

#267.00

DECLARATION OF CONDOMINIUM OF
MARINA COVE AT PALM COAST CONDOMINIUM

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THIS DECLARATION of Condominium is made on this 31 day of March, 1989, by KEHOE HOMES OF MARINA COVES, INC., a Florida corporation, hereinafter called "Developer." The Developer makes the following declaration:

ARTICLE I
ESTABLISHMENT OF CONDOMINIUM

1.1 PURPOSE. The purpose of this declaration is to submit the lands herein described and the improvements to be constructed thereon to the condominium form of ownership and use in the manner provided in Chapter 718, Florida Statutes, hereinafter called the Condominium Act.

1.2 NAME AND ADDRESS. The name by which this condominium is to be identified is MARINA COVE AT PALM COAST CONDOMINIUM (the "Condominium"), and its address is 310 Palm Harbor Parkway, Palm Coast, Florida 32037.

1.3 THE LAND. It is the intention of the Developer to develop the Condominium in twenty phases. The land owned by the Developer, the fee simple title of which is hereby submitted to the condominium form of ownership is described as Phase I on page 1 of Exhibit A attached hereto.

The lands which Developer intends to submit to the condominium form of ownership by future amendment to this Declaration of Condominium are described and shown on the survey and plot plan attached as pages 2 through 3 of Exhibit A to this Declaration of Condominium.

ARTICLE II
DEFINITIONS

The terms used herein or in the exhibits attached hereto shall have the meanings stated in the Condominium Act, Chapter 718, Florida Statutes, and as follows, unless the context otherwise requires:

2.1 ASSOCIATION means Marina Cove at Palm Coast Condominium Association, Inc., a Florida non-profit corporation, and its successors.

2.2 ASSESSMENT means a share of the funds required for the payment of common expenses which, from time to time, are assessed against the unit owner.

2.3 COMMON ELEMENTS means the portions of the condominium property not included in the units.

2.4 LIMITED COMMON ELEMENTS are those common elements which are or can be reserved for the use of a certain unit to the exclusion of other units. Appurtenant to each unit as limited common elements is a terrace or patio. Appurtenant to each townhome unit as limited common elements are a covered entryway and a garage. The driveway area extending from each garage to the street is also a limited common element appurtenant to the same unit as the garage.

2.5 COMMON EXPENSES. Common expenses include:

- A. Expenses of administration; expenses of maintenance, operation, repair or replacement of the common elements,

OFF 0388 PAGE 0552
REC

and of the portions of units to be maintained by the Association.

- B. Expenses declared common expenses by provisions of this Declaration or by the By-Laws.
- C. Any valid charge against the condominium as a whole.

2.6 CONDOMINIUM means that form of ownership of condominium property under which units or improvements are subject to ownership by different owners, and there is appurtenant to each unit as part thereof, an undivided share in the common elements.

2.7 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 amount of common expenses.

2.8 CONDOMINIUM PROPERTY. Until Amendments to this Declaration have been recorded on the Public Records of Flagler County, Florida, declaring Phase II or any phase other than Phase I to be submitted to the condominium form of ownership, the condominium property means and includes only the land described on page 1 of Exhibit A attached, all improvements now or hereafter thereon and all rights appurtenant thereto. As each additional phase is submitted by the recording of amendment, "Condominium Property" shall mean and include all land submitted to condominium ownership and all improvements thereon and all assessments and rights appurtenant thereto.

2.9 DEVELOPER shall mean Kehoe Homes of Marina Cove, Inc., a Florida corporation, and any successor to which it may assign its rights and obligations, or any entity which may succeed to those rights and obligations by operation of law.

2.10 CONDOMINIUM PARCEL means a unit together with the undivided share in the common elements which is appurtenant to the unit.

2.11 MAJORITY OR MAJORITY OF OWNERS means owners of units to which more than 50% of the common elements are appurtenant.

2.12 OPERATION OR OPERATION OF THE CONDOMINIUM means and includes the administration and management of the condominium property.

2.13 UNIT means a part of the condominium property which is subject to private ownership.

2.14 UNIT OWNER Unit owner means the owner of a condominium parcel.

2.15 TOWNHOME UNIT is a unit containing 1500 square feet or more of living space. In the current plans townhome units are 2 story units situated side by side, but it is size rather than configuration that distinguishes townhome units from villa units.

2.16 VILLA UNIT is a unit containing less than 1500 square feet of living space.

ARTICLE III
CONDOMINIUM DOCUMENTS

This Declaration of Condominium, hereinafter called "Declaration," sets forth the nature of the property rights in the condominium and the covenants running with the land which govern those rights. This Declaration shall include the surveys of the land and the plot plans, which comprise Exhibit A to this Declaration of Condominium.

The following documents which are also attached to this Declaration are also a part of the "condominium documents," to wit:

- A. Schedule of percentages of Common Elements, Common Surplus and Common Expenses appurtenant to each unit which is Exhibit B.
- B. Articles of Incorporation of Marina Cove at Palm Coast Condominium Association, Inc., a non-profit corporation of Florida, which is Exhibit C.
- C. By-Laws of Marina Cove at Palm Coast Condominium Association, Inc., which is Exhibit D.

3.1 ALTERATION OF UNIT PLANS: To the extent permitted by Chapter 718, Developer reserves the right to change the interior design and arrangement of all units in any phase not submitted to condominium ownership. No change which would increase or decrease the number of units or alter the boundaries of the common elements shall be made in a phase which has been submitted to Condominium without the amendment of this Declaration by approval of the Association, unit owners and owners of mortgages in the manner elsewhere provided and as required by Chapter 718, Florida Statutes. However, Developer reserves the right to increase or decrease the number of units in any phase prior to the submission of that phase within the limitations set forth in 3.2B below and in § 718.403, Florida Statutes. To the extent permitted by § 718.403, Florida Statutes, Developer reserves the right to make changes in the design and location of all units in phases not submitted to condominium ownership provided that the minimum square footage of living within any unit will be 1000 square feet and the maximum square footage of living area within any unit will be 3000 square feet. Such changes shall be reflected by an amendment of this Declaration, which in the case of an amendment to a phase not then submitted, shall require only the execution by the Developer.

3.2 IMPROVEMENTS - GENERAL DESCRIPTION:

A. PHASE I IMPROVEMENTS

The improvements located or to be located in Phase I are as shown on page 1 of Exhibit A. There will be two types of units contained in Phase I described as follows:

<u>Unit Type</u>	<u>No. of Bedrooms</u>	<u>No. of Bathrooms</u>	<u>No. of Stories</u>	<u>Approximate Sq. Ft. of Living Area</u>
Admiral (Townhome)	3	2	2	1875
Captain (Townhome)	2	2	2	1565

Phase I of the condominium will contain 5 units located within one building. A guardhouse will also be constructed as part of Phase I.

Time-share estates will not be created in Phase I of the Condominium or in any future phases submitted to condominium ownership.

B. FUTURE PHASES

It is intended that townhome units in future phases will be of types substantially similar to those in Phase I. There will also be villa units described as follows:

OFF 0388 PAGE 0553
REC

OFF 0388 PAGE 0554
REC

<u>Unit Type</u>	<u>No. of Bedrooms</u>	<u>No. of Bathrooms</u>	<u>No. of Stories</u>	<u>Approximate Sq. Ft. of Living Area</u>
Comodore	3	2	1	1230
Mariner	2	2	1	1020

Developer reserves the right, pursuant to § 718.403 Florida Statutes, to alter the unit types in future phases, within the limits described in 3.1 above. Units in future phases will have a minimum of one bedroom and a maximum of four bedrooms. Current plans for future phases are shown on page 2 of Exhibit A. However in addition to the right to alter unit types for future phases, the Developer reserves the following rights; all of which may be exercised without the consent of the Association, any unit owner or mortgagee, to wit:

- a. not to submit some or all of the phases after Phase I;
- b. to submit phases in any order;
- c. to relocate buildings within each phases as provided in § 718.403, Florida Statutes; and
- d. to make nonmaterial changes in the legal description of any phase before it is submitted to condominium ownership.

Subject to the exercise of the foregoing rights, the description of future phases, including the minimum and maximum number of units in each Phase, is as follows:

1. PHASE II IMPROVEMENTS

Phase II of the Condominium, if submitted to condominium ownership will contain a minimum of five (5) and a maximum of six (6) units.

2. PHASE III IMPROVEMENTS

Phase III of the Condominium, if submitted to condominium ownership will contain three (3) units.

3. PHASE IV IMPROVEMENTS

Phase IV of the Condominium, if submitted to condominium ownership, will contain a minimum of fifteen (15) and a maximum of eighteen (18) units. If Phase IV is constructed, it will also contain two (2) tennis courts for the use of all residents of the Condominium and a parking lot accommodating approximately 30 cars. The parking lot will be subject to a nonexclusive easement of usage by owners of units in The Landings at Marina Cove Condominium and their guests. The tennis courts and the overflow parking are located within the Intracoastal Waterway Easement which is described in the text of the Easement Deed recorded in Deed Book 19, pages 357 through 360, Public Records of Flagler County, Florida.

OFF 0388 PAGE 0555
REC

4. PHASE V IMPROVEMENTS

Phase V of the Condominium, if submitted to condominium ownership, will contain three (3) units.

5. PHASE VI IMPROVEMENTS

Phase VI of the Condominium, if submitted to condominium ownership, will contain three (3) units.

6. PHASE VII IMPROVEMENTS

Phase VII of the Condominium, if submitted to condominium ownership, will contain a minimum of five (5) and a maximum of six (6) units. If Phase VII is constructed, it will contain a pool, pool deck and clubhouse for the use of all residents of the Condominium.

7. PHASE VIII IMPROVEMENTS

Phase VIII of the Condominium, if submitted to condominium ownership, will contain a minimum of fifteen (15) and a maximum of eighteen (18) units.

8. PHASE IX IMPROVEMENTS

Phase IX of the Condominium, if submitted to condominium ownership, will contain a minimum of five (5) and a maximum of six (6) units.

9. PHASE X IMPROVEMENTS

Phase X of the Condominium, if submitted to condominium ownership, will contain three (3) units.

10. PHASE XI IMPROVEMENTS

Phase XI of the Condominium, if submitted to condominium ownership, will contain a minimum of five (5) and a maximum of six (6) units.

11. PHASE XII IMPROVEMENTS

Phase XII of the Condominium, if submitted to condominium ownership, will contain three (3) units.

12. PHASE XIII IMPROVEMENTS

Phase XIII of the Condominium, if submitted to condominium ownership, will contain a minimum of fifteen (15) and a maximum of eighteen (18) units.

13. PHASE XIV IMPROVEMENTS

Phase XIV of the Condominium, if submitted to condominium ownership, will contain three (3) units.

14. PHASE XV IMPROVEMENTS

Phase XV of the Condominium, if submitted to

condominium ownership, will contain three (3) units.

15. PHASE XVI IMPROVEMENTS

Phase XVI of the Condominium, if submitted to condominium ownership, will contain a minimum of five (5) and a maximum of six (6) units.

16. PHASE XVII IMPROVEMENTS

Phase XVII of the Condominium, if submitted to condominium ownership, will contain a minimum of five (5) and a maximum of six (6) units.

17. PHASE XVIII IMPROVEMENTS

Phase XVIII of the Condominium, if submitted to condominium ownership, will contain three (3) units.

18. PHASE XIX IMPROVEMENTS

Phase XIX of the Condominium, if submitted to condominium ownership, will contain three (3) units.

19. PHASE XX IMPROVEMENTS

Phase XX of the Condominium, if submitted to condominium ownership, will contain three (3) units.

3.3 SCHEDULE OF COMPLETION OF PHASES: Developer anticipates a much faster schedule of completion, but assures that construction on any phase which is to be submitted to condominium ownership will have been completed prior to June 30, 1995.

3.4 UNIT NUMBERING SYSTEM. Each unit in Phase I and each future phase will be designated by a different number, so that units may be described for all purposes, including conveyancing, solely by number and without reference to Phase. Each unit shall have the number designated on the plot plans which are part of Exhibit A.

3.5 EASEMENTS. The following easements are expressly provided for and reserved, to wit:

- A. Every dwelling unit shall be subject to the following easements:
1. Every portion of a dwelling unit, contributing to the support of the common elements or of other dwelling units shall be burdened with an easement of support for the benefit of the Association and the owners and occupants of supported units.
 2. An easement for the location, maintenance and repair of wiring, plumbing and duct work serving units other than that traversed is reserved through all interior partitions and through all areas within units above any dropped ceiling. This easement shall be for the benefit of the Association and any other unit owner or occupant

whose wiring, plumbing or duct work passes through such easements.

3. An easement in favor of the Association, its employees, agents and independent contractors to install or make necessary repairs to, or replacements of utility services, plumbing, wiring or any portion of the common elements, and to perform all obligations and duties of the Association.
- B. All unit owners shall have as appurtenances to their units:
1. A perpetual non-exclusive easement for ingress to and egress from their units over and upon driveways, walks, corridors, halls, and other common elements to and from the public streets and roads abutting the Condominium.
 2. A perpetual non-exclusive easement for the use and enjoyment for their intended purposes of all common elements except limited common elements.
- C. In the event that any condominium unit as originally constructed or because of settlement shall encroach upon any of the common elements of the condominium property or upon any other condominium unit, then an easement shall exist to the extent of such encroachment so long as the same shall exist.
- D. Certain of the common elements of the Condominium are hereby subject to nonexclusive easements in favor of owners of units in The Landings at Marina Cove and its Association and their respective invitees as follows:
1. Easements for access and the installation, maintenance, repair and replacement of all utilities and communication facilities (including cable TV) over, under and upon all streets in the condominium, the six foot wide area containing the sidewalk which surrounds the marina and an easement 20 feet in width extending from the easterly end of Marina Point Place to the sidewalk adjacent to the marina as shown on page 2 of Exhibit A; and
 2. Easements for the installation, maintenance, repair and replacement of all utilities and communication facilities (including cable TV) over, under and upon the areas shown as utility easements on page 2 of Exhibit A.
 3. An easement for access 10 feet in width lying within Phase II and as shown on page 1 of Exhibit A.
 4. An easement for temporary parking of vehicles in the overflow parking area shown on page 2 of Exhibit A as a part of proposed Phase IV. No vehicle, boat or camper shall be stored (i.e., parked for more than 72 hours at a time) in the temporary parking facility.

5. The Board of Directors of the Marina Cove at Palm Coast Condominium Association may grant such additional utility easements, as the Board, in its sole discretion, deems appropriate.

The Landings at Marina Cove Condominium Association shall be responsible for the prompt repair, including replacement of any landscaping and sod, of any damage which the common elements may sustain by reason of the utilization of the above easements by The Landings at Marina Cove Condominium Association, its members and their invitees, but neither The Landings at Marina Cove Condominium Association nor its members shall be subjected to any fee or charge or required to make any contribution to the maintenance or reserves for repair or replacement of these common elements. An owner of a unit in The Landings at Marina Cove will, however, be liable for the cost of repairing any damage caused by his own intentional or grossly negligent action or that of his invitee.

- E. Temporary easements are reserved in favor of the Developer, until all units in all phases are sold by Developer, to maintain signs, models, and displays upon the common property and in any unit owned by Developer, and to permit access to and utilization of the common property in all Phases by prospective purchasers, and to utilize any units owned by Developer for sales purposes.
- F. Easements of ingress and egress, passage and entry are reserved to employees and independent contractors of the Association any management entity hired by the Association and the Developer, in the performance of their duties and functions on behalf of the Condominium and the Developer.
- G. Easements for access and the installation, maintenance, repair and replacement of utilities and communication facilities (including cable TV) are reserved over, under and upon all streets in favor of the owner and its successors in title of the lands in future phases, whether or not they are ever submitted to condominium ownership.

3.6. UNIT BOUNDARIES. Each unit shall include that space which lies within the boundaries of the unit, which boundaries shall be determined in the following manner:

- A. PERIMETRICAL BOUNDARIES. The perimetrical boundaries for the unit shall be the vertical planes of the undecorated finished interior surface of the walls bounding the unit extended to intersection with each other and with the upper and lower boundaries.
- B. LOWER BOUNDARY. The lower boundary of each unit shall be the horizontal plane of the upper finished undecorated surfaces of the floor slab.
- C. UPPER BOUNDARIES. The upper boundary of each unit shall be the horizontal planes of the lower unfinished decorated surfaces of the ceiling finish.
- D. Appurtenant to each unit shall be an air conditioning compressor serving that unit which may be located

outside that unit. Maintenance of individual air conditioning compressors shall be the responsibility of the owner of that unit which the compressor serves.

3.7 APPURTENANCES. The ownership of each condominium parcel shall include, and there shall pass with each condominium parcel as appurtenances thereto, whether or not separately described, all of the right, title, and interest of a unit owner in the condominium property, which shall include, but not be limited to:

A. SHARE OF GENERAL COMMON ELEMENTS AND LIABILITY OF COMMON EXPENSES. The general common elements are all parts of the condominium property other than individual units. The right to use the general common elements in common with the other unit owners is granted to all condominium unit owners. Each condominium unit shall have an undivided share in and of the common elements and surplus, and shall be responsible for the payment of an undivided share of the common expenses as hereinafter set forth. Until the recording of the Amendments to this Declaration submitting a future phase to condominium ownership, each unit owner in Phase I shall own a 20% undivided share of the common elements within Phase I and of the common surplus of the condominium and shall bear a 20% share of the common expenses for operation and maintenance of the Condominium. If additional phases are submitted in numerical order and contain the number and type of units shown on page 2 of Exhibit A, the undivided share of common elements, common surplus and common expenses appurtenant to each unit as each subsequent phase will be that shown on Exhibit B. If additional phases are not submitted in numerical order or if the number or types of units in any phase are different from what is shown on page 2 of exhibit A, then the share of common elements, common surplus and common expenses appurtenant to each unit will be determined in the following manner:

1. Let x equal the share of common elements appurtenant to each townhome.
2. Multiply x times the number of townhome units.
3. Multiply $.6649$ times the number of villa units.
4. The product obtained in step (b) plus the product obtained in step (c) equals 100%. E.g. For Phase IV, 13 (number of townhomes) \times plus 15 (number of villa units) times $.6649x$ equals 100%.
5. Solve for x rounded to not more than 6 places after the decimal, which is the percentage appurtenant to each townhome; $.6649x$ is the percentage appurtenant to each villa unit.
6. Determine the amount, if any, by which the total percentages appurtenant to all units varies from 100 percent.
7. Adjust percentages so as to equal 100 percent by using whichever of the following adjustments produces a minimum change in figures derived in the preceding paragraphs:
 - (a) Increasing and decreasing percentages appurtenant to townhomes and/or villas;

OFF 0388 PAGE 0559
REC

OFF 0388 PAGE 0560

(b) Where the differential between the aggregate percentages and 100 percent is .0003 or less, .0001 may be arbitrarily added to or subtracted from the percentages appurtenant to sufficient units to produce a resolve of 100 percent.

Differentiations between units beyond the fifth place after the decimal does not result in any differential in assessments.

- B. ASSOCIATION. The owner of each condominium unit shall be a member of the Association. The vote appurtenant to each unit shall be the same percentage of the total votes appurtenant to all units as the percentage of common elements appurtenant to that unit.

ARTICLE IV
MAINTENANCE, ALTERATION AND IMPROVEMENT

Responsibility for the maintenance of the condominium property and restrictions upon the alteration and improvement thereof shall be as follows:

4.1 COMMON ELEMENTS.

- A. BY THE ASSOCIATION. Except as provided in § 4.3 below, the maintenance and operation of the common elements shall be the responsibility of the Association and the

OFF 0388 PAGE 0561
REC

expense associated therewith shall be designated as a common expense.

- B. ALTERATION AND IMPROVEMENT. There shall be no alteration or further improvement of the real property constituting the common elements without prior approval in writing by the owners of units to which not less than a majority of the common elements are appurtenant, and if the alteration or improvement is of such magnitude as to require a special assessment, it shall not be made without prior written approval in writing by the owners of units to which not less than 75% of the common elements are appurtenant.

4.2 UNITS.

- A. BY ASSOCIATION. The Association shall maintain, repair and replace as a common expense of the Association:

1. All portions of a unit, except interior surfaces, contributing to the support of the building, including load-bearing columns and load-bearing walls.
2. All building exteriors including doors and windows.
3. All conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services contained in the portions of a unit maintained by the Association; and all such facilities contained within a unit that service part or parts of the condominium other than the unit within which such facilities are contained. This provision excludes from its coverage any air conditioning compressor facility located outside a unit but serving that unit.
4. All incidental damage caused to a unit by reason of the maintenance, repair and/or replacement which is the responsibility of the Association, and such damage shall be promptly repaired by the Association.

- B. BY THE UNIT OWNER. Responsibilities of the unit owner include, but are not limited to, the following:

1. To maintain, repair and replace at his sole and personal expense, all electric panels, electric wiring, electric outlets and fixtures, air conditioners, including air conditioning compressors and other related outside utility facilities referred to in Section 4.2A.2., heaters, hot water heaters, refrigerators, dishwashers, other appliances, drains, plumbing fixtures and connections, interior surfaces of all walls, floors and ceiling, and all other portions of his unit except the portions specifically to be maintained, repaired and replaced by the Association.
2. Not to enclose, paint or otherwise decorate or change the appearance of any portion of the exterior of the building.

3. To report to the Association promptly any defect or need for repairs, the responsibility for which is that of the Association.
4. To pay for any repair, replacement or maintenance occasioned by negligence as more fully set forth in Section 16.2 hereof.
5. To maintain the limited common elements appurtenant to his unit to the extent provided in § 4.3 below.

C. ALTERATION AND IMPROVEMENT. Subject to the other provisions of 4.2, which in all cases shall supersede and have priority over the provisions of this section when in conflict therewith, a unit owner may make such alterations or improvements within his unit, at his sole and personal cost, as he may be advised, provided all work shall be done without disturbing the rights of other unit owners, and further provided that a unit owner shall make no changes or alterations to any interior boundary wall, exterior wall, terrace, screening, exterior door, windows, structural or load-bearing member, electrical service or plumbing service (except that serving only his unit), without first obtaining approval in writing of owners of all other units in the building in which his unit is located and the approval of the Board of Directors of the Association. All alterations and improvements must be in compliance with all existing building codes.

4.3 LIMITED COMMON ELEMENTS. The unit owner having the exclusive right of use of a terrace, entryway or garage shall be responsible for day to day maintenance and cleaning of such limited common elements. The Association will maintain and replace the standard landscaping in the entryway (being that installed by the Developer or replacements installed by the Association). No additional landscaping or planting shall be installed by any unit owner without the prior written approval of the Association. The Association may deny approval or may impose such conditions on its approval as the Board of Directors, in its sole discretion, deems appropriate, including the requirement that the unit owner be responsible for all costs of maintenance of landscaping in the entryway.

ARTICLE V
APPORTIONMENT OF COMMON EXPENSES AND OWNERSHIP
OF COMMON ELEMENTS AND COMMON SURPLUS

5.1 PHASE I. Appurtenant to each unit in Phase I is a 20% undivided interest in the common elements. Common expenses and common surplus will be apportioned in the same manner as common elements. The allocation of common elements, common surplus and common expense is based upon a per unit basis, all units being townhome units.

5.2 FUTURE PHASES. The ownership of common elements and common surplus and the share of common expenses appurtenant to each unit as future phases are added will, if all phases are submitted in numerical order and if each contains the number and types of units shown on page 2 of Exhibit A, be as shown on Exhibit B to this Declaration. If phases are not submitted in numerical order or if future phases contain a different number or type of unit than that shown on Exhibit B, then the apportionment will be accomplished in the manner provided in 3.7A above.

ARTICLE VI
ADMINISTRATION OF CONDOMINIUM BY ASSOCIATION

In order to provide for the efficient and effective administration of the condominium by the owners of dwelling units, a non-profit corporation known as Marina Cove at Palm Coast Condominium Association, Inc. (hereafter referred to as "Association") has been organized, and said Association shall administer the operation and management of the condominium, and undertake and perform all acts and duties incident thereto in accordance with the terms, provisions, and conditions of this Declaration of Condominium, and in accordance with the terms of the Articles of Incorporation of the Association, its By-Laws and the rules and regulations promulgated by the Association from time to time. A true copy of said Articles of Incorporation and By-Laws setting forth voting rights and other pertinent matters are attached hereto and made a part hereof as Exhibits C and D respectively. The owner or owners of each unit shall automatically become members of the Association upon acquisition of an ownership interest in the title to any unit and its appurtenant undivided interest in common elements, and the membership of such owner or owners shall terminate automatically upon such owner or owners being divested of such ownership interest in the title to such unit, regardless of the means by which such ownership may be divested. No person, firm or corporation holding any liens, mortgage or other encumbrance upon any unit shall be entitled, by virtue of such lien, mortgage or other encumbrance to membership in the Association or to any of the rights, privileges, or duties of such membership provided, however, that nothing herein shall be construed as prohibiting the membership in the Association of a first mortgagee which acquires title to a unit either by foreclosure or by voluntary conveyance from the mortgagor or his successor. In the administration of the operation and management of the Condominium, the Association shall have and is hereby granted the authority and power to enforce the provisions of this Declaration of Condominium, levy and collect assessments in the manner hereinafter provided, unless the share of common expenses or assessments due is secured by a claim of lien of assessments that is recorded prior to the recording of the foreclosed mortgage, for common expenses, and to adopt, promulgate and enforce such rules and regulations governing the use of the units, common property, and limited common property, as the Board of Directors of the Association may deem to be in the best interests of the Condominium.

ARTICLE VII
USE RESTRICTIONS

The condominium property is intended as a multi-unit residential complex and shall be used in accordance with the following provisions as long as the condominium exists.

7.1 RESIDENTIAL USE RESTRICTIONS. Excepting those units owned or leased by Developer, each unit is hereby restricted to residential use by the owner or owners thereof, their immediate families, guests, invitees and lessees. However, so long as Developer shall retain any interest in the condominium, it may utilize a unit or units for a sales office, model, construction office prototype, and other usage for the purpose of selling or constructing units in the Condominium. Developer may assign this commercial usage rights to such other persons or entities as it may choose; provided, however, that when all units in said condominium have been conveyed once by Developer to a third party purchaser, this commercial right of usage shall immediately cease as to all units.

7.2 RENTAL. Any lease shall provide that the lessee shall comply with and abide by all of the restrictions pertaining to the use

OFF 0388 PAGE 0564
REC

of Units, Common Property, and Limited Common Property contained in this Declaration of Condominium, and with the rules and regulations contained herein or hereafter established by the Association governing the use of such Units, Common Property, and Limited Common Property.

7.3 USE OF COMMON PROPERTY. No antenna or reception dishes shall be located on the Condominium property. No outdoor cooking shall be permitted on the terraces or patios of villa units or on any other portion of the common elements, except areas at the pool or clubhouse which may be designated by the Board of Directors and the terraces which are limited common elements appurtenant to the townhome units. No outdoor clotheslines shall be installed or used. No recreational vehicles, mobile homes, trailers of any kind or boat shall be parked on the Condominium property except within a garage whose door shall be kept closed except when being used for vehicular access. No vehicle which is not currently licensed and registered shall be brought upon or parked on the Condominium Property. The use of Common Property by the owner or owners of all units and all other parties authorized to use the same, and the use of Limited Common Property by the owner or owners, shall be at all times subject to such other reasonable rules and regulations as may be prescribed and established by the Association.

7.4 LAWFUL USE. No immoral, improper, offensive or unlawful use shall be made of any unit or of the Common Property, or of the Limited Common Property, nor any part thereof, and all laws, zoning ordinances and regulations of all governmental authorities having jurisdiction of the condominium shall be observed. No owner of any unit shall permit or suffer anything to be done or kept in his unit, or on the Common Property, or on the Limited Common Property, which will increase the rate of insurance on the condominium or which will obstruct or interfere with the rights of other occupants or annoy them by unreasonable noises, nor shall any owner undertake any use or practice which shall create and constitute a nuisance to any other owner of a unit, or which interferes with the peaceful possession and proper use of any other unit or the Common Property, or the Limited Common Property.

ARTICLE VIII
INSURANCE

Insurance, which shall be carried upon the condominium property, shall be governed by the following provisions:

8.1 AUTHORITY TO PURCHASE. All insurance policies upon the condominium property shall be purchased by the Association for the benefit of the Association, and in the case of insurance covering damage to buildings and its appurtenances, also for the benefit of unit owners and their mortgagees as their interests may appear, and provisions shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of unit owners. Such policies and endorsements thereon shall be deposited with the Insurance Trustee, if one has been designated. It shall not be the responsibility or duty of the Association to obtain insurance coverage for the personal liability, contents, personal property, redecorating or living expenses of any unit owner.

8.2 COVERAGE.

A. CASUALTY. All buildings and improvements upon the land and all personal property included in the common elements shall be insured in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, as determined by the Board of Directors of the Association. The word

REC 0388 PAGE 0565

"building" in this article does not include floor coverings, wall coverings or ceiling coverings. Such coverage shall afford protection against:

1. Loss or damage by fire and other hazards covered by a standard extended coverage; and
 2. Such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use as the buildings on the land, including but not limited to vandalism and malicious mischief.
- B. PUBLIC LIABILITY. In such amounts and such coverage as may be required by the Board of Directors of the Association, with cross liability endorsement to cover liabilities of the unit owners as a group to a unit owner, where available.
- C. WORKMEN'S COMPENSATION POLICY. To meet the requirements of law.
- D. DIRECTOR AND OFFICER LIABILITY INSURANCE. In such amounts as the Board of Director deems appropriate and with the coverage permitted in the Articles and By-laws of the Association.
- E. FIDELITY BONDS. When and as required by law, provided that nothing here shall precede the Board of Directors from securing such insurance sooner than specified in the Condominium Act.
- F. OTHER. Such other insurance as the Board of Directors of the Association shall determine from time to time to be desirable.

8.3 PREMIUMS. Premiums for insurance shall be a common expense and shall be paid by the Association.

8.4 SHARE OF PROCEEDS. All insurance policies purchased by the Association shall be for the benefit of the Association and the unit owners and their mortgagees as their interest may appear and shall provide that all proceeds covering property losses shall be paid to the Association.

- A. COMMON ELEMENTS. Proceeds on account of damage to common elements shall be held in undivided shares for each owner of the condominium, each owner's share being the same as his undivided share in the common elements appurtenant to his unit.
- B. UNITS. Proceeds on account of damage to units shall be held in the following undivided shares:
1. When the damaged building is to be restored, for the owners of damaged units in proportion to the cost of repairing the damage suffered by each owner, which cost shall be determined by the Board of Directors of the Association.
 2. When the building is not to be restored, for the owners of units in such building, and their respective mortgagees. Each unit owner's share shall be that percentage which the share of common elements appurtenant to his unit bears to the

OFF 0388 PAGE 0566
REC

total of the shares of common elements appurtenant to all units in the building.

- C. MORTGAGEES. In the event a mortgagee endorsement has been issued as to a unit, the share of the unit owner shall be held in trust for the mortgagee and the unit owner as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired except as provided in 9.1 B.1 and 2. No mortgagee shall have any right to apply or have applied to the reduction of the mortgage debt any insurance proceeds, except a distribution of such proceeds made to the unit owner and mortgagee pursuant to the provisions of paragraphs 8.5 A and B and 9.6 A.

8.5 DISTRIBUTION OF PROCEEDS. Proceeds of insurance policies received by the Association or the Insurance Trustee shall be distributed to or for the benefit of the beneficial owners in the following manner:

- A. RECONSTRUCTION OR REPAIR. If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to unit owners and mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by such mortgagee.
- B. FAILURE TO RECONSTRUCT OR REPAIR. If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners, remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by such mortgagee.

8.6 ASSOCIATION AS AGENT. The Association is hereby irrevocably appointed Agent for each unit owner and for each owner of any other interest in the Condominium property, for the purpose of empowering the Association to negotiate and adjust all claims arising under the insurance policies purchased by the Association and to execute and deliver releases on behalf of each unit owner upon payment of a claim. The Association may, by action of its Board of Directors, delegate some or all of its duties and powers to an Insurance Trustee, which must be an institution authorized to exercise trust powers in the State of Florida. In the event of such delegation, Trustee's fees and expenses shall be common expenses.

ARTICLE IX RECONSTRUCTION OR REPAIR AFTER CASUALTY

9.1 DETERMINATION TO RECONSTRUCT OR REPAIR. If any part of the condominium property shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined in the following manner:

- A. COMMON ELEMENTS. If the damaged improvement is a common element, the same shall be reconstructed or repaired unless the damaged common elements are within

a building and damage to the building containing such common element extend to units contained within such building, in which case the provisions relative to reconstruction and repair of the buildings, as elsewhere herein provided, shall apply.

B. BUILDINGS.

1. PARTIAL DESTRUCTION. If there is damage to the condominium improvements such that, in the judgment of a majority of the Board of Directors, repair and reconstruction costs will not exceed 80% of total replacement cost of all condominium improvements (exclusive of excavation and foundation cost), then the improvements shall be reconstructed and repaired unless owners of 75% of all units in the condominium and all holders of first mortgages on units in The Condominium agree in writing that the same shall not be repaired.
2. SUBSTANTIAL DESTRUCTION. If all buildings are so seriously damaged that the cost of repair will, in the judgment of a majority of the Board of Directors, exceed 80% of total replacement cost (exclusive of excavation and foundation cost), then no buildings shall be reconstructed or repaired unless within 90 days after the casualty the owners of 75% of all units in the Condominium and the holders of all mortgages on units in the Condominium agree in writing that the same shall be reconstructed and repaired. If there is no decision to reconstruct and repair, the the provisions for termination set forth in Article XIV shall apply.

9.2 PLANS AND SPECIFICATIONS. Any reconstruction or repair must be substantially in accordance with the plans and specifications of the original building and improvements; or if not, then according to plans and specifications approved by the Board of Directors of the Association, and, if the damaged property is a building, by the owners of all damaged units therein, which approvals shall not be unreasonably withheld.

9.3 RESPONSIBILITY. If the damage is only to those parts of units for which the responsibility of maintenance and repair is that of unit owners, then the owners shall be responsible for reconstruction and repair after casualty. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Association.

9.4 ESTIMATE OF COSTS. When the Association shall have the responsibility of reconstruction or repair, prior to the commencement of reconstruction and repair, the Association shall obtain reliable and detailed estimates of the cost to repair or rebuild.

9.5 ASSESSMENTS FOR RECONSTRUCTION AND REPAIR. If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction and repair by the Association, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for payment of the cost of reconstruction and repair are insufficient, assessment shall be made against the unit owners who own the damaged units, and against all unit owners in the case of damage to common elements, in sufficient amounts to provide funds for the payment of such costs. Such assessments against unit owners for damage to units shall be in proportion to the cost of reconstruction

OFF 0388 PAGE 0567
REC

and repair of their respective units. Such assessments on account of damage to common elements shall be in proportion to the owners' shares in the common elements.

9.6 RECONSTRUCTION FUNDS. Reconstruction funds, which shall consist of the proceeds of insurance held by the Association and funds collected by the Association from assessments against unit owners, shall be disbursed in the following manner:

- OFF 0388 PAGE 0568
REC
- A. UNIT OWNER. The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with a unit owner, shall be paid by the Association to the unit owner, or, if there is a mortgage endorsement as to such unit, then to the unit owner and the mortgagee jointly, who may use such proceeds as they may be advised.
 - B. ASSOCIATION - MINOR DAMAGE. If the amount of the estimated cost of reconstruction and repair which is the responsibility of the Association is less than \$10,000.00, then the construction fund shall be disbursed in payment of such costs upon the order of the Association.
 - C. ASSOCIATION - MAJOR DAMAGE. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is more than \$10,000.00, then the construction fund shall be disbursed in payment of such costs in the manner required by the Board of Directors of the Association and upon approval of an architect qualified to practice in Florida and employed by the Association to supervise the work.
 - D. SURPLUS. It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to all owners who have paid assessments pursuant to 9.5 hereof in proportion to such assessments, up to the full amount of said assessments. If funds remain after full refund of all such assessments, such funds shall be distributed to each unit owner in accordance with such unit owner's share of common surplus, with remittance to an owner of a mortgaged unit being payable jointly to such owner and his mortgagee.

ARTICLE X
LENDER'S NOTICES

Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor and the unit number or address, any mortgage holder, insurer, or guarantor will be entitled to timely written notice of:

- A. Any condemnation or casualty loss that affects either a material portion of the project or the unit securing its mortgage.
- B. Any 60-day delinquency in the payment of assessments or charges owed by the owner of any unit on which its holds the mortgage.

OFF REC 0308 PAGE 0569

- C. A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the owners' association.
- D. Any proposed action that requires the consent of a specified percentage of mortgage holders.

ARTICLE XI
REGISTRY

The Association shall at all times maintain a Register setting forth the names of the owners of all of the units, and in the event of the sale or transfer of any unit to a third party, the purchaser or transferee shall notify the Association in writing of his interest in such unit, together with such recording information as shall be pertinent to identify the instrument by which such purchaser or transferee has acquired his interest in any unit. The holder of any mortgage upon any unit may notify the Association of the existence of any mortgage or mortgages held by such party on any unit and upon receipt of such notice, the Association shall register in its records all pertinent information pertaining to the same.

ARTICLE XII
MAINTENANCE OF COMMUNITY INTERESTS

In order to maintain a community of congenial owners who are responsible, and thus protect the value of the units, the rental of units by any owner, other than the Developer, shall be subject to the following provisions as long as the condominium exists upon the land, which provisions each unit owner covenants to observe:

12.1 LEASES REQUIRED.

- A. LEASE. No unit owner may rent or lease a unit or any interest in a unit except by a lease in writing. Any such lease shall be subject to the terms of this Declaration and the Exhibits hereto and shall contain or be deemed to contain a provision whereby tenant specifically agrees to comply with all terms and provisions of the Declaration, the Exhibits thereto and all rules and regulations promulgated by the Board of Directors of the Association.

12.2 MINIMUM TERM. No lease or rental agreement shall be entered into for a term of less than six months, nor shall any unit be the subject of more than one lease or rental agreement during any 12 month period. Nothing herein shall be deemed to prohibit the extension for less than six months of a lease having an original term of six months or more, provided that no assignment or subletting of the original tenancy shall be permitted and the tenant in any extension or renewal shall be the same person as was the tenant under the original lease.

12.3 EXCEPTIONS. The foregoing provisions of this Article shall not apply to a lease to or by the Developer or to a lease to or by a mortgage holder that acquires its title as the 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.

12.4 UNAUTHORIZED TRANSACTIONS. Any lease or rental not authorized pursuant to the terms of this Declaration shall be void as to the Association, which may deny the lessee access to and use of the leased unit and of the common elements; and this refusal of access and use shall be in addition to such other remedies, legal or equitable, as may be available to the Association.

ARTICLE XIII
ASSESSMENTS; LIABILITY, LIEN AND ENFORCEMENT

The Association is given the authority to administer the operation and management of the condominium. To provide the funds necessary for such operation and management, the Association has the right to make, levy and collect assessments against the owners of all units and said units. The making and collection of assessments for common expenses shall be pursuant to the By-Laws and the following provisions:

13.1 ASSESSMENTS. Common expenses and assessments shall be allocated among the units in accordance with Section 3.7 above.

13.2 PAYMENTS. The regular annual assessment shall be payable in monthly installments, due in advance on or before the first day of each month. Any assessments or installments not paid on or before ten (10) days after the same is due shall bear interest until paid at the rate of fifteen percent (15%) per annum. All payments on account shall be first applied to interest and then to the assessment payment first due. If any installment of an assessment remains unpaid thirty (30) days after the same shall become due, the Board of Directors may declare the entire annual assessment as to that delinquent owner due and payable in full.

13.3 LIEN FOR ASSESSMENTS. The Association shall have a lien on each unit for any unpaid assessments, for interest thereon and for attorney's fees incurred by the Association incident to the collection of such assessment or enforcement of such lien. Said lien shall be effective from and after the time of recording in the Public Records of Flagler County, Florida, a claim of lien stating the description of the unit, the name of the record owner thereof, the amount due and the date when due, and the lien shall continue in effect until all sums secured by the lien shall have been fully paid or until otherwise discharged by law. Such claims of lien shall be signed and verified by an officer of the Association or by a managing agent of the Association. Upon full payment, the party making payment shall be entitled to a recordable satisfaction of lien. Liens for assessment may be foreclosed by suit brought in the name of the Association in like manner as a foreclosure of a mortgage on real property. In any such foreclosure the owner of the unit may be required to pay a reasonable rental for the unit and the Association shall be entitled as a matter of law to the appointment of a receiver to collect the same. The Association may also sue to recover a money judgment for unpaid assessments without waiving the lien securing the same. Where a purchaser of a unit obtains title to the unit as a result of the foreclosure of the first mortgage or where the holder of a first mortgage of record obtains title to the unit as a result of a conveyance in lieu of foreclosure of the first mortgage, such acquirer of title, its successors and assigns, shall not be liable for the share of the common expenses or assessments by the Association pertaining to such unit or chargeable to the former owner of such unit which became due prior to acquisition of title in the manner above provided, unless the share is secured by a claim of lien for assessments that is recorded prior to the recording of the foreclosed mortgage. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all of the unit owners including such acquirer, its successors and assigns. The prior owner or owners of the unit shall also remain personally liable for such unpaid assessments.

OFF 0388 PAGE 0570
REC

ARTICLE XIV
TERMINATION

14.1 TERMINATION FOLLOWING DESTRUCTION. Where termination is pursuant to Section 9.1 B.2, a certificate of a resolution of the Board of Directors of the Association to said effect and notice of cancellation and termination of this Declaration of Condominium shall be executed by the President or Vice President and Secretary or Assistant Secretary of the Association in recordable form, and such instrument shall be recorded in the Public Records of Flagler County, Florida. Upon termination of this Declaration of Condominium, all of the owners of dwelling units shall be and become tenants in common as to the ownership of the real property herein described and any then remaining improvements thereon, the undivided interest in such real property and remaining improvements held by the owner or owners of each unit to be the same as the undivided interest in common property which was formerly appurtenant to such unit. The lien of any mortgage or other encumbrance upon each unit shall attach in the same order of priority (a) to the percentage of undivided interest of the owner of a unit in the property, (b) to the then remaining improvements and (c) to any insurance proceeds allocable to the unit. Upon termination of this Declaration of Condominium and the plan of condominium ownership established herein, the Association shall distribute the proceeds of any policy or policies of casualty insurance to the owners of the units and their mortgagees, as their respective interests may appear, such distribution to be made in accordance with the undivided interest appurtenant to each unit. The assets of the Association shall, upon termination of the plan of condominium ownership created hereby, then be distributed to the owner or owners of each unit and his or their respective mortgagees, as their respective interests may appear, in the same manner as was provided above for the distribution of any final insurance indemnity.

14.2 TERMINATION BY OWNERS. Except as provided in the preceding paragraphs, this Declaration of Condominium and plan of condominium ownership may only be terminated by the unanimous consent of all of the owners of all units in the Condominium, and all of the parties holding mortgages, liens or encumbrances against said units, in which event, the termination of the condominium shall be by such plan as may then be adopted by said owners and parties holding any mortgages, liens and encumbrances. Such election to terminate this Declaration of Condominium and the plan of condominium ownership shall be executed in writing by all of the aforementioned parties, and such instrument shall be recorded in the Public Records of Flagler County, Florida.

ARTICLE XV
AMENDMENT OF DECLARATION OF CONDOMINIUM

Subject to the provisions hereinafter set forth, this Declaration of Condominium may be amended in the following manner:

15.1 AMENDMENT TO SUBMIT ADDITIONAL PHASES. Pursuant to Section 718.403(6) Fla. Stat., the Developer reserves the right to amend and reamend the Condominium Documents to submit future phases of the Condominium to condominium ownership, and such amendment shall not require the approval, consent or joinder of the Association, any unit owner or mortgage holder or any other person or entity.

15.2 AMENDMENTS PURSUANT TO 718.403. Developer reserves the right to amend the Declaration and the Exhibits thereto as to phases not submitted to the fullest extent permitted by § 718.403, Florida Statutes, and no such amendment shall require the approval, consent or joinder of the Association, any unit owner, mortgage holder or any other person or entity.

15.3 ARTICLES OF INCORPORATION AND BY-LAWS. Said documents may be amended in accordance with the respective provisions for amendment contained therein, and such amendment shall constitute an amendment to the Exhibits to this Declaration, without the necessity for compliance with the provisions of paragraph 15.3 hereof, provided however that, in the event that an amendment of the Articles of Incorporation or By-Laws is inconsistent with any provision of this Declaration, (other than the Exhibit being amended), then the Declaration shall govern, and the amendment shall be ineffective until adopted or ratified in the manner hereinafter set forth.

15.4 DECLARATION. An amendment or amendments to this Declaration of Condominium other than as set forth in the previous subsections of this Article may be proposed by the Board of Directors of the Association acting upon a vote of the majority of Directors, or by the owners of the majority of the units within the condominium, whether meeting as members or by instrument in writing signed by them. Upon any amendment or amendments to this Declaration of Condominium being proposed by said Board of Directors or members, such a proposed amendment or amendments shall be transmitted to the President of the Association, or other officer of the Association in the absence of the President, who shall thereupon call a special meeting of the members of the Association for a date not sooner than twenty (20) days nor later than sixty (60) days from receipt by him of the proposed amendment or amendments, and it shall be the duty of the Secretary to give each member written or printed notice of such special meeting, stating the time and place thereof, and reciting the proposed amendment or amendments in reasonably detailed form, which notice shall be mailed not less than ten (10) days nor more than thirty (30) days before the date set for such special meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States mail addressed to the member at his address as it appears on the records of the Association, postage prepaid. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such member. At such meeting, the amendment or amendments proposed must be approved by an affirmative vote of not less than 75% of the members of the Association in order for such amendment or amendments to become effective. Thereupon, such amendment or amendments of this Declaration of Condominium shall be transcribed and certified by the President or Vice President and Secretary or Assistant Secretary of the Association as having been duly adopted, and the original or an executed copy of such amendment or amendments so certified and executed with the same formalities as a deed shall promptly be recorded in the Public Records of Flagler County, Florida. Thereafter, a copy of said amendment or amendments in the form in which the same were recorded shall be delivered to all of the owners of all units, but delivery of a copy thereof shall not be condition precedent to the effectiveness of such amendment or amendments. At any meeting held to consider such amendment or amendments, the written vote of any member of the Association shall be recognized if such member is not in attendance at such meeting or represented thereat by proxy.

PROVIDED HOWEVER, THAT:

A. Except as provided in section 15.1 and 15.2, neither the percentage of ownership of common elements and common surplus appurtenant to any unit, nor any unit's share of the common expenses shall be altered, amended or modified without the written consent of all owners and mortgagees of units in Marina Cove at Palm Coast Condominium whose percentages would be altered.

B. No alteration, amendment, or modification shall be made in the rights and privileges of Developer, without the written consent of the Developer, or its successor.

C. No alteration, amendment or modification shall be made in the rights and privileges of mortgagees; including specifically, but not by way of limitation, those contained in Articles VIII and IX (Insurance and Reconstruction) or Article XIII (Assessments) or this Article without the consent of all institutional mortgagees holding mortgages upon units in the Condominium.

ARTICLE XVI
REMEDIES IN EVENT OF DEFAULT

The owner or owners of each unit shall be governed by and shall comply with the provisions of this Declaration of Condominium, and the Articles of Incorporation and By-Laws of the Association, and its Rules and Regulations as they may be amended from time to time. A default by the owner or owners of any unit shall entitle the Association or the owner or owners of any other unit or units to the following relief:

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

16.2 NEGLIGENCE. The owner or owners of each unit shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any member of his family, or his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of a unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation.

16.3 ATTORNEY'S FEES. In a proceeding arising because of an alleged default by the owner of any unit, the prevailing party shall be entitled to recover the costs of the proceedings, and such reasonable attorney's fees as may be determined by the Court.

16.4 NO WAIVER. The failure of the Developer, or of the Association, or of the owner of a unit to enforce any right, provision, covenant or condition which may be granted by this Declaration of Condominium or other above mentioned documents shall not constitute a waiver of the right of the Developer, the Association or the owner of a unit to enforce such right, provision, covenant or condition in the future.

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

REC 0388 PAGE 0573

ARTICLE XVII
RIGHTS OF DEVELOPER ASSIGNABLE

All rights in favor of the Developer reserved in this Declaration of Condominium and in the Articles of Incorporation and the By-Laws of the Association are fully assignable in whole or in part by the Developer, and may be exercised by the nominee of the Developer and/or exercised by any person designated by the Developer to succeed to such right or rights and by any person or entity becoming a successor to the Developer by operation of law.

ARTICLE XVIII
USE OR ACQUISITION OF INTEREST IN THE CONDOMINIUM
TO RENDER USER OR ACQUIRER SUBJECT TO PROVISIONS
OF DECLARATION OF CONDOMINIUM, RULES AND REGULATIONS

All present or future owners, tenants, or any other person who might use the facilities of the Condominium in any manner, are subject to the provisions of this Declaration of Condominium, and all documents appurtenant hereto and incorporated herewith, and the acquisition or rental of any unit, or the occupancy of any unit shall signify that the provisions of this Declaration of Condominium and such documents are accepted and ratified in all respects.

ARTICLE XIX
SEVERABILITY

In the event that any of the terms, provisions or covenants of this Declaration of Condominium are held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding shall not affect, alter, modify or impair in any manner whatsoever any of the other terms, provisions or covenants hereof or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable.

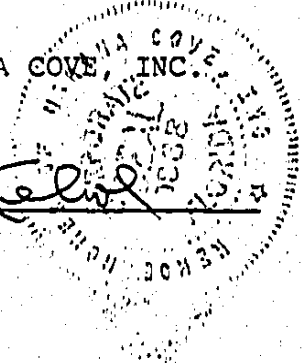
IN WITNESS WHEREOF, Kehoe Homes of Marina Cove, Inc., has caused these presents to be executed and its corporation seal affixed this 31 day of March, A.D. 1989.

Witnesses

KEHOE HOMES OF MARINA COVE, INC.

Jay D. Bond, Jr.
Patricia J. Smith

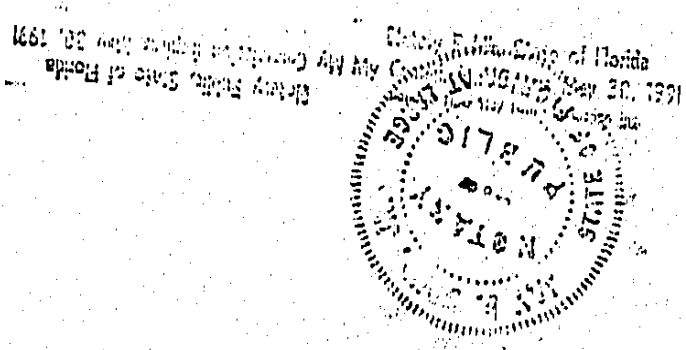
By: Walter A. Kehoe
President



STATE OF FLORIDA
COUNTY OF VOLUSIA

On this 31 day of March, 1989, personally appeared before me, Walter A. Kehoe, President of Kehoe Homes of Marina Cove, Inc., to me known to be the person who executed the foregoing Declaration on behalf of said corporation, and he duly acknowledged to me that he executed said Declaration on behalf of said corporation for the purposes therein expressed.

Jay D. Bond, Jr.
Notary Public, State of Florida
at Large
My Commission Expires:



OFF REC 0388 PAGE 0574

JOINDER OF MORTGAGEE

KNOW ALL MEN BY THESE PRESENTS:

That I.T.T. Land Corporation, (hereafter "Mortgagee"), joins the Developer, Kehoe Homes of Marina Cove, Inc., in the foregoing Declaration of Condominium of Marina Cove at Palm Coast Condominium, located in Flagler County, Florida, but such joinder is entered into by Mortgagee without recourse or warranty, whether of title or otherwise; without assuming any obligation whatsoever of the owner; and reserving to Mortgagee all of its rights and remedies as granted under the mortgage held by Mortgagee on the land and improvements lying and being in Flagler County, Florida, more particularly described in Exhibit A to the Declaration, and under the note secured by said mortgage.

Dated this 21st day of MARCH, 1989.

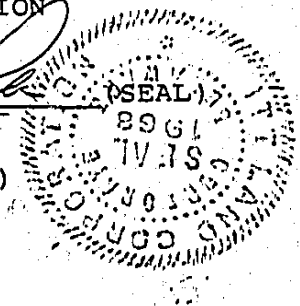
I.T.T. LAND CORPORATION

[Signature]

BY: [Signature]
VICE - PRESIDENT

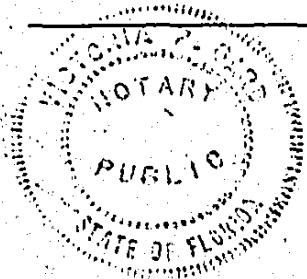
[Signature]

(CORPORATE SEAL)



STATE OF FLORIDA
COUNTY OF FLAGLER

THE foregoing instrument was acknowledged before me this 21st day of MARCH, 1989, by WILLIAM T. PARKS, the ^{VICE} President on behalf of the Mortgagee.



[Signature]
Notary Public, State of Florida at Large

My Commission Expires:

Notary Public, State of Florida
My Commission Expires June 1, 1992
Bonded Thru Troy Fair - Insurance Inc.

OFF REC 0388 PAGE 0575

REC 0388 PAGE 0576

JOINDER OF MORTGAGEE

KNOW ALL MEN BY THESE PRESENTS:

That DENNIS COLEMAN and THOMAS ANDERSON, (hereafter "Mortgagees"), joins the Developer, Kehoe Homes of Marina Cove, Inc., in the foregoing Declaration of Condominium of Marina Cove at Palm Coast Condominium, located in Flagler County, Florida, but such joinder is entered into by Mortgagee without recourse or warranty, whether of title or otherwise; without assuming any obligation whatsoever of the owner; and reserving to Mortgagee all of its rights and remedies as granted under the mortgage held by Mortgagee on the land and improvements lying and being in Flagler County, Florida, more particularly described in Exhibit A to the Declaration, and under the note secured by said mortgage.

DATED this 7th day of April, 1989.

WITNESSES:

Ernest M. Hansen

Dennis Coleman
DENNIS COLEMAN

Thomas Anderson
As to both parties

Thomas Anderson
THOMAS ANDERSON

STATE OF NEW YORK
COUNTY OF NEW YORK

The foregoing instrument was acknowledged before me this 7th day of April, 1989, by Dennis Coleman and Thomas Anderson.

Pamela K. Horvath
Notary Public, State of New York
My Commission Expires: March 31, 1990

PAMELA K. HORVATH
NOTARY PUBLIC, State of New York
No. 30-425527, Qualified in Nassau County
Certificate filed in Nassau County
Commission Expires March 31, 1990

JOINDER OF MORTGAGEE

KNOW ALL MEN BY THESE PRESENTS:

REC 038 PAGE 0577

That A. C. Development, Inc., (hereafter "Mortgagee"), joins the Developer, Kehoe Homes of Marina Cove, Inc., in the foregoing Declaration of Condominium of Marina Cove at Palm Coast Condominium, located in Flagler County, Florida, but such joinder is entered into by Mortgagee without recourse or warranty, whether of title or otherwise; without assuming any obligation whatsoever of the owner; and reserving to Mortgagee all of its rights and remedies as granted under the mortgage held by Mortgagee on the land and improvements lying and being in Flagler County, Florida, more particularly described in Exhibit A to the Declaration, and under the note secured by said mortgage .

Dated this 15th day of March, 1989.

A. C. DEVELOPMENT, INC.

By Evelyn M. Anderson (SEAL) *Pres.*

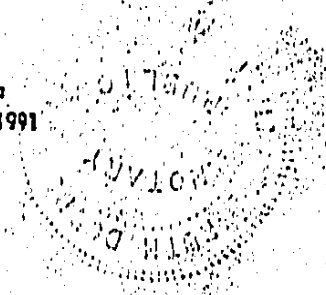
Ruth Dodds

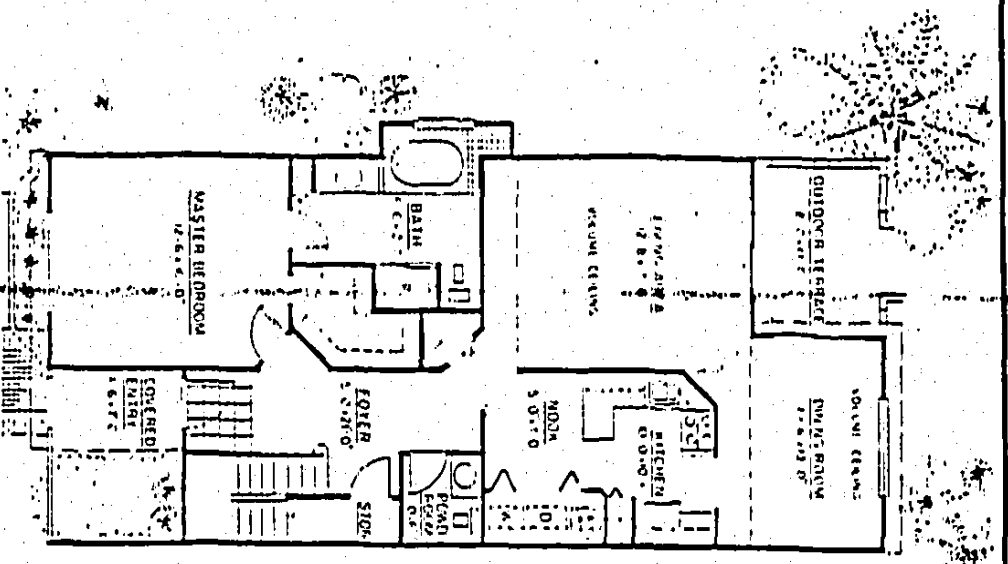
STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me this 15th day of March, 1989, by Evelyn M. Anderson, the President on behalf of the Mortgagee.

Ruth Dodds
Notary Public, State of Florida
at Large
My Commission Expires:

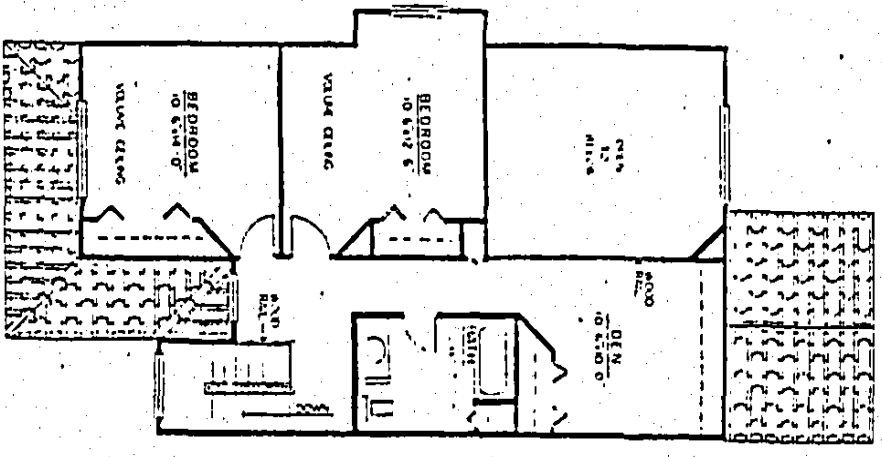
Notary Public, State of Florida
My Commission Expires Sept. 26, 1991
Bonded Thru Troy Fair - Insurance Inc.



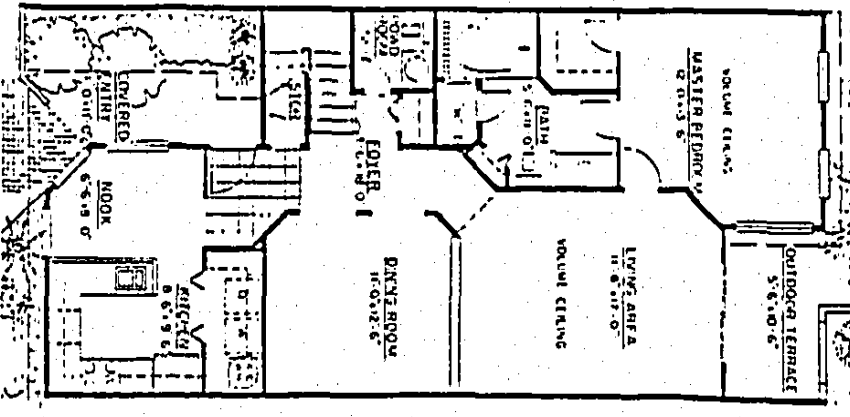


LOWER LEVEL

ADMIRAL
THREE BEDROOM TOWNHOME
W/DEN APPROX. 1815 SQ. FT.

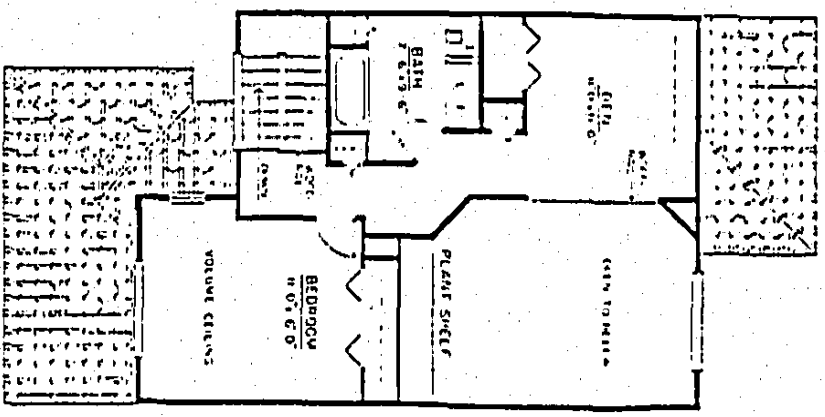


UPPER LEVEL

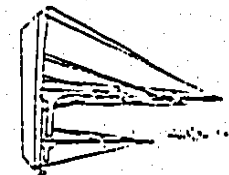


LOWER LEVEL

CAPTAIN
TWO BEDROOM TOWNHOME
W/DEN APPROX. 1565 SQ. FT.



UPPER LEVEL



AT PALM COAST A CONDOMINIUM
MARINA COVE

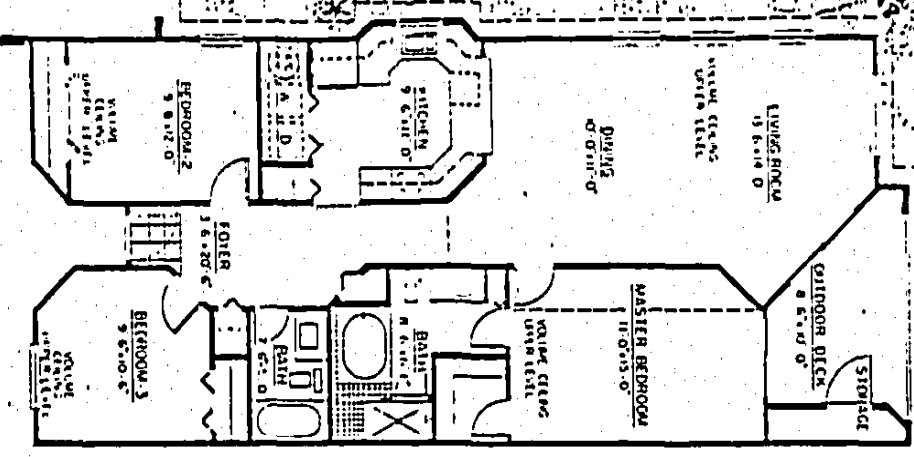
DEVELOPED BY KEHOE HOMES OF MARINA COVE, INC.

EXHIBIT A
PAGE 4 OF 8

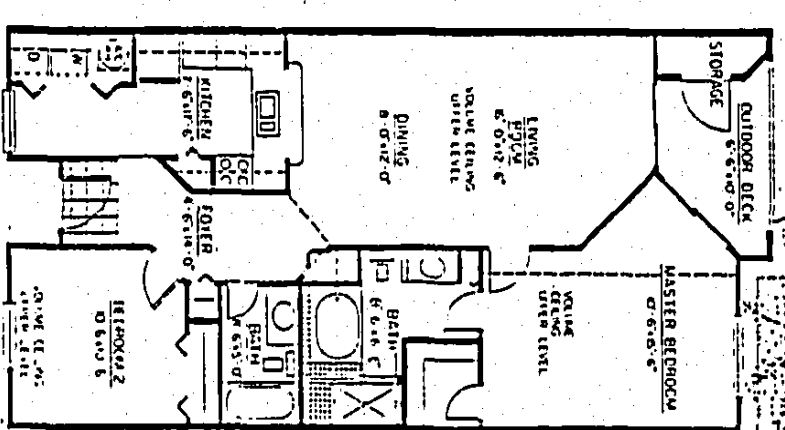
RS&M

JULY 1, 1988

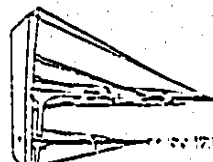
OFF 0388 PAGE 0578
REC 0830



COMMODORE
THREE BEDROOM VILLA APT.
APPROX. 1230 SQ.FT.



MARINER
TWO BEDROOM VILLA APT.
APPROX. 1020 SQ.FT.

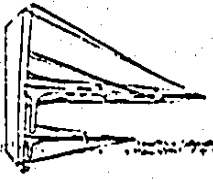


MARINA COVE

AT PALM COAST A CONDOMINIUM

DEVELOPED BY: KEHOE HOMES OF MARINA COVE, INC.

EXHIBIT 'A'
PAGE 5 OF 8
RS&H
JULY 1, 1988



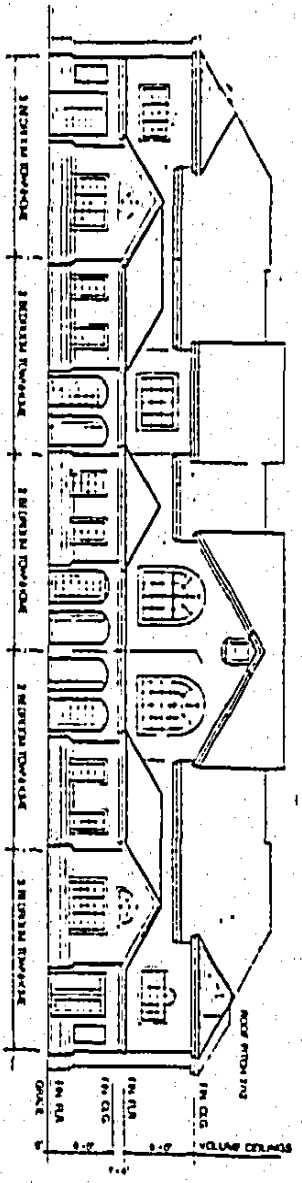
MARINA COVE

AT PALM COAST A CONDOMINIUM

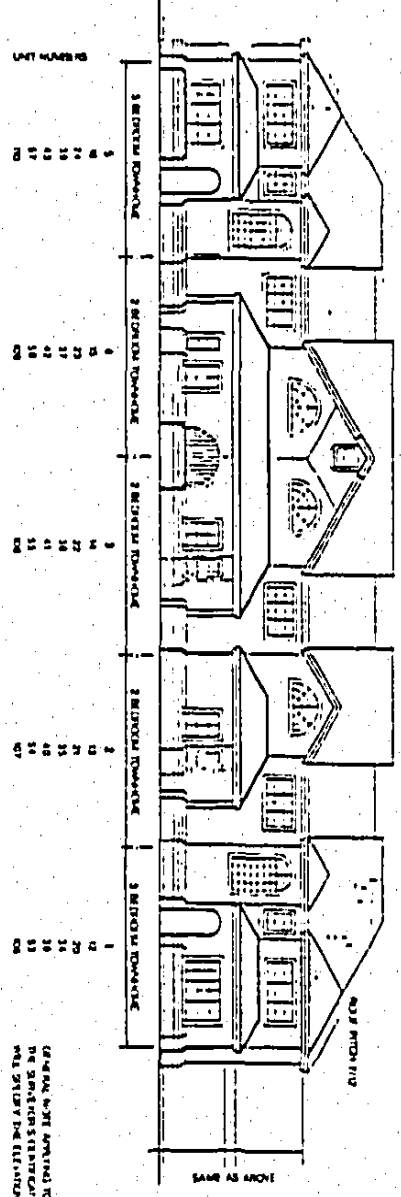
DEVELOPED BY KEHOE HOMES OF MARINA COVE, INC.

EXHIBIT 'A'
PAGE 6 OF 8
RS&TH
JULY 1, 1988

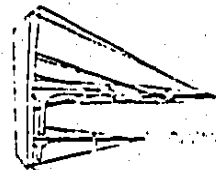
MARINA ELEVATION



ENTRY ELEVATION
FIVE UNIT BUILDING



GENERAL NOTE: APPLICABLE TO ALL ELEVATIONS
THE SHOWN ELEVATIONS ARE FOR INFORMATION ONLY
AND SHOULD BE USED AS A GUIDE ONLY



AT PALM COAST A CONDOMINIUM

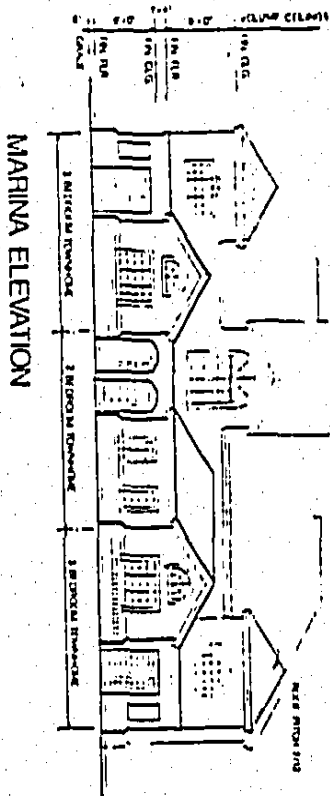
MARINA COVE

DEVELOPED BY KEHOE HOMES OF MARINA COVE, INC.

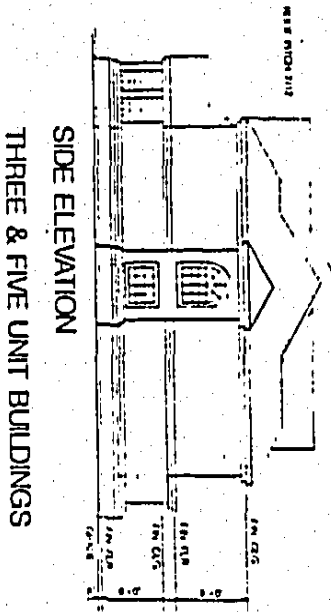
JULY 1, 1988

HRS

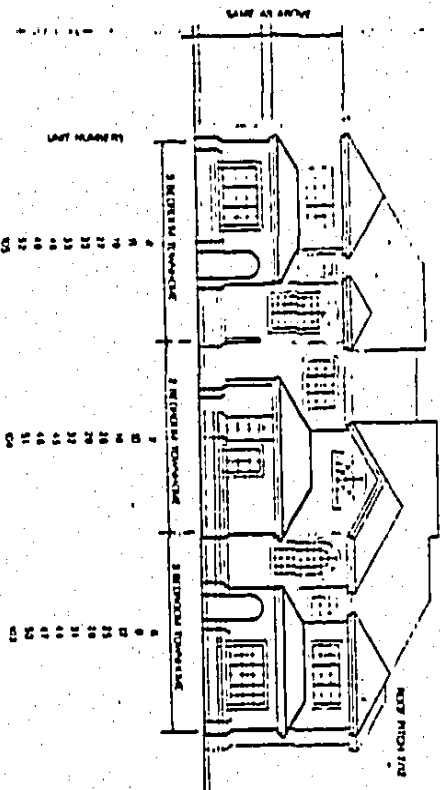
EXHIBIT 'A'
PAGE 7 OF 8



MARINA ELEVATION

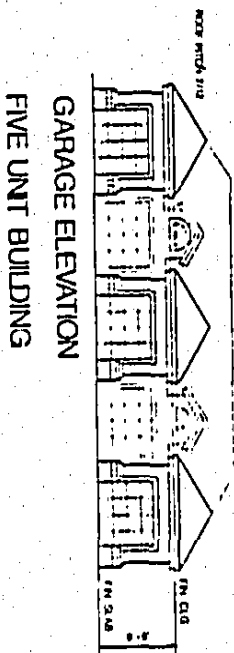


SIDE ELEVATION
THREE & FIVE UNIT BUILDINGS

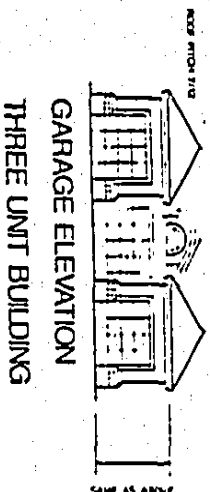


ENTRY ELEVATION
THREE UNIT BUILDING

CLERESTORY LIGHTS ARE PROVIDED FOR ALL ELEVATIONS. LEVELS OF THE SPAN AND OVERHANGS OF CLERESTORY LIGHTS WILL BE SHOWN IN THE ELEVATIONS SHOWN ABOVE.

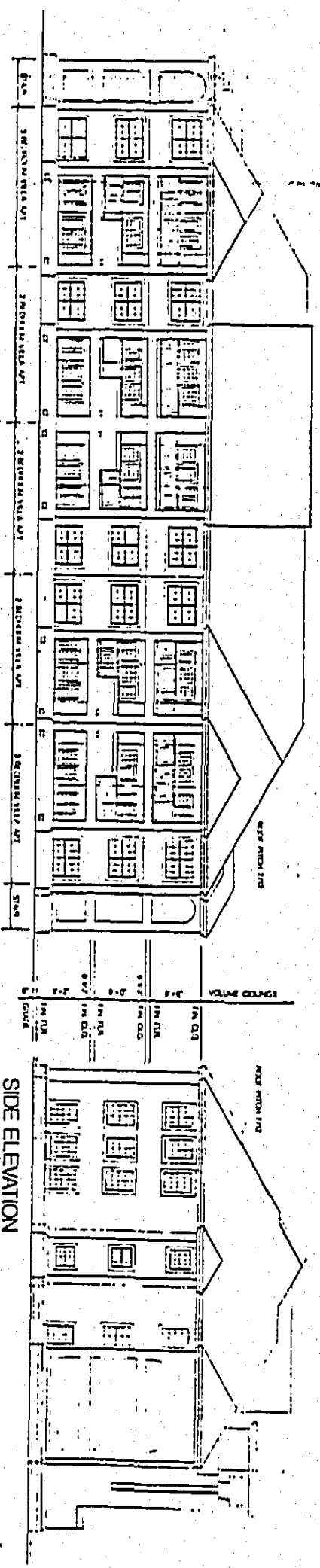


GARAGE ELEVATION
FIVE UNIT BUILDING

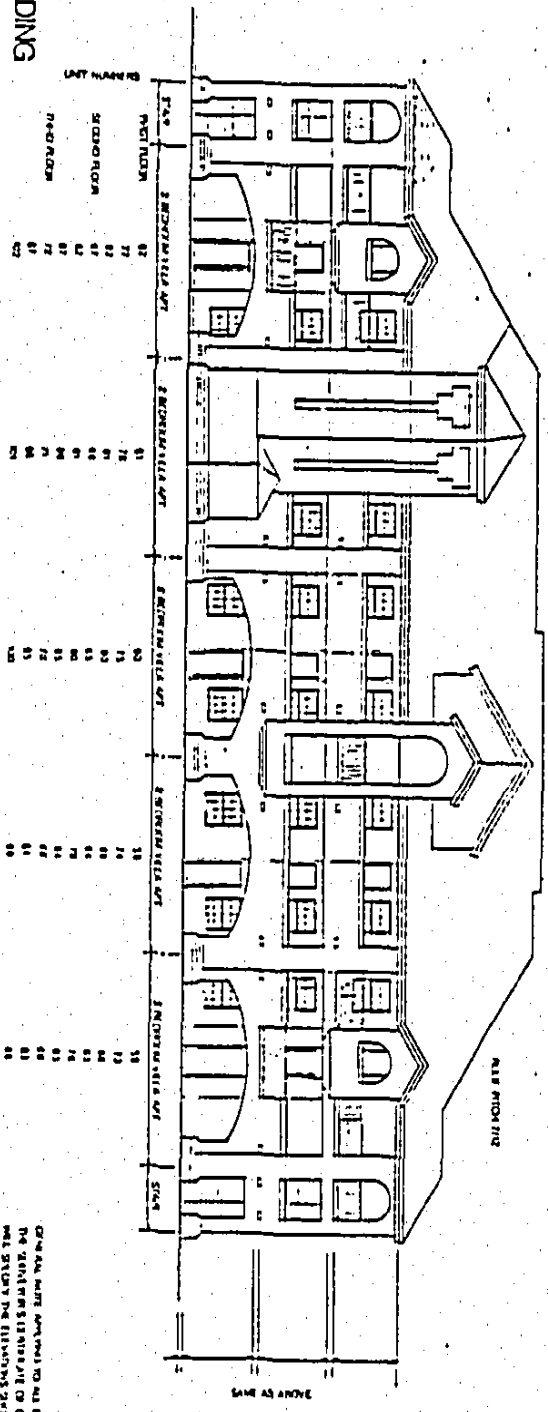


GARAGE ELEVATION
THREE UNIT BUILDING

INTRACOSTAL ELEVATION

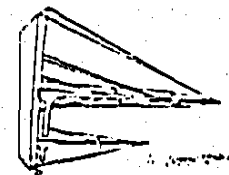


ENTRY ELEVATION
VILLA APARTMENTS BUILDING



ON THE PLAN, THE APARTMENTS TO THE ELEVATIONS SHOWN ARE THE APARTMENTS TO BE CONSTRUCTED AND NOT NEARBY APARTMENTS TO BE ELIMINATED BY THE DEVELOPER.

FLOOR	APARTMENT NO.	APARTMENT NO.	APARTMENT NO.	APARTMENT NO.	APARTMENT NO.	APARTMENT NO.	APARTMENT NO.
FIRST FLOOR	101	102	103	104	105	106	107
	108	109	110	111	112	113	114
	115	116	117	118	119	120	121
	122	123	124	125	126	127	128
SECOND FLOOR	201	202	203	204	205	206	207
	208	209	210	211	212	213	214
	215	216	217	218	219	220	221
	222	223	224	225	226	227	228
THIRD FLOOR	301	302	303	304	305	306	307
	308	309	310	311	312	313	314
	315	316	317	318	319	320	321
	322	323	324	325	326	327	328



MARINA COVE
AT PALM COAST A CONDOMINIUM

DEVELOPED BY KEHOE HOMES OF MARINA COVE, INC

EXHIBIT 'A'
PAGE 8 OF 8
JRS:JH
JULY 1, 1988

OFF 0388 PAGE 0582
REC 0388

EXHIBIT B

SHARE OF COMMON ELEMENTS, COMMON SURPLUS
AND COMMON EXPENSES APPURTENANT TO EACH UNIT

OFF 0388 PAGE 0583

<u>UNIT NO.</u>	<u>TYPE OF UNIT</u>	<u>PERCENTAGE APPURTENANT TO EACH UNIT</u>
	<u>PHASE I (5 Units)</u>	
106 - 110 (5 Units)	Townhome	20
	<u>PHASES I and II (10 Units)</u>	
39 - 43, 106 - 110 (10 Units)	Townhome	10
	<u>PHASES I, II and III (13 Units)</u>	
39 - 43, 106-110 (10 Units)	Townhome	7.69
103 - 105 (3 Units)	Townhome	7.70
	<u>PHASES I THROUGH IV (28 Units)</u>	
39 - 43, 103 - 110 (13 Units)	Townhome	4.3525
88-102 (15 Units)	Villa	2.8945
	<u>PHASES I THROUGH V (31 Units)</u>	
39 - 46, 103 - 110 (16 Units)	Townhome	3.8500
88 - 102 (15 Units)	Villa	2.5600
	<u>PHASES I THROUGH VI (34 Units)</u>	
39 - 43, 106 - 110 (10 Units)	Townhome	3.4516
44-49, 103 - 105 (9 Units)		3.4510
88 - 102 (15 Units)	Villa	2.2950
	<u>PHASES I THROUGH VII (39 Units)</u>	
20 - 24, 39 - 49 103 - 110 (24 Units)	Townhome	2.9435
88 - 97 (10 Units)	Villa	1.9571
98 - 102 (5 Units)	Villa	1.9570

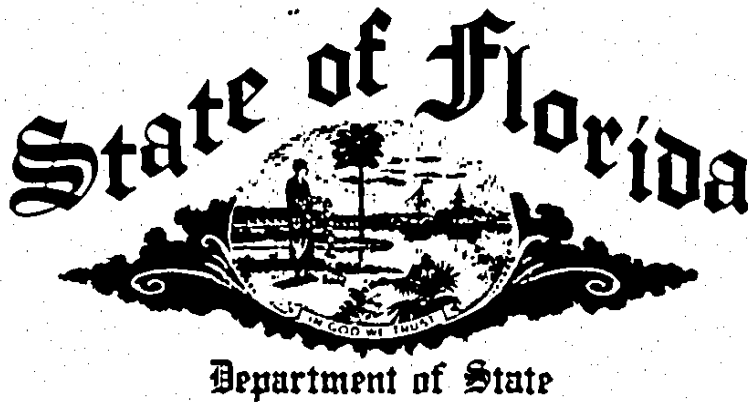
OFF 0388 PAGE 0584
REC

<u>UNIT NO.</u>	<u>TYPE OF UNIT</u>	<u>PERCENTAGE APPURTENANT TO EACH UNIT</u>
<u>PHASES I THROUGH VIII (54 Units)</u>		
20 - 24, 39 - 49, 103 - 110 (24 Units)	Townhome	2.2754
73 - 98 (26 Units)	Villa	1.5130
99 - 102 (4 Units)	Villa	1.5131
<u>PHASES I THROUGH IX (59 Units)</u>		
12 - 16, 20 - 24, 39 - 49, 103 - 110 (29 Units)	Townhome	2.0450
73 - 102 (30 Units)	Villa	1.3565
<u>PHASES I THROUGH X (62 Units)</u>		
12 - 24, 39 - 49, 103 - 110 (32 Units)	Townhome	1.9250
73 - 102 (30 Units)	Villa	1.2800
<u>PHASES I THROUGH XI (67 Units)</u>		
1 - 5, 12-24, 39 - 49, 103-110 (37 Units)	Townhome	1.7560
73 - 102 (30 Units)	Villa	1.1676
<u>PHASES I THROUGH XII (70 Units)</u>		
1 - 5, 12 - 27, 39 - 49, 103 - 110 (40 Units)	Townhome	1.6681
73 - 102 (30 Units)	Villa	1.1092
<u>PHASES I THROUGH XIII (85 Units)</u>		
1 - 5, 12 - 27, 39 - 49, 103 - 110 (40 Units)	Townhome	1.4302
58 - 87 (30 Units)	Villa	.9509
88 - 102 (15 Units)	Villa	.9510
<u>PHASES I THROUGH XIV (88 Units)</u>		
1 - 5, 12 - 30, 39 - 49, 103 - 110 (43 Units)	Townhome	1.3720
58-102 (45 Units)	Villa	.9112

OFF REC 0388 PAGE 0585

<u>UNIT NO.</u>	<u>TYPE OF UNIT</u>	<u>PERCENTAGE PERCENTAGE APPURTENANT TO EACH UNIT</u>
<u>PHASES I THROUGH XV (91 Units)</u>		
1 - 5, 12 - 33, 39 - 49, 103 - 110 (46 Units)	Townhome	1.3150
58 - 102 (45 Units)	Villa	.8780
<u>PHASES I THROUGH XVI (96 Units)</u>		
1 - 5, 12 - 49, 103 - 110 (51 Units)	Townhome	1.2354
58 - 101 (44 Units)	Villa	.8221
102 (1 Unit)	Villa	.8222
<u>PHASES I THROUGH XVII (101 Units)</u>		
1 - 5, 12 - 24, 31 - 49, 53 - 57, 103 - 110 (50 Units)	Townhome	1.1636
25 - 30 (6 Units)	Townhome	1.1665
58 - 102 (45 Units)	Villa	.7738
<u>PHASES I THROUGH XVIII (104 Units)</u>		
17 - 19, 25 - 33, 44 - 49 103 - 105 (21 Units)	Townhome	1.1247
1 - 5, 12 - 16, 20 - 24, 34 - 43, 50 - 57, 106 - 110 (38 Units)	Townhome	1.1246
58 - 102 (45 Units)	Villa	.7477
<u>PHASE I THROUGH XIX (107 Units)</u>		
1 - 8, 12 - 57, 103 - 110 (62 Units)	Townhome	1.0880
58 - 102 (45 Units)	Villa	.7232
<u>PHASE I THROUGH XX (110 Units)</u>		
1 - 57, 103 - 110 (65 Units)	Townhome	1.0535
58 - 102 (45 Units)	Villa	.7005

EXHIBIT C



I certify that the attached is a true and correct copy of the Articles of Incorporation of MARINA COVE AT PALM COAST CONDOMINIUM ASSOCIATION, INC., a corporation organized under the Laws of the State of Florida, filed on March 8, 1989, as shown by the records of this office.

The document number of this corporation is N31057.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
8th day of March, 1989.



A handwritten signature in cursive script that reads "Jim Smith".

Jim Smith
Secretary of State

ARTICLES OF INCORPORATION

OF

MARINA COVE AT PALM COAST CONDOMINIUM ASSOCIATION, INC.

(A Corporation not for profit under
the laws of the State of Florida.)

The undersigned, hereby associate themselves into a corporation not for profit under Chapter 617, Florida Statutes, and certify as follows:

ARTICLE I
NAME

The name of the corporation shall be MARINA COVE AT PALM COAST CONDOMINIUM ASSOCIATION, INC. For convenience the corporation shall be referred to in this instrument as "the Association."

ARTICLE II
PURPOSE

2.1 The purpose for which the Association is organized is to provide an entity pursuant to Section 718.111 of the Condominium Act, which is Chapter 718, Florida Statutes, for the operation and management of Marina Cove at Palm Coast Condominium, a condominium to be established in accordance with the Condominium Act, located on lands owned by Kehoe Homes of Marina Cove, Inc. in Flagler County, Florida, and to undertake the duties and acts incident to administration, management and operation of said condominium.

2.2 The Association shall make no distributions of income to its members, directors or officers, being conducted as a non-profit organization for the benefit of its members.

ARTICLE III
POWERS

The Association shall have the following powers:

3.1 The Association shall have all of the common-law and statutory powers of a corporation not for profit.

3.2 The Association shall have all of the powers and duties set forth in the Condominium Act, By-Laws of the Association and Chapters 607 and 617, Florida Statutes and all of the powers and duties reasonably necessary to operate the condominium pursuant to the Declaration, as it may be amended from time to time, including but not limited to the following:

a. To make and establish reasonable rules and regulations governing the use of Units, Common Property and Limited Common Property in Marina Cove at Palm Coast Condominium, a Condominium as said terms may be defined in the Declaration of Condominium to be recorded.

b. To make and collect assessments against members of the Association as unit owners to defray the costs, expenses and losses of the condominium, provided that no charge shall be made in violation of the Condominium Act.

c. To use the proceeds of assessments in the exercise of its powers and duties.

d. To maintain, repair, replace, operate and manage the property comprising the condominium, including the right to

reconstruct improvements after casualty and to make further improvements of the condominium property.

e. To acquire, own, manage, maintain and repair real and personal property and not more than one condominium unit to be used by a resident manager.

f. To purchase insurance upon the condominium property and insurance for the protection of the Association and its members as unit owners and officers and directors.

g. To approve or disapprove the transfer, leasing, mortgaging and ownership of units as may be provided by the Declaration of Condominium and By-Laws.

h. To enforce by legal means the provisions of the Condominium Act, the Declaration of Condominium, these Articles of Incorporation, the By-Laws of the Association and the rules and regulations governing the use of the property in the condominium.

i. To contract for the management of the condominium and to delegate to such contractors all powers and duties of the Association except such as are specifically required by the Declaration of Condominium to have approval of the Board of Directors or the membership of the Association.

j. To contract for the management or operation of portions of the common elements susceptible to separate management or operation.

k. To employ personnel to perform the services required for proper operation of the condominium.

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

m. To acquire title to property or otherwise hold property for the use and benefit of its members.

3.3 All funds and the titles of all properties acquired by the Association and their proceeds shall be held for the members in accordance with the provisions of the Declaration of Condominium, these Articles of Incorporation and the By-Laws.

3.4 The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declaration of Condominium and the By-Laws.

ARTICLE IV
MEMBERS

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

4.1 The members of the Association shall consist of all of the record owners of units in the condominium. No other persons or entities shall be entitled to membership except as provided in Paragraph 4.5 of this Article IV. After termination of the condominium, the members of the Association shall consist of those who are members at the time of such termination and their successors and assigns.

OFF 0388 PAGE 0589
REC

4.2 Change of membership in the Association shall be established by recording in the Public Records of Flagler County, Florida, a deed or other instrument establishing a record title to a unit in the condominium. The owner or owners designated by such instrument thus becomes a member of the Association and the membership of the prior owner is terminated. The Association may require delivery to the Association of a true copy of the recorded deed as a condition of permitting the exercise of the right to vote and to use the common property.

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

4.4 On all matters on which the membership shall be entitled to vote, the vote appurtenant to each unit shall be the same percentage of the total votes appurtenant to all units as the percentage of common elements appurtenant to such unit, which vote may be exercised or cast by the owner or owners of each unit in such manner as may be provided by the By-Laws hereafter adopted by the Association. Should any member own more than one unit, such member shall be entitled to exercise or cast the aggregate of votes appurtenant to the units he owns, in the manner provided in the By-Laws.

4.5 Until such time as some portion of the property is submitted to a Plan of Condominium Ownership by the recordation of said Declaration of Condominium, the membership of the corporation shall be comprised of the subscribers of these Articles, each of whom shall be entitled to cast one (1) vote on all matters on which membership shall be entitled to vote.

ARTICLE V
INCORPORATOR

5.1 The name and address of the Incorporator of the Association is as follows:

<u>Name</u>	<u>Address</u>
W.A. Kehoe, III	27 S. Orchard Street Ormond Beach, Florida 32074

ARTICLE VI
PRINCIPAL OFFICE

The principal office of the Association shall be initially located located at 27 S. Orchard Street, Ormond Beach, Florida 32074, but the Association may maintain offices and transact business in such other places within or without the State of Florida as may from time to time be designated by the Board of Directors.

ARTICLE VII
DIRECTORS

7.1 The affairs of the Association will be managed by a Board consisting of not less than three (3) nor more than nine (9) directors. The number of members of the Board of Directors shall be as provided from time to time by the By-Laws of the Association, and in the absence of such determination, and for so long as the Developer shall be entitled to elect a director, shall consist of three (3) directors. Directors need not be members of the Association.

7.2 Except as provided in §§7.4 and 7.5, Directors of the Association shall be elected at the annual meeting of the members in the manner determined by the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the By-Laws.

7.3 The names and address of the members of the first Board of Directors who shall hold office until their successors have qualified, are as follows:

W.A. Kehoe, III	Sally A. Gentile
27 S. Orchard Street	27 S. Orchard Street
Ormond Beach, Florida 32074	Ormond Beach, Florida 32074

Milton Peck
27 S. Orchard Street
Ormond Beach, Florida 32074

7.4 The persons named in §7.3 shall be the members of the initial Board of Directors and shall serve until elections to elect their respective successors are held as provided in Paragraph 7.5 below. In the event of a vacancy occurring prior to the election of a particular director's successor as provided for in Paragraph 7.5, such vacancy shall be filled by appointment by Kehoe Homes of Marina Cove, Inc. (hereafter called "Developer").

7.5 a. The Board of Directors shall call a special members meeting promptly after the Developer has conveyed sixteen (16) of the units, at which meeting the unit owners other than the Developer shall elect one (1) member of the Board of Directors to replace Milton Peck or his successor selected by Developer.

b. The Board of Directors shall call a special members meeting upon the first to occur of the following:

- (i) Within three (3) years after 50% of the units that will ultimately be operated by the Association have been conveyed to purchasers; or
- (ii) Four (4) months after 75% of the units that will ultimately be operated by the Association have been conveyed to purchasers; or
- (iii) Within three (3) months after 90% of the units that will ultimately be operated by the Association have been conveyed to purchasers; or
- (iv) When some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or
- (v) When all the units that will ultimately be operated by the Association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business; or
- (vi) Five (5) years following the conveyance of the first unit
- (vii) At such earlier time as Developer waives its right to select

REC 0388 PAGE 0591

at which meeting the unit owners other than the Developer shall elect a director to replace Sally A. Gentile, or her successor selected by Developer. The Developer is entitled to elect one member of the Board of Directors of the Association so long as the Developer holds for sale in the ordinary course of business at least 5% of all units to be operated by the Association.

ARTICLE VIII
OFFICERS

The affairs of the Association shall be administered by the officers elected by the Board of Directors at its first meeting following the election of one of the members of the Board of Directors by the unit owners other than the Developer, and shall serve at the pleasure of the Board of Directors. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

<u>NAME</u>	<u>TITLE</u>	<u>ADDRESS</u>
W.A. Kehoe, III	President	27 S. Orchard Street Ormond Beach, Florida 32074
Milton Peck	Vice President	27 S. Orchard Street Ormond Beach, Florida 32074
Sally A. Gentile	Secretary/ Treasurer	27 S. Orchard Street Ormond Beach, Florida 32074

ARTICLE IX
INDEMNIFICATION

Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding or any settlement of any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a director or officer of the Association, whether or not he is a director or officer at the time such expenses are incurred, except when the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

ARTICLE X
BY-LAWS

The first By-Laws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded in the manner provided by the By-Laws.

ARTICLE XI
TERM

The term of the Association shall be perpetual.

ARTICLE XII
AMENDMENTS

Amendments to the Articles of Incorporation shall be proposed and adopted in the following manner:

REC 0388 PAGE 0592

12.1 A Resolution for the adoption of a proposed amendment may be proposed by the Board of Directors or by owners of a majority of the units in the Condominium, whether meeting as members or by instrument in writing signed by them.

12.2 Upon any amendment or amendments to these Articles of Incorporation being proposed by said Board of Directors or members, such proposed amendment or amendments shall be transmitted to the President of the Association or other officer of the Association in the absence of the President, who shall thereupon call a special meeting of the members of the Association for a day no sooner than twenty (20) days nor later than sixty (60) days from the receipt by him of the proposed amendment or amendments, and it shall be the duty of the secretary to give to each member written or printed notice of such meeting, stating the time and place of the meeting and reciting the proposed amendment or amendments in reasonably detailed form, which notice shall be mailed to or presented personally to each member not less than fourteen (14) nor more than thirty (30) days before the date set for such meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States Mail, addressed to the member at his post office address as it appears on the records of the Association, the postage thereon prepaid. Any member may, by written waiver of notice signed by such member waive such notice, and such waiver when filed in the records of the corporation, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such member. At such meeting the amendment or amendments proposed must be approved by an affirmative vote of the members owning not less than 70 percent of the units in Marina Cove of Palm Coast Condominium in order for such amendment or amendments to become effective.

A copy of each amendment, after it has become effective, shall be transcribed and certified in such form as may be necessary to register the same in the office of the Secretary of State of the State of Florida, and upon the registration of such amendment or amendments with said Secretary of State, a certified copy thereof shall be recorded in the public records of Flagler County, Florida, promptly.

12.3 At any meeting held to consider any amendment or amendments of these Articles of Incorporation, the written vote of any member of the Association shall be recognized, if such member is not in attendance at such meeting or represented there at by proxy, provided such written vote is delivered to the Secretary of the Association prior to such meeting.

12.4 In the alternative, an amendment may be made by an agreement signed and acknowledged by all the record owners of units in the manner required for execution of a deed.

12.5 No amendment shall make any changes in the qualification for membership nor the voting rights of members, nor any change in Section 3.3 of Article III hereof, without approval in writing of all members and the joinder of all record owners of first mortgages upon the condominium. No amendment shall be made that is in conflict with the Condominium Act or the Declaration of Condominium. No amendment to these Articles of Incorporation which would abridge, amend or alter the rights of the Developer, including the right to designate and select members of the Board of Directors of the Association as provided in Article VII hereof, or which would restrict or modify the rights and powers of the initial Board of Directors may be adopted or become effective without the prior written consent of Developer. No amendment which would abridge, amend or alter any rights of the first mortgagees shall be made without written approval of all such mortgagees.

OFF REC 0388 PAGE 0593

ARTICLE XIII
SUBSCRIBERS

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

<u>NAME</u>	<u>ADDRESS</u>
W.A. Kehoe, III	27 S. Orchard Street Ormond Beach, Florida 32074

IN WITNESS WHEREOF, the subscribers have affixed their signatures this the 6th day of March, A.D. 1959.

WITNESSES:

[Signature]
[Signature]

[Signature] (SEAL)
 Walter A. Kehoe, III

STATE OF FLORIDA)
) ss.
 COUNTY OF VOLUSIA)

Before me, the undersigned authority, personally appeared W.A. Kehoe, III, who after being duly sworn, acknowledged that he executed the foregoing Articles of Incorporation for the purposes expressed in such Articles, this 6th day of March, A.D. 1959.

[Signature]
 Notary Public, State of Florida
 at Large.

My Commission Expires: _____

Notary Public, State of Florida
 My Commission Expires Sept. 6, 1952
 Bonded thru Troy Fair - Insurance Inc.

CERTIFICATE DESIGNATING REGISTERED
AGENT AND STREET ADDRESS FOR
SERVICE OF PROCESS

Pursuant to Section 48.091, Florida Statutes, MARINA COVE AT PALM COAST CONDOMINIUM ASSOCIATION, INC., desiring to incorporate under the laws of the State of Florida hereby designates Palmetto Charter Services, Inc., 150 Magnolia Avenue, Daytona Beach, Florida 32018, as its Registered Agent and the street address of its registered office, respectively, for the service of process within the State of Florida.

MARINA COVE AT PALM COAST
CONDOMINIUM ASSOCIATION, INC.

By: W. C. Helbert III

ACCEPTANCE OF DESIGNATION

The undersigned hereby accepts the foregoing designation as Registered Agent of MARINA COVE AT PALM COAST CONDOMINIUM ASSOCIATION, INC., for the service of process within the State of Florida until further notice.

PALMETTO CHARTER SERVICES, INC.

By: Jan D. Boyd

EXHIBIT D

BY-LAWS

OF

MARINA COVE AT PALM COAST CONDOMINIUM ASSOCIATION, INC.

(A corporation not for profit under
the Laws of the State of Florida.)

1. IDENTITY

These are the By-Laws of MARINA COVE AT PALM COAST CONDOMINIUM ASSOCIATION, INC. called "Association" in these By-Laws, a corporation not for profit under the laws of the State of Florida, the Articles of Incorporation of which were filed in the Office of the Secretary of State on March 8, 1989. The Association has been organized for the purpose of administering a condominium pursuant to Chapter 718, Florida Statutes, (called the Condominium Act in these (By-Laws), which condominium is identified by the name MARINA COVE AT PALM COAST CONDOMINIUM ASSOCIATION, INC., and is located at Flagler County, Florida on lands more fully described in the Declaration of Condominium for Marina Cove at Palm Coast Condominium.

1.1 The provisions of these By-Laws are applicable to Marina Cove at Palm Coast Condominium Association, Inc., and the terms and provisions hereof are expressly subject to and shall be controlled by the terms, provisions, conditions and authorizations contained in the Articles of Incorporation and which may be contained in the formal Declaration of Condominium which will be recorded in the Public Records of Flagler County, Florida.

1.2 All present or future owners, tenants, future tenants, or their employees, or any other person that might use Marina Cove at Palm Coast Condominium, or any of the facilities thereof in any manner, are subject to the regulations set forth in these By-Laws and in said Articles of Incorporation and Declaration of Condominium and the rules and regulations adopted pursuant thereto.

1.3 The office of the Association shall be at 27 S. Orchard Street, Ormond Beach, Florida 32074.

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

1.5 The seal of the Corporation shall bear the name of the Corporation, the word "Florida", the words "Corporation Not for Profit", and the year of incorporation.

2. MEMBERSHIP, VOTING, QUORUM, PROXIES

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

2.2 Owners of units to which more than fifty percent (50%) of the common elements of the Condominium are appurtenant shall constitute a majority of members, and, at member's meetings, a quorum shall constitute a majority of members present in person or by proxy. Actions approved by a majority of voting interests (as determined by reference to Exhibit B of this Declaration) present at a meeting at which a quorum is present shall constitute the acts of the Association, except when approval by a greater number of members is required by the Declaration of Condominium, the Articles of Incorporation, or other provisions of these By-Laws.

2.3 Votes may be cast in person or by proxy. Proxies may be made by any person entitled to vote and shall be valid only for the particular meeting designated thereon and must be filed with the Secretary before the appointed time of the meeting.

REC 0388 PAGE 0596
3. ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP

3.1 The Annual Members' Meeting shall be held at such place and at such date in November of each year as may be designated by the Board of Directors, for the purpose of electing directors and transacting any other business authorized to be transacted by the members.

3.2 Special Members' Meetings shall be held whenever called by the President or Vice President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members of the Association owning a majority of the units.

3.3 Notice of all members' meetings, stating the time and place and the purposes for which the meeting is called shall be given by the President or Vice President or Secretary unless waived in writing. Such notice shall be in writing to each member at his address as it appears on the books of the Association and shall be mailed not less than fourteen (14) days nor more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be an affidavit provided by an officer of the Association. This affidavit shall be included in the Official Records of the Association. Written notice of all members' meetings shall also be posted at a prominent location on the condominium property at least fourteen (14) days prior to the date of the meeting. Notice of meetings may be waived before or after meetings.

3.4 A vote of the owners of a unit owned by more than one person or by a corporation or other entity, or under lease will be cast by the person named in a Certificate signed by all of the owners of the unit and filed with the Secretary of the Association, and such Certificate shall be valid until revoked or until superseded by a subsequent Certificate. A Certificate designating the person entitled to cast the vote for a unit may be revoked by any one of the owners of the unit. If such a Certificate is not on file, the vote of such owner shall not be considered in determining the requirements for a quorum, nor for any other purpose.

3.5 If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

3.6 The order of business at annual members' meetings and as far as practical at other members' meetings shall be:

- a. Calling of the roll and certifying of proxies.
- b. Proof of notice of meeting or waiver of notice.
- c. Reading and disposal of any unapproved minutes.
- d. Reports of officers.
- e. Reports of committees.
- f. Appointment of Inspectors of Election.
- g. Election of directors.
- h. Unfinished business.
- i. New business.
- j. Adjournment.

3.7 Provided, however, that until a majority of the directors of the Association are elected by the members other than the Developer,

the proceedings of all meetings of the Association shall have no effect unless approved by the Board of Directors.

4. BOARD OF DIRECTORS

4.1 The Board of Directors of the Association shall consist of three (3) persons, who need not be members of the Association, and who may be authorized representatives, officers or employees of a corporate member of the Association.

4.2 Election of directors shall be conducted in the following manner:

a. The first Board of Directors of the Association shall be appointed by Kehoe Homes of Marina Coves, Inc. (hereafter "Developer"), and shall hold office until their successors are elected by members other than the Developer and have qualified. The names and address of the members of the first Board of Directors are set forth in Article VII of the Articles of Incorporation of the Association, the provisions of which are incorporated herein by reference.

b. Members other than the Developer shall have the right to elect successors to the original Board of Directors upon the occurrence of the events set forth in Article VII of the Articles of Incorporation of the Association and the Association shall, on or before 60 days after unit owners other than Developer are entitled to elect members of the Board, call and give not less than 30 nor more than 40 days notice of a meeting of unit owners for that purpose. Such meeting may be called and notice given by any unit owner if the Association fails to do so.

c. All members of the Board of Directors whom Developer shall not be entitled to designate and select shall be elected by a plurality of the votes cast at the special meeting called to elect the members of the Board of Directors.

d. Other than the special election of successor-directors required by Section 718.301 of the Florida Statutes, the election of directors shall be held at the annual members' meeting.

e. The election of directors shall be by ballot (unless dispensed with by unanimous consent) and by a plurality of the votes cast. There shall be appurtenant to each unit as many votes for directors as there are directors to be elected, provided, however, that no member or owner of any unit may cast more than one vote for any person nominated as a director, it being the intent hereof that voting for director shall be non-cumulative.

f. Except as otherwise provided herein, vacancies in the Board of Directors occurring between annual meetings of the members of the Association shall be filled by the remaining directors.

g. Any director elected by unit owners other than the Developer may be removed by a concurrence of a majority of all the voting interests at a special meeting of the members called for that purpose, in accordance with Chapter 718.112(2)(k) Florida Statutes. The vacancy in the Board of Directors so created shall be filled by the membership of the Association at the same meeting.

h. None of the directors selected by the Developer shall be subject to removal by the members other than the Developer.

i. In the event that Developer in accordance with the right and privilege granted unto it, selects any person or persons to serve on any Board of Directors of the Association, Developer shall

REC 0388 PAGE 0597

have the absolute right at any time, in its sole discretion, to replace any such person or persons with another person or other persons to serve on said Board of Directors. Replacement of any person or persons designated by Developer to serve on any Board of Directors of the Association shall be made by written instrument delivered to any officer of the Association, which instrument shall specify the name or names of the person or persons to be replaced, and the name or names of the person or persons designated as successor or successors to the persons so removed from the Board of Directors. The removal of any Director and designation of his successor shall be effective immediately upon delivery of such written instrument by Kehoe Homes of Marina Cove, Inc. to any officer of the Association.

j. The term of each Director's service will extend until the next annual meeting of the members, and subsequently until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

4.3 The organizational meeting of a newly elected Board of Directors shall be held within ten (10) days of their election, at such time and at such place as shall be fixed by the Directors, at the meeting at which they were elected. The outgoing President of the Board of Directors will preside over said organizational meeting until the new officers are elected.

4.4 Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors and shall be open to all unit owners. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegram, at least three (3) days prior to the day named for such meeting and except in emergency, notice of such meetings shall be posted conspicuously 48 hours in advance for the attention of unit owners.

4.5 Special Meetings of the Directors may be called by the President, and must be called by the Secretary at the written request of 1/3 of the votes of the Board. Not less than three (3) days' notice of a meeting shall be given to each Director, personally or by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting. Except in emergency, notice of such meetings shall be posted conspicuously 48 hours in advance for the attention of unit owners.

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

4.7 A quorum at a Directors' meeting shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as specifically otherwise provided in the Articles of Incorporation, these By-Laws or the Declaration of Condominium. A Director who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken, unless he votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest. If any Directors' meeting cannot be organized because a quorum has not attended, or because a greater percentage of attendance may be required as set forth in the Articles of Incorporation, these By-Laws or the Declaration of Condominium, the Directors who are present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

OFF 0388 PAGE 0599
REC

4.8 The Presiding Officer of Directors' meetings shall be the President, and in his absence, the Directors present shall designate one of their number to preside.

4.9 All of the powers and duties of the Association shall be exercised by the Board of Directors, including those existing under the common law and statutes of the State of Florida, the Articles of Incorporation of the Association, these By-Laws and the Declaration of Condominium, and shall include, without limiting the generality of the foregoing, the following:

a. To make, levy and collect assessments against members and members' units to defray the costs of the condominium and to use the proceeds of said assessments in the exercise of the powers and duties granted unto the Association;

b. To maintain, repair, replace, and operate the condominium property.

c. To purchase insurance upon the condominium property and insurance for the protection of the Association; as well as liability insurance for the protection of the Directors and officers.

d. To reconstruct improvements after casualty.

e. To make and amend regulations governing the use of the property, real and personal, in the condominium so long as such regulations or amendments thereto do not conflict with the restrictions and limitations which may be placed upon the use of such property under the terms of the Articles of Incorporation and Declaration of Condominium;

f. To approve or disapprove proposed purchasers or tenants of units in the manner specified in the Declaration of Condominium;

g. To acquire, operate, manage and otherwise deal with property, real and personal, as may be necessary or convenient in the operation and management of the Condominium, and in accomplishing the purposes set forth in the Declaration of Condominium, including specifically to acquire or lease a unit for the manager.

h. To grant utility, communication, parking, storage and access easements of limited or unlimited duration over, under and upon the common elements of the Condominium for the use and benefit of members of the Association and/or members of The Landings at Marina Cove, a Condominium.

i. To contract for the management of the condominium and to delegate to such contractor all of the powers and duties of the Association, except those which may be required by the Declaration of Condominium to have approval of the Board of Directors or membership of the Association;

j. To enforce by legal means the provisions of the Articles of Incorporation and By-Laws of the Association, the Declaration of Condominium and rules and regulations promulgated governing use of the property in the condominium.

k. To pay all taxes and assessments which are liens against any part of the Condominium other than the appurtenances thereto, and to assess the same against the members and their respective units subject to such liens;

OFF 0388 PAGE 0600

l. To pay all costs of power, water, sewer and other utility services rendered to the condominium which are not billed to the owners of the separate units based on usage;

m. To employ personnel for reasonable compensation to perform the services required for proper administration of the purposes of the Association.

4.10 Fees. No fee shall be paid for the service as a Director of the Association.

4.11 The compensation of any employee of the Association shall be fixed by the directors. The Board of Directors is not precluded from employing a director as an employee of the Association and compensating him as an employee, nor precluded from contracting with a director for the management of the condominium.

5. OFFICERS

5.1 The executive officers of the Association shall be a President, who shall be a director, a Vice President, a Treasurer, and a Secretary, all of whom shall be elected annually by the Board of Directors and who may be pre-emptorily removed by vote of the Directors at any meeting. Any person may hold two or more offices except that the President shall not be also the Secretary, an Assistant Secretary, or the Vice president. The Board of Directors from time to time shall elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

5.2 The President shall be the chief executive officer of the Association. He shall have all of the powers and duties usually vested in the office of President of an Association, including but not limited to the power to appoint committees from among the members from time to time, as he in his discretion may determine appropriate, to assist in the conduct of the affairs of the Association.

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

5.4 The Secretary shall keep the minutes of all proceedings of the directors and the members. He shall attend to the giving and serving of all notices to the members and directors and other notices required by law. He shall have custody of the seal of the Association and affix it to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the treasurer, and shall perform all other duties incident to the office of secretary of an association and as may be required by the directors or the President. Any Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

5.5 The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer.

6. FISCAL MANAGEMENT

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

6.1 The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each unit. Such an account shall designate the name and address of the owner or owners, the amount of each assessment against the owners, the dates and amounts in which assessments come due, the amounts paid upon the account and the balance due upon assessments.

6.2 The receipts and expenditures of the Association shall be credited and charged to accounts under classifications as shall be appropriate, all of which expenditures shall be common expenses.

6.3 Budget. The Board of Directors will adopt a budget for each calendar year, unless the Board of Directors elect a difference fiscal year basis. The budget will include the estimated funds required to defray the common expenses.

a. If a budget is adopted by the Board of Directors which requires assessments against unit owners in any fiscal or calendar year exceeding one hundred fifteen percent (115%) of such assessments for the preceding year, the Board upon written application of ten percent (10%) of the voting interests to the Board shall call a special meeting of the unit owners, to be held upon not less than ten (10) days written notice to the Board of Directors or any member thereof, at which special meeting unit owners may consider and enact a revision of the budget. The revision of the budget shall require a vote of not less than a majority of the voting interests. The Board of Directors may, in any event, propose a budget to the unit owners at a meeting of members, or by writing; and if such budget or proposed budget be approved by the unit owners at the meeting, or by a majority of all the voting interests by a writing, such budget shall be adopted, and shall not thereafter be reexamined by the unit owners in the manner hereinabove set forth. In determining whether assessments exceed one hundred fifteen percent (115%) of the similar assessments in prior years, there shall be excluded in the computation any provision for reasonable reserves made by the Board of Directors in respect of repair or replacement of the condominium property, or in respect of anticipated expenses by the condominium association which are not anticipated to be incurred on a regular or annual basis; and there shall be excluded from such computation, assessments for betterments to the condominium property. Provided, however, that so long as the Developer is in control of the Board of Directors, the Board shall not impose an assessment for a year greater than one hundred fifteen percent (115%) of the prior fiscal or calendar year's assessment without approval of a majority of all the voting interests.

b. A copy of the proposed annual budget of common expenses and proposed assessments shall be mailed to the unit owners not less than thirty (30) days prior to the meeting of the Board of Directors at which the budget will be considered, together with a written notice of the time and place of such meeting.

6.4 Financial Reports. Within sixty (60) days following the end of each fiscal year, the Association shall deliver to each unit owner the financial report or financial statements required by § 718.111(13) and the regulations promulgated pursuant thereto by the Division of Land Sales, Condominiums and Mobile Homes, Department of Business Regulation of the State of Florida.

6.5 Assessments. Assessments against the units for their shares of the items of the budget shall be made by the Board of Directors for the calendar year annually in advance on or before December 10 of the year preceding the year for which the assessments are made. The amount required from each unit to meet the annual budget shall be divided into twelve equal assessments, one of which shall be due on the first day of each month of the year for which the assessments are

made. If assessments are not made annually as required, monthly assessments shall be presumed to have been made in the amount of the last prior monthly assessment, and assessments in this amount shall be due on the first day of each month until changed by an amended assessment. In the event a previously adopted budget shall be insufficient in the judgment of the Board of Directors to provide funds for the anticipated current expense for the ensuing year and for all of the unpaid operating expenses previously incurred, the Board of Directors shall amend the budget and shall make amended monthly assessments for the balance of the year in sufficient amount to meet these expenses for the year; provided, however, that any account of the amended budget that exceeds the limit upon increases for that year shall be subject to the approval of the membership of the Association as previously required in these By-Laws.

a. Special Assessments

For Emergencies. Assessments for common expenses of emergencies that cannot be paid from the annual assessments will be made only after notice of the need for such is given to the members. After such notice, and upon approval by not less than a majority of the membership of the Association, the assessment will become effective and it will be due after thirty (30) days notice in such manner as the Board of Directors may require in the notice of assessment.

6.6 If the Developer holds units for sale in the ordinary course of business, no action shall be taken by the Association that would be detrimental to the sales of units by the Developer without the written approval of Developer. An increase in assessments for common expenses without discrimination against the Developer shall not be deemed to be detrimental to the sales of units.

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

6.8 Within 60 days following the end of the fiscal year, the Board of Directors shall mail or furnish by personal delivery to each unit owner a complete financial report of actual receipts and expenditures for the previous 12 months showing receipts and expenses by accounts and classifications as required by the Condominium Act.

6.9 Upon written request from the Department of Housing and Urban Development, the Association will furnish, within a reasonable time, a financial statement of the Association for the immediately preceding fiscal year. Any such financial statement will be prepared and certified in the manner then required by the agency requesting the statement.

6.10 From and after the date upon which the Condominium consists of 50 or more units, fidelity bonds in the amount of not less than \$10,000 shall be required by the Board of Directors from all officers, employees, agent, or contractor handling or responsible for the Association funds. The premiums on such bonds shall be paid by the Association.

7. PARLIAMENTARY RULES

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

8. AMENDMENTS

Except as elsewhere provided otherwise, these By-Laws may be amended in the following manner:

8.1 Amendments to these By-Laws may be proposed by the Board of Directors of the Association acting upon vote of the majority of the Directors, or by members of the Association owning a majority of the units in the condominium, whether meeting as members or by instrument in writing signed by them.

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

8.3 In order for such amendment or amendments to become effective, the same must be approved by an affirmative vote of the members owning not less than 2/3 of the voting interests in the condominium. Thereupon, such amendment or amendments to these By-Laws shall be transcribed, certified by the President and Secretary of the Association, and a copy thereof shall be recorded in the Public Records of Flagler County, Florida, within ten (10) days from the date on which any amendment or amendments have been affirmatively approved by the Directors and members.

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

8.5 Notwithstanding the foregoing provisions of this Section 8, no amendment to these By-Laws which shall abridge, amend or alter the right of Developer to designate and select members of the Board of Directors of the Association, as provided in Section 4 hereof, may be adopted or become effective without the prior written consent of Developer. No amendment to these By-Laws shall make any changes in the qualifications for membership nor the voting rights of members without the approval in writing of all members and holders of all first mortgagees. No amendment which would abridge, amend or alter any rights of first mortgagees shall be made without the written approval of all such mortgagees. No amendment shall be made that is in conflict with the Condominium Act or the Declaration of Condominium or the Articles of Incorporation of this Association.

9. ARBITRATION. Disputes arising among members, officers and directors of the Association under these By-Laws may be settled by a binding arbitration hearing conducted by arbitrators employed by The Division of Land Sales, Condominiums and Mobile Homes of the Department of Business Regulation pursuant to 718.1255 Florida Statutes.

The foregoing were adopted as the By-Laws of Marina Cove at Palm Coast Condominium Association, Inc., a corporation not for profit under the laws of the State of Florida, at the first meeting of Directors on March 10, 1989.

/s/ Sally A. Gentile
Secretary

Approved

/s/ W. A. Kehoe, III
President

OFF 0388 PAGE 0604
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SUBMISSION OF PHASE II,
MARINA COVE AT PALM COAST CONDOMINIUM

REF 0388 PAGE 0605

The undersigned Developer, pursuant to the terms of the foregoing Declaration of Condominium of Marina Cove a Palm Coast Condominium and Exhibits thereto and to the terms of Section 718.403, Florida Statutes, hereby submits the real property shown as Phase II on page 2 and described on page 3 of Exhibit A to said Declaration of Condominium to condominium ownership as an addition to Marina Cove at Palm Coast Condominium, to be known as Phase II.

The units in said phase are Unit Nos. 39 through 43, inclusive, which shall be located as shown on page 2 of Exhibit A to the Declaration of Condominium.

A survey of the land being submitted with Surveyor's Certificate appears on page 2 of Exhibit A to the Declaration of Condominium. None of the proposed improvements in this Phase II are complete.

The undivided share in the common elements and common surplus, and the percentage of sharing common expenses is set forth on Exhibit B to the Declaration of Condominium, the pertinent portion of which is reproduced below.

Phases I and II (10 Units)

<u>Unit No.</u>	<u>Type of Unit</u>	<u>Percentage Appurtenant to Each Unit</u>
39-46, 106-110 (10 Units)	Townhome	10.00

Dated: March 31, 1989

KEHOE HOMES OF MARINA COVE, INC.

BY: Walter A. Kehoe
Walter A. Kehoe, President

(CORPORATE SEAL)

STATE OF FLORIDA
COUNTY OF FLAGLER

The foregoing instrument was acknowledged before me this 31st day of March, 1989, by Walter A. Kehoe as President of Kehoe Homes of Marina Cove, Inc., a Florida corporation, on behalf of said corporation.

Patricia J. Smith
Notary Public, State of Florida
At Large
My Commission Expires: _____

Notary Public, State of Florida
My Commission Expires May 30, 1990

SUBMISSION OF PHASE III
MARINA COVE AT PALM COAST CONDOMINIUM

OFF REC 0388 PAGE 0606

The undersigned Developer, pursuant to the terms of the foregoing Declaration of Condominium of Marina Cove at Palm Coast Condominium and Exhibits thereto and to the terms of Section 718.403, Florida Statutes, hereby submits the real property shown as Phase III on page 2 and described on page 3 of Exhibit A to said Declaration of Condominium to condominium ownership as an addition to Marina Cove at Palm Coast Condominium, to be known as Phase III.

The units in said phase are Unit Nos. 103 through 105, inclusive, which shall be located as shown on page 2 of Exhibit A to the Declaration of Condominium.

A survey of the land being submitted with Surveyor's Certificate appears on page 2 of Exhibit A to the Declaration of Condominium. None of the proposed improvements in this Phase III are complete.

The undivided share in the common elements and common surplus, and the percentage of sharing common expenses is set forth on Exhibit B to the Declaration of Condominium, the pertinent portion of which is reproduced below.

Phases I through III (13 Units)

<u>Unit No.</u>	<u>Type of Unit</u>	<u>Percentage Appurtenant to Each Unit</u>
39-46, 106-110 (10 Units)	Townhome	7.69
103-105 (3 Units)	Townhome	7.70

Dated: March 31, 1989

KEHOE HOMES OF MARINA COVE, INC.

BY: Walter A. Kehoe
Walter A. Kehoe, President

(CORPORATE SEAL)

STATE OF FLORIDA
COUNTY OF FLAGLER

The foregoing instrument was acknowledged before me this 31st day of March, 1989, by Walter A. Kehoe as President of Kehoe Homes of Marina Cove, Inc., a Florida corporation, on behalf of said corporation.

Patricia I. Smith
Notary Public, State of Florida
At Large
My Commission Expires: _____

Notary Public, State of Florida
My Commission Expires May 30, 1990
Bonded thru [unclear]

SUBMISSION OF PHASE IV,
MARINA COVE AT PALM COAST CONDOMINIUM

OFF REC 0388 PAGE 0607

The undersigned Developer, pursuant to the terms of the foregoing Declaration of Condominium at Marina Cove a Palm Coast Condominium and Exhibits thereto and to the terms of Section 718.403, Florida Statutes, hereby submits the real property shown as Phase IV on page 2 and described on page 3 of Exhibit A to said Declaration of Condominium to condominium ownership as an addition to Marina Cove at Palm Coast Condominium, to be known as Phase IV.

The units in said phase are Unit Nos. 44 through 46, inclusive, which shall be located as shown on page 2 of Exhibit A to the Declaration of Condominium.

A survey of the land being submitted with Surveyor's Certificate appears on page 2 of Exhibit A to the Declaration of Condominium. None of the proposed improvements in this Phase IV are complete.

The undivided share in the common elements and common surplus, and the percentage of sharing common expenses is set forth on Exhibit B to the Declaration of Condominium, the pertinent portion of which is reproduced below.

Phases I through IV (28 Units)

<u>Unit No.</u>	<u>Type of Unit</u>	<u>Percentage Appurtenant to Each Unit</u>
39-43, 106-110 (13 Units)	Townhome	4.3525
88-102 (15 Units)	Villa	2.8945

Dated: March 31, 1989

KEHOE HOMES OF MARINA COVE, INC.

BY: Walter A. Kehoe
Walter A. Kehoe, President
(CORPORATE SEAL)

STATE OF FLORIDA
COUNTY OF FLAGLER

The foregoing instrument was acknowledged before me this 31st day of March, 1989, by Walter A. Kehoe as President of Kehoe Homes of Marina Cove, Inc., a Florida corporation, on behalf of said corporation.

Patricia J. Smith
Notary Public, State of Florida
At Large
My Commission Expires: _____
Notary Public, State of Florida
My Commission Expires May 30, 1990

SUBMISSION OF PHASE V,
MARINA COVE AT PALM COAST CONDOMINIUM

OFF REC 0388 PAGE 0608

The undersigned Developer, pursuant to the terms of the foregoing Declaration of Condominium of Marina Cove at Palm Coast Condominium and Exhibits thereto and to the terms of Section 718.403, Florida Statutes, hereby submits the real property shown as Phase V on page 2 and described on page 3 of Exhibit A to said Declaration of Condominium to condominium ownership as an addition to Marina Cove at Palm Coast Condominium, to be known as Phase V.

The units in said phase are Unit Nos. 44 through 46, inclusive, which shall be located as shown on page 2 of Exhibit A to the Declaration of Condominium.

A survey of the land being submitted with Surveyor's Certificate appears on page 2 of Exhibit A to the Declaration of Condominium. None of the proposed improvements in this Phase V are complete.

The undivided share in the common elements and common surplus, and the percentage of sharing common expenses is set forth on Exhibit B to the Declaration of Condominium, the pertinent portion of which is reproduced below.

Phases I through V (31 Units)

<u>Unit No.</u>	<u>Type of Unit</u>	<u>Percentage Appurtenant to Each Unit</u>
39-46, 103-110 (16 Units)	Townhome	3.8500
88-102 (15 Units)	Villa	2.5600

Dated: March 31, 1989

KEHOE HOMES OF MARINA COVE, INC.

BY: Walter A. Kehoe
Walter A. Kehoe, President

(CORPORATE SEAL)

STATE OF FLORIDA
COUNTY OF FLAGLER

The foregoing instrument was acknowledged before me this 31st day of March, 1989, by Walter A. Kehoe as President of Kehoe Homes of Marina Cove, Inc., a Florida corporation, on behalf of said corporation.

Patricia J. Smith
Notary Public, State of Florida
At Large
My Commission Expires:

Notary Public, State of Florida
My Commission Expires May 30, 1990
Bonded thru 1102 Fain - Insurance Co.

SUBMISSION OF PHASE VI,
MARINA COVE AT PALM COAST CONDOMINIUM

OFF REC 0388 PAGE 0609

The undersigned Developer, pursuant to the terms of the foregoing Declaration of Condominium of Marina Cove at Palm Coast Condominium and Exhibits thereto and to the terms of Section 718.403, Florida Statutes, hereby submits the real property shown as Phase VI on page 2 and described on page 3 of Exhibit A to said Declaration of Condominium to condominium ownership as an addition to Marina Cove at Palm Coast Condominium, to be known as Phase VI.

The units in said phase are Unit Nos. 47 through 49, inclusive, which shall be located as shown on page 2 of Exhibit A to the Declaration of Condominium.

A survey of the land being submitted with Surveyor's Certificate appears on page 2 of Exhibit A to the Declaration of Condominium. None of the proposed improvements in this Phase VI are complete.

The undivided share in the common elements and common surplus, and the percentage of sharing common expenses is set forth on Exhibit B to the Declaration of Condominium, the pertinent portion of which is reproduced below.

Phases I through VI (34 Units)

<u>Unit No.</u>	<u>Type of Unit</u>	<u>Percentage Appurtenant to Each Unit</u>
39-43, 106-110 (10 Units)	Townhome	3.4516
44-49, 103-105 (9 Units)	Townhome	3.4510
88-102 (15 Units)	Villa	2.2950

Dated: March 31, 1989

STATE OF FLORIDA
COUNTY OF FLAGLER

APR 13 P 3:01
Jucker, R.

CLERK OF CIRCUIT COURT
FLAGLER COUNTY, FLA.

KEHOE HOMES OF MARINA COVE, INC.
Walter A. Kehoe
Walter A. Kehoe, President
(CORPORATE SEAL)

The foregoing instrument was acknowledged before me this 31st day of March, 1989, by Walter A. Kehoe as President of Kehoe Homes of Marina Cove, Inc., a Florida corporation, on behalf of said corporation.

Patricia J. Amick
Notary Public, State of Florida
At Large
My Commission Expires: _____