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OFF REC 0474 PAGE 1143

DECLARATION OF CONDOMINIUM
OF
THE SURF CLUB CONDOMINIUM

ITT COMMUNITY DEVELOPMENT CORPORATION, a Delaware corporation, hereby makes this Declaration of Condominium of The Surf Club Condominium (the "Declaration") to be recorded amongst the Public Records of Flagler County, Florida (the "County"), where the Land is located and states and declares:

I. SUBMISSION STATEMENT

ITT Community Development Corporation hereby submits the "Condominium Property", as hereinafter defined, to condominium ownership pursuant to the Condominium Act, Chapter 718, Florida Statutes, as amended prior to the date of the execution of this Declaration (the "Act").

II. NAME

The name by which the condominium created hereunder (hereinafter referred to as the "Condominium") and the "Condominium Property" are to be identified is:

THE SURF CLUB CONDOMINIUM

III. LAND

The land included in the Condominium Property and submitted herewith to condominium ownership (the "Land") is legally described in Exhibit "A 1", attached hereto and made a part hereof. The Condominium is a Phased Condominium, to be developed in two phases. Upon the recording of this Declaration, only that real property described in Exhibit A 1 shall be submitted to condominium ownership. The Declarant reserves the right, pursuant to §718.403, Florida Statutes, to submit the real property legally described in Exhibit "A 2", attached hereto and made a part hereof, to condominium ownership as a part of this Condominium. If and when such submission is made, the total Land shall consist of the real property legally described in Exhibits "A 1" and "A 2".

IV. DEFINITIONS

The terms contained in this Declaration shall have the meanings given such terms in the Act and, for clarification, the following terms shall have the following meanings:

A. "Act" means Chapter 718, Florida Statutes, as amended prior to the date of the execution of this Declaration.

B. "Annual Assessment" means a share of funds required for the payment of "Common Expenses" which are assessed annually against a "Condominium Unit Owner" (as those terms are hereinafter defined).

C. "Articles" means the Articles of Incorporation of the "Association" (as that term is hereinafter defined). A copy of the Articles is attached hereto as Exhibit "D."

D. "Association" means The Surf Club Condominium Association, Inc., a Florida corporation not for profit, a condominium association responsible for the operation of the Condominium.

E. "Board of Directors" means the board of directors of the Association.

F. "Building" means a separate roofed and walled structure containing more than one Condominium Unit. The Condominium contains one Building in Phase 1 and may contain an additional Building in Phase 2, if Phase 2 is added to the Condominium.

G. "By-Laws" means the by-laws of the Association. A copy of the By-Laws is attached hereto as Exhibit "E."

H. "Common Areas" means the real property and any improvements thereon which comprise the Common Area within "Matanzas Shores" (as that term is hereinafter defined), as further described in the Master Declaration.

I. "Common Elements" means the portions of the Condominium Property, including the Land, not included in the "Condominium Units" (as that term is hereinafter defined).

J. "Common Expenses" means the expenses for which the Condominium Unit Owners are liable to the Association as set forth in various Sections of the Act and the expenses described as "Common Expenses" in the "Condominium Documents" (as that term is hereinafter defined), and may include:

- (i) costs incurred in the operation, maintenance, repair or replacement of the Common Elements;
- (ii) costs of carrying out the powers and duties of the Association;
- (iii) costs of insurance;
- (iv) expenses for such pest control measures provided to the Condominium Units as are approved by the Board;
- (v) any other expenses designated "Common Expenses" by the Board.

K. "Condominium" means the condominium created by submitting the Land and all improvements thereon to condominium ownership pursuant to this Declaration.

L. "Condominium Documents" means, in the aggregate, this Declaration, the Articles, the By-Laws, and all of the instruments and documents referred to therein and executed in connection with the Condominium, and the rules and regulations ("Rules") adopted by the Association.

M. "Condominium Property" means the Land and all improvements thereon (including the Condominium Units) submitted to condominium ownership pursuant to this Declaration and all easements

and rights appurtenant thereto intended for use in connection therewith. The Condominium Property does not include the Common Area.

N. "Condominium Unit" means "unit", as set forth in the Act, and is that part of the Condominium Property which is subject to exclusive ownership.

O. "Condominium Unit Owner" or "Owner" means "unit owner" as set forth in the Act and is the owner of fee simple title of record to a Condominium Unit, including Declarant as long as it owns any Condominium Unit.

P. "County" means Flagler County, Florida.

Q. "Declarant" means ITT Community Development Corporation, a Delaware corporation, its successors or assigns of any or all of its rights under this Declaration as specified by Declarant. A Condominium Unit Owner solely by the purchase of a Condominium Unit shall not be deemed a successor or assign of Declarant's rights or obligations under the Condominium Documents unless such Condominium Unit Owner is specifically so designated as a successor or assign of Declarant's rights or obligations in the respective instrument of conveyance or other instrument executed by Declarant.

R. "Declaration" means this document.

S. "Institutional Mortgagee" means (a) any generally recognized lending institution having a first mortgage lien upon a Condominium Unit including, but not limited to, any of the following institutions: a federal or state savings and loan or building and loan association; a national, state or other bank or real estate investment trust; a mortgage banking company doing business in the State of Florida; or a life insurance company; or a subsidiary of a holding company owning any of the foregoing; or (b) any "Secondary Mortgage Market Institution" including the Federal National Mortgage Association (FNMA), Government National Mortgage Association (GNMA), Federal Housing Administration (FHA), Federal Home Loan Mortgage Corporation (FHLMC), and Veterans Administration (VA) and such other secondary mortgage market institutions as the Board shall hereafter approve in writing which have acquired a first mortgage upon a Condominium Unit; or (c) such other lenders as the Board shall hereafter approve in writing which have acquired a first mortgage lien upon a Condominium Unit.

T. "Limited Common Elements" means those Common Elements which are reserved for the exclusive use of a Condominium Unit or Condominium Units, which are more fully described in Article V hereof.

U. "Master Declaration" means the Declaration of Covenants, Conditions and Restrictions for Matanzas Shores made by Declarant and recorded in Official Records Book 403, Page 928, of the Public Records of the County, and any and all amendments thereto.

V. "Matanzas Shores" means the Planned Unit Development in Flagler County, Florida bearing that name, of which the Condominium is a part.

W. "Operating Expenses" means the expenses and costs incurred by the Owners Association under the Master Documents (as defined in the Master Declaration), and include, but are not limited to, the costs and expenses of administering, operating, constructing, reconstructing, financing, maintaining, repairing and replacing the Common Area or portions thereof and improvements thereon. Notwithstanding that Operating Expenses are not Common Expenses, Operating Expenses shall be collected by the Association like and along with the Common Expenses unless the "Board of Administrators" (as defined in the Master Documents) of the Owners Association shall otherwise determine.

REC 0474 PAGE 1146

X. "Owners Association" means the Matanzas Shores Owners Association, Inc., a Florida corporation not for profit, its successors or assigns. The Owners' Association is NOT a condominium association.

Y. "Phase 1" means the first of two anticipated phases of the Condominium to be submitted to condominium ownership by this Declaration. Phase 1 consists of ninety six (96) Units in one, six story Building and all the condominium recreational facilities, as graphically depicted in Exhibit B 1, attached hereto and located on the real property described in Exhibit A 1, attached hereto. Owners of Units in Phase 1 of the Condominium will own an undivided percentage ownership interest in the Common Elements of the Condominium and be liable for Common Expenses as described in Exhibit C 1, attached hereto, unless and until the Declarant adds Phase 2, as hereinafter defined, to the Condominium.

Z. "Phase 2" means the second of two anticipated phases of the Condominium which may be submitted to condominium ownership by the Declarant. If added, Phase 2 will consist of ninety six (96) Units in one, six story Building with appurtenant Common Elements, as graphically depicted in Exhibit B 2, attached hereto and located on the real property described in Exhibit A 2, attached hereto. If Phase 2 is submitted to condominium ownership, the Owners of Units in Phases 1 and 2 of the Condominium will own an undivided percentage ownership interest in the Common Elements of the Condominium and be liable for Common Expenses as described in Exhibit C 2, attached hereto. If Phase 2 is submitted, the total Condominium Property shall be as described in Exhibit A-3, attached hereto.

AA. "Special Assessments" means any assessment which from time to time is assessed by the Board of Directors against a Condominium Unit Owner in addition to the Annual Assessment, as may be further set forth in this Declaration.

BB. "State" means the State of Florida.

V. DESCRIPTION OF IMPROVEMENTS

A. The Condominium shall be a Phased Condominium pursuant §718.403, Florida Statutes and is intended to be developed in two phases. Upon recording of this Declaration, only Phase 1 will be submitted to condominium ownership. The improvements to be located in Phase 1 and Phase 2 (if added to the Condominium) include:

1. Phase 1 of the Condominium contains ninety six (96) Condominium Units and Common Elements, as shown on the portion of the "Survey" (as that term is hereinafter defined) designated as Exhibit B 1. Each Condominium Unit in Phase 1 is identified by the number "1" or "2" followed by a hyphen and then a three digit Arabic number (e.g., "1-203"). No Condominium Unit bears the same designation as any other Condominium Unit in Phase 1 or 2 of the Condominium. Attached hereto as Exhibit "B 1" and made a part hereof is a survey of the Land, a graphic description of the improvements in which the Phase 1 Condominium Units are located, and a plot plan of Phase 1 (the Survey, Plot Plan, and Graphic Description of Improvements are collectively hereinafter referred to as the "Survey"). The Survey for Phase 1 shows and identifies, among other things, the Common Elements and each Condominium Unit and shows their relative locations and approximate dimensions. Attached to the Survey and made a part of this Declaration is a certificate of surveyor prepared in conformance with the requirements of Section 718.104(4)(e)(1989) of the Act. Declarant reserves the right to amend the Condominium Documents in order to make changes, alterations and modifications to the configuration and size of the Condominium Units; and the Common Elements or Limited Common Elements located in a Building as permitted in Article XXII and this Article V, with respect to the addition of Phase 2 to the Condominium. If Declarant elects, from time to time, to do any of the foregoing, then Declarant shall have

OFF REC 0474 PAGE 1147

the absolute right to do so and to file among the Public Records of the County an appropriate amendment(s) ("Declarant's Amendment") to this Declaration, and such amendment(s) need only be signed by Declarant alone, and need not be executed or approved by any other person, owner or mortgagee. Such amendment(s) shall also amend Exhibit 'C 1' to this Declaration by expressly setting forth the amended apportioned share, if any, expressed as a percentage, of the Common Elements, Common Expenses and common surplus that will be attributed to each of the affected Condominium Units in Phase 1.

2. Phase 2 of the Condominium, if submitted to condominium ownership, will contain ninety six (96) Condominium Units and Common Elements, as shown on the portion of the "Survey" designated as Exhibit B 2. Each Condominium Unit in Phase 2 will be identified by the number "3" or "4" followed by a hyphen and then a three digit Arabic number (e.g., "3-203"). No Condominium Unit shall bear the same designation as any other Condominium Unit in Phase 1 or 2 of the Condominium. Attached hereto as Exhibit "B 2" and made a part hereof is a survey of the Land, a graphic description of the improvements in which the Phase 2 Condominium Units are intended to be located, and a plot plan of Phase 2. The Survey for Phase 2 shows and identifies, among other things, the Common Elements and each Condominium Unit and shows their relative locations and approximate dimensions. Attached to the Survey and made a part of this Declaration is a certificate of surveyor prepared in conformance with the requirements of Section 718.104(4)(e)(1989) of the Act. Declarant expects that Phase 2, if added, will be completed no later than December 31, 1997. Declarant reserves the right, in its sole discretion, to submit or not submit Phase 2 to condominium ownership, and further reserves the right to amend the Condominium Documents in order to make changes, alterations and modifications to the configuration and size of the Condominium Units in Phase 2; and the Common Elements or Limited Common Elements located in a Building as permitted in Article XXII or this Article V, as it pertains to the addition of Phase 2 to the Condominium; to make nonmaterial changes to the legal description of the Land for Phase 2 as shown on Exhibit A 2; to change the estimated completion date for Phase 2; and to increase the number of Units making up Phase 2; provided, however, that the Declarant owns all of the Condominium Units affected by such changes, that the minimum number of Condominium Units in Phase 2 of the Condominium shall not be less than ninety six (96) and that such change, alteration or modification does not violate the provisions of §718.403, Florida Statutes. No such changes may violate the provisions of this Article pertaining to the addition of Phase 2 to the Condominium. If Declarant elects, from time to time, to do any of the foregoing, then Declarant shall have the absolute right to do so and to file among the Public Records of the County an appropriate amendment(s) ("Declarant's Amendment") to this Declaration, and such amendment(s) need only be signed by Declarant alone, and need not be executed or approved by any other person, owner or mortgagee. Such amendment(s) shall also amend Exhibit 'C 2' to this Declaration by expressly setting forth the amended apportioned share, if any, expressed as a percentage, of the Common Elements, Common Expenses and common surplus that will be attributed to each of the affected Condominium Units in Phase 2; provided that any such amendment shall be consistent with the provisions of §718.403(2), Florida Statutes (1989). If Declarant elects not to add Phase 2 to the Condominium, it will provide notice to all existing Owners in Phase 1 of such election. If Declarant elects not to add Phase 2 to the Condominium, the impact of such election will be that the Condominium shall consist solely of the Condominium Property described for Phase 1 and the ninety six Units committed for Phase 1. In addition, each Owner's percentage of ownership of the Common Elements and each Owner's liability for assessment for Common Expenses and ownership of Common Surplus would be as described in Exhibit C 1.

B. Certain Condominium Units are also served by Limited Common Element balconies and patios. Limited Common Element balconies and patios shall be maintained, repaired and replaced by the Association as a Common Expense, as more fully set forth in Article XV.B hereof.

C. Each Condominium Unit shall be served by a separate air conditioning compressor which shall be a Limited Common Element reserved for the exclusive use of each such Condominium Unit. The

OFF REC 0474 PAGE 1148

compressors are located on the roof of the Building Building in which the Unit is located. The Owners of Condominium Units shall be charged for the costs of the operation, maintenance, repair and replacement of the air conditioning compressor serving such Condominium Unit, as set forth more fully in Articles VII.B and XIV hereof.

D. Each Condominium Unit shall be entitled to use one (1) parking space which is located in the Building in which such Condominium Unit is located, but individual parking spaces will not be assigned. All parking spaces shall be Common Elements.

VI. UNDIVIDED SHARES IN COMMON ELEMENTS

Each of the Condominium Units shall have appurtenant thereto an undivided share in the Common Elements in accordance with the "Schedule of Shares in Common Elements", attached hereto as Exhibit "C 1" and made a part hereof, subject, however, to the use of the Common Elements by the Condominium Unit Owners in accordance with the provisions of this Declaration. Exhibit "C" may be amended from time to time as provided in Articles V.B and XXIII.C hereof.

VII. SHARES IN COMMON EXPENSES AND COMMON SURPLUS

A. The Common Expenses shall be shared and the common surplus shall be owned by each of the Condominium Unit Owners in the same proportions as their ownership interest in the Common Elements set forth on Exhibit "C 1" to this Declaration. Exhibit "C" may be amended from time to time as provided in Articles V. and XXII.C hereof.

B. With respect to Limited Common Element air conditioning compressors, each Condominium Unit Owner having the exclusive use of same shall pay the costs attributable to the operation, maintenance, repair, and replacement of such Limited Common Elements.

VIII. VOTING RIGHTS OF UNIT OWNERS IN THE ASSOCIATION

A. Each Owner or the Owners collectively of the fee simple title to a Condominium Unit shall be entitled to one (1) "Voting Interest" (as that term is defined in the Act) in the Association with respect to matters on which a vote by Condominium Unit Owners is taken under the Condominium Documents or the Act.

B. The vote of the Owners of a Condominium Unit owned by more than one (1) natural person or by a corporation or other legal entity shall be cast by the person ("Voting Member") named in a proxy or certificate of voting authorization ("Voting Certificate") executed by all of the Owners of the Condominium Unit or, if appropriate, by properly designated officers, partners or principals of the respective legal entity and filed with the Secretary of the Association. If such a proxy or Voting Certificate is not filed with the Secretary of the Association, the Voting Interest of such Condominium Unit shall not be considered for a quorum or for any other purpose.

C. Notwithstanding the provisions of Paragraph B of this Article VIII, whenever any Condominium Unit is owned by a husband and wife they may, but shall not be required to, designate a Voting Member. If a proxy or Voting Certificate designating a Voting Member is not filed by the husband and wife, the following provisions shall govern their right to vote:

1. When both husband and wife are present at a meeting, each shall be regarded as the agent and proxy of the other for purposes of casting the vote for each Condominium Unit owned by them. If they are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting.

2. When only one (1) spouse is present at a meeting, the spouse present may cast the Voting Interest of the Condominium Unit without establishing the concurrence of the other spouse, absent any prior written notice to the contrary to the Association by the other spouse. In the event of prior written notice to the contrary to the Association by the other spouse, the Voting Interest of said Condominium Unit shall not be considered.

3. When neither spouse is present, the person designated in a proxy or Voting Certificate signed by either spouse may cast the Voting Interest of the Condominium Unit, absent any prior written notice to the contrary to the Association by the other spouse or the designation of a different Voting Member by the other spouse. In the event of prior written notice to the contrary to the Association or the designation of a different Voting Member by the other spouse, the Voting Interest of said Condominium Unit shall not be considered.

IX. ASSOCIATION

A. The Association, a Florida corporation not for profit, is responsible for the operation of the Condominium. A true copy of the Articles is hereto annexed as Exhibit "D" and made a part hereof. A true copy of the By-Laws is hereto annexed as Exhibit "E" and made a part hereof.

B. Each Condominium Unit Owner shall be a member of the Association in accordance with the provisions of the Articles.

X. MEMBERSHIP AND VOTING RIGHTS IN THE OWNERS ASSOCIATION

A. The Owners Association and the Master Declaration.

1. The Owners Association administers the Common Area pursuant to the Master Declaration, its articles of incorporation, its by-laws, and its rules and regulations (collectively hereinafter referred to as the "Master Documents"). The Owners Association is NOT a condominium association.

2. The Master Documents set forth the manner in which the Members of the Owners Association, their family members, guests, invitees, contractors, employees, and lessees may use and enjoy the Common Area. All of the provisions of the Master Documents including, but not limited to, the affirmative covenants and obligations to pay Operating Expenses shall run with the real property subject thereto, including the Condominium Property. Operating Expenses, as set forth in Article IX of the Master Declaration, shall be assessed against all of the "Units" (as that term is defined in the Master Documents) at Matanzas Shores, which Units shall be subject to a lien for the nonpayment thereof.

B. Membership and Voting Rights.

1. Every "Owner" (as that term is defined in the Master Documents) of a Unit in Matanzas Shores shall be a member of the Owners Association. Every member of the Association shall

be a Member of the Owners Association, subject to the provisions of the Master Documents and the other Condominium Documents.

2. (a) One (1) vote may be cast for each Unit owned by a Unit Owner who is a Member of the Owners Association by the method provided for in the Master Documents and the Owners Association Articles.

(b) As is more fully set forth in the Master Documents, votes of members of the Association other than Declarant shall be cast at meetings of the Members of the Owners Association by their representative (the "Voting Member"). The Voting Member shall be the President of the Association or the person designated in the President's written proxy.

XI. EASEMENTS

A. Easements and Cross-Easements on Common Elements. Declarant, for itself, its nominees, and the Association, and the Owners Association, for such purposes as are attributed to it under the Master Documents, reserves the right to impose upon the Common Elements from time to time such easements and cross-easements for ingress and egress and the installation, maintenance, construction and repair of facilities, including, but not limited to, electric power, telephone, sewer, water, gas, drainage, irrigation, lighting, television transmission, cable and master antenna transmission and reception, surveillance, garbage and waste removal, emergency services, and the like, as it deems to be in the best interest of the Condominium and the remainder of Matanzas Shores.

B. Easement for Encroachments. All of the Condominium Property shall be subject to easements for encroachments, which now or hereafter exist, caused by settlement or movement of any improvements upon the Condominium Property or improvements contiguous thereto, including, without limitation, the Common Area, or caused by minor inaccuracies in building or rebuilding of such improvements. The above easements shall continue until such encroachments no longer exist.

C. Easement for Access. There is hereby created over that portion of the Condominium Property shown on the Survey as the East Collector Road, a non-exclusive easement for pedestrian and vehicular ingress, egress and access for the purpose of allowing access to the other Parcels and Common Areas in Matanzas Shores. Such easement shall be in favor of Declarant, its nominees, the Association, the Owners Association, members of the Owners Association and the Condominium Unit Owners, their family members, tenants, guests and invitees. The Owners Association shall maintain the improvements in the easement as an Operating Expense of the Owners Association and have the right to promulgate reasonable rules and regulations pertaining to the use of such easement, including the right to control access over such easement to the persons specified in this section C.

XII. APPORTIONMENT OF TAX OR SPECIAL ASSESSMENT IF LEVIED AND ASSESSED AGAINST THE CONDOMINIUM AS A WHOLE

A. If any taxing authority having jurisdiction over the Condominium shall levy or assess any tax or special assessment against the Condominium as a whole rather than levying and assessing such tax or special assessment against each Condominium Unit (hereinafter referred to as a "New Tax"), then such New Tax shall be paid as a Common Expense by the Association. Any New Tax shall be included, if possible, in the estimated annual budget of the Association, or if not possible, shall be separately levied and collected as a Special Assessment by the Association against all of the Condominium Unit Owners.

Each Condominium Unit Owner shall be assessed by and shall pay to the Association a percentage of the New Tax equal to such Condominium Unit Owner's share in the Common Elements. The Association shall separately specify and identify that portion of the annual Budget or of the Special Assessment attributable to such New Tax, and the portions of such New Tax allocated to a Condominium Unit shall be and constitute a lien in favor of the Association upon such Condominium Unit.

B. All personal property taxes levied or assessed against "Association Property" (as that term is defined in the Act) and all Federal and State income taxes levied and assessed against the Association shall be paid by the Association and shall be included as a Common Expense in the annual budget of the Association.

XIII. OCCUPANCY AND USE RESTRICTIONS

A. All the Condominium Units shall be used for single family residences only. No separate part of a Condominium Unit may be rented. No trade, business, profession or other type of commercial activity may be conducted in any Condominium Unit.

B. If legal title to a Condominium Unit is in the name of a corporation, trust, partnership or other than an individual or individuals, the Condominium Unit Owner, by certificate delivered to the Secretary of the Association, shall designate one (1) family or person as the authorized occupant of the Condominium Unit. Except for the designated family or person, no other occupant may occupy the Condominium Unit.

C. Leases and Tenants.

1. Application. This Declaration and the Condominium Documents shall apply not only to Condominium Unit Owners, but also to any lessee or tenant or the party who is occupying a Condominium Unit by way of lease express or implied, license or invitation.

2. Leasing Requirements and Limitations. Each time a Condominium Unit Owner leases his Unit, he shall give written notice of such lease to the Association together with the name and address of the lessee and such other information as the Association may reasonably require on forms that are supplied by the Association. No Condominium Unit Owner may lease his Condominium Unit for a term of less than one (1) week.

3. Failure to Notify. Failure of a Condominium Unit Owner to notify any person of the existence of the provisions of this Declaration shall not in any way act to limit the right of the Association to enforcement of the provisions of this Declaration against such person.

4. Enforcement. The Association may enforce the provisions of this Declaration against any person occupying a Condominium Unit whether Condominium Unit Owner, lessee, tenant, invitee, guest or other person. Further, each Condominium Unit Owner hereby irrevocably delegates to the Association the power for the Association to enforce any provisions of any lease or license or other agreement permitting occupancy of the Condominium Unit to the extent it may against an Owner, and the power to evict a tenant as set forth in the Florida Statutes. The right of enforcement includes the right to evict such lessee, tenant, invitee, guest or other such person pursuant to Florida Statutes, in the event any such person violates any of the provisions of this Declaration. The Association shall be entitled to all costs thereof including, but not limited to, attorneys' fees.

5. Right to Use Facilities. During any period when a Condominium Unit Owner has leased his Condominium Unit or otherwise permitted his Condominium Unit to be occupied only by someone other than the Condominium Unit Owner, such Condominium Unit Owner's right to use any of the recreational facilities otherwise available to Condominium Unit Owners shall be suspended.

D. A Condominium Unit Owner shall not permit or suffer anything to be done or kept in his Condominium Unit which will increase the insurance rates on his Condominium Unit, the Common Elements or the Common Area or which will obstruct or interfere with the rights of other Condominium Unit Owners or the Association. No Condominium Unit Owner shall annoy other Condominium Unit Owners by unreasonable noises or otherwise, nor shall any Condominium Unit Owner commit or permit to be committed any nuisance or illegal act in his Condominium Unit, on the Common Elements or the Common Area.

E. No Condominium Unit Owner shall display any sign, advertisement or notice of any type in any window or on the exterior of his Condominium Unit or on the Common Elements, and no Condominium Unit Owner shall erect any exterior antennas, aerials, or wires or cables of any kind upon or protruding from his Condominium Unit or the Common Elements.

F. A Condominium Unit Owner shall be permitted to keep or harbor in his Condominium Unit no more than one (1) dog or cat, subject to the provisions immediately following: such dog or cat must be walked only in areas designated for such purpose, provided that such dog or cat is leashed whenever outside the Condominium Unit. Tenants shall not be permitted to keep pets. No pet may weigh no more than fifteen (15) pounds and a Condominium Unit Owner must carry such dog (other than Seeing Eye dogs) or cat in its arms when taking such dog or cat outside the Condominium Unit in the hallways or elevators in the Building. Any Condominium Unit Owner having a dog or cat shall also abide by any Rules promulgated by the Board of Directors regarding pets. Violation of this paragraph or of any of said rules may result in the termination of Condominium Unit Owner's right to keep such dog or cat. No other animals, livestock, or poultry, shall be permitted anywhere on the Condominium Property. The foregoing restrictions shall not apply to Seeing Eye dogs or Primate (cebus) guides to the extent required by Florida law.

G. No Condominium Unit Owner shall install any storm shutters, awnings, hardware or the like without the prior written approval of the New Construction Review Board, as set forth in the Master Declaration, as to design and color and, in any event, New Construction Review Board approval shall not be granted unless such items substantially conform to the architectural design of the Condominium and the design of any such items which have been previously installed at the time New Construction Review Board approval is requested.

H. No clothesline or other similar device shall be allowed on any portion of the Condominium Property.

I. The Board of Directors shall, from time to time, promulgate reasonable Rules with respect to the Condominium as it determines to be in the best interests of the Condominium and the Condominium Unit Owners including, but not limited to, reasonable restrictions on occupancy.

J. No Condominium Unit Owner shall cook or barbecue on any patio or balcony. No articles of any kind shall be hung from any patio or balcony railing.

K. This Article XIII shall not apply to Declarant for so long as Declarant shall own any Condominium Unit, except that Declarant shall not be exempt from any requirement that leases or lessees be approved by the Association or restrictions on pets unless Florida law is amended to no longer require such exemptions.

XIV. MAINTENANCE, REPAIRS AND ALTERATIONS

A. Condominium Unit Owners.

REC 0474 PAGE 1153

1. Each Condominium Unit Owner shall maintain in good condition and repair and replace at his expense when necessary all portions of his Condominium Unit and all interior surfaces within or surrounding his Condominium Unit, such as the surfaces of the walls, ceilings and floors and the fixtures therein, including air conditioning equipment and exhaust fans. Each Condominium Unit Owner must perform promptly all such maintenance and repairs which if not so performed would affect a Condominium Unit belonging to any other Condominium Unit Owners or would affect the Condominium Property. Each Condominium Unit Owner shall be liable for any damages that arise due to his failure to perform the above maintenance, repairs and replacement. Each Condominium Unit shall be repaired and maintained in the same condition as such Condominium Unit was conveyed by Declarant to a Condominium Unit Owner, subject only to any changes or alterations made pursuant to approval by the New Construction Review Board as provided in the Master Declaration.
2. No Condominium Unit Owner shall make any alteration in or to the Common Elements or the portions of a Condominium Unit which are maintained by the Association, remove any portion thereof, make any additions thereto or do anything which shall or may jeopardize or impair the safety or soundness of the Condominium Property or which, in the sole opinion of the Board, would detrimentally affect the architectural design of the Condominium Property. Any alteration or addition to the Condominium Property by a Condominium Unit Owner shall be deemed to detrimentally affect the architectural design of the Condominium Property, unless the New Construction Review Board consents thereto in writing.
3. No Condominium Unit Owner shall paint, refurbish, stain, alter, decorate, repair, replace, enclose or change the Common Elements or any outside or exterior portion or surfaces of the Condominium Property, including, without limitation, patios, balconies, doors and windows; place any awnings, screening or shutters on or in any Condominium Unit; or install on any portion of the Condominium Property any exterior lighting fixture, mailbox, screen door or other similar item without first obtaining written approval thereof by the New Construction Review Board, as set forth in the Master Declaration, and, in any event, New Construction Review Board approval shall not be granted unless such items substantially conform to the architectural design of the Building and the design of any such items which have been previously installed at the time New Construction Review Board approval is requested.
4. Each Condominium Unit Owner shall promptly report to the Association or its agents any defect or need for repair on the Condominium Property which the Association is responsible to maintain and repair, upon the Condominium Unit Owner's becoming aware of such defect or need for repair.
5. Each Condominium Unit Owner shall repair, maintain and replace as necessary all piping, wiring, ducts, conduits, appliances and other facilities located within the Condominium Unit and serving only such Condominium Unit for the furnishing of utility services; provided, however, that all such repairs, maintenance and replacements shall be done by licensed plumbers or electricians approved by the Association or an applicable utility company, and such repairs shall be paid for by and be the financial obligation of such Condominium Unit Owner.
6. Each Condominium Unit Owner acknowledges and recognizes that any officer of the Association or any agent of the Board shall have the irrevocable right to have access to each Condominium Unit from time to time during reasonable hours and upon reasonable notice as may be

OFF REC 0474 PAGE 1154

necessary for inspection, maintenance, pest control service, repair or replacement of any part of the Common Elements therein or accessible therefrom, including without limitation the Limited Common Elements assigned to such Condominium Unit, or at any time as may be necessary for emergency repairs.

B. The Association.

1. The Association shall repair, maintain and replace as necessary all of the Common Elements including, without limitation, the Limited Common Element patios, balconies and air conditioning compressors, and all outside or exterior surfaces of the Condominium Property including, without limitation, exterior surfaces of Condominium Units, patios and balconies, and shall maintain, repair and replace as necessary all piping, wiring, ducts, conduits, appliances, and other facilities for furnishing of any and all utility services to the Condominium Units located within the Common Elements, but excluding therefrom all piping, wiring, ducts, conduits, appliances and other facilities located within a Condominium Unit serving only said Condominium Unit. Notwithstanding the foregoing, the cost of replacing all screening, doors and windows serving a Condominium Unit shall be paid for by the Condominium Unit Owner owning such Condominium Unit.

2. The Association shall have the right to make or cause to be made any additions, alterations, changes and improvements to the Common Elements, whether or not material or substantial, which are approved by the Board of Directors and the New Construction Review Board, and which do not prejudice the right of any Condominium Unit Owner or any Institutional Mortgagee; provided, however, except in the case of an emergency, if the cost of the same shall exceed Ten Thousand Dollars (\$10,000.00), the affirmative vote of fifty percent (50%) of the Condominium Unit Owners (without the Board of Director's approval being required) shall be required, and the cost of such alterations and improvements shall be assessed against the Condominium Unit Owners in the manner provided in the By-Laws.

XV. COMMON EXPENSES, OPERATING EXPENSES AND ASSESSMENTS

A. Common Expenses and Operating Expenses. The Board of Directors shall prepare and adopt in accordance with the By-Laws an annual budget (the "Budget") of the Common Expenses for operating and managing the Association and the Condominium. The Common Expenses shall be shared by and among the Condominium Unit Owners in the manner described under Article VII of this Declaration and assessed against each Condominium Unit Owner annually as the Annual Assessment. The Association shall also collect such Condominium Unit Owner's applicable portion of Operating Expenses along with the Annual Assessment unless the Owners Association shall determine otherwise. Each Condominium Unit Owner shall be obligated to pay such Special Assessments as shall be levied by the Board of Directors in addition to the Annual Assessment against his Condominium Unit whether as a result of (a) extraordinary items of expense, (b) the default of other Condominium Unit Owners in the payment of their Assessments, or (c) such other reason as may be determined by the Board of Directors which is not inconsistent with the terms of the Condominium Documents or the Act.

B. Assessments.

1. The record owner of each Condominium Unit shall be personally liable, jointly and severally if there is more than one (1) such Owner, to the Association for the payment of all Assessments levied by the Association or the Owners Association against his Condominium Unit and for all costs of collecting such Assessments, including interest, delinquent Assessments and attorneys fees at all trial and appellate levels. Assessments may, in the discretion of the Board of Directors, be made payable in equal installments either on the first day of each month or on the first day of each calendar quarter, in advance,

during the year in which such Assessments apply. In the event of a default by a Condominium Unit Owner in the payment of an installment of any Assessment, the Board of Directors may accelerate any installments of the Assessment coming due for the following twelve (12) month period upon recording of the claim of lien in the Public Records of the County and written notice thereof to such Condominium Unit Owner, whereupon the entire unpaid balance of the Assessment shall become due upon the date stated in such notice, which date shall not be less than ten (10) days after the date of such notice. If any Assessments are not paid within twenty (20) days after its respective due date, the Association, by action of the Board of Directors, may proceed to enforce and collect any such Assessments against the Condominium Unit Owner owing the same in any manner provided for under the Act, including foreclosure and sale of the Condominium Unit.

2. The Association may at any time require any Condominium Unit Owner to maintain with the Association a deposit to cover future Assessments.

3. The Association shall have all of the powers, rights and privileges and may avail itself of any and all of the legal remedies provided by the Act, including a lien upon a Condominium Unit for any unpaid Assessment and interest and expenses thereon owned by the Condominium Unit Owner of such Condominium Unit and the right to collect from such Condominium Unit Owner reasonable attorneys' fees and expenses at all trial and appellate levels incurred by the Association incident to the collection of such Assessments or the enforcement of such lien. Assessments (including installments thereon) not paid when due shall bear interest from the date when due until paid at the highest rate permitted under law. In addition, the Association may require the Owner of a Unit for which Assessments are more than thirty (30) days overdue to pay an administrative late charge in accordance with §718.116 (3) (Supp. 1990) of the Act, in an amount and at a uniform rate to be determined by the Board of Directors.

4. It is specifically acknowledged that if an Institutional Mortgagee acquires title to a Condominium Unit through foreclosure or third party purchaser at such sale or by a deed in lieu of foreclosure, such Institutional Mortgagee, its successors or assigns, shall not be liable for the share of Common Expenses or Assessments which became due prior to such acquisition of title, unless such accrued Assessment is secured by a claim of lien for Assessments that is recorded prior to the recording of the mortgage which has been foreclosed upon or for which a deed is given in lieu of foreclosure. Assessments that are not secured by a claim of lien recorded prior to the recording of the mortgage which has been foreclosed upon or for which a deed is given in lieu of foreclosure shall be canceled as to such Condominium Unit effective with the transfer of title of such Condominium Unit to such mortgagee. No Institutional Mortgagee, nor any successors or assigns of such Institutional Mortgagee, succeeding to Declarant's rights and obligations hereunder by reason of the foreclosure of a mortgage or deed in lieu of such foreclosure shall be deemed to have made, assumed or otherwise undertaken any covenants or obligations of Declarant hereunder, including, without limitation, the covenants and obligations of Declarant to (1) guarantee the amount or term of the Interim Assessment (as defined below) or (2) pay the difference between the actual Common Expenses and the Interim Assessment assessed against Units and the Owners during the Interim Assessment Period as herein set forth, and shall not be liable for any warranties made by Declarant pursuant to the terms hereof or otherwise.

5. In a voluntary conveyance of a Condominium Unit, the grantee shall be jointly and severally liable with the grantor for all unpaid Assessments against the grantor up to the time of transfer of title, without prejudice to any right the grantee may have to recover from the grantor the amounts paid by the grantee.

6. No lien for Assessments under the Act or under the Condominium Documents shall be effective until recorded amongst the Public Records of the County.

7. Attached hereto as Exhibit 'F' is a schedule of Assessments ("Interim Assessments"). These schedules cover the period commencing on the date this Declaration is recorded in the Public Records of the County ("Recordation Date"), and ending on the earliest date of: (i) December 31, 1992, or (ii) the date of the "Majority Election Meeting", as that term is defined in the Articles ("Interim Assessment Period"). In no event shall the Interim Assessment Period extend beyond the date of the Majority Election Meeting. The Interim Assessments are only estimates of the Assessments to be made pursuant to the By-Laws. Declarant agrees ("Declarant's Agreement") that during the Interim Assessment Period, Declarant will pay all Common Expenses not payable by Interim Assessments assessed against Condominium Unit Owners other than Declarant. No Interim Assessments shall be made against Condominium Units owned by Declarant. Declarant's agreement is made in accordance with the provisions of Section 718.116(9)(a)(2) of the Act. Declarant's agreement shall terminate and Assessments shall be determined and made as provided in Paragraph A of this Article XV, the other subparagraphs of this Paragraph B, and the By-Laws, following the termination of the Interim Assessment Period, and commencing with such date Declarant will pay any such Assessments for any of the Condominium Units owned by Declarant. Operating Expenses are not a Common Expense and are not part of the Interim Assessment. Operating Expenses are an expense of the Owners' Association.

XVI. LIABILITY INSURANCE

A. The Board of Directors shall obtain and maintain at all times liability insurance in such amounts as it may determine from time to time for the purpose of providing liability insurance coverage for all property and improvements in the Condominium excluding the Condominium Units; provided, however, that such policy or policies shall have limits determined by the Board of Directors to be adequate covering all claims for personal injury and for property damage arising out of a single occurrence. The Board of Directors shall collect a share of the premium for such insurance from each Condominium Unit Owner as a part of the Common Expenses. Said insurance shall include, but not be limited to, legal liability for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of any property or improvements within the Condominium, legal liability arising out of lawsuits related to employment contracts of the Association, water damage, liability for hazards related to usage and liability for property of others, hired automobile, non-owned automobile and off-premises employee coverage. All such policies shall name the Association, the Owners' Association, the Condominium Unit Owners, and Declarant (so long as Declarant shall own any Condominium Unit) as their respective interests may appear as the insured under such policy or policies. The original or a true copy of each policy shall be held in the office of the Association. The insurance purchased shall contain a "severability of interest endorsement", or equivalent coverage, which would preclude the insurer from denying the claim of a Condominium Unit Owner because of the negligent acts of either the Association, Declarant or any other Condominium Unit Owners or deny the claim of either Declarant or the Association because of the negligent acts of the other or the negligent acts of a Condominium Unit Owner. All liability insurance shall contain cross-liability endorsements to cover liabilities of the Condominium Unit Owners as a group to a Condominium Unit Owner. Each Condominium Unit Owner shall be responsible for purchasing liability insurance, including, without limitation, water damage liability, for accidents occurring in his own Condominium Unit and, if the Condominium Unit Owner so determines, for supplementing any insurance purchased by the Association.

B. The Association shall maintain adequate fidelity coverage to protect against dishonest acts of the officers and employees of the Association and the Directors and all others who handle and are responsible for handling funds of the Association as permitted under the Act. Such coverage shall be in the form of Fidelity Bonds which meet the following requirements unless one or more of such requirements are waived in writing by all "Eligible Mortgagees" (as such term is hereinafter defined in

Article XXVI): (i) such bonds shall name the Association as an obligee; (ii) such bonds shall be written in an amount equal to at least three (3) months aggregate assessments for all Condominium Units plus reserve funds, if any; and (iii) such bonds shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression.

C. All insurance policies or fidelity bonds purchased pursuant to this Article shall provide that they may not be canceled without at least ten (10) days prior written notice to the Association and to Eligible Mortgagees.

XVII. CASUALTY INSURANCE AND DESTRUCTION OF IMPROVEMENTS

A. 1. Each Condominium Unit Owner shall be responsible for the purchase of casualty insurance for all of his personal property and improvements to his Condominium Unit. The Association shall obtain casualty insurance with such coverage and in such amounts as it may determine from time to time for the purpose of providing casualty insurance coverage for the Condominium Property, including Fire and Extended Coverage Insurance, Vandalism and Malicious Mischief Insurance, sprinkler leakage, water damage, debris removal, demolition, and such other risks as shall customarily be covered with respect to projects or developments similar to the Condominium in construction, location and use, insurance for unrealized Assessments due to the casualty and, if the Association so determines, flood insurance sponsored by the Federal government, all of which insurance shall insure all of the insurable improvements on and within the Condominium Property, including personal property owned by the Association, in and for the interest of the Association, all Condominium Unit Owners and Institutional Mortgagees, as their interests may appear, in a company acceptable to the Board of Directors. The Association shall purchase insurance for the buildings located within the Condominium in an amount equal to one hundred percent (100%) of the "Replacement Value" thereof. The term "Replacement Value" shall mean one hundred percent (100%) of the current replacement costs exclusive of land, foundation, excavation, items of personal property and other items normally excluded from coverage as determined annually by the Board of Directors. The Board of Directors may determine, consistent with the above provisions of this Paragraph A.1, the kind of coverage and proper and adequate amount of insurance. The casualty insurance shall contain an "agreed amount endorsement" or its equivalent, "inflation guard endorsement" and, if determined necessary, an "increased cost of construction endorsement" or "contingent liability from operation of building laws endorsement" or a "demolition endorsement" or the equivalent.

2. The Association may, to the extent possible and not inconsistent with the foregoing, obtain one (1) policy to insure all of the insurable improvements within the Condominium. The premiums for such coverage and other expenses in connection with such insurance shall be paid by the Association and charged to Condominium Unit Owners as part of the Common Expenses. The company or companies with which the Association shall place its insurance coverage, as provided in this Declaration, and the insurance agent or agents placing such insurance, must be authorized to do business in the State. The Association shall have the right to designate an insurance trustee (the "Insurance Trustee") to act as an Insurance Trustee in the manner provided in this Declaration, which Insurance Trustee shall be a commercial bank or trust company which is authorized to do business in the State and which has an office in the County, and thereafter, at any time and from time to time, the Association shall have the right to change the Insurance Trustee to another such bank or trust company.

B. All such aforesaid policies shall provide that they may not be canceled without at least ten (10) days prior written notice to the Association and Eligible Mortgagees, and insurance policies purchased by the Association shall be deposited with the Insurance Trustee upon its written acknowledgement that the policies and any proceeds thereof will be held in accordance with the terms

hereof. Said policies shall provide that all insurance proceeds payable on account of loss or damage shall be payable to the Insurance Trustee, and the Insurance Trustee may deduct from the insurance proceeds collected a reasonable fee for its services as Insurance Trustee. The Board of Directors is hereby irrevocably appointed agent for each Condominium Unit Owner to adjust all claims arising under insurance policies purchased by the Association in which Condominium Unit Owners have or may have an interest. The Insurance Trustee shall not be liable in any manner for the payment of any premiums on policies, the renewal of policies, the sufficiency of the coverage of any such policies or any failure to collect any insurance proceeds under any policies.

C. In the event of any damage to the Condominium Property, except as hereinafter specifically set forth, no mortgagee shall have any right to participate in the determination of whether the Condominium Property is to be rebuilt nor shall any mortgagee have the right to apply insurance proceeds and, if necessary, funds from a Special Assessment sufficient to pay for required restoration and repair with respect to such damage, to the repayment of its loan, unless such proceeds are distributed to Condominium Unit Owners or their respective mortgagees.

D. The duty of the Insurance Trustee shall be to receive any and all proceeds from the insurance policies held by it as such Insurance Trustee and to hold such proceeds in trust for the Association, Condominium Unit Owners and Institutional Mortgagees under the following terms:

1. If a loss insured under the policies held by the Insurance Trustee occurs to any improvements within any of the Condominium Units without any loss to any improvements within the Common Elements, the Insurance Trustee shall immediately pay all proceeds received as a result of such loss directly to the Condominium Unit Owners of the Condominium Units damaged and their Institutional Mortgagees, if any, as their interests may appear, and it shall be the duty of such Condominium Unit Owners to use such proceeds to effect the necessary repairs to the Condominium Units and to return the Condominium Units to their prior condition according to the standards required under the Condominium Documents. The Insurance Trustee shall rely upon the written statement of the Association as to whether a Condominium Unit or a Common Element or both have suffered damage insured under any policies.

2. If a loss of Five Thousand Dollars (\$5,000.00) or less as determined by estimates or bids for repair and reconstruction obtained by the Board of Directors occurs to any Common Element and/or to any Condominium Units, the Insurance Trustee shall pay the proceeds received as a result of such loss to the Association. Upon receipt of such proceeds, the Association shall promptly cause the necessary repairs to be made to the Common Elements and to any such damaged Condominium Units. If the insurance proceeds shall be insufficient to make all repairs, any deficiency shall be made up by a Special Assessment against all of the Condominium Unit Owners. Upon completion of such repairs, the Association, upon request of any Institutional Mortgagee of any such damaged Condominium Unit, shall provide such Institutional Mortgagee with an affidavit stating that the repairs have been completed in a manner acceptable to the Association.

3. The Insurance Trustee shall hold in trust all insurance proceeds received in excess of Five Thousand Dollars (\$5,000.00) as a result of damages to any Common Element and/or to any Condominium Units, together with any and all other monies paid to the Insurance Trustee pursuant to the following subparagraph 3(c) and shall distribute such funds in the following manner:

(a) The Board of Directors shall obtain estimates or bids for the cost of rebuilding and reconstructing such damaged property for the purpose of determining whether such insurance proceeds are sufficient to pay for the same.

(b) If the insurance proceeds are sufficient to repair and restore all of such damaged improvements or if the insurance proceeds together with the funds described in subparagraph

OFF 0474 PAGE 1159
REC

3(c) below are sufficient for such purpose, then such damaged improvements shall be repaired and restored. The Board of Directors shall negotiate for the repair and restoration of such damaged Condominium Property, and on behalf of the Association shall negotiate and enter into a contract with a contractor or contractors to do the work on a fixed price basis or on any other reasonable terms acceptable to the Board of Directors, which contractor shall post a performance and payment bond with respect to such work if required by the Board of Directors. The Insurance Trustee shall disburse the insurance proceeds and other applicable funds held in trust in accordance with provisions for progress payments to be contained in such contract; provided, however, that prior to any payment of such funds, the payees of such funds shall deliver to the Insurance Trustee any paid bills, waivers of liens under any lien laws and executed affidavits required by law, the Association or any respective Institutional Mortgagees.

(c) If the insurance proceeds are insufficient to repair and restore all of the damaged improvements (within the Common Elements and/or to Common Elements), the Board of Directors shall hold a special meeting to determine a Special Assessment against all of the Condominium Unit Owners to obtain any necessary funds to repair and to restore such damaged improvements. Upon the determination by the Board of Directors of the amount of such Special Assessment, the Board of Directors shall immediately levy such Special Assessment against the Condominium Units setting forth the date or dates of payment of the same, and any and all funds received from the Condominium Unit Owners pursuant to such Special Assessment shall be delivered to the Insurance Trustee and disbursed as provided in subparagraph 3(b) above.

4. If after the completion of and payment for the repair and reconstruction of the damage to the Condominium Property, and after the payment of the Insurance Trustee's fee with respect thereto, any excess insurance proceeds remain in the hands of the Insurance Trustee, then such excess shall be divided into equal shares and each share of such proceeds shall be paid to the Owners and Institutional Mortgagees of record as their interests may appear.

5. Any improvements damaged in any casualty shall be repaired and replaced substantially in accordance with the architectural plans and specifications for (a) the Condominium Property as it existed at the time of the casualty or (b) new plans and specifications approved by the New Construction Review Board and the Board of Directors in its discretion; provided, however, any substantial change from the structures in existence prior to the casualty set forth in new plans and specifications approved by the New Construction Review Board and the Board of Directors which adversely affects the value of the Condominium Units shall require approval by Institutional Mortgagees holding first mortgages encumbering fifty one percent (51%) of the Condominium Units encumbered by such mortgages; and provided that in the event of substantial destruction of the entire Condominium Property, as determined by Declarant until the Turnover Date (as defined in the Articles), and thereafter the Board of Directors, the Institutional Mortgagee holding mortgages securing the highest total indebtedness on the Condominium Property consents to such repair and replacement.

XVIII. PROHIBITION OF FURTHER DIVISION

The undivided share in the Common Elements which is appurtenant to a Condominium Unit shall not be separated from it and shall pass with the title to the Condominium Unit, whether or not separately described. The share in the Common Elements appurtenant to a Condominium Unit cannot be conveyed or encumbered except together with the Condominium Unit. The shares in the Common Elements appurtenant to Condominium Units are undivided, and no action for partition of the Common Elements shall lie. Additionally, except for "Alterations" (as that term is hereinafter defined in Article XXII.A) made by Declarant, there shall be no further division of Condominium Units and any instrument, whether a deed,

mortgage, or otherwise, which describes only a portion of any Condominium Unit shall be deemed to describe such entire Condominium Unit and the interest in the Common Elements appurtenant thereto.

XIX. SEVERABILITY

If any provision of this Declaration, the Condominium Documents or the Act is held to be invalid, the validity of the remainder of this Declaration, the Condominium Documents or the Act shall not be affected.

XX. INTERPRETATION

A. Article, paragraph and subparagraph titles in this Declaration are intended only for convenience and in no way do such titles define, limit, or in any way affect this Declaration or the meaning or contents of any material contained herein.

B. Whenever the context so requires, the use of either gender shall be deemed to include both genders, the use of the plural shall include the singular and the use of the singular shall include the plural.

C. As used herein the term "member" means and refers to any person, natural or corporate, who becomes a member of the Association as described in the Articles and By-Laws whether or not that person participates in the Association as a member, except where the context requires "Member" to mean and refer to a member of the Owners Association.

D. If a Court of competent jurisdiction should hereafter determine that any provision of this Declaration is in violation of the rule of property known as the "rule against perpetuities" or any other rule of law because of the duration of a time period, such provision shall not thereby become invalid, but instead the duration of such time period shall be reduced to the maximum period allowed under such rule of law, and in the event the determination of the duration of such time period requires measuring lives, such measuring lives shall be those of the incorporators of the Association.

XXI. REMEDIES FOR VIOLATION

A. Each Condominium Unit Owner shall be governed by and shall comply with the Act and all of the Condominium Documents as they may exist from time to time. Failure to do so shall entitle the Association, and in the event of its failure to act after demand upon it to do so has been made by any Condominium Unit Owner or any Institutional Mortgagee, then any Condominium Unit Owner or Institutional Mortgagee may bring an action for injunctive relief, damages or both, and such parties shall have all other rights and remedies which may be available at law or in equity. The failure to enforce promptly any provisions of the Condominium Documents shall not be deemed a waiver of such provision or be a bar to its subsequent enforcement. In any proceeding commenced because of an alleged failure of a Condominium Unit Owner to comply with any terms of the Condominium Documents, the prevailing party shall be entitled to recover the costs of such proceeding and reasonable attorneys' fees and expenses at all trial and appellate levels.

OFF 0474 PAGE 1161
REC

B. Notwithstanding the availability of the remedies set forth in Paragraph A above, the Association shall also have the power to assess reasonable fines as set forth in Section 9 of the By-Laws to enforce any of the provisions of the Declaration, By-Laws, and Rules.

XXII. PROVISIONS FOR ALTERATIONS OF CONDOMINIUM UNITS AND EXTERIOR OF BUILDING BY DECLARANT

A. In addition to Declarant's rights as set forth in Article V.A of this Declaration, Declarant also reserves the right to alter the interior design and arrangement of all Condominium Units; to alter the boundaries between the Condominium Units; to combine two (2) or more Condominium Units into one (1) Condominium Unit; or to sever any Condominium Unit comprised of two (2) or more Condominium Units into its component parts as long as Declarant owns the Condominium Units so severed; and to make aesthetic alterations to the exterior of the Buildings (which alterations made by Declarant are hereinafter referred to as the "Alterations").

B. Any Alteration which will alter the boundaries of the Common Elements on any portion of the Condominium Property for which a Surveyor's Certificate has been recorded (other than interior walls abutting Condominium Units owned by Declarant or the floor or ceiling slab between Condominium Units owned by Declarant) will first require an amendment of this Declaration in the manner provided in Article XXIII hereof.

C. If the Alterations do not alter the boundaries of the Common Elements (other than interior walls abutting Condominium Units owned by Declarant or the floor or ceiling slab between Condominium Units owned by Declarant), then an amendment of this Declaration shall be filed by Declarant in accordance with the provisions of this Paragraph C. Such amendment, as well as any amendment under Article V.A hereof, ("Declarant's Amendment") need be signed and acknowledged only by Declarant and shall not require approval of the Association, other Condominium Unit Owners or lienors or mortgagees of the Condominium Units so long as Declarant owns all of the Condominium Units affected by such amendment and any such alterations do not violate the provisions of Article V of this Declaration with respect to the addition of Phase 2 to the Condominium. This amendment shall, if appropriate, adjust the share of Common Elements, Common Expenses, common surplus and the voting rights attributable to the Condominium Units being affected by the Alterations and may be made as a Declarant's Amendment as long as Declarant owns the Condominium Units for which the shares are being so adjusted and so long as the total percentage of the affected Condominium Units is the same total percentage as those same Condominium Units prior to such amendment.

XXIII. AMENDMENTS OF THE DECLARATION

A. Except as to (i) matters described in Paragraphs B, C, D, E and F of this Article XXIII; (ii) Declarant's Amendment; and (iii) amendments pursuant to Article XXVII, this Declaration may be amended by the affirmative vote of not less than seventy-five percent (75%) of all the Condominium Unit Owners. Such vote shall be taken at any regular or special meeting of the Condominium Unit Owners called and held in accordance with the By-Laws. Such amendment shall be evidenced by a certificate executed by the Association in recordable form in accordance with the Act, and a true copy of such amendment shall be mailed via certified mail by the Association to Declarant, to all Eligible Mortgagees (as that term is hereinafter defined), and to the Owners' Association. The amendment shall become effective upon the recording of such certificate amongst the Public Records of the County; provided, however, such certificate shall not be so recorded until thirty (30) days after the mailing of a copy thereof to Declarant,

all Eligible Mortgagees and the Owners Association, unless such thirty (30) day period is waived in writing by Declarant, any Eligible Mortgagees and the Owners' Association.

B. Except for Declarant's Amendment referred to in Paragraph C of Article XXII, Paragraph A of Article V, and amendments referred to in Article XXVII, no amendment of the Declaration shall change the configuration or size of any Condominium Unit in any material fashion, materially alter or modify the appurtenances to such Condominium Unit, change the proportion or percentage by which any Condominium Unit Owner shares the Common Elements and Common Expenses or owns the Common Surplus, nor change any Condominium Unit's voting rights in the Association unless all of the record owners shall consent in writing thereto. Any such amendment shall be voted on at a special meeting of the Owners and their consent thereto shall be evidenced by a Certificate executed and recorded in the same manner as amendments provided in Paragraph A of this Article XXIII.

C. Whenever it shall appear to the Board that there is defect, error or omission in this Declaration or any other documentation required by law to establish this Condominium, the Board of Directors shall immediately call a special meeting of the Condominium Unit Owners to consider amending the Declaration or such other documents in accordance with the Act. Upon the affirmative vote of at least twenty-five (25%) percent of the Condominium Unit Owners, with more such affirmative votes than negative votes, the Association shall amend the appropriate documents to correct such defect, error or admission, and a true copy of such amendment shall be mailed by the Association to Declarant and to all Eligible Mortgagees. Such Amendments shall become effective upon the recording of the Certificate amongst the Public Records of the County; but such certificate shall not be recorded until thirty (30) days after the mailing of a copy thereof to Declarant and all Eligible Mortgagees, unless such thirty (30) day period is waived in writing by Declarant and all Eligible Mortgagees.

D. Prior to the Majority Election Meeting (as defined in Article IX the Articles), a majority of the Board of Directors alone may amend this Declaration, without the consent of the Condominium Unit Owners, in order to correct a scrivener's error, error in legal description, or other minor defect or omission or any other error or defect or omission that does not materially and adversely affect a Condominium Unit Owners property rights. A copy of the amendment shall be furnished to each Condominium Unit Owner and all Eligible Mortgagees as soon after recording thereof amongst the Public Records of the County as is practicable. After the Majority Election Meeting, if it appears that through any scrivener's error a Condominium Unit has not been designated as owning an appropriate undivided share of the Common Elements or does not bear an appropriate share of the Common Expenses or that all the Common Elements in the Condominium have not been distributed in the Declaration, so that the sum total of the shares of Common Elements which have been distributed or the sum total of the shares of the Common Expenses or ownership of common surplus fails to equal one hundred percent (100%), or if it appears that more than one hundred percent (100%) of Common Elements or Common Expenses or ownership of the common surplus have been distributed, the error may be corrected by filing an amendment to the Declaration approved by the Board of Directors.

E. This Declaration may be amended in the same manner as required for an amendment to the By-Laws when the Declaration is being amended solely for the purpose of setting forth or affixing an amendment of the By-Laws thereto.

F. No amendment of this Declaration or any Article or portion hereof shall be made which shall impair or prejudice the rights or priorities of Declarant or Institutional Mortgagees or prejudice the Owners Association without the specific written approval of Declarant or the Institutional Mortgagees or the Owners Association, as the case may be.

XXIV. RIGHT OF DECLARANT TO TRANSACT BUSINESS AND

**TO OWN AND SELL CONDOMINIUM UNITS OWNED BY IT
FREE OF RESTRICTIONS SET FORTH IN ARTICLE XIV**

OFF REC 0474 PAGE 1163

A. The provisions, restrictions, terms and conditions of Article XIV hereof shall not apply to Declarant as a Condominium Unit Owner, and in the event and so long as Declarant shall own any Condominium Unit, whether by reacquisition or otherwise, Declarant shall have the right to use, sell, convey, transfer, mortgage or encumber any such Condominium Unit upon any terms and conditions as it shall deem to be in its own best interests, except that Declarant shall not be exempt from any requirement that leases or lessees be approved by the Association unless Florida law is amended to no longer require such an exemption.

B. Notwithstanding the other provisions of this Declaration, Declarant reserves and Declarant and its nominees shall have the right, without charge, to enter into and transact on the Condominium Property any business necessary to consummate the sale, lease or encumbrance of Condominium Units or real property in Matanzas Shores including, but not limited to, the right to use Condominium Units it owns for sales or rental purposes, maintain models, lobbies, sales areas and sales offices, rental areas and rental offices, place signs, employ sales and rental personnel, use the Common Elements and show Condominium Units. Declarant reserves and shall have the right to carry on construction activity on the Condominium Property to the extent required to discharge Declarant's obligations under the Act. Further, Declarant shall have easements over the Condominium Property necessary in order to use such rights. Declarant and its nominees may exercise the foregoing rights without notifying the Association. Any such models, bookkeeping room, file room, kitchen, lobby, sales area, sales office, rental area, rental office, signs and any other items pertaining to such sales, rental, and construction efforts shall not be considered a part of the Common Elements and shall remain the property of Declarant so long as Declarant owns any Condominium Unit. This Article XXIV may not be suspended, superseded or modified in any manner by any amendment to this Declaration unless such amendment is consented to in writing by Declarant.

C. The rights reserved to Declarant in this Article XXIV and elsewhere in this Declaration may be assigned in writing by Declarant in whole or in part, and in any event these rights shall inure to the benefit of Declarant's successors and assigns.

**XXV. ASSOCIATION TO ACQUIRE
INTERESTS AND ENTER INTO AGREEMENTS**

A. The Master Documents set forth the manner in which the "Owners" (as that term is defined in the Master Documents) in Matanzas Shores, their family members, guests, invitees and lessees may use and enjoy the Common Area and the Residential Property and the sharing of Operating Expenses. The Master Documents are not a declaration of condominium. However, the Condominium Property and the provisions of this Declaration are subject to the Master Documents. All covenants set forth in the Master Documents including, but not limited to, the affirmative covenants and obligations to pay Operating Expenses as therein set forth, shall run with the Land.

B. The Board of Directors is authorized to enter into other agreements to acquire other possessory or use interests in real property and to provide therein that the expenses of said real property and any improvements thereon, including taxes, insurance, utility expenses, maintenance and repairs, are Common Expenses; provided, however, that in the event the expenditures incurred thereby exceed, in the aggregate, Five Thousand Dollars (\$5,000.00) per annum, the approval of seventy-five percent (75%) of the Owners shall first be required.

C. The Board of Directors shall have the right to enter into agreements with management entities, any of which may be, but are not required to be, a subsidiary, affiliate, or an otherwise related entity of Declarant, to manage and operate the Condominium, including services and administrative obligations required to be performed by the Association pursuant to this Declaration. The expenses incurred thereunder shall be Common Expenses.

XXVI. RIGHTS OF ELIGIBLE MORTGAGEES

A. The Association shall be required to make available for inspection upon reasonable notice, during normal business hours the Condominium Documents and the books, records and financial statements of the Association to the Condominium Unit Owners and the holders, insurers or guarantors of any first mortgages encumbering Condominium Units. In addition, evidence of insurance shall be issued to each Condominium Unit Owner and mortgagee holding a mortgage encumbering a Condominium Unit upon written request to the Association.

B. Upon written request to the Association, any Institutional Mortgagee shall be entitled to financial statements for the immediately preceding fiscal year.

C. Upon written request to the Association, identifying the name and address of an Institutional Mortgagee or the insurer or guarantor of a mortgage held by an Institutional Mortgagee encumbering a Condominium Unit (such Institutional Mortgagee, insurer or guarantor is herein referred to as an "Eligible Mortgagee") and the legal description of such Condominium Unit, the Association shall provide such Eligible Mortgagee with timely written notice of the following:

1. Any condemnation, loss or casualty loss which affects any material portion of the Condominium or any Condominium Unit encumbered by a first mortgage of such Eligible Mortgagee;
2. Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;
3. Any proposed action which would require the consent of mortgagees holding a mortgage encumbering a Condominium Unit; and
4. Any delinquency in the payment of any Assessments or any other charge owed to the Association by a Condominium Unit Owner owning a Condominium Unit encumbered by a mortgage held, insured or guaranteed by an Eligible Mortgagee where such failure or delinquency has continued for a period of sixty (60) days. The Association shall not be liable to any Eligible Mortgagee for its failure to provide materials or information to any Eligible Mortgagee as hereinabove provided.

D. Declarant and any Eligible Mortgagee shall have the right, but not the obligation, jointly or severally, and at their sole option, to pay any Assessments which are in default and which may or have become a charge against any Condominium Unit. Declarant and any Eligible Mortgagees shall have the right, but not the obligation, jointly or severally, and at their sole option, to pay insurance premiums or fidelity bond premiums or any "New Tax" as defined in this Declaration, on behalf of the Association where, in regard to insurance premiums, the premiums are overdue and where lapses in policies may occur or have occurred or, in regard to New Taxes, where such tax is in default and which may or has become a charge against the Condominium Property. Declarant and any Eligible Mortgagees making any such payments on behalf of the Association as set forth above shall be entitled to immediate reimbursement from the Association plus any costs of collection, including, but not limited to, reasonable attorneys' fees and expenses at all trial and appellate levels.

**XXVII. PROVISIONS RELATING TO
CONDEMNATION OR EMINENT DOMAIN PROCEEDINGS**

OFF REC 0474 PAGE 1165

A. Deposit of Awards With Insurance Trustee.

1. The taking of any portion of the Condominium Property by condemnation shall be deemed to be a casualty, and the awards for that taking shall be deemed to be proceeds from insurance on account of the casualty and shall be deposited with the Insurance Trustee. If any award shall be paid to a Condominium Unit Owner, the Condominium Unit Owner shall deposit the award with the Insurance Trustee; and in the event of failure to do so, in the discretion of the Board of Directors, a Special Assessment shall be made against a defaulting Condominium Unit Owner in the amount of the award, or the amount of the award shall be set off against the sums hereafter made payable to that Condominium Unit Owner.

2. The Association shall represent the Condominium Unit Owners in the condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the Common Elements, or any part thereof, by the condemning authority.

B. Disbursement of Funds. If the Condominium is terminated in accordance with the provisions of this Declaration after condemnation, the proceeds of the awards and Special Assessments, if any, shall be divided into the shares described in this Declaration and distributed to the Condominium Unit Owners and Institutional Mortgagees as their interests may appear. If the Condominium is not terminated after condemnation, the size of the Condominium will be reduced, the owners of the condemned Condominium Units will be made whole and the Condominium Property damaged by the taking will, to the extent reasonably possible, be made usable in the manner provided below.

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

1. The Affected Condominium Unit shall be made tenantable. If the cost of the restoration exceeds the amount of the award, the additional funds required shall be paid by the Association and assessed as a Common Expense.

2. The balance of the award, if any, shall be distributed to the owner of the Affected Condominium Unit and to the Institutional Mortgagee of the Affected Condominium Unit, the remittance being made payable to the Condominium Unit Owner and mortgagee as their interests may appear.

3. If the floor area of the Affected Condominium Unit is reduced by more than ten percent (10%) by the taking, the number representing the share in the ownership of the Common Elements appurtenant to the Affected Condominium Unit shall be reduced ("Reduction in Percentage of Common Elements") in the proportion by which the floor area of the Affected Condominium Unit is reduced by the taking, and the shares of all Condominium Units in the Common Elements shall be restated with the Reduction in Percentage of Common Elements being allocated to all the Condominium Units of the Condominium in proportion to their share of ownership in the Common Elements.

D. Affected Condominium Unit Made Untenantable. If the taking is of the entire Affected Condominium Unit or so reduces the size of an Affected Condominium Unit that it cannot be made

OFF REC 0474 PAGE 1166

tenantable, the award for the taking of the Affected Condominium Unit shall be used for the following purposes in the order stated and the following changes shall be effected in the Condominium:

1. The award or the market value of the Affected Condominium Unit immediately prior to the taking, whichever is less, shall be paid to the Condominium Unit Owner and the Institutional Mortgagee thereof as their interests may appear.

2. The remaining portion of the Affected Condominium Unit, if any, shall become a part of the Common Elements of the Condominium and shall be placed in a condition approved by the Board of Directors; provided that if the cost of the work shall exceed the balance of the fund from the award for the taking after the payment set forth in subparagraph D.1 above, the work shall be approved in the manner required for further improvement of the Common Elements.

3. The shares in the Common Elements of the Condominium appurtenant to the Condominium Units that continue as part of the Condominium shall be adjusted to distribute the ownership of the Common Elements from the Affected Condominium Unit among the reduced number of Condominium Units in the Condominium. The shares of the continuing Condominium Units in the Common Elements shall be restated with the percentage of ownership in the Common Elements of the Affected Condominium Units being allocated to all of the continuing Condominium Units of the Condominium in proportion to their relative share of ownership in the Common Elements.

4. If the amount of the award for the taking is not sufficient to pay the market value of the Affected Condominium Unit to the Condominium Unit Owner and to condition the remaining portion of the Affected Condominium Unit for use as a part of the Common Elements, the additional funds required to condition the remaining portion of the Affected Condominium Unit for use as part of the Common Elements shall be raised by Special Assessments against all of the Condominium Unit Owners who will continue as Condominium Unit Owners of the Condominium after the changes in the Condominium effected by the taking. The Assessments shall be made in proportion to the shares in the Common Elements of those Condominium Unit Owners remaining after the changes effected by the taking.

5. If the market value of an Affected Condominium Unit prior to the taking cannot be determined by agreement among the Condominium Unit Owners, the Institutional Mortgagee of the Affected Condominium Unit and the Association within thirty (30) days after notice by either party, the value shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two (2) appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Affected Condominium Unit; and the determination of the arbitrators shall be conclusive upon the parties and judgment upon the same may be entered in any court having jurisdiction thereof. The cost of arbitration proceedings shall be assessed against all Condominium Units in the Condominium in proportion to the shares of the Condominium Units in the Common Elements as they exist prior to the changes effected by the taking.

E. Taking of Common Elements. Any award for taking of Common Elements shall be used to make the remaining portion of the Common Elements usable in the manner approved by the Board of Directors; provided that if the cost of the work shall exceed the award, the work shall be approved in the manner required for further improvements of the Common Elements. The balance of the awards for the taking of Common Elements, if any, shall be distributed to the Condominium Unit Owners in the shares in which they own the Common Elements and to Institutional Mortgagees as their interests may appear.

F. Amendment of Declaration. The changes in Condominium Units, in the Common Elements and in the ownership of the Common Elements that are affected by the condemnation shall be

OFF 0474 PAGE 1167
REC

evidenced by an amendment of this Declaration that need be approved only by a majority of the Board of Directors with the written approvals from Declarant and Eligible Mortgagees as may be required pursuant to Article XXIII of this Declaration. Such amendment shall be evidenced by a certificate executed by the Association in recordable form in accordance with the Act, and a true copy of such amendment shall be mailed by certified or registered mail by the Association to Declarant, all Condominium Unit Owners and Eligible Mortgagees ("Interested Parties"). The amendment shall become effective upon the recording of such certificate amongst the Public Records of the County; provided, however, such amendment shall not be so recorded until thirty (30) days after the mailing of a copy thereof to the Interested Parties unless such thirty (30) day period is waived in writing by the Interested Parties.

XXVIII. TERMINATION

A. This Declaration may be terminated by the affirmative written consent of eighty percent (80%) of all Condominium Unit Owners and the written consent of all Institutional Mortgagees encumbering Condominium Units in the Condominium.

B. In the event of the termination of the Condominium, the Condominium Property shall be deemed removed from the provisions of the Act and shall be owned in common by the Condominium Unit Owners, pro rata, in accordance with their shares in the Common Elements. Any and all lien rights provided for in this Declaration shall continue to run with the real property designated herein as Condominium Property and shall encumber the respective undivided shares of the Condominium Unit Owners thereof as tenants in common.

IN WITNESS WHEREOF, Declarant has caused these presents to be signed in its name and on its behalf by its President and attested to by its Secretary and its corporate seal affixed this 5th day of OCTOBER, 1992.

Witnesses:

DECLARANT:

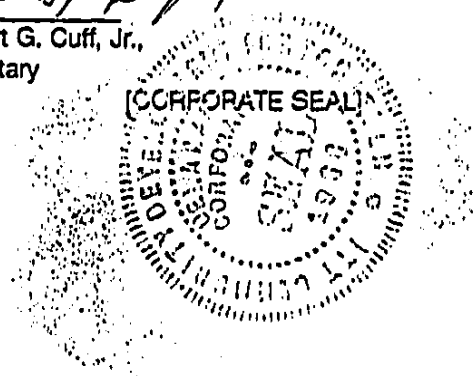
ITT COMMUNITY DEVELOPMENT
CORPORATION, a Delaware
corporation.

Parula Thompson

By: James E. Gardner
James E. Gardner,
President

Mari A. Luelo

Attest: Robert G. Cuff, Jr.
Robert G. Cuff, Jr.,
Secretary



OFF REC 0474 PAGE 1169

STATE OF FLORIDA)
) SS:
COUNTY OF FLAGLER)

The foregoing instrument was acknowledged before me this 6th day of OCTOBER, 1992, by STEVEN TUBBS and SAM CLINE, President and Secretary, respectively, of MATANZAS SHORES OWNERS ASSOCIATION, a Florida corporation not for profit, on behalf of the Association.

Victoria P. Gard
NOTARY PUBLIC

[SEAL]

My Commission Expires:



VICTORIA P. GARD
MY COMMISSION # CC 202009 EXPIRES
June 1, 1996
BONDED THRU TROY FAH INSURANCE, INC.

STATE OF FLORIDA)
) SS:
COUNTY OF FLAGLER)

The foregoing instrument was acknowledged before me this 6th day of OCTOBER, 1992, by STEVEN TUBBS and SAM CLINE, as President and Secretary, respectively, of THE SURF CLUB CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, on behalf of the corporation.

Victoria P. Gard
NOTARY PUBLIC

[SEAL]

My Commission Expires:



VICTORIA P. GARD
MY COMMISSION # CC 202009 EXPIRES
June 1, 1996
BONDED THRU TROY FAH INSURANCE, INC.

RGC:1-14-91

This instrument prepared by:
Robert G. Cull, Jr.
ITT Community Development Corporation
One Corporate Drive
Palm Coast, Florida 32151

REC 0474 PAGE 1170

LEGAL DESCRIPTION FOR CONDOMINIUM PROPERTY

EXHIBIT "A"
TO
DECLARATION OF CONDOMINIUM
OF
THE SURF CLUB CONDOMINIUM

LEGAL DESCRIPTION

A PARCEL OF LAND LYING IN GOVERNMENT SECTION 38, TOWNSHIP 10 SOUTH, RANGE 31 EAST, BEING A PORTION OF THE "SUBDIVISION PLAT SECTION 88, PALM COAST" RECORDED IN MAP BOOK 26, PAGES 4 AND 5 OF THE PUBLIC RECORDS OF FLAGLER COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

OFF REC 0474 PAGE 1171

A POINT OF REFERENCE being the intersection of the Southerly line of said Government Section 38 extended Westerly to the Easterly right-of-way line of the Intracoastal Waterway (500' right-of-way), thence North 17°14'46" West along said right-of-way a distance of 551.91 feet to the Point being the Northwest corner of "Willow Woods Subdivision" recorded in Map Book 5, Page 76, thence departing said Intracoastal Waterway North 69°39'06" East along the common boundary of said "Willow Woods" and said "Section 88, Palm Coast" a distance of 3024.54 feet to a Point on the Westerly right-of-way line of State Road A-1-A (180' right-of-way), said Point being on a curve, thence Northwesterly along said right-of-way 585.77 feet along a curve to the left (concave Westerly) having a central angle of 28°21'53", a radius of 1183.24 feet, a chord bearing of North 27°12'50" West and a chord distance of 579.81 feet to a Point of Tangency, thence North 41°23'47" West along said right-of-way a distance of 875.00 feet, thence departing said Westerly right-of-way North 48°36'13" East a distance of 180.00 feet to a Point on the Easterly right-of-way line of said State Road A-1-A, said Point being a Point of curvature of said right-of-way, thence Northerly along said Easterly right-of-way line 593.85 feet along a curve to the right (concave Easterly), having a central angle of 28°45'22", a radius of 1183.24 feet, a chord bearing North 27°01'06" West, and a chord distance of 587.64 feet to the POINT OF BEGINNING of this description; thence continuing along said Easterly right-of-way line 464.97 feet along a curve to the right (concave Easterly), having a central angle of 22°30'54", a radius of 1183.24 feet, a chord bearing of North 01°22'58" West, a chord distance of 461.98 feet to a Point of Tangency; thence North 09°52'29" East along said right-of-way a distance of 140.75 feet, thence departing said right-of-way, East, a distance of 246.49 feet, thence North 69°38'32" East a distance of 115.32 feet, thence South 20°21'28" East a distance of 230.00 feet to a point on the center of a wooden walkway accessing the beach hereinafter referred to as POINT "A", thence continue South 20°21'28" East a distance of 318.18 feet, thence South 69°38'32" West a distance of 58.53 feet, thence North 65°21'28" West a distance of 106.70 feet, thence South 69°38'32" West a distance of 433.52 feet to the POINT OF BEGINNING of this description.

Parcel containing 5.8779 Acres more or less.

Exhibit "A-1"
Page 1 of 3

Subject to a 50.00 foot wide Ingress and Egress easement being more particularly described as follows:

REC 0474 PAGE 1172

As a POINT OF REFERENCE being the Easterly right-of-way of State Road A-1-A and the Southwesterly corner of the above described parcel; thence departing said right-of-way North 69°38'32" East a distance of 203.93 feet to the Westerly side of said Easement and the POINT OF BEGINNING of this description; thence Northwesterly 81.03 feet along a curve to the left (concave Westerly), having a central angle of 01°09'17", a radius of 4020.00 feet, a chord bearing of North 22°43'55" West, a chord distance of 81.02 feet to a Point of Tangency; thence North 23°18'34" West a distance of 239.79 feet to a point of curvature; thence Northwesterly a distance of 165.39 feet along a curve to the right (concave Easterly), having a central angle of 22°17'48", a radius of 425.00 feet; a chord bearing of North 12°09'40" West, a chord distance of 164.35 feet to a Point of Tangency; thence North 01°00'46" West a distance of 52.60 feet to a point of curvature; thence 21.37 feet along a curve to the right (concave Easterly) having a central angle of 03°46'05", a radius of 325.00 feet; a chord bearing North 00°52'18" East, a chord distance of 21.37 feet to the Northerly line of above said parcel; thence along the said Northerly line, East, a distance of 50.67 feet to a point on a curve; thence departing said Northerly line a distance of 26.11 feet along a curve to the left (concave Easterly), having a central angle of 05°59'04", a radius of 250.00 feet, a chord bearing South 01°58'48" West, a chord distance of 26.10 feet to a Point of Tangency; thence South 01°00'46" East, a distance of 47.00 feet to a point of curvature; thence 145.93 feet along a curve to the left (concave Easterly), having a central angle of 22°17'48", a radius of 375.50 feet, a chord bearing South 12°09'40" East, a chord distance of 145.01 feet to a Point of Tangency; thence South 23°18'34" East a distance of 239.79 feet to a point of curvature; thence 83.60 feet along a curve to the right (concave Westerly), having a central angle of 01°10'37", a radius of 4070.00 feet, a chord bearing of South 22°43'15" East, a chord distance of 83.60 feet to the Southerly line of the above said parcel; thence along the Southerly line South 69°38'32" West a distance of 50.02 feet to the POINT OF BEGINNING of this description.

Easement containing .6330 Acres more or less.

Exhibit "A-1"
Page 2 of 3

Subject to a 10.00 foot wide FLORIDA POWER & LIGHT easement being more particularly described as follows:

As a POINT OF REFERENCE being the Easterly right-of-way of State Road A-1-A and the Southwesterly corner of the above described parcel; thence departing said right-of-way North $69^{\circ}38'32''$ East a distance of 203.93' to the Westerly right-of-way of a 50 foot wide Ingress and Egress easement and POINT OF BEGINNING of this description; thence along the Southerly Line South $69^{\circ}38'32''$ West a distance of 10.00 feet, thence departing said Southerly Line Northwesterly 80.50 feet along a curve to the left (concave Westerly), having a central angle of $01^{\circ}09'01''$, a radius of 4010.00 feet, a chord bearing of North $22^{\circ}44'04''$ West, a chord distance of 80.50 feet to a Point of Tangency; thence North $23^{\circ}18'34''$ West a distance of 239.79 feet to a point of curvature; thence Northwesterly a distance of 169.28 feet along a curve to the right (concave Easterly), having a central angle of $22^{\circ}17'48''$, a radius of 435.00 feet, a chord bearing of North $12^{\circ}09'40''$ West, a chord distance of 168.21 feet to a Point of Tangency; thence North $01^{\circ}00'46''$ West a distance of 74.15 feet to the Northerly Line of said above parcel; thence East along said Northerly Line a distance of 10.70 feet to a point on a curve of the Westerly right-of-way of said Ingress and Egress easement; thence departing said Northerly Line a distance of 21.37 feet along a curve to the left (concave Easterly), having a central angle of $03^{\circ}46'05''$, a radius of 325.00 feet, a chord bearing of South $00^{\circ}52'18''$ West, a chord distance of 21.37 feet to a Point of Tangency; thence South $01^{\circ}00'46''$ East a distance of 52.60 feet to a point of curvature; thence 165.39 feet along a curve to the left (concave Easterly), having a central angle of $22^{\circ}17'48''$, a radius of 425.00 feet, a chord bearing of South $12^{\circ}09'40''$ East, a chord distance of 164.35 feet to a Point of Tangency; thence South $23^{\circ}18'34''$ East a distance of 239.79 feet to a point of curvature; thence 81.02 feet along a curve to the right (concave Westerly), having a central angle of $01^{\circ}19'17''$, a radius of 4020.00 feet, a chord bearing of South $22^{\circ}43'45''$ East, a chord distance of 81.02 feet to the said Southerly Line of above described parcel and the POINT OF BEGINNING of this description. Easement containing .1282 acres more or less.

Subject to a 20.00 foot wide Utility easement lying in the Westerly 20.00 foot of the above described Ingress and Egress easement, as described in Official Records Book 361, Pages 226-227 of the Public Records of Flagler County.

Bearings refer to the Transverse Mercator Grid System of the East Zone of Florida and locally referenced to the Easterly Right-Of-Way Line of the Intracoastal Waterway, being North $17^{\circ}14'46''$ West.

Together with an Ingress and Egress easement to the Atlantic Ocean being 20 feet in width, 10 feet each side of the following described line, Beginning at the afore described Point "A" said point lying on the centerline of a wooden walkway, thence Northeasterly along the center of the said walkway and the extension thereof a distance of 380.00 feet more or less to the Mean High Water Line of the Atlantic Ocean and the Terminus of this description.

Parcel containing .1745 acres more or less (exclusive of easement).

LEGAL DESCRIPTION

A PARCEL OF LAND LYING IN GOVERNMENT SECTION 38, TOWNSHIP 10 SOUTH, RANGE 31 EAST, BEING A PORTION OF THE "SUBDIVISION PLAT SECTION 88, PALM COAST" RECORDED IN MAP BOOK 26, PAGES 4 AND 5 OF THE PUBLIC RECORDS OF FLAGLER COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A POINT OF REFERENCE being the intersection of the Southerly line of said Government Section 38 extended Westerly to the Easterly right-of-way line of the Intracoastal Waterway (500' right-of-way), thence North 17°-14'-46" West along said right-of-way a distance of 551.91 feet to the Point being the Northwest corner of "Willow Woods Subdivision" recorded in Map Book 5, Page 76, thence departing said Intracoastal Waterway North 69°-39'-06" East along the common boundary of said "Willow Woods" and said "Section 88, Palm Coast" a distance of 3024.54 feet to a Point on the Westerly right-of-way line of State Road A-1-A (180' right-of-way), said Point being on a curve, thence Northwesterly along said right-of-way 585.77 feet along a curve to the left (concave Westerly) having a central angle of 28°-21'-53", a radius of 1183.24 feet, a chord bearing of North 27°-12'-50" West and a chord distance of 579.81 feet to a Point of Tangency, thence North 41°-23'-47" West along said right-of-way a distance of 875.00 feet, thence departing said Westerly right-of-way North 48°-36'-13" East a distance of 180.00 feet to a Point on the Easterly right-of-way line of said State Road A-1-A, said Point being a Point of curvature of said right-of-way, thence Northerly along said Easterly right-of-way line 97.46 feet along a curve to the right (concave Easterly), having a central angle of 04°-43'-10", a radius of 1183.24 feet, a chord bearing North 39°-02'-15" West, and a chord distance of 97.43 feet to the POINT OF BEGINNING of this description;

thence continuing along said Easterly right-of-way line 496.39 feet along a curve to the right (concave Easterly), having a central angle of 24°-02'-12", a radius of 1183.24 feet, a chord bearing of North 24°-39'-31" West, a chord distance of 492.76 feet, thence departing said right-of-way line North 69°-38'-32" East a distance of 433.52 feet, thence South 65°-21'-28" East a distance of 106.70 feet, thence North 69°-38'-32" East a distance of 58.53 feet, thence South 20°-21'-28" East a distance of 415.53 feet, thence South 69°-38'-32" West a distance of 530.55 feet to the POINT OF BEGINNING of this description.

Parcel containing 6.2226 Acres more or less.

Subject to a 50.00 foot wide Ingress and Egress easement being more particularly described as follows:

As a POINT OF REFERENCE being the Easterly right-of-way of State Road A-1-A and the Southwesterly corner of the above described parcel; thence departing said right-of-way North 69°-38'-32" East a distance of 156.52 feet to the Westerly side of said Easement and the POINT OF BEGINNING of this description; thence North 17°-45'-38" West a distance of 183.35 feet to a point of curvature; thence 308.28 feet along a curve to the left (concave Westerly), having a central angle of 4°-23'-38", a radius of 4020.00 feet, a chord bearing North 19°-57'-27" West, a chord distance of 308.22 feet to the Northerly line of the above said parcel; thence along the said Northerly line North 69°-38'-32" East a distance of 50.02 feet to a point on a curve; thence departing said Northerly line a distance of 310.56 feet along a curve to the right (concave Westerly), having a central angle of 4°-22'-19", a radius of 4070.00 feet, a chord bearing South 19°-56'-48" East, a chord distance of 310.49 feet to a Point of Tangency; thence South 17°-45'-38" East a distance of 181.08 feet to the Southerly line of the above said parcel; thence along the Southerly line South 69°-38'-32" West a distance of 50.05 feet to the POINT OF BEGINNING of this description.

Easement containing .5643 Acres more or less.

OFF 0474 PAGE 1175
REC

Exhibit "A-2"
Page 2 of 2

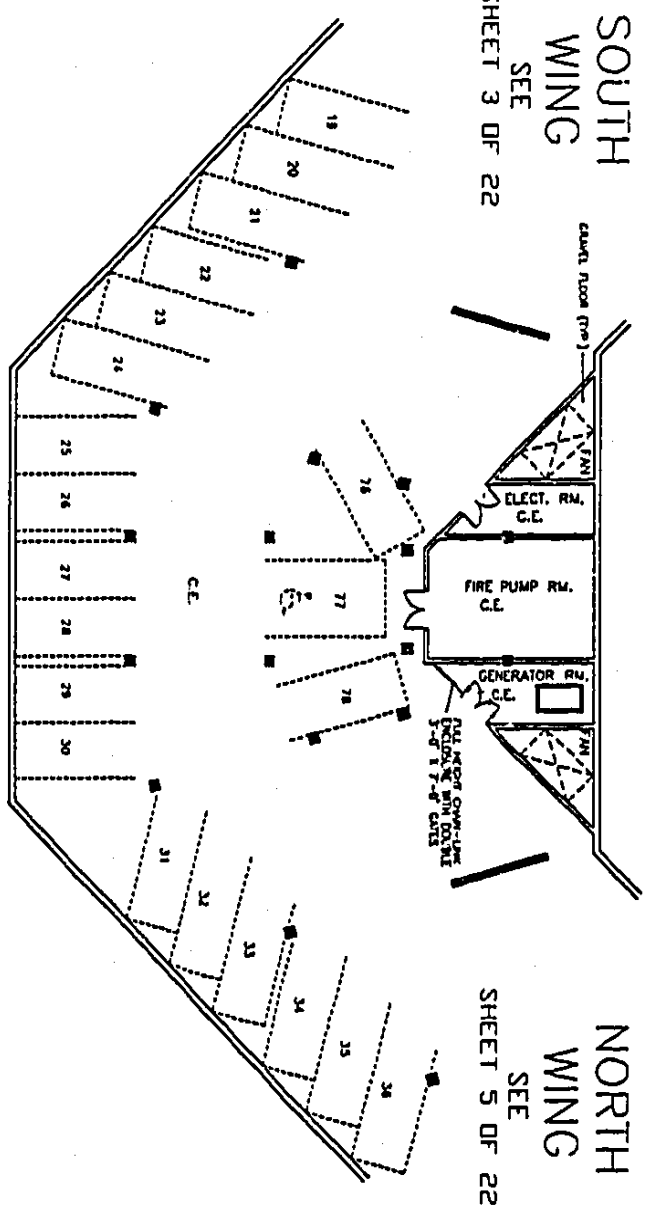
OFF 0474 PAGE 1176
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SURVEY
(SURVEY, PLOT PLAN AND GRAPHIC DEPICTION)

EXHIBIT "B-1"
TO
DECLARATION OF CONDOMINIUM
OF
THE SURF CLUB CONDOMINIUM



SOUTH
WING
SEE
SHEET 3 OF 22



NORTH
WING
SEE
SHEET 5 OF 22

MIDDLE
SECTION

THE SURF CLUB CONDOMINIUM

PARKING GARAGE

UNITS 19-36
UNITS 1-18
UNITS 37-40

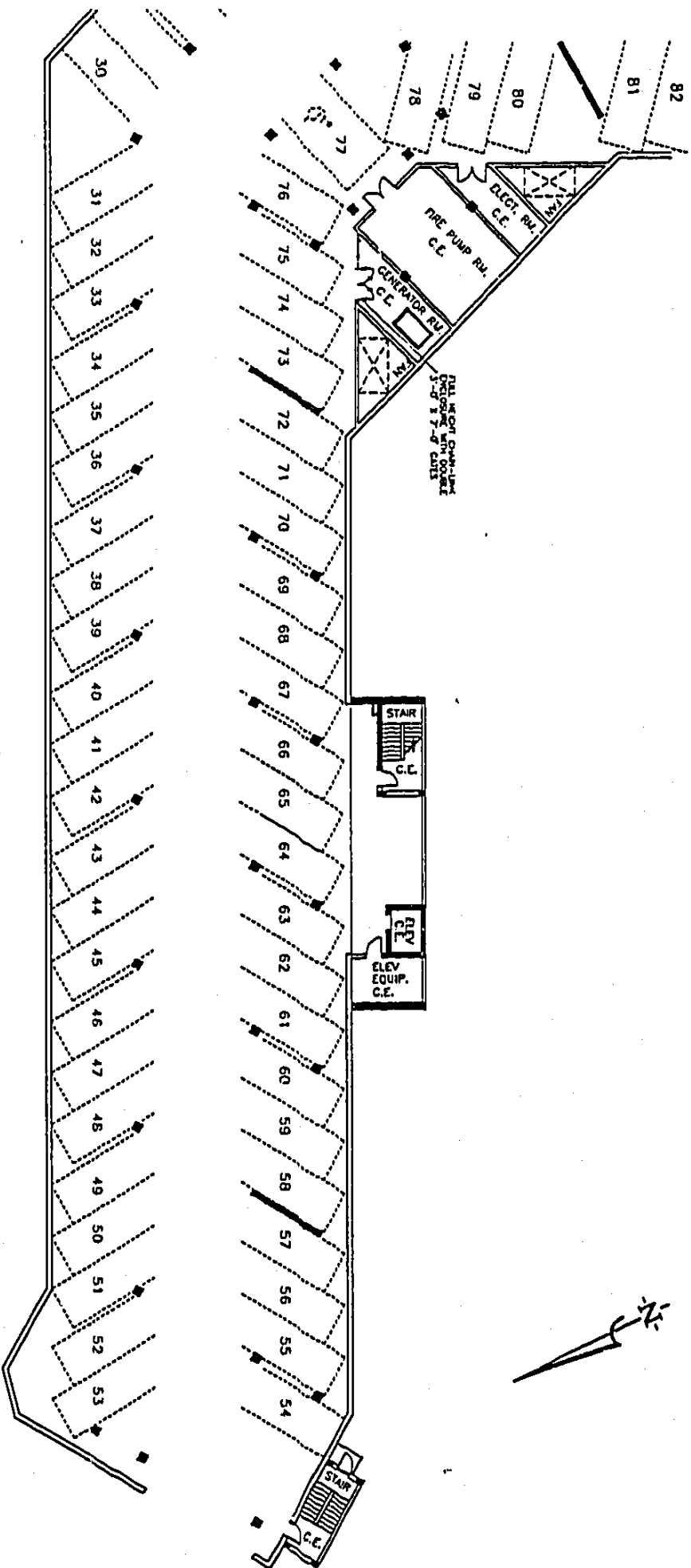


LEGEND:

C.E.	POCANTS UNIT BOUNDARIES
L.C.E.	POCANTS COMMON ELEMENTS
S.T.O.L.	POCANTS LIMITED COMMON ELEMENTS
P.A.C.	POCANTS STORAGE
M.S.L. ELEV.	POCANTS BALCONY
M.S.L. ELEV.	POCANTS MEAN SEA LEVEL ELEVATION
M.S.L. ELEV.	POCANTS TRUCK
M.S.L. ELEV.	POCANTS ELEVATION

- NOTES
1. ALL EXTERIOR WALLS ARE 0.5" THICK UNLESS OTHERWISE NOTED.
 2. ELEVATIONS (WHERE DESIGNATED) SHOWN IN FEET ARE BASED UPON MEAN SEA LEVEL ELEVATION.
 3. THE DIMENSIONS SET FORTH IN THE DECLARATION ARE RECOMMENDED MEASUREMENTS.

- DESCRIPTION OF COMMON ELEMENTS
1. ALL LAND AND ALL PORTIONS OF CONDOMINIUM UNITS AND PARTS OF THE COMMON ELEMENTS.
 2. ALL RESERVE FUNDS TO THE EXTENT OF THE RESERVE FUNDS OF THE COMMON ELEMENTS.
 3. ALL CHANGES AND WANTS TO CHANGES, ALL OTHER UNITARY RIGHTS TO UNITS, AND ALL POSITIVE RIGHTS TO UNITS OF THE COMMON ELEMENTS.
 4. COMMON ELEMENTS ARE SUBJECT TO CERTAIN RIGHTS SET FORTH IN THE DECLARATION AND THE DECLARATION AND TRUST TO HOLD.



NORTH
WING

THE SURF CLUB CONDOMINIUM

PARKING GARAGE

- LEGEND:**
- POICETS UNIT BOUNDARIES
 - POICETS COMMON ELEMENTS
 - POICETS LIMITED COMMON ELEMENTS
 - POICETS STORAGE
 - POICETS BALCONY
 - POICETS SEAWALL LEVEL ELEVATION
 - POICETS TRUCK
 - POICETS ELEVATOR
 - C.E.
 - L.C.E.
 - STOA
 - B.A.C.
 - M.S. CLTY.
 - T.P.
 - CLTY

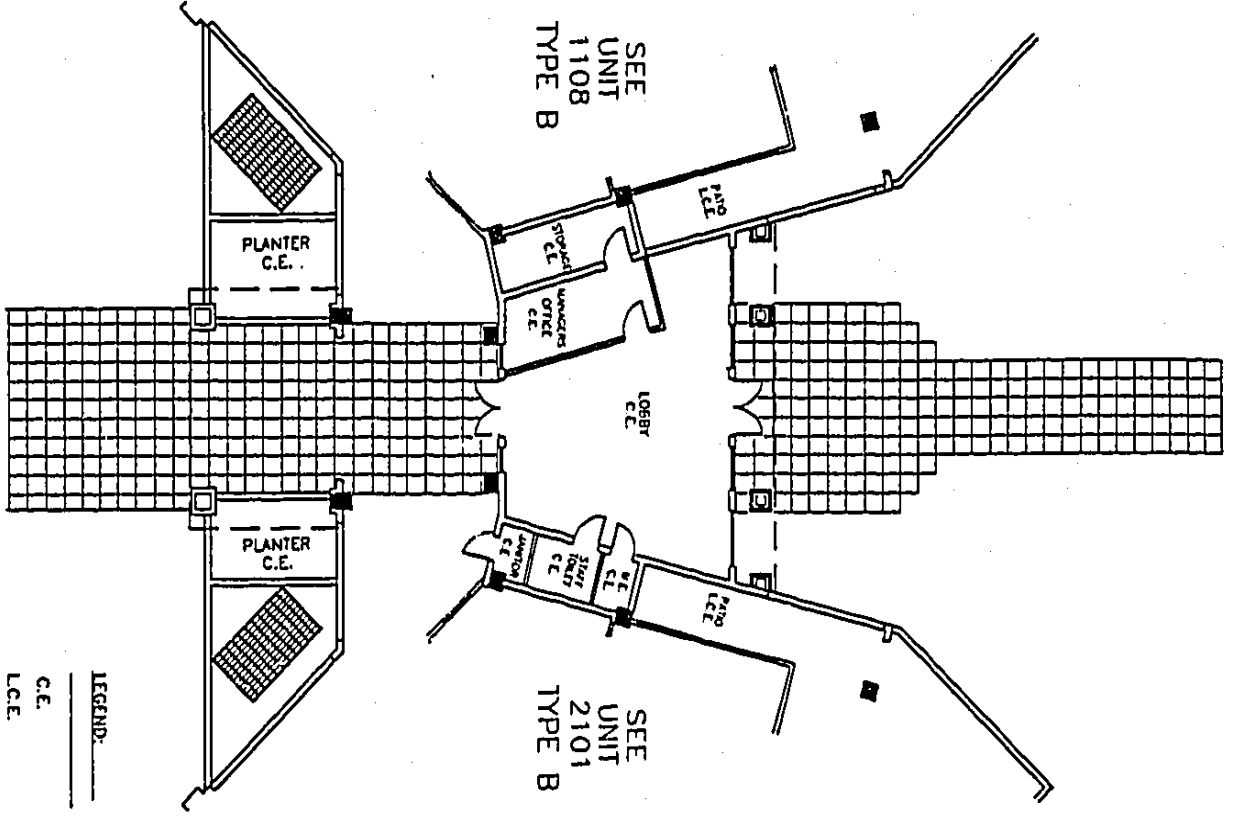
- NOTES**
1. ALL EXTERIOR WALLS ARE 0.5" THICK UNLESS OTHERWISE NOTED.
 2. ELEVATIONS (W/PT. DESIGNATED) SHOWN IN FEET ARE BASED UPON ROOM 50.0 LEVEL ELEVATION.
 3. THE SECTIONS SET FORTH IN THE DECLARATION ARE RECOMMENDED MINOR.

- EXPLANATION OF COMMON ELEMENTS**
1. ALL LAND AND ALL PORTIONS OF CONDOMINIUM PROJECT NOT WITHIN AND PART OF UNITS OR PARTS OF THE COMMON ELEMENTS.
 2. ALL REVENUE SHALL BE FOR MAINTENANCE OF SAID COMMON ELEMENTS LOCATED WITHIN A UNIT CONSTITUTE PARTS OF THE COMMON ELEMENTS.
 3. ALL CONVEYS AND WINGS TO OUTLET. ALL OTHER UNITS LIES TO OUTLET AND ALL CONVEYS PARTS OF THE COMMON ELEMENTS.
 4. COMMON ELEMENTS ARE SUBJECT TO CERTAIN INCLUDING RIGHTS AND INTERESTS TO PUBLIC WAYS.

MINIMUM UPPER LIMITS OF UNIT 27.35' MSL. ELEV.
MINIMUM LOWER LIMITS OF UNIT 18.00 MSL. ELEV.



1" = 30 FEET



MIDDLE SECTION

- LEGEND:
- INDICATES UNIT BOUNDARIES
 - C.E. INDICATES COMMON ELEMENTS
 - L.C.E. INDICATES UNITED COMMON ELEMENTS
 - STOR. INDICATES STORAGE
 - BALCON. INDICATES BALCONY
 - MSL ELEV. INDICATES MEAN SEA LEVEL ELEVATION
 - TRP. INDICATES TYPICAL
 - ELEV. INDICATES ELEVATION



NOTES

1. ALL EXTERIOR WALLS ARE 0.5' THICK UNLESS OTHERWISE NOTED.
2. ELEVATIONS (WHERE DESIGNATED) SHOWN IN FEET ARE BASED UPON MEAN SEA LEVEL ELEVATION.
3. THE DEFINITIONS SET FORTH IN THE DECLARATION ARE INCORPORATED HEREIN.

DESCRIPTION OF COMMON ELEMENTS

1. ALL LAND AND ALL PORTIONS OF CONDOMINIUM PROPERTY NOT WITHIN ANY UNIT OR UNITS ARE PARTS OF THE COMMON ELEMENTS.
2. ALL BEARING WALLS TO THE UNFINISHED SURFACE OF SAID WALLS LOCATED WITHIN A UNIT CONSTITUTE PARTS OF THE COMMON ELEMENTS.
3. ALL CONDUITS AND WRES TO OUTLETS, ALL OTHER UTILITY LINES TO OUTLETS AND ALL WASTE PIPES, REGARDLESS OF LOCATIONS CONSTITUTE PARTS OF THE COMMON ELEMENTS.
4. COMMON ELEMENTS ARE SUBJECT TO CERTAIN EASEMENTS SET FORTH IN THE DECLARATION INCLUDING INGRESS AND EGRESS TO PUBLIC WAYS.

THE SURF CLUB CONDOMINIUM

FIRST FLOOR PLAN

MINIMUM UPPER LIMITS OF UNIT 27.33' MSL ELEV.
 MINIMUM LOWER LIMITS OF UNIT 18.00 MSL ELEV.

1" = 20 FEET

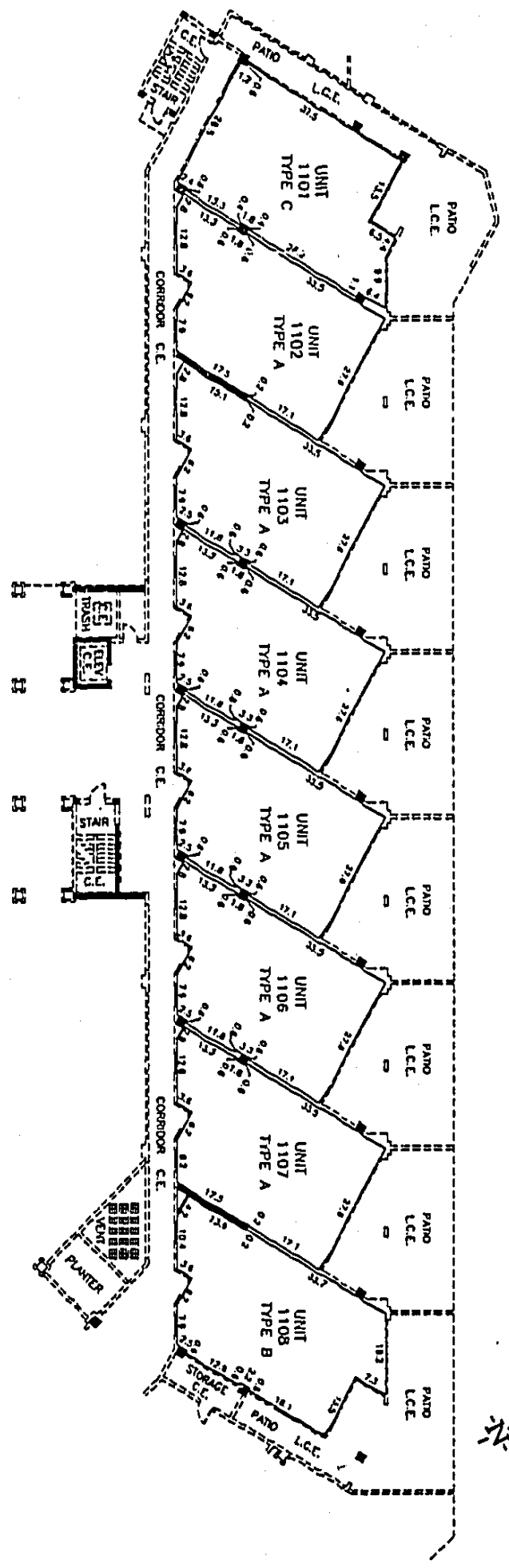
LEGEND:

UNIT	RESIDENTIAL UNIT
C.C.	COMMON ELEMENTS
L.C.E.	LIMITED COMMON ELEMENTS
STOR.	STORAGE
P.A.C.	PANTRY AREA
W.S. ELEV.	WATER SUPPLY ELEVATION
W.P.	WATER PUMP
LEV.	ELEVATION

- NOTES:
1. ALL OTHER WALLS ARE 0.5" THICK UNLESS OTHERWISE NOTED.
 2. ELEVATIONS (WHERE DESIGNATED) SHOWN IN FEET ARE BASED UPON MEAN SEA LEVEL ELEVATION.
 3. THE ELEVATIONS SET FORTH IN THE SCHEDULE ARE INCORPORATED HEREIN.

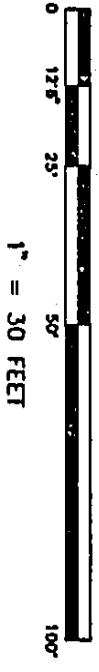
- EXCEPTIONS TO COMMON ELEMENTS:
1. ALL LAND AND ALL PORTIONS OF CONDOMINIUM PROPERTY NOT SHOWN ARE PART OF UNIT OR PARTS OF THE COMMON ELEMENTS.
 2. ALL REAR WALLS TO BE UNFINISHED. FINISHES OF SAID WALLS LOCATED WITHIN A UNIT CONSTITUTE PARTS OF THE COMMON ELEMENTS.
 3. ALL CORNERS AND SIDES TO OUTLETS, ALL OTHER UNIT LIMITS TO OUTLETS AND ALL CORNER PARTS OF THE COMMON ELEMENTS, COMMON ELEMENTS ARE SUBJECT TO CERTAIN POLYMER WALLS AND LISTS TO PUBLIC USE.

NORTH
WING



THE SURF CLUB CONDOMINIUM
FIRST FLOOR PLAN

MINIMUM UPPER LIMITS OF UNIT 27.35' W.S. ELEV.
MINIMUM LOWER LIMITS OF UNIT 18.00' W.S. ELEV.



LEGEND:

C.E.	POSSIBLE UNIT BOUNDARIES
L.C.E.	POSSIBLE COMMON ELEMENTS
STAIR	POSSIBLE STAIRS COMMON ELEMENTS
B.A.C.	POSSIBLE BALCONY
M.E. ELEV.	POSSIBLE MEAN SEA LEVEL ELEVATION
TR.	POSSIBLE TRUCK
CLV	POSSIBLE CLIMATE

- NOTES
1. ALL EXTERIOR WALLS ARE 03" THICK UNLESS OTHERWISE NOTED.
 2. ELEVATIONS (WHERE SPECIFIED) SHOWN IN THIS SET ARE BASED UPON MEAN SEA LEVEL ELEVATION.
 3. THE DIMENSIONS SET FORTH IN THE REVISIONS ARE INCORPORATED HEREIN.

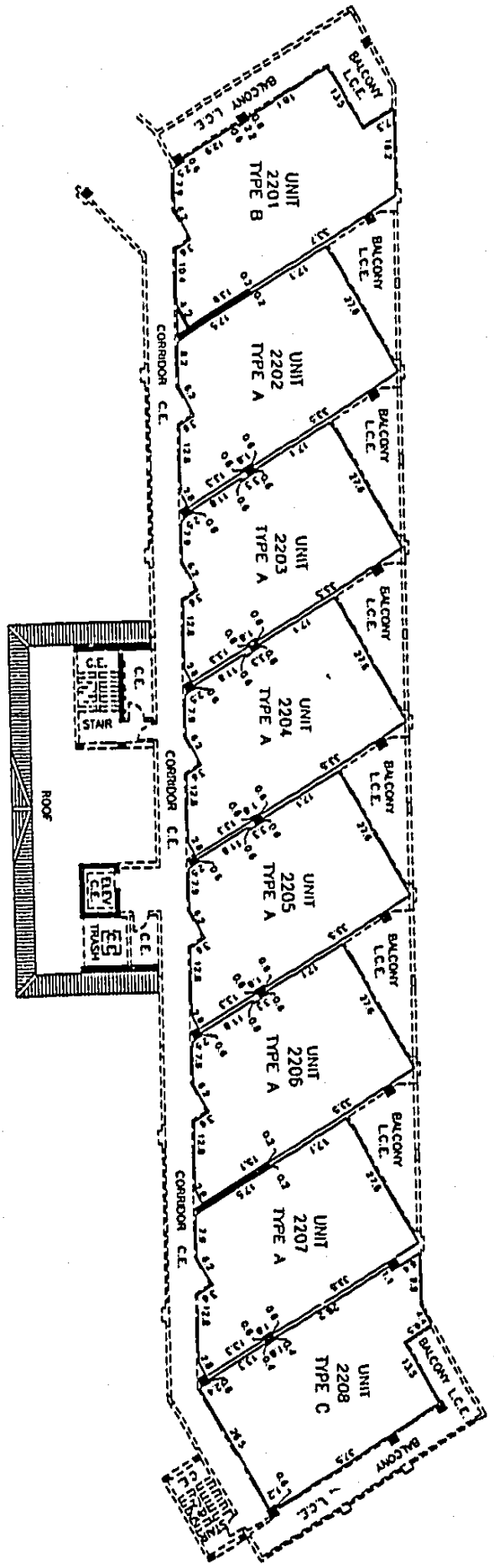
- EXPLANATION OF COMMON ELEMENTS
1. ALL LAND AND ALL PORTIONS OF COMMON ELEMENTS NOT WITHIN ANY UNIT OR UNITS ARE PARTS OF THE COMMON ELEMENTS.
 2. ALL EXTERIOR WALLS TO THE UNITS-SHED SURFACE OF LAND SHALL BE LOCATED WITHIN A UNIT EXCEPT WHERE SHOWN OTHERWISE.
 3. ALL COMMON AREAS SHALL BE OPEN TO ALL UNITS UNLESS OTHERWISE SPECIFIED. ALL COMMON ELEMENTS OF THE COMMON ELEMENTS EXCEPT WHERE SHOWN OTHERWISE SHALL BE SUBJECT TO COMMON USE AND ACCESS TO PUBLIC AREAS.
 4. COMMON ELEMENTS ARE SUBJECT TO COMMON USE AND ACCESS TO PUBLIC AREAS.

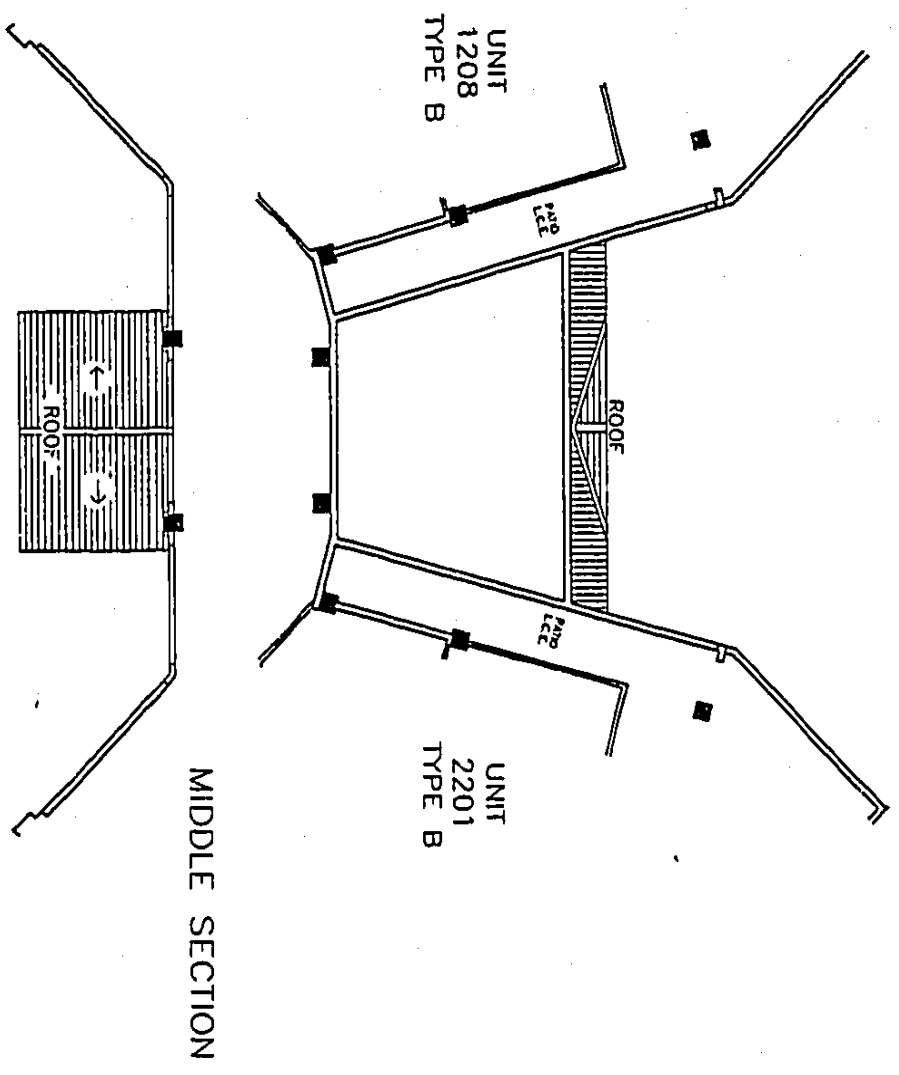
SOUTH WING

THE SURF CLUB CONDOMINIUM

SECOND FLOOR PLAN

UNITS: UPPER UNITS OF UNIT 2201 WSL. ELEV. UNITS: LOWER UNITS OF UNIT 2200 WSL. ELEV.





- LEGEND:**
- INDICATES UNIT BOUNDARIES
 - C.E. INDICATES COMMON ELEMENTS
 - L.C.E. INDICATES UNITED COMMON ELEMENTS
 - STOR. INDICATES STORAGE
 - BALC. INDICATES BALCONY
 - MSL ELEV. INDICATES MEAN SEA LEVEL ELEVATION
 - TYP. INDICATES TYPICAL
 - ELEV. INDICATES ELEVATOR



NOTES

1. ALL EXTERIOR WALLS ARE 0.5" THICK UNLESS OTHERWISE NOTED.
2. ELEVATIONS (WHERE DESIGNATED) SHOWN IN FEET ARE BASED UPON MEAN SEA LEVEL ELEVATION.
3. THE DEFINITIONS SET FORTH IN THE DECLARATION ARE INCORPORATED HEREIN.

DESCRIPTION OF COMMON ELEMENTS

1. ALL LAND AND ALL PORTIONS OF CONDOMINIUM PROPERTY NOT WITHIN ANY UNIT OR UNITS ARE PARTS OF THE COMMON ELEMENTS.
2. ALL BEARING WALLS TO THE UNFINISHED SURFACE OF SAID WALLS LOCATED WITHIN A UNIT CONSTITUTE PARTS OF THE COMMON ELEMENTS.
3. ALL CONDUITS AND WIRES TO OUTLETS, ALL OTHER UTILITY LINES TO OUTLETS AND ALL WASTE PIPES REGARDLESS OF LOCATIONS CONSTITUTE PARTS OF THE COMMON ELEMENTS.
4. COMMON ELEMENTS ARE SUBJECT TO CERTAIN EASEMENTS SET FORTH IN THE DECLARATION INCLUDING INGRESS AND EGRESS TO PUBLIC WAYS.

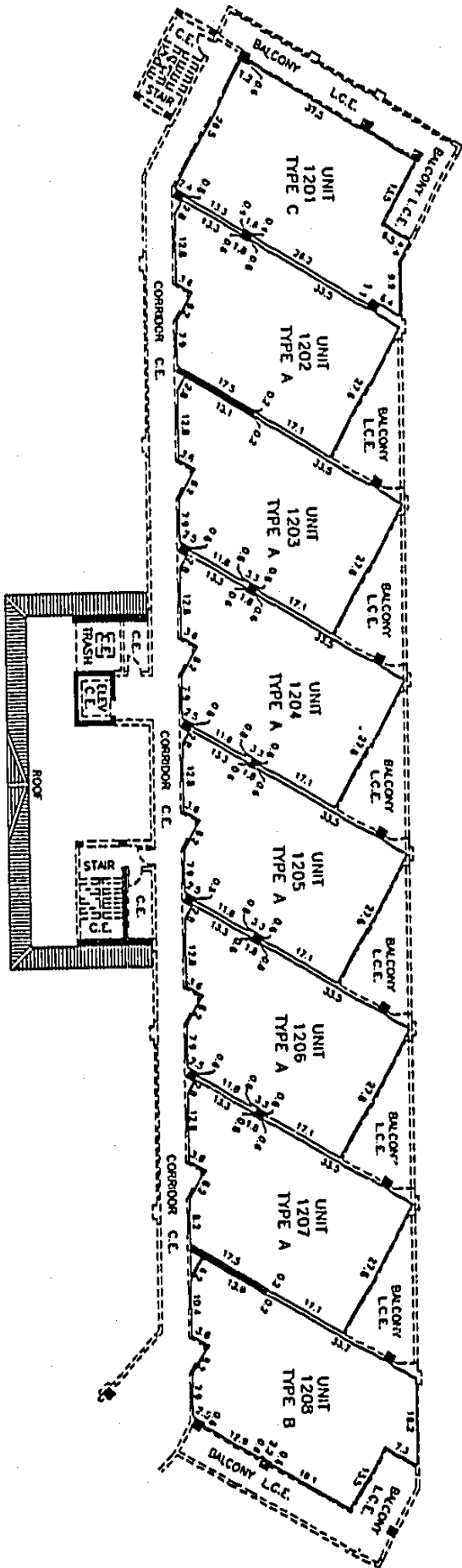
THE SURF CLUB CONDOMINIUM

SECOND FLOOR PLAN

MINIMUM UPPER LIMITS OF UNIT 37.33' MSL ELEV.
 MINIMUM LOWER LIMITS OF UNIT 28.00 MSL ELEV.

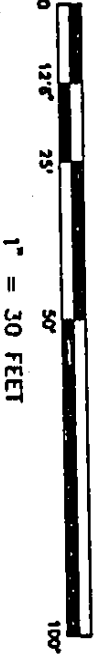
1" = 20 FEET

NORTH
WING



THE SURF CLUB CONDOMINIUM
SECOND FLOOR PLAN

MINIMUM UPPER LIMITS OF UNIT 37.53' WSL ELEV.
MINIMUM LOWER LIMITS OF UNIT 28.00' WSL ELEV.

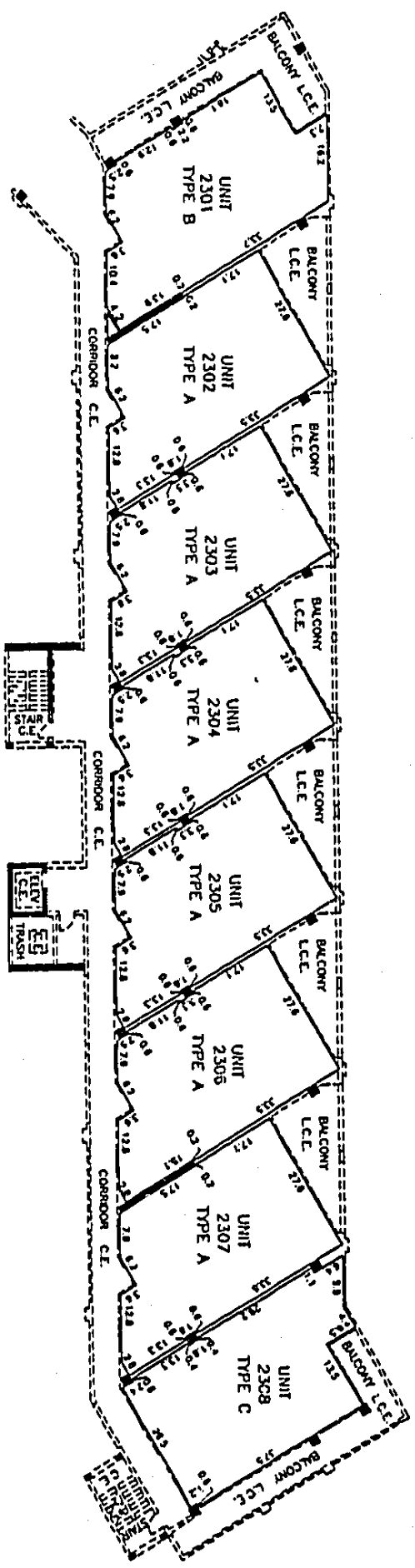


- LEGEND**
- C.E. POICANTS UNIT BOUNDARIES
 - L.C.E. POICANTS COMMON ELEMENTS
 - STOR. POICANTS LAMINATED GLASS ELEVATORS
 - BAL.C. POICANTS STORAGE
 - W.S. ELEV. POICANTS BALCONY
 - TRASH POICANTS WASH ROOM SEA LEVEL ELEVATION
 - ELEV. POICANTS TRASH
 - POICANTS ELEVATOR

- NOTES**
1. ALL EXTERIOR WALLS ARE 8.5" THICK UNLESS OTHERWISE NOTED.
 2. ELEVATORS (NOT RECORDED) SHOWN IN FITS ARE BASED UPON WASH ROOM SEA LEVEL ELEVATION.
 3. THE DEPTHS ARE TO CENTERLINE OF THE RELEVATION ARE RECORDED HEREIN.

- DEFINITION OF COMMON ELEMENTS**
1. ALL LUNG AND ALL PORTIONS OF COMMON ELEMENTS ARE PARTS OF THE COMMON ELEMENTS.
 2. ALL PLUMBING WALLS TO BE INTERFERED WITH BY ANY UNIT SHALL BE COMMON ELEMENTS.
 3. ALL CORRIDORS AND WINGS TO OUTLETS, ALL ROOF AREAS, ALL STAIRS, ALL ELEVATORS, ALL BALCONY AREAS, ALL TRASH AREAS, ALL WASH ROOMS, ALL ELEVATOR SHAFTS AND LIFTS TO PUBLIC AREAS.

SOUTH
WING



LEGEND:

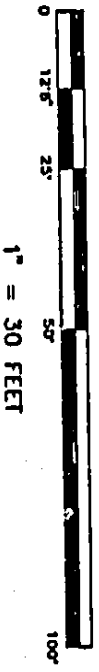
C.E.	POSSIBLE UNIT BOUNDARIES
L.C.E.	POSSIBLE COMMON ELEMENTS
STAIR	POSSIBLE VERTICAL COMMON ELEMENTS
B.A.C.	POSSIBLE BALCONY
W.R. ELEV.	POSSIBLE WORK AREA LEVEL ELEVATION
ELEV.	POSSIBLE ELEVATOR

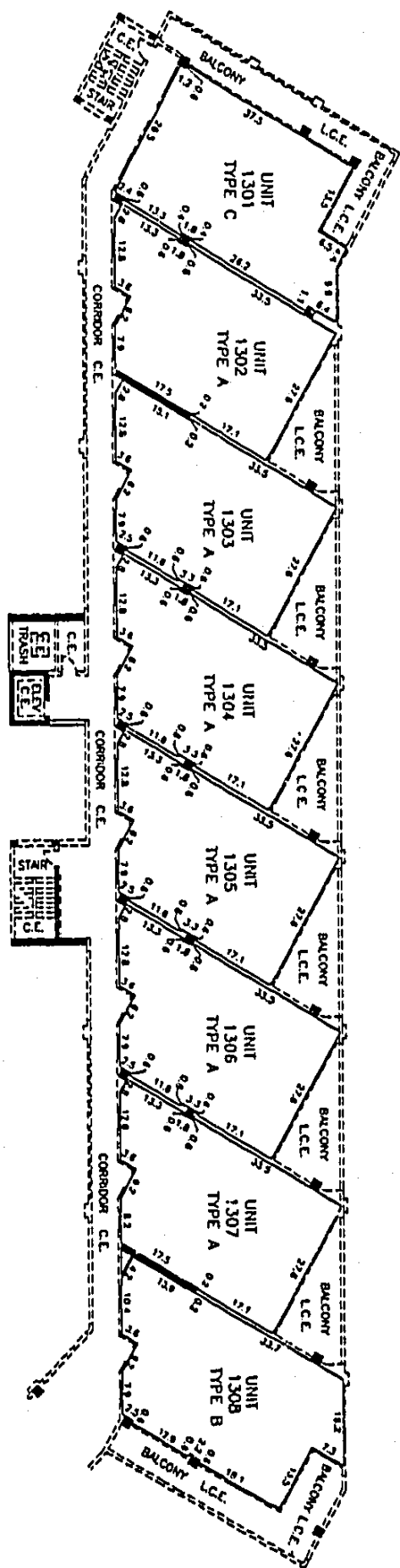
- NOTES
1. ALL EXTERIOR WALLS ARE 0.5" THICK UNLESS OTHERWISE NOTED.
 2. ELEVATIONS (PREF. DISCOUNT) SHOWN IN FEET ARE BASED UPON MEAN SEA LEVEL ELEVATION.
 3. THE DIMENSIONS SET FORTH IN THE SCHEDULE ARE APPROXIMATE MEASUREMENTS.

- DESCRIPTION OF COMMON ELEMENTS
1. ALL LAND AND AIR RIGHTS OF CONVEYANCE ARE PARTS OF THE COMMON ELEMENTS.
 2. ALL ROOFS SHALL BE THE COMMON ELEMENTS.
 3. ALL CORRIDORS AND WINGS TO UNITS, ALL OTHER UNIT AREAS TO UNITS AND ALL WASTE PIPES, REFRIGERATORS OF UNITS, CONDENSING PANS OF THE COMMON ELEMENTS.
 4. COMMON ELEMENTS ARE SUBJECT TO CERTAIN COVENANTS SET FORTH IN THE PLAN AND SCHEDULE HEREIN AND SHALL BE SUBJECT TO THE SAME.

THE SURF CLUB CONDOMINIUM
THIRD FLOOR PLAN

UNITS: UPPER UNITS OF UNIT 4733 W.R. ELEV.
UNITS: LOWER UNITS OF UNIT 2800 W.R. ELEV.



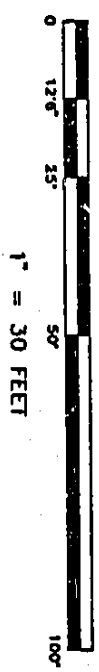


NORTH
WING

THE SURF CLUB CONDOMINIUM

THIRD FLOOR PLAN

UPPER UNIT LIMITS OF UNIT 47.37' WSL ELEV.
LOWER UNIT LIMITS OF UNIT 38.00' WSL ELEV.

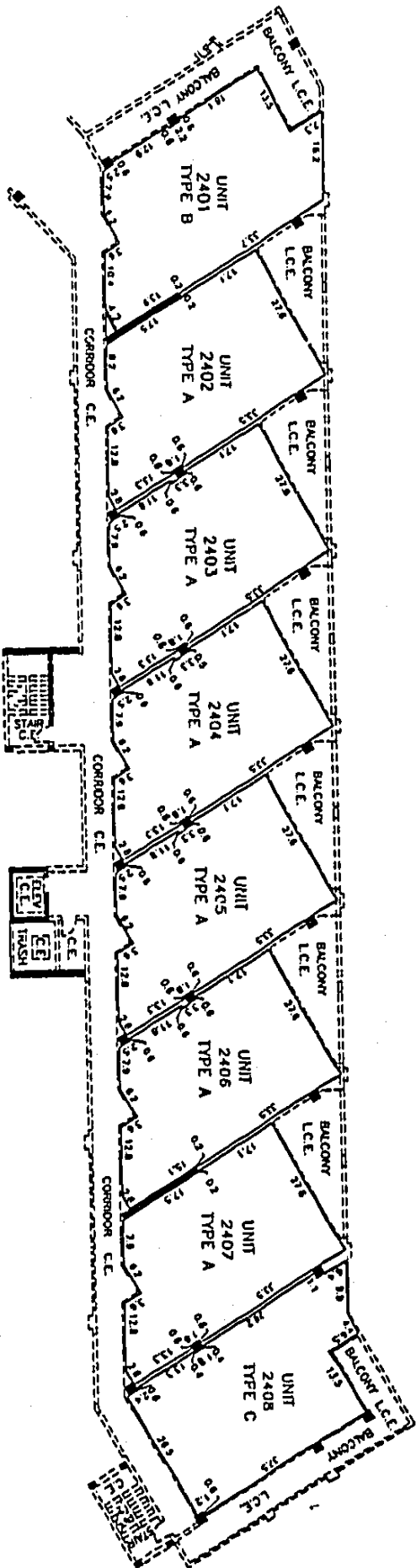


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REC

- LEGEND:
- HOCAIES UNIT BOUNDARIES
 - HOCAIES COMMON ELEMENTS
 - HOCAIES LIMITED COMMON ELEMENTS
 - HOCAIES STORAGE
 - HOCAIES TRUCK
 - HOCAIES ELEVATOR

- NOTES:
1. ALL LINDON WALLS ARE 0.5" THICK UNLESS OTHERWISE NOTED.
 2. ELEVATIONS (WHERE DISCREPANCY) SHOWN IN THIS PLAN SHALL BE ON W.M. SEA LEVEL ELEVATION.
 3. THE DIMENSIONS SET FORTH IN THE DESCRIPTION ARE REPRESENTATIVE.
- DESCRIPTION OF COMMON ELEMENTS:
1. ALL LAND AND ALL PORTIONS OF CONDOMINIUM PROPERTY NOT SET FORTH AS UNIT LIMITS OR PARTS OF THE COMMON ELEMENTS.
 2. ALL BEARING WALLS TO THE UNITS ARE PART OF THE COMMON ELEMENTS.
 3. ALL CORRIDORS AND STAIRS TO UNITS, ALL OTHER UNIT LINES TO UNITS AND ALL MAINT. PANELS, RELOCATORS OF UNITS AND COORDINATE PARTS OF THE COMMON ELEMENTS.
 4. COMMON ELEMENTS ARE SUBJECT TO CERTAIN LIMITATIONS SET FORTH IN THE PLAN AND THE DEEDS AND DECLARATIONS TO WHICH THIS PLAN IS REFERRED.

SOUTH
WING



THE SURF CLUB CONDOMINIUM

FOURTH FLOOR PLAN

MINIMUM UPPER LIMITS OF UNIT 57.53' MSL ELEV.
MINIMUM LOWER LIMITS OF UNIT 48.00' MSL ELEV.

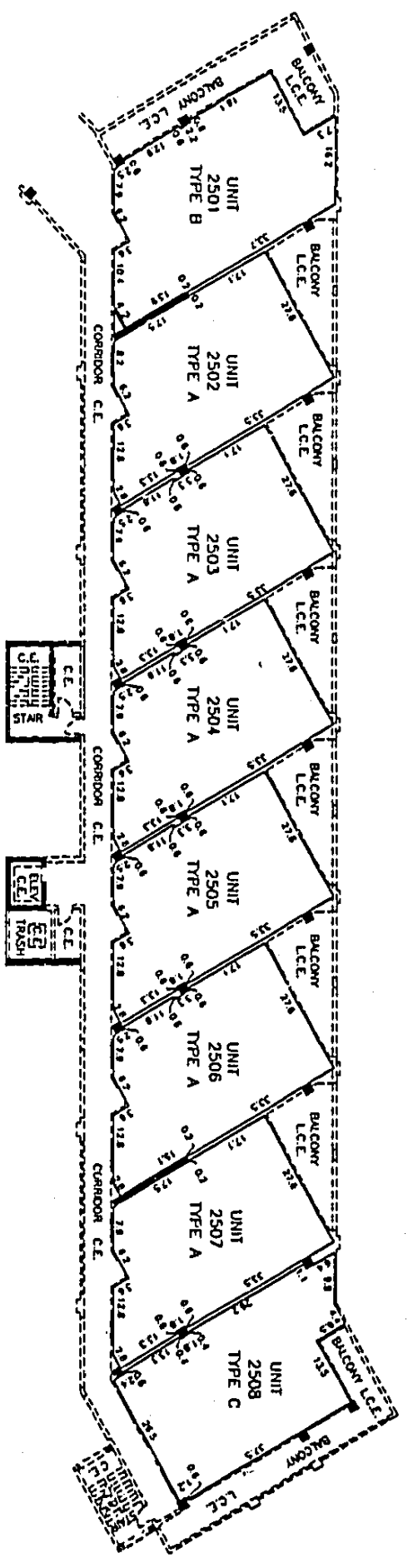


SHEET 14 OF 22

- LEGEND**
- C.E. INDICATES UNIT BOUNDARIES
 - L.C.E. INDICATES COMMON ELEMENTS
 - SLOA. INDICATES LIMITED COMMON ELEMENTS
 - BALC. INDICATES BALCONY
 - TR. INDICATES TRASH
 - REST. INDICATES RESTROOM

- NOTES**
1. ALL EXTERIOR WALLS ARE 6.5" THICK UNLESS OTHERWISE NOTED.
 2. ALL WINDOWS (EXCEPT DISCOUNTED) SHOWN IN THIS PLAN ARE BASED UPON SEASIDE LOCAL ELEVATION. DIMENSIONS ARE RECORDED HEREIN.

- DESCRIPTION OF COMMON ELEMENTS**
1. ALL LAND AND ALL PORTIONS OF CONDOMINIUM PROPERTY NOT SHOWN AS COMMON ELEMENTS ARE PARTS OF THE COMMON ELEMENTS.
 2. ALL WALLS SALES TO THE UNITS ARE SHOWN AS PARTS OF THE COMMON ELEMENTS.
 3. ALL CORNERS AND WALLS TO OUTLETS, ALL GROUND UNITS LINES TO OUTLETS AND ALL WASTE PIPES, REFRIGERATORS OF UNITS ARE SHOWN AS PARTS OF THE COMMON ELEMENTS.
 4. COMMON ELEMENTS ARE SHOWN IN THIS PLAN AS SHOWN IN THE PLAN AND INCLUDE ROOFS AND CEILING TO PUBLIC AREAS.



SOUTH WING

THE SURF CLUB CONDOMINIUM

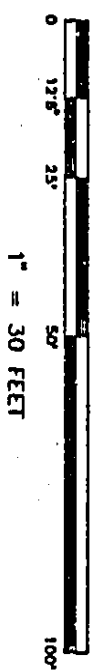
FIFTH FLOOR PLAN

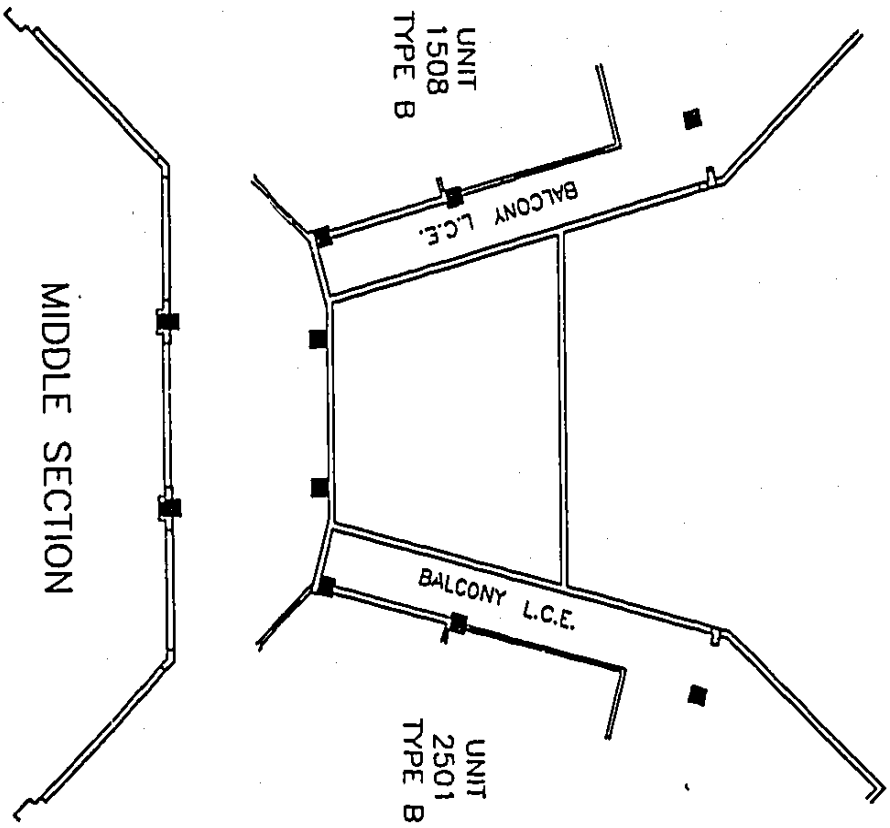
MINIMUM UPPER LIMITS OF UNIT 87.33' WSL. ELEV.
 MINIMUM LOWER LIMITS OF UNIT 58.00' WSL. ELEV.

- LEGEND:**
- C.E. HOISTING UNIT BOUNDARIES
 - L.C.E. HOISTING COMMON ELEMENTS
 - STOR. HOISTING LIMITED COMMON ELEMENTS
 - BALC. HOISTING BALCONY
 - W.S.L. ELEV. HOISTING MEAN SEA LEVEL ELEVATION
 - TRF. HOISTING TRAFFIC
 - CLV. HOISTING ELEVATOR

- NOTES:**
1. ALL EXISTING WALLS ARE 6.5" THICK UNLESS OTHERWISE NOTED.
 2. CONCRETE (GRADE DESIGNATED) Slab, IN FLOOR AND BASED UPON MEAN SEA LEVEL ELEVATION.
 3. THE DIMENSIONS SET FORTH IN THE EXPLANATION ARE APPROXIMATE MEASUREMENTS.

- REVISIONS OF COMMON ELEMENTS:**
1. ALL UNITS AND ALL PORTIONS OF COMMON ELEMENTS ARE TO BE CONVEYED TO THE BUYER AS PARTS OF THE COMMON ELEMENTS.
 2. ALL EXISTING WALLS TO BE REMOVED SUBJECT TO THE REQUIREMENTS OF THE APPLICABLE CODES AND ALL CONCRETE PARTS OF THE COMMON ELEMENTS.
 3. ALL COUNTRIES AND WAYS TO OUTLETS, ALL OTHER UNITS, MECHANICAL OR ELECTRICAL EQUIPMENT, PARTS OF THE COMMON ELEMENTS, AND ALL PARTS OF THE COMMON ELEMENTS ARE TO BE REMOVED AND RECONSTRUCTED AS SHOWN ON THESE PLANS AND TO BE SUBJECT TO THE APPLICABLE CODES AND ALL CONCRETE PARTS OF THE COMMON ELEMENTS.





- LEGEND:
- INDICATES UNIT BOUNDARIES
 - C.E. INDICATES COMMON ELEMENTS
 - L.C.E. INDICATES UNITED COMMON ELEMENTS
 - STOR. INDICATES STORAGE
 - BALC. INDICATES BALCONY
 - MSL ELEV. INDICATES MEAN SEA LEVEL ELEVATION
 - TYP. INDICATES TYPICAL
 - ELEV. INDICATES ELEVATION



NOTES

1. ALL EXTERIOR WALLS ARE 0.5" THICK UNLESS OTHERWISE NOTED.
2. ELEVATIONS (WHERE DESIGNATED) SHOWN IN FEET ARE BASED UPON MEAN SEA LEVEL ELEVATION.
3. THE DEPARTMENTS SET FORTH IN THE DECLARATION ARE INCORPORATED HEREIN.

DESCRIPTION OF COMMON ELEMENTS

1. ALL LAID AND ALL PORTIONS OF CONDOMINIUM PROPERTY NOT WITHIN ANY UNIT OR UNITS ARE PARTS OF THE COMMON ELEMENTS.
2. ALL BEARING WALLS TO THE UNFINISHED SURFACE OF SAID WALLS LOCATED WITHIN A UNIT CONSTITUTE PARTS OF THE COMMON ELEMENTS.
3. ALL CONDUITS AND WIRES TO OUTLETS, ALL OTHER UTILITY LINES TO OUTLETS AND ALL WASTE PIPES, REGARDLESS OF LOCATIONS, CONSTITUTE PARTS OF THE COMMON ELEMENTS.
4. COMMON ELEMENTS ARE SUBJECT TO CERTAIN EASEMENTS SET FORTH IN THE DECLARATION INCLUDING INGRESS AND EGRESS TO PUBLIC WAYS.

THE SURF CLUB CONDOMINIUM

FIFTH FLOOR PLAN

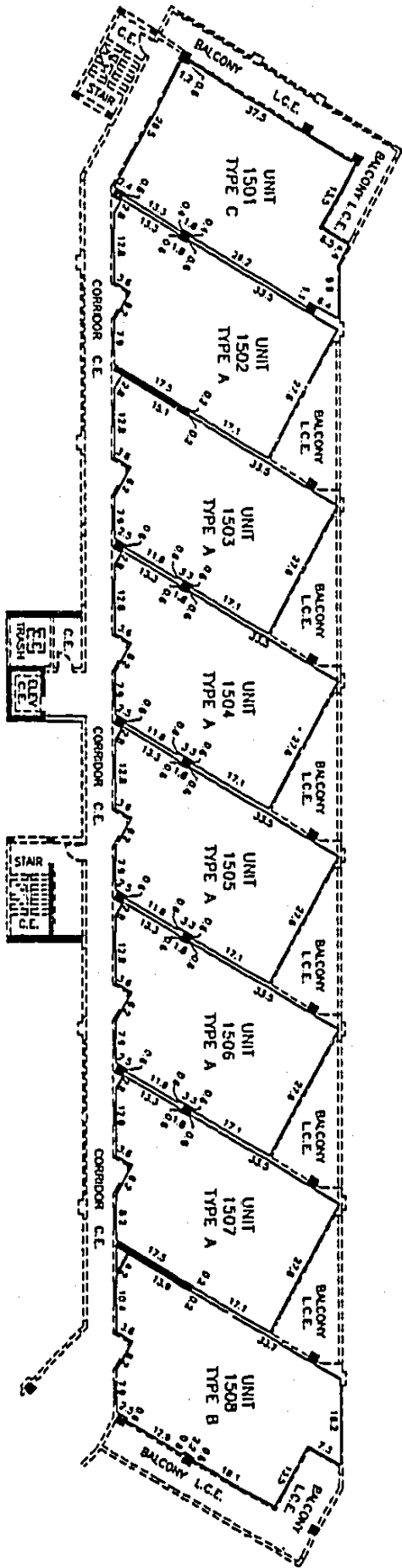
MINIMUM UPPER LIMITS OF UNIT 67.33' MSL ELEV.
 MINIMUM LOWER LIMITS OF UNIT 58.00 MSL ELEV.

1" = 20 FEET

LEGEND:
 C.E. HIGHLIGHTS UNIT BOUNDARIES
 L.C.E. HIGHLIGHTS COMMON ELEMENTS
 S.D. HIGHLIGHTS LIMITED COMMON ELEMENTS
 M.S. HIGHLIGHTS STAIRS
 M.S. ELEV. HIGHLIGHTS MEAN SEA LEVEL ELEVATION
 TYP. HIGHLIGHTS TRACKS
 L.E.V. HIGHLIGHTS ELEVATION

- NOTES
1. ALL EXTERIOR WALLS ARE 0.5" THICK UNLESS OTHERWISE NOTED.
 2. ELEVATIONS (AS THE DESIGNATED) SHOWN IN THIS PLAN ARE BASED UPON MEAN SEA LEVEL ELEVATION.
 3. THE DIMENSIONS SET FORTH IN THE EXPLANATION ARE RECOMMENDED MINIMUM.

NORTH
 WING



DESCRIPTION OF COMMON ELEMENTS

1. ALL LAND AND ALL PORTIONS OF CONDOMINIUM PROPERTY NOT WITHIN ANY UNIT OR UNIT ARE PARTS OF THE COMMON ELEMENTS.
2. ALL BALCONY WALLS TO THE UNIMPROVED SURFACE OF SAND WALLS LOCATED WITHIN COMMON ELEMENTS ARE PARTS OF THE COMMON ELEMENTS.
3. ALL STAIRS AND WALKS TO OUTLETS, ALL OTHER UTILITY LINES TO OUTLETS AND ALL WASTE PIPES, RECYCLERS OR LOCATIONS CONSTITUTE PARTS OF THE COMMON ELEMENTS.
4. COMMON ELEMENTS ARE SUBJECT TO CLAIMS AND RIGHTS IN FAVOR OF THE RELEVANT PARTY AND ARE SUBJECT TO THE RELEVANT LAW.

THE SURF CLUB CONDOMINIUM

FIFTH FLOOR PLAN

MINIMUM UPPER LIMITS OF UNIT 67.33' M.S. ELEV.
 MINIMUM LOWER LIMITS OF UNIT 64.00' M.S. ELEV.

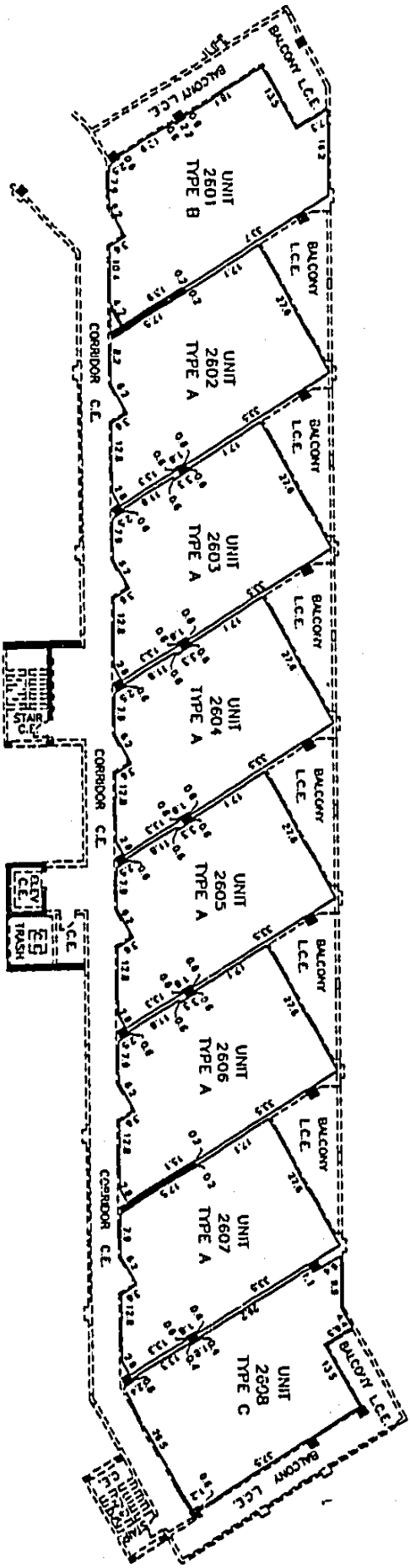


- LEGEND:**
- C.E. LOCATES UNIT BOUNDARIES
 - L.C.E. LOCATES COMMON ELEMENTS
 - TYPE LOCATES UNIT COMMON ELEMENTS
 - B.M.C. LOCATES BALCONY
 - MSL ELEV. LOCATES MEAN SEA LEVEL ELEVATION
 - TRASH LOCATES TRASH
 - UNIT LOCATES UNIT

- NOTES:**
1. ALL OUTLINE WALLS ARE 6.5" THICK UNLESS OTHERWISE NOTED.
 2. ELEVATION 3 (MEAN DEPARTMENT) SHOWN IN RED ARE MEASUREMENT FROM SEA LEVEL ELEVATION.
 3. THE ELEVATIONS SET FORTH IN THE DECLARATION ARE RECORDED HEREON.

- DESCRIPTION OF COMMON ELEMENTS:**
1. ALL LINES AND ALL PORTIONS OF CONDOMINIUM ARE PARTS OF THE UNIT ON WHICH THEY ARE SHOWN.
 2. ALL EXTERIOR WALLS TO BE CONSIDERED PARTS OF THE COMMON ELEMENTS.
 3. ALL CORNERS AND ANGLES TO BE PLUMB. ALL OTHER UNIT LINES TO BE PLUMB. ALL COMMON ELEMENTS TO BE PLUMB. ALL COMMON ELEMENTS ARE SHOWN TO CERTAIN ELEVATIONS SET FORTH IN THE DECLARATION EXCEPT WHERE SHOWN OTHERWISE.

SOUTH WING



THE SURF CLUB CONDOMINIUM

SIXTH FLOOR PLAN

MINIMUM UPPER LIMITS OF UNIT 77.33' MSL ELEV.
MINIMUM LOWER LIMITS OF UNIT 68.00' MSL ELEV.

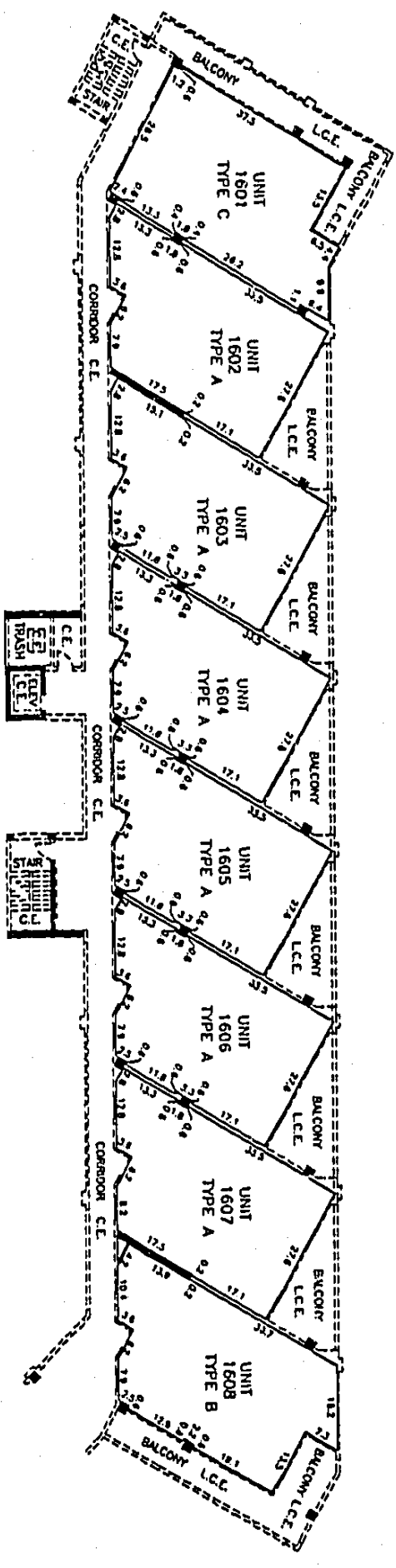


- LEGEND:
- UNIT ROOMS
 - COMMON ELEVATORS
 - COMMON STAIRS
 - COMMON BALCONY
 - COMMON TRUCK
 - COMMON ELEVATOR
 - UNIT ROOMS
 - COMMON ELEVATORS
 - COMMON STAIRS
 - COMMON BALCONY
 - COMMON TRUCK
 - COMMON ELEVATOR

- NOTES:
1. ALL DIMENSIONS ARE 0.5" THICK UNLESS SHOWN OTHERWISE.
 2. ELEVATIONS (WHERE REQUIRED) SHOWN IN FEET ARE BASED UPON MSL UNL ELEVATION. DIMENSIONS SET FORTH IN THE DECLARATION ARE INCORPORATED HEREIN.

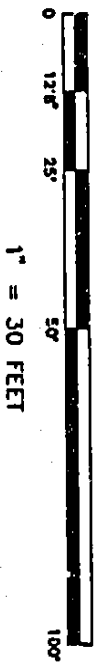
- DESCRIPTION OF COMMON ELEMENTS:
1. ALL LAND AND ALL PORTIONS OF COMMON PROPERTY NOT SHOWN AS UNIT OR PARTS OF THE COMMON ELEMENTS.
 2. ALL DIMENSIONS TO THE UNIMPROVED SURFACE OF LAND SHALL LOCATED WITHIN A UNIT CONSTITUTE PARTS OF THE COMMON ELEMENTS.
 3. ALL CORNERS AND LINES TO CORNERS, ALL OTHER RIGHTS AND INTERESTS IN ALL COMMON ELEMENTS AND PARTS OF THE COMMON ELEMENTS.
 4. COMMON ELEMENTS ARE SUBJECT TO OTHER RECORDS AND INSTRUMENTS WHICH MAY AFFECT THIS DECLARATION AND WHICH ARE ON RECORD IN PUBLIC OFFICE.

NORTH
WING



THE SURF CLUB CONDOMINIUM
SIXTH FLOOR PLAN

MINIMUM UPPER UNITS OF UNIT 77.33' MSL ELEV.
MINIMUM LOWER UNITS OF UNIT 68.00' MSL ELEV.

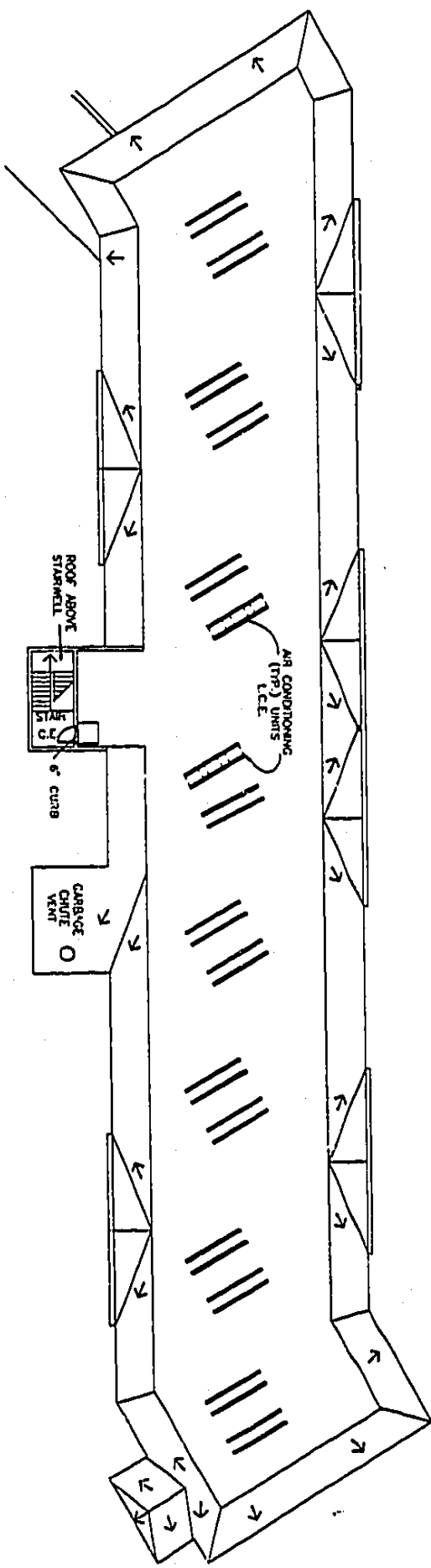


- LEGEND**
- LOCATES UNIT BOUNDARIES
 - LOCATES COMMON ELEMENTS
 - LOCATES LIMITED COMMON ELEMENTS
 - LOCATES STORAGE
 - LOCATES BALCONY
 - LOCATES BELOW SEA LEVEL ELEVATION
 - LOCATES TRUCK
 - LOCATES ELEVATOR

- NOTES**
1. ALL EXTERIOR WALLS ARE 6" THICK UNLESS OTHERWISE NOTED.
 2. DOWNPOUTS (WHERE DISCHARGED) SHOWN IN FIG. ARE SAID UNLESS FROM SEA LEVEL ELEVATION.
 3. THE DIMENSIONS SET FORTH IN THE DECLARATION ARE RECOMMENDED MINIMUM.

- DESCRIPTION OF COMMON ELEMENTS**
1. ALL LAND AND ALL PORTIONS OF CONDOMINIUM PROPERTY NOT SHOWN ANY UNIT OR UNITS ARE PARTS OF THE COMMON ELEMENTS.
 2. ALL EXTERIOR WALLS TO BE UNFINISHED EXCEPT FOR BALCONY FLOORS WITH FINISHED CONSTRUCTIVE PARTS OF THE COMMON ELEMENTS.
 3. ALL CORNERS AND ANGLES TO QUARTER. ALL GREAT CORNERS TO BE QUARTERED AND ALL WALLS TO BE FINISHED TO THE CENTERLINE OF LOCATIONS.
 4. COMMON ELEMENTS ARE SUBJECT TO CERTAIN RESERVATIONS SET FORTH IN THE DECLARATION AND TO THE RIGHTS AND INTERESTS OF THE HOUSING AGENCIES AND BANKS TO TAKE

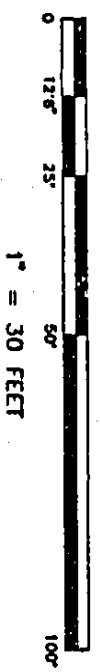
SOUTH
WING



THE SURF CLUB CONDOMINIUM

ROOF

MINIMUM LOWER LIMITS OF UNIT 78.00 MSL ELEV.



- LEGEND:**
- LOCATES UNIT BOUNDARIES
 - C.E. LOCATES COMMON ELEMENTS
 - L.C.E. LOCATES LIMITED COMMON ELEMENTS
 - SIOL LOCATES STORAGE
 - B.A.C. LOCATES BACKDRIP
 - MSL ELEV. LOCATES MEAN SEA LEVEL ELEVATION
 - TRP. LOCATES TYPICAL
 - ELEV. LOCATES ELEVATION

- NOTES:**
1. ALL EXTERIOR WALLS ARE 6" THICK UNLESS OTHERWISE NOTED.
 2. ELEVATIONS (WHERE SPECIFIED) SHOWN IN THIS PLAN ARE BASED UPON MEAN SEA LEVEL ELEVATION.
 3. THE DIMENSIONS SET FORTH IN THE DECLARATION ARE INDICATED HEREIN.

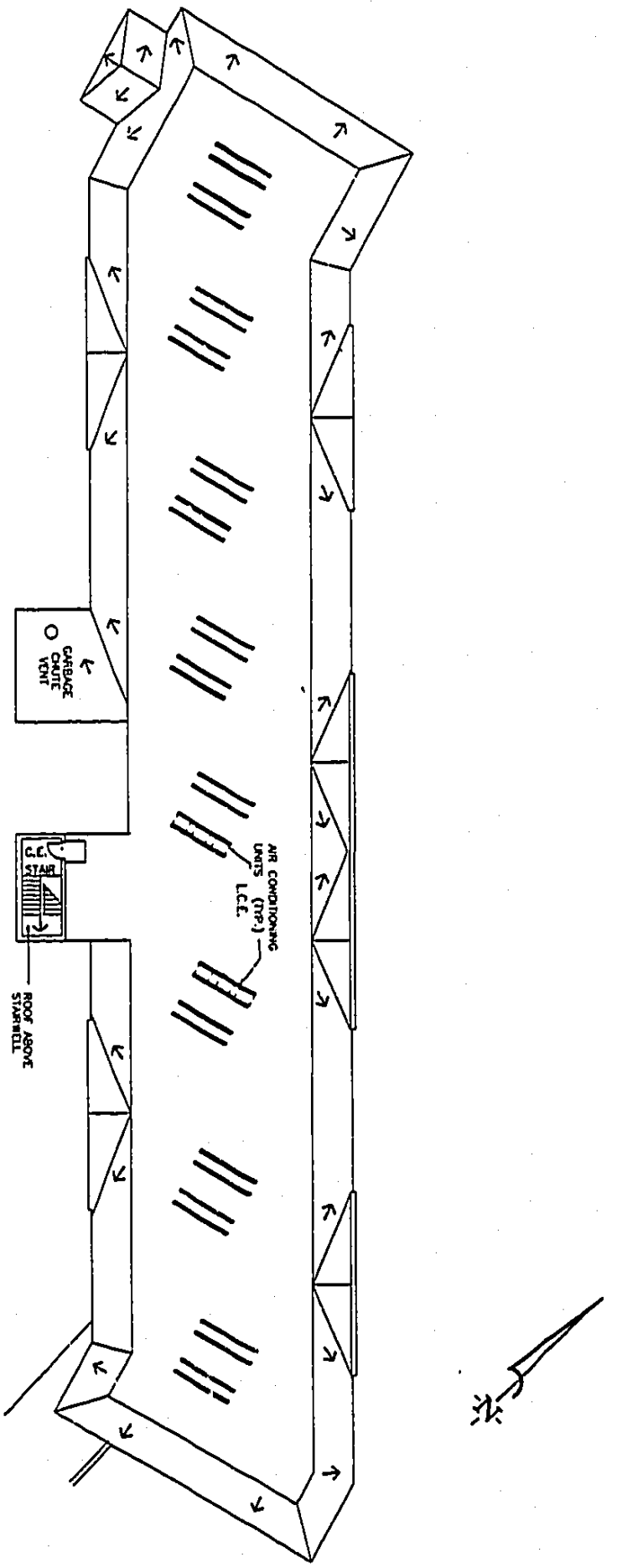
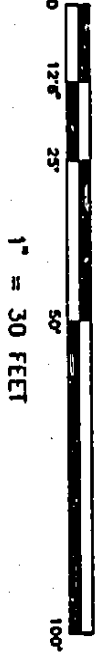
- DESCRIPTION OF COMMON ELEMENTS:**
1. ALL LAND AND ALL PORTIONS OF CONDOMINIUM PROPERTY NOT WITHIN ANY UNIT OR UNITS ARE PARTS OF THE COMMON ELEMENTS.
 2. ALL EXTERIOR WALLS TO THE UNITS ARE SUBJECT OF SAID WALLS LOCATED WITHIN THE COMMON ELEMENTS.
 3. ALL CORNERS AND VERTICES TO UNITS, ALL WALLS, FLOORS, ROOFS, CEILING, AND ALL OTHER PARTS OF THE COMMON ELEMENTS, EXCEPT THE PARTS OF THE COMMON ELEMENTS DESIGNATED SET FORTH IN THE DECLARATION, ARE PARTS OF THE COMMON ELEMENTS AND ACCESS TO PUBLIC AREAS.

NORTH
WING

THE SURF CLUB CONDOMINIUM

ROOF

MINIMUM LOWER LIMITS OF UNIT 76.00 MSL ELEV.



OFF 0474 PAGE 1199
REC

SURVEY
(SURVEY, PLOT PLAN AND GRAPHIC DEPICTION)

EXHIBIT "B-2"
TO
DECLARATION OF CONDOMINIUM
OF
THE SURF CLUB CONDOMINIUM

OFF 0474 PAGE 1200

STATE ROAD A-1-A (180' R.W.M.)

ATLANTIC OCEAN

EASEMENT FOR ACCESS OVER THIS COMMON ELEMENT ROADWAY AS PROVIDED IN ARTICLE 11 OF THE DECLARATION OF CONDOMINIUM OF THE SURF CLUB CONDOMINIUM.

BEACH CLUB (EXISTING) COMMON AREA (MATANZAS SHORES OWNERS ASSOCIATION)

EXISTING WOOD PLANK DUNE WALKOVER

EXISTING 6 STORY RESIDENTIAL BUILDING

PLEASE REFER TO EXHIBIT B-1 FOR GRAPHIC RENDERING AND SURVEY OF PHASE 1

EXISTING RECREATIONAL FACILITIES (SWIMMING POOL AND DECK)

SCRUB JAY HABITAT COMMON AREA (MATANZAS SHORES OWNERS ASSOCIATION)

SUBJECT TO PERMITTING BY FLORIDA DEPARTMENT OF NATURAL RESOURCES

PROPOSED 6 STORY RESIDENTIAL BUILDING

PROPOSED PHASE TWO

PROPOSED FUTURE DEVELOPMENT

EASEMENT FOR ACCESS OVER THIS COMMON ELEMENT ROADWAY AS PROVIDED IN ARTICLE 11 OF THE DECLARATION OF CONDOMINIUM OF THE SURF CLUB CONDOMINIUM.

PROPOSED FUTURE DEVELOPMENT



SCALE: 1" = 200 FEET

NOTE: ALL AREAS AND PROPOSED IMPROVEMENTS WITHIN CONDOMINIUM PROPERTY ARE COMMON ELEMENTS UNLESS OTHERWISE INDICATED.

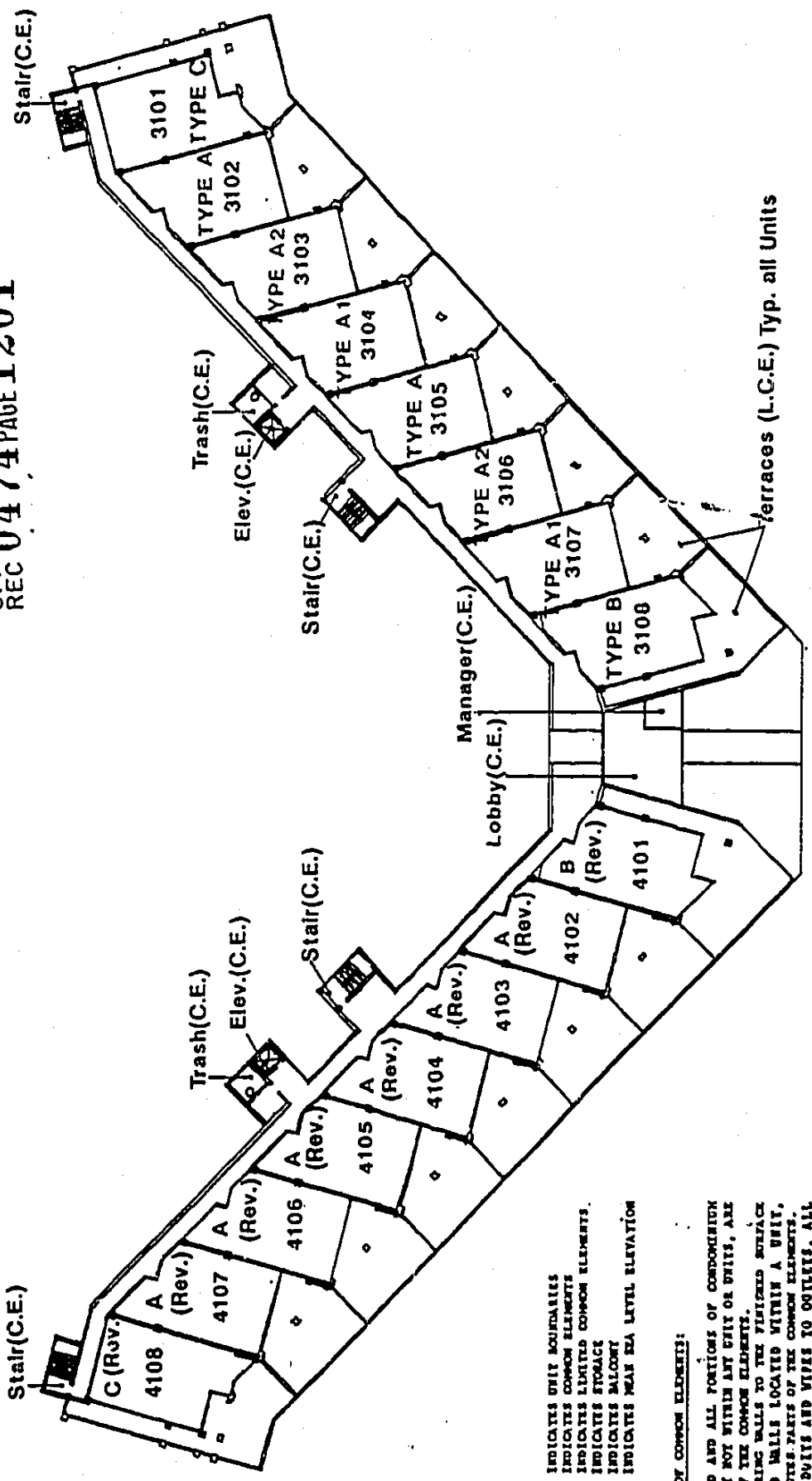
NOTE: ALL IMPROVEMENTS SHOWN ARE PROPOSED UNLESS OTHERWISE INDICATED

--- LIMITS OF CONDOMINIUM PROPERTY

GRAPHIC RENDERING OF THE SURF CLUB CONDOMINIUM PHASE 2

MATANZAS SHORES
PREPARED BY: ROBERT G. CUFF JR.
I.T.T. COMMUNITY DEVELOPMENT CORPORATION
FLAGLER COUNTY, FLORIDA.
DATE: OCTOBER 7, 1992.

EXHIBIT B-2



MINIMUM UPPER LIMITS OF UNIT 27.33 MSL ELEV.
MINIMUM LOWER LIMITS OF UNIT 18.0 MSL ELEV.

BUILDING NO. 2
FIRST FLOOR PLAN
MANTANZAS SHORES

LEGEND:

- (C.E.) INDICATES UNIT BOUNDARIES
- (L.C.E.) INDICATES COMMON ELEMENTS
- (STOR) INDICATES LIMITED COMMON ELEMENTS
- (M.S.C.) INDICATES STORAGE
- (MSL ELEV) INDICATES MEANS SEA LEVEL ELEVATION

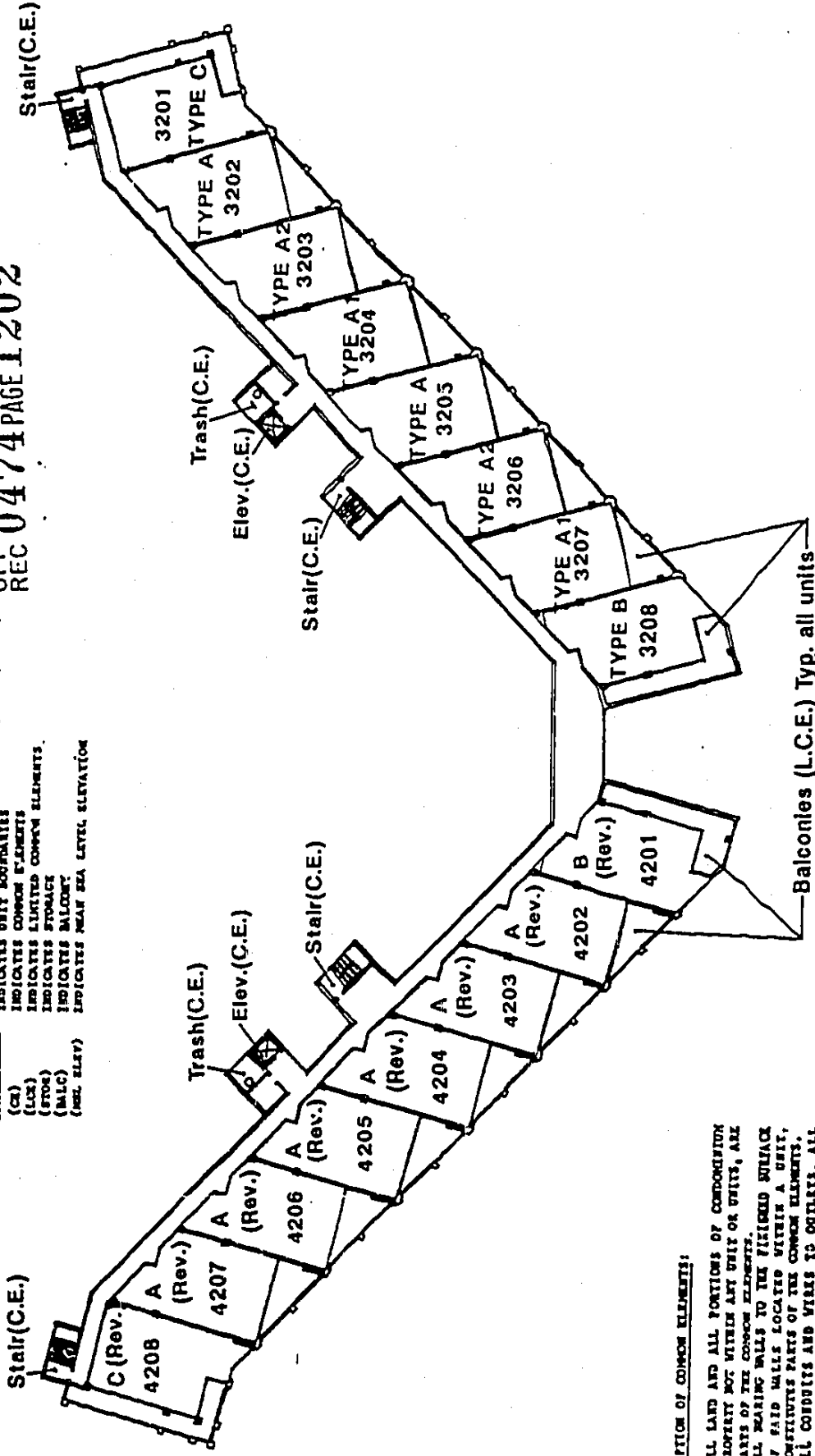
DESCRIPTION OF COMMON ELEMENTS:

1. ALL LAND AND ALL PORTIONS OF CONDOMINIUM PROPERTY NOT WITHIN ANY UNIT OR UNIT, ARE PARTS OF THE COMMON ELEMENTS.
2. ALL WEARING WALLS TO THE FINISHED SURFACE OF SAID WALLS LOCATED WITHIN A UNIT, CONSTITUTE PARTS OF THE COMMON ELEMENTS.
3. ALL CONDUITS AND PIPES TO OUTLETS, ALL OTHER UTILITY LINES TO OUTLETS AND ALL WASTE PIPES, REGARDLESS OF LOCATIONS, CONSTITUTE PARTS OF THE COMMON ELEMENTS. COMMON ELEMENTS ARE SUBJECT TO CERTAIN EASEMENTS SET FORTH IN THE DECLARATION.

- NOTES:**
1. THIS PLAN IS COMPILED FROM PLANS FURNISHED BY GERKEN AND SMITH, ARCHITECTS.
 2. ALL EXTERIOR WALLS ARE 8.5" THICK UNLESS OTHERWISE NOTED.
 3. ELEVATIONS (WHERE DESCRIBED) SHOW IN FEET AND INCHES FROM MEAN SEA LEVEL ELEVATIONS.
 4. FOR FURTHER INFORMATION REGARDING FOUNDATION OF THIS UNIT, REFER TO THE DECLARATION OF THIS CONDOMINIUM.
 5. THE DEFINITIONS SET FORTH IN THE DECLARATION ARE INCORPORATED HEREBY.

LEGEND:

- (C) INDICATES UNIT BOUNDARIES
- (L.C.) INDICATES COMMON ELEMENTS
- (FLOOR) INDICATES LIMITED COMMON ELEMENTS
- (M.A.C.) INDICATES STAIRS
- (M.S.L.E.) INDICATES NEAR SEA LEVEL ELEVATION



DESCRIPTION OF COMMON ELEMENTS:

1. ALL LAND AND ALL PORTIONS OF CONDOMINIUM PROPERTY NOT WITHIN ANY UNIT OR SUITE, ARE PARTS OF THE COMMON ELEMENTS.
2. ALL WEARING WALLS TO THE FINISHED SURFACE OF PAID WALLS LOCATED WITHIN A UNIT, CONSTITUTE PARTS OF THE COMMON ELEMENTS.
3. ALL CONDUITS AND WIRES TO OUTLETS, ALL WASTE PIPES, REGARDLESS OF LOCATION, CONSTITUTE PARTS OF THE COMMON ELEMENTS.
4. COMMON ELEMENTS ARE SUBJECT TO CERTAIN ELEMENTS SET FORTH IN THE DECLARATION.

NOTES:

1. THIS PLAN IS CORRECTED FROM PLANS FURNISHED BY GERKEN AND SMITH, ARCHITECTS.
2. ALL EXTERIOR WALLS ARE 0.5" THICK UNLESS OTHERWISE NOTED.
3. ELEVATIONS (WHERE DESCRIBED) SHOWN IN FEET ARE BASED UPON NEAR SEA LEVEL ELEVATION.
4. FOR FURTHER INFORMATION REGARDING FOUNDATION OF THIS UNIT, REFER TO THE DECLARATION OF THIS CONDOMINIUM.
5. THE DEFINITIONS SET FORTH IN THE DECLARATION ARE INCORPORATED HEREIN.

MINIMUM UPPER LIMITS OF UNIT 37.33 MSL ELEV.
 MINIMUM LOWER LIMITS OF UNIT 28.0 MSL ELEV.

**BUILDING NO. 2
 SECOND FLOOR PLAN
 MANTANZAS SHORES**



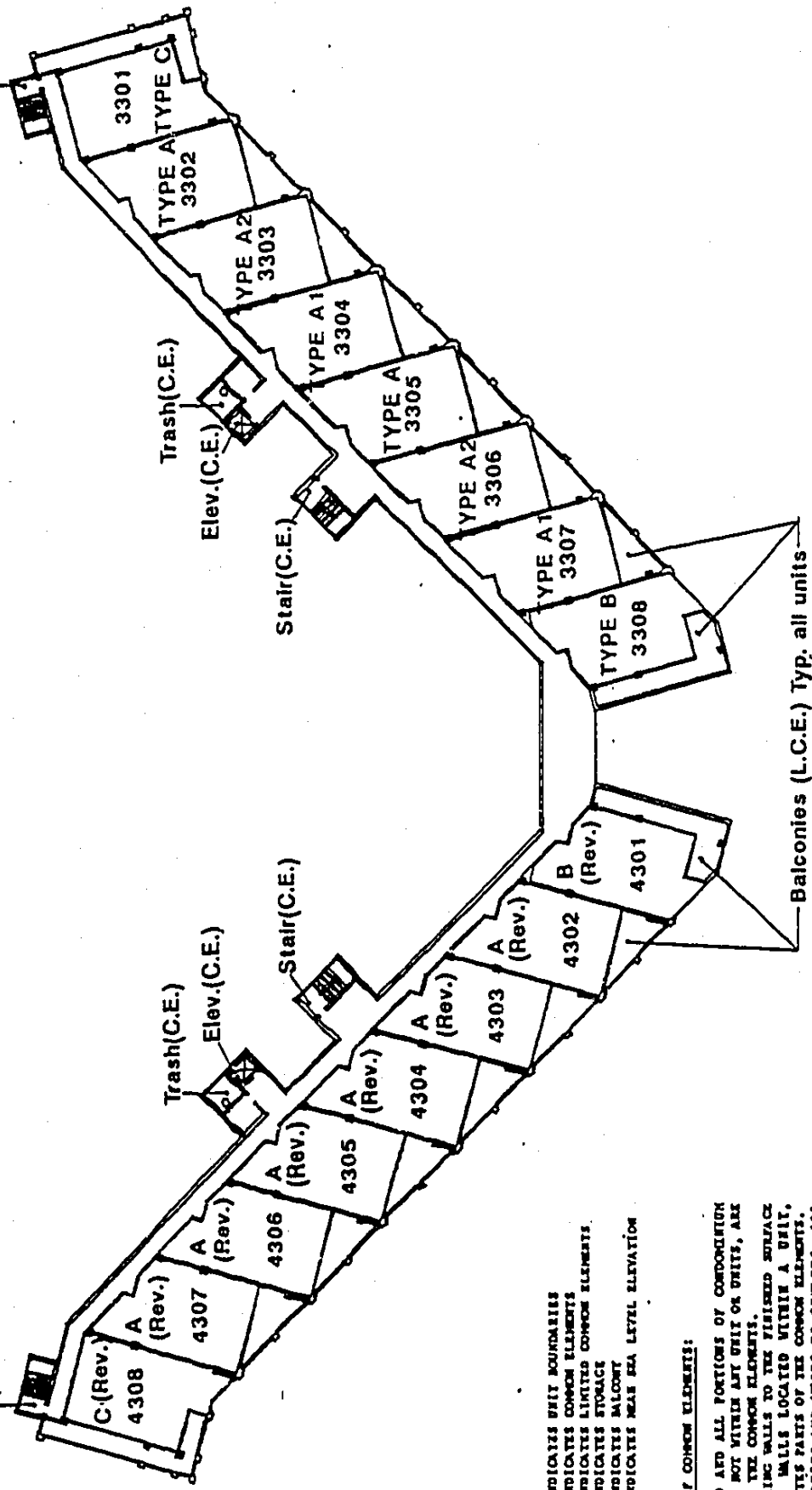
Gerken and Smith

Architects, Designers, and Consultants, Inc.
 770 West Canada Boulevard • Suite 309
 Oxnard Beach, Florida 33174
 Phone 904/673-1910

10.5.90

Stair(C.E.)

Stair(C.E.)



LEGEND:

- (C) INDICATES UNIT BOUNDARIES
- (LC) INDICATES COMMON ELEMENTS
- (STOR) INDICATES LIMITED COMMON ELEMENTS
- (M/C) INDICATES STORAGE
- (M/C) INDICATES MISC
- (REL ELEV) INDICATES MEAN SEA LEVEL ELEVATION

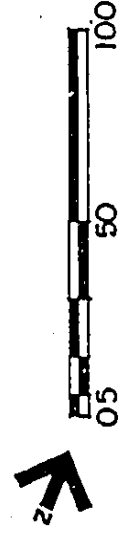
DESCRIPTION OF COMMON ELEMENTS:

1. ALL LAND AND ALL PORTIONS OF CONDOMINIUM PROPERTY NOT WITHIN ANY UNIT OR UNITS, ARE PARTS OF THE COMMON ELEMENTS.
2. ALL BEARING WALLS TO THE FINISHED SURFACE OF SAID WALLS LOCATED WITHIN A UNIT, CONSTITUTE PARTS OF THE COMMON ELEMENTS.
3. ALL CDRUITS AND WIRES TO OUTLETS, ALL OTHER UTILITY LINES TO OUTLETS AND ALL WASTE PIPES, REGARDLESS OF LOCATIONS, CONSTITUTE PARTS OF THE COMMON ELEMENTS.
4. COMMON ELEMENTS ARE SUBJECT TO CERTAIN EASEMENTS SET FORTH IN THE DECLARATION.

NOTES:

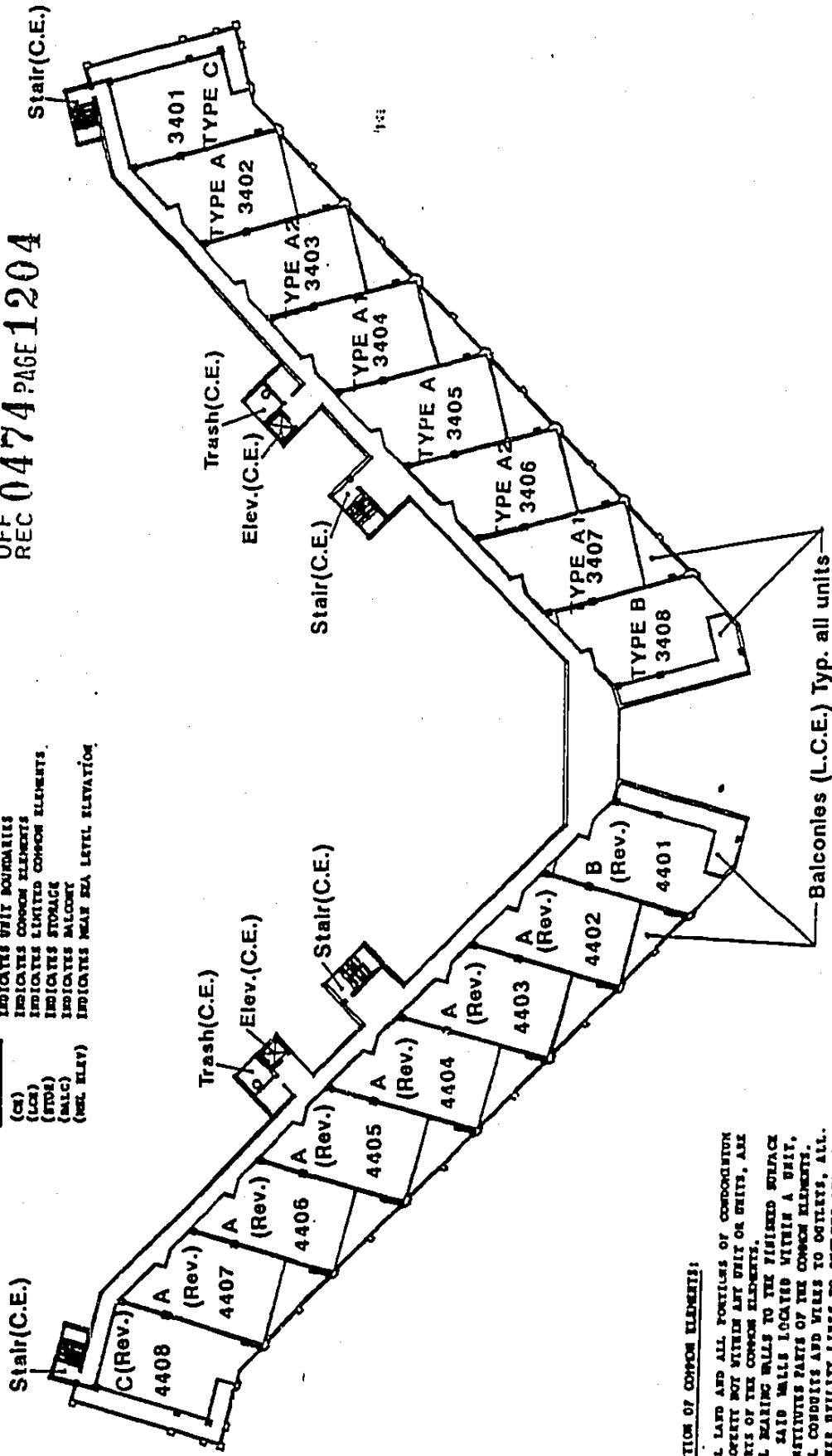
1. THIS PLAN IS COMPILED FROM PLANS FURNISHED BY: GERKEN AND SMITH, ARCHITECTS.
2. ALL EXTERIOR WALLS ARE 0.5" THICK UNLESS OTHERWISE NOTED.
3. ELEVATIONS (WHERE DESCRIBED) SHOWN IN THIS PLAN ARE BASED UPON MEAN SEA LEVEL ELEVATIONS.
4. FOR FURTHER INFORMATION REGARDING FOUNDATION OF THIS UNIT, REFER TO THE DECLARATION OF THIS CONDOMINIUM.
5. THE DEFINITIONS SET FORTH IN THE DECLARATION ARE INCORPORATED HEREBY.

MINIMUM UPPER LIMITS OF UNIT 47.33 MSL ELEV.
 MINIMUM LOWER LIMITS OF UNIT 38.0 MSL ELEV.



BUILDING NO. 2
THIRD FLOOR PLAN
MANTANZAS SHORES

- LEGEND:**
- (Ct) INDICATES UNIT BOUNDARIES
 - (LCE) INDICATES COMMON ELEMENTS
 - (ELEV) INDICATES LIMITED COMMON ELEMENTS
 - (M/LC) INDICATES STORAGE
 - (M/LC) INDICATES MISC.
 - (M/LC) INDICATES MEAN SEA LEVEL ELEVATION



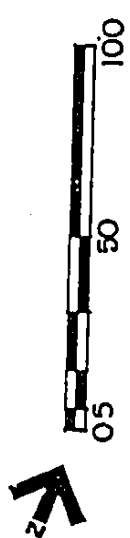
DESCRIPTION OF COMMON ELEMENTS:

1. ALL LAID AND ALL PORTIONS OF CONDOVIUM PROJECT NOT WITHIN ANY UNIT OR UNIT, ARE PARTS OF THE COMMON ELEMENTS.
2. ALL BEARING WALLS TO THE FINISHED SURFACE OF SAID WALLS LOCATED WITHIN A UNIT, CONSTITUTE PARTS OF THE COMMON ELEMENTS.
3. ALL CONDUITS AND WIRES TO OUTLETS, ALL OTHER UTILITY LINES TO OUTLETS AND ALL WASTE PIPES, REGARDLESS OF LOCATIONS, CONSTITUTE PARTS OF THE COMMON ELEMENTS.
4. COMMON ELEMENTS ARE SUBJECT TO CERTAIN ELEMENTS SET FORTH IN THE DECLARATION.

NOTES:

1. THIS PLAN IS DERIVED FROM PLANS FURNISHED BY GERKEN AND SMITH, ARCHITECTS.
2. ALL EXTERIOR WALLS ARE 0.5" THICK UNLESS OTHERWISE NOTED.
3. ELEVATIONS (WHERE DESIGNATED) SHOWN IS FEET, ARE BASED UPON MEAN SEA LEVEL ELEVATIONS.
4. FOR FURTHER INFORMATION REGARDING FOUNDATION OF THIS CONDOVIUM, REFER TO THE DECLARATION OF THIS CONDOVIUM.
5. THE DEFINITIONS SET FORTH IN THE DECLARATION ARE INCORPORATED HEREIN.

MINIMUM UPPER LIMITS OF UNIT 67.33 MSL ELEV
 MINIMUM LOWER LIMITS OF UNIT 48.0 MSL ELEV.



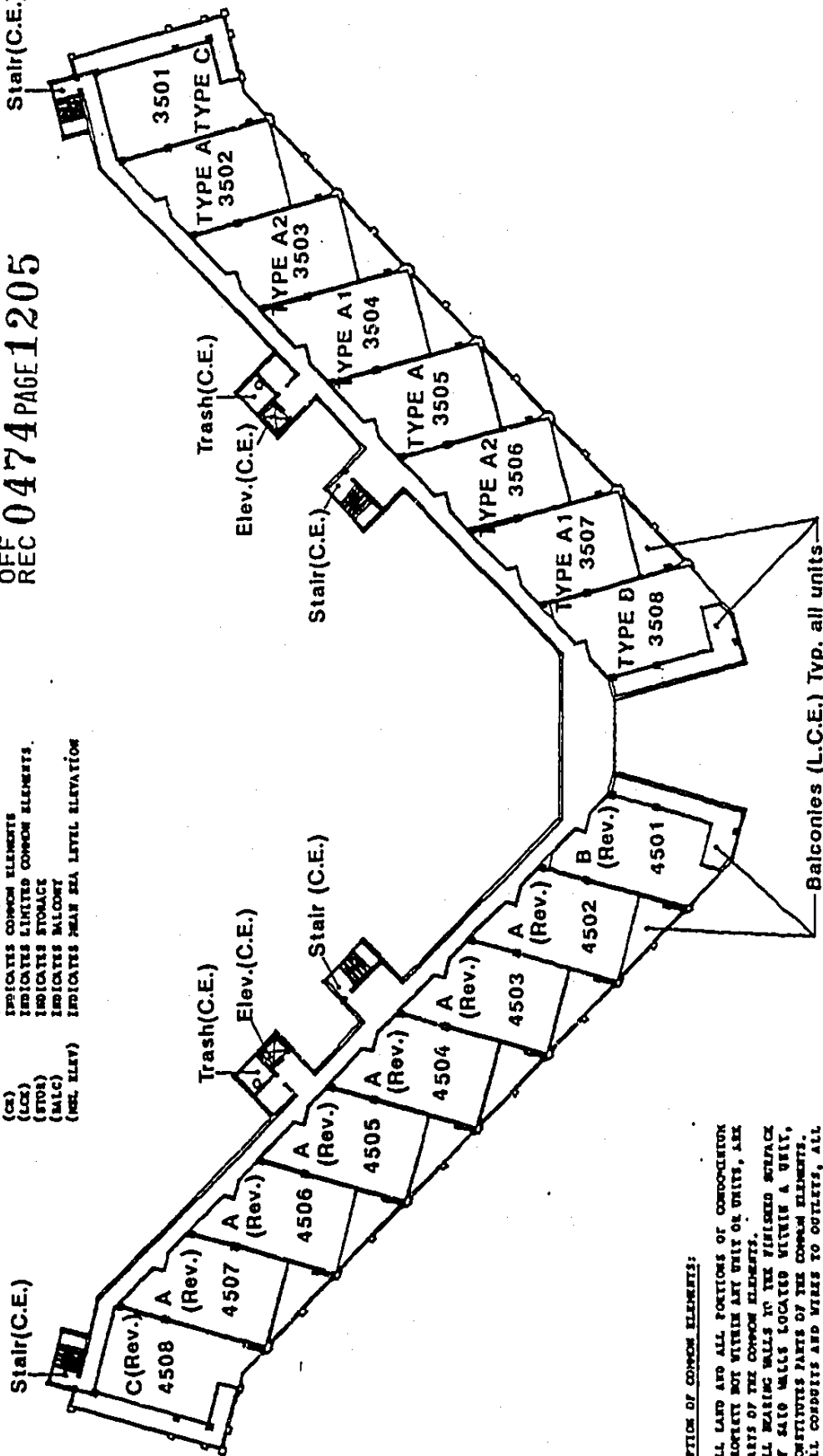
BUILDING NO. 2
FOURTH FLOOR PLAN
MANTANZAS SHORES



Gerken and Smith
 Architects, Designers, and Consultants, Inc.
 775 West Granada Boulevard • Suite 309
 Oxnard Beach, Florida 32174
 Phone 904/673-1810 10.5.90

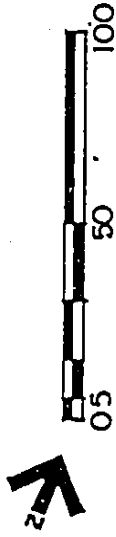
Stair(C.E.)

- LEGEND:**
- (CR) INDICATES UNIT BOUNDARIES
 - (LCK) INDICATES COMMON ELEMENTS
 - (STOR) INDICATES LIMITED COMMON ELEMENTS
 - (SALC) INDICATES STORAGE
 - (MCC ELEV) INDICATES MALLORY
 - (MCC ELEV) INDICATES MEAN SEA LEVEL ELEVATION



Balconies (L.C.E.) Typ. all units

MINIMUM UPPER LIMITS OF UNIT 67.33 MSL ELEV.
 MINIMUM LOWER LIMITS OF UNIT 58.0 MSL ELEV.



BUILDING NO.2
FIFTH FLOOR PLAN
MANTANZAS SHORES

DESCRIPTION OF COMMON ELEMENTS:

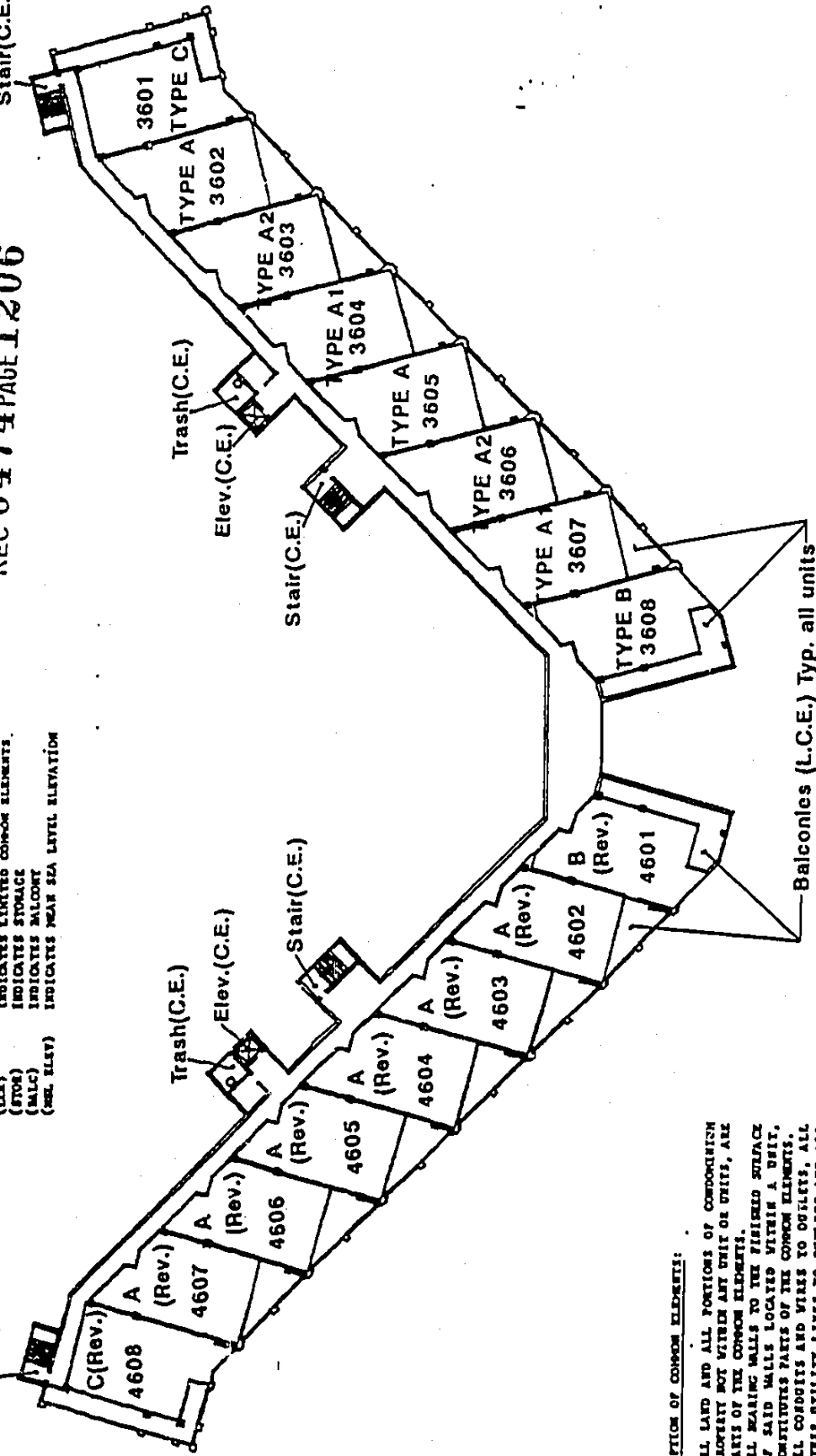
1. ALL LARD AND ALL PORTIONS OF CONDOMINIUM PROPERTY NOT WITHIN ANY UNIT OR UNITS, ARE PARTS OF THE COMMON ELEMENTS.
2. ALL REARING WALLS TO THE FINISHED SURFACE OF SAID WALLS LOCATED WITHIN A UNIT, CONSTITUTE PARTS OF THE COMMON ELEMENTS.
3. ALL CONDUITS AND WIRES TO OUTLETS, ALL OTHER UTILITY LINES TO OUTLETS AND ALL WATER PIPES, REGARDLESS OF LOCATIONS, CONSTITUTE PARTS OF THE COMMON ELEMENTS.
4. COMMON ELEMENTS ARE SUBJECT TO CERTAIN EASEMENTS SET FORTH IN THE DECLARATION.

NOTES:

1. THIS PLAN IS COMPILED FROM PLANS FURNISHED BY: CRENSHAW AND SMITH, ARCHITECTS.
2. ALL EXTERIOR WALLS ARE 0.5" THICK UNLESS OTHERWISE NOTED.
3. ELEVATIONS (UNLESS SPECIFIED) SHOWN IN FEET ARE BASED UPON MEAN SEA LEVEL ELEVATIONS.
4. FOR FURTHER INFORMATION REGARDING FORMATION OF THIS UNIT, REFER TO THE DECLARATION OF THIS CONDOMINIUM.
5. THE DEFINITIONS SET FORTH IN THE DECLARATION ARE INCORPORATED HERIN.

- LEGEND:**
- (CS) INDICATES UNIT BOUNDARIES
 - (L.C.E.) INDICATES COMMON ELEMENTS
 - (STOR) INDICATES LIMITED COMMON ELEMENTS
 - (SALC) INDICATES STORAGE
 - (SALC) INDICATES BALCONY
 - (SEE ELEV) INDICATES MEAN SEA LEVEL ELEVATION

Stair(C.E.)



DESCRIPTION OF COMMON ELEMENTS:

1. ALL LAND AND ALL PORTIONS OF COMMONWEALTH PROPERTY NOT WITHIN ANY UNIT OR UNITS, ARE PARTS OF THE COMMON ELEMENTS.
2. ALL EXTERIOR WALLS TO THE FINISHED SURFACE OF SAID WALLS LOCATED WITHIN A UNIT, CONSTITUTE PARTS OF THE COMMON ELEMENTS.
3. ALL CONDUITS AND WIRES TO OUTLETS, ALL OTHER UTILITY LINES TO OUTLETS AND ALL WATER PIPES, REGARDLESS OF LOCATIONS, CONSTITUTE PARTS OF THE COMMON ELEMENTS.
4. COMMON ELEMENTS ARE SUBJECT TO CERTAIN EASEMENTS SET FORTH IN THE DECLARATION.

NOTES:

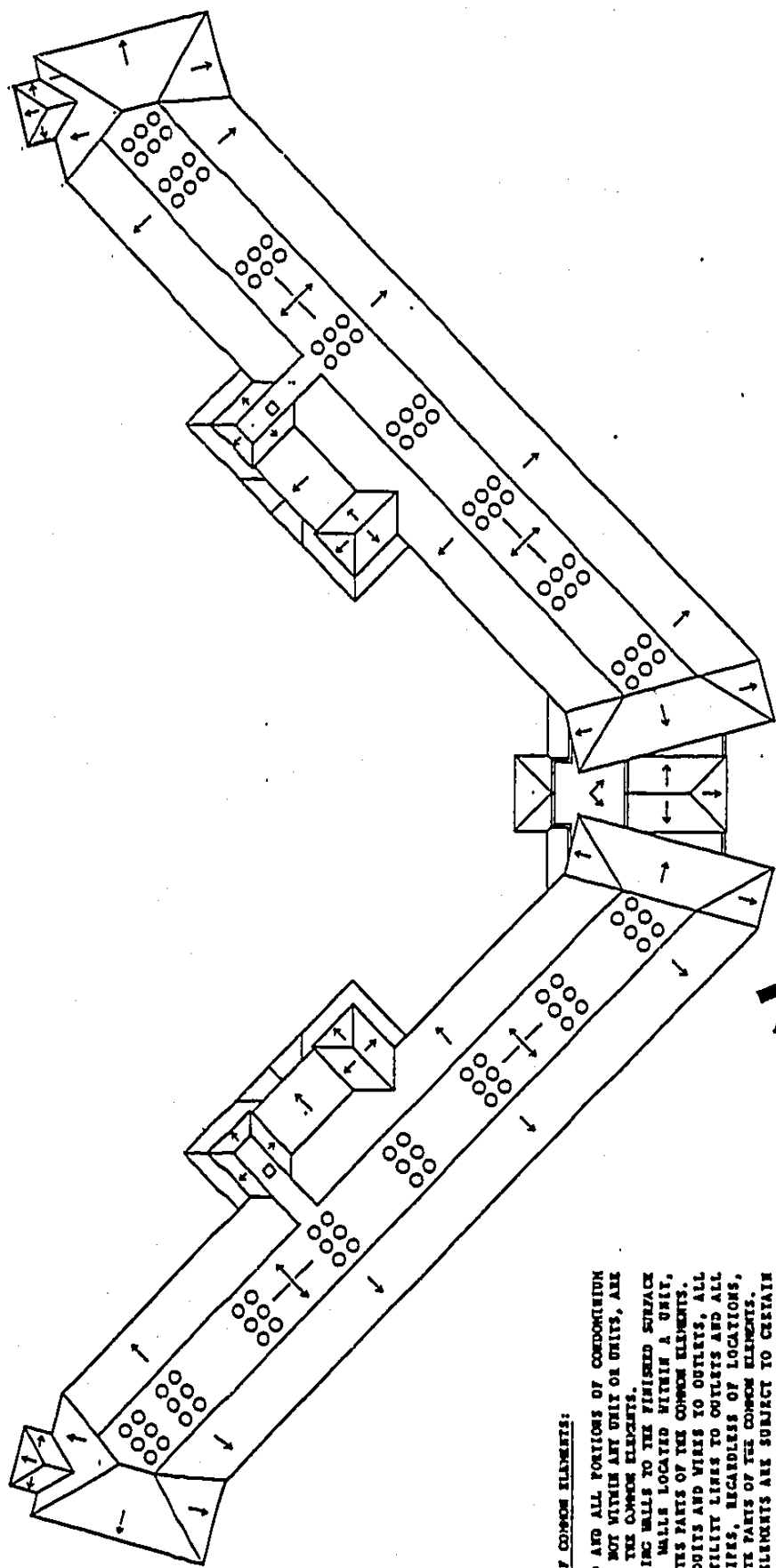
1. THIS PLAN IS DERIVED FROM PLANS FURNISHED BY: GREEN AND SMITH, ARCHITECTS.
2. ALL EXTERIOR WALLS ARE 6.5" THICK UNLESS OTHERWISE NOTED.
3. ELEVATIONS (WHERE DESCRIBED) SHOWN IN THIS PLAN ARE BASED UPON MEAN SEA LEVEL ELEVATIONS.
4. FOR FURTHER INFORMATION REGARDING THE FOUNDATION OF THIS UNIT, REFER TO THE DECLARATION OF THIS COMMONWEALTH.
5. THE DEVIATIONS SET FORTH IN THE DECLARATION ARE INCORPORATED HEREIN.

MINIMUM UPPER LIMITS OF UNIT 77.33 MSL ELEV.
MINIMUM LOWER LIMITS OF UNIT 68.0 MSL ELEV.



BUILDING NO. 2
SIXTH FLOOR PLAN
MANTANZAS SHORES

- LEGEND:**
- (CB) INDICATES UNIT BOUNDARIES
 - (LCB) INDICATES COMMON ELEMENTS
 - (STOR) INDICATES LIMITED COMMON ELEMENTS
 - (BALC) INDICATES STORAGE
 - (BASC) INDICATES BALCONY
 - (MSL ELEV) INDICATES MEAN SEA LEVEL ELEVATION



DESCRIPTION OF COMMON ELEMENTS:

1. ALL LAND AND ALL PORTIONS OF CONDOMINIUM PROPERTY NOT WITHIN ANY UNIT OR UNITS, ARE PARTS OF THE COMMON ELEMENTS.
2. ALL REARING WALLS TO THE FINISHED SURFACE OF SAID WALLS LOCATED WITHIN A UNIT, CONSTITUTE PARTS OF THE COMMON ELEMENTS.
3. ALL CONDUITS AND WIRES TO OUTLETS, ALL OTHER UTILITY LINES TO OUTLETS AND ALL WASTE PIPES, REGARDLESS OF LOCATIONS, CONSTITUTE PARTS OF THE COMMON ELEMENTS.
4. COMMON ELEMENTS ARE SUBJECT TO CERTAIN EASEMENTS SET FORTH IN THE DECLARATION.

NOTES:

1. THIS PLAN IS COMPILER FROM PLANS FURNISHED BY: GERKEN AND SMITH, ARCHITECTS.
2. ALL EXTERIOR WALLS ARE 0.5" THICK UNLESS OTHERWISE NOTED.
3. ELEVATIONS (UNLESS SPECIFIED) SHOWN IN THIS PLAN ARE BASED UPON MEAN SEA LEVEL ELEVATIONS.
4. FOR FURTHER INFORMATION REGARDING FORMATION OF THIS UNIT, REFER TO THE DECLARATION OF THIS CONDOMINIUM.
5. THE DEFINITIONS SET FORTH IN THE DECLARATION ARE INCORPORATED HEREIN.



BUILDING NO. 2

ROOF PLAN
MANTANZAS SHORES

OFF REC 0474 PAGE 1208

OWNERSHIP INTEREST IN COMMON ELEMENTS

EXHIBIT "C"
TO
DECLARATION OF CONDOMINIUM
OF
THE SURF CLUB CONDOMINIUM

EXHIBIT C 1 & C 2

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

C 1

Phase 1

<u>Unit Numbers</u>	<u>Type of Unit</u>	<u>Percentage Appurtenant to Each Unit</u>
Units 1-101 through 2-608 (96 Units)	Two Bedroom, Two Bath	1.04166 (1/96)

C 2

Phases 1 & 2

<u>Unit Numbers</u>	<u>Type of Unit</u>	<u>Percentage Appurtenant to Each Unit</u>
Units 1-101 through 4-608 (192 Units)	Two Bedroom, Two Bath	0.52083 (1/192)

OFF REC 0474 PAGE 1209

OFF 0474 PAGE 1210

ARTICLES OF INCORPORATION
OF
THE SURF CLUB CONDOMINIUM ASSOCIATION, INC.

EXHIBIT "D"
TO
DECLARATION OF CONDOMINIUM
OF
THE SURF CLUB CONDOMINIUM

OFF REC 0474 PAGE 1211

**ARTICLES OF INCORPORATION
OF THE
SURF CLUB CONDOMINIUM ASSOCIATION, INC.
(A Florida Corporation Not For Profit)**

In order to form a corporation not for profit under and in accordance with Chapters 617 and 718 of the Florida Statutes, the undersigned hereby associate into a corporation for the purpose and with the powers hereinafter set forth, and to that end, do, by these Articles of Incorporation, certify and set forth the following:

EXPLANATION OF TERMINOLOGY

A. The terms contained in these Articles of Incorporation which are contained in the Condominium Act, Chapter 718, Florida Statutes, 1989, as amended prior to the date of execution of these Articles, shall have the meaning of such terms set forth in such Act. All terms which are defined in the Declaration of Condominium for The Surf Club Condominium (the "Declaration") shall be used herein with the same meanings as defined in said Declaration.

B. "Association" as used herein shall mean The Surf Club Condominium Association, Inc., a Florida corporation not for profit, the corporation formed by these Articles, its successors or assigns.

**ARTICLE I
NAME**

The name of this Association shall be The SURF CLUB CONDOMINIUM ASSOCIATION, INC., whose present address is One Corporate Drive, Palm Coast, Florida 32151.

**ARTICLE II
PURPOSE OF ASSOCIATION**

The purpose for which the Association is organized is to provide an entity pursuant to the Florida Condominium Act (the "Act"), as it exists on the date hereof, for the operation of The Surf Club Condominium (the "Condominium") which will be a part of the Matanzas Shores community. It is intended that the Condominium will be developed in two Phases, so that the maximum number of Condominium Units that may ultimately be operated by the Association is 192.

**ARTICLE III
POWERS**

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

OFF REC 0474 PAGE 1212

1. The Association shall have all of the common law and statutory powers of a corporation not for profit which are not in conflict with the terms of the condominium documents or the Act.

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

(a) to make, establish and enforce reasonable rules and regulations governing the use of Condominium Units, Common Elements and each Condominium Property;

(b) to make, levy, collect and enforce Assessments against Condominium Unit Owners to provide funds to pay for the expenses of the Association, the maintenance, operation and management of the Condominium, in the manner provided in the condominium documents and the Act and to use and expend the proceeds of such Assessments in the exercise of the powers and duties of the Association;

(c) to collect the Common Expenses of the Condominium administered by the Association;

(d) to collect the Condominium's share of Operating Expenses of the Owners Association;

(e) to maintain, repair, replace and operate the Condominium Property in accordance with the condominium documents and the Act;

(f) to reconstruct improvements of the Condominium Property in the event of casualty or other loss;

(g) to enforce by legal means the provisions of the condominium documents;

(h) to employ personnel, retain independent contractors and professional personnel, and enter into service contracts to provide for the maintenance, operation and management of the Condominium Property and to enter into any other agreements consistent with the purposes of the Association;

(i) to acquire, own, mortgage, and convey real and personal property and to take such other reasonable actions in that regard; and

(j) to carry out its duties and obligations under the condominium documents.

3. All funds and the titles to all properties acquired by the Association and their proceeds shall be held for the benefit and use of the members in accordance with the provisions of the Declarations, these Articles and the By-Laws.

4. The Association shall make no distribution of income to its members, Directors or officers, and upon dissolution, all assets of the Association shall be transferred only to another non-profit corporation or a public agency, except in the event of a termination of the Condominium.

5. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions hereof and of the Declaration, the By-Laws and the Act.

ARTICLE IV
MEMBERS

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

1. Until such time as the first Phase in The Surf Club Condominium is submitted to condominium ownership by the recordation of a Declaration amongst the Public Records of the County, the members of this Association shall be comprised solely of Declarant.

2. After the first Phase in The Surf Club Condominium is submitted to the condominium form of ownership by the recordation of a Declaration, the Condominium Unit Owners shall be entitled to exercise all of the rights and privileges of members of the Association.

3. Except as to Declarant, who shall be a member as long as it shall own a Unit, membership in the Association shall be established by the acquisition of ownership of fee title to a Condominium Unit in the Condominium as evidenced by the recording of an instrument of conveyance amongst the Public Records of the County, whereupon, the membership in the Association of the prior owner thereof, if any, shall terminate as to that Condominium Unit. New members shall deliver a true copy of the recorded deed or other instrument of acquisition of title to the Association.

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

5. Each Condominium Unit shall be entitled to one (1) vote, which vote shall be exercised and cast in accordance with the Declaration and the By-Laws.

6. The following provisions shall govern the right of each member to vote and the manner of exercising such right:

(a) If there is more than one (1) Condominium Unit Owner with respect to a Condominium Unit as a result of the fee interest in such Condominium Unit being held by more than one (1) person, such Condominium Unit Owners, collectively, shall be entitled to only one (1) vote determined in the manner set forth by the Declaration;

(b) The members shall elect the Board of Directors in the manner provided in Article IX of these Articles;

(c) The President or the person designated by the President in writing shall serve as the "Voting Member" of the Condominium at meetings of the Owners Association, as set forth in the Master Declaration and in the By-Laws of the Owners Association.

ARTICLE V
TERM

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

**ARTICLE VI
INCORPORATOR**

The Incorporator of the Association is Robert G. Cuff, Jr., whose address is One Corporate Drive, Palm Coast, Florida 32151.

**ARTICLE VII
OFFICERS**

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

B. The Board of Directors shall elect the President, a Vice President, the Secretary, the Treasurer and as many other Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board of Directors shall from time to time determine appropriate. Such officers shall be elected annually by the Board of Directors at the first meeting of the Board of Directors; provided, however, such officers may be removed by such Board of Directors, and other persons may be elected by the Board of Directors as such officers in the manner provided in the By-Laws. The President shall be a Director of the Association, but no other officer need be a Director. The same person may hold two (2) offices; provided, however, the offices of President and Vice President shall not be held by the same person, nor shall the same person hold the office of President who holds the office of Secretary, Assistant Secretary, or Treasurer.

**ARTICLE VIII
FIRST OFFICERS**

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

President	-	Steven Tubbs
Vice President	-	William Beam
Secretary	-	Sam Cline
Treasurer	-	Jose Levy

**ARTICLE IX
BOARD OF DIRECTORS**

A. The number of Directors on the first Board of Directors of Directors (the "First Board") and the "Initial Elected Board" (as hereinafter defined) shall initially be three (3). After the "Majority Election Meeting" (as that term is hereinafter defined), the Board of Directors shall have the right to increase the number of Directors to five (5).

B. The names and addresses of the persons who are to serve as the First Board are as follows:

Steve Tubbs	One Corporate Drive Palm Coast, Florida
William Beam	One Corporate Drive Palm Coast, Florida

Sam Cline

One Corporate Drive
Palm Coast, Florida

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

C. When Condominium Unit Owners other than Declarant ("Purchaser Members") shall own fifteen percent (15%) or more of the Condominium Units ultimately intended to be operated by the Association, the Purchaser Members shall be entitled to elect one-third (1/3) of the Board of Directors, which election shall take place at a special meeting (the "Initial Election Meeting") to be called by the Board of Directors, notice of which shall be given within sixty (60) days after the conveyance to Purchaser Members of fifteen percent (15%) of the Condominium Units ultimately intended to be operated by the Association. Declarant shall designate the remaining Directors on the Board of Directors. The Director to be so elected by the Purchaser Members and the Directors to be designated by Declarant are hereinafter collectively referred to as the "Initial Elected Board". The Initial Elected Board shall succeed the First Board upon their election and designation. Subject to the provisions of Paragraph D herein, the Initial Elected Board shall serve until the next annual members' meeting, at which time one-third (1/3) of the Board shall be elected by the Purchaser Members and the remaining Directors shall be designated by Declarant. Directors shall continue to be so elected and designated at each subsequent annual members' meeting until such time as the Purchaser Members are entitled to elect not less than a majority of the Directors. Declarant reserves the right, until such time as the Purchaser Members are entitled to elect not less than a majority of the Directors, to designate successor Directors to fill any vacancies caused by the resignation or removal of Directors designated by Declarant pursuant to this Paragraph C.

D. Purchaser Members shall be entitled to elect not less than a majority of the Board of Directors in the event of any of the following, whichever shall first occur (the "Majority Election Event"):

1. Three (3) years after fifty percent (50%) of the Condominium Units ultimately intended to be operated by the Association have been conveyed to Purchaser Members as evidenced by the recording of instruments of conveyance amongst the Public Records of the County; or

2. Three (3) months after ninety percent (90%) of the Condominium Units ultimately intended to be operated by the Association have been conveyed to Purchaser Members as evidenced by the recording of instruments of conveyance amongst the Public Records of the County; or

3. After some of the Condominium Units have been sold and none of the others are being offered for sale by Declarant in the ordinary course of business; or

4. When Declarant, as Declarant has the right to do at any time, upon written notice to the Association, relinquishes its right to designate a majority of the Board of Directors.

E. The election of not less than a majority of Directors by the Purchaser Members shall occur at a special meeting (the "Majority Election Meeting") to be called by the Board of Directors, notice of which shall be given within sixty (60) days of the Majority Election Event.

F. The Initial Election Meeting and Majority Election Meeting shall be called by the Board of Directors by written notice given to all members in accordance with the By-Laws; provided, however, that the members shall be given at least thirty (30) but not more than forty (40) days notice of such meeting. The notice shall also specify the number of Directors which shall be elected by the Purchaser Members and the number of Directors to be designated by Declarant.

G. Declarant shall cause all of its designated Directors to resign ("Declarant's Resignation Event") when Declarant no longer holds for sale five percent (5%) of the Total Condominium Units ultimately intended to be operated by the Association. If Declarant's Resignation Event shall occur after the Majority Election Meeting, then upon the occurrence of the Declarant's Resignation Event, the Directors elected by Purchaser Members shall appoint a successor Director to fill the vacancy caused by the resignation or removal of Declarant's designated Director. Such successor Director shall serve until the next annual members' meeting, at which time the members shall elect his successor. If, upon the occurrence of the Declarant's Resignation Event, the Majority Election Meeting has not occurred, the remaining Purchaser Director shall call the Majority Election Meeting in accordance with the By-Laws and the Act at which all of the Directors shall be elected by the Purchaser Members.

H. At each annual members' meeting held subsequent to the Declarant's Resignation Event, the Directors shall be elected by the members.

I. Upon the resignation of a Director who has been elected or designated by Declarant or the resignation of an officer of the Association who has been elected by the First Board or the Initial Elected Board, the Association shall be deemed to have remised, released, acquitted, satisfied and forever discharged such officer or Director of and from all manner of action and actions, cause and causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law or in equity, which the Association or Purchaser Members had, now have, or which any personal representative, successor, heir or assign of the Association or Purchaser Members hereafter can, shall or may have against said officer or Director for, upon, or by reason of any matter, cause or thing whatsoever, relating to his actions as such officer or Director, excepting only willful misconduct or gross negligence, from the beginning of the world to the day of such resignation. Members of the Board of Directors designated by the Declarant do not have to be members of the Association.

ARTICLE X INDEMNIFICATION

Every Director and every officer of the Association (and the Directors and officers as a group) shall be indemnified by the Association against all expenses and liabilities, including counsel fees (at all trial and appellate levels or if no litigation or proceeding has been instituted) reasonably incurred by or imposed upon him or them in connection with any proceeding, litigation, claim or settlement to which he may be made a party by reason of his being or having been a Director or officer of the Association; provided that in the event of a settlement, the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement. The foregoing provisions for indemnification shall apply whether or not he is a Director or officer at the time such expenses and liabilities are incurred. If in such litigation, proceeding, claim, or settlement a Director or officer admits or is adjudged guilty of willful misfeasance or malfeasance or gross negligence in the performance of his duties, the indemnification provisions of these Articles shall not apply. Otherwise, the foregoing rights to indemnification shall be in addition to and not exclusive of any and all right of indemnification to which a Director or officer may be entitled whether by statute or common law.

ARTICLE XI BY-LAWS

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

OFF REC 0474 PAGE 1217

ARTICLE XII AMENDMENTS

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

B. After recording the Declaration for The Surf Club Condominium among the Public Records of the County, these Articles may be amended by any of the following methods:

1. The proposed amendment shall be adopted by the affirmative vote of a majority of the votes of all members at an annual members meeting or special meeting of the members. Any number of amendments may be submitted to the members and voted upon by them at one meeting; or

2. An amendment may be adopted by a written statement signed by a majority of all members setting forth their consent to the amendment.

C. No amendment may be made to these Articles which shall in any manner reduce, amend, affect or modify the terms, conditions, provisions, rights and obligations set forth in a Declaration.

D. A copy of each amendment shall be certified by the Secretary of State of Florida and recorded among the Public Records of the County.

E. No amendment may be made to these Articles which shall abridge, amend or alter the rights of Declarant, including the right to designate and select the Directors as provided in Article IX hereof, or the provisions of this Article XII, without the prior written consent of Declarant.

F. Notwithstanding the foregoing provisions of this Article XII, the Board of Directors may amend these Articles without a vote of the members to correct a scrivener's error therein.

ARTICLE XIII CONFLICT

In the event of any conflict between the provisions of these Articles and the provisions of the Declaration the provisions of the Declaration shall prevail. In the event of any conflict between the provisions of these Articles and the provisions of the By-Laws, the provisions of these Articles shall prevail.

ARTICLE XIV REGISTERED OFFICE AND REGISTERED AGENT

The street address of the initial registered office of the Association is One Corporate Drive, Palm Coast, Florida 32151, and the initial registered agent of the Association at that address shall be Steven Tubbs.

DEF 0474 PAGE 1220
REC

BYLAWS
OF
THE SURF CLUB CONDOMINIUM ASSOCIATION, INC.

EXHIBIT "E"
TO
DECLARATION OF CONDOMINIUM
OF
THE SURF CLUB CONDOMINIUM

**BY-LAWS
OF THE
THE SURF CLUB CONDOMINIUM ASSOCIATION, INC.
(A Florida Corporation Not For Profit)**

OFF REC 0474 PAGE 1221

Section 1. Identifcattion of Association

These are the By-Laws of the The Surf Club Condominium Association, Inc., hereinafter referred to as the "Association", as duly adopted by its Board of Directors. The Association is a corporation not for profit, organized pursuant to and under Chapters 617 and 718 of the Florida Statutes for the purpose of administering The Surf Club Condominium located in Flagler County, Florida.

1.1 The present office of the Association shall be located at One Corporate Drive, Palm Coast, Florida 32151, and thereafter may be located at any place in the County designated by the Board of Directors of the Association.

1.2 The fiscal year of the Association shall be the calendar year, or as otherwise determined by the Board of Directors.

1.3 The seal of the Association shall bear the name of the Association, the word "Florida", and the words "Corporation Not For Profit".

Section 2. Explanation of Terminology

The terms defined in the Declaration of Condominium for The Surf Club Condominium administered by the Association are incorporated herein by reference.

**Section 3. Membership In the Association,
Members' Meetings, Voting and Proxies**

3.1 The qualification of members, the manner of their admission to membership in the Association and the manner of the termination of such membership shall be as set forth in Article IV of the Articles.

3.2 The members shall meet annually at the office of the Association or such other place in the County on the first Monday of April, commencing with the year 1992; provided, however, that said date may be changed by resolution of the Board of Directors so long as the annual members meeting for any year shall be held not later than thirteen (13) months after the last preceding annual members meeting. The purpose of the annual members meeting shall be to hear reports of the officers, elect members of the Board of Directors (subject to the provisions of Article IX of the Articles) and to transact any other business authorized to be transacted by the members.

3.3 Special meetings of the members shall be held at any place within the County, whenever called by the President, a Vice President or a majority of the Board of Directors. A special meeting must be called by the President or a Vice President upon receipt of a written request from one-third (1/3) of the members. Special meetings shall be called by the President or a Vice President upon receipt of written notice from the Owners Association of a meeting of the Members thereof, which special meeting shall be held prior to the date of the noticed meeting of the Members of the Owners Association for the purpose of voting on the matters to be voted upon before the Members of the Owners Association. Special meetings for the purpose of considering a proposed annual budget which exceeds 115% of the previous

year's budget or for the purpose of recalling a member or members of the Board of Directors shall be called upon written request of ten percent (10%) of the members, pursuant to §§ 718.112 (e) and (k), respectively.

3.4 Written notice of any meeting (whether an annual members meeting or a special meeting of the members) shall be mailed to each member entitled to vote at his last known address as it appears on the books of the Association. Written notice of an annual members meeting shall be mailed to each member (in the manner required by the Act and any amendments thereto in effect at the time of mailing) not less than fourteen (14) days nor more than forty (40) days prior to the date of the annual members meeting. Written notice of a special meeting of the members shall be mailed not less than ten (10) days nor more than forty (40) days prior to the date of such special meeting. Proof of mailing shall be given by the affidavit of the person giving the notice. The notice shall state the time and place of such meeting and the object for which the meeting is called and shall be signed by the Secretary or acting Secretary of the Association. Notice of the annual members meeting shall be posted at a conspicuous place on the Condominium Property at least fourteen (14) days prior to an annual members meeting. If a meeting of the members, whether a special meeting or an annual members meeting, is one which, by express provision of the Act or Condominium Documents, there is permitted or required a greater or lesser amount of time for the mailing or posting of notice than is required or permitted by the provisions of this Section 3.4, then the aforesaid express provision shall govern. Notice of any special meeting shall set forth the purpose of such special meeting. Notice of any meeting may be waived in writing by any member before, during or after a meeting.

3.5 The members may, at the discretion of the Board of Directors, act by written consent in lieu of a special meeting, provided written notice of the matter or matters to be voted upon is given to each member at the addresses and within the time periods set forth in Section 3.4 herein or duly waived in accordance with such Section. The decision of the majority of the members as to the matter or matters to be voted upon (as evidenced by written consent requested in the notice) shall be binding on the members. The notice shall set forth a time period during which time a response must be made by the members.

3.6 A quorum of the members shall consist of persons entitled to cast a majority of the votes of the entire membership and decisions shall be made by owners of a majority of the Condominium Units represented at a meeting at which a quorum is present. When a quorum is present at any meeting and the jurisdiction of such meeting is challenged, the holders of a majority of the vote present in person or by "Proxy", as hereinafter defined, shall decide the question. However, if the question is one which, by express provisions of the Act or the Condominium Documents, requires a vote other than the majority vote of a quorum, then such express provision shall govern and control the required vote on such question.

3.7 If a meeting of the members cannot be held because a quorum is not in attendance, the members who are present, either in person or by Proxy, may adjourn the meeting from time to time until a quorum is present. If a meeting is adjourned because of the lack of a quorum, the notice provisions for the adjournment shall, subject to the Act, be as determined by the Board of Directors.

3.8 Minutes of all meetings of the members shall be kept in a businesslike manner and be available for inspection by the members and Directors at all reasonable times and upon reasonable notice. The Association shall retain minutes for at least seven (7) years subsequent to the date of the meeting.

3.9 Voting rights of members shall be as stated in the Declarations and Articles. Such votes may be cast in person, by Proxy or by "Voting Certificate" (as defined in the Declaration). Proxy is defined to mean an instrument containing the appointment of a person who is substituted by a member to vote for him and in the members place and stead. Proxies shall be in writing and shall be valid only for the particular meeting designated therein and any adjournments thereof if so stated. A Proxy must set forth

the name of the person voting by Proxy, his Condominium Unit number, the name of the person authorized to vote the Proxy for him, and the date the Proxy was given. A Proxy must be filed with the Secretary of the Association before the appointed time of the meeting in order to be effective. Any Proxy may be revoked prior to the time a vote is cast according to such Proxy.

3.10 At any time prior to a vote upon any matter at a meeting of the members any member may demand the use of a secret written ballot for voting on such matter. The Chairman of the meeting shall call for the nomination and election of Inspectors of Election to collect and tally written ballots upon the completion of balloting.

3.11 Cumulative voting shall not be permitted.

Section 4. Board of Directors; Director's Meetings

4.1 The Association shall be administered by a Board of not less than three (3) Directors, subject to the increase as set forth in Article IX of the Articles.

4.2 The provisions of the Articles setting forth the selection, election, designation and removal of Directors are hereby incorporated herein by reference.

4.3 Subject to Section 4.5 below and to Declarant's rights as set forth in the Articles and as set forth in Section 4.5(c) below, vacancies in the Board of Directors shall be filled by persons appointed by the remaining Directors. Any such person shall be a Director and have all of the rights, privileges, duties and obligations as a Director elected at an Annual members meeting and shall serve for the term prescribed in Section 4.4 of these By-Laws.

4.4 The term of each Director shall extend until the next annual members meeting at which his term expires as provided in Article IX of the Articles, and until his successor is duly elected and qualified, or until he is removed in the manner elsewhere provided herein.

4.5 (a) A Director elected by the Purchaser Members may be removed from office upon the affirmative vote or the agreement in writing of a majority of the Purchaser Members at a special meeting of the Purchaser Members with or without cause. A meeting of Purchaser Members to so remove a Director elected by them shall be held, subject to the notice provisions of Section 3.4 hereof, upon the written request of ten percent (10%) of the Purchaser Members. However, before any such Director is removed from office, he shall be notified in writing prior to the meeting at which a motion will be made to remove him that such a motion will be made, and such Director shall be given an opportunity to be heard at such meeting should he be present prior to the vote on his removal.

(b) Purchaser Members shall elect, at a special meeting of the members or at an annual members meeting, persons to fill vacancies on the Board of Directors caused by the removal of a Director elected by Purchaser Members in accordance with Section 4.5(a) above.

(c) A Director designated by Declarant, as provided in the Articles, may be removed only by Declarant in its sole discretion. Declarant shall have the right to name a successor for any Director removed by it or for any vacancy on the Board of Directors as to a Director designated by it and Declarant shall notify the Board of Directors of the name of the respective successor Director and the commencement date for the term of such successor Director.

4.6 The organizational meeting of the members of a newly elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the Directors at

the meeting at which they were elected. No further notice of the organizational meeting shall be necessary.

4.7 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 Directors. Special meetings of the Board of Directors may be called at the discretion of the President or, in his absence, the Vice President of the Association. Special meetings must be called by the Secretary at the written request of one-third (1/3) of the Directors.

4.8 Notice of the time and place of regular and special meetings of the Board of Directors, or adjournments thereof, shall be given to each Director in person, telephone or telegraph at least three (3) business days prior to the day named for such meeting, or in the event notice is given by mail, five (5) business days prior to the day named for such meeting. Notice of a Board of Directors meeting shall be posted conspicuously on the Condominium Property forty-eight (48) hours in advance of said meeting. Notice of any meeting where "Assessments" (as such term is hereinafter defined) are to be considered shall state that Assessments will be considered and the nature of such Assessments. Directors may waive notice of a meeting before, during or after a meeting, and such waiver shall be deemed equivalent to the receipt of notice by such Director.

4.9 A quorum of the Board of Directors shall consist of a majority of the Directors. Matters approved by a majority of the Directors present at a meeting at which a quorum is present shall constitute the official acts of the Board of Directors, except as specifically otherwise provided in the Declarations, Articles or elsewhere herein. If at any meeting of the Board of Directors there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present.

4.10 The presiding officer at Board meetings shall be the President.

4.11 Directors shall not receive any compensation for their services as Directors.

4.12 Minutes of all meetings of the Board of Directors shall be kept in a businesslike manner and be available for inspection by members and Directors at all reasonable times and upon reasonable notice. The minutes shall be retained by the Association for at least seven (7) years subsequent to the date of the meeting the minutes reflect.

4.13 The Board of Directors shall have the power to appoint an executive committee of the Board of Directors consisting of not less than a majority of the Directors, which shall have and exercise such powers of the Board of Directors as may be delegated to such executive committee by the Board of Directors. All acts of the executive committee shall be affirmed at the next meeting of the Board of Directors.

4.14 Meetings of the Board of Directors shall be open to all members as shall be determined by the Board of Directors in respect to each meeting in its sole discretion except as otherwise expressly provided herein. Unless a member serves as a Director or unless he has been specifically invited by the Directors to participate in a meeting of the Board of Directors, such member shall not participate in the meeting, but shall only be entitled to act as an observer. If a member not serving as a Director or not otherwise invited by the Directors to participate in a meeting attempts to become more than an observer at such meeting or conducts himself in a manner detrimental to the carrying on of such meeting, then any Director may expel said member from the meeting by any reasonable means which may be necessary to accomplish such an expulsion. Any Director shall have the right to exclude from any meeting of the Board of Directors any person who is not able to provide sufficient proof that he is a member, unless said person was specifically invited by the Directors to participate in such meeting.

OFF 0474 PAGE 1225
REC

Section 5. Powers and Duties of the Board of Directors

The Board of Directors shall have the powers and duties necessary for the management and administration of the affairs of the condominium. All powers and duties of the Association, including those existing under the Act and the Condominium Documents, shall be exercised by the Board of Directors, unless otherwise specifically delegated therein to the members. Such powers and duties of the Board of Directors shall be exercised in accordance with the provisions of the Act and the Condominium Documents and shall include, but not be limited to, the following:

5.1 Making and collecting against members to pay the Common Expenses of the Condominium and Association. These Assessments shall be collected by the Association through payments made directly to it by the members as set forth in the Declaration.

5.2 Collecting the members' portion of Operating Expenses of the Owners Association.

5.3 Using the proceeds of Assessments in the exercise of the powers and duties of the Association and the Board of Directors.

5.4 Maintaining, repairing and operating the Common Elements of the Condominium and other property owned by the Association.

5.5 Reconstructing improvements after casualties and losses and making further authorized improvements of the Condominium Property.

5.6 Making and amending rules and regulations with respect to the operation and use of the Condominium Property of the Condominium and any property owned by the Association.

5.7 Approving or disapproving subject to payment of any deposit and fee which may be imposed pursuant to 718.112(2)(l) (1989) of the Act with respect to any proposed leases or lease renewals in accordance with the provisions set forth in the Declaration.

5.8 Enforcing by legal means the provisions of the Condominium Documents including the Declaration, the Articles, these By-Laws, and any rules and regulations adopted by the Association and the applicable provisions of the Act.

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

5.10 Paying taxes and assessments which are or may become liens against the Common Elements and Condominium Units owned by the Association, if any, and assessing the same against Condominium Units which are or may become subject to such liens.

5.11 Purchasing and carrying insurance for the protection of Condominium Unit Owners and the Association against casualty and liability for the Condominium Property of the Condominium and other property owned by the Association.

5.12 Paying costs of all power, water, sewer and other utility services rendered to the Condominium and not billed to owners of Condominium Units.

5.13 Hiring and retaining such employees as it shall deem appropriate in its discretion to administer and carry out the services required for the proper administration of the affairs of the Association, including the hiring of resident managers and paying all salaries therefor.

5.14 Performing all of the covenants, conditions and obligations set forth in the Master Documents or required thereby.

5.15 To acquire, own, mortgage and convey real and personal property and take such other reasonable actions in that regard.

5.16 Electing, designating, and removing officers in accordance with the terms and provisions of the Condominium Documents.

5.17 Maintaining bank accounts on behalf of the Association and designating signatories required therefore.

Section 6. Officers of the Association

6.1 The officers of the Association shall be a President, who shall be a Director, one (1) or several Vice Presidents, a Treasurer and a Secretary, all of whom shall be elected annually by the Board of Directors. Any officer may be removed without cause from office by a vote of the Directors at any meeting of the Board of Directors. The Board of Directors shall, from time to time, appoint such other officers and assistant officers and designate their powers and duties.

6.2 The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of the President of a condominium association, including, but not limited to, the power to appoint such committees at such times from among the members as he may, in his discretion, determine appropriate to assist in conducting the affairs of the Association. The President shall preside at all meetings of the Board of Directors. The President shall also be the Voting Member of the Association or appoint by written proxy a person to be the Voting Member of the Association at meetings of the Owners Association.

6.3 In the absence or disability of the President, the Vice President shall exercise the powers and perform the duties of the President. The Vice President shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board of Directors. In the event there shall be more than one (1) Vice President elected by the Board of Directors, then they shall be designated "First", "Second", etc., and shall exercise the powers and perform the duties of the Presidency in such order and shall perform such other duties as shall be prescribed by the President and the Board of Directors.

6.4 The Secretary shall cause to be kept the minutes of all meetings of the Board of Directors and the members, which minutes shall be kept in a businesslike manner and shall be available for inspection by members and Directors at all reasonable times and upon reasonable notice. He shall have custody of the seal of the Association and shall affix the same to instruments requiring such seal when duly authorized and directed by the Board of Directors to do so. He shall keep the records of the

OFF 0474 PAGE 1227
REC

Association, except those of the Treasurer, and shall perform all of the duties incident to the office of Secretary of a condominium association as may be required by the Board of Directors or the President. The Assistant Secretary, if any, shall perform the duties of the Secretary when the Secretary is absent and shall assist the Secretary and perform such other duties as shall be prescribed by the President or the Board of Directors.

6.5 The Treasurer shall have custody of all of the property of the Association, including funds, securities and evidences of indebtedness. He shall keep the assessment rolls and accounts of the members, keep the books of the Association in accordance with good accounting practices and shall perform all of the duties incident to the office of a Treasurer. The Assistant Treasurer, if any, shall perform the duties of the Treasurer whenever the Treasurer is absent and shall assist the Treasurer and perform such other duties as shall be prescribed by the President or the Board of Directors.

6.6 The compensation, if any, of employees of the Association shall be fixed by the Board of Directors. Officers shall not be compensated for their services as officers. This provision shall not preclude the Board of Directors from employing a Director as an employee of the Association nor contracting with a Director for the management of the Condominium Property of the Condominium or any other property owned by the Association.

Section 7. Accounting Records; Fiscal Management

7.1 The Association shall maintain accounting records in accordance with generally accepted accounting practices and on an accrual basis. The accounting records shall be open to inspection by members or their authorized representatives who shall be accountants at reasonable times and upon reasonable notice. Such authorization as a representative of a member must be in writing and be signed by the member giving such authorization and dated within sixty (60) days of the date of any such request. Written financial reports or statements of the Association shall be supplied at least annually, as set forth more fully in Section 7.2(f) below, to the members. The accounting records shall include (a) a record of all receipts and expenditures, including, as applicable, and not limited to, costs for security, professional management, taxes, refuse collection and utility services, lawn care, building maintenance and repair, insurance, administrative and salary expenses, and general, maintenance, and depreciation reserves; (b) an account for each Condominium Unit which shall designate the name and address of the Condominium Unit Owner, the amount of each Assessment charged to the Condominium Unit, the amounts and due dates for each Assessment, the amounts paid upon such account and the balance due for each Condominium Unit; (c) an account indicating the Common Expenses allocated under the Condominium budget and the Common Expenses actually incurred during the course of the fiscal year; and (d) a separate account for Operating Expenses charged by the Owners Association against the Association as a whole and against each Condominium Unit.

7.2 (a) The Board of Directors shall adopt a budget of the Common Expenses of the Association and each Condominium (the "Budget") for each fiscal year at a regular or special meeting of the Board of Directors ("Budget Meeting") called for that purpose not later than November 15 of the prior year. In the event a Budget is not adopted by such date, it shall not abrogate or affect Condominium Unit Owners obligations to pay Common Expenses. Prior to the Budget Meeting, a proposed Budget shall include, where applicable, but not be limited to, the following items of expense:

- (i) Administration of the Association
- (ii) Management Fees
- (iii) Maintenance
- (iv) Taxes upon Association Property
- (v) Insurance
- (vi) Other Expenses

- (vii) Security Provisions
- (viii) Operating Capital
- (ix) Reserves
- (x) Fees Payable to the Division of Florida Land Sales, Condominiums and Mobile Homes
- (xi) Association's Share of Taxes, Insurance and other Operating Expenses
- (xii) Deficiencies from Prior Year.

Copies of the proposed Budget and notice of the exact time and place of the Budget Meeting shall be mailed to each member at the member's last known address, as reflected on the books and records of the Association, not less than fourteen (14) days prior to said Budget Meeting, and the Budget Meeting shall be open to the members. Failure to timely adopt a Budget shall not affect or abrogate the obligation to pay Common Expenses.

(b) The Board of Directors shall state in the Budget the Operating Expenses charged against the members of the Association by the Owners Association, notwithstanding that such Operating Expenses are not Common Expenses and are not part of the Budget.

(c) The Board of Directors may also include in the proposed Budget an amount as a Common Expense Assessment for the making of betterments to the Condominium Property of the Condominium and other property owned by the Association for anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis or for the establishment of reserves for repair or replacement of the Condominium Property of the Condominium and other property owned by the Association either annually or from time to time as the Board of Directors shall determine the same to be necessary. Such amount may be levied upon the members by the Board of Directors as a Special Assessment and shall be considered an "Excluded Expense" under Section 7.3(a) hereof. In addition, the Board of Directors shall include, on an annual basis, the establishment of reserve accounts for capital expenditures and deferred maintenance of the Condominium Property of each Condominium and other property owned by the Association. The reserve accounts shall include, but not be limited to, roof repair and replacement, building painting, and pavement resurfacing. The amount to be reserved shall be computed by means of a formula which is based upon estimated life and estimated replacement cost of each reserve item. This amount shall also be considered an Excluded Expense under Section 7.3(a) hereof. The members may by a majority vote determine for a particular fiscal year to budget no reserves or reserves in a lesser amount than required herein.

(d) In administering the finances of the Association, the following procedures shall govern: (i) there shall be apportioned between calendar years on a pro rata basis any expenses which are prepaid in any one calendar year for Common Expenses which cover more than such calendar year; (ii) Assessments shall be made monthly, unless otherwise determined by the Board of Directors, in amounts no less than are required to provide funds in advance for payment of all of the anticipated expenses and for all unpaid expenses previously incurred; and (iii) Common Expenses incurred in a calendar year shall be charged against income for the same calendar year regardless of when the bill for such Common Expenses is received. Assessments shall be sufficient to provide adequate and available funds to meet all budgeted expenses and anticipated cash needs in any calendar year.

(e) The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board of Directors in which the monies of the Association shall be deposited. Withdrawal of monies from such account shall be by checks signed only by such persons as are authorized by the Board of Directors; provided, however, that at least two (2) authorized signatures shall be on any check.

(f) A financial report for each year, including a statement of revenues and expenses of the Association shall be prepared by a Certified Public Accountant designated by the Board of Directors. Either a copy of such report or a complete set of financial statements shall be furnished to each member no later than the first day of April of the year following the year for which the report is made. The report or statements shall be deemed to be furnished to the member upon its delivery in person or mailing by prepaid, first-class mail to the member at his last known address shown on the books and records of the Association.

7.3 Until the provisions of Section 718.112(2)(e) (1989) of the Act relative to the members' approval of a Budget requiring Common Expense Assessments against the members in excess of one hundred fifteen percent (115%) of such Common Expense Assessments for the members in the preceding year are declared invalid by the Courts, or until amended by the Florida Legislature (however, if such amendment merely substitutes another amount for one hundred fifteen percent [115%], then such new amount shall be substituted for one hundred fifteen percent [115%] each time it is used in this Section 7.3), the following shall be applicable:

(a) Should the Budget adopted by the Board of Directors at the Budget Meeting require Common Expense Assessments against the members in the Condominium or the Association as a whole of an amount not greater than one hundred fifteen percent (115%) of such Common Expense Assessments for the prior year, the Budget shall be deemed approved. If, however, the Common Expense Assessments required to meet the Budget exceed one hundred fifteen percent (115%) of such Common Expense Assessments against the members in the Condominium or the Association as a whole for the preceding year (an "Excess Assessment"), then the provisions of Sections 7.3(b), (c) and (d) hereof shall be applicable; provided that in computing whether a Common Expense Assessment constitutes an Excess Assessment, there shall be excluded from such computation certain expenses (the "Excluded Expenses"), including the following:

(i) Reserves for repair or replacement of the Condominium Property of the Condominium and other property owned by the Association;

(ii) Anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis; and

(iii) Common Expense Assessments for betterments to the Condominium Property of the Condominium and other property owned by the Association.

(b) Prior to the Majority Election Meeting: Should an Excess Assessment be adopted by the Board of Directors while Declarant is in control of the Board of Directors, then a special meeting of the members in the Condominium, or the Association, as the case may be, shall be called by the Board of Directors which shall be held not less than ten (10) days subsequent to the sending of written notice to each member, but within twenty (20) days after the Budget Meeting. At said special meeting, the Excess Assessment shall be presented to the members in the Association. If at said special meeting a majority of the members in the Association shall approve the Excess Assessment, then the Budget adopted by the Board of Directors shall be the final Budget. If, at said special meeting of the members a majority of the members in the Association shall not approve the Excess Assessment, then the Board of Directors shall reconvene at a special meeting for the purpose of reducing the items of anticipated expense in the Budget in an amount necessary so that the Budget adopted by the Board of Directors will not result in an Excess Assessment against the members.

(c) After the Majority Election Meeting: Should an Excess Assessment be adopted by the Board of Directors after the Board of Directors is no longer controlled by Declarant, then upon written application requesting a special meeting signed by ten percent (10%) or more of the members in

the Association and delivered to the Board of Directors within twenty (20) days after the Budget Meeting, the Board of Directors shall call a special meeting to be held not less than ten (10) days subsequent to the sending of written notice to each member, but within thirty (30) days of the delivery of such application and shall enact a revision of the Budget. The enactment of a revision of the Budget shall require approval of not less than two-thirds (2/3) of the members the Association. If such a revised Budget is enacted at said special meeting, then the revised Budget shall be the final Budget, or if a revised Budget is not enacted at such special meeting, or if no quorum is attained at such special meeting, then the Budget originally adopted by the Board of Directors shall be the final Budget. If no written application is delivered, as provided herein, then the Budget originally adopted by the Board of Directors shall be the final Budget.

(d) The term "Majority Election Meeting" shall have the same meaning as set forth in the Articles.

(e) The Board of Directors shall not have the authority or power to reduce the Association's share of Operating Expenses assessed by the Owners Association pursuant to the Master Documents or the Condominium Documents. This statement is for explanation purposes only and a deletion or amendment hereof shall not grant or convey such authority or power.

(f) The Board of Directors shall not anticipate revenues from Assessments or expend funds to pay for Common Expenses not included in the Budget or which shall exceed budgeted items and the Board of Directors shall not engage in deficit spending. Should there exist any deficiency which results from there being greater Common Expenses than revenues from Assessments, then such deficits shall be carried into the next succeeding year's Budget as a deficiency or shall be the subject of a Special Assessment to be levied by the Board of Directors as provided in the Declaration.

7.4 (a) The Budget constitutes an estimate of the expenses of the Association and for the Condominium. Subsequent to the "Interim Assessment Period" (as described in the Declaration), this estimate of the expenses of the Association and the Condominium shall be multiplied by the share in Common Expenses assigned to each Condominium Unit and the resultant product shall constitute the Annual Assessment for such Condominium Unit.

(b) A Condominium Unit Owner shall also be liable for any Special Assessment levied against his Condominium Unit by the Board of Directors as provided in the Declaration or assessments for Operating Expenses or Special Assessments by the Owners Association as provided in the Master Documents.

7.5 The Association shall collect Annual Assessments and Special Assessments, and assessments for Operating Expenses of the Owners Association from the Condominium Unit Owners in the manner set forth in the Declarations and the other Condominium Documents.

7.6 If a Condominium Unit Owner shall be in default in the payment of an installment of the Annual Assessment, the Board of Directors or its agent may accelerate the remaining installments of the Annual Assessment. Such accelerated assessments shall be due and payable from the date the claim of lien is filed in the Public Records of the County.

Section 8. Rules

The Board of Directors may adopt rules or amend or rescind existing rules for the operation and use of the Condominium Property of the Condominium and other property owned by the Association by Condominium Unit Owners (provided that such rules are not inconsistent with those promulgated by the Owners Association or the other Condominium Documents) at any meeting of the Board of Directors. Copies of rules promulgated, amended or rescinded shall be mailed to all Condominium Unit Owners at

OFF REC 0474 PAGE 1231

their last known address as shown on the books and records of the Association and shall not take effect until forty-eight (48) hours after such mailing.

Section 9. Enforcement Procedures

(a) **Enforcement Committee.** The Association shall have the right to levy reasonable fines against an Owner in the manner provided herein. Each Board of Directors (the "Appointing Board") shall have the power to create an "Enforcement Committee" to be comprised of three (3) members, one (1) of whom shall be a Director, and one (1) of whom shall be designated as the Chairperson thereof. The Enforcement Committee shall serve a term consistent with the term of its Appointing Board. Members of the Enforcement Committee may be replaced with or without cause by majority vote of the Appointing Board.

(b) **Conduct of Enforcement Hearing.** The alleged non-complying member shall be given reasonable opportunity to be heard.

(c) **Powers of the Enforcement Committee.** The Enforcement Committee shall have the power to:

(i) Adopt rules for the conduct of its hearings to be approved by the Board of Directors;

(ii) Effectuate the provisions set forth in this provision;

(iii) Issue orders consistent with this provision; and

(iv) Order non-complying members to pay a fine not to exceed Fifty (\$50.00) Dollars, or such greater amount as may be permitted by the Act.

(d) **Notice to Alleged Non-Complying members.** Alleged non-complying members shall be given reasonable notice at least seven (7) days in advance of said hearing. No alleged non-complying member shall be given notice of hearing before the Enforcement Committee unless said alleged non-complying member has first been given reasonable opportunity to rectify the alleged non-complying condition.

Section 10. Internal Dispute Resolution

As provided in Section 718.112(2)(l) (1989) of the Act, internal disputes arising from the operation of the Condominium among Unit Owners, the Association, their agents, and assigns shall be subject to voluntary binding arbitration upon the consent of the parties to such dispute.

The Association shall have no responsibility to settle disputes between members or intervene on behalf of any member regarding a dispute with another member.

Section 11. Parliamentary Rules

The then latest edition of Robert's Rules of Order shall govern the conduct of meetings of the Association; provided, however, if such Rules are in conflict with the Articles, these By-Laws, the Declarations, or the Act, then the Articles, By-Laws, Declarations, or the Act, as the case may be, shall govern in the following order of priority: Act, Declaration, Articles, By-Laws.

OFF 0474 PAGE 1232
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Section 12. Amendment of the By-Laws

12.1 These By-Laws may be amended by the affirmative vote of not less than a majority of the members present at an annual members meeting or a special meeting of the members. A copy of the proposed amendment shall be sent to each member along with the notice of the special meeting of the members or annual members meeting.

12.2 Amendments to these By-Laws shall be made in accordance with the requirements of the Act and amendments thereto in effect at the time of amendment.

12.3 No modification or amendment to these By-Laws shall be adopted which would affect or impair the priority of any "Eligible Mortgagee", as defined in the Declaration, the validity of the mortgage held by any such Eligible Mortgagee or any of the rights of Declarant.

12.4 No amendment to these By-Laws shall be valid unless recorded with identification on the first page thereof of the book and page of the public records where the Declaration is recorded.

The foregoing By-Laws of The Surf Club Condominium Association, Inc. are hereby adopted by all of the Directors of The Surf Club Condominium Association, Inc. as and constituting the Board of Director of said Association this ____ day of _____, 1992.

Steven Tubbs

William Beam

Sam Cline

RGC: 1-14-91

OFF REC 0474 PAGE 1233

SCHEDULE OF ASSESSMENTS

EXHIBIT "F"
TO
DECLARATION OF CONDOMINIUM
OF
THE SURF CLUE CONDOMINIUM

OFF REC 0474 PAGE 1234

EXHIBIT F

SCHEDULE OF ASSESSMENTS

Phase 1

<u>Unit Numbers</u>	<u>Assessment Per Unit</u>
Units 1-101 through 2-608 (96 Units)	\$114.91

Phases 1 & 2

<u>Unit Numbers</u>	<u>Assessment Per Unit</u>
Units 1-101 through 4-608 (192 Units)	\$102.32

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 SHERIFF F. LANGER
 CLERK OF CIRCUIT COURT
 FLAGLER COUNTY, FLA.

