

EMERALD GREEN SECTION TWO  
A CONDOMINIUM

DECLARATION OF CONDOMINIUM

70-122627

I

SUBMISSION STATEMENT

HOLLYWOOD, INC., a Florida corporation, being the owner of record of the fee simple title to the following described real property, situate, lying and being in Broward County, Florida, to-wit:

A portion of Block 39, "HOLLYWOOD HILLS NORTH SECTION ONE", according to plat thereof recorded in Plat Book 66, page 20, of the public records of Broward County, Florida, being more particularly described as follows:

From the northernmost corner of said Block 39, run S.37°45' 30"W. along the west line of Block 39 a distance of 50 feet to a point of curvature; thence, southwesterly along said west line on a curve to the right having a radius of 330 feet and a central angle of 13°51'41" an arc of 111.41 feet to a point of tangency; thence, S.51°36'41" along said west line 137 feet to the point of beginning; thence, continue S.51°36'41"W. along said west line 215.54 feet; thence, South 25.83 feet; thence, East 8.67 feet; thence, South 75.94 feet; thence, East 14.33 feet; thence, South 13.83 feet; thence, East 35.34 feet; thence, South 128.50 feet; thence, East 36.12 feet; thence, South 51.67 feet; thence, East 38.66 feet; thence, South 61.67 feet; thence, West 13.83 feet; thence, South 16.33 feet; thence, West 28.83 feet; thence, South 12.33 feet; thence, East 28.83 feet; thence, South 8.67 feet; thence, S.51°36'44"E. 39.38 feet; thence, N.38°23'16"E. along the east line of said Block 39 a distance of 243.56 feet; thence, N.36°52'12"E. along said east line 146.00 feet; thence, N.53°07'48"W. 89.00 feet; thence, N.36°52'12"E. 108.12 feet; thence, N.45°00'00"W. 222.35 feet; thence, S.51°36'41"W. 94.50 feet; thence, N.38°23'19"W. 96.50 feet to the point of beginning; excepting therefrom the following described parcel:

From the northernmost corner of said Block 39, run S.52°15'00"E. along the north line of Block 39 a distance of 172.74 feet; thence, S.41°30'00"W. 304.67 feet to the point of beginning; thence, continue S.41°30'00"W. 101.08 feet to a point of curvature; thence, westerly along a curve to the right having a radius of 15 feet and a central angle of 63°30'00" an arc distance of 16.62 feet to a point of tangency; thence, N.75°00'00"W. 23.95 feet to a point of curvature; thence, northwesterly along a curve to the right having a radius of 15 feet and a central angle of 30°00'00" an arc distance of 7.85 feet to a point of tangency; thence, N.45°00'00"W. 33.87 feet to a point of curvature; thence, northwesterly along a curve to the right having a radius of 15 feet and a central angle of 45°00'00" an arc distance of 11.73 feet to a point of tangency; thence, due north a distance of 11.73 feet to a point of curvature; thence, northwesterly along a curve to the right having a radius of 15 feet and a central angle of 87°20'00" an arc distance of 22.86 feet to a point of tangency; thence, N.87°20'00"E. 95.68 feet; thence, S.83°17'45"E. 25.79 feet to a point of curvature; thence, southerly along a curve to the right having a radius of 15 feet and a central angle of 124°47'45" an arc distance of 32.67 feet to a point of tangency and the point of beginning.

hereby states and declares that said realty, together with the improvements thereon, is submitted to Condominium ownership, pursuant to the Condominium Act of the State of Florida, F. S. 711 Et Seq. (hereinafter referred to as the "Condominium Act"), and the provisions of said Act are hereby incorporated by reference and included herein thereby, and does herewith file for record this Declaration of Condominium.

Definitions: As used in this Declaration of Condominium and By-Laws and Exhibits attached hereto, and all Amendments thereof, unless the context otherwise requires, the following definitions shall prevail:

A. Declaration, or Declaration of Condominium, or Enabling Declaration, means this instrument, as it may be from time to time amended.

B. Association, means the Florida non-profit Corporation whose name appears at the end of this Declaration, said Association being the entity responsible for the operation of the Condominium.

C. By-Laws, means the By-Laws of the Association specified above, as they exist from time to time.

D. Common Elements, means the portions of the Condominium property not included in the villas.

E. Limited Common Elements, means and includes those common elements which are reserved for the use of a certain villa or villas, to the exclusion of all other villas.

F. Condominium, means that form of ownership of Condominium property under which villas of improvements are subject to ownership by different owners, and there is appurtenant to each villa, as part thereof, an undivided share in the common elements.

G. Condominium Act, means and refers to the Condominium Act of the State of Florida (F.S. 711 Et Seq.), as the same may be amended from time to time.

H. Common Expenses, means the expenses for which the villa owners are liable to the Association.

I. Common Surplus, means the excess of all receipts of the Association from this Condominium, including, but not limited to, assessments, rents, profits and revenues on account of the common elements, over and above the amount of common expenses of this Condominium.

J. Condominium property, means and includes the land in a Condominium, whether or not contiguous, and all improvements thereof, and all easements and rights thereto, intended for use in connection with the Condominium.

K. Assessment, means a share of the funds required for the payment of common expenses which, from time to time, is assessed against the villa owner.

L. Condominium Parcel, means a villa, together with the undivided share in the common elements which is appurtenant to the villa.

M. Condominium villa, or villa, means a part of the Condominium property which is to be subject to private ownership.

N. Villa Owner, or Owner of a Villa, or Parcel Owner, means the owner of a Condominium parcel.

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O. Developer, means the Florida Corporation whose name appears at the end of this Declaration, its successors and assigns.

P. Institutional Mortgagee, means a Bank, Savings and Loan Association, Insurance Company or Union Pension Fund, authorized to do business in the United States of America, or an Agency of the United States Government. The mortgage may be placed through a Mortgage or Title Company.

Q. Occupant means the person or persons, other than the villa owner, in possession of a villa.

R. Condominium Documents, means this Declaration, the By-Laws and all Exhibits annexed hereto, as the same may be amended from time to time.

S. Unless the context otherwise requires, all other terms used in this Declaration shall be assumed to have the meaning attributed to said term by Section 3 of the Condominium Act.

T. Long-Term Lease, means and refers to the interest of the Association in and to the recreation area and facilities described in and pursuant to the Long-Term Lease, which Long-Term Lease is attached to this Declaration and made a part hereof. Lessor, means the Lessor under the aforesaid Long-Term Lease.

U. Management Agreement, means and refers to that certain Agreement attached to this Declaration and made a part hereof, which provides for the management of the Condominium property and the recreation area and facilities.

V. Management Firm, means and refers to the Corporation identified as the Management Firm in the Management Agreement attached to this Declaration, its successors and assigns. The Condominium Firm shall be responsible for the management of the Condominium property and the recreation area and facilities, as provided in the Management Agreement attached to this Declaration and made a part hereof.

IX

NAME

The name by which this Condominium is to be identified, is EMERALD GREEN SECTION TWO, a Condominium.

XII

IDENTIFICATION OF VILLAS

The Condominium property consists essentially of eighteen (18) villas in all, and for the purpose of identification, all villas located on said Condominium are given identifying numbers and delineated on the Survey. Exhibit No. 1 hereto, contains a list of all villas, collectively identified as No Villa bears the same identifying number as does any other villa. The aforesaid identifying number as the villa is also the identifying number as to the parcel. The said Exhibit No. 1 also contains a survey of the land, graphic description of the improvements in which the villas are located, and a plot plan and, together with this Declaration, they are in sufficient detail to identify the locations, dimensions and size of the common elements and of each villa, as evidenced by the Certificate of the Registered Land Surveyor hereto attached. The legend and notes contained within the said Exhibit are incorporated herein and made a part hereof by reference. The villas are legally described by the Condominium

Villa number set forth and identified in Exhibit 1, together with the following language:

CONDONINUM VILLA NO. \_\_\_\_\_ of EMERALD GREEN SECTION TWO, a condominium, according to the Declaration of Condominium thereof, recorded in Official Record Book \_\_\_\_\_ at Page \_\_\_\_\_ of the Public Records of Broward County, Florida. As provided for by the Condominium Act of the Statutes of the State of Florida (F.S. 711 et seq), said description and this conveyance includes but is not limited to, all appurtenances to the condominium parcel aforescribed, including the undivided interest in the common elements of said condominium.

Each villa shall include the part of the building containing the villa that lies within the boundaries of the villa, which boundaries are as follows:

(1) UPPER & LOWER BOUNDARIES:

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

Upper Boundary - The top horizontal plane and the four sloping side planes of the unfinished roof surfaces.

Lower Boundary - The horizontal plane of the bottom of the floor slab.

(11) PERIMETRICAL BOUNDARIES:

The Perimetrical boundaries of the villa shall be the vertical planes of the undecorated finished exterior of the walls and the screens on the screened porches bounding the villa extended to intersect with each other and with the upper and lower boundaries.

IV

OWNERSHIP OF COMMON ELEMENTS

Each of the villa owners of the Condominium shall own an undivided interest in the common elements and limited common elements, and the undivided interest, stated as percentages of such ownership in the said common elements and limited common elements, is set forth on Exhibit A, which is annexed to this Declaration and made a part hereof.

The fee title to each Condominium parcel shall include both the Condominium villa and the above respective undivided interest in the common elements, said undivided interest in the common elements to be deemed to be conveyed or encumbered with its respective Condominium villa. Any attempt to separate the fee title to a Condominium villa from the undivided interest in the common elements appurtenant to each villa, shall be null and void. The term "common elements", when used throughout this Declaration, shall mean both common elements and limited common elements, unless the context otherwise specifically requires.

Each villa owner so long as he remains a villa owner subject to the various limitations and conditions as set forth herein and in the exhibits attached hereto shall have an easement for ingress and egress over said common elements and areas as delineated on Exhibit No. 1.

V

VOTING RIGHTS

There shall be one person with respect to each villa ownership who shall be entitled to vote at any meeting of the villa owners - such person shall be known (and is hereinafter referred to) as a

"Voting Member". If a villa is owned by more than one person, the owners of said villa shall designate one of them as the Voting Member, or in the case of a Corporate villa owner, an officer or employee thereof shall be the Voting Member. The designation of the Voting Member shall be made as provided by and subject to the provisions and restrictions set forth in the By-Laws of the Association.

Each owner or group of owners, shall be entitled to the number of votes equal to the total of the percentage of ownership in the common elements applicable to his Condominium parcel, as set forth and specified in Exhibit "A", which is annexed to this Declaration and made a part hereof. The vote of a Condominium villa is not divisible.

VI

COMMON EXPENSE AND COMMON SURPLUS

The common expenses of the Condominium, including the obligation of each villa owner under the Long-Term Lease and Management Agreement attached to this Declaration, shall be shared by the villa owners, as specified and set forth in Exhibit "A". The foregoing ratio of sharing common expenses and assessments shall remain, regardless of the purchase price of the Condominium parcels, their location, or the building square footage included in each Condominium villa.

Any common surplus of the Association shall be owned by each of the villa owners in the same proportion as their percentage ownership interest in the common elements - any common surplus being the excess of all receipts of the Association from this Condominium, including but not limited to, assessments, rents, profits and revenues on account of the common elements of this Condominium, over the amount of the common expenses of this Condominium.

VII

METHOD OF AMENDMENT OF DECLARATION

This Declaration may be amended at any regular or special meeting of the villa owners of this Condominium, called and convened in accordance with the By-Laws, by the affirmative vote of Voting Members casting not less than three-fourths (3/4ths) of the total vote of the members of the Association.

All Amendments shall be recorded and certified, as required by the Condominium Act. No Amendment shall change any Condominium parcel, nor a Condominium villa's proportionate share of the common expenses or common surplus, nor the voting rights apportioned to any villa, unless the record owner(s) thereof, and all record owners of mortgages or other voluntarily placed liens thereon, shall join in the execution of the Amendment. No Amendment shall be passed which shall impair or prejudice the rights and priorities of any mortgages, or change the provisions of this Declaration with respect to Institutional Mortgagees, without the written approval of all Institutional Mortgagees of record, nor shall the provisions of Article XII of this Declaration be changed without the written approval of all Institutional Mortgagees of record.

Notwithstanding the foregoing, this Declaration may not be amended without the written approval of the Lessor under the Long-Term Lease and the Management Firm under the Management Agreement, as long as the said Management Agreement attached to this Declaration remains in effect, which said approvals shall not be unreasonably withheld. No Amendment shall change the rights and privileges of the Developer without the Developer's written approval.

Notwithstanding the foregoing paragraphs of this Article VII, the Developer reserves the right to change the interior design and arrangement of all villas, and to alter the boundaries between villas, as long as the Developer owns the villas so altered; however, no such change shall increase the number of villas nor alter the boundaries of the common elements, except the party wall between any Condominium villas, without Amendment of this Declaration in the manner hereinbefore set forth. If the Developer shall make any changes in villas, as provided in this paragraph, such changes shall be reflected by the Amendment of this Declaration with a Survey attached, reflecting such authorized alteration of villas, and said Amendment need only be executed and acknowledged by the Developer and any holders of Institutional Mortgages encumbering the said altered villas. The survey shall be certified in the manner required by the Condominium Act. If more than one villa is concerned, the Developer shall apportion between the villas concerned, the common elements appurtenant to the villas concerned, and the voting rights, together with apportioning the common expenses and common surplus of the villas concerned, and such shares of common elements, common expenses and common surplus, and the voting rights of the villas concerned, shall be duly noted in the Amendment of the Declaration. The rent under the Long-Term Lease shall be apportioned by the Developer, with the Lessor's written approval, and same shall be reflected in the Amendment to Declaration.

#### VIII

##### BY-LAWS

The operation of the Condominium property shall be governed by the By-Laws of the Association, which are set forth in a document which is annexed to this Declaration, marked Exhibit No. 2, and made a part hereof.

No modification of or Amendment to the By-Laws of said Association shall be valid unless set forth in or annexed to a duly recorded Amendment to this Declaration. The By-Laws may be amended in the manner provided for therein, but no Amendment to said By-Laws shall be adopted which would affect or impair the validity or priority of any mortgage covering any Condominium parcel(s) or which would change the provisions of the By-Laws with respect to Institutional Mortgages, without the written approval of all Institutional Mortgagees of record. The By-Laws may not be amended without the written approval of the lessor under the Long-Term Lease, and of the Management Firm, as required for amendment of this Declaration, as provided in Article VII hereinabove. No amendment shall change the rights and privileges of the Developer without the Developer's written approval.

#### IX

##### THE OPERATING ENTITY

The operating entity of the Condominium shall be the Florida non-profit Corporation whose name appears at the end of this Declaration, which is responsible for the operation of the Condominium specified in Article II hereinabove, said Association being organized and existing pursuant to the Condominium Act. The said Association shall have all of the powers and duties set forth in the Condominium Act, as well as all of the powers and duties granted to or imposed upon it by this Declaration, the By-Laws of the Association and its Articles of Incorporation, a copy of said Articles of Incorporation being annexed hereto, marked Exhibit No. 3, and made a part hereof, and all of the powers and duties necessary to operate the Condominium, as set forth in this Declaration and the By-Laws, and as they may be amended from time to time.

Every owner of a Condominium parcel, whether he has acquired his ownership by purchase, by gift, conveyance or transfer by

Operation of law, or otherwise, shall be bound by the By-Laws and Articles of Incorporation of the said Association, the provisions of this Declaration, the Long-Term Lease and the Management Agreement.

X

ASSESSMENTS

The Association, through its Board of Directors, has delegated to the Management Firm, the power of the Association to fix and determine from time to time, the sum or sums necessary and adequate to provide for the common expenses of the Condominium property, and such other sums as are specifically provided for in this Declaration and the By-Laws, and Exhibits attached hereto, for such period of time as provided in the Management Agreement, and thereafter, the Association shall have such power. The Association, through its Board of Directors, shall have the power to fix and determine from time to time, the sum or sums necessary and adequate to provide for the common expenses of the Condominium property and such other assessments as are specifically provided for in this Declaration and exhibits attached hereto, where said power has not been or is no longer delegated to the Management Firm. The procedure for the determination of all such assessments shall be as set forth in the By-Laws of the Association and this Declaration, and the Exhibits attached hereto.

The common expenses shall be assessed against each Condominium parcel owner, as provided for in Article VI, of this Declaration.

Assessments that are unpaid for over ten (10) days after due date shall bear interest at the rate of ten percent (10%) per annum from due date until paid, and at the sole discretion of the Management Firm and/or the Board of Directors, a late charge of \$25.00 shall be due and payable.

The Association and the Management Firm, as long as the Management Agreement remains in effect, shall have a lien on each Condominium parcel for unpaid assessments, together with interest thereon, against the villa owner of such Condominium parcel, together with a lien on all tangible personal property located within said villa, except that such lien upon the aforesaid tangible personal property shall be subordinate to prior bona fide liens of record. Reasonable attorneys' fees incurred by the Association and Management Firm incident to the collection of such assessments or the enforcement of such lien, together with all sums advanced and paid by the Association or the Management Firm for taxes and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association or Management Firm, in order to preserve and protect its lien, shall be payable by the villa owner and secured by such lien. The aforesaid lien shall also include those sums advanced on behalf of a villa owner in payment of his obligation under the Long-Term Lease and Management Firm, for as long as the Management Agreement remains in effect, and the Board of Directors, may take such action as it deems necessary to collect assessments by personal action or by enforcing and foreclosing said lien, and may settle and compromise the same if deemed in its best interests. Said lien shall be effective as and in the manner provided for by the Condominium Act, and shall have the priorities established by said Act. The Management Firm, as long as the Management Agreement remains in effect, and the Association, shall be entitled to bid at any sale held pursuant to a suit to foreclose an assessment lien, and to apply as a cash credit against its bid, all sums due, as provided herein, covered by the lien enforced. In case of such foreclosure, the villa owner shall be required to pay a reasonable rental for the Condominium parcel, and Plaintiff in such foreclosure shall be entitled to the appointment of a Receiver to collect same from the villa owner and/or occupant.

DECLARATION

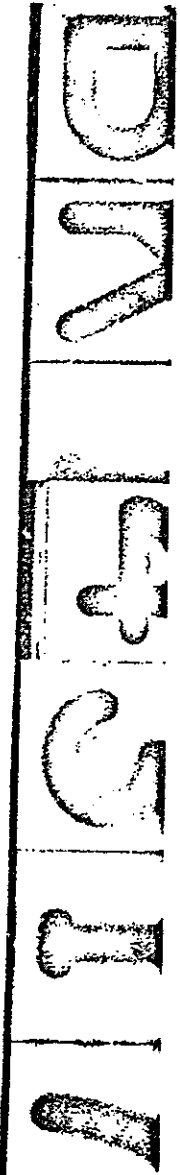
Where the Mortgagee of an Institutional First Mortgage of record, or other purchaser of a Condominium Villa, obtains title to a Condominium parcel as a result of foreclosure of the Institutional First Mortgage, or when an Institutional First Mortgage of record accepts a Deed to said Condominium parcel in lieu of foreclosure, such acquirer of title, its successors and assigns, shall not be liable for the shares of common expenses and assessments by the Management Firm or the Association pertaining to such Condominium parcel, or chargeable to the former Villa owner of such parcel, which became due prior to acquisition of title as a result of the foreclosure or the acceptance of such Deed in lieu of foreclosure. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectable from all of the Villa owners, excluding such acquirer, his successors and assigns.

In addition to the foregoing provisions of the preceding paragraph, where Institutional Mortgage obtains title to a Condominium parcel as a result of foreclosure of its Mortgage, or it accepts a Deed to said Condominium parcel in lieu of foreclosure, said Mortgagee shall not be liable for the share of common expenses or assessments by the Association, as to and under the long-Term Lease, as set forth in Exhibit "A", attached to this Declaration of Condominium, for as long thereafter as said Mortgagee shall continue to be the owner of said Condominium parcel and said Mortgagee, as the owner of said Condominium parcel and said Mortgagee, and total abatement of common expenses or assessments by the Association, as to and under the long-Term Lease, shall receive a complete Exhibit "A" attached to this Declaration of Condominium, and such share of common expenses or assessments by the Association, as to and under the long-Term Lease, shall be deemed to be common expenses collectable from all of the Villa owners in the Condominium, excluding said Mortgagee. Said Mortgagee shall receive the full benefit of the foregoing, including such time when said Mortgagee shall lease said Condominium parcel, and notwithstanding to the use and enjoyment of the recreational facilities provided under the long-Term Lease. The aforesaid abatement shall in no wise operate to extinguish or impair the liens for common expenses nor the long-Term Lease, except as provided herein, and said abated common expenses shall never be chargeable to or collectable from said Mortgagee, its grantees, successors or assigns. Upon the said Mortgagee conveying its title to the Condominium parcel so acquired and exhibits attached hereto, including the long-Term Lease), the minimum payment from said Mortgagee shall be liable for such share of common expenses or assessments by the Association, as to the long-Term Lease, from and after the date of the acquisition of title.

The provisions of Article XXIII of the Long-Term Lease attached hereto as Exhibit No. 4, which provides for certain rights in favor of certain Institutional First Mortgagees, as specified therein, as to the rent due as to a Condominium parcel under said long-Term Lease, shall continue in full force and effect, and such provisions are paramount to and not limited by the foregoing paragraph in this Declaration, and said foregoing paragraph, shall be so interpreted in this regard.

Any person who acquires an interest in a Villa, except through foreclosure of an Institutional First Mortgage of record, as specifically provided in the paragraph immediately preceding, including, without limitation, persons acquiring title by operation of law, including purchasers at judicial sales, shall not be entitled to occupancy of the Villa or enjoyment of the common elements until such time as all unpaid assessments due and owing by the former Villa owners have been paid. The Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Association, acting





through its Board of Directors, shall have the right to assign its claim and lien rights for the recovery of any unpaid assessments to the Developer, or to any villa owner or group of villa owners, or to any third party.

# XI

## PROVISIONS RELATING TO SALE OR RENTAL OR OTHER ALIENATION OR MORTGAGING OF CONDOMINIUM VILLAS

### A. SALE OR RENTAL OF VILLAS - Association and Management Firm to Have First Right of Refusal.

In the event any villa owner wishes to sell, rent or lease his villa, the Association and Management Firm, as long as the Management Agreement remains in effect, shall have the option to purchase, rent or lease said villa, upon the same conditions as are offered by the villa owner to a third person. Any attempt to sell, rent or lease said villa without prior offer to the Association and Management Firm shall be deemed a breach of this Declaration and shall be wholly null and void, and shall confer no title or interest whatsoever upon the intended purchaser, tenant or lessee. The approval of the Management Firm is required, pursuant to Article XIX A, of this Declaration.

Should a villa owner wish to sell, lease or rent his Condominium parcel (which means the villa, together with the undivided share of the common elements appurtenant thereto), he shall, before accepting any offer to purchase, sell or lease, or rent, his Condominium parcel, deliver to the Management Firm and Board of Directors of the Association, a written notice containing the terms of the address of the person(s) to whom he wishes to accept, the name and is to be made, two Bank references and three individual references - local, if possible, and such other information (to be requested within five (5) days from receipt of such notice) as may be required by the Board of Directors of the Association or the Management Firm. The Board of Directors of the Association, or the Management Firm, is authorized to waive any or all of the references aforementioned.

The Board of Directors of the Association and the Management Firm, within ten (10) days after receiving such notice and such supplemental information as is required by the Board of Directors or Management Firm, shall either consent to the transaction specified in said notice, or by written notice to be delivered to the villa owner's villa (or mailed to the place designated by the villa owner in his notice), designate the Association, or the Management Firm may designate one or more persons then villa owners, or any other person(s) satisfactory to the Board of Directors of the Association and the Management Firm, who are willing to purchase, lease or rent, upon the same terms as those specified in the villa owner's notice, or object to the sale, leasing or renting to the prospective purchaser, tenant or lessee, for good cause, which cause need not be set forth in the notice from the Board of Directors and Management Firm to the villa owner. However, the Association and the Management Firm shall not unreasonably withhold its consent to the prospective sale, rental or lease.

The stated designee of the Board of Directors or Management Firm shall have fourteen (14) days from the date of the notice sent by the Board of Directors or Management Firm, within which to make a binding offer to buy, lease or rent, upon the same terms and conditions specified in the villa owner's notice. Thereupon, the villa owner shall either accept such offer or withdraw and/or reject the offer specified in his notice to the Board of Directors and Management Firm. Failure of the Board of Directors and Management Firm

to designate such person(s), or failure of such person(s) to make such offer within the said fourteen (14) day period, or failure of the Board of Directors and Management Firm to object for good cause, shall be deemed consent by the Board of Directors and Management Firm to the transaction specified in the villa owner's notice, and the villa owner shall be free to make or accept the offer specified in his notice, and sell, lease or rent said interest pursuant thereto, to the prospective purchaser or tenant named therein, within ninety (90) days after his notice was given.

The consent of the Board of Directors of the Association and of the Management Firm, shall be in recordable form, signed by two Officers of the Association and an executive Officer of the Management Firm, and shall be delivered to the purchaser or lessee. Should the Board of Directors and Management Firm fail to act, as herein set forth, and within the time provided herein, the Board of Directors of the Association and Management Firm shall, nevertheless, thereafter prepare and deliver its written approval, in recordable form, as aforesaid, and no conveyance of title or interest whatsoever shall be deemed valid without the consent of the Board of Directors and the Management Firm, as herein set forth.

The sub-leasing or sub-renting of a villa owner's interest shall be subject to the same limitations as are applicable to the leasing or renting thereof. The Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Association, shall have the right to require that a substantially uniform form of lease or sub-lease be used, or in the alternative, the Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Board of Directors' approval of the lease or sub-lease form to be used shall be required. After approval, as herein set forth, entire villas may be rented, provided the occupancy is only by the lessee, his family and guests. No individual rooms may be rented, and no transient tenants may be accommodated.

Where a corporate entity is the owner of a villa, it may designate the occupants of the villas as it desires, and for such period of time as it desires, without compliance with the provisions of Section A of this Article XI. The foregoing shall not be deemed an assignment or sub-leasing of a villa, and shall be deemed to be in compliance with the provisions of the first paragraph of Article XIII of this Declaration.

The Management Firm is not authorized to designate the Association as the purchaser or lessee of a villa, and the Association's rights to designate itself as the purchaser or lessee of a villa, or designate a third person to purchase or lease a villa, shall be prior to the right of the Management Firm.

#### B. MORTGAGE AND OTHER ALIENATION OF VILLAS

1. A villa owner may not mortgage his villa, nor any interest therein, without the approval of the Association and the Management Firm, as long as the Management Agreement remains in effect, except to an Institutional Mortgagee, as hereinbefore defined. The approval of any other mortgagee may be upon conditions determined by the Board of Directors of the Association and the Management Firm, and said approval, if granted, shall be in recordable form, executed by two officers of the Association and an executive officer of the Management Firm.

2. No judicial sale of a villa, nor any interest therein, shall be valid, unless:

(a) The sale is to a purchaser approved by the Association and the Management Firm, as long as the Management Agreement remains in effect, which approval shall be in recordable form, executed by two Officers of the Association and an executive Officer of the Management Firm, and delivered to the purchaser; or,

(b) The sale is a result of a public sale with open bidding.

3- Any sale, mortgage or lease, which is not authorized pursuant to the terms of the Declaration, shall be void, unless subsequently approved by the Board of Directors of the Association and the Management Firm, as long as the Management Agreement remains in effect, and said approval shall have the same effect as though it had been given and filed of record simultaneously with the instrument it approved.

4- The foregoing provisions of this Article XI shall not apply to transfers by a villa owner to any member of his immediate family (viz: spouse, children or parents)

The phrase "sell, rent, or lease", in addition to its general definition, shall be defined as including the transferring of a villa owner's interest by gift, devise or involuntary or judicial sale.

In the event a villa owner dies and his villa is conveyed or bequeathed to some person other than his spouse, children or parents, or if some other person is designated by the decedent's legal representative to receive the ownership of the Condominium Villa, or if, under the laws of descent and distribution of the State of Florida, the Condominium villa descends to some person or persons other than the decedent's spouse, children or parents, the Board of Directors of the Association or the Management Firm may, within thirty (30) days of proper evidence or rightful designation served upon the President or any other officer of the Association and the Management Firm, or within thirty (30) days from the date the Association and Management Firm is placed on actual notice of the said devisee or descendant, express its refusal or acceptance of the individual or individuals so designated as the owner of the Condominium Parcel.

If the Board of Directors of the Association and Management Firm shall consent, ownership of the Condominium parcel may be transferred to the person or persons so designated, who shall, thereupon, become the owner(s) of the Condominium parcel, subject to the provisions of the Enabling Declaration and the Exhibits attached thereto.

If, however, the Board of Directors of the Association or the Management Firm shall refuse to consent, then the members of the Association or the Management Firm shall be given an opportunity during thirty (30) days next after said last above mentioned thirty (30) days, within which to purchase or to furnish a purchaser for cash, of the said Condominium parcel, at the then fair market value thereof. Should the parties fail to agree on the value of such Condominium parcel, the same shall be determined by an Appraiser appointed by the Senior Judge of the Circuit Court in and for the area wherein the Condominium is located, upon ten (10) days' notice, on the petition of any party in interest. The expense of appraisal shall be paid by the said designated person or persons, or the legal representative of the deceased owner. In the event the members of the Association, or the Management Firm, do not exercise the privilege of purchasing or furnishing a purchaser for said Condominium parcel within such period and upon such terms, the person or persons so designated may then, and only in such event, take title to the Condominium parcel; or, such person or persons, or the legal representative of the deceased owner may sell the said Condominium parcel, and such sale shall be subject in all other respects to the provisions of this Enabling Declaration and Exhibits attached hereto.

5- The liability of the villa owner under these covenants shall continue, notwithstanding the fact that he may have leased, rented or sub-let said interest, as provided herein. Every purchaser

tenant or lessee, shall take subject to this Declaration, the By-Laws and Articles of Incorporation of the Association, the Long-Term Lease and the Management Agreement, as well as the provisions of the Condominium Act.

6. Special Provisions re Sale, Leasing, Mortgaging or Other Alienation by Certain Mortgagees and Developer and the Management Firm and Lessor Under the Long-Term Lease.

(a) An Institutional First Mortgagee holding a mortgage on a Condominium parcel, or the Management Firm, or the Lessor under the Long-Term Lease, upon becoming the owner of a Condominium parcel through foreclosure, or by Deed in lieu of foreclosure, or whomsoever shall become the acquirer of title at the foreclosure sale of an Institutional First Mortgage or the lien for common expenses, or the lien under the Long-Term Lease, shall have the unqualified right to sell, lease or otherwise transfer said villa, including the fee ownership thereof, and/or to mortgage said parcel, without prior offer to the Board of Directors of the Association and the Management Firm, and without the prior approval of the said Board of Directors and the Management Firm. The provisions of Sections A and B, Nos. 1 to 5 of this Article XI, shall be inapplicable to such Institutional First Mortgagee, or the Management Firm or the Lessor under the Long-Term Lease, or acquirer of title, as aforescribed in this paragraph.

(b) The provisions of Sections A and B, Nos. 1 to 5, of this Article XI, shall be inapplicable to the Developer, Lessor under the Long-Term Lease and Management Firm. The said Developer, Lessor and Management Firm are irrevocably empowered to sell, lease, rent and/or mortgage Condominium parcels or villas, and portions thereof, to any purchaser, lessee or mortgagee approved by them, however, as to said Lessor, the foregoing shall be subject to the provisions of the Long-Term Lease. The Developer shall have the right to transact any business necessary to consummate sales or rentals of villas, or portions thereof, including but not limited to the right to maintain models, have signs, use the common elements, and to show villas. The sales office(s), signs, and all items pertaining to sales shall not be considered common elements, and shall remain the property of the Developer.

(c) In the event there are unsold parcels, the Developer retains the right to be the owner of said unsold parcels under the same terms and conditions as all other parcel owners in said Condominium; however, said Developer, for such time as it continues to be a parcel owner, but not exceeding twenty-four (24) months after the date of the filing of this Declaration, shall only be required to contribute such sums to the common expenses of the Condominium, in addition to the total monthly common expenses paid by all other parcel owners, as may be required for the Association to maintain the Condominium, as provided in this Declaration and Exhibits attached hereto, but in no event shall the Developer be required to contribute to the common expenses as to the parcels owned by it, in an amount exceeding the obligation for such villa, as specified and set forth in Exhibit "A" attached to this Declaration. Commencing twenty-four (24) months after the date of the filing of this Declaration of Condominium, the Developer shall contribute to the common expenses, as to the parcels owned by it, in the same manner as all other parcel owners, as provided in Exhibit "A" attached to this Declaration.

XII

INSURANCE PROVISIONS

A. LIABILITY INSURANCE:

The Management Firm, as long as the Management Agreement remains in effect and, thereafter, the Board of Directors of the Association, shall obtain Public Liability and Property Damage

Insurance covering all of the common elements of the Condominium and insuring the Association, the villa owners and the Management Firm as long as the Management Agreement remains in effect, and the common owners, as its and their interests appear, in such amounts and providing such coverage as the Management Firm, as long as the Management Agreement remains in effect and, thereafter, the Board of Directors of the Association, may determine from time to time, provided that the minimum amount of coverage shall be \$100,000/\$300,000/\$10,000. Premiums for the payment of such insurance shall be paid by the Management Firm, as long as the Management Agreement remains in effect and, thereafter, by the Board of Directors of the Association, and such premiums shall be charged as common expense.

### 3. CASUALTY INSURANCE:

1- Purchase of Insurance: The Management Firm, as long as the Management Agreement remains in effect and, thereafter, the Association, shall obtain Fire and Extended Coverage Insurance and Vandalism and Malicious Mischief Insurance, insuring all of the insurable improvements within the Condominium, including personal property owned by the Association, in and for the interests of the Association, all villa owners and their mortgagees, as their interests may appear, in a Company acceptable to the standards set by the Management Firm, as long as the Management Agreement remains in effect and, thereafter, by the Board of Directors of the Association, in an amount equal to the maximum insurable replacement value, as determined annually by the Management Firm, as long as the Management Agreement remains in effect, and thereafter, by the Board of Directors of the Association. The premiums for such coverage and other expenses in connection with said insurance shall be paid by the Management Firm, as long as the Management Agreement remains in effect and, thereafter, by the Association, and shall be charged as a common expense. The Company or Companies with whom the Management Firm, and thereafter, the Association, shall place its insurance coverage, as provided in this Declaration, must be good and responsible Companies, authorized to do business in the State of Florida.

The Institutional First Mortgagee owning and holding the first recorded mortgage encumbering a Condominium villa shall have the right, for so long as it owns and holds any mortgage encumbering a Condominium villa, to approve the policies and the Company or Companies who are the insurers under the insurance placed by the Management Firm and, thereafter, by the Association, as herein provided, and the amount thereof, and the further right to designate and appoint the Insurance Trustee. At such times as the aforesaid Institutional First Mortgagee is not the holder of a mortgage on a villa, then these rights or approval and designation shall pass to the Institutional First Mortgagee having the highest dollar indebtedness on villas in the condominium property, and in the absence of the action of said Mortgagee, then the Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Association, shall have said right, without qualification.

2- Loss Payable Provisions - Insurance Trustee: All policies purchased by the Management Firm and, thereafter, by the Association, shall be for the benefit of the Association, and all villa owners, and their mortgagees, as their interests may appear. However, the Insurance Trustee shall be the named insured, and it shall not be necessary to name the Association or the villa owners; however, Mortgagee Endorsements shall be issued. Such Policies shall be deposited with the Insurance Trustee (as hereinafter defined), who must first acknowledge that the Policies and any proceeds thereof will be held in accordance with the terms hereof. Said Policies shall provide that all insurance proceeds payable on account of loss or damage shall be payable to the Insurance Trustee; namely, the Hollywood Bank and Trust Company or any Bank in Florida with trust

powers as may be approved by the Management Firm, as long as the Management Agreement remains in effect and, thereafter, by the Board of Directors of the Association, which Trustee is herein referred to as the "Insurance Trustee," subject, however, to the paramount right of the Institutional Mortgagee specified in the preceding paragraph to designate and appoint the Insurance Trustee. The Insurance Trustee shall not be liable for the payment of premiums nor for the renewal or the sufficiency of policies, nor for the failure to collect any insurance proceeds, nor for the form or content of the policies. The sole duty of the Insurance Trustee shall be to receive such proceeds as are paid herein, and hold the same in trust for the purposes elsewhere stated owners and their respective mortgagees, in the following shares, but such shares need not be set forth upon the records of the Insurance Trustee:

(a) Common Elements. Proceeds on account of damage to common elements - an undivided share for each villa owner, such share being the same as the undivided share in the common elements appurtenant to his villa.

(b) Condominium Villas: Proceeds on account of Condominium Villas shall be in the following undivided shares:

(1) Partial Destruction. When Villas are to be repaired and restored for the owners of the damaged villas, in proportion to the cost of repairing the damage suffered by each villa owner.

(2) Total Destruction of Condominium Improvements, or where "very substantial" damage occurs and the Condominium Improvements are not to be restored, as provided hereinafter in this Article - for the owners of all Condominium Villas - each owner's share being in proportion to his share in the common elements appurtenant to his Condominium Villa.

(c) Mortgagees: In the event a Mortgagee Endorsement has been issued as to a Villa, the share of the villa owner shall be held in trust for the mortgagee and the villa owners as their interests may appear, provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired.

3- Distribution of Proceeds - Proceeds of Insurance Policies received by the Insurance Trustee shall be distributed to or for the benefit of the beneficial owners, and expended or disbursed after first paying or making provision for the payment of the expenses of the Insurance Trustee in the following manner:

(a) Reconstruction or Repair: If the damage for which the proceeds were paid is to be repaired and restored, the remaining proceeds shall be paid to defray the cost thereof, as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, all remittance to villa owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a villa and may be enforced by said mortgagee. Said remittances shall be made solely to an Institutional First Mortgagee. Said remittances shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application of the insurance proceeds to the payment or reduction of its mortgage debt.

(b) Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be repaired and restored, the proceeds shall be disbursed to the beneficial owners; remittances to villa owners and their mortgages being payable jointly to them. This is a covenant

for the benefit of any mortgagee of a villa and may, be enforced by such mortgagee. Said remittances shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application of the insurance proceeds to the payment of its mortgage debt. In the event of loss or damage to personal property belonging to the Association, and should the Board of Directors of the Association determine not to replace such personal property as may be lost or damaged, the proceeds shall be disbursed to the beneficial owners as surplus, in the manner elsewhere stated herein.

(c) Certificate. In making distribution to villa owners and their mortgagees, the Insurance Trustee may rely upon a Certificate of the Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Association, as to the names of the villa owners and their respective shares of the distribution, approved in writing by an Attorney authorized to practice law in the State of Florida, a Title Insurance Company or Abstract Company authorized to do business in the State of Florida. Upon request of the Insurance Trustee, the Management Firm, and thereafter, the Association, forthwith shall deliver such Certificate.

4. Loss Within a Single Villa. If loss shall occur within a single villa or villas, without damage to the common elements and/or the party wall between villas, the provisions of Article XII B. 5 below shall apply.

5. Loss Less Than "Very Substantial". Where a loss or damage occurs within a villa or villas, or to the common elements, or to any villa or villas and the common elements, but said loss is less than "very substantial", (as hereinafter defined), it shall be obligatory upon the Association and the villa owner(s) to repair, restore and rebuild the damage caused by said loss. Where such loss or damage is less than "very substantial".

(a) The Management Firm, as long as the Management Agreement remains in effect, acting on behalf of the Board of Directors of the Association, shall promptly obtain reliable and detailed estimates of the cost of repairing and restoration.

(b) If the damage or loss is limited to the common elements, with no, or minimum damage or loss to any individual villas and if such damage or loss to the common elements is less than \$3,000.00, the insurance proceeds shall be endorsed by the Insurance Trustee over to the Management Firm, as long as the Management Agreement remains in effect, and thereafter, to the Association, and the Management Firm, and thereafter the Association, shall promptly contract for the repair and restoration of the damage.

(c) If the damage or loss involves individual villas encumbered by Institutional First Mortgages, as well as the common elements, or if the damage is limited to the common elements alone, but it is in excess of \$3,000.00, the insurance proceeds shall be disbursed by the Insurance Trustee for the repair and restoration of the property upon the written direction and approval of the Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Association, provided, however, that upon the request of an Institutional First Mortgagee, the written approval shall also be required of the Institutional First Mortgagee owning and holding the first recorded mortgage encumbering a Condominium villa, so long as it owns and holds any mortgage encumbering a Condominium villa. At such time as the aforesaid Institutional First Mortgagee is not the holder of a mortgage on a villa, then this right of approval and designation shall pass to the Institutional First Mortgagee having the highest dollar indebtedness on villas in the Condominium property. Should written approval be required, as aforesaid, it shall be said Mortgagee's duty to give written notice

thereof to the Insurance Trustee. The Insurance Trustee may rely upon the Certificate of the Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Association, and the aforesaid Institutional First Mortgage's written approval, if said Institutional First Mortgage's approval is required, as to the payee and the amount to be paid from said proceeds. All payees shall deliver paid bills and waivers of mechanic's liens to the Insurance Trustee, and execute any Affidavit required by law or by the Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Association, the aforesaid Institutional First Mortgage and the Insurance Trustee, and deliver same to the Insurance Trustee. In addition to the foregoing, the Institutional First Mortgage whose approval may be required, as aforescribed, shall have the right to require the Management Firm, and thereafter, the Association, to obtain a Completion Performance and Payment Bond, in such form and amount, and with a Bonding Company authorized to do business in the State of Florida, as are acceptable to the said Mortgage.

(d) Subject to the foregoing, the Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Board of Directors of the Association, shall have the right and obligation to negotiate and contract for the repair and restoration of the premises.

(e) If the net proceeds of the insurance are insufficient to pay for the estimated cost of restoration and repair (or for the actual cost thereof if the work has actually been done), the Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Association, shall promptly, upon determination of the deficiency, levy a special assessment against all villa owners in proportion to the villa owner's share in the common elements, for that portion of the deficiency as is attributable to the cost of restoration of the common elements, and against the individual owners for that portion of the deficiency as is attributable to his individual villa; provided, however, that if the Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Board of Directors of the Association, finds that it cannot determine with reasonable certainty the portion of the deficiency attributable to a specific individual damaged villa(s), then the Management Firm, as long as the Management Agreement, remains in effect, acting on behalf of the Board of Directors, shall levy an assessment for the total deficiency against all of the villa owners in proportion to the villa owners' share in the common elements, just as though all of said damage had occurred in the common elements. The special assessment funds shall be delivered to the Management Firm, and thereafter, the Association, to the Insurance Trustee, and added by said Insurance Trustee to the proceeds available for the repair and restoration of the property.

(f) In the event the insurance proceeds are sufficient to pay for the cost of restoration and repair, or in the event the insurance proceeds are insufficient but additional funds are raised by special assessment within ninety (90) days after the casualty, so that sufficient funds are on hand to fully pay for such restoration and repair, then no mortgage shall have the right to require the application of insurance proceeds to the payment of its loan, provided, however, that this provision may be waived by the Board of Directors and the Management Firm, as long as the Management Agreement remains in effect, in favor of any Institutional First Mortgage, upon request therefor, at any time. To the extent that any insurance proceeds are required to be paid over to such Mortgage, the villa owner shall be obliged to replenish the funds so paid over, and said villa owner and his villa shall be subject to special assessment for such sum.



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(a) The Management Firm, as long as the Management Agreement remains in effect, acting on behalf of the Board of Directors of the Association, shall promptly obtain reliable and detailed estimates of the cost of repair and restoration thereof.

(b) The provisions of Article XII B. 5(f), shall not be applicable to any Institutional First Mortgagee who shall have the right, if its mortgage so provides, to require application of the Insurance proceeds to the payment or reduction of its mortgage debt. The Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Board of Directors of the Association, shall ascertain as promptly as possible, the net amount of Insurance proceeds available for restoration and repair.

(b) The provisions of Article XII B. 5(f), shall not be applicable to any Institutional First Mortgagee who shall have the right, if its mortgage so provides, to require application of the insurance proceeds to the payment or reduction of its mortgage debt. The Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Board of Directors of the Association, shall ascertain as promptly as possible, the net amount of insurance proceeds available for restoration and repair.

(c) Thereupon, a membership meeting shall be called by the Management Firm, or by the Board of Directors of the Association to be held not later than sixty (60) days after the casualty, to determine the wishes of the membership with reference to the abandonment of the Condominium project, subject to the following:

(1) If the net insurance proceeds available for restoration and repair, together with the funds advanced by villa owners to replace insurance proceeds paid over to Institutional First Mortgagees, are sufficient to cover the cost thereof, so that no special assessment is required, then the Condominium property shall be restored and repaired, unless three-fourths (3/4ths) of the villa owners of this Condominium shall vote to abandon the Condominium project, in which case the Condominium property shall be removed from the provisions of the law by the recording of an instrument terminating this Condominium. In the Public Records of the County in which this Condominium is located, which said instrument shall further set forth the facts effecting the termination, certified by the Association and executed by its President and Secretary. The termination of the Condominium shall become effective upon the recording of said instrument, and the villa owners shall, thereupon, become owners as tenants in common in the property - i.e., the real, personal, tangible and intangible personal property, and the Association's interest in the long-term lease, and any remaining structures of the condominium, and their undivided interests in the property shall be the same as their undivided interests in the common elements of this Condominium prior to its termination, and the mortgages and liens upon Condominium parcels shall become mortgages and liens upon the undivided interest of such tenants in common, with the same priority as existed prior to the termination of the Condominium.

(2) If the net insurance proceeds available for restoration and repair, together with funds advanced by villa owners to replace insurance, proceeds paid over to Institutional First Mortgagees, are not sufficient to cover the costs thereof, so that a special assessment will be required, and if a majority of the villa owners of this Condominium vote against such special assessment and to abandon the Condominium project, then it shall be so abandoned and the Condominium property removed from the provisions of the Law, and the Condominium terminated, as set forth in Paragraph 6 (c) (1) above, and the villa owners shall be tenants in common in the property in such undivided interests - and all mortgages and liens upon the Condominium parcels shall encumber the undivided interests of such tenants in common, as is provided in said Paragraph 6 (c) (1) above. In the event a majority of the villa owners of this Condominium vote in favor of special assessments, the Management Firm, as long as the Management Agreement remains in effect, acting on

behalf of the Association, shall immediately levy such assessment and, hereupon, the Management Firm, as long as the Management Agreement remains in effect and thereafter, the Association, shall proceed to negotiate and contract for such repairs and restoration, subject to the provisions of Paragraph 5 (c) and (d) above. The special assessment funds shall be delivered by the Management Firm, and thereafter by the Association, to the Insurance Trustee and added by said Trustee to the proceeds available for the restoration and repair of the property. The proceeds shall be disbursed by the Insurance Trustee for the repair and restoration of the property, as provided in Paragraph 5 (c) above. To the extent that any insurance proceeds are paid over to such Mortgagee, and in the event it is determined not to abandon the Condominium project and to vote a special assessment, the villa owner shall be obliged to replenish the funds so paid over to his Mortgagee, and said villa owner and his villa shall be subject to special assessment for such sum.

(d) In the event any dispute shall arise as to whether or not "very substantial" damage has occurred, it is agreed that such a finding made by the Management Firm, as long as the Management Agreement remains in effect, and thereafter, by the Board or Directors of the Association, shall be binding upon all villa owners.

7- Surplus. It shall be presumed that the first monies disbursed in payment of costs of repair and restoration shall be from the Insurance proceeds; and if there is a balance in the funds held by the Insurance Trustee after the payment of all costs of the repair and restoration, such balance shall be distributed to the beneficial owners of the fund, in the manner elsewhere provided herein.

8- Certificate. The Insurance Trustee may rely upon a Certificate of the Management Firm, as long as the Management Agreement remains in effect, and thereafter, of the Association, certifying as to whether or not the damaged property is to be repaired and restored. Upon request of the Insurance Trustee, the Management Firm, and thereafter, the Association, shall forthwith deliver such Certificate.

9- Plans and Specifications. Any repair and restoration must be substantially in accordance with the Plans and Specifications for the original building, or as the building was last constructed, or according to the Plans approved by the Management Firm and the Board of Directors of the Association, which approval shall not be unreasonably withheld. If any material or substantial change is contemplated, the approval of all Institutional First Mortgagees shall also be required.

10- Association's Power to Compromise Claim. The Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Association, is hereby irrevocably appointed Agent for each villa owner, for the purpose of compromising and settling claims arising under Insurance Policies purchased by the Management Firm, and thereafter, by the Association, and to execute and deliver Releases therefor, upon the payment of claims.

11- Institutional Mortgagee's Right to Advance Premiums. Should the Association fail to pay such premiums when due, or should the Association fail to comply with other insurance requirements of the institutional mortgagee holding the greatest dollar volume of villa mortgages, said institutional mortgagee(s) shall have the right, at its option, to order insurance policies and to advance such sums as are required to maintain or procure such insurance, and to the extent of the money so advanced, said mortgagee shall be subrogated to the assessment and lien rights of the Association as against the individual villa owners for the payment of such item of common expense.

C. WORKMEN'S COMPENSATION POLICY - to meet the requirements of law.

D. Such other insurance as the Management Firm, as long as the Management Agreement remains in effect and, thereafter, the Board of Directors of the Association, shall determine from time to time to be desirable.

E. Each individual villa owner shall be responsible for purchasing, at his own expense, Liability Insurance to cover accidents occurring within his own villa, and for purchasing insurance upon his own personal property.

F. If available, and where applicable, the Management Firm, and thereafter, the Association, shall endeavor to obtain Policies which provide that the insurer waives its right of subrogation as to any claims against villa owners, the Association, their respective servants, agents and guests, and the Management Firm.

#### XIII

##### USE AND OCCUPANCY

The owner of a villa shall occupy and use his villa as a single family private dwelling, for himself and the adult members of his family, and his social guests, and for no other purpose. No children under sixteen (16) years of age shall be permitted to reside in any of the villas or rooms thereof in this Condominium, except that children may be permitted to visit and temporarily reside for reasonable periods in any calendar year not to exceed thirty (30) days in any one calendar year.

The villa owner shall not permit or suffer anything to be done or kept in his villa which will increase the rate of insurance in the condominium property, or which will obstruct or interfere with the rights of other villa owners, or annoy them by unreasonable noises, or otherwise, nor shall the villa owners commit or permit any nuisance, immoral or illegal acts in or about the Condominium property.

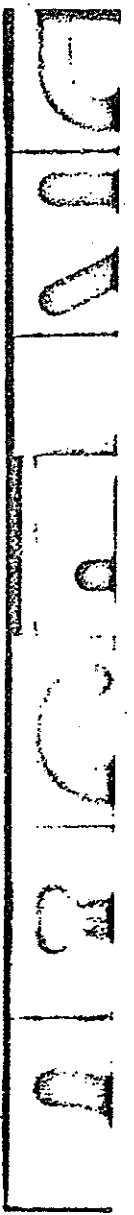
No animals or pets of any kind shall be kept in any villa or on any property of the Condominium without the prior written consent of the Management Firm if the Management Agreement is in effect and thereafter from the Board of Directors of the Association.

The villa owner shall not cause anything to be affixed or attached to, hung, displayed or placed, on the exterior walls, doors or windows of the building(s); nor shall they place any furniture or equipment outside their villa, except with the prior written consent of the Management Firm, as long as the Management Agreement remains in effect, and thereafter, of the Board of Directors, and further, when approved, subject to the Rules and Regulations adopted by the Management Firm or Board of Directors. No clothes line or similar device shall be allowed on any portion of the Condominium property, nor shall clothes be hung anywhere except where designated by the Management Firm, as long as the Management Agreement remains in effect, and thereafter, by the Board of Directors of the Association.

The villa owner shall not plant any shrubs, trees, or plants in any of the Condominium areas nor shall the villa owner place any object of any kind on said condominium areas except with the prior written consent of the Management Firm as long as the Management Agreement remains in effect and thereafter by the Board of Directors of the Association.

No person shall use the common elements, or any part thereof, of a Condominium villa, or the Condominium property, or any part thereof, in any manner contrary to or not in accordance with such

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Rules and Regulations pertaining thereto, as from time to time promulgated by the Management Firm, as long as the Management Agreement remains in effect, and thereafter, by the Association.

XIV

MAINTENANCE AND ALTERATIONS

A. The Board of Directors of the Association may enter into a Contract with any firm, person, or corporation, or may join with other Condominium Associations and entities in contracting for the maintenance and repair of the Condominium property(s) and other type properties, and may contract for or may join with other Condominium Associations in contracting for the management of the Condominium property(s) and other type properties, and may delegate to the Contractor or Manager, all the powers and duties of the Association, except such as are specifically required by this Declaration, or by the By-Laws, to have the approval of the Board of Directors or the membership of the Association. The Contractor or Manager may be authorized to determine the Budget, make assessments for common expenses and collect assessments, as provided by this Declaration, By-Laws, and Exhibits to the Declaration. The Association, through its Board of Directors, has entered into a Management Agreement, attached hereto as "Exhibit No. 5", which encompasses the provisions of this paragraph.

B. There shall be no alterations or additions to the common elements or limited common elements of this Condominium where the cost thereof is in excess of ten (10%) percent of the annual Budget of this Condominium for common expenses, as to this Condominium, and this Condominium's share of common expenses, excluding rent, as to the recreational facilities under the Long-Term Lease herein-after referred to, except as authorized by the Management Firm, as long as the Management Agreement remains in effect, and the Board of Directors, and approved by not less than seventy-five (75%) percent of the villa owners of this Condominium; provided the aforesaid alterations or additions do not prejudice the right of any villa owner, unless his consent has been obtained. The cost of the foregoing shall be assessed as common expenses. Where any alteration or additions, as aforescribed, i.e., as to common elements or limited common elements of this Condominium, are exclusively or substantially exclusively for the benefit of the villa owner(s) requesting same, then the cost of such alterations or additions shall be assessed against and collected solely from the villa owner(s) exclusively or substantially exclusively benefiting, and the assessment shall be levied in such proportion as may be determined as fair and equitable by the Management Firm, as long as the Management Agreement remains in effect, and thereafter, by the Board of Directors of the Association. Where such alterations or additions exclusively or substantially exclusively benefit villa owners requesting same, said alterations or additions shall only be made when authorized by the Management Firm, as long as the Management Agreement remains in effect, and the Board of Directors, and approved by not less than seventy-five (75%) percent of the villa owners exclusively or substantially exclusively benefiting therefrom, and where said villa owners are ten (10) or less, the approval of all but one shall be required. The foregoing is subject to the written approval of the Management Firm.

1- There shall be no additions or alterations to the recreational facilities under the Long-Term Lease attached to this Declaration as Exhibit No. 4, except as provided for under Article VII of Exhibit No. 2, and the Long-Term Lease and Management Agreement, being, respectively, Exhibit No. 4 and Exhibit No. 5 attached to this Declaration.

2. Where the approval of villa owners for alterations to the common elements or limited common elements of this Condominium or

the recreation facilities is required in this Declaration and Exhibits attached hereto, the approval of Institutional First Mortgages whose mortgages encumber Condominium parcels in this Condominium representing not less than seventy (70%) percent of the total unpaid dollar indebtedness as to principal on said parcels at said time, shall also be required.

C. Each villa owner agrees as follows:

1- To maintain in good condition and repair, his villa and all interior surfaces within or surrounding his villa, including, where applicable, the screened porch, and carpet (such as the surfaces of the walls, ceiling and floors), whether or not part of the villa or the common elements, and the entire interior of his villa, and to maintain and repair the fixtures and equipment therein, which includes but is not limited to the following, where applicable - air conditioning and heating units, including condensers and all appurtenances thereto and wherever situated, refrigerators, stoves, fans, hot water heaters, dishwashers, disposals, washing machines and dryers, and all other appliances, drains, plumbing fixtures and connections, sinks, all plumbing and water lines within the villa, electric panels, electric wiring and electric outlets and fixtures within the villa, and including those, where applicable, on the screened porch, and carpet; interior doors, windows, screening and glass, including, where applicable, screening on the screened porch; sliding glass doors, including the operating mechanisms, all exterior doors, except the painting of exterior doors; all be a common expense of the Condominium; replace lights, where applicable, on the screened porch, and carpet, and pay for all his utilities; i.e., electric, gas, water, sewage, and telephone. Where a villa is carpeted, the cost of maintaining and replacing the carpeting shall be borne by the owner of said villa.

2- Not to make or cause to be made any structural addition or alteration to his villa or to the limited common elements or common elements. Alterations within a villa may be made with the prior written consent of the Management Firm and the Association, and all First Mortgages holding a mortgage on his villa.

3- To make no alterations, decoration, repair, replacement or change of the common elements, limited common elements, or to any outside or exterior portion of the building, whether within a villa or part of the limited common elements or common elements. Villa owners may use such contractor or sub-contractor within their villas as are approved by the Management Firm, and said parties shall comply with all Rules and Regulations adopted by the Management Firm or Board of Directors. The villa owner shall be liable for all damages to another villa, the common elements or the Condominium property, caused by the villa owner's contractor, sub-contractor, or employee, whether said damages are caused by negligence, accident or otherwise. The contractor or sub-contractor aforementioned are to be union tradesmen where such services are unionized in the area of the Condominium.

4- To allow the Management Firm, the Board of Directors, or the agents or employees of the Management Firm or the Association, to enter into any villa for the purpose of maintenance, inspection, repair, replacement of the improvements within the villas, limited common elements or the common elements, or to determine in case of emergency, circumstances threatening villas, limited common elements or the common elements, or to determine compliance with the provisions of this Declaration and the By-Laws of the Association.

5- To show no signs, advertisements or notices of any type on the common elements, limited common elements, or his villa, and to erect no exterior antenna or aerials, except as consented to by

the Management Firm, as long as the Management Agreement remains in effect, and thereafter, by the Board of Directors of the Association.

D. In the event the owner of a villa fails to maintain the said villa and limited common elements, as required herein, or makes any alterations without the required written consent, or otherwise violates or threatens to violate the provisions hereof, the Association, or the Management Firm on behalf of the Association, and on its own behalf, shall have the right to proceed in a Court of equity for an injunction to seek compliance with the provisions hereof. In lieu thereof, and in addition thereto, the Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Association, shall have the right to levy an assessment against the owner of a villa, and the villa, for such necessary sums to remove any unauthorized structural addition or alteration, and to restore the property to good condition and repair. Said assessment shall have the same force and effect as all other special assessments. The Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Association, shall have the further right to have its employees or agents, or any sub-contractors appointed by it, enter a villa at all reasonable times, to do such work as is deemed necessary by the Management Firm, as long as the Management Agreement remains in effect, and thereafter, by the Board of Directors of the Association, to enforce compliance with the provisions hereof.

E. The Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Association, shall determine the exterior color scheme of the building(s), and all exteriors, and shall be responsible for the maintenance thereof, and no owner shall paint an exterior wall, door, window, or any exterior surface, or replace anything thereon or affixed thereto, without the written consent of the Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Association.

F. The Association shall be responsible for the maintenance, repair and replacement of the common elements, and all portions of the Condominium property not required to be maintained, repaired and/or replaced by the villa owner(s); however, said responsibility has been undertaken by the Management Firm, as long as the Management Agreement remains in effect, as provided in the Management Agreement attached hereto as Exhibit No. 5.

XV

LIMITED COMMON ELEMENTS

Those areas reserved for the use of each villa owner or a certain villa owner, to the exclusion of other villa owners, are designated as "limited common elements", and are shown and located on the Surveys annexed hereto as "Exhibit No. 1". Any expense for the maintenance, repair or replacement relating to limited common elements shall be treated as and paid for as part of the common expenses of the Association, unless otherwise specifically provided in this Declaration and Exhibits attached hereto. Should said maintenance, repair or replacement be caused by the negligence or misuse by a villa owner, his family, guests, servants and invitees, he shall be responsible therefor, and the Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Association, shall have the right to levy an assessment against the owner of said villa, which assessment shall have the same force and effect as all other special assessments. Where the limited common element consists of a carport, the villa owner who has the right to the exclusive use of said carport and shall be responsible for the maintenance, care and preservation of the paint and surface of the anterior walls, including floor and ceiling with said exterior carport, and the placement of light bulb in said carport, and the wiring, electrical outlets and fixtures therein, if any where the

limited common elements consist of the air conditioning unit and enclosure for said unit and for the refuse container, then the villa owner having the exclusive right of use of said air conditioning unit and enclosure for said unit and for the refuse container shall be responsible for the maintenance, repair and replacement of said air conditioning unit and enclosure and refuse container.

#### XVI

##### TERMINATION

This Condominium may be voluntarily terminated, in the manner provided for in Section 16 of the Condominium Act, at any time however, the written consent of the Management Firm, as long as the Management Agreement remains in effect, and the Lessor under the Long-Term Lease, shall also be required. In addition thereto, when there has been "very substantial" damage, as defined in Article XII B. 6, above, this Condominium shall be subject to termination, as provided in Article XII B. 6, and in this event, the consent of the Management Firm and Lessor under the Long-Term Lease shall not be required. In addition thereto, if the proposed voluntary termination is submitted to a meeting of the membership of the Association, pursuant to notice, and is approved in writing within sixty (60) Days of said meeting, by three-fourths (3/4ths) of the total vote of the members of the Association, and by all Institutional Mortgagees and the Management Firm, and the Lessor under the Long-Term Lease, then the Association and the approving owners, if they desire, shall have an option to purchase all of the parcels of the other owners within a period expiring one hundred twenty (120) days from the date of such meeting. Such approvals shall be irrevocable until the expiration of the option, and if the option is exercised, the approvals shall be irrevocable. The option shall be exercised upon the following terms:

A. Exercise of Option. An Agreement to Purchase, executed by the Association and/or the record owners of the parcels who will participate in the purchase, shall be delivered by personal delivery or mailed by Certified or Registered Mail, to each of the record owners of the parcels to be purchased, and such delivery shall be deemed the exercise of the Option. The Agreement shall indicate which parcels will be purchased by each participating owner and/or the Association, and shall require the purchase of all parcels owned by owners not approving the termination, but the Agreement shall effect a separate contract between the seller and his purchaser.

B. Price. The sale price for each villa shall be the fair market value determined by agreement between the seller and the purchaser, within thirty (30) days from the delivery or mailing of such Agreement; and in the absence of agreement as to price, it shall be determined by Appraisers appointed by the Senior Judge of the Circuit Court in and for the area wherein the Condominium is located, on the Petition of the seller. The expenses of appraisal shall be paid by the purchaser.

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

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

#### XVII

##### LONG-TERM LEASE

The Association, as Lessee, has entered into a Long-Term Lease Agreement as to a non-exclusive undivided interest in and to the derised premises described therein, a copy of said Lease being

attached hereto as Exhibit No. 4, and made a part hereof, just as though said Lease were fully set forth herein. The Association has acquired the foregoing leasehold interest, pursuant to Florida Statute 711.12), and pursuant to said Statute and said Long-Term Lease, all monies due and to become due under the provisions of said Lease, including, without limitation, expenses of rent, taxes, assessments, insurance premiums, and costs of maintenance and repair, including the operation of said leased premises and all replacements and undertakings, and such other items as are specified in said Lease, are, and shall continue to be for the full term of said Lease, declared to be common expenses of the Condominium.

Each villa owner, his heirs, successors and assigns, agrees to make payment to the Association of his share of the monies due, pursuant to and in the amount, or proportion, or percentage amount, if so stated, as specified in said Long-Term Lease and this Declaration of Condominium. It shall be mandatory for the villa owner to make said payments, regardless of whether or not said villa owner uses the recreation facilities.

The Developer and the Association, by virtue of their execution of this Declaration of Condominium, and each villa owner, by virtue of his taking title to a Condominium parcel, agree that notwithstanding the fact that the Long-Term Lease is attached to this Declaration of Condominium and was recorded in the Public Records subsequent to the recording of this Declaration of Condominium that said Long-Term Lease shall be deemed to have been recorded in the Public Records prior to the recording of this Declaration of Condominium, and in order to secure the faithful performance of the Association's obligation to the Lessor under the Long-Term Lease, and to secure the villa owner's obligation to pay his share of the common expenses, including rent as to the Long-Term Lease, the Lessor under said Long-Term Lease shall have a lien on each Condominium parcel and all tangible personal property located in each Condominium villa in this Condominium, to the extent and as provided in said Long-Term Lease.

The villa owner shall be entitled to the use and enjoyment of the recreation area and facilities under the Long-Term Lease, subject to the Rules and Regulations promulgated by the Management Firm, as long as the Management Agreement remains in effect, and thereafter, subject to the Rules and Regulations as promulgated by the Lessee(s) of said demised premises. However, all such rules and regulations shall be subject to the Lessor's approval and the paramount right of Lessor to enact, adopt and amend same.

Whenever any of the provisions of the Long-Term Lease and/or this Declaration and other Exhibits attached hereto, shall be in conflict, the provisions of the Long-Term Lease shall be controlling, and as between the Declaration of Condominium and other Exhibits attached hereto, excluding the Long-Term Lease, the provisions of the Declaration of Condominium, in case of conflict, shall be controlling.

Each villa owner, his heirs, successors and assigns, shall be bound by said Long-Term Lease, to the same extent and effect as if he had executed said Lease for the purposes therein expressed, including but not limited to:

A. Subjecting all of his right, title and interest in his Condominium parcel and tangible personal property therein, to the lien rights granted to the Lessor in said Long-Term Lease.

B. Adopting, ratifying, confirming and consenting to the execution of said Long-Term Lease by the Association.

C. Covenanting and promising to perform each and every of the covenants, promises and undertakings to be performed by villa owners in the cases provided therefor in said Long-Term Lease.

D. Ratifying, confirming and approving each and every provision of said Long-Term Lease, and acknowledging that all of the terms and provisions thereof are reasonable, including the rent thereunder.

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E. Agreeing that the persons acting as Directors and Officers of the Association entering into such Lease Agreement have not breached any of their duties or obligations to the Association.

F. It is specifically recognized that some or all of the persons comprising the original Board of Directors of the Association, are or may be stockholders, officers and directors of the Corporation which is Lessor under said Long-Term Lease, or beneficiaries of the Lessor entity, and that such circumstance shall not and cannot be construed or considered as a breach of their duties and obligations to the Association, nor as possible grounds to invalidate such Long-Term Lease, in whole or in part.

G. The acts of the Board of Directors and Officers of the Association in acquiring the non-exclusive leasehold interest under said Long-Term Lease, be and the same is hereby ratified, approved, confirmed and adopted.

#### XVIII

##### MANAGEMENT AGREEMENT

The Association has entered into a Management Agreement, a copy of which is annexed hereto as Exhibit No. 5, and made a part hereof.

The Association has delegated to the Management Firm the power of the Association, through its Board of Directors, to determine the Budget, make assessments for common expenses and collect assessments. Each villa owner, his heirs, successors and assigns, shall be bound by said Management Agreement for the purposes therein expressed, including but not limited to:

A. Adopting, ratifying, confirming and consenting to the execution of said Management Agreement by the Association.

B. Covenanteeing and promising to perform each and every of the covenants, promises and undertakings to be performed by villa owners in the cases provided therefor in said Management Agreement.

C. Ratifying, confirming and approving each and every provision of said Management Agreement, and acknowledging that all of the terms and provisions thereof are reasonable.

D. Agreeing that the persons acting as Directors and Officers of the Association entering into such an Agreement have not breached any of their duties or obligations to the Association.

E. It is specifically recognized that some or all of the persons comprising the original Board of Directors of the Association, are or may be stockholders, officers and directors of the Management Firm, and that such circumstance shall not and cannot be construed or considered as a breach of their duties and obligations to the Association, nor as possible grounds to invalidate such Management Agreement, in whole or in part.

F. The acts of the Board of Directors and Officers of the Association in entering into the Management Agreement, be and the same are hereby ratified, approved, confirmed and adopted.

The Association and villa owners further agree that the monthly assessments to be paid by villa owners for common expenses may include such special assessments incurred by a villa owner for charges for guests and invitees of said villa owner, or temporary residents in said villa, as to their use of the recreation facilities and for any special services and charges.

XIX

MISCELLANEOUS PROVISIONS

A. Each villa owner, future villa owner, lessee, sub-lessee, heir or occupant, must obtain the approval of the Management Firm, as long as the Management Agreement remains in effect, as to the matters specified in Article XI hereof, and as provided herein. The approval of the Management Firm shall not be unreasonably withheld. The consent of the Board of Directors, in recordable form, in order to be deemed effective, shall be required to be approved by the Management Firm. The special provisions of Article XI B. 6 of this Declaration of Condominium shall be deemed applicable to this provision, and where prior offer and consent of the Board of Directors of the Association, as provided in said Article XI B. 6, is not required, the approval of the Management Firm, as required by this provision, shall not be required. The Management Firm may, by an instrument in writing, waive its required approval as to any matters specified in Article XI of this Declaration of Condominium.

B. The owners of the respective Condominium villas agree that if any portion of a Condominium villa or common element or limited common element encroaches upon another, a valid easement for the encroachment and maintenance of same, so long as it stands, shall and does exist. In the event a Condominium building or buildings are partially or totally destroyed and then rebuilt, the owners of the Condominium parcels agree that encroachments on parts of the common elements or limited common elements or Condominium villas, as aforescribed, due to construction, shall be permitted, and that a valid easement for said encroachments and the maintenance thereof shall exist.

C. No owner of a Condominium parcel may exempt himself from liability for his contribution toward the common expenses by waiver of the use and enjoyment of any of the common elements or the recreation facilities, or by the abandonment of his Condominium villa.

D. The owners of each and every Condominium parcel shall return the same for the purpose of ad valorem taxes with the Tax Assessor of the County wherein the Condominium is situate, or for such other future legally authorized governmental officer or authority having jurisdiction over same. Nothing herein shall be construed, however, as giving to any villa owner the right of contribution or any right of adjustment against any other villa owner on account of any deviation by the taxing authorities from the valuation herein prescribed, each villa owner to pay ad valorem taxes and special assessments as are separately assessed against his Condominium parcel.

For the purpose of ad valorem taxation, the interest of the owner of a Condominium parcel, in his Condominium villa, and in the common elements, shall be considered a villa. The value of said villa shall be equal to the percentage of the value of the entire Condominium, including land and improvements, as has been assigned to said villa and as set forth in this Declaration. The total of all of said percentages equals 100% of the value of all of the land and improvements thereon.

E. All provisions of this Declaration and Exhibits attached hereto, and Amendments thereof, shall be construed as covenants running with the land, and of every part thereof and interest therein, including but not limited to every villa and the appurtenances thereto, and every villa owner and claimant of the property, or any part thereof, or of any interest therein, and his heirs, executors, administrators, successors and assigns, shall be bound by all of the provisions of said Declaration and Exhibits annexed hereto and any Amendments thereof.

F. If any of the provisions of this Declaration, or of the By-Laws, the Articles of Incorporation of the Association, the Long-Term Lease, the Management Agreement, or of the Condominium Act, or any section, clause, phrase, word, or the application thereof, in any circumstance, is held invalid the validity of the remainder of this Declaration, the By-Laws, Articles of Incorporation, Long-Term Lease and Management Agreement, or the Condominium Act, and of the application of any such provision, action, sentence, clause, phrase or word, in other circumstances, shall not be affected thereby.

G. Whenever notices are required to be sent hereunder, the same may be delivered to villa owners, either personally or by mail, addressed to such villa owners at their place of residence in the Condominium, unless the villa owner has, by written notice duly receipted for, specified a different address. Proof of such mailing or personal delivery by the Association or Management Firm shall be given by the Affidavit of the person mailing or personally delivering said notices. Notices to the Association shall be delivered by mail to the Secretary of the Association, at the Secretary's residence in the Condominium, or in case of the Secretary's absence, then the President of the Association at his residence in the Condominium, and in his absence, any member of the Board of Directors of the Association.

Notices to the Developer shall be delivered by mail at: Hollywood, Inc., 3325 Hollywood Boulevard, Hollywood, Florida.

Notices to the Management Firm shall be delivered by mail at: Hollywood, Inc., 3325 Hollywood Boulevard, Hollywood, Florida.

All notices shall be deemed and considered sent when mailed. Any party may change his or its mailing address by written notice, duly receipted for. Notices required to be given the personal representatives of a deceased owner or devisee, when there is no personal representative, may be delivered either personally or by mail, to such party at his or its address appearing in the records of the Court wherein the Estate of such deceased owner is being administered.

H. The Developer shall have the right to use a portion of the common elements and the Condominium property for the purpose of aiding in the sale of condominium villas including the right to use portions of the Condominium property for parking for prospective purchasers and such other parties as Developer determines. The foregoing right shall mean and include the right to display and erect signs, billboards and placards and store, keep and exhibit same and distribute audio and visual promotional materials upon the common element of the condominium property.

I. The "Remedy for Violation" provided for by Section 23 of the Condominium Act, shall be in full force and effect. In addition thereto, should the Association or the Management Firm, on behalf of the Association, or on its own behalf, find it necessary to bring a Court action to bring about compliance with the law, this Declaration and Exhibits attached to this Declaration, upon a finding by the Court that the violation complained of is willful and deliberate, the villa owner so violating shall reimburse the Management Firm and the Association for reasonable Attorney's fees incurred by it in bringing such action, as determined by the Court.

J. Whenever the context so requires, the use of any gender shall be deemed to include all genders, and the use of the singular shall include the plural, and plural shall include the singular. The provisions of the Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of a condominium.

K. The captions used in this Declaration of Condominium and Exhibits annexed hereto, are inserted solely as a matter of convenience and shall not be relied upon and/or used in construing the effect or meaning of any of the text of this Declaration or Exhibits hereto annexed.

L. Where an Institutional First Mortgage, by some circumstance, fails to be a First Mortgage, but it is evident that it is intended to be a First Mortgage, it shall, nevertheless, for the purpose of this Declaration and Exhibits annexed, be deemed to be an institutional First Mortgage.

M. If any term, covenant, provision, phrase or other element of the Condominium documents is held invalid or unenforceable for any reason whatsoever, such holding shall not be deemed to affect, alter, modify or impair in any manner whatsoever, any other term, provision, covenant or element of the Condominium documents.

N. The Developer specifically disclaims any intent to have made any warranty or representation in connection with the property or the condominium documents, except as specifically set forth therein, and no person shall rely upon any warranty or representation not so specifically made therein. Any estimates of common expenses, taxes or other charges are deemed accurate, but no warranty or guaranty is made or intended, nor may one be relied upon except where same is specifically warranted or guaranteed. The Developer has constructed the buildings and improvements substantially in accordance with the Plans and Specifications on file in the Building and Zoning Department of the applicable Governmental authority, and as same have been modified, and this is the full extent of the Developer's liability and responsibility, the foregoing, where applicable, shall apply to the Lessor.

The Developer and, where applicable, the Lessor shall not be responsible for conditions resulting from condensation on or expansion or contraction of materials, paint over walls, both interior and exterior, loss or injury caused in any way by the elements; the water tightness of windows and doors, defects which are the result of characteristics common to the materials used, and damage due to ordinary wear and tear or abusive use, collection of water within the buildings or on any portion of the Condominium property and demised premises and improvements thereon nor anything of any type or nature except such items as are specifically delineated and agreed to in writing between the Developer and the individual villa owner and where applicable, agreed to in writing between the Lessor and the Condominium Association, and it shall be understood and agreed that the Developer and Lessor shall bear no responsibility in any way as to the matters provided in this paragraph to the Condominium Association. Guaranties have been obtained from all Sub-Contractors, such as the plumber, electrical air conditioning and roofer and warranties have been obtained from the manufacturer of all appliances and equipment, as specified by said manufacturer and sub-contractor, and it shall be the obligation of the Condominium Association and its members to enforce such Guaranties.

Condominium Association, by its execution of this Declaration of Condominium, approves the foregoing, and all of the covenants, terms and conditions, duties and obligations of this Declaration, of Condominium and Exhibits attached thereto. The Condominium Villa owners, by virtue of their acceptance of the Deed of Conveyance as to their Condominium Villa, and other parties by virtue of their occupancy of villas hereby approve the foregoing and all of the terms and conditions, duties and obligations of this Declaration of Condominium and Exhibits attached thereto.

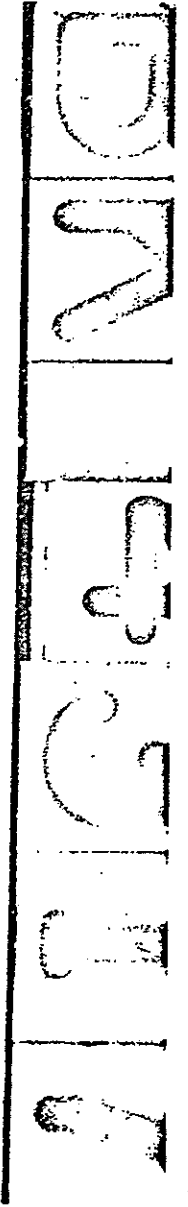
O. By way of clarification as to Article VII of this Declaration, the Long-Term Lease may be amended by an instrument

in writing, executed by the Lessor and the Condominium Association, by and through its Board of Directors and the Management Firm, except there shall be no Amendment affecting the Long-Term Lease which would change a villa owner's rent under the Long-Term Lease nor the manner of sharing common expenses under the Long-Term Lease, nor impair the rights of villa owners to the use and enjoyment of the recreational area and facilities, without the villa owners so affected and all record owners of Institutional Mortgages thereon, joining in the execution of said Amendment. The aforesaid Amendment shall be duly recorded in the Public Records of the County wherein the Condominium is located, and the recording of said Amendment shall constitute an Amendment to this Declaration of Condominium as to the provisions herein relative to said Long-Term Lease. Where the Developer continues to hold title to Condominium villas in this Condominium at the time of a proposed Amendment, as set forth in this paragraph, the approval, of the Developer shall be required. No Amendment, as set forth in this paragraph, shall change the provisions of the Long-Term Lease or this Declaration with respect to Institutional Mortgages, nor shall such Amendment affect, impair or prejudice the validity, rights and priorities of any mortgages encumbering parcels in this Condominium. The Board of Directors of the Condominium Association are empowered and authorized, without the approval of the villa owners, to amend the Long-Term Lease and this Declaration, as contemplated in this paragraph "O".

P. No Condominium parcel owner shall bring, or have any right to bring, any action for partition or division of the Condominium property.

Q. The term "recreation area and facilities", "recreation area", and "recreation facilities", where used throughout this Declaration of Condominium and Exhibits attached hereto, shall mean the demised premises under the Long-Term Lease attached to this Declaration.

R. The real property submitted to Condominium ownership herewith, is subject to conditions, limitations, restrictions, reservations of record, taxes, applicable zoning ordinances now existing or which may hereafter exist, easements for ingress and egress for pedestrian and vehicular purposes, easements for utility service and drainage now existing or hereafter granted by the Developer for the benefit of such persons as the Developer designates, and the said Developer shall have the right to grant such easements and designate the beneficiaries thereof, for such time as it determines in its sole discretion, and thereafter, the Association shall be empowered to grant such easements on behalf of its members. During the period of time that the Developer has the right to grant the foregoing easements, the consent and approval of the Association and its members shall not be required. The right to grant the foregoing easements shall be subject to said easements not structurally weakening the building improvements upon the Condominium property nor unreasonably interfering with the enjoyment of the Condominium property by the Association's members.



IN WITNESS WHEREOF, HOLLYWOOD, INC., a Florida corporation, has caused these presents to be signed in its name by its proper officers and its corporate seal affixed, this 2nd day of October, 1970.

Witnesses:

Ernest Dawson  
Stanley M. Beckerman

HOLLYWOOD, INC.

By W. D. Horvitz  
W. D. HORVITZ, President

Attest Stanley M. Beckerman  
STANLEY M. BECKERMAN, Secretary

(Corporate Seal)

STATE OF FLORIDA  
COUNTY OF BROWARD

BEFORE ME, the undersigned authority, personally appeared W. D. HORVITZ and STANLEY M. BECKERMAN, to me well known to be the persons described in and who executed the foregoing Declaration of Condominium, as President and Secretary respectively of HOLLYWOOD, INC., a Florida corporation, and they severally acknowledged before me that they executed such instrument as such Officers of said Corporation, and that the Seal affixed thereto is the corporate seal of the said corporation, and that it was affixed to said instrument by due and regular corporate authority, and that said instrument is the free act and deed of said corporation.

WITNESS my hand and official seal, at the state and county aforesaid, this 2nd day of October, 1970.

My Commission Expires: NOTARY PUBLIC STATE OF FLORIDA AT LARGE  
BONDED 10000 FID W. DISTRICT (Notary Seal)

FOR GOOD AND VALUABLE CONSIDERATION, the receipt whereof is hereby acknowledged, EMERALD GREEN SECTION TWO, INC., a Florida corporation not for profit, hereby agrees to accept all of the benefits and all of the duties, responsibilities, obligations and burdens imposed upon it by the provisions of this Declaration of Condominium and Exhibits attached hereto.

IN WITNESS WHEREOF, EMERALD GREEN SECTION TWO, INC., a Florida corporation not for profit, has caused these presents to be signed in its name by its President, and its corporate seal affixed, attested by its Secretary, this 2nd day of October, 1970.

Witnesses:

Ernest Dawson  
Stanley M. Beckerman

EMERALD GREEN SECTION TWO, INC.

By John K. Brennan  
JOHN K. BRENNAN, Vice President

Attest Ross P. Beckerman  
ROSS P. BECKERMAN, Secretary

(Corporate Seal)

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STATE OF FLORIDA  
COUNTY OF BROWARD

BEFORE ME, the undersigned authority, personally appeared JOHN K. BRENNAN and ROSS P. BECKERMAN, to me well known to be the persons described in and who executed the foregoing instruments as Vice President and Secretary respectively of EMERALD GREEN SECTION TWO, INC., a Florida corporation not for profit, and they severally acknowledged before me that they executed such instrument as such Officers of said corporation, and that the seal affixed thereto is the corporate seal of said corporation, and that it was affixed to said instrument by due and regular corporate authority, and that the said instrument is the free act and deed of said corporation.

WITNESS my hand and official seal, at said county and state, this 22<sup>nd</sup> day of October, 1970.

My Commission Expires:

*William J. Brennan*  
NOTARY PUBLIC (Notary Public)

NOTARY PUBLIC STATE OF FLORIDA AT LARGE  
MY COMMISSION EXPIRES SEPT. 5, 1974  
BONDED THRU FRID W. DIEBELMIST



To *Insert*



DECLARATION OF CONDOMINIUM  
EXHIBIT A

CONDOMINIUM VILLA AND PARCEL NO.	PERCENTAGES OF UN- DIVIDED INTEREST IN COMMON ELEMENTS PER VILLA	EACH VILLA OWNER SHALL SHARE THE COMMON EXPENSES INCLUDING SHARE UNDER LONG-TERM LEASE EQUALLY * PER VILLA	INITIAL MONTHLY RENT UNDER LONG- TERM LEASE PER VILLA
Villa No. 14	5.55%	5.55%	\$ 30.00
Villa No. 15	5.55%	5.55%	30.00
Villa No. 16	5.55%	5.55%	30.00
Villa No. 17	5.55%	5.55%	30.00
Villa No. 18	5.60%	5.55%	30.00
Villa No. 19	5.55%	5.55%	30.00
Villa No. 20	5.60%	5.55%	30.00
Villa No. 21	5.55%	5.55%	30.00
Villa No. 22	5.55%	5.55%	30.00
Villa No. 23	5.55%	5.55%	30.00
Villa No. 24	5.55%	5.55%	30.00
Villa No. 25	5.55%	5.55%	30.00
Villa No. 26	5.55%	5.55%	30.00
Villa No. 27	5.55%	5.55%	30.00
Villa No. 28	5.55%	5.55%	30.00
Villa No. 29	5.55%	5.55%	30.00
Villa No. 30	5.55%	5.55%	30.00
Villa No. 50	5.55%	5.55%	30.00

VILLA OWNER'S SHARE OF COMMON EXPENSES UNDER THE LONG-TERM LEASE - as defined as the other expenses and obligations (excluding rent), payable by the lessee under the said lease, including, without limitation, taxes, assessments, insurance premiums and costs of maintenance and repairs. The total common expenses under the long-term lease will be shared equally by each Villa owner.

The Lessor under the long-term lease has the right to enter into long-term lease agreements with other lessees and Condominium Associations, as to an undivided interest in the demised premises described in Exhibit "A" of the long-term lease, said long-term lease being attached hereto as Exhibit No. 4, provided, however, that all members of the lessee Condominium Association(s), including the lessee Condominium Association in the long-term lease attached hereto as Exhibit No. 4, share the common expenses under said long-term lease(s) under the foregoing ratio as to the demised premises described in Exhibit "A" to the long-term lease. All Villa owners shall pay said common expense under said long-term lease in an equal amount.

\* The percentages shown here are stated for illustration purposes only. It being expressly understood and agreed that each villa owner shall share equally in the common expenses and the fact that the percentages as aforesaid do not total 100.00% but total 99.90% shall not effect the validity of this Declaration nor change the fact that the total common expenses of this condominium shall be shared equally by each villa owner.



DIV 4511

CERTIFICATE OF SURVEYOR  
FOR  
EMERALD GREEN SECTION TWO,  
A CONDOMINIUM

STATE OF FLORIDA )  
COUNTY OF BROWARD ) SS

Before me, the undersigned authority duly authorized to administer oaths and take acknowledgements, personally appeared MAURICE E. PELLET II, by me well known and known to me to be the person hereinafter described, who, being by me first duly cautioned and sworn, deposes and says on oath as follows, to wit:

1. That he is a duly registered and duly licensed land surveyor authorized to practice under the laws of the State of Florida.
2. That he hereby certifies that the attached survey, marked Exhibit 1, together with the wording of the declaration of condominium, is a correct representation of the improvements as constructed or to be constructed and described therein, and that there can be determined therefrom the identification, location, dimensions and size of the common elements and of each condominium unit therein.
3. That the elevations shown on each floor plan are based on mean sea level datum, 1929 General Adjustment, of the United States Coast and Geodetic Survey.

FURTHER AFFIANT SAYETH NAUGHT.

*Daniel E. B...*  
MAURICE E. PELLET II  
Registered Land Surveyor No. 12345  
State of Florida

Sworn to and subscribed before me  
this      day of      A.D. 1970.

*[Signature]*  
Notary Public  
State of Florida at Large  
My Commission Expires Nov. 11, 1970



BK 4311

Description for  
EMERALD GREEN SECTION  
TWO, A CONDOMINIUM

A portion of Block 39, "HOLLYWOOD HILLS NORTH SECTION ONE", according to plat thereof recorded in Plat Book 66, page 20, of the public records of Broward County, Florida, being more particularly described as follows:

From the northernmost corner of said Block 39, run S.37°45'00"W. along the west line of Block 39 a distance of 50 feet to a point of curvature; thence, southwesterly along said west line on a curve to the right having a radius of 330 feet and a central angle of 13°51'41" an arc distance of 79.84 feet to a point of tangency; thence, S.51°36'41"W. along said west line 137 feet to the point of beginning; thence, continue S.51°36'41"W. along said west line 215.54 feet; thence, S.38°23'19"E. 49.36 feet; thence, East 8.67 feet; thence, South 25.83 feet; thence, East 26.81 feet; thence, South 75.94 feet; thence, East 14.33 feet; thence, South 13.83 feet; thence, East 35.34 feet; thence, South 128.50 feet; thence, East 56.12 feet; thence, South 51.67 feet; thence, East 38.66 feet; thence, South 61.67 feet; thence, West 13.83 feet; thence, South 16.33 feet; thence, West 28.83 feet; thence, South 12.33 feet; thence, East 28.83 feet; thence, South 8.87 feet; thence, S.51°36'44"E. 39.38 feet; thence, N.38°23'16"E. along the east line of said Block 39 a distance of 243.56 feet; thence, N.36°52'12"E. along said east line 146.00 feet; thence, N.53°07'48"W. 89.00 feet; thence, N.36°52'12"E. 108.12 feet; thence, N.45°00'00"W. 222.35 feet; thence, S.51°36'41"W. 94.50 feet; thence, N.38°23'19"W. 96.50 feet to the point of beginning; excepting therefrom the following described parcel:

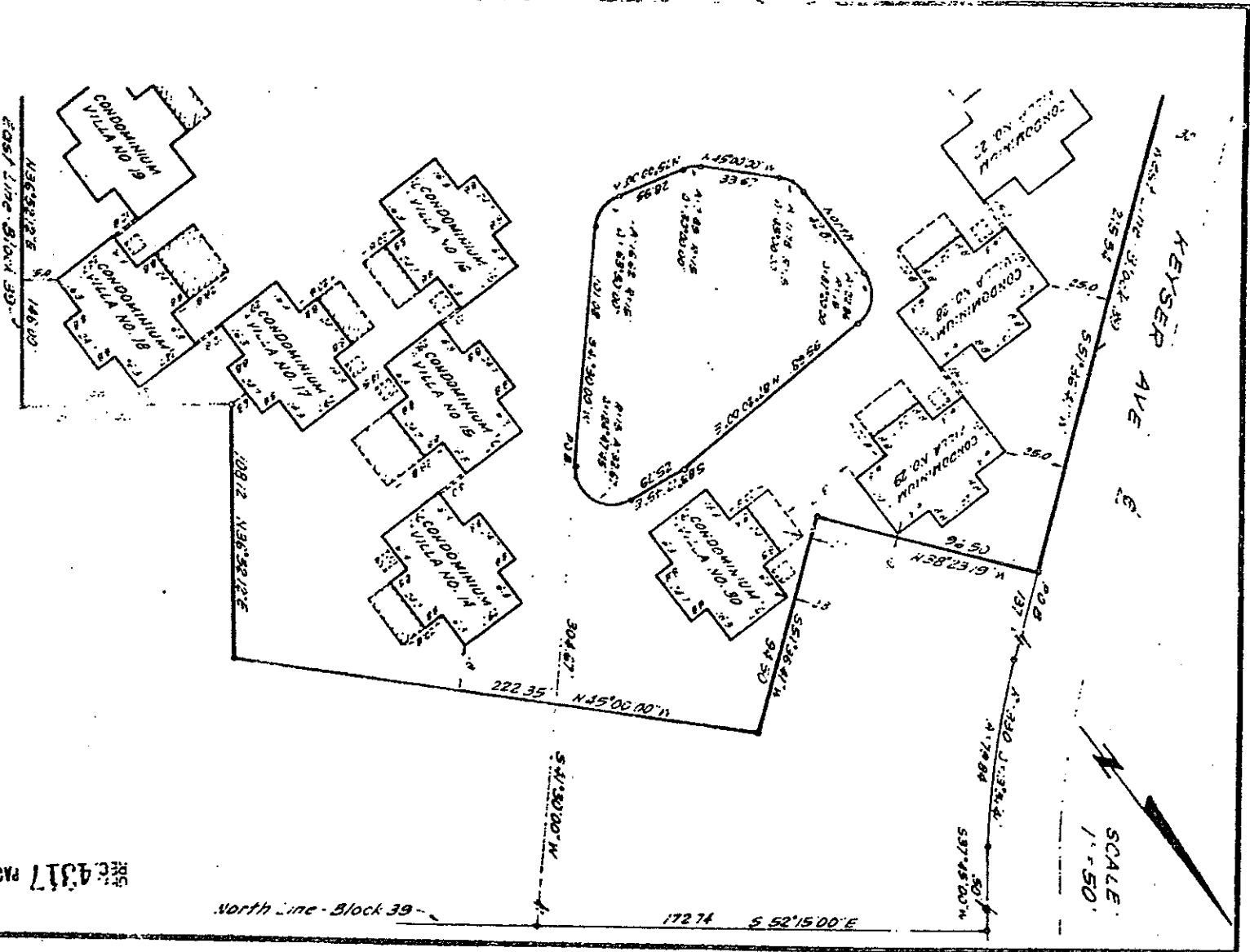
From the northernmost corner of said Block 39, run S.52°15'00"E. along the north line of Block 39 a distance of 172.74 feet; thence, S.41°30'00"W. 304.67 feet to the point of beginning; thence, continue S.41°30'00"W. 101.08 feet to a point of curvature; thence, westerly along a curve to the right having a radius of 15 feet and a central angle of 63°30'00" an arc distance of 16.62 feet to a point of tangency; thence, N.75°00'00"W. 28.95 feet to a point of curvature; thence, northwesterly along a curve to the right having a radius of 15 feet and a central angle of 30°00'00" an arc distance of 7.85 feet to a point of tangency; thence, N.45°00'00"W. 33.67 feet to a point of curvature; thence, northwesterly along a curve to the right having a radius of 15 feet and a central angle of 45°00'00" an arc distance of 11.78 feet to a point of tangency; thence, due north 42.87 feet to a point of curvature; thence, northeasterly along a curve to the right having a radius of 15 feet and a central angle of 87°20'00" an arc distance of 22.86 feet to a point of tangency; thence, N.87°20'00"E. 95.68 feet; thence, S.83°17'45"E. 25.79 feet to a point of curvature; thence, southerly along a curve to the right having a radius of 15 feet and a central angle of 124°47'45" an arc distance of 32.67 feet to a point of tangency and the point of beginning.



Job No.

SURVEY FOR : EMERALD GREEN SECTION TWO,  
A CONDOMINIUM

SCALE  
1"=50'



REC 4317 MAR 2003

TO ALL PARTIES INTERESTED IN TITLE TO PREMISES SURVEYED:

I, MAURICE E. BERRY II, hereby certify that I have made a recent survey of the above described property as indicated, and that there are no above-ground encroachments except as shown. I further certify that the survey represented hereon meets the requirements of the Florida Land Title Association and that this plat is true and correct.  
Dated at Hollywood, Broward County, Florida, this 21 day of SEPT. A.D. 1970.

M. E. BERRY & ASSOCIATES

2011 PINEWOOD DRIVE  
HOLLYWOOD, FLORIDA 33020

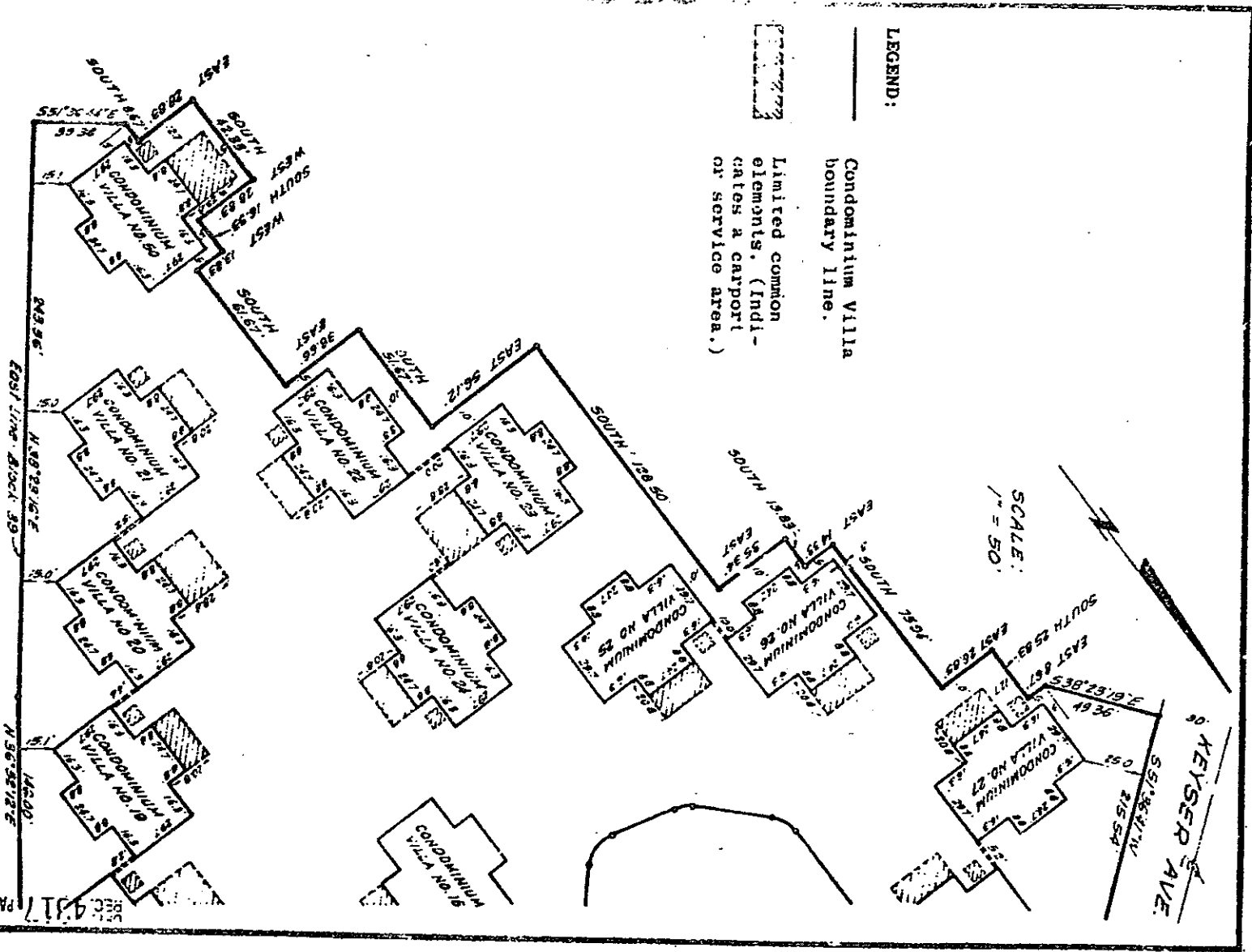
PHONE 972-8800

*Maurice E. Berry II*  
MAURICE E. BERRY II  
Registered Land Surveyor, No. 1127  
STATE OF FLORIDA



See No.

SURVEY FOR: EMERALD GREEN SECTION TWO,  
A CONDOMINIUM



TO ALL PARTIES INTERESTED IN TITLE TO PREMISES SURVEYED:

I, MAURICE E. BERRY II, hereby certify that I have made a recent survey of the above described property as indicated, and that there are no above-ground encroachments except as shown. I further certify that the survey represented hereon meets the requirements of the Florida Land Title Association and that this plat is true and correct. Dated at Hollywood, Broward County, Florida, this 21 day of SEP 21 1970.

M. E. BERRY & ASSOCIATES  
SURVEYORS  
2615 HOLLYWOOD BOULEVARD  
HOLLYWOOD, FLORIDA  
P.O. BOX 938  
PHONE 938-9388

*Maurice E. Berry II*  
MAURICE E. BERRY II  
Registered Land Surveyor No. 113  
STATE OF FLORIDA



BY-LAWS  
OF  
EMERALD GREEN SECTION TWO, INC.  
A FLORIDA NON-PROFIT CORPORATION

IDENTITY

The following By-Laws shall govern the operation of the Condominium created by the Declaration of Condominium to which these By-Laws are attached.

Emerald Green Section Two, Inc., is a Florida corporation not for profit, organized and existing under the laws of the State of Florida for the purpose of administering (but not exclusively unless so provided in the Association's Articles of Incorporation) the Condominium created by the Declaration of Condominium to which these By-Laws are attached.

Section 1. The Office of the Association shall be at the Condominium property, or at such other place as may be subsequently designated by the Board of Directors of the Association.

Section 2. The Seal of the Corporation shall bear the name of the Corporation, the word, "Florida", the words, "Corporation not for profit", and the year of incorporation.

Section 3. As used herein, the word, "Corporation", shall be the equivalent of "Association", as defined in the Declaration of Condominium to which these By-Laws are attached. All other words, as used herein, shall have the same definitions as attributed to them in the Declaration of Condominium to which these By-Laws are attached.

ARTICLE II

MEMBERSHIP AND VOTING PROVISIONS

Section 1. Membership in the Association shall be limited to owners of the Condominium villas in Condominium(s) wherein this Corporation has been designated the Association to operate and administer said Condominium by virtue of the Declaration of Condominium of said Condominium. Transfer of villa ownership, either voluntary or by operation of law, shall terminate membership in the Association, and said membership is to become vested in the transferee. If villa ownership is vested in more than one person, then all of the persons so owning said villa shall be members eligible to hold office, attend meetings, etc., but, as hereinafter indicated, the vote of a villa shall be cast by the "voting member". If villa ownership is vested in a Corporation, said Corporation may designate an individual officer or employee of the Corporation as its "voting member".

Any application for the transfer of membership, or for a conveyance of an interest in, or to encumber or lease a Condominium parcel, where the approval of the Board of Directors of the Association and of the Management Firm, as long as the Management Agreement remains in effect, is required, as set forth in these By-Laws and the Declaration of Condominium to which they are attached, shall be accompanied by an application fee in an amount to be set by the Management Firm, as long as the Management Agreement remains in effect, and thereafter, by the Board of Directors of the Association, to cover the cost of contacting the references given by the applicant, and such other costs of investigation that may be incurred.

BOOK 45218

## Section 2. VOTING

(a) The owner(s) of each Condominium villa shall be entitled to the number of votes equal to the total of the percentage of ownership in the common elements applicable of his villa ownership, as set forth in the Condominium's Declaration of Condominium. If a Condominium villa owner owns more than one villa, he shall be entitled to vote for each villa owned. The vote of a Condominium villa shall not be divisible.

(b) A majority of the villa owners' total votes shall decide any question, unless the Declaration of Condominium, By-Laws, Articles of Incorporation of the Association, Long-Term Lease, or Management Agreement provide otherwise, in which event the voting percentage required in the said Declaration of Condominium, By-Laws, Articles of Incorporation, Long-Term Lease, or Management Agreement, shall control.

Section 3. QUORUM. Unless otherwise provided in these By-Laws, the presence in person or by proxy of a majority of the villa owners' total votes shall constitute a quorum.

Section 4. PROXIES. Votes may be cast in person or by proxy. All proxies shall be in writing and signed by the person entitled to vote (as set forth below in Section 5.), and shall be filed with the Secretary prior to the meeting in which they are to be used, and shall be valid only for the particular meeting designated therein. Where a villa is owned jointly by a husband and wife, and if they have not designated one of them as a voting member, a proxy must be signed by both husband and wife where a third person is designated.

Section 5. DESIGNATION OF VOTING MEMBER. If a Condominium villa is owned by one person, his right to vote shall be established by the recorded title to the villa. If a Condominium villa is owned by more than one person, the person entitled to cast the vote for the villa shall be designated in a Certificate, signed by all of the recorded owners of the villa and filed with the Secretary of the Association. If a Condominium villa is owned by a Corporation, the officer or employee thereof entitled to cast the vote of the villa for the Corporation shall be designated in a Certificate for this purpose, signed by the President or Vice President, attested to by the Secretary or Assistant Secretary of the Corporation, and filed with the Secretary of the Association. The person designated in such Certificate who is entitled to cast the vote for a villa shall be known as the "voting member". If such a Certificate is not on file with the Secretary of the Association, for a villa owned by more than one person or by a Corporation, the vote of the villa concerned shall not be considered in determining the requirement for a quorum, or for any purpose requiring the approval of a person entitled to cast the vote for the villa, except if said villa is owned by a husband and wife. Such Certificates shall be valid until revoked or until superseded by a subsequent Certificate, or until a change in the ownership of the villa concerned. If a Condominium villa is owned jointly by a husband and wife, the following three provisions are applicable thereto:

- (a) They may, but they shall not be required to, designate a voting member.
- (b) If they do not designate a voting member, and if both are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting. (As previously provided, the vote of a villa is not divisible).
- (c) Where they do not designate a voting member, and only one is present at a meeting, the person present may cast the villa vote, just as though he or she owned the villa individually, and without establishing the concurrence of the absent person.



ARTICLE III

MEETING OF THE MEMBERSHIP

Section 1. Place. All meetings of the Association membership shall be held at the Condominium(s) property, or at such other place and at such time as shall be designated by the Board of Directors of the Association and stated in the Notice of the meeting.

Section 2. Notices. It shall be the duty of the Secretary to mail or deliver a Notice of each annual or special meeting, stating the time and place thereof, to each villa owner of record, at least five (5) but not more than fifteen (15) days prior to such meeting. Notice of any special meeting shall state the purpose thereof. All Notices shall be mailed to or served at the address of the villa owner as it appears on the books of the Association.

Section 3. Annual Meeting. The annual meeting shall be held at 4:00 P.M., Eastern Standard Time, on the first Thursday in February of each year, for the purpose of electing Directors and 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 next secular day following. At the annual meeting, the members shall elect by plurality vote (cumulative voting prohibited), a Board of Directors, and shall transact such other business as may properly be brought before the meeting.

Section 4. Special Meeting. Special meetings of the members for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President, and shall be called by the President or Secretary at the request, in writing, of a majority of the Board of Directors, or at the request, in writing of voting members representing twenty-five percent (25%) of the villa owners' total votes, which request shall state the purpose or purposes of the proposed meeting. Business transacted at all special meetings shall be confined to the objects stated in the Notice thereof.

Section 5. Waiver and Consent Whenever the vote of members at a meeting is required or permitted by any provision of these By-Laws to be taken in connection with any action of the Association, the meeting and vote of members may be dispensed with if not less than three-fourths (3/4ths) of the members who would have been entitled to vote upon the action if such meeting were held, shall consent, in writing, to such action being taken; however, Notice of such action shall be given to all members, unless all members approve such action.

Section 6. Adjourned Meeting. If any meeting of members cannot be organized because a quorum of voting members is not present, either in person or by proxy, the meeting may be adjourned from time to time until a quorum is present.

Section 7. Proviso. Provided, however, that until the first Thursday in February of such year as is five (5) years after the year in which these By-Laws are dated, or until the Developer elects to terminate its control of the Condominium, whichever shall first occur, there shall be no meeting of the members of the Association unless a meeting is called by the Board of Directors of the Association, and should a meeting be called, the proceedings shall have no effect unless approved by the Board of Directors of the Association.

Section 8. Approval or Disapproval of a Villa owner upon any matter, whether or not the subject of an Association meeting, shall be by the voting members, provided, however, that where a villa is owned jointly by a husband and wife, and they have not designated one of them as a voting member, their joint approval

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or disapproval shall be required where they are both present, or in the event only one is present, the person present may cast the vote without establishing the concurrence of the absent person.

Section 9. The Management Firm, as long as the Management Agreement remains in effect, shall be entitled to Notice of all Association meetings, and shall be entitled to attend the Association's meetings, and it may designate such person(s) as it desires to attend such meetings on its behalf.

#### ARTICLE IV.

#### DIRECTORS

Section 1. Number, Term and Qualifications. The affairs of the Association shall be governed by a Board of Directors composed of not less than three (3), nor more than seven (7) persons, as is determined from time to time by the members. All Directors shall be members of the Association provided, however, that until one of the events in Article III., Section 7. of these By-Laws first occurs, all Directors shall be designated by the Developer and need not be members. All Officers of a Corporate villa owner shall be deemed to be members of the Association so as to qualify as a Director herein. The term of each Director's service shall extend until the next annual meeting of the members, and thereafter, until his successor is duly elected and qualified, or until he is removed in the manner provided in Section 3. below.

#### Section 2. First Board of Directors.

(a) The first Board of Directors of the Association, who shall hold office and serve until the first annual meeting of members, and until their successors have been elected and qualified, shall consist of the following:

WILLIAM D. HORVITZ  
JOHN K. BRENNAN  
GEORGE LUCK  
ROSS P. BECKERMAN  
STANLEY M. BECKERMAN

(b) The organizational meeting of a newly elected Board of Directors of the Association shall be held within ten (10) days of their election, at such place and time as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary, provided a quorum shall be present.

Section 3. Removal of Directors. At any time after the first annual meeting of the membership, at any duly convened regular or special meeting, any one or more of the Directors may be removed, with or without cause, by the affirmative vote of the voting members, casting not less than two-thirds (2/3rds) of the total votes present at said meeting, and a successor may then and there be elected to fill the vacancy thus created. Should the membership fail to elect said successor, the Board of Directors may fill the vacancy in the manner provided in Section 4. below.

Section 4. Vacancies on Directorate. If the office of any Director or Directors becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining Directors, though less than a quorum, shall choose a successor or successors, who shall hold office for the balance of the unexpired term in respect to which such vacancy occurred. The election held for the purpose of filling said vacancy may be held at any regular or special meeting of the Board of Directors.



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Section 5. Disqualification and Resignation of Directors.

Any Director may resign at any time by sending a written notice of such resignation to the office of the Corporation, delivered to the Secretary. Unless otherwise specified therein, such resignation shall take effect upon receipt thereof by the Secretary. Commencing with the organizational meeting of a newly elected Board of Directors following the first annual meeting of the members of the Association, more than three (3) consecutive absences from regular meetings of the Board of Directors, unless excused by resolution of the Board of Directors, shall automatically constitute a resignation effective when such resignation is accepted by the Board of Directors. Commencing with the Directors elected at such first annual meeting of the membership, the transfer of title of his villa by a Director shall automatically constitute a resignation, effective when such resignation is accepted by the Board of Directors. No member shall continue to serve on the Board should he be more than thirty (30) days delinquent in the payment of an assessment, and said delinquency shall automatically constitute a resignation effective when such resignation is accepted by the Board of Directors.

Section 6. Regular Meetings. The Board of Directors may establish a schedule of regular meetings to be held at such time and place as the Board of Directors may designate. Notice of such regular meetings shall, nevertheless, be given to each Director personally or by mail, telephone or telegraph, at least five (5) days prior to the day named for such meeting.

Section 7. Special Meetings. Special meetings of the Board of Directors may be called by the President, and in his absence, by the Vice President, or by a majority of the members of the Board of Directors, by giving five (5) days' notice, in writing, to all of the members of the Board of Directors of the time and place of said meeting. All notices of special meetings shall state the purpose of the meeting.

Section 8. Directors' Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may waive notice of such 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 the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 9. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at such meetings at which a quorum is present, shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At each such adjourned meeting, any business which might have been transacted at the meeting, as originally called, may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the Minutes thereof, shall constitute the presence of such Director for the purpose of determining a quorum.

Section 10. Compensation. The Directors' fees, if any, shall be determined by the Voting Members.

Section 11. Provided, however, that until the first Thursday in February of such year as is five (5) years after the year in which these By-Laws are dated, or until the Developer elects to terminate its control of the Condominium, whichever shall first occur, all Directors shall be designated by the Developer and need not be owners of villas in the Condominium, and may not be removed by members of

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the Association, as elsewhere provided herein; and where a vacancy occurs for any reason whatsoever, the vacancy shall be filled by the person designated by the Developer.

Section 12. The Management Firm, as long as the Management Agreement remains in effect, shall be entitled to notice of all Directors' meetings, and shall be entitled to attend the Directors' meetings and it may designate such person(s) as it desires to attend such meetings on its behalf.

Section 13. Powers and Duties. The Board of Directors of the Association shall have the powers and duties necessary for the administration of the affairs of the Association, and may do all such acts and things as are not by law or by the Declaration(s) of Condominium, this Association's Articles of Incorporation, or these By-Laws, directed to be exercised and done by villa owners. These powers shall specifically include, but shall not be limited to the following:

(a) To exercise all powers specifically set forth in the Declaration(s) of Condominium, this Association's Articles of Incorporation, in these By-Laws, and in the Condominium Act, and all powers incidental thereto.

(b) To make assessments, collect said assessments, and use and expend the assessments to carry out the purposes and powers of the Association, subject to the provisions of the Management Agreement attached to the Declaration of Condominium to which these By-Laws are attached or any other applicable Management Agreement.

(c) To employ, dismiss and control the personnel necessary for the maintenance and operation of the project, and of the common areas and facilities, including the right and power to employ attorneys, accountants, contractors, and other professionals, as the need arises, subject to the delegation of the foregoing powers to the Management Firm, under the provisions of the Management Agreement attached to the Declaration of Condominium to which these By-Laws are attached or any other applicable Management Agreement.

(d) To make and amend regulations respecting the operation and use of the common elements and Condominium property and facilities, and the use and maintenance of the Condominium villas therein, and the recreational area and facilities, subject to the provisions of the Long-Term Lease attached to the Declaration of Condominium to which these By-Laws are attached. The foregoing is subject to the delegation of the said foregoing powers to the Management Firm, under the provisions of the Management Agreement attached to the Declaration of Condominium to which these By-Laws are attached or any other applicable Management Agreement.

(e) To contract for the management of the Condominium and to designate to such contractor all of the powers and duties of the Association, except those which may be required by the Declaration(s) of Condominium to have approval of the Board of Directors or membership of the Association. To contract for the management or operation of portions of the common elements or facilities susceptible to the separate management or operation thereof, and to lease or concession such portions. The foregoing powers have been delegated to the Management Firm, under the provisions of the applicable Management Agreement.

(f) The further improvement of the Condominium property and demised premises under the Long-Term Lease which is attached to the Declaration of Condominium to which these By-Laws are attached, both real and personal, and the right to purchase - early and items of furniture, furnishings, fixtures and equipment for the foregoing, and the right to acquire and enter into agreements pursuant to § 8.711.121 Et Seq., and as amended, subject to the provisions of

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the applicable Declaration(s) of Condominium, this Association's Articles of Incorporation, and these By-Laws, and subject to the Long-Term Lease attached to the Declaration of Condominium to which these By-Laws are attached and the provisions of the applicable Management Agreement.

(g) Designate one or more committees which, to the extent provided in the resolution designating said committee, shall have the powers of the Board of Directors in the management and affairs and business of the Association. Such committee shall consist of at least three (3) members of the Association, one of whom shall be a Director. The committee or committees shall have such name or names as may be determined from time to time by the Board of Directors, and said committee(s) shall keep regular Minutes of their proceedings and report the same to the Board of Directors, as required. The foregoing powers shall be exercised by the Board of Directors or its contractor or employees, subject only to approval by villa owners when such is specifically required.

ARTICLE V

OFFICERS

Section 1. Elective Officers. The principal officers of the Association shall be a President, two Vice Presidents, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. One person may not hold more than one of the aforementioned offices, except one person may be both Secretary and Treasurer. The President and Vice Presidents shall be members of the Board of Directors. Notwithstanding the foregoing, the restriction as to one person holding only one of the aforementioned offices or the President and Vice Presidents being members of the Board of Directors shall not apply until the time provided in Article III, Section 7., as determined by the Developer.

Section 2. Election. The Officers of the Association designated in Section 1 above, shall be elected annually by the Board of Directors, at the organizational meeting of each new Board following the meeting of the members.

Section 3. Appointive Officers. The Board may appoint Assistant Secretaries and Assistant Treasurers, and such other Officers as the Board of Directors deems necessary.

Section 4. Term. The Officers of the Association shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed at any time, with or without cause, by the Board of Directors, provided, however, that no officer shall be removed except by the affirmative vote for removal by a majority of the whole Board of Directors (e.g., if the Board of Directors is composed of five persons, then three of said Directors must vote for removal). If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

Section 5. The President He shall be the chief executive officer of the Association; he shall preside at all meetings of the villa owners and of the Board of Directors. He shall have executive powers and general supervision over the affairs of the Association and other officers. He shall sign all written contracts to perform all of the duties incident to his office and which may be delegated to him from time to time by the Board of Directors.

Section 6. The Vice Presidents. They shall perform all of the duties of the President in his absence, and such other duties as may be required of them from time to time by the Board of Directors of the Association.

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Section 7. The Secretary. He shall issue notices of all Board of Directors' Meetings and all meetings of the villa owners; he shall attend and keep the Minutes of same; he shall have charge of all of the Association's books, records and papers, except those kept by the Treasurer. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

Section 8. The Treasurer.

(a) He shall have custody of the Association's funds and securities, except the funds payable to the Management Firm, as provided in the Management Agreement attached to the Declaration of Condominium to which these By-Laws are attached or any other applicable Management Agreement, and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name of and to the credit of the Association, in such depositories as may be designated from time to time by the Board of Directors. The books shall reflect an account for each villa in the manner required by Section 11 (7) (B) of the Condominium Act.

(b) He shall disburse the funds of the Association as may be ordered by the Board of Directors in accordance with these By-Laws, making proper vouchers for such disbursements, and shall render to the President and Board of Directors, at the regular meetings of the Board of Directors, or whenever they may require it, an account of all of his transactions as the Treasurer and of the financial condition of the Association.

(c) He shall collect the assessments and shall promptly report the status of collections and of all delinquencies to the Board of Directors.

(d) He shall give status reports to potential transferees on which reports the transferees may rely.

(e) The Assistant Treasurer shall perform the duties of the Treasurer when the Treasurer is absent.

(f) The duties of the Treasurer may be fulfilled by the Management Firm employed by the Association, and the Management Firm, as provided in the Management Agreement attached to the Declaration of Condominium to which these By-Laws are attached or any other applicable Management Agreement shall fulfill the duties of the Treasurer, as specified in said Management Agreement, and shall have custody of such books of the Association as it determines in its sole discretion, and the foregoing shall include any books required to be kept by the Secretary of the Association.

ARTICLE VI

FINANCES AND ASSESSMENTS

Section 1. Depositories. The funds of the Association shall be deposited in such banks and depositories as may be determined by the Board of Directors from time to time, upon resolutions approved by the Board of Directors, and shall be withdrawn only upon checks and demands for money signed by such officer or officers of the Association as may be designated by the Board of Directors. Obligations of the Association shall be signed by at least two officers of the Association; provided, however, that the provisions of the Management Agreement between the Association and the Management Firm relative to the subject matter in this Section, shall supersede the provisions hereof.

Section 2. Fidelity Bonds. The Treasurer and all officers who are authorized to sign checks, and all officers and employees

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of the Association, and any contractor handling or responsible for Association funds, shall be bonded in such amount as may be determined by the Board of Directors. The premiums on such Bonds shall be paid by the Association. The Bond shall be in an amount sufficient to equal the monies an individual handles or has control of via a signatory or a bank account or other depository account; however, notwithstanding the foregoing, the Management Firm, under the terms of the Management Agreement, as to funds in its possession and/or control, shall determine, in its sole discretion, the amount of and who is to be bonded, if any, among its employees.

Section 3. Fiscal Year. The fiscal year for the Association shall begin on the first day of January of each year, provided, however, that the Board of Directors is expressly authorized to change to a different fiscal year in accordance with the provisions and regulations from time to time prescribed by the Internal Revenue Code of the United States of America, at such time as the Board of Directors deems it advisable; provided, however, that the Management Firm, as long as the Management Agreement remains in effect, shall be authorized to set the fiscal year, as determined in its sole discretion.

Section 4. Determination of Assessments.

(a) The Board of Directors of the Association shall fix and determine from time to time, the sum or sums necessary and adequate for the common expenses of the Condominium. Common expenses shall include expenses for the operation, maintenance, repair or replacement of the common elements and the limited common elements, costs of carrying out the powers and duties of the Association, all insurance premiums and expenses relating thereto, including fire insurance and extended coverage, expenses under the Long-Term Lease, and any other expenses designated as common expenses from time to time by the Board of Directors of the Association, or under the provisions of the Declaration of Condominium to which these By-Laws are attached, and the Long-Term Lease attached to said Declaration of Condominium. The Board of Directors is specifically empowered, on behalf of the Association, to make and collect assessments, and to lease, maintain, repair and replace the common elements and limited common elements of the Condominium and recreation facilities, subject, however, to the provisions of the Long-Term Lease. Funds for the payment of common expenses shall be assessed against the villa owners in the proportions or percentages of sharing common expenses, as provided in the Declaration. Said assessments shall be payable monthly in advance, and shall be due on the first day of each month in advance, unless otherwise ordered by the Board of Directors. Special assessments, should such be required by the Board of Directors, shall be levied in the same manner as hereinbefore provided for regular assessments, and shall be payable in the manner determined by the Board of Directors. The foregoing powers and duties of the Association have been delegated to the Management Firm, as provided in the Management Agreement attached to the Declaration of Condominium to which these By-Laws are attached or any other applicable Management Agreements. All funds due under these By-Laws, the Long-Term Lease and the Management Agreement, which are attached to the Declaration of Condominium to which these By-Laws are attached or any other applicable Management Agreement, and said Declaration of Condominium, are common expenses of this Condominium.

(b) When the Board of Directors has determined the amount of any assessment, the Treasurer of the Association shall mail or present to each villa owner, a statement of said villa owner's assessment. All assessments shall be payable to the Treasurer of the Association and, upon request, said Treasurer shall give a receipt for each payment made to him.

(c) The provisions of the Management Agreement attached to the Declaration of Condominium to which these By-Laws are attached or any other applicable Management Agreement, shall supersede the provisions relative thereto in this Section and as to all Sections in Article VI. of these By-Laws. The Board of Directors has delegated the power and duty of making and collecting assessments to the Management Firm, as long as the Management Agreement remains in effect, and as provided in the Management Agreement, except, the Board of Directors retains the authority to make assessments as to the following:

(1) Special assessments for additional recreation or social activities.

(2) Acquisition of villas, as provided in Article IX. of these By-Laws, and pursuant to Article XIX.K of the Declaration of Condominium to which these By-Laws are attached, subject to the written approval of such parties as are specified therein.

(d) The Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Board of Directors, may, if it desires, adopt a budget for each fiscal year that shall include the estimated funds required to defray the common expenses and to provide and maintain funds to cover current expenses, and which shall include all receipts and expenditures within the year for which the budget is made, including a reasonable allowance for contingencies and working funds, (except expenditures chargeable to reserves, to additional improvements, or to operations); reserve for deferred maintenance which shall occur less frequently than annually; reserve for replacement - which shall include funds for repair or replacement required because of damage, depreciation or obsolescence; betterments, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the common elements or the recreation facilities under the Long-Term Lease; operations - the amount of which may be to provide working funds or to meet losses.

Section 5. Application of Payments and Co-Mingling of Funds. All sums collected by the Association from assessments, may be co-mingled in a single fund or divided into more than one fund, as determined by the Management Firm, as long as the Management Agreement remains in effect, and thereafter, by the Board of Directors of the Association. All assessment payments by a villa owner shall be applied as to interest, delinquencies, costs and attorney's fees, other charges, expenses and advances, and rent under the Long-Term Lease, as provided herein and in the Declaration of Condominium, and general or special assessments, in such manner and amounts as the Management Firm, as long as the Management Agreement remains in effect, determines in its sole discretion, and thereafter, as the Board of Directors determines in its sole discretion. The Management Firm may co-mingle the association's funds with the funds of others for whom it is acting as Manager.

Section 6. Acceleration of Assessment Installments Upon Default If a villa owner shall be in default in the payment of an installment upon any assessment, the Management Firm or the Board of Directors may accelerate the remaining monthly installments for the fiscal year, upon notice thereof to the villa owner and, thereupon the unpaid balance of the assessment shall become due upon the date stated in the Notice, but not less than fifteen (15) days after delivery of or the mailing of such notice to the villa owner.

Section 7. During the term of the Management Agreement, the Management Firm shall render to the Association a statement for each calendar year no later than April 1 next thereafter. The Management Firm shall perform a continual internal audit of the Association's financial records for the purpose of verifying the same but no

Independent or external audit shall be required of it. During the term of the Management Agreement the Association may conduct an external audit by an independent auditor acceptable to the Management Firm at such reasonable time as the Management Firm shall agree to, provided however, said request for inspection is not made more than once in any calendar year and provided that the cost and expense of same is borne by the Association. Upon the termination of the Management Agreement, an audit of the accounts of the Association shall be made annually, as provided for in Article III, Section 7., of these By-Laws. Said audit shall be prepared by such Accountant as the Board of Directors determines, and a copy of said Report shall be available to the members of the Association in the Office of said Association, and with the Treasurer of the Association. Such Report shall be available not later than three (3) months after the end of the year for which the Report is made. The provisions of a Management Agreement applicable thereto shall supersede the foregoing.

ARTICLE VII

ADDITIONS OR ALTERATIONS

There shall be no additions or alterations to the common elements or limited common elements of the Condominium(s) which this Association operates and maintains, except as specifically provided for in said Condominium's Declaration of Condominium. There shall be no alterations or additions to the recreation facilities under the Long-Term Lease attached to the Declaration of Condominium to which these By-Laws are attached, where the cost thereof to said Condominium is in excess of twenty (20%) percent of said Condominium's share of common expenses as to the recreation facilities under the Long-Term Lease, excluding rent thereunder, unless the same is authorized by the Board of Directors of the Association, and the same is approved by not less than sixty (60%) percent of the total vote of the members of this Association, and the same is approved by all other lessees of said demised recreation facilities, and provided all lessees of said demised alterations and the maintenance thereof in the manner provided in Exhibit "A" of the Declaration of Condominium to which these By-Laws are attached, and further provided that said additions or alterations are approved by the Lessor of said demised recreation facilities. The Management Firm shall have the right to make assessments for additions or alterations to the common elements of said Condominium and to the recreation facilities under the Long-Term Lease aforesaid, without the approval of the Board of Directors of this Association and the members of this Association, provided said assessment therefor does not exceed the amount required herein and in the Declaration of Condominium to which these By-Laws are attached, and further provided that said assessment is in accordance with these By-Laws and said Declaration of Condominium and Long-Term Lease attached thereto.

ARTICLE VIII

COMPLIANCE AND DEFAULT

Section 1. Violations. In the event of a violation (other than the non-payment of an assessment) by the villa owner in any of the provisions of the Declaration of Condominium, of these By-Laws, or of the applicable portions of the Condominium Act, the Association, by direction of its Board of Directors, may notify the villa owner by written notice of said breach, transmitted by mail, and if such violation shall continue for a period of thirty

(30) days from date of the notice, the Association, through its Board of Directors, shall have the right to treat such violation as an intentional and inexcusable and material breach of the Declaration, of the By-Laws, or of the pertinent provisions of the Condominium Act, and the Association may then, at its option, have the following elections:

- (a) An action at law to recover for its damage, on behalf of the Association or on behalf of the other villa owners.
- (b) An action in equity to enforce performance on the part of the villa owner; or
- (c) An action in equity for such equitable relief as may be necessary under the circumstances, including injunctive relief.

Upon a finding by the Court that the violation complained of is willful and deliberate, the villa owner so violating shall reimburse the Association for reasonable attorney's fees incurred by it in bringing such action. Failure on the part of the Association to maintain such action at law or in equity within thirty (30) days from date of a written request, signed by a villa owner, sent to the Board of Directors, shall authorize any villa owner to bring an action in equity or suit at law on account of the violation, in the manner provided for in the Condominium Act. Any violations which are deemed by the Board of Directors to be a hazard to public health, may be corrected immediately as an emergency matter by the Association, and the cost thereof shall be charged to the villa owner as a specific item, which shall be a lien against said villa with the same force and effect as if the charge were a part of the common expenses.

Section 2. Negligence or Carelessness of Villa Owner, etc. All villa owners shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any member of his family, or his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in insurance rates occasioned by use, misuse, occupancy or abandonment of any villa or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance company of rights of subrogation. The expense for any maintenance, repair or replacement required, as provided in this Section, shall be charged to said villa owner as a specific item, which shall be a lien against said villa with the same force and effect as if the charge were a part of the common expenses.

Section 3. Costs and Attorney's Fees. In any proceeding arising because of an alleged default by a villa owner, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be determined by the Court.

Section 4. No Waiver of Rights. The failure of the Association or of a villa owner to enforce any right, provision, covenant or condition which may be granted by the Condominium documents, shall not constitute a waiver of the right of the Association or villa owner to enforce such right, provision, covenant or condition in the future.

Section 5. Election of Remedies. All rights, remedies and privileges granted to the Association or villa owner, pursuant to any terms, provisions, covenants or conditions of the Condominium documents, shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies nor shall it preclude the party thus exercising the same from exercising such other and additional right, remedies or privileges as may be granted to such other party by Condominium documents, or at law or in equity.



Section 6. The Management Firm, as long as the Management Agreement remains in effect, shall act on behalf of the Board of Directors of the Association and on its own behalf, with the same power and authority granted to the Board of Directors of the Association as to all matters provided under this Article VIII. Sections 1 through 5 inclusive, and said Sections 1 through 6, inclusive of this Article VIII, shall be interpreted as including within the context of such Sections, violations of the Management Agreement attached to the Declaration of Condominium to which these By-Laws are attached or any other applicable Management Agreement. Section 2 above shall also be interpreted as meaning and including said Condominium's property and the recreation facilities under the Long-Term Lease, both real and personal. The Management Firm may act upon its own determination or upon the determination and direction of the Board of Directors of the Association, as to Section 1 hereinabove. Should the Management Firm fail to act, as directed by the Board of Directors as to Section 1 above, the Board of Directors may act on their own behalf; however, due to the diverse types of situations that may arise between villa owners, stemming out of the alleged violations, the Management Firm shall not be liable or responsible to the Association, its Board of Directors or the villa owners, for its failure to act as directed by the Board of Directors, as to Section 1 hereinabove.

#### ARTICLE IX

##### ACQUISITION OF VILLAS

Section 1. Voluntary Sale or Transfer. Upon receipt of a villa owner's written notice of intention to sell or lease, as described in Article XI, of the Declaration of Condominium to which these By-Laws are attached, the Board of Directors shall have full power and authority to consent to the transaction, as specified in said Notice, or object to same for good cause, or to designate a person other than the Association as designee, pursuant to the provisions of said Article XI, without having to obtain the consent of the membership thereto. The Board of Directors shall have the further right to designate the Association as being "willing to purchase, lease or rent", upon the proposed terms, upon adoption of a resolution by the Board of Directors recommending such purchase or leasing to the membership, but notwithstanding the adoption of such resolution and such designation by the Board of Directors, the Association shall not be bound and shall not so purchase or lease, except upon the authorization and approval of the affirmative vote of voting members casting not less than sixty (60%) percent of the total votes of the villa owners present at any regular or special meeting of the villa owners wherein said matter is voted upon. The provisions of Article XI. of the Declaration of Condominium to which these By-Laws are attached or Article XI of any Declaration of Condominium to which these By-Laws are attached, and the provisions of the Management Agreement attached to the aforesaid Declaration of Condominium or any other applicable Management Agreement, shall supersede the provisions herein relative thereto.

Section 2. Acquisition on Foreclosure. At any foreclosure sale of a villa, the Board of Directors may, with the authorization and approval by the affirmative vote of voting members casting not less than sixty percent (60%) of the total votes of the villa owners present at any regular or special meeting of the villa owners, wherein said matter is voted upon, acquire in the name of the Association, or its designee, a Condominium parcel being foreclosed. The term "foreclosure", as used in this Section, shall mean and include any foreclosure of any lien, excluding the Association's lien for assessments. The power of the Board of Directors to acquire a Condominium parcel at any foreclosure sale shall never be interpreted as any requirement or obligation on the part of the said Board of Directors or of the Association to do so at any foreclosure sale,

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the provisions hereof being permissive in nature and for the purpose of setting forth the power in the Board of Directors to do so should the requisite approval of the voting members be obtained. The Board of Directors shall not be required to obtain the approval of villa owners at the foreclosure sale of a villa, due to the foreclosure of the Association's lien for assessments under the provisions of Article X. of the Declaration of Condominium to which these By-Laws are attached or Article X. of any Declaration to which these By-Laws are attached, notwithstanding the sum the Board of Directors determines to bid at such foreclosure sale.

#### ARTICLE X

##### AMENDMENTS TO THE BY-LAWS

The By-Laws may be altered, amended or added to at any duly called meeting of the villa owners, provided:

- (1) Notice of the meeting shall contain a statement of the proposed Amendment.
- (2) If the Amendment has received the unanimous approval of the full Board of Directors, then it shall be approved upon the affirmative vote of the voting members, casting a majority of the total votes of the villa owners.
- (3) If the Amendment has not been approved by the unanimous vote of the Board of Directors, then the Amendment shall be approved by the affirmative vote of the voting members casting not less than three-fourths (3/4ths) of the total votes of the villa owners' and,
- (4) Said Amendment shall be recorded and certified, as required by the Condominium Act. Notwithstanding anything above to the contrary, until one of the events in Article III, Section 7., of these By-Laws occurs, these By-Laws may not be amended without a prior resolution requesting the said Amendment from the Board of Directors.
- (5) Notwithstanding the foregoing, these By-Laws may only be amended with the written approval when required of the parties specified in Article VIII of the Declaration of Condominium to which these By-Laws are attached or Article VIII, of any Declaration of Condominium to which these By-Laws are attached.

#### ARTICLE XI

##### NOTICES

Whatever notices are required to be sent hereunder, shall be delivered or sent in accordance with the applicable provisions for notices, as set forth in the Declaration(s) of Condominium to which these By-Laws are attached.

#### ARTICLE XII

##### INDEMNIFICATION

The Association shall indemnify every Director and every Officer, his heirs, executors and administrators, against all loss, cost and expense reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Director or Officer of the Association, including reasonable counsel fees to be approved by the Association, except as to matters wherein he shall be finally adjudged in such action, suit

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or proceeding, to be liable for or guilty of gross negligence or willful misconduct. The foregoing rights shall be in addition to and not exclusive of all other rights to which such Director or Officer may be entitled.

ARTICLE XIII

LIABILITY SURVIVES TERMINATION OF MEMBERSHIP

The termination of membership in the Condominium shall not relieve or release any such former owner or member from any liability or obligations incurred under or in any way connected with the Condominium during the period of such ownership and membership, or impair any rights or remedies which the Association may have against such former owner and member arising out of or in any way connected with such ownership and membership, and the covenants and obligations incident the to.

ARTICLE XIV

LIMITATION OF LIABILITY

Notwithstanding the duty of the Management Firm and the Association to maintain and repair parts of the Condominium property and where applicable the recreation facilities, the Management Firm and Association shall not be liable for injury or damage caused by a latent condition in the property, nor for injury or damage caused by the elements or by other owners or persons.

ARTICLE XV

PARLIAMENTARY RULES

Roberts Rules of Order (latest Edition) shall govern the conduct of the Association's meetings when not in conflict with the Condominium Act, the Declaration of Condominium, or these By-Laws.

ARTICLE XVI

LIENS

Section 1. Protection of Property. All liens against a Condominium villa other than for permitted mortgages, taxes or special assessments, shall be satisfied or otherwise removed within thirty (30) days of the date the lien attaches. All taxes and special assessments upon a Condominium villa shall be paid before becoming delinquent, as provided in these Condominium documents or by law, whichever is sooner.

Section 2. Notice of Lien. A villa owner shall give notice to the Management Firm, as long as the Management Agreement remains in effect, and the Association, of every lien upon his villa, other than for permitted mortgages, taxes and special assessments, within five (5) days after the attaching of the lien.

Section 3. Notice of Suit. Villa owners shall give notice to the Management Firm and the Association of every suit or other proceeding which will or may affect title to his villa or any part of the property, such notice to be given within five (5) days after the villa owner receives notice thereof.

Section 4. Failure to comply with this Article concerning liens will not affect the validity of any judicial sale.

Section 5. Permitted Mortgage Register. The Association may maintain a register of all permitted mortgages, and at the request of a mortgagee, the Association shall forward copies of all notices for unpaid assessments or violations served upon a villa owner to said mortgagee. The Management Firm, as long as

the Management Agreement remains in effect, shall not be required to maintain a register, as provided herein. If a Register is maintained, the Management Firm, as long as the Management Agreement remains in effect and thereafter, the Board of Directors of the Association may make such charge as it deems appropriate against the applicable villa for supplying the information provided herein.

ARTICLE XVII

RULES AND REGULATIONS

Section 1. The Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Board of Directors may, from time to time, adopt or amend previously adopted administrative Rules and Regulations governing the details of the operation, use, maintenance, management and control of the common elements of the Condominium(s), and any facilities or services made available to the villa owners. A copy of the Rules and Regulations adopted from time to time, as herein provided, shall, from time to time, be posted in a conspicuous place.

Section 2. As to Condominium Villas. The Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Board of Directors, may, from time to time, adopt or amend previously adopted Rules and Regulations governing and restricting the use and maintenance of the Condominium villas, provided, however, that copies of such Rules and Regulations, prior to the time the same become effective, shall be posted in a conspicuous place on the Condominium's property, and/or copies of same shall be furnished to each villa owner.

Section 3. As to Recreation Areas and Facilities. The use of the recreation areas and facilities under the Long-Term Lease shall at all times be subject to such Rules and Regulations as the Management Firm, as long as the Management Agreement remains in effect, may establish from time to time in its sole discretion, and thereafter, subject to the Rules and Regulations promulgated by the Lessees of said recreation areas and facilities. Said recreation areas and facilities shall only be used by the villa owners and those persons permitted by the Management Firm, and thereafter, said Lessees, subject to the Rules and Regulations for said facilities. All children who are sixteen (16) years of age or under, must be accompanied by a responsible adult to the recreation areas and facilities. Any damage to equipment or the premises caused by a villa owner, his family, servants, guests, etc., shall be paid for by the villa owner responsible therefor, and the cost thereof shall be a charge and lien upon the villa owner's parcel as a special assessment. The foregoing provisions are further subject to the approval of the Lessor, and said Lessor shall have the paramount right, should it desire, to establish Rules and Regulations for the use of the recreation areas and facilities, and to determine who may use said facilities, and under what circumstances and conditions.

Section 4. Conflict. In the event of any conflict between the Rules and Regulations adopted, or from time to time amended, and the Condominium documents, or the Condominium Act, the latter shall prevail. If any unreconciled conflict should exist or hereafter arise with respect to the interpretation of these By-Laws and the Management Agreement, the provisions of the Management Agreement shall prevail, and as between these By-Laws and the Declaration(s) of Condominium, the provisions of said Declaration shall prevail.

RECEIVED

APPROVED AND DECLARED as the By-Laws of EMERALD GREEN  
SECTION TWO INC.

Dated this 2nd day of October, 1970.

ASSOCIATION

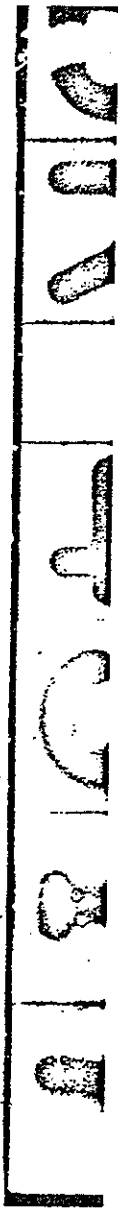
EMERALD GREEN SECTION TWO INC.

By [Signature]  
W. D. HORVITZ, President

Attest [Signature]  
ROSS P. BECKERMAN, Secretary

(Corporate Seal)





# State of Florida

Department of State



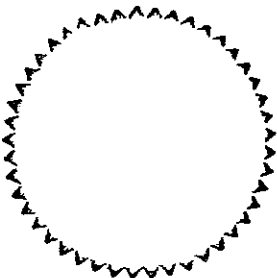
I, Com Adams, Secretary of State of the State of Florida,  
Do Hereby Certify That the following is a true and correct copy of

Certificate of Incorporation  
of

EMERALD GREEN SECTION TWO, INC.

a corporation not for profit organized and existing under the Laws of the  
State of Florida, filed on the 18th day of September  
A.D. 1970 as shown by the records of this office.

Given under my hand and the Great Seal of the  
State of Florida, at Tallahassee, the Capital,  
this the 18th day of September  
A.D. 1970



*Com Adams*  
Secretary of State

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