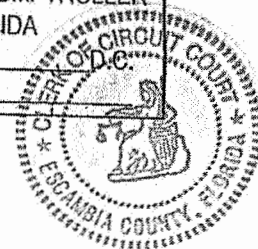


CARLTON PALMS, A CONDOMINIUM

DECLARATIONS OF CONDOMINIUM

Prepared by:
Suzanne Blankenship, Esquire
Coastal Association Law Group, P.L.
139 East Government Street
Pensacola, FL 32502

CERTIFIED TO BE A TRUE COPY OF THE
ORIGINAL ON FILE IN THIS OFFICE
WITNESS MY HAND AND OFFICIAL SEAL
PAM CHILDERS
CLERK OF THE CIRCUIT COURT & COMPTROLLER
OF ESCAMBIA COUNTY, FLORIDA
BY: [Signature]
DATE: 11/29/17



**CERTIFICATE OF AMENDMENT AND
FOURTH AMENDMENT TO THE DECLARATION OF
CONDOMINIUM OF CARLTON PALMS, A CONDOMINIUM**

THIS AMENDMENT to the Declaration of Condominium of Carlton Palms, a Condominium, as amended, is made by the affirmative vote of not less than two-thirds of the votes of the members of the Carlton Palms Condominium Association, Inc. ("Association") present and voting at a particular meeting of the unit owners held the 24th day of October, 2017.

WHEREAS the Declaration of Condominium of Carlton Palms, A Condominium (the "Declaration"), was recorded on January 27, 1995 at Official Record Book 3714, at Page 0822 in the Public Records of Escambia County, Florida; and

WHEREAS Association, through its members, desires to make certain revisions to the Declaration pursuant to Section 9.01 of the Declaration; and

WHEREAS all provisions of the Declaration not specifically amended hereby shall remain in full force and effect;

NOW THEREFORE, the following amendments to the Declaration are adopted as follows:

(Substantial rewording of declaration. See provision for present text.)

8.04. Additions, Improvements or Alterations by the Association. Whenever in the judgment of the Board, the Common Elements, the Association Property, or any part of either, shall require capital additions, alterations (material or otherwise) or improvements (as distinguished from repairs and replacements) costing in excess of three percent (3%) of the then applicable budget of the Association in the aggregate in any calendar year, the Association may proceed with such additions, alterations or improvements only if the making of such additions, alterations or improvements shall have been approved by an affirmative vote representing a majority of the voting interests represented at a meeting at which a quorum is attained. Any such additions, alterations or improvements to such Common Elements, the Association Property, or any part of either, costing in the aggregate three percent (3%) of the then applicable budget of the Association or less in a calendar year may be made by the Association without approval of the Unit Owners. The cost and expense of any such additions, alterations or improvements to such Common Elements or Association Property shall constitute a part of the Common Expenses and shall be assessed to the Unit Owners as Common Expenses. For purposes of this Section, "aggregate in any calendar year" shall include the total debt incurred in that year, if such

debt is incurred to perform the above-stated purposes, regardless of whether the repayment of any part of that debt is required to be made beyond that year. Notwithstanding anything herein contained to the contrary, to the extent that any additions, alterations or improvements are necessitated by, or result from, an Extraordinary Financial Event, then such additions, alterations or improvements may be made upon decision of the Board alone (without requiring any vote by Unit Owners and without regard to whether the additions, alterations or improvements will exceed the threshold amount set forth above.

[END OF TEXT]

IN WITNESS WHEREOF, the president of Carlton Palms Condominium Association, Inc. has hereunto set his/her hand and seal this 28 day of November, 2017 in confirmation of the action taken by the owners to approve this amendment at the Annual Meeting held on the 24th day of October, 2017.

Signed, sealed and delivered in
our presence as witnesses:

Alodia D. Arnold
Print Name: Alodia D. Arnold

Amanda Lynch Elliott
Print Name: Amanda Lynch Elliott

CARLTON PALMS CONDOMINIUM
ASSOCIATION, INC., a not for profit Florida
Corporation

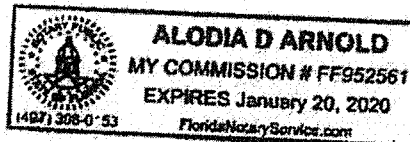
By: *Phillip Gambrell*
Phillip Gambrell, its President

STATE OF FLORIDA
COUNTY OF ESCAMBIA

The foregoing instrument was acknowledged before me this 28 day of November, 2017, by Phillip Gambrell, president of Carlton Palms Condominium Association, Inc.

Alodia D. Arnold
NOTARY PUBLIC

____ Personally Known
✓ OR
____ Produced Identification
Type of Identification Produced FLDL



THIS INSTRUMENT PREPARED BY:
Stephen R. Moorhead, Esquire
McDonald, Fleming, Moorhead
& Ferguson
4300 Bayou Boulevard, Suites 12 & 13
Pensacola, FL 32503
96-7558

THIRD AMENDMENT TO DECLARATION OF CONDOMINIUM
FOR CARLTON PALMS, A CONDOMINIUM

This Third Amendment to Declaration of Condominium for Carlton Palms, A Condominium is made by the Developer, Carlton Palms Hotel, Inc., this 9th day of October, 1996.

WHEREAS, the Declaration of Condominium for Carlton Palms, A Condominium (the "Declaration"), dated January 27, 1995, and recorded at Official Record Book 3714, at page 0822, et. seq., of the Public Records of Escambia County, Florida; and

WHEREAS, Carlton Palms Hotel, Inc., a Florida corporation (the "Developer"), is the current owner of _____ condominium units in the Carlton Palms, A Condominium, and desires to make certain revisions and corrections.

NOW THEREFORE, the Developer, as the current owner of _____ condominium units in Carlton Palms, A Condominium, and pursuant to § 9.02 of the Declaration, hereby amends the Declaration as follows:

1. Pursuant to Section 718.110(1)(b), Fla. Stat. (1995), this amendment constitutes a substantial rewording of the Declaration. See provision Section 9.02 for present text.

The Declaration shall be amended as follows:

Article IX, Section 9.02 shall be DELETED and no longer contained as part of the Declaration.

2. Pursuant to Section 718.110(1)(b), Fla. Stat. (1995), this amendment constitutes a substantial rewording of the Declaration. See provision Second Amendment, Article XV for present text.

The Declaration shall be amended as follows:

Article XV shall be DELETED and no longer contained as part of the Declaration.

Article XV, Sections 15.01 and 15.02 of the Declaration shall be amended to read as:

15.01 The right of a unit owner to sell, transfer or otherwise convey his or her unit in the condominium shall not be subject to a right of first refusal or similar restriction. A unit owner may transfer his or her unit free of any such restriction.

15.02 All leases must be in writing and shall be deemed to include a clause requiring the tenant to comply with all terms and conditions of the Condominium documents.

3. Article XXIII, Section 23.01 of the Declaration shall be amended to read as:

23.01 In accordance with the Condominium Act, there shall be a period of Developer control during which Developer, at its sole discretion, may appoint, remove and replace any Director, and the Board of Administration shall consist solely of Directors appointed by and determined by Developer. Unit Owners other than developer shall be entitled to elect members of the Board of Administration at such times as are prescribed in Section 718.301, Florida Statutes. Anything to the contrary notwithstanding:

(1) The Developer shall relinquish all special rights, expressed or implied, through which the Developer may directly or indirectly control, direct, modify or veto any action of the Association, its Board, or a majority of unit owners, and control of the Association shall pass to the owners of units within the project, not later than the earlier of the following:

(a) 120 days after the date by which 75 percent of the units have been conveyed to unit purchasers, or

(b) Five years following the first conveyance to a unit purchaser.

(2) The foregoing requirements shall not affect the Developer's rights, as a unit owner, to exercise the votes allocated to units which it owns.

4. Article XIV, Section 14.02(2) of the Declaration shall be amended to read as:

(2) A holder, insurer, or guarantor of a first mortgage, upon written request to the Association, (such request to state the name and address of such holder, insurer or guarantor and the unit number), shall be entitled to timely written notice of any casualty loss which affects a material portion of the condominium or which affects any unit on which there is a first mortgage held, insured, or guaranteed by such eligible holder.

5. Article XIV, Section 14.17(8) of the Declaration shall be amended to read as:

(8) A holder, insurer, or guarantor of a first mortgage, upon written request to the Association, (such request to state the name and address of such holder, insurer or guarantor and the unit number), shall be entitled to timely written notice of any condemnation loss which affects a material portion of the condominium or which affects any unit on which there is a first mortgage held, insured, or guaranteed by such eligible holder.

IN WITNESS WHEREOF, this instrument was executed by the undersigned this 9th day of October, 1996.

WITNESSES:

Sandra J. Ward
Name: Sandra J. Ward
Larry S. Green
Name: Larry S. Green

DEVELOPER:

CARLTON PALMS HOTEL, INC., a Florida corporation as Developer of Carlton Palms, a Condominium

By: Tom Schosi
Name: Tom Schosi U.P.
Title: Vice President

(SEAL)

Recorded Oct 09, 1996 01:00 pm
Escambia County, Florida

STATE OF FLORIDA

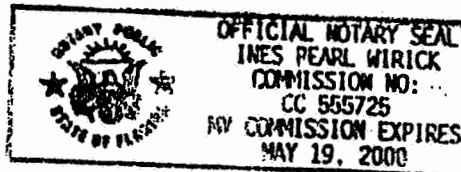
COUNTY OF ESCAMBIA

Ernie Lee Magaha
Clerk of the Circuit Court
INSTRUMENT 96-331594

The foregoing instrument was sworn to and acknowledged before me this 9th day of October, 1996, by Thomas Anthony Salose, the Vice President of Carlton Palms Hotel, Inc., a Florida corporation, who has produced FL Driver's License as identification or who is personally known to me.

Ines Pearl Wirick
NOTARY PUBLIC
Print Name: INES PEARL WIRICK
Commission No.: _____
My Commission Expires: _____

Carlton\Carlton.Amc



THIS INSTRUMENT PREPARED BY:
Stephen R. Moorhead, Esquire
McDonald, Fleming, Moorhead
& Ferguson
4300 Bayou Boulevard, Suites 12 & 13
Pensacola, FL 32503

OR 4004 Pg0837
INSTRUMENT 00307565

SECOND AMENDMENT TO DECLARATION OF CONDOMINIUM
FOR CARLTON PALMS, A CONDOMINIUM

This Second Amendment to Declaration of Condominium for Carlton Palms, A Condominium is made by the Developer, Carlton Palms Hotel, Inc., this 3 day of July, 1996.

WHEREAS, the Declaration of Condominium for Carlton Palms, A Condominium (the "Declaration"), dated January 27, 1995, and recorded at Official Record Book 3714, at page 0822, et. seq., of the Public Records of Escambia County, Florida; and

WHEREAS, Carlton Palms Hotel, Inc., a Florida corporation (the "Developer"), is the current owner of 36 condominium units in the Carlton Palms, A Condominium, and desires to make certain revisions and corrections.

NOW THEREFORE, the Developer, as the current owner of 36 condominium units in Carlton Palms, A Condominium, and pursuant to § 9.02 of the Declaration, hereby amends the Declaration as follows:

- a. Article XIV, Section 14.01 of the Declaration shall be amended to read as:

14.01 Liability Insurance: The Board of Administration of the Association shall obtain public liability and property damage insurance covering all of the Common Elements of the Condominium, and insuring the Association and the Unit Owners, as its and their interests appear, in such amount as the Board of Administration of the Association may determine from time to time, provided that the minimum amount of coverage shall be \$1,000,000. Said insurance shall include, but not be limited to, water damage, legal liability, hired automobile, non-owned

automobile, and off-premises employee coverages. All liability insurance shall contain a cross-liability endorsement to cover liabilities of the Unit Owners as a group to a Unit Owner. Premiums for payment of such insurance shall be paid by the Association and charged as a Common Expense.

b. Article XV of the Declaration shall be amended to read as follows:

XV. Sale, Lease or Transfer

In the event any Unit Owner wishes to sell or lease for more than one year, or to give as a gift, or in the event of a devise inherit or other transfer of a unit, the Unit Owner shall immediately notify the Association of such transfer.

IN WITNESS WHEREOF, this instrument was executed by the undersigned this 3rd day of July 1996.

WITNESSES:

Gundy E Solose
Name: GUNDY E SOLOSE

Sandra J. Ward
Name: Sandra J. Ward

DEVELOPER:

CARLTON PALMS HOTEL, INC.,
a Florida corporation as
Developer of Carlton Palms,
A Condominium

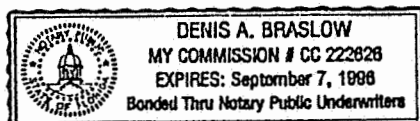
By: Thomas Solose
Name: Thomas Solose
Title: Vice President
(SEAL)

Instrument 00307565
Filed and recorded in the
Official Records
JULY 3, 1996
at 01:11 P.M.
ERNIE LEE MAGAHA,
CLERK OF THE CIRCUIT COURT
Escambia County,
Florida

Misc\Carlton.Amc

STATE OF FLORIDA
ESCAMBIA COUNTY

The foregoing instrument was acknowledged before me this 3rd day of July 1996 by Thomas Solose, as Vice President of CARLTON PALMS HOTEL, INC., a Florida corporation, who is personally known to me.



[Signature]
NOTARY PUBLIC

PROSPECTUS AMENDMENTS

- m. Description: Storage Rooms (Ground Floor through Fourth Floor)
- (1) Location: Northern side of the building as shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.
 - (2) Approximate size: 110 sq. ft.
 - (3) Maximum capacity: ~~4 persons~~ & 3 persons
- n. Description: Elevator Foyer (Ground Floor through Fourth Floor)
- (1) Location: On the north side of the building as shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.
 - (2) Approximate size: 187 sq. ft.
 - (3) Maximum capacity: 26 persons
- o. Description: Laundry (Ground Floor through Fourth Floor)
- (1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.
 - (2) Approximate size: 84 sq. ft.
 - (3) Maximum capacity: 3 persons
- p. Description: Grand Lobby (Ground Floor)
- (1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.
 - (2) Approximate size: 1080 sq. ft.
 - (3) Maximum capacity: 13 persons
- q. Description: Reception Area (Ground Floor)
- (1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.
 - (2) Approximate size: 186 sq. ft.

(3) Maximum capacity: 2 persons

r. Description: Business Office (Ground Floor)

(1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.

(2) Approximate size: 142 sq. ft.

(3) Maximum capacity: 2 persons

s. Description: Equipment Room (Ground Floor)

(1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.

(2) Approximate size: 275 sq. ft.

(3) Maximum capacity: 3 persons

t. Description: Men's Room (Ground Floor)

(1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.

(2) Approximate size: ~~183~~ 302 sq. ft.

(3) Maximum capacity: ~~7~~ 9 persons

u. Description: Women's Room (Ground Floor)

(1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.

(2) Approximate size: 302 sq. ft.

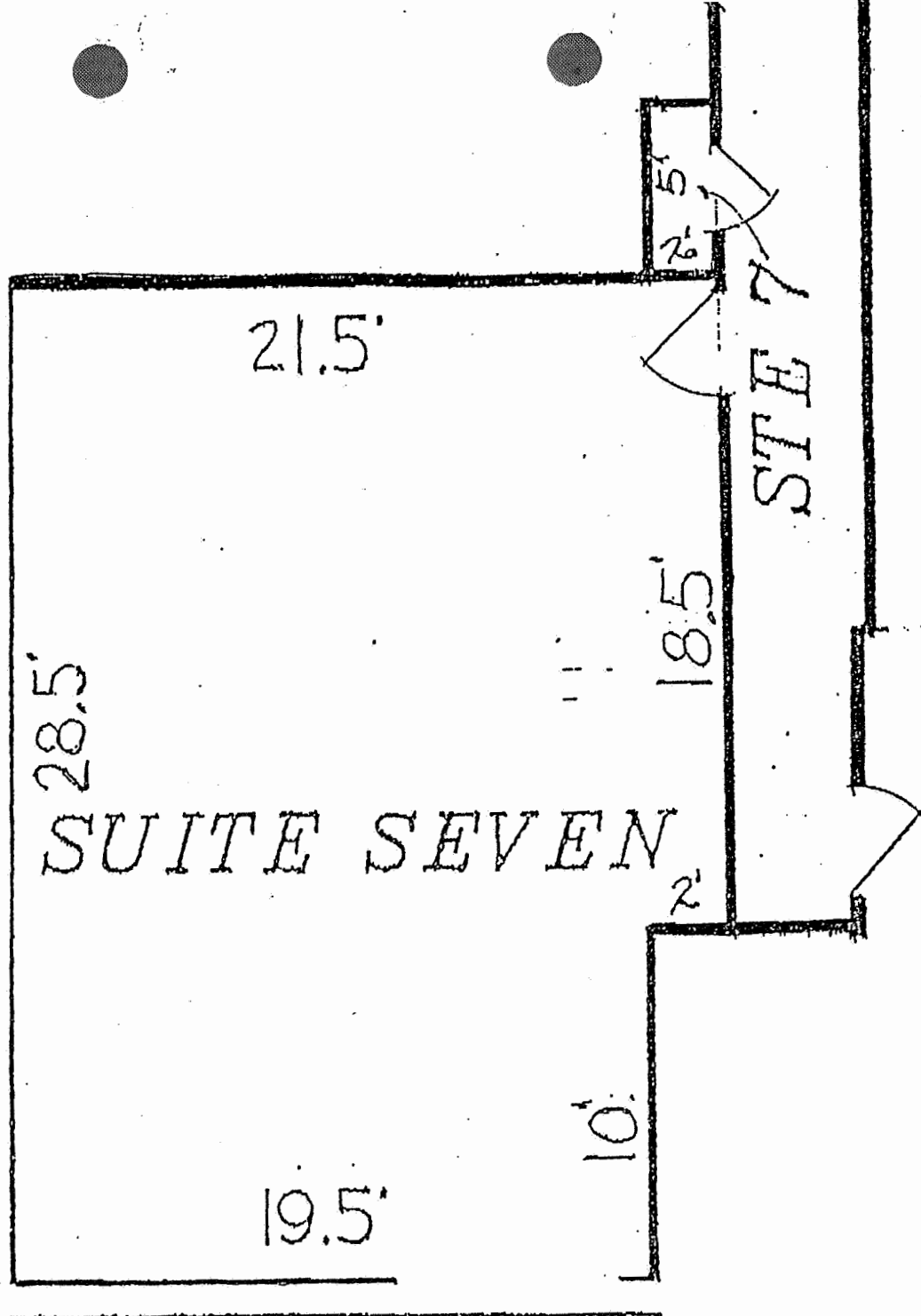
(3) Maximum capacity: 9 persons

v. Description: Package Room (Ground Floor)

(1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.

(2) Approximate size: ~~2394~~ 30 sq. ft.

(3) Maximum capacity: ~~144~~ 2 persons



P.01

DECLARATION AMENDMENTS

THIS INSTRUMENT PREPARED BY:

David B. Williams, Esquire
CARLTON, FIELDS, WARD, EMMANUEL,
SMITH & CUTLER, P.A.

Post Office Box 3239
Tampa, Florida 33601-3239

**FIRST AMENDMENT TO DECLARATION OF CONDOMINIUM FOR
CARLTON PALMS, A CONDOMINIUM**

WHEREAS, the Declaration of Condominium for Carlton Palms, A Condominium (the "Declaration") was recorded on _____, 1994, in Official Records Book _____, Page _____, public records of Escambia County, Florida; and

WHEREAS, Carlton Palms Hotel, Inc., a Florida corporation (the "Developer"), is the Developer and current owner of all condominium units in the Carlton Palms, A Condominium and desires to make certain revisions and corrections to Exhibit "A" and Exhibit "B" to the Declaration and to replace and substitute in their entirety Exhibit "A" and Exhibit "B" to the Declaration with Exhibit "A" and Exhibit "B" to this First Amendment to Declaration of Condominium for Carlton Palms, A Condominium (the "First Amendment").

NOW, THEREFORE, the Developer, as the current owner of all condominium units in Carlton Palms, A Condominium, hereby amends the Declaration by replacing and substituting in their entirety, Exhibit "A" and Exhibit "B" to the Declaration with Exhibit "A" and Exhibit "B" to this First Amendment. Except as modified herein, the Declaration shall remain in full force and effect and without modification.

IN WITNESS WHEREOF, this instrument was executed by the undersigned this _____ day of _____, 199__.

DEVELOPER:

WITNESSES:

**CARLTON PALMS HOTEL, INC., a
Florida corporation as Developer of
Carlton Palms, A Condominium**

Name: _____

Name: _____

By: _____

Name: _____

Title: _____

(SEAL)

STATE OF FLORIDA
COUNTY OF HILLSBOROUGH

The foregoing instrument was acknowledged before me this ____ day of _____,
199____, by _____ and _____, as
_____ of CARLTON PALMS HOTEL, INC., a Florida corporation, as Developer
of Carlton Palms, A condominium. That her/she is either ☐ personally known to me or ☐ has
produced _____
_____ as identification.

My Commission Expires:

(AFFIX NOTARY SEAL)

(Signature)

Name: _____

(Legibly Printed)

Notary Public, State of Florida

(Commission Number, if any)

CONSENT AND SUBORDINATION TO FIRST AMENDMENT TO
DECLARATION OF CONDOMINIUM FOR CARLTON PALMS, A CONDOMINIUM

_____, the holder of that certain Mortgage and Security Agreement dated as of the ____ day of _____, 1994, and recorded in Official Records Book _____, Page _____, public records of Escambia County, Florida ("Mortgage"), hereby consents to the recording of the First Amendment to Declaration of Condominium and subordinates the Mortgage to the terms and conditions of said First Amendment to Declaration of Condominium.

DATE: _____, 199__

WITNESSES:

Name: _____

By: _____

Name: _____

Title: _____

(SEAL)

Name: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 199__, by _____ and _____, as _____ of _____. He/she is either ☐ personally known to me or ☐ has produced _____ as identification.

My Commission Expires:

(AFFIX NOTARY SEAL)

(Signature)

Name: _____

(Legibly Printed)

Notary Public, State of Florida

(Commission Number, if any)

A PORTION OF ARPENT LOTS 48, 49, 50, 66, 67 & 68,
OLD CITY TRACT, CITY OF PENSACOLA, ESCAMBIA
COUNTY, FLORIDA

DESCRIPTION OF COMMON ELEMENTS: The land encum, passed by the property description, less the units, all parts of the improvements and all parts of the common elements, including plumbing and other facilities for the purpose of furnishing utility services to other units, are a segment of "expend in law" portion of a unit which contributes to the support of the building, installations for the furnishing of, utility service to more than one unit or to the common elements, or to a unit other than itself, and are the common elements, for the purpose of furnishing utility services to more than one unit or to the common elements, all other portions of the property which are not otherwise of common use or necessary to the existence, up keep and safety of the condominium and such other common elements provided by statute.

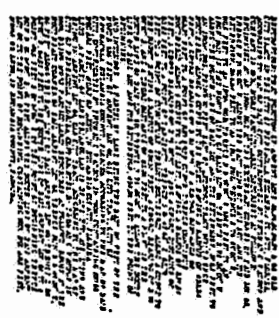
Drawings of Floor Plans are compiled from plans furnished by Stanley Paul Helle, Architect.

Building Outline include roof overhang

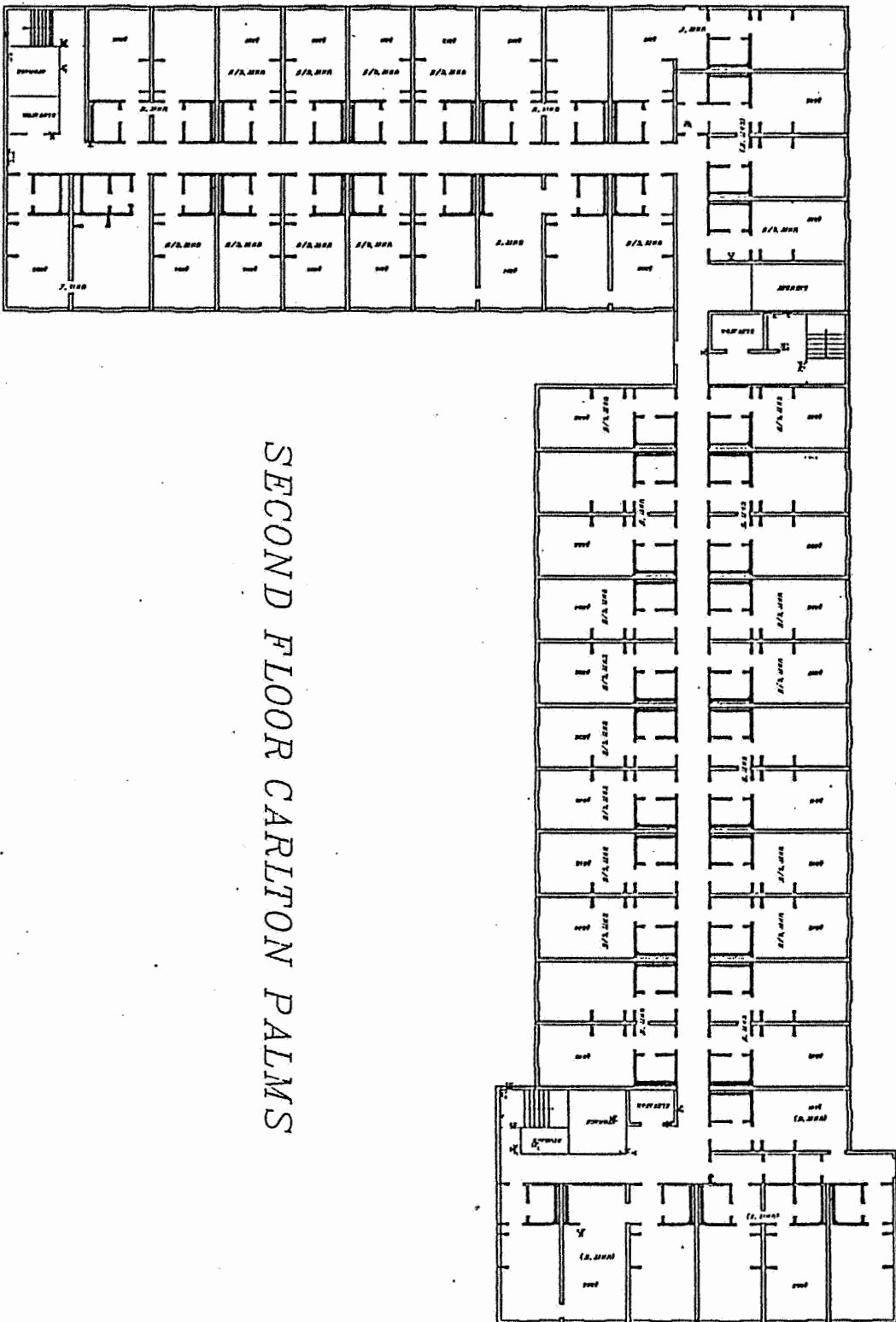
Site may be subject to other easements, for water, telephone and others.

சிறீ ஸ்ரீ

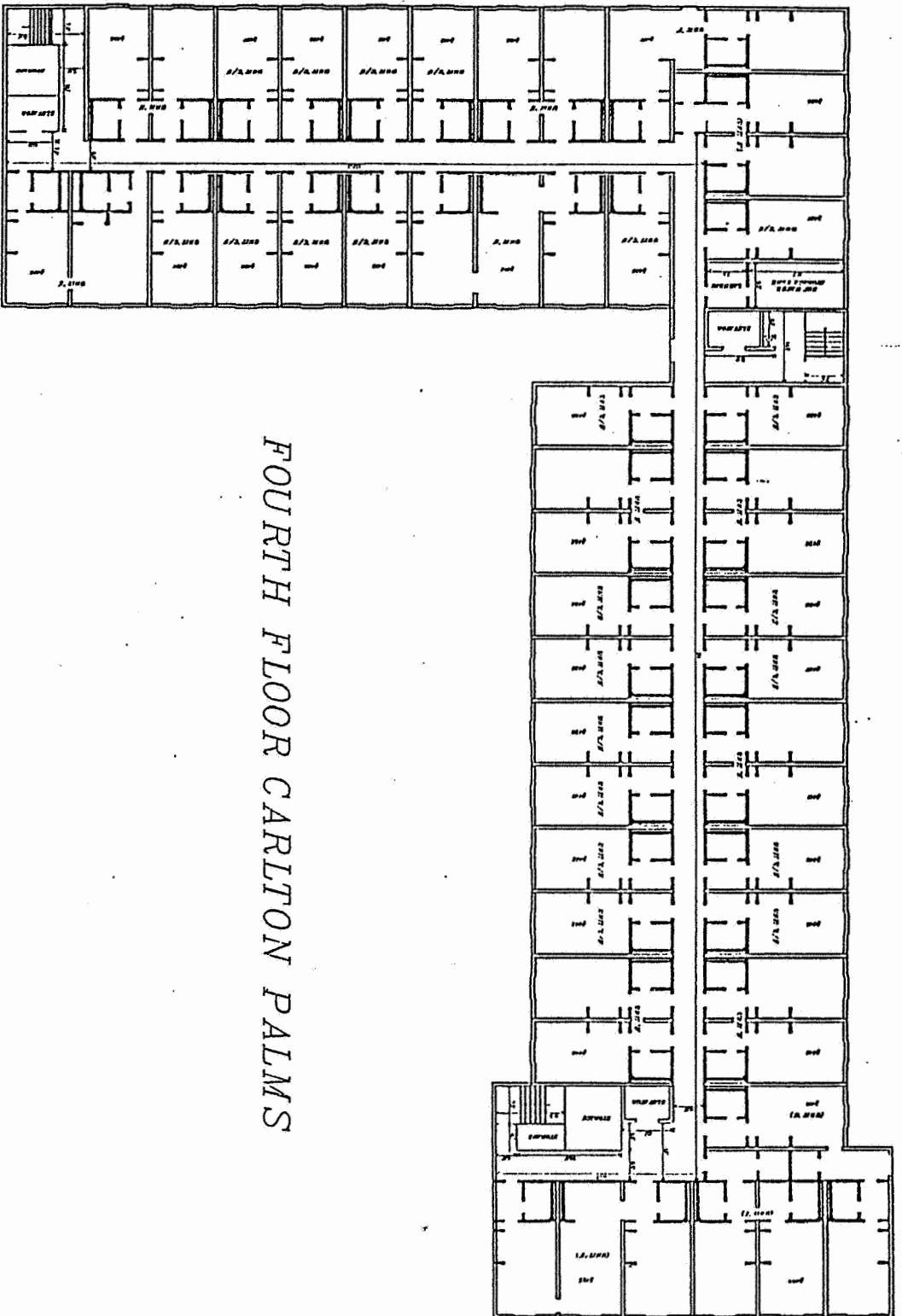
— 22 —



752

[illegible]

[illegible]



FOURTH FLOOR CARLTON PALMS

REVISION	FILE BOOK	DATE
<p>Butler, Polhill, Inc. LAND SURVEYING 1111 N. 1st St., Suite 100 Fort Lauderdale, Florida 33304 Tel. 561-451-1111 FAX 561-451-1111</p>		
<p>TYPE SURVEY: CONDOMINIUM BASIS OF MEASUREMENT: AS SHOWN ON PLAT PLAT NO.: 14 SEP 1984 BOOK NO.: 54, 55, 56 PAGE NO.: 37, 38 DRAWN BY: DFB</p>		
<p>NOTES: 1. THIS FLOOR PLAN IS A PART OF THE CONDOMINIUM PLAT AND SHOULD BE READ IN CONJUNCTION WITH THE PLAT AND THE DEED. 2. THE AREA SHOWN ON THIS FLOOR PLAN IS THE AREA SHOWN ON THE PLAT AND THE DEED. 3. THE AREA SHOWN ON THIS FLOOR PLAN IS THE AREA SHOWN ON THE PLAT AND THE DEED. 4. THE AREA SHOWN ON THIS FLOOR PLAN IS THE AREA SHOWN ON THE PLAT AND THE DEED.</p>		

Architectural floor plans for ten different house layouts, labeled (UNIT 'A') through (UNIT 'J'). Each plan shows the arrangement of rooms including Living, Kitchen, Bedroom, Bath, and Dressing areas, with dimensions in feet and inches. The plans are arranged in a grid-like fashion, with some units having multiple bedrooms and others having a single bedroom. Unit 'A' is a two-bedroom unit, while Unit 'J' is a three-bedroom unit. The plans are detailed with room names, dimensions, and a north arrow.

UNIT 'A' (2 BEDROOMS): LIVING (10'0" x 12'0"), KITCHEN (8'0" x 10'0"), BEDROOM (10'0" x 12'0"), BEDROOM (10'0" x 12'0"), BATH (5'0" x 7'0"), DRESSING (5'0" x 7'0").

UNIT 'B' (2 BEDROOMS): LIVING (10'0" x 12'0"), KITCHEN (8'0" x 10'0"), BEDROOM (10'0" x 12'0"), BEDROOM (10'0" x 12'0"), BATH (5'0" x 7'0"), DRESSING (5'0" x 7'0").

UNIT 'C' (2 BEDROOMS): LIVING (10'0" x 12'0"), KITCHEN (8'0" x 10'0"), BEDROOM (10'0" x 12'0"), BEDROOM (10'0" x 12'0"), BATH (5'0" x 7'0"), DRESSING (5'0" x 7'0").

UNIT 'D' (2 BEDROOMS): LIVING (10'0" x 12'0"), KITCHEN (8'0" x 10'0"), BEDROOM (10'0" x 12'0"), BEDROOM (10'0" x 12'0"), BATH (5'0" x 7'0"), DRESSING (5'0" x 7'0").

UNIT 'E' (2 BEDROOMS): LIVING (10'0" x 12'0"), KITCHEN (8'0" x 10'0"), BEDROOM (10'0" x 12'0"), BEDROOM (10'0" x 12'0"), BATH (5'0" x 7'0"), DRESSING (5'0" x 7'0").

UNIT 'F' (2 BEDROOMS): LIVING (10'0" x 12'0"), KITCHEN (8'0" x 10'0"), BEDROOM (10'0" x 12'0"), BEDROOM (10'0" x 12'0"), BATH (5'0" x 7'0"), DRESSING (5'0" x 7'0").

UNIT 'G' (2 BEDROOMS): LIVING (10'0" x 12'0"), KITCHEN (8'0" x 10'0"), BEDROOM (10'0" x 12'0"), BEDROOM (10'0" x 12'0"), BATH (5'0" x 7'0"), DRESSING (5'0" x 7'0").

UNIT 'H' (2 BEDROOMS): LIVING (10'0" x 12'0"), KITCHEN (8'0" x 10'0"), BEDROOM (10'0" x 12'0"), BEDROOM (10'0" x 12'0"), BATH (5'0" x 7'0"), DRESSING (5'0" x 7'0").

UNIT 'I' (2 BEDROOMS): LIVING (10'0" x 12'0"), KITCHEN (8'0" x 10'0"), BEDROOM (10'0" x 12'0"), BEDROOM (10'0" x 12'0"), BATH (5'0" x 7'0"), DRESSING (5'0" x 7'0").

UNIT 'J' (3 BEDROOMS): LIVING (10'0" x 12'0"), KITCHEN (8'0" x 10'0"), BEDROOM (10'0" x 12'0"), BEDROOM (10'0" x 12'0"), BEDROOM (10'0" x 12'0"), BATH (5'0" x 7'0"), DRESSING (5'0" x 7'0").

SUPERVISOR DEFICIT

DECEASED - TIPS - SUBSIDIZED
 RUMORS - FOREIGN

TIME LINE
CONDOMINIUM
BASIS OF E. 430

EXE F = 5
DATE 14 SEPT 19
PROD NO 94 08 30
NO 30/06

[illegible]

WILLIAM
WILLIAMSON

FIFTH FLOOR

FOURTH FLOOR

THIRD FLOOR

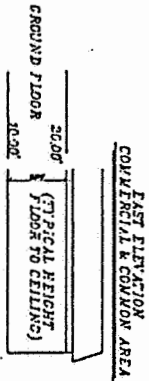
SECOND FLOOR

GROUND FLOOR

RESIDENTIAL AREA

WEST ELEVATION NORTH END

(GROUND ELEVATION ASSUMED)

[illegible]

A schedule of the units, the unit numbers, types, ownership interest in the common elements based on a point system, the approximate square footage and the number of bedrooms and baths follows:

Residential units

GROUND FLOOR						
Unit No.	Unit Type	Assessment Class	Ownership Interest	Square Footage	No. of Bedrooms	Nb. of Baths
102	A	III	.0089289	702	1	2
104	C/D	I	.0051957	312	0	1
105	B	II	.0084671	624	1	2
106	C/D	I	.0051957	312	0	1
107	C/D	I	.0051957	312	0	1
109	C/D	I	.0051957	312	0	1
110	J	II	.0084671	598	1	2
111	C/D	I	.0051957	312	0	1
113	C/D	I	.0051957	312	0	1
114	E	IV	.0112766	936	2	2
115	B	II	.0084671	624	1	2
117	C/D	I	.0051957	312	0	1
120	C/D	I	.0051957	312	0	1
129	C/D	I	.0051957	312	0	1
132	B	II	.0084671	624	1	2
133	B	II	.0084671	624	1	2
134	C/D	I	.0051957	312	0	1
135	C/D	I	.0051957	312	0	1
136	C/D	I	.0051957	312	0	1
137	C/D	I	.0051957	312	0	1
138	C/D	I	.0051957	312	0	1
139	C/D	I	.0051957	312	0	1
140	C/D	I	.0051957	312	0	1
141	C/D	I	.0051957	312	0	1
142	C/D	I	.0051957	312	0	1
143	C/D	I	.0051957	312	0	1
144	C/D	I	.0051957	312	0	1
145	C/D	I	.0051957	312	0	1
148	B	II	.0084671	624	1	2
149	B	II	.0084671	624	1	2
151	C/D	I	.0051957	312	0	1
153	E	IV	.0112766	936	2	2
155	E	IV	.0112766	936	2	2

SECOND FLOOR

202	A	III	.0089289	702	1	2
204	C/D	I	.0051957	312	0	1
205	B	II	.0084671	624	1	2
206	C/D	I	.0051957	312	0	1
207	C/D	I	.0051957	312	0	1
208	C/D	I	.0051957	312	0	1
209	C/D	I	.0051957	312	0	1
210	C/D	I	.0051957	312	0	1

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SECOND FLOOR CON'T

211	C/D	I	.0051957	312	0	1
213	C/D	I	.0051957	312	0	1
214	E	IV	.0112766	936	2	2
215	B	II	.0084671	624	1	2
217	F	III	.0089289	708	1	2
220	C/D	I	.0051957	312	0	1
225	H	III	.0089289	717	1	2
227	C/D	I	.0051957	312	0	1
228	C/D	I	.0051957	312	0	1
229	C/D	I	.0051957	312	0	1
232	B	II	.0084671	624	1	2
233	B	II	.0084671	624	1	2
234	C/D	I	.0051957	312	0	1
235	C/D	I	.0051957	312	0	1
236	C/D	I	.0051957	312	0	1
237	C/D	I	.0051957	312	0	1
238	C/D	I	.0051957	312	0	1
240	C/D	I	.0051957	312	0	1
241	B	II	.0084671	624	1	2
242	C/D	I	.0051957	312	0	1
243	C/D	I	.0051957	312	0	1
244	C/D	I	.0051957	312	0	1
245	C/D	I	.0051957	312	0	1
248	B	II	.0084671	624	1	2
249	B	II	.0084671	624	1	2
251	G	III	.0089289	749	1	2
253	I	III	.0089289	738	1	2
255	E	IV	.0112766	936	2	2

THIRD FLOOR

302	A	III	.0089289	702	1	2
304	C/D	I	.0051957	312	0	2
305	B	II	.0084671	624	1	2
306	C/D	I	.0051957	312	0	1
307	C/D	I	.0051957	312	1	1
308	C/D	I	.0051957	312	0	1
309	C/D	I	.0051957	312	0	1
310	C/D	I	.0051957	312	0	1
311	C/D	I	.0051957	312	0	1
313	C/D	I	.0051957	312	0	1
314	E	IV	.0112766	936	2	2
315	B	II	.0084671	624	1	2
317	F	III	.0089289	708	1	2
320	C/D	I	.0051957	312	0	1
325	H	III	.0089289	717	1	2
327	C/D	I	.0051957	312	0	1
328	C/D	I	.0051957	312	0	1

THIRD FLOOR CON'T

329	C/D	I	.0051957	312	0	1
332	B	II	.0084671	624	1	2
333	B	II	.0084671	624	1	2
334	C/D	I	.0051957	312	0	1
335	C/D	I	.0051957	312	0	1
336	C/D	I	.0051957	312	0	1
337	C/D	I	.0051957	312	0	1
338	C/D	I	.0051957	312	0	1
340	C/D	I	.0051957	312	0	1
341	B	II	.0084671	624	0	1
342	C/D	I	.0051957	312	0	1
343	C/D	I	.0051957	312	0	1
344	C/D	I	.0051957	312		1
345	C/D	I	.0051957	312	0	1
348	B	II	.0084671	312	0	1
349	B	II	.0084671	312	0	1
351	G	III	.0089289	749	1	2
353	I	III	.0089289	738	1	2
355	E	IV	.0112766	936	2	2

FOURTH FLOOR

402	A	III	.0089289	702	1	2
404	C/D	I	.0051957	312	0	1
405	B	II	.0084671	624	1	2
406	C/D	I	.0051957	312	0	1
407	C/D	I	.0051957	312	0	1
408	C/D	I	.0051957	312	0	1
409	C/D	I	.0051957	312	0	1
410	C/D	I	.0051957	312	0	1
411	C/D	I	.0051957	312	0	1
413	C/D	I	.0051957	312	0	1
414	E	IV	.0112766	936	2	2
415	B	II	.0084671	624	0	1
417	F	III	.0089289	708	1	2
420	C/D	I	.0051957	312	0	1
425	H	III	.0089289	717	1	2
427	C/D	I	.0051957	312	0	1
428	C/D	I	.0051957	312	0	1
429	C/D	I	.0051957	312	0	1
432	B	II	.0084671	624	1	2
433	B	II	.0084671	624	1	2
434	C/D	I	.0051957	312	0	1
435	C/D	I	.0051957	312	0	1
436	C/D	I	.0051957	312	0	1
437	C/D	I	.0051957	312	0	1

FOURTH FLOOR CON'T

438	C/D	I	.0051957	312	0	1
440	C/D	I	.0051957	312	0	1
441	B	II	.0084671	624	0	2
442	C/D	I	.0051957	312	0	1
443	C/D	I	.0051957	312	0	1
444	C/D	I	.0051957	312	0	1
445	C/D	I	.0051957	312	0	1
448	B	II	.0084671	624	1	2
449	B	II	.0084671	624	1	2
451	G	III	.0089289	749	1	2
453	I	III	.0089289	738	1	2
455	E	IV	.0112766	936	2	2

COMMERCIAL UNITS

Unit No.	Unit Type	Assessment Class	Ownership Interest	Square Footage
One	Suite	V	.0056960	424
Two	Suite	V	.0056960	445
Three	Suite	VIII	.0114306	1088
Four	Suite	VII	.0096986	878
Five	Suite	VIII	.0114306	1024
Six	Suite	VI	.0086980	635
Seven	Suite	VI	.0086980	602

CONTRACT FOR PURCHASE AND SALE AMENDMENTS

defects within a reasonable period of time not to exceed sixty (60) days after notice thereof by Purchaser. In the event Seller cannot or does not correct such title defects, Purchaser shall have only the following rights:

(i) To take title subject to the defect without a diminution in the purchase price and the closing documentation shall be amended to provide that Purchaser is taking title subject to such defects, and Seller shall have no liability for same; or,

(ii) To cancel this Purchase Agreement by giving notice to Seller, and this Purchase Agreement shall be deemed terminated as of the date of such notice, in which event Purchaser shall be entitled to a refund of the monies paid hereunder, and Purchaser shall have no other rights against Seller.

(b) Following the closing of this transaction, Seller shall cause to be recorded in the Public Records of Escambia County, Florida, a Special Warranty Deed and, within one hundred eighty (180) days following the closing date, Seller shall deliver to Purchaser an A.L.T.A. owner's policy of title insurance (the "policy") insuring Purchaser's title, subject only to the matters set forth in this Purchase Agreement. The policy shall not insure title to or any interest in personal property or riparian rights.

5. Closing Date. It is mutually agreed that the closing of the Unit (the "closing") shall be held on or before _____, but not before substantial completion of the Unit and the common areas of the Condominium. In the event the Unit and common areas are not substantially complete by the above date, the closing shall be extended until such time as substantial completion occurs. The specified time and place for closing shall be designated by the Seller in writing, which writing is called the "closing notice" given to the Purchaser in accordance with the terms hereof. Notwithstanding the foregoing, the closing shall occur within two (2) years from the date of execution of this Agreement.

6. Closing.

(a) Closing Expenses. In addition to the purchase price, Purchaser shall be responsible for the following:

(1) The payment of one-half of one percent (0.5%) of the purchase price payable in cash or by cashier's check, from which Seller shall may pay the cost of recording the Special Warranty Deed, documentary stamp taxes and, the owner's policy of title insurance and any other costs in connection with the closing.

PROSPECTUS (OFFERING CIRCULAR) CONTAINS IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING A CONDOMINIUM UNIT.

THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS AND SALES MATERIALS.

PROSPECTUS (OFFERING CIRCULAR) FOR
CARLTON PALMS, A CONDOMINIUM

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. REFER TO THIS PROSPECTUS (OFFERING CIRCULAR) AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.

SUMMARY

IMPORTANT MATTERS

1. THIS CONDOMINIUM IS BEING CREATED AND SOLD ON FEE SIMPLE ABSOLUTE INTERESTS.
2. THE DEVELOPER HAS THE RIGHT TO RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD.

Please refer to Article XXIII of the Declaration of Condominium attached as Schedule "1" of this Prospectus and provided for in Florida Statutes.

3. THE SALE, LEASE OR TRANSFER OF YOUR UNIT IS RESTRICTED OR CONTROLLED.

Please refer to Article XV of the Declaration of Condominium attached as Schedule "1" of this Prospectus.

4. RECREATIONAL FACILITIES MAY BE EXPANDED OR ADDED WITHOUT THE CONSENT OF UNIT OWNERS OR THE ASSOCIATION.

Please refer to Article 8.03 of the Declaration of Condominium attached as Schedule "1" of this Prospectus.

5. THE UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.

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SCHEDULES

Schedule "1" Declaration of Condominium

Exhibit "A" Legal Description, Plot Plan, Floor Plans and Graphic Description

Exhibit "B" Undivided Interest in Common Elements And Percentage of Sharing Common Expenses and Owning Common Surplus

Exhibit "C" Articles of Incorporation

Exhibit "D" By-Laws.

Schedule "2" Unit Number, Unit Type, Number of _____
Bedrooms/Bathrooms, and Undivided Interest

Schedule "3" Estimated Operating Budget for the Condominium Property

Schedule "4" Form of Purchase Agreement Utilized in the Sale of Condominium Units

Schedule "5" Escrow Agreement Establishing Escrow Account Between Developer and Escrow Agent

Schedule "6" Form of Receipt for Condominium Documents Utilized in the Sale of Condominium Units

Schedule "7" Initial Rules and Regulations

Schedule "8" Conversion Inspection Report and Termite Inspection Report

Schedule "9" Floor Plans for All Units

Schedule "10" Copy of Special Warranty Deed

Schedule "11" Frequently asked Questions and Answers

GENERAL INFORMATION
CONCERNING THE CONDOMINIUM

1. Description of Condominium.

a. Introduction. The Developer pursuant to this Offering is CARLTON PALMS HOTEL, INC., a Florida corporation. It is specifically understood that this Offering is limited to the Units contained herein and does not encompass any other property owned by the Developer. All references in this Offering to Developer shall be deemed to mean CARLTON PALMS HOTEL, INC., a Florida corporation.

b. Use of Property. Pursuant to this Offering, condominium units ("Units") shall be offered as Residential Units (as hereinafter defined) and Commercial Units (as hereinafter defined).

c. Name. The name of this condominium is CARLTON PALMS, A CONDOMINIUM, located at 224 East Garden Street, Pensacola, Florida 32501 (the "Condominium").

d. Description of Condominium Property. The Condominium contains two (2) buildings located at 224 East Garden Street, Pensacola, Florida 32501. The west building has four (4) stories and will contain a minimum of one hundred thirty (130) and a maximum of one hundred forty-one (141) residential units ("Residential Units"). The east building has one (1) story and will contain a minimum of two (2) and a maximum of seven (7) commercial units ("Commercial Units"). The number of bedrooms and bathrooms in each Residential Unit is shown on Schedule "2" attached hereto. Floor plans of the Units are attached as Schedule "9" of this Offering. Dimensions set forth in said floor plans, however, are approximations only and subject to modification. The actual plans and specifications of the Condominium are available for inspection at the Developer's office upon request. For a more complete description of the number of Units and a number of bedrooms and bathrooms in each Unit, please refer to Schedule "2" attached to this Prospectus.

The maximum number of Units contained within this Condominium shall be one hundred forty-one (141) Residential Units and seven (7) Commercial Units.

e. Description of Condominium/Survey, Plot Plan and Graphic Description of Improvements. The legal description of the Property to be submitted to the condominium form of ownership is attached as Exhibit "A" to the Declaration of Condominium. The Survey, Plot Plan and Graphic Description of Improvements are also attached as Exhibit "A" to the Declaration of Condominium.

f. Latest Estimated Date of Completion of Construction, Finishing and Equipping. The latest estimated date of completion of construction, finishing and equipping the Units and the Common Elements is April 30, 1995. This date is an estimate only and is subject to change.

2. Maximum Number of Units That Will Use Facilities in Common with the Condominium.

As previously indicated, the maximum number of Units in this Condominium is one hundred forty-one (141) Residential Units and seven (7) Commercial Units.

3. Form of Ownership.

THIS CONDOMINIUM IS BEING CREATED AND SOLD ON FEE SIMPLE ABSOLUTE INTEREST.

4. Description of Recreational and Other Commonly Used Facilities.

Unit Owners are required to pay their share of the costs and expenses of maintenance, management, upkeep, and replacement costs of the Condominium.

Please refer to Article, XXI of the Declaration of Condominium attached as Schedule "1" of this Prospectus.

RECREATIONAL FACILITIES MAY BE EXPANDED OR ADDED WITHOUT THE CONSENT OF THE UNIT OWNERS OR THE ASSOCIATION.

Please refer to Article 8.03 of the Declaration of Condominium attached as Schedule "1" of this Prospectus.

The following is a description of the recreational and other commonly used facilities that will be used only by the Unit Owners of this Condominium property (including the Developer), their tenants, guests and invitees:

a. Description: Outside Pool

- (1) Location: As shown on Survey as set forth on Exhibit "A" of the Declaration of Condominium.
- (2) Approximate size: 1,566 sq. ft.
- (3) Approximate depth: 8 1/2 ft.
- (4) Maximum capacity: 40 persons
- (5) The pool is not heated.

b. Description: Pool Deck

- (1) Location: As shown on Survey as set forth on Exhibit "A" of the Declaration of Condominium.
- (2) Approximate size: 3,414 sq. ft.
- (3) Maximum capacity: 80 persons

c. Description: Covered portico and main entry associated sidewalk (First Floor)

- (1) Location: As shown on Survey as set forth on Exhibit "A" of the Declaration of Condominium.
- (2) Approximate size: 3438 sq. ft.
- (3) Maximum capacity: 149 persons

d. Description: Electric Room (Ground Floor)

- (1) Location: As shown on Survey as set forth on Exhibit "A" of the Declaration of Condominium.
- (2) Approximate size: 312 sq. ft.
- (3) Maximum capacity: 3 persons

e. Description: Bike and Storage Room (Ground Floor)

- (1) Location: As shown on Survey as set forth on Exhibit "A" of the Declaration of Condominium.
- (2) Approximate size: 648 sq. ft.
- (3) Maximum capacity: 10 persons

f. Description: Pump Room (Ground Floor)

- (1) Location: As shown on Survey as set forth on Exhibit "A" of the Declaration of Condominium.
- (2) Approximate size: 60 sq. ft.
- (3) Maximum capacity: 2 persons

g. Description: Laundry Room (Ground Floor)

- (1) Location: As shown on Survey as set forth on Exhibit "A" of the Declaration of Condominium.
- (2) Approximate size: 108 sq. ft.

- (3) maximum capacity: 4 persons
- h. Description: Solid Waste Room (Ground Floor)
- (1) Location: As shown on Survey as set forth on Exhibit "A" of the Declaration of Condominium.
- (2) Approximate size: 260 sq. ft.
- (3) Maximum capacity: 3 persons
- i. Description: Pool Maintenance Room (Ground Floor)
- (1) Location: As shown on Survey as set forth on Exhibit "A" of the Declaration of Condominium.
- (2) Approximate size: 108 sq. ft.
- (3) Maximum capacity: 2 persons
- j. Description: Elevator Foyer (Ground Floor through Fourth Floor)
- (1) Location: The northeast side of the westerly building as shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.
- (2) Approximate size: 120 sq. ft.
- (3) Maximum capacity: 17 persons
- k. Description: Storage Room (Ground Floor through Fourth Floor)
- (1) Location: On the northeast side of the westerly building as shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.
- l. Description: Elevator Foyer (Ground Floor through Fourth Floor)
- (1) Location: On the west side of the building as shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.
- (2) Approximate size: 108 sq. ft.
- (3) Maximum capacity: 15 persons

- m. Description: Storage Rooms (Ground Floor through Fourth Floor)
- (1) Location: Northern side of the building as shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.
 - (2) Approximate size: 110 sq. ft.
 - (3) Maximum capacity: 4 persons & 3 persons
- n. Description: Elevator Foyer (Ground Floor through Fourth Floor)
- (1) Location: On the north side of the building as shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.
 - (2) Approximate size: 187 sq. ft.
 - (3) Maximum capacity: 26 persons
- o. Description: Laundry (Ground Floor through Fourth Floor)
- (1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.
 - (2) Approximate size: 84 sq. ft.
 - (3) Maximum capacity: 3 persons
- p. Description: Grand Lobby (Ground Floor)
- (1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.
 - (2) Approximate size: 1080 sq. ft.
 - (3) Maximum capacity: 13 persons
- q. Description: Reception Area (Ground Floor)
- (1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.
 - (2) Approximate size: 186 sq. ft.

(3) Maximum capacity: 2 persons

r. Description: Business Office (Ground Floor)

(1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.

(2) Approximate size: 142 sq. ft.

(3) Maximum capacity: 2 persons

s. Description: Equipment Room (Ground Floor)

(1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.

(2) Approximate size: 275 sq. ft.

(3) Maximum capacity: 3 persons

t. Description: Men's Room (Ground Floor)

(1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.

(2) Approximate size: 183 sq. ft.

(3) Maximum capacity: 7 persons

u. Description: Women's Room (Ground Floor)

(1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.

(2) Approximate size: 302 sq. ft.

(3) Maximum capacity: 9 persons

v. Description: Package Room (Ground Floor)

(1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.

(2) Approximate size: 2394 sq. ft.

(3) Maximum capacity: 144 persons

w. Description: Janitorial Room, Activity Center, Lounge, Telephone Room, Kitchen and Reading Room (First Floor)

(1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.

(2) Approximate size: 3000 sq. ft.

(3) Maximum capacity: 148 persons

x. Description: Men's Locker Room (Ground Floor)

(1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.

(2) Approximate size: 150 sq. ft.

(3) Maximum capacity: 5 persons

y. Description: Women's Locker Room (Ground Floor)

(1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.

(2) Approximate size: 180 sq. ft.

(3) Maximum capacity: 6 persons

z. Description: Indoor Pool (Ground Floor)

(1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.

(2) Approximate size: 800 sq. ft.

(3) Approximate depth: 4 ft.

(4) Maximum capacity: 20 persons

(5) The pool is heated.

aa. Description: Indoor Pool Deck (Ground Floor)

(1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.

(2) Approximate size: 1437 sq. ft.

(3) Maximum capacity: 28 persons

ab. Description: Bike Room

(1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.

(2) Approximate size: 263 sq. ft.

(3) Maximum capacity: 8 persons

ac. Description: Entry and Courtyard (Ground Floor)

(1) Location: As shown on the Survey as set forth on Exhibit "A" of the Declaration of Condominium.

(2) Approximate size: 468 sq. ft.

(3) Maximum capacity: 20 persons

The Developer will expend a minimum of \$10,000.00 in personal property for the Condominium.

The Developer is not obligated to provide additional facilities not described above.

5. Expansion of Recreational Facilities.

RECREATIONAL FACILITIES MAY BE EXPANDED OR ADDED WITHOUT THE CONSENT OF UNIT OWNERS OR THE ASSOCIATION.

6. Leasing by Developer.

THE UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.

Developer may engage in a program of leasing any Units which the Developer has not entered into a contract for sale thereof prior to the recordation of the Declaration of Condominium establishing the Condominium. The terms of such leasing may include such rental terms and conditions as the Developer may designate. Notwithstanding contained herein to the contrary, it is the Developer's intention to sell all Units within the Condominium as expeditiously as possible and the Developer's leasing program, with respect to any unsold Units, shall continue only until such time as such Unit(s) have been sold or closed.

7. Arrangements for Management.

The Association may enter into a Management Agreement to provide for management and operation of the Condominium. To date, a management firm has not been employed, and the Association will manage the Condominium.

8. Right to Retain Control.

THE DEVELOPER HAS THE RIGHT TO RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD.

Please refer to Article XXIII of the Declaration of Condominium attached as Schedule "1" of this Prospectus and provided for in Florida Statutes.

9. Restriction on Sale, Lease or Transfer.

THE SALE, LEASE OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED.

Please refer to Article XV of the Declaration of Condominium attached as Schedule "1" of this Prospectus.

10. Statement of Conversion Conditions.

This Condominium is being created by the conversion of existing improvements. Each Unit shall be delivered in the manner represented in "as is" condition without any express warranties or representations by the Developer, the Association or any broker or agent. Furthermore, the statutory warranties pursuant to Florida Statutes, Chapter 718.203, are not applicable to this Condominium and shall not run in favor of the Association or any Unit Owner.

A converter reserve account has been established pursuant to Section 718.618(7), Florida Statutes. Therefore, pursuant to Section 718.618(7), Florida Statutes, the Developer makes no express warranties with respect to the existing improvements.

To the extent permitted by law, the Developer specifically disclaims any and all implied warranties of merchantability and fitness as to the Condominium Property, any Unit, or any appurtenance thereto, including any appliances, furniture, fixtures or personal property.

In connection with this conversion, the Developer hereby discloses the condition of the Condominium as required pursuant to the provisions of Section 718.616, Florida Statutes.

In this regard, a statement of the condition of the improvements and the condition of certain components and their

current estimated replacement costs, is attached hereto and made a part hereof as Schedule "8" of this Prospectus.

A copy of the termite inspection report is attached hereto and made a part hereof as Schedule "8" of this Prospectus.

11. Summary of Use Restrictions To Be Imposed Upon Units Concerning the Use of the Condominium Property.

In addition to the other obligations and duties set forth in the Declaration, every Unit Owner shall:

a. Promptly pay the Assessments levied by the Association.

b. Maintain in a clean and sanitary manner and repair his Unit and all interior surfaces within or surrounding his Unit (such as the surfaces of the walls, ceilings, floors, etc.) whether or not a part of the Unit or Common Elements which are a part of the Unit, and maintain and repair the fixtures therein.

c. Not use or permit the use of his Unit except for residential purposes consistent with the laws of governing authorities having jurisdiction over the Condominium property.

d. Not permit or suffer, anything to be done or kept in his Unit which would increase the insurance rates on his Unit of the Common Elements, or which will obstruct or interfere with the rights of other members or annoy them with unreasonable noises or otherwise; nor shall a member commit or permit any nuisance, immoral or illegal act in his Unit or on the Common Elements.

e. Conform to and abide by the By-Laws and uniform rules and regulations in regard to the use of the Unit and Common Elements which may be adopted in writing from time to time by the Association, and to see that all persons using the owner's property, by, through or under him do likewise.

f. Make no alteration, decoration, repair, replacement or change of the Common Elements or to any outside or exterior portion of the buildings without the prior written consent of the Association.

g. Allow the Board of Administration or the agents and employees of the Association to enter any Unit for the purpose of maintenance, repair or replacement of any Common Elements or for making emergency repairs which are necessary to prevent damage to the Common Elements or to another Unit or Units.

h. Show no sign, advertisement or notice of any type on the Common Elements or his Unit, and erect no exterior antennas and

aerials, except as provided in uniform regulations promulgated by the Association.

i. Abide by any regulations regarding children as may be established by the Association, except that no regulations shall prohibit children from residing in or occupying a Residential Unit.

j. Make no repairs to any plumbing or electrical wiring within a Unit, except by plumbers or electricians authorized to do such work by the management of the Association. Plumbing and electrical repairs within a Unit shall be paid for and shall be the financial obligation of the Owner of the Unit. The Association shall pay for and be responsible for plumbing repairs and electrical wiring within the Common Elements.

k. Return the Unit for the purpose of ad valorem taxes to the respective taxing authorities having jurisdiction over them for separate Assessment against his Unit. For the purposes of ad valorem taxation, the interest of the Owner of a Unit in his Unit and in the "Common Elements" shall be considered as a Unit.

l. Use the parking spaces in accordance with the rules and regulations promulgated by the Association.

m. No window balconies or exterior windows shall be extended, covered, enclosed or decorated in any way whatsoever by a Unit Owner without the prior written consent of the Board of Administration.

n. Not divide or subdivide a Unit for purpose of sale or lease, except that a Unit may be combined with a contiguous Unit and occupied as one dwelling Unit, and Commercial Units may be subdivided and combined in accordance with the provisions of the Declaration of Condominium.

o. Not hang any laundry, garments or other objects which are visible from outside of the Unit, except for draperies, blinds, shades or other suitable window coverings. Decorative window coverings shall not include any type of reflective film on any glass windows or doors.

p. Not allow any rubbish, refuse, garbage or trash to accumulate in places other than the receptacles provided therefor, so that each Unit, the Common Elements and Limited Common Elements shall at all times remain in a clean and sanitary condition.

q. Not make any use of a Unit that violates any laws, ordinances and regulations of any governmental body having jurisdiction thereof.

r. No pet(s) may be kept in a Unit. No pet(s) of any and all sorts may be kept within a Unit or on any portion of the Condominium building or grounds.

12. Manner in Which Utilities and Other Services Are To Be Provided.

The manner in which the needs of the utilities and other services will be met, including, but not limited to, sewage and waste disposal, water supply and storm drainage is as follows:

a. Water supply, storm drainage, waste and sewage disposal shall be supplied to the Condominium by the Escambia County Utility Authority.

b. Electrical services shall be supplied to the Condominium by Gulf Power Company.

c. Trash removal services shall be supplied to the Condominium by Waste Disposal and Recycling Service, or another company approved by the Association.

d. Gas shall be supplied to the Condominium by Energy Service of Pensacola.

13. Explanation of Manner in Which the Common Expenses and Ownership of the Common Elements Has Been Determined.

Both the percentage of ownership of Common Elements and the Common Expenses of the Units were apportioned by grouping the Units into types and allocating points to each type based upon square footage of the Units. For a more complete description of the apportionment of ownership in Common Elements and Common Expenses, please refer to Exhibit "B" attached to the Declaration of Condominium which is attached as Schedule "1" to this Prospectus.

14. Estimated Operating Budget and Guarantee.

The Estimated Operating Budget (the "Budget") for the Condominium is attached to this Offering Circular as Schedule "3." The Budget constitutes a summary of the mandatory financial obligations of Unit Owners payable to the Association as Common Expenses. Reference should be made to the Notes to Budget in reading and understanding the assumptions used in preparing the Budget. Developer believes that the Budget is reliable; however, because expenditures may differ from estimated expenditures and because of possible changes in the future expenses of the offered Condominium, it is not intended nor should it be considered as a representation, guarantee or warranty of any kind whatsoever including, without limitation, that the actual expenses for any period of operation may not vary from the amount estimated, that

Association will not incur additional expenses or that the Association will not provide for additional reserves or other sums. not reflected in the proposed budget. Hence, the Budget does not constitute any warranty or guarantee as to the magnitude of "Annual Assessments" levied under Article 13 of the Declaration or the Budget adopted after the termination of the "Guarantee Period" discussed below.

The Budget is not intended nor should it be considered all inclusive or as a representation, guarantee or warranty of any kind whatsoever of all expenses to be incurred as a result of Unit ownership. For example, the Budget does not include real estate taxes on the Units, Unit Owners' insurance, telephone, or other utility services which are billed directly to the Unit Owner and not through the Association.

The Developer shall be excused from the payment of its share of the Common Expenses and Assessments related to those Units it owns for a period of time commencing from January 1, 1995 and terminating December 31, 1995. However, the Developer must pay the portion of Common Expenses incurred during that period which exceeds the amount assessed against other Unit Owners. The dollar amount for each Unit during the guarantee period is set forth in the Budget attached as Schedule "3" to this Prospectus.

15. Schedule of Closing Expenses.

The Unit Owner is required under the terms of the Purchase Agreement executed by the Unit Owner to pay the following expenses in connection with the closing of this transaction:

- a. A proposed charge for monthly maintenance assessments as set forth in the Budget for the Association attached as Schedule "3" to this Prospectus.
- b. The initial working capital contribution as set forth in the Purchase Agreement.
- c. Real property taxes from the date of closing to the end of the calendar year in which said closing took place.
- d. Mortgage closing charges (if the transaction is to be financed) which may include, but are not limited to, the following expenses, the extent of which must be ascertained from the lender by Purchaser.

- (1) Abstract charges;
- (2) Documentary Stamps on the Mortgage;
- (3) Intangible taxes on the Mortgage;
- (4) Fee for recordation of the Mortgage;
- (5) Prepaid interest;
- (6) Credit report;

- (7) Appraisal fee;
- (8) Mortgagee's closing costs (commonly called points);
- (9) Mortgagee's attorney's fees;
- (10) Payments into any escrow account which may be required by the lender; and
- (11) Premium for Mortgagee policy of title insurance.

e. In addition to the foregoing, a closing fee equal to one-half percent (.5%) of the purchase price shall be charged to cover, in part, but not limited to, payment of the following items:

- (1) Recordation of the warranty deed;
- (2) Florida Documentary Stamps on the warranty deed;
- (3) Owners policy of title insurance to be furnished by the Developer; and
- (4) Document preparation.

16. Identity of Developer.

The Developer pursuant to this Offering is CARLTON PALMS HOTEL, INC., a Florida corporation. This is the first condominium development undertaken by CARLTON PALMS HOTEL, INC. The president of the Developer is Fred Braida.

Fred Braida is the principle and general manager of Carlton Hotel International, a construction and management company founded in 1964. The following are the projects similar in type to the Condominium developed by the corporation from 1978 to present:

PROJECTS DEVELOPED IN CANADA:

- * Conversion of existing building to 4 star hotel Carlton Inn, 500 rooms.
- * Development of an airport hotel Carlton Place, 530 rooms.
- * Development of the 4 star Chestnut Park Hotel, 550 rooms.
- * Development of Centre Park Condominium, 128 units.

PROJECTS DEVELOPED OFFSHORE:

- * Development of Beijing Toronto Hotel, 700 rooms, Beijing, China.
- * Construction of Canada House in Moscow, Russia
- * Consultant to Argentinean Government, renovation of existing hotels belonging to labor unions: Federacion Argentina de Trabajadores de Luz y Fuerza.
- * Joint venture with China Travel, a government agency. Promotion of travel to and from China.

PROJECT MANAGER AND VICE PRESIDENT OF THE DEVELOPER

Tom Solose, educated in construction & design at Lord Elgin Collegiate, Niagara Falls, Ontario, Canada. His career in construction began in 1968. The following represents a list of his involvement in similar projects to the Condominium.

PROJECTS IN CANADA:

- * Conleo Condominiums, construction of 10 apartments and commercial complex, Niagara Falls, Ontario, Canada.
- * Conleo Resort Condominiums, construction of 190 resort units, Collingwood, Ontario, Canada.
- * Stage West All Suite Hotel, construction of 224 units, Ontario, Canada. Project Manager 1989-1991.

PROJECTS IN UNITED STATES:

- * Americano Beach Resort, Renovation of 198 unit hotel, Daytona Beach, Florida. Project Manager April 1991-Dec. 1991.
- * Treasure Cove Inn, Renovation of 88 unit hotel, Daytona Beach, Florida. Project Manager Dec. 1991-Nov. 1992.
- * Ivan Hoe Hotel, Renovation of 148 unit hotel, Daytona Beach, Florida. Project Manager Nov. 1992-Mar. 1993.

17. Commercial Units.

There will be a minimum of two (2) and a maximum of seven (7) Commercial Units in the Condominium. Although a specific initial use may be indicated for the Commercial Units within this Prospectus, the Commercial Units shall be used for retail and office purposes only, except that the Commercial Units may not be used for medical use, as a night club or bar, any activity serving alcohol, adult entertainment, adult book store, or any other use in violation of applicable zoning codes or other such ordinances, without the consent of the Association, and may not be transferred, conveyed, leased or disposed of without the consent of the Association. Furthermore, the Developer reserves the right, at any time, to convey any or all of the Commercial Units to the Association, and the Association shall be obliged to accept same. Upon the conveyance of a Commercial Unit to the Association, the percentage of Common Expense and ownership of Common Elements attributable to any Commercial Unit conveyed to the Association shall be deemed transferred to the Association, as well. The Commercial Units shall be used in accordance with applicable laws, including, but not limited to, Chapter 718 of the Florida Statutes and zoning regulations of the City of Pensacola.

18. Contracts and Leases.

As of the date of this Prospectus, the Association has not entered into any contracts or levies having a term in excess of one (1) year for the purpose of maintenance and operation of the Condominium property and of other property that will serve the Unit Owners of the Condominium property.

19. Binding Arbitration.

All disputes between a Unit Owner and the Developer or between the Association and the Developer shall be resolved by binding arbitration in accordance with the rules of the American Arbitration Association. Without limiting the effect of the foregoing sentence, pursuant to Section 718.1255(4), Florida Statutes, prior to the institution of Court litigation (whether to enforce an arbitration award or otherwise), the parties to a dispute shall petition the Division for nonbinding arbitration.

20. Existing and Intended Easements.

The following is a brief narrative description of the location and effect of all existing and intended easements located or to be located on the Condominium property other than those described in the Declaration:

- a. There is a utility easement in favor of the Gulf Power Company recorded at Official Records Book 699, Page 143 of the Public Records of Escambia County, Florida.
- b. Limited access rights as set forth in Deed of Exchange recorded at Official Records Book 1043, Page 212 of the Public Records of Escambia County, Florida.

21. Copies of Documents Included as Schedules.

Copies of the following are included as Schedules to this Prospectus:

- a. Schedule "1" - Declaration of Condominium
- b. Schedule "2" - Number of Units, Unit Type, Number of Bedrooms/Bathrooms in Each Unit and Undivided Interest
- c. Schedule "3" - Estimated Operating Budget for the Condominium Property
- d. Schedule "4" - Form of Purchase Agreement Utilized in the Sale of Condominium Units
- e. Schedule "5" - Escrow Agreement Establishing Escrow Account Between Developer and Escrow Agent

- f. Schedule "6" - Form of Receipt for Condominium Documents Utilized in the Sale of Condominium Units
- g. Schedule "7" - Initial Rules and Regulations
- h. Schedule "8" - Conversion Inspection Report and Termite Inspection Report
- i. Schedule "9" - Floor Plans for All Units
- j. Schedule "10" - Copy of Warranty Deed
- k. Schedule "11" - Frequently Asked Questions and Answers

SCHEDULE "1"

CARLTON PALMS, A CONDOMINIUM
DECLARATION OF CONDOMINIUM ESTABLISHING
CARLTON PALMS, A CONDOMINIUM

321740.50
THIS INSTRUMENT PREPARED BY:
DAVID B. WILLIAMS, ESQUIRE
CARLTON, FIELDS, WARD, EMMANUEL,
SMITH & CUTLER, P.A.
One Harbour Place
Tampa, Florida 33602

OR Bk3714 Pg0822
INSTRUMENT 00184938

DECLARATION OF CONDOMINIUM
ESTABLISHING
CARLTON PALMS, A CONDOMINIUM

SUBMISSION STATEMENT

CARLTON PALMS HOTEL, INC., a Florida corporation, hereinafter called the "Developer," for itself, its successors, grantees and assigns, being the holder of fee simple title to the real property described in Exhibit "A," Sheet 1, attached hereto and made a part hereof, hereby states and declares that said property is submitted to condominium ownership, pursuant to the requirements of the statutes of the State of Florida, hereinafter sometimes referred to as the "Condominium Act," the provisions of which are hereby incorporated by reference as is fully set forth herein, and does hereby file for record this Declaration of Condominium.

All restrictions, reservations, covenants, conditions and easements contained herein shall constitute covenants running with the land or equitable servitudes upon the land as the case may be, shall be non-exclusive and perpetual unless sooner terminated by all Unit Owners, as hereinafter defined, and their grantees, devisees or mortgagees, their heirs, personal representatives, successors and assigns and all parties claiming by, through or under such persons agree to be bound by the provisions hereof and the By-Laws of the Association. Both the burdens imposed and the benefits granted shall run with each Unit and the interests in the Common Elements.

I. Name

1.01 The name of the Condominium is: CARLTON PALMS, A CONDOMINIUM.

1.02 The name of the Unit Owners' Association is CARLTON PALMS CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, hereinafter referred to as the "Association."

II. Land

The land comprising this condominium is described on Exhibit "A," Sheet 1, attached hereto and made a part hereof as if fully set forth herein.

III. Definitions

The terms used in this Declaration and in its Exhibits, including the By-Laws of the Association, shall be defined in accordance with the provisions of the Condominium Act and as follows unless the context otherwise requires:

3.01 "Unit" or "Apartment" - means a part of the Condominium Property which is subject to exclusive ownership. The boundaries of a Unit extend to the unfinished interior surfaces of the perimeter walls, floors and ceilings of each Unit and the interior portion of any perimeter windows and window structures related thereto. A Unit may be in improvements, land, or land and improvements together, as specified in this Declaration. The term "Unit" includes both Commercial Units and Residential Units as described in the Declaration.

3.02 "Unit Owner" or "Owner of a Unit" - means the owner of a Condominium Parcel.

3.03 "Assessment" - means a share of the funds required for the payment of Common Expenses which from time to time is assessed against the Unit Owner.

3.04 "Association" - means the corporate entity responsible for the operation of the Condominium.

3.05 "By-Laws" - means the By-Laws of the Association existing from time to time.

3.06 "Common Elements" - means the portions of the Condominium Property not included in the Units.

3.07 "Common Expenses" - means all expenses and Assessments properly incurred by the Association for the Condominium.

3.08 "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.

3.09 "Condominium" - means that form of ownership of real property which is created pursuant to the provisions of the Condominium Act and which is comprised of Units that may be owned

by one or more persons, and there is appurtenant to each Unit an undivided share in the Common Elements.

3.10 "Condominium Parcel" - means a Unit together with the undivided share in the Common Elements which is appurtenant to the Unit.

3.11 "Declaration" or "Declaration of Condominium" - means the instrument or instruments by which a Condominium is created as they are from time to time amended.

3.12 "Limited Common Elements" - means those Common Elements which are reserved for the use of a certain Condominium Unit or Units to the exclusion of other Units as specified in the Declaration of Condominium.

3.13 "Operation" or "Operation of the Condominium" - includes the administration and management of the Condominium Property.

3.14 "Developer" - means a person who creates a Condominium or offers Condominium Parcels for sale or lease in the ordinary course of business, but does not include an Owner or lessee of a Unit who has acquired his Unit for his own occupancy. As used herein, the term "Developer" shall include assigns and successors in interest to the original Developer.

3.15 "Board of Administration" - means the Board of Directors of the Association or other representative body responsible for administration of the Association.

3.16 "Condominium Property" - means the lands, leaseholds, and personal property that are subject to condominium ownership, whether or not contiguous, all improvements thereon, and all easements and rights appurtenant hereto intended for use in connection with the Condominium.

3.17 "Mortgagee" or "Institutional First Mortgagee" - means a bank, Federal or State savings and loan association, insurance company, mortgage company, real estate investment or business trust, pension fund, an agency of the United States government, any other lender generally recognized as an institutional type lender, or the Developer (including any nominee of Developer) owning and holding a mortgage encumbering a Condominium Unit.

3.18 "Institutional First Mortgage" - means a mortgage owned or held by an Institutional First Mortgagee.

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

IV. Description

The Condominium is described as follows:

4.01 A survey of the land submitted to condominium ownership is set forth on Exhibit "A" attached hereto. A graphic description of the improvement or improvements in which Units are located and the identification of each Unit by letter, name or number, so that no Unit bears the same designation as any other Unit, and the plot plan thereof, all in sufficient detail to identify the Common Elements and each Unit and their respective locations and approximate dimensions is attached hereto as and made a part hereof as Exhibit "A."

4.02 The Developer reserves the right to change the interior design or arrangement of all Units as long as the Developer owns the Units so changed and altered, provided such change shall be reflected by an amendment of this Declaration; any amendment for such purpose need be signed and acknowledged only by the Developer and Mortgagee, if any, and need not be approved by any other person, including, but not limited to, the Association, contract vendees, or Unit Owners, anything herein to the contrary notwithstanding. The rights reserved in this paragraph 4.02 shall permit the Developer at its option prior to creating this Condominium to change the number of Units within the Condominium and/or the interests of the Unit Owners in the Common or Limited Common Elements. However, notwithstanding any of the foregoing to the contrary, the aggregate of the undivided interests of the Unit Owners in the Common or Limited Common Elements of such units so redesigned or rearranged shall remain the same, although the undivided interests of the Unit Owners in the Common Elements or Limited Common Elements of such Units so redesigned or changed may be different than as originally provided herein.

4.03 The following non-exclusive easements shall be covenants running with the land and are expressly granted and/or reserved in favor of the Unit Owners, occupants of any Unit, their guests and invitees, to-wit:

(1) Utilities: Blanket non-exclusive easements are reserved throughout the Condominium Property as may be required for utility services in order to adequately serve the Condominium. In the event any Unit, recreation area, Common or Limited Common Element encroaches upon any utility easement either granted or reserved hereby, by plat or otherwise, such encroachment shall entitle the Owner or Owners of such encroaching property and their mortgagees, if any, to an automatic non-exclusive easement on said utility easement for as long as such encroachment shall continue.

(2) Encroachments: In the event that any Unit shall encroach upon any of the Common Elements or any other Unit for any reason other than the intentional act of the Unit Owner or in the

event that any Common Element shall encroach upon any Unit, then an easement shall exist to the extent of such encroachments so long as the same shall continue.

(3) Traffic: An easement shall exist for pedestrian traffic over, through and across sidewalks, paths, walks, halls, lobbies, elevators, if any, and other portions of the Common Elements as may be from time to time intended and designated for such purpose and use; and for vehicular and pedestrian traffic over, through and across such portions of the Common Elements as may from time to time be paved and intended for such purposes, and such easements shall be for the use and benefit of the Unit Owners and those claiming by, through or under the aforesaid; provided, however, nothing herein shall be construed to give or create in any person the right to park upon any portion of the Condominium Property, except to the extent that the space may be specifically designated and assigned for parking purposes or as may otherwise be permitted under this Declaration.

(4) Access Over Limited Common Elements: Each Unit Owner and any officer, agent, employee or designee of the Association or member of the Board of Administration of the Association shall have access across any Limited Common Elements for the purpose of ingress and egress.

(5) Access over Common Elements: Each Unit Owner shall have a non-exclusive easement for ingress and egress over streets, walks and other rights-of-way serving the Units of this Condominium as part of the Common Elements necessary to provide reasonable access to the public ways.

V. Identification of Units, Limited Common Elements and Common Elements, Survey, Shares in Common Elements, Prorations of Common Expenses, Voting Rights

5.01 The Condominium Units and all other improvements constructed on the Condominium Property are set forth in detail in Exhibit "A" attached hereto. Each Condominium Unit is described in such a manner that there can be determined therefrom the identification, location and dimensions of such Unit and the Common Elements appurtenant thereto.

Each Condominium Unit is identified by a number, letter or name or combination thereof, so that no Unit bears the same designation as any other Unit and all remaining areas are Common Elements.

5.02 Subject to any provisions of the By-Laws of the Association applicable thereto, a Unit Owner is entitled to one (1) vote for each Unit owned. If a Unit is owned by more than one person, the Owners of said Unit shall designate one (1) of them as the voting member, or, in the case of ownership by a corporation,

an officer or an employee thereof shall be designated the voting member. The vote of a Unit shall not be divisible.

VI. Condominium Parcels, Appurtenances, Possession and Enjoyment

6.01 The Condominium Parcel is a separate parcel of real property owned in fee simple, or any other estate of real property recognizable by law.

6.02 There shall pass with a Unit as appurtenances thereto:

(1) An undivided share in the Common Elements and Common Surplus and the right to use any applicable Limited Common Element.

(2) The exclusive right to use the portion of the Common Elements as may be provided by the Declaration.

(3) An exclusive easement for the use of the air spaces occupied by the Unit as it exists at any particular time and as the Unit may lawfully be altered or reconstructed from time to time. An easement in air space which is vacated shall be terminated automatically.

(4) A Unit Owner is entitled to the exclusive possession of his Unit, subject to the irrevocable right of the Association to access to each Unit during reasonable hours when necessary for the maintenance, repair or replacement of any Common Elements, or for making emergency repairs necessary to prevent damage to Common Elements or to another Unit or Units. A Unit Owner shall be entitled to use the Common Elements in accordance with the purpose for which they are intended, but no use may hinder or encroach upon the lawful rights of other Unit Owners.

VII. Restraint Upon Separation and Partition of Common Elements

7.01 The undivided share in the Common Elements which is appurtenant to a Unit shall not be separated from it and shall pass with the title to the Unit whether or not separately described.

7.02 The share in the Common Elements appurtenant to a Unit cannot be conveyed or encumbered, except with the Unit.

7.03 The share in the Common Elements appurtenant to Units are undivided, and no action for partition of the Common Elements shall lie.

VIII. Common Elements

8.01 Common Elements include within their meaning the following items:

(1) The Condominium Property which is not included within the Units.

(2) Easements through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services to Unit and the Common Elements.

(3) An easement of support in every portion of a Unit which contributes to the support of a building.

(4) The property and installations required for the furnishing of utilities and other services to more than on Unit to the Common Elements.

8.02 Any person having any interest under mortgages of record that encumber any portion of, the Common Elements that are not satisfied prior to the recordation of this Declaration shall consent to the recordation of this Declaration; provided, however, in lieu of joining in the execution of this Declaration, any mortgagee may execute an appropriate consent or subordination agreement with the formalities required for deeds.

8.03 Recreational facilities may be expanded or added by the Developer without the consent of the Unit Owners or the Association.

IX. Amendment of Declaration

9.01 Unless otherwise provided herein, the Declaration may be amended by two thirds (2/3) of all of the Unit Owners by such two thirds (2/3) of all Unit Owners executing a modification or amendment to this Declaration with the formalities of a deed and recording same in the Public Records of the County in which the Condominium is located; or in the alternative, this Declaration may be amended at any regular or special meeting of the Unit Owners called or convened, in accordance with the By-Laws the affirmative vote of voting members casting not less than two thirds (2/3) of the total vote of the members of the Association and the execution by the Association of a certificate of the amendment with the formalities of a deed and recording same in the Public Records of the County on which the Condominium is located.

(1) Such an amendment may not change the configuration or size of any 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 provided the record Owner of the Unit and all record owners of liens on it join in the

execution of the amendment, provided, however, this section shall not apply to the acquisition of a Unit by the Association.

(2) 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 that 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 percent (100%), or if it appears that more than one hundred percent (100%) of Common Elements or Common Expenses or ownership of Common Surplus have been distributed, the error may be corrected by filing an amendment to this Declaration approved by the Board of Administration 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 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.

(3) The Common Elements designated by this Declaration may be enlarged by an amendment in the Declaration. The amendment must describe the interest in the property and must submit the property to the terms of this Declaration. The amendment must be approved and executed as provided herein. The amendment shall vest title in the Unit owners as part of the Common Elements, without naming them and without further conveyance, in the same proportion as the undivided shares in the Common Elements which are appurtenant to the Unit owned by them.

(4) No amendment shall be passed which shall impair or prejudice the rights and priorities of Mortgagees.

Notwithstanding the foregoing, the consent or joinder of owners of liens on a Unit shall only be required for amendments materially affecting the rights or interests of the lienholder or as otherwise required by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, provided that such a requirement provides that such consent may not be unreasonably withheld.

9.02 Notwithstanding anything contained in this Declaration to the contrary, while the Developer owns any Units, the Declaration may be amended by the Developer for any reason without the consent of any of the Unit Owners, the owner and holder of any lien encumbering a Unit in this Condominium or any other person or entity, except for those matters identified in Florida Statutes 718.110, subsections (4) and (8). Said amendment need only be executed and acknowledged by the Developer with the

formalities of a deed and recording same in the Public Records of County in which the Condominium is located.

X. Termination

10.01 The Condominium Property may be removed from the provisions of the Condominium Act only by consent of all of the Unit Owners evidenced by a recorded instrument to that effect, and upon the written consent by all of the holders of recorded liens affecting any of the Condominium Parcels.

10.02 Upon removal of the Condominium Property from the provisions of the Condominium Act, the Condominium Property is owned in common by the Unit Owners in the same undivided shares as each owner previously owned in the Common Elements. All liens shall be transferred to the undivided share in the Condominium Property attributable to the Unit originally encumbered by the lien in its same priority.

10.03 The termination of a Condominium does not bar the creation of another Condominium affecting all or any portion of the same property.

XI. Equitable Relief

In the event of substantial damage to or destruction of all or a substantial part of the Condominium Property, and if the property is not repaired, reconstructed, or rebuilt within a reasonable period of time, any Unit Owner may petition a court for equitable relief, which may include a termination of the Condominium and a partition.

XII. Enforcement of Maintenance

In the event the Owner of a Unit violates the provisions hereof, the Association or any other Unit Owner shall have the right to proceed in a court of equity to seek compliance with the provisions hereof; or the Association shall have the right to charge the Unit Owner for the necessary sums to correct the violation and to collect such charge. The Association has the irrevocable right of access to each unit during reasonable hours when necessary for the maintenance, repair or replacement of any Common Elements or for making emergency repairs which are necessary to prevent damage to the Common Elements or to another Unit or Units.

XIII. Limited Common Elements

There shall pass with each Unit, as an appurtenance thereto, the exclusive right to use the Limited Common Elements as hereinafter described. Expense of maintenance and repair relating to these Limited Common Elements shall be considered Common

Expenses for the purpose of cost of repair and maintenance. The Owner of a Unit shall have exclusive right to use the Limited Common Elements. Limited Common Elements for parking and storage spaces are described below:

Automobile Parking Spaces - Residential Units shall have parking spaces as Limited Common Elements as follows: Studio and one bedroom Residential Units shall be entitled to one assigned parking space; and two bedroom Units shall be entitled to two assigned parking spaces. Such parking spaces shall initially be assigned by the Developer. The Association shall promulgate rules and regulations regarding the transfer of assigned parking spaces among Unit Owners.

Unassigned parking spaces shall be used by the Developer for prospective Unit purchasers and such other parties as Developer may reasonably determine so long as the Developer has Units for sale. Additionally, Developer shall designate unassigned parking areas for visitors and/or use by Commercial Unit Owners. Commercial Unit Owners shall be entitled to not more than one parking space for every 300 square feet of floor area within the Commercial Unit on an unreserved and unassigned basis.

Storage Areas - Each residential Unit Owner shall be entitled to one storage locker located in the storage locker room on the same floor as each Unit. The storage spaces shall be initially assigned by the Developer. The Association may promulgate rules and regulations regarding the transfer of storage lockers among Unit Owners.

XIV. Insurance and Condemnation Provision

The Association shall use its best efforts to obtain and maintain adequate insurance to protect the Association, the Association property and the Condominium Property required to be insured by the Association pursuant to paragraph 14.02 below. A copy of each policy of insurance in effect shall be made available for inspection by Unit Owners at reasonable times.

The insurance, other than title insurance, which shall be carried upon the Condominium Property and property of the Unit Owners shall be governed by the following provisions:

14.01 Liability Insurance: The Board of Administration of the Association shall obtain public liability and property damage insurance covering all of the Common Elements of the Condominium, and insuring the Association and the Unit Owners, as its and their interests appear, in such amount as the Board of Administration of the Association may determine from time to time, provided that the minimum amount of coverage shall be \$100,000/\$300,000/\$10,000. Said insurance shall include, but not be limited to, water damage, legal liability, hired automobile, non-owned

automobile, and off-premises employee coverages. All liability insurance shall contain a cross-liability endorsement to cover liabilities of the Unit Owners as a group to a Unit Owner. Premiums for payment of such insurance shall be paid by the Association and charged as a Common Expense.

14.02 Casualty Insurance:

(1) Purchase of Insurance: The Association shall obtain fire and extended coverage insurance and vandalism and malicious mischief insurance, insuring all of the insurable improvements within the Condominium, including personal property owned by the Association, in and for the interest of the Association and all Unit Owners and their mortgagees, as their interests may appear, from a company acceptable to the Board of Administration of the Association, in an amount equal to the maximum insurable replacement value as determined annually by the Board of Administration. All hazard policies issued to protect the Condominium buildings shall provide that the word "building" wherever used in the policy shall include, but shall not necessarily be limited to, fixtures, installations or additions comprising that part of the building within the unfinished interior surfaces of the perimeter walls and windows, floors and ceilings of the individual Units initially installed, or replacements thereof like kind or quality, in accordance with the original plans and specifications, or as existed at the time the Unit was initially conveyed if the original specifications are not available. However, the word "building" shall not include floor coverings, wall coverings, ceiling coverings, electrical fixtures, appliances, air conditioners or heating equipment, water heaters, or built-in cabinets. With respect to the coverage provided for by this paragraph, the Unit Owners shall be considered additional insureds under the policy. The premiums for such coverage and other expenses in connection with said insurance shall be paid by the Association and shall be charged as a Common Expense. The company or companies with which the Association shall place its insurance coverage, as herein provided must be good and responsible companies, authorized to do business in the State of Florida.

14.03 Loss Payable Provision: All policies purchased by the Association shall be for the benefit of the Association, all Unit Owners and their mortgagees, as their interest may appear. Said policies shall provide that all insurance proceeds payable on account of loss or damage shall be payable to the Association. The Association shall receive such proceeds as are paid and hold the same in trust for the purposes herein stated, and for the benefit of the Association, the Unit Owners and their respective mortgagees (hereinafter sometimes collectively referred to as "Beneficial Owner").

14.04 Distribution of Proceeds: Proceeds of insurance policies received by the Association shall be distributed to or for the benefit of the Beneficial Owners in the following manner:

(1) The Board of Administration shall promptly obtain reliable and detailed estimates of the cost of repairing and restoration.

(2) If the damage or loss is limited to the Common Elements, with no, or inconsequential damage or loss to any individual Unit and if such damage or loss to the Common Elements is than less \$3,000, and the Association shall promptly contract for the repair and restoration of the damage.

(3) Subject to the provisions of subparagraph (6) infra, if the damage or loss involves any individual Unit as well as the Common Elements, or if the damage is limited to the Common Elements alone, but is in excess of \$3,000.00, the insurance proceeds shall be disbursed for the repair and restoration of the property upon the written direction and approval of the Association. All payees shall deliver paid bills and final releases and waivers of mechanics' liens to the Association, and execute any Affidavit required by law or by the Association.

(4) Subject to the foregoing, the Board of Administration shall have the right and obligation to negotiate and contract for the repair and restoration of the premises.

(5) If the net proceeds of the insurance are insufficient to pay for the estimated cost of restoration and repair (or for the actual cost thereof, if the work has actually been done), the Association shall promptly, upon determination of the deficiency, levy a special Assessment against all Unit Owners in proportion to the Unit Owners' share in the Common Elements, for that portion of the deficiency as is attributable to the cost of restoration of the Common Elements, and a special charge against the individual Unit Owners for that portion of the deficiency as is attributable to his individual Unit; provided, however, that if the Board of Administration finds that it cannot determine with reasonable certainty the portion of the deficiency attributable to a specific individual Unit which has been damaged, then the Board of Administration shall levy the Assessment for the total deficiency against all of the Unit Owners in proportion to the Unit Owners' share in the Common Elements just as though all of said damage had occurred in the Common Elements. The special charge is fully enforceable in the manner of foreclosing a mortgage upon real property. The special Assessment funds and special charge funds shall be added to the proceeds available for the repair and restoration of the property.

(6) In the event the insurance proceeds are sufficient to pay for the cost of restoration and repair, or in the event the insurance proceeds are insufficient but additional funds are raised by special Assessment within ninety (90) days after the casualty, so that sufficient funds are on hand to fully pay for

such restoration and repair, then no mortgagee shall have the right to require the application of insurance proceeds as to the payment of its loan; provided, however, this provision may be waived by the Board of Administration in favor of any Institutional First Mortgagee upon request therefor at any time. To the extent that any insurance proceeds are required to be paid over to such mortgagee, the Unit Owner shall be obliged to replenish the funds so paid over.

14.07 "Very Substantial" Damage: As used in this Declaration, or any other context dealing with this Condominium, the term "very substantial" damage shall mean loss or damage whereby three-quarters (3/4) or more of the total unit space in any building comprising the Condominium Property is rendered untenable, or loss or damage whereby seventy-five (75%) percent or more of the total amount of insurance coverage on any of said buildings becomes payable. The Board of Administration shall promptly obtain reliable and detailed estimates of the cost of repair and restoration thereof. Should such "very substantial" damage occur, then:

(1) If such very substantial damage has occurred to only one building, and in the absence of any determination to abandon the Condominium as herein provided, then all of the insurance proceeds payable on account of such very substantial damage to said building shall be held by the Association solely for the benefit of Unit Owners (and their mortgagees) of said building. Notwithstanding that the ownership of Common Elements in said building sustaining Very Substantial damage is partially vested in Unit Owners of other buildings, in the absence of a determination to abandon the Condominium, Unit Owners of the buildings not sustaining such Very Substantial damage shall not be entitled to participate or share in any portion of such insurance proceeds, anything in this Declaration to the contrary notwithstanding.

(2) Thereupon, a membership meeting shall be called by the Board of Administration, to be held not later than thirty (30) days after the casualty, to determine the wishes of the membership with reference to the abandonment of the Condominium subject to the following:

(a) If the net insurance proceeds available for restoration and repair, together with funds to be advanced by Unit Owners to replace insurance proceeds paid over to the Institutional First Mortgagees, are sufficient to cover the cost thereof so that no special Assessment is required, then the Condominium Property shall be restored and repaired unless three fourths (3/4) of the total votes of the members of the Condominium shall vote to abandon the Condominium in which case the Condominium Property shall be removed from the provisions of the Condominium Act.

(b) If the net insurance proceeds available for restoration and repair, together with funds to be advanced by Unit Owners to replace insurance proceeds paid over to the Institutional First Mortgagees, are not sufficient to cover the cost thereof so that a special Assessment will be required, as set forth above, then a vote will be taken of the membership of this Condominium to determine whether the Condominium should be abandoned. Said Assessment shall be made and the Condominium Property restored and repaired, unless two thirds (2/3) of the total votes of the members of this Condominium shall vote to abandon.

(c) Unless it is determined to abandon the Condominium, the Association shall proceed to negotiate and contract for such repairs and restoration, subject to the provisions set forth above. The proceeds shall be disbursed by the Association for the repair and restoration of the Property, as hereinabove provided. To the extent that any insurance proceeds are paid over to Institutional First Mortgagees, and in the event it is determined not to abandon the Condominium and to vote a special Assessment, the Unit Owner shall be obliged to replenish the funds so paid over to his mortgagee, and said Unit Owner shall be liable to the Association for such sum.

(3) In the event any dispute shall arise as to whether or not "very substantial" damage has occurred, it is agreed that such a finding made by the Board of Administration shall be binding upon all Unit Owners.

14.08 Surplus: It shall be presumed that the first monies disbursed in payment of coats of repair and restoration shall be from the insurance proceeds; and if there is a balance in the funds held by the Association after the payment of all costs of the repair and restoration, such balance may be retained as a reserve, or wholly or partly distributed, at the discretion of the Board of Administration. In the event of distribution, then the Association shall distribute such balance to the Beneficial Owners of the fund in accordance with each Unit's undivided interest in the Common Surplus of the Association.

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

14.10 Association's Power to Compromise Claim: The Association is hereby irrevocably appointed agent for each Unit Owner, for the purpose of compromising the settling claims arising

under insurance policies purchased by the Association, and to execute and deliver releases therefor, upon the payment of claims.

14.11 Institutional First Mortgagee's Right to Advance Premiums: Should the Association fail to pay insurance premiums required hereunder when due, or should the Association fail to comply with other insurance requirements of the mortgagee(s), said Institutional Mortgagee(s) shall have the right, at its option to order insurance policies and to advance such sums as are required to maintain or procure such insurance, and to the extent of the money so advanced, said Mortgagee shall be subrogated to the Assessment and lien rights of the Association as against the individual Unit Owners for the payment of such item of Common Expense.

14.12 Worker's Compensation: The Association shall maintain any Worker's Compensation insurance to meet the requirements of law.

14.13 Other Insurance: The Association shall maintain such other insurance as the Board of Administration shall determine from time to time to be desirable.

14.14 Each individual Unit Owner shall be responsible for purchasing at his own expense, liability insurance to cover accidents occurring within his own Unit, and for purchasing insurance upon electrical fixtures, appliances, air conditioners or heating equipment, water heaters, and built-in cabinets and his own personal property, and living expense insurance.

14.15 Anything in this Article XIV to the contrary notwithstanding, an Institutional First Mortgagee shall always be entitled to receive, in reduction of its mortgage debt, that portion of insurance proceeds apportioned to its mortgaged Unit in the same share as the share in the Common Elements appurtenant to such Unit, in the event: (a) its mortgage is not in good standing and is in default; or, either (b) the insurance proceeds are not sufficient to complete restoration, reconstruction or repair and the Association has not made additional funds available for such purpose; or (c) it is determined to restore, repair or reconstruct the improvements in a manner or condition substantially different from that existing prior to the casualty and such Mortgagee has not consented in writing to such change or alteration.

14.16 Notwithstanding anything contained herein to the contrary, in the event a loss occurs which is determined to have been attributable to a particular Unit and such loss causes damage to the Common Elements and/or other Units within the Condominium, then the Unit Owner of the Unit to which the loss is attributable shall be liable for the entire expense of the insured's policy deductible, if any. In the event a loss occurs to the Common Elements and/or more than one (1) Unit within the Condominium and

such loss cannot be determined to have emanated from any particular Unit, then all Unit Owners within the Condominium -- in the event the damage is solely to the Common Elements or the owners of the Units so damaged in the event the loss involves more than one (1) Condominium Unit -- shall bear the expense of the insured's policy deductible, if any, on a pro rata basis.

14.17 Condemnation:

(1) Deposit of Awards with the Association: The taking of Condominium Property by condemnation shall be deemed to be a casualty and the awards for the taking shall be deemed to be proceeds from insurance on account of the casualty and shall be deposited with the Association. Even though awards may be payable to Unit Owners, the Unit Owners shall deposit the awards with the Association; and in the event of failing to so do, the defaulting Unit Owner shall be liable to the Association in the amount of his award or the amount of that award shall be set off against the sums hereafter made payable to that Unit Owner.

(2) Determination Whether to Continue Condominium: Whether the Condominium will be continued after condemnation will be determined in the manner provided for determining whether damaged property will be reconstructed and repaired after casualty. For this purpose, the taking by condemnation shall be deemed to be a casualty.

(3) Disbursement of Funds: If the Condominium is terminated after condemnation, the proceeds of the awards and special Assessments will be deemed to be Condominium Property and shall be owned and distributed in the manner provided for insurance proceeds if the Condominium is terminated after casualty. If the Condominium is not terminated after condemnation, the size of the Condominium will be reduced, the owners of condemned Units will be made whole and the property damaged by the taking will be made usable in the manner provided below. The proceeds of the awards and special Assessments shall be used for these purposes and shall be disbursed in the manner provided for disbursement of funds by the Association after a casualty.

(4) Unit Reduced But Tenantable: If the taking reduces the size of a Unit and the remaining portion of the Unit can be made tenantable, the award for taking of a portion of the Unit shall be used for the following purposes in the order stated and the following changes shall be effected in the Condominium:

(a) Restoration of Unit: The Unit shall be made tenantable. If the cost of the restoration exceeds the amount of the award, the owner of the Unit shall be obliged to pay such excess amount.

(b) Distribution of Surplus: The balance of the award, if any, shall be distributed to the Owner of the Unit and to each mortgagee of the Unit, the remittance being made payable jointly to the Owner and mortgagees in accordance with each Unit's undivided interest in the Common Surplus of the Association.

(c) Adjustment of Shares in Common Elements: If the floor area of the Unit is reduced by the taking, the number representing the share in the Common Elements appurtenant to the Unit shall be reduced by the proportion by which the floor area of the Unit is reduced by the taking, and then the share of all Unit Owners in the Common Elements shall be restated as percentages of the total of the numbers representing their original shares as reduced by the taking.

(5) Unit Made Untenantable: If the taking is of the entire Unit or so reduces the size of a Unit that it cannot be made tenantable, the award for the taking of the Unit shall be used for the following purpose in the order stated and the following changes shall be effected in the Condominium:

(a) Payment of Award: The award shall be paid first to all Institutional First Mortgagees in an amount sufficient to pay off their mortgages due from those Units which are not tenantable; and then jointly to the Unit Owners of Units not tenantable and their mortgagees in an amount equal to the market value of the Unit immediately prior to the taking and with credit being given for payments previously reserved for Institutional First Mortgagees; and the balance, if any, to repairing and replacing the Common Elements.

(b) Addition to Common Elements: The remaining portion of the Unit, if any, shall become part of the Common elements and shall be placed in condition for use by all of the Unit Owners in the manner approved by the Board of Administration; provided that if the cost of the work shall exceed the balance of the fund from the award for the taking, the work shall be approved in the manner elsewhere required for further improvement of the Common Elements.

(c) Adjustment of Shares in Common Elements: The shares in the Common Elements appurtenant to the Units that continue as part of the Condominium shall be adjusted to distribute the ownership of the Common Elements among the reduced number of Unit Owners. This shall be done by restating the shares of continuing Unit Owners in the Common Elements as percentages of the total of the numbers representing the shares of these Owners as they exist prior to the adjustment.

(d) Assessments: If the amount of the award for the taking is not sufficient to pay the market value of the condemned Unit to the Owner and to condition the remaining

portion of the Unit for use as part of the Common Elements, the additional funds required for those purposes shall be raised by Assessments against all of the Unit Owners who will continue as Owners of Units after the changes in the Condominium affected by the taking. The Assessments shall be made in proportion to the shares of those Owners in the Common Elements after the changes effected by the taking.

(e) Arbitration: If the market value of a Unit prior to the taking cannot be determined by agreement between the Unit Owner and mortgagees of the Unit and the Association within thirty (30) days after notice by either party, the value shall be determined by arbitration in accordance with the existing rules of the American Arbitration Association, except that the arbitrators shall be two (2) appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit; and a judgment of special performance upon the decision rendered by the arbitrators may be entered in any court of competent jurisdiction. The cost of arbitration proceedings shall be assessed against all Unit Owners in proportion to the shares of the Owners in the Common Elements as they exist prior to the changes effected by the taking.

(6) Taking of Common Elements: Awards for the taking of Common Elements shall be used to make the remaining portion of the Common Elements useable in the manner approved by the Board of Administration; provided that if the cost of the work shall exceed the balance of the funds from the awards for the taking, the work shall be approved in the manner elsewhere required for further improvement of the Common Elements. The balance of the awards for the taking of the Common Elements, if any, shall be distributed to the Unit Owners in the shares in which they own the Common Elements after adjustment of these shares on account of the condemnation. If there is a mortgage of a Unit, the distribution shall be paid jointly to the Owner and the mortgagees of the Unit.

(7) Amendment of Declaration: The changes in Units, in the Common Elements and in the ownership of the Common Elements that are affected by condemnation shall be evidenced by an amendment of this Declaration that shall be approved by two thirds (2/3) of all Unit Owners whose ownership of the Common Elements are affected by such condemnation.

XV. Sale, Lease or Transfer

15.01 In the event any Unit Owner wishes to sell or transfer his Unit, the Association shall have the option to purchase said Unit, upon the same conditions as are offered by the Unit Owner to a third person. Any attempt to sell said Unit without prior approval of the Association shall be deemed a breach of this Declaration, shall be wholly null and void, and shall confer no title or interest whatsoever upon any purchaser; provided

however, any deed may be validated by subsequent approval of the Association in the event of a sale without prior approval as herein provided.

15.02 Should a Unit owner wish to sell or transfer his Unit, he shall deliver to the Board of Directors a written notice containing a copy of the executed purchase agreement between buyer and seller, which agreement shall be executed subject to the Board's waiver of its right of first refusal and consent to the sale or transfer. The Unit Owner shall also submit to the Board of Directors, within five (5) days from receipt of any request by the Board, any supplemental information as may be required by the Board.

15.03 The Board of Directors, within two (2) business days after receiving such notice and such supplemental information as is required by the Board of Directors, shall either consent to the transaction specified in said notice, or by written notice to be delivered to the Unit Owner's Unit (or mailed to the place designated by the Unit Owner in his notice), designate the Association, or one or more persons, other than Unit Owners, who are willing to purchase upon the same terms as those specified in the Unit Owner's notice. The Board shall exercise this right of first refusal only for a valid reason that serves the best interest of the Association and its members.

15.04 The stated designee of the Board of Directors shall have five (5) business days from the date of the notice sent by the Board of Directors within which to make a binding offer to purchase upon the same terms and conditions specified in the Unit Owner's notice. Thereupon, the Unit Owner shall either accept such offer or withdraw and/or reject the offer specified in his notice to the Board of Directors. Failure of the Board of Directors to designate such person(s) or failure of such person(s) to make such binding offer within the said five (5) business day period, shall be deemed consent by the Board of Directors to the transaction specified in the Unit Owner's notice, and the Unit Owner shall be free to make or accept the offer specified in his notice, and sell said interest pursuant thereto to the prospective purchaser or tenant named therein in accordance with the agreement submitted to the Association.

15.05 In the event the sale or transfer to a third party is approved by the Board of Directors but is not ultimately consummated or the Unit Owner withdraws his offer to the Association or rejects the offer of the stated designee of the Association, the Unit Owner may not sell or transfer his Unit without further complying with the terms and conditions of this Section 15.

15.06 The consent of the Board of Directors shall be in proper recordable form, signed by two (2) officers of the

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

15.07 The Association shall have the right to require that a substantially uniform form of purchase agreement be used.

15.08 If a corporate entity is the owner of a Unit, it may designate the occupants of the Units as it desires and for such period of time as it desires without compliance with the provisions of this Section 15. The foregoing shall not be deemed an assignment or subleasing of a Unit.

15.09 No fee shall be charged in connection with the proposed transfer or approval in excess of the expenditures reasonably required for credit report expenses which shall not exceed fifty dollars (\$50.00).

15.10 Anything in this Section 15 to the contrary notwithstanding, should any Condominium Unit or Parcel at any time become subject to an Institutional First Mortgage, the holder thereof, upon becoming the owner of said Condominium Parcel through foreclosure, deed in lieu of foreclosure, or other means, and its immediate grantee, shall have the unqualified right to sell or otherwise transfer said Unit, including the fee ownership thereof, without prior offer to the Board of Directors.

15.11 The provisions of this Section with regard to sale shall not be applicable to the Developer which is irrevocably empowered to sell Units to any purchasers. The said Developer shall have the right to transact any business necessary to consummate sales of said Units, including, but not limited to, the right to maintain model Units, have signs, employees in the offices, and otherwise use the Common Elements and show Units. Sales offices, signs and all items pertaining to sales shall not be considered Common Elements and shall remain the property of the Developer.

15.12 The foregoing provisions of this Section shall not apply to transfer by a Unit Owner to any member of his immediate family (i.e., spouse, children or parents); or if a parcel is owned by a form of co-tenancy, to transfers from one tenant to the other co-tenant.

15.13 No judicial sale of a parcel or any interest therein shall be valid unless:

(1) The sale is to a purchaser approved by the Association, which approval shall be in recordable form, executed by two (2) officers of the Association, and delivered to the purchaser; or

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

15.14 The Board of Directors of the Association shall have the right to withhold consent and approval of prospective Unit Owners to any sale, transfer or otherwise in the event such prospective Unit Owners by being such a Unit Owner would automatically violate or breach a term, condition, restriction, rule or regulation or covenant under this Declaration or Exhibits hereto, or in the event the seller or transferrer is in violation or breach of any term, condition, restriction, rule or regulation or covenant under this Declaration or Exhibits hereto.

15.15 The foregoing provisions of this paragraph shall not apply to a transfer to or purchase by an Institutional Mortgagee that acquires its title as a result of owning a mortgage upon the Unit concerned, and this shall be so whether the title is acquired by deed from the mortgagor, his successors or assigns, or through foreclosure proceedings; nor shall such provision apply to a transfer, sale or lease by an Institutional Mortgagee that so acquires its title; nor shall such provisions apply to a transfer, sale or lease by a "bulk grantee" is defined as a grantee acquiring three (3) or more units from said Institutional Mortgagee. The assignee of a mortgage originally taken by an Institutional Mortgagee shall enjoy the same rights, immunities and privileges as are herein granted to said Institutional Mortgagee. Neither shall such provisions apply to the Developer or the officer, stockholder or director of the Developer, and any such person or corporation shall have the right to freely sell, transfer or otherwise deal with the title and possession of a Unit without complying with the provisions of this Section, and without the approval of the Association and without payment of any screening fee. As used in this paragraph 15.15, the term "Institutional Mortgagee" shall include any nominee, designee or assignee of the Institutional Mortgagee.

15.16 An owner of a Commercial Unit shall not be entitled to lease all or a portion of such Commercial Unit without the prior written consent of the Association which such consent shall not be unreasonably withheld. Should a Commercial Unit owner wish to lease all or a portion of such Commercial Unit, he shall deliver to the Board of Administration a written notice requesting such consent along with a copy of the executed lease, which such lease shall be executed subject to the Board's consent. The Commercial Unit owner shall also submit the Board, within five (5) days from receipt of any request by the Board, any supplemental information as may be required by the Board. Within two (2)

business days after receiving such notice and such supplemental information as is required, the Board of Directors shall either consent or not consent to such lease. The failure by the Board to respond within such two (2) day period shall be deemed a consent to such Lease. No consent from the Association shall be required for leasing of a Residential Unit. Each tenant shall be governed by and shall comply with the provisions of the Condominium Act, the Declaration, the documents creating the Association and the Association By-Laws, and the provisions thereof shall be deemed expressly incorporated into any lease of a Unit. All leases shall be deemed to include a clause requiring the tenant to comply with all terms and conditions of the Condominium documents. However, a copy of any lease covering a lease of a Unit shall be delivered not later than ten (10) days after any lessee takes occupancy of a Unit. Notwithstanding any provision herein to the contrary, no lease for a Residential Unit shall be for a period of less than seven (7) months for furnished Residential Units and twelve (12) months for unfurnished Residential Units and no lease for a Commercial Unit shall be for less than twelve (12) months. The provisions of this Section 15.16 shall not apply to the Developer and the Developer, shall freely lease any Unit without the consent of the Association or any other Unit Owner, and without having to comply with the provisions of this Section 15.16.

XVI. Liens

16.01 Subsequent to recording the Declaration and while the Condominium property remains subject to the Declaration, no liens of any nature, except any mortgage liens created by the Developer, are valid against the Condominium Property as a whole, except with the unanimous consent of the Unit Owners.

16.02 Labor performed or materials furnished to a Unit shall not be the basis for the filing of a lien pursuant to the Construction Lien Law against the Unit or Condominium Parcel of any Unit Owner not expressly consenting to or requesting the labor or materials. Labor performed or materials furnished to the Common Elements are not the basis for a lien on the Common Elements, but if authorized by the Association, the labor or materials are deemed to be performed or furnished with the express consent of each Unit Owner and may be the basis for the filing of a lien against all Condominium Parcels in the proportions for which the Owners are liable for Common Expenses.

16.03 If a lien against two (2) or more Condominium Parcels becomes effective, each owner may relieve his Condominium Parcel of the lien exercising any of the rights of a property owner under Florida Statutes, Chapter 718, or by payment of the proportionate amount attributable to his Condominium Parcel. Upon the payment, the lienor shall release the lien of record for that Condominium Parcel.

XVII. Remedies of the Association

17.01 All rights, remedies or relief of whatsoever nature or kind provided in favor of the Association in this Declaration, Exhibits hereto, Rules and Regulations promulgated by the Board of Administration, and the Condominium Act shall be cumulative and non-exclusive and none shall exclude, jointly or severally, any other right, remedy or relief permitted by law or otherwise available to the Association.

17.02 Failure by the Association to enforce or declare a violation of the terms and conditions of this Declaration, Exhibits hereto, Rules and Regulations promulgated by the Board of Administration, or the Condominium Act upon occurrence thereof or any delay in taking any action in connection therewith shall not be considered a waiver of such violation and any express waiver of such violation (which must be in writing to be effective) shall not be considered a continuing waiver and upon any subsequent violation, the Association shall not be deemed to have waived its rights to declare such violation and exercise concurrently or severally any rights, remedies or relief the Association may have.

XVIII. The Association

18.01 The document creating the Association is attached hereto and made a part hereof as Exhibit "C." The operation of the Condominium Property shall be governed by the By-Laws of the Association, a copy of which are attached hereto and made a part hereof as Exhibit "D." The By-Laws may be modified or amended as provided therein. No amendment to said By-Laws shall be adopted which would affect or impair the validity or priority of any mortgage covering any Condominium Parcel. Defects or omissions in the By-Laws shall not affect the validity of the Condominium or the title to Condominium Units.

18.02 The operation of the Condominium shall be by the Association which must be a corporation not for profit. The Owners of Units shall be members of the Association. The officers and directors of the Association have a fiduciary relationship to the Unit Owners.

18.03 The Association may contract, sue or be sued with respect to the exercise or non-exercise of its powers. For these purposes, the powers of the Association include, but are not limited to, the maintenance, management and operation of the Condominium Property. After control of the Association is obtained by Unit Owners, other than the Developer, the Association may institute, maintain, settle or appeal actions or hearings in its name on behalf of all Unit Owners concerning matters of common interest. The Association has the authority to maintain a class action; the Association may be joined in an action as representative of that class with reference to litigation and

disputes involving the matters for which the Association could bring a class action. Nothing herein limits any statutory or common law right of any individual Unit Owner or class of Unit Owners to bring any action which may otherwise be available.

18.04 A Unit Owner does not have any authority to act for the Association by reason of being a Unit Owner.

18.05 The powers and duties of the Association include those set forth in this section and those set forth in the Declaration and By-Laws if not inconsistent with this Declaration and the law.

18.06 The Association has the irrevocable right to access to each Unit during reasonable hours when necessary for the maintenance, repair or replacement of any Common Elements, or of making emergency repairs necessary to prevent damage to the Common Elements or to another Unit or Units.

18.07 The Association has the power to make and collect Assessments, and to lease, maintain, repair and replace the Common Elements.

18.08 The Association shall maintain accounting records for the Condominium according to good accounting practices. The records shall be open to inspection by Unit Owners or their authorized representatives at reasonable times.

18.09 The Association has the power to purchase Units in the Condominium and to acquire and hold, lease mortgage and convey them.

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

18.11 The Association has the authority, without the joinder of any Unit Owner, to modify or move any easement for ingress or egress or for the purposes of utilities if the easement constitutes part of or crosses the Condominium Property. This subsection does not authorize the Association to modify or move any easement created in whole or in part for the use or benefit of anyone, other than the Unit Owners, without their consent or approval as required by law or the approval as required by law or the instrument creating the easement.

18.12 Maintenance and repair of the Common Elements, except as otherwise provided herein, is the responsibility of the Association.

18.13 The Association may acquire, convey, lease or mortgage Association real property upon the approval of fifty (50%) percent of the total voting interests in the Association.

XIX. Membership in Association

19.01 The Association was created to perform the acts and duties of the management of the Units and Common Elements defined and described in this Declaration, and to levy and enforce collection of Assessments necessary to perform said acts and duties.

19.02 All Unit Owners shall automatically be members of the Association, and said membership shall terminate when they no longer own said Units.

XX. Common Expenses and Common Surplus

20.01 Common Expenses include the expenses of the operation, maintenance, repair or replacement of the Common Elements, utilities for the entire Condominium, costs of carrying out the powers and duties of the Association and any other expense designated as Common Expenses by this Declaration, the documents creating the Condominium, or the By-Laws.

20.02 Funds for the payment of Common Expenses shall be assessed against Unit Owners in the proportions or percentages provided in the Declaration. A Unit Owner's share of Common Expenses shall be in the same proportion as his ownership interest in the Common Elements.

20.03 Common Surplus is owned by Unit Owners in the same shares as their ownership interest in the Common Elements.

20.04 The cost of a master antenna television system or duly franchised cable television service supplied pursuant to a bulk contract shall be deemed a Common Expense in accordance with Section 718.115 of the Florida Statutes.

XXI. Assessments; Liabilities; Lien and Priority; Interest Collection

21.01 A Unit Owner, regardless of how title is acquired, including a purchaser at a judicial sale, shall be liable for all Assessments coming due while he is the Unit Owner. In a voluntary conveyance, the grantee shall be jointly and severally liable with the grantor for all unpaid Assessments against the grantor for his share of the Common Expenses up to the time of the conveyance, without prejudice to any right the grantee may have to recover from the grantor the amounts paid by the grantee.

21.02 The liability for Assessments may not be avoided by waiver of the use or enjoyment of any Common Elements or by abandonment of the Unit for which the Assessments are made.

21.03 Assessments and installments on them not paid when due bear interest from the date when due until paid at the maximum interest rate permitted by law, and at the sole discretion of the Board of Administration, a late charge not to exceed the greater of twenty-five dollars (\$25.00) or five (5%) percent of each installment of the Assessment for each delinquent installment that the payment is late shall be due and payable.

21.04 (1) The Association shall have a lien on each Condominium Parcel for unpaid Assessments, with interest and for reasonable attorneys' fees incurred by the Association incident to the collection of the Assessment or enforcement of the lien. The lien is effective from and after recording a claim of lien in the Public Records in the County in which the Condominium Parcel is located.

(2) Subject to the provisions of Article 21.06 hereof, the lien for Assessment shall be subordinate and inferior to the lien of any Institutional First Mortgagee recorded prior to the recording of the claim of lien of the Association regardless of when said Assessment was due, but shall not be subordinate and inferior to the lien of any other mortgage or lien of whatsoever nature or kind.

21.05 (1) The Association may bring an action in its name to foreclose a lien for Assessments in the manner a mortgage of real property is foreclosed and may also bring an action to recover a money judgment for the unpaid Assessments without waiving any claim of lien. The remedies provided herein shall be non-exclusive and cumulative and shall not exclude any other remedy available to the Association by this Declaration, law or otherwise.

(2) If the Unit Owner remains in possession of the Unit and the claim of lien is foreclosed, and if ordered by the Court, the Unit Owner shall pay a reasonable rental for the Unit and the Association is entitled to the appointment of a receiver to collect the rent.

(3) The Association has the power to purchase the Condominium Parcel at the foreclosure sale and to hold, lease, mortgage and convey it.

21.06 An Institutional First Mortgagee who acquires title to the Unit by foreclosure or by deed in lieu of foreclosure is liable for the unpaid assessments that became due prior to the Mortgagee's receipt of the deed. However, the Mortgagee's liability for unpaid assessments is limited by Section 718.116, Florida Statutes.

21.07 No person may acquire an interest in a Unit, except through foreclosure of a first mortgage of record or by acceptance of a deed in lieu of foreclosure, as specifically

provided herein, including, without limitation, persons acquiring title by operation of law and purchasers at judicial sales until such time as all unpaid Assessments due and owing by the former Unit Owner have been paid.

21.08 Any Unit Owner has the right to require from the Association a certificate showing the amount of unpaid Assessments against him with respect to his Condominium Parcel. The holder of a mortgage or other lien of record has the same right as to any Condominium Parcel upon which he has a lien.

21.09 No Unit Owner may be excused from the payment of his share of the Common Expenses of the Condominium unless all Unit Owners are likewise proportionately excused from payment, except as provided in Article 21.06 and except that the Developer may be excused from the payment of its share of the Common Expenses while its guarantee is in effect.

21.10 Assessments shall include, but not be limited to, those charges against Unit Owners provided in Article Nine of the By-Laws, as well as this Declaration, Exhibits hereto and the Condominium Act.

XXII. Obligations and Restrictions of Members and Owners

In addition to the other obligations and duties heretofore set forth in this Declaration, every Unit Owner shall:

22.01 Promptly pay the Assessments levied by the Association.

22.02 Maintain in a clean and sanitary manner and repair his Unit and all interior surfaces within or surrounding his apartment Unit (such as the surfaces of the walls, ceilings, floors, etc.) whether or not a part of the Unit or Common Elements which are a part of the Unit, and maintain and repair the fixtures therein.

22.03 Not use or permit the use of his Residential Unit except for residential purposes, and with respect to all Units, for uses consistent with the laws of government authorities having jurisdiction over the property.

22.04 Not permit or suffer anything to be done or kept in his Unit which would increase the insurance rates on his Unit or the Common Elements, or which will obstruct or interfere with the rights of other members or annoy them with unreasonable noises or otherwise; nor shall a member commit or permit any nuisance, immoral or illegal act in his Unit or on the Common Elements.

22.05 Conform to and abide by the By-Laws and uniform rules and regulations in regard to the use of the Unit and Common Elements which may be adopted in writing from time to time by the Association, and to see that all persons using the Owner's property, by, through or under him do likewise.

22.06 Make no alteration, decoration, repair, replacement or change of the Common Elements or to any outside or exterior portion of the building without the prior written consent of the Association.

22.07 Allow the Board of Administration or the authorized agents of the Association to enter any Unit for the purpose of maintenance, repair or replacement of any Common Elements or for making emergency repairs which are necessary to prevent damage to the Common Elements or to another Unit or Units.

22.08 Show no sign, advertisement or notice of any type on the Common Elements or his Unit, and erect no exterior antennas and aerials, except as provided in uniform regulations promulgated by the Association.

22.09 Abide by any regulations regarding children as may be established by the Association, except that no regulations shall prohibit children from residing in or occupying a Residential Unit.

22.10 Make no repairs to any plumbing or electrical wiring within a Unit, except by plumbers or electricians authorized to do such work by the management of the Association. Plumbing and electrical repairs within a Unit shall be paid for and shall be the financial obligation of the Owner of the Unit. The Association shall pay for and be responsible for plumbing repairs and electrical wiring within the Common Elements.

22.11 Return the Condominium Parcel for the purpose of ad valorem taxes to the respective taxing authorities having jurisdiction over them for separate Assessment against his Condominium Parcel. For the purposes of ad valorem taxation, the interest of the Owner of a Condominium Parcel in his Unit and in the Common Elements shall be considered as a Unit. The value of said Unit shall be equal to the proportion or percentage of the value of the entire Condominium, including land and improvements, as has been assigned to said Unit in Exhibit "B" of this Declaration. The total of all said proportions or percentages equals the value of all of the land and improvements thereon.

23.12 Use the parking areas in accordance with the rules and regulations promulgated by the Association.

22.13 No window balconies or exterior windows shall be extended, covered, enclosed or decorated in any manner

whatsoever by a Unit Owner without the prior written consent of the Board of Administration.

22.14 Not divide or subdivide a Unit for purpose of sale or lease. Notwithstanding the foregoing, a Unit may be combined with a contiguous Unit and with respect to Residential Units, be occupied as one dwelling Residential Unit. Subject to the provisions of Section 718.110(4), Florida Statutes, a combination of contiguous Units shall not be deemed an amendment to the Declaration. Further, any such combination shall not materially alter the configuration of a Unit.

22.15 Not hang any laundry, garments or other objects which are visible from outside of the Unit, except for draperies, blinds, shades or other suitable window coverings. Decorative window coverings shall not include any type of reflective film on any glass windows or doors.

22.16 Not allow any rubbish, refuse, garbage or trash to accumulate in places other than the receptacles provided therefor, so that each Unit, the Common Elements and Limited Common Elements shall at all times remain in a clean and sanitary condition.

22.17 Not make any use of a Unit that violates any laws, ordinances and regulations of any governmental body having jurisdiction thereof.

22.18 No pet(s) may be kept in a Unit. No pet(s) of any kind shall be allowed within a Unit or on the Condominium Property.

XXIII. Transfer of Association Control

23.01 In accordance with the Condominium Act, there shall be a period of Developer control during which Developer, at its sole discretion, may appoint, remove and replace any Director, and the Board of Administration shall consist solely of Directors appointed by and determined by Developer. Unit Owners other than Developer shall be entitled to elect members of the Board of Administration at such times as are prescribed in Section 718.301, Florida Statutes.

23.02 If the Developer holds Units for sale in the ordinary course of business, none of the following actions may be taken without approval in writing by the Developer:

(1) Assessment of the Developer as a Unit owner for capital improvements.

(2) Any action by the Association that would be detrimental to the sale of Units by the Developer; provided, however, that an increase in Assessments for Common Expenses

without discrimination against the Developer shall not be deemed to be detrimental to the sale of Units.

XXIV. Rights Reserved Unto Institutional First Mortgagees

So long as any Institutional First Mortgagee or Institutional First Mortgagees shall hold any mortgage upon any Condominium Unit or Condominium Units or shall be the owner of any Condominium Unit or Condominium Units and complies with the provisions of Section 24.05 hereof, such Institutional First Mortgagee or Institutional First Mortgagees shall have the following rights, to-wit:

24.01 To be entitled to be furnished with at least one copy of the annual financial statement and report of the Association prepared by a certified public accountant designated by the Association, including a detailed statement of annual carrying charges or income collected and operating expenses, such financial statements and report to be furnished, upon written demand, within ninety (90) days following the end of each calendar year.

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

24.03 To be given notice of default by any member owning any Unit encumbered by a mortgage held by an Institutional First Mortgagee or Institutional First Mortgagees, such notice to be given in writing and sent to the principal office of such Institutional First Mortgagee or Institutional First Mortgagees, or to the place which it or they may designate in writing to the Association.

24.04 To cause the Association to create and maintain an escrow account for the purpose of assuring the availability of funds with which to pay premium or premiums due from time to time on insurance policy or policies which the Association is required in keep in existence, it being understood that the Association shall deposit in an escrow depository satisfactory to the Institutional First Mortgagee having the highest dollar indebtedness on Units in the Condominium Property a monthly sum equal to one twelfth (1/12th) of the annual amount of such insurance expense and to contribute such other sums as may be required therefor to the end that there shall be on deposit in said escrow account at least one (1) month prior to the due date for payment of such premium or premiums a sum which will be sufficient to make full payment therefor.

24.05 Whenever any Institutional First Mortgagee or Institutional First Mortgagees desire(s) the provisions of this Article to be applicable unto them, they shall serve written notice

of such fact upon the Association by registered mail or certified mail addressed to the Association and sent to its address stated herein with a copy by registered or certified mail addressed to the Institutional First Mortgagee having the highest dollar indebtedness on Units in the Condominium Property, which written notices shall identify the Condominium Parcel or Condominium Parcels upon which any such Institutional First Mortgagees hold any mortgage or mortgages or identifying any Condominium Parcel owned by it or them, and which notice shall designate the place to which notices are to be given by the Association to such Institutional First Mortgagee or Institutional First Mortgagees.

24.06 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 First Mortgagee owning and holding the total highest dollar indebtedness against the Condominium Parcels in the Condominium Property, then said Institutional First 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 mortgagee shall have a right of action against the Association and the individual Unit Owners for the repayment of any monies so advanced.

24.07 If two (2) or more Institutional First Mortgagees hold any mortgage or mortgagee upon any Condominium Parcel or Condominium Parcels and/or shall be the Owner of any Condominium Parcel or Condominium Parcels, the exercise of the rights above described or manner of exercising said rights shall vest in the Institutional First Mortgagee holding the total highest dollar indebtedness against condominium Parcels in the Condominium Property, and the decision of such Institutional First Mortgagee shall be controlling.

24.08 FHLMC Guidelines: Notwithstanding anything contained in this Declaration to the contrary, it is the intent of Developer to comply with the requirements of the Federal Home Loan Mortgage Corporation (FHLMC) established as of the date hereof. Specifically, the following provisions are hereby made a part of this Declaration:

Except as provided by statute, in the case of condemnation or substantial loss to the Units and/or Common Elements of the Condominium project, unless at least two thirds (2/3) of the first mortgagees (based upon one (1) vote for each first mortgage owned) or Owners (other than the Developer) of the individual Condominium Units have given their prior

approval, the Association shall not be entitled to:

(a) by act or omission, seek to abandon or terminate the Condominium project;

(b) change the pro rata interest or obligations of any individual Condominium Unit for the purpose of:
(i) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (ii) determining the pro rata share of ownership of each Condominium Unit in the Common Elements;

(c) partition or subdivide any Condominium Unit;

(d) by act or mission, seeking to abandon, partition, subdivide, encumber, sell or transfer the Common Elements. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the Condominium project shall not be deemed a transfer within the meaning of this clause);

(e) use hazard insurance proceeds for losses to any Condominium Property (whether to Units or to Common Elements) for other than repair, replacement or reconstruction of such Condominium property.

XXV. Commercial Units

There will seven (7) Commercial Units in the Condominium. Although a specific initial use may be indicated for the Commercial Units only by the Developer, the Commercial Units shall be used for retail and office purposes only, except that the Commercial Units may not be used for medical use, as a night club or bar, any activity serving alcohol, for adult entertainment, for adult bookstore, or any other use in violation of applicable zoning codes or other such ordinances, and may not be transferred, conveyed, leased or disposed of without the consent of the Association. Furthermore, the Developer reserves the right, at any time, to convey any or all of the Commercial Units to the Association, and the Association shall be obliged to accept same. Upon the conveyance of a Commercial Unit to the Association, the percentage of Common Expense and ownership to Common Elements attributable to

any Commercial Unit conveyed to the Association shall be deemed transferred to the Association, as well. The Commercial Units shall be used in accordance with applicable laws, including, but not limited to, Chapter 718 of the Florida Statutes and zoning regulations of the City of Pensacola. No action may be taken which adversely affects the rights and interests of the Commercial Unit Owners without their prior written consent.

XXVI. 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, or month to month tenancies, or other types of tenancies heretofore or hereinafter consummated and agreed upon. Such tenants of Developer shall have the full right and authority to continue to occupy said premises in accordance with their lease agreements or other types of tenancies and to use and enjoy on a nonexclusive basis all Common Elements of the Condominium and the recreational facilities without any cost or expense.

XXVII. Limited Warranties

No converter reserve account has been established pursuant to Section 718.618(7), Florida Statutes. Therefore, pursuant to Section 718.618(7), Florida Statutes the Developer grants to the purchaser of each condominium unit an implied warranty of fitness and merchantability for the purposes of uses intended, as to the roof and structural components of the improvements; as to fireproofing and fire protector systems; and as to mechanical, electrical and plumbing elements serving the improvements, except mechanical elements serving only one unit. To the extent permitted by law, the Developer hereby specifically disclaims any other warranties whether expressed or implied. Developer further disclaims any intent to have made any warranty or representation in connection with the Condominium documents and disclosure materials except as specifically set forth therein, and no person shall rely upon any warranty or representation not so specifically made herein. 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 warranted or guaranteed.

XXVIII. Sales Activity and Developer's Rights

Until the Developer has completed and sold all the Units of the Condominium, neither the Unit Owners nor the Association nor their use of the Condominium shall interfere with the completion of the contemplated improvements and the sale of Units. The Developer (or its duly authorized agents or assigns) may make such use of the unsold Units and the Common Elements 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. It is specifically understood that the Developer has the right and authority to use the reservation office, front desk, manager's office and accounting office and the Common Elements of the Condominium for the purpose of sales and administrative office for so long as Developer has not sold all Units in the Condominium. The Developer may use unsold Units as model units or as sales offices for display purposes to prospective Condominium purchasers. The Developer shall have the right to use parking spaces for prospective purchasers and such other parties as Developer determines. The sales office personal property, model furnishings, signs and all items pertaining to sales shall not be considered Common Elements and shall remain the property of the Developer.

XXIX. Reservation of Name

The Developer reserves the right to use the name "CARLTON PALMS" in any fashion, including, but not limited to, other condominium or residential development. This paragraph cannot be amended without the consent of the Developer.

XXX. Binding Arbitration

All disputes between a Unit Owner and the Developer or between the Association and the Developer shall be resolved by binding arbitration in accordance with the rules of the American Arbitration Association. Without limiting the effect of the foregoing sentence, pursuant to Section 718.1255(4), Florida Statutes, prior to the institution of Court litigation (whether to enforce an arbitration award or otherwise), the parties to a dispute shall petition the Division for nonbinding arbitration.

XXXI. Miscellaneous

31.01 If any provisions of this Declaration, or of the By-Laws attached hereto, or of the Condominium Act, or any section, sentence, clause, phrase or word, or, the application thereof in any circumstance is held invalid, the validity of the remainder of this Declaration, the By-Laws attached or the Condominium Act, and of the application of any such provision, section, sentence, clause, phrase or word in other circumstances shall not be affected thereby.

31.02 Whenever notices are required to be sent hereunder, the same shall be sent to the Unit Owners by regular mail, at their place of residence in the Condominium building, unless the Unit Owner has, by written notice, duly receipted for, specified a different address. Notices to the Association shall be delivered by regular mail to the resident agent. All notices shall

be deemed and considered sent when mailed. Any party may change his or its mailing address by written notice.

31.03 Each Unit Owner and the Association shall be governed by and shall comply with the Condominium Act and this Declaration and By-Laws as they may exist from time to time. Failure to do so shall entitle the Association or any other Unit Owner to recover sums due for damages or injunctive relief or both. Such actions may be maintained by or against a Unit Owner or the Association or in a proper case by or against one or more Unit Owners and the prevailing party shall be entitled to recover reasonable attorneys' fees. Such relief shall not be exclusive of other remedies provided by law.

31.04 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 liberally construed to effectuate its purposes of creating a uniform plan for the operation of the Condominium in accordance with the laws made and provided for the same. As used herein, the term "member" means and refers to any person, natural or corporate, who is a Unit Owner.

31.05 No Unit shall be occupied by more than the legal occupancy limit for that Unit.

31.06 A tenant of any Unit Owner or of the Developer has the same right to use the recreational facilities as that of the Owner of said Unit. In no event shall any individual or family, other than the individual or family residing in the Unit and their guests, be entitled to use said recreational facilities.

31.07 This Declaration and all Exhibits hereto shall be binding upon and inure to the benefit of each Unit Owner, their heirs, personal representatives, successors, assigns and grantees any and all persons claiming by, through or under any Unit Owners.

31.08 The heading and captions used herein are for reference purposes only, are inserted solely as a matter of convenience, and shall not be relied upon and/or used in construing the effect or meaning of any of the text of this Declaration or Exhibits hereto.

IN WITNESS WHEREOF, the Developer has caused these presents to be signed in its name and on its behalf by the appropriate individuals on this 27th day of January 1995.

Signed, Sealed and Delivered
in the Presence of:

Stephen L. Walker
Walter G. Stone

CARLTON PALMS HOTEL, INC.,
a Florida corporation

BY: J. Brandy

STATE OF FLORIDA

COUNTY OF Escambia

The foregoing instrument was acknowledged before me this 27th
day of January, 1995, by Fred BRAIDA, as
President of CARLTON PALMS HOTEL, INC.,

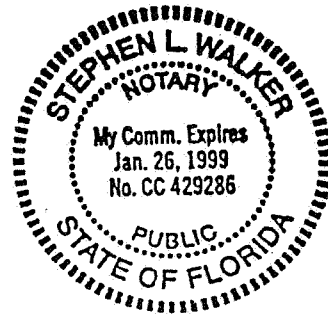
(a) who is personally known to me; or

(b) who has produced a _____ as
identification.

Stephen L. Walker
Notary Public, State of Florida

My Commission Expires:

Stephen L. Walker
(print name)



PENGAD-Bryonae, N. J.

A PORTION OF ARPENT LOTS 48, 49, 50, 66, 67 & 68,
OLD CITY TRACT, CITY OF PENSACOLA, ESCAMBIA
COUNTY, FLORIDA

DESCRIPTION OF COMMON ELEMENTS: The description encompassed by the property description, less the units, all parts of the improvements and the land underlying them, including plumbing and other facilities, and the walls, floors, ceilings, stairs, and other portions of the property which are rationally of common use to the unit and to other units, on easement of support in every building, installations for the support of the portion of a unit which contributes to the support of the building, installations for the support of the portion of a unit which is not a common element or to a unit other than one unit, or to the common elements or to a unit other than one unit, in connection therewith required for the unit and for other units, and the portions of the property which are rationally of common use to the unit and to other units, up to and so fully of the condominium and such other common elements provided by statute.

Drawings of Floor Plans are compiled from plans furnished by Stanley Paul Helle, Architect

*The Elevation shown are based on assumed datum.
Building Outline exclude roof overhang.
Site may be subject to other easements for water, telephone and others.*

SHEET 1 OF 8

REVISED	FIELD BOOK	DATE

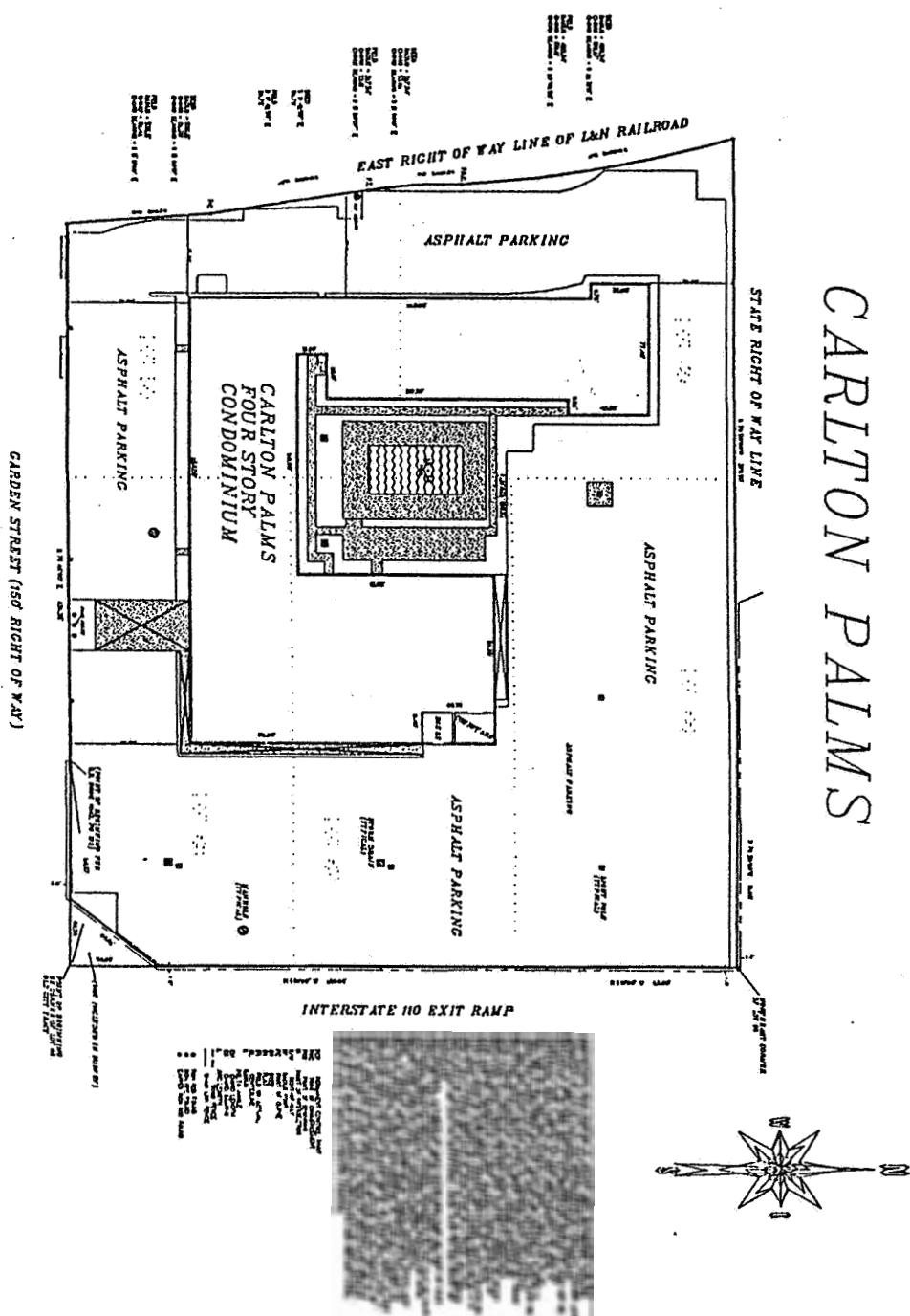
Butler, Polhill, Inc.
LAND SURVEYING
11000 TOLSON BLVD., SUITE 200
FARMINGTON, CT 06030
TEL: 860-655-5555 FAX: 860-655-5554

TYPE SURVEY
CONDOMINIUM
BASIS OF BEING
W RIGHT OF WAY LINE 11
CLIENT CARLTON PALMS

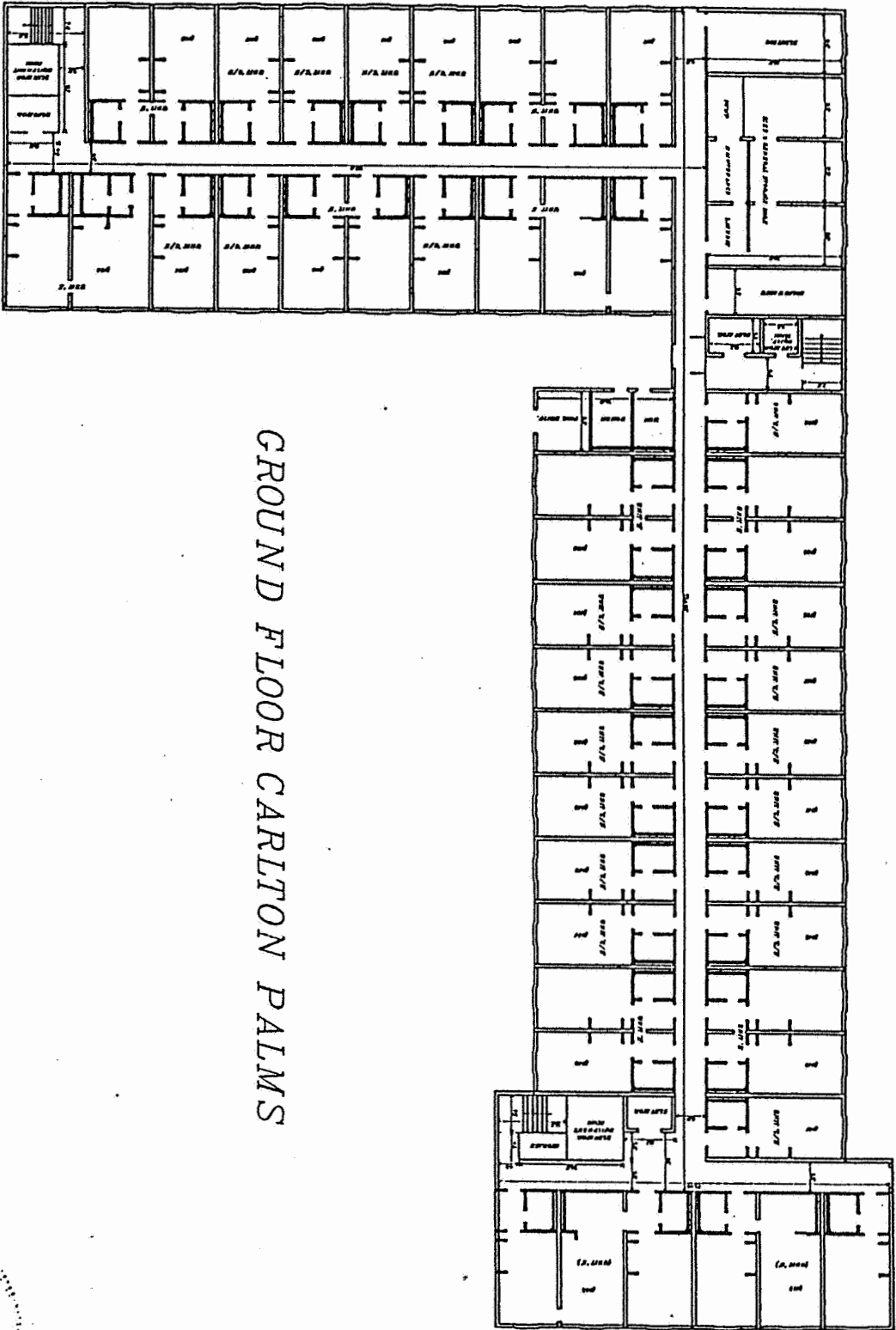
SCALE $\Gamma = 100'$
DATE 14 SEPT 1994
ORDER NO. 94 09 30
FIELD NO. 30/86
DRAWN BY: DJB

THE B TO ENTRY THAT I HAVE RECENTLY LEARNED THE REPORT SUBMITTED IN THE PRECEDING PAGES AND THAT HE WOULD ENTER AND RETURN TO THE UNITED STATES IN THE NEXT 24 HOURS. I AM NOT SURE THAT HE WILL RETURN TO THE UNITED STATES. I AM NOT SURE THAT HE WILL RETURN TO THE UNITED STATES. I AM NOT SURE THAT HE WILL RETURN TO THE UNITED STATES.

VALD DLY
KTH
CHANGING PL



OR BK3714 Pg0861
INSTRUMENT 00184938

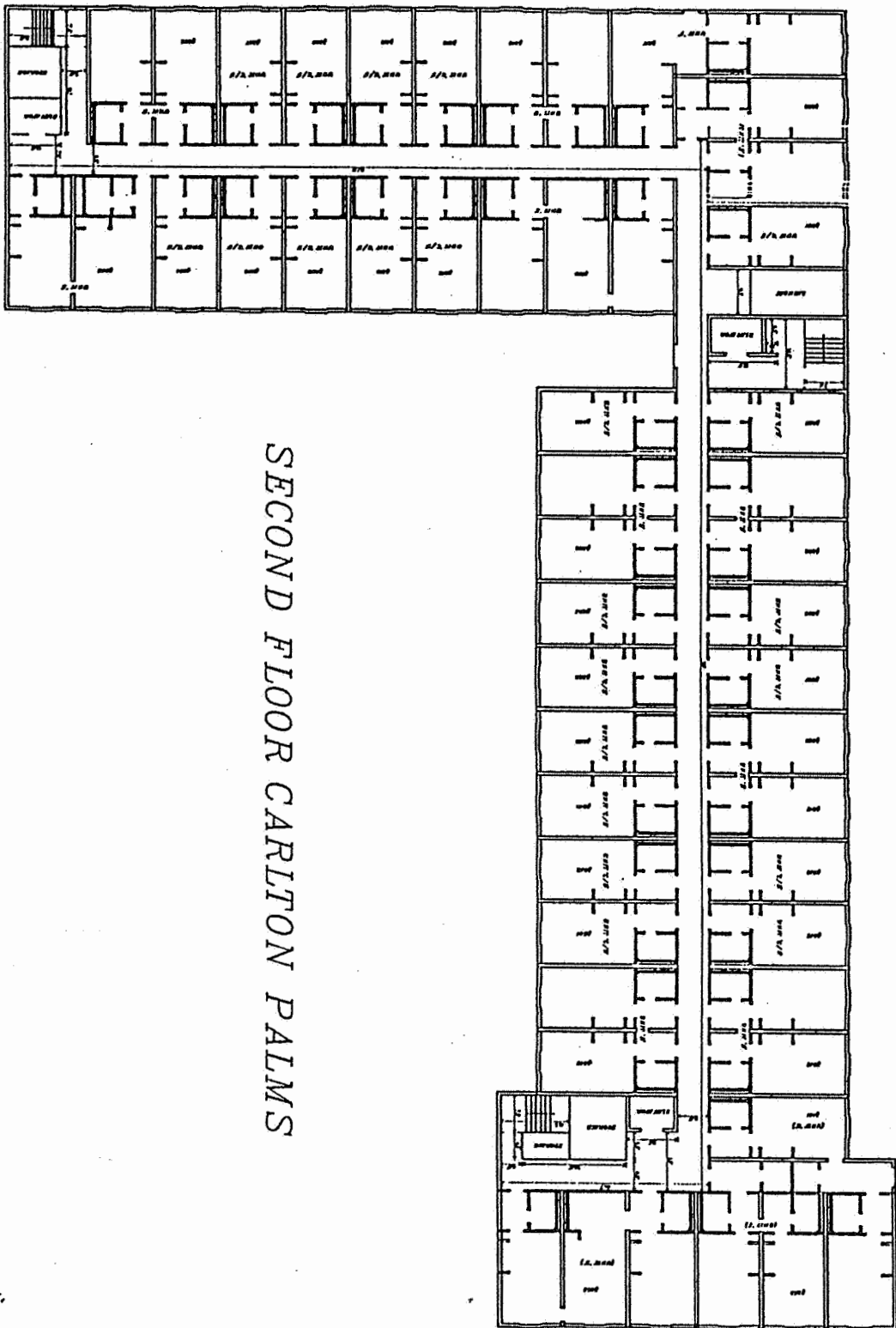


GROUND FLOOR CARLTON PALMS

20106	FILE BOX	DATE
<p>Butler, Polhill, Inc. LAND SURVEYING 11111 1st Street, Suite 100 San Diego, CA 92161 Tel: 619-594-2222 FAX: 619-594-2222</p>		
<p>THE CARLTON CONDOMINIUM BASED ON RECORD C/SMT CARLTON PALMS</p>		
<p>SCALE: 1" = 10' DATE: 12 SEPT 1994 SHEET NO: 30/30 FILE BOX: 20106 DRAWING: D18</p>		
<p>THIS IS TO CERTIFY THAT THE SURVEYING AND RECORDING OF THE CARLTON CONDOMINIUM WAS COMPLETED BY BUTLER, POLHILL, INC. ON SEPTEMBER 12, 1994. THE SURVEYING AND RECORDING OF THE CARLTON CONDOMINIUM WAS COMPLETED BY BUTLER, POLHILL, INC. ON SEPTEMBER 12, 1994. THE SURVEYING AND RECORDING OF THE CARLTON CONDOMINIUM WAS COMPLETED BY BUTLER, POLHILL, INC. ON SEPTEMBER 12, 1994.</p>		

SHEET 30 OF 30

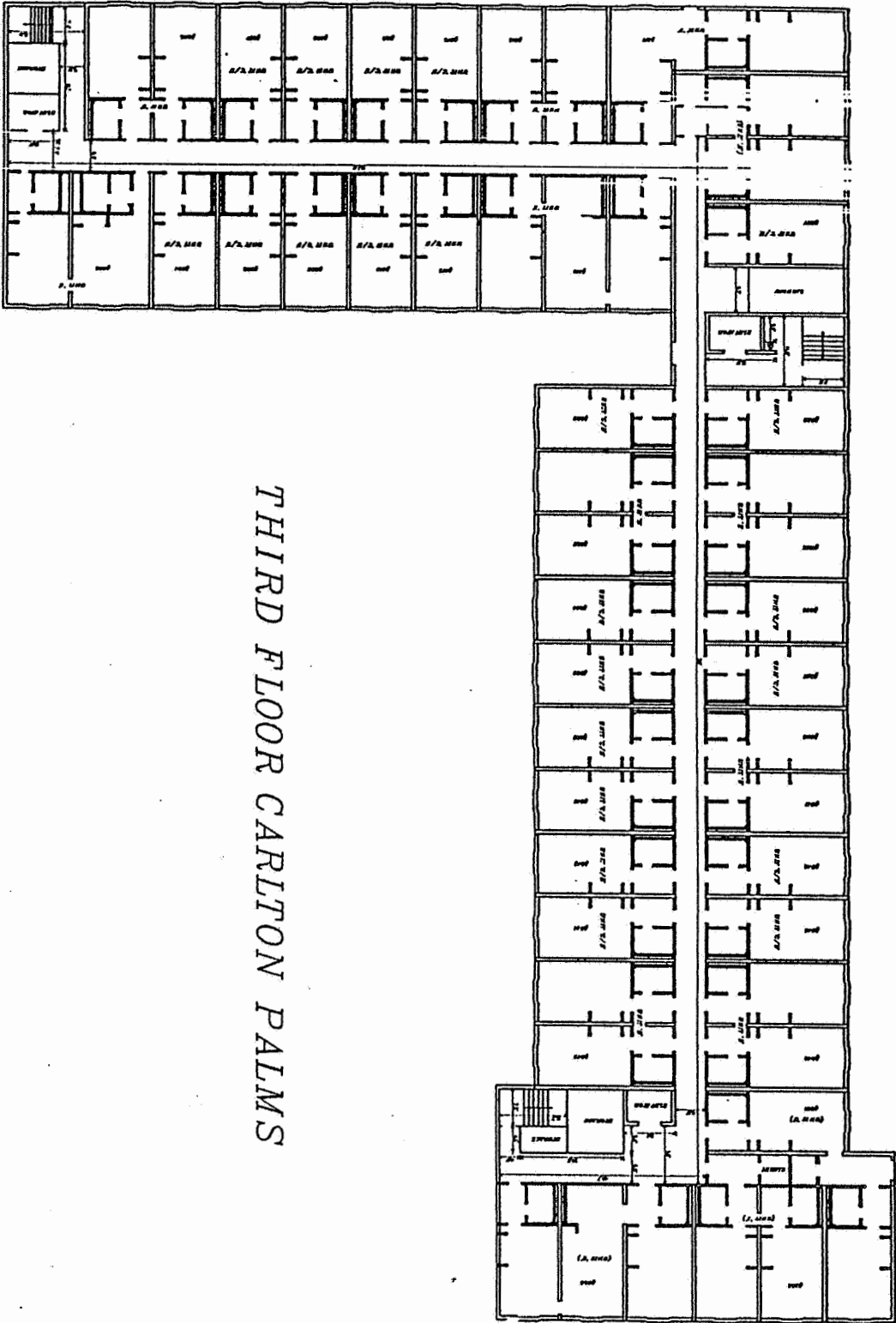
INSTRUMENT 00184938



SECOND FLOOR CARLTON PALMS

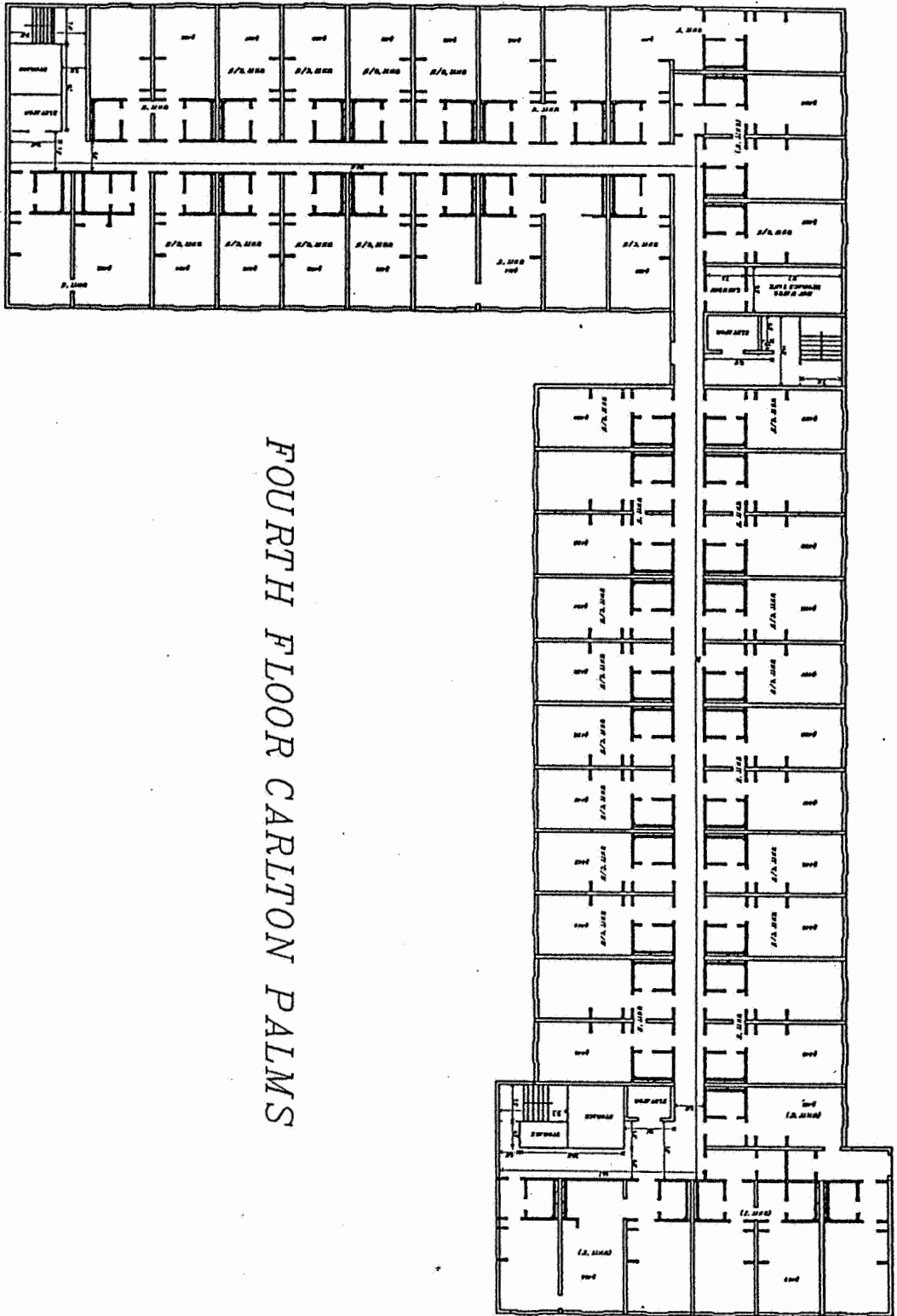
[illegible]

OR Bk3714 Pg0863
INSTRUMENT 00184938



THIRD FLOOR CARLTON PALMS

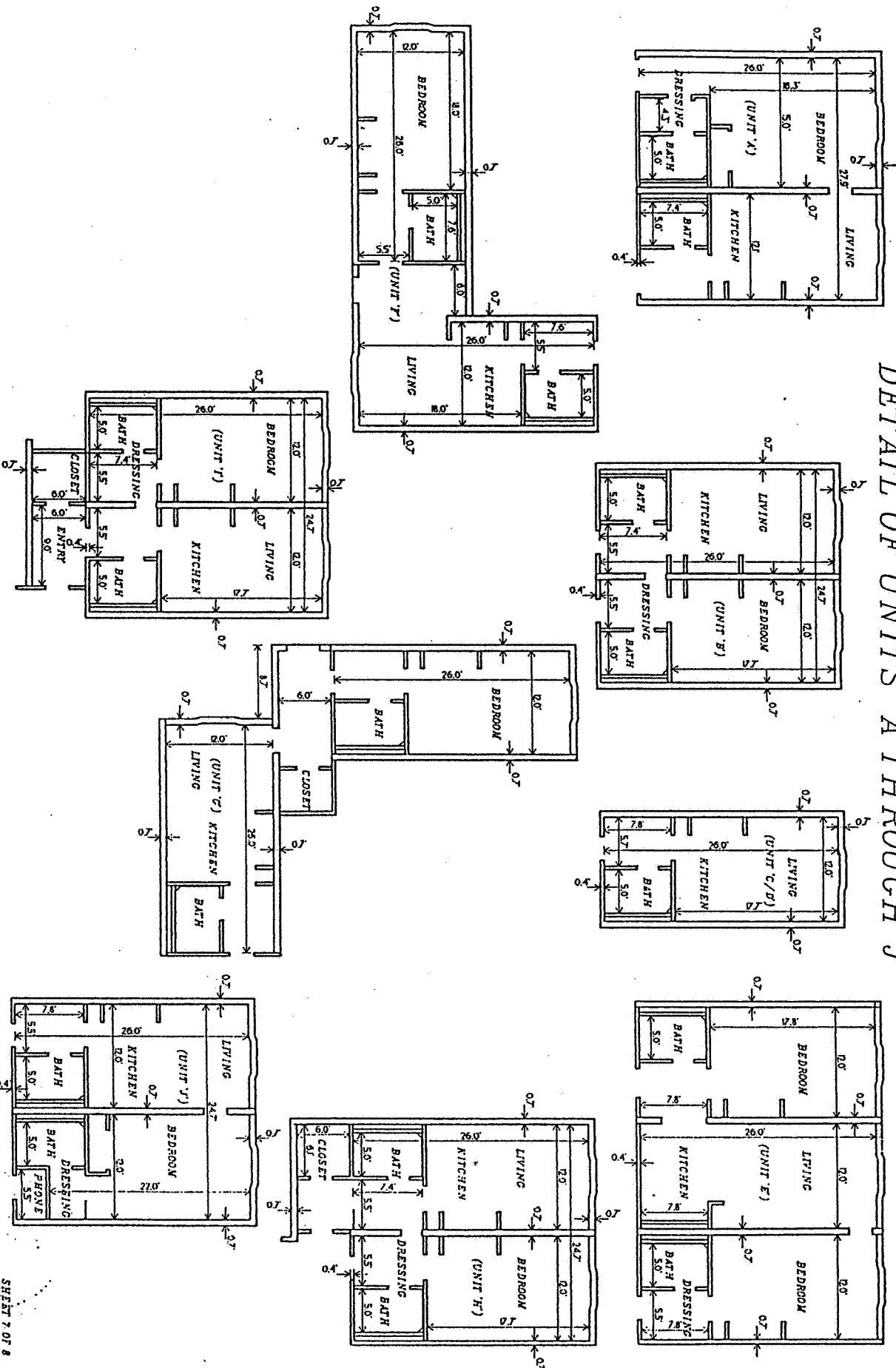
[illegible]





FOURTH FLOOR CARLTON PALMS

REVISIONS	FIELD BOOK	CITE
<p>Butler, Polhill, Inc. LAND SURVEYING 1001 N. 10th St., Suite 100 Phoenix, Arizona 85004 Tel. 94-22-6235 FAX 94-22-6234</p>		
<p>TYPE SURVEY CONDOMINIUM BASIS OF RECORD 1/4 SEPT 1984 A LINE INTERESTS TO N 1110' W CLIENT CARLTON PALMS</p>		
<p>SCALE 1" = 10' DATE 14 SEPT 1984 PLOTTED NO. 94-09-30 FIELD BOOK 30/66 DRAWN BY DRB</p>		
<p>NOT A TO BE USED FOR ANY OTHER PURPOSES WITHOUT THE WRITTEN CONSENT OF BUTLER, POLHILL, INC. THIS SURVEY WAS MADE BY THE SURVEYOR AND IS SUBJECT TO THE RULES AND REGULATIONS OF THE BOARD OF LAND SURVEYING, ARIZONA. A true and correct copy of this survey is on file in the office of the Surveyor General, State of Arizona.</p>		
<p>REGISTERED LAND SURVEYOR NO. 21923 STATE OF ARIZONA</p>		

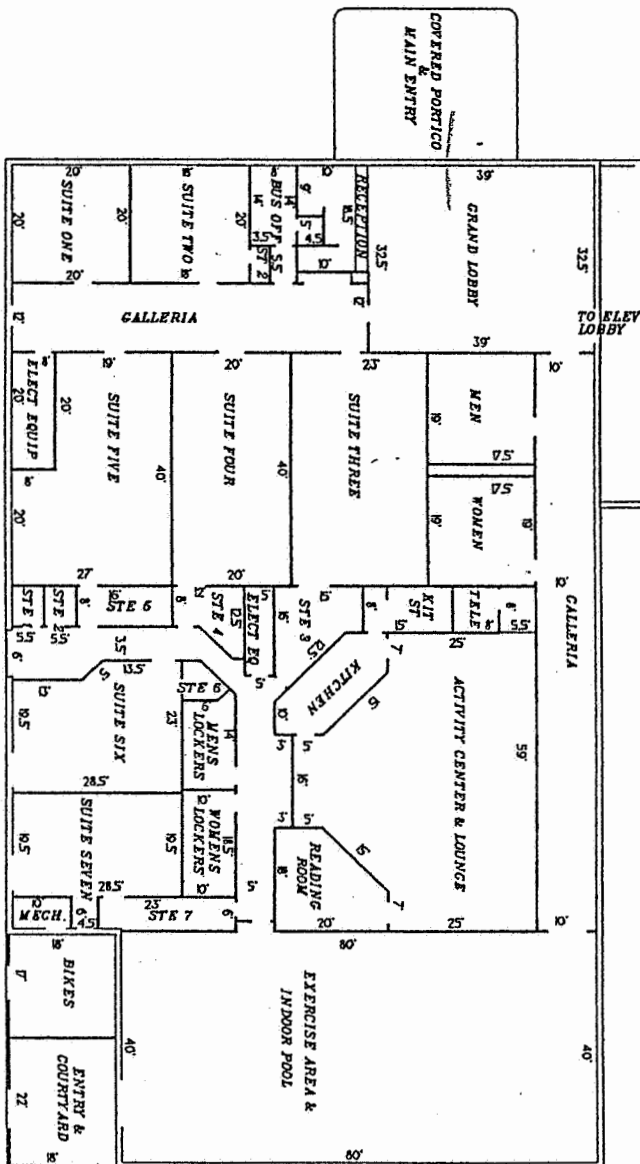
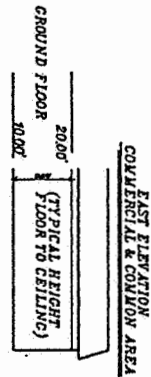
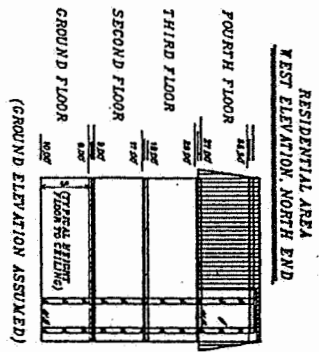
DETAIL OF UNITS 'A THROUGH J'



SHEET 7 OF 8

RECORDS	FILED BOX	DATE
 Butler, Pohill, Inc. LAND SURVEYING OFFICE: 1001 N. LUTHERWOOD MILWAUKEE, WISCONSIN 53201 EAST BRUNSWICK, NEW JERSEY 08816 TEL: 204-412-0239 FAX: 204-412-0234		
THE STREET	CONDOMINIUM	
BEGINS OF RECORD		
CLIENT	CARLTON PALMS	
BOOK <u>1-5</u> DATE <u>14 SEP 1994</u> BOOK NO. <u>94-09-30</u> PAGE NO. <u>30/46</u> DRAWN BY: <u>DJB</u>	SURVEYORS CERTIFICATE I AM A SURVEYOR NOT A PARTY TO THIS SURVEY. I HAVE REVIEWED THE SURVEY RECORDS AND HAVE FOUND THAT THE SURVEY IS IN ACCORDANCE WITH THE SURVEYING ACT AND THE SURVEYING REGULATIONS. I HAVE NO OBJECTION TO THE SURVEY BEING USED FOR THE PURPOSES FOR WHICH IT WAS DESIGNED. DATE: <u>14 SEP 1994</u> SIGNATURE: 	FILED IN OFFICE OF THE SURVEYOR GENERAL

CARLTON PALMS
COMMERCIAL & COMMON AREA
& ELEVATIONS

[illegible]

A schedule of the units, the unit numbers, types, ownership interest in the common elements based on a point system, the approximate square footage and the number of bedrooms and baths follows:

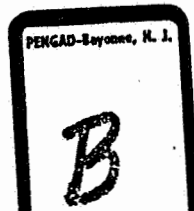
Residential units

GROUND FLOOR						
Unit No.	Unit Type	Assessment Class	Ownership Interest	Square Footage	No. of Bedrooms	Nb. of Baths
102	A	III	.0089289	702	1	2
104	C/D	I	.0051957	312	0	1
105	B	II	.0084671	624	1	2
106	C/D	I	.0051957	312	0	1
107	C/D	I	.0051957	312	0	1
109	C/D	I	.0051957	312	0	1
110	J	II	.0084671	598	1	2
111	C/D	I	.0051957	312	0	1
112	C/D	I	.0051957	312	0	1
113	C/D	I	.0051957	312	0	1
115	B	II	.0084671	624	1	2
117	C/D	I	.0051957	312	0	1
118	E	IV	.0112766	936	2	2
129	C/D	I	.0051957	312	0	1
132	B	II	.0084671	624	1	2
133	B	II	.0084671	624	1	2
134	C/D	I	.0051957	312	0	1
135	C/D	I	.0051957	312	0	1
136	C/D	I	.0051957	312	0	1
137	C/D	I	.0051957	312	0	1
138	C/D	I	.0051957	312	0	1
139	C/D	I	.0051957	312	0	1
140	C/D	I	.0051957	312	0	1
141	C/D	I	.0051957	312	0	1
142	C/D	I	.0051957	312	0	1
143	C/D	I	.0051957	312	0	1
144	C/D	I	.0051957	312	0	1
145	C/D	I	.0051957	312	0	1
148	B	II	.0084671	624	1	2
149	B	II	.0084671	624	1	2
151	C/D	I	.0051957	312	0	1
153	E	IV	.0112766	936	2	2
155	E	IV	.0112766	936	2	2

SECOND FLOOR

202	A	III	.0089289	702	1	2
204	C/D	I	.0051957	312	0	1
205	B	II	.0084671	624	1	2
206	C/D	I	.0051957	312	0	1
207	C/D	I	.0051957	312	0	1
208	C/D	I	.0051957	312	0	1
209	C/D	I	.0051957	312	0	1
210	C/D	I	.0051957	312	0	1

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SECOND FLOOR CON'T

211	C/D	I	.0051957	312	0	1
212	C/D	I	.0051957	312	0	1
213	C/D	I	.0051957	312	0	1
215	B	II	.0084671	624	1	2
217	F	III	.0089289	708	1	2
218	E	IV	.0112766	936	2	2
225	H	III	.0089289	717	1	2
227	C/D	I	.0051957	312	0	1
228	C/D	I	.0051957	312	0	1
229	C/D	I	.0051957	312	0	1
232	B	II	.0084671	624	1	2
233	B	II	.0084671	624	1	2
234	C/D	I	.0051957	312	0	1
235	C/D	I	.0051957	312	0	1
236	C/D	I	.0051957	312	0	1
237	C/D	I	.0051957	312	0	1
238	C/D	I	.0051957	312	0	1
240	C/D	I	.0051957	312	0	1
241	B	II	.0084671	624	1	2
242	C/D	I	.0051957	312	0	1
243	C/D	I	.0051957	312	0	1
244	C/D	I	.0051957	312	0	1
245	C/D	I	.0051957	312	0	1
248	B	II	.0084671	624	1	2
249	B	II	.0084671	624	1	2
251	G	III	.0089289	749	1	2
253	I	III	.0089289	738	1	2
255	E	IV	.0112766	936	2	2

THIRD FLOOR

302	A	III	.0089289	702	1	2
304	C/D	I	.0051957	312	0	2
305	B	II	.0084671	624	1	2
306	C/D	I	.0051957	312	0	1
307	C/D	I	.0051957	312	1	1
308	C/D	I	.0051957	312	0	1
309	C/D	I	.0051957	312	0	1
310	C/D	I	.0051957	312	0	1
311	C/D	I	.0051957	312	0	1
312	C/D	I	.0051957	312	0	1
313	C/D	I	.0051957	312	0	1
315	B	II	.0084671	624	1	2
317	F	III	.0089289	708	1	2
318	E	IV	.0112766	936	2	2
325	H	III	.0089289	717	1	2
327	C/D	I	.0051957	312	0	1
328	C/D	I	.0051957	312	0	1

FOURTH FLOOR CON'T

438	C/D	I	.0051957	312	0	1
440	C/D	I	.0051957	312	0	1
441	B	II	.0084671	624	0	2
442	C/D	I	.0051957	312	0	1
443	C/D	I	.0051957	312	0	1
444	C/D	I	.0051957	312	0	1
445	C/D	I	.0051957	312	0	1
448	B	II	.0084671	624	1	2
449	B	II	.0084671	624	1	2
451	G	III	.0089289	749	1	2
453	I	III	.0089289	738	1	2
455	E	IV	.0112766	936	2	2

COMMERCIAL UNITS

Unit No.	Unit Type	Assessment Class	Ownership Interest	Square Footage
One	Suite	V	.0056960	424
Two	Suite	V	.0056960	445
Three	Suite	VIII	.0114306	1088
Four	Suite	VII	.0096986	878
Five	Suite	VIII	.0114306	1024
Six	Suite	VI	.0086980	635
Seven	Suite	VI	.0086980	665

ASSESSMENT CLASSIFICATION FOR CARLTON PALMS CONDOMINIUM

CLASS I .0051957 EACH TOTAL .4572216

88 STUDIO UNITS EACH CONSIST OF 312 SQUARE FEET

CLASS II .0084671 EACH TOTAL .2370788

27 "B" UNITS EACH CONSIST OF 624 SQUARE FEET

1 "J" UNIT EACH CONSIST OF 596 SQUARE FEET

CLASS III .0089289 EACH TOTAL .1428624

4 "A" UNITS EACH CONSIST OF 702 SQUARE FEET

3 "F" UNITS EACH CONSIST OF 708 SQUARE FEET

3 "G" UNITS EACH CONSIST OF 749 SQUARE FEET

3 "H" UNITS EACH CONSIST OF 717 SQUARE FEET

3 "I" UNITS EACH CONSIST OF 738 SQUARE FEET

CLASS IV .0112766 EACH TOTAL .1014894

9 "E" UNITS EACH CONSIST OF 936 SQUARE FEET

CLASS V .0056960 EACH TOTAL .0113920

SUITE ONE CONSISTS OF 424 SQUARE FEET

SUITE TWO CONSISTS OF 445 SQUARE FEET

CLASS VI .0086980V EACH TOTAL .0173960

SUITE SIX CONSISTS OF 635 SQUARE FEET

SUITE SEVEN CONSISTS OF 665 SQUARE FEET

CLASS VII .0096986 EACH TOTAL .0096986

SUITE FOUR CONSISTS OF 878 SQUARE FEET

CLASS VIII .0114306 EACH TOTAL .0228612

SUITE THREE CONSISTS OF 1088 SQUARE FEET

SUITE FIVE CONSISTS OF 1024 SQUARE FEET

OR 680714 Pg0872

INSTRUMENT 00184988

FILED

95 JAN 27 AM 11:30

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLES OF INCORPORATION

OF

CARLTON PALMS CONDOMINIUM ASSOCIATION, INC.
(A Florida Corporation Not-For-Profit)

* * *

In order to form a corporation not-for-profit under and in accordance with Chapter 617 of the Florida Statutes, we, the undersigned, hereby associate ourselves into a corporation not-for-profit for the purposes and with the powers hereinafter set forth and to that end we do, by these Articles of Incorporation, certify as follows:

EXPLANATION OF TERMINOLOGY

The terms contained in these Articles which are contained in the Declaration of Condominium ("Declaration") creating CARLTON PALMS, A CONDOMINIUM ASSOCIATION, shall have the meaning of such terms set forth in the Declaration.

ARTICLE INAME

The name of this Association shall be CARLTON PALMS CONDOMINIUM ASSOCIATION, INC., whose present address is 224 East Garden Street, Pensacola, Florida 32501.

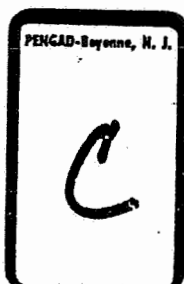
ARTICLE IIPURPOSE OF ASSOCIATION

The purpose for which this Association is organized is to maintain, operate and manage the Condominium and to operate, lease, trade, sell and otherwise deal with the personal and real property thereof.

ARTICLE IIIPOWERS

The Association shall have the following powers which shall be governed by the following provisions:

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A. The Association shall have all of the common law and statutory powers of a corporation not-for-profit and all powers set forth in the Florida Statutes, Chapter 718 (the "Act"), and Florida Statutes, Chapter 617 and under the terms of the Declaration, these Articles, and the By-Laws which are not in conflict with the Act.

B. The Association shall have all of the powers of an owners association under the Act and shall have all of the powers reasonably necessary to implement the purposes of the Association, including, but not limited to, the following:

1. to make, establish and enforce reasonable Rules and Regulations governing the Condominium and the use of Units;

2. to make, levy, collect and enforce Special Assessments and Annual Assessments against Owners and to provide funds to pay for the expenses of the Association and the maintenance, operation and management of the Condominium in the manner provided in the Declaration, these Articles, the By-Laws and the Condominium Act and to use and expend the proceeds of such Assessments in the exercise of the powers and duties of the Association;

3. to maintain, repair, replace and operate the Condominium in accordance with the Declaration, these Articles, the By-Laws and the Act;

4. to reconstruct improvements of the Condominium in the event of casualty or other loss in accordance with the Declaration;

5. to enforce by legal means the provisions of the Declaration, these Articles, the By-Laws and the Act; and,

6. to employ personnel, retain independent contractors and professional personnel and enter into service contracts to provide for the maintenance, operation and management of the Condominium and to enter into such other agreements that are consistent with the purpose of the Association.

ARTICLE IV

MEMBERS

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

A. Until such time as the recordation of the Declaration, the Members of this Association shall be comprised solely of the Subscribers ("Subscriber Members") to these Articles/ and in the event of the resignation or termination of any Subscriber Member, the remaining Subscriber Members may nominate and designate

a successor Subscriber Member. Each of the Subscriber Members shall be entitled to cast one (1) vote on all matters requiring a vote of the Members.

B. Upon the recordation of the Declaration, the Subscriber Members' rights and interests shall be automatically terminated and the Owners, which in the first instance means Developer as the owner of the Units, shall be entitled to exercise all of the rights and privileges of Members.

C. Membership in the Association shall be established by the acquisition of ownership of a Condominium Unit in the property as evidenced by the recording of an instrument of conveyance amongst the Public Records of Escambia County, Florida, whereupon, the membership in the Association of the prior Owner thereof, if any, shall terminate. New Members shall deliver a true copy of the recorded deed or other instrument of acquisition of title to the Association.

D. No Member may assign, hypothecate or transfer in any manner his membership in the Association or his share in the funds and assets of the Association except as an appurtenance to his Condominium Unit.

E. With respect to voting, the Members as a whole shall vote. Each Condominium Unit with respect to all matters upon which owners (other than the Developer) are permitted or required to vote as set forth in the Declaration, these Articles or By-Laws shall be entitled to one vote for each Unit owned which vote shall be exercised and cast in accordance with the Declaration, these Articles and the By-Laws.

ARTICLE V

TERM

The term for which this Association is to exist shall be perpetual.

ARTICLE VI

SUBSCRIBERS

The name and address of the Subscribers to these Articles are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Thomas Solose	224 East Garden Street Pensacola, FL 32501
Cindy Solose	224 East Garden Street Pensacola, FL 32501
Sandra Ward	224 East Garden Street Pensacola, FL 32501

ARTICLE VII

OFFICERS

A. The affairs of the Association shall be managed by a President, one (1) or several Vice Presidents, a Secretary and a Treasurer and, if elected by the Board, an Assistant Secretary and an Assistant Treasurer, which officers shall be subject to the directions of the Board.

B. The Board shall elect the President, the Vice President, the Secretary, the Treasurer and as many other Vice Presidents, Assistant Secretaries and Assistant-Treasurers as the Board shall from time to time determine appropriate. Such Officers shall be elected annually by the Board at the first meeting of the Board; provided, however, such officers may be removed by such Board and other persons may be elected by the Board as such officers in the manner provided in the By-Laws. The President shall be a Director of the Association, but no other officer need be a Director. The same person may hold two (2) offices, the duties of which are not incompatible.

ARTICLE VIII

FIRST OFFICERS

The names of the officers who are to serve until the first election of officers by the Board are as follows:

President: Thomas Solose
Vice President: Sandra Ward
Secretary/Treasurer: Cindy Solose

The street address of the initial office of this Corporation is 224 East Garden Street, Pensacola, Florida 32501; and the name of the initial registered agent of this Corporation is Tom Solose.

ARTICLE IX

BOARD OF DIRECTORS

A. The form of administration of the Association shall be by a Board of three (3) Directors.

B. The names and addresses of the persons who are to serve as the first Board of Directors ("First Board") are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Tom Solose	224 East Garden Street Pensacola, FL 32501
Cindy Solose	224 East Garden Street Pensacola, FL 32501
Sandra Ward	224 East Garden Street Pensacola, FL 32501

Developer reserves the right to designate successor Directors to serve on the First Board for so long as the First Board is to serve, as hereinafter provided.

C. The First Board shall serve until the initial election meeting, as provided in paragraph D below, or until thirty (30) days after the sending of notice by Developer to the Association that Developer voluntarily waives its right to continue to designate the members of the First Board, whereupon the First Board shall resign and be succeeded by the initial elected board to be elected as provided in paragraph D below.

D. Within seventy-five (75) days after the Unit Owners, other than the Developer, are entitled to elect a member of the Board of Administration (Directors) of the Association, in accordance with the Act, the Association shall call, and give not less than sixty (60) days notice of an election for the members of the Board of Administration (Directors). The election shall proceed as provided in Florida Statutes Chapter 718.112(2)(d). The notice may be given by any Unit Owner if the Association fails to do so. Upon election

of the first Unit Owner, other than the Developer, to the Board of Administration (Directors), the Developer shall forward to the Division of Condominiums the name and mailing address of the Unit Owner Board Member.

ARTICLE X

INDEMNIFICATION

Every Director and every officer of the Association (and the Directors and/or officers as a group) shall be indemnified by the Association against all expenses and liabilities, including counsel fees (at all trial and appellate levels) reasonably incurred by or imposed upon him or them in connection with any proceeding, litigation or settlement in which he may become involved by reason of his being or having been a Director or officer of the Association. The foregoing provisions for indemnification shall apply whether or not he is a Director or officer at the time such expenses are incurred. The foregoing rights to indemnification shall be in addition to and not exclusive of any and all rights of indemnification to which a Director or officer may be entitled whether by statute or common law.

ARTICLE XI

BY-LAWS

The By-Laws of the Association shall be adopted by the First Board, and thereafter may be altered, amended or rescinded in the manner provided for in the By-Laws and the Act. As is set forth in the By-Laws, the By-Laws may be amended by the affirmative vote of not less than a majority of the Members present at an Annual Members Meeting or a special meeting of the Members and the affirmative approval of a majority of the Board at a regular or special meeting of the Board. Notwithstanding anything contained herein to the contrary, while the Developer is entitled to appoint a majority of the Board of Directors under the Act, the By-Laws may be amended by a majority of the Board of Directors, provided that such Amendment shall not increase the proportion of common expenses nor decrease the ownership of Common Elements borne by the Unit Owners or change a Unit Owner's voting rights without the consent of the affected Unit Owners. Such an amendment need only be executed and acknowledged by the Association, through its Board of Directors, and the consent of the Unit Owners, the Association, the owner and holder of any lien encumbering a Unit in this Condominium, or any others, shall not be required.

ARTICLE XII

OR Bk3714 Pg0878
INSTRUMENT 00184938

AMENDMENTS

A. Prior to the recording of the Declaration amongst the Public Records of Escambia County, Florida, these Articles may be amended only by an instrument in writing signed by all of the Directors and filed in the office of the Secretary of State of the State of Florida. The instrument amending these Articles shall identify the particular Article or Articles being amended and give the exact language of such amendment, and a certified copy of such amendment shall always be attached to any certified copy of these Articles and shall be an exhibit to the Declaration upon the recording of any such Declaration.

B. After the recording of the Declaration amongst the Public Records of Escambia County, Florida, these Articles may be amended in the following manner:

1. Notice of the subject matter of the proposed amendment shall be included in the notice of any meeting (whether of the Board or of the Members) at which such proposed amendment is to be considered; and

2. A resolution approving the proposed amendment may be first passed by either the Board or the Members. After such approval of a proposed amendment by one of said bodies, such proposed amendment must be submitted and approved by the other of said bodies. Approval by the Members must be by a vote of a majority of the Members present at a meeting of the membership at which a quorum (as determined in accordance with the By-Laws) is present and approval by the Board must be by a majority of the Directors present at any meeting of the Directors at which a quorum (as determined in accordance with the By-Laws) is present.

C. A copy of each amendment shall be certified by the Secretary of State and recorded amongst the Public Records of Escambia County, Florida.

D. Notwithstanding the foregoing provisions of this Article XII, there shall be no amendment to these Articles which shall abridge, amend or alter the rights of Developer, including the right to designate and select the Directors as provided in Article IX hereof, or the provisions of this Article XII, without the prior written consent therefor by Developer.

E. Notwithstanding anything contained herein to the contrary, while the Developer is entitled to appoint a majority of the Board of Directors, these Articles may be amended by a majority of the Board of Directors under the Act, provided that such amendment shall not increase the proportion of common expenses nor decrease the ownership of Common Elements borne by the Unit Owners or change a Unit Owner's

voting rights without the consent of the affected Unit owners. Said Amendment need only be executed and acknowledged by the Association and the consent of the Unit Owners, the owner and holder of any lien encumbering a Unit in this Condominium, or any others, shall not be required.

ARTICLE XIII

REGISTERED AGENT

The name and address of the initial Registered Agent is:

Thomas Solose
224 East Garden Street
Pensacola, FL 32501

IN WITNESS WHEREOF, the Subscribers have hereunto affixed their signatures the day and year set forth below.

Dated: 1-26-95

Thomas Solose
Printed Name: Thomas Solose

Dated: 1-26-95

Cindy Solose
Printed Name: Cindy Solose

Dated: 1-26-95

Sandra Ward
Printed Name: Sandra Ward

STATE OF FLORIDA

SS.:

COUNTY OF ESCAMBIA

I HEREBY CERTIFY that on this day, before me, a Notary Public duly authorized in the State and County named above to take acknowledgments, personally appeared Thomas Solose, Cindy Solose, and Sandra Ward, to me known to be the persons described as the Subscribers in and who executed the foregoing Articles of Incorporation, and they acknowledged before me that they executed the same for the purposes therein expressed.

WITNESS my hand and official seal in the County and State aforesaid, this 26 day of January 1995.

Lisa A. Grove
Notary Public, State of Florida

My commission expires:

9/12/97

LISA A. GROVE
"Notary Public-State of Florida"
My Commission Expires Sept. 12, 1997
CC 303178

voting rights without the consent of the affected Unit owners. Said Amendment need only be executed and acknowledged by the Association and the consent of the Unit Owners, the owner and holder of any lien encumbering a Unit in this Condominium, or any others, shall not be required.

ARTICLE XIII

REGISTERED AGENT

The name and address of the initial Registered Agent is:

Thomas Solose
224 East Garden Street
Pensacola, FL 32501

IN WITNESS WHEREOF, the Subscribers have hereunto affixed their signatures the day and year set forth below.

Dated: 1-26-95

Thomas Solose
Printed Name: Thomas Solose

Dated: 1-26-95

Cindy Solose
Printed Name: Cindy Solose

Dated: 1-26-95

Sandra Ward
Printed Name: Sandra Ward

STATE OF FLORIDA

SS.:

COUNTY OF ESCAMBIA

I HEREBY CERTIFY that on this day, before me, a Notary Public duly authorized in the State and County named above to take acknowledgments, personally appeared Thomas Solose, Cindy Solose, and Sandra Ward, to me known to be the persons described as the Subscribers in and who executed the foregoing Articles of Incorporation, and they acknowledged before me that they executed the same for the purposes therein expressed.

WITNESS my hand and official seal in the County and State aforesaid, this 26 day of January 1995.

Lisa A. Grove
Notary Public, State of Florida

My commission expires:

9/12/97

LISA A. GROVE
"Notary Public-State of Florida"
My Commission Expires Sept. 12, 1997
CC 303178

ACKNOWLEDGMENT BY DESIGNATED REGISTERED AGENT

HAVING BEEN NAMED TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE STATED NON-PROFIT CORPORATION, AT THE PLACE DESIGNATED IN THIS CERTIFICATE, I HEREBY ACCEPT TO ACT IN THIS CAPACITY AND AGREE TO COMPLY WITH THE PROVISION OF SAID ACT RELATIVE TO KEEPING OPEN SAID OFFICE.

DATED THIS 26th DAY OF January 1995.

BY: Thomas Solose
Thomas Solose

STATE OF FLORIDA

COUNTY OF ESCAMBIA

I HEREBY CERTIFY that on this 26th day of January 1995, personally appeared before me, an officer duly authorized to administer oaths and take acknowledgments, Thomas Solose, to me known to be the individual described in and who executed the foregoing instrument as registered agent to the Articles of Incorporation of CARLTON PALMS CONDOMINIUM ASSOCIATION, INC., a Florida non-profit corporation, and he severally acknowledged to me that he signed and executed such instrument for the uses and purposes therein stated.

IN WITNESS WHEREOF, I have set my hand and official seal in the County and State aforesaid on the day and year last above written.

Lisa A. Grove
Notary Public, State of Florida

My commission expires:

9/12/97

LISA A. GROVE
"Notary Public-State of Florida"
My Commission Expires Sept. 12, 1997
CC 303178

BY-LAWS

OF

OR Bk3714 Pg0881
INSTRUMENT 00184938

CARLTON PALMS CONDOMINIUM ASSOCIATION, INC.
A Florida Corporation Not for Profit

* * *

ARTICLE ONE

Organization

Section 1. The name of this organization shall be CARLTON PALMS CONDOMINIUM ASSOCIATION, INC.

Section 2. The organization may change its name in accordance with the procedures for amending the Articles of Incorporation provided for in Article XII, of the Articles of Incorporation.

ARTICLE TWO

Purposes

The following are the purposes for which this organization has been established:

Section 1. To serve the recreational and maintenance needs of the Owners of the Condominium Units constructed upon the real property described on Exhibit "A" of the Declaration of Condominium to which this Exhibit "D" is attached.

Section 2. To maintain, manage, operate, administer and improve the real property upon which the recreational facilities are to be constructed; and further, to maintain the facilities and improvements, including personal property, thereon.

Section 3. For the purposes set forth in the Articles of Incorporation of this organization and the Declaration of Condominium of CARLTON PALMS, A CONDOMINIUM.

Section 4. For such other purpose as the Board of Directors may from time to time deem necessary for the efficient operation of the recreational facilities and Common Elements and Limited Common Elements contemplated hereby.

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ARTICLE THREE

Meetings of Membership

Section 1. Place: All meetings of the Association membership shall be held at the office of the Association or such other place as may be designated in the notice.

Section 2. Annual Meeting:

(a) The first Annual Meeting shall occur within one hundred (100) days of the recordation of the Declaration of Condominium and annually thereafter. All members of the Board of Directors to be elected by Unit Owners, other than the Developer, shall be elected by plurality vote. The Developer shall have the right to appoint all members of the Board of Directors, unless and until required otherwise by the provisions of the Articles of Incorporation, Declaration of Condominium and Florida Statutes.

(b) Subsequent to the first Annual Meeting, regular annual meetings shall be held in the month of October of each year upon a date appointed by the Board of Directors. No meeting shall be held on a legal holiday. At least fourteen (14) days prior to the Annual Meeting, unless a Unit Owner waives, in writing, the right to receive notice of the Annual Meeting by mail, written notice, including an agenda, shall be mailed by regular mail to each member of the Association at the address which the Developer initially identifies for that purpose. Where the Unit is owned by more than one person, the Association shall provide notice, for meetings and all other purposes, to the address initially identified by the Developer and, thereafter, as one or more of the Unit Owners shall so advise the Association in writing, or if no address is given or the Unit Owners do not agree, to the address provided on the deed of record. An officer of the Association or the manager or other person providing notice of the Association meeting shall provide an affidavit or United States Postal Service certificate of mailing, to be included in the official records of the Association, affirming that the notice was mailed or hand delivered in accordance herewith, to each Unit Owner at the address last furnished to the Association. Notice shall be posted in a conspicuous place on the condominium property at least fourteen (14) continuous days preceding the annual meeting. Upon notice to the Unit Owners, the Board shall, by duly adopted rule, designate a specific location on the condominium property upon which all notices of Unit Owners' meetings shall be posted.

(c) At the Annual Meetings, the membership of the Association shall elect, by plurality vote, a Board of Directors and transact such other business as may properly come before the meeting. The Directors so elected at the Annual Meeting shall constitute the Board of Directors until the next Annual Meeting of

the members of the Association and the election and qualification of their successors.

Section 3. Membership List: At least fifteen (15) days before every election of Directors, a complete list of members entitled to vote at said election, arranged numerically by Condominium Units, shall be produced and kept for said fifteen (15) day period and during the election at the office of the Association and shall be open to examination by any member during such period.

Section 4. Special Meetings:

(a) Special Meetings of the members, for any purpose or purposes, unless otherwise prescribed by statute (including, but not limited to, the provisions of Chapter 718.112(2)(e) and (k), Florida Statutes), regarding the percentage required to call certain special meetings, regarding budgets and recall of Board members), shall be called by the President or Secretary at the request, in writing, of members holding not less than twenty-five (25%) percent of the voting interest in the Association. Such request shall state the purpose, or purposes, of the proposed meeting.

(b) Written notice of a Special Meeting of members, stating time, place and object thereof, shall be mailed by regular mail to each member entitled to vote thereat, at such address as appears on the books of the Association, at least five (5) days before such meeting. However, written notice of any meeting at which non-emergency special assessments or at which amendments to rules regarding Units will be proposed, discussed or approved shall be mailed or delivered to the Unit Owners and posted conspicuously on the Condominium Property no less than fourteen (14) continuous days prior to the meeting. Evidence of compliance with this fourteen (14) day notice shall be made by an Affidavit executed by the Secretary and filed among the official records of the Association.

(c) Business transaction at all Special Meetings shall be confined to the purposes stated in the notice thereof.

Section 5. Proxies: Votes may be cast in person or by proxy in accordance with applicable law. Proxies must be filed with the Secretary of the Association prior to the meeting if more than one (1) person owns a Condominium Unit (such as husband and wife), all must sign the proxy for it to be valid.

Section 6. Quorum: The presence in person or representation by written proxy of the members holding at least fifty (50%) percent of the total voting interest in the Association shall be requisite to and shall constitute a quorum at all meetings of the members for the transaction of business, except as otherwise provided by statute, or by these By-Laws. If, however, such quorum

shall not be present, the President, or in his absence, the Vice President, or in his absence, any other appropriate officer or director may adjourn the meeting to a time within fifteen (15) days thereof at the same place to be announced at the meeting by the person adjourning same and a notice of such new meeting to be posted conspicuously upon the Condominium Property forty eight (48) continuous hours preceding the meeting. The meeting shall continue to be adjourned in this manner until a quorum shall be present or represented. Notwithstanding anything contained herein to the contrary, at such new meeting or meetings (if additional meetings are necessary in order to obtain the reduced quorum as hereinafter provided), the presence in person or representation by written proxy of the members holding at least one-third (1/3) of the voting interest of the Association shall be requisite to and shall constitute a quorum at such new meeting or meetings; it being intended that, in the event a majority quorum cannot be obtained at any meeting of the members, the quorum requirement be reduced for the purposes of the new meeting or meetings to which the original meeting is adjourned only. At such new meeting or meetings, if necessary, at which a quorum (at least one-third (1/3) of the voting interest of the Association present in person or represented by proxy) exists, any business may be transacted which might have been transacted at the meeting originally called. Although any proxy shall be valid at the original meeting and any lawful adjourned meeting or meetings thereof, the Condominium Act shall control (in the event it limits the validity of proxies as it presently does for a period no longer than ninety (90) days after the date of the first meeting for which it was given). F.S. 718.112(2)(b)3.

Section 7. Vote Required to Transact Business: When a quorum is present at any meeting, a majority of the Unit Owners' total votes present in person or represented by written proxy at such meeting shall decide any question brought before the meeting, unless the question is one upon which, by express provisions of the statutes or the Declaration of Condominium or by these By-Laws, a different vote is required, in which case such express provisions shall govern and control the voting on such issue.

Section 8. Right to Vote and Designation of Voting Member:

If a Condominium Unit is owned by one person his right to vote shall be established by the recorded title to the Unit. If a Condominium Unit is owned by more than one person, the person entitled to cast the vote for the Unit shall be designated in a certificate, signed by all of the recorded Owners of the Unit and filed with the Secretary of the Association. If a Condominium Unit is owned by a corporation, the officer or employee thereof entitled to cast the vote of the Unit for the corporation shall be designated in a certificate for this purpose, signed by the President or Vice President, attested to by the Secretary or Assistant Secretary of the corporation and filed with the Secretary

of the Association. The person designated in such certificate who is entitled to cast the vote for a Unit shall be known as the "voting member". If such a certificate is not on file with the Secretary of the Association for a Unit owned by more than one person or by a corporation, the vote of the Unit concerned shall not be considered in determining the requirement for a quorum, or for any purpose requiring the approval of a person entitled to cast the vote for the Unit, except if said Unit is owned by a husband and wife. Such certificates shall be valid until revoked or until superseded by a subsequent certificate, or until a change in the ownership of the Unit concerned. If a Condominium Unit is owned jointly by a husband and wife, the following three (3) provisions are applicable thereto:

(a) They may, but they shall not be required to, designate a voting member.

(b) If they do not designate a voting member, and if both are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting. (As provided herein, the vote of a Unit is not divisible.)

(c) Where they do not designate a voting member, and only one is present at a meeting, the person present may cast the Unit vote just as though he or she owned the Unit individually and without establishing the concurrence of the absent person.

Section 9. Waiver and Consent: Whenever the vote of a member at a meeting is required or permitted by any provision of the statutes or these By-Laws to be taken in connection with any action of the Association, the meeting and vote of members may be dispensed with if the members holding a majority of the Unit Owners' total votes which would have been entitled to vote upon the action, if such meeting were held, shall consent in writing to such action being taken; however, notice of such action shall be given to all members unless all members approve such action.

Section 10. Order of Business: The proposed order of business at all meetings of the Association will be:

- (a) Determination of a Quorum;
- (b) Proof of Notice of Meeting or Waiver of Notice;
- (c) Reading of Minutes of Prior Meeting;
- (d) Officers' Reports;
- (e) Committee Reports;
- (f) Unfinished Business;
- (g) New Business; and,
- (h) Adjournment.

Section 11. Election of Board: The members of the Board of Administration shall be elected by written ballot or voting

machine. Proxies shall in no event be used in electing the Board of Administration, either in general elections or elections to fill vacancies caused by resignation or otherwise. Limited proxies may be used in an election to fill a vacancy created by recall. Not less than sixty (60) days before a scheduled election, the Association shall mail or deliver, whether by separate association mailing or included in another association mailing or delivery including regularly published newsletters, to each Unit Owner entitled to vote, a first notice of the date of the election. The Board shall hold a meeting within five (5) days after the deadline for a candidate to provide notice to the Association of intent to run. At this meeting, the Board shall accept additional nominations. Any Unit Owner or other eligible person may nominate himself or may nominate another Unit Owner or eligible person, if he has permission in writing to nominate the other person. Any Unit Owner or other eligible person desiring to be a candidate for the Board of Administration must give written notice to the secretary of the Association not less than forty (40) days before a scheduled election. Not less than thirty (30) days before the election meeting, the Association shall then mail or deliver a second notice of the meeting to all Unit Owners entitled to vote therein, together with a ballot which shall list all candidates. Upon request of a candidate, the Association shall include an information sheet, no larger than 8 1/2 inches by 11 inches, which must be furnished by the candidate not less than thirty-five (35) days before the election, to be included with the mailing of the ballot, with the costs of mailing and copying to be borne by the Association. However, the Association has no liability for the contents of the information sheets prepared by the candidates. The Division shall by rule establish voting procedures consistent with the provisions contained herein, including rules providing for the secrecy of ballots. Elections shall be decided by a plurality of those ballots cast. There shall be no quorum requirement; however, at least twenty (20%) percent of the eligible votes must cast a ballot in order to have a valid election of members of the Board of Administration. No Unit Owner shall permit any other person to vote his ballot, and any such ballots improperly cast shall be deemed invalid. A Unit Owner who needs assistance in casting the ballot for the reasons stated in Section 101-051, Florida Statutes, may obtain assistance in casting the ballot. Any Unit Owner violating this provision may be fined by the Association in accordance with Section 718.303, Florida Statutes. The regular election shall occur on the date of the annual meeting.

Section 12. Unit Owner Participation: Unit owners shall have the right to participate in meetings of Unit Owners with reference to all designated agenda items. However, the Association may adopt reasonable rules governing the frequency, duration and manner of Unit Owner participation. Any Unit Owner may tape record or videotape a meeting of the Unit Owners, subject to rules adopted by the Division.

ARTICLE FOUR

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INSTRUMENT 00184938

Voting

Section 1. The Owner(s) of each Condominium Unit shall be entitled to one (1) vote. If a Condominium Unit Owner owns more than one (1) Unit, he shall be entitled to vote for each Unit owned. The vote of a Condominium Unit shall not be divisible.

Section 2. For the election of Directors, voting shall be by secret ballot. When voting by ballot (for Directors or otherwise), the Chairman of the meeting, immediately prior to the commencement of balloting, shall appoint a committee of three (3) members who will act as "Inspectors of Election" and who shall, at the conclusion of the balloting, certify in writing the results, and such certificate shall be annexed to the Minutes of the meeting.

ARTICLE FIVE

Board of Directors

Section 1. The business of this Association shall be governed by a Board of Directors consisting of three (3) persons. All Directors, other than the Developer or his designated agents, shall be members of the Association.

Section 2. The Directors to be chosen for the ensuing year shall be chosen at the Annual Meeting of this Association by plurality vote; and they shall serve for a term of one (1) year.

Section 3. The Board of Directors shall have the control and management of the affairs and business of this Association and shall have the right to establish reserves or Assessments for betterment of the Condominium Property. Said Board of Directors shall only act in the name of the Association when it shall be regularly convened by its Chairman and after due notice to all Directors of such meeting.

Section 4. All meetings of the Board of Directors of the Association shall be open to the members of the Association and notices of such meetings, stating the place and time thereof and including an identification of agenda items, shall be posted conspicuously at least forty eight (48) continuous hours prior to any such meeting to call the members attention thereto; provided, however, in the event of an emergency, said notice shall not be required. Any item not included on the notice may be taken up on an emergency basis by at least a majority plus one of the members of the Board of Administration. Such emergency action shall be noticed and ratified at the next regular meeting of the Board of Administration.

Section 5. The organizational meeting of a newly elected Board of Directors (at which meeting officers for the coming year shall be elected) shall be held within ten (10) days of the election of the new Board at such time and place as shall be fixed by the Chairman of the meeting at which they were elected.

Section 6. A majority of the members of the Board of Directors shall constitute a quorum, and the meetings of the Board of Directors shall be held regularly at such time and place as the Board of Directors shall designate.

Section 7. Each Director shall have one (1) vote, and such voting may not be by proxy.

Section 8. The Board of Directors may make such rules and regulations covering its meeting as it may, in its discretion, determine necessary.

Section 9. The Board of Directors may establish a schedule of regular meetings to be held at such time and place as the Board of Directors may designate. Notice of such regular meetings shall, nevertheless, be given to each Director personally or by mail, telephone or telegraph, at least five (5) days prior to the day named for such meeting.

Section 10. Special meetings of the Board of Directors may be called by the President, or, in his absence, by the Vice President, or by a majority of the members of the Board of Directors, by giving five (5) days' notice, in writing, to all of the members of the Board of Directors of the time and place of said meeting. All notices of Special Meetings shall state the purpose of the meeting.

Section 11. Before or at any meeting of the Board of Directors, any Director may waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice to Directors shall be required and any business may be transacted at such meeting, however, the notice, required under Article Five, Section 4, shall still be posted.

Section 12. Vacancies in the Board of Directors shall be filled as follows:

(a) If the vacancy is or a Board member appointed by the Developer, the Developer shall have the right to designate the replacement Director.

(b) If the vacancy is for a Director who has been elected by Unit Owners other than the Developer, the vacancy shall

be by a majority vote of those Directors who have been elected by Unit Owners other than the Developer subject to the provisions of Section 718.112(2)(k), Florida Statutes. Any such Director shall serve for the balance of the term of the vacating Director.

Section 13. The President of the Association by virtue of his office shall be Chairman of the Board of Directors and preside at meetings of the membership. The removal process of Directors herein described shall not apply to Directors elected, appointed or designated by the Developer who may remove any such Director in its sole discretion and who shall thereafter designate the successive Director.

Section 14. A Director may be removed either with or without cause at any time by a vote of the majority of the Association's membership at any regular or special meeting of the membership of the Association; (except for the first Board of Directors and except as provided in Article Nine of these By-Laws) provided that before any Director is removed from office, he shall be notified in writing that a motion to remove him will be made prior to the meeting at which said motion is made, and such Director is given an opportunity to be heard at such meeting should he be present, prior to the vote of his removal.

Section 15. The first Board of Directors as designated by the Developer shall consist of:

Thomas Solose

Cindy Solose

Sandra Ward

who shall hold office and exercise all powers of the Board of Directors until the first membership meeting as set forth in Article Three, Section 2(a) of these By-Laws; provided any and all of said Directors shall be subject to replacement by the Developer.

Section 16. Power and Duties: The Board of Directors of the Association shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not prohibited by law or by the Declaration of Condominium, this Association's Articles of Incorporation, or these By-Laws, or directed to be exercised and done by Unit Owners. These powers shall specifically include, but shall not be limited to, the following:

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

(b) To make and levy special and regular Assessments, collect said Assessments, and use and expend the Assessments to carry out the purposes and powers of the Association.

(c) To employ, dismiss and control the personnel necessary for the maintenance and operation of the project, and of the Common Elements and facilities, including the right and power to employ attorneys, accountants, contractors and other professionals as the need arises.

(d) To make and amend regulations respecting the operation and use of the Common Elements and Condominium Property and facilities, and the use and maintenance of the Condominium Units therein, and the recreational area and facilities.

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

(f) Designate one (1) or more committees which, to the extent provided in the resolution designating said committee, shall have the powers of the Board of Directors in the management and affairs and business of the Association, provided, however, that the powers of a committee shall be limited, and no committee shall be entitled to assume all the powers of the Board of Directors. Such committees shall consist of at least three (3) members of the Association, one (1) of whom shall be a director. The committee or committees shall have such name or names as may be determined from time to time by the Board of Directors, and said committees shall keep regular minutes of their proceedings and report the same to the Board of Directors as required.

(g) The irrevocable right of access to each Unit during reasonable hours, when necessary for maintenance, repair or replacement of any Common Elements or of any portion of a Unit to be maintained by the Association pursuant to the Declaration or as necessary to prevent damage to the Common Elements or to a Unit or Units.

(h) To use and to expend the Assessments collected to maintain, care for and preserve the Condominium Units, the Common Elements, the Limited Common Elements over which the Association is

obligated to maintain, care for and preserve, and the Condominium Property (other than the interiors of the Condominium Units which are to be maintained, cared for and preserved by the individual Condominium Unit Owners).

(i) To pay taxes and assessments levied and assessed against any real property the corporation might own and to pay for such equipment and tools, supplies and other personal property purchased for use in such maintenance, care and preservation.

(j) For the purpose of maintenance, repair or replacement of any Common Elements or for making emergency repairs which are necessary to prevent damage to the Common Elements or to another Unit or Units, each owner of a Condominium Unit grants a perpetual easement in the event of an emergency to the then existing Board of Administration or its duly authorized agents to enter into his Condominium Unit at any reasonable time (or at any unreasonable time if the necessities of the situation should require).

(k) To repair and replace Common Element and Limited Common Element facilities, machinery and equipment.

(l) To insure and keep insured the Owners against loss from public liability and to carry such other insurance as the Board of Directors may deem advisable; and in the event of damage or destruction of property, real or personal, covered by such insurance, to use the proceeds for repairs and replacement, all in accordance with the provisions of the Declaration of Condominium.

(m) To review all complaints, grievances or claims of violations of the Declaration of Condominium, Exhibits thereto, the Condominium Act and the Rules and Regulations promulgated by the Association and to levy fines in accordance with the Condominium Act and establish a uniform procedure, for determining whether such violations occurred and whether fines should be levied. Such procedure may be set forth in the Rules and Regulations promulgated by the Board of Directors. At a minimum, such Rules and Regulations shall provide that:

(1) the party against whom the fine is sought to be levied shall be afforded an opportunity for hearing after reasonable notice of not less than fourteen (14) days and said notice shall include:

a. A statement of the date, time and place of the hearing;

b. A statement of the provisions of the declaration, association by-laws or association rules which have allegedly been violated; and,

c. A short and plain statement of the matters asserted by the Association.

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

(3) The hearing will be held before a committee of other Unit Owners. The committee will consist of three (3) Unit Owners selected by the Board.

(n) To collect delinquent assessments by suit or otherwise to abate nuisances and to enjoin or seek damages from Unit Owners for violations of the Declaration of Condominium, these By-Laws or Rules and Regulations adopted by the Board of Administration.

(o) To adopt hurricane shutter specifications which shall include color, style, and other factors deemed relevant by the Board. All specifications adopted by the Board shall comply with the applicable building code. The Board shall not refuse to approve the installation or replacement of hurricane shutters conforming to the specifications by the Board. The installation, replacement and maintenance of such shutters in accordance with the procedures set forth herein shall not be deemed a material alteration to the Common Elements within the meaning of this section.

Section 17. Upon notice to the Unit Owners, the Board shall by duly adopted rule designate a specific location on the Condominium Property upon which all notices of Board meetings shall be posted.

ARTICLE SIX

Officers

Section 1. The principal officers of the Association shall be as follows:

President - Thomas Solose
Vice President - Sandra Ward
Secretary/Treasurer - Cindy Solose

Section 2. The President shall preside at all membership meetings. He shall be a Director and shall, by virtue of his office, be Chairman of the Board of Directors. He shall present at each Annual Meeting of the Association an Annual Report of the work of the Association. He shall appoint all committees, temporary or permanent. He shall see to it that all books, reports and

certificates, as required by law, are properly kept or filed. He shall be one of the officers who may sign the checks or drafts of the Association. He shall have such powers as may be reasonably construed as belonging to the chief executive of any organization.

Section 3. The Vice President may, or may not, be a Director and shall, in the event of the absence or inability of the President to exercise his office, become acting President of the Association with all the rights, privileges and powers of said office.

Section 4. The Secretary shall:

(a) Keep the Minutes and records of the Association in appropriate books.

(b) File any certificate required by any statute, Federal or State.

(c) Give and serve all notices to members of this Association.

(d) Be the official custodian of the records and seal, if any, of this Association.

(e) Be one of the officers required to sign the checks and drafts of the Association.

(f) Present to the membership at any meetings any communication addressed to him as Secretary of the Association.

(g) Submit to the Board of Directors any communications which shall be addressed to him as Secretary of the Association.

(h) Attend to all correspondence of the Association and exercise all duties incident to the office of the Secretary.

Section 5. The Treasurer shall:

(a) Have the care and custody of all monies belonging to the Association and shall be solely responsible for such monies or securities of the Association. He shall cause to be deposited in a regular business bank or trust company a sum not exceeding an amount authorized by the Board of Directors and the balance of the funds of the Association shall be deposited in a savings bank, except that the Board of Directors, may cause such funds to be invested in such investments as shall be legal for a savings bank in the State of Florida.

(b) Be one of the officers who shall be authorized to sign checks or drafts of the Association; no special fund may be

set aside that shall make it unnecessary for the Treasurer to sign the checks issued upon it.

(c) Render at stated periods as the Board of Directors shall determine a written account of the finances of the Association, and such report shall be physically affixed to the Minutes of the Board of Directors at such meeting.

(d) All or a portion of the duties of the Treasurer may be fulfilled by a management company in the discretion of the Board of Directors.

Section 6. No officer or Director shall, for reason of his office, be entitled to receive any salary or compensation, but, nothing herein shall be construed to prevent an officer or Director from receiving any compensation from the Association for duties other than as a Director or officer.

ARTICLE SEVEN

Salaries

The Board of Directors shall hire and fix the compensation of any and all employees which they, in their discretion, may determine to be necessary in the conduct of the business of the Association. However, no member of the Board of Directors or an officer of the Association shall be paid any compensation for carrying out their duties.

ARTICLE EIGHT

Committees

All committees of this Association shall be appointed by the majority of the Board of Directors for whatever period of time is designated by said Board of Directors.

ARTICLE NINE

Finances and Assessments

Section 1. Depositories: The funds of the Association shall be deposited in such banks and depositories as may be determined by the Board of Directors from time to time upon resolutions approved by the Board of Directors and shall be withdrawn only upon checks and demands for money signed by two (2) officers of the Association as may be designated by the Board of Directors. Obligations of the Association shall be signed by at least two (2) officers of the Association.

Section 2. Fiscal Year: The fiscal year for the Association shall begin on the first day of January each year;

provided, however, that the Board of Directors is expressly authorized to change to a different fiscal year in accordance with the provisions and regulations from time to time prescribed by the Internal Revenue Code of the United States of America at such time as the Board of Directors deems it advisable.

Section 3.. Determination of Assessments:

(a) The Board of Directors of the Association shall fix and determine from time to time the sum or sums necessary and adequate for the Common Expenses of the Condominium. Common Expenses shall include expenses for the operation, maintenance, repair or replacement of the Common Elements and the Limited Common Elements, costs of carrying out the powers and duties of the Association, all insurance premiums and expenses relating thereto, including fire insurance and extended coverage, and any other expenses designated as Common Expenses from time to time by the Board of Directors of the Association, or under the provisions of the Declaration of Condominium to which these By-Laws are attached. The Board of Directors is specifically empowered, on behalf of the Association, to make and collect Assessments, and to lease, maintain, repair and replace the Common Elements and Limited Common Elements of the Condominium and recreation facilities. Funds for the payment of Common Expenses shall be assessed against the Unit owners in the proportions and percentages of sharing Common Expenses as provided in the Declaration of Condominium. Said Assessments shall be payable monthly in advance unless otherwise ordered by the Board of Directors. Special Assessments, should such be required by the Board of Directors, shall be levied in the same manner as hereinbefore provided for regular assessments, and shall be payable in the manner determined by the Board of Directors.

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

(c) The Board of Directors shall adopt an operating budget for each fiscal year.

Section 4. Application of Payments and Commingling of Funds: All funds shall be maintained separately in the Association's name. All sums collected by the Association from Assessments may be commingled in a single fund or divided into more than one (1) fund, as determined by the Board of Directors of the Association, except that reserve and operating funds of the Association may be commingled for purposes of investment, but separate ledgers must be maintained for each account. All Assessment payments by a Unit Owner shall be applied as to

interest, delinquencies, costs and attorneys' fees, other charges, expenses and advances, as provided herein and in the Declaration of Condominium, and general or Special Assessments, in such manner and amounts as the Board of Directors determines in its sole discretion. No managers or business entity required to be licensed or registered under Section 468.432, Florida Statutes, and no agent, employee, officer or director of the Association shall commingle any Association funds with the funds of any other condominium association or community association as defined in Section 468.431, Florida Statutes.

ARTICLE TEN

Minutes

Minutes of all meetings of the Association and the Board of Directors shall be kept in a businesslike manner and be made available for inspection by Unit Owners and Board members at all reasonable times.

ARTICLE ELEVEN

Compliance and Default

Section 1. In the event of a violation (other than the nonpayment of an Assessment) by the Unit Owner in any of the provisions of the Declaration of Condominium, of these By-Laws or of the applicable portions of the Condominium Act, the Association, by direction of its Board of Directors, may notify the Unit Owner by written notice of said breach, transmitted by mail, and if such violation shall continue for a period of thirty (30) days from date of the notice, the Association, through its Board of Directors, shall have the right to treat such violation as an intentional, inexcusable and material breach of the Declaration, of the By-Laws, or of the pertinent provisions of the Condominium Act, and the Association may then, at its option, have the following elections:

(a) An action at law to recover for its damage on behalf of the Association or on behalf of the other Unit Owners;

(b) An action in equity to enforce performance on the part of the Unit Owner;

(c) An action in equity for such equitable relief as may be necessary under the circumstances, including injunctive relief; or,

(d) A fine which shall be levied by the Board of Directors in an amount and manner set forth in the Rules and Regulations promulgated by the Board of Directors. Notwithstanding anything contained herein to the contrary, a fine shall not become a lien on the Unit.

Any remedy contained in the Declaration of Condominium, Exhibits thereto, the Condominium Act and/or the Rules and Regulations promulgated (including, but not limited to the foregoing) shall be cumulative and in addition to any and all other remedies provided by such documents or the laws of the State of Florida.

Section 2. All Unit Owners shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any member of his family, of his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Nothing herein contained, however, shall be construed so as to modify any waiver by an insurance company. Any rights or replacement required, as provided in this section, shall be charged to said Unit Owner as a specific item and the Association shall have a right to collect said charges.

Section 3. In any proceeding arising because of an alleged default by a Unit Owner, the Association shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees as may be determined by the Court. In addition the parties to a proceeding shall have any right to attorneys' fees that may accrue under Section 718.303 and Section 718. 125, Florida Statutes.

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

Section 5. In the event of any internal dispute arising from the operation of the Condominium among Unit Owners, the Association, and their agents and assigns, any party may apply for mandatory non-binding arbitration in accordance with Section 718.1255, Florida Statutes. Venue for any such proceedings shall be in Escambia, Florida.

ARTICLE TWELVE

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Indemnification

The Association shall indemnify every Director and every officer, their heirs, personal representatives and administrators, against all loss, cost and expense reasonably incurred by them in connection with any action, suit or proceeding to which they may be made a party by reason of their being or having been a Director and officer of the Association, including reasonable counsel fees to be approved by the Association, except as to matters wherein they shall be finally adjudged in such action, suit or proceeding to be liable for or guilty of gross negligence or willful misconduct. The foregoing rights shall be in addition to, and not exclusive of, all other rights to which such Director and officer may be entitled.

ARTICLE THIRTEEN

Liability Survives Termination of Membership

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

ARTICLE FOURTEEN

Liens

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

Section 2. A Unit Owner shall give notice to the Association of every lien upon his Unit, other than for permitted mortgages, taxes and Special Assessments, within five (5) days after the attaching of the lien.

Section 3. Unit Owners shall give notice to the Association of every suit or other proceeding which will or may affect title to his Unit or any part of the property, such notice to be given within five (5) days after the Unit owner received notice thereof.

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

Section 5. The Association may maintain a register of all permitted mortgages, and at the request of a mortgagee, the Association shall forward copies of all notices for unpaid Assessments or violations served upon a Unit Owner to said mortgagee. If a register is maintained, the Board of Directors of the Association may make such changes as it deems appropriate against the applicable Unit for supplying the information provided herein.

ARTICLE FIFTEEN

Amendments to the By-Laws

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

(a) Notice of the meeting shall contain a statement of the proposed amendment.

(b) If the amendment has received the unanimous approval of the full Board of Directors, then it shall be approved upon the affirmative vote of the voting members casting a majority of the total votes of the Unit Owners present in person or by proxy at such meeting.

(c) If the amendment has not been approved by the unanimous vote of the Board of Directors, then the amendment shall be approved by the affirmative vote of the voting members casting not less than two-thirds (2/3) of the total votes of the Unit Owners present in person or by proxy at the meeting.

(d) Said amendment shall be recorded and certified as required by the Condominium Act. Notwithstanding anything above to the contrary, until one of the events in Article XXIII, Section 23.01 of the Declaration of Condominium occurs, these By-Laws may not be amended without a prior resolution requesting the said amendment from the Board of Directors.

(e) Notwithstanding anything contained herein to the contrary, while the Developer is entitled to appoint a majority of the Board of Directors under the Condominium Act, the By-Laws may be amended by a majority of the Board of Directors, provided that such amendment shall not increase the proportion of common expenses nor decrease the ownership of Common Elements borne by the Unit Owners or change a Unit Owner's voting rights without the consent of the affected Unit Owners. Said Amendment need only be executed and acknowledged by the Association and the consent of the Unit Owners, the owner and holder of any lien encumbering a Unit in this Condominium, or any others, shall not be required.

ARTICLE SIXTEEN

Construction

Wherever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter, singular or plural, wherever the context so requires.

Should any of the covenants herein imposed be void or become unenforceable at law or in equity, the remaining provisions (or portions thereof) of this instrument shall nevertheless be and remain in full force and effect.

Headings are provided herein for convenience purposes only and shall not be construed for interpreting the meaning of any provisions of these By-Laws.

ARTICLE SEVENTEEN

Mandatory Arbitration

All internal disputes arising from the operation of the Condominium among the Unit Owners, Association and their agents and assigns, shall be subject to mandatory non-binding arbitration in accordance with Section 718.1255, Florida Statutes.

ARTICLE EIGHTEEN

Fidelity Bonds

The Association shall obtain and maintain adequate fidelity bonding of all persons who control or disburse funds of the Association in the principal sum of not less than Fifty Thousand (\$50,000.00) Dollars for each person. The Association shall bear the cost of bonding. However, the case of a person providing management services to the Association and required to be licensed pursuant to Section 468.432, Florida Statutes, the cost of bonding may be reimbursed by the Association; all such persons providing management services to an Association, shall provide the Association with a certificate of insurance evidencing compliance with this paragraph.

The foregoing were adopted as the By-Laws of CARLTON PALMS CONDOMINIUM ASSOCIATION, INC. at the first meeting of its Board of Directors.

Secretary

APPROVED:

President

Instrument 00184938
Filed and recorded in the
public records
JANUARY 27, 1995
at 04:42 P.M.
in Book and Page noted
above or hereon
and record verified
JOE A. FLOWERS,
COMPTROLLER
Escambia County,
Florida

SCHEDULE "2"

CARLTON PALMS, A CONDOMINIUM

UNIT NUMBER, UNIT TYPE, NUMBER OF
BEDROOMS/BATHROOMS IN EACH UNIT
AND UNDIVIDED INTEREST

A schedule of the units, the unit numbers, types, ownership interest in the common elements based on a point system, the approximate square footage and the number of bedrooms and baths follows:

Residential units

GROUND FLOOR

Unit No.	Unit Type	Assessment Class	Ownership Interest	Square Footage	No. of Bedrooms	Nb. of Baths
102	A	III	.0089289	702	1	2
104	C/D	I	.0051957	312	0	1
105	B	II	.0084671	624	1	2
106	C/D	I	.0051957	312	0	1
107	C/D	I	.0051957	312	0	1
109	C/D	I	.0051957	312	0	1
110	J	II	.0084671	598	1	2
111	C/D	I	.0051957	312	0	1
112	C/D	I	.0051957	312	0	1
113	C/D	I	.0051957	312	0	1
115	B	II	.0084671	624	1	2
117	C/D	I	.0051957	312	0	1
118	E	IV	.0112766	936	2	2
129	C/D	I	.0051957	312	0	1
132	B	II	.0084671	624	1	2
133	B	II	.0084671	624	1	2
134	C/D	I	.0051957	312	0	1
135	C/D	I	.0051957	312	0	1
136	C/D	I	.0051957	312	0	1
137	C/D	I	.0051957	312	0	1
138	C/D	I	.0051957	312	0	1
139	C/D	I	.0051957	312	0	1
140	C/D	I	.0051957	312	0	1
141	C/D	I	.0051957	312	0	1
142	C/D	I	.0051957	312	0	1
143	C/D	I	.0051957	312	0	1
144	C/D	I	.0051957	312	0	1
145	C/D	I	.0051957	312	0	1
148	B	II	.0084671	624	1	2
149	B	II	.0084671	624	1	2
151	C/D	I	.0051957	312	0	1
153	E	IV	.0112766	936	2	2
155	E	IV	.0112766	936	2	2

SECOND FLOOR

202	A	III	.0089289	702	1	2
204	C/D	I	.0051957	312	0	1
205	B	II	.0084671	624	1	2
206	C/D	I	.0051957	312	0	1
207	C/D	I	.0051957	312	0	1
208	C/D	I	.0051957	312	0	1
209	C/D	I	.0051957	312	0	1
210	C/D	I	.0051957	312	0	1

SECOND FLOOR CON'T

211	C/D	I	.0051957	312	0	1
212	C/D	I	.0051957	312	0	1
213	C/D	I	.0051957	312	0	1
215	B	II	.0084671	624	1	2
217	F	III	.0089289	708	1	2
218	E	IV	.0112766	936	2	2
225	H	III	.0089289	717	1	2
227	C/D	I	.0051957	312	0	1
228	C/D	I	.0051957	312	0	1
229	C/D	I	.0051957	312	0	1
232	B	II	.0084671	624	1	2
233	B	II	.0084671	624	1	2
234	C/D	I	.0051957	312	0	1
235	C/D	I	.0051957	312	0	1
236	C/D	I	.0051957	312	0	1
237	C/D	I	.0051957	312	0	1
238	C/D	I	.0051957	312	0	1
240	C/D	I	.0051957	312	0	1
241	B	II	.0084671	624	1	2
242	C/D	I	.0051957	312	0	1
243	C/D	I	.0051957	312	0	1
244	C/D	I	.0051957	312	0	1
245	C/D	I	.0051957	312	0	1
248	B	II	.0084671	624	1	2
249	B	II	.0084671	624	1	2
251	G	III	.0089289	749	1	2
253	I	III	.0089289	738	1	2
255	E	IV	.0112766	936	2	2

THIRD FLOOR

302	A	III	.0089289	702	1	2
304	C/D	I	.0051957	312	0	2
305	B	II	.0084671	624	1	2
306	C/D	I	.0051957	312	0	1
307	C/D	I	.0051957	312	1	1
308	C/D	I	.0051957	312	0	1
309	C/D	I	.0051957	312	0	1
310	C/D	I	.0051957	312	0	1
311	C/D	I	.0051957	312	0	1
312	C/D	I	.0051957	312	0	1
313	C/D	I	.0051957	312	0	1
315	B	II	.0084671	624	1	2
317	F	III	.0089289	708	1	2
318	E	IV	.0112766	936	2	2
325	H	III	.0089289	717	1	2
327	C/D	I	.0051957	312	0	1
328	C/D	I	.0051957	312	0	1

THIRD FLOOR CON'T

329	C/D	I	.0051957	312	0	1
332	B	II	.0084671	624	1	2
333	B	II	.0084671	624	1	2
334	C/D	I	.0051957	312	0	1
335	C/D	I	.0051957	312	0	1
336	C/D	I	.0051957	312	0	1
337	C/D	I	.0051957	312	0	1
338	C/D	I	.0051957	312	0	1
340	C/D	I	.0051957	312	0	1
341	C/D	I	.0051957	312	0	1
342	C/D	I	.0051957	312	0	1
343	C/D	I	.0051957	312	0	1
344	C/D	I	.0051957	312	0	1
345	C/D	I	.0051957	312	0	1
348	B	II	.0084671	312	0	1
349	B	II	.0084671	312	0	1
351	G	III	.0089289	749	1	2
353	I	III	.0089289	738	1	2
355	E	IV	.0112768	936	2	2

FOURTH FLOOR

402	A	III	.0089289	702	1	2
404	C/D	I	.0051957	312	0	1
405	B	II	.0084671	624	1	2
406	C/D	I	.0051957	312	0	1
407	C/D	I	.0051957	312	0	1
408	C/D	I	.0051957	312	0	1
409	C/D	I	.0051957	312	0	1
410	C/D	I	.0051957	312	0	1
411	C/D	I	.0051957	312	0	1
413	C/D	I	.0051957	312	0	1
414	E	IV	.0112766	936	2	2
415	B	II	.0084671	624	0	1
417	F	III	.0089289	708	1	2
420	C/D	I	.0051957	312	0	1
425	H	III	.0089289	717	1	2
427	C/D	I	.0051957	312	0	1
428	C/D	I	.0051957	312	0	1
429	C/D	I	.0051957	312	0	1
432	B	II	.0084671	624	1	2
433	B	II	.0084671	624	1	2
434	C/D	I	.0051957	312	0	1
435	C/D	I	.0051957	312	0	1
436	C/D	I	.0051957	312	0	1
437	C/D	I	.0051957	312	0	1

FOURTH FLOOR CON'T

438	C/D	I	.0051957	312	0	1
440	C/D	I	.0051957	312	0	1
441	B	II	.0084671	624	0	2
442	C/D	I	.0051957	312	0	1
443	C/D	I	.0051957	312	0	1
444	C/D	I	.0051957	312	0	1
445	C/D	I	.0051957	312	0	1
448	B	II	.0084671	624	1	2
449	B	II	.0084671	624	1	2
451	G	III	.0089289	749	1	2
453	I	III	.0089289	738	1	2
455	E	IV	.0112766	936	2	2

COMMERCIAL UNITS

Unit No.	Unit Type	Assessment Class	Ownership Interest	Square Footage
One	Suite	V	.0056960	424
Two	Suite	V	.0056960	445
Three	Suite	VIII	.0114306	1088
Four	Suite	VII	.0096217	878
Five	Suite	VIII	.0114306	1024
Six	Suite	VI	.0086980	635
Seven	Suite	VI	.0086980	665

SCHEDULE "3"

CARLTON PALMS, A CONDOMINIUM

ESTIMATED OPERATING BUDGET FOR THE
CONDOMINIUM PROPERTY

ASSESSMENT CLASSIFICATION FOR CARLTON PALMS CONDOMINIUM

CLASS I	.0051957 EACH	TOTAL	.4572216
88 STUDIO UNITS EACH CONSIST OF 312 SQUARE FEET			
CLASS II	.0084671 EACH	TOTAL	.2370788
27 "B" UNITS EACH CONSIST OF 624 SQUARE FEET			
1 "J" UNIT EACH CONSIST OF 596 SQUARE FEET			
CLASS III	.0089289 EACH	TOTAL	.142824
4 "A" UNITS EACH CONSIST OF 702 SQUARE FEET			
3 "F" UNITS EACH CONSIST OF 708 SQUARE FEET			
3 "G" UNITS EACH CONSIST OF 749 SQUARE FEET			
3 "H" UNITS EACH CONSIST OF 717 SQUARE FEET			
3 "I" UNITS EACH CONSIST OF 738 SQUARE FEET			
CLASS IV	.0112766 EACH	TOTAL	.1014894
9 "E" UNITS EACH CONSIST OF 936 SQUARE FEET			
CLASS V	.0056960 EACH	TOTAL	.0113920
SUITE ONE CONSISTS OF 424 SQUARE FEET			
SUITE TWO CONSISTS OF 445 SQUARE FEET			
CLASS VI	.0086980V EACH	TOTAL	.0173960
SUITE SIX CONSISTS OF 635 SQUARE FEET			
SUITE SEVEN CONSISTS OF 665 SQUARE FEET			
CLASS VII	.0096217 EACH	TOTAL	.0096217
SUITE FOUR CONSISTS OF 878 SQUARE FEET			
CLASS VIII	.0114306 EACH	TOTAL	.0228611
SUITE THREE CONSISTS OF 1088 SQUARE FEET			
SUITE FIVE CONSISTS OF 1024 SQUARE FEET			

PROPOSED CARLTON PALMS OWNERSHIP AND CONDO FEE SCHEDULE

NOTE: The budget is a projection of annual costs including funding of reserves, it does not reflect actual expenditures. The Carlton Palms Homeowner's Association will review the budget annually. THIS BUDGET IS SUBJECT TO APPROVAL BY FL DIVISION OF CONDOMINIUMS.

CLASS I	.0051957	X	88 = .4572216	\$135.00
CLASS II	.0084671	X	28 = .2370788	\$220.00
CLASS III	.0089289	X	16 = .142824	\$232.00
CLASS IV	.0112766	X	9 = .1014894	\$293.00
CLASS V	.0056960	X	2 = .0113920	\$148.00
CLASS VI	.0086980	X	2 = .0173960	\$226.00
CLASS VII	.0096217	X	1 = .0096217	\$250.00
CLASS VIII	.0114306	X	2 = .0228611	\$297.00

CLASS I	\$135.00	X	88 = \$11,880.00
CLASS II	\$220.00	X	28 = \$ 6,160.00
CLASS III	\$232.00	X	16 = \$ 3,712.00
CLASS IV	\$293.00	X	9 = \$ 2,637.00
CLASS V	\$148.00	X	2 = \$ 296.00
CLASS VI	\$226.00	X	2 = \$ 452.00
CLASS VII	\$250.00	X	1 = \$ 250.00
CLASS VIII	\$297.00	X	2 = \$ 594.00

TOTAL MONTHLY BUDGET \$25,983.00

RESIDENTIAL UNITS

CLASS I	Consists of all studio units
CLASS II	Consists of all B units and one J unit (1 BDRM/2BA)
CLASS III	Consists of all A,F,G,H & I units (1 BDRM/2BA Delux)
CLASS IV	Consists of all E units (2 BDRM/2 BA)

COMMERCIAL SUITES

CLASS V	Consists of Suite One and Suite Two
CLASS VI	Consists of Suite Six and Suite Seven
CLASS VII	Consists of Suite Four

CARLTON PALMS, A CONDOMINIUM

ESTIMATED OPERATING BUDGET FOR
FISCAL YEAR: JANUARY 1, 1995 THROUGH DECEMBER 31, 1995

EXPENSES OF THE ASSOCIATION AND THE CONDOMINIUM (SEE NOTE 1)	MONTHLY	ANNUALLY
A: ADMINISTRATION OF THE ASSOCIATION		
STATIONERY/PRINTING	60.00	720.00
POSTAGE	35.00	420.00
LEGAL	40.00	480.00
ACCOUNTING	50.00	600.00
FEES/TAXES/LICENSES	75.00	900.00
ADMINISTRATIVE MISC.	10.00	120.00
B: MANAGEMENT FEE (SEE NOTE 2)	1333.33	16000.00
C: MAINTENANCE		
ALARM SYSTEM	60.00	720.00
CABLE T.V.	1375.00	16500.00
ELECTRICAL REPAIRS	50.00	600.00
ELEVATORS	270.00	3240.00
GENERAL MAINTENANCE	200.00	2400.00
JANITORIAL	850.00	10200.00
LANDSCAPING	50.00	600.00
LAWN MAINTENANCE	100.00	1200.00
LIGHTS/BULBS	21.77	261.24
MAINTENANCE PERSON	850.00	10200.00
MISCELLANEOUS	460.00	5520.00
PEST CONTROL (MONTHLY)	226.00	2712.00
PEST/TERMITE	40.00	480.00
POOL MAINTENANCE	400.00	4800.00
SPRINKLERS	25.00	300.00
TELEPHONE	110.00	1320.00
WASTE REMOVAL	250.00	3000.00
WINDOW WASHING	125.00	1500.00
D. RENT FOR RECREATIONAL AND OTHER COMMONLY USED FACILITIES	N/A	N/A
E. TAXES UPON ASSOCIATION PROPERTY	N/A	N/A
F. TAXES UPON LEASED AREAS	N/A	N/A
G. TAXES (TANGIBLE AND INTANGIBLE)	N/A	N/A
H. INSURANCE	830.00	9960.00
I. SECURITY	N/A	N/A
J. UTILITIES		
ELECTRIC	10000.00	120000.00
GAS	2960.00	35520.00
WATER/SEWER	3452.00	41424.00
TOTAL EXPENSES	24308.10	291697.24

RESERVES

ASPHALT	83.33	999.96
HVAC	694.44	8333.28
FIRE PROTECTION	170.94	2051.28
INSIDE POOL	59.52	714.24
OUTSIDE POOL	166.67	2000.04
PAINTING	166.67	2000.04
ROOFING	333.33	3999.96
TOTAL RESERVE	1674.90	20098.80
TOTAL EXP. & RESERVES	25983.00	311796.04

RESERVE DESCRIPTION-	REM LIFE	CURRENT COST	MONTHLY CONTRIBUTION	ANNUAL ALLOCATION
ASPHALT	30	30,000.	83.33	999.96
COMMON AREA HVAC	9	75,000.	694.44	8333.28
FIRE PROTECTION	39	80,000.	170.94	2051.28
INSIDE POOL	49	35,000.	59.52	714.24
OUTSIDE POOL	30	60,000.	166.67	2000.04
PAINTING	4	8,000.	166.67	2000.04
PLUMBING	25	0.	0.00	0.00
ROOFING	14	56,000.	333.33	3999.96

NOTE 1: By definition, a Budget is an estimate of expenses. However, actual expenses incurred may be either more or less than the estimated expenses set forth in the Budget. The Developer and the Association cannot and do not make any representation or warranty that actual expenses will not increase as a result of inflations, etc. Furthermore, if the estimated expenses incurred for those categories is less, then the excess will be used to off-set deficits occurring in the categories of the Budget where actual expenses exceed the estimated expenses.

NOTE 2: The Association has not entered into a Management Agreement. However, the Budget sets forth certain sums for management. This sum includes salaries and expenses. In the event the Association enters into an Agreement for professional management, the expenses for this item will be increased or decreased.

Note 3: Pursuant to Section 718.116 (9) (a) (2), the Developer has guaranteed that the total Assessment for Common Expenses of the Condominium imposed on all Unit Owners will not increase over \$311796.04 for the period beginning January 1, 1995 through December 31, 1994, and has obligated itself to pay any amount of Common Expenses incurred during that period and produced by the Assessments at the guaranteed level receivable from other Units Owners. The Budget guarantees for each Unit for the Budget guarantee period is the annual maintenance fee amount set forth for that Unit under the caption "Maintenance Fee Per Unit" above.

Note 4: The condominium budget contains the following items for the individual unit owners: electricity, basic cable, water, sewer, trash, monthly pest control, central hot water, insurance on the building and maintenance of the common area. The individual owner would be responsible for their telephone, insurance on the contents of their unit, any premium cable channels, real estate taxes and mortgage payments if they finance their unit.

SCHEDULE "4"

CARLTON PALMS, A CONDOMINIUM

FORM OF PURCHASE AGREEMENT UTILIZED IN THE SALE
OF CONDOMINIUM UNITS

ORAL REPRESENTATION; CANNOT BE RELIED UPON CORRECTLY STATING THE REPRESENTATION OF THE DEVELOPER. FOR CORRECT REPRESENTATIONS, REFERENCE SHOULD BE MADE TO THIS CONTRACT AND THE DOCUMENTS REQUIRED BY SECTION 718.504, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A BUYER.

ANY PAYMENT IN EXCESS OF 10 PERCENT OF THE PURCHASE PRICE MADE TO DEVELOPER PRIOR TO CLOSING PURSUANT TO THIS CONTRACT MAY BE USED FOR CONSTRUCTION PURPOSES BY THE DEVELOPER.

Any representation made by the Developer or any Sales Representative must be in writing to be enforceable.

CONTRACT FOR PURCHASE AND SALE

CARLTON PALMS, A CONDOMINIUM

Seller/Developer: CARLTON PALMS HOTEL, INC., a Florida corporation
224 East Garden Street, Pensacola, FL 32501

Purchaser: _____ Married/Single _____

Mailing Address: _____
Street Local Telephone No.

City State Zip Code Telephone

Condominium Unit Number: _____ Date: _____

Seller agrees to sell to Purchaser, and Purchaser agrees to purchase from Seller the above unit (the "Unit") in CARLTON PALMS, A CONDOMINIUM (the "Condominium"), according to the Public Offering Statement thereof, for the price and upon the terms and conditions hereinafter set forth, and subject to the additional terms and conditions on all pages hereof.

Unit Price: \$ _____

Other: \$ _____

Total Purchase Price: \$ _____

Deposit Made This Date: \$ _____

Additional Deposit Due \$ _____

BALANCE DUE AT CLOSING (_____) \$ _____
date

ADDITIONAL MONIES NEEDED:

Optional Items \$ _____
(Addendum attached hereto)

Closing Costs One-half percent (0.5%) of the purchase price

Mortgage Cost Mortgage costs to be paid in full by Buyer(N/A IF CASH DEAL)

Monthly Condominium Maintenance Charge \$ _____

Contribution to Condominium

This agreement is subject to the terms and condition set forth on all pages hereof which by reference is made a part hereof.

Note: Before Purchaser signs this agreement, Purchaser should read it carefully. Purchaser is advised that this agreement contains references to Developer's right to make changes in the offer made to Purchaser (paragraph "1(b)"), references made to certain closing costs (paragraph "6"), and strict limitations on Purchaser's rights upon Developer's default (paragraph "8(b)"). Purchaser is further advised that the condominium documents contain other important information, including, but not limited to, information respecting the schedule and other details for the turnover of control of the condominium association to unit owners, other than the Developer.

Purchaser acknowledges, warrants and represents that this Purchase Agreement is being entered into by Purchaser without reliance upon any representations concerning any potential for future profit, any rental income potential, tax advantages, depreciation or investment potential, and without reliance upon any other monetary or financial advantage, Purchaser acknowledges that no such representations have been made by Seller or any of its agents, employees or representatives.

Any representation made by the Developer or any Sales Representative must be in writing to be enforceable.

ANY PAYMENT IN EXCESS OF 10 PERCENT OF THE PURCHASE PRICE MADE TO DEVELOPER PRIOR TO CLOSING PURSUANT TO THIS CONTRACT MAY BE USED FOR CONSTRUCTION PURPOSES BY THE DEVELOPER.

PURCHASER

PURCHASER

Dated: _____

Carlton Palms Hotel, Inc., a Florida corporation

By: _____

Dated: _____

SELLER

CHECKS MADE PAYABLE TO: SANDRA J. WARD REALTY, INC., whose address is
Post Office Box 926, Pensacola, Florida 32594-0926.

Purchaser is entitled to a receipt for his deposit upon request. Purchaser understands
that evidence of cleared funds must be presented to Escrow Agent for refund of deposit.

Receipt of deposit in the sum of \$_____ is hereby acknowledged. (In the
event the deposit is in the form of a check, said check is subject to clearance.)

Escrow Agent:

Sandra J. Ward Realty, Inc.

By:_____

1. Condominium Plan and Condominium Documents.

(a) The Florida Condominium Act, Chapter 718, Florida Statutes (the "Act") requires that the following statement be contained in Contracts for the sale of a condominium parcel:

THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN FIFTEEN (15) DAYS AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER, AND RECEIPT BY BUYER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO HIM BY THE DEVELOPER UNDER SECTION 718.503, FLORIDA STATUTES. THIS AGREEMENT IS ALSO VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN FIFTEEN (15) DAYS AFTER THE DATE OF RECEIPT FROM THE DEVELOPER OF ANY AMENDMENT WHICH MATERIALLY ALTERS OR MODIFIES THE OFFERING IN A MANNER THAT IS ADVERSE TO THE BUYER. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN FIFTEEN (15) DAYS AFTER THE BUYER HAS RECEIVED ALL OF THE ITEMS REQUIRED. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

(b) The Purchaser acknowledges that prior to the execution of this contract, all of the statutory information concerning this Condominium required by Sections 718.503 and 718.504 of the Act has been delivered to the Purchaser, the receipt of which is hereby acknowledged by Purchaser. The required statutory information consist of the Prospectus and its Exhibits which include, but not limited to, the following documents (the "Condominium Documents"): Declaration of Condominium, the Articles of Incorporation of CARLTON PALMS CONDOMINIUM ASSOCIATION, INC. (the "Association"), the By-Laws of the Association, Rules and Regulations of the Association, Survey, Plot Plans and Floor Plans, estimated Operating Budget for the Association, legal descriptions, form of Purchase Agreement, Escrow Agreement, Receipt, Conversion Inspection Report and Frequently Asked Questions. The terms and conditions of the Condominium Documents are hereby incorporated by reference into this Contract. To exercise the right of cancellation set forth in Paragraph 1(a) above, Purchaser must deliver written notice to Seller at 224 East Garden Street, Pensacola, Florida 32501, (which is the place for giving any notices to Seller under this Contract) and by returning all copies of the Condominium Documents. If the Purchaser properly terminates the Contract all funds paid by Purchaser shall be paid to Purchaser, without interest, upon receipt of evidence of cleared funds by the Escrow Agent. The Purchaser agrees that the

Condominium Documents may be changed, if necessary, to meet the requirements of a mortgagee, public authority, title insurance company, or if such change is in the best interests of the Seller, in its discretion, may determine. It is understood and agreed, however, that if changes are made that would materially alter or modify the offering in a manner which is adverse to Purchaser without obtaining the approval of Purchaser, then this Contract is voidable by Purchaser by delivering written notice to Seller of the Purchaser's intention to cancel this Contract within fifteen (15) days after receipt by Purchaser of all of the amended Condominium Documents.

2. Personal Property.

Personal property included in the purchase price includes the following personal property: existing carpeting, ceramic tile flooring, refrigerator (with ice maker), microwave, dishwasher, range (with hood), and wall air conditioner unit in each bay window. No furniture or any other personal property is included in the Contract unless an Addendum is attached. No other items shown in the models are included.

3. Condition of Unit.

Purchaser acknowledges that this is a conversion of a previously existing improvements. In this regard, Purchaser acknowledges that there has been made available to Purchaser floor plans of the Condominium property. Floor plan dimensions are approximate only. Purchaser further acknowledges that Seller has made available to the Purchaser complete plans and specifications for the Unit and the improvements of the Condominium property. Purchaser understands that pursuant to the Act and the Public Offering Statement, the Developer makes no representations as to the Condominium property or the Unit and Purchaser hereby agrees to accept the Unit in an "as is" condition. Prior to the closing of the transaction between Purchaser and Developer, it shall be the duty of the Purchaser, in the presence of an agent or representative of the Developer, to inspect the Unit including its appliances, electrical system and the plumbing.

This Condominium is being created by the conversion of existing improvements. Each Unit shall be delivered in the manner represented in "AS-IS" condition without any express warranties or representations by the Developer, the Association or any broker or agent. Furthermore, the statutory warranties pursuant to Florida Statutes, Chapter 718.203, are not applicable to this Condominium and shall not run in favor of the Association or any Unit Owner.

No converter reserve account has been established pursuant to Section 718.618(7), Florida Statutes. Therefore, pursuant to Section 718.618(7), Florida Statutes, the Seller is deemed to have granted to the Purchaser of each Unit, an implied warranty of fitness and merchantability for the purposes of uses intended as to; the roof and structural components of the improvements, fireproofing and fire protection system and mechanical, electrical and plumbing elements serving the improvements, except mechanical elements serving only one Unit.

To the extent permitted by law, the Developer specifically disclaims any and all implied warranties of merchantability and fitness as to the Condominium Property, any Unit or any appurtenances thereto, including any appliances, furniture, fixtures or personal property.

4. Title.

(a) It Is understood and agreed that Purchaser is purchasing the above referenced Condominium Unit, subject to the items as hereinafter stated, and that title to the Unit which the Purchaser shall acquire pursuant to this Agreement shall be good, marketable and/or insurable, subject to the following:

(1) Conditions, restrictions, limitations, reservations, dedications, existing zoning ordinances and other rights of governmental bodies and any other instruments of record, including, but not limited to, water, sewer, gas, electric and other utility agreements of record.

(2) Facts which an accurate survey or personal inspection of the property would disclose.

(3) Taxes for the current year and subsequent years, pending municipal liens and easements existing and to be created for ingress and egress to the property.

(4) Covenants, conditions, restrictions, terms and other provisions as set forth in the Declaration of Condominium for CARLTON PALMS, A CONDOMINIUM, and its exhibits and Articles of Incorporation and By-Laws of CARLTON PALMS CONDOMINIUM ASSOCIATION, INC.

(5) All standard policy exceptions and provisions as may be contained in the A.L.T.A. owner's policy of title insurance.

In the event Seller is unable to provide good, marketable and/or insurable title in accordance with the terms hereof, Seller shall exercise reasonable diligence in order to correct such

defects within a reasonable period of time not to exceed sixty (60) days after notice thereof by Purchaser. In the event Seller cannot or does not correct such title defects, Purchaser shall have only the following rights:

(i) To take title subject to the defect without a diminution in the purchase price and the closing documentation shall be amended to provide that Purchaser is taking title subject to such defects, and Seller shall have no liability for same; or,

(ii) To cancel this Purchase Agreement by giving notice to Seller, and this Purchase Agreement shall be deemed terminated as of the date of such notice, in which event Purchaser shall be entitled to a refund of the monies paid hereunder, and Purchaser shall have no other rights against Seller.

(b) Following the closing of this transaction, Seller shall cause to be recorded in the Public Records of Escambia County, Florida, a Special Warranty Deed and, within one hundred eighty (180) days following the closing date, Seller shall deliver to Purchaser an A.L.T.A. owner's policy of title insurance (the "policy") insuring Purchaser's title, subject only to the matters set forth in this Purchase Agreement. The policy shall not insure title to or any interest in personal property or riparian rights.

5. Closing Date. It is mutually agreed that the closing of the Unit (the "closing") shall be held on or before _____, but not before substantial completion of the Unit and the common areas of the Condominium. In the event the Unit and common areas are not substantially complete by the above date, the closing shall be extended until such time as substantial completion occurs. The specified time and place for closing shall be designated by the Seller in writing, which writing is called the "closing notice" given to the Purchaser in accordance with the terms hereof. Notwithstanding the foregoing, the closing shall occur within two (2) years from the date of execution of this Agreement.

6. Closing.

(a) Closing Expenses. In addition to the purchase price, Purchaser shall be responsible for the following:

(1) The payment of one-half of one percent (0.05%) of the purchase price payable in cash or by cashier's check, from which Seller shall pay the cost of recording the Special Warranty Deed, documentary stamp taxes and the owner's policy of title insurance.

(2) Purchaser shall be responsible for the payment of all mortgage closing costs and expenses on a mortgage, when applicable, unless otherwise agreed by the parties.

(3) Purchaser shall pay to the Association an amount equal to twice the monthly assessments attributable to Purchaser's Unit. Purchaser agrees that this assessment may be used by the Association for any proper purpose under the Condominium Documents and the Act, including, but not limited to, special assessments or assessments for capital improvements or as a fund for miscellaneous items.

(4) Purchaser shall also pay real estate taxes for the Condominium Unit prorated for the year in which the closing is noticed to occur and a pro rata share of the assessments for common expenses applicable to the Unit. If the real estate tax bills are not available at the time of closing, Purchaser shall pay an amount with respect thereto as is established by Seller and an adjustment thereof shall be made within sixty (60) days of the issuance of such bills. All such assessments shall be made based on a November payment discount.

(a) Closing Documents. Purchaser also agrees to execute any closing statements or other documents which may be required in connection with the closing. In the event the closing is not completed within five (5) days from the date set forth in the closing notice, Purchaser shall pay to Seller interest on the unpaid balance of the purchase price at the highest rate permitted by law from the date set forth in the closing notice until the actual closing occurs and all monies to be paid by Purchaser to Seller, pursuant to the terms of this Purchase Agreement are received by Seller. In addition, Purchaser shall be responsible for attorneys' fees and other charges incurred by Seller as a result of rescheduling the closing. For purposes of calculating prorations at closing, the date specified in the closing notice shall be the date of closing. Notwithstanding the foregoing, Purchaser acknowledges that in the event the closing is not completed on the date set forth in the closing notice, then Seller may terminate this Purchase Agreement in accordance with the provisions hereof, and Seller may exercise all remedies available to Seller under paragraph 8 hereof. Purchaser is responsible for any requirements of lending institutions, including the signing of documents by spouse or other required party. Payment at closing must be in United States certified funds only. Any checks representing non-U.S. currency will be subject to any and all fees and interest charges. Seller shall provide a Special Warranty Deed at closing.

7. Escrow of Deposit Monies.

Seller has established an escrow account pursuant to Florida Statutes, Chapter 718 (the "Act"). The receipt and disbursement of escrowed funds shall be in accordance with the Act and Escrow Agreement between Developer and Escrow Agent. Purchaser hereby acknowledges that any escrowed funds in excess of ten percent (10%) of the purchase price may be used by Developer for costs associated with the actual construction and development of the Condominium property.

8. Purchaser's Default.

(a) Purchaser's Default. Purchaser shall be in default under this Purchase Agreement in the event that (1) Purchaser fails or refuses to complete and execute all of the instruments required of Purchaser under this Purchase Agreement promptly or when requested to do so by Seller; or (2) Purchaser fails to or refuses to make timely payment of any payments required under this Purchase Agreement; or (3) Purchaser in any other manner fails to or refuses to perform his obligations under this Purchase Agreement. In the event of any such default by Purchaser, Seller shall give Purchaser written notice of such default and allow seven (7) days from the date of such notice for Purchaser to cure such default. If Purchaser shall fail to cure such default within such seven (7) day period, the Seller shall, and does hereby have, the unrestricted option to: (1) consider the Purchaser in default under this Purchase Agreement; (2) retain all sums paid to it hereunder as agreed upon and liquidated damages and in full settlement of any claim for damages; and, (3) terminate all rights of Purchaser under this Purchase Agreement and, thereupon, the parties hereto will be released and relieved from all obligations hereunder. The provisions herein contained for liquidated and agreed upon damages are bona fide provisions for such and are not a penalty, the parties understanding that by reason of the withdrawal of the Unit from sale to the general public at a time when other parties would be interested in purchasing the Unit, that Seller will have sustained damages if Purchaser defaults, which damages will be substantial but will not be capable of determination with mathematical precision and, therefore, as aforesaid, the provisions for liquidated and agreed upon damages has been incorporated into this Agreement as a provision beneficial to both parties hereto. Purchaser and Seller recognize the impossibility of measuring Seller's damages if Purchaser defaults. In the event any litigation or arbitration is commenced as a result of this Purchase Agreement and Seller prevails in such litigation or arbitration, the Purchaser shall also be liable for Seller's attorneys' fees and costs resulting therefrom at all trial and appellate levels subject to Section 718.125 and Section 718.303, Florida Statutes, to the extent that they are applicable.

(b) Seller's Default. If Seller defaults in the performance of this Purchase Agreement, Purchaser shall give Seller written notice of such default and if Seller, within seven (7) days from receipt of such notice shall fail to take action that would cure the default within a reasonable period of time, and if Purchaser has performed all of his obligations hereunder, then Purchaser may elect to receive a return of the deposits made hereunder, or in the alternative, may seek specific performance. Upon payment of said deposit to Purchaser, Seller will no longer have any liability to Purchaser, and this Agreement shall automatically be cancelled.

9. Non-Assignability. This Purchase Agreement and Purchaser's interest and rights hereunder are personal to Purchaser and neither said Purchase Agreement nor the interest or rights of Purchaser hereunder, or any portion thereof, shall be assigned or transferred directly or indirectly, in whole or in part, without prior written approval of Seller. Any such assignment without such written approval of Seller shall be invalid and shall not be binding upon Seller and shall not relieve Purchaser of Purchaser's obligations under this Purchase Agreement. This Purchase Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators and permitted assigns of the parties to this Purchase Agreement; provided, however, this Purchase Agreement shall not become binding upon Seller until approved pursuant to the terms hereof.

10. Notices. The delivery of any items and the giving of notice in compliance with this Purchase Agreement shall be accomplished by delivery of the item or notice to the party intended to receive it or by mailing by certified or registered mail, addressed to the address of the party herein stated. Notice or delivery by mail shall be effective when mailed.

11. Radon Gas. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

12. Binding Arbitration. Notwithstanding anything contained herein to the contrary, all disputes arising under the terms and provisions of this Agreement shall be resolved by binding arbitration in accordance with the rules of the American Arbitration Association.

13. Miscellaneous.

(a) Purchaser shall not record this Purchase Agreement amongst the Public Records of Escambia County, Florida. The recording by Purchaser of this Purchase Agreement shall constitute a default by Purchaser.

(b) Purchaser agrees and acknowledges that there will be a lien against the Unit for any assessment not paid to the Association.

(c) All understandings and agreements between the parties are merged into this Purchase Agreement, which fully and completely expresses the parties' agreement. This Purchase Agreement may not be changed or terminated orally.

(d) The interpretation, validity and performance of this Agreement shall be governed by the laws of the State of Florida, and venue with respect to any litigation with respect to this Agreement shall be Escambia County, Florida.

(e) Captions and paragraph headings contained in this Agreement are for convenience and references only and in no way define, describe, extend or limit the scope or interest of this Agreement nor the interest of any provision hereof.

(f) Purchaser acknowledges that Purchaser is purchasing the Condominium Unit in "as is" condition. It is also expressly understood that the Unit shall be used only for residential or transient purposes in accordance with all laws of governing authority having jurisdiction thereover.

(g) Purchaser acknowledges that Seller or its agents shall have the right to utilize one or more model units and/or sales offices located on the Condominium property.

(h) Purchaser acknowledges that no representations have been made to Purchaser as to investment potential or resale potential. Further, Purchaser acknowledges that no representations have been made directly or indirectly to Purchaser with respect to resale or rental of the Unit.

(i) For the purposes of completing the sales promotion of the project and until the sale of all Units in the Condominium, the Seller, its successors and assigns, is hereby given the full right and authority to maintain or establish on the Condominium property and common elements such models, sales offices and advertising signs, if any, as Seller may deem necessary in its sole discretion, together with the right of ingress and egress to the common elements in connection therewith.

(j) In the event of any litigation or arbitration concerning this transaction, the prevailing party shall be entitled to recover its reasonable costs and attorneys' fees, inclusive of Court costs and attorneys' fees incurred in any appellate proceeding. Further, Purchaser hereby waives the right to a trial by jury in any claims or counterclaims brought pursuant to this Contract.

(k) Unless specifically set forth herein to the contrary, any and all interest earned on escrow funds shall be paid to Seller and shall be deemed the Seller's sole property.

(l) Purchaser acknowledges that no real estate broker has been used to purchase this or any other unit in this Condominium, other than one listed in this Contract, and that Purchaser agrees to hold harmless and indemnify Seller for all claims and commissions made by broker.

(m) As Seller delivers possession of the Unit in "As Is" condition, Purchaser acknowledges and agrees that any additional improvements contracted for that have not been completed by the scheduled closing date shall not be reason for delay of such closing. In no event will the Seller be obligated to place any funds in escrow due to incompleteness of improvements.

(n) Purchaser acknowledges that the Unit is being purchased in a pre-construction stage and that there will be on-going renovations to the common areas after closing. Purchaser acknowledges that Seller will not be obligated to give any reduction in the purchase price or place any funds in escrow due to on-going renovations at the time of closing.

(o) The provisions of this paragraph 13 shall survive the closing.

CARLTON PALMS, A CONDOMINIUM

DISCLOSURE NOTICE TO PURCHASER

CONCERNING CLOSING COSTS AND EMPLOYMENT OF SALES REPRESENTATIVE

I.

At the time of closing, Purchaser will be required to pay, in addition to the balance of the purchase price, the following items:

(a) Mortgage closing costs, including possible escrows and prepaid interest.

(b) One half of one percent (.5%) of the purchase price.

(c) Alterations, modifications or extras not previously paid.

(d) Two (2) months capital contribution to the working capital of the Association to be paid to the Association.

(e) Any additional costs which may be incurred by a Purchaser, including, but not limited to:

- (1) bank and Purchaser's attorneys' fees;
- (2) abstracting;
- (3) mortgage title insurance;
- (4) other insurance required by bank or desired by Purchaser;
- (5) prorated taxes; and
- (6) prorated maintenance.

II.

The undersigned sales representative is the agent of CARLTON PALMS HOTEL, INC., a Florida corporation, (Seller) and is being compensated or paid by same for procuring the execution of the Purchase and Sale Agreement.

Date: _____

Date: _____

Sales Representative: _____

Purchaser: _____

BY: _____

SCHEDULE "5"

CARLTON PALMS, A CONDOMINIUM

ESCROW AGREEMENT ESTABLISHING ESCROW ACCOUNT BETWEEN
DEVELOPER AND ESCROW AGENT

ESCROW AGREEMENT

THIS ESCROW AGREEMENT is made and entered into this day of 22 December, 1994, by and between CARLTON PALMS HOTEL, INC., a Florida corporation (hereinafter referred to as "Developer") and SANDRA J. WARD REALTY, INC. (hereinafter referred to as "Escrow Agent").

WHEREAS, Developer is developing a Condominium to be known as CARLTON PALMS, A CONDOMINIUM upon the property more particularly described on Exhibit "A" attached hereto and made a part hereof (hereinafter referred to as the "Project") and desires the Escrow Agent hold certain deposit monies (hereinafter referred to as "Deposit Monies") received by Developer from Purchasers of Condominium Parcels at the Project (which Purchasers are hereinafter referred to as "Buyers"); and,

WHEREAS, Escrow Agent has agreed to act as Escrow Agent for Deposit Monies paid by Buyers pursuant to Condominium Purchase Agreements (which Condominium Purchase Agreements are hereinafter referred to as "Contracts") entered into by Developer and Buyers in accordance with the provisions of Florida Statutes, Chapter 718 (the "Act") and on the terms and conditions now about to be set forth.

NOW, THEREFORE, in consideration of the sums of money hereinafter set forth and other good and lawful consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

I. ESCROW ACCOUNT

A. Escrow Agent hereby accepts its designation to act and serve as Escrow Agent for the Project, subject to all of the rights and privileges appertaining to such office and subject to the obligations incident thereto.

B. Contemporaneously herewith, Escrow Agent shall open a separate account which shall be designated as "THE CARLTON PALMS 10% ESCROW" (which separate account is hereinafter referred to as the "Account"). Developer shall deliver certain Deposit Monies received by it to Escrow Agent, pursuant to Contracts, and Escrow Agent shall deposit only such Deposit Monies in the Account. Simultaneously with the delivery of the Deposit Monies, Developer shall deliver to Escrow Agent a copy of the Contract pursuant to which Developer received the Deposit Monies; provided, however, in the event any additional Deposit Monies shall be paid pursuant to a Contract previously delivered to Escrow Agent, Developer shall not be required to deliver another copy of such Contract. A copy of the form of Contract in use at the Project is attached hereto as Exhibit "B". Additionally, Escrow Agent shall open a special

escrow account designated as "THE CARLTON PALMS SPECIAL ESCROW ACCOUNT" (which separate escrow account is hereinafter referred to as "Special Escrow Account"). Developer shall deliver all Deposit Monies in excess of ten (10%) percent received by it pursuant to the Contracts, and Escrow Agent shall deposit only such deposits in the Special Escrow Account. Disbursement of funds from the Special Escrow Account shall be used only for the actual construction and development of the Condominium Property in which the Unit is located and may not be used, in whole or in part, for salaries, commissions, expenses of salesmen, or for advertising purposes. Furthermore, such funds may only be disbursed after construction of improvements has begun. Notwithstanding anything contained herein to the contrary, Escrow Agent may establish one or more additional accounts designated as "THE CARLTON PALMS 10% CLOSING COST ACCOUNT" (hereinafter referred to as "Closing Cost Account"). The Escrow Agent shall be authorized to deposit into said account: or accounts all monies received pursuant to the Purchase Agreement designated as closing costs. Such funds shall only be disbursed by Escrow Agent to the Developer in accordance with the terms and conditions for disbursement from the Closing Cost Account.

C. Escrow Agent shall deliver monthly statements to Developer, which statements shall indicate: the Deposit Monies received for the Project and the Buyers who made payment of the funds so deposited; the Deposit Monies disbursed for the Project and to whom the Deposit Monies were disbursed; and the remaining balance of Deposit Monies for the Project.

D. Escrow Agent shall invest the Deposit Monies as directed by Developer in accordance with the Act.

II. DISBURSEMENT OF DEPOSIT MONIES

Escrow Agent agrees to hold all Deposit Monies in escrow in the Account subject to and in accordance with the following terms and conditions:

A. Prior to the closing of title with respect to a Contract (which closing is hereafter referred to as "Closing"), Deposit Monies from payments made under such Contract by a Buyer who properly voids such Contract ("Avoidance") shall be paid by Escrow Agent to such Buyer free of all costs of the escrow, and Deposit Monies from payments made by a Buyer under such Contract shall be paid by Escrow Agent to Developer in case of a default to determine whether an Avoidance or Default has occurred, and Escrow Agent shall make the payments required hereunder upon an Avoidance or a Default within ten (10) days after receipt by Escrow Agent of written notice of such Avoidance or Default from Developer designating the Buyer and the Contract which has been Avoided or Defaulted, the amount of the Deposit Monies which should be released from escrow and to whom and where such amount should be paid; provided, however, that a copy of such notice has been mailed

simultaneously therewith, via registered or certified mail, return receipt requested, to the Buyer under the Avoided or Defaulted Contract.

B. In the event of a Closing, Escrow Agent shall disburse to Developer the Deposit Monies with respect to such Contract in accordance with Buyer's authorization as contained in the Contract. Such Deposit Monies shall be disbursed to Developer upon receipt by Escrow Agent from Developer of written notice that such Closing has been completed.

C. In the event that, prior to a Closing, Escrow Agent receives written notice from the Buyer that there is a dispute between Buyer and Developer, Escrow Agent shall so notify the Developer in writing and continue to hold such Deposit Monies until it receives written instructions as to disbursement signed by both Developer and Buyer. In the alternative, Escrow Agent may disburse the disputed amount in accordance with the provisions of Article IV hereof.

D. Interest earned on Deposit Monies shall be paid to the appropriate party as may be provided by law and as per paragraph "12(K)" of the Contract.

E. Notwithstanding anything contained herein to the contrary, Escrow Agent may, without further notice or authorization from any Buyer on any Contract, transfer all Deposit Monies received pursuant to this Agreement to another escrow agent who would otherwise qualify as a lawful escrow agent pursuant to the provisions of Florida Statutes, Chapter 718, provided, however, that prior to such transfer, such substitute escrow agent executes an Escrow Agreement substantially the same as this Agreement, and such Escrow Agreement is filed with the Division of Florida Land Sales, Condominiums and Mobile Homes, as required by law.

III. LIABILITY OF ESCROW AGENT

Escrow Agent shall not be responsible or liable in any manner whatsoever for the sufficiency or correctness as to form, manner of execution or validity of any instrument deposited in this escrow, nor as to the identity, authority, or rights of any person executing the same, nor as to the sufficiency of the title to the property to be conveyed. Escrow Agent's duties hereunder shall be limited to the safekeeping of such money, monies, instruments and other documents received by it as such escrow holder, and for the disposition of the same in accordance with the terms and provisions of this Escrow Agreement.

IV. DISPUTES

In the event Escrow Agent is joined as a party to a lawsuit by virtue of the fact that it is holding a Buyer's Deposit Monies,

Escrow Agent shall, at its option, either tender said Deposit Monies into the registry of the Court or disburse same in accordance with the Court's ultimate disposition of the case, and Escrow Agent shall be entitled to its reasonable attorneys' fees and Court costs at all trial and appellate levels.

V. TERM OF AGREEMENT

A. This Agreement shall remain in effect unless and until it is cancelled in either of the following manners:

1. Upon written notice given by Developer of cancellation of designation of Escrow Agent to act and serve in said capacity, in which event, cancellation shall take effect within thirty (30) days after notice to Escrow Agent of such cancellation by Developer; or,

2. Escrow Agent may resign as Escrow Agent at any time upon giving notice to Developer of its desire to so resign; provided, however, that resignation of said Escrow Agent shall take effect thirty (30) days after the giving of notice of resignation.

B. In the event Developer fails to designate a successor Escrow Agent within the period described hereinabove, Escrow Agent shall have the right to deposit all funds, reservations and Contracts held hereunder into the registry of an appropriate Court and request judicial determination of the rights between the parties, by interpleader or other appropriate action, in which event the prevailing party shall be entitled to its reasonable attorneys' fees and Court costs.

C. Upon termination of the duties of Escrow Agent in either manner set forth in paragraph "A" of this Article V, Escrow Agent shall deliver any and all funds held by it in escrow and any and all Contracts or documents and copies, if not the original, of its record while acting as Escrow Agent to the newly appointed Escrow Agent designated by Developer, and Escrow Agent shall not have the right to withhold the funds or documents and instruments from said newly appointed Escrow Agent.

VI. NON-EXCLUSIVE AGREEMENT

The parties hereto acknowledge and agree that nothing herein shall prohibit Escrow Agent from serving in a similar capacity on behalf of other Developers, Escrow Agent shall, upon written request from Developer, transfer Deposit Monies to such other Escrow Agents as Developer shall direct in such request or requests.

SANDRA J. WARD REALTY, INC., a
Florida corporation

BY: *Sandra J. Ward*
Print Name: Sandra J. Ward

EXHIBIT A

That portion of Arpent Lots 48, 49, 50, 66, 67 and 68, Old City Tract in the City of Pensacola, Escambia County, Florida, according to the map of said City copyrighted by Thomas C. Watson and Company in 1906, more particularly described as follows:

Beginning at an iron rod at the Southeast corner of said Lot 68;

Thence North $11^{\circ}10'00''$ West along the East line of said lot and its extension, 258.84 feet to an iron rod;

Thence South $78^{\circ}50'00''$ West, 110.0 feet to an iron rod;

Thence North $11^{\circ}10'00''$ West, 125.0 feet to an iron rod in the North line of said Lot 66;

Thence South $78^{\circ}50'00''$ West, along the North line of said Lot and its extension, 378.5 feet to an iron rod, being 10 feet East of Lessors Tract 157;

Thence Southerly along a curve to the right having a radius of 433.34 feet, a chord bearing of South $22^{\circ}18'19''$ East, a chord distance of 159.87 feet to a point of reverse curve;

Thence continue Southerly along a curve to the left, having a radius of 327.54 feet, a chord bearing of South $15^{\circ}00'10''$ East, and a chord distance of 53.82 feet to a point of tangency;

Thence South $19^{\circ}42'55''$ East, 92.76 feet to a point of curvature;

Thence Southerly along a curve to the right having a radius of 535.13 feet, a chord bearing of South $15^{\circ}09'10''$ East, and a chord distance of 82.39 feet to a point in the South line of said Lot 50;

Thence North $75^{\circ}45'00''$ East, along the South line of said Lot and its extension 438.36 feet to the point of beginning.

AND INCLUDING: A parcel of land being the East 110.0 feet of the North 125.0 feet of Arpent Lot 66, Old City Tract, City of Pensacola, Escambia County, Florida, according to the map of said City, copyrighted by Thomas C. Watson in 1906; containing 13,750 square feet, more or less, in Escambia County, Florida.

LESS AND EXCEPT: A parcel of land, triangular in shape, situate, lying and being in Arpent Lot 68, Old City Tract, according to a map of the City of Pensacola, Florida copyrighted by Thomas C. Watson in 1906; being more particularly described as follows:

Begin at the Southeast corner of said Arpent Lot 68;

Thence run North $9^{\circ}46'39''$ West, 50 feet along the East line of said Arpent Lot 68;

Thence South $28^{\circ}53'13''$ West, 64.02 feet to the South line of said Arpent Lot 68 to a point 40.0 feet South $80^{\circ}14'05''$ West of the point of beginning;

Thence run North $80^{\circ}14'05''$ East, 40.0 feet along the South line of said Arpent Lot 68 to the point of beginning, containing 1000 square feet, more or less, in Escambia County, Florida.

SCHEDULE "6"

CARLTON PALMS, A CONDOMINIUM

FORM OF RECEIPT FOR CONDOMINIUM DOCUMENTS UTILIZED
IN THE SALE OF CONDOMINIUM UNITS

RECEIPT FOR CONDOMINIUM DOCUMENTS

The undersigned acknowledges that the documents checked below have been received or, as to plans and specifications, made available for inspection.

Name of Condominium: CARLTON PALMS, A CONDOMINIUM
Address of Condominium: 224 East Garden Street, Pensacola, Florida 32501

Place a check in the column by each document received or, for the plans and specifications, made available for inspection. If an item does not apply, place 'N/A' in the column.

DOCUMENT	RECEIVED
Prospectus Text	<u>X</u>
Declaration of Condominium	<u>X</u>
First Amendment to Declaration	<u>X</u>
Articles of Incorporation	<u>X</u>
By-Laws	<u>X</u>
Estimated Operating Budget	<u>X</u>
Form of Agreement for Sale or Lease	<u>X</u>
Rules and Regulations	<u>X</u>
Covenants and Restrictions	<u>N/A</u>
Ground Lease	<u>N/A</u>
Management and Maintenance Contracts	<u>N/A</u>
for More Than One (1) Year	<u>N/A</u>
Renewable Management Contracts	<u>N/A</u>
Lease of Recreational and Other Facilities	
to be Used Exclusively by Unit Owners	
of the Subject Condominium	<u>N/A</u>
Form of Unit Lease If a Leasehold	<u>N/A</u>
Declaration of Servitude	<u>N/A</u>
Sales Brochures	<u>X</u>
Phase Development Description (See	
718.503(2)(k) and 504(14))	<u>N/A</u>
Lease of Recreational Facilities to be Used	
by Unit Owners with Other Condominiums	
(See 718.503(2)(h))	<u>N/A</u>
Description of Management for Single Management	
of Multiple Condominiums (See 718.503(2)(k))	<u>N/A</u>
Conversion Inspection Report	<u>X</u>
Termite Inspection Report	<u>X</u>
Plot Plan	<u>X</u>
Floor Plans	<u>X</u>
Survey of Land and Graphic Description of	
Improvements	<u>X</u>
Executed Escrow Agreement	<u>X</u>
Contracts and/or Leases in Excess of One (1) Year	<u>N/A</u>
Copy of Statutory Warranty Deed	<u>X</u>
Frequently Asked Questions and Answers	<u>X</u>
Plans and Specifications	MADE AVAILABLE

THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN FIFTEEN (15) DAYS AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER AND RECEIPT BY BUYER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO HIM BY THE DEVELOPER UNDER SECTION 716-503, FLORIDA STATUTES. THIS AGREEMENT IS ALSO VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN FIFTEEN (15) DAYS AFTER THE DATE OF RECEIPT FROM THE DEVELOPER OF ANY AMENDMENT WHICH MATERIALLY ALTERS OR MODIFIES THE OFFERING IN A MANNER THAT IS ADVERSE TO THE BUYER. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN FIFTEEN (15) DAYS AFTER THE BUYER HAS RECEIVED ALL OF THE ITEMS REQUIRED. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

EXECUTED THIS _____ DAY OF _____, 19____.

PURCHASER

Print Name: _____

Print Name: _____

SCHEDULE "7"

CARLTON PALMS, A CONDOMINIUM
INITIAL RULES AND REGULATIONS

CARLTON PALMS, A CONDOMINIUM

INITIAL RULES AND REGULATIONS

Under the condominium documents, the Board of Directors of CARLTON PALMS CONDOMINIUM ASSOCIATION, INC. has the responsibility and authority for the operation of the Association, management of the Condominium Property and for the establishment and enforcement of Rules and Regulations.

These Initial Rules and Regulations may be modified, added to or repealed at any time by the Board. Any consent or approval given by the Association under these Rules and Regulations shall be revocable at any time, except for its approval of resales or leases. These Rules and Regulations and all others hereinafter promulgated shall apply to and be binding upon all Unit Owners. The Unit Owners shall at all times obey said Rules and Regulations and shall use their best efforts to see to it that they are faithfully observed by their families, guests, invitees, servants, lessees and other persons over whom they exercise control and supervision. Said Initial Rules and Regulations are as follows:

1. The sidewalk, entrances, passages, elevators, if applicable, vestibules, stairways, corridors, halls and all of the Common Elements must not be obstructed or encumbered or used for any purpose other than ingress and egress, to and from the premises; nor shall any carriages, bicycles, shopping carts, chairs, benches, tables or any other object of a similar type and nature be stored therein. Children shall not play or loiter in halls, stairways, elevators or other public areas. For security purposes, all doors leading from the building to the outside or from the garages into the elevator lobbies or stairways or the Condominium building shall be closed at all times and shall not be blocked open.
2. Exterior apartment doors must not be blocked or otherwise left open.
3. The personal property of all Unit Owners shall be stored within their Condominium Units or assigned storage areas.
4. No garbage cans, supplies, milk bottles or other articles shall be placed in the halls, on the balconies, or on the staircase landings, nor shall any linens, cloths, clothing, curtains, rugs, mops or laundry of any kind, or other articles, be shaken or hung from any of the windows, doors or balconies, or exposed on any part of the Common Elements. Fire exits shall not be obstructed in any manner, and the Common Elements shall be kept free and clear of rubbish, debris and other unsightly material.

5. No Owner shall allow anything whatsoever to fall from the windows or doors of the premises; nor shall he sweep or throw from the premises any dirt or other substance into any of the corridors, halls or balconies, elevators, ventilators, or elsewhere in the building or upon the grounds.

6. Refuse and bagged garbage shall be deposited only in the area provided therefor. In this regard, all refuse must be bagged in sealed garbage bags.

7. Water closets and other water apparatus and plumbing facilities on the Condominium Property shall not be used for any purpose other than those for which they were constructed. Any damages resulting from misuse of any of such items in the Condominium Unit or elsewhere shall be paid for by the Unit Owner in whose Unit it shall have been caused or by the Unit Owner whose family, guest, invitee, servant, lessee or other person who is on the Condominium Property pursuant to the request of the Unit Owner shall have caused such damage.

8. Employees of the Association shall not be sent out of the building by any Unit Owner at any time for any purpose. No Unit Owner or resident shall direct, supervise or in any manner attempt to assert any control over the employees of the Association.

9. The parking facilities shall be used in accordance with the regulations therefor adopted from time to time.

10. The exterior of the Condominium Units and all other exterior areas appurtenant to a Condominium Unit, including, but not limited to doors, shall not be painted, decorated or modified by a Unit Owner in any manner without the prior consent of the Association.

11. Nothing, including, but not limited to, radio or television aerials or antennas, signs, notices or advertisements, awnings, curtains, shades, window guards, light reflective materials, hurricane or storm shutters, ventilators, fans or air conditioning devices, or other items shall be attached or affixed to the exterior of any Unit or exposed on or projected out of any window, door of any Unit without the prior written consent of the Association. No one shall alter the outside appearance of any window of any Unit without the prior written consent of the Association. The consent of the Association to all

or any of the above may be withheld on purely aesthetic grounds within the sole discretion of the Board of Directors of the Association.

12. No interior of a condominium Unit shall be altered in any manner as such would have any effect on the structural elements of the building or its electrical, mechanical, plumbing or air conditioning systems or on any of the Common or Limited Common Elements without the prior written consent of the Association.

13. No Unit owner shall make or permit any disturbing noises in the building by himself, his family, servants, employees, agents, visitors and licensees, nor do or permit anything by such persons that will interfere with the rights, comfort or convenience of the Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or operate or suffer to be operated a phonograph, television, radio or sound amplifier in his Unit in such a manner as to disturb or annoy other occupants of the Condominium. All parties shall lower the volume as to the foregoing after 11:00 p.m. of each day. No Unit Owner shall conduct or permit to be conducted vocal or instrumental instruction at any time.

14. No sign, advertisement, notice or other lettering shall be exhibited, displayed, inscribed, painted or affixed in, on or upon any part of the Condominium Unit or Condominium Property by any Unit Owner or occupant without written permission of the Association.

15. No awning, canopy, shutter or other projection shall be attached to or placed upon the outside walls or doors or roof of the building without the written consent of the Board of Directors of the Association. All window coverings must be such color as the Association determines in its sole discretion.

16. The Association may retain a pass key to all Units. In lieu of a pass key, the Association shall have a duplicate key. In the event the Unit Owner fails to supply either a pass key or duplicate key, and entry into the Unit by the Association is permitted in accordance with the Declaration, Articles, By-Laws or these Regulations, the Association shall not be responsible for any, costs or expenses incidental to a forced entry into the Unit. The agents of the Association and any contractor or workman authorized by the association may enter any unit at any reasonable hour of the day for any purpose permitted under the terms of the Declaration of Condominium or By-Laws of the Association. Entry will only be made after pre-arrangement with the respective Unit Owner or the occupant of the Condominium Unit. Nothing herein shall relieve the Association of its duty of ordinary care in carrying out its responsibilities, nor from its negligence or willful activities that caused damage to a Unit Owner's property.

17. Complaints regarding the service of the Condominium shall be made in writing to the Association.

18. No inflammable, combustible or explosive fluid, chemical or substance shall be kept in any Unit or Limited Common Element assigned thereto or storage area, except such as are required for normal household use.

19. Payments of monthly assessments shall be made at the office of the Association. Payments made in the form of checks shall be made to the order of such party as the Association shall designate. Payments of regular assessments are due on the first (1st) day of each month, and if such payments are ten (10) days or more late, they are subject to charges, as provided in the Declaration of Condominium.

20. No bicycles, scooters, baby carriages, similar vehicles, toys or other personal articles shall be allowed to stand in any driveways, Common Elements or Limited Common Elements. None of the foregoing items shall be conducted in or from any Residential Condominium Unit.

21. The Residential Condominium Unit shall be used solely for purposes consistent with applicable zoning laws. No trade, business, profession or other type of commercial activity may be conducted in or from any Residential Condominium Unit.

22. A Unit Owner shall not permit or suffer anything to be done or kept in his Condominium Unit which will increase the insurance rates on his Unit, the Common Elements or any portion of the Condominium or which will obstruct or interfere with the rights of other Unit Owners of the Association.

23. Advance arrangements shall be made with the Association before moving furniture or bulky personal belongings in or out of the building.

24. Rugs, mats, etc. may not be placed outside the Condominium Unit entrance doors.

25. No solicitors are to be permitted on the Condominium Property at any time except by individual appointment with residents.

26. When in beach attire, all chairs and lounges must be covered with a towel before use.

27. Unit Owners are responsible for any damages to the Common Elements or Limited Common Elements caused by themselves, their family, guests, invitees, servants, lessees and persons who are on the Condominium Property because of such Unit Owner.

28. Food and beverages may not be consumed outside of a except in such areas as are designated by the Board of Directors of the Association.

29. Provisions in the nature of Rules and Regulations are specified in the Declaration of Condominium.

30. The Board of Directors of the Association reserves the right to make additional Rules and Regulations as may be required from time to time. These additional Rules and Regulations shall be as binding as all other Rules and Regulations previously adopted.

31. Rules and Regulations as to the use of the recreational facilities shall be posted, and each Unit Owner, as well as his family, guests and invitees, shall observe all Rules and Regulations.

32. In the event any Rule or Regulation heretofore set forth or hereinafter promulgated, or any sentence, clause, paragraph, phrase or word thereof is determined to be invalid or unenforceable, all remaining provisions or portions thereof shall be and shall remain in full force and effect.

33. No pet may be kept in a Unit. Not pet of any kind shall be kept within a Unit or the Condominium Property.

34. With the respect to the leasing of any Commercial Unit, the Association has the right to approve any tenant.

35. There will be no boats, jet skis, motor homes, and/or other large recreational vehicles parking on the Condominium Property.

36. No inoperable vehicle shall be allowed on the Condominium Property and there shall be no changing of oil or car repairs in any of the parking areas on the Condominium Property.

37. Any laundry areas shall be used only from the time from 6:00 a.m. to 10:00 p.m.

38. Any corporation or other legal entity that owns the Unit shall be responsible for the employees that use such Unit. Such entity is fully responsible for all occupants in compliance with the Association's rules and regulations.

SCHEDULE "8"

CARLTON PALMS, A CONDOMINIUM

CONVERSION INSPECTION REPORT AND TERMITE INSPECTION REPORT

STANLEY
PAUL
HOELLE
ARCHITECT

127 INDIGO ROAD

ORMOND BEACH, FLORIDA 32174

PHONE: 904-672-2261
FAX: 904-673-7947

DATE: August 22, 1994

TO: Richard C. Booth
3845 Killeran Court
Suite 1
Tallahassee, FL 32308

OWNER: Fred Braida
Carlton Palms Hotel, Inc. (a Florida Corporation)
d/b/a Carlton Palms (a Condominium)
224 East Garden Street
Pensacola, Florida 32501

FROM: Stanley Paul Hoelle, Architect
Lic. No. AR0009033
Threshold Inspector No. 112

LOCATION: 224 East Garden Street
Pensacola, Florida 32501

SUBJECT: Commission No. 94406

#9033
Stanley Paul Hoelle
10/24/94

INSPECTION REPORT FOR THE CARLTON PALMS, A CONDOMINIUM

224 East Garden Street
Pensacola, Florida 32501

A visual inspection of the Carlton Palms Condominium complex, located in Pensacola, Escambia County, Florida was performed by this firm on July 29, 1994. The construction of the buildings comprising the condominium was completed in 1975. Prior to being converted to a condominium, the buildings were operated as a rental hotel complex.

The complex consists of two buildings.

The west building is a four (4) story masonry wall load bearing structure with hollow core concrete floor and roof slabs. The exterior has brick veneer with standing seam metal mansard around the top. There are (3) elevators and (3) stairs serving the four floor levels. Laundry, storage and waste facilities for the units are provided on all levels. Mechanical and electrical equipemnt rooms are located on the ground floor. All (141) living units are located in this building. The roof consists of a new urethane foam spray system with gravel over existing built-up roof system over concrete structural slab.

The east building is a one (1) story masonry wall load bearing structure with steel beams and bar joist with metal deck, rigid insulation board, built-up roof system with a new urethane foam spray system with gravel. The exterior has brick veneer and stucco with standing seam metal mansard around the top with three (3) new canopy structures.

This building contains drive-thru covered portico, grand lobby, reception desk, indoor pool, exercise area, and toilet facilities, community center w/kitchen, bike storage and seven (7) condominium commercial units.

Our visual inspections of the common areas only covered the following elements: ROOF, STRUCTURE, FIREPROOFING & FIRE PROTECTION SYSTEMS, ELEVATORS, HEATING AND COOLING SYSTEMS, PLUMBING, ELECTRICAL SYSTEMS, SWIMMING POOL, SEA WALLS, PAVEMENT AND PARKING AREAS, DRAINAGE SYSTEMS.

The summary of the results are as follows:

ROOF

1. Safety of roof elements with respect to the use intended.

The roof elements are safe.

2. Soundness of the roof elements with respect to the use intended.

The roof elements are sound.

3. Functioning ability of the roof elements with respect to use intended.

The roof elements function properly.

4. The age of the roof.

The roof is new.

5. The estimated remaining useful life of the roof.

The estimated remaining useful life of the roof is ten years.
Recoating will extend the life another five years.

6. The estimated current replacement cost of the roof.

The estimated current replacement cost of the roof is \$56,000.

STRUCTURE

1. Safety of the structural elements with respect to the use intended.

The structural elements are safe.

2. Soundness of the structural elements with respect to the use intended.

The structural elements are sound.

3. Functioning ability of the structural elements with respect to the use intended.

The structural elements function properly.

4. The age of the structural elements.

The age of the structural elements is nineteen years old.

5. The estimated remaining useful life of the structural elements.

The estimated remaining useful life of the structural elements is thirty-one years.

6. The estimated current replacement cost of the structural elements.

The estimated current replacement cost of the structural elements is \$2,100,000.

FIREPROOFING AND FIRE PROTECTION SYSTEMS

1. Safety of fire protection system elements with respect to the use intended.

The fire protection system elements are safe.

2. Soundness of fire protection system elements with respect to the use intended.

The fire protection system elements are sound.

4. The age of the fire protection system elements.

The fire protection system elements are new.

5. The estimated remaining useful life of the fire protection system elements.

The estimated remaining useful life of the fire protection system elements is 40 years.

6. The estimated current replacement cost of the fire protection system elements.

The estimated current replacement cost of the fire protection system elements is \$ 77,000 .

ELEVATOR

1. Safety of the elevators with respect to the use intended.

The elevator elements are safe.

2. Soundness of the elevators with respect to the use intended.

The elevator elements are sound.

3. Functioning ability of the elevators with respect to the use intended.

The elevator elements function properly.

4. The age of the elevators.

The elevators are nineteen years old.

5. The estimated remaining useful life of the elevators.

The estimated useful remaining life of the elevators is sixteen years.

6. The estimated current replacement cost of the elevators.

The estimated current replacement cost of the elevators is \$ 75,000 .

HEATING & COOLING SYSTEM (COMMON AREAS)

1. Safety of the heating and cooling elements with respect to the use intended.

The heating and cooling elements are safe.

2. Soundness of the heating and cooling elements with respect to the use intended.

The heating and cooling elements are sound.

3. Functioning ability of the heating and cooling elements with respect to the use intended.

The heating and cooling elements function properly.

4. The age of the heating and cooling elements.

The heating and cooling elements are new.

5. The estimated remaining useful life of the heating and cooling elements.

The estimated remaining useful life of the heating and cooling elements is ten years.

6. The estimated current replacement cost of the heating and cooling elements.

The estimated current replacement cost of the heating and cooling elements is \$50,000.

PLUMBING SYSTEM

1. Safety of the plumbing elements with respect to the use intended.

The plumbing elements are safe.

2. Soundness of the the plumbing elements with respect to the use intended.

The plumbing elements are sound.

3. Functioning ability of the plumbing elements with respect to the use intended.

The plumbing elements function properly.

4. The age of the plumbing elements.

The plumbing elements are nineteen years old.

5. The estimated remaining useful life of the plumbing elements.

The estimated remaining useful life of the plumbing elements is twenty-one years.

6. The estimated current replacement cost of the plumbing elements.

The estimated current replacement cost of the plumbing elements is \$175,000.

ELECTRICAL SYSTEM

1. Safety of the electrical elements with respect to the use intended.

The electrical elements are safe.

2. Soundness of the electrical elements with respect to the use intended.

The electrical elements are sound.

3. Functioning ability of the electrical elements with respect to the use intended.

The electrical elements function properly.

4. The age of the electrical elements.

The electrical elements are nineteen years old.

5. The estimated remaining useful life of the electrical elements.

The estimated remaining useful life of the electrical elements is thirty-one years.

6. The estimated current replacement cost of the electrical elements.

The estimated current replacement cost of the electrical elements is \$350,000.

SWIMMING POOL (OUTSIDE)

1. Safety of the pool elements with respect to the use intended.

The swimming pool elements are safe.

2. Soundness of the pool elements with respect to the use intended.

The swimming pool elements are sound.

Tile and depth indicator markers have been replaced and replastered the shell.

3. Functioning ability of the swimming pool elements with respect to the use intended.

The swimming pool elements function properly.

4. The age of the swimming pool elements.

The age of the swimming pool elements is nineteen years old.

5. The estimated remaining useful life of the swimming pool elements.

The estimated remaining useful life of the swimming pool is thirty-one years.

6. The estimated current replacement cost of the swimming pool elements.

The estimated current replacement cost of the swimming pool elements is \$60,000.

SEA WALLS

None

PAVEMENT & PARKING AREAS

1. Safety of the paving and parking elements with respect to the use intended.

The paving and parking elements are safe..

2. Soundness of the paving and parking elements with respect to the use intended.

The paving and parking elements are sound, except this inspection revealed the following conditions:

Some light cracking of the surface which should be sealcoated and striped.

3. Functioning ability of the paving and parking elements with respect to the use intended.

The paving and parking elements function properly.

Notation: Revised parking lot layout and new landscaping area with irrigation lines will require cutting, removal and resurfacing/stripping.

4. The age of the pavement and parking elements.

The age of the pavement and parking element is nineteen years. . .

5. The estimated remaining useful life of the pavement and parking elements.

The estimated remaining useful life of the payment and parking elements is thirty-one years.

6. The estimated current replacement cost of the pavement and parking elements.

The estimated current replacement cost of the pavement and parking elements is \$40,000 .

DRAINAGE SYSTEM

1. Safety of the drainage elements with respect to the use intended.

The drainage elements are safe.

2. Soundness of the drainage elements with respect to the use intended.

The drainage elements are sound.

3. Functioning ability of the drainage elements with respect to the use intended.

The drainage elements function properly.

4. The age of the drainage elements.

The age of the drainage elements is nineteen years old.

5. The estimated remaining useful life of the drainage elements.

The estimated remaining life of the drainage elements is thirty-one years.

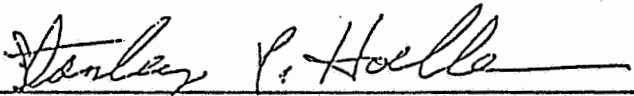
6. The estimated current replacement cost of the drainage elements.

The estimated current replacement cost of the drainage elements is \$30,000.

Scope of Report

This report is based on a visual inspection only of the apparent condition of the building and/or equipment, on the date inspected. Stanley Paul Hoelle, Architect assumes no liability resulting from this report.

Stanley Paul Hoelle, Architect



Architect Reg. No. AR0009033

Threshold Inspector No. 112

Date 8/30/94

REPLACEMENT COST OF THE ROOF IS \$56,000. THE FOLLOWING IS THE PERCENTAGE OF THE NECESSARY RESERVE PER UNIT BY CLASS:

CLASS I	.0051957	X	\$290.96
CLASS II	.0084671	X	\$474.16
CLASS III	.0089289	X	\$500.00
CLASS IV	.0112766	X	\$631.49
CLASS V	.0056960	X	\$319.00
CLASS VI	.0086980	X	\$487.00
CLASS VII	.0096217	X	\$539.00
CLASS VIII	.0114306	X	\$640.00

REPLACEMENT COST OF THE STRUCTURE IS \$2,100,000. THE FOLLOWING IS THE PERCENTAGE OF THE NECESSARY RESERVE PER UNIT BY CLASS:

CLASS I	.0051957	X	\$10910.97
CLASS II	.0084671	X	\$17780.91
CLASS III	.0089289	X	\$18750.69
CLASS IV	.0112766	X	\$23680.86
CLASS V	.0056960	X	\$11961.60
CLASS VI	.0086980	X	\$18265.80
CLASS VII	.0096217	X	\$20205.57
CLASS VIII	.0114306	X	\$24004.26

REPLACEMENT COST OF THE FIREPROOFING AND FIRE PROTECTION SYSTEMS IS \$77,000. THE FOLLOWING IS THE PERCENTAGE OF THE NECESSARY RESERVE PER UNIT BY CLASS.:

CLASS I	.0051957	X	\$ 400.07
CLASS II	.0084671	X	\$ 651.97
CLASS III	.0089289	X	\$ 687.53
CLASS IV	.0112766	X	\$ 868.30
CLASS V	.0056960	X	\$ 438.59
CLASS VI	.0086980	X	\$ 669.75
CLASS VII	.0096217	X	\$ 740.87
CLASS VIII	.0114306	X	\$ 880.16

REPLACEMENT COST OF THE ELEVATOR IS \$75,000. THE FOLLOWING IS THE PERCENTAGE OF THE NECESSARY RESERVE PER UNIT BY CLASS:

CLASS I	.0051957	X	\$ 389.68
CLASS II	.0094671	X	\$ 710.03
CLASS III	.0089289	X	\$ 669.67
CLASS IV	.0112766	X	\$ 845.75
CLASS V	.0056980	X	\$ 427.35
CLASS VI	.0086980	X	\$ 652.35
CLASS VII	.0096217	X	\$ 721.63
CLASS VIII	.0114306	X	\$ 857.30

REPLACEMENT COST OF THE HEATING & COOLING SYSTEMS \$50,000. THE FOLLOWING IS THE PERCENTAGE OF THE NECESSARY RESERVE PER UNIT BY CLASS:

CLASS I	.0051957	X	\$259.79
CLASS II	.0084671	X	\$423.36
CLASS III	.0089289	X	\$446.45
CLASS IV	.0112766	X	\$563.83
CLASS V	.0056960	X	\$284.80
CLASS VI	.0086980	X	\$434.90
CLASS VII	.0096217	X	\$481.09
CLASS VIII	.0114306	X	\$571.53

REPLACEMENT COST OF THE PLUMBING SYSTEM IS \$175,000. THE FOLLOWING IS THE PERCENTAGE OF THE NECESSARY RESERVE PER UNIT BY CLASS:

CLASS I	.0051957	X	\$ 909.25
CLASS II	.0084671	X	\$1481.74
CLASS III	.0089289	X	\$1562.56
CLASS IV	.0112766	X	\$1973.41
CLASS V	.0056960	X	\$ 996.80
CLASS VI	.0086980	X	\$1522.15
CLASS VII	.0096217	X	\$1683.80
CLASS VIII	.0114306	X	\$2000.36

REPLACEMENT COST OF THE ELECTRICAL SYSTEMS IS \$350,000. THE FOLLOWING IS THE PERCENTAGE OF THE NECESSARY RESERVE PER UNIT BY CLASS.:

CLASS I	.0051957	X	\$1818.50
CLASS II	.0084671	X	\$2963.49
CLASS III	.0089289	X	\$3125.12
CLASS IV	.0112766	X	\$3946.81
CLASS V	.0056960	X	\$1993.60
CLASS VI	.0086980	X	\$3044.30
CLASS VII	.0096217	X	\$3367.60
CLASS VIII	.0114306	X	\$4000.71

REPLACEMENT COST OF THE OUTSIDE SWIMMING POOL IS \$60,000. THE FOLLOWING IS THE PERCENTAGE OF THE NECESSARY RESERVE PER UNIT BY CLASS:

CLASS I	.0051957	X	\$311.74
CLASS II	.0094671	X	\$568.03
CLASS III	.0089289	X	\$539.57
CLASS IV	.0112766	X	\$676.60
CLASS V	.0056980	X	\$341.88
CLASS VI	.0086980	X	\$521.88
CLASS VII	.0096217	X	\$577.30
CLASS VIII	.0114306	X	\$685.84

REPLACEMENT COST OF THE PAVEMENT & PARKING AREAS IS \$40,000. THE FOLLOWING IS THE PERCENTAGE OF THE NECESSARY RESERVE PER UNIT BY CLASS:

CLASS I	.0051957	X	\$207.83
CLASS II	.0094671	X	\$378.68
CLASS III	.0089289	X	\$357.16
CLASS IV	.0112766	X	\$451.06
CLASS V	.0056980	X	\$227.92
CLASS VI	.0086980	X	\$347.92
CLASS VII	.0096217	X	\$384.87
CLASS VIII	.0114306	X	\$457.22

REPLACEMENT COST OF THE DRAINAGE SYSTEMS IS \$30,000. THE FOLLOWING IS THE PERCENTAGE OF THE NECESSARY RESERVE PER UNIT BY CLASS:

CLASS I	.0051957	X	\$155.87
CLASS II	.0094671	X	\$284.01
CLASS III	.0089289	X	\$267.87
CLASS IV	.0112766	X	\$338.30
CLASS V	.0056980	X	\$170.94
CLASS VI	.0086980	X	\$260.94
CLASS VII	.0096217	X	\$288.65
CLASS VIII	.0114306	X	\$342.92

WOOD-DESTROYING ORGANISMS INSPECTION REPORT

Section 482.226, Florida Statutes

Licensee Name CHARLIE JONES PEST CONTROL, INC. License Number 607
Licensee address 803 E. Belmont St., Pensacola, FL 32501
Inspector MIKE HELMS Inspection Date 10/06/94 Identification Card No. 607
Requested By TOM SOLOSE
Property Inspected 224 EAST GARDEN STREET
Specific Structures Inspected _____
Structures on Property NOT Inspected _____
Areas of Structure(s) NOT Inspected _____
Reason NOT Inspecting _____

SCOPE OF INSPECTION

"Wood-destroying organism" means arthropod or plant life which damages and can reinfest seasons wood in a structure, namely termites, powder post beetles, oldhouse borers, and wood decaying fungi.

THIS REPORT IS MADE ON THE BASIS OF WHAT WAS VISIBLE AND ACCESSIBLE AT THE TIME OF THE INSPECTION and is not an opinion covering areas such as, but not necessarily limited to, those that are enclosed or inaccessible, areas concealed by wall coverings, floor coverings, furniture, equipment, stored articles, or any portion of the structure in which inspection would necessitate removing or defacing any part of the structure.

THIS IS NOT A STRUCTURAL DAMAGE REPORT. A wood-destroying organisms inspector is not ordinarily a construction or building trade expert and therefore is not expected to possess any special qualifications which would enable him to attest to the structural soundness of the property. **IF VISIBLE DAMAGE OR OTHER EVIDENCE IS NOTED IN THIS REPORT (ITEM NUMBER 1) OF THIS REPORT, FURTHER INVESTIGATION BY QUALIFIED EXPERTS OF THE BUILDING TRADE SHOULD BE MADE TO DETERMINE THE STRUCTURAL SOUNDNESS OF THE PROPERTY.**

THIS REPORT SHALL NOT BE CONSTRUED TO CONSTITUTE A GUARANTEE OF THE ABSENCE OF WOOD-DESTROYING ORGANISMS OR DAMAGE OR OTHER EVIDENCE UNLESS THIS REPORT SPECIFICALLY STATES HEREIN THE EXTENT OF SUCH GUARANTEE.

REPORT OF FINDINGS

(1) Visible evidence of wood-destroying organisms observed: No ☒ Yes ☐ _____
(Common name of organisms)

Locations: _____

(2) Live wood-destroying organisms observed: No ☒ Yes ☐ _____
(Common name of organisms)

Locations: _____

(3) Visible damage observed: No ☒ Yes ☐ _____
(Common name of organisms causing damage)

Locations: _____

(4) Visible evidence of previous treatment was observed: No ☒ Yes ☐
Explain: _____

(5) This company has treated the structure(s) at time of inspection: No ☒ Yes ☐ If YES: A copy of the contract is attached.

(Organisms treated) (Pesticide used)

(6) This company has treated the structure(s): No ☒ Yes ☐ If YES: Date of treatment: _____

(Common name of organisms) (Common name of pesticide)

(7) A notice of this inspection ☒ and/or treatment ☐ has been affixed to the structure(s):

(Location of Notice(s))

COMMENTS: _____

Neither the licensee nor the inspector has any financial interest in the property inspected or is associated in any way in the transaction with any party to the transaction other than for inspection purposes.

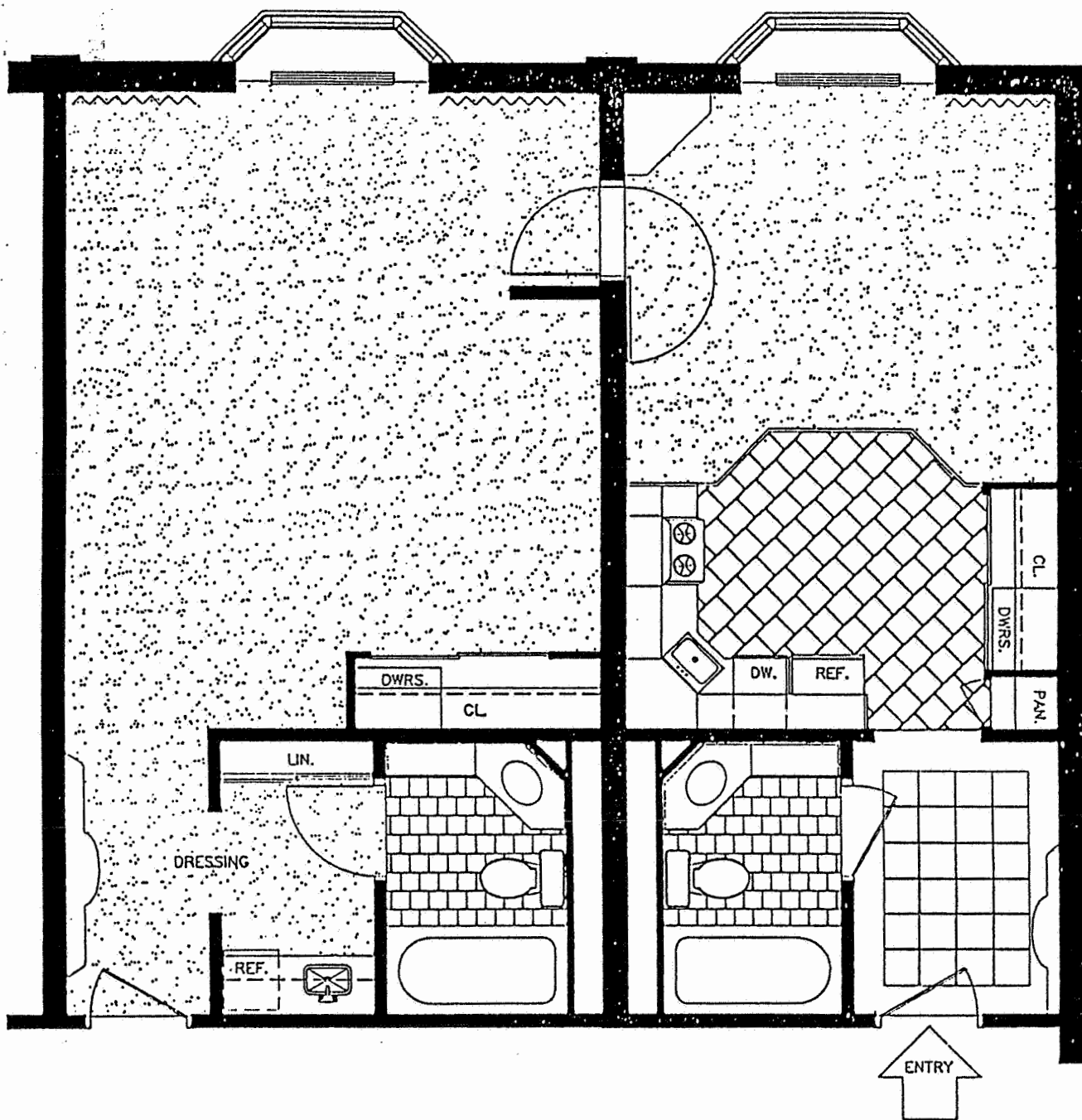
SEND REPORT TO PERSON WHO REQUESTED THIS INSPECTION AND TO:

Signature of Licensee or Agent Charlie Jones Date 10/07/94

SCHEDULE "9"

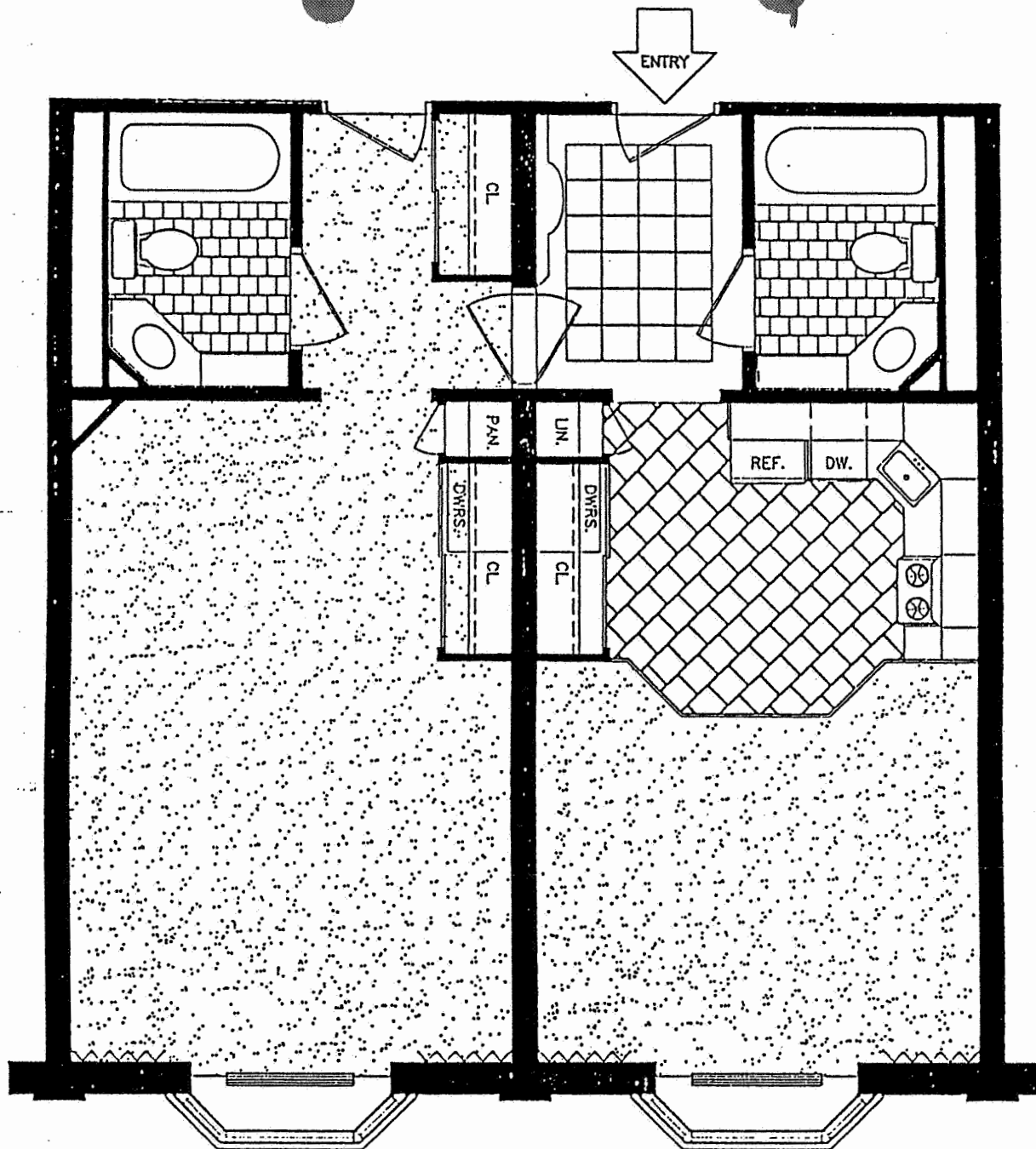
CARLTON PALMS, A CONDOMINIUM

FLOOR PLANS FOR ALL UNITS



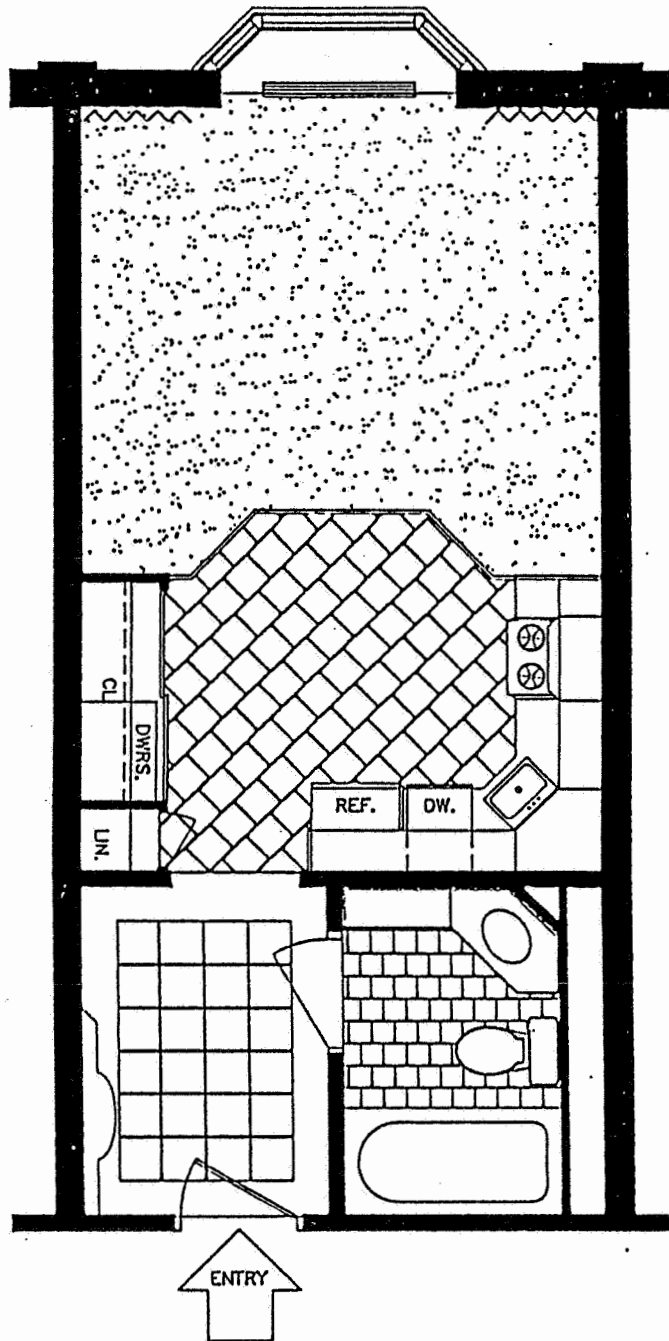
UNIT A

ONE BEDROOM DELUXE WITH QUEEN BED AND
QUEEN SIZE SOFA BED. 702 SQ. FT.



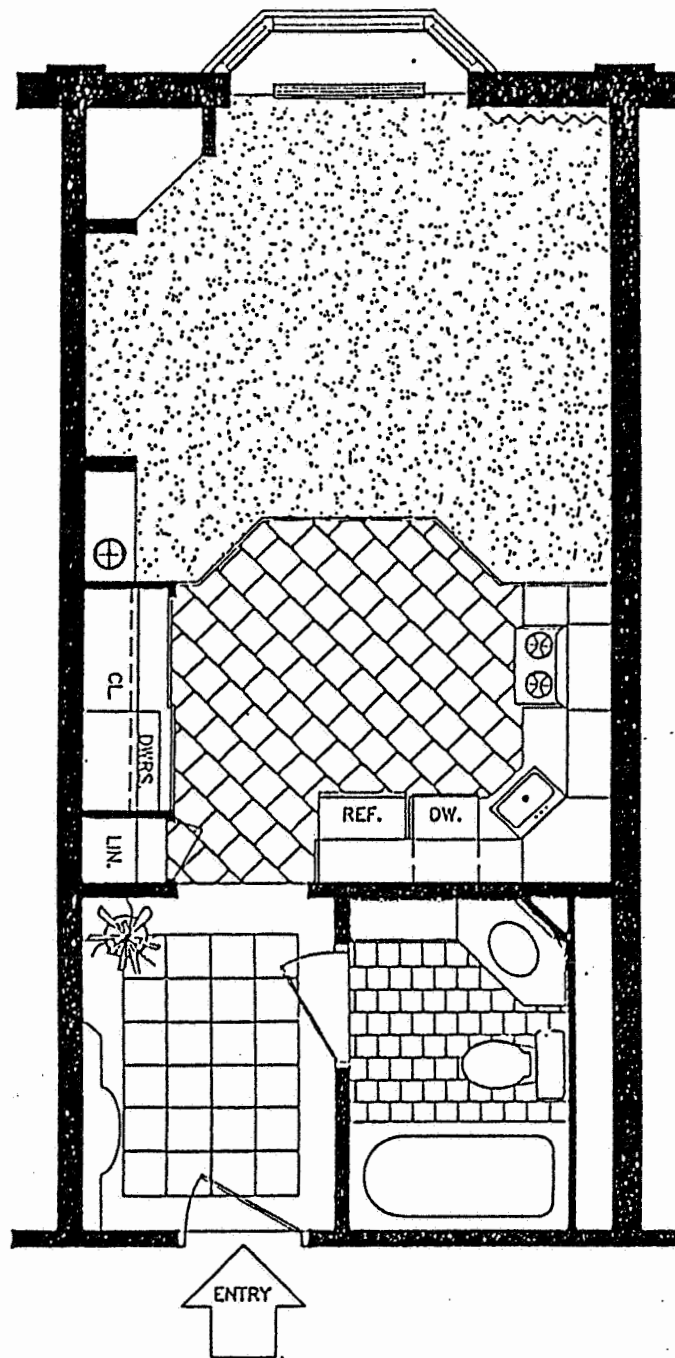
UNIT B

ONE BEDROOM WITH QUEEN BED AND
QUEEN SIZE SOFA BED. 624 SQ. FT.



STUDIO C

WITH QUEEN SOFA BED
312 SQ. FT.

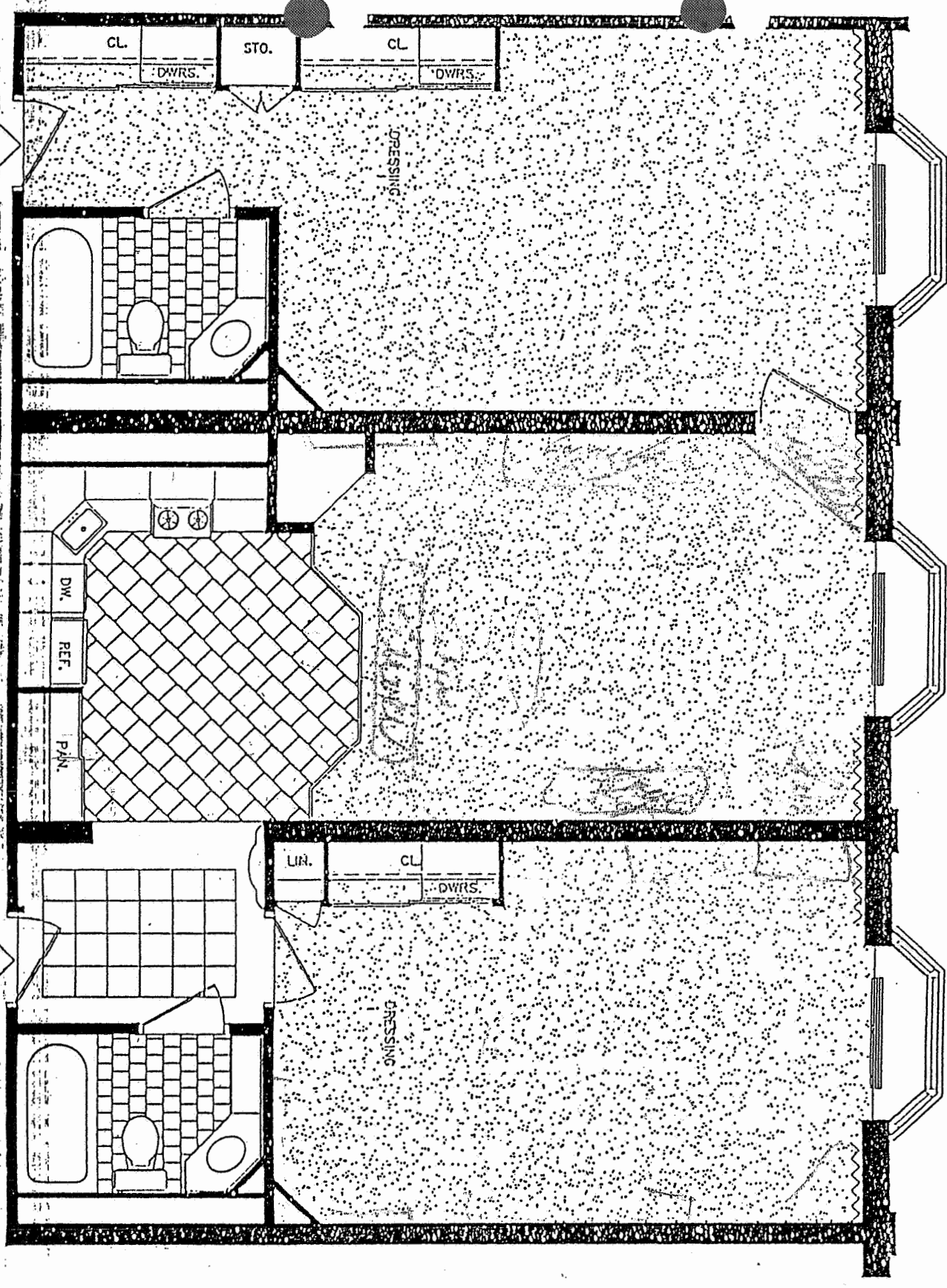


STUDIO D WITH QUEEN WALL BED 312 SQ. FT.

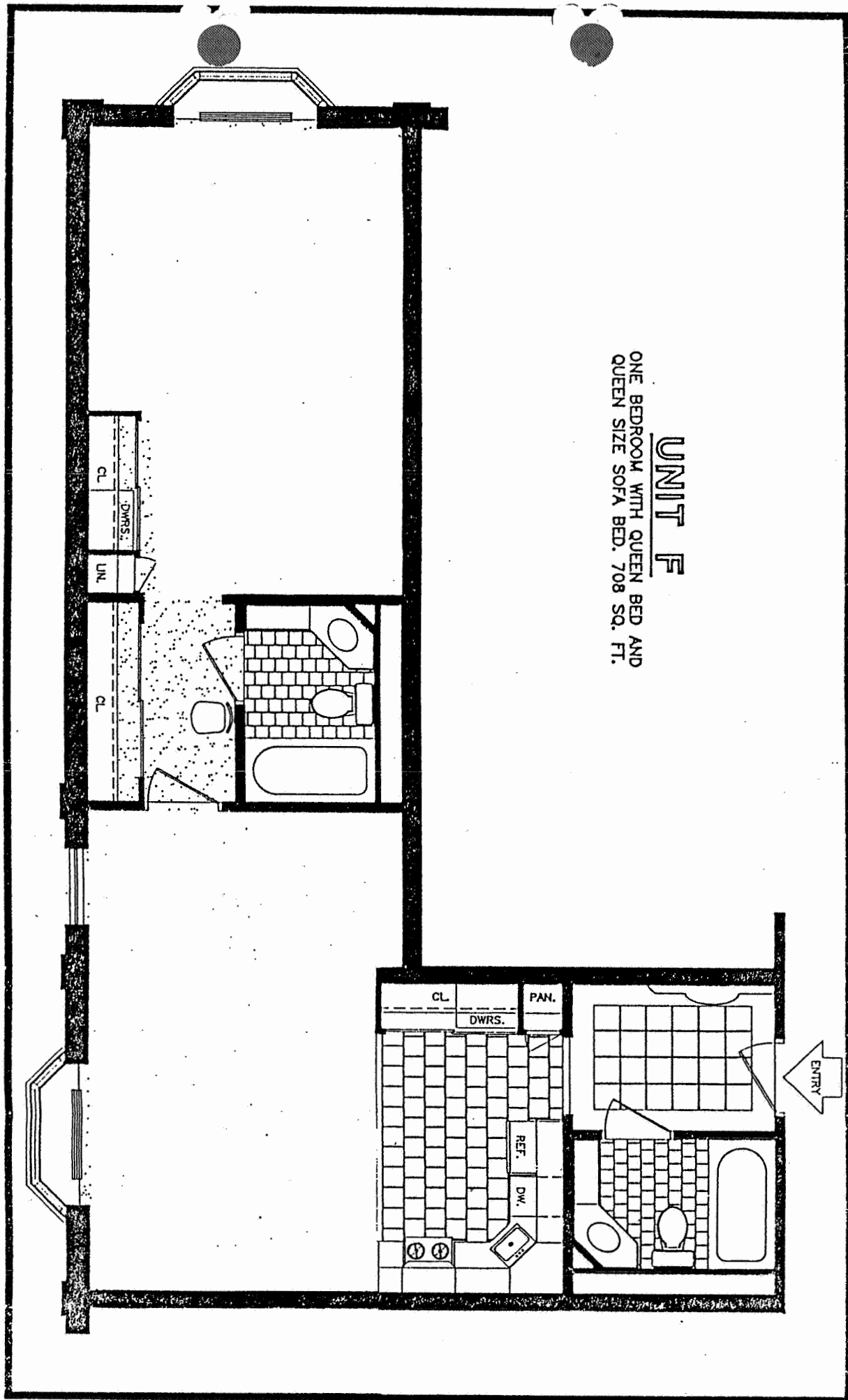


UNIT E

TWO BEDROOM WITH TWO QUEEN BEDS AND
QUEEN SIZE SOFA BED. 936 SQ. FT.

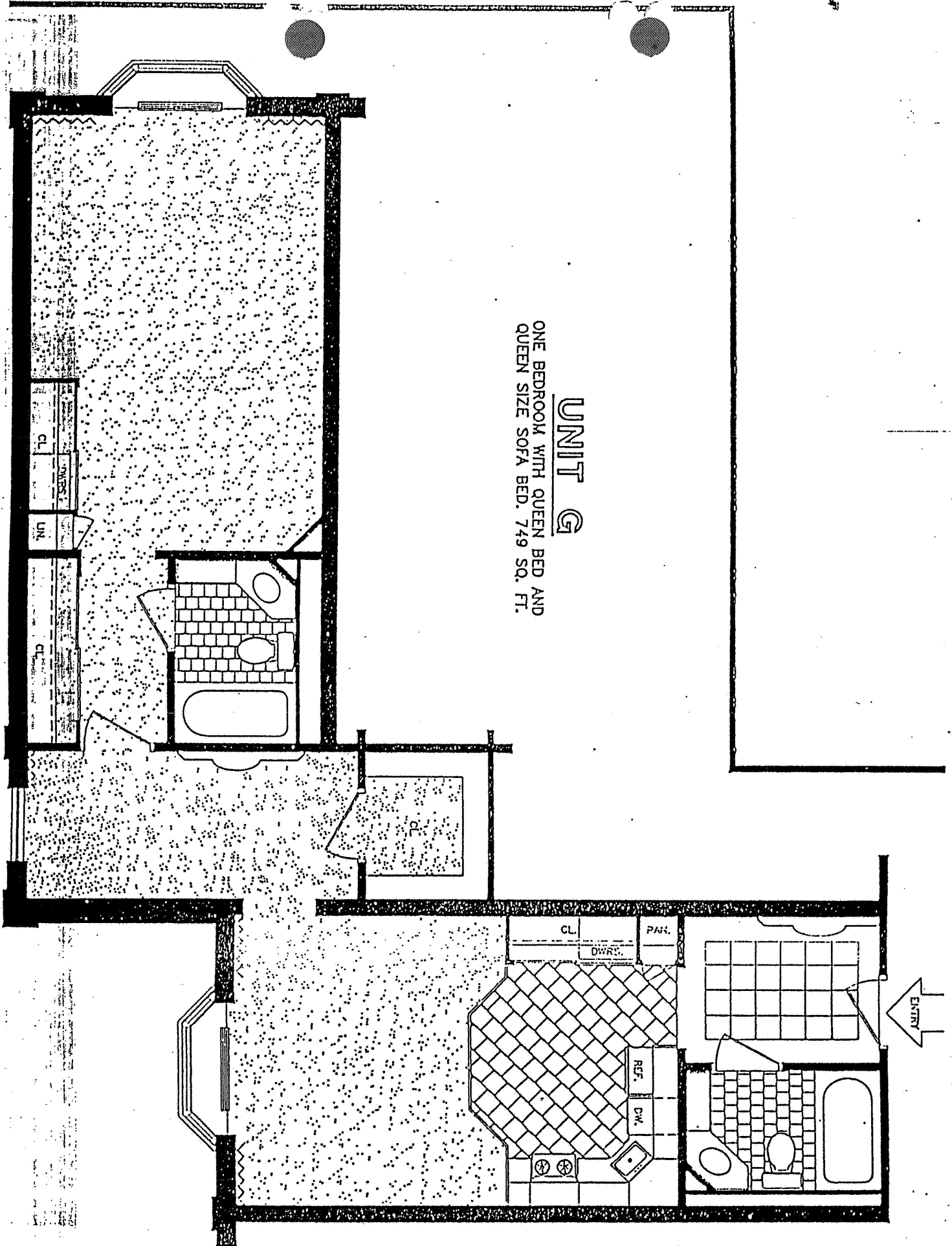


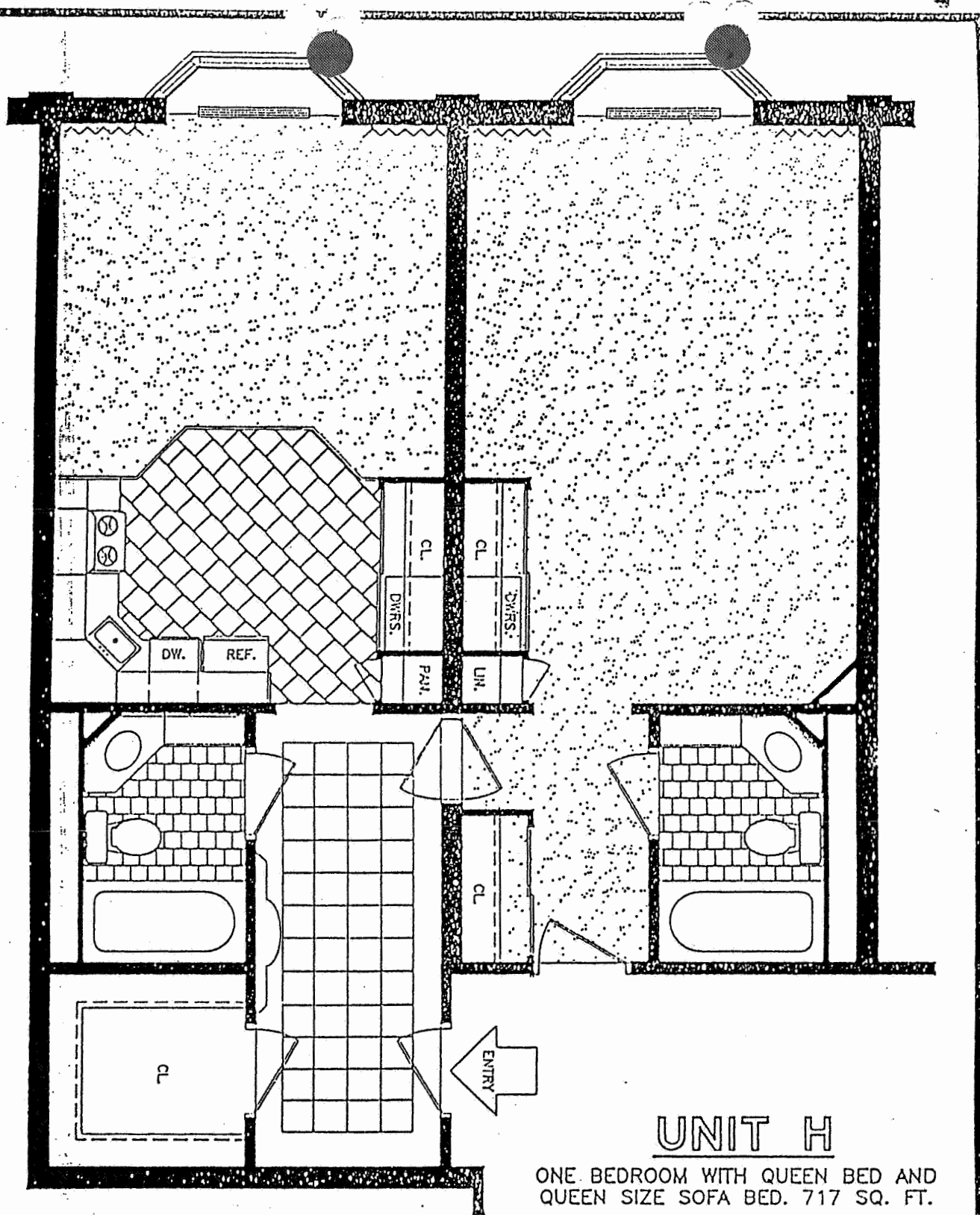
UNIT F
ONE BEDROOM WITH QUEEN BED AND
QUEEN SIZE SOFA BED. 708 SQ. FT.



UNIT G

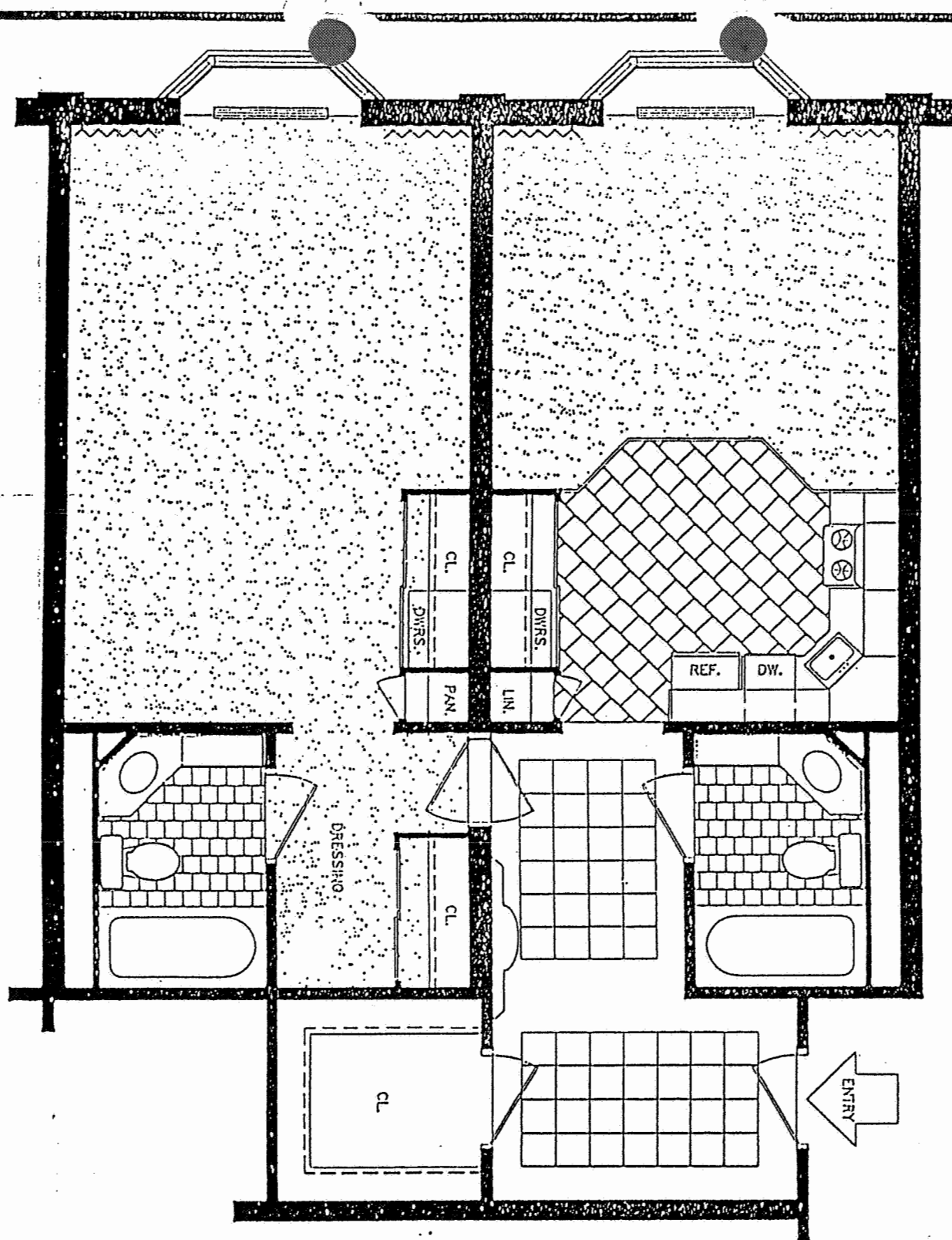
ONE BEDROOM WITH QUEEN BED AND
QUEEN SIZE SOFA BED. 749 SQ. FT.





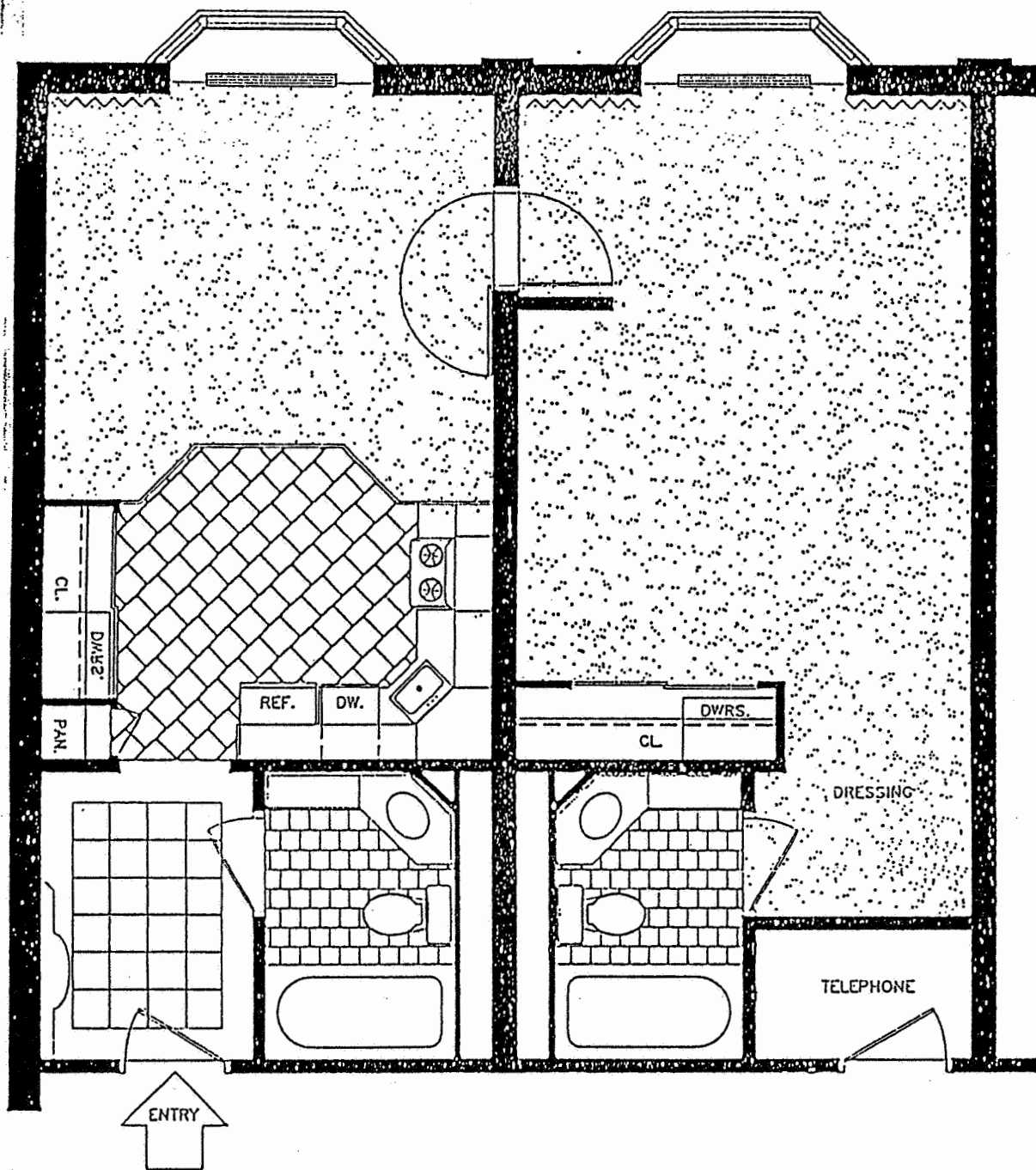
UNIT H

ONE BEDROOM WITH QUEEN BED AND
QUEEN SIZE SOFA BED. 717 SQ. FT.



UNIT 1

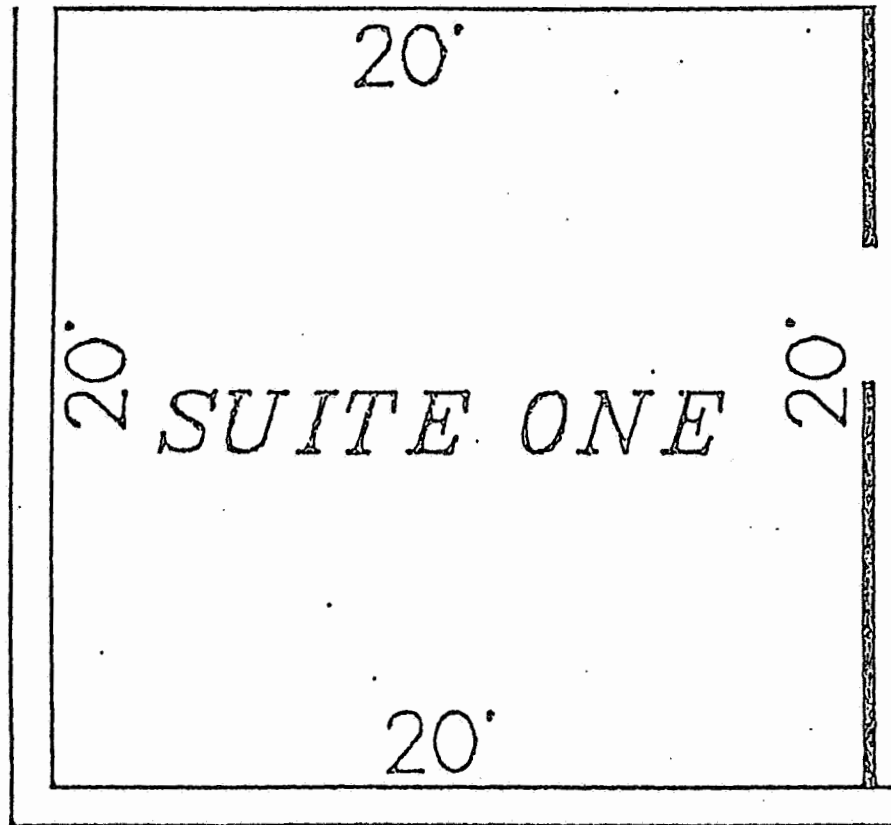
ONE BEDROOM WITH QUEEN BED AND
QUEEN SIZE SOFA BED. 738 SQ. FT.



UNIT J

ONE BEDROOM WITH QUEEN BED AND
QUEEN SIZE SOFA BED. 596 SQ. FT.

condo fee \$148/mo



ST 2

20'

∞ SUITE TWO ∞

STE 2

23'

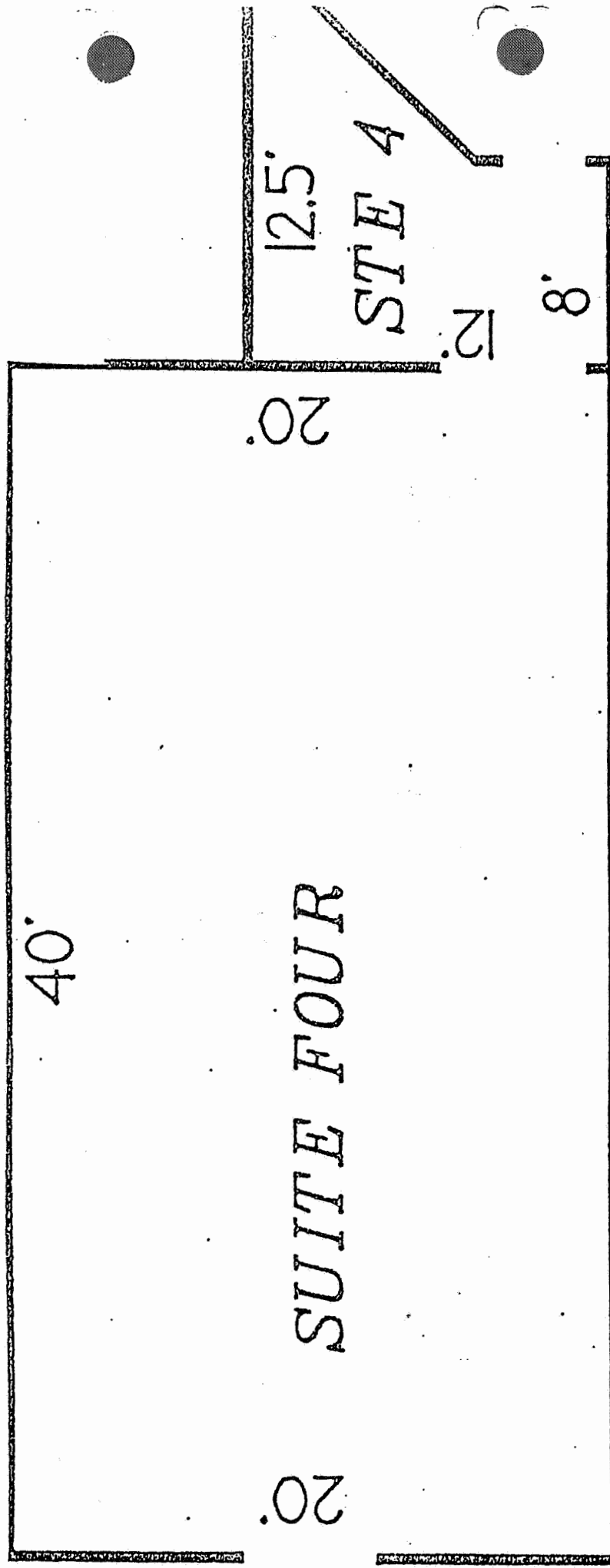
SUITE THREE

15'

STE 3

12.5'

16'



19'

SUITE FIVE

40'

20'

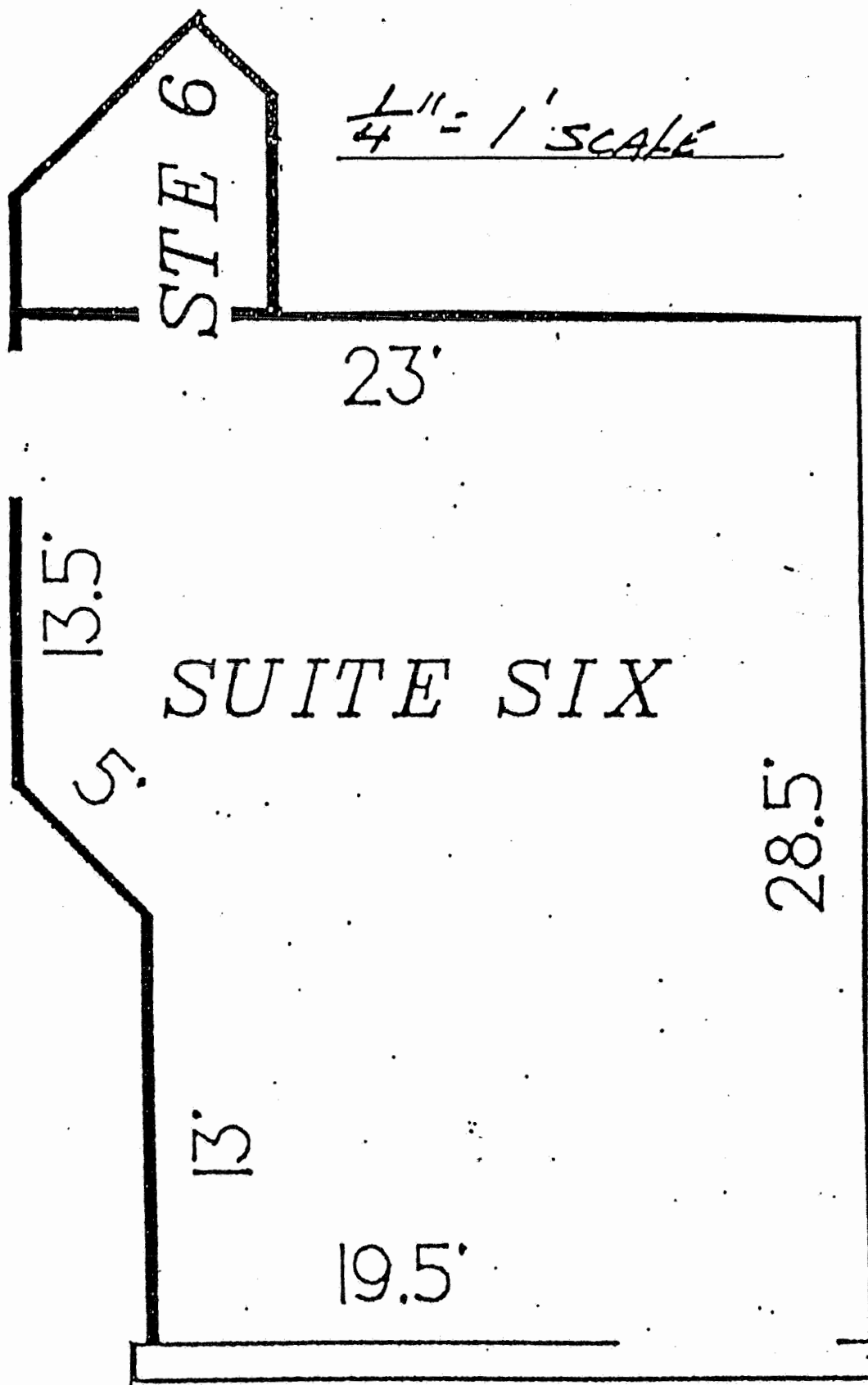
8'

20'

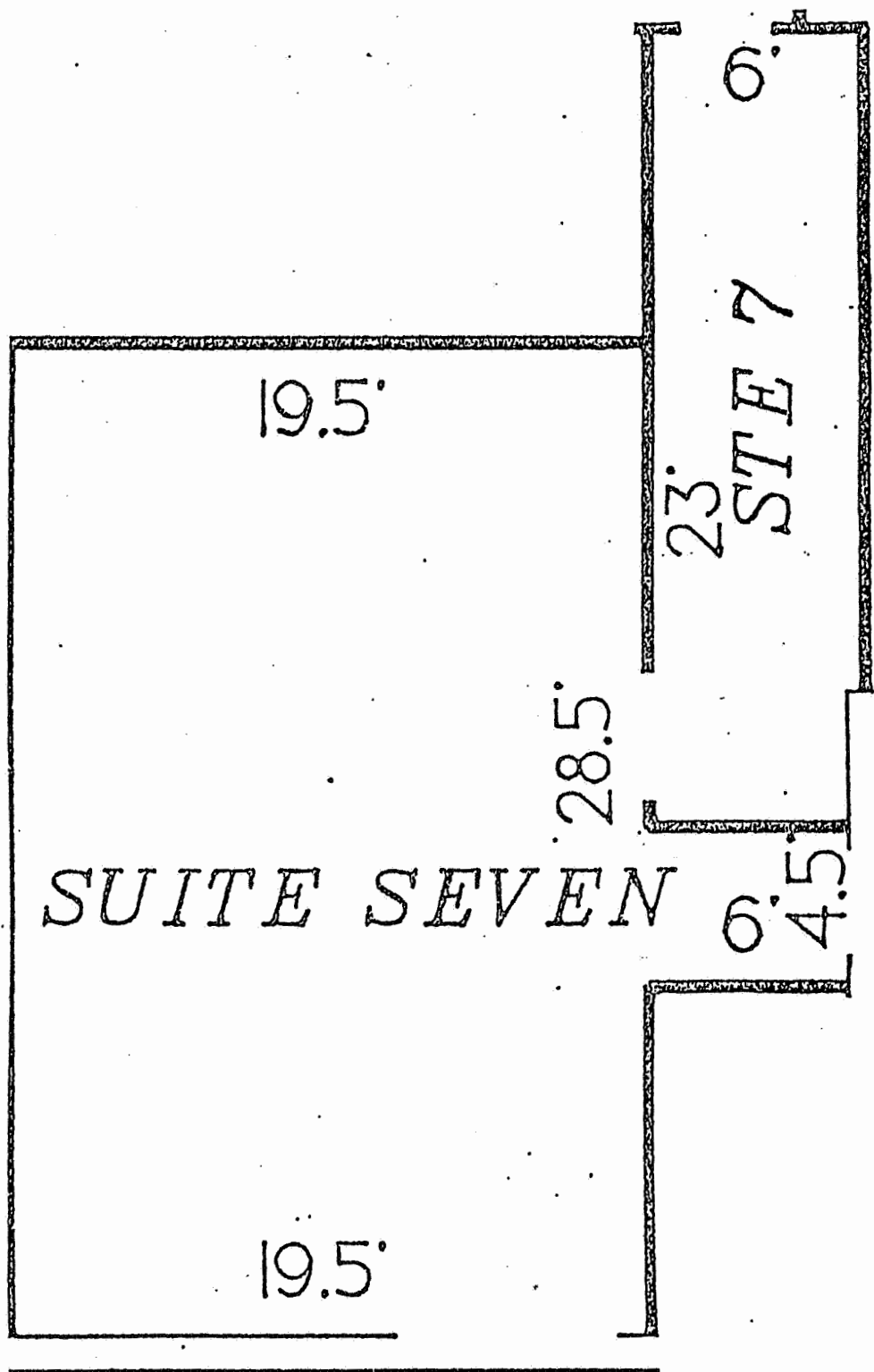
27'

8'

16'
STE 5



$\frac{1}{4}" = 1'$ SCALE



SCHEDULE "10"

CARLTON PALMS, A CONDOMINIUM

COPY OF SPECIAL WARRANTY DEED