

DECLARATION OF CONDOMINIUM

OF

CHANTECLAIR VILLAS CONDOMINIUM

MADE this 3rd day of August, 1981, by ORLAN HOMES CORP., a Florida corporation (hereinafter referred to as "Developer"), for itself, its successors, grantees and assigns, as fee simple owner of the property described in Article III below, hereby states and declares:

I

SUBMISSION STATEMENT

Developer hereby submits to the Condominium form of ownership and use, the fee simple estate in the land described in Article III hereof, the easements and rights appurtenant thereto, pursuant to Chapter 718, Florida Statutes, as presently constituted (the "Condominium Act").

II

NAME

The name by which the Condominium is to be known and identified is "Chanteclair Villas Condominium Number Three." All references to Chanteclair Villas or Chanteclair Villas Condominium shall mean Chanteclair Villas Condominium Number Three.

III

THE LAND

The land submitted to Condominium ownership (the "Land") is situated in Palm Beach County, Florida, as more particularly described in Exhibit "A" attached hereto.

IV

RECREATION FACILITIES

All of the recreational facilities serving the Condominium will be owned by Chanteclair Villas Recreation Association, a Florida corporation not-for-profit, whose members will be all Unit Owners in Chanteclair Villas Condominium Number One, Two and Three. Each Unit Owner shall be a member of the Condominium Association and shall be a member of the Recreation Association. If more than one person owns a Condominium Unit, then that one group of owners shall be entitled to one vote for each Condominium Unit. Developer reserves the right to go on the Condominium property as necessary and the recreational facilities property owned by the Recreation Association.

PREPARED BY & RETURN TO:
JAMES B. CHAPLIN, ESQ.
#510, 800 E. Broward Boulevard
Fort Lauderdale, Florida 33301

V

DEFINITIONS

The various terms used in this Declaration and its exhibits are defined in accordance with the provisions of Section 718.103 of the Condominium Act and with the following further definitions:

- (a) Developer - The Developer is Orlan Homes Corp., a Florida corporation.
- (b) Unit or Condominium Unit is a Unit as defined in the Condominium Act, referring herein to each of the separate and identified parcels of land delineated in the survey attached to the Declaration as Exhibit C, and when the context requires or permits, the Unit or Units include its share of the common elements appurtenant thereto. The physical boundaries of each Unit are as delineated in the material afore-described and are as more particularly described in Article VI of this Declaration.
- (c) Condominium Parcel - The Condominium Unit, together with its undivided share in the common elements appurtenant thereto.
- (d) Owner or Unit Owner - That person or entity or group of owners owning a Condominium parcel.
- (e) Condominium Act - Chapter 718 Florida Statutes, as presently constituted.
- (f) Condominium Association or Association - Means Chantclair Villas Condominium Association Number Three, Inc., a Florida corporation not for profit, the entity responsible for the operation of the Condominium.
- (g) Recreation Association - Means Chantclair Villas Recreation Association, Inc., a Florida corporation not for profit, the entity which owns, controls, manages and maintains the recreational facilities which serve the Condominium and other condominiums.
- (h) Board of Directors - Refers to the Board of Directors of Chantclair Villas Condominium Association Number Three, Inc., which Board is responsible for the administration of the Association.
- (i) Member - Each Unit Owner or Co-Owner who by virtue of ownership of a Condominium Unit, automatically becomes and remains during Unit ownership a member of Chantclair Villas Condominium Association Number Three, Inc. and Chantclair Villas Recreation Association, Inc.
- (j) Condominium Documents - Means this Declaration, the Articles of Incorporation and By-Laws of the Association and all other exhibits attached hereto, as amended.

- (k) Condominium Property - Means and includes the lands and personal property that are subject to Condominium form of ownership, whether or not contiguous, and thereto intended for use in connection with the Condominium Parcel, except for the Property owned by the Recreation Association.
- (l) Common Elements - Means the portions of the Condominium property not included in the Units.
- (m) Common Expenses - Means the expenses and assessments incurred by the Association incident to the discharge of its duties.
- (n) Common Surplus - Means the excess of all receipts of the Association including, but not limited to, assessments, rents, profits and revenues on account of the common elements over the common expenses.
- (o) Declaration or Declaration of Condominium - Means this instrument and any amendments thereto that may be recorded from time to time.
- (p) Limited Common Elements - Means and includes those common elements which are reserved for the use of a certain Unit or Units, to the exclusion of other Units as specified in this Declaration.
- (q) Utility Services - Utility services, as used in the Condominium Act and construed with reference to this Condominium and as used in the Declaration and By-Laws, shall include, but not be limited to, electric power, gas, water, heating, air conditioning, sewage and garbage disposal and trash removal.
- (r) The Declaration of Protective Covenants and Restrictions - Means the Protective Covenants and Restrictions and Reservations included in those certain instruments recorded at O.R. Book 2210, Page 573 of the public records of Palm Beach County, Florida, affecting the Condominium Property. See Exhibit "L".
- (s) Recreational Facilities - That real and personal property to be used by the Unit Owners, as members of the Recreation Association, for recreation purposes, which property is owned by the Recreation Association, including easements for access to the Recreation Facilities for the benefit of members of the Recreation Association.
- (t) Recreation Assessments - Means a share of the funds required for the payment of expenses incurred in connection with the Recreational Facilities, which are from time to time assessed against Unit Owners and collected by the Condominium Association and remitted to the Recreation Association.

- (u) Institutional Mortgagee or Mortgagee - Means a bank, savings and loan association, insurance company, mortgage company, real estate investment trust, any individual or private or public business entity or FHA, VA, FNMA and FHLMC approved lender holding a first mortgage upon a Unit and their respective successors or assigns.

VI

IDENTIFICATION OF CONDOMINIUM UNITSPHASE I

A. The Condominium property consists of the land described in Article III hereof and all easements and rights appurtenant thereto, together with the improvements constructed thereon, which includes the Units and common elements. The principal improvements to be constructed on the real property submitted herewith to condominium ownership will consist of drive, parking areas and utility services. At the time of the recording of this Declaration, the lands described in Exhibit "A" have been submitted to condominium form of ownership. Accordingly, the survey exhibit (Exhibit "F") has been certified by a Florida Registered Land Surveyor indicating statutory compliance with Section 718.104 (4) (e), Florida Statutes. An overall plot plan is annexed to this Declaration as Exhibit "B".

B. Unit Identification. For purposes of identification, all Units are given identifying numbers and letters (7E, 7F, etc.) and the same are set forth in the survey exhibits (Exhibit "B"). No Unit bears the same identifying number and letter as does any other Unit. The aforesaid numbers and letters as to the Unit are also the identifying numbers and letters as to the Parcel. Each Unit, together with all appurtenances thereto shall, for all purposes, constitute a separate parcel of real property which may be owned in fee simple and which may be conveyed, transferred or encumbered in the same manner as any other parcel of real property, subject only to the provisions of the Condominium Documents and easements, restrictions and limitations of record.

C. The boundaries of each Unit shall be determined in the following manner:

1. Upper and Lower Boundaries: The upper and lower boundaries of each Unit shall be determined in the same manner and under the same laws which establish the upper and lower boundaries of a parcel of real property, title to which is held in fee simple.

2. Perimetrical Boundaries: The perimetrical boundaries of each Unit is as shown on Exhibit "C" wherein each Unit is identified and the perimetrical boundaries indicated by the intersecting straight lines surrounding the number and letter designating that Unit.

D. Ingress and Egress Easements. It is contemplated that when this Declaration of Condominium is recorded, all of the ingress and egress easements may not have been located on the survey exhibits. Accordingly, this Declaration may be amended by the Developer by the filing of amendments incorporating such additional surveys as may be required to adequately show the location of the ingress and

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egress easements for each Unit for driveway and other purposes. Said amendments, when signed and acknowledged by the Developer, shall constitute an amendment to this Declaration and there is no necessity for approval by the Association, Unit Owners, lienors, or mortgagees of Units, whether or not their approval is elsewhere required for amendment.

E. Encroachment Easement. If any portion of an improvement constructed on a Unit encroaches upon the common elements, whether the same exists now or is created by construction, a valid easement for such encroachment and the maintenance of the same, so long as it stands, shall and does exist. In the event an improvement constructed upon a Unit is partially or totally destroyed, and then rebuilt, inadvertent encroachments on parts of the common elements shall be permitted as aforesaid, and a valid easement for said encroachment and the maintenance thereof shall exist.

F. Common Elements: Each Condominium Parcel includes the Unit Owner's undivided share in the common elements which are appurtenant to the Unit. The driveway area in front of each Unit as shown on Exhibit "B" is a limited common element for the use of that particular Unit Owner.

G. Unit Designation: The Units in Phase 1 as shown on Exhibit "B" 1E, 1F, 2E, 2F, 3E, 3F, 4E, 4F, 5E, 5F, 6E, 6F, 7E, 7F, 8E, 8F, 9E, 9F, 10E, 10F, 11E, 11F, 12E, 12F, 13E, 13F, 14E, 14F, 15E, 15F, 16E, 16F, 17E, 17F, 18E, 18F, 19E, 19F, 20E, 20F, 21E, 21F, 22E, 22F, 23E, 23F, 24E, 24F, 25E, 25F, 26E and 26F.

VII

UNDIVIDED SHARES IN THE COMMON ELEMENTS AND SHARE IN THE COMMON EXPENSES AND COMMON SURPLUS APPURTENANT TO EACH UNIT

A. Each Unit shall have as an appurtenance ~~thereto an undivided share in the common elements as set forth in the schedule contained in Exhibit "M" attached hereto and made a part hereof.~~

B. The common expenses shall be borne by the Unit Owners and the said Unit Owners shall share in the common surplus in the proportions set forth in the schedule contained in Exhibit "M" attached hereto and made a part hereof.

C. In the event of the termination of the Condominium, the Condominium property shall be owned in common by the Unit Owners in accordance with the percentages contained in Exhibit "M".

VIII

AMENDMENT TO DECLARATION

The method of amending this Declaration is:

A. Notwithstanding anything to the contrary contained in this Declaration, the Developer expressly reserves the right to amend this Declaration to correct any errors or omissions not affecting the rights of Unit Owners, Lienors, or Institutional Mortgagees, or to alter or modify the

appurtenances to any unit, the common elements or the limited common elements and such amendment executed only by the Developer shall be effective without the execution, joinder or consent of any other Unit Owner or the Association or any Lienor or Mortgagee. No such amendment shall adversely affect the lien or priority of any previously recorded mortgage held by an Institutional Mortgagee as the same effects the Unit.

B. Notwithstanding anything to the contrary contained in this Declaration, the Developer expressly reserves the right to amend this Declaration to correct any legal description contained herein which legal description or descriptions may have been incorrect by reason of a scrivener's error or a surveyor's error. The Developer may amend this Declaration by filing an amended legal description or descriptions as an amendment to the Declaration among the Public Records of Palm Beach County, Florida, which amendment or amendments shall expressly describe that legal description which is being corrected (by reference to the Exhibit containing said legal description or otherwise), in addition to the corrected legal description. There shall also be incorporated into said amendment a statement setting forth: (1) that the original or incorrect legal description, whether prepared by the scrivener or surveyor, was in error, (2) that the error is corrected by the description contained in the amendment and (3) that it was the intent at the time of the incorrect legal description to make that description such as is contained in the amendment.

C. Amendments to this Declaration and all other documents required to be prepared to form this Condominium by the Developer for the foregoing purposes shall not require the execution of such amendments or the consents thereto or any joinder therein by any Unit Owner of the joinder or consent of any Mortgagee or Lienor.

D. The Developer may amend this Declaration as aforescribed by filing an amendment to the Declaration in the Public Records of Palm Beach County, Florida. Such amendment need be executed and acknowledged only by the Developer with the formalities of the execution of a deed, and shall include reference to the recording information identifying this Declaration, and need not be approved by the Association, Unit Owner, Lienors or Mortgagees of Units of the Condominium.

E. Except as to rights reserved by the Developer herein, no amendment may change the configuration or size of any Condominium Unit in any material fashion, materially alter or modify the appurtenances to the Unit, or change the proportion or percentage by which the Owner of the Unit shares the common expenses and owns the common surplus unless the record Owner of the Unit and all record owners of liens on it join in the execution of the amendment.

F. If it appears that through scrivener's error a Unit has not been designated as owning an appropriate undivided share of the common elements or does not bear an appropriate share of the common expenses or that all the common expenses or interest in the common surplus or all of the common elements in the Condominium have not been distributed in this Declaration, so that the sum total of the shares of common elements which have been distributed or the sum total of the shares of the common expenses or ownership of common surplus fails to equal one hundred (100%) percent,

or if it appears that more than one hundred (100%) percent of common elements or common expenses or ownership of the common surplus have been distributed, the error may be corrected by filing an amendment to the Declaration approved by the Board of Directors or a majority of the Unit Owners. To be effective, the amendment must be executed by the Association and the Owners of the Units and the record owners of mortgages thereon affected by the modifications being made in the shares of common elements, common expenses, or common surplus. No other Unit Owner is required to join in or execute the amendment.

G. Except as elsewhere provided in this Declaration, this Declaration may be amended from time to time by resolution adopted at any regular or special meeting of the unit owners of the Condominium called in accordance with the By-Laws at which a quorum is present, such adoption to be by the affirmative vote of 3/4 of the total number of votes to which the Unit Owners present and voting shall be entitled. Such amendment shall be duly recorded in compliance with requirements of The Condominium Act. No amendment shall change any condominium parcel nor the share of the common elements, common expenses or common surplus attributable to any parcel, nor the voting rights appurtenant to any parcel, unless the record owners or owner thereof and all record owners of liens upon such parcel or parcels shall join in the execution of such amendments.

H. The provisions of Paragraph G above notwithstanding, no provisions of this Declaration or of the By-Laws of the Condominium Association which requires to be effective, operational or to be enacted, a vote of the Unit Owners greater than that required in Paragraph G above, shall be amended or changed by any amendment to this Declaration or to the By-Laws of the Condominium Association insofar as they pertain to said provision or provisions, unless in addition to all other requirements of Paragraph G above being met, said amendment or change shall be approved by a vote of the membership not less than that required by this Declaration or the By-Laws, whichever shall be applicable, to effect such provision or provisions.

I. No amendment shall adversely affect the lien or priority of any previously recorded mortgage held by an Institutional Mortgagee or otherwise impair or prejudice the rights and priorities of Institutional Mortgagees without the prior written consent of the Institutional Mortgagee so affected, and any such Institutional Mortgagee shall execute and acknowledge its joinder and consent which shall be filed with the amendment in the Public Records of Palm Beach County, Florida.

J. No amendment shall change any Condominium Unit nor a Unit Owner's share in the common elements appurtenant to each Unit nor the percentage of sharing common expenses or owning common surplus, nor the voting rights appurtenant to any Unit, unless all of the record Owners of the Unit or Units so affected and all Institutional Mortgagees holding mortgages of record on the Unit or Units so affected or other voluntarily placed liens thereon shall join in the execution of the amendment.

K. If any provision of the Condominium Act of the State of Florida, or section, sentence, clause, phrase or word of said Act, or of this Declaration, the annexed Articles of Incorporation of By-Laws of the Association, or

the application thereof in any circumstances, is held invalid, the validity of the remainder of said Act or instrument and/or of the application thereof in other circumstances shall not be affected thereby.

IX

USE RESTRICTIONS

A. The improvements to be constructed on the Units shall be used and occupied by the respective owners thereof as private single family residences for themselves, their families and social guests, and for no other purpose, except where specific exceptions are made in this Declaration.

B. In addition to other obligations and duties heretofore set out in this Declaration, every condominium parcel owner shall not use or permit the use of his Unit or the improvements constructed thereon for any purpose other than as a single family residence and shall maintain his Unit and the improvements constructed thereon in a clean and sanitary manner and shall be bound by and abide by the following prohibitions and affirmative requirements, which are imposed upon all Condominium Unit Owners:

- | | |
|----------|--|
| EXTERIOR | 1. No clothes lines or similar devices shall be allowed in any exposed portion of the Condominium property, including the common elements. No changes or alterations of any kind shall be made on the exterior portion of the improvements constructed on a Unit by a Unit Owner, including by way of illustration and not in limitation, installation of awnings, air conditioning units, television or radio antennae, wiring, paint or otherwise. Exterior glass and screening identical to that used, and in the color as provided by the Developer, shall be maintained at all times by all owners, except as is otherwise expressly approved by the Board of Directors in writing. No foil, whether aluminum, colored, plastic or otherwise, shall be placed in, against or adjacent to any windows, whether on curtains, on shutters, affixed to the windows, or otherwise, so as to be visible from the exterior of the building, unless the same be approved, in writing, by the Board of Directors. No fans or air conditioning equipment shall be installed so as to be visible from the outside of the building. |
| BUSINESS | 2. No improvements constructed on a Unit may be used for the conduct of any business or profession. |
| PETS | 3. No pets shall be allowed to be kept on the Condominium property except that a Unit Owner may keep the dog or cat he has when he becomes a Unit Owner (from the Developer), but that pet may not be replaced. All rights and prohibitions |

regarding pets is subject to the approval and control of the Association. See Rules and Regulations.

USE

4. No Unit Owner shall permit or suffer anything to be done or kept in his Unit or the improvements constructed thereon which will increase the insurance rates on his Unit or the Common Elements or which will obstruct or interfere with the rights of other Unit Owners or annoy them by unreasonable noises or otherwise; nor shall a Unit Owner commit or permit any nuisance, immoral or illegal act in his Unit or in the improvements constructed thereon or on the Common Elements.

RULES

5. Every Unit Owner shall conform to and abide by the By-Laws or uniform rules and regulations in regard to the use of the Unit and the improvements constructed thereon and Common Elements which may be adopted in writing from time to time by the Board of Directors and to see that all persons using the Unit and the improvements constructed thereon do likewise.

REPAIRS

6. Allow the Board of Directors and/or the agents and employees of the Association to enter any Unit and the improvements constructed thereon for the purpose of maintenance, inspection, repair, or replacement of improvements within or upon Units or the common elements, or in case of emergency threatening Units or the improvements constructed thereon or the common elements, or to determine compliance with these restrictions, reservations, covenants, conditions and easements and the By-Laws of the Association. The Board shall have a master key to every improvement constructed upon a Unit.

SIGNS

7. No "sold" or "for sale" or "for rent" signs or other displays or advertising shall be maintained or permitted on any part of the common elements, Recreational Facilities or Units or improvements constructed thereon. The right is reserved to the Developer to place "sold" or "for sale" or "for rent" signs in connection with any unsold or sold or unoccupied Units it may from time to time own. The same right is reserved to any Institutional Mortgagee which may become the owner of a Unit and to the Association as to any Unit which it may own.

CHANGES

8. No Unit Owner shall allow to be built or build additional walls, doors, windows or make or cause any structural alterations to and in the building constructed upon a Unit, including, but not limited to the construction, enclosing or screening of a

terrace, balcony or sun deck of the improvements constructed upon any Unit, or removal of an addition or improvement or fixture from the building, or do any act that will impair the structural soundness of the building without first obtaining the prior written consent of the Developer or the Association.

REPAIRS

9. No Unit Owner shall allow or make any repairs to any plumbing or electrical wiring or air conditioning and heating systems except that such repairs may be made by personnel authorized to do such work by the Board of Directors of the Association. Plumbing and electrical repairs within the improvements constructed upon a Unit shall be paid for and be the financial obligation of the Unit Owner, whereas the Association shall pay for and be responsible for repairs and electrical wiring within the common elements. All repairs, maintenance and replacement of air conditioning and heating systems regardless of location shall be the responsibility of the Unit Owner involved in such repair or replacement and served by such system.

PRIVILEGES

10. Provided, however, that until the Developer has completed and sold all the Units in all three phases, neither the Unit Owners nor the Association nor their use of the Condominium shall interfere with the completion of the contemplated improvements in this Condominium and the project and the sale of the Units. The Developer (or its duly authorized agents, or assigns) may make such use of the unsold Units, the common areas and the Recreational Facilities as may facilitate such completion and sale, including but not limited to, the maintenance of sales offices for the showing of the property and display of signs, billboards, placards and visual promotional materials. The Developer may use the improvements constructed upon unsold Units as model units or as sales offices for display purposes to prospective condominium purchasers. The Developer shall have the right to use unassigned parking spaces and guest parking spaces for prospective purchasers and such other parties as the Developer determines.

ADULT CONDOMINIUM

11. Chanteclair Villas Condominium Number Three is an adult condominium. The Units may not be occupied by any person under the age of 16 years except as a guest, for not more than 30 consecutive days nor for more than 90 days in any calendar year. Residents will be permitted to remain up to two (2) years after the birth of a child.

X

CONVEYANCES AND SALES

In order to assure a community of congenial and responsible Owners and thus protect the value of the Units, the sale, leasing and mortgaging of Units shall be subject to the following provisions (which shall be covenants running with the land) until the Declaration is terminated in accordance with the provisions herein elsewhere contained or until this section of the Declaration is amended in the manner herein provided:

A. No Unit Owner may dispose of his Unit or the improvements constructed thereon or any interest therein by sale or lease without the approval of the Board which approval of the Association shall be obtained in the manner hereinafter provided:

1. Any and every time a Unit Owner intends to make a sale or lease of his Unit, or the improvements constructed thereon, or any interest therein, he shall give written notice to the Association of such intention, together with the name and address of the intended purchaser or lessee and such other information as the Association may reasonably require on forms that are supplied by the Association, and the terms of the proposed transaction. The giving of such notice shall constitute a warranty and representation by the Unit Owner to the Association that the Unit Owner believes the proposal to be bona fide in all respects. The notice just described shall be mailed to or delivered by hand to the Secretary of the Association.

2. No sale, transfer, lease or conveyance of a Unit, or the improvements constructed thereon, shall be valid without the approval of the Condominium Association, except in the cases elsewhere provided in this Declaration, which approval shall not be unreasonably withheld. Approval shall be in recordable form, signed by an executive officer of the Association and shall be delivered to the purchaser or lessee and made a part of the document of conveyance.

3. Failure of the Association to act in thirty (30) days shall be deemed to constitute approval in which event the Association must on demand prepare and deliver approval in recordable form.

4. The provisions of this Article X shall not apply to the Developer as to any Unit on which there has not been a first sale, but shall apply to all successive sales, leases, transfers, subleases or assignments after the first sale.

5. No Unit Owner shall sell or lease nor shall approval be given until and unless all Assessments past and due are paid or their payment provided for to the satisfaction of

the Association and unless the proposed transferee or lessee can qualify as to the use restrictions.

6. If a Unit Owner shall lease his Unit or the improvements constructed thereon, he shall remain liable for the performance of all agreements and covenants in the Condominium Documents and shall be liable for the violations by his lessee of any and all use restrictions.

7. There shall be deposited and delivered to the Association, simultaneously with the giving of notice of intention to sell or lease, or of transfer, gift, devise, or inheritance, a credit reporting fee not to exceed Fifty Dollars (\$50.00) or such fee as may be provided by the Florida Condominium Act, as amended from time to time.

8. The foregoing provisions of Article X shall not apply to a transfer by a Unit Owner to his or her spouse or (if a Unit is owned by a form of co-tenancy) to transfer from one co-tenant to the other co-tenant(s).

9. Every purchaser or lessee who acquires any interest in a Condominium Unit shall acquire the same subject to the Condominium Documents and the provisions of the Condominium Act.

B. An institutional first mortgagee (a bank, life insurance company doing business in Florida and approved by the Commissioner of Insurance of the State of Florida, or Federal or State Savings or Building and Loan Association, or mortgage banking company licensed in the State of Florida), holding a mortgage on a Unit, upon becoming the Owner of a Unit, through foreclosure, or whomsoever shall become the acquirer of title to a Unit at the foreclosure sale of such first mortgage, shall have the unqualified right to sell, lease, or otherwise transfer said Unit, including the fee ownership thereof, and/or to mortgage said Unit, without prior approval of the Association. Specifically, the provisions of this entire Article shall be inapplicable to such institutional first mortgagee.

C. 1. If a Unit Owner should die and the title to the Condominium Parcel shall pass to his/her surviving spouse or to any member of his/her family regularly in residence with him in the Condominium Parcel prior to his/her death, who is over the age of eighteen (18) years, then such successor in title shall fully succeed to the ownership, rights, duties and obligations of the Unit Owner, the provisions of this Article of this Declaration notwithstanding.

2. If the title to the Condominium Parcel of such deceased owner shall pass to any person other than a person or persons designated in Paragraph C. 1. above, then within ninety (90) days of such person or persons taking title, occupancy or possession of the Parcel

of the deceased owner, he shall advise the Association in writing of his intention of residing in the Parcel and of his or their current address. The Association shall have thirty (30) days thereafter to advise said person or persons in writing, delivered or mailed to the said current address, whether his or their occupancy and ownership of the Parcel is approved. The failure of the Association to give such advice within the said thirty (30) days shall be deemed automatic approval. If the Association does not approve the ownership and/or occupancy of the Parcel by said person or persons and so notifies them, said person or persons shall remain in occupancy only until the Association or such other person or persons shall have procured a purchaser acceptable to the Association for said parcel at a fair market value therefor, established by the Association, which value shall be conclusive upon all persons for all purposes unless grossly inadequate or fraudulent, in light of other recent sales in this Condominium of similar Units. Thereupon, the person or persons having title, possession and/or occupancy of said parcel shall execute such papers and documents as the Association may require to effect the transfer of title, possession and occupancy of the parcel to such purchaser, which purchaser may be the Association.

3. Nothing in this Article X shall be deemed to reduce, forgive or abate any amounts due the Association from the Unit Owner at the time of his/her death, nor the assessments attributable to the unit becoming due after the Owner's death, all of which shall be fully due and payable.

4. Nothing herein shall prevent the sale and transfer of a Condominium Parcel by the owner thereof in the manner otherwise provided in this Declaration.

XI

MAINTENANCE, ALTERATION AND IMPROVEMENT

A. By the Unit Owner.

1. The Owner of each Unit must keep and maintain the improvement upon his Unit, its equipment and appurtenances, in good order, condition and repair, and must perform promptly all maintenance and repair work within the improvement upon his Unit which, if omitted, would adversely affect the Condominium, the other Unit Owners or the Association and its members. The Owner of each Unit shall be responsible for any damages caused by a failure to so maintain such Unit. The Unit Owners' responsibility for maintenance, repair and replacement shall include, but not be limited to, the following:

slab, floor, roof, patios, ceilings and walls (exterior and interior), air conditioning and heating equipment, including those portions of the equipment which might be located on the Common elements; all windows and sliding glass doors, including operating mechanisms, screening and glass; service equipment, such as dishwasher, refrigerator, stoves, ovens, hot water heaters, disposals and all other appliances; plumbing fixtures and connections, sinks, drains and all pipes, as well as electrical fixtures, outlets, wiring and panels all located within the improvements upon the Unit or on the Common elements, but servicing only the Unit; exterior doors, excluding the painting of the exterior which shall be a Common expense of the Association; and inside paint and other inside wall and ceiling finishes.

The Owner of a Unit further agrees to pay for all utilities, such as telephones, electric, etc., that may be separately billed or charged to each Unit. The Owner or Owners of each Unit shall be responsible for insect and pest control within the improvements upon the same and within any limited common elements appurtenant thereto. Wherever the maintenance, repair and replacement of any items, for which the Owner of a Unit is obligated to maintain, repair or replace at his own expense, is occasioned by any loss or damage which may be covered by any insurance maintained in force by the Association, or the Insurance Trustee, hereinafter designated, shall be used for the purpose of making such maintenance, repair or replacement, except that the Owner of such Unit shall be, in said instance, required to pay such portion of the costs of such maintenance, repair and replacement as shall, by reason of the applicability of any deductibility of the insurance proceeds applicable to such maintenance, repair or replacement. The interior and the interior surfaces of any porch located upon the Unit must be maintained by the Owner of such Unit and kept in a neat, clean and trim condition, provided, however, that if any portion of the interior of such porch is visible from outside the Unit, then the Unit Owner shall first obtain the consent of the Association before altering the appearance thereof.

2. In order to preserve the architectural appearance of the Condominium as the same was originally designed and constructed, no Unit Owner shall change, modify or alter the Common elements in any way or manner whatsoever. No Unit Owner shall change, modify or alter the design and appearance of any of the exterior surfaces, facades and elevations of the improvements on his Unit, landscaping and planting, windows, screening, or exterior doors; nor shall any Unit Owner change the design or color of any exterior lights or doors, nor install, erect or attach to any part of the

exterior of the improvements on his Unit any sign of any kind whatsoever. A Unit Owner shall not install, erect or attach to any part of the exterior or roof of the improvements on his Unit or any part of the Common elements any type of radio or television aerial, whether for sending or receiving; nor shall any owner erect or construct any original construction. However, upon request, the Board of Directors of the Association may find that any of the above changes or any other alterations are not detrimental to the interests of the Association and its members, and it may authorize a Unit Owner to make such change, modification or alteration, provided that: (a) the alteration does not adversely affect the Association, any member thereof, or the Developer; (b) a copy of plans for any such alteration is prepared by a licensed architect and a copy of the construction contract is filed with the Association and approved by its Board of Directors prior to commencement of the work; (c) the full cost of the same is first placed in escrow with the Association; (d) the contract provides for a performance and payment bond in the full amount thereof.

B. By the Association.

1. The Association, at its expense, shall be responsible for the maintenance, repair and replacement of all of the Common elements. Should any incidental damage be caused to any Unit by virtue of the Association's failure to maintain the Common elements as herein required or by virtue of any work which may be done or caused to be done by the Association in the maintenance, repair or replacement of any Common elements the Association shall, at its expense, repair such incidental damage.

2. The exterior of all improvements located on the Units shall be maintained on a periodic basis by the Association, and there is hereby reserved in favor of the Board of Directors of the Association or any designees thereof the right to enter upon all of the Units and improvements located thereon for the purpose of conducting a periodic program of exterior maintenance, which maintenance shall include, but shall not be limited to, repainting of exterior walls, shutters, trim, eaves, roofs, or any portion of the foregoing. The Association shall not be responsible for maintenance beyond the exterior, unpainted surfaces of the improvements located on the Units, all such maintenance and any repairs being the responsibility of the Unit Owner.

3. The Association, by action of its Board of Directors, may make minor and insubstantial alterations and improvements to the Common elements, having a cost not in excess of Five Thousand (\$5,000.00) Dollars. All other alterations and improvements must first be

approved by the owners of 75% of the Units and by the mortgagee holding the greatest number of mortgages on the mortgaged Units. No alteration or improvement may be made to the Common elements which adversely affects the rights of the owner of any Unit to the enjoyment of his Unit or the Common elements unless the owner and all mortgagees holding recorded mortgages on such Unit consent thereto in writing. If any alterations or improvements to the recreational facilities are made other than of a minor or insubstantial nature, then, in addition to the aforesaid consent, the consent of the Developer, or its successor in title to the land described in Exhibit A attached hereto shall be obtained unless the subsequent phase or phases, as provided for in Article XX have been added to and made a part of this Condominium.

4. All expenses incurred by the Association in performing the services and maintenance described in this paragraph B are Common expenses, payable by each Unit Owner under the provisions of this Declaration concerning assessments. Should the maintenance, repair or replacement provided for in this paragraph B be caused by the negligence or misuse by a Unit Owner, his family, guests, servants or invitees, he shall be responsible therefor, and the Association shall have the right to levy a Special Assessment against the Owner of such Unit, and said Assessment shall constitute a lien upon the applicable Condominium Unit with the same force and effect as liens for common expenses.

XII

INSURANCE

The insurance, other than title insurance, that shall be carried upon the Condominium property and the property of the Unit Owners shall be governed by the provisions set forth as follows:

A. Authority to Purchase; Named Insured. All insurance policies upon the Condominium property (other than betterments and improvements made by Unit Owners) shall be purchased by the Association. The named insured shall be the Association individually and as agent for the Unit Owners and their respective mortgagees. Provision shall be made in casualty insurance policies for the issuance of mortgagee endorsements and memoranda of insurance to the Unit Owners and their respective mortgagees. All casualty insurance policies shall provide that payments by the insurer for losses shall be made to an Insurance Trustee and all policies and their endorsements shall be deposited with the Insurance Trustee. Unit Owners may obtain coverage at their own expense upon their personal property, upon improvements and betterments to their Units, and for their personal liability and living expense.

B. Coverage.

1. Casualty and Flood. All buildings and improvements upon the Condominium property,

including the portion thereof included within the improvements upon Units other than Unit Owner improvements and betterments, and the improvements included upon the common recreational facility parcels shall be insured against casualty, other than flood, in an amount equal to the maximum insurable replacement value thereof, including the value of excavations and foundations, and all personal property owned by the Association located upon the Common elements and upon the common recreational facilities shall be insured against casualty for the fair market value thereof, all as determined annually by the Board of Directors of the Association. Casualty coverage shall afford protection against:

- (a) loss or damage by fire and other hazards covered by a standard extended coverage endorsement; and
- (b) such other risks as from time to time shall be customarily covered with respect to buildings and improvements similar in construction, location and use as the buildings and improvements to be insured, including, but not limited to, vandalism and malicious mischief.

In addition to the aforesaid casualty insurance, the Association shall purchase flood insurance on said improvements in the maximum amount obtainable if the Condominium property is located in an area designated by the Department of Housing and Urban Development as being in a flood zone or flood hazards area. The said casualty insurance and flood insurance, if any, shall meet the following requirements:

- (a) Separate policies may be issued with respect to the Condominium property, on the one hand, and the common recreational facilities, on the other hand; all such policies shall be written with a company licensed to do business in the State of Florida and holding a rating of "AAA" or better by Best's Insurance Reports;
- (b) All insurance policies shall provide that the amount which the Association, individually, and as agent for the Unit Owners and their mortgagees, may realize under any insurance policy in force at any particular time shall not be decreased because of the existence of a policy purchased by any Unit at his own expense to provide coverage for improvements and betterments, personal property or living expenses; each Unit Owner who purchases insurance coverage on the improvements and betterments to his Unit shall furnish a memorandum copy of the policy to the Board of Directors within thirty (30) days after purchase of such insurance.
- (c) Each policy must be written in the

name of the Association and payable to the Insurance Trustee for the benefit of said Association, the Unit Owners and their mortgagees, as their interest may appear;

(d) Each policy must include a schedule of the Units, the names of the Unit Owners, and their mortgagees, if any, provided, however, that it shall be the duty of each Unit Owner and mortgagee to advise the Association of his or its interest in such Unit in order that such Unit Owner or Mortgagee may derive the protection intended to be afforded by this requirement; and

(e) Each policy must provide that the insurer will not cancel, reduce or substitute coverage without first giving the Association and all mortgagees named in mortgagee endorsements, thirty (30) days prior written notice thereof.

2. Public Liability, including, but not limited to owned automobile and non-owned automobile coverages, and with cross liability endorsement to cover liabilities of the Unit Owners as a group to a Unit Owner, in the minimum amount of \$500,000.00 for injury to any one person and \$1,000,000.00 for injuries to persons in one accident and \$50,000.00 for damage to property.

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

4. Such Other Insurance as the Board of Directors of the Association shall determine from time to time to be desirable.

C. Premiums

1. The premium cost for casualty, liability, and flood insurance, if necessary, on the buildings and improvements on the Condominium property, shall be equally allocated to all Units in the Condominium as a Common expense.

2. The premiums on all other insurance carried by the Association, including casualty and flood insurance, if necessary, on the common recreational facilities, shall be deemed to be expenses of the Association which shall be subject to apportionment and allocation as herein provided.

D. Insurance Trustee; Shares of Proceeds. All casualty and flood insurance policies by the Association shall be for the benefit of the Association, the Unit Owners and their mortgagees as their interests may appear, and shall provide that all proceeds, covering property losses, shall be paid to the Insurance Trustee which shall then be serving under the Insurance Trust. The fees and expenses of the Insurance Trustee shall be paid by the Association. The Insurance Trustee shall not be liable for the purchase or renewal of any casualty or flood insurance policies or for the payment of premiums thereon or for the sufficiency of

such policies or for any failure to collect any insurance proceeds properly payable thereunder. The duty of the Insurance Trustee shall be to receive such insurance proceeds and damage assessments as are paid to it, and to hold and pay over the same, as provided in the said Insurance Trust Agreement. The first Insurance Trustee shall be First National Bank of Hollywood, N.A. Should said Trustee fail to accept such position or thereafter resign, its successor Insurance Trustee shall be any bank or trust company authorized to do business in Florida. Such appointment shall be made by the Board of Directors of the Association and shall be approved by the institutional mortgagee holding the most first mortgages on the individual Units.

E. Association as Agent. The Association is irrevocably appointed agent for each Unit Owner and for each owner of a mortgage or other lien upon a Unit and for each owner of any other interest in the Condominium property of the common recreational facilities to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of any claim.

F. Owner's Insurance. Each individual Unit Owner shall be responsible for purchasing, at his own expense, liability insurance to cover accidents occurring within the improvements constructed upon his own Unit and for purchasing insurance upon his own personal property.

G. Mortgagee's Rights. No mortgagee shall have the right to require the application of insurance proceeds to the payment of its loan.

XIII

RECONSTRUCTION OR REPAIR AFTER CASUALTY

If any part of the Condominium property shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined in the following manner:

A. If the damaged improvement is a Common element, then the damaged property shall be reconstructed or repaired by the Association unless it is determined in the manner elsewhere provided that the Condominium shall be terminated.

B. If the only damage to the Condominium property consists of damage to improvements and betterments located on a single Unit which were made by the Unit Owner thereof, other than the Developer, then such damage shall be reconstructed or repaired by the owner at the owner's expense.

C. If the damage is to the improvements located on numerous Units, then the following shall apply:

1. If the damaged improvements consist of one or more duplexes, and if the Units to which fifty percent (50%) of the Common elements are appurtenant are found by the Board of Directors of the Association to be tenable, the damaged property shall be

reconstructed or repaired by the Association, unless, within sixty days after the casualty, it is determined by agreement in the manner elsewhere provided that the Condominium shall be terminated; it being understood that the fifty percent (50%) figure applies to all of the Units in the Condominium, notwithstanding the fact that there are multiple duplexes.

2. If the damaged improvements consist of one or more duplexes, and if the Units to which more than fifty percent (50%) of the Common elements are appurtenant are found by the Board of Directors to be not tenatable, then the damaged property will be reconstructed or repaired, unless within sixty days after the casualty the record owners of seventy-five (75%) percent of the Common elements and the mortgagee holding the greatest number of the recorded mortgages on all Units consent in writing to terminate the Condominium; it being understood that the fifty percent (50%) figure applies to all of the Units in the Condominium, notwithstanding the fact that there are multiple duplexes.

D. The Association shall issue a certificate, signed by its president and secretary, to the Insurance Trustee stating whether or not the damaged property is to be reconstructed or repaired.

Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original improvements. If such original plans and specifications are not available, then plans and specifications shall be prepared to permit the reconstructed improvements to be as similar to the improvements prior to such damage or destruction as possible; provided, however, that alterations may be made as hereinafter provided.

E. Immediately after a determination is made to reconstruct or repair damage to property for which the Association has the responsibility of reconstruction and repair, the Association shall obtain bids for, or negotiate, a fixed price contract or contracts for the necessary reconstruction or repairs.

F. If the proceeds of insurance are not sufficient to defray the full cost of reconstruction and repair by the Association, then prior to executing contracts for the reconstruction and repair, the following assessments shall be made:

1. If the damage is to the Common elements, assessments shall be made against all Unit Owners on account of damage to the buildings and improvements on the Common elements in an aggregate amount, which, when added to the insurance proceeds available for such purpose, will be sufficient to pay the full cost of the reconstruction and repair of the same; such aggregate amount shall be apportioned among the owners of Units in proportion to each Unit Owner's appurtenant undivided share in the Common elements.

2. If the damage is to the duplexes and improvements on the Units, other than damage to improvements and betterments of a single Unit which were made by the Unit Owner thereof, other than a developer, assessments shall be made against all affected Unit Owners on account of damage to the duplexes and improvements on the Units in an aggregate amount, which when added to the insurance proceeds available for such purpose will be sufficient to pay the full cost of the reconstruction and repair of the same; such aggregate amount shall be apportioned among the owners of affected Units.

All amounts so assessed against the Unit Owners shall be collected by the Association and deposited with the Insurance Trustee, unless the Association shall have advanced from reserves on hand, against collection of such assessments, and deposited with the Insurance Trustee the required amounts, prior to the execution of any contract for such reconstruction and repair. All such contracts shall be fixed price contracts and the contractor shall be required to furnish to the Association a performance and payment bond in the full amount of the contract unless such requirement is waived in writing by the mortgagee holding the greatest number of recorded mortgages on the Units in the Condominium. Notwithstanding the foregoing, the Association shall not be prohibited from entering into contracts for repairs having an aggregate cost of less than \$5,000.00, nor from entering into contracts providing for work which is essential to preserve the property from further deterioration or damage pending collection of assessments.

G. The funds held by the Insurance Trustee for payment of the costs of reconstruction and repair after casualty, shall be disbursed in accordance with the following:

1. The proceeds received by the Insurance Trustee shall be utilized and disbursed only for reconstructing and repairing the specific property with respect to which such proceeds or funds were collected and a separate accounting with respect to receipts and disbursements shall be maintained.

2. If there is a surplus of insurance proceeds after payment of all costs of said reconstruction and repair, such surplus shall be distributed to the Association for allocation as provided in Article V of the Declaration.

3. If the total cost of reconstruction and repair that is the responsibility of the Association is less than \$5,000.00, then the Insurance Trustee shall pay such cost to the Association, and the Association shall hold such sum and disburse the same in payment of the costs of reconstruction and repair.

4. If the total cost of reconstruction and repair that is the responsibility of the Association is \$5,000.00 or more, but less

than \$10,000.00, then the Insurance Trustee shall pay the cost thereof upon the order of the Association.

5. If the costs of reconstruction and repair that is the responsibility of the Association is more than \$10,000.00, then the Insurance Trustee shall pay the cost thereof upon order of the Association with the approval of an architect, qualified to practice in Florida, who has been employed by the Association to supervise the work.

6. The Association shall keep records of all construction costs and the amount thereof for each reconstruction and repair.

7. Notwithstanding the provisions of this instrument, the Insurance Trustee shall neither be required to determine whether a disbursement is to be made from a particular construction fund, nor to determine the payee or the amount to be paid. Instead, the Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary as to any or all of such matters and stating the name of the payee or payees, the amount to be paid and the particular construction fund or funds against which such payment is to be charged, provided that when the Association has certified that a disbursement is required hereunder to be made upon an order of the Association approved by an architect, no payment shall be made with respect to such order of the Association without such architect's approval.

XIV

MORTGAGES AND MORTGAGEES

A. An owner who mortgages his condominium parcel must notify the Association of the name and address of his mortgagee and the Association shall maintain such information in a register which shall, among other things, contain the names of all the Owners of the Condominium Parcels and the names of the mortgagees holding mortgages on Condominium Parcels. The failure to notify the Association of the existence of a mortgage shall in no way impair the validity of the mortgage. If an owner mortgages his Condominium Parcel he shall not be permitted to modify, alter or change the physical aspect of the Condominium Parcel without the written permission of the mortgagee. The Association shall, at the request of a mortgagee, report any unpaid assessments due from the owner of the Condominium Parcel encumbered by the mortgage owned by that mortgagee.

B. If the holder of a first mortgage of record or other purchaser of a condominium unit obtains title to the Condominium Parcel as a result of foreclosure of the first mortgage or as the result of a deed given in lieu of foreclosure, such acquirer of title and his successors and assigns shall not be liable for the share of the common expenses or assessments by the Association pertaining to the Condominium Parcel so acquired or chargeable to the former

Unit Owner of the acquired parcel which became due prior to the acquisition of the title as a result of the foreclosure or deed in lieu of foreclosure unless the share is secured by a claim of lien for assessments recorded prior to the recording of the mortgage which is foreclosed or for which a deed was given in lieu of foreclosure. That unpaid share of the common expenses or assessments shall be common expenses collectible from all of the Unit Owners including such acquirer, his successors and assigns.

C. The term "Institutional Mortgagee" as used in this Declaration shall mean a bank, savings and loan association, insurance company or union pension fund authorized to do business in the State of Florida or an agency of the United States Government, such as Federal National Mortgage Association, Federal Housing Authority or the Veterans' Administration. 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 purposes of this Declaration and the Exhibits annexed hereto be deemed an institutional first mortgage and the holder thereof shall be deemed an institutional first mortgagee.

D. So long as any institutional mortgagee or institutional mortgagees shall hold any mortgage upon any Condominium Parcel or Condominium Parcels, or shall be the owner of any Condominium Parcel or Condominium Parcels, such institutional mortgagee or institutional mortgagees shall have the following rights, to-wit:

1. If requested of the Condominium Association in writing, to be furnished with at least one copy of the annual financial statement and report of the Association, prepared by a public accountant designated by the Association, including a detailed statement of annual carrying charges or income collected and operating expenses, such financial statement and report to be furnished within ninety (90) days following the end of each calendar year.

2. To be given notice by the Association of the call of any meeting or the membership to be held for the purpose of considering any proposed amendment to this Declaration of Condominium, or the Articles of Incorporation and By-Laws of the Association, which notice shall state the nature of the amendment being proposed.

3. Premiums for insurance required to be placed by the Association shall be a common expense and shall be paid by the Association. Should the Association fail to pay such premiums when due, or should the Association fail to comply with other insurance requirements imposed by the institutional mortgagee owning and holding the first recorded mortgage encumbering a Condominium Parcel, then said institutional mortgagee shall have the right at its option to order and advance such sums as are required to maintain or procure such insurance, and to the extent of the monies so advanced, plus interest thereon at the highest

legal rate, said mortgage shall be subrogated to the assessment and lien rights of the Association as against individual Unit Owners for the payment of such items of common expense.

XV

EASEMENTS

A. The Common elements shall be, and the same are hereby declared to be, subject to a perpetual, non-exclusive easement, which easement is hereby created in favor of all the Unit Owners in this Condominium and in favor of all the Unit Owners in subsequent phases of this Condominium for their use and for the use of their immediate families, guests, invitees or licensees for all proper and normal purposes, and for the furnishing of services and facilities for which the same are reasonably intended. The Association shall have the right to establish rules and regulations governing the use and enjoyment of the just-described easements.

B. All of the Condominium property shall be subject to easements for encroachments which now exist or hereafter exist, caused by settlement or movement of the improvements constructed on the Units, or caused by minor inaccuracies in building or re-building said improvements, which encroachments shall be permitted to remain undisturbed, and such easements shall continue until such encroachments no longer exist.

C. If there shall be located within the boundaries of any Unit, any conduits, plumbing, wiring or other facilities for the furnishing of utility services to other Units, or to the Common elements, an easement in favor of the Association and the other Unit Owners shall exist therefor, and an easement of access to and through such Unit for the repair and maintenance of the foregoing shall exist in favor of the Association. Said access to the Unit shall only be during reasonable hours, except that access may be had at any time in case of emergency.

D. The Developer, prior to or at the time of conveyance of each Unit, shall have the right to place driveways on the Common elements from the Unit to the existing roadway, for ingress and egress purposes. Each driveway will serve two (2) Units and the rights of each Unit Owner, his successors and assigns, in connection with said driveway as an ingress and egress easement shall be personal and exclusive. Each Unit Owner agrees to park any vehicles on that portion of the driveway located in front of his Unit, and further agrees not to park any vehicles upon or in any manner obstruct the adjacent Unit Owner's portion of the driveway.

E. Easements are reserved by the Developer and the Association through the Condominium property as may be required for ingress and egress, construction purposes, drainage, and for furnishing municipal and utility services in order to serve this Condominium and any subsequent phase or phases adequately. As used herein, the term "Utility Devices" shall include, but not be limited to, water, sewer, telephone, power, electric, natural gas, cable television, irrigation, and other utility services. Developer and/or

the Association, for itself and its assigns, reserve the right to impose upon the Common elements henceforth, and from time to time, such easements and cross-easements for any of the foregoing purposes as it deems to be in the best interest of, and necessary and proper for, the development of the lands of the Condominium, as more particularly described in Exhibits A through C.

XVI

DEVELOPER'S RIGHTS AND PRIVILEGES RESERVED

A sales program will continue until the Units are sold. A sales program is now in progress which will continue until all Units are sold out. The Developer must and does hereby retain all rights to construct and sell this Condominium project without infringement thereon, restriction thereof, or interference therewith. When the Developer has completed all Condominium Units and the improvements constructed thereon, it will hold them for sale in the normal course of business. Until there has been a first sale of a Condominium Unit, the rules, regulations pertaining to and the obligations of a Unit Owner shall not apply or pertain to the Developer or to a lessee of the Developer, except as herein stated. The Developer reserves unto itself the total and absolute right to complete the Condominium project and to dispose of the Condominium Units constructed and towards such end, in explanation, but not in limitation of Developer's rights and in addition to Developer's rights elsewhere reserved in this document and as may be granted by law, the following specific reservations are set forth:

1. Right to Use Units as Models or Offices. The Developer may maintain offices and models in any of the Condominium residential or recreation buildings which Developer may elect until the last Condominium Unit in the project is sold and closed. In conjunction therewith, Developer may erect advertising, informational and directional signs in and about the Condominium common areas and common elements for the purpose of helping to effect sales.

2. Rights of Ingress and Egress. The Developer reserves for itself, its employees, its guests, its invitees and licensees, its contractors, subcontractors, and all persons involved in furnishing work, labor, services, or material to the Condominium Project, all potential purchasers, and all other persons Developer may from time to time name, designate or appoint, the absolute and irrevocable right of ingress and egress to all parts of the Condominium Project and all parts of the common areas and common elements and use of the parking area for so long as the Developer has one Condominium Unit in the Condominium development which is held for sale in the normal course of business, and is unsold and not closed.

3. Right to Continue Construction. The Developer has the absolute and unrestricted right to complete the Condominium Project and the improvements to be constructed on each

Unit, including every part thereof and all rights of all Unit Owners shall be construed in light of this development priority. This is an absolute right notwithstanding the fact that construction may create traffic, disrupt traffic, disrupt water, power, telephone, gas or other utilities, may create dust, dirt, noise or other irritations. Condominium Unit Owners covenant and agree not to interfere with construction, to honor barricades, detours, "off limit" signs and other directions made from time to time by the Developer or others under his direction and agree not to interfere with customers, clients or potential purchasers of Condominium units in any way whatsoever. Developer states that work will not begin before 7:30 A.M. nor continue beyond 6:00 P.M. Monday through Friday, with minimal work on Saturday and Sunday, except under extraordinary circumstances.

4. Execution of Documents Required by Governmental Authorities. The Developer's plan for the development of this Condominium may require from time to time the execution of certain documents required by the applicable governmental authorities having jurisdiction over the condominium complex and matters relating thereto. To the extent that said documents require the joinder of any or all property owners in this Condominium each of said owners by virtue of his acceptance of a Warranty Deed to his condominium unit, does irrevocably give and grant to the Developer, or any of its officers, individually, full power-of-attorney to execute said documents as his agent and in his place and stead.

5. Right to Lease, Sell, Mortgage, Trade or Otherwise Encumber or Dispose of Condominium Units. The provisions of the several articles and paragraphs of this Declaration of Condominium, the By-Laws and the Charter of the Association relating to the leasing, selling, mortgaging, trading or other encumbering or disposing of condominium units do not apply to and shall not be enforced against the Developer until the last unit owned by the Developer is sold and closed. Notwithstanding the nonapplicability of said provisions to the Developer, any person taking possession of any condominium unit from the Developer shall abide by all use restrictions and rules and regulations as are applicable to all other unit owners of this Condominium.

6. Action by Condominium Association. So long as Developer holds any Units for sale in the ordinary course of business none of the following actions may be taken by the Condominium Association, either through its Board of Directors or its membership, without Developer's approval in writing:

- (a) Assessment of the Developer as a Unit Owner for capital improvements.

- (b) Any action that would be detrimental to the sale of Units by Developer.
- (c) An increase in assessments discriminatory to Developer.
- (d) Amendment of the Declaration of Condominium, the By-Laws, the Rules and Regulations, or the Charter of the Association or the Recreation Association.

7. Developer's Right to Amend the Declaration of Condominium. Developer may unilaterally amend this Declaration as elsewhere provided herein and Developer shall have the absolute right for a period of twelve (12) months following the obtaining of a final certificate of occupancy for the last of the improvements to be constructed upon the Units and all auxiliary buildings to unilaterally amend this Declaration of Condominium by supplementing any and all exhibits relating to surveys, plot plans and the Graphic Description of Improvements as appear herein in order to cause the Declaration of Condominium to reflect the "as-built" character of the Condominium Development.

8. No Charges for Developer's Rights and Privileges. Under absolutely no circumstance shall any Unit Owner or the Condominium Association by any means or in any manner, directly or indirectly, levy or attempt to levy or impose any charge, fee, burden, rent or cost of any kind on Developer by reason of any rights or privileges herein by this Article or in this Declaration reserved to Developer.

XVII

SURVEY, PLOT PLAN AND GRAPHIC DESCRIPTION OF IMPROVEMENTS

A. The following exhibits are attached to this Declaration and form a part hereof:

- | | |
|-----------|---|
| Exhibit C | Survey |
| Exhibit B | Plot Plan |
| Exhibit E | Graphic Description of the Improvements |

B. These exhibits, together with the Declaration, are in sufficient detail to identify the common elements and each Unit and their relative location and approximate dimensions. Attached to the Declaration as Exhibit "F" is a certificate of surveyor authorized to practice in the State of Florida that the construction of the Condominium Units is substantially complete so that the material, together with the provisions of the Declaration describing the Condominium property, is an accurate representation of the location and dimensions of the Units, and that the identification, location and dimensions of the common elements and of each Unit can be determined from the materials.

XVIII

CONDOMINIUM ASSOCIATION

The Association responsible for the operation of this Condominium is Chantclair Villas Condominium Association Number Three, Inc., a Florida corporation, not-for-profit. The Association shall have all the powers, rights and duties set forth in this Declaration, the Articles of Incorporation of the Association, the By-Laws and the rules and regulations enacted pursuant to such By-Laws. The Association is sometimes herein referred to as the Condominium Association, the Association or the Corporation. A copy of the Articles of Incorporation of the Association are appended hereto as Exhibit "H". Amendments to the Articles of Incorporation shall be valid when adopted in accordance with their provisions and filed with the Secretary of State or as otherwise required by Chapter 617, Florida Statutes, as amended from time to time. Article XVI of this Declaration regarding amendments to this Declaration shall not pertain to amendments to the Articles of Incorporation. Any amendments of the Articles of Incorporation shall be recorded in the Public Records of Palm Beach County, Florida. No amendment to the Articles shall, however, change any Condominium Parcel or the share of common elements, common expenses or common surplus attributable to a Parcel nor the voting rights appurtenant to a Parcel unless the record owner or owners thereof and all record owners of liens upon such Parcel or Parcels shall join in the execution of such amendment. The Association is authorized to enter into a Management Agreement for the operation and maintenance of the Condominium.

XIX

BY-LAWS OF CONDOMINIUM ASSOCIATION

The operation of the Condominium Association shall be governed by the By-Laws of the Condominium Association which are annexed to this Declaration as Exhibit "I" and made a part hereof. Said By-Laws may be amended in the same manner and with the same vote required as for amendments to this Declaration.

XX

MEMBERSHIP IN THE CONDOMINIUM ASSOCIATION
AND VOTING RIGHTS OF UNIT OWNERS

A. Every Owner of a Condominium Unit whether he has acquired title by purchase from the Developer, the Developer's grantee, successor or assigns, or by gift, conveyance or by operation of law, is bound to and hereby agrees that he shall accept membership in the Condominium Association and does hereby agree to be bound by this Declaration, the By-Laws of the Association and the rules and regulations enacted pursuant thereto and the provisions and requirements of The Condominium Act and of the lawful amendments thereto. Membership is automatic upon acquisition of ownership of a Condominium Unit and may not be transferred apart and separate from a transfer of the ownership of the Unit. Membership shall likewise automatically terminate upon sale or transfer of the Unit, whether voluntary or involuntary.

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B. The Owner of every Condominium Unit shall accept ownership of said Unit subject to restrictions, easements, reservations, conditions and limitations now of record and affecting the land and improvements constituting the Condominium Property.

C. Subject to the provisions and restrictions set forth in the By-Laws of the Condominium Association, each Unit Owner is entitled to one (1) vote in the Condominium Association for each Unit owned by him. Voting rights and qualifications of voters and membership in the Corporation are more fully stated, qualified and determined by the provisions of the Charter of the Association and by its By-Laws, which By-Laws are attached hereto and made a part hereof as Exhibit "I". Whenever a particular numerical or percentage vote is called for or provided for in this Declaration or in the By-Laws (such as "2/3 of the Unit Owners" or "a majority of the members") unless the particular provisions describing the vote required shall specifically require to the contrary, the vote required shall be that percentage or fraction of the total number of votes of the Unit Owners present and voting or, if the provision involved so requires, of the total number of votes entitled to be voted on the matter. Unless a particular provision shall require otherwise, a majority vote of the number of votes of Unit Owners present and voting and entitled to vote on any matter shall be controlling, providing a quorum is present.

XXI

RECREATION ASSOCIATION

The entity responsible for the operation of the Recreational Facilities to be used by the Unit Owners at Chantecclair Villas Condominium Number Three is Chantecclair Villas Recreation Association, Inc., a Florida corporation not-for-profit (hereinafter referred to as "Recreation Association"). The Recreation Association shall have all the powers, rights, duties set forth in this Declaration, the Articles of Incorporation of the Recreation Association, the By-Laws of the Recreation Association and the rules and regulations enacted pursuant to such By-Laws. A copy of the Articles of Incorporation of the Recreation Association are appended hereto as Exhibit "J". Amendments to the Articles of Incorporation of the Recreation Association shall be valid when adopted in accordance with their provisions and filed with the Secretary of State or as otherwise required by Chapter 617, Florida Statutes, as amended from time to time. Article VIII of this Declaration regarding amendments to this Declaration shall not pertain to amendments to the Articles of Incorporation of the Recreation Association. Any amendments to the Articles of Incorporation of the Recreation Association shall be recorded in the public records of Palm Beach County, Florida. No amendment to the Articles of Incorporation of the Recreation Association shall, however, change any Condominium Parcel or the share of common elements, common expenses or common surplus attributable to a Parcel nor the voting rights appurtenant to a Parcel unless the record owner or owners thereof and all record owners of liens upon such Parcel or Parcels shall join in the execution of such amendment. The Recreation Association is authorized to enter into a Management Agreement for the operation and maintenance of the Recreational Facilities.

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XXII

BY-LAWS OF THE RECREATION ASSOCIATION

The operation of the Recreation Association shall be governed by the By-Laws of the Recreation Association which are annexed to this Declaration as Exhibit "K" and made a part hereof. Said By-Laws may be amended in the same manner and with the same vote required as for amendment to this Declaration.

XXIII

MEMBERSHIP IN THE RECREATION ASSOCIATION
AND VOTING RIGHTS OF MEMBERS

A. Every Owner of a Unit in Chantecclair Villas Condominium Number Three, whether he has acquired title by purchase from the Developer, the Developer's grantee, successor or assigns, or by gift, conveyance or by operation of law, is bound to and hereby agrees that he shall accept membership in the Recreation Association and does hereby agree to be bound by this Declaration, the By-Laws of the Recreation Association, the Articles of Incorporation of the Recreation Association and the rules and regulations enacted pursuant to the By-Laws and the provisions and requirements of the Condominium Act and of the lawful amendments thereto. Membership is automatic upon acquisition of ownership of a Unit and may not be transferred apart and separate from the transfer of ownership of the Unit. Membership shall likewise automatically terminate upon sale or transfer of the Unit, whether voluntary or involuntary.

B. Subject to the provisions and restrictions set forth in the By-Laws of the Recreation Association, each member is entitled to one vote in the Recreation Association affairs for each Unit owned by him. Voting rights and qualifications of voters and membership in the Recreation Association are more fully stated, qualified and determined by the provisions of the Articles of Incorporation of the Recreation Association and by its By-Laws, which By-Laws are attached hereto and made a part hereof as Exhibit "K". Whenever a particular numerical or percentage vote is called for or provided for in this Declaration or in the By-Laws of the Recreation Association or in the Articles of Incorporation of the Recreation Association (such as "2/3 of the Unit Owners" or "a majority of the members") unless the particular provisions describing the vote required shall specifically require to the contrary, the vote required shall be that percentage or fraction of the total number of votes of the members present and voting or, if the provision involved so requires, of the total number of votes entitled to be cast on the matter. Unless a particular provision shall require otherwise, a majority vote of the number of votes of members present and voting and entitled to vote on any matter shall be controlling, providing a quorum is present.

XXIV

ASSESSMENTS

A. Duty to Pay. It is the express duty of each Unit Owner to promptly pay his share of the common expenses

when due. The payment of common expenses by a Unit Owner shall commence at the closing of the purchase of his Unit or at such later time as the Developer shall notify the Unit Owner.

B. Assessment Guarantee. Until January 1, 1982, Developer guarantees to each Unit Owner that the assessment to a Unit Owner for common expenses will not exceed \$74.90 per Unit per month, assessed and payable quarterly. Developer shall thereafter have the right to extend this assessment guarantee for successive periods of one (1) year (with a 10% increase each year), at the election of the Developer, up to a maximum of two (2) additional years.

C. Common Expenses and Recreation Expenses - Developer's Rights. After the commencement date of payment of common expense assessments, in the event there are unsold Units, the Developer retains the right to be the owner of said unsold Units; however, for such time as the Developer continues to be a Unit Owner, but not exceeding such period of time as the Developer shall have guaranteed that the assessment for common expenses of the Condominium imposed upon Unit Owners other than the Developer, shall not increase over a stated dollar amount, the Developer shall be required to contribute only such sums to the common expenses of the Condominium as are incurred and required during that period and which have not been produced by assessments at the guaranteed level receivable from other Unit Owners, as may be required for the Condominium Association to maintain the Condominium. Subject to any guarantee by Developer as aforesaid, the Developer shall not be required to contribute to the common expenses as to the Units owned by it in any amount exceeding the obligation for such Unit as specified and set forth in this Declaration and Exhibit "M" attached hereto. Commencing on the expiration of the period of guaranteed level of assessments as aforesaid, Developer shall contribute to the common expenses, as to the Units owned by it, in the same manner as all other Unit Owners. Notwithstanding the foregoing, in the event the Developer is the Owner of Condominium Units during the guaranteed period as aforesaid and if such Unit is leased and occupied by a third party, then the maintenance of said Unit shall be contributed and borne by the Developer as all other Unit Owners. These provisions shall apply to all expenses incurred by the Recreation Association in the discharge of its duties and powers. These expenses ("Recreation Expenses"), shall be assessed prorata against Units owned by members of the Recreation Association. These Recreation Expenses shall be collected by the various Condominium Associations whose members are also members of the Recreation Association. For purposes of assessment and collection, Recreation Expenses shall be considered the same as common expenses. The amount of the Recreation Expenses shall be determined by the Board of the Recreation Association by the same procedure as provided below for common expenses. The Recreation Expenses shall be part of the \$74.90 assessment guarantee set forth above.

D. Budget.

1. The Board of Directors of the Association shall establish an annual budget, in advance, for each fiscal year (calendar year), and such budget shall project all expenses for the forthcoming year which may be

required for the proper operation, management and maintenance of the Condominium, including a reasonable allowance for contingencies and reserves, such budget to take into account projected anticipated income which is to be applied in reduction of the amounts required to be collected as an assessment each year. As a common expense of the Association, there shall be included, if applicable, the cost of maintaining leasehold, memberships, and other possessory use, or fee interests in lands or facilities, including, but not limited to, country clubs, tennis and golf clubs, marinas, and other recreational and communal facilities, whether or not contiguous to the lands of the Condominium, to provide enjoyment, recreation or other use or benefit to the condominium owners, all as may be now or hereafter acquired, directly or indirectly, in such form and in such manner as may be deemed by the Board of Directors to be in the best interests of the Association. Upon adoption of such annual budget by the Board of Directors of the Association, copies of said budget shall be delivered to each owner of a condominium parcel, and the assessment for said year shall be established based upon such budget, although the delivery of a copy of said budget to each Owner shall not affect the liability of any owner for any such assessment. Should the Board of Directors at any time determine, in the sole discretion of said Board of Directors, that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium, or in the event of emergencies said Board of Directors shall have the authority to levy such additional assessment or assessments as it may deem to be necessary.

2. Not less than thirty (30) days prior to the meeting at which the annual budget will be considered by the Board of Directors, a copy of such annual budget proposed for adoption together with a written notice of the time and place for the meeting at which the adoption of such budget shall be considered, shall be mailed to each Unit Owner at his place of residence in the condominium. The meeting of the Board of Directors during which said annual budget shall be considered shall be open to the attendance of all Unit Owners. If an adopted budget requires assessment against the Unit Owners in any fiscal or calendar year exceeding 115 percent of the assessments for the preceding year, the Board, upon written application of 10 percent of the Unit Owners to the Board, shall call a special meeting of the Unit Owners within thirty (30) days, upon not less than 10 days written notice to each Unit Owner. At the special meeting, Unit Owners shall consider and enact a budget. Unless the By-Laws require a larger vote, the adoption of the budget shall require a vote of not less than a majority vote of all Unit Owners. The Board of Directors may propose a

budget to the Unit Owners at a meeting of members or in writing, and if the budget or proposed budget is approved by the Unit Owners at the meeting or by a majority of all Unit Owners in writing, the budget shall be adopted. In determining whether assessments exceed 115 percent of similar assessments in prior years, any authorized provisions for reasonable reserves for repair or replacement of the condominium property, anticipated expenses by the condominium association which are not anticipated to be incurred on a regular or annual basis, or assessments for betterments to the condominium property shall be excluded from the computation. However, as long as the Developer is in control of the Board of Directors, the Board shall not impose an assessment for any year greater than 115 percent of the prior fiscal or calendar year's assessment without approval of a majority of all unit owners.

3. The Board of Directors of the Association, in establishing said annual budget for operation, management, and maintenance of the Condominium, may include therein a sum to be collected and maintained as a reserve fund for replacement of common elements, which reserve fund shall be for the purpose of enabling the Association to replace structural elements and mechanical equipment constituting a part of common elements, as well as the replacement of personal property which may constitute a portion of same held for the joint use and benefit of all of the owners of condominium parcels. The amount to be allocated to such reserve fund for replacements shall be established by said Board of Directors so as to accrue and maintain at all times a sum reasonably necessary to anticipate the need for replacement of common elements.

4. The Board of Directors of the Association, in establishing said annual budget for operation, management, and maintenance of the Project, may include therein a sum to be collected and maintained as a general operating reserve, which shall be used to provide a measure of financial stability during periods of special stress when such sums may be used to meet deficiencies from time to time existing as a result of delinquent payment of assessments by condominium parcel owners, as a result of emergencies or for other reasons, placing financial stress upon the Association.

5. All monies collected by the Association shall be treated as separate property of the Association, and such monies may be applied by the Association to the payment of any expense of operating and managing the Condominium, or to the proper undertaking of all acts and duties imposed upon it by virtue of this Declaration of Condominium and the Articles of

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Incorporation and By-Laws of said Association, and as monies for any assessment are paid to the Association by any condominium parcel owner, the same may be co-mingled with monies paid to said Association by other condominium parcel owners. Although all funds and common surplus, including other assets of the Association, and any increments thereto or profits derived therefrom, shall be held for the benefit of the members of the Association, no member of said Association shall have the right to assign, hypothecate, pledge, or in any manner transfer his membership interest therein, except as an appurtenance to his condominium parcel. When the owner of a condominium parcel shall cease to be a member of the Association by reason of his divestment of ownership of such condominium parcel, by whatever means, the Association shall not be required to account to such owner for any share of the funds or assets of the Association, or which may have been paid to the Association by such condominium parcel owner, as all monies which any condominium parcel owner has paid to the Association shall be and constitute an asset of said corporation which may be used in the operation and management of the Condominium.

E. Collection of Assessments.

1. Lien. Recognizing that the necessity for providing proper operation and management of the Project entails the continuing payment of costs and expenses therefor, which results in benefit to all of the owners of the Condominium Parcels, and that the payment of such common expense represented by the assessments levied and collected by the Association is necessary in order to preserve and protect the investment of the owner of each condominium parcel, the Association is hereby granted a lien upon such condominium parcel and its appurtenant undivided interest in the common elements, which lien shall secure and does secure all monies due for all assessments now or hereafter levied against the owner for each condominium parcel, which lien shall also secure interest, if any, which may be due on the amount of any delinquent assessments owing to the Association, and which lien shall also secure all costs and expenses, including a reasonable attorney's fee, which may be incurred by the Association in enforcing this lien upon said condominium parcel and its appurtenant undivided interest in the common elements.

The lien granted to the Association may be foreclosed in the same manner as real estate mortgages may be foreclosed in the State of Florida, and in any suit for the foreclosure of said lien, the Association shall be entitled to rental from the Unit Owner if the Unit Owner remains in possession of the unit and if the lien is foreclosed,

from the date on which the payment of any assessment or installment thereof became delinquent to the date of payment, and shall be entitled to the appointment of a receiver for said condominium parcel, without notice to the Unit Owner. The rental required to be paid shall be equal to the rental charged on comparable types of condominium units in Broward County, Florida. The lien granted to the Association shall further secure such advances for taxes, and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien, and the Association shall further be entitled to interest at the rate of 10 percent (10%) per annum on any such advances made for such purpose. All persons, firms, or corporations who shall acquire, by whatever means, any interest in the ownership of any condominium parcel, or who may be given or acquire a mortgage, lien, or other encumbrances thereon, is hereby placed on notice of the lien rights granted to the Association, and shall acquire such interest in any condominium parcel expressly subject to such lien rights.

The lien granted unto the Association shall be effective from and after the time of recording in the Public Records of Palm Beach County, Florida, a claim of lien stating the description of the condominium parcel encumbered thereby, the name of the record owner, the amount due, and the date when due, and the lien shall continue in force and effect until all sums secured by said lien have been fully paid, after which the same shall be satisfied by the Condominium Association and recorded of public record by the offending unit owner.

The Association may, at its option, seek a money judgment for the past due assessments without waiving its lien on the Unit. The Association shall be entitled to an award of reasonable attorneys' fees from the offending unit owner, if it must seek legal counsel to enforce its rights in connection with delinquent assessments.

2. Charges. Common expenses shall be assessed by the Association against each condominium parcel as provided in Article VII above. Assessments and installments that are unpaid for over ten (10) days after due date shall bear interest at the rate of ten (10%) percent per annum from due date until paid, and at the sole discretion of the Board of Directors, a late charge of \$25.00 shall be due and payable.

3. Miscellaneous. As to priority between the lien of a recorded mortgage and the lien for an assessment, the lien for assessment shall be subordinate and inferior to any recorded institutional first mortgage regardless of when said assessment was due,

but not to any other mortgage. The Association shall maintain a register of institutional first mortgages and shall give such mortgagees notice, in writing, of all notices given by the Association to the owner of such condominium parcel encumbered by such institutional first mortgage.

If the mortgagee of a first institutional mortgage of record, or the Developer, or any other purchaser or purchasers of a condominium parcel obtains title to the condominium parcel as a result of the foreclosure of the first mortgage, or by voluntary conveyance in lieu of such foreclosure, such acquirer of title, his successors and assigns, shall not be liable for the share of common expenses or assessments by the Association pertaining to such condominium parcel or chargeable to the former owner of such condominium parcel which became due prior to acquisition of title as a result of the foreclosure or voluntary conveyance in lieu of said foreclosure. Such unpaid shares of common expenses or assessments shall be deemed to be common expenses collectible from all of the owners of condominium parcels in the condominium, including such acquirer, his successors and assigns. It is understood that such acquirer shall be liable for his share of common expenses or assessments attributable to his condominium unit from the date of acquiring said condominium unit.

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

In the event that a condominium parcel is to be leased, sold, or mortgaged at the time when payment of any assessment against the owner of said condominium parcel and such condominium parcel's assessment due to the Association shall be in default, then the rent, proceeds of such purchase, or mortgage proceeds shall be applied by the lessee, purchaser or mortgagee first to payment of any then delinquent assessments or installments thereof due to the Association before the payment of any rent, proceeds of purchase or mortgage proceeds to the owner of any condominium parcel who is responsible for payment of such delinquent assessment.

The Association shall have the right to withhold consent to a sale, lease, or mortgage where there is a deficiency or delinquency existing as to an assessment or installment due in the absence of a properly executed assignment to the Association of such portion

of the proceeds of such sale, lease, or mortgage equal to the amount of such deficiency or delinquency.

In any voluntary conveyance of a condominium parcel, the grantee shall be jointly and severally liable with grantor for all unpaid assessments against the grantor made prior to the time of such voluntary conveyance, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefor.

No owner of a condominium parcel may exempt himself from liability for any assessment levied against such owner and his condominium parcel by waiver of the use or enjoyment of any of the common elements, or by abandonment of the condominium parcel or in any other way.

XXV

MISCELLANEOUS PROVISIONS

A. Guarantee of Maintenance and Recreation Assessment. Developer guarantees that the maintenance assessment as to each Unit shall be as set forth in Article XXIV above. This guarantee is not intended to include and does not include capital improvements or other unusual expenditures not ordinarily anticipated in normal maintenance and management operations. The Developer agrees to pay any amount of expenses incurred during the aforesaid guaranteed period which are not produced by the assessments at the guaranteed level receivable from all other Unit Owners. Assessments shall be quarterly, in advance. At closing, the proportionally adjusted quarterly assessment for the annual quarter in which closing is held shall be paid by Buyer to Seller during the period of the guarantee and to the Association after the expiration of the guarantee. This guaranteed maximum assessment includes Recreation Expenses.

B. Restriction on Amendments. Provisions of Article of this Declaration to the contrary notwithstanding, no provision of this Declaration or of the By-Laws of the Condominium Association granting or reserving to the Developer any rights, powers, authorities, usages or dispensations may be modified or amended in any way which will impair or restrict those rights, powers, authorities or special dispensations without the written approval of the Developer so long as the Developer or any successor or alternate Developer shall own any Units in this Condominium, and for a period of two (2) years after the sale and conveyance of the last Condominium Unit owned by the Developer and any successor or alternate Developer to any person other than a successor or alternate Developer.

C. No Waiver of Rights. The failure of the Developer, or the Association, or any Unit Owner to enforce any covenant, restriction, or other provision of the Condominium Act, this Declaration, the Articles of Incorporation of the Association, the By-Laws, or the rules and regulations adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter.

D. Costs and Attorney's Fees. In any proceeding by the Association against a Unit Owner arising because of an alleged failure of a Unit Owner to comply with the terms of the Declaration, By-Laws, and rules and regulations adopted pursuant thereto, and said documents and rules and regulations as they may be amended from time to time, the Association shall be entitled to recover the costs of the proceeding and reasonable attorney's fees as may be awarded by the court. No attorney's fees may be recovered against the Association or the Developer in any such action.

In addition to the foregoing, if a Unit Owner fails to comply with the terms of this Declaration, the By-Laws, and/or the rules and regulations adopted pursuant thereto, as they may be amended from time to time, and as a result of such failure it becomes necessary for either the Association or its agent to employ an attorney in order to insure that the Unit Owner complies with his said obligation, then and in such event, the Unit Owner will be obligated to reimburse the Association for the costs of such attorney's fees, regardless of whether or not suit may be instituted.

E. Restraint upon Separation and Partition. Any transfer of a Condominium parcel must include all elements thereof as afore described and appurtenances thereto whether or not specifically described, including, but not limited to, the Condominium parcel Owner's share in the common elements, the Unit, and his Association membership. Recognizing that the proper use of a Condominium parcel by any Owner or Owners is dependent upon the use and enjoyment of the common elements in common with the Owners of all other Condominium units, and that it is in the interest of all Owners of Condominium parcels that the ownership of the common elements be retained in common by the Owner of Condominium parcels in the Condominium, it is declared that the percentage of the undivided interest in the common elements appurtenant to each Condominium parcel shall remain undivided and no Unit Owner shall bring any action for partition or division. No Condominium parcel Owner shall further subdivide a Condominium parcel.

F. Developer's Tenants. It is understood and agreed by all parties hereto and all Unit Owners that certain Units may be occupied by tenants of the Developer under lease agreements heretofore or hereafter consummated and agreed upon. Any such tenants of Developer shall have the full right and authority to continue to occupy said premises in accordance with their lease agreements and to use and enjoy on a nonexclusive basis all common elements of the Condominium and the recreational facilities without any cost or expense except as may be provided under their lease agreement with the Developer. The Developer shall not be bound by the restrictions on leasing as set forth in this Declaration of Condominium.

G. Severability. Invalidation of any portion of this Declaration or of any provision contained in a conveyance of a Condominium parcel, whether by judgment, court order, or statute, shall not affect any of the other provisions, which shall remain in full force and effect.

In the event any court shall hereafter determine that any provision as originally drafted herein violates the rule against perpetuities or any other rules of law because of the duration of the period involved, the period

specified in the Declaration shall not thereby become invalid, but instead shall be reduced to the maximum period allowed under such rule of law, and for such purpose measuring lives shall be those of the incorporator of the Association.

H. Disclaimer of Warranties. The Developer does not warrant to the Association or the Unit Owners the construction of, or any part of, the Condominium property common elements or Units, save and except any express written warranties delivered by the Developer in writing to Unit Owners; or such other implied or express warranties required by the Florida Condominium Act as may be effective as of the date of the filing of this Declaration or which are not subject to exemption thereunder; and any and all implied warranties for merchantability, fitness or purpose or otherwise are hereby specifically and expressly disclaimed to the extent so permitted under Florida law. No warranty or guarantee or representation is made with respect to the presentations of the interior partitions, dimensions, and configuration of each Unit as presented in the Condominium documentation except where the same is specifically and expressly warranted or guaranteed in writing and therefore, such interior design of Units, including the dimensions and configurations with respect to the partitions will be subject to alterations and adjustments by the Developer except where the same is specifically and expressly warranted and guaranteed in writing. Developer further disclaims any intent to have made any warranty or representation in connection with the Condominium documents except as specifically set forth herein, and no person shall rely upon any warranty or representation not so specifically and expressly made herein or by any other Condominium document. Any estimates of common expenses, taxes or other charges are believed to be accurate, but no warranty or guaranty is made or intended nor may one be relied upon except where same is specifically and expressly warranted or guaranteed in writing.

I. Notices. Whenever notices are required to be sent hereunder, the same shall be sent to the Unit Owners by certified mail, return receipt requested, at their place of residence in the Condominium, unless the Unit Owner has by written notice duly receipted for, specified a different address. Notices to the Developer shall be delivered by certified mail, return receipt requested, at the primary office of the Developer at 1700 Palm Island Drive, Boynton Beach, Florida. All notices shall be deemed and considered sent when mailed. Any party may change his or its mailing address by written notice.

J. Interpretation. Whenever the context so requires, the use of any gender shall be deemed to include all genders, and the use of the plural shall include the singular and the singular shall include the plural. The provisions of this Declaration shall be literally construed to effectuate its purposes of creating a uniform plan for the operation of a Condominium in accordance with Chapter 718 of the Florida Statutes.

XXVI

PARTY WALLS

A. Each wall that is built as a part of the original construction of the improvements upon the Units and

placed on the center parametrical boundary line between the Units shall constitute a Party Wall, and to the extent not inconsistent with the provisions of this Declaration, the general rules of law regarding Party Walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

B. Either Unit Owner, his successors or assigns, shall have the right at all times to cause to be made any repairs necessary to maintain the wall in a safe and useable condition. The cost of all necessary repairs on the wall shall be shared by the Unit Owners in equal shares.

C. The Unit Owner causing the repairs to be made shall have the right to enter, at reasonable times and upon reasonable notice, upon the property of the other Unit Owner to the extent reasonably necessary in performance of the work, provided that he shall take due precaution not to damage the property of the other Unit Owner.

D. Notwithstanding any other provision of this Article, the Unit Owner who, by his negligent or willful act causes the party wall to be exposed to the elements, shall bear the whole cost of furnishing the necessary protection against such elements.

E. Neither Unit Owner shall make or provide openings in the Party Wall of any nature whatsoever without the consent of the other Unit Owner. In the event such consent is given, and such openings are made, the openings shall be subject to the right of the consenting Unit Owner, his heirs or assigns, to close up such openings at any time that he may desire to use any portion of the wall and no easement shall be created by reason of such openings.

F. Any controversy that may arise between the Unit Owners with respect to the necessity for, or cost of, repairs or with respect to any other rights or liabilities of the Unit Owners under this Article shall be submitted to the decision of three arbitrators, one to be chosen by each of the Unit Owners hereto, and the third by the two so chosen. The award of a majority of such arbitrators shall be final and conclusive on the Unit owners.

XXVII

COMPLIANCE AND ENFORCEMENT

Each Unit Owner shall be governed by and shall comply with the terms of this Declaration of Condominium, and the Articles of Incorporation, By-Laws, Regulations and Rules of the Association. Failure of a Unit Owner so to comply shall entitle the Association and/or the other Unit Owners to the relief set forth in the following sections of this Article in addition to the remedies provided by the Condominium Act.

A Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or willful act or that of any member of his family, guest, employee, agent, lessee, invitee or pet, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. A Unit Owner shall pay the Association the amount of any increase in its insurance premiums occasioned by use, misuse, occupancy or

abandonment of an improvement constructed upon a unit or its appurtenances, or of the Common elements, by the Unit Owner.

In any proceeding arising because of an alleged failure of a Unit Owner or the Association to comply with the terms of this Declaration, the Articles of Incorporation, By-Laws, Regulations or Rules of the Association, or in the event there is any dispute in connection with the terms and conditions of the foregoing documents resulting in the institution of litigation by the Association or any member thereof, the Developer, if successful in said proceeding, shall be entitled to recover the costs sustained therein and such reasonable attorneys' fees, including fees and costs on appeal, as may be awarded by the Court.

The failure of the Association, the Developer or any Unit Owner to enforce any covenant, restriction, or other provision of the Condominium Act, this Declaration, the Articles of Incorporation, By-Laws, or the Regulations or the Rules of the Association, shall not constitute a waiver of the right to do so thereafter.

XXVIII

TERMINATION

A. The Condominium may be terminated in the manner provided by the Condominium Act; it may also be terminated as hereafter set forth.

B. In the event of major damage to the Condominium property as defined in Article XVIII the Condominium may be terminated.

C. The Condominium may be terminated at any time by the written consent of the record owners of all Units and with the written consent of the mortgagee holding the greatest number of recorded mortgages on the Units.

D. The Condominium may be terminated at any time with the written consent of (i) the record owners of Units having appurtenant thereto not less than a 75% undivided interest in the Common elements and (ii) the mortgagee holding the greatest number of recorded mortgages on the Units in the Condominium, provided, however, that within thirty (30) days following the obtaining of such consents, all consenting owners, or a lesser number of them, shall agree in writing to purchase all Units owned by non-consenting record owners upon the terms hereinafter set forth, and notice of such agreement is sent to the non-consenting record owners of each Unit that the option to purchase such Unit set forth in paragraph 1 below, is being exercised. Such consents shall be irrevocable until the expiration of the said thirty-day period, and, if all such options are exercised, the consents shall be irrevocable. The option to purchase each Unit belonging to non-consenting owners shall be exercised and the purchase thereof shall be consummated as follows:

1. Exercise of Option. The option shall be exercised by delivery or mailing by certified mail to the record owners of each Unit to be purchased an Agreement to Purchase signed by the persons who will participate in the

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purchase of such particular Unit, together with a notice which shall state that all units owned by owners not approving the termination are to be purchased and which shall set forth all units to be purchased and the names of all persons participating in each such purchase. The Agreement shall effect a separate contract between the sellers and the purchasers of each particular Unit.

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

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

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

5. Failure to Close. If any sale shall fail to close, the Association may procure another purchaser to purchase the Unit at the said sales price; the closing of the latter sale to take place within sixty (60) days following the closing date of the sale which failed to close.

At such time as all such purchases have been closed, the Condominium shall terminate.

E. The termination of the Condominium in any manner shall be evidenced by a certificate of the Association executed by its president and secretary certifying under oath as to facts effecting the termination, which certificate shall become effective upon being recorded in the Public Records of Palm Beach County, Florida.

F. In the event the Condominium shall be terminated, then upon termination:

1. The then-Unit Owners' shall own all of the Condominium property as tenants in common in undivided shares that shall be the same as the undivided shares in the Common elements appurtenant to the owners Units immediately prior to the termination.

2. If the subsequent phase or phases shall not have been developed pursuant to Article

IV, and if the right of the Developer and its successors in title to develop shall have terminated, then all assets of the Association shall be distributed to the Unit Owners in the same manner as set forth in paragraph 1 of this Paragraph F.

3. If the subsequent phase or phases shall not have been developed pursuant to Article IV, and if the right of the Developer and its successors on title to develop said phase or phases shall not have terminated, then the Association shall, prior to the termination of this Condominium, assign or convey to the Developer, its successors or assigns, all rights or claims which the Association may have concerning any of the lands not developed, as described on Exhibits A, B & C. This conveyance shall be without charge or expense to the Developer.

G. This Article concerning termination cannot be amended without the consent of all Unit owners and of all record owners of mortgages upon the Units; no amendment may be made to this Article which impairs the rights of the Developer and its said successors in title to develop the subsequent phase or phases as provided for in Article IV or which impairs the rights of owners of Units in said subsequent phase or phases.

IN WITNESS WHEREOF, the Developer has caused these presents to be executed this 3rd day of August, 1981, in Palm Beach County, Florida.

Witnesses:

Attest:

Morris Rickel Secretary

ORLAN HOMES CORP.

By: Paul Oran
Paul Oran, President

STATE OF FLORIDA
COUNTY OF BROWARD

(CORPORATE SEAL)



I HEREBY CERTIFY that on this day, before me an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Paul Oran and Morris Rickel, well known to me to be the President and Secretary respectively of the corporation named herein as Developer, and that they severally acknowledged executing the foregoing Declaration of Condominium in the presence of two subscribing witnesses freely and voluntarily under authority duly vested in them by said corporation and that the seal affixed thereto is the true seal of said corporation.

WITNESS my hand and official seal in the County and
State last aforesaid, this 3rd day of August,
1981.

Paula J. Harrington
Notary Public, State of Florida
My Commission Expires

Notary Public, State of Florida at Large
My Commission Expires Sept. 12, 1984
Bonded thru Troy Fahn Insurance Co.



NOT A CERTIFIED COPY

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JOINDER OF MORTGAGEE

BOYNTON NORTH LAND COMPANY, a Florida corporation, herein called "Mortgagee", the owner and holder of a mortgage encumbering the property described in Exhibit "A" attached hereto, which mortgage is dated December 1, 1978 and recorded January 15, 1979, in Official Records Book 2991, Page 1519 of the Public Records of Palm Beach County, Florida, to the extent it may be required to do so under the laws of the State of Florida, Condominium Act, Chapter 718, Florida Statutes, joins in the execution of the foregoing Declaration of Condominium for the sole purpose of evidencing its consent to the recording of same, and the Mortgagee agrees that the lien of said mortgage shall hereafter be upon each and every one of the Condominium parcels set forth and referred to in said Declaration of Condominium and all of them together with all appurtenances thereto, including, but not necessarily limited to, the undivided shares in the common elements as created by said Declaration. Nothing herein contained shall be deemed to limit, affect, or modify the said mortgage or its priority, the sole purpose hereof being to set forth the consent of the Mortgagee to the said Declaration as herein provided.

Witnesses:

Boynton North Land Co.

Attest:

Paula J. Harrington
Assistant Secretary

By: E.R. Gallant, President

(SEAL)

STATE OF FLORIDA
COUNTY OF PALM BEACH

BEFORE ME, the undersigned authority, personally appeared E.R. Gallant and Paula J. Harrington as President and Assistant Secretary, respectively, of the BOYNTON NORTH LAND COMPANY, who acknowledged before me that they, as officers of said corporation, executed this Joinder of Mortgagee and affixed the seal of said corporation, and that the same is the act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 3rd day of August, 1989, at Fort Lauderdale, Broward County, Florida.

Notary Public, State of Florida
My Commission Expires:

MAR 6 1985

EXHIBIT "A"
CHANTECLAIR VILLAS CONDOMINIUM NUMBER THREE

LEGAL DESCRIPTION
CHANTECLAIR VILLAS CONDOMINIUM NUMBER THREE

A portion of Tract "C" and Tract "D", CHARTER WORLD, a subdivision as recorded in Plat Book 31, Page 21, in the public records of Palm Beach County, Florida, and more particularly described as follows:

Commencing at the Northwest corner of said Tract "D"; thence run N 88° 34' 06" E, along the North line of said Tract "D", 18.57 feet to the point of beginning; thence continue along the last described course, 483.29 feet; thence run S 1° 13' 13" E, 572.21 feet; thence run S 43° 46' 47" W, 70.71 feet; thence run S 88° 46' 47" W, along the south line of said Tract "D", 482.86 feet; thence run N 1° 13' 13" W, 317.48 feet; thence run N 88° 46' 47" E, 21.00 feet; thence run N 1° 13' 13" W, 81.53 feet; thence run S 88° 46' 47" W, 21.00 feet; thence run N 1° 13' 13" W, 76.00 feet; thence run N 88° 46' 47" E, 49.57 feet; thence run N 1° 13' 13" W, 145.42 feet to the point of beginning, LESS the following areas:

Recreation Area A-6

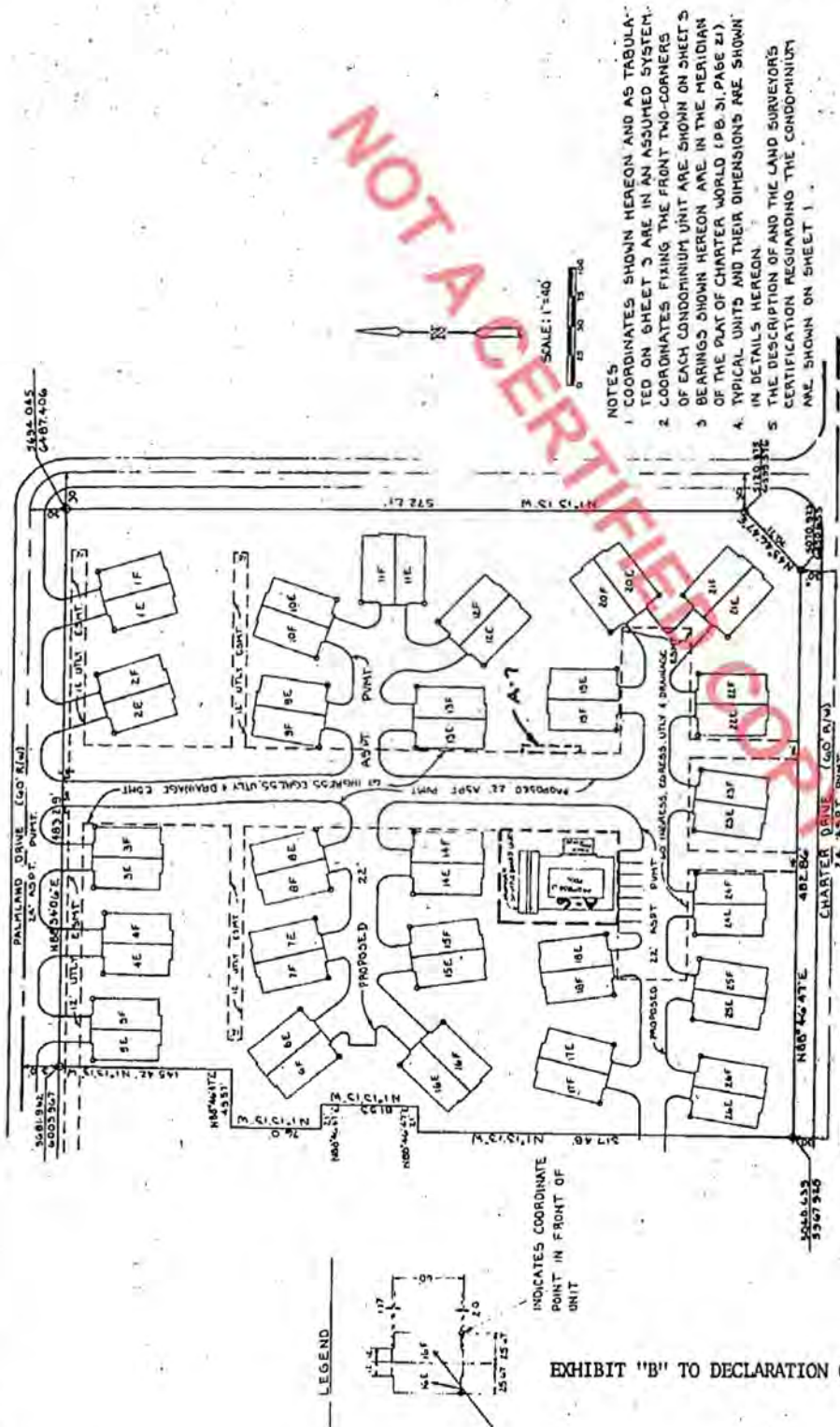
Westerly 78.00 feet of the easterly 354.86 feet of the northerly 112.00 feet of the southerly 265.00 feet. Tract "D", CHARTER WORLD, a subdivision as recorded in Plat Book 31, Page 21, in the public records of Palm Beach County, Florida, ALSO LESS

Recreation Area A-7

The westerly 15.00 feet of the easterly 209.86 feet of the northerly 60.00 feet of the southerly 241.00 feet of Tract "D", CHARTER WORLD, a subdivision as recorded in Plat Book 31, Page 21, in the public records of Palm Beach County, Florida.

B3570 P1285

85570 P1206



CHANTECLAIR VILLAS
CONDOMINIUM NO. THREE

[Handwritten Signature]

[illegible]

EXHIBIT "C" TO DECLARATION OF CONDOMINIUM

CHANTECLAIR VILLAS
CONDOMINIUM NO. THREE

Robert H. Carter

LEGAL DESCRIPTION
RECREATIONAL FACILITIES
CHANTECLAIR VILLAS CONDOMINIUM NUMBER THREE

A-6

Westerly 78.00 feet of the easterly 354.86 feet of the northerly 112.00 feet of the southerly 265.00 feet, Tract D, Charter World, a subdivision as recorded in Plat Book 31, Page 21, in the public records of Palm Beach County, Florida.

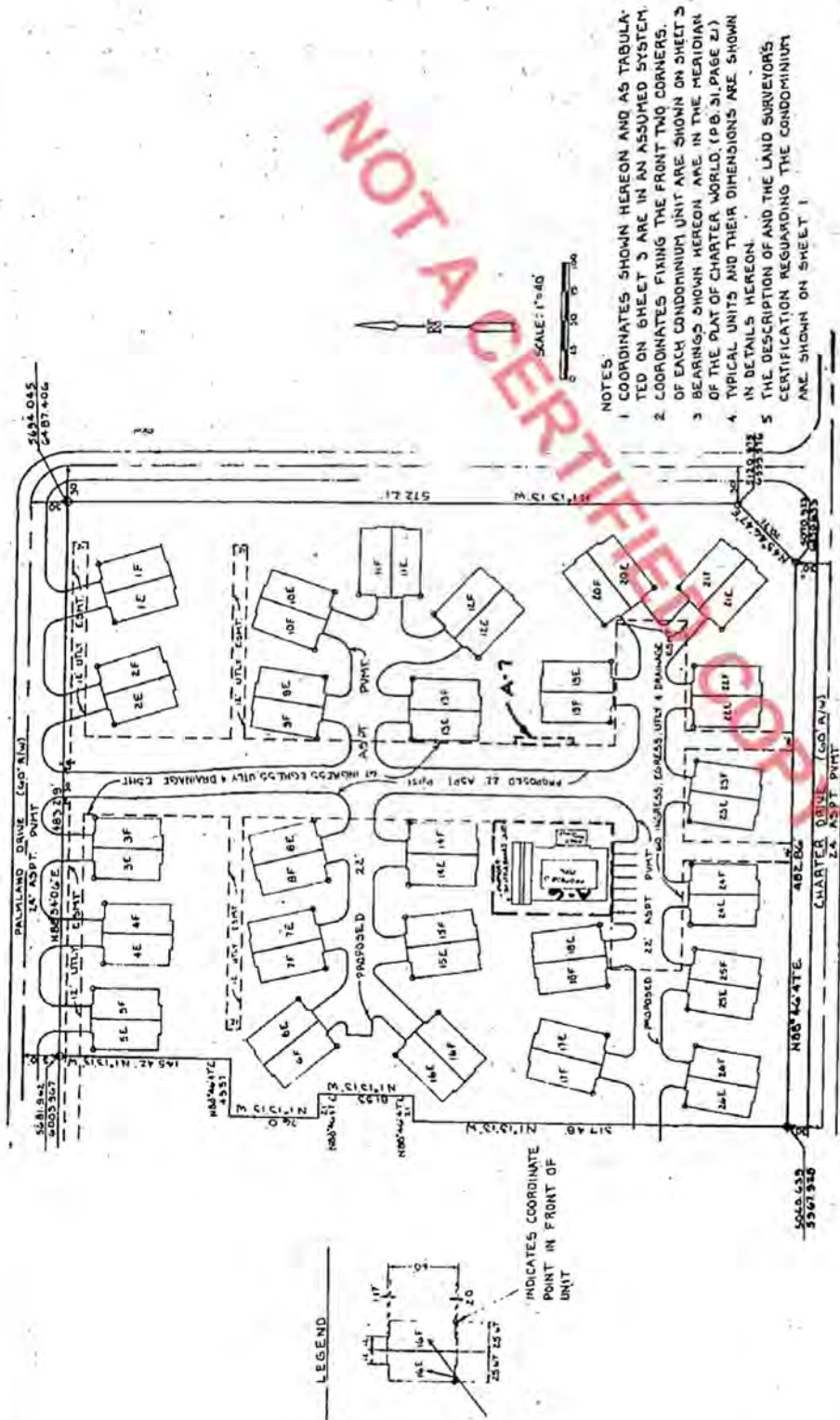
A-7

The westerly 15.00 feet of the easterly 209.86 feet of the northerly 60.00 feet of the southerly 241.00 feet of Tract D, Charter World, a subdivision as recorded in Plat Book 31, Page 21, in the public records of Palm Beach County, Florida.

Exhibit "D" to Declaration of
Condominium --Chanteclair Villas
Condominium Number Three

B3570 P1238

B3376 P1388



- NOTES:
1. COORDINATES SHOWN HEREON AND AS TABULATED ON SHEET 3 ARE IN AN ASSUMED SYSTEM.
 2. COORDINATES FIXING THE FRONT TWO CORNERS OF EACH CONDOMINIUM UNIT ARE SHOWN ON SHEET 3.
 3. BEARINGS SHOWN HEREON ARE IN THE MERIDIAN OF THE PLAT OF CHARTER WORLD (P.B. 31, PAGE 21).
 4. TYPICAL UNITS AND THEIR DIMENSIONS ARE SHOWN IN DETAILS HEREON.
 5. THE DESCRIPTION OF AND THE LAND SURVEYOR'S CERTIFICATION REGARDING THE CONDOMINIUM ARE SHOWN ON SHEET 1.

CHANTECLAIR VILLAS
CONDOMINIUM NO. THREE

Signature

Exhibit "E" to Declaration of Condominium

Gentry & Associates

P.O. BOX 243
DELRAY BEACH, FLORIDA 33444
PHONE: 272-1924

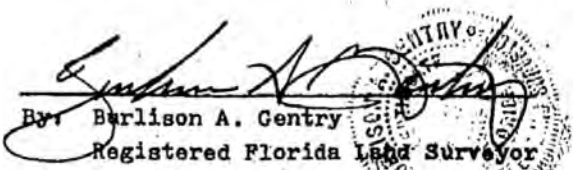
MEMBER
AMERICAN SOCIETY OF ENGINEERS
AMERICAN CONGRESS OF SURVEYING & MAPPING

MEMBER
FLORIDA SOCIETY OF
PROFESSIONAL LAND SURVEYORS

SURVEYOR'S CERTIFICATION

This Certification made the 11th Day of August, 1981, by the undersigned surveying firm is made pursuant to the provisions of Section 718.104 (4)(E) of the Florida Statutes, as amended, and is a certification that the attached Exhibit "F" is an accurate representation of the improvements described thereon and that the construction of said improvements is substantially complete so that such material, together with the wording and the Declaration of Condominium of Chantclair Villas, Condominium No. Three is an accurate representation of the location and dimensions of the improvements described and that said identifications, locations, and dimensions of common elements, and each apartment can be determined from these materials.

DATED: August 11, 1981.

By: 
Berlison A. Gentry
Registered Florida Land Surveyor
No. 2580



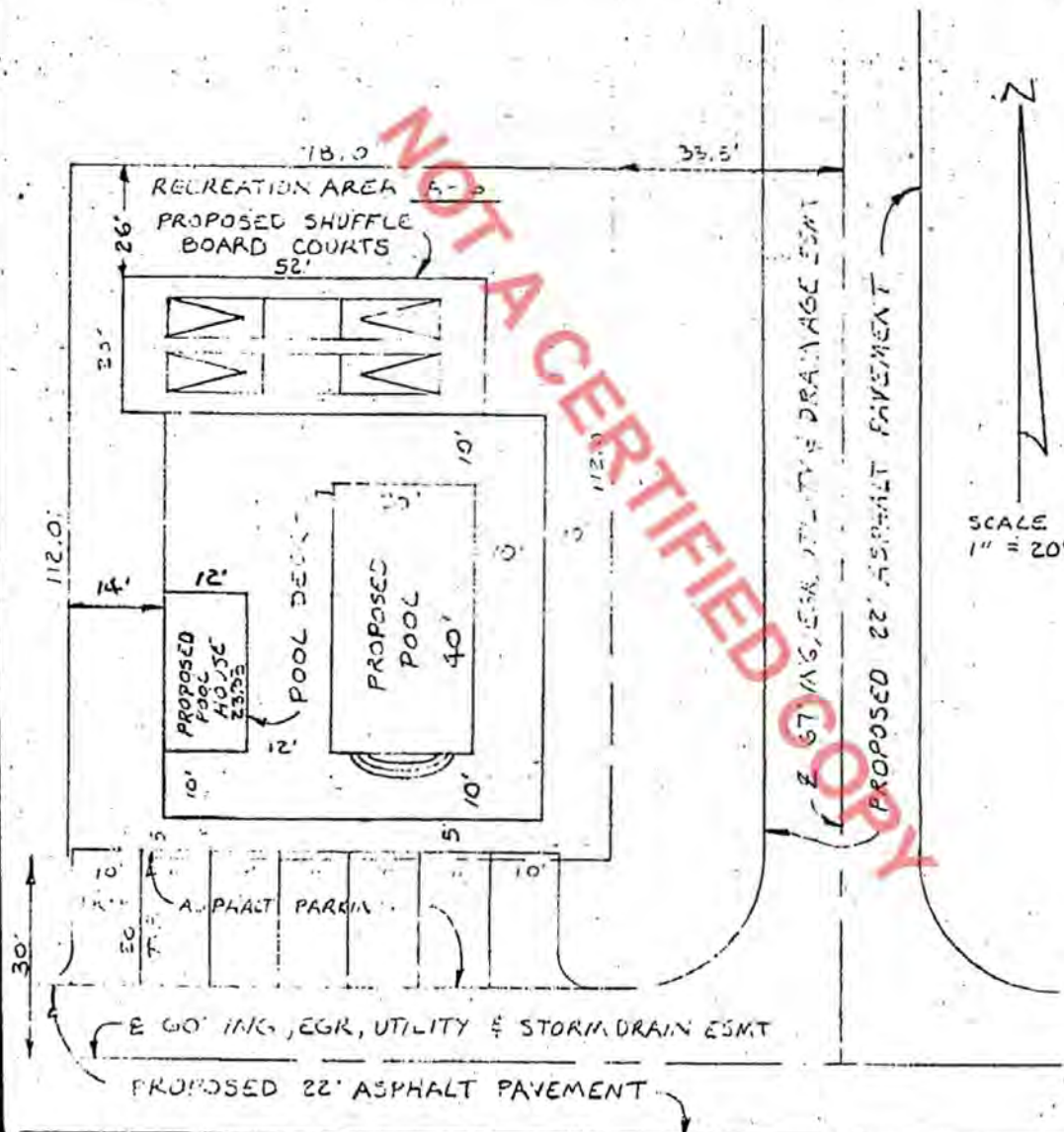
83578 P1248

**CHANTECLAIR VILLAS
CONDOMINIUM NO. THREE
FRONT BUILDING COORDINATES**

	N	E		N	E
1E	5644.790	6374.977	1F	5661.825	6423.395
2E	5642.950	6288.596	2F	5659.985	6337.015
3E	5657.682	6157.983	3F	5658.585	6209.305
4E	5646.661	6086.672	4F	5647.564	6137.994
5E	5654.635	6014.955	5F	5655.538	6066.278
6E	5481.586	6060.921	6F	5450.763	6019.876
7E	5473.359	6139.404	7F	5459.474	6089.989
8E	5474.930	6213.157	8F	5461.045	6163.742
9E	5467.957	6334.946	9F	5475.433	6284.163
10E	5469.507	6407.676	10F	5476.982	6356.893
11E	5449.165	6409.210	11F	5397.846	6410.303
12E	5348.719	6360.259	12F	5379.540	6401.302
13E	5398.895	6285.793	13F	5399.988	6337.112
14E	5396.290	6163.491	14F	5397.383	6214.809
15E	5385.209	6081.401	15F	5399.095	6130.817
16E	5396.489	6008.441	16F	5384.719	6058.406
17E	5216.439	6027.320	17F	5228.208	5977.358
18E	5228.628	6127.374	18F	5218.997	6076.956
19E	5227.214	6368.798	19F	5226.121	6317.480
20E	5192.713	6423.599	20F	5232.090	6390.672
21E	5133.927	6396.251	21F	5172.211	6430.444
22E	5155.876	6306.723	22F	5156.812	6358.042
23E	5156.144	6225.399	23F	5150.228	6276.387
24E	5152.259	6136.932	24F	5153.352	6188.250
25E	5152.748	6065.991	25F	5145.273	6096.774
26E	5151.036	5985.626	26F	5143.561	6096.408

53570 P 1241

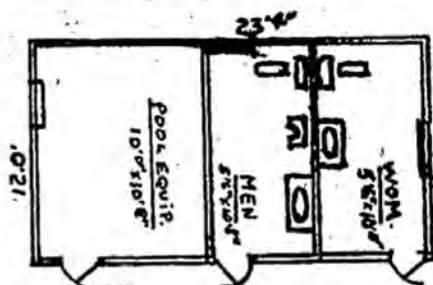




SITE PLAN, RECREATION AREA A-6

LEGAL DESCRIPTION

Westerly 78.00 feet of the easterly 354.86 feet of the northerly 112.00 feet of the southerly 265.00 feet, Tract D, Charter World, a subdivision as recorded in plat book 31, page 21, in the public records of Palm Beach County, Florida.



POOL PAVILION



451-80-16
GENTRY & ASSOCIATES
 SURVEYORS & LAND PLANNERS
 P.O. BOX 243

DELRAY BEACH

FLORIDA

EXHIBIT "G" to DECLARATION OF CONDOMINIUM

Gentry & Associates

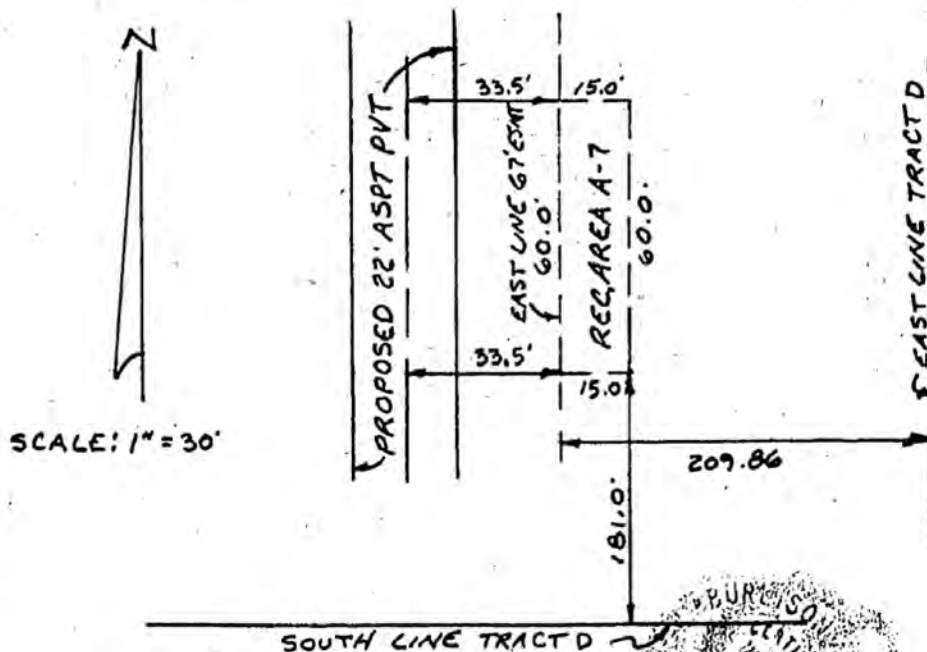
P.O. BOX 243
DELRAY BEACH, FLORIDA 33444
PHONE: 272-1924

MEMBER
AMERICAN SOCIETY OF ENGINEERS
AMERICAN CONGRESS OF SURVEYING & MAPPING

MEMBER
FLORIDA SOCIETY OF
PROFESSIONAL LAND SURVEYORS

RECREATION AREA A-7

The westerly 15.00 feet of the easterly 209.86 feet of the northerly 60.00 feet of the southerly 241.00 feet of Tract D, Charter World, a subdivision as recorded in plat book 31, page 21, in the public records of Palm Beach County, Florida.



[Signature]

ARTICLES OF INCORPORATION
OF

CHANTECLAIR VILLAS CONDOMINIUM ASSOCIATION NUMBER THREE, INC.
A Corporation Not-For-Profit

In order to form a corporation under the laws of Florida for the formation of corporations not-for-profit, pursuant to the provisions of Florida Statutes Chapter 617, we, the undersigned, hereby associate ourselves into a corporation for the purposes and with the powers herein specified, and to the end we do, by these Articles of Incorporation, set forth:

I. NAME

The name of the corporation shall be:

CHANTECLAIR VILLAS CONDOMINIUM ASSOCIATION
NUMBER THREE, INC. (the "Association").

II. PURPOSE

The purposes and objects of the Association shall be to administer the operation and management of Chantclair Villas Condominium Number Three (the "Condominium"), which is established in accordance with Florida Condominium Act, Chapter 718, Florida Statutes, (the "Act"), upon that certain real property situated in Palm Beach County, Florida, described as:

A portion of Tract "C" and Tract "D", CHARTER WORLD, a subdivision as recorded in Plat Book 31, Page 21, in the public records of Palm Beach County, Florida, and more particularly described as follows:

Commencing at the Northwest corner of said Tract "D"; thence run N 88° 34' 06" E, along the North line of said Tract "D", 18.57 feet to the point of beginning; thence continue along the last described course, 483.29 feet; thence run S 1° 13' 13" E, 572.21 feet; thence run S 43° 46' 47" W, 70.71 feet; thence run S 88° 46' 47" W, along the south line of said Tract "D", 482.86 feet; thence run N 1° 13' 13" W, 317.48 feet; thence run N 88° 46' 47" E, 21.00 feet; thence run N 1° 13' 13" W, 81.53 feet; thence run S 88° 46' 47" W, 21.00 feet; thence run N 1° 13' 13" W, 76.00 feet; thence run N 88° 46' 47" E, 49.57 feet; thence run N 1° 13' 13" W, 145.42 feet to the point of beginning, LESS the following areas:

Recreation Area A-6

Westerly 78.00 feet of the easterly 354.86 feet of the northerly 112.00 feet of the southerly 265.00 feet. Tract "D", CHARTER WORLD, a subdivision as recorded in Plat Book 31, Page 21, in the public records of Palm Beach County, Florida, ALSO LESS

Recreation Area A-7

The westerly 15.00 feet of the easterly 209.86 feet of the northerly 60.00 feet of the southerly 241.00 feet of Tract "D", CHARTER WORLD, a subdivision as recorded in Plat Book 31, Page 21, in the public records of Palm Beach County, Florida.

EXHIBIT "H" TO DECLARATION OF CONDOMINIUM

III. POWERS

The Association shall have the following powers:

A. All of the powers and privileges granted to corporations not for profit under the law pursuant to which this Corporation is chartered and the Common Law of Florida.

B. All of the powers reasonable necessary to implement and effectuate the purposes of the Association, including, without limitation, the power, authority and right to:

1. Make and establish reasonable rules and regulations governing use of the Units, Common Elements, and Common Facilities in and of the Condominium, as such terms will be defined in the Declaration.

2. Levy and collect assessments against members of the Association to defray the common Expenses of the Condominium, as will be provided in the Declaration and the By-Laws; including the right to levy and collect assessments for the purpose of acquiring, owning, holding, operating, leasing, encumbering, selling, conveying, exchanging, managing and otherwise dealing with the Condominium Properties, including Units, which may be necessary or convenient in the operation and management of the Condominium and in accomplishing the purposes set forth in the Declaration.

3. Maintain, repair, replace, operate and manage the Condominium and the Improvements constructed thereon, including the right to reconstruct improvements after casualty and to further improve and add to the Condominium as necessary or required.

4. Contract for the management of the Condominium and, in connection therewith, to delegate any and/or all of the powers and duties of the Association to the extent and in the manner permitted by the Declaration, the By-Laws, and the Condominium Act.

5. Enforce the provisions of these Articles of Incorporation, the Declaration, the By-Laws, and all rules and regulations governing use of the Condominium which may hereafter be established.

6. Exercise, undertake and accomplish all of the rights, duties and obligations which may be granted to or imposed upon the Association in the Declaration and the Act.

7. Perform the acts and duties incident to the operation and management of said Condominium in accordance with the provisions of these Articles of Incorporation, and By-Laws of the Association which will be adopted pursuant hereto, and the Declaration of Condominium which will be recorded in the Public Records of Palm Beach, County Florida, and to own, operate, encumber, lease, manage, sell, convey, exchange and otherwise deal with the said lands submitted to the condominium form of ownership, the improvements and such other property, real and/or personal, as may be or become part of the Condominium to the extent necessary or convenient to its administration.

The Association shall be conducted as a non-profit organization for the benefit of its members.

8. Amend these Articles and the By-Laws to include other real property in the purpose provisions of Article II hereof.

9. Collect assessments levied by the Chanteclair Villas Recreation Association, Inc. against units and transfer those funds to Chanteclair Villas Recreation Association, Inc.

IV. QUALIFICATION OF MEMBERS

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

A. The owners of all Units in the Condominium shall be members of the Association, and no other persons or entities shall be entitled to membership, except as provided for in Paragraph E, Article IV, hereof.

B. Membership shall be established by the acquisition of fee title to a Unit in the Condominium, or by acquisition of a fee ownership interest therein, by voluntary conveyance or operation of law, and the membership of any person or entity shall be automatically terminated when such person or entity is divested of all title or his entire fee ownership in such Unit; provided, that membership of any person or entity owning fee title to or a fee ownership interest in any Unit.

C. There shall be only one class of members. All members regardless of the type or size of their Condominium Unit, shall be entitled to one vote for each Condominium owned as provided for in the By-Laws of this Corporation.

D. The interest of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner, except as an appurtenance to the Unit(s) owned by such member. The funds and assets of the Association shall be expended, held or used only for the benefit of the membership and for the purposes authorized herein, in the Declaration, and in the By-Laws.

E. Until such time as the real property described in Article II hereof is submitted to the Condominium therefor in the Public Records of Palm Beach County, Florida, the membership of the Association shall be entitled to cast one vote on all matters upon which the membership would be entitled to vote.

V. TERM

The Association shall have perpetual existence.

VI. PRINCIPAL OFFICE

The principal office of the Association shall be located in Florida at 1700 Palmland Drive, Boynton Beach, Florida, but the Association may maintain offices and transact business in such places within the State of Florida, as may from time to time be

designated by the Board of Directors. PAUL ORLAN at 1700 Palmland Drive, Boynton Beach, Florida, shall be the initial Registered Agent.

VII. MANAGEMENT

The affairs of the Association shall be managed by the Board of Directors through the President of the Association, assisted by the Vice Presidents, Secretary and Treasurer and, if any, the Assistant Secretaries and Assistant Treasurers, who shall perform the duties of such offices customarily performed by like officers of corporations in the State of Florida, subject to the direction of the Board of Directors. Officers of the Association shall not receive compensation for the performance of their duties. The Board of Directors, or the President, with the approval of the Board of Directors, may employ a managing agent, agency, and/or other managerial and supervisory personnel or entity to administer or assist in the administration of the operation and management of the Condominium and the affairs of the Association.

VIII. BOARD OF DIRECTORS

The number of members of the first Board of Directors shall be three (3). The number of members of succeeding Boards of Directors shall be six (6). When Unit Owners other than the Developer, ORLAN HOMES CORP., a Florida corporation, own fifteen percent (15%), but less than seventy-five percent (75%) of the Units that will be operated by the Association, the Unit Owners other than the Developer shall be entitled to elect, in a manner to be provided in the By-Laws, not less than nor more than one-third (1/3) of the members of the Board of Directors. Unit Owners other than the Developer shall be entitled to elect, in a manner to be provided in the By-Laws, a majority of the members of the Board of Directors when the first of the following events occurs:

1. Three (3) years after sales by the Developer have been closed on fifty percent (50%), but less than ninety percent (90%) of the Units; or
11. Three (3) months after sales have been closed by the Developer on ninety percent (90%) of the Units; or
111. When all of the Units have been completed and some have been sold and none of the others are being offered for sale by the Developer in the ordinary course of business.

The Developer shall have the right to elect, in the manner to be provided in the By-Laws, all members of the Board of Directors which Unit Owners, other than the Developer, are not entitled to elect as long as the Developer holds for sale in the ordinary course of business any Units in a Condominium operated by the one member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business at least one Unit in the Condominium. Notwithstanding the foregoing, Developer shall be entitled at any time to waive in writing its rights hereunder and, thereafter, to vote in elections for members of the Board of Directors in the same manner as any other Unit Owner/member of the Association. After Unit Owners other than the Developer elect a majority of the members of the Board of Directors, the Developer shall, within a reasonable time and in a manner to be provided in the By-Laws, relinquish control of the Association and shall deliver to the Association all property of the Unit Owners and of the Association held or controlled by the Developer.

IX. ELECTION OF OFFICERS

The Board of Directors shall elect a President, Secretary, Treasurer and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers, annually, as the Board of Directors shall deem advisable from time to time. The President and first Vice President shall be elected from the membership of the Board of Directors, but no other officer need be a Director. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the office of President and Vice President shall not be held by the same person, nor shall the office of President and Secretary or Assistant Secretary be held by the same person.

X. NAME, RESIDENCES OF BOARD

The names and residence addresses of the members of the first Board of Directors who, subject to the provisions of the laws of Florida, the Articles of Incorporation, and the By-Laws, shall hold office for the first year of the Association's corporate existence and thereafter until their successors are selected and have qualified, are as follows:

Paul Orlan	Suite 510, Cumberland Building 800 East Broward Boulevard Fort Lauderdale, Florida 33301
Morris Rickel	Suite 510, Cumberland Building 800 East Broward Boulevard Fort Lauderdale, Florida 33301
James B. Chaplin	Suite 510, Cumberland Building 800 East Broward Boulevard Fort Lauderdale, Florida 33301

XI. SUBSCRIBERS

The subscribers to these Articles of Incorporation are the persons herein named to act and serve as members of the first Board of Directors of the Association. The names of the subscribers and their respective residence addresses are set forth in Article X hereof.

XII. NAMED OFFICERS

The officers of the Corporation who shall hold office until their successors are elected pursuant to these Articles of Incorporation and the By-Laws, and have qualified, shall be the following:

PAUL ORLAN, President
JAMES CHAPLIN, Vice President
MORRIS RICKEL, Secretary-Treasurer

XIII. BY-LAWS

The original By-Laws of the Association shall be adopted by a majority vote of the Subscribers to these Articles of Incorporation at which a majority of the Subscribers is present, and, thereafter, the By-Laws may be altered or rescinded only by affirmative vote of two-thirds (2/3) of the votes entitled to be cast by members of the Association.

XIV. INDEMNIFICATION

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

XV. AMENDMENT

An amendment or amendments to these Articles of Incorporation may be proposed by the Board of Directors of the Association acting upon a vote of the majority of the Directors, or by the members of the Association owning a majority of the Units in the Condominium, whether meeting as members or by instrument in writing signed by them. Upon any amendment or amendments to these Articles of Incorporation being proposed by the Board of Directors or member, such proposed amendment or amendments shall be transmitted to the President of the Association, or the acting chief executive officer in the absence of the President, who shall thereupon call a special meeting of the members of the Association for a date not sooner than twenty (20) days nor later than sixty (60) days from the receipt by him of the proposed amendment or amendments, and it shall be the duty of the Secretary to give each member written notice of such meeting stating the time and place of the meeting and reciting the proposed amendment or amendments in reasonably detailed form, which notice shall be mailed or presented personally to each member not less than ten (10) days nor more than thirty (30) days before the date set for such meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States mail, addressed to the member at his Post Office address as it appears on the records of the Association, with postage thereon prepaid. Any member may, by written waiver of notice signed by such member, waive such notice and such waiver when filed in the records of the Association, whether before, during or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such member. At such meeting, the amendment or amendments proposed must be approved by an affirmative vote of the members owning not less than three-fourths (3/4) of the Units in the Condominium in order for such amendment or amendments to become effective. Thereupon, such amendment or amendments of these Articles of Incorporation shall be transcribed and certified in such form as may be necessary to file the same in the office of the Secretary of State of the State of Florida. A certified copy of each such amendment of these Articles of Incorporation shall be recorded in the Public Records of Palm Beach County, Florida, within thirty (30) days from the date on which the same is filed in the office of the

Secretary of State. Notwithstanding the foregoing provisions of this Article XV, no amendment to these Articles of Incorporation which shall abridge, amend or alter the right of Developer to designate and select members of Boards of Directors of the Association, as provided in Article VIII hereof, may be adopted or become effective without the prior written consent of Developer.

IN WITNESS WHEREOF, the subscribers have affixed their signatures this 15 day of January, 1981.

Paul Orlan
PAUL ORLAN

Morris Rickel
MORRIS RICKEL

James B. Chaplin
JAMES B. CHAPLIN

Paul Orlan
PAUL ORLAN, as Registered Agent

STATE OF FLORIDA
COUNTY OF BROWARD

BEFORE ME, the undersigned authority, personally appeared James B. Chaplin, Morris Rickel and Paul Orlan, to me well known, and each of whom after first being duly sworn, stated upon their oath and acknowledged that they executed the above Articles of Incorporation for the purposes therein stated as their free act and deed.

WITNESS my hand and official seal in Fort Lauderdale, Broward County, Florida, this 15th day of JANUARY, 1981.

Paula G. Harrington
Notary Public, My Commission Expires:

Notary Public, State of Florida at Large
My Commission Expires: Sept. 12, 1984
Bonded Tojo Gray Fala Insurance Inc.

83976 P1-200

BY-LAWS

OF

CHANTECLAIR VILLAS CONDOMINIUM NUMBER THREE, INC.

a Florida Corporation Not-For-Profit

I. IDENTITY

A. These are the By-Laws of CHANTECLAIR VILLAS CONDOMINIUM ASSOCIATION NUMBER THREE, INC., a corporation not-for-profit organized pursuant to Chapter 617, Florida Statutes (hereinafter referred to as the "Association"). The Association has been organized for the purpose of managing, operating, and administering a residential condominium apartment project located on a portion of real property described as Tract B of Charter World, according to the Plat thereof, recorded at Plat Book 31, Page 21 of the Public Records of Palm Beach County, Florida, and located in Palm Beach County, Florida, and more particularly described in the Declaration of Condominium (the "Declaration") to which a true copy of these By-Laws will be attached and which will be recorded amongst the Public Records of Palm Beach County, Florida, when CHANTECLAIR VILLAS CONDOMINIUM NUMBER THREE is declared.

B. The provision of these By-Laws are applicable to the Condominium and are subject to the provisions of the Articles of Incorporation of the Association (the "Articles"). A copy of the Articles and a copy of these By-Laws will be annexed, as exhibits, to the Declarations of Condominium (the "Declaration"), which will be recorded in the Public Records of Palm Beach County, Florida. The terms and provisions of the Articles and Declaration shall control wherever the same may conflict herewith.

C. All members of the Association are subject to these By-Laws, the Articles and the Declaration.

D. The office of the Association shall be at 1700 Palmland Drive, Boynton Beach, Florida, or at such other place within Palm Beach County, Florida, as may be established by resolution of the Board of Directors.

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

F. The seal of the Association shall bear the name of the Association, the word "Florida", the words "Corporation Not For Profit", and the year of incorporation. An impression of the seal is as follows:

Exhibit "I" to Declaration of Condominium

B3570 P1251

II. MEMBERSHIP, VOTING, QUORUM, PROXIES.

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

B. A quorum at meetings of Members shall consist of the persons entitled to cast a majority of the votes of the entire Membership.

C. The vote of the owner(s) of a Unit in a Condominium served by the Recreational Facilities owned by more than one natural person, as tenants in common, joint tenants, a partnership, or any other association of natural persons, or by a corporation, a trust or any other entity shall be cast or otherwise exercised, at all meetings at which Members of the Association are entitled to vote or otherwise act, by the one natural person approved to vote in the affairs of the applicable Condominium Association.

D. Evidence of the approval or disapproval of the owner(s) of a Unit in a Condominium served by the Recreational Facilities upon any matter, whether or not the subject of an Association meeting, shall be given to the Association by the same person who would cast the vote of such owner if in an Association meeting.

E. Except as otherwise required under the provisions of the Articles, these By-Laws or the Declaration, or where the same otherwise may be required by law, at any meeting of the general membership of the Association, duly called and at which a quorum is present, the affirmative vote of the owners of the majority of the Units then present and entitled to vote shall be binding upon the Members.

F. At any meeting of the Members, every Member having the right to vote shall be entitled to vote in person or by proxy.

III. ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP.

A. The annual meeting of Members shall be held at the principal office of the Association or such other place in Palm Beach County, Florida, as may be designated by the Board of Directors, at 7:00 p.m. on the first Tuesday in February of each year, or at such other time during that week as may be set by the Board, for the purpose of electing Directors and of transacting any other business authorized to be transacted by the Members; Provided, however, that if that day is a legal holiday, the meeting shall be held at the same hour on the next day.

B. Special meetings of the entire Membership of the Association shall be held whenever called by the President or Vice-President or by a majority of the Board of Directors. A special meeting must be called by such officers upon receipt of a written request from Members of the Association owning a majority of the Units in the Condominium.

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C. Notice of all meetings of Members shall be given by the Secretary, or other officer of the Association, to each Member (unless waived in writing). Each notice shall be written or printed and shall state the time and place of and purpose for which the meeting is called. Notice of the Annual Meeting shall be given to each Member not less than fourteen (14) days nor more than sixty (60) days prior to the date set for the meeting, and shall be mailed or delivered personally to each Member. If delivered personally, receipt of notice shall be signed by the Member, indicating the date received. If mailed, such notice shall be deemed properly given when deposited in the United States Mail addressed to the Member at his Post Office address as it appears on the records of the Association, with postage thereon prepaid. Proof of mailing shall be given by the affidavit of the person giving the notice. Any Member may, in writing signed by such Member, waive such notice, and such waiver, when filed in the records of the Association, whether before, at or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such Member. Each notice shall in addition be posted at a conspicuous place on the Condominium property at least fourteen (14) days prior to said meeting. If any meeting of Members cannot be held because a quorum is not present, or because a greater percentage of the membership required to constitute a quorum for a particular purpose is not present, wherever the latter percentage of attendance may be required as set forth in the Articles, the By-Laws or the Declaration, the Members who are present either in person or by proxy, may adjourn the meeting from time to time until a quorum, or the required percentage of attendance if greater than a quorum is present.

D. At meetings of Members, the President shall preside, or in his absence the first or senior Vice-President if there be more than one shall preside. Minutes shall be kept in a businesslike manner and available for inspection by Unit owners and Directors during normal business hours at the principal office of the Association.

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

- (1) Calling of the roll and certifying of proxies.
- (2) Proof of notice of meeting or waiver of notice.
- (3) Reading or waiver of reading of minutes of previous meeting of Members.
- (4) Reports of officers.
- (5) Reports of committees.
- (6) Appointment by Chairman of inspectors of election.
- (7) Election of Directors.
- (8) Old business.
- (9) New business.
- (10) Adjournment.

F. Meetings of the Board of Directors shall be open to all Unit Owners and notices of meetings shall be posted conspicuously on the Condominium property forty-eight (48) hours in advance for the attention of Unit Owners, except in an emergency.

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IV. BOARD OF DIRECTORS

A. (1) The first Board of Directors shall consist of three (3) persons who shall be the subscribers to the Articles; succeeding Board of Directors shall consist of six (6) or more persons, elected at large. When Unit Owners other than ORLAN HOMES CORP. (the "Developer"), own fifteen percent (15%), but less than seventy-five percent (75%) of the Units that will be operated by the Association, the Unit Owners other than the Developer shall be entitled to elect, in the manner provided in Paragraph B, Article IV, of these By-Laws, not less than nor more than one-third (1/3) of the members of the Board of Directors. The Unit Owners, other than the Developer, shall be entitled to elect, in the manner provided in Paragraph B, Article IV, of the By-Laws, a majority of the members of the Board of Directors: 1) three years after sales by the Developer have been closed on fifty percent (50%) but less than ninety percent (90%) of the Units, or 2) three (3) months after sales have been closed by the Developer of ninety percent (90%) of the Units, or 3) when all of the Units that ultimately will be operated by the Association have been completed and some have been sold and none of the others are being offered for sale by the Developer in the ordinary course of business, whichever shall first occur. The Developer shall have the right to elect in the manner provided in Paragraph B, Article IV of these By-Laws, the members of the Board of Directors which the other Unit Owners are not entitled as long as the Developer holds for sale in the ordinary course of business any Units in the Condominium and the Developer shall be entitled to elect not less than one (1) member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business at least one (1) Unit in the Condominium. Notwithstanding the foregoing, the Developer shall be entitled at any time to waive its rights hereunder by execution and delivery to the Association of written waivers, and thereafter to vote in elections for members of the Board of Directors in the same manner as any other Unit Owner. For purposes of these By-Laws, any reference to "Units" shall include all planned Units over which the Association will have authority

B. Directors shall be elected in the following manner:

- (1) Commencing with the election of the First Board to succeed the Subscribers of the Articles, Developer shall designate that number, and the identity, of the members of the Board which it shall be entitled to designate in accordance with the Articles and these By-Laws, and upon such designation by Developer, by written instrument presented to the meeting at which such election is held, the persons so designated by Developer shall be deemed and considered for all purposes Directors of the Association, and shall thenceforth hold the offices and perform the duties of such Directors until their successors shall have been elected or designated, as the case may be, and qualified in accordance with the provisions of these By-Laws.

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- (2) For so long as the Developer shall retain the right to appoint at least one member of the Board of Directors, all members of the Board of Directors whom developer shall not be entitled to designate under these By-Laws shall be elected at large, by a plurality of the votes cast at the annual meeting of the general membership, immediately following the designation of the members of the Board whom Developer shall be entitled to designate. Commencing with the first annual election of Directors after the Developer shall have lost or relinquished the right to appoint at least one Director, the members owning Units in each Phase of the Condominium shall elect one (1) Director, by a plurality of the votes cast by the Unit Owners of such Phase at the annual meeting of general membership, and the remaining three Directors shall be elected at large, by a plurality of the votes cast by the general membership of said meeting.
- (3) A vacancy on the Board created by the Director at large may be filled, to expire on the date of the next annual meeting, by the remaining Directors. Should any vacancy in the Board be created in any directorship previously filled by any person designated by Developer, such vacancy shall be filled by Developer designating by written instrument delivered to any officer of the Association, the successor Director, who shall fill the vacated directorship for the unexpired term thereof. Any vacancy created in any directorship previously filled by a person elected by the members of a Phase shall be filled by such members at a special election, which member shall thereafter fill the vacated directorship for the unexpired term thereof.
- (4) Each director elected by the members shall be elected for one (1) year only. Directors may succeed themselves one time so as to serve two consecutive terms. Directors may be re-elected to office, except as above stated, only after one intervening year.
- (5) In the election of Directors, each member shall cast only one vote for each director to be elected, upon whom that member shall be entitled to vote. There shall not be cumulative voting. Each member will cast one vote for the Director's seat.
- (6) Within sixty (60) days after Unit owners other than Developer are entitled to elect a member or members of the Board of Directors of the Association, the Association shall, as otherwise in accordance with the provisions of these By-Laws, call and give not less than thirty (30) days nor more than forty (40) days notice of a meeting of the Unit owners for this purpose. Such meeting may be called and the notice given by any Unit owner if the Association fails to do so within the time prescribed herein. Election of such Directors shall be conducted in the manner provided in these By-Laws.

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- (7) In the event that Developer selects any person or persons to serve on any Board, Developer shall have the absolute right at any time, in its sole discretion, to replace any such person or persons with another person or other persons to serve on the Board. Replacement of any person or persons designated by Developer to serve on any Board shall be made by written instrument delivered to any officer of the Association, which instrument shall specify the name or names of the person or persons designated as successor or successors to the persons so removed from the Board. The removal of any Director and designation of his successor shall be effective immediately upon delivery of such written instrument by Developer to any officer of the Association.

C. The organizational meeting of a newly elected or designated Board shall be held within fifteen (15) days of their election or designation, at such time and place as shall be fixed at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary; provided, that a quorum shall be present.

D. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegram, at least seven (7) days prior to the day named for such meeting, unless notice is waived.

E. Special meetings of the Board may be called by the President, and must be called by the Secretary at the written request of one-third of the Directors. Not less than three (3) days notice of a special meeting shall be given to each Director, personally or by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting.

F. Minutes of all meetings of the Board shall be kept in a businesslike manner and available for inspection by Unit owners and Directors during normal business hours at the principal office of the Association.

G. Any Director may waive notice of a meeting before, at or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

H. A quorum at meetings of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as may be specifically otherwise provided in the Articles, these By-Laws, or the Declarations. If any meeting of the Board cannot be held because a quorum for particular purposes is not present, wherever the latter percentage of attendance may be required as set forth in the Articles, these By-Laws or the Declarations, the Directors who are present may adjourn the meeting from time to time until a quorum, or the required percentage of attendance if greater than a quorum is present. At any adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

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I. The presiding officer of meetings of the Board shall be the President of the Association. In the absence of the presiding officer, the Directors present shall designate one of their number to preside.

J. All of the powers and duties of the Association shall be exercised by the Board, including those existing under the law of Florida, the Articles, these By-Laws and the Declarations. Such powers and duties shall be exercised in accordance with the Articles, these By-Laws and the Declarations, and shall include, without limitation, the right, power and authority to:

- (1) Make, levy and collect assessments, including without limitation assessments for reserves and for betterments to the condominium and/or Association property, against Members and Members' Units to defray the costs of the Condominium, and use the proceeds of assessments in the exercise of the powers and duties of the Association;
- (2) Maintain, repair, replace, operate and manage the Condominium, and wherever the same is required to be done and accomplished by the Association for the benefit of Members;
- (3) Repair and reconstruct improvements after casualty;
- (4) Make and amend regulations governing the use of the property, real and personal, in the Condominium; provided, that such regulations or amendments thereto shall not conflict with the restrictions and limitations which may be placed upon the use of such property under the terms of the Articles and Declarations;
- (5) Approve or disapprove proposed purchasers and lessees of the Units each in the manner specified in the Declaration. The President or the Vice President of the Association may, by resolution of the Board, be authorized to approve (but not disapprove) any proposed purchaser or lessee, and to execute, on behalf of the Association, appropriate documents to evidence same;
- (6) Acquire, own, hold, operate, lease, encumber, convey, exchange, manage, and otherwise trade and deal with property, real and personal including Units of and in the Condominium, as may be necessary or convenient in the operation and management of the Condominium, and in accomplishing the purposes set forth in the Declarations;
- (7) Contract for the management of the Condominium and in connection therewith delegate all of the powers and duties of the Association, except those which may be required by the Declaration to have approval of the Board or members of the Association;
- (8) Enforce by legal means the provisions of the Articles, these By-Laws, the Declaration and all regulations governing use of property of and in the Condominium hereafter adopted.

- (9) Pay all taxes and assessments which are liens against any part of the Condominium other than Units and the appurtenances thereto, and assess the same against the members and their respective Units subject to such liens.
- (10) Carry insurance for the protection of the members and the Association against casualty and liability.
- (11) Pay all costs of power, water, sewer and other utility services rendered to the Condominium and not billed to the owners of the separate Units.
- (12) Employ personnel for reasonable compensation to perform the services required for proper administration of the purposes of the Association.

K. The first Board of Directors of the Association shall be comprised of the three (3) Subscribers of the Articles, who shall serve until their successors are designated by Developer or elected at the first annual meeting of the Members. Should any member of the first Board be unable to serve for any reason, Developer shall have the right to select and designate a successor to act and serve for the unexpired term of the Director who is unable to serve.

L. Directors who are elected by Members may be removed from office by the members electing them at any time by affirmative vote of a majority of a quorum of the group who elected the Directors.

V. ADDITIONAL PROVISIONS - MEETINGS OF MEMBERS AND DIRECTORS.

A. Notwithstanding anything contained in these By-Laws to the contrary, any meeting of Members or the Board may be held at any place in Broward County, Florida, designated in the notice of any such meeting, or notice of which is waived.

B. To the extent now or from time to time hereafter permitted by the laws of Florida, the Board may take any action which they might take at a meeting of the Board without a meeting; provided, that a record of all such actions so taken, signed by each Director, shall be filed and retained in the minute book of the Association.

VI. OFFICERS.

A. The Board shall elect a President, Secretary, Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board shall deem advisable from time to time. The President and the First Vice President (if there be more than one Vice President) shall be elected from the membership of the Board, but not other officer need be a Director. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the office of President and Vice President shall not be held by the same person, nor shall the office of President and Secretary or Assistant Secretary be held by the same person. The Board may from time to time elect such other officers, and designate their powers and duties, as the Board may deem necessary to properly manage the affairs of the Association. Officers may be removed from office by majority vote of the Board.

B. The President shall be the chief executive officer of the Association, and shall have all of the powers and duties which are usually vested in the office of President of a corporation not for profit, including but not limited to the power to appoint committees from among the Members from time to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the Association. He shall have such additional powers as the Board may designate.

C. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board.

D. The Secretary shall keep the minutes of all proceedings of the Board and the Members. He shall attend to the giving and serving of all notices to the Members and Board, and such other notices as may be required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of a corporation not for profit and as may be required by the Board and the President. The Assistant Secretary shall perform the duties of Secretary when the Secretary is absent.

E. The Treasurer shall have custody of all of the property of the Association including funds, securities and evidences of indebtedness. He shall keep the assessment roll and accounts of the Members; he shall keep the books of the Association (including without limitation a separate set of books of account for each of the Condominiums) in accordance with good accounting practices, he shall perform all other duties incident to the office of Treasurer.

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

VII. FISCAL MANAGEMENT.

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

A. The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each Unit. Such account shall designate the name and mailing address of the owner(s) of each Unit, the amount of each assessment against the owner(s) of each Unit, the amount of each assessment and due date thereof, and all amounts paid, and the balance due upon each assessment.

B. The Board shall adopt a budget for the Condominium in accordance with the procedure set forth in the Declaration and the laws of the State of Florida.

C. A copy of the proposed annual budgets of the Association shall be mailed to the Unit owners not less than thirty (30) days prior to the meeting of the Board at which the budget will be considered, together with a notice of the time and place of that meeting. Such meeting of the

Board shall be open to Unit owners. If a budget is adopted by the Board which requires assessment of the Unit owners in any budget year exceeding 115% of such assessments for the preceding budget year, upon written application of ten percent (10%) of the Unit owners, a special meeting of the Unit owners shall be held upon not less than ten (10) days written notice to each Unit owner, but within thirty (30) days of the delivery of such application to the Board or any member thereof, at which special meeting Unit owners shall consider and enact a budget, or recall any and all members of the Board and elect their successors. Any such revision of the budget or recall of any and all members of the Board shall require a vote of not less than a simple majority of the whole number of votes of all Unit owners. The Board may in any event first propose a budget to the Unit owners at any such meeting of Membership or by writing, and if such budget or proposed budget be approved by a majority vote of all Unit Owners, either at such meeting or by writing such budget as proposed by the Board shall be adopted and be binding.

D. In determining whether assessments exceed 115% of similar assessments in the prior budget year, there shall be excluded in the computation for reasonable reserves made by the Board in respect of repair and replacement of Condominium or Association property, or in respect of anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis; and there shall be excluded from such computation, assessments for betterments to the Condominium or Association property. Provided, however, that so long as Developer is in control of the Board of Directors the Board shall not impose an assessment for a budget year greater than 115% of the prior year's assessment without approval of a majority of the whole number of votes of all Unit owners.

E. Upon adoption of budgets, the Board shall cause written copy thereof to be delivered to all Unit owners. Assessments shall be made against Unit owners pursuant to procedures established by the Board and in accordance with terms of the Declarations and the Articles. Unit owners shall pay their assessments quarterly. Provided, however, that the lien or lien rights of the Association shall not be impaired by failure to comply with procedures established pursuant to these By-Laws.

VIII. PARLIAMENTARY RULES.

Roberts' Rules of Order (latest edition) shall govern the conduct of all proceedings when not in conflict with the Declaration, the Articles, these By-Laws or the laws of Florida.

IX. AMENDMENTS TO BY-LAWS.

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

A. Amendments to these By-Laws may be proposed by the Board, acting upon vote of a majority of the Directors, or by Members owning a majority of the Units in the Condominium, whether meeting as Members or by instrument in writing signed by them.

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B. Upon any amendment or amendments to these By-Laws being proposed by the Board or Members, such proposed amendment or amendments shall be transmitted to the President of the Association, or acting chief executive officer in the absence of the President who shall thereupon call a special meeting of the Members for a date not sooner than twenty (20) days or later than sixty (60) days from receipt by such officer of the proposed amendment or amendments, and it shall be the duty of the Secretary to give each Member written or printed notice of such meeting in the same form and in the same manner as notice of the call of a special meeting of the Members is required as herein set forth; provided, that proposed amendments to the By-Laws may be considered and voted upon at annual meetings of the Members.

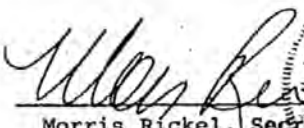
C. In order for such amendment or amendments to become effective, the same must be approved by an affirmative vote of Members owning not less than a simple majority of the Units of the Condominium. Thereupon, such amendment or amendments to these By-Laws shall be transcribed, certified by the President and Secretary of the Association, and a copy thereof shall be recorded in the Public Records of Palm Beach County, Florida, within fifteen (15) days from the date on which any amendment or amendments have been affirmatively approved by the Members.

D. At any meeting held to consider such amendment or amendments to these By-Laws, the written vote of any Member shall be recognized if such Member is not present at such meeting in person or by proxy, provided such written vote is delivered to the Secretary at or prior to such meeting.

E. Notwithstanding the foregoing provisions of this Article IX, no amendment to these By-Laws shall alter, amend, encroach upon or change any of the rights of the Developer which have been reserved to the Developer in these By-Laws in the Declaration of Condominium or by any other Condominium document without the written consent of Developer.


The foregoing were adopted as the By-Laws of CHANTECLAIR VILLAS CONDOMINIUM ASSOCIATION NUMBER THREE, INC., a corporation not-for-profit under the laws of the State of Florida, at the first meeting of the Board of Directors on the 3RD day of August, 19 81.

Dated: August 3, 1981


Morris Rickel, Secretary



APPROVED:


Paul Orlan, President

83578 P1261

EXHIBIT 'M'
CHANTECLAIR VILLAS CONDOMINIUM NUMBER THREE

UNDIVIDED SHARE IN THE COMMON ELEMENTS,
COMMON SURPLUS AND COMMON EXPENSES

1. There are fifty-two units in Chantclair Villas Condominium Number Three. When it is completed, each Unit will own an undivided share in the common elements and common surplus and will bear an undivided share of the common expenses of 1/52nd.

B3570 P1202

RECORD VERIFIED
PALM BEACH COUNTY, FLA
JOHN B. DUNKLE
CLERK CIRCUIT COURT