

DECLARATION OF CONDOMINIUM
FOR
CONDOMINIUMS AT WATERSIDE VILLAGE

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DECLARATION OF CONDOMINIUM
OF
CONDOMINIUMS AT WATERSIDE VILLAGE,

Developer hereby submits the Property, as hereinafter defined, and the improvements constructed and to be constructed thereon, to condominium ownership in the manner provided by the Act, and makes the following declarations:

DEFINITIONS

The following terms shall have the following meanings when capitalized and used in this Declaration. Capitalized words not defined herein shall have the meaning ascribed to them in the Act.

"Act" - Chapter 718, Florida Statutes.

"Articles of Incorporation" - The Articles of Incorporation of the Association.

"Assessments" - A pro-rata share of the funds which are required for the payment of Common Expenses which from time to time are assessed against the Unit Owners.

"Association" - Condominiums At Waterside Village Community Association, Inc., a Florida not for profit corporation, and the entity responsible for the operation of Common Elements.

"By-Laws" - The By-Laws of the Association.

"Common Elements" - That portion of the Property not included in the Units, including recreational facilities.

"Common Expenses" - All expenses properly incurred by the Association in the performance of its duties, and shall include expenses of administration, expenses of insurance, expenses of maintenance, operation, repair, replacement, reserves, and betterment of the Common Elements and the portions of the Unit to be maintained by the Association, and expenses declared to be common by the provisions of this Declaration, the By-Laws, or otherwise.

"Common Surplus" - The excess of all receipts by the Association on account of the Condominium over the Common Expenses.

"Condominium" - The Condominium herein created, known as "Condominiums At Waterside Village".

"Cottage" - That portion of the neighboring development, Cottages At Waterside Village, subject to exclusive ownership and designated by the Declaration and the exhibits thereto for that development as a Cottage.

"Cottage Owners" – The record owner of a cottage in the neighboring development, Cottages At Waterside Village.

"Declaration" - This Declaration of Condominium.

"Developer" – Condominiums At Waterside Village, LLC, a Florida limited liability company.

"Developer Property"- That portion of the Property retained by the Developer, if any, and not included in the Units.

"Directors" - Members of the Board of Directors of the Association, acting as the Board of Directors consistent with any provisions of the By-Laws or the Articles.

"Property" - The real property hereby submitted to condominium ownership as more particularly described on **Exhibit "A"** hereto, and all improvements thereon and appurtenances thereto, and easements and other rights related thereto.

"Unit" - That portion of the Property subject to exclusive ownership and designated by the Declaration and the exhibits hereto as a Unit.

"Unit Owner" - The record owner of a Unit.

ARTICLE I

NAME

The Condominium shall be known as "Condominiums At Waterside Village."

ARTICLE II

PROPERTY

The Property legally described on **Exhibit "A"** hereto is hereby submitted to condominium ownership.

ARTICLE III

DEVELOPMENT PLAN

The Condominium is described and established as follows:

- A. Survey. The survey of the Property showing the improvements on it is attached as **Exhibit "B"**.
- B. Improvements and Completion Date. Improvements upon the Property are constructed substantially in accordance with the graphic description of the improvements representing the site plan and attached hereto as composite **Exhibit "C"**. Exhibit "C" identifies each Unit by unique number. Developer guarantees that construction of the Condominiums At Waterside Village will be complete within two (2) years of execution of a Purchase Agreement for the sale of a Unit.
- C. Easements. The Developer hereby creates and reserves the following certain easements, each of which is a covenant running with the Property and the Condominium, and notwithstanding any of the other provisions of this Declaration, may not be substantially amended or revoked in such a way as to unreasonably interfere with their proper and intended use and purpose, and shall survive the termination of the Condominium and the exclusion of any lands from the Condominium:
1. Utility Easements. Easements are reserved through the Property as may be required for utility service or ingress and egress to serve the Condominium adequately and the Developer or Association may grant permits, licenses and easements over, under or upon the Common Elements for utilities, ingress and egress or other purposes reasonably necessary or useful for the proper maintenance or operation of the Condominium. Provided, however, such easements to a Unit shall be only according to the plans and specifications for the Property, or as the Property is constructed, unless approved in writing by the Unit Owner, or the Developer during construction.
 2. Cross Easements. Reciprocal easements are hereby created in favor of all Unit Owners for pedestrian and vehicular ingress and egress, for use of recreational facilities, such as boardwalk access, swimming pools and for ingress and egress to provide power, electric, telephone, cable, gas, sewer, water and other utility services and lighting facilities, irrigation, television transmission facilities, security service and facilities in connection therewith and other similar purposes; or any one or all of the foregoing. Developer, for itself, its nominee, its assigns and the Association, reserves an easement upon the Common Elements henceforth for any of the foregoing purposes.
 3. Easements for Encroachments. The Common Elements of the Condominium may be joined or connected with or may encroach or be encroached upon by the Units or portions thereof. In the event of the foregoing, the same is deemed authorized and an easement appurtenant to the extent of any such encroachment and such easement shall exist so long as such encroachment shall exist. Further, all the Property shall be subject to easements for encroachments which now exist or hereafter exist, caused by settlement or movement of a building, or caused by minor inaccuracies in building or rebuilding, which encroachments

shall be permitted to remain undisturbed and such shall continue until such encroachments no longer exist. Reconstruction following casualty damage may continue any previously existing encroachment.

4. Ingress and Egress Easement. Each Unit Owner of the Condominium shall have a nonexclusive easement for ingress and egress between said Unit and the private roads and streets serving the Condominium, over the halls, corridors, stairs, walks, driveways, outside and inside parking areas, covered walkways, exterior access and all other portions of the Common Elements of the Condominium.
5. Access to Make Repairs. The Association has an irrevocable right of access to each Unit during reasonable hours, when necessary for maintenance, repair or replacement of any Common Elements as necessary to prevent damage to the Common Elements or to another Unit.
6. Structural Support. Every portion of a Unit contributing to the structural support of the Condominium or an adjacent Unit or Common Element shall be burdened with an easement of support for the benefit of all other Units and Common Elements in the Condominium.
7. Perpetual Nonexclusive Easement in Common Elements. The Common Elements shall be, and the same are hereby declared to be, subject to a perpetual nonexclusive easement in favor of all the Unit Owners in the Condominium for their use and the use of their immediate families, guests and invitees, for all proper and normal purposes, and for the furnishing of services and facilities for which the same are reasonably intended.
8. Cottage Easement and Shared Use Agreement. The Developer has entered or will enter into a Cottage Easement and Shared Use Agreement with Cottages At Waterside Village Homeowners' Association, which will grant a nonexclusive easement allowing Cottage Owners, their immediate families and guests to use the swimming pool facilities of the Condominiums At Waterside Village. A copy of the proposed Non-Exclusive Easement and Use Agreement is attached hereto as Exhibit G. The Cottages At Waterside Village is a neighboring development containing nineteen (19) single family residential units. As consideration for this right of use, the Cottages At Waterside Village Homeowners' Association will pay, upon receipt of invoice from the Condominiums At Waterside Village Community Association, twenty-seven percent (27%) of a shared expense budget for expenses relating to use of the swimming pool, including but not limited to swimming pool and pool deck maintenance, utilities and supplies. Owners of cottages in the adjacent development, Cottages At Waterside Village, have a non-exclusive easement for ingress and egress using the specific access areas depicted on Exhibit G for access to the swimming pool facilities. Cottage Owners will not have access to or use of any other Condominium property.

9. Right of Entry into Units in Emergencies. In case of an emergency originating in or threatening any Unit, regardless of whether or not the Unit Owner is present at the time of such emergency, the Association shall have the right to enter such Unit for the purpose of remedying or abating the cause of such emergency, and such right of entry shall be immediate and to facilitate entry in the event of any such emergency, each Unit Owner, if required by the Association, shall deposit under the control of the Association, a key to such Unit. For the purpose of this provision, the term "emergency" shall mean damage to the Common Elements or to a Unit or Units.
10. Right of Entry for Maintenance of Common Elements. The Association has the irrevocable right to access each Unit during reasonable hours, when necessary for the maintenance, repair or replacement of any Common Elements or of any portion of a Unit to be maintained by the Association pursuant to the Declaration or as necessary to prevent damage to the Common Elements or to a Unit or Units, and shall have a key for each Unit for that purpose.
11. Air Space. An exclusive easement shall exist for the use of the air space occupied by a Unit as it exists at any particular time.
12. Easements or Encroachments. Easements for encroachments by the perimeter walls, ceilings and floor surrounding each Unit shall exist.
13. Easement for Overhangs. Easement for overhanging troughs or gutters, downspouts, chases, and the discharge therefrom of rainwater and the subsequent flow thereof over Units or any of them, and through chases located therein, shall exist.
14. Party Wall Easement. In addition to easements provided by the general rule of law regarding party walls there shall be reciprocal appurtenant - easements for the maintenance, repair and replacement of any party wall or walls, said easements to extend for a reasonable distance from any point in the common boundary between each Unit for the purpose of completing said maintenance, repair or replacement.
15. Easement for Emergency Access. There is hereby created an easement over and across the surface of the Property for access and passage by emergency and public safety, and public utility personnel and vehicles, including, without limitation, police, ambulance, paramedic, firefighting and refuse collection personnel and vehicles on official business. The easement hereby granted shall run to the benefit of the Association and the Unit Owners.
16. Road Access Easement. The Developer has entered or will enter into a Road Access Easement Agreement with Cottages at Waterside Village Homeowners' Association, which will grant a nonexclusive easement allowing Cottage

Owners access over an across a portion of road owned by the Association. A copy of the Road Access Easement Agreement is attached hereto as Exhibit H.

17. Telephone, Cable, and Telecommunications Systems. The Developer reserves unto itself, the exclusive power and authority, but not the obligation, to contract for, construct or install over, through, under, across, and upon any portion of the Property for the use of the Unit Owners and the Developer, its successors and assigns, one or more telephone, cable, and/or telecommunications receiving and distribution systems, electronic surveillance systems, emergency, medical, or surveillance monitoring or alarm systems, and all associated equipment, lines, antennae, or satellites (hereinafter the "Equipment Systems"), together with the perpetual exclusive right and privilege of (i) unlimited ingress and egress to and upon, and use of, the Property, including Units, for installing, constructing, inspecting, repairing, maintaining, altering, moving, improving, and replacing the Equipment Systems, and (ii) distribution of signals and transmissions of whatever type. The Equipment Systems shall be owned and exclusively controlled by the Developer, its successors and assigns. The Developer, its successors and assigns, shall have an exclusive easement right and privilege to use portions of the Property for the Equipment Systems as well as for the services to be provided thereby, in its sole discretion, so long as such use does not unreasonably interfere with the intended use of the Property by the Unit Owners. This easement right shall expire upon turnover of control of the Association from the Developer to Unit Owners pursuant to F.S. 718.301.

The easements and other rights created herein for a Unit Owner shall be appurtenant to the Unit of that Unit Owner and all conveyances of title to the Unit shall include a conveyance of the easements and rights as are herein provided, even though no specific reference to such easements and rights appears in any such instrument.

- D. Unit Boundaries. Each Unit shall include that part of the building containing the Unit that lies within the boundaries of the Unit, which boundaries are as follows:
 - (1) Upper and Lower Boundaries. The upper and lower boundaries of the Unit shall be the following boundaries extended to an intersection with the perimetrical boundaries:
 - (a) Upper Boundary. The horizontal plane of the undecorated finished ceiling.
 - (b) Lower Boundary. The horizontal plane of the undecorated finished floor.
 - (2) Perimetrical Boundaries. The perimetrical boundaries of the Unit shall be the vertical planes of the undecorated finished interior surfaces of the walls bounding the Unit extended to intersections with each other and with the upper and lower boundaries. When there is attached to the building a balcony, deck, patio, canopy, stairway or other

portion of the building serving only the Unit being bounded, the perimetrical boundaries shall be extended to include the intersecting vertical plane adjacent to and which include all of such structures and fixtures thereon.

E. **Common Elements.**

Condominiums At Waterside Village will include certain commonly-used recreational and other facilities identified as Common Elements. The approximate location of the recreational and commonly used facilities that will be used by Condominiums At Waterside Village Unit Owners is set forth on Exhibit "C" to this Declaration. Certain of the commonly used facilities, namely the swimming pool and pool deck facilities, will be available for use by Cottage Owners and members of their immediate families and guests. Cottage Owners will share in the expenses of those particular facilities pursuant to a written agreement between the Developer and the Cottages At Waterside Village Homeowners' Association whereby the Cottage Owners will collectively pay 27% of the expenses attributable to those facilities. This agreement is described in further detail in Article III(C)(8) of this Declaration. The facilities will be available no later than December 31, 2006

All common areas and amenities as described herein and in the Declaration of Condominium are tentative and subject to modification by the Developer or as a result of local, state or federal government agency approval or changes.

- (1) **Description of Common Elements.** The Common Elements are the portions of the Condominium Property not within a Unit. The Common Elements will include a swimming pool, boardwalk and a dock system. Common Elements will also include all parking areas and utility lines, including water lines and sewer lines, which shall be installed by the Developer and maintained by the Association. The approximate location of the Common Elements that will be used by all of the unit owners within Condominiums At Waterside Village is set forth on Exhibit "C".
- (2) **Limited Common Elements.** In addition to the Common Elements described in this Prospectus and in the Declaration, there will be certain Limited Common Elements, the use of which is reserved to a certain Unit to the exclusion of other Units and shall be appurtenant to such Units. All unit porches and balconies shall be deemed limited common elements which shall be reserved for the exclusive use of the Unit to which it is adjacent. Owners of Units to which the Limited Common Elements are appurtenant shall maintain their respective Limited Common Elements except that the Association shall paint exterior walls, doors and railings when deemed necessary by the Board of Directors of the Association and also maintain, repair and replace, when necessary, all parking spaces. The Declaration provides that the Owners shall grant access to the Association and its designated contractors for use of the Limited Common Elements in

order to perform window cleanings and repairs to the exterior of the Condominium Property and buildings.

- (3) **Disclosure of Land and Sea Wall Encroachment.** Attached hereto as Exhibit "B" is a copy of the "as built" survey of the Condominium property which provides an outline of the physical boundaries of the condominium property along with certain improvements on the property such as a seawall walking deck. The area depicted outside the boundaries of the survey are not common area nor part of the condominium. The seawall and decking as depicted on the survey meanders along the edge of the canal, a portion of which is not located inside the boundaries and is therefore not part of the common area of the Condominium. While the sea wall was constructed for the Condominium and classified as a Common Element in the Condominium documents, portions of the sea wall were built outside the boundaries of the Property and therefore are not part of the Condominium and in fact encroach onto the adjacent property. This encroachment is reflected on the survey attached as Exhibit "B". Unit Owner acknowledges the boundaries of the Condominium as depicted on Exhibit "B" and agrees to purchase the Unit with full knowledge of the same and further waives any and all claims, demands, losses, causes of action or dispute of any kind against Developer, its officers, agents, employees, successors or assigns related directly or indirectly to the boundaries of the Condominium property and/or the encroachments of the seawall and decking and for any prohibition or limitation of the use of any areas outside the boundaries of the Condominium property as depicted on Exhibit "B".

ARTICLE IV

OWNERSHIP, SURPLUS AND EXPENSE

Each Unit Owner shall own an undivided share in the Property, the Common Elements, and the Common Surplus, and shall be liable for a share of the Common Expenses. The share for each Unit is as set forth on **Exhibit "D"**, attached hereto. Generally speaking, the Common Elements consist of all parts of the Condominium Property not included in the Units. The common expenses include all expenses and assessments properly incurred by the Association for the Condominium which are to be shared by the Unit Owners. The percentage is based on the total square footage of the Unit in uniform relationship to the total square footage of all Units. Each Unit's percentage interest in the Common Elements and common surplus and percentage share of common expenses will be as set forth in **Exhibit D** to this Declaration. The Home Owners' Association for Cottages At Waterside Village will also pay a share of the common

expenses relating to the swimming pool, as set forth in Article III(C) and III(E) of this Declaration. **UNIT OWNERS ARE REQUIRED TO PAY THEIR SHARE OF THE COSTS AND EXPENSES OF MAINTENANCE, MANAGEMENT, UPKEEP, REPLACEMENT, RENT, AND FEES. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING DUE FROM THE USE, MAINTENANCE, UPKEEP, OR REPAIR OF THE RECREATIONAL OR COMMONLY USED FACILITIES. THE UNIT OWNER'S FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN.**

ARTICLE V

THE ASSOCIATION

- A. The Association shall be named "Condominiums At Waterside Village Community Association, Inc."
- B. Each Unit Owner shall be a member of the Association. Each Unit shall be entitled to one (1) vote, which vote shall be cast by the Unit Owner in the manner prescribed by the By-Laws of the Association. A copy of the Articles of Incorporation for the Association and the By-laws of the Association are attached hereto as **Exhibits "E" and "F"** respectively.
- C. Limitation Upon Liability of Association. Notwithstanding the duty of the Association to maintain and repair parts of the Property, the Association shall not be liable to Unit Owners for injury or damage, other than the cost of maintenance and repair, caused by any latent conditions of the property to be maintained and repaired by the Association, or caused by the elements or other Unit Owners or persons. The shares of Unit Owners in the funds, assets and property rights of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his Unit.
- D. Approval or Disapproval of Matters. Whenever the decision of a Unit Owner is required upon any matter, whether or not the subject of an Association meeting, such decision may be expressed by written agreement as well as by duly recorded vote and shall, in either event, be expressed by the same person who would cast the vote of the Unit Owner as if in an Association meeting, unless the joinder of record Unit Owners is specifically required by the Declaration.
- E. Directors. Directors must be Unit Owners in the Association, except that the Developer may appoint or select non-Unit Owners during the period in which the Developer may appoint Directors.

Section 718.301(a)-(e) provides as follows:

"(1) When unit owners other than the developer own 15 percent or more of the units in a condominium that will be operated ultimately by an association, the unit owners other than the developer shall be entitled to elect no less than one-third of the members of the board of administration of the association. Unit owners other than the developer are entitled to elect not less than a majority of the members of the board of administration of an association:

"(a) Three years after 50 percent of the units that will be operated ultimately by the association have been conveyed to purchasers;

"(b) Three months after 90 percent of the units that will be operated ultimately by the association have been conveyed to purchasers;

"(c) When all the units that will be operated ultimately by the association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the developer in the ordinary course of business;

"(d) When some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the developer in the ordinary course of business; or

"(e) Seven years after recordation of the declaration of condominium; or, in the case of an association which may ultimately operate more than one condominium, 7 years after recordation of the declaration for the first condominium it operates; or, in the case of an association operating a phase condominium created pursuant to Section 718.403, 7 years after recordation of the declaration creating the initial phase, whichever occurs first. The developer is entitled to elect at least one member of the board of administration of an association as long as the developer holds for sale in the ordinary course of business at least 5 percent, in condominiums with fewer than 500 units, and 2 percent, in condominiums with more than 500 units, of the units in a condominium operated by the association. Following the time the developer relinquishes control of the association, the developer may exercise the right to vote any developer-owned units in the same manner as any other unit owner except for purposes of reacquiring control of the association or selecting the majority members of the board of administration."

Except for those matters for which the Condominium Act requires Unit Owner approval, and for those voting rights which the Condominium Act grants to Unit Owners other than the Developer, until required by the Condominium Act including Section 718.301 thereof, or until the Developer or any subsequent developer elects to terminate their control of the Association and the condominiums operated by it, whichever occurs first, the proceedings of all meetings of Unit Owners of the Association shall have no effect unless

approved by the Board of Directors. During the time the majority of the directors serving on the Board of Directors are appointees of the Developer, the Developer reserves the right to chair or designate a representative to chair meeting(s) of Unit Owners.

- F. Acquisition, Conveyance of Property. Subject to the provisions of the By-Laws and Articles of the Association, the Association may acquire, convey, lease, or manage Association property or make material alterations, modifications or substantial additions to the Common Elements, or to real property owned by the Association by approval of the Directors of the Association at a meeting noticed for that purpose.
- G. In the event any government agency, whether local, state, or federal, determines that the Condominium is a "resort condominium" pursuant to Chapter 509, F.S., or requires the Developer or the Association to obtain a license as a "resort condominium" for the Condominium, or in the event the Association decides to obtain license to be a "resort condominium", the Association, at its sole cost and expense, shall apply for and obtain appropriate licensing, and shall take all necessary steps to be in full compliance with the statutes, rules, and other requirements governing such licensing. Unit Owners shall reasonably cooperate with the Association to obtain and maintain such licensing.

ARTICLE VI

ASSESSMENTS

The making and collection of Assessments against Unit Owners for Common Expenses shall be pursuant to the By-Laws and subject to the following provisions:

- A. In General. As more particularly provided in the By-Laws, each Unit Owner shall be liable for, and shall be assessed for, a proportionate share of the Common Expenses, such share being as described **on Exhibit "D"**. The Developer hereby specifically incorporates by this reference the provisions of Sections 718.116(1)(a)(liability for Assessments) and 718.116(2) (no waiver) of the Act.
- B. Late Charges. Assessments and installments on such Assessments paid on or before ten (10) days after the date when due shall not bear interest. All sums not paid on or before ten (10) days after the date when due shall bear interest at the maximum legal rate from the date when due until paid. The Association may charge an administrative late fee in addition to such interest, in an amount not to exceed the greater of \$25.00 or five percent (5%) of each installment of the Assessment for each delinquent installment that the payment is late. Any payment received by the Association shall be applied first to any interest

accrued by the Association, then to any costs and reasonable attorneys fees incurred in collection, and then to the delinquent Assessment.

- C. **Liability of Developer.** If the Developer is offering Units for sale, it shall be excused from payment of Assessments against those unsold Units for a period no later than the first day of the fourth calendar month following the month in which the first closing occurs of a purchase contract for a Unit. However, the Developer must pay Common Expenses incurred during such period which exceed regular periodic Assessments against other Unit Owners. So long as the Association has maintained all insurance coverage required by Section 718.111(11)(a) of the Act, Common Expenses incurred during the above period resulting from a natural disaster or an act of God occurring during such period, which are not covered by proceeds from insurance maintained by the Association, may be assessed against all Unit Owners owning Units on the date of such natural disaster or act of God, and their respective successors and assigns, including the Developer with respect to Units owned by the Developer. In the event of such an Assessment, all Units shall be assessed in accordance with the provisions of Article VI(A). Only regular periodic Assessments for Common Expenses as provided for herein and in the Prospectus and disclosed in Exhibit "D" of the Prospectus shall be used for payment of Common Expenses during any period in which the Developer is excused. No other funds which are receivable from Unit Owners and payable to the Association, including the capital contribution made pursuant to Article VI(D), may be used for payment of such Common Expenses.
- D. **Operating Capital.** Each purchaser of a Unit from the Developer will pay to the Association at closing a sum equal to one (1) monthly maintenance assessment on his Unit as a contribution towards operating capital of the Association.
- E. **Lien for Assessments and Shared Use Fees.** The Association has a lien on each Unit to secure the payment of Assessments, late charges and interest thereon, and the reasonable cost of collection. In addition, the Association has a lien against each Cottage to secure the payment of Cottage Owners' share of expenses for the swimming pool and pool deck, as more specifically detailed in the Non-Exclusive Easement and Use Agreement attached hereto as Exhibit "G." The lien is effective from and shall relate back to the recording of this Declaration. However, as to first mortgages of record, the lien is effective from and after recording of a claim of lien in the Public Records of Bay County, Florida in accordance with law. The Association shall have a lien on each Unit for any unpaid Assessments together with interest thereon, against such Unit Owner. Reasonable attorney's fees incurred by the Association incident to the collection of such Assessment or the enforcement of such lien, shall be payable by the Unit Owner and secured by such lien. The Association's liens shall also include those sums advanced on behalf of each Unit Owner in payment of his obligation for Common Expenses or other use charges and operation costs designated by this Declaration as Common Expenses.

- F. **Collection and Foreclosure.** The Association may take such action as it deems necessary to collect Assessments of the Association by personal action or by enforcing and foreclosing the Association's lien, and may settle and compromise same, if in the best interest of the Association. The Association's lien shall be effective as and in the manner provided for by the Condominium Act, and shall have the priorities established by the Condominium Act. The Association shall be entitled to bid at any sale held pursuant to a suit to foreclose an Assessment lien, and to apply as a cash credit against its bid, all sums due the Association covered by the lien enforced. In case of such foreclosure, the court may require the Unit Owner to pay a reasonable rental for the Unit. If the Unit is leased during the pendency of the foreclosure action, the association is entitled to the appointment of a receiver to collect the rent. The expenses of the receiver shall be paid by the party which does not prevail in the foreclosure action.
- G. **Liability of Mortgagee.** A first mortgagee acquiring title to a Unit as a result of foreclosure, or a deed in lieu of foreclosure, may not, during the period of its ownership of such parcel, whether or not such Unit is unoccupied, be excused from the payment of all or some of the Common Expenses coming due during the period of such ownership. However, the liability of a first mortgagee or its successor or assignees who acquire title to a Unit by foreclosure or by deed in lieu of foreclosure for the unpaid Assessments that became due prior to the mortgagee's acquisition of title is limited to the lessor of:
- (1) The Unit's unpaid Common Expenses and regular periodic Assessments which accrued or came due during the six (6) months immediately preceding the acquisition of title and for which payment in full has not been received by the Association; or
 - (2) One percent of the original mortgage debt.

The provisions of this paragraph apply only if the first mortgagee joined the Association as a defendant in the foreclosure action. Joinder of the Association is not required if, on the date the complaint is filed, the Association was dissolved or did not maintain an office or agent for service of process at a location which was known to or reasonably discoverable by the mortgagee.

- H. **Special Assessments.** The Association shall have the right to levy and collect Special Assessments, as more particularly described in the By-Laws. The Special Assessments shall be liens on the Unit.

ARTICLE VII

INSURANCE

The insurance requirements of the Association and the Unit Owners shall be as follows, with the insurance other than title insurance that shall be carried on the Property and the property of the Unit Owners shall be governed by the following provisions:

- A. Authority to Purchase; Named Insured. All insurance policies upon the Property shall be purchased by the Association. The named insured shall be the Association individually and as agent for the Unit Owners, without naming them, and as agent for their mortgagees. Provisions shall be made for the issuance of mortgagee endorsements and memoranda of insurance to the mortgagees of Unit Owners. Such policies shall provide that payment by the insurer for losses shall be made to the Association, or if required by the holder of a first mortgage on one of the Units, an insurance trustee designated by the Association, and all policies and their endorsements shall be deposited with the Association in an interest-bearing account or, if applicable, the insurance trustee. Unit Owners shall obtain coverage at their own expense upon their personal property and for their personal liability and living expense.
- B. Coverage.
 - (1) Casualty. All buildings and improvements upon the Property shall be insured in an amount equal to the maximum insurable replacement value except, in the case of flood insurance, the amount shall not be required to exceed the amounts available under the National Flood Insurance Program or its successor, and all personal property included in the Common Elements shall be insured for its value, all as determined annually by the Directors of the Association with such deductible clauses required to obtain coverage at a reasonable cost. Such coverage shall afford protection against:
 - (a) Loss or damage by fire or -other hazard covered by a standard extended coverage endorsement in an amount not less than the maximum insurable value of the Condominium; and
 - (b) Such other risks as from time to time shall be customarily covered with respect to buildings on the Property, including but not limited to vandalism and malicious mischief, windstorm and flooding, if appropriate; and
 - (c) Insurance policies providing casualty coverages pursuant to B(1)(a) and (b) above shall provide that the word "building" wherever used in policy shall include, but shall not necessarily be limited to, fixtures, installations, or additions comprising that part of the building within the unfinished interior surfaces of the perimeter walls, floors and ceilings of the individual Units initially installed or replacements thereof in accordance with the original plans and specifications. With respect to the coverage

provided for by this paragraph, the Unit Owners shall be considered additional insureds under the policy. Further, such policies, when appropriate and possible, shall waive the insurer's right to (1) subrogation against the Association and against the Unit Owners individually and as a group; (2) benefit of the pro rata clause that reserves to the insurer the right to pay only a fraction of any loss if other insurance have issued coverage on the same risk; and (3) avoid liability for a loss that is caused by an act of one of more Unit Owners, one or more directors, or the Directors of the Association.

- (2) Liability. Public liability in such amounts and with such coverage as shall be required by the Directors of the Association.
 - (3) Workmen's Compensation. Workmen's compensation policy, if required to meet the requirements of law.
 - (4) Association Insurance. The Association shall purchase fidelity insurance or bond, and may purchase such other insurance as the Directors of the Association, in their sole discretion, may determine from time to time to be in the best interest of the Association and the Unit Owners, including directors' liability insurance. The Association shall obtain and maintain adequate insurance or fidelity bonding of all persons who control or disburse funds of the Association. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the Association or its management agent at any one time. As used in this paragraph, the term "persons who control or disburse funds of the Association" includes, but is not limited to, those individuals authorized to sign checks and the president, secretary, and treasurer of the Association. The Association shall bear the cost of bonding.
 - (5) Other. Such other insurance as the Directors of the Association shall determine from time to time to be desirable.
- C. Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense of this Condominium.
 - D. Insurance Trustees; Share of Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the Unit Owners and their mortgagees as their interest may appear, and shall provide that all proceeds covering property losses shall be paid to the Association or to such bank located in the State of Florida with trust powers as may be designated as insurance trustee by the Directors of the Association, which trustee is referred to in this instrument as the "insurance trustee." The insurance trustee shall not be liable for payment of premiums, nor the renewal of the sufficiency of policies, nor for the failure to collect any insurance proceeds. The duty of the insurance trustee,

or the Association if no insurance trustee is designated, shall be to receive such proceeds as are paid and to hold the' proceeds in trust for the purpose elsewhere stated in this instrument and for the benefit of the Unit Owners and their mortgagees in the following shares but which shares need not be set forth on the records of the insurance trustee:

- (1) Unit Owners. An undivided share for such Unit Owner, such share being the same as the undivided share in the Common Elements appurtenant to his Unit.
 - (2) Mortgages. In the event a mortgagee endorsement has been issued as to a Unit, the share of the Unit Owner shall be held in trust for the mortgagee and the Unit Owner as their interest may appear.
- E. Distribution of Proceeds. Proceeds of insurance policies received by the Association or the insurance trustee shall be distributed to or for the beneficial owners in the manner herein provided for in "Reconstruction or Repair After Casualty."
- F. Association as Agent. The Association is irrevocably appointed agent for each Unit Owner and for each owner of a mortgage or other lien upon a Unit and for each owner of any other interest in the Property to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claim.

ARTICLE VIII

RECONSTRUCTION OR REPAIR AFTER CASUALTY/CONDEMNATION

- A. Determination to Reconstruct or Repair. If any part of the Property shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined in the following manner:
- (1) Common Element. If the damaged improvement is a Common Element other than a building housing Unit (the "Unit Building"), the damaged property shall be reconstructed or repaired, unless it is determined in the manner elsewhere provided that the Condominium shall be terminated.
 - (2) Unit Building.
 - (a) Lesser Damage. If the damaged improvement is a Unit Building and if at least one-third of the Units in the Unit Building are found by the Directors to be tenantable, the damaged property shall be reconstructed or repaired by the Association with all due diligence, unless within sixty (60) days after the casualty it is

determined by agreement in the manner elsewhere provided that the Condominium shall be terminated.

- (b) Major Damage. If the damaged improvement is a Unit Building and if less than one-third of the Units in the Unit Building are found by the Directors to be tenantable, then the damaged property will be reconstructed or repaired by the Association with all due diligence, unless within sixty (60) days after the casualty the Unit Owners of three-fourths (3/4) of the Units and the mortgagee holding the greatest number of recorded mortgages on all Units consents in writing to terminate the Condominium, notwithstanding the provisions of Article XVIII.
 - (3) Certificate. The insurance trustee may rely upon a certificate of the Association made by its president and secretary to determine whether or not the damaged property is to be reconstructed or repaired.
- B. Plans and Specifications. Subject to any code, statute or regulation, any reconstruction or repair must be substantially in accordance with the plans and specifications on file with the architect; or if not, then according to plans and specifications approved by the Directors, and if the damaged property is the Unit Building, by the Unit Owners, which approval shall not be unreasonably withheld.
- C. Responsibility. If the damage is not the result of a casualty for which the Association has secured insurance coverage and is only to those parts of one Unit for which the responsibility of maintenance and repair is that of the Unit Owner, then the Unit Owner shall be responsible for reconstruction and repair after casualty. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Association.
- D. Estimates of Costs. Immediately after a determination is made to rebuild or repair damage to property for which the Association has the responsibility for reconstruction and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair.
- E. Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, or if at any time during reconstruction and repair by the Association, or upon completion of reconstruction and repair, the funds for the payment of the costs of reconstruction and repair are insufficient, Assessment shall be made against all Unit Owners in sufficient amounts to provide funds for the payment of such costs. Such Assessments shall be in proportion to the Unit Owner's share in the Common Elements.

- F. Construction Funds. The funds for payment of the costs of reconstruction and repair after casualty, which shall consist of proceeds of insurance held by the Association or the insurance trustee and funds collected by the Association from Assessments against Unit Owners shall be disbursed in payment of the costs in the following manner;
- (1) Association. If the total construction funds held by the Association in order to provide funds for payment of costs of reconstruction and repair that is in the responsibility of the Association is more than Ten Thousand Dollars (\$10,000.00), then the sums paid upon such Assessments shall be deposited by the Association into an FDIC-insured, interest-bearing account with the insurance trustee if one has been designated. In all other cases, the Association shall hold the sums paid upon such Assessments and disburse them in payment of the costs of reconstruction and repair.
 - (2) Construction Fund. The proceeds of insurance collected on account of a casualty, and the proceeds from collections of Assessments against Unit Owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner and order:
 - (a) Association Lesser Damage. If the amount of the estimated costs of reconstruction and repair that is the responsibility of the Association is less than Ten Thousand Dollars (\$10,000.00), then the construction fund shall be disbursed in payment of such costs upon the order of the Association; provided, however, that upon request of a mortgagee that is a beneficiary of an insurance policy the proceeds of which are included in the construction fund, such funds shall be disbursed in the manner provided for the reconstruction and repair of major damage.
 - (b) Association Major Damage. If the amount of the estimated costs of reconstruction and repair that is the responsibility of the Association is more than Ten Thousand Dollars (\$10,000.00), then the construction fund shall be disbursed in payment of such costs in the manner required by the Directors of the Association upon approval by an architect qualified to practice in Florida and employed by the Association to supervise the work.
 - (c) Unit Owner. Notwithstanding whether the construction fund remains in the possession of an insurance trustee or the Association Directors no Unit Owner shall be entitled to possession of said funds, or any part thereof, for the purpose of effecting his or her own Unit repairs so long as the insurance trustee or Association Directors undertakes to effect said repairs and replace the damaged Property, including common Elements

and Units, with property of like kind and quality to that which existed prior to the casualty for which said proceeds were received. Neither the Association nor the insurance trustee shall be under any obligation to expend any part of the construction funds received for casualty claims arising under insurance policies purchased by the Association as designated in any adjustment report for said claim or casualty, so long as the Association undertakes to effect repairs to provide the Unit Owners with Property, including Common Elements and Units, of like kind and quality to that which existed prior to the casualty, for which said proceeds were received.

- (d) Surplus. It shall be presumed that the first monies disbursed in payment of costs for reconstruction and repair shall be from insurance proceeds. If there is a balance in construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated; except, however, that any mortgagee shall receive at most the lessor of (1) the part of the distribution that is in excess of Assessments paid by the Owner into the construction fund, if any, or (2) the outstanding principal balance of the mortgage.
- (e) Certificate. Notwithstanding the provisions of this instrument, the insurance trustee shall not be required to determine whether or not sums paid by the Unit Owners upon Assessments shall be deposited by the Association with the insurance trustee, nor to determine whether the disbursement is to be made from the construction fund nor to determine the payee nor the amount to be paid. Instead, the insurance trustee may rely upon a certificate of the Association made by its president and secretary as to any or all, of such matters and stating that the sums to be paid are due and properly payable and stating the name of the payee and the amount to be paid; provided that when a mortgagee is required in this instrument to be a named payee, the insurance trustee shall also name the mortgagee as a payee of any distribution of insurance proceeds to Unit Owner; and further provided that when the Association, or a mortgagee that is the beneficiary of an insurance policy whose proceeds are included in the construction fund so requires, the approval of an architect named by the Association shall be obtained prior to disbursements in payment of costs of reconstruction and repair.

- G. Condemnation. If all or any part of the Common Elements shall be taken by eminent domain, each Unit Owner shall be entitled to notice of such taking and to participate through the Association in all condemnation and other

proceedings. Any damages shall be for the taking as a whole, and shall be collected by the Association and distributed by it among Unit Owners in proportion to their respective undivided interests in the Common Elements so taken, except that such funds as are deemed by the Association necessary or appropriate to be applied to the repair or restoration of property so injured or destroyed may be so applied. Any decision by the Association to terminate the Condominium due to any taking by eminent domain must be agreed upon as elsewhere provided herein.

ARTICLE IX

USE RESTRICTIONS; UNIT MAINTENANCE OBLIGATIONS

- A. **Inquiry Obligation.** Any first priority Institutional Mortgagee making a mortgage loan for the purpose of financing the purchase of a Unit shall not be required to inquire whether or not its mortgagor's grantor complied with the provisions of this Article, and any failure of such mortgagor's grantor to so comply will not operate to affect the validity or priority of such mortgage.
- B. **Common Elements.** The Common Elements shall be used only for the purpose for which they are intended in the furnishing of services and facilities for the enjoyment of the Units.
- C. **Regulations.** The Association may adopt reasonable rules and regulations concerning the use of the Units and the Common Elements from time to time in the manner provided in the Articles of Incorporation and the By-laws. The Developer declares that the initial set of Rules and Regulations included in the Prospectus are within the reasonable authority of the Association.
- D. **Mandatory Provisions.** Notwithstanding any contrary provision in the Rules and Regulations adopted by the Association from time to time, the following regulations shall be in full force and effect. The restrictions on Units may be strengthened but not weakened without an amendment to the Declaration.
 - 1. All Units shall be used and occupied only as a permanent or temporary residence by the Unit Owner and Unit Owner's guests, tenants and invitees. Any tenant or lessee of the Unit shall abide by, and be subject to, all of the terms and conditions of this' Declaration and all the Rules and Regulations of the Association.
 - 2. No Unit may be divided or subdivided into a smaller unit nor any portion thereof sold or otherwise transferred.
 - 3. Nothing shall be hung, displayed or placed on the exterior walls or windows of the Units or the Condominium without the prior written

consent of the Association. Provided however, that nothing in this section shall be construed to prohibit the Unit Owner from displaying one, portable, removable United States Flag in a respectful manner and, on Armed Forces Day, Memorial Day, Flag Day, Independence Day, and Veterans Day, displaying in a respectful way portable, removal official flags that represent the United States Army, Navy, Air Force Marine Corps, or Coast Guard. by a Unit Owner. A written request by a Unit Owner to install a doorbell, door lock, tinted windows, or hurricane shutters shall not be unreasonably denied by the Association, but the Association may mandate particular colors, styles or models to insure uniformity.

4. No Unit Owner shall make, allow or cause to be made, any structural addition to or alteration of Unit Owner's Unit or the Common Elements without the prior written consent of the Association and by amendment to this Declaration if such amendment is required under Article XVII hereof.
5. The Common Elements shall be used only for the purpose for which they are intended.
6. No nuisances shall be allowed on the Property nor any use or practice which interferes with the peaceful possession and proper use of the Property by its Unit Owners. All parts of the Property shall be kept in a clean and sanitary condition and no rubbish, refuse or garbage shall be' allowed to accumulate or any fire hazard allowed to exist thereon. No Unit Owner shall permit any use of Unit Owner's Unit or of the Common Elements which will increase the rate of insurance upon the Property.
7. No immoral, improper, offensive or unlawful use shall be made of the Property or any part thereof, and all applicable valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed and complied with. The responsibility for meeting the requirements of governmental bodies which require maintenance, modification or repair of the Property shall be the same as the responsibility for the maintenance and repair of the Property.
8. No sign, advertisement or notice of any type or nature whatsoever shall be erected or displayed upon any Unit or upon any of the Common Elements, except where express prior written approval of the size, shape, content and location thereof has been obtained from the Association. The Association is under no obligation to approve any such sign. Notwithstanding the foregoing, during the period of time set forth in Article 9(E) hereof, the Developer or designated agent shall be permitted to post and display advertising signs on the Property.

9. Vehicles, the length or width of which prohibits the vehicle from fitting into a parking space, shall not be permitted to park temporarily or permanently upon the Common Elements. Vehicles with more than four (4) wheels shall not be permitted to park temporarily or permanently upon the Common Elements. In the event that an inoperable vehicle or a vehicle with an expired license tag shall remain upon any portion of the Common Elements for more than twenty-four (24) hours, the Association shall have the right, without further notice to the owner of such vehicle, to have it removed at such owner's expense. Boats, trailers of any sort, recreational/camper-type vehicles, personal watercraft and commercial vehicles may not be stored, or parked, permanently or temporarily, or left standing on any portion of the Common Elements, unless prior approval is secured from the Association. Nothing herein shall prohibit delivery trucks or similar vehicles from temporarily parking upon the Property or Common Elements in the normal course.
10. Subject to the provisions of Section 163.04, F.S., no clothesline, or other clothes-drying facility shall be permitted to be located upon the Property. Towels and clothes shall not be permitted to be hung from balconies.
11. All garbage and trash containers must be placed and maintained in accordance with rules and regulations adopted by the Association. The Association shall use reasonable efforts to promulgate rules and regulations which insure that all garbage and trash is properly disposed of and that no garbage or trash originating from the Property is littered upon or contaminates the grounds of any nearby properties. No garbage or trash shall be placed anywhere except as aforesaid and no portion of the Property or adjacent properties shall be used for dumping refuse.
12. Unless prior written approval has been obtained from the Association, no exterior radio or television aerials, satellite dishes or other receiving or transmitting devices for reception of private or commercial radio, television, cable, telephone or telecommunications broadcast of any kind shall be permitted upon the Property, Units or Common Elements. Notwithstanding the foregoing, this restriction is not intended to prohibit the smallest and least obtrusive facility which would be required to be allowed by Rule 1.4000 of Chapter 47 of the Code of Federal Regulations, provided that such facility remain entirely within the Owner's Unit.
13. No structure of a temporary character, trailer, tent, shack, barn, shed or other outbuilding shall be permitted on any of the Property at any time, except temporary structures installed by the Developer during construction, or temporary structures installed by the Developer or the Association and necessitated by the approved maintenance or repairs.

14. No fuel or gas storage tanks, except in connection with maintenance of the Common Elements, shall be permitted on any part of the Property, and except for any portable facility which may be used by the Developer or its assignee or successor for providing food or beverages on the Property.
15. Except as may be provided by the Association, no mailbox or paper box or any other receptacle of any kind for the use and delivery of mail, newspapers, magazines or similar materials shall be erected or located on any Unit or the Common Elements.
16. One pet per Unit may be kept by a Unit Owner in Unit Owner's Unit, but only if such pet does not cause a disturbance or annoyance on the Property or to other Unit Owners or does not pose any danger to rare or endangered or' indigenous species of animals, if any, whose habitat may be near the Property. The Association, in its discretion, may approve the having of more than one pet in a Unit. All pets must be held, or kept leashed and attended at all times that they are in the Common Elements, or otherwise out-of-doors on the grounds of the Property, and all owners of pets shall be held strictly responsible to immediately collect and properly dispose of the wastes and litter of his or her pets. The Association reserves the right to designate specific areas within the Common Elements where pets may be walked on leashes by their owners. No Unit Owner may walk a pet on the beach or dunes. No pet weighing more than 25 pounds shall be kept within the Condominium. The Association further reserves the right to demand that a Unit Owner permanently remove from the Property any and all pets which create disturbances and annoyances which are to the reasonable displeasure of neighbors or other Owners or cause danger to rare or endangered or indigenous species of animals, if any. Without limiting the generality of the foregoing sentence, the Association reserves the right to demand that a Unit Owner remove from the Property any and all pets which have or have attempted to bite or attack a human or another animal, or which barks, whines, howls, or otherwise produces any noise in an excessive, continuous, or untimely fashion, or which causes or emits an offensive odor which can be detected outside the Unit Owner's Unit, or which is kept in a manner which causes a breeding place for flies, lice, fleas, other vermin, or disease. The Association shall strictly regulate the keeping of pets by Unit Owners so as to insure the protection of rare, endangered or indigenous species of animals whose habitat may be around or near the Property. Each Unit Owner maintaining a pet or pets in the Unit Owner's Unit hereby agrees to indemnify the Association and hold it harmless against any and all claims, demands, judgments, losses or liability of any kind whatsoever arising from, or in connection with a Unit Owner's having or maintaining a pet.

The keeping of a dog at the Condominium is a conditional license. The conditional license is subject to the following conditions: (i) a dog must be on leash at all times when outside of the Unit Owner's Unit; (ii) a dog must not be curbed at any place on the property of the Condominium except such places which may be from time to time designated for such purposes (if any); (iii) pets are never to be left unattended in any public area; (iv) Unit Owners must clean up after their pet; (v) no pit bulldogs, part-pit bulldogs, Rottweilers or part Rottweilers are allowed on the premises; (vi) no dogs are allowed that have had attack training, even if law enforcement or military, and even if deprogrammed. For the purpose of this provision, a "pit bull" is defined as any canine which is, or appears to be, at least twenty five (25%) American Staffordshire Terrier, Staffordshire Terrier, American Pit Bull Terrier, Bull Terrier, Miniature Bull Terrier or Staffordshire Bull Terrier, and a Rottweiler is any canine which is, or appears to be, at least twenty five (25%) Rottweiler.

Renters shall be bound by the same rules regarding pets as Unit Owners, and may keep pets in Units only after receiving prior consent from the Unit Owner.

17. The Common Elements shall be used only for the purpose for which they are intended which are generally as follows:
 - A. For the furnishing and providing of services and amenities to the Unit Owners and Cottage Owners;
 - B. To provide to the Unit Owners and Cottage Owners, their guests and invitees recreational areas for their use;
 - C. To provide to the Unit Owners and Cottage Owners, their guests and invitees, open space for their use.
- E. Proviso. Notwithstanding any other provision herein, until the Developer has completed all of the contemplated improvements and closed the sales of all of the Units and other improvements in all portions of the Condominium, neither the Unit Owners nor the Association nor their use of the Property shall interfere with the completion of all contemplated improvements and the sale of all Units, and the Developer may make such use of the unsold Units and Common Elements to facilitate such completion and sale, including, but not limited to, maintenance of a sales office, showing of the Property and the display of signs. Without limitation, the Developer or its authorized agent shall be entitled to use one or more Units as "model Units" for the purpose of showing and marketing Units to prospective purchasers:

F. Maintenance of Units. Responsibility for the maintenance for the Units, and restrictions upon its alterations and improvements shall be as follows:

- (1) By the Association. The Association shall maintain, repair and replace as a common expense of this Condominium:
 - (a) All portions of a Unit contributing to the support of the Condominium, which portion shall include but not be limited to the outside walls of the Condominium and all fixtures on its exterior, those portions of the boundary walls of Units, floor and ceiling decking not part of a Unit, load bearing columns and load bearing walls and all balconies, porches, patios, or similar facilities serving the Unit;
 - (b) All conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services contained in the portion of a Unit maintained by the Association; and all such facilities contained within a Unit that service part or parts of the Condominium other than the Unit within which contained;
 - (c) All portions of a Unit which are damaged as a result of a casualty for which the Association has secured insurance coverage;
 - (d) All incidental damage caused to a Unit by such work shall be repaired promptly at the expense of the Association.
 - (e) Notwithstanding the foregoing, the Association shall have the authority to require Unit Owners, at their expense, to maintain, repair and replace all windows, all exterior doors, including sliding glass doors, all screens and glass for windows or doors and all air conditioning and heating equipment, stoves, refrigerators, microwaves, fans and other appliances and equipment, including pipes, wiring, ducts, fixtures or other facilities, required to provide utilities (including HVAC services) to a Unit, when any or all of the foregoing shall serve only one (1) Unit.
- (2) By the Unit Owner. The responsibility of the Unit Owner shall be as follows:
 - (a) To keep and maintain the Unit Owner's Unit, its equipment and fixtures in good order, condition and repair and to perform promptly all maintenance and repair work within the Unit which, if omitted, would affect the Condominium in its entirety or in a part belonging to others. Each Unit Owner is expressly responsible for the damages and liability caused by the failure of

the Unit Owner to comply with this paragraph. Notwithstanding anything contained in this Declaration, each Unit Owner shall be liable and responsible for the maintenance, repair and replacement as the case may be, of all air conditioning and heating equipment which is contained in the Unit Owner's Unit, and all stoves, refrigerators, microwaves, fans and other appliances and equipment, including pipes, wiring, ducts, fixtures and their connection required to provide water, light, power, air conditioning and heating, telephone, cable, sewage and sanitary service to Unit Owner's Unit which may now or hereafter be situated in Unit Owner's Unit.

- (b) To maintain, repair and replace any and all walls, ceilings and floor interior surfaces, painting, decorating and furnishings, and all other accessories which such Unit Owner may desire to place and maintain in Unit Owner's Unit.
 - (c) To promptly report to the Association any defect or need for repairs for which the Association is responsible.
 - (d) To pay for plumbing and electrical repairs to fixtures and equipment located within Unit Owner's Unit and exclusively servicing Unit Owner's Unit.
 - (e) Not to paint or otherwise decorate or change the appearance of any portion of the exterior of the Unit, Condominium or Property. The Association shall not unreasonably deny a request to install a doorbell, door lock, window tinting, or hurricane shutters, but may mandate particular colors, styles or models to insure uniformity.
- (3) Alteration and Improvement. Except as elsewhere reserved to Developer, neither any Unit Owner nor the Association shall make any alteration in the portions of any Condominium that are to be maintained by the Association, or remove any portion of such, or make any additions to them, or to do anything that would jeopardize the safety or soundness of any such Condominium, or impair any easement, without first obtaining approval in writing of all Unit Owners in whose Units such work is to be done and the approval of the Association. The Association may require that a copy of plans of all such work prepared by an architect licensed to practice in this state shall be filed with the Association prior to the start of work.

ARTICLE X

MAINTENANCE, ALTERATION AND IMPROVEMENT OF COMMON ELEMENTS

Responsibility for the maintenance for the Property, and restrictions upon its alterations and improvements shall be as follows;

- (1) By the Association. The maintenance and operation of the Common Elements shall be the responsibility of the Association and a Common Expense of this Condominium.
- (2) Alteration and Improvement. After the completion of the improvements included in the Common Elements contemplated by this Declaration, there shall be no material alteration nor further substantial additions to the Common Elements or to the real property which is Association property without prior approval by the Unit Owners of not less than two-thirds of the Units within this Condominium. No such alteration or improvement shall materially interfere with the rights of any Unit Owner without his consent. This provision is intended to operate instead of the restrictions on material alterations and substantial additions contained in Section 718.113(2).
- (3) Enlargement. Land or other property interests acquired by the Association may be added to the Property or other property interests submitted to Condominium ownership hereby. This may be done by an amendment to this Declaration that includes the description of the interests in the property being added to the Common Elements, submit same to the Declaration and shall vest title to the property added to the Common Elements in the Unit Owners as a part of the Common Elements, without naming them and without further conveyance, in the same proportion as the undivided shares in the Common Elements that are appurtenant to the Units owned by them. Such enlargement of the Common Elements shall be effective upon the recording in the Public Records of Bay County, Florida, of a certificate of the Association certifying that the amendment was adopted, which certificate shall be executed by the officers of the Association with the formalities of a deed. Notwithstanding other provisions hereof, the Developer may add such land or other property interests without the necessity of consent by the Unit Owners or the Association. This provision is intended to operate instead of the restrictions on material alterations and substantial additions contained in Section 718.113(2).
- (4) Land Not Incorporated. Any land acquired by the Association that is not incorporated as a part of the Common Elements by amendment of this Declaration, may be sold, mortgaged, or otherwise disposed of by the Association with the prior approval of the Directors without the approval of the Unit Owners. This approval shall be evidenced by a certificate stating that the approval was duly given, which certificate shall be

executed by the officers of the Association with the formalities of a deed and delivered to a purchaser of mortgagee of such land:

- (5) Personal Property. Any personal property acquired by the Association may be sold, mortgaged or otherwise disposed of by appropriate vote of the Association without approval of the Unit Owners.

ARTICLE XI

NOTIFICATION OF TRANSFER OF INTEREST

The transfer of fee ownership or other interest in Units in the Condominium by sale, lease, gift, devise, inheritance, foreclosure or other method, shall not be subject to the prior approval of the Association; however, both the transferor and the transferee shall notify the Association of the transfer unless same is a lease or rental for a term of less than one (1) month, at least ten (10) days prior to the date of the transfer, together with such other information concerning the transferee as the Association may reasonably require.

ARTICLE XII

COMPLIANCE AND DEFAULT

Each Unit Owner shall be governed by and shall comply with the terms of this Declaration, the Articles of Incorporation and By-Laws and rules and regulations adopted pursuant to those documents, and all of such as they may be amended from time to time. Failure of a Unit Owner to comply with such documents and regulations shall entitle the Association or other Unit Owners to the following relief in addition to the remedies provided by the Condominium Act:

- A. Negligence. A Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or by that of any member of his family or his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association.
- B. Fines. The Directors may upon reasonable notice and opportunity for hearing before a committee of other Unit Owners appointed by the Association, fine and charge any offending member a sum not to exceed One Hundred Dollars (\$100.00) for each infraction of the provisions of this Declaration, the Articles, By-Laws or rules and regulations of the Association. The Association may levy a fine on the basis of each day of continuing violation provided that no such fine shall in the aggregate exceed \$1,000.00. No fine shall constitute a lien against the Unit. The provisions of this paragraph shall not apply to unoccupied Units.

If the committee of Unit Owners does not agree with the fine, the fine may not be levied:

- C. **Costs and Attorney's Fees.** In any proceeding, including alternative dispute resolution, arising because of an alleged failure of a Unit Owner or the Association to comply with the terms of the Declaration, Articles of Incorporation of the Association, the By-Laws or the regulations adopted pursuant to them, and the documents and regulations as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be awarded by the court or other dispute resolution process.
- D. **No Waiver of Rights.** The failure of the Association or any Unit Owner to enforce any covenant, restriction or other provision of the Condominium Act, this Declaration, the Articles of Incorporation of the Association, or the By-Laws shall not constitute a waiver of the right to do so thereafter.

ARTICLE XIII

DEVELOPER'S RIGHT TO CURE ALLEGED DEFECTS

Due to the complex nature of construction and the subjectivity involved in evaluating such quality, disputes may arise as to whether a defect exists and Developer's responsibility therefor. It is Developer's intent to resolve all disputes and claims regarding "Alleged Defects" (as defined below) amicably, and without the necessity of time-consuming and costly litigation. Accordingly, the Association, Directors and all Unit Owners shall be bound by the following claim resolution procedure:

- A. **Developer's Right to Cure.** In the event that the Association, Board or any Unit Owner or Unit Owners (collectively "Claimant") claim, contend or allege that any portion of the Condominium, including, without limitation, the Common Elements, any Unit, and/or any improvements constructed on the Condominium, are defective or that Developer or its agents, consultants, contractors or subcontractors (collectively "Developer's Agents") were negligent in the planning, design, engineering, grading, construction or other development thereof (collectively an "Alleged Defect"), Developer hereby reserves the right to inspect, repair and/or replace such Alleged Defect as set forth herein.
- B. **Notice to Developer.** In the event that a Claimant discovers any Alleged Defect, Claimant shall, within a reasonable time after discovery, notify Developer, in writing, at the address specified in Article XX ("Notice") of this Declaration, or such other address at which Developer maintains its principal place of business, of the specific nature of such Alleged Defect ("Notice of Alleged Defect").

- C. Right to Enter, Inspect, Repair and/or Replace. Within a reasonable time after the receipt by Developer of a Notice of Alleged Defect or the independent discovery of any Alleged Defect by Developer, Developer shall have the right, upon reasonable notice to Claimant and during normal business hours, to enter onto or into, as applicable, the Common Elements, any Unit, and/or any improvements or other portion of the Condominium for the purposes of inspecting and, if deemed necessary by Developer, repairing and/or replacing such Alleged Defect. In conducting such inspection, repairs and/or replacement, Developer shall be entitled to take any actions as it shall deem reasonable and necessary under the circumstances.
- D. Dispute Resolution. No Claimant shall initiate any legal action, cause of action, or proceeding against Developer alleging damages (i) for the costs of repairing or the replacement of any Alleged Defect, (ii) for the diminution in value of any real or personal property resulting from such Alleged Defect, or (iii) for any consequential damages resulting from such Alleged Defect, unless and until Claimant has (1) delivered to Developer a Notice of Alleged Defect and (2) Developer has, within ninety (90) days after its receipt of such Notice of Alleged Defect, either (1) failed to repair or replace such Alleged Defect or (2) if such Alleged Defect cannot reasonably be repaired or replaced within such ninety (90) day period, failed to commence such repair or replacement of the Alleged Defect and, thereafter, failed to pursue diligently such repair or replacement to completion.
- E. No Additional Obligations; Irrevocability and Waiver of Right. Nothing set forth in this Article XIII shall be construed to impose any obligation on Developer to inspect, repair, or replace or pay for any item or Alleged Defect for which Developer is not otherwise obligated to do under applicable law or the Purchase and Sale Agreement or other contract. The right of Developer to enter, inspect, repair and/or replace reserved hereby shall be irrevocable and may not be waived or otherwise terminated except by a writing, in recordable form, executed and recorded by Developer in the Public Records of the Clerk of Court. This provision does not create any warranties, express or implied, on the part of the Developer or the Association.
- F. The Developer and any party with warranty obligations as to any part of the Property shall have the right, at reasonable times and on reasonable notice, to enter into any portion of the Property, including Units, to make repairs and inspections.

ARTICLE XIV

SPECIFIC RIGHTS OF INSTITUTIONAL MORTGAGEES

In addition to the rights and privileges expressly granted to business entities holding mortgages of Units in other Articles of this Declaration of Condominium ("Institutional Mortgagee"), each and every Institutional Mortgagee shall have the following rights and entitlements:

- A. Upon written request to the Association, the Association shall make available to Institutional Mortgagees current copies of the Declaration of Condominium and its Exhibits including but not necessarily limited to the By-Laws and rules of the Association, and the books, records and financial statements of the Association. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances.
- B. An Institutional Mortgagee shall be entitled, upon written request, to a financial statement for the immediately preceding fiscal year of the Association.
- C. Upon written request to the Association identifying the name and address of the Institutional Mortgagee, such Institutional Mortgagee will be entitled to timely written notice of the following:
 - (1) Any condemnation, loss or other casualty loss which affects a material portion of the Condominium or any Unit which is encumbered by a mortgage held by the Institutional Mortgagee;
 - (2) Any delinquency in the payment of Assessments or Common Expenses owed by Unit Owner subject to a mortgage held by an Institutional Mortgagee, which remains uncured for a period of sixty (60) days;
 - (3) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;
 - (4) Any proposed action which would require the consent of a specified percentage of mortgage holders.

ARTICLE XV

AMENDMENTS

Except as elsewhere provided otherwise, this Declaration of Condominium may be amended in the following manner:

- A. Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

- B. Adoption. A resolution for the adoption of a proposed amendment may be proposed by either the Directors of the Association or by the members of the Association, at a meeting called for this purpose. Except as elsewhere provided, such approval must be either by:
- (1) Approval by two-thirds (2/3) of the Unit Owners of this Condominium;
 - (2) Until the first election of Directors, only by all of the Directors, provided the amendment does not increase the number of Units nor alter the boundaries of the Common Elements, nor create timeshare entities, nor change the configuration, size, or appearance of Units, nor make any other change which would require the consent of Unit Owners.
 - (3) If there is an omission or error in this Declaration or in other documents required by law to establish the Condominium, or any part thereof, the Association may correct the error or omission by an amendment to the Declaration, or the other documents required to create the Condominium and such amendment need only be approved by a majority of the Unit Owners when proposed by the members of the Association. This procedure for amendment cannot be used if such an amendment would materially or adversely affect property rights of Unit Owners, unless the affected Unit Owners consent in writing. This subsection does not restrict the powers of the Association to otherwise amend the Declaration, or other documentation, but authorizes a simple process of amendment requiring a lesser vote for the purpose of curing defects, errors, or omissions when the property rights of Unit Owners are not materially or adversely affected.
- C. Proviso. Provided, however, notwithstanding the foregoing, any amendment changing any Unit or the share in the Common Elements appurtenant to it, or increasing a Unit Owner's share of the Common Expenses, shall require the approval of the such Unit Owner, all record owners of mortgages on such Unit, and at least a majority of the Unit Owners. An amendment making any change in the section entitled "Reconstruction or Repair After Casualty" shall require the consent of the record owners of all mortgages upon the Condominium. Any consent or joinder of mortgage holder may not be unreasonably withheld.
- D. Special Amendments. In addition to any other method of amending this Declaration provided for elsewhere herein, Developer reserves the right and power to record a special amendment ("Special Amendment") to this Declaration at anytime and from time to time which amends this Declaration (i) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Association, the Veteran's Administration, or any other governmental agency or any other public; quasi-public or private entity which performs (or

may in the future perform) functions similar to those currently performed by such entities, (ii) to induce any of such agencies or entities to make, purchase, sell, insure, or guarantee first mortgages covering Unit Ownerships, (iii) to bring this Declaration into compliance with the Florida Condominium Act, (iv) to correct clerical or typographical errors in this Declaration or any Exhibit hereto or any amendment thereto or (v) to make any other nonmaterial change in this Declaration or any Exhibit hereto or any amendment thereto. In furtherance of the foregoing, an irrevocable power coupled with an interest is hereby reserved and granted to the Developer to make or consent to a Special Amendment on behalf of each Unit Owner, mortgagee or other lienholder. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power of the Developer to make, execute and record Special Amendments.

Furthermore, notwithstanding any other provision hereof, the Developer reserves the right, at any time, without the approval of the Association or any Unit Owner, to correct a scrivener's error pursuant to Section 718.110(5) of the Act, or to correct an error or omission pursuant to Section 718.110(9) of the Act.

The reserved rights of the Developer under this Article shall terminate ten (10) years from the date of recording of the Declaration, or when the Developer no longer offers units for sale, whichever is earlier.

- E. Execution and Recording. A copy of each amendment shall be attached to or incorporated in a certificate certifying that the amendment was adopted, which certificate shall be executed by the Association with the formalities of a deed. The amendment shall be effective when such certificate is recorded in the Public Records of Bay County, Florida.

ARTICLE XVI

TERMINATION

In addition to the manner provided by the Condominium Act, the Condominium will be terminated without agreement if it is determined in the manner elsewhere provided in this Declaration that the Unit Building shall not be reconstructed because of major damage. When the Board of Directors intends to terminate the Condominium, or dissolve or terminate the Association, the Directors shall notify the Division before taking any action to terminate the Condominium or the Association. Upon the recordation of the instrument evidencing the consent of all of the Unit Owners to terminate the Condominium, the Association within thirty (30) days shall notify the Division of the termination and the date the document was recorded, the county where the document was recorded, and the book and page number of the Public Records where the document was recorded, and shall provide the Division a copy of the recorded termination notice certified by the Clerk.

Notwithstanding the foregoing, in the event seventy-five percent (75%) of the Unit Owners vote to terminate the Condominium, then such Unit Owners voting to terminate the Condominium shall have an option to buy all of the Units of the other Unit Owners for the period ending on the sixtieth (60th) day from the day of such meeting. Such approvals shall be irrevocable until the expiration of the option, and if the option is exercised, the approval shall be irrevocable. Such option shall be upon the following terms:

- A. Exercise of Option. The option shall be exercised by delivery or mailing by certified mail, to each of the Unit Owners to be purchased, of an agreement to purchase, signed by the Unit Owners who will participate in the purchase. Such agreement shall indicate which Units will be purchased by each participating Unit Owner and shall provide for the purchase of all of the Units owned by Unit Owners not approving the termination, and the effect of said agreement shall be to create a separate contract between each seller and purchaser. .
- B. The sale price for each Unit shall be the fair market value determined by agreement between the seller and purchaser within thirty (30) days from the delivery or mailing of such agreement and in the absence of agreement as to price, it shall be determined by arbitration. The arbitrators will be appointed by the Seller and the Purchaser, one by each. The arbitrators shall then select a third arbitrator. The arbitrators shall base their determination upon an average of their appraisals of the Unit. A judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.
- C. The purchase price shall be paid in cash.
- D. The sale shall be closed within thirty days (30) following determination of the sale price.

ARTICLE XVII

SEVERABILITY

The invalidity in whole or in part of any covenant or restriction; or any section, subsection, sentence, clause, phrase, or word, or other provision in this Declaration of Condominium or the Exhibits thereto including the Articles of Incorporation, By-laws, and rules and regulations of the Association shall not affect the validity of the remaining portions.

ARTICLE XVIII

DISPUTE RESOLUTION

Any disputes between Unit Owners, or between a Unit Owner and the Association, arising out of this Declaration, or related to the Condominium, if not resolved informally, shall be submitted to alternative dispute resolution as provided in the Bylaws of the Association.

ARTICLE XIX

GENDER

Whenever the context of this Declaration reasonably allows the same, the singular shall include the plural and the plural the singular and the masculine shall include the feminine and the neuter.

ARTICLE XX

NOTICE

Any notice, payment, request, instruction, or other document to be delivered hereunder shall be deemed sufficiently given if in writing and (a) hand delivered to any party, or (b) sent by Federal Express or other nationally-recognized guaranteed overnight courier service to the address of such party set forth below, and if hand-delivered shall be deemed delivered upon receipt, and if sent by Federal Express or other nationally-recognized guaranteed overnight courier service, shall be deemed delivered one day after having been properly and timely deposited with the courier service if designated for next day delivery and addressed as follows:

A. If to Developer, to:

Condominiums At Waterside Village, LLC
Suite 215, Gulf Place
1234 Airport Road
Destin, Florida 32541

With a copy to:
Derrick Bennett, Esq.
Harrison, Rivard, Zimmerman & Bennett, Chtd.
P.O. Box 2422
Panama City, FL 32402-2422

B. If to Association:

Condominiums At Waterside Village Community Association, Inc.
Suite 215, Gulf Place
1234 Airport Road
Destin, FL 32541

With a copy to:
 Derrick Bennett, Esq.
 Harrison, Rivard, Zimmerman & Bennett, Chtd.
 P.O. Box 2422
 Panama City, FL 32402-2422

IN WITNESS WHEREOF the Developer has executed this Declaration the day and year first above written.

in the presence of:

Condominiums at Waterside Village, LLC
 a Florida limited liability company

[Signature]
 Print Name Vonne Hays

[Signature]
 Print Name Kathleen M. Cano

[Signature]
 By: Richard Olson, President of
 Olson & Associates of NW Florida,
 Inc., its Managing Member

(Corporate Seal)

STATE OF Florida
 COUNTY OF Okaloosa

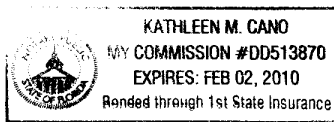
The foregoing instrument was acknowledged before me this 18 day of March, 2007 by Richard Olson, as President of Olson & Associates of NW Florida, the Managing Member of Condominiums at Waterside Village, LLC, a Florida limited liability company (notary **must** check applicable box)

X is personally known to me.

_____ produced a current _____ driver's license as identification.

_____ produced _____ as identification.

(SEAL)



[Signature]
 (Print Name) Kathleen M. Cano
 Notary Public
 Serial # DD513870
 My Commission Expires: _____

CONSENT AND JOINDER OF MORTGAGEE

The undersigned, First Horizon Home Loan Corp., a Kansas corporation, having an office at 10151 Deerwood Park Boulevard, Building 200, Suite 115, Jacksonville, Florida 32256, the Mortgagee under that certain Mortgage and Security Agreement from Condominiums at Waterside Village, LLC, a Florida limited liability company, dated December 2, 2005, and recorded December 6, 2005, in Official Records Book 2711, page 47, of the public records of Bay County, Florida, (the "Mortgage"), hereby consents to and joins in the recording of the Declaration of Condominium for Condominiums at Waterside Village to be recorded in the public records of Bay County, Florida, and subordinates the lien of the Mortgage to the terms and conditions thereof.

IN WITNESS WHEREOF, the undersigned has caused this instrument to be executed by its proper officer, duly authorized, and its seal to be affixed hereto this 21st day of May, 2007.

Signed and sealed in the presence of:

Frederic V. La Russa
[Print or Type Name]

Richard A. Zawacki
[Print or Type Name]

By: James J. O'Connor, Jr.
Name: JAMES J. O'CONNOR, JR.
Its: VICE PRESIDENT

STATE OF FLORIDA
COUNTY OF Duval

The foregoing instrument was acknowledged before me this 21st day of May, 2007, by James J. O'Connor, Jr., the Vice President of First Horizon Home Loan Corp., a Kansas corporation, for and on behalf of said corporation. Such person ☒ is personally known to the undersigned or ☐ produced _____ as identification.

{Notary Seal must be affixed}

Kimberly DeVane
(Signature of Notary)

Kimberly DeVane
(Print Name of Notary Public)
Notary Public, State of Florida



My Commission Expires: June 7, 2009
Commission No.: DD 437935

EXHIBIT "A"

Legal Description

**EXHIBIT A
LEGAL DESCRIPTION**

Parcel 1, Parcel 2, Parcel 3 (described in the attached Surveyor's Notes);

AND

The Westerly half of that portion of 50 foot right of way for 34th Street vacated and abandoned by the City of Mexico Beach (Florida Ordinance No. 472);

AND

The Easterly half of that portion of 50 foot right of way for 34th Street vacated and abandoned by the City of Mexico Beach (Florida Ordinance No. 472) and described as Parcel "A" and Parcel "B" in the Sketch attached hereto.

SURVEYOR'S NOTES

1. Bearings are based on the Florida State Plane Coordinate System, North Zone, Lambert Projection and reference to North American Datum 1983/90.
 2. By graphic Platting only; The property shown hereon lies in Zone "X" & AE (EL 8) as per the Federal Emergency Management Agency's Flood Insurance Rate Map for Mexico Beach, Bay County, Florida; See Community Panel No.120010 0508 G; which has an effective date of September 18, 2002.
 3. This Survey does not determine ownership of the property shown hereon.
 4. Source of Information: Records Plat of Mexico Beach Unit No.6 as recorded in Plat Book 7, Page 75; and recorded deeds, all recorded in the Public Records of Bay County, Florida.
 5. The Florida Department of Natural Resources Coastal Construction Control Line, lies Seaward of U.S. Highway 98.
 6. Easement agreement for the distribution of water, granted to the Town of Mexico beach on all platted roads, streets, alleys, ditches and utility easement that now exist in Mexico Beach Unit No.6, (Official Records Book 734, Page 15 of the Public Records of Bay County, Florida).
 7. Florida Power Corporation, Utility easement on all platted roads, streets, alleys, drainage easement that now exist in Mexico Beach Unit 6, (Official Records Book 284, Page 294).
8. Parcel 1, Parcel 2, Parcel 3 and that portion of the Westerly half of 34th Street, vacated and abandoned by the City of Mexico Beach, Florida, all have common boundary and are contiguous.

Official Records Book 2393 Page 821, of the Public Records of Bay County, Florida.

PARCEL 1:

Commence at the Southeastery corner of Lot 10, Block 3, Mexico Beach Unit No. 6, according to the Official Plat thereof as recorded in Plat Book 7, Page 75, in the Public Records of Bay County, Florida, and thence go South 60 degrees 22 minutes 00 seconds West for a distance of 361.30 feet, thence go South 33 degrees 52 minutes 00 seconds West for 119.00 feet to the northeasterly corner of Lot 2, Block 3, Mexico Beach, Unit No. 6; thence go South 56 degrees 08 minutes 00 seconds East for a distance of 100.00 feet for the POINT OF BEGINNING. From said Point of Beginning go North 33 degrees 52 minutes 00 seconds East for a distance of 100.00 feet; thence go South 56 degrees 08 minutes 00 seconds East for a distance of 50.00 feet; thence go South 33 degrees 52 minutes 00 seconds West for a distance of 100.00 feet; thence go North 56 degrees 08 minutes 00 seconds West for a distance of 50.00 feet to the Point of Beginning. Said Parcel of land lying and being in Section 23, Township 6 South, Range 12 West, Bay County, Florida, and having an area of 0.115 acres, more or less.

ALSO:

PARCEL 2:

Commence at the Northwest corner of Fractional Section 23, Township 6 south, Range 12 West, and extend a line South 45°25'10" East for 779.17 feet; then turn 74°14' right for 147.05 feet; then turn 58°26'50" left for 177.0 feet; then turn 90°00' right for 8.29 feet; then turn 90°00' left for 90.0 feet to the point of beginning. From this point of beginning continue the line last described above for 150.0 feet; then turn 90°00' right for 101.9 feet; then turn 26°30' left for 184.2 feet; then turn 90°00' right for 150.0 feet; then turn 90°00' left for 100.0 feet; then turn 90°00' right for 100.0 feet; then turn 90°00' right for 119.0 feet; then turn 26°30' right for 361.3 feet to the point of beginning. This parcel of land has an area of 1.61 acres, more or less. It is in the Northwest Quarter of Fractional Section 23, Township 6 South, Range 12 West, of Mexico Beach, Bay County, Florida.

ALSO:

PARCEL 3:

Lots 1 and 2, Block 3, Mexico Beach Unit No.6, according to the Official Plat thereof as recorded in Plat Book 7, Page 75, in the Public Records of Bay County, Florida.

AND

The Westerly half of that portion of 50 foot right of way for 34th Street vacated and abandoned by the City of Mexico Beach (Florida Ordinance No. 472).

Certify to: Condominiums at Waterside Village, LLC; First Horizon Home Loan Corporation;
Clark Partington, Hart, Larry, Bond, & Stackhouse; Chicago Title Insurance Company and
Moulton, McEachern & Walker.

SURVEYOR'S CERTIFICATION

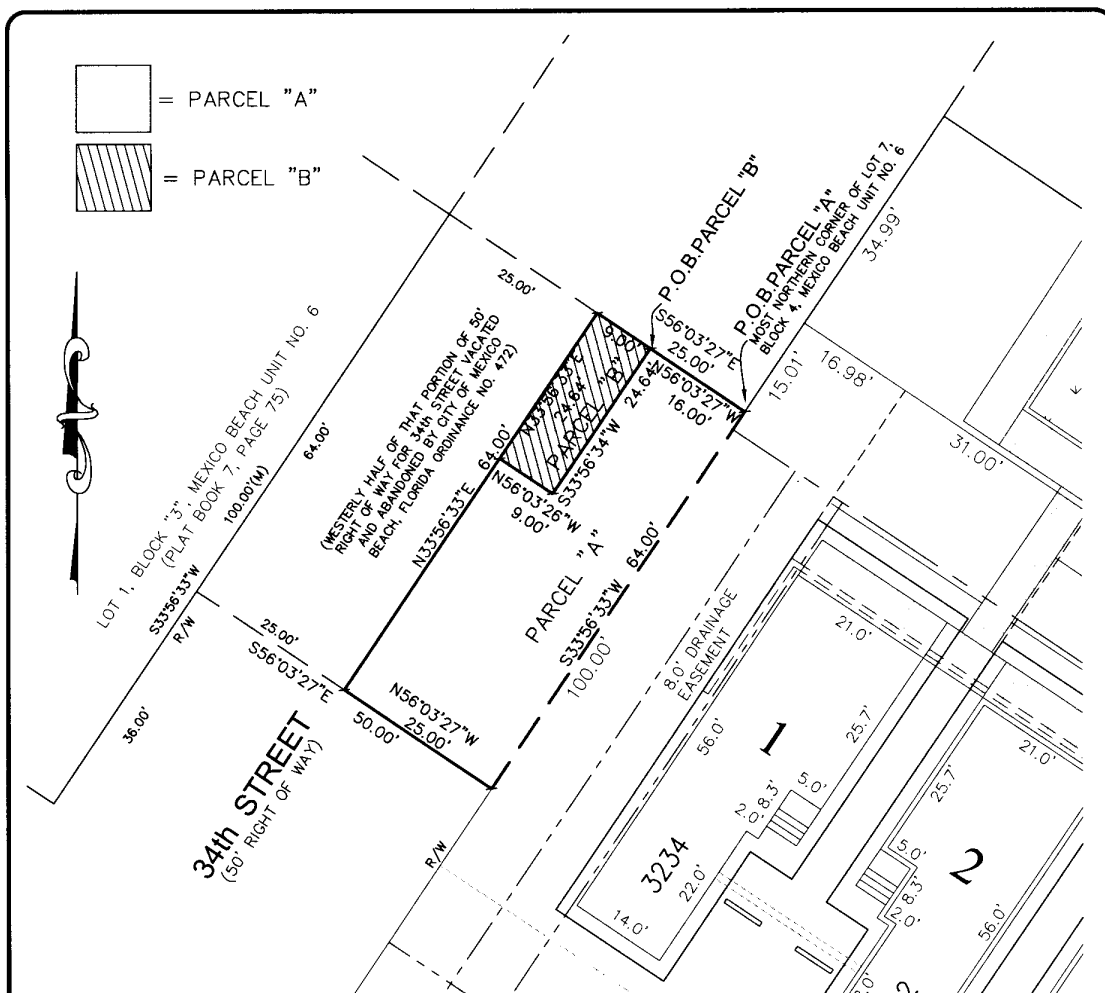
I HEREBY CERTIFY THAT THE SURVEY AS SHOWN HEREON MEETS THE "MINIMUM TECHNICAL STANDARD" FOR LAND SURVEYING IN THE STATE OF FLORIDA (F.A.C. 61G17-6), AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

THE UNDERSIGNED SURVEYOR HAS NOT BEEN PROVIDED A CURRENT TITLE OPINION OR ABSTRACT OF MATTERS AFFECTING TITLE OF BOUNDARY TO THE SUBJECT PROPERTY. IT IS POSSIBLE THERE ARE DEEDS OF RECORD, UNRECORDED DEEDS, EASEMENTS OR OTHER INSTRUMENTS WHICH COULD AFFECT THE BOUNDARIES.

DATE SIGNED _____

DAVID JON DAPILETTI, P.L.S.
PROFESSIONAL LAND SURVEYOR
FLORIDA LICENSE NO. LS 4012
PRICBLE-RISM, INC.
470 HARRISON AVENUE
PANAMA CITY, FL 32401
SURVEYING BUSINESS NO. 0007137

UNLESS IT BEARS THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER THIS DRAWING, SKETCH, PLAT OR MAP IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT VALID



PARCEL "A"

Beginning at a point marking the most Northerly corner of Lot 7, Block 4, Mexico Beach Unit No. 6, a subdivision as per plat thereof recorded in Plat Book 7, Page 75 of the Public Records of Bay County, Florida; thence South 33 degrees 56 minutes 33 seconds West, for a distance of 64.00 feet; thence North 56 degrees 03 minutes 27 seconds West, for a distance of 25.00 feet; thence North 33 degrees 56 minutes 33 seconds East, for a distance of 64.00 feet; thence South 56 degrees 03 minutes 27 seconds East, for a distance of 25.00 feet to the POINT OF BEGINNING.
Containing 0.037 acres, more or less.

PARCEL "B"

Commencing at a point marking the most Northerly corner of Lot 7, Block 4, Mexico Beach Unit No. 6, a subdivision as per plat thereof recorded in Plat Book 7, Page 75 of the Public Records of Bay County, Florida and run thence North 56 degrees 03 minutes 27 seconds West, for a distance of 16.00 feet to the POINT OF BEGINNING; thence South 33 degrees 56 minutes 34 seconds West, for a distance of 24.64 feet; thence North 56 degrees 03 minutes 26 seconds West, for a distance of 9.00 feet; thence North 33 degrees 56 minutes 33 seconds East, for a distance of 24.64 feet; thence South 56 degrees 03 minutes 27 seconds East, for a distance of 9.00 feet to the POINT OF BEGINNING.
Containing 0.005 acres, more or less.

I hereby certify that the description shown hereon meets the "Minimum Technical Standard" for Land Surveying in the State of Florida (F.A.C. 61G17-6).

The undersigned surveyor has not been provided a current title opinion or abstract of matters affecting title of boundary to the subject property. It is possible there are deeds of record, unrecorded deeds, easements or other instruments which could affect the boundaries.

David Jon Bartlett PLS
Professional Land Surveyor
Florida Registered No. 4018
Land Surveying Business No. 7137

GRAPHIC SCALE



(IN FEET)

PREBLE-RISH INC
CONSULTING ENGINEERS AND SURVEYORS
CIVIL • SURVEYING • SITE PLANNING

324 MARINA DRIVE
PORT ST. JOE, FL 32456
(904) 221-7226

203 ABERDEEN PARKWAY
PANAMA CITY, FL 32405
(904) 322-8844

5065 SCENIC HWY 30A, SUITE 104
SANTA ROSA BEACH, FL 32459
(904) 221-7302

SKETCH OF DESCRIPTION

CONDOMINIUMS AT WATERSIDE VILLAGE
MEXICO BEACH, FLORIDA

DATE:
2/21/06
SCALE:
1"=20'
DRAWN:
DJB
CHECKED:

PROJECT NO.
302.009
SHEET
1

LB# 0007137

EXHIBIT "B"

Survey

**CONDOMINIUMS AT WATERSIDE VILLAGE
CERTIFICATE OF SURVEYOR
(PURSUANT TO SECTION 718.104 (4) (e) FLORIDA STATUTES)**

STATE OF FLORIDA
COUNTY OF BAY

BEFORE ME, THE AUTHORITY, PERSONALLY APPEARED **R. MARK NOLES**, (THE "AFFIANT"), WHO WAS SWORN AND SAYS:

1. AFFIANT IS A DULY REGISTERED AND DULY LICENSED PROFESSIONAL LAND SURVEYOR, AUTHORIZED TO PRACTICE UNDER THE LAWS OF THE STATE OF FLORIDA.
2. AFFIANT IS PROVIDING THE CERTIFICATE OF SURVEYOR PURSUANT TO SECTION 718.104(4) (e), F.S. (2004)
3. AFFIANT HEREBY CERTIFIES THAT THE CONSTRUCTION OF THE IMPROVEMENTS (THE "IMPROVEMENTS"), FOR THE CONDOMINIUM BUILDINGS, AS MORE PARTICULARLY DESCRIBED IN THE DECLARATION OF CONDOMINIUM FOR "CONDOMINIUMS AT WATERSIDE VILLAGE", IS SUBSTANTIALLY COMPLETE SO THAT THE DECLARATION OF CONDOMINIUM FOR "CONDOMINIUMS AT WATERSIDE VILLAGE", TOGETHER WITH ALL OTHER PROVISIONS OF THE DECLARATION DESCRIBING THE CONDOMINIUM PROPERTY, AS IT RELATES TO MATTERS OF SURVEY, IS AN ACCURATE REPRESENTATION OF THE LOCATION AND APPROXIMATE DIMENSIONS OF THE IMPROVEMENTS, AND THAT THE IDENTIFICATION, LOCATION AND APPROXIMATE DIMENSIONS OF THE COMMON ELEMENTS (AS DEFINED IN THE DECLARATION) AND EACH UNIT OF THE CONDOMINIUM BUILDINGS, CAN BE DETERMINED FROM THESE MATERIALS.
4. AFFIANT HEREBY CERTIFIES THAT ALL PLANNED IMPROVEMENTS, INCLUDING, BUT NOT LIMITED TO, LANDSCAPING, UTILITY SERVICES AND ACCESS TO THE CONSTRUCTED CONDOMINIUM BUILDING UNITS AS SHOWN ON THE ATTACHED AS-BUILT CONDOMINIUM SURVEY, AND THE COMMON ELEMENT FACILITIES SERVING THESE UNITS HAVE BEEN SUBSTANTIALLY COMPLETED.

FURTHER AFFIANT SAYETH NOT

DATED ON THIS 24th DAY OF MAY, 2007

PREBLE-RISH, INC.
A FLORIDA CORPORATION

BY: [Signature]
R. MARK NOLES, P.L.S.
PROFESSIONAL LAND SURVEYOR
FLORIDA LICENSE CERTIFICATE NO. LS 4440

STATE OF FLORIDA
COUNTY OF BAY

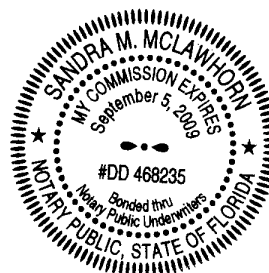
THE FOREGOING INSTRUMENT WAS SWORN TO, SUBSCRIBED TO AND ACKNOWLEDGED BEFORE ME THIS 24th DAY OF May, 2007, BY R. MARK NOLES, AS SURVEYING ASSISTANT MANAGER FOR PREBLE RISH, INC., A FLORIDA CORPORATION, ON BEHALF OF THE CORPORATION, WHO DID NOT TAKE AN OATH AND WHO IS PERSONALLY KNOWN TO ME.

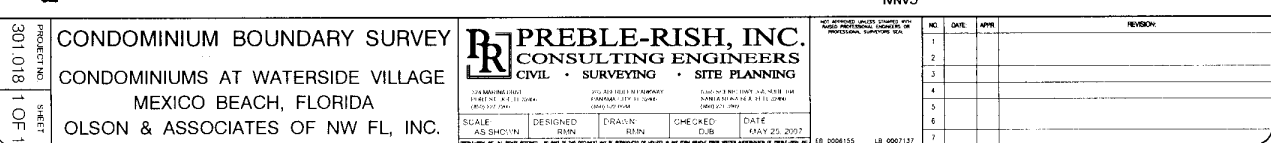
Sandra M. McLawhorn
NOTARY PUBLIC

September 5, 2009
MY COMMISSION EXPIRES:

Sandra M. McLawhorn
NAME OF NOTARY PRINTED

DD 468235
COMMISSION NUMBER





AS - BUILT SURVEY



GRAPHIC SCALE

1

SYMBOLS & ABBREVIATIONS

- 10 NUMBER
 11 OFFICIAL RECORDS BOOK
 12 SURVEYED MEASUREMENT
 13 POINT OF COMMENCEMENT
 14 RIGHT OF WAY
 15 TYPICAL
 16 SPECIAL CONDITION
 17 OVERHEAD UTILITIES
 18 CONCRETE
 19 BUILDING
 20 FIRE HYDRANT
 21 WATER SUB-OUT
 22 BACKFLOW PREVENTER
 23 WATER METER
 24 WELL AND POWER MATERIAL
 25 SHOWER/TOILET
 26 SHOWER SEWER MANHOLE
 27 HANDICAP PARKING SYMBOL
 28 SET 1/2" CAPED IRON ROD L.B. NO. 7137
 29 SET 1/2" CAPED IRON ROD L.B. NO. 7146
 30 SET 1/2" CAPED IRON ROD L.B. NO. 7151
 31 SET 1/4" AND 1/8" L.B. NO. 7137
- I LAMP POLE
 II STUDIED CHOR
 III UTILITY POLE
 IV HANDICAP PARKING SIGN
 V 6.0' HIGH WOOD FENCING
 VI 4.0' HIGH METAL FENCING
 VII CONCRETE CURB STOP
 VIII TELEPHONE BOX
 IX ELECTRIC TRANSFORMER ON CONCRETE PAD
 X STORMWATER DRAINAGE INLET
 XI AIR CONDITIONING UNIT
 XII 2.972 x 8" WOOD FENCE COLUMN (TYP.)
 XIII ASPHALT PAVEMENT
 XIV CONCRETE
 XV BRICK PAVING
 XVI EXISTING OAK TREE (DIAMETER SHOWN IN INCHES)

SURVEYOR'S NOTES

[illegible]

DATE SEEN *5/15/86*

CONDOMINIUM AS-BUILT SURVEY
CONDOMINIUMS AT WATERSIDE VILLAGE
MEXICO BEACH, FLORIDA
OLSON & ASSOCIATES OF NW FL, INC.



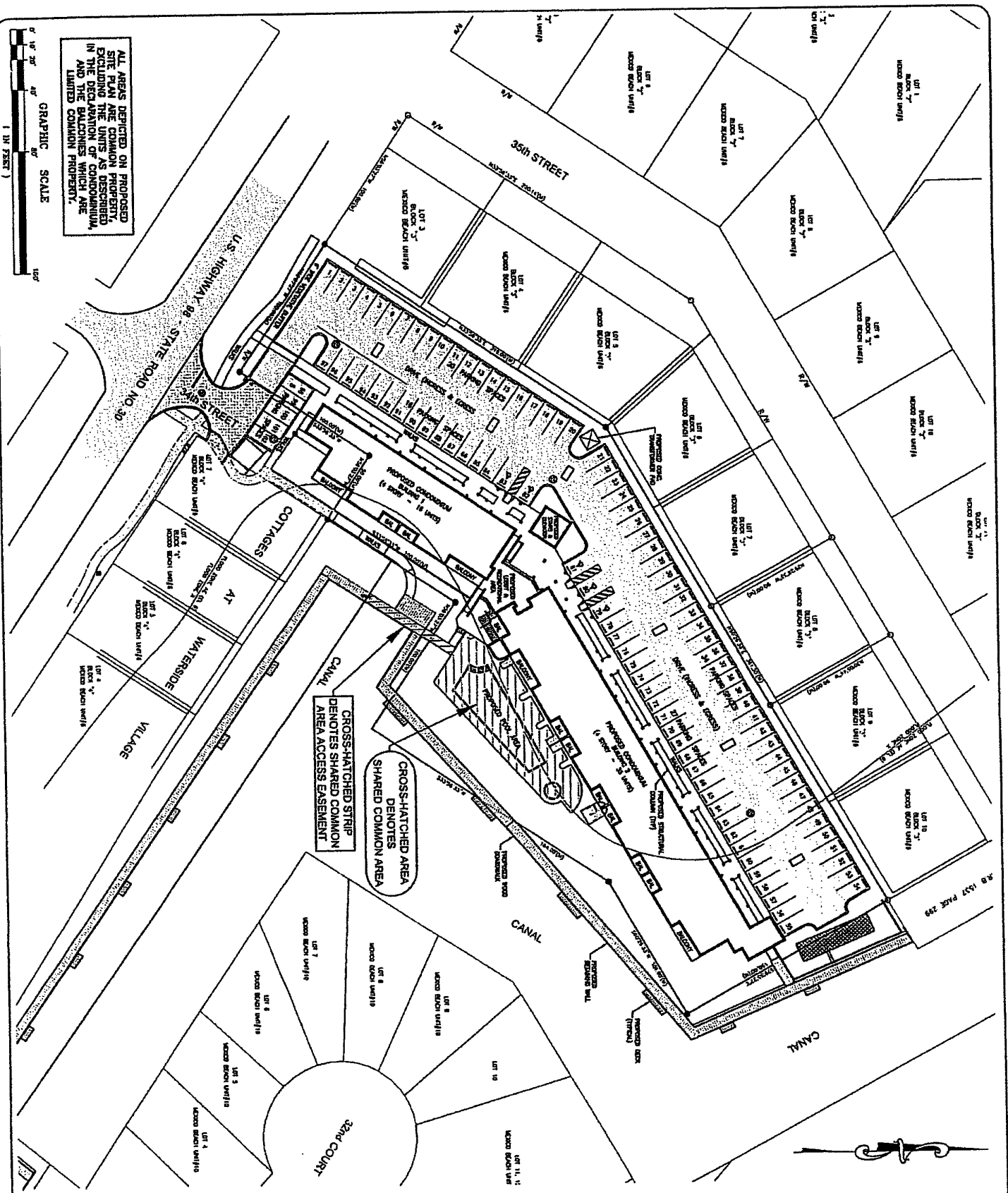
PREBLE-RISH, INC.
CONSULTING ENGINEERS
CIVIL • SURVEYING • SITE PLANNING

004-MANUAL DATA PROJECT NO. 00-11-2046 (R00) 227 7200		200 414 100-11-11-HIGHWAY CHANDLER CITY, IL 2046 (R00) 227 7200		555-512-100-11-01-SAN. NORTH 100 SANTA RIVER RD. A-3-11-2046 (R00) 227 7200	
SCALE: AS SHOWN	DESIGNED RMN	DRAWN JTB	CHECKED RMK	DATE: MAY 25, 2007	

NO.	DATE	APPL.	REVISION
1			
2			
3			
4			
5			
6			
7			

EXHIBIT "C"

Plot Plan and Unit Floor Plan



PROPOSED SITE PLAN
 CONDOMINIUMS AT WATERSIDE VILLAGE
 OLSON AND ASSOCIATES
 MEXICO BEACH, FLORIDA

PREBLE-RISH, INC.
 CONSULTING ENGINEERS
 CIVIL • SURVEYING • SITE PLANNING

DESIGNED BY: J. B. RISH
 DRAWN BY: J. B. RISH
 CHECKED BY: J. B. RISH
 DATE: 10/1/81

NO.	REV.	DATE	BY	CHKD.
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WATERSIDE VILLAGE

INDEX

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NOTES:

THIS IS TO CERTIFY THAT ALL OF THE CONDOMINIUM PROPERTY AND ALL PROPOSED STRUCTURES OF THE CONDOMINIUM ARE LOCATED WITHIN BOUNDARY LINES AS DETERMINED BY THE U.S. DEPARTMENT OF THE INTERIOR.

OF IMPROVING AND URBAN DEVELOPMENT LEVELS (LEVEL ONE, TWO, THREE, ETC.) AND HORIZONTAL UNIT BOUNDARIES WILL BE ESTABLISHED PRIOR TO RECORDING OF THE DECLARATION OF CONDOMINIUM.

ALL OF THE REAL PROPERTY DESCRIBED IN THE PLANS IS SUBJECT TO SPECIAL DECLARATORY RIGHTS AS SET OUT IN THE DECLARATION OF CONDOMINIUM.

Cover Sheet and Index



DAY ARCHITECTS INC.
P.O. BOX 1080 DENTON TEXAS 76201-1080
TELEPHONE 817-391-4141 FAX 817-391-4142

EXHIBIT "A" PAGE 1

ATTACHED TO AND MADE A PART OF THE DECLARATION OF CONDOMINIUM

WATERSIDE VILLAGE, a condominium

MEXICO BEACH, FLORIDA

DESCRIPTION OF COMMON ELEMENTS

COMMON ELEMENTS SHALL MEAN AND COMPRISE ALL THE REAL PROPERTY IMPROVEMENTS AND FACILITIES TO "WATERSIDE VILLAGE, A CONDOMINIUM", INCLUDING ALL PARTS OF THE CONDOMINIUM BUILDINGS OTHER THAN THE CONDOMINIUM UNITS, AND THE LIMITED COMMON ELEMENTS AS SAME ARE HEREIN DEFINED, AND SHALL INCLUDE EASEMENTS THROUGH CONDOMINIUM UNITS FOR CONDUITS, PIPES, DUCTS, PLUMBING, WIRING, AND OTHER FACILITIES FOR THE FURNISHING OF UTILITY SERVICE TO CONDOMINIUM UNITS WHICH CONTRIBUTES TO THE SUPPORT OF THE IMPROVEMENTS AND SHALL FURTHER INCLUDE ALL PERSONAL PROPERTY HELD AND MAINTAINED FOR THE JOINT USE AND ENJOYMENT OF ALL OF THE OWNERS OF ALL SUCH CONDOMINIUM UNITS AND SHALL EXCLUDE ALL THE CONDOMINIUM UNITS.

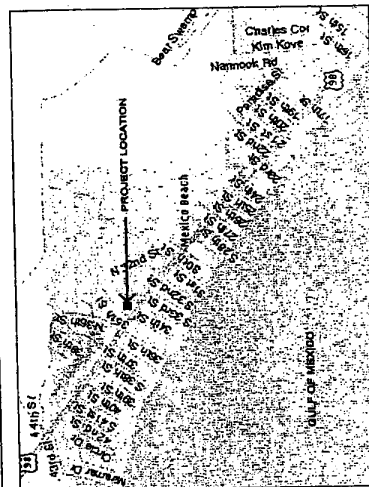
DESCRIPTION OF CONDOMINIUM

"CONDOMINIUM" SHALL MEAN AND COMPRISE THE SEPARATE AND NUMBERED DWELLING UNITS AS DESCRIBED HEREIN, EXCLUDING HOWEVER, ALL SPACES AND IMPROVEMENTS LIVING BENEATH THE UNDECORATED AND/OR UNFINISHED INNER SURFACES OF THE PERIMETER WALLS AND FLOORS, AND ABOVE THE UNDECORATED AND/OR UNFINISHED INNER SURFACES OF THE CEILINGS OF EACH DWELLING UNIT, AND FURTHER EXCLUDING ALL SPACES AND IMPROVEMENTS BENEATH THE UNDECORATED AND/OR UNFINISHED INNER SURFACES OF ALL INTERIOR WALLS AND/OR BEARING PARTITIONS, AND FURTHER EXCLUDING ALL PIPES, DUCTS, WIRES, CONDUITS, AND OTHER FACILITIES RUNNING THROUGH ANY INTERIOR WALL OR PARTITION FOR THE FURNISHING OF UTILITY SERVICES TO SAID DWELLING UNITS, AND FURTHER EXCLUDING ALL COMMON PROPERTY AND LIMITED COMMON PROPERTY.

SURVEYOR'S CERTIFICATE:

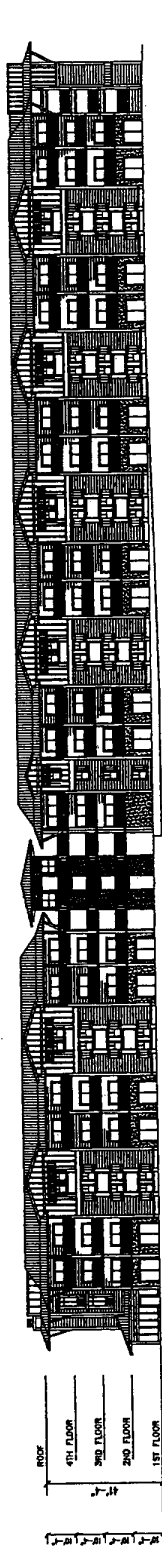
I HEREBY CERTIFY TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF, AND IN MY PROFESSIONAL OPINION, THAT THIS IS A TRUE AND ACCURATE REPRESENTATION OF THE BOUNDARIES OF THE CONDOMINIUM PROPERTY, AND THAT THE CONDOMINIUM UNITS ARE PROPOSED AND THE LOCATION OF SAID UNITS IS APPROXIMATE ONLY. THE WORDING OF THE DECLARATION RELATING TO THE MATTERS OF THE SURVEY TOGETHER WITH THE EXHIBITS ATTACHED HERETO AND THERETO AREA A CORRECT REPRESENTATION OF IMPROVEMENTS DESCRIBED AND FURTHER THAT WITH SUCH MATERIAL THERE CAN BE DETERMINED THEREFROM THE IDENTIFICATION, APPROXIMATE LOCATION, DIMENSIONS, AND SIZE OF EACH CONDOMINIUM UNIT, AND THE APPROXIMATE IDENTIFICATION OF THE COMMON ELEMENTS AND LIMITED COMMON ELEMENTS.

VICINITY MAP

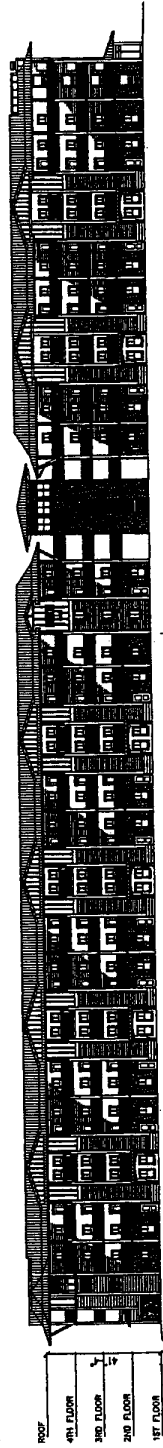


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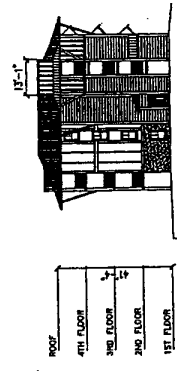
EXHIBIT "A" PAGE 2
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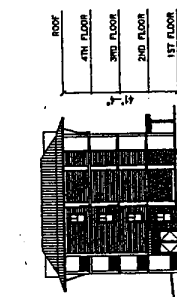
East



West



North



South



DAY ARCHITECTS INC.
P.O. BOX 1395 DEERFIELD BEACH, FLORIDA 33440
TELEPHONE 888-471-1131 FAX 888-471-1131



Proposed Elevations

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COMMON AREA AND LIMITED COMMON AREA IMPROVEMENTS ARE SCHEMATIC IN NATURE AND ACTUAL CONSTRUCTION MAY VARY FROM THAT WHICH IS SHOWN.

NOTES:

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OF HOUSING AND URBAN DEVELOPMENT LEVELS (LEVEL ONE, TWO, THREE, ETC.) AND HORIZONTAL UNIT BOUNDARIES WILL BE ESTABLISHED PRIOR TO RECORDING OF THE DECLARATION OF CONDOMINIUM.

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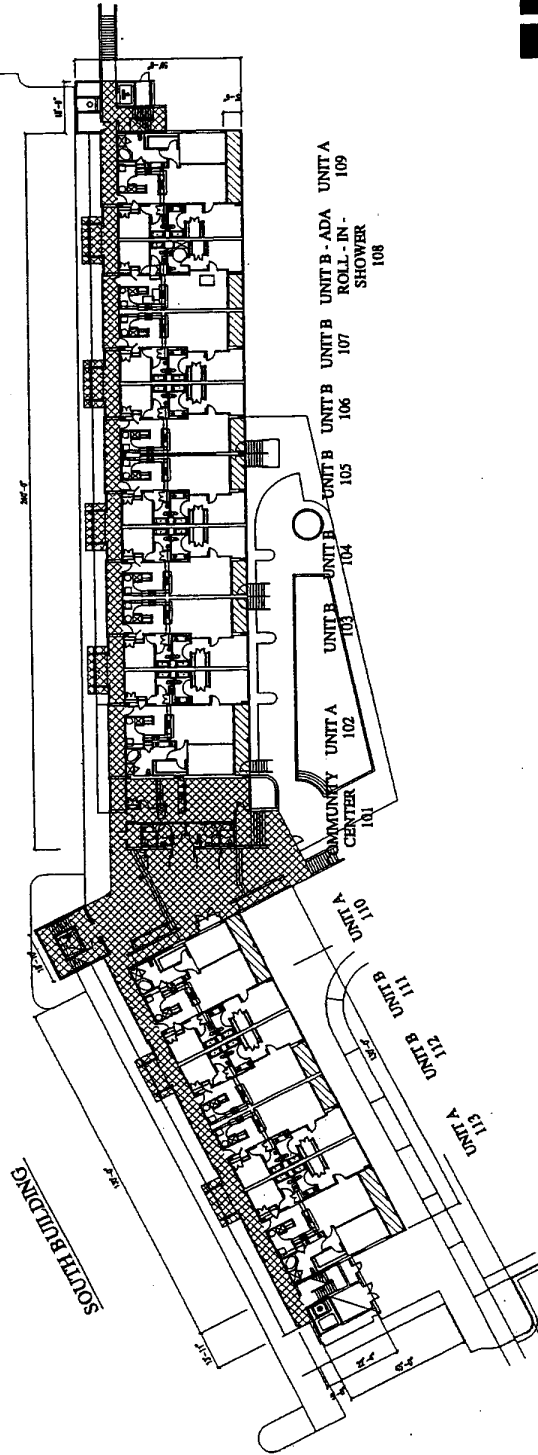
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LEGEND

▨ = COMMON AREA

▨ = LIMITED COMMON AREA

NORTH BUILDING



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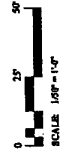
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Proposed First Floor Plan



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TELEPHONE 904-371-4131 FAX 904-644-0776

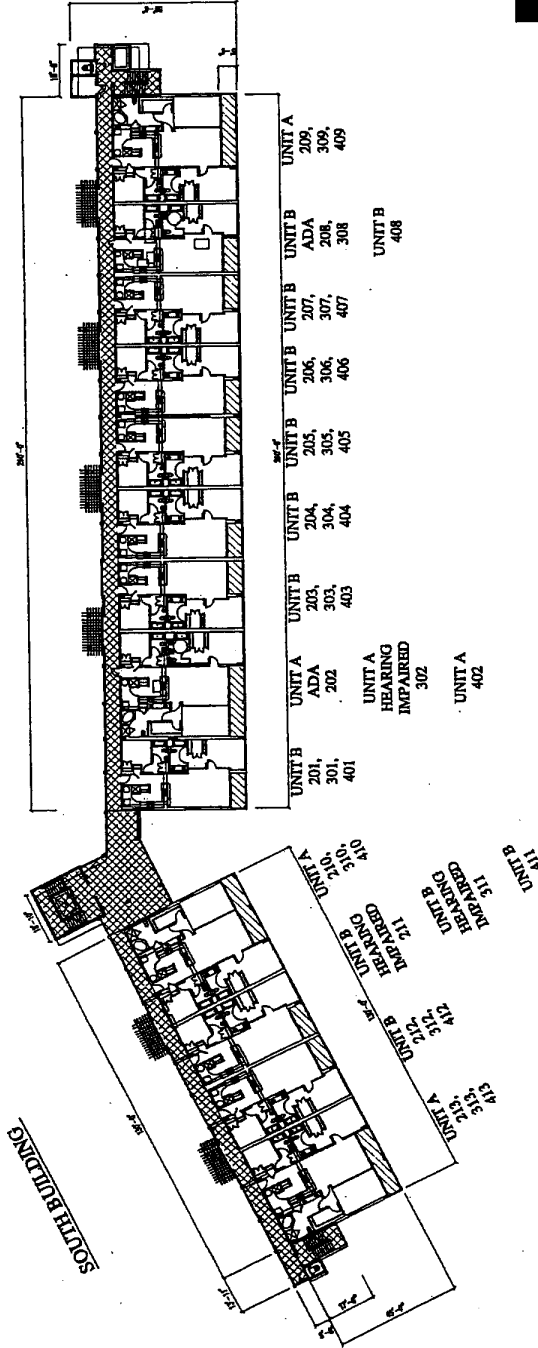
EXHIBIT "A" PAGE 4
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LEGEND

▨ = COMMON AREA

▨ = LIMITED COMMON AREA

NORTH BUILDING



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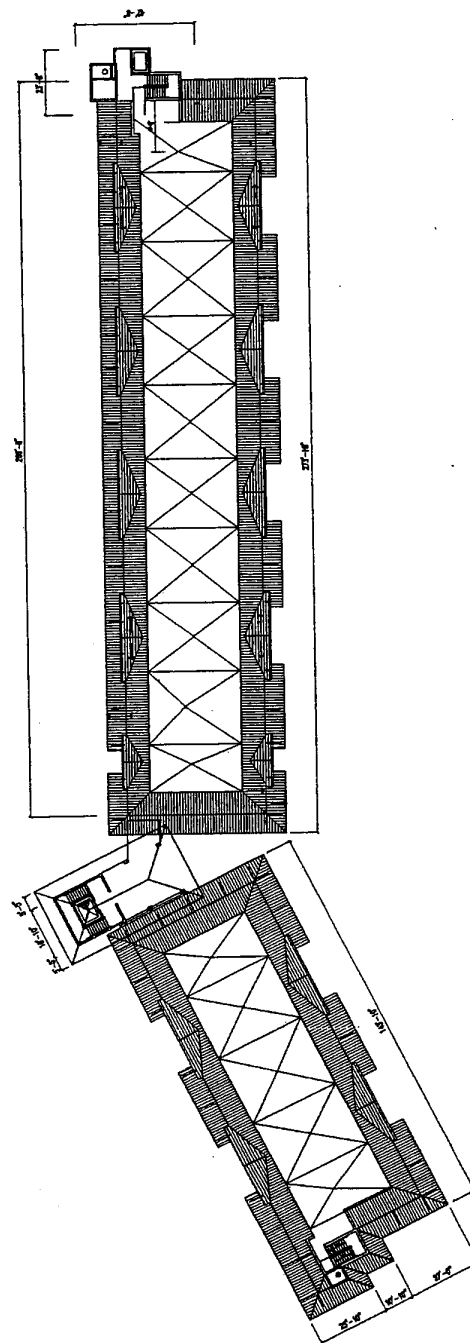
Proposed Second Thru Fourth Floor Plan



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P.O. BOX 1190, DARTON, FLORIDA 32540
TELEPHONE 850-874-4121 FAX 850-844-0476



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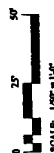
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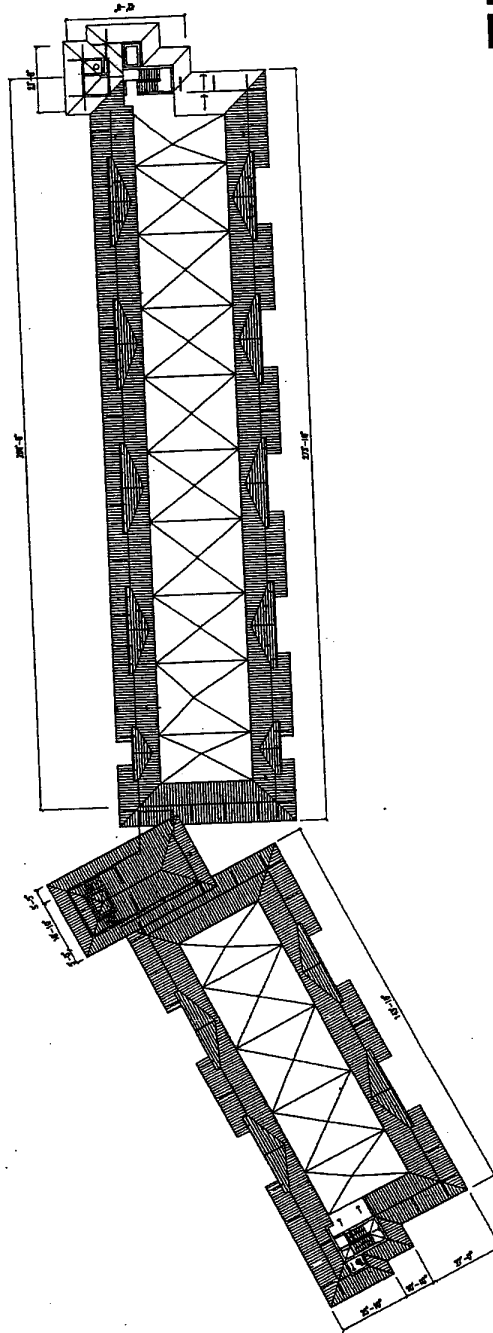


Proposed Lower Roof Plan

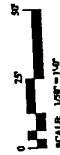


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Proposed Upper Roof Plan

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DECLARATION OF CONDOMINIUM.

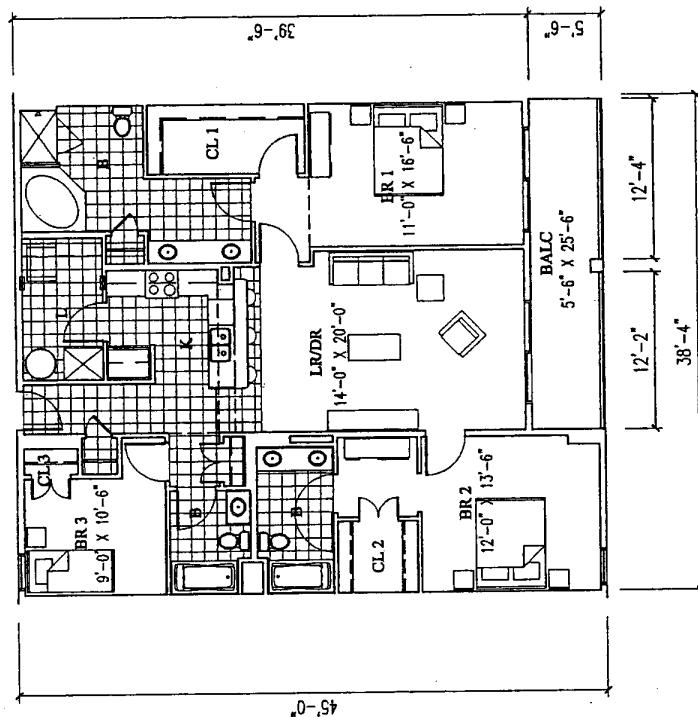
OF HOUSING AND URBAN DEVELOPMENT.
LEVELS (LEVEL ONE, TWO, THREE, ETC.)
LEVELS AND HORIZONTAL UNIT BOUNDARIES
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COMMON AREA AND LIMITED COMMON AREA
IMPROVEMENTS ARE SCHEDULED IN FUTURE
AND ACTUAL CONSTRUCTION MAY VARY FROM
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LEGEND

- B - BATHROOM
- BR - BEDROOM
- LR/DR - LIVING/DINING ROOM
- K - KITCHEN
- CL - CLOSET
- BALC - BALCONY
- L - LAUNDRY



Proposed Unit A Floor Plan

APPROXIMATE HEATED & COOLED AREA:
 1529 sq. ft. UNIT 80. FT.
 141 sq. ft. BALCONY
 1670 sq. ft.

NOTES:

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 400 BOWLING GREEN, SUITE 100
 MIAMI, FLORIDA 33134
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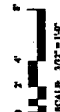
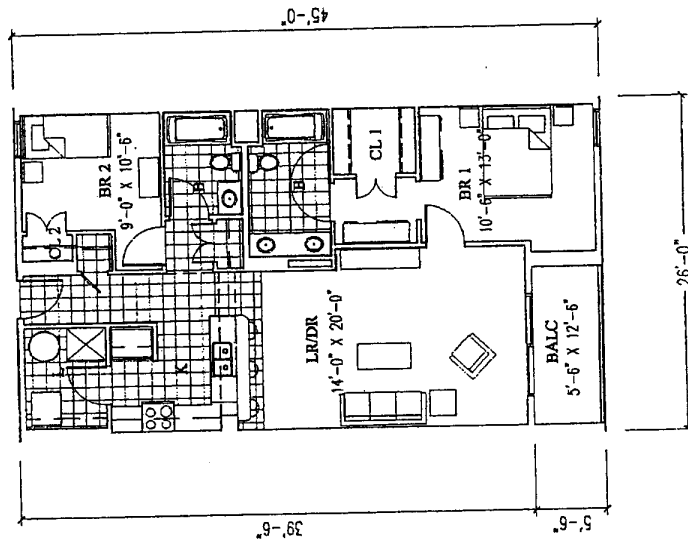


EXHIBIT "A" PAGE 8
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LEGEND:

- B - BATHROOM
- BR - BEDROOM
- LR/DR - LIVING/DINING ROOM
- K - KITCHEN
- CL - CLOSET
- BALC - BALCONY
- L - LAUNDRY



Proposed Unit B Floor Plan

APPROXIMATE HEATED & COOLED AREA: 1019 sq. ft. UNIT SQ. FT.
68 sq. ft. BALCONY 1087 sq. ft.

DISCLAIMER:

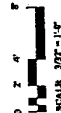
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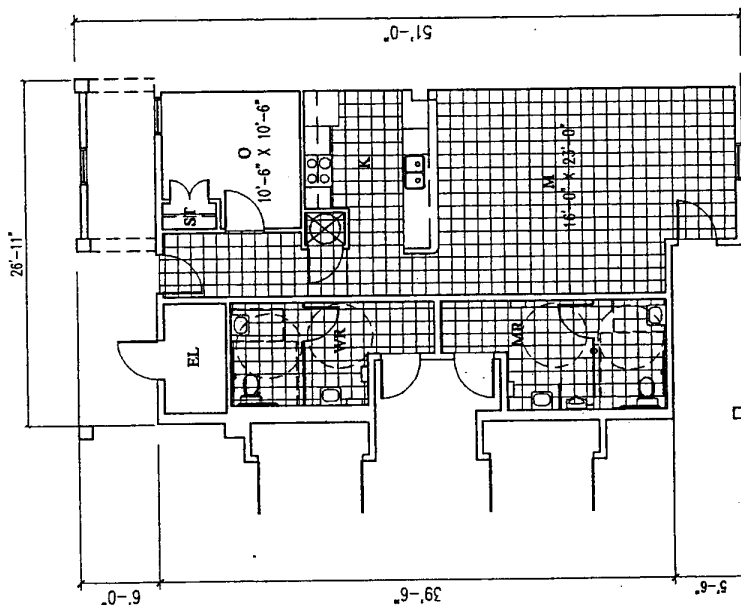


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EXHIBIT "A" PAGE 9
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LEGEND

- O - OFFICE
- K - KITCHEN
- ST - STORAGE
- EL - ELEVATOR
- MR - MEN'S RESTROOM
- WR - WOMEN'S RESTROOM



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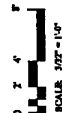
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APPROXIMATE HEATED & COOLED AREA:

928 sq. ft. UNIT SQ. FT.
74 sq. ft. BALCONY
1002 sq. ft.

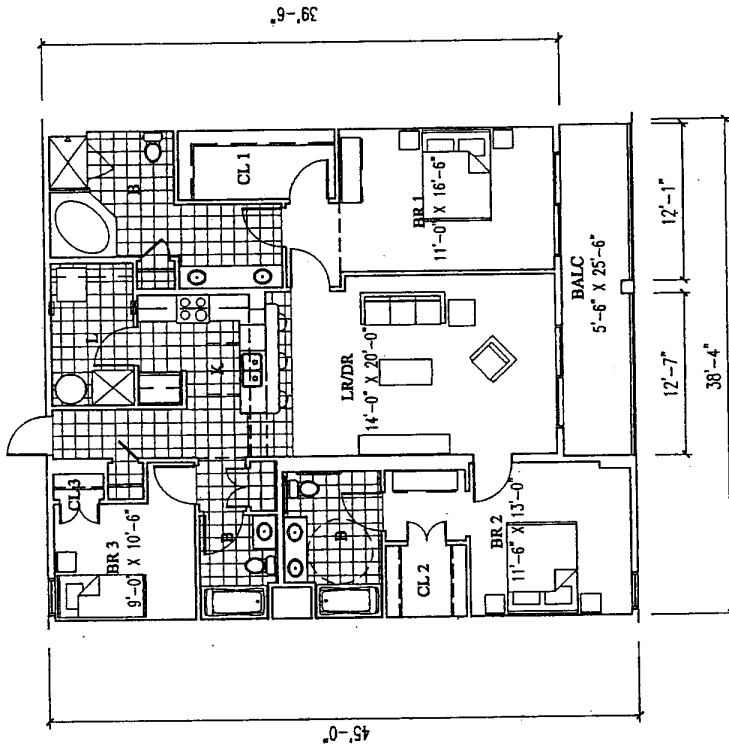
Proposed Community Center Floor Plan



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EXHIBIT "A" PAGE 10
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- LEGEND**
- B - BATHROOM
 - BR - BEDROOM
 - LR/DR - LIVING/DINING ROOM
 - K - KITCHEN
 - CL - CLOSET
 - BALC - BALCONY
 - L - LAUNDRY



Proposed Unit A-ADA Floor Plan

APPROXIMATE HEATED & COOLED AREA:
 1529 sq. ft. UNIT SQ. FT.
 141 sq. ft. BALCONY
 1670 sq. ft.

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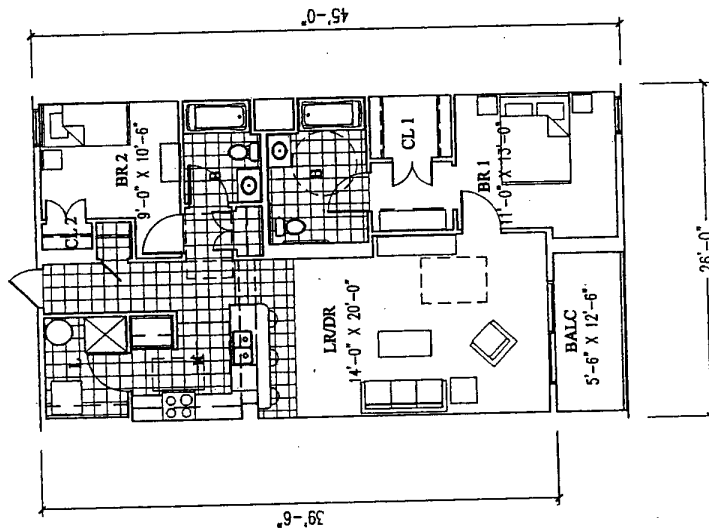
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 P.O. BOX 1245 DUSTIN, FLORIDA 32540
 TELEPHONE 904-674-1111 FAX 904-674-1176



EXHIBIT "A" PAGE 11
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LEGEND

- B - BATHROOM
- BR - BEDROOM
- LR/DR - LIVING/DINING ROOM
- K - KITCHEN
- CL - CLOSET
- BALC - BALCONY
- L - LAUNDRY



Proposed Unit B-ADA Floor Plans

APPROXIMATE HEATED & COOLED AREA: 1019 sq. ft. UNIT SQ. FT.
68 sq. ft. BALCONY 1087 sq. ft.

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TELEPHONE: 866-57-1131 FAX: 866-64-0716

EXHIBIT "A" PAGE 12
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EXHIBIT "D"

Schedule of Shares

UNDIVIDED SHARE OF COMMON ELEMENTS FOR EACH UNIT

<u>UNIT TYPE</u>	<u>UNITS</u>	<u>UNDIVIDED SHARE PER UNIT</u>
Unit A (3 bed/3 bath/ 1,670 sq. ft)	16	.02579
Unit B (2 bed/2 bath/ 1,087 sq ft)	35	.01678

EXHIBIT "E"

Articles of Incorporation

FILED
SECRETARY OF STATE
TALLAHASSEE, FLORIDA
05 OCT 12 PM 3:00

**ARTICLES OF INCORPORATION
OF**

CONDOMINIUMS AT WATERSIDE VILLAGE COMMUNITY ASSOCIATION, INC.

The undersigned, by these Articles associates himself for the purpose of forming a corporation not for profit under Chapter 617, Florida Statutes, and certify as follows:

ARTICLE I

NAME. The name of the corporation shall be "Condominiums At Waterside Village Community Association, Inc," hereinafter referred to as the "Association", and the principal address for the Association is Suite 215, Gulf Place, 1234 Airport Road, Destin, Florida 32541.

ARTICLE II

PURPOSE. The purpose for which the Association is organized is to provide an entity pursuant to the Condominium Statutes, which are codified in Chapter 718, Florida Statutes, (Condominium Act) for the operation, management, maintenance and control of Condominiums At Waterside Village which are being developed by Condominiums At Waterside Village, LLC, a Florida limited liability company. The development shall hereinafter referred to as the "Condominium." The Association shall make no distributions of income to its members, directors or officers. The development shall be controlled by a Declaration of Condominium for Condominiums At Waterside Village, which shall be recorded with the public records of Bay County, FL.

ARTICLE III

POWERS. The powers of the Association shall include and be governed by the following provisions:

(A) The Association shall have all the common law and statutory powers of a corporation not for profit not in conflict with the terms of these Articles or the Declaration operated by the Association, hereinafter referred to as the "Declaration." The Association shall determine the assessments for each year, which shall be payable at such times as may be determined by the Board of Directors of the Association.

(B) The Association shall have all of the powers and duties set forth in the Declaration and these Articles and in the Condominium Act except where the Act allows limitations by these Articles or the Declaration and all of the powers and duties reasonably necessary to operate a condominium pursuant to the Declaration and as it may be amended from time to time, including but not limited to the following:

(1) To purchase or otherwise acquire, hold title to and own fee simple or other lesser interest in real, personal or mixed property, wherever situated, including units in the condominium, and to lease, mortgage and convey same.

(2) To make and collect assessments against the members as condominium owners to defray the costs, expenses and losses of the condominium and to defray the costs, expenses and losses of any other business, enterprise, venture or property interest of the Association.

(3) To use the proceeds of the assessments in the exercise of these powers and duties.

(4) To maintain, repair, replace and operate the property of the condominium or the property of the Association.

(5) To purchase insurance upon the property of the condominium or the

property of the Association and insurance for the protection of the Association and its members as condominium owners.

(6) To reconstruct improvements after casualty and to further improve the property of the condominium operated by the Association or the property of the Association, subject to the Declaration of Condominiums At Waterside Village.

(7) To make and amend reasonable regulations respecting the use of the property in the condominium or the property of the Association.

(8) To approve or disapprove the transfer, mortgage and ownership of the condominium as may be provided by the Declaration and Bylaws of the Association, hereinafter referred to as the "Bylaws."

(9) To enforce by legal means the provisions of the Act, the Declaration, these Articles, the Bylaws, and the regulations for the use of the property of the condominium or the property of the Association.

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

(11) To contract with Condominiums At Waterside Village.

(12) To contract for the management or operation of portions of common elements of the condominium property of the Association which may be susceptible to separate management or operation, and to lease such portions.

(13) To employ personnel to perform the services required for proper

operation of the Association or the condominium.

(14) To hire attorneys or other professionals for the purposes of bringing legal action or enforcing rights in the name of and on behalf of the individual condominium unit owners where such actions or rights are common to all of the condominium unit owners; and to bring such action in the name of and on behalf of said condominium owners.

(C) All funds and the title of all properties acquired by the Association and their proceeds shall be held in trust for the members in accordance with the provisions of the Declaration and of the Bylaws.

(D) The powers of the Association shall be subject to and be exercised in accordance with the provisions of the Declaration and Bylaws.

ARTICLE IV

MEMBERS.

(A) The members of the Association shall consist of all of the record owners of units in the condominium and after termination of the condominium, shall consist of those who are members at the time of such termination and their successors and assigns.

(B) After receiving approval of the Association required by the Declaration, change of membership in the Association shall be established by recording in the public records of Bay County, Florida a deed or other instrument establishing a record title to an unit in the condominium and the delivery to the Association of a certified copy of such instrument. The owner designated by such instrument thus becomes a member of the Association and the membership of the prior owner is terminated.

(C) The share of a member in funds or assets of the Association cannot be

assigned, hypothecated or transferred in any manner except as an appurtenance to his unit.

(D) The owner of each condominium shall be entitled to at least one (1) vote as a member of the Association, subject to the limitations in the Declaration and Bylaws. The exact number of votes to be cast by owners of an unit and the manner of exercising voting rights shall be determined by the Bylaws of the Association.

ARTICLE V

DIRECTORS.

(A) The affairs of the Association will be managed by a Board consisting of not less than three (3) directors. Directors of the Association shall be elected at an annual meeting of the members in the manner determined by the Bylaws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the Bylaws.

(B) The first election of Directors shall not be held until required by the Chapter 718, Florida Statutes, including §718.301 thereof, or until the Developer elects to terminate its control of the Association and the condominium operated by it, whichever occurs first. The Directors named in these Articles shall serve until the first election of directors, and any vacancies in their number occurring before the first election shall be filled by the remaining directors and, if there are no remaining directors, such vacancies shall be filled by the Developer. When unit owners other than the developer own 15% or more of the units in any one condominium that will be operated ultimately by the Association, they shall be entitled to elect no less than one-third of the members of the Board of Directors. Unit owners other than the developer are entitled to elect not less than a majority of the members of the Board of Directors at the earliest of:

(i) three years after 50% of the units that ultimately will be operated by

the Association have been conveyed to purchasers; or

(ii) three months after 90% of the units that ultimately will be operated by the Association have been conveyed to purchasers; or

(iii) when all the units that ultimately will be operated by the Association have been completed, some of them have been conveyed to purchasers and none of the others are being offered for sale by the developer in the ordinary course of business; or

(iv) when some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the developer in the ordinary course of business; or

(v) seven (7) years after the recording of the Declaration for the initial Phase.

The Developer is entitled to elect at least one member of the Board of Directors of the association as long as the developer holds for sale in the ordinary course of business at least 5 percent of the units in the condominium.

(C) The names and addresses of the members of the first Board of Directors who shall hold office until their successors are elected and have qualified or until removed are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Rick Olson	Suite 215, Gulf Place, 1234 Airport Road, Destin, Florida 32541
Rupert Phillips	Suite 215, Gulf Place, 1234 Airport Road, Destin, Florida 32541
Shannon Howell	Suite 215, Gulf Place, 1234 Airport Road, Destin, Florida 32541

ARTICLE VI

OFFICERS. The affairs of the Association shall be administered by the officers designated in the Bylaws. The officers shall be elected by the Board of Directors at its first meeting following the annual meeting of the members of the Association and shall serve at the pleasure of the Board of Directors. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

<u>NAME</u>	<u>ADDRESS</u>
President- Rick Olson	Suite 215, Gulf Place, 1234 Airport Road, Destin, Florida 32541
Vice-President - Rupert Phillips	Suite 215, Gulf Place, 1234 Airport Road, Destin, Florida 32541
Secretary - Shannon Howell	Suite 215, Gulf Place, 1234 Airport Road, Destin, Florida 32541
Treasurer- Wade Howell	Suite 215, Gulf Place, 1234 Airport Road, Destin, Florida 32541

ARTICLE VII

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

to which such director or officer may be entitled. The directors shall be authorized to purchase directors and officers liability insurance providing coverage to the officers and directors of the Association at the expense of the Association.

ARTICLE VIII

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

ARTICLE IX

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

(A) Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

(B) A resolution for the adoption of a proposed amendment may be proposed either by the Board of Directors or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing provided such approval is delivered to the secretary or assistant secretary at or prior to the meeting. Such written approval will not be counted as a vote for or against action taken, and may not be used to create a quorum, but may be acknowledged during the meeting and considered informally as evidence of the director or member's opinion on the matter. Except as elsewhere provided, amendment approvals must be by not less than two-thirds (2/3) of the vote of the entire membership.

(C) Provided, however, that no amendment shall make any changes in the qualifications for membership nor the voting rights of members without approval in writing by all

members and the joinder of all record owners of mortgages upon the condominium operated by the Association. No amendment shall be made that is in conflict with the Act or the Declaration or any other applicable law or regulation.

(D) Provided, further, that no amendment shall abridge, limit or alter the rights reserved by or granted to the Developer it's successors or assigns, or any successor developer, by these Articles, the Declaration or by the Bylaws without the prior written consent of Developer, it's successors or assigns, or a successor developer.

(E) A copy of each amendment shall be certified by the Secretary of State and recorded in the public records of Bay County, Florida.

ARTICLE X

TERM. The term of the Association shall be perpetual.

ARTICLE XI

CERTIFICATE OF COMPLIANCE. A certificate of compliance from a licensed electrical contractor or electrician may be accepted by the Association's Board of Directors as evidence of compliance of the condominium's units to the applicable fire and life safety codes.

ARTICLE XII

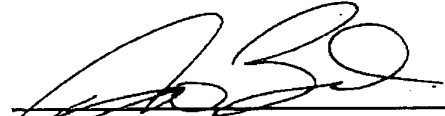
INCORPORATOR. The name and address of the incorporator to these Articles of Incorporation are as follows:

NAME
Derrick Bennett, Esq.

ADDRESS
Harrison, Rivard,
Zimmerman & Bennett, Chtd.

P.O. Box 2422
Panama City, FL 32402-2422

IN WITNESS WHEREOF, the incorporator has affixed his signature
this 29th day of Sept., 2005.

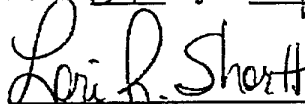

Derrick Bennett, Esq.

STATE OF FLORIDA
COUNTY OF BAY

BEFORE ME, the undersigned officer, duly authorized to take acknowledgments and administer oaths, personally appeared Derrick Bennett, being by me personally known and first duly cautioned and sworn upon his oath, deposes and says that he signed the above Articles of Incorporation for the conditions and purposes therein stated.

SWORN TO AND SUBSCRIBED before me this 29th day of September, 2005.




Signature
Lori R. Shortt
Printed Name of Notary Public

My Commission Expires: 11/15/2009

**CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE
FOR THE SERVICE OF PROCESS WITHIN THIS STATE,
NAMING AGENT UPON WHOM PROCESS MAY BE SERVED**

In pursuance of Chapter 48.901, Florida Statutes, the following is submitted, in compliance with said Act:

First – That Condominiums At Waterside Village Community Association, Inc., desiring to organize under the laws of the State of Florida with its principal office, as indicated in the Bylaws, in the City of Destin, County of Okaloosa, State of Florida, has named Derrick Bennett, Esq., located at 101 Harrison Avenue, City of Panama City, County of Bay, State of Florida, as its agent to accept service of process within this state.

ACKNOWLEDGMENT:

Having been named to accept service of process for the above stated corporation, at place designated in this Certificate, I hereby accept the Act in this capacity, and agree to comply with the provision of said Act relative to keeping open said office.

By: 
Derrick Bennett, Esq.
(Resident Agent)

EXHIBIT "F"

By-Laws

BY-LAWS
OF
CONDOMINIUMS AT WATERSIDE VILLAGE
COMMUNITY ASSOCIATION, INC.
a corporation not-for-profit
under the laws of the State of Florida

ARTICLE I

NAME

The name of the Association is "Condominiums At Waterside Village Community Association, Inc." (the "Association").

ARTICLE II

PURPOSE

These are the By-Laws of Condominiums At Waterside Village Community Association, Inc., a corporation not-for-profit formed under the laws of the State of Florida. The Association has been organized for the purpose of (a) providing for the operation, management, maintenance, control and administration of the Condominiums At Waterside Village, and with regard to such condominium, the legal entity created pursuant to Chapter 718, Florida Statutes (the "Act"), and (b) providing an entity to operate, manage, maintain, control and administer all or such parts thereof of the real property located in Bay County, Florida described as Common Elements together with the recreational, greenspace, ingress and egress, parking and related amenities as may be from time to time constructed thereon.

ARTICLE III

OFFICES

The initial office of the Association shall be at Suite 215, Gulf Place, 1234 Airport Road, Destin, Florida 32541. The Association Board of Directors may from time to time designate a different location for the Association office.

ARTICLE IV

FISCAL YEAR

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

ARTICLE V

SEAL

The seal of the corporation shall bear the name of the Association, the word "Florida" and the words "corporation not-for-profit," and the year of incorporation, "2004," an impression of which is as follows:

[Seal]

ARTICLE VI

PARLIAMENTARY RULES

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

ARTICLE VII

MANAGEMENT

A. Board of Directors.

1. In General; Number of Directors. The affairs of the Association shall be managed by a Board of Directors of three (3) directors. All of the powers and duties of the Association existing under the Act, the Declaration of Condominium of any condominium operated by the Association, the Articles of Incorporation of the Association and these By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees subject only to the approval by the Unit Owners when such approval is specifically required. Notwithstanding any other provision hereof, Directors must be Unit Owners, except that the Developer may appoint Directors who are not Unit Owners during the period in which it can select Directors.
2. Director's Term. The two (2) directors receiving the greatest number of votes during the first election in which Unit Owners other than the Developer elect a majority of the Board of Directors shall serve a term of two (2) years and the other director elected at that election shall serve a term of one (1) year. Thereafter, the terms of each director's service shall be for two (2) years and shall extend

thereafter until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

3. Meetings of the Board of Directors.

- (a) Board of Director's Organizational Meeting. The organizational meeting 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.
- (b) Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time, by a majority of the Board of Directors, but no less regularly than annually. Notice of regular meetings shall be given to each director, personally by mail, telephone, telegraph or electronic means, at least three (3) days prior to the day named for such meeting.
- (c) Special Meeting. Special meetings of the Board of Directors may be called by the President and must be called by the Secretary at the written request of a majority of the directors. Not less than three (3) days notice of the meeting shall be given personally or by mail, telephone, telegraph or electronic means, which notice shall state the time, place and purpose of the meeting.
- (d) Notice of Meetings of the Board of Directors. Adequate notice of all meetings, which notice shall specifically incorporate an identification of agenda items, shall be posted conspicuously on the condominium property at least 48 continuous hours preceding the meeting except in an emergency. Written notice of any meeting at which non-emergency special assessments, or at which an amendment to rules regarding use of Units will be proposed, discussed or approved, shall be mailed, delivered, or electronically transmitted to the Unit Owners and posted conspicuously on the condominium property not less than 14 days prior to the meeting. Evidence of compliance with this 14-day notice shall be made by an affidavit executed by the secretary and filed among the official records of the Association. Notice of any meeting in which regular assessments against Unit Owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessment.
- (e) Open Meetings and Records. Meetings of the Board of Directors shall be open to all Unit Owners. Minutes of all meetings of the members or the Board of Directors shall be kept in a book available for inspection by Unit Owners or their authorized representatives, and Board members at any reasonable time. Said minutes shall be retained for a period of not less than seven (7) years.

- (f) Waiver of Notice. Any director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.
- (g) Quorum. A quorum at director's meetings shall consist of a majority of the entire Board of Directors, which may include persons appearing telephonically in accordance with law. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of directors as required by the Declaration of Condominium of any condominium operated by the Association, the Articles of Incorporation of the Association and these By-Laws:
- (h) Adjourned Meetings. If at any meeting of the Board of Directors there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present and after notice has been provided.
- (i) Director Action.
 - (i) A member of the board of administration or a committee may submit in writing his or her agreement or disagreement with any action taken at a meeting that the member did not attend. This agreement or disagreement may not be used as a vote for or against the action taken and may not be used for the purposes of creating a quorum.
 - (ii) A director of the Association who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken, unless he votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest. Directors may not vote by proxy or by secret ballot at Board of Directors meetings. A vote or abstention for each member present shall be recorded in the minutes.
- (j) Presiding Officer. The presiding officer of the Board of Directors meetings shall be the chairman of the Board of Directors if such an officer has been elected; and if none, the President shall preside. In the absence of the presiding officer, the Board of Directors present shall designate one of their number to preside.
- (k) Order of Business. The order of business at a Board of Directors meeting shall be: calling of roll; proof of due notice of meeting; reading and disposal of any unapproved minutes; report of officers and committees;

election of officers (if appropriate); unfinished business; new business; adjournment.

4. Board of Directors Compensation. The Board of Directors shall receive no fees or other compensation for their services.
5. Election of Board of Directors. Election of the Board of Directors shall be conducted in the following manner:
 - (a) Timing. Election of the Board of Directors shall be held at the annual meeting of the Members of the Association.
 - (b) Manner. The election shall be by secret ballot and by plurality of the Unit Owners. The owner of each Unit shall be entitled to cast a vote for each of as many candidates as there are vacancies to be filled. There shall be no cumulative voting. Proxies shall in no event be used in electing the Board of Directors, either in general elections or elections to fill vacancies caused by resignation. To the extent permitted by law, Unit Owners other than the Developer may vote, in person or by limited proxy, to fill a vacancy on the Board of Directors previously occupied by a member of the Board of Directors elected by Unit Owners other than the Developer. Elections shall be decided by a plurality of those ballots cast. There shall be no quorum requirement; however, at least 20 percent of the eligible voters must cast a ballot in order to have a valid election of members of the Board of Directors. No Unit Owner shall permit any other person to vote his ballot, and any such ballots improperly cast shall be deemed invalid. A Unit Owner who needs assistance in casting the ballot for the reasons stated in Section 101.051, Florida Statutes, may obtain assistance in casting the ballot. Any Unit Owner violating this provision may be fined by the Association in accordance with Section 718.303 of the Act. The regular election shall occur on the date of the annual meeting. Notwithstanding the provisions of this Subparagraph, an election and balloting are not required unless more candidates file notices of intent to run than vacancies exist on the Board of Directors.
 - (c) Notice and Nominations. Not less than sixty (60) days before a scheduled election, the Association shall mail or deliver, whether by separate Association mailing or included in another Association mailing, delivery, or transmission including regularly published newsletters, to each Unit Owner entitled to a vote a first notice of the date of the election. Any Unit Owner or other eligible person desiring to be a candidate for the Board of Directors shall give written notice to the Association not less than 40 days before a scheduled election. Upon request of a candidate, the Association shall include an information sheet, no larger than 8¼ inches by 11 inches which must be furnished by the candidate not less than 35 days before the election, to be included with the mailing of the ballot, with the costs of

mailing, delivery, or transmission and copying to be borne by the Association. However, the Association has no liability for the contents of the information sheets prepared by the candidates. In order to reduce costs, the Association may print or duplicate the information sheets on both sides of the paper. Together with the written notice and agenda as set forth in Article VIII(D) of these Bylaws, the Association shall mail, deliver, or electronically transmit a second notice of the election meeting to all Unit Owners entitled to vote therein not less than thirty (30) days prior to the election meeting, together with a ballot which shall list all candidates.

- (d) Subject to the provisions of Section 718.301 of the Act, any member of the Board of Directors may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all the Unit Owners. A special meeting of the Unit Owners to recall a member or members of the Board of Directors may be called by ten (10%) percent of the Unit Owners giving notice of the meeting as required for a meeting of Unit Owners, and the notice shall state the purpose of the meeting. Electronic transmission may not be used as a method of giving notice of a meeting called in whole or in part for this purpose.
 - (i) If the recall is approved by a majority of all Unit Owners by a vote at a meeting, the recall shall be effective as provided herein. The Board of Directors shall duly notice and hold a Board of Directors meeting within five (5) full business days of the adjournment of the Unit Owner meeting to recall one or more Board of Directors members. At the meeting, the Board of Directors shall either certify the recall, in which case such member or members shall be recalled effective immediately and shall turn over to the Board of Directors within five (5) full business days any and all records and property of the Association in their possession, or shall proceed as described in subparagraph (iii):
 - (ii) If the proposed recall is by an agreement in writing by a majority of all Unit Owners, the agreement in writing or a copy thereof shall be served on the Association by certified mail or by personal service in the manner authorized by chapter 48 of the Florida Rules of Civil Procedure. The Board of Directors shall duly notice and hold a meeting of the Board of Directors within five (5) full business days after receipt of the agreement in writing. At the meeting, the Board of Directors shall either certify the written agreement to recall a member or members of the Board of Directors, in which case such member or members shall be recalled effective immediately and shall turn over to the Board of Directors within five (5) full business days any and all records and property of the Association in their possession, or proceed as described in subparagraph (iii).

- (iii) If the Board of Directors determines not to certify the written agreement to recall a member or members of the Board of Directors, or does not certify the recall by a vote at a meeting, the Board of Directors shall, within five (5) business days after the meeting, file with the Division of Florida Land Sales, Condominiums and Mobile Homes (the "Division") a petition for arbitration pursuant to the procedures of Section 718.1255 of the Act. For purposes of this section, the Unit Owners who voted at the meeting or who executed the agreement in writing shall constitute one party under the petition for arbitration. If the arbitrator certifies the recall as to any member or members of the Board of Directors, the recall will be effective upon mailing of the final order of arbitration upon the Association. If the Association fails to comply with the order of the arbitrator, the Division may take action pursuant to Section 718.501 of the Act. Any member or members so recalled shall deliver to the Board of Directors any and all records of the Association in their possession within 5 full business days of the effective date of the recall.
- (e) Notwithstanding any of the foregoing, turnover of the Association by the Developer will be governed by Section 718.301(1)(a)-(e) which provides as follows:
 - "(1) When unit owners other than the developer own 15 percent or more of the units in a condominium that will be operated ultimately by an association, the unit owners other than the developer shall be entitled to elect no less than one-third of the members of the board of administration of the association. Unit owners other than the developer are entitled to elect not less than a majority of the members of the board of administration of an association:
 - "(a) Three years after 50 percent of the units that will be operated ultimately by the association have been conveyed to purchasers;
 - "(b) Three months after 90 percent of the units that will be operated ultimately by the association have been conveyed to purchasers;
 - "(c) When all the units that will be operated ultimately by the association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the developer in the ordinary course of business;

"(d) When some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the developer in the ordinary course of business; or

"(e) Seven years after recordation of the declaration of condominium; or, in the case of an association which may ultimately operate more than one condominium, 7 years after recordation of the declaration for the first condominium it operates; or, in the case of an association operating a phase condominium created pursuant to Section 718.403, 7 years after recordation of the declaration creating the initial phase, whichever occurs first. The developer is entitled to elect at least one member of the board of administration of an association as long as the developer holds for sale in the ordinary course of business at least 5 percent, in condominiums with fewer than 500 units, and 2 percent, in condominiums with more than 500 units, of the units in a condominium operated by the association. Following the time the developer relinquishes control of the association, the developer may exercise the right to vote any developer-owned units in the same manner as any other unit owner except for purposes of reacquiring control of the association or selecting the majority members of the board of administration."

Until required by the Act including Section 718.301 of the Act, or until the Developer or any subsequent developer elects to terminate their control of the Association and the condominiums operated by it, whichever occurs first, the proceedings of all meetings of members of the Association shall have no effect unless approved by the Board of Directors. During the time the majority of the persons serving on the Board of Directors are appointees of the Developer, the Developer reserves the right to chair or designate a representative to chair meeting(s) of members.

- B. **Officers.** The executive officers of the Association shall be a President, who shall be a director, a Vice President, who shall be director, a Treasurer, a Secretary, and an Assistant Secretary, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by vote of the Board of Directors at any meeting. Any person may hold two (2) or more offices except that the President shall not also be the Secretary or an Assistant Secretary. The Board of Directors from time to time shall elect such other officers and designate their powers and duties as the Board of Directors shall find to be necessary or , convenient to manage the affairs of the Association.

1. Titles and Duties of Officers.

- (a) President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties usually vested in the office of President of an Association, including but not limited to the

power to appoint committees from among the members from time to time, as he in his discretion may determine appropriate, to assist in the conduct of the affairs of the Association. After transfer of control of the Association to Unit Owners other than the Developer has occurred, the President shall appoint a standing budget committee. The President, on behalf of the Board of Directors, shall provide the budget committee a copy of the annual budget (or any amendment thereto or any special assessment proposal made in addition to the annual budget) proposed or to be proposed for adoption and shall solicit the budget committee's comments and recommendations regarding the budget; such comments and recommendations shall be submitted for consideration along with the budget itself to the Board of Directors or membership, as the case may be, when the budget is voted on for approval.

- (b) Vice President. The Vice President in the absence or disability of the President shall exercise the powers and perform the duties of the President. He also shall assist the President generally and exercise such other power and perform such other duties' as shall be prescribed by the Board of Directors.
- (c) Secretary. The Secretary shall keep the minutes of all proceedings of the Board of Directors and the members in a businesslike manner and available for inspection by Unit Owners and the Board of Directors at all reasonable times. He shall attend to the giving and serving of all notices to the members and Board of Directors and other notices required by law. He shall have custody of the seal of the Association and affix it to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of an Association and as may be required by the Board of Directors or the President. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.
- (d) Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidence of indebtedness. He shall keep the books of the Association in accordance with good accounting practices; he shall submit treasurer's reports to the Board of Directors at reasonable intervals, not less than monthly; he shall prepare a budget; he shall make the treasurer's records available for inspection by the Board of Directors or Members at reasonable times; and he shall perform all other duties incident to the office of treasurer.

The Association may, with the approval of the Board of Directors, retain a management company to perform all or some of the duties of the officers.

ARTICLE VIII

MEMBERS

- A. In General. Each Unit Owner shall be a Member of the Association, with the right to vote on any matter for which a Unit Owner is entitled to vote. At any meeting of the members, the Unit Owner of each Unit shall be entitled to cast one (1) vote for each Unit he owns, which shall not be cumulative.

If a Unit is owned by one (1) person or entity, the right to vote on behalf of such Unit shall be established by the record title to the Unit. If a Unit is owned by more than one (1) person, the person or entity entitled to cast the vote for the Unit shall be designated by a voting certificate signed by all of the record owners of the Unit and filed with the Secretary of the Association. If a Unit is owned by a corporation, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by the President or Vice President and attested by the Secretary or Assistant Secretary of the corporation and filed with the Secretary of the Association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or a change in the ownership of the Unit concerned. certificate designating a person entitled to cast the vote of a Unit may be revoked by any owner of a Unit. If such a certificate is not on file, the vote of such owner shall not be considered in determining the requirement for a quorum nor for any other purpose.

Notwithstanding the foregoing, whenever any Unit is owned by a husband and wife they may, but shall not be required to, designate a Voting Member. In the event a Voting Certificate designating a Voting Member is not filed by the husband and wife, the following provisions shall govern their right to vote:

1. Where 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 Unit owned by them. In the event 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. Where only one (1) spouse is present at a meeting the spouse present may cast their vote 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, their vote shall not be considered.
3. Where neither spouse is present, the person designated in a proxy or Voting Certificate signed by either spouse may cast the vote, 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 vote shall not be considered.

Notwithstanding any other provision of these By-Laws, to the maximum extent allowed by law until such time as the Unit Owners are entitled to elect a majority of the Board of Directors, the Developer shall hold all Voting Interests (as the terms used and defined in the Act), and the Developer, rather than the Unit Owners, shall have the sole right to vote on all matters except as expressly otherwise provided by the Act.

- B. Members Meetings. The annual Members meeting shall be held each year at the office of the corporation on a date during the month of November as from time to time determined by the Board of Directors. The Members may transact at the annual members meeting any business authorized to be transacted by the Members.
- C. Special Meetings. Special meetings of the Members shall be held whenever allowed by the Act or called by the President.
- D. Notice. Notice of all members meetings stating the time and place and identifying each agenda item for which the meeting is called shall be given by the President or Vice President or Secretary unless waived in writing. Such notice shall be posted at a conspicuous place designated by the Board of Directors on the condominium property at least thirty (30) continuous days preceding the meeting and shall be in writing to each member at his address as it appears on the books of the Association and shall be mailed, delivered, or electronically transmitted not less than thirty (30) days nor more than thirty four (34) days prior to the date of the meeting. An officer of the Association shall provide an affidavit, to be included in the official records of the Association, affirming that notices of the Association meeting were mailed, hand delivered, or electronically transmitted in accordance with this provision, to each Unit Owner at the address last furnished to the Association. Notice of meeting may be waived before the meetings.
- E. Quorum. A quorum of members meetings shall consist of persons holding one-third of the Unit Owners of the entire membership. The acts approved by a majority of the Unit Owners present at a meeting at which a quorum is present shall constitute the act of the members, except when approval by a greater number of Unit Owners is required by the Declaration of Condominium of any condominium operated by the Association, the Articles of Incorporation of the Association or these By-Laws. In determining whether a quorum is present, proxies may be counted as Unit Owners, present.
- F. Proxies. Votes may be cast in person or by proxy subject to the provisions of this Paragraph. - A proxy may be made or revoked by any person entitled to vote and shall be valid only for the particular meeting designated in the proxy and must be filed with the Secretary before the appointed time of the meeting or any adjournment of the meeting, provided that in no event shall a proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given.

Unit Owners may not vote by general proxy (except as otherwise provided herein), but may vote by limited proxy in the following instances: (1) to waive financial statement requirements, (2) to waive or reduce reserves, (3) to amend the Declaration, Articles of

Incorporation or the By-Laws, and (4) for any other matter which requires or permits a vote of the Unit Owners.

Unit Owners may not vote by limited or general proxy in the election of members of the Board of Directors:

General proxies may be used only for matters for which limited proxies are not required and may also be used in voting for non-substantial changes to items for which a limited proxy is required and given.

- G. Lack of Quorum. If any meeting of members cannot be organized because a quorum is not present, the Unit Owners who are present, either in person, or by proxy, may adjourn the meeting from time to time until a quorum is present.
- H. Order of Business. The order of business at annual meetings and as far as practical at other members meetings shall be: (1) Collection of election ballots; (2) Election of chairman at meeting; (3) Call of the roll and certifying of proxies; (4) Proof of notice of meeting or waiver of notice; (5) Reading and disposal of any unapproved minutes; (6) Report of officers; (7) Report of committees; (8) Election of inspectors of an election; (9) Election of the Board of Directors; (10) Unfinished business; (11) New business; (12) Adjournment.

ARTICLE IX

FINANCIAL MANAGEMENT

Provisions for fiscal management of the Association as set forth in the Declaration of Condominium of each of the condominiums operated by the Association, the Articles of Incorporation and the Act shall be supplemented by the following provisions:

- A. Classification of Receipts and Expenditures. The general classification shall be for receipts and expenditures specific to one of the condominiums or other developments served by the Association, such as the maintenance, repair or replacement of the common elements or limited common elements of a condominium. This general classification shall be further divided into separate classifications, one such classification for each of the condominiums or other developments served by the Association. Any decision by the Board of Directors determining the classification of a particular receipt or expenditure shall be final.
- B. Budgets.
 - 1. The Board of Directors shall adopt a budget for each fiscal year for each condominium or other development served by the Association and for the Association. The budget for the Association shall include the estimated receipts

and expenditures arising out of the use, ownership, operation and maintenance of the Common Elements and Limited Common Elements.

2. All budgets adopted by the Board of Directors shall include the estimated funds required to defray the common expenses and to provide and maintain funds according to good accounting practices by accounts and expense classifications including, if applicable, but not limited to the following: (1) Administration of the Association; (2) Management fee; (3) Maintenance; (4) Common Elements expense for recreational and other commonly used facilities; (5) Taxes upon Association Property; (6) Taxes upon leased area; (7) Insurance; (8) Security Provisions; (9) Other expenses; (10) Operating Capital; (11) Reserves; (12) Fees payable to Division, if any; (13) Betterments (Betterments shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be a part of the common elements of the condominium or the property of the Association); (14) Operations.

3. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but not be limited to, roof replacement, building painting and pavement resurfacing regardless of the amount of deferred maintenance expense or replacement cost, and for any other item for which deferred maintenance expense or replacement cost exceeds Ten Thousand Dollars (\$10,000). The amount to be reserved shall be computed by means of a formula which is based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense of each reserve item. The Association may adjust replacement reserve assessments annually to take into account any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance. This subsection shall not apply to budgets in which the members of the Association have, by a majority vote at a duly called meeting of the Association, determined for a fiscal year to provide no reserves or reserves less adequate than required by this subsection. However, prior to transfer of control of the Association by the Developer to Unit Owners other than the Developer pursuant to Section 718.301 of the Act, the Developer may vote to waive the reserves or reduce the funding of reserves for the first two years of the operation of the Association, after which time reserves may only be waived or reduced upon vote of a majority of the Unit Owners other than the Developer present at a duly called meeting of the Association. If a meeting of the Unit Owners has been called to determine to provide no reserves or reserves less adequate than required, and no such result is attained or a quorum is not attained, the reserves as included in the budget shall go into effect.

Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts, and shall be used only for authorized reserve expenditures, unless their use for other purposes is approved in advance by a vote of the majority of the Unit Owners, voting in person or by limited proxy at a duly called meeting of the Association. Prior to turnover of control of the Association by the

Developer to Unit Owners other than the Developer under Section 718.301 of the Act, the Developer-controlled Association shall not vote to use reserves for purposes other than that for which they were intended without the approval of a majority of all Unit Owners other than the Developer, voting in person or by limited proxy at a duly called meeting of the Association.

If a meeting of the Unit Owners affected by a budget has been called to determine to provide no reserves or reserves less adequate than required, and such result is not attained or a quorum is not attained, the reserves, as included in the budget, shall go into effect.

4. For the purpose of the Budget, "Operations" shall include the gross revenues, if any, from the use of the common elements or other property owned by the Association and only the additional direct expense required by the revenue producing operation. Any surplus from such operations shall be used to reduce the assessments in the year following the year in which the surplus is realized. Any losses from such operation shall be met by assessments in the year following the year in which the loss is realized, unless funds cannot be adequately and timely raised in such fashion, in which event the required funds shall be provided by special assessment.
5. Adoption of Budgets. A copy of the proposed annual budget of common expenses shall be mailed to the Unit Owners affected by the budget not less than fourteen (14) days prior to the meeting at which the budget will be considered, together with a notice of that meeting. The Unit Owner shall be given written notice of the time and place at which such meeting of the Board of Directors to consider the budget shall be held, and such meeting shall be open to the Unit Owners. If an adopted budget requires assessment against the Unit Owners in any fiscal or calendar year exceeding one hundred fifteen percent (115%) of the assessments for the preceding year, and if the Board of Directors receives, within twenty one (21) days after adoption of the annual budget, a written request from at least ten percent (10%) of the Unit Owners affected by the budget, the Board of Directors shall conduct a special meeting of the Unit Owners to consider a substitute budget. The special meeting shall be held within sixty (60) days after adoption of the annual budget. At least fourteen (14) days prior to such special meeting, the Board of Directors shall hand deliver to each Unit Owner affected by the budget, or mail to each such Unit Owner at the mailing address last furnished to the Association, a notice of the meeting.

In any event, the Board of Directors may propose a budget to the Unit Owners at a meeting of the members, and if the budget or proposed budget is approved by the Unit Owners affected by the budget at the meeting; the budget so approved shall be adopted. If a meeting of the Unit Owners affected by a budget has been called and a quorum of those Unit Owners affected by the budget in question is not attained or a substitute budget is not adopted, the budget adopted by the Board of Directors shall go into effect as scheduled.

In determining whether assessments exceed one hundred fifteen percent (115%) of similar assessments in prior years, any authorized provisions for reasonable reserves for repair or replacement of the condominium or development property, as the case may be, anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis, or assessments for betterments to the condominium or development property, as the case may be, shall be excluded from the computation. However, as long as the Developer is in control of the Board of Directors, the Board of Directors shall not impose an assessment for any year greater than one hundred fifteen (115%) of the prior fiscal or calendar year's assessment without approval of a majority of the Unit Owners.

C. Assessments.

1. The Board of Directors shall make assessments against each Unit for its share of the items of each budget in an amount not less than required to provide funds in advance for payment of all the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred.
2. The assessments shall be made monthly in advance and shall be due in equal, monthly installments on the first day of each month for which the assessments are made.
3. If a monthly assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment and such monthly assessments shall be due on the first day of each month of each quarter until changed by an amended assessment:
4. In the event the monthly assessment shall be insufficient in the judgment of the Board of Directors, the Board of Directors shall amend each budget and shall make amended assessments for the balance of the month in sufficient amounts to meet the expenses for the month; provided, however, that any account of an amended budget that exceeds the limit upon increases shall be subject to approval of membership of the Association affected by that particular budget as previously required in these By-Laws.
5. Assessments for common expenses that cannot be paid from the annual assessment for common expenses shall be made only after notice of the need for such is given to the Unit Owners concerned. After such notice, Special Assessments may be made in one of two ways, depending on the purpose of the Special Assessment. When the purpose of the Special Assessment is limited to the payment of costs of reconstruction and repair immediately necessary to avoid damage to the condominium, it may be made by the Board of Directors, without approval of the Unit Owners or their mortgagees, upon a two-thirds (2/3) vote of the Board of Directors, a quorum being present. Such assessment shall be

effective and paid as determined by the Board of Directors and indicated in the notice of assessment. All other Special Assessments must be approved in writing by persons entitled to cast more than three-fourths (3/4) of the Unit Owners, and thereupon the assessment shall become effective, and shall be paid in such manner as the Board of Directors of the Association may require in the notice of assessment.

- D. Depository. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board of Directors and in which the monies from such accounts shall be withdrawn only by checks signed by such persons as are authorized by the Board of Directors.
- E. Annual Financial Report. Within 90 days after the end of the fiscal year, or annually on a date provided in the Bylaws, the Association shall prepare and complete, or cause to be prepared and completed by a third party, a financial report for the preceding fiscal year. Within 21 days after the financial report is completed or received by the Association from the third party, the Association shall mail to each Unit Owner at the address last furnished to the Association by the Unit Owner, or hand deliver to each Unit Owner, a copy of the financial report or a notice that a copy of the financial report will be mailed or hand delivered to the Unit Owner, without charge, upon receipt of a written request from the Unit Owner.

ARTICLE X

DISPUTE RESOLUTION

Disputes, as defined in Section 718.1255, F.S., shall be submitted for mediation or arbitration as provided therein.

ARTICLE XI

OFFICIAL RECORDS

- A. From the inception of the Association, the Association shall maintain a copy of each document described in Section 718.111(12)(a) of the Act, and any other document required to be maintained in the State of Florida by the Association in accordance with all applicable laws.
- B. The official records of the Association are open to inspection by any Association member or the authorized representative of such member at all reasonable times. The right to inspect the records includes the right to make or obtain copies at the reasonable expense, if any of the Association member. The Association may adopt reasonable rules regarding the frequency, time, location, notice and manner of record inspection and copying. However, in no event shall the Association fail to provide the records within five (5)

working days after receipt of a written request. A Unit Owner who is denied access to official records is entitled to such damages and remedies as are provided in Section 718.111(12)(c) of the Act. The Association shall maintain an adequate number of copies of the Declaration, Articles of Incorporation, By-Laws, and rules, and all amendments to each of the foregoing, as well as the Question and Answer Sheet provided for in Section 718.504 of the Act, on the condominium property to ensure their availability to Unit Owners and prospective purchasers, and may charge its actual costs for preparing and furnishing these documents to those requesting the same.

- C. The Association shall prepare a Question and Answer Sheet as described in Section 718.504 of the Act, and shall update it annually.

ARTICLE XII

MISCELLANEOUS

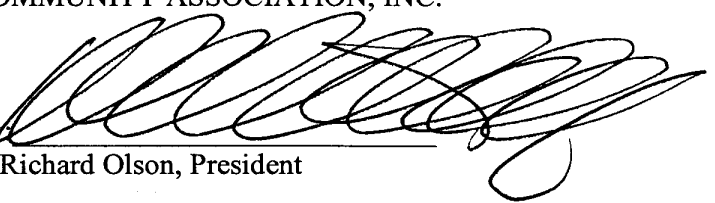
A. Certificate of Compliance. A certificate of compliance from a licensed electrical contractor or electrician may be accepted by the Association's Board of Directors as evidence of compliance of the condominium units to the applicable fire and life safety codes.

B. All provisions of Chapter 718.112, F.S. are deemed to be included in these Bylaws.

The foregoing were adopted as the Bylaws of Condominiums At Waterside Village Community Association, Inc., on this 22 day of May, 2007.

CONDOMINIUMS AT WATERSIDE VILLAGE
COMMUNITY ASSOCIATION, INC.

ATTEST:

By 
Richard Olson, President

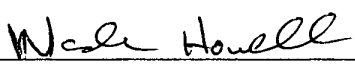

Wade Howell, Secretary

EXHIBIT "G"

Non-Exclusive Easement and Use Agreement

11

NON EXCLUSIVE EASEMENT AND USE AGREEMENT

This Non Exclusive Easement and Use Agreement (hereinafter, "This Easement") is entered into between CONDOMINIUMS AT WATERSIDE VILLAGE, LLC, a Florida limited liability company (hereinafter, the "Developer") and COTTAGES AT WATERSIDE VILLAGE OWNERS ASSOCIATION, INC., a Florida non-profit corporation (hereinafter, the "Cottages").

RECITALS:

- A. The Developer is the developer of Condominiums At Waterside Village, located in Bay County, Florida, which is legally described in the attached Exhibit "A" and upon which are amenities and common area including a swimming pool and pool deck facilities as depicted on the site drawing attached hereto and incorporated herein as Exhibit "B."
- B. Cottages At Waterside Village Owners Association is the homeowners' association of Cottages At Waterside Village, a nineteen (19) lot subdivision adjacent to Condominiums At Waterside Village, and developed by the same Developer as Condominiums At Waterside Village.
- C. Developer has agreed to grant a perpetual, non-exclusive easement to the Cottages for the use and enjoyment by its members, their family and guests of said pool and pool deck facilities, subject to the terms hereof.

NOW, THEREFOR, for good and valuable consideration, the parties hereby covenant and agree as follows:

- 1. The Developer does hereby grant, bargain, sell and convey unto the Cottages for the use and benefit of its members and their family and guests a perpetual, non-exclusive easement over and across the property described in Exhibit "A" for access and use of the pool and pool deck as depicted on Exhibit "B" for all proper and normal purposes, for the use of services and facilities for which the same are reasonably intended. The easement is limited to the shared area depicted in the attached Exhibit "B".
- 2. In consideration of receiving this Easement from the Developer, the Cottages agree to pay to Condominiums At Waterside Village Community Association, Inc. (the "Community Association"), in equal monthly installments, a use fee equal to twenty-seven percent (27%) of the expenses of Condominiums At Waterside Village Community Association, Inc. related to the pool, including but not limited to miscellaneous supplies, insurance, landscaping maintenance, pool maintenance and utilities, for the area and facilities subject to this Easement. Failure to pay said expenses shall entitle Developer or the successor condominium association to take legal action to terminate this easement.
- 3. The Community Association has a lien or lien right against each Cottage to secure the payment of Cottage Owners' share of the use fee set forth herein. The lien is effective from and shall relate back to the recording of the Declaration of Condominium for Condominiums At Waterside Village. However, as to first mortgages of record, the lien is effective from and after recording of a claim of lien in the Public Records of Bay County, Florida in

accordance with law. The Community Association shall have a lien on each Cottage for any unpaid use fees together with interest thereon, against such Cottage Owner. Reasonable attorney's fees incurred by the Community Association incident to the collection of such use fees or the enforcement of such lien, shall be payable by the Cottage Owner and secured by such lien.

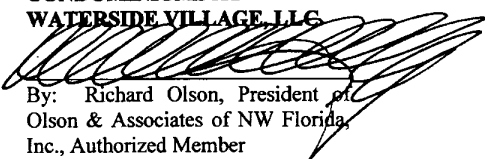
4. The easement granted herein shall be deemed a covenant appurtenant to and running with the lands described herein. All rights, powers and privileges granted to either party shall inure to the benefit of and be held by their respective successors, heirs and assigns, and likewise all liabilities and obligations imposed on each shall be binding up on the respective successors, heirs and assigns of the parties hereto. This agreement constitutes the entire agreement of the parties and may not be amended except by written instrument executed by the parties hereto. This agreement shall be construed and interpreted in accordance with the laws of the State of Florida. In connection with any litigation, including appellate proceedings, arising out of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs.

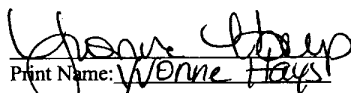
IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the year and date first above written.

Witness:


Print Name: Kathleen M. Cano

"DEVELOPER"
CONDOMINIUMS AT
WATERSIDE VILLAGE, LLC

By: 
Richard Olson, President of
Olson & Associates of NW Florida,
Inc., Authorized Member

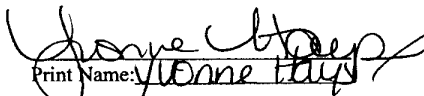

Print Name: Joanne Hays

Witness:


Print Name: Kathleen M. Cano

COTTAGES AT WATERSIDE
VILLAGEOWNERS
ASSOCIATION, INC.

By: 
Shannon Howell, President


Print Name: Joanne Hays

[Notarization on following page.]

STATE OF FLORIDA
COUNTY OF Alachua

The foregoing instrument was acknowledged before me this 5 day of April, 2006, by Richard Olson, President of Olson & Associates of NW Florida, Inc., on behalf of Condominiums At Waterside Village, LLC. Such person is personally known to me or presented his/her current Florida driver's license as identification.



Kathleen M. Cano

NOTARY PUBLIC
NOTARY SEAL

My Commission Expires: 2-2-2010

STATE OF FLORIDA
COUNTY OF Alachua

The foregoing instrument was acknowledged before me this 5 day of April, 2006, by Shannon Howell, as President of Cottages At Waterside Village Owners Association, Inc., a Florida corporation, on behalf of the corporation. Such person is personally known to me or presented his/her current Florida driver's license as identification.



Kathleen M. Cano

NOTARY PUBLIC
NOTARY SEAL

My Commission Expires: 2-2-2010

**EXHIBIT A
LEGAL DESCRIPTION**

Parcel 1, Parcel 2, Parcel 3 (described in the attached Surveyor's Notes);

AND

The Westerly half of that portion of 50 foot right of way for 34th Street vacated and abandoned by the City of Mexico Beach (Florida Ordinance No. 472);

AND

The Easterly half of that portion of 50 foot right of way for 34th Street vacated and abandoned by the City of Mexico Beach (Florida Ordinance No. 472) and described as Parcel "A" and Parcel "B" in the Sketch attached hereto.

SURVEYOR'S NOTES

1. Bearings are based on the Florida State Plane Coordinate System, North Zone, Lambert Projection and reference to North American Datum 1983/90.
2. By graphic Plotting only. The property shown hereon lies in Zone "X" & AE (EL 8) as per the Federal Emergency Management Agency's Flood Insurance Rate Map for Mexico Beach, Bay County, Florida; See Community Panel No.120010 0508 G, which has an effective date of September 18, 2002.
3. This Survey does not determine ownership of the property shown hereon.
4. Source of Information: Records Plat of Mexico Beach Unit No.6 as recorded in Plat Book 7, Page 75; and recorded deeds, all recorded in the Public Records of Bay County, Florida.
5. The Florida Department of Natural Resources Coastal Construction Control Line, lies Seaward of U.S. Highway 98.
6. Easement agreement for the distribution of water, granted to the Town of Mexico Beach on all platted roads, streets, alleys, ditches and utility easement that now exist in Mexico Beach Unit No.6, (Official Records Book 734, Page 15 of the Public Records of Bay County, Florida).
7. Florida Power Corporation, Utility easement on all platted roads, streets, alleys, drainage easement that now exist in Mexico Beach Unit 6, (Official Records Book 284, Page 294).
8. Parcel 1, Parcel 2, Parcel 3 and that portion of the Westerly half of 34th Street, vacated and abandoned by the City of Mexico Beach, Florida, all have common boundary and are contiguous.

Official Records Book 2393 Page 821, of the Public Records of Bay County, Florida.

PARCEL 1:

Commence at the Southeast corner of Lot 10, Block 3, Mexico Beach Unit No. 6, according to the Official Plat thereof as recorded in Plat Book 7, Page 75, in the Public Records of Bay County, Florida, and thence go South 60 degrees 22 minutes 00 seconds West for a distance of 361.30 feet, thence go South 33 degrees 52 minutes 00 seconds West for 119.00 feet to the northeasterly corner of Lot 2, Block 3, Mexico Beach, Unit No. 6; thence go South 56 degrees 08 minutes 00 seconds East for a distance of 100.00 feet for the POINT OF BEGINNING. From said Point of Beginning go North 33 degrees 52 minutes 00 seconds East for a distance of 100.00 feet; thence go south 56 degrees 08 minutes 00 seconds East for a distance of 50.00 feet; thence go South 33 degrees 52 minutes 00 seconds West for a distance of 100.00 feet; thence go North 56 degrees 08 minutes 00 seconds West for a distance of 50.00 feet to the Point of Beginning. Said Parcel of land lying and being in Section 23, Township 6 South, Range 12 West, Bay County, Florida, and having an area of 0.115 acres, more or less.

ALSO:

PARCEL 2:

Commence at the Northwest corner of Fractional Section 23, Township 6 south, Range 12 West, and extend a line South 45°25'10" East for 778.17 feet; then turn 74°14' right for 147.05 feet; then turn 58°26'50" left for 177.0 feet; then turn 90°00' right for 8.29 feet; then turn 90°00' left for 90.0 feet to the point of beginning. From this point of beginning continue the line last described above for 150.0 feet; then turn 90°00' right for 101.9 feet; then turn 28°30' left for 184.2 feet; then turn 90°00' right for 150.0 feet; then turn 90°00' left for 100.0 feet; then turn 90°00' right for 100.0 feet; then turn 90°00' right for 119.0 feet; then turn 28°30' right for 361.3 feet to the point of beginning. This parcel of land has an area of 1.61 acres, more or less. It is in the Northwest Quarter of Fractional Section 23, Township 6 South, Range 12 West, at Mexico Beach, Bay County, Florida.

ALSO:

PARCEL 3:

Lots 1 and 2, Block 3, Mexico Beach Unit No.6, according to the Official Plat thereof as recorded in Plat Book 7, Page 75, in the Public Records of Bay County, Florida.

AND

The Westerly half of that portion of 50 foot right of way for 34th Street vacated and abandoned by the City of Mexico Beach (Florida Ordinance No. 472).

Certify to: Condominiums at Waterside Village, LLC; First Horizon Home Loan Corporation; Clark Parlington, Hart, Larry, Bond, & Stackhouse; Chicago Title Insurance Company and Moulton, McEachern & Walker.

SURVEYOR'S CERTIFICATION

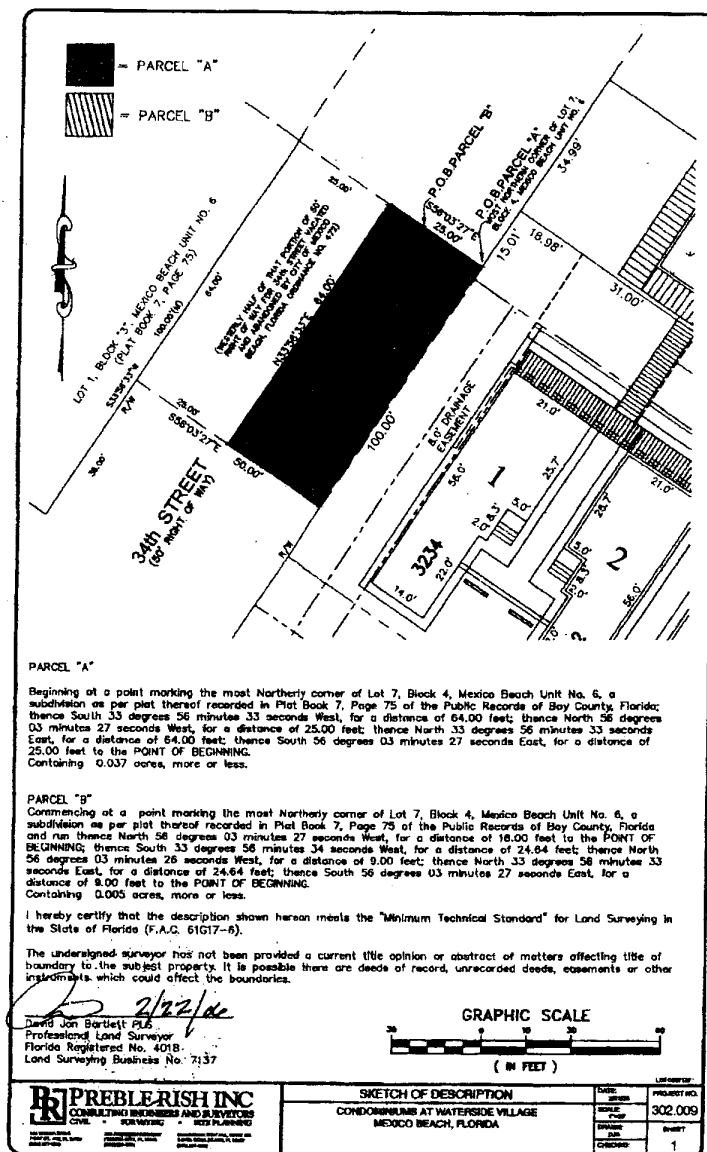
I HEREBY CERTIFY THAT THE SURVEY AS SHOWN HEREON MEETS THE "MINIMUM TECHNICAL STANDARD" FOR LAND SURVEYING IN THE STATE OF FLORIDA (F.S.C. §192.1-8), AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

THE UNDERSIGNED SURVEYOR HAS NOT BEEN PROVIDED A CURRENT TITLE OPINION OR ABSTRACT OF MATTERS AFFECTING TITLE OF BOUNDARY TO THE SUBJECT PROPERTY. IT IS POSSIBLE THERE ARE DEEDS OF RECORD, UNRECORDED DEEDS, EASEMENTS OR OTHER INSTRUMENTS WHICH COULD AFFECT THE BOUNDARIES.

DATE SIGNED _____

DAVID JON BARTLETT, P.L.S.
PROFESSIONAL LAND SURVEYOR
FLORIDA LICENSE NO. 15 4018
PACIBLE - RUSH, INC.
470 HARRISON AVENUE
PANAMA CITY, FL 32409
SURVEYING BUSINESS NO. 0007137

UNLESS IT BEARS THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER THIS DRAWING, SKETCH, PLAT OR MAP IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT VALID



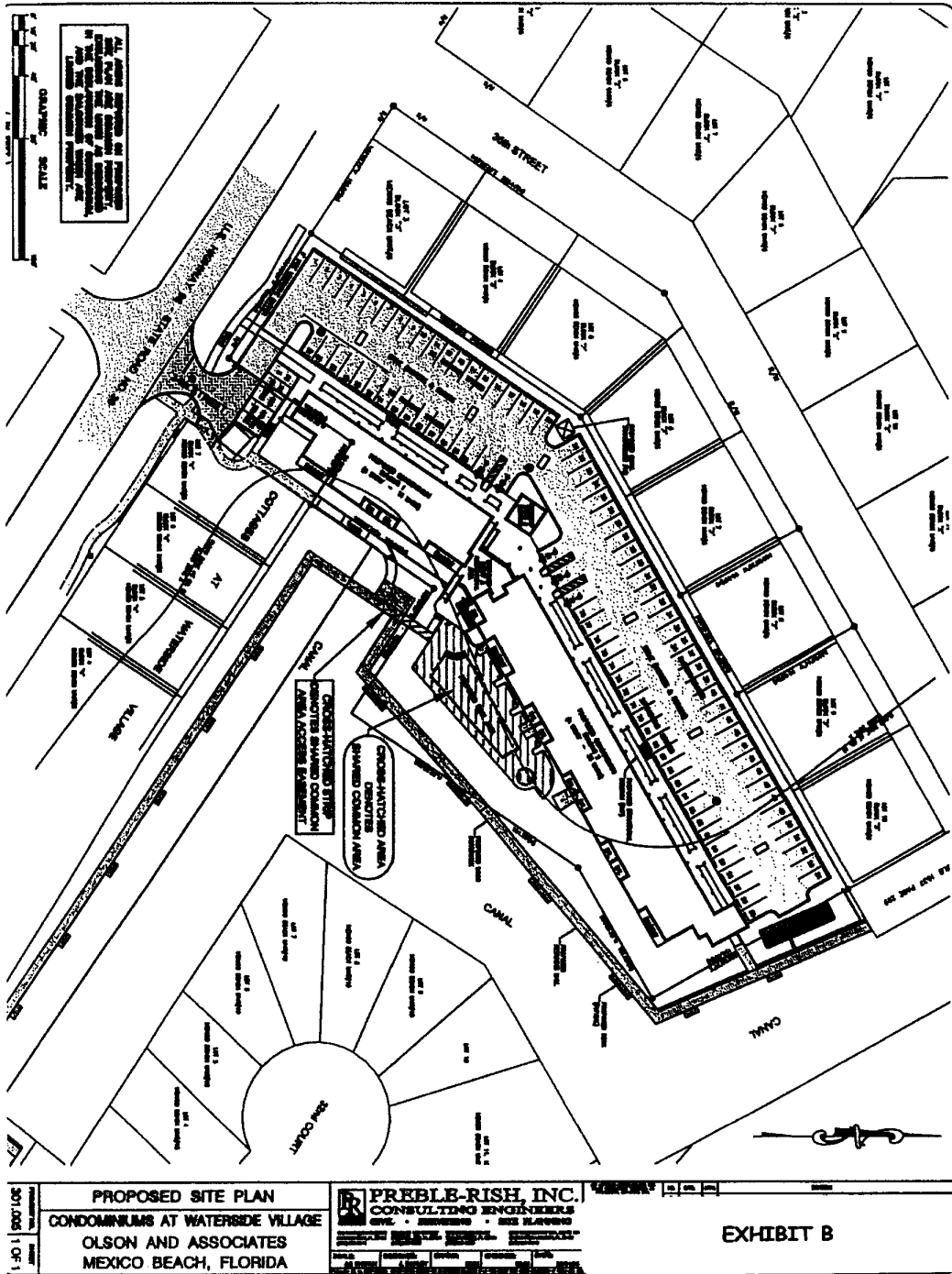


EXHIBIT "H"

Road Access Easement

ROAD ACCESS EASEMENT AGREEMENT

File # 2006024526
OR BK 2762 Pages 103 - 112
RECORDED 04/10/06 15:12:52
Harold Bazzel, Clerk
Bay County, Florida
DEPUTY CLERK GC
#10745054

This Easement Agreement (hereinafter, "This Easement") is made this 20 day of March, 2006, by and between Condominiums at Waterside Village, LLC, a Florida limited liability company, and Condominiums at Waterside Village Community Association, Inc. ("Grantor") AND Cottages at Waterside Village, LLC and Cottages at Waterside Village Owner's Association, Inc. ("Grantee").

RECITALS:

- A. Grantor is the owner of that certain real property, including Parcel "A" and Parcel "B," more particularly described in Exhibit "A" attached hereto and made a part hereof (the "Property").
- B. Grantor desires to grant to Grantee easements over that portion of the Property described as Parcel "A," less and except that portion of the Property described as Parcel "B," subject to the terms and conditions contained in this Easement Agreement.
- C. Grantee desires to accept such easements upon and subject to the terms and conditions contained in this Easement Agreement.

NOW, THEREFOR, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Grantor hereby grants to Grantee, and Grantee hereby accepts from Grantor, the easements described in this Easement Agreement, upon and subject to the terms contained herein.

1. Ingress, Egress and Access Easement. Grantor hereby grants, bargains, sells and conveys to Grantee, its assigns, invitees, mortgagees, licensees and employees, a perpetual and non-exclusive easement over and across the portion of the Property described as Parcel "A," for ingress, egress and access for vehicular and pedestrian traffic. Grantee shall not have access to any buildings or any other improvements in the easement area or to the portion of the Property described as Parcel "B."
2. Maintenance Obligations. Grantor agrees to maintain, repair and replace all areas located on, under or through the Property at Grantor's cost and expense. Notwithstanding the foregoing, if Grantee, its invitees, agents, contractors, or employees, damage any portion of the Property or improvements located thereon, Grantee shall repair, at Grantee's cost and expense, all such damage and shall restore the damaged improvement to its condition which existed prior to such damage. Grantor shall have the right, in the event Grantee fails to repair such damage in a reasonable time after receipt by Grantor of written notice from Grantor of the existence of such damage, to repair such damage, and Grantee shall reimburse Grantor for the reasonable costs and expenses incurred by Grantor in repairing such damage.
3. Joinder by Mortgagee. Holders of any mortgages encumbering the Property join in the execution of this Agreement in order to submit their respective interests in accordance

with the terms of this Agreement. The mortgagees, without the necessity of any additional instrument, are made subordinate and inferior to this Agreement. All future mortgages shall automatically and similarly, without the necessity of any additional instrument, be subject to and subordinate to the terms and conditions of this Agreement.

4. Notice of this Agreement / Parties Bound. This Agreement shall bind and benefit Grantor and Grantee and their respective heirs, personal representatives, successors and assigns, including mortgagees, as owners of all or any portions of the Property, including the Unit Owners and the Associations of the Grantee or Grantor. This Agreement shall not be deemed a dedication of the rights or easements granted herein to the public in general. The burdens and benefits herein created shall be deemed covenants and appurtenances binding upon and running with the title to the Property.
5. Attorneys' Fees. If any action or proceeding is brought by one party against another to enforce or interpret any provision of this Agreement, the prevailing party shall be entitled to recover from the nonprevailing party all its costs and expenses in connection therewith, including, without limitation, the fees and disbursements of any attorneys, accountants, engineers, appraisers or other professionals engaged by the prevailing party, whether incurred before, at trial, on appeal, in bankruptcy or in post judgment collection. The prevailing party shall be the party whose position is substantially upheld in the final judgment rendered in such action.
6. Non-interference. Each party agrees to exercise the rights and easements granted herein in a safe and careful manner that will not disturb or interfere with the rights of the other party to use its parcels. Each party agrees to keep its parcels free and clear of all obstruction or hindrance that might impair the other party's exercise of its rights and easements granted herein.
7. Assignment. The parties may assign their rights or obligations under this Agreement without the consent of the other party.
8. Notices. All notices and other communications given pursuant to this Agreement must be in writing and must be (1) mailed by first class, United States Mail, postage prepaid, certified, with return-receipt requested, (2) hand delivered to the intended address, (3) sent by a nationally recognized overnight courier service, or (4) sent by confirmed facsimile transmission during normal business hours followed by a confirmatory letter sent in another manner permitted hereunder. Notices shall be sent to the following address:

To Grantor:

Condominiums at Waterside Village, LLC
4300 Legendary Drive, Ste., C-204
Destin, Florida 32541

Condominiums at Waterside Village Community Association, Inc.
4300 Legendary Drive, Ste., C-204
Destin, Florida 32541

To Grantee:

Cottages at Waterside Village, LLC
 4300 Legendary Drive, Ste., C-204
 Destin, Florida 32541

Cottages at Waterside Village Owners Association, Inc.
 3306 U.S. Hwy. 98
 Mexico Beach, Florida, 32410

All notices are effective upon delivery to the address of the addressee. The parties may change their addresses by giving notice to the other in conformity with this provision.

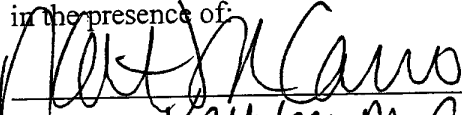
9. Miscellaneous.

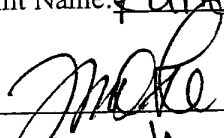
- a. Partial Invalidity. If for any reason whatsoever, any term, obligation or condition of this Agreement, or the application thereof to any person or circumstance, is to any extent held or rendered invalid, unenforceable or illegal, then such term, obligation or condition shall be deemed to be independent of the remainder of this Agreement and to be severable and divisible therefrom, and its invalidity, unenforceability or illegality shall not affect, impair or invalidate the remainder of this Agreement or any part thereof; and the remainder of this Agreement not affected, impaired or invalidated will continue to be applicable and enforceable to the fullest extent permitted by law against any person and circumstance other than those as to which it has been held or rendered invalid, unenforceable and illegal.
- b. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Florida.
- c. Entire Agreement. This Agreement contains all of the covenants, conditions and agreements between the parties with respect to the easements and shall supersede all prior correspondence, agreements and understandings, both oral and written.
- d. Interpretation. Section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend or describe the scope of this Agreement.
- e. Waiver. Any right or remedy provided for in this Agreement shall not be deemed to be waived by any act or omission including, without limitation, any acceptance of payment or partial performance or any forbearance, except by an instrument in writing specified in such right or remedy executed by the person against whom enforcement of such waiver is sought.

10. Amendments. This Agreement may be modified only by written agreement of the parties hereto; provided however that no amendment may unreasonably and adversely affect any of the Unit Owners of the Grantor or Grantee properties, the Associations of the Grantee or Grantor or their respective mortgagees.

IN WITNESS WHEREOF, that parties have executed this Agreement the day and year first above written.

Sign, sealed and delivered
in the presence of:

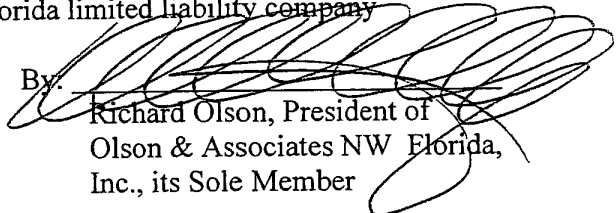

Print Name: Kathleen M. Cano


Print Name: JASON M. OSBORN

GRANTOR:

**Condominiums At Waterside Village,
LLC**

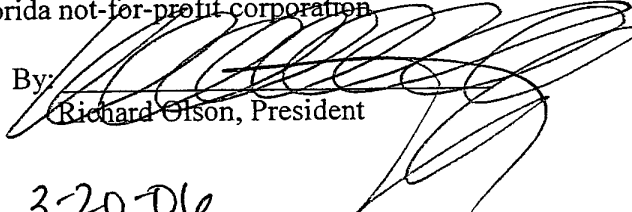
a Florida limited liability company

By: 
Richard Olson, President of
Olson & Associates NW Florida,
Inc., its Sole Member

Date: 3-20-06

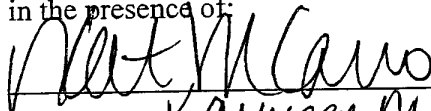
**Condominiums At Waterside Village
Community Association, Inc.**

a Florida not-for-profit corporation

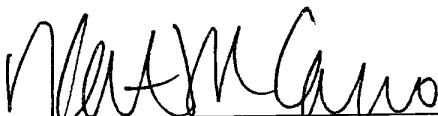
By: 
Richard Olson, President

Date: 3-20-06

Sign, sealed and delivered
in the presence of:


Print Name: Kathleen M. Cano

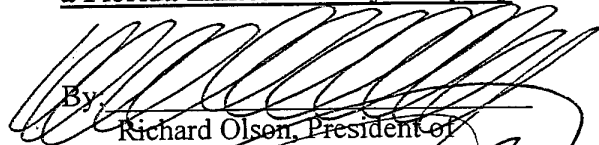

Print Name: JASON M. OSBORN


Print Name: Kathleen M. Cano


Print Name: JASON M. OSBORN

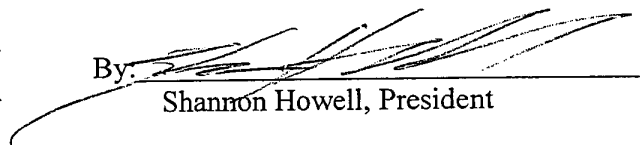
GRANTEE:

Cottages at Waterside Village, LLC,
a Florida limited liability company

By: 
Richard Olson, President of
Olson & Associates NW Florida,
Inc., its Sole Member

Date: 3-20-06

Cottages At Waterside Village Owner's
Association, Inc., a Florida not-for-profit
corporation

By: 
Shannon Howell, President

Date: 3-20-06

CONSENT AND JOINDER OF MORTGAGEE

The undersigned, Mortgagee, having an office at as set forth in the Mortgage, the Mortgagee under that certain Mortgage and Security Agreement from Condominiums at Waterside Village LLC, a Florida Limited Liability company, dated December 2, 2005, and recorded December 6, 2005, in Official Records Book 2711, page 47, of the public records of Bay County, Florida, (the "Mortgage"), hereby consents to and joins in the recording of the Easement Agreement between the owner of the Property described herein and the Cottages at Waterside Village Owner's Association, Inc., to be recorded in the public records of Bay County, Florida, and subordinates the lien of the Mortgage to the terms and conditions thereof.

IN WITNESS WHEREOF, the undersigned has caused this instrument to be executed by its proper officer, duly authorized, and its seal to be affixed hereto this 6th day of April, 2006

Signed and sealed in the presence of:

M. Thomas
MARK THOMAS
 [Print or Type Name]

Karen L. Osborne
Karen L. Osborne
 [Print or Type Name]

FIRST HORIZON HOME LOAN CORP.,
 A KANSAS CORPORATION

By: [Signature]
 Name: James S. O'Connor, Jr.
 Its: [Signature]

STATE OF FLORIDA
 COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 6th day of April, 2006, by JAMES S. O'CONNOR, JR., the Vice President of First Horizon Home Loan Corp., a Florida Kansas Corporation for and on behalf of said First Horizon Home Loan Corp.. Such person ☒ is personally known to the undersigned or ☐ produced as identification.

{Notary Seal must be affixed}

Karen L. Osborne
 (Signature of Notary)
Karen L. Osborne
 (Print Name of Notary Public)
 Notary Public, State of Florida
 My Commission Expires: 7/24/06
 Commission No.: _____

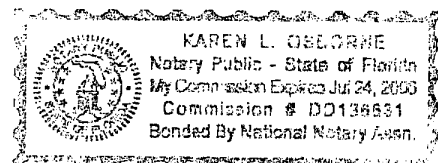


EXHIBIT "A"
PROPERTY DESCRIPTION

**EXHIBIT A
LEGAL DESCRIPTION**

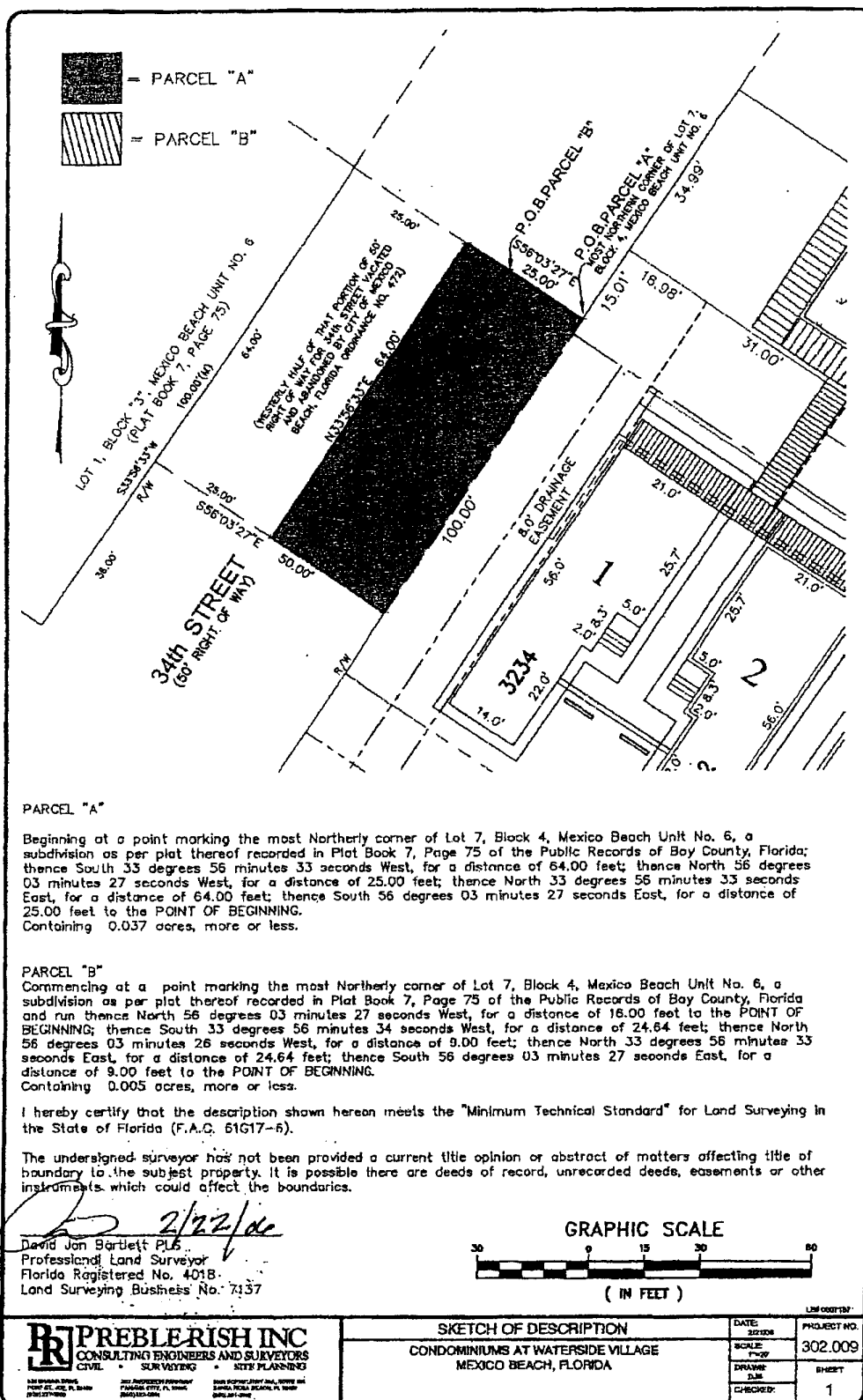
Parcel 1, Parcel 2, Parcel 3 (described in the attached Surveyor's Notes);

AND

The Westerly half of that portion of 50 foot right of way for 34th Street vacated and abandoned by the City of Mexico Beach (Florida Ordinance No. 472);

AND

The Easterly half of that portion of 50 foot right of way for 34th Street vacated and abandoned by the City of Mexico Beach (Florida Ordinance No. 472) and described as Parcel "A" and Parcel "B" in the Sketch attached hereto.



SURVEYOR'S NOTES:

1. Bearings are based on the Florida State Plane Coordinate System, North Zone, Lambert Projection and reference to North American Datum 1983/90.
2. By graphic Plotting only; The property shown hereon lies in Zone "X" & AE (EL 8) as per the Federal Emergency Management Agency's Flood Insurance Rate Map for Mexico Beach, Bay County, Florida; See Community Panel No.120010 050B G; which has an effective date of September 18, 2002.
3. This Survey does not determine ownership of the property shown hereon.
4. Source of information: Records Plat of Mexico Beach Unit No.6 as recorded in Plat Book 7, Page 75; and recorded deeds, all recorded in the Public Records of Bay County, Florida.
5. The Florida Department of Natural Resources Coastal Construction Control Line, lies Seaward of U.S. Highway 98.
6. Easement agreement for the distribution of water, granted to the Town of Mexico beach on all platted roads, streets, alleys, ditches and utility easement that now exist in Mexico Beach Unit No.6. (Official Records Book 734, Page 15 of the Public Records of Bay County, Florida).
7. Florida Power Corporation. Utility easement on all platted roads, streets, alleys, drainage easement that now exist in Mexico Beach Unit 6. (Official Records Book 284, Page 294).
8. Parcel 1, Parcel 2, Parcel 3 and that portion of the Westerly half of 34th Street, vacated and abandoned by the City of Mexico Beach, Florida, all have common boundary and are contiguous.

Official Records Book 2393 Page 821, of the Public Records of Bay County, Florida.

PARCEL 1:

Commence at the Southeastly corner of Lot 10, Block 3, Mexico Beach Unit No. 6, according to the Official Plat thereof as recorded in Plat Book 7, Page 75, in the Public Records of Bay County, Florida, and thence go South 60 degrees 22 minutes 00 seconds West for a distance of 361.30 feet, thence go South 33 degrees 52 minutes 00 seconds West for 119.00 feet to the northeastly corner of Lot 2, Block 3, Mexico Beach, Unit No. 6; thence go South 56 degrees 08 minutes 00 seconds East for a distance of 100.00 feet for the POINT OF BEGINNING. From said Point of Beginning go North 33 degrees 52 minutes 00 seconds East for a distance of 100.00 feet; thence go South 56 degrees 08 minutes 00 seconds East for a distance of 50.00 feet; thence go South 33 degrees 52 minutes 00 seconds West for a distance of 100.00 feet; thence go North 56 degrees 08 minutes 00 seconds West for a distance of 50.00 feet to the Point of Beginning. Said Parcel of land lying and being in Section 23, Township 6 South, Range 12 West, Bay County, Florida, and having an area of 0.115 acres, more or less.

ALSO:

PARCEL 2:

Commence at the Northwest corner of Fractional Section 23, Township 6 south, Range 12 West, and extend a line South 45°25'10" East for 779.17 feet; then turn 74°14' right for 147.05 feet; then turn 58°26'50" left for 177.0 feet; then turn 90°00' right for 8.29 feet; then turn 90°00' left for 90.0 feet to the point of beginning. From this point of beginning continue the line last described above for 150.0 feet; then turn 90°00' right for 101.9 feet; then turn 26°30' left for 184.2 feet; then turn 90°00' right for 150.0 feet; then turn 90°00' left for 100.0 feet; then turn 90°00' right for 100.0 feet; then turn 90°00' right for 119.0 feet; then turn 26°30' right for 361.3 feet to the point of beginning. This parcel of land has an area of 1.61 acres, more or less. It is in the Northwest Quarter of Fractional Section 23, Township 6 South, Range 12 West, of Mexico Beach, Bay County, Florida.

ALSO:

PARCEL 3:

Lots 1 and 2, Block 3, Mexico Beach Unit No.6, according to the Official Plat thereof as recorded in Plat Book 7, Page 75, in the Public Records of Bay County, Florida.

AND

The Westerly half of that portion of 50 foot right of way for 34th Street vacated and abandoned by the City of Mexico Beach (Florida Ordinance No. 472).

Certify to: Condominiums at Waterside Village, LLC; First Horizon Home Loan Corporation;
Clark Partington, Hart, Larry, Bond, & Stackhouse; Chicago Title Insurance Company and
Moulton, McEachern & Walker.

SURVEYOR'S CERTIFICATION

I HEREBY CERTIFY THAT THE SURVEY AS SHOWN HEREON MEETS THE "MINIMUM TECHNICAL STANDARDS" FOR LAND SURVEYING IN THE STATE OF FLORIDA (F.A.C. 61G7-6), AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

THE UNDERSIGNED SURVEYOR HAS NOT BEEN PROVIDED A CURRENT TITLE OPINION OR ABSTRACT OF MATTERS AFFECTING TITLE OF BOUNDARY TO THE SUBJECT PROPERTY. IT IS POSSIBLE THERE ARE DEEDS OF RECORD, UNRECORDED DEEDS, EASEMENTS OR OTHER INSTRUMENTS WHICH COULD AFFECT THE BOUNDARIES.

DATE SIGNED _____

DAVID JON BARTLETT, P.L.S.
PROFESSIONAL LAND SURVEYOR
FLORIDA LICENSE NO. LS 4018
PACIFIC-RISH, INC.
470 HARRISON AVENUE
PANAMA CITY, FL 32401
SURVEYING BUSINESS NO. 0007137

UNLESS IT BEARS THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER THIS DRAWING, SKETCH, PLAT OR MAP IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT VALID