #1 containing 10 parking spaces; Garage #2 containing 12 parking spaces and Garage #3 containing 20 parking spaces. Anchorage, A Condominium shall also contain a swimming pool; boardwalk; driveways; walkways; parking areas and open landscaped areas.
2. All areas and improvements exclusive of the units are common elements of the condominium, as set forth in the declaration of condominium.
3. The graphic plot plan was prepared from an Engineering Site Plan, prepared by Allen Engineering, Inc.

SURVEYOR'S NOTES:

1. The bearings shown hereon are based on an assumed bearing of S00°42'00"W along the West line of South Tropical Trail.
2. The elevations shown are based on Florida Department of Transportation Benchmark Disk located on the Southwest bridge abutment on the old State Road 520 bridge (now being utilized as a fishing pier) elevation 10.07 feet, National Geodetic Vertical Datum of 1929.
3. According to the National Flood Insurance Program, Flood Insurance Rate Map (FIRM) for Brevard County, Florida and Incorporated Areas, Panel 355 of 727, this property is located in community panel number 125092 0355 E, Effective Date April 3, 1989, Map Index Date November 19, 1997 and lies within Special Flood Hazard Area FIRM Zone AE, Base Flood Elevation 6 feet and 5 feet, and Other Area Zone X. The FIRM Zone boundaries are approximate and are scaled from the referenced FIRM.

LEGAL DESCRIPTION:

Lots 6 through 10, Block C, MERRITT WINTER HOME DEVELOPMENT, according to the plat thereof recorded in Plat Book 2, page 55, of the Public Records of Brevard County, Florida. Together with the 12-foot alley between said Lots 8 and 10 and those lands lying between said Lots 9 and 10 and the Indian River. The property contains 2.17 acres, more or less.

ABBREVIATION DEFINITION

BLDG.	BUILDING
C.B.	CONCRETE BLOCK
C.B.S.	CONCRETE BLOCK STRUCTURE
CCCL	COASTAL CONSTRUCTION CONTROL LINE
CONC.	CONCRETE
DNR	DEPARTMENT OF NATURAL RESOURCES
DRAINAGE MH	DRAINAGE MANHOLE
F.I.R.M.	FLOOD INSURANCE RATE MAP

ABBREVIATION DEFINITION

O.R.B.	OFFICIAL RECORDS BOOK
P.	PLAT
PED XING	PEDESTRIAN CROSSING
PG.	PAGE
RCP	REINFORCED CONCRETE PIPE
SANITARY MH	SANITARY MANHOLE
VCP	VITRIFIED CONCRETE PIPE
WM	WATER METER

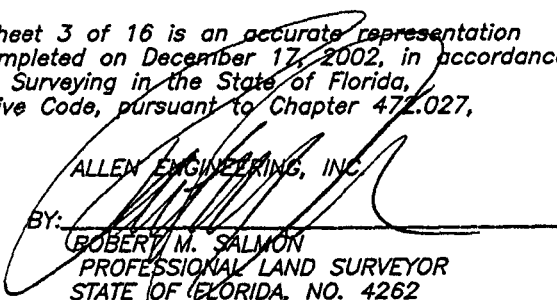
NOTES:

1. SEE SHEET 3 FOR THE SKETCH TO ACCOMPANY THE LEGAL DESCRIPTION.

CERTIFICATION:

I hereby certify the Sketch of Survey shown on Sheet 3 of 16 is an accurate representation of a survey performed under my direction and completed on December 17, 2002, in accordance with the "Minimum Technician Standards" for Land Surveying in the State of Florida, described in Chapter 61G17-6, Florida Administrative Code, pursuant to Chapter 472.027, Florida Statutes

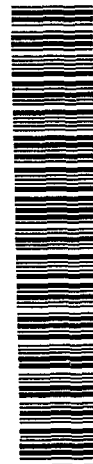
Not valid without the signature
and the original raised seal of
a Florida licensed Surveyor and
Mapper

ALLEN ENGINEERING, INC.
BY: 
ROBERT M. SALMON
PROFESSIONAL LAND SURVEYOR
STATE OF FLORIDA, NO. 4262

ALLEN ENGINEERING, INC.
106 DIXIE LANE
COCOA BEACH, FLORIDA
JANUARY 30, 2003

EXHIBIT "A"

SHEET 2 OF 16

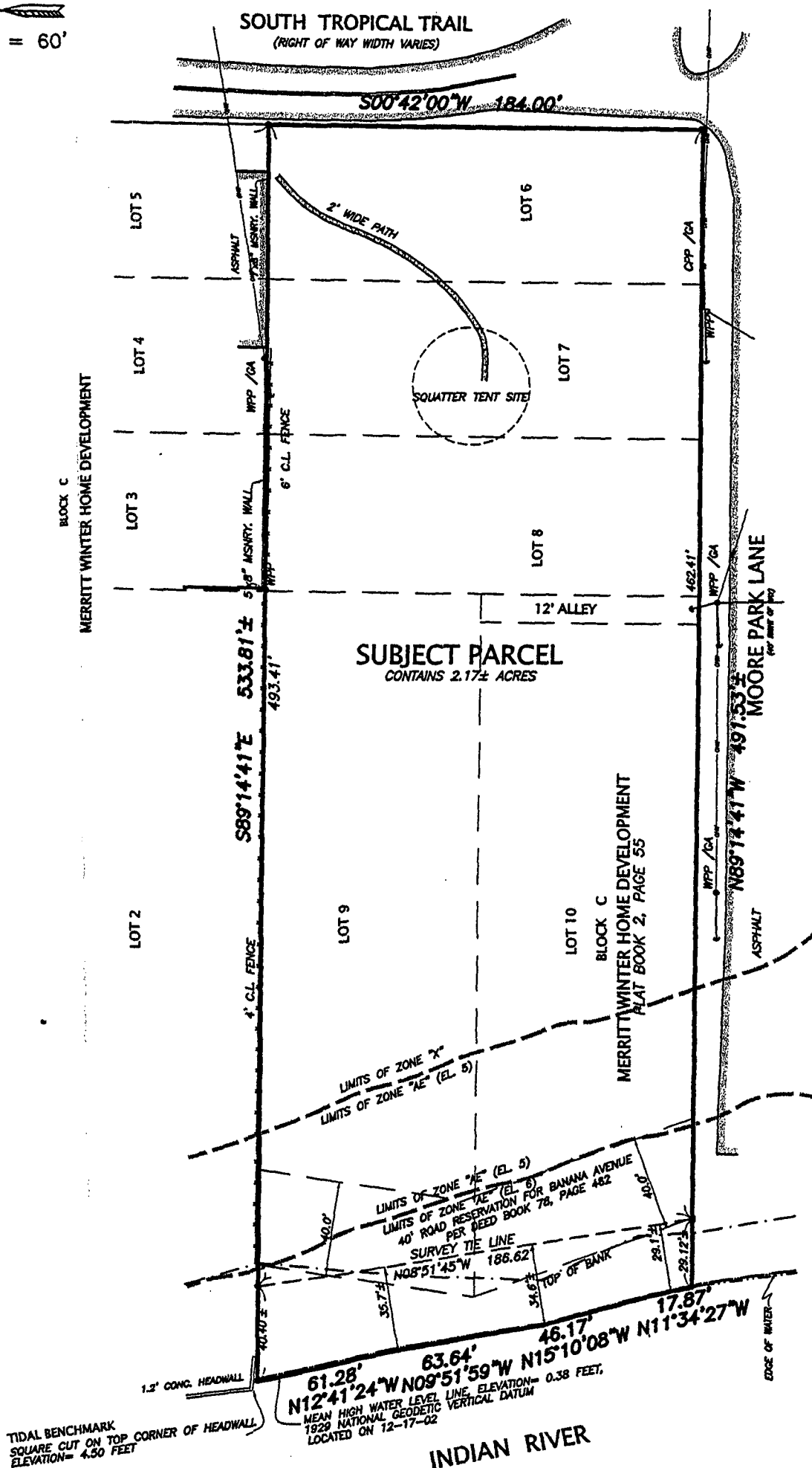


CFN:2004162769
OR Book/Page: 5303 / 3267

ANCHORAGE, A CONDOMINIUM

SKETCH OF BOUNDARY SURVEY

SCALE 1" = 60'



CFN:2004162769
OR Book/Page: 5303 / 3268

NOTES:

- SEE SHEET 2 FOR THE NOTES & LEGAL DESCRIPTION CONCERNING THE BOUNDARY SURVEY.

ALLEN ENGINEERING, INC.
106 DIXIE LANE
COCOA BEACH, FLORIDA
JANUARY 30, 2003

EXHIBIT "A"

SHEET 3 OF 16

ANCHBD.DWG

ANCHORAGE, A CONDOMINIUM

FIRST FLOOR PLAN

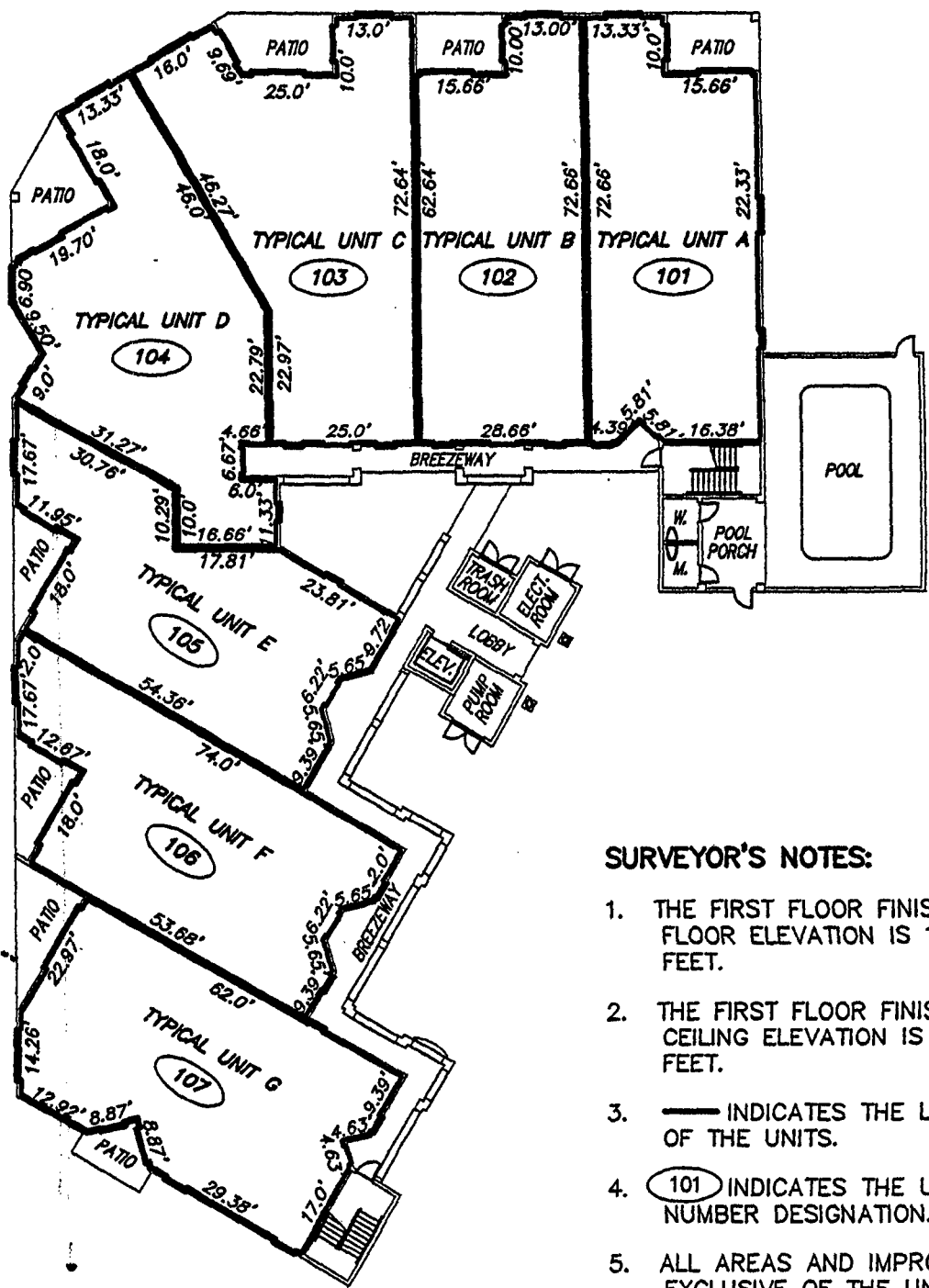


SCALE: 1"=30'



CFN:2004162769

OR Book/Page: 5303 / 3269



SURVEYOR'S NOTES:

1. THE FIRST FLOOR FINISHED FLOOR ELEVATION IS 12.50 FEET.
2. THE FIRST FLOOR FINISHED CEILING ELEVATION IS 22.50 FEET.
3. — INDICATES THE LIMITS OF THE UNITS.
4. (101) INDICATES THE UNIT NUMBER DESIGNATION.
5. ALL AREAS AND IMPROVEMENTS EXCLUSIVE OF THE UNITS ARE COMMON ELEMENTS OF THE CONDOMINIUM.
6. THE BALCONIES/PATIOS ARE COMMON ELEMENTS LIMITED FOR THE USE OF THE ADJACENT UNIT.
7. ALL IMPROVEMENTS SHOWN ARE PROPOSED.

ALLEN ENGINEERING, INC.
106 DIXIE LANE
COCOA BEACH, FLORIDA
JANUARY 30, 2003
REVISED MAY 16, 2003

EXHIBIT "A"

SHEET 4 OF 16

ANCHUP2.DWG

ANCHORAGE, A CONDOMINIUM

SECOND FLOOR PLAN

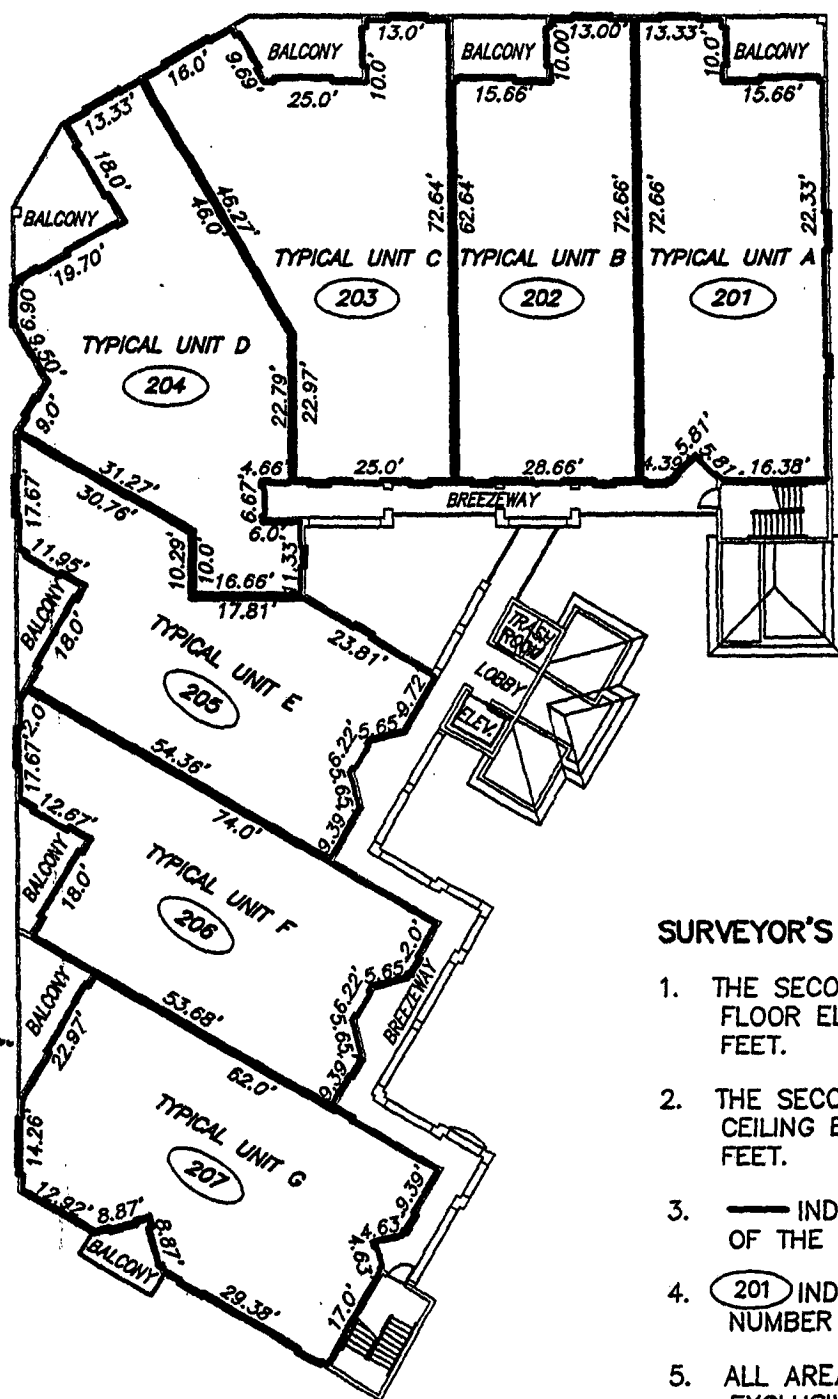


SCALE: 1"=30'



CFN:2004162769

OR Book/Page: 5303 / 3270



SURVEYOR'S NOTES:

1. THE SECOND FLOOR FINISHED FLOOR ELEVATION IS 23.17 FEET.
2. THE SECOND FLOOR FINISHED CEILING ELEVATION IS 33.17 FEET.
3. — INDICATES THE LIMITS OF THE UNITS.
4. (201) INDICATES THE UNIT NUMBER DESIGNATION.
5. ALL AREAS AND IMPROVEMENTS EXCLUSIVE OF THE UNITS ARE COMMON ELEMENTS OF THE CONDOMINIUM.
6. THE BALCONIES/PATIOS ARE COMMON ELEMENTS LIMITED FOR THE USE OF THE ADJACENT UNIT.
7. ALL IMPROVEMENTS SHOWN ARE PROPOSED.

ALLEN ENGINEERING, INC.
106 DIXIE LANE
COCOA BEACH, FLORIDA
JANUARY 30, 2003
REVISED MAY 16, 2003

EXHIBIT "A"

SHEET 5 OF 16

ANCHUPP2.DWG

ANCHORAGE, A CONDOMINIUM

THIRD FLOOR PLAN

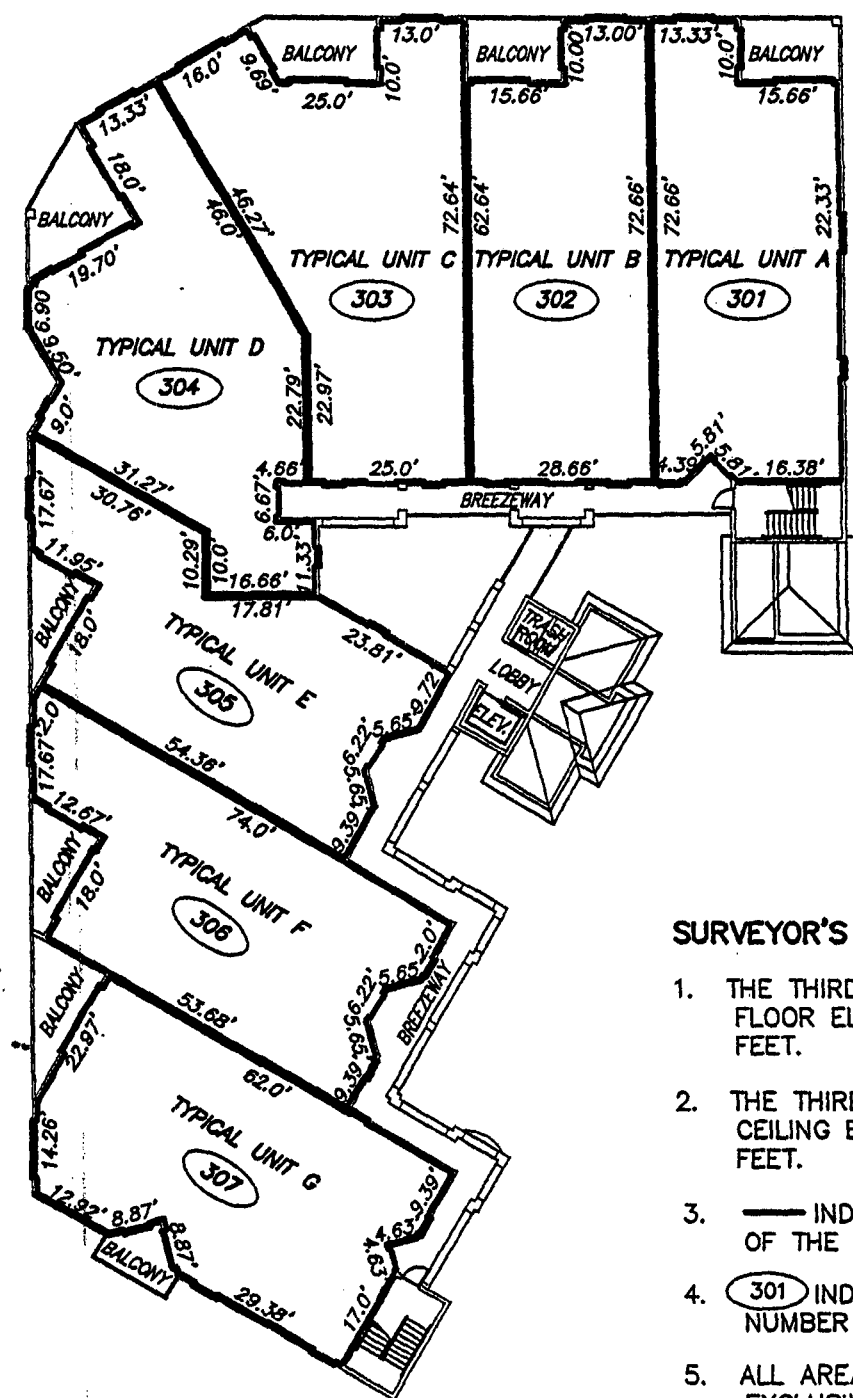


SCALE: 1"=30'



CFN:2004162769

OR Book/Page: 5303 / 3271



SURVEYOR'S NOTES:

1. THE THIRD FLOOR FINISHED FLOOR ELEVATION IS 33.84 FEET.
2. THE THIRD FLOOR FINISHED CEILING ELEVATION IS 43.84 FEET.
3. — INDICATES THE LIMITS OF THE UNITS.
4. (301) INDICATES THE UNIT NUMBER DESIGNATION.
5. ALL AREAS AND IMPROVEMENTS EXCLUSIVE OF THE UNITS ARE COMMON ELEMENTS OF THE CONDOMINIUM.
6. THE BALCONIES/PATIOS ARE COMMON ELEMENTS LIMITED FOR THE USE OF THE ADJACENT UNIT.
7. ALL IMPROVEMENTS SHOWN ARE PROPOSED.

ALLEN ENGINEERING, INC.
106 DIXIE LANE
COCOA BEACH, FLORIDA
JANUARY 30, 2003
REVISED MAY 16, 2003

EXHIBIT "A"

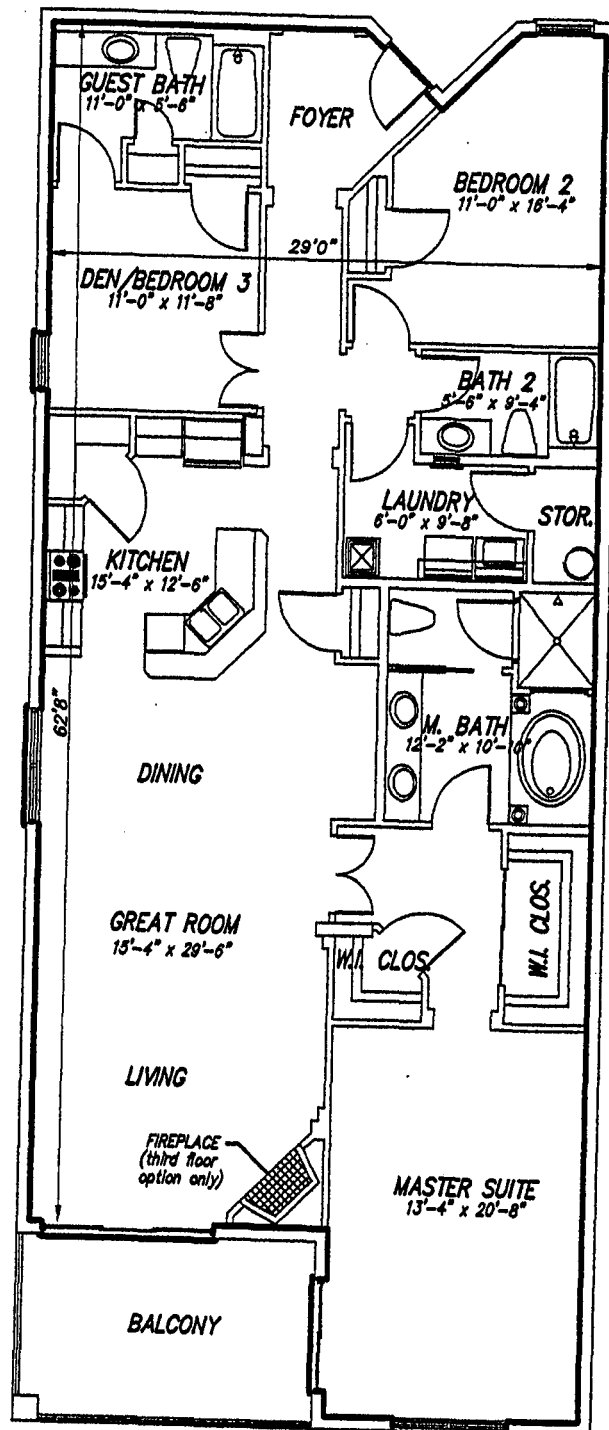
SHEET 6 OF 16

ANCHUP2.DWG

ANCHORAGE, A CONDOMINIUM

TYPICAL UNIT A

SCALE: 1"=10'



CFN:2004162769
OR Book/Page: 5303 / 3272

SURVEYOR'S NOTES:

1. ——— INDICATES THE LIMITS OF THE UNIT.
2. ALL AREAS AND IMPROVEMENTS EXCLUSIVE OF THE UNIT ARE COMMON ELEMENTS OF THE CONDOMINIUM.
3. THE BALCONY IS A COMMON ELEMENTS LIMITED TO THE USE OF THE ADJACENT UNIT.
4. THE UNIT PLAN SHOWN IS REPRESENTATIONAL. THE DIMENSIONS MAY VARY SLIGHTLY.
5. SOME UNITS MAY BE REVERSED OR A MIRROR IMAGE OF THE PLAN SHOWN.
6. REFER TO THE FLOOR PLAN ON SHEETS 4 THROUGH 6 FOR THE LOCATION OF THIS UNIT WITHIN THE BUILDING.
7. UNIT A CONTAINS 2,206 SQUARE FEET, THIS INFORMATION WAS OBTAINED FROM THE MARKETING BROCHURES.
8. ALL IMPROVEMENTS SHOWN ARE PROPOSED.

ALLEN ENGINEERING, INC.
106 DIXIE LANE
COCOA BEACH, FLORIDA
JANUARY 30, 2003
REVISED MARCH 3, 2003

EXHIBIT "A"

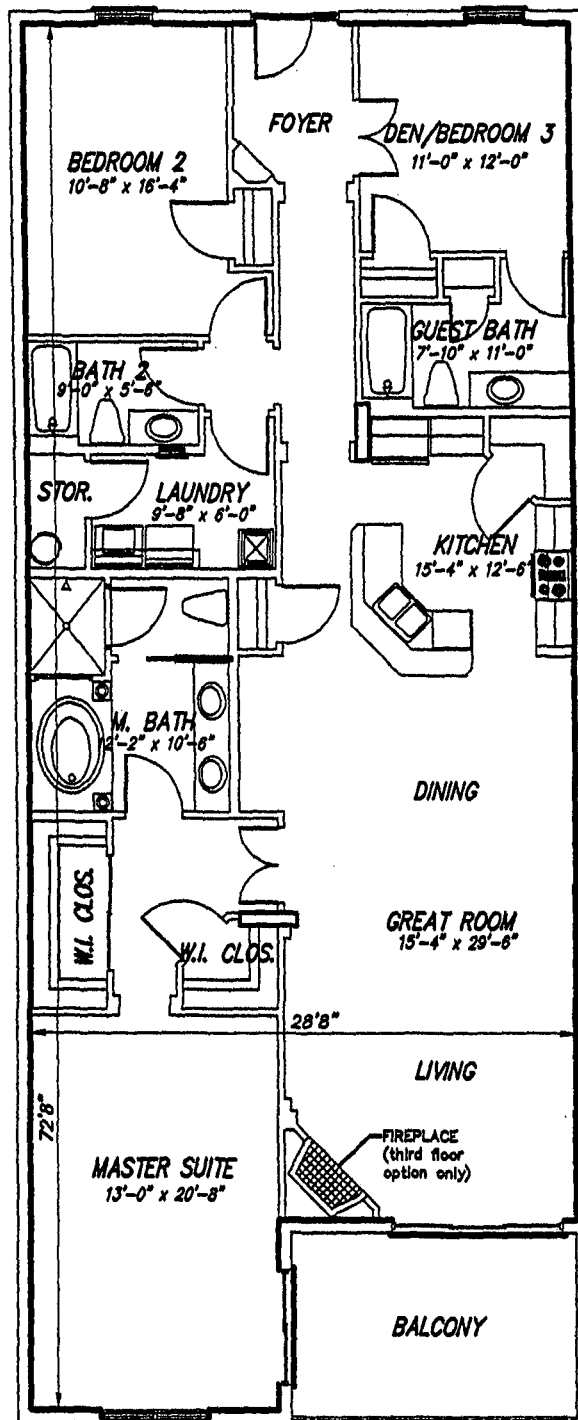
SHEET 7 OF 16

ANCHUNITA.DWG

ANCHORAGE, A CONDOMINIUM

TYPICAL UNIT B

SCALE: 1"=10'



CFN:2004162769
OR Book/Page: 5303 / 3273

SURVEYOR'S NOTES:

1. ——— INDICATES THE LIMITS OF THE UNIT.
2. ALL AREAS AND IMPROVEMENTS EXCLUSIVE OF THE UNIT ARE COMMON ELEMENTS OF THE CONDOMINIUM.
3. THE BALCONY IS A COMMON ELEMENTS LIMITED TO THE USE OF THE ADJACENT UNIT.
4. THE UNIT PLAN SHOWN IS REPRESENTATIONAL. THE DIMENSIONS MAY VARY SLIGHTLY.
5. SOME UNITS MAY BE REVERSED OR A MIRROR IMAGE OF THE PLAN SHOWN.
6. REFER TO THE FLOOR PLAN ON SHEETS 4 THROUGH 6 FOR THE LOCATION OF THIS UNIT WITHIN THE BUILDING.
7. UNIT B CONTAINS 2,170 SQUARE FEET, THIS INFORMATION WAS OBTAINED FROM THE MARKETING BROCHURES.
8. ALL IMPROVEMENTS SHOWN ARE PROPOSED.

ALLEN ENGINEERING, INC.
106 DIXIE LANE
COCOA BEACH, FLORIDA
JANUARY 30, 2003
REVISED MARCH 3, 2003

EXHIBIT "A"

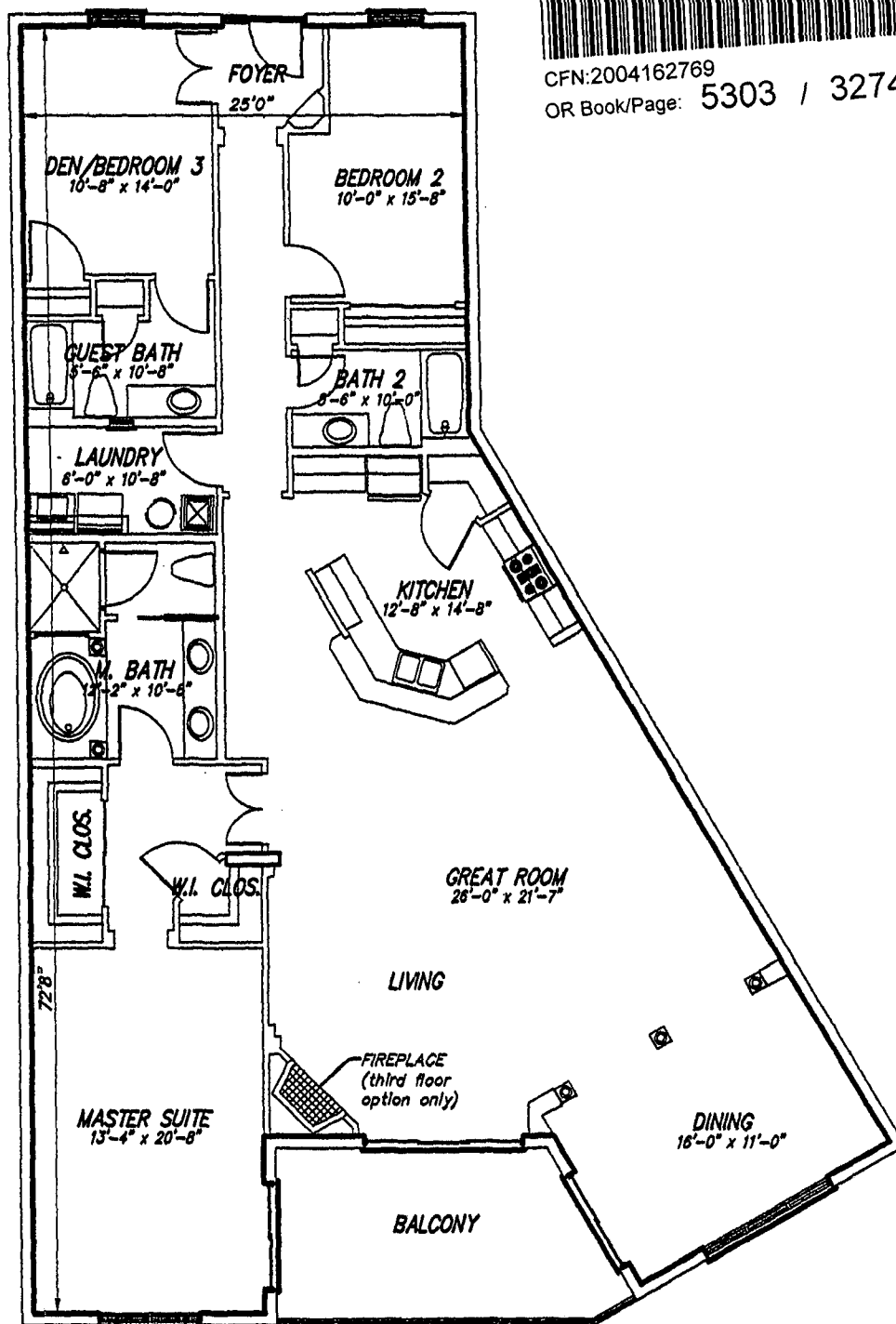
SHEET 8 OF 16

MEDITUNTA.DWG

ANCHORAGE, A CONDOMINIUM

TYPICAL UNIT C

SCALE: 1"=10'



CFN:2004162769

CFN:2004162769
OR Book/Page: 5303 / 3274

SURVEYOR'S NOTES:

1. INDICATES THE LIMITS OF THE UNIT.
2. ALL AREAS AND IMPROVEMENTS EXCLUSIVE OF THE UNIT ARE COMMON ELEMENTS OF THE CONDOMINIUM.
3. THE BALCONY IS A COMMON ELEMENTS LIMITED TO THE USE OF THE ADJACENT UNIT.
4. THE UNIT PLAN SHOWN IS REPRESENTATIONAL. THE DIMENSIONS MAY VARY SLIGHTLY.
5. SOME UNITS MAY BE REVERSED OR A MIRROR IMAGE OF THE PLAN SHOWN.
6. REFER TO THE FLOOR PLAN ON SHEETS 4 THROUGH 6 FOR THE LOCATION OF THIS UNIT WITHIN THE BUILDING.
7. UNIT C CONTAINS 2,522 SQUARE FEET, THIS INFORMATION WAS OBTAINED FROM THE MARKETING BROCHURES.
8. ALL IMPROVEMENTS SHOWN ARE PROPOSED.

ALLEN ENGINEERING, INC.
106 DIXIE LANE
COCOA BEACH, FLORIDA
JANUARY 30, 2003
REVISED MARCH 3, 2003

EXHIBIT "A"

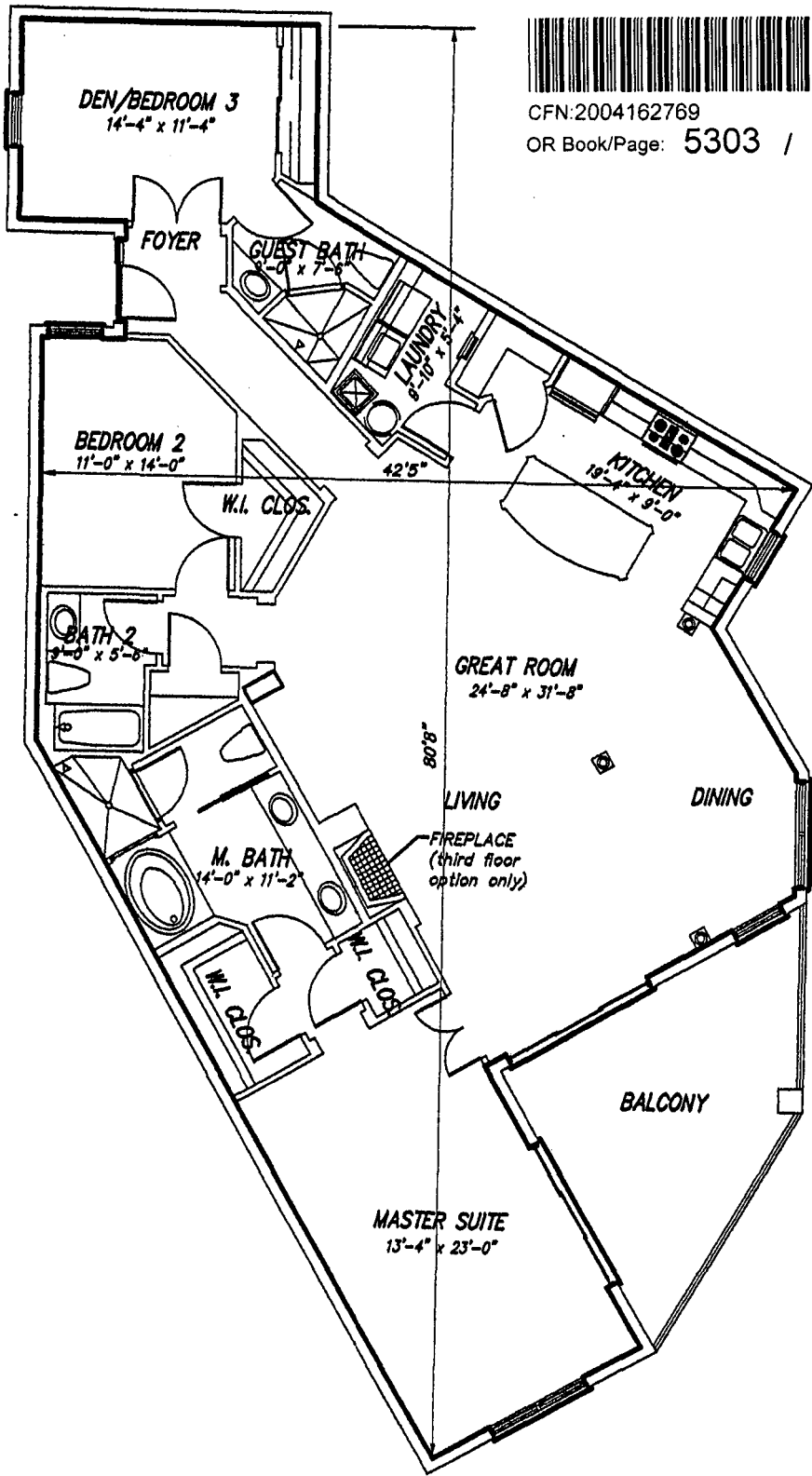
SHEET 9 OF 16

MEDITIANTA DWG

ANCHORAGE, A CONDOMINIUM

TYPICAL UNIT D

SCALE: 1"=10'



CFN:2004162769
OR Book/Page: 5303 / 3275

SURVEYOR'S NOTES:

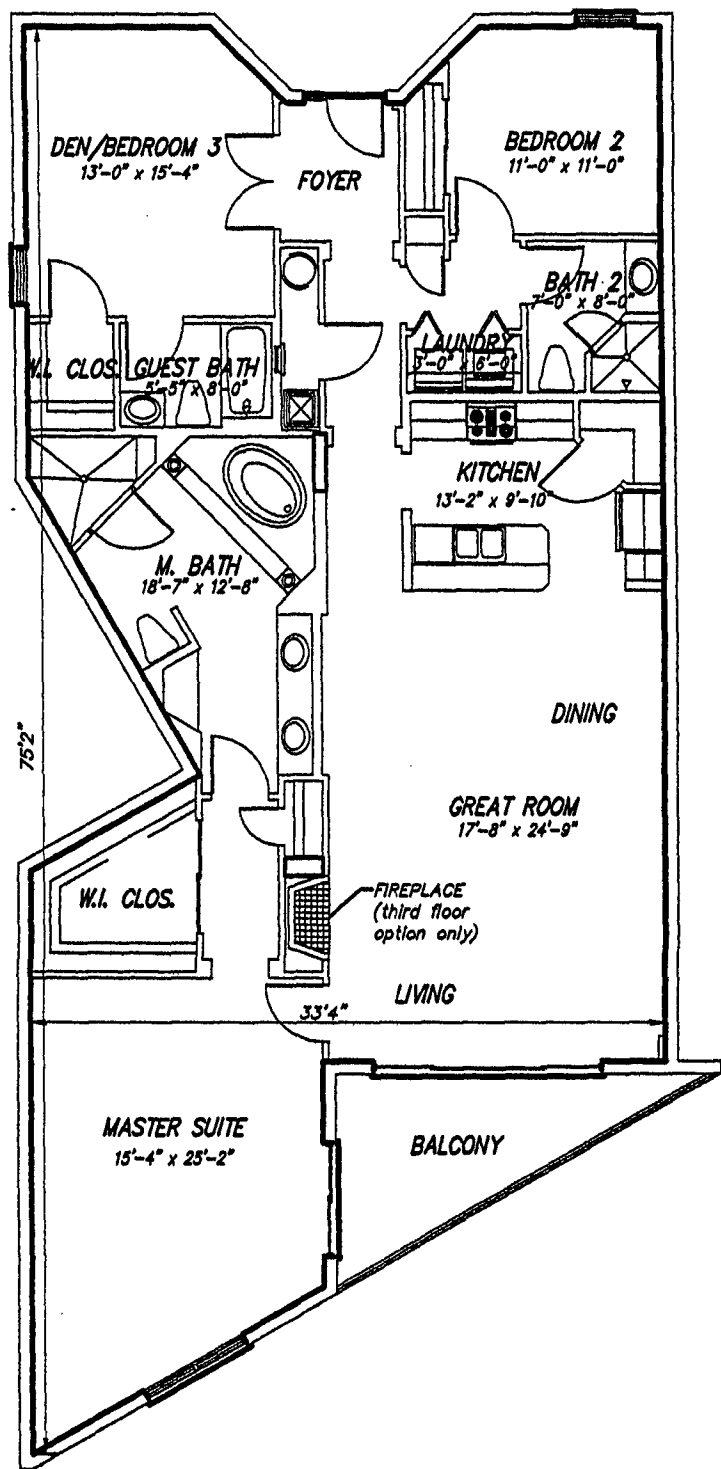
1. ——— INDICATES THE LIMITS OF THE UNIT.
2. ALL AREAS AND IMPROVEMENTS EXCLUSIVE OF THE UNIT ARE COMMON ELEMENTS OF THE CONDOMINIUM.
3. THE BALCONY IS A COMMON ELEMENTS LIMITED TO THE USE OF THE ADJACENT UNIT.
4. THE UNIT PLAN SHOWN IS REPRESENTATIONAL. THE DIMENSIONS MAY VARY SLIGHTLY.
5. SOME UNITS MAY BE REVERSED OR A MIRROR IMAGE OF THE PLAN SHOWN.
6. REFER TO THE FLOOR PLAN ON SHEETS 4 THROUGH 6 FOR THE LOCATION OF THIS UNIT WITHIN THE BUILDING.
7. UNIT D CONTAINS 2,401 SQUARE FEET, THIS INFORMATION WAS OBTAINED FROM THE MARKETING BROCHURES.
8. ALL IMPROVEMENTS SHOWN ARE PROPOSED.

ALLEN ENGINEERING, INC.
106 DIXIE LANE
COCOA BEACH, FLORIDA
JANUARY 30, 2003
REVISED MARCH 3, 2003

ANCHORAGE, A CONDOMINIUM

TYPICAL UNIT E

SCALE: 1"=10'



CFN: 2004162769
OR Book/Page: 5303 / 3276

SURVEYOR'S NOTES:

1. ——— INDICATES THE LIMITS OF THE UNIT.
2. ALL AREAS AND IMPROVEMENTS EXCLUSIVE OF THE UNIT ARE COMMON ELEMENTS OF THE CONDOMINIUM.
3. THE BALCONY IS A COMMON ELEMENTS LIMITED TO THE USE OF THE ADJACENT UNIT.
4. THE UNIT PLAN SHOWN IS REPRESENTATIONAL. THE DIMENSIONS MAY VARY SLIGHTLY.
5. SOME UNITS MAY BE REVERSED OR A MIRROR IMAGE OF THE PLAN SHOWN.
6. REFER TO THE FLOOR PLAN ON SHEETS 4 THROUGH 6 FOR THE LOCATION OF THIS UNIT WITHIN THE BUILDING.
7. UNIT E CONTAINS 2,160 SQUARE FEET, THIS INFORMATION WAS OBTAINED FROM THE MARKETING BROCHURES.
8. ALL IMPROVEMENTS SHOWN ARE PROPOSED.

ALLEN ENGINEERING, INC.
106 DIXIE LANE
COCOA BEACH, FLORIDA
JANUARY 30, 2003
REVISED MARCH 3, 2003

EXHIBIT "A"

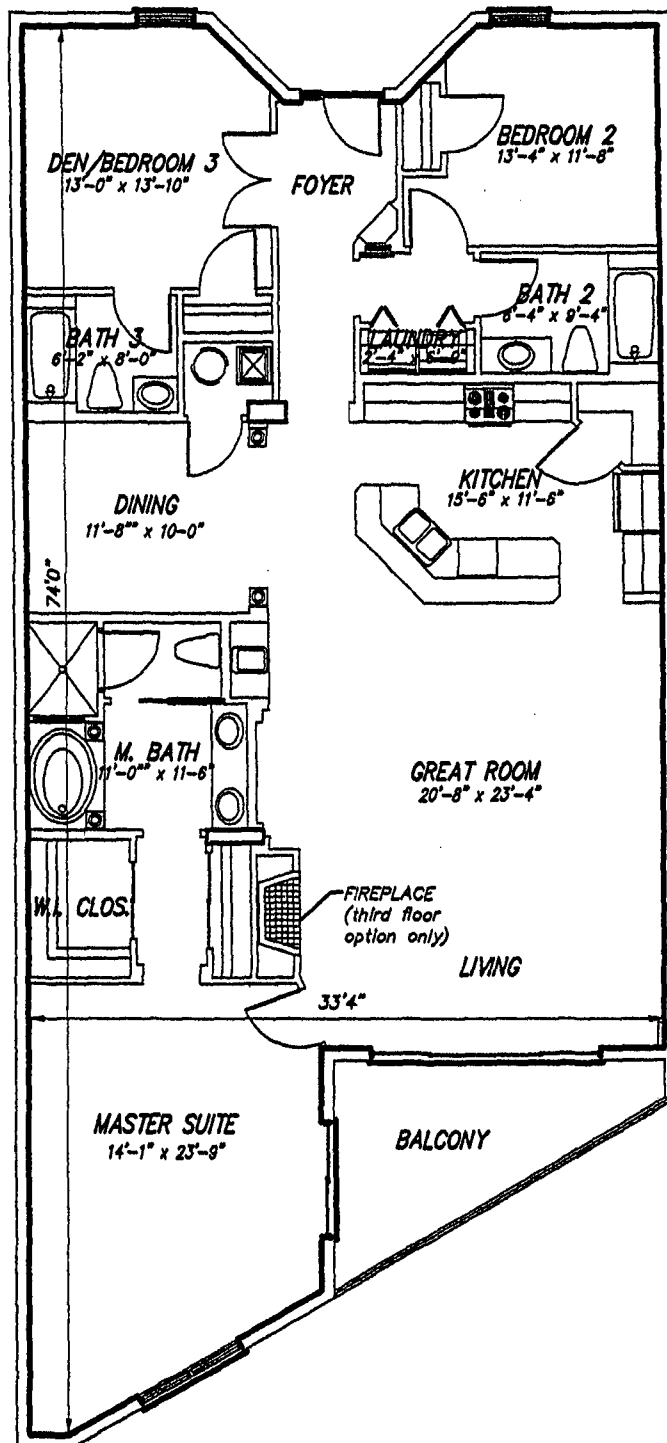
SHEET 11 OF 16

NEDITUNTAD.VWG

ANCHORAGE, A CONDOMINIUM

TYPICAL UNIT F

SCALE: 1"=10'



CFN:2004162769
OR Book/Page: 5303 / 3277

SURVEYOR'S NOTES:

1. ——— INDICATES THE LIMITS OF THE UNIT.
2. ALL AREAS AND IMPROVEMENTS EXCLUSIVE OF THE UNIT ARE COMMON ELEMENTS OF THE CONDOMINIUM.
3. THE BALCONY IS A COMMON ELEMENTS LIMITED TO THE USE OF THE ADJACENT UNIT.
4. THE UNIT PLAN SHOWN IS REPRESENTATIONAL. THE DIMENSIONS MAY VARY SLIGHTLY.
5. SOME UNITS MAY BE REVERSED OR A MIRROR IMAGE OF THE PLAN SHOWN.
6. REFER TO THE FLOOR PLAN ON SHEETS 4 THROUGH 6 FOR THE LOCATION OF THIS UNIT WITHIN THE BUILDING.
7. UNIT F CONTAINS 2,245 SQUARE FEET, THIS INFORMATION WAS OBTAINED FROM THE MARKETING BROCHURES.
8. ALL IMPROVEMENTS SHOWN ARE PROPOSED.

ALLEN ENGINEERING, INC.
106 DIXIE LANE
COCOA BEACH, FLORIDA
JANUARY 30, 2003
REVISED MARCH 3, 2003

EXHIBIT "A"

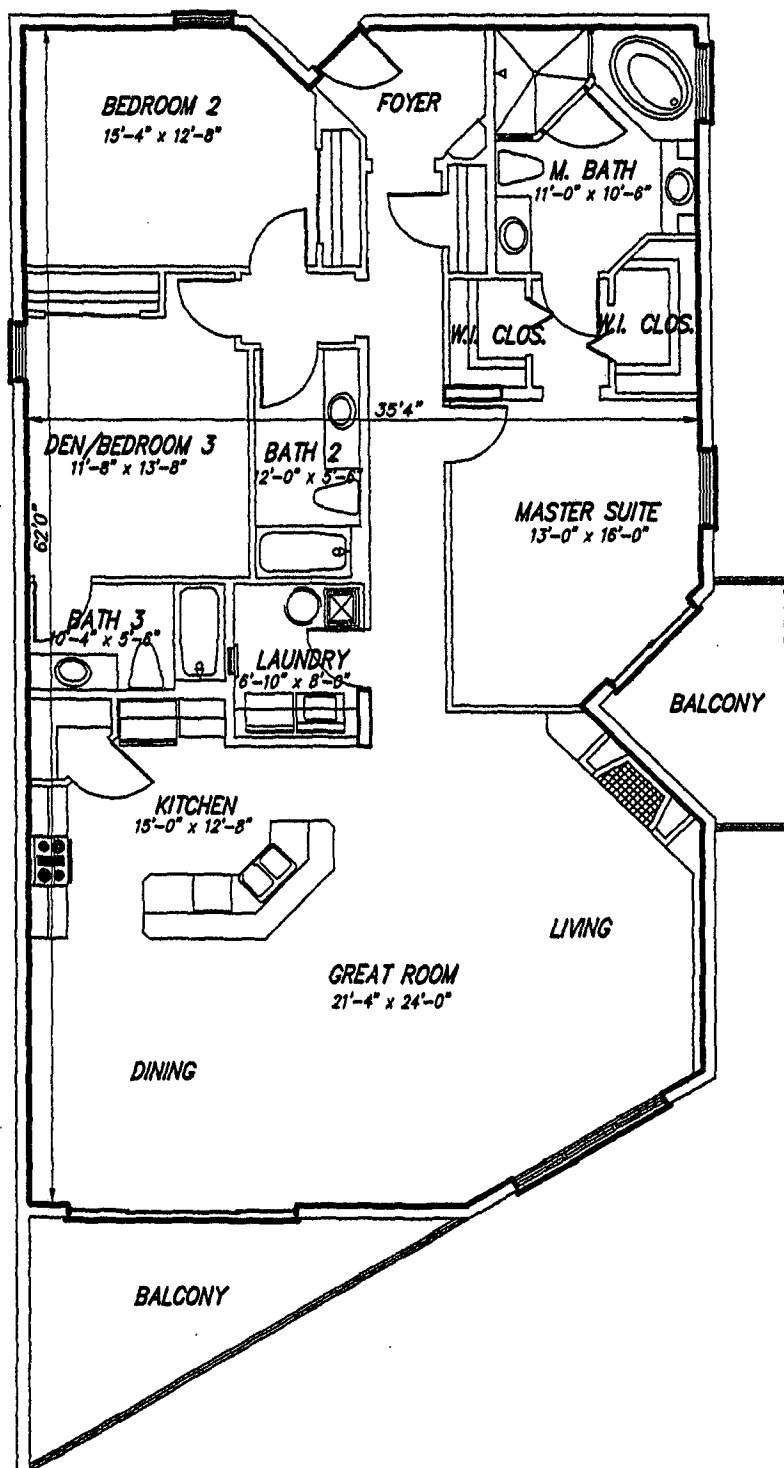
SHEET 12 OF 16

NEDTUNTA.DWG

ANCHORAGE, A CONDOMINIUM

TYPICAL UNIT G

SCALE: 1"=10'



CFN: 2004162769
OR Book/Page: 5303 / 3278

SURVEYOR'S NOTES:

1. ——— INDICATES THE LIMITS OF THE UNIT.
2. ALL AREAS AND IMPROVEMENTS EXCLUSIVE OF THE UNIT ARE COMMON ELEMENTS OF THE CONDOMINIUM.
3. THE BALCONY IS A COMMON ELEMENTS LIMITED TO THE USE OF THE ADJACENT UNIT.
4. THE UNIT PLAN SHOWN IS REPRESENTATIONAL. THE DIMENSIONS MAY VARY SLIGHTLY.
5. SOME UNITS MAY BE REVERSED OR A MIRROR IMAGE OF THE PLAN SHOWN.
6. REFER TO THE FLOOR PLAN ON SHEETS 4 THROUGH 6 FOR THE LOCATION OF THIS UNIT WITHIN THE BUILDING.
7. UNIT G CONTAINS 2,459 SQUARE FEET, THIS INFORMATION WAS OBTAINED FROM THE MARKETING BROCHURES.
8. ALL IMPROVEMENTS SHOWN ARE PROPOSED.

ALLEN ENGINEERING, INC.
106 DIXIE LANE
COCOA BEACH, FLORIDA
JANUARY 30, 2003
REVISED MARCH 3, 2003

EXHIBIT "A"

SHEET 13 OF 16

MEDITUNTA.DWG

ANCHORAGE, A CONDOMINIUM

GARAGE #1 FLOOR PLAN

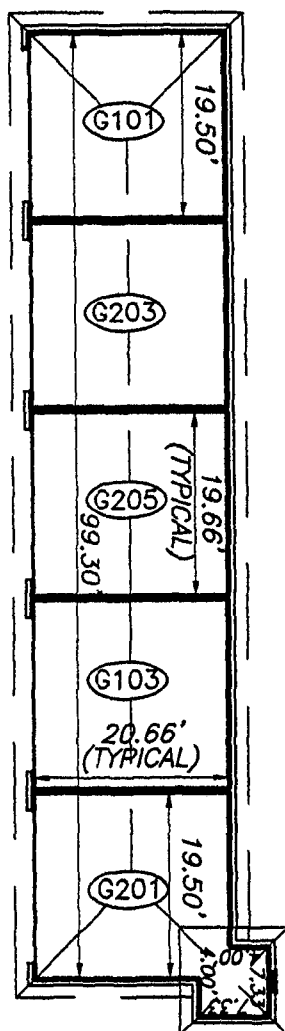


SCALE 1" = 20'



CFN:2004162769

OR Book/Page: 5303 / 3279



NOTES:

1. (G101) INDICATES THE SPACE NUMBER DESIGNATION.
2. THE PARKING GARAGE SPACES SHOWN ARE COMMON ELEMENTS OF THE CONDOMINIUM LIMITED TO THE USE OF CERTAIN UNITS, AS SET FORTH IN THE DECLARATION.
3. SEE SHEET 1 FOR THE LOCATION OF THIS GARAGE WITHIN THE GRAPHIC PLOT PLAN.
4. EACH GARAGE SPACE CONTAINS 2 PARKING SPACES.

ALLEN ENGINEERING, INC.
106 DIXIE LANE
COCOA BEACH, FLORIDA
JANUARY 30, 2003

EXHIBIT "A"

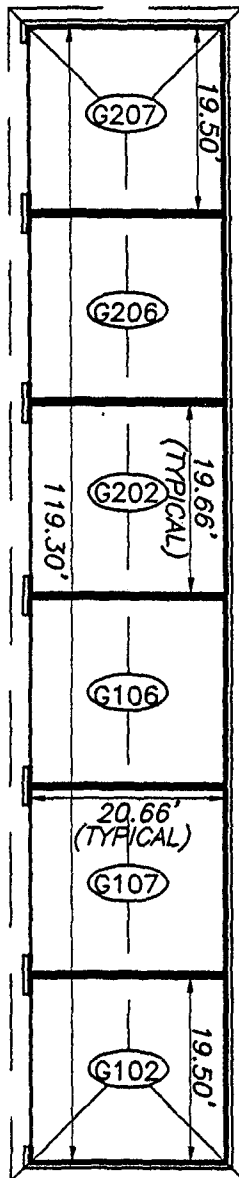
SHEET 14 OF 16

ANCHORAGE, A CONDOMINIUM

GARAGE #2 FLOOR PLAN



SCALE 1" = 20'



CFN:2004162769

OR Book/Page: 5303 / 3280

NOTES:

1. (G101) INDICATES THE SPACE NUMBER DESIGNATION.
2. THE PARKING GARAGE SPACES SHOWN ARE COMMON ELEMENTS OF THE CONDOMINIUM LIMITED TO THE USE OF CERTAIN UNITS, AS SET FORTH IN THE DECLARATION.
3. SEE SHEET 1 FOR THE LOCATION OF THIS GARAGE WITHIN THE GRAPHIC PLOT PLAN.
4. EACH GARAGE SPACE CONTAINS 2 PARKING SPACES.

ALLEN ENGINEERING, INC.
106 DIXIE LANE
COCOA BEACH, FLORIDA
JANUARY 30, 2003

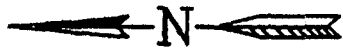
EXHIBIT "A"

SHEET 15 OF 16

ANCHGARAGES.DWG

ANCHORAGE, A CONDOMINIUM

GARAGE #3 FLOOR PLAN

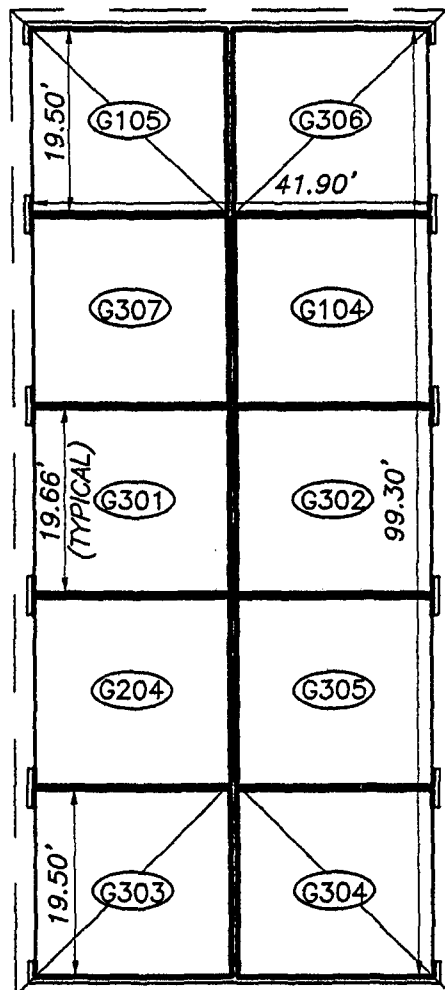


SCALE 1" = 20'



CFN:2004162769

OR Book/Page: 5303 / 3281



NOTES:

1. (G101) INDICATES THE SPACE NUMBER DESIGNATION.
2. THE PARKING GARAGE SPACES SHOWN ARE COMMON ELEMENTS OF THE CONDOMINIUM LIMITED TO THE USE OF CERTAIN UNITS, AS SET FORTH IN THE DECLARATION.
3. SEE SHEET 1 FOR THE LOCATION OF THIS GARAGE WITHIN THE GRAPHIC PLOT PLAN.
4. EACH GARAGE SPACE CONTAINS 2 PARKING SPACES.

ALLEN ENGINEERING, INC.
106 DIXIE LANE
COCOA BEACH, FLORIDA
JANUARY 30, 2003

EXHIBIT "A"

SHEET 16 OF 16

ANCHGARAGES.DWG



CFN:2004162769

OR Book/Page: 5303 / 3282

FLORIDA DEPARTMENT OF STATE

Glenda E. Hood
Secretary of State

May 19, 2004

ANCHORAGE CONDOMINIUM ASSOCIATION OF BREVARD, INC.
MOORE PARK LAND
MERRITT ISLAND, FL 32950

The Articles of Incorporation for ANCHORAGE CONDOMINIUM ASSOCIATION OF BREVARD, INC. were filed on May 18, 2004, and assigned document number N04000004945. Please refer to this number whenever corresponding with this office.

This document was electronically received and filed under FAX audit number H04000106349.

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

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

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

Sincerely,
Tim Burch
Document Specialist
New Filings Section
Division of Corporations

Letter Number: 604A00034904

Division of Corporations - P.O. BOX 6327 -Tallahassee, Florida 32314

EXHIBIT B
EXHIBIT 2 TO THE PROSPECTUS



CFN:2004162769

OR Book/Page: 5303 / 3283

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TO ARTICLES OF INCORPORATION

OF

ANCHORAGE CONDOMINIUM ASSOCIATION OF BREVARD, INC.

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EXHIBIT B
EXHIBIT 2 TO THE PROSPECTUS



CFN:2004162769

OR Book/Page: 5303 / 3284

ARTICLES OF INCORPORATION
OF
ANCHORAGE CONDOMINIUM ASSOCIATION OF BREVARD, INC.
(a corporation not for profit)

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

ARTICLE I

NAME

The name of the corporation shall be ANCHORAGE CONDOMINIUM ASSOCIATION OF BREVARD, INC. The corporation shall be hereinafter referred to as the "Association".

ARTICLE II

PURPOSE

The purposes and objects of the Association shall be to administer the operation and management of a condominium to be established by ANCHORAGE DEVELOPMENT, INC., a Florida corporation, hereinafter called Developer, the condominium complex to be established in accordance with the laws of the State of Florida upon the following described property, situate, lying and being in Brevard County, Florida, to-wit:

Lots 6 through 10, Block C, MERRITT WINTER HOME DEVELOPMENT, according to the plat thereof recorded in Plat Book 2, Page 55, of the Public Records of Brevard County, Florida. Together wit the 12-foot alley between said Lots 8 and 10 and those lands lying between said Lots 9 and 10 and the Indian River.

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

ARTICLE III

POWERS

The Association shall have the following powers:

A. All of the powers and duties granted to corporations and corporations not for profit as set forth in Chapters 607 and 617, Florida Statutes, except as expressly limited or restricted by the Florida Condominium Act, and all of the powers and privileges which may be granted unto said Association or exercised by it under any other applicable laws of the State of Florida.

B. All of the powers reasonably necessary to implement and effectuate the purposes of the Association, including, but not limited to:

1. To make and establish reasonable rules and regulations governing the use of condominium units and the common elements in the condominium as said terms may be defined in the Declaration of Condominium.



2. To levy and collect assessments against members of the Association to defray the common expenses of the condominium as may be provided in the Declaration of Condominium and in the By-Laws of the Association which may be hereafter adopted, including the right to levy and collect assessments for the purposes of acquiring, operating, leasing, and otherwise trading and dealing with such property, whether real or personal, including the units in the condominium, which may be necessary or convenient in the operation and management of the condominium and in accomplishing the purposes set forth in the Declaration of Condominium.

3. To maintain, repair, replace, operate and manage the condominium and the property comprising same, including the right to reconstruct improvements after casualty and to make further improvement of the condominium property.

4. To contract for the management and maintenance of the condominium and to authorize a management agent to assist the Association in carrying out its powers and duties by performing such functions as the collection of assessments, preparation of records, enforcement of rules and maintenance of the common elements. The Association shall, however, retain at all times the powers and duties granted them by the Condominium Act, including, but not limited to the making of assessments, promulgation of rules and execution of contracts on behalf of the Association.

5. To enforce the provisions of the Declaration of Condominium, these Articles of Incorporation, the By-Laws of the Association which may be hereafter adopted, and the rules and regulations governing the use of the condominium as the same may be hereafter established.

6. To acquire title to property or otherwise hold, convey, lease, and mortgage association property for the use and benefit of its members. The power to acquire personal property shall be exercised by the board of administration. Except as otherwise permitted in subsections (8) and (9) of Section 718.111, Florida Statutes, and in Section 718.114, Florida Statutes, no association may acquire, convey, lease, or mortgage association real property except in the manner provided in the declaration, and if the declaration does not specify the procedure, then approval of 75 percent of the total voting interests shall be required.

7. To exercise, undertake and accomplish all of the rights, duties and obligations which may be granted to or imposed upon the Association pursuant to the Declaration of Condominium.

8. The Association shall operate, maintain and manage the surface water or stormwater management system(s) in a manner consistent with the St. Johns River Water Management District permit requirements and applicable District rules, and shall assist in the enforcement of the Declaration of Condominium which relate to the surface water or stormwater management system.

9. The Association shall levy and collect adequate assessments against members of the Association for the costs of maintenance and operation of the surface water or stormwater management system.

ARTICLE IV

MEMBERS

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



A. The owners of all condominium units in the condominium shall be members of the Association, and no other persons or entities shall be entitled to membership, except as provided in item E of this Article IV.

B. Membership shall be established by the acquisition of fee title to a unit in the condominium or by acquisition of a fee ownership interest therein, whether by conveyance, devise, judicial decree or otherwise, and the membership of a party shall be automatically terminated upon his being divested of all title to or his entire fee ownership interest in all units in the condominium.

C. The interest of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner, except as an appurtenance to his condominium unit. The funds and assets of the Association shall belong solely to the Association, subject to the limitation that the same be expended, held or used for the benefit of the membership and for the purposes authorized herein, in the Declaration of Condominium, and in the said By-Laws.

D. On all matters on which the membership shall be entitled to vote, there shall be only one (1) vote for each unit in the condominium, which vote shall be exercised or cast by the owner or owners of each unit in such manner as may be provided in the By-Laws hereafter adopted. Should any member own more than one (1) unit, such member shall be entitled to exercise or cast as many votes as he owns units, in the manner provided in said By-Laws.

ARTICLE V

EXISTENCE AND DURATION

Existence of the Association shall commence with the filing of these Articles of Incorporation with the Secretary of State, Tallahassee, Florida. The Association shall exist in perpetuity.

ARTICLE VI

LOCATION

The principal office of the Association shall be located at _____ Moore Park Land, Merritt Island, Florida 32950, but the Association may maintain offices and transact business in such other places within or without the State of Florida as may from time to time be designated by the Board of Administration.

ARTICLE VII

DIRECTORS

The affairs of the Association shall be managed by the Board of Administration. The number of members of the Board of Administration of the Association shall be three (3). The members of the Board or Administration shall be elected as provided by the By-Laws of the Association. The Board of Administration shall be members of the Association or shall be authorized representatives, officers or employees of a corporate member of this Association. Notwithstanding the foregoing, the first election of directors will be held in accordance with Article VI of the Declaration of Condominium of ANCHORAGE, a Condominium. Any vacancies in the Board of Administration occurring before the first election will be filled by the remaining directors, unless the vacancy occurs when both the Developer and unit owners other than the Developer are entitled to representation in which event the vacancy shall be filled by an election as provided in Rule 61B.23.001(12) F.A.C. The first election of directors shall be held sixty (60) days from the date of recording of the Declaration of Condominium; thereafter, elections of directors shall be held once a year at the annual membership meeting.



The names and addresses of the members of the first Board of Administration who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

Howard Zetley
8870 N. Port Washington Road
Milwaukee, Wisconsin 53217

Alan Dolenshek
8870 N. Port Washington Road
Milwaukee, Wisconsin 53217

Mark Weiner
8870 N. Port Washington Road
Milwaukee, Wisconsin 53217

ARTICLE VIII

OFFICERS

The Board of Administration shall elect a President, a Secretary and a Treasurer and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board of Administration shall determine. The President shall be elected from among the membership of the Board of Administration but no other officer needs to be a director. The same person may hold two (2) offices, the duties of which are not incompatible; provided, however, that the office of the President and Vice President shall not be held by the same person, nor shall the office of President, Secretary or Assistant Secretary be held by the same person.

The affairs of the Association shall be administered by the officers designated in the By-Laws of the Association. Said officers will be elected by the Board of Administration at its first meeting following the annual meeting of the members of the Association and with the approval of the Board of Administration, may employ a managing agent and/or such other managerial and supervisory personnel or entities to administer or assist in the administration of the operation and management of the condominium, and the affairs of the Association, and any such person or entity may be so employed without regard to whether such person or entity is a member of the Association or a director of the Association.

The names and addresses of the officers who will serve until their successors are designated are as follows:

- | | |
|---------------------|--|
| President | Howard Zetley
8870 N. Port Washington Road
Milwaukee, Wisconsin 53217 |
| Vice President | Alan Dolenshek
8870 N. Port Washington Road
Milwaukee, Wisconsin 53217 |
| Secretary/Treasurer | Mark Weiner
8870 N. Port Washington Road
Milwaukee, Wisconsin 53217 |

ARTICLE IX

SUBSCRIBERS



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The names and addresses of the subscribers to these Articles on Incorporation are as follows:

CURTIS R. MOSLEY, Esquire

1221 East New Haven Avenue
Melbourne, FL 32901

ARTICLE X

BY-LAWS

The original By-Laws of the Association shall be adopted by the Board of Administration and thereafter, such By-Laws may be altered or rescinded by the Board of Administration only in such manner as said By-Laws may provide.

ARTICLE XI

INDEMNIFICATION

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

ARTICLE XII

AMENDMENTS

Any amendment or amendments to these Articles of Incorporation may be proposed by the Board of Administration of the Association acting upon a vote of the majority of the directors, or by the members of the Association owning a majority of the condominium units in the condominium, whether meeting as members or by instrument in writing signed by them. Upon any amendment or amendments to these Articles being proposed by said Board of Administration or members, such proposed amendment or amendments shall be transmitted to the President of the Association or other officer of the Association in the absence of the President, who shall thereupon call a special meeting of the members of the Association for a date not sooner than twenty (20) days nor later than sixty (60) days from the receipt by him of the proposed amendment or amendments, and it shall be the duty of the Secretary to give to each member written or printed notice of such meeting, stating the time and place of the meeting and reciting the proposed amendment or amendments in reasonably detailed form, which notice shall be mailed or presented personally to each member not less than ten (10) days nor more than thirty (30) days before the date set for such meeting. If mailed, the notice of the membership meeting shall be sent by certified mail, return receipt requested, which mailing shall be deemed notice. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver when filed in the records of the Association, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such member. At such meeting, the amendment or amendments proposed must be approved by an affirmative vote of the members owning a majority of the condominium units in the condominium in order for such amendment or amendments to become effective. Thereupon, such amendment or amendments of these articles shall be transcribed and certified in such form as may be necessary to register the same in the office of the Secretary of State of Florida; and upon the registration of such



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amendment or amendments with said Secretary of State, a certified copy thereof shall be recorded in the Public Records of Brevard County, Florida, within ten (10) days from the date on which the same are so registered. No amendment is valid until it is recorded in the Public Records. At any meeting held to consider such amendment or amendments of these articles, the written vote of any member of the Association shall be recognized, if such member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the Association at or prior to such meeting.

Notwithstanding the foregoing provisions of this Article XII, no amendment or amendments to these articles which shall abridge, amend or alter the right of the Developer to designate and select members of each Board of Administration of the Association, as provided in Article VII hereof, may be adopted or become effective without the prior consent of the Developer.

ARTICLE XIII

DISSOLUTION

In the event of termination, dissolution or final liquidation of the Association, the responsibility for the operation and maintenance of the surface water or stormwater management system must be transferred to and accepted by an entity which would comply with Section 40C-42.027, F.A.C., and be approved by the St. Johns River Water Management District prior to such termination, dissolution or liquidation.

IN WITNESS WHEREOF, the subscribers have hereunto set their hands and seals this 18 day of May, 2004.

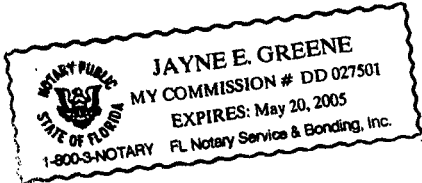
[Signature]
Curtis R. Mosley

STATE OF FLORIDA)
COUNTY OF BREVARD)

BEFORE ME, the undersigned authority, personally appeared CURTIS R. MOSLEY who being by me first duly sworn, acknowledged that he executed the foregoing Articles of Incorporation for the purposes therein expressed on this 18 day of May, 2004.

Personally Known

[Signature]
NOTARY PUBLIC
My Commission Expires:





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CERTIFICATE OF REGISTERED AGENT

Pursuant to Chapter 48.091, Florida Statutes, the following is submitted in compliance with said Act.

ANCHORAGE CONDOMINIUM ASSOCIATION OF BREVARD, INC., a corporation not for profit, desiring to organize under the laws of the State of Florida, with its principal office, as indicated in the Articles of Incorporation, in the City of Merritt Island, County of Brevard, State of Florida, has named CURTIS R. MOSLEY, ESQ., 1221 East New Haven Avenue, Melbourne, Florida 32901, as its agent to accept service of process for the above-stated corporation, at the place designated in this certificate, and he hereby accepts to act in this capacity and agrees to comply with the provisions of said Act relative to keeping open said office.

CURTIS R. MOSLEY



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TO BY-LAWS

OF

ANCHORAGE CONDOMINIUM ASSOCIATION OF BREVARD, INC.

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EXHIBIT 3 TO THE PROSPECTUS

EXHIBIT C



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BY-LAWSOFANCHORAGE CONDOMINIUM ASSOCIATION OF BREVARD, INC.1. IDENTITY

These are the By-Laws of the ANCHORAGE CONDOMINIUM ASSOCIATION OF BREVARD, INC., a corporation not for profit under the laws of the State of Florida, the Articles of Incorporation of which were filed in the office of the Secretary of State on the ____ day of ____, 200__ The ANCHORAGE CONDOMINIUM ASSOCIATION OF BREVARD, INC., hereinafter called the Association, has been organized for the purpose of administering the operation and management of ANCHORAGE, A CONDOMINIUM, a condominium project established or to be established in accordance with the Condominium Act of the State of Florida upon the following described property situate, lying and being in Brevard County, Florida, to-wit:

Lots 6 through 10, Block C, MERRITT WINTER HOME DEVELOPMENT, according to the plat thereof recorded in Plat Book 2, Page 55, of the Public Records of Brevard County, Florida. Together wit the 12-foot alley between said Lots 8 and 10 and those lands lying between said Lots 9 and 10 and the Indian River.

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

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

C. The mere acquisition or rental of any of the condominium units hereinafter referred to as "units" of the condominium or the mere act of occupancy of any said units will signify that these By-Laws, Charter provisions, and regulations in the Declaration are accepted, ratified and shall be complied with.

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

E. The seal of the Association shall bear the name of the Association, the word "Florida", the words "a corporation not for profit," and the year of the filing of the Articles an impression of which seal is as follows:

2. MEMBERSHIP, VOTING, QUORUM, PROXIES

A. The qualifications of members, the manner of their admission to membership and termination of such membership, and voting by members, shall be as set forth in Article IV of the Articles of Incorporation of the Association, the provisions of which Article IV of the Articles of Incorporation are incorporated herein by reference.

B. A quorum of membership meetings shall consist of persons entitled to cast a majority of the voting interests of the entire membership of the Association. The joining of a member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purpose of concurring, but not for the purpose of determining a quorum.



C. The vote of the owners of a condominium unit owned by more than one (1) person or by a corporation, partnership or other entity shall be cast by the person named in the voting certificate signed by all of the owners of the condominium unit filed with the Secretary of the Association, and such voting certificate shall be valid until revoked by a subsequent voting certificate. If such voting certificate is not on file or not produced at the meeting, the vote of such owners shall not be considered in determining the requirements for a quorum, nor for any other purpose.

D. Except as specifically otherwise provided herein, unit owners may not vote by general proxy, but may vote by limited proxies substantially conforming to a limited proxy form adopted by the Division of Land Sales, Condominiums and Mobile Homes. Limited proxies and general proxies may be used to establish a quorum. Limited proxies shall be used for votes taken to waive or reduce reserves in accordance with Florida Statutes, Section 718.112(2)(f)2.; for votes taken to amend the Declaration pursuant to Section 718.110, Florida Statutes; for votes taken to amend the Articles of Incorporation or By-Laws pursuant to Section 718.112, Florida Statutes; and for any other matter for which the Condominium Act requires or permits a vote of the unit owners. No proxy, limited or general, shall be used in the election of Board Members, except unit owners other than the Developer may vote by limited proxy to fill a vacancy on the Board previously occupied by a board member elected by unit owners other than the Developer. General proxies may be use for other matters for which limited proxies are not required, and may also be used in voting for nonsubstantive changes to items for which a limited proxy is required and given. Notwithstanding the provisions of this subparagraph, unit owners may vote in person at unit owner meetings. Any proxy given shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof. In no event shall any proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given. Every proxy is revocable at any time at the pleasure of the unit owner executing it.

E. Approval or disapproval of a condominium unit owner upon any matters, whether or not the subject of an Association meeting, shall be by the same person who would cast the vote of such owner if at an Association meeting.

F. Except where otherwise required under the provisions of the Articles of Incorporation of the Association, these By-Laws, the Declaration of Condominium, or where the same may otherwise be required by law, the affirmative vote of the owners of a majority of the voting interests represented at any duly called membership meeting at which a quorum is present shall be binding upon the members.

G. "Voting interest" means the voting rights distributed to the Association members pursuant to Section 718.104(4) (j), Florida Statutes.

3. ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP

A. The annual membership meeting shall be held in March on a date, time and place to be designated each year by the Board of Directors for the purpose of electing directors or transacting any other business authorized to be transacted by the members; electing directors and of transacting any other business authorized to be transacted by the members; provided, however, that if that day is a legal holiday, the meeting shall be held at the same hour on the succeeding Tuesday or at such other time and place as the Board of Administration shall select.

B. Special membership meetings shall be held whenever called by the President or by a majority of the Board of Administration, and must be called by officers upon receipt of a written request from members of the Association owning a majority of the voting interests of the membership. The notice of any special meeting shall state the time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths (4/5) of the votes present, either in person or by proxy. See paragraphs 6.F and 4.A of these By-laws for special meeting requirements and procedures for budget meetings and recall of board members.



Where a unit is owned by more than one person, the Association shall provide notice, for meetings and all other purposes, to that one address which the Developer initially identifies for that purpose and thereafter as one or more of the owners of the unit shall so advise the Association in writing, or if no address is given or the owners of the unit do not agree, to the address provided on the deed of record. An officer of the Association, or the manager or other person providing notice of the Association meeting, shall provide an Affidavit or United States Postal Service certificate of mailing, to be included in the official records of the Association affirming that the notice was mailed or hand delivered, in accordance with this provision, to each unit owner at the address last furnished to the Association.

C. Notice of all membership meetings, regular or special, shall be given by the President, Secretary or Treasurer of the Association, or other officer of the Association in the absence of said officers. Written notice, which notice must include an agenda, shall be mailed or hand delivered to each unit owner at least fourteen (14) days prior to the annual meeting and shall be posted in a conspicuous place on the condominium property at least fourteen (14) continuous days preceding the annual meeting. Upon notice to the unit owners, the board shall by duly adopted rule designate a specific location on the condominium property upon which all notices of unit owner meetings shall be posted. Unless a unit owner waives in writing the right to receive notice of the annual meeting by mail, the notice of the annual meeting shall be sent by mail to each unit owner. An officer of the Association shall provide an affidavit, to be included in the official records of the Association, affirming that notices of the Association meeting were mailed or hand-delivered in accordance with this provision, to each unit owner at the address last furnished to the Association. Any approval by unit owners called for by the Florida Condominium Act, or the applicable declaration or by-laws, including, but not limited to, the approval requirement in Section 718.111(8), Florida Statutes, shall be made at a duly noticed meeting of unit owners and shall be subject to all requirements of the Condominium Act or the applicable condominium documents relating to unit owner decision-making except that unit owners may take action by written agreement, without meetings, on matters for which action by written agreement without meetings is expressly allowed as set forth below in these By-Laws or any Florida Statute which provides for the unit owner action. Unit owners may waive notice of specific meetings as set forth below in these By-Laws, or any Florida Statute.

The Board of Administration shall be elected by written ballot or voting machine. Proxies shall in no event be used in electing the Board of Administration, either in general elections or elections to fill vacancies caused by recall, resignation, or otherwise unless otherwise provided in Chapter 718, Florida Statutes. Rule 61B-23.0026, Florida Administrative Code provides that only the Developer may vote in person or by limited proxy to fill a vacancy on the Board previously occupied by a Board Member elected or appointed by the Developer and that only unit owners other than a Developer may vote in person or by limited proxy to fill a vacancy on the Board previously occupied by a Board Member elected by unit owners other than the Developer. Not less than 60 days before a scheduled election, the Association shall mail or deliver, whether by separate Association mailing or included in another Association mailing or delivery including regularly published newsletters, to each unit owner entitled to vote, a first notice of the date of the election. Any unit owner or other eligible person desiring to be a candidate for the Board of Administration shall give written notice to the secretary of the Association not less than 40 days before a scheduled election together with the written notice and agenda, the Association shall mail or deliver a second notice of the election to all unit owners entitled to vote therein, together with a ballot which shall list all candidates. Upon request of a candidate, the Association shall include an information sheet, no larger than 8½ inches by 11 inches furnished by the candidate not less than 35 days before the election, to be included with the mailing of the ballot, with the costs of mailing and copying to be borne by the Association. The Association shall mail or deliver the second notice no less than fourteen (14) days and no more than thirty-four (34) days prior to the election. The division shall by rule establish voting procedures consistent with the Condominium Act, including rules providing for the secrecy of ballots. Elections shall be decided by a plurality of those ballots cast. There shall be no quorum requirement; however, at least 20 percent of the eligible voters must cast a ballot in order to have a valid election of members of the Board of Administration. No unit owner shall permit any other person to vote his ballot, and any such ballots improperly cast shall be deemed invalid. A unit owner who needs assistance in casting the ballot for the reasons stated in Section 101.051, Florida Statutes, may obtain assistance in casting the ballot. Any unit owner violating this



provision may be fined by the Association in accordance with Section 718.303, Florida Statutes. The regular election shall occur on the date of the annual meeting.

Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such member. If any membership meeting cannot be organized because the quorum has not attended, or because a greater percentage of the membership to constitute a quorum may be required as set forth in the Articles of Incorporation, these By-Laws or the Declaration of Condominium, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present. Adequate notice of all meetings, including adjourned meetings, shall be posted conspicuously on the condominium property at least 48 continuous hours in advance except in an emergency. Unit owners may waive notice of specific meetings and may take action by written agreement without meetings provided there is strict compliance with the percentage of voting interest required to make decisions and to constitute a quorum as provided in the Declaration of Condominium, By-Laws and Articles of Incorporation of this condominium.

D. At membership meetings, the President shall preside, or in his absence, the membership shall elect a chairman.

E. The order of business at annual membership meetings and, as far as practical at any other membership meetings, shall be:

- (1) Collection of Ballots
- (2) Calling of the roll and certifying of proxies.
- (3) Proof of notice of meeting or waiver of notice.
- (4) Reading of minutes.
- (5) Reports of officers.
- (6) Reports of committees.
- (7) Appointment of Chairman of Inspectors of Election.
- (8) Election of Directors.
- (9) Unfinished business.
- (1) New business.
- (11) Adjournment.

F. Meetings of the Association shall be held at the principal office of the project or such other suitable place convenient to the owners as may be designated by the Board of Administration.

G. Any approval by unit owners called for by The Florida Condominium Act or the applicable declaration or By-Laws, including, but not limited to, the approval requirement in 718.111(8), shall be made at a duly noticed meeting of unit owners and shall be subject to all requirements of this chapter or the applicable condominium documents relating to unit owner decision making, except that unit owners may take action by written agreement, without meetings, on matters for which action by written agreement without meetings is expressly allowed by the applicable By-Laws of declaration or any statute that provides for such action.

H. Unit owners may waive notice of specific meetings if allowed by the applicable By-Laws or declaration or any statute.

I. Unit owners shall have the right to participate in meetings of unit owners with reference to all designated agenda items. However, the Association may adopt reasonable rules governing the frequency, duration, and manner of unit owner participation.

(J) Any unit owner may tape record or videotape a meeting of the unit owners subject to any reasonable rules adopted by the division.

K. Unless otherwise provided in the By-Laws, any vacancy occurring on the Board before the expiration of a term may be filled by the affirmative vote of the majority of the remaining directors, even if the remaining directors constitute less than a quorum, or by the sole

remaining director. In the alternative, a Board may hold an election to fill the vacancy, in which case the election procedures must conform to the requirements of Section 718.112(2)(d)3, Florida Statutes, unless the Association has opted out of the statutory election process, in which case the By-Laws of the Association control. Unless otherwise provided in the By-Laws, a Board member appointed or elected under this section shall fill the vacancy for the unexpired term of the seat being filled. Filling vacancies created by recall is governed by Section 718.112(2)(j), Florida Statutes, and rules adopted by the division.

Notwithstanding Sections 718.112(2)(b) 2 and (d)3, Florida Statutes, an Association may, by the affirmative vote of a majority of the total voting interests, provide for different voting and election procedures in its By-Laws, which vote may be by a proxy specifically delineating the different voting and election procedures. The different voting and election procedures may provide for elections to be conducted by limited or general proxy.

4. BOARD OF ADMINISTRATION AND OFFICERS

A. The Board of Administration shall consist of three (3) directors. Each director elected at the first annual meeting of the membership thereafter shall serve for the term of one (1) year or until his successor is duly elected.

Subject to the provisions of §718.301, any member of the board of administration may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all the voting interests. A special meeting of the unit owners to recall a member or members of the board of administration may be called by 10 percent of the voting interest giving notice of the meeting as required for a meeting of unit owners, and the notice shall state the purpose of the meeting.

(1) If the recall is approved by a majority of all voting interests by a vote at a meeting, the recall will be effective as provided herein. The board shall duly notice and hold a board meeting within 5 full business days of the adjournment of the unit owner meeting to recall one or more board members. At the meeting, the board shall either certify the recall, in which case such member or members shall be recalled effective immediately and shall turn over to the board within 5 full business days any and all records and property of the association in their possession, or shall proceed as set forth in subparagraph (3).

(2) If the proposed recall is by an agreement in writing by a majority of all voting interests, the agreement in writing or a copy thereof shall be served on the association by certified mail or by personal service in the manner authorized by Chapter 48 and the Florida Rules of Civil Procedure. The board of administration shall duly notice and hold a meeting of the board within 5 full business days after receipt of the agreement in writing. At the meeting, the board shall either certify the written agreement to recall a member or members of the board, in which case such member or members shall be recalled effective immediately and shall turn over to the board within 5 full business days any and all records and property of the association in their possession, or proceed as described in subparagraph (3).

(3) If the board determines not to certify the written agreement to recall a member or members of the board, or does not certify the recall by a vote at a meeting, the board shall, within 5 full business days after the meeting, file with the division a petition for arbitration pursuant to the procedure in §718.1255. For the purposes of this section, the unit owners who voted at the meeting or who executed the agreement in writing shall constitute one party under the petition for arbitration. If the arbitrator certifies the recall as to any member or members of the board, the recall will be effective upon mailing of the final order of arbitration to the association. If the association fails to comply with the order of the arbitrator, the division may take action pursuant to §718.501. Any member or members so recalled shall deliver to the board any and all records of the association in their possession within 5 full business days of the effective date of the recall.

(4) If the board fails to duly notice and hold a board meeting within 5 full business days of service of an agreement in writing or within 5 full business days of the



adjournment of the unit owner recall meeting, the recall shall be deemed effective and the board members so recalled shall immediately turn over to the board any and all records and property of the association.

(5) If a vacancy occurs on the board as a result of a recall and less than a majority of the board members are removed, the vacancy may be filled by the affirmative vote of a majority of the remaining directors, notwithstanding any provision to the contrary contained in this subsection. If vacancies occur on the board as a result of a recall and a majority or more of the board members are removed, the vacancies shall be filled in accordance with procedural rules to be adopted by the division, which rules need not be consistent with Section 718.112(2)(j), Florida Statutes. The rules must be provided procedures governing the conduct of the recall election as well as the operation of the association during the period after a recall but prior to the recall election.

The Developer is entitled to elect or appoint at least one (1) member of the Board of Administration of the Association as long as the Developer holds for sale in the ordinary course of business five (5%) percent of the units in the condominium operated by the Association.

B. Election of directors shall be conducted in the following manner:

(1) Each member of the Board of Administration shall be elected by a plurality of the votes cast at the annual meeting of the members of the Association.

(2) Vacancies in the Board of Administration may be filled until the date of the next annual meeting by the majority vote of the remaining directors unless the vacancy occurs when both the Developer and unit owners other than the Developer are entitled to representation in which event the vacancy shall be filled by an election as provided in rule 61B-23.0026, Florida Administrative Code.

C. The organizational meeting of a newly elected Board of Administration shall be held within ten (10) days of their election, at such time and such place as shall be fixed by the directors at the meeting at which they were elected, and notice of the organizational meeting shall be conspicuously posted on the condominium property at least 48 continuous hours in advance.

D. The officers of the Association shall be elected annually by the Board of Administration. Any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Administration, or any special meeting of the Board called for such purpose.

E. Regular meetings of the Board of Administration may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings shall be given to each director, personally or by mail, telephone or telegram at least ten (10) days prior to the day named for such meeting, unless notice is waived. These meetings shall be open to all unit owners and notice of the meeting shall be posted conspicuously on the condominium property forty-eight (48) continuous hours in advance, except in an emergency. Notice of any meeting where assessments against unit owners are to be considered for any reason, shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

F. Special meetings of the directors may be called by the President, and must be called by the Secretary at the written request of any directors. Not less than three (3) days notice of a meeting shall be given to each director, personally or by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting. Notice to unit owners shall be given in accordance with subparagraph E above.

G. Any director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a director at any meeting of the board shall be a waiver of notice by him of the time and place thereof. If all directors are



present at any meeting of the board, no notice shall be required and any business may be transacted at such meeting. Notice to unit owners shall be given in accordance with subparagraph E above.

A director of the Association who is present at a meeting of its board at which action is taken on any corporate matter shall be presumed to have assented to the action taken, unless he votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest. Directors may not vote by proxy or by secret ballot at Board Meetings. A vote or abstention for each member present shall be recorded in the minutes.

H. A quorum of a directors' meeting shall consist of the directors entitled to cast a majority of the votes of the entire board. The acts of the board approved by a majority of the votes present at the meeting at which a quorum is present shall constitute the act of the Board of Directors, except as specifically otherwise provided in the Articles of Incorporation, these By-Laws or the Declaration of Condominium. If any directors' meeting cannot be organized because a quorum has not attended, or because the greater percentage has not attended, whenever the latter percentage of attendance may be required, the directors who are present may adjourn the meeting from time to time until a quorum or the required percentage attendance, if greater than a quorum, is present. Meetings of the Board of Administration and any committee thereof at which a quorum of the members of that committee are present shall be open to all unit owners. Any unit owner may tape record or videotape meetings of the Board of Administration. The right to attend such meetings includes the right to speak at such meetings with reference to all designated agenda items. The Division of Florida Land Sales, Condominiums and Mobile Homes shall adopt reasonable rules governing the tape recording and videotaping of the meeting. The Association may adopt reasonable rules governing the frequency, duration, and manner of unit owner statements. Adequate notice of all meetings, which notice shall specifically incorporate an identification of agenda items, shall be posted conspicuously on the condominium property at least 48 continuous hours preceding the meeting except in an emergency. However, written notice of any meeting at which nonemergency special assessments, or at which amendment to rules regarding unit use will be proposed, discussed, or approved, shall be mailed or delivered to the unit owners and posted conspicuously on the condominium property not less than 14 continuous days prior to the meeting. Evidence of compliance with this 14-day notice shall be made by an affidavit executed by the secretary and filed among the official records of the Association. Upon notice to the unit owners, the Board shall by duly adopted rule designate a specific location on the condominium property upon which all notices of Board meetings shall be posted. Notice of any meeting in which regular assessments against unit owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments. At any adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted. A member of the board of administration or a committee may submit in writing his or her agreement or disagreement with any action taken at a meeting that the Member did not attend. The agreement or disagreement may not be used as a vote for or against the action taken and may not be used for the purposes of creating a quorum.

I. The presiding officer of directors' meetings shall be the President. In the absence of the President, the Vice President shall preside.

J. The directors' fees, if any, shall be determined by the members.

K. The operation of the condominium shall be by the Association. The Board of Administration shall exercise those powers and duties permitted by the common law and statutes, the Articles of Incorporation of the Association, these By-Laws and the Declaration of Condominium. Such powers and duties shall be exercised in accordance with the Articles of Incorporation, these By-Laws and the Declaration of Condominium, and shall include, without limiting the generality of the foregoing, the following:

(1) To make, levy and collect assessments against members and members' units to defray the costs of the condominium, and to use the proceeds of said assessments in the exercise of the powers and duties granted unto the Association. Assessments shall be made against units annually.



(2) The maintenance, repair, replacement, operation and management of the condominium wherever the same is required to be done and accomplished by the Association for the benefit of its members.

(3) The reconstruction of improvements after casualty, and further improvement of the property, real and personal.

(4) To make and amend regulations governing the use of the property, real and personal, and the common elements of the condominium, so long as such regulations or amendments thereto do not conflict with the restrictions and limitations which may be placed upon the use of such property under the terms of the Declaration of Condominium.

(5) To acquire, operate, lease, manage and otherwise trade and deal with property, real and personal, including condominium units in the condominium, as may be necessary or convenient in the operation and management of the condominium, and in accomplishing the purposes set forth in the Declaration of Condominium.

(6) To contract for the maintenance and management of the condominium and to authorize the management agent to assist the Association in carrying out its powers and duties by performing such functions as the collection of assessments, preparation of the records, enforcement of rules, and maintenance of the common elements. The Association shall, however, retain at all times the powers and duties granted them by the Condominium Act, including, but not limited to, the making of assessments, promulgation of rules, and execution of contracts on behalf of the Association.

(7) To enforce by legal means the provisions of the Articles of Incorporation and By-Laws of the Association, the Declaration of Condominium and any regulations hereinafter promulgated governing use of the property in the condominium.

(8) To pay all assessments and taxes which are liens against any part of the condominium other than condominium units and the appurtenances thereto.

(9) To carry insurance for the protection of the members and the Association against casualty and liability.

(a) The Association shall use its best efforts to obtain and maintain adequate insurance to protect the Association property, the common elements, and the Condominium property required to be insured by the Association pursuant to paragraph (b). The Association shall use its best efforts to obtain and maintain liability insurance for directors and officers at a reasonable cost, insurance for the benefit of Association employees, and flood insurance for common elements, Association property, and units. An association or group of associations may self-insure against claims against the Association, the Association property, and the Condominium property required to be insured by an association, upon compliance with Florida Statute Sections 624.460-624.488. A copy of each policy of insurance in effect shall be made available for inspection by unit owners at reasonable times.

(b) All hazard policies issued to protect condominium buildings shall provide that the word "building" wherever used in the policy shall include, but shall not necessarily be limited to, fixtures, installation or additions comprising that part of the building within the unfinished interior surfaces of the perimeter walls, floors and ceiling of the individual units initially installed or replacements thereof, or like kind or quality in accordance with the original plans and specifications or as existed at the time the unit was initially conveyed if the original plans and specifications are not available. However, the word "building" shall not include unit floor coverings, wall coverings or ceiling coverings, and does not include the following equipment if it is located within a unit and the unit owner is required to repair or replace such equipment; electrical fixtures, appliances, air conditioner or heating equipment, water



heaters, or built-in cabinets. With respect to the coverage provided for by this paragraph, the unit owners shall be considered additional insureds under the policy.

(10) To pay all costs of power, water, sewer and other utility services rendered to the condominium and not billed to the owners of the separate condominium units.

(11) To employ personnel to perform the services required for proper administration of the Association.

(12) To approve leases, subleases or other transfers of a unit other than sales or mortgage of a unit and to charge a fee for such approval. Any such fee may be preset, but in no event shall exceed fifty (\$50.00) dollars. However, if the lease or sublease is a renewal of a lease or sublease with the same lessee or sublessee, no charge shall be made.

(13) Internal disputes arising from the operation of the condominium among unit owners, associations, and their agents and assigns shall be submitted to mandatory nonbinding arbitration as provided for in Section 718.1255, Florida Statutes.

(14) A certificate of compliance from a licensed electrical contractor or electrician may be accepted by the Board as evidence of compliance of the Condominium units to the applicable Fire and Life Safety Code.

(15) To levy fines against the unit owners, occupants, licensee or invitees for failure to abide by any provision of the Declaration, these By-Laws or rules of the Association. The following procedure shall be followed prior to the Association levying any fine:

(a) The unit owner and, if applicable, the occupant, licensee or invitee against whom the fine is sought to be levied shall be afforded an opportunity for hearing before a committee of not less than three other unit owners, none of whom shall be a director, after reasonable notice of not less than fourteen (14) days and said notice shall include:

(1) A statement of the date, time and place of hearing;

(2) A statement of the provisions of the declaration, association bylaws, or association rules which have allegedly been violated; and

(3) A short and plain statement of the matters asserted by the Association.

(b) The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Association.

(c) No fine shall become a lien against a unit. No fine may exceed \$100 per violation. However, a fine may be levied on the basis of each day of a continuing violation with a single notice and opportunity for hearing, provided that no such fine in the aggregate shall exceed \$1,000. If the committee does not agree with the fine, then the fine may not be levied. The provisions of this subsection do not apply to unoccupied units.

L. The undertakings and contracts authorized by the said first Board of Administration shall be binding upon the Association in the same manner as though such undertakings and contracts had been authorized by the first Board of Administration duly elected by the membership, provided any such undertakings and contracts shall be fair and reasonable and may be canceled by Unit Owners other than the Developer as provided in Section 718.302(1), Florida Statutes.



5. OFFICERS

A. The principal officers of the Association shall be a President, a Secretary and a Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board of Administration may deem necessary.

B. The President shall be the chief officer of the Association. He shall preside at all meetings of the Association and of the Board of Administration. He shall have all of the general powers and duties which are usually vested in the office of president of an association, including, but not limited to, the power to appoint committees from among the owners, from time to time as he may in his discretion decide is appropriate, to assist in the conduct of the affairs of the Association.

C. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Administration shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon by the Board of Administration.

D. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and service of all notices of the members and Directors, and such other notices required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep records of the Association, its administration and salaries.

E. The Treasurer shall have custody of all property of the Association, including funds, securities, and evidence of indebtedness. He shall keep the books of the Association in accordance with good accounting practices.

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

6. FISCAL MANAGEMENT

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

A. The Association shall maintain accounting records for each condominium it manages in the county where the condominium is located, according to good accounting practices. The records shall be open for inspection by unit owners or their authorized representatives at reasonable times and written summaries of them shall be supplied at least annually to unit owners or their authorized representatives. The records shall include, but are not limited to:

(1) A record of all receipts and expenditures.

(2) An account for each unit designating the name and current address of the unit owner, the amount of each assessment, the date on which the assessments come due, the amount paid upon the account and the balance due.

B. The Board of Administration shall adopt a budget for each fiscal year which shall contain estimates of the cost of performing the functions of the Association, including but not limited to the common expense budget, which shall include, without limiting the generality of the foregoing, the estimated amounts necessary for maintenance, and operation of common elements and limited common elements, landscaping, street and walkways, office expense, utility services, replacement and operating reserve, casualty insurance, liability insurance, administration and salaries. The Board



of Administration shall also establish the proposed assessment against each member as more fully provided in the Declaration of Condominium. Delivery of a copy of any budget to each member shall not affect the liability of any member for any such assessment, nor shall delivery of a copy of such budget or amended budget be considered as a condition precedent to the effectiveness of said budget originally adopted if it shall appear to be insufficient to pay costs and expenses of operation and management, or in the event of emergencies.

The proposed annual budget of common expenses shall be detailed and shall show the amounts budgeted by accounts and expense classifications, including, if applicable, but not limited to, those expenses listed in Section 718.504(21), Florida Statutes. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but are not limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement costs, and for any other item for which the deferred maintenance expense or replacement costs exceeds \$10,000. The amount to be reserved shall be computed by means of a formula which is based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense of each reserve item. The association may adjust replacement reserve assessments annually to take into account any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance. This subsection does not apply to budgets in which the members of an association have, by a majority vote at a duly called meeting of the association, determined for a fiscal year to provide no reserves or reserves less adequate than required by this subsection. However, prior to turnover of control of an association by a developer to unit owners other than a developer pursuant to §718.301, the developer may vote to waive the reserves or reduce the funding of reserves for the first 2 years of the operation of the association, after which time reserves may only be waived or reduced upon the vote of a majority of all nondeveloper voting interests voting in person or by limited proxy at a duly called meeting of the association. If a meeting of the unit owners has been called to determine to provide no reserves or reserves less adequate than required, and such result is not attained or a quorum is not attained, the reserves as included in the budget shall go into effect.

Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts and shall be used only for authorized reserve expenditures, unless their use for other purposes is approved in advance by a majority vote at a duly called meeting of the Association.

C. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by check signed by such person or persons as are authorized by the Directors.

D. A review of the accounts of the Association shall be made annually by an accountant, and a copy of the report shall be furnished to each member not later than May 1 of the year following the year for which the report is made.

E. The Association shall obtain and maintain adequate insurance or fidelity bonding of all persons who control or disburse funds of the Association in the principal sum required by Section 718.111.(11)(d), Florida Statutes for each person. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the Association or its management agent at any one time. As used in this paragraph the term "persons who control or disburse funds of the association" includes, but is not limited to, those individuals authorized to sign checks and the president, secretary, and treasurer of the association. The Association shall bear the cost of bonding.

F. Any meeting at which a proposed annual budget of an Association will be considered by the Board or unit owners shall be open to all unit owners. At least 14 days prior to such a meeting, the Board shall hand deliver to each unit owner, or mail to each unit owner at the address last furnished to the Association by the unit owner, a notice of such meeting and a copy of the proposed annual budget. An officer or manager of the Association, or other person providing notice of such meeting, shall execute an affidavit evidencing compliance with such notice requirement and such affidavit shall be filed among the official records of the Association.



If the Board adopts in any fiscal year an annual budget which requires assessments against unit owners which exceed 115 percent of assessments for the preceding fiscal year, the Board shall conduct a special meeting of the unit owners to consider a substitute budget if the Board receives, within 21 days after adoption of the annual budget, a written request for a special meeting from at least 10 percent of all voting interest. The special meeting shall be conducted within 60 days after adoption of the annual budget. At least 14 days prior to such special meeting, the Board shall hand deliver to each unit owner, or mail to each unit owner at the address last furnished to the Association, a notice of the meeting. An officer or manager of the Association, or other person providing notice of such meeting shall execute an affidavit evidencing compliance with this notice requirement and such affidavit shall be filed among the official records of the Association. Unit owners may consider and adopt a substitute budget at the special meeting. A substitute budget is adopted if approved by a majority of all voting interests unless the By-Laws require adoption by a greater percentage of voting interests. If there is not a quorum at the special meeting or a substitute budget is not adopted, the annual budget previously adopted by the Board shall take effect as scheduled.

Any determination of whether assessments exceed 115 percent of assessments for the prior fiscal year shall exclude any authorized provision for reasonable reserves for repair or replacement of the condominium property, anticipated expenses of the Association which the Board does not expect to be incurred on a regular or annual basis, or assessments for betterments to the condominium property.

If the developer controls the Board, assessments shall not exceed 115 percent of assessments for the prior fiscal year unless approved by a majority of all voting interests.

G. FINANCIAL REPORTING. Within 90 days after the end of the fiscal year, or annually on a date on or before May 1, the association shall prepare and complete, or cause to be prepared and completed by a third party, a financial report for the preceding fiscal year. On or before May 1 each year after the financial report is completed or received by the association from the third party, the association shall mail to each unit owner at the address last furnished to the association by the unit owner, or hand deliver to each unit owner, a copy of the financial report or a notice that a copy of the financial report will be mailed or hand delivered to the unit owner, without charge, upon receipt of a written request from the unit owner. The division shall adopt rules setting forth uniform accounting principles and standards to be used by all association and shall adopt rules addressing financial reporting requirements for multicondominium associations. In adopting such rules, the division shall consider the number of members and annual revenues of an association. Financial reports shall be prepared as follows:

(a) An Association that meets the criteria of this paragraph shall prepare or cause to be prepared a complete set of financial statements in accordance with generally accepted accounting principles. The financial statements shall be based upon the Association's total annual revenues, as follows:

(1) An Association with total annual revenues of \$100,000 or more, but less than \$200,000, shall prepare compiled financial statements.

(2) An Association with total annual revenues of at least \$200,000, but less than \$400,000, shall prepare reviewed financial statements.

(3) An Association with total annual revenues of \$400,000 or more shall prepare audited financial statements.

(4) An Association with total annual revenues of less than \$100,000 shall prepare a report of cash receipts and expenditures.

(5) An Association which operates less than 50 units, regardless of the Association's annual revenues, shall prepare a report of cash receipts and expenditures in lieu of financial statements required by paragraph (a).



(b) A report of cash receipts and disbursements must disclose the amount of receipts by accounts and receipt classifications and the amount of expenses by accounts and expense classifications, including, but not limited to, the following, as applicable: costs for security, professional and management fees and expenses, taxes, costs for recreation facilities, expenses for refuse collection and utility services, expenses for lawn care, costs for building maintenance and repair, insurance costs, administration and salary expenses, and reserves accumulated and expended for capital expenditures deferred maintenance, and any other category for which the Association maintains reserves.

(c) An Association may prepare or cause to be prepared, without a meeting of or approval by the unit owners:

(1) Compiled, reviewed, or audited financial statements, if the Association is required to prepare a report of cash receipts and expenditures;

(2) Reviewed or audited financial statements, if the Association is required to prepare compiled financial statements; or

(3) Audited financial statements if the Association is required to prepare reviewed financial statements.

(d) If approved by a majority of the voting interests present at a properly called meeting of the Association, an Association may prepare or cause to be prepared:

(1) A report of cash receipts and expenditures in lieu of a compiled, reviewed, or audited financial statement;

(2) A report of cash receipts and expenditures or a compiled financial statement in lieu of a reviewed or audited financial statement; or

(3) A report of cash receipts and expenditures, a compiled financial statement, or a reviewed financial statement in lieu of an audited financial statement.

Such meeting and approval must occur prior to the end of the fiscal year and is effective only for the fiscal year in which the vote is taken. With respect to an Association to which the developer has not turned over control of the Association, all unit owners, including the developer, may vote on issues related to the preparation of financial reports for the first 2 fiscal years of the Association's operation, beginning with the fiscal year in which the declaration is recorded. Thereafter, all unit owners except the developer may vote on such issues until control is turned over to the Association by the developer.

7. PARLIAMENTARY RULES

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

8. AMENDMENTS TO BY-LAWS

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

A. Amendments to these By-Laws may be proposed by the Board of Administration of the Association acting upon vote of a majority of the Directors, or by ten (10%) percent of the voting interests of the Association, whether meeting as members or by instrument in writing signed by them.

B. Upon any amendment or amendments to these By-Laws being proposed by said Board of Administration or members, such proposed amendment or amendments shall be transmitted to



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

C. In order for such amendment or amendments to become effective, the same must be approved by an affirmative vote of a majority of the entire membership of the Board of Administration and by an affirmative vote of the members owning a majority of the voting interests in the condominium. No By-Law shall be revised or amended by reference to its title or number only. Proposals to amend existing By-Laws shall contain the full text of the By-Laws to be amended; new words shall be inserted in the text and 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 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 By-Law. See By-Law . . . for present text." Thereupon, such amendment or amendments to these By-Laws shall be transcribed, certified by the President and Secretary of the Association, and a copy thereof shall be recorded in the Public Records of Brevard County, Florida, within ten (10) days from the date on which any amendment or amendments have been affirmatively approved by the Directors and members. No amendment to the By-Laws is valid unless recorded with identification on the first page thereof of the book and page of the Public Records of Brevard County, Florida. Non-material errors or omissions in the by-law process shall not invalidate an otherwise properly promulgated amendment.

D. At any meeting held to consider such amendment or amendments to the By-Laws, the written vote of any member of the Association shall not be recognized if such member is not in attendance at such meeting or represented thereat by proxy.

9. OFFICIAL RECORDS OF THE ASSOCIATION. Records of the Association shall be maintained as follows:

A. From the inception of the Association, the Association shall maintain each of the following items, when applicable, which shall constitute the official records of the Association:

(1) A copy of the plans, permits, warranties, and other items provided by the Developer pursuant to Section 718.301(4), Florida Statutes.

(2) A photocopy of the recorded Declaration of Condominium of each condominium operated by the Association and of each amendment to each declaration.

(3) A photocopy of the recorded By-Laws of the Association and of each amendment to the By-Laws.

(4) A certified copy of the Articles of Incorporation of the Association, or other documents creating the Association, and of each amendment thereto.

(5) A copy of the current rules of the Association.

(6) A book or books which contain the minutes of all meetings of the Association, of the Board of Directors, and of unit owners, which minutes shall be retained for a period of not less than 7 years.

(7) A current roster of all unit owners and their mailing addresses, unit identifications, voting certifications, and, if known, telephone numbers.



(8) All current insurance policies of the Association and Condominiums operated by the Association.

(9) A current copy of any management agreement, lease, or other contract to which the Association is a party or under which the Association or the unit owners have an obligation or responsibility.

(10) Bills of sale or transfer for all property owned by the Association.

(11) Accounting records for the Association and separate accounting records for each condominium which the Association operates, according to good accounting practices. All accounting records shall be maintained for a period of not less than 7 years. The accounting records shall include, but not be limited to:

(a) Accurate, itemized, and detailed records of all receipts and expenditures.

(b) A current account and a monthly, bimonthly, or quarterly statement of the account for each unit designating the name of the unit owner, the due date and amount of each assessment, the amount paid upon the account, and the balance due.

(c) All audits, reviews, accounting statements, and financial reports of the Association or condominium.

(d) All contracts for work to be performed. Bids for work to be performed shall also be considered official records and shall be maintained for a period of 1 year.

(12) Ballots, sign-in-sheets, voting proxies, and all other papers relating to elections, which shall be maintained for a period of 1 year from the date of the meeting to which the document relates.

(13) All rental records, when the Association is acting as agent for the rental of condominium units.

(14) A copy of the current Question and Answer Sheet as described by Section 718.504, Florida Statutes.

(15) All other records of the Association not specifically included in the foregoing which are related to the operation of the Association.

B. The official records of the Association shall be maintained within the State of Florida. The records of the Association shall be made available to a unit owner within 5 working days after receipt of written request by the Board or its Designee.

C. The official records of the Association are open to inspection by any Association Member or the authorized representative of such member at all reasonable times. The right to inspect the records includes the right to make or obtain copies, at the reasonable expense, if any, of the Association Member. The Association may adopt reasonable rules regarding the frequency, time, location, notice, and manner of record inspections and copying. The failure of an Association to provide the records within 10 working days after receipt of a written request shall create a rebuttable presumption that the Association willfully failed to comply with this paragraph. A unit owner who is denied access to official records is entitled to the actual damages or minimum damages for the Association's willful failure to comply with this paragraph. The minimum damages shall be \$50.00 per calendar day up to 10 days, the calculation to commence on the 11th working day after receipt of the written request. The failure to permit inspection of the Association records as provided herein entitles any person prevailing in an enforcement action to recover reasonable attorney's fees from the person in control of the records who, directly or indirectly, knowingly denied access to the records for inspection for inspection. The Association shall maintain an adequate number of copies of the



Declaration, Articles of Incorporation, By-Laws, and Rules, and all amendments to each of the foregoing, as well as the Question and Answer Sheet provided for in Section 718.504, Florida Statutes and year end financial information required in Section 718.111(13), on the condominium property to ensure their availability to unit owners and prospective purchasers, and may charge its actual costs for preparing and furnishing these documents to those requesting the same. Notwithstanding the provisions of this paragraph, the following records shall not be accessible to unit owners:

1. Any record protected by the lawyer-client privilege as described in s. 90.502, and any record protected by the work-product privilege including any record prepared by an Association attorney or prepared at the attorney's express direction, which reflects a mental impression, conclusion, litigation strategy, or legal theory of the attorney or the Association, and which was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings, or which was prepared in anticipation of imminent civil or criminal litigation or imminent adversarial administrative proceeding until the conclusion of the litigation or adversarial administrative proceedings.
2. Information obtained by an Association in connection with the approval of the lease, sale, or other transfer of a unit.
3. Medical records of unit owners.

D. The Association shall prepare a Question and Answer Sheet as described in Section 718.504, Florida Statutes, and shall update it annually.

E. COMMINGLING. All funds collected by an Association shall be maintained separately in the Association's name. For investment purposes only, reserve funds may be commingled with operating funds of the Association. Commingled operating and reserve funds shall be accounted for separately and a commingled account shall not, at any time, be less than the amount identified as reserve funds. This subsection does not prohibit a multicondominium Association from commingling the operating funds of separate condominiums or the reserve funds of separate condominiums. Furthermore, for investment purposes only, a multicondominium Association may commingle the operating funds of separate condominiums with the reserve funds of separate condominiums. A manager or business entity required to be licensed or registered under s.468.432, or an agent, employee, officer, or director of an Association, shall not commingle any Association funds with his or her funds or with the funds of any other condominium Association or the funds of a community Association as defined in s.468.431.

THE UNDERSIGNED, being the Secretary of ANCHORAGE CONDOMINIUM ASSOCIATION OF BREVARD, INC., a corporation not for profit under the laws of the State of Florida, does hereby certify that the foregoing By-Laws were adopted as the By-Laws of said Association at a meeting held for such purpose on the _____ day of _____, 200__.

SECRETARY



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