

BK 1461 PG 6008 DKT# 821728 1 of 47

FERNWOOD
A LAND CONDOMINIUM

MANATEE COUNTY, FLORIDA

DECLARATION OF CONDOMINIUM

MADE this 9th day of June, 1995, by Oakwood Land Associates, a Florida general partnership, as owner of the real property hereinafter described, and developer of the improvements thereon (hereinafter called the "Developer"), for itself, its successors, grantees, assignees and/or their transferees.

The Developer, as owner, makes the following declaration:

1. PURPOSE

The purpose of this Declaration is to submit the lands described in this instrument and improvements on such lands, to the condominium form of ownership and use, in the manner provided by Chapter 718, Florida Statutes as it exists on the date hereof (hereinafter referred to as the "Condominium Act"), and the Developer does hereby submit the lands described in this instrument and improvements on such lands, to the condominium form of ownership and use.

1.1 Name. The name by which this condominium is to be identified is FERNWOOD, a land condominium.

1.2 Address. The address of this condominium is 4427 Fern Drive, Bradenton, Fl. 34208.

1.3 Lands. The lands owned by the Developer, which by this instrument are submitted to the condominium form of ownership, are those certain lands lying in Manatee County, Florida, described as "Description", on Exhibit A, attached hereto and made a part hereof, which shall hereinafter be referred to as the "Land". Said Land shall be subject to conditions, restrictions, limitations, easements and reservations of record and as provided in this Declaration.

1.4 Covenants with the Land. All provisions of the Declaration shall be construed to be perpetual covenants running with the Land and with every part thereof and interest therein, and every condominium parcel owner and claimant of the land or any part thereof or interest therein, and his heirs, executors and administrators, successors and assigns, shall be bound by all of the provisions of the Declaration, unless this Declaration shall be terminated pursuant to the Condominium Act and/or as provided herein. Both the burdens imposed and the benefits shall run with each condominium parcel as herein defined.

1.5 Restrictions. The units in this Condominium are restricted for single family residential use, as more fully set forth in paragraph 10 of this Declaration.

2. DEFINITIONS

The terms used in this Declaration and in the Articles of Incorporation and Bylaws of FERNWOOD PROPERTY ASSOCIATION, INC. shall have the meaning stated in the Condominium Act and as follows, unless the context otherwise requires. Further, whenever the context so requires, the use of any gender shall be deemed to include all genders, the use of the plural shall include the singular and the singular shall include the plural.

2.1 Assessment means a share of the funds required for the payment of common expenses, which from time to time is assessed against the Unit Owner.

2.2 Association means the corporate entity responsible for the operation of a condominium.

2.3 Board of Administration means the Board of Directors or other representative body responsible for administration of the Association.

2.4 By-Laws means the by-laws of the Association existing from time to time.

2.5 Common Elements includes within its meaning the Condominium Property which is not included within the Units, but shall not include any improvements located within or upon a Unit.

2.6 Common Expenses means all expenses and assessments properly incurred by the Association for the condominium.

For Condominium Plot Plan See: Condo Book 28 Pages 137 thru 138.

2.7 Common Surplus means the excess of all receipts of the Association, including, but not limited to, assessments, rents, profits and revenues on account of the Common Elements, over the Common Expenses.

2.8 Condominium means that form of ownership of real property which is created pursuant to the provisions of the Florida Condominium Act and which is comprised of Units that may be owned by one (1) or more persons, and there is, appurtenant to each Unit an undivided share in the Common Elements.

2.9 Condominium Parcel means a Unit, together with the undivided share in the Common Elements which is appurtenant to the Unit.

2.10 Condominium Property means the lands, leaseholds and personal property that are subjected to condominium ownership, whether or not contiguous, and all improvements thereon (except improvements located within or upon a Unit) and all easements and rights appurtenant thereto intended for use in connection with the Condominium.

2.11 Declaration or Declaration of Condominium means the instrument or instruments by which the Condominium is created, as they are from time to time amended.

2.12 Developer means the entity which creates the Condominium or offers Condominium Parcels for sale or lease in the ordinary course of business, but does not include an owner or lessee or a Unit Owner who has acquired his Unit for location of a home for owner occupancy. The Developer of this Condominium means and is Oakwood Land Associates, a Florida general partnership, its successors and such of its assigns as to which the rights of Developer hereunder are specifically assigned. Developer may assign only a portion of its rights hereunder, or all or a portion of such rights in connection with appropriate portions of the Condominium. In the event of such a partial assignment, the assignee shall not be deemed the Developer, but may exercise such rights of the Developer specifically assigned to it. Any such assignment may be made on a non-exclusive basis.

2.13 Institutional Mortgagee shall mean and refer to one or more commercial or savings banks, savings and loan associations, mortgage companies, insurance companies, holding companies, pension funds, or business trusts including but not limited to real estate investment trusts, and any other lender engaged in financing the purchase, construction, or improvement of real estate, or any assignee of loans made by such lender, or any private or governmental institution which has insured the loan of the lender or any combination of the foregoing entities, to include without limitation, an agency of the United States Government, Federal National Mortgage Association (FNMA), Governmental National Mortgage Association (GNMA), Federal Home Loan Mortgage Corporation, the Administrator of the Veterans Administration or other similar insurers and guarantors of mortgages, or other lender generally recognized as an institutional-type lender, or the Developer, holding a mortgage on any of the property or the Units, and insurers or guarantors of same. This will also include the successors and/or assigns of the above entities.

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

2.15 Operation or "operation of the Condominium" includes the administration and management of the Condominium property.

2.16 Unit means a part of the Condominium Property which is subject to exclusive ownership, as specified in the Declaration of Condominium, but shall not include any improvements thereon, as this is a Land Condominium.

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

2.18 Utility Services as used in the Condominium Act and as construed with reference to this Condominium, and as used in the Declaration and all exhibits attached thereto, shall include, but not be limited to, electric power, gas, water, garbage and sewage disposal and other required services imposed by governmental authorities.

3. DEVELOPMENT PLANS

3.1 Improvements. Annexed hereto and made a part hereof as Exhibit A is the survey and site plan and graphic descriptions of all Units, including their identification numbers, locations and dimensions. The legend and notes contained therein are incorporated herein and made a part hereof by reference.

3.2 Plot Plan. A survey and plot plan of the Lands comprising the Condominium, are attached hereto as Exhibit A. This is a land condominium, and shall not consist of any improvements on any Unit.

3.3 Phase Development Plan. This Condominium is not a phase condominium project pursuant to Section 718.403, Florida Statutes.

3.4 Unit Plans. The development plan of the Condominium, which contain a survey and plot plan (the "Survey and Plot Plan") are attached hereto as Exhibit A. The legal description of each Unit shall consist of the identifying number of such Unit as shown on Exhibit A, attached hereto. Every deed, lease, mortgage or other instrument may legally describe a Unit and/or Condominium Parcel by its identifying number as provided for on the attached Exhibit A and each and every description shall be deemed good and sufficient for all purposes.

3.5 Time Sharing. Time Sharing as defined in Chapter 718 or 721 of the Florida Statutes shall not be permitted.

4. UNIT BOUNDARIES

Since this is a Land Condominium and the Unit shall consist of only land, the only boundary each Unit shall have is the perimetrical boundary that is graphically shown on the Survey and Plot Plan (upper and lower boundaries are as set forth below).

4.1 Unit Boundaries. Each Unit shall include that part of the Condominium Property which lies within the boundaries of the unit, which boundaries shall be determined as follows:

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

4.1.2 Perimetrical Boundaries. The perimetrical boundaries of each unit shall be as shown on the Survey and Plot Plan, wherein each Unit is identified and the perimetrical boundaries indicated by four intersection straight or curved lines surrounding the Unit identification symbol.

5. OWNERSHIP

5.1 Type of Ownership. Ownership of each Condominium Parcel may be in fee simple or in any other estate in real property recognized by law and subject to this Declaration.

5.2 Association Membership. The owners of record of the Units shall be members of the Association. There shall be one (1) membership for each Unit and if there is more than one (1) record owner per Unit, then such membership shall be divided among such owners in the same manner and proportion as is their ownership in the Unit.

5.3 Unit Owner's Rights. The owner of a Unit is entitled to the exclusive possession of any home which is placed or to be placed upon his Unit. The owner of a Unit shall have the exclusive possession of his Unit subject to easements and matters of record and the Association's right to enter upon the grounds of a unit for authorized maintenance purposes as provided in this Declaration and the Florida Statutes. A Unit Owner shall be entitled to use the Common Elements in accordance with the purposes for which they are intended, but no such use shall hinder or encroach upon the lawful rights of owners of other Units. There shall be a joint use of the Common Elements and a joint mutual easement for that purpose is hereby created.

6. RESTRAINT UPON SEPARATION AND PARTITION OF COMMON ELEMENTS

The fee title of each Condominium Parcel shall include both the Condominium Unit and an undivided interest in the Common Elements; said undivided interest in the Common Elements is deemed to be conveyed or encumbered with its respective Condominium Unit, even though the description in the instrument of conveyance may refer only to the fee title to the Condominium Unit. The share in the Common Elements appurtenant to a Unit cannot be conveyed or encumbered except together with the Unit. Any attempt to separate and/or any action to partition the fee title to a Condominium Unit from the undivided interest in the Common Elements appurtenant to each Unit shall be null and void.

7. PERCENTAGE OF OWNERSHIP OF COMMON ELEMENTS

Each of the Unit Owners of the Condominium shall own an undivided interest in the Common Elements, according to the "Schedule of Shares" attached hereto as Exhibit B.

8. COMMON EXPENSE AND COMMON SURPLUS

The Common Expenses to be borne by each Unit Owner shall be a proportionate share of the total expenses and costs of the Association. Each Unit Owner shall be responsible for a portion of the Common Expenses and costs, and such share shall be in the percentage of the undivided share as set forth in Exhibit B of this Declaration.

Any Common Surplus of the Association shall be owned by each of the Unit Owners in the same

proportion as their percentage liability for Common Expenses.

9. MAINTENANCE, ALTERATIONS AND IMPROVEMENTS

Responsibility for the maintenance of the Condominium Property and homes or improvements located thereon and restrictions upon alterations and improvements shall be as follows:

9.1 Units

9.1.1 By the Association. As this is a land condominium, the Association shall not be responsible for maintaining the homes and building improvements placed upon a Unit. The Association shall be responsible for lot maintenance including lawn mowing, trimming of shrubbery, weeding and the like. Except for the utility easements which affect each Unit as depicted on the survey and Plot Plan, there are no conduits, ducts, plumbing or wiring in other facilities for the furnishing of utility services contained in the underground portion of a Unit which serve and are for the benefit of other Units. Maintenance of the underground facilities within the aforementioned easements shall be the responsibility of the Association and/or the appropriate service provider. Such maintenance shall be a common expense of the Association.

9.1.2 By the Unit Owner. The responsibility of the Unit Owner shall be to maintain all improvements including building improvements placed upon his or her Unit. Any additional landscaping, shrubbery and the like placed upon a Unit by an Owner and not otherwise maintained by the Association shall be the responsibility of the Unit Owner. Such responsibility includes but is not limited to the following obligations of the Unit Owner.

9.1.2.1 To keep and maintain the improvements and home located upon his or her Unit including appurtenances 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, being expressly responsible for the damages and liability which his failure to do so may engender.

9.1.2.2 Where applicable, to maintain and keep in a neat and trim condition the exterior roof, walls, fences, screening and railings of patios, sundecks, awnings and garages located upon a Unit including privacy walls or fences between an adjoining Unit, but not including the exterior side of a perimeter wall of the Condominium existing on a Unit, if any.

9.1.2.3 To promptly report to the Association any defect or need for repairs for which the Association is responsible.

9.1.2.4 To repair and maintain plumbing and electrical repairs to conduits, ducts, plumbing, wiring, fixtures and equipment located within a Unit and exclusively servicing a Unit. This shall include the light (and photocell) located in the front yard of a Unit, which shall be in working condition at all times.

9.1.2.5 The Association shall have the irrevocable right to have access upon each Unit from time to time during reasonable hours as may be necessary for maintenance, repair or replacement of any Common Element therein or accessible therefrom, or of any portion of the Unit required to be maintained by the Association or for making emergency repairs therein necessary to prevent damage to the common elements or to another Unit or Units.

9.1.3. Alteration and Improvement. Except as elsewhere reserved to the Developer, neither a Unit Owner nor the Association shall make any material alteration in the portions of a Unit that are to be maintained by the Association, remove any portion of such, make any additions to them, without first obtaining approval in writing from the Board of Directors of the Association. The Association may require that a copy of plans for all such work prepared by an architect or an engineer licensed to practice in this state be filed with the Association prior to the start of the work.

9.1.4 Home Set-up Requirements

9.1.4.1 All homes set up or constructed in the Condominium shall conform to all state and local codes.

9.1.4.2 Additions to the home or the Unit (lot) are only permitted upon prior written approval by the Association and shall meet all state and local codes. All changes in existing landscaping shall only be done upon the written approval of the Association.

9.1.4.3 In order to assure the good appearance of the condominium, the Association will determine the positioning and set-back of the home on each Unit (lot), except Developer will initially position each home. The Association may establish certain minimum standards for setbacks, which standards will be on file with the Association's President.

9.1.4.4 Driveway and garage floor and sidewalk and screen room floor must be paved and/or concrete slab.

9.1.4.5 The exterior color of a home located upon a Unit must be approved by the Association. Improved products that enhance the residential appearance of the home may be used with the prior written approval of the Association.

9.1.4.6 No home may be placed or constructed upon a Unit without the written approval of the Association except on Developer owned or controlled Units. Request for approval for the location or construction of a home upon such Unit must be accompanied by a detailed explanation of the type, model and nature of the home to be located upon the Unit. The Association (unless a Developer owned or controlled Unit) shall have the sole discretion to determine if such home as proposed meets and is in conformity with these restrictions and which homes shall be in conformity with and exhibit good taste commensurate with the rest of the Condominium. Developer shall not be subject to nor require any consent of the Association as set forth in this section on "Home Set-up Requirements."

9.2 Common Elements

9.2.1 By the Association. The maintenance and operation of the Limited Common Elements, if any, and Common Elements, if any, including the repair, maintenance and replacement of landscaping and other improvements and facilities shall be the responsibility of the Association as a Common Expense. Maintenance and repair of the exterior side (facing away from a Unit) of any perimeter walls or fences of the Condominium shall be the responsibility of the Association.

9.2.2 Land Acquisition. Land acquired by the Association may be added to the land submitted to condominium ownership hereby. This may be done by an amendment to this Declaration that includes the description of the acquired land and submits the said land to condominium ownership under the terms of this Declaration. The amendment shall be executed by the Association and adopted by the Unit Owners in the manner elsewhere required. Such amendment, when recorded in the public records of Manatee County, Florida, shall divest the Association of title to the land and shall state that it conveys all interest of the Association to and vests the title in the Unit Owners, without naming them and without further conveyance, in the same undivided shares as the undivided shares in the Common Elements appurtenant to the Units owned by them.

9.2.3 Land Not Incorporated. Any land acquired by the Association that is not incorporated into the Land by amendment of this Declaration, may be sold or mortgaged or otherwise disposed of by the Association after approval in writing by the record Unit Owners of not less than seventy-five percent (75%) of the Common Elements. 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 or mortgagee of such land.

9.2.4 Personal Property. Any personal property acquired by the Association may be sold or mortgaged or otherwise disposed of by the Association.

9.3 Enforcement of Maintenance. In the event a Unit Owner violates any of the provisions of this Section 9 or fails to maintain a Unit (and the improvements located thereon) as required herein, the Association shall have the right to take any and all such steps as may be necessary to remedy such violation. The Association has the right to enter the subject 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 this Declaration or as necessary to prevent damage to the common elements or to a unit or units.

Additionally, in the event the owner of a Unit fails to maintain a Unit and the improvements located thereon as required above, the Association shall have the right to proceed to any appropriate court to seek compliance with the foregoing provisions; or the Association shall have the right to fine the Unit Owner as provide herein and/or in the Bylaws of the Association.

10. USE RESTRICTIONS

The use of the property of the Condominium shall be in accordance with the following provisions:

10.1 Units

10.1.1 Only one home shall be constructed upon a Unit and shall be occupied only by a resident, members of his family, his servants and guests, as a residence and for no other purpose. No Unit shall be permanently occupied by more than six (6) persons, and the maximum permanent occupants and overnight guests shall be no more than eight (8) persons per Unit. No commercial use shall be made of or upon a Unit, except the Developer may use a Unit as sales model and office.

10.1.2 Except as may be allowed under the Condominium Act, no Unit may be divided or subdivided into a smaller Unit nor any portion thereof sold or otherwise transferred without first amending

this Declaration to show the changes in the Units to be affected thereby.

10.1.3 Nothing shall be hung, displayed or placed on the exterior of the walls, doors or windows of the home located on the Unit without the prior written consent of the Board of Directors of the Association.

10.1.4 No sign, notice, or advertisement shall be inscribed, displayed, or exposed on a Unit or on any improvement located upon a Unit including the window of a home; except an identification sign not exceeding 12" by 14" and showing only the name of the resident and the street number or a professionally painted or printed sign measuring no more than 18" by 24" indicating that the Unit is for sale may be located upon a Unit after written approval of the Association.

10.1.5 No owner shall make, allow or cause to be made, any structural addition or alteration of his Unit including the exterior color of improvements thereon or the Common Elements without the prior written consent of the Association.

10.1.6 The Unit and exterior of improvements located on such Unit and all other areas appurtenant to the Unit shall not be painted, decorated or modified by any Unit Owner in any manner without prior consent of the Association, which consent may be withheld on purely aesthetic grounds within the sole discretion of the Association. No awnings, window guards, light reflective materials, hurricane or storm shutters, ventilators, fans or air conditioning devices shall be used in or about a Unit except as shall have been approved by the Association, which approval may be withheld on purely aesthetic grounds within the sole discretion of the Association. The exterior of each home shall be maintained in a tasteful and attractive condition commensurate with the neighborhood.

10.1.7 No Unit Owner shall place, install or plant any sheds, landscaping, or improvements outside of his home located upon a Unit without the approval of the Association. Fences are not permitted on a Unit except with Association approval.

10.1.8 No pets are permitted in the Condominium or upon a Unit or in a home located upon a Unit except as provided in the Bylaws or in rules and regulations provided by the Board of Directors of the Association.

10.2 Common Elements and Limited Common Elements. The Common Elements and Limited Common Elements shall be used only for the purpose for which they are intended.

10.3 Antennas. No radio or television aerial, satellite dish or other antenna shall be attached to or hung from the exterior of a home located upon a Unit or the roof of a home located upon a Unit or upon the Unit itself outside of a home located upon a Unit without the prior written consent of the Board of Directors of the Association.

10.4 Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the Condominium Property or any part thereof; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies which require maintenance, modification or repair of the Condominium Property shall be the same as the responsibility for the maintenance and repair of the property concerned.

10.5 Signs. No signs, notice or advertisement shall be inscribed, displayed or exposed in or from a Common Element of the Condominium except upon the written approval of the Board of Directors of the Association. Notwithstanding the foregoing, Developer reserves the right to place signs for informational regulatory purposes such as street signs and posting of rules and regulations, and lot locations and availability information.

10.6 Rules and Regulations. Reasonable rules and regulations concerning the use of the Condominium Property may be made and amended from time to time by the Association in the manner provided by its Articles of Incorporation and By-Laws. Copies of such regulations and amendments thereto shall be furnished by the Association to all Unit Owners and residents of the Condominium upon request. The Association may also promulgate Rules and Regulations which may affect a Unit.

10.7 Proviso. Provided, however, that until the Developer has completed all of the contemplated improvements and closed the sales of all of the Units of this Condominium, neither the Unit Owners nor the Association nor the use of the Condominium 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 as may facilitate such completion and sale, including, but not limited to, maintenance of a sales office, showing of the property and the display of signs.

11. MAINTENANCE OF COMMUNITY INTERESTS

In order to maintain a community of congenial residents who are financially responsible and thus protect the value of the Units, the transfer of Units by any owner other than the Developer shall be

subject to the following provisions so long as the Condominium exists.

11.1 Adults Only Community. This condominium is designed primarily for the comfort, convenience and accommodation of elderly persons and is intended as an "over 55" community as provided for in Chapter 24 of the Code of Federal Regulations (C.F.R.), Section 100.304. No permanent resident shall be permitted in the Condominium who is under the age of sixteen (16) years. For purposes hereof, "permanent resident" shall mean any person who occupies a unit in excess of thirty (30) days in any twelve month period. At least one person 55 years of age or older must be a permanent occupant of each Unit while any other person occupies said Unit. Persons at least sixteen (16) years of age but under the age of 55 may occupy and reside in a Unit as long as one of the occupants is age 55 or older. Notwithstanding same, the Board of Directors of the Association, in its sole discretion, shall have the right to establish hardship exceptions to permit persons of age 16, or older, and less than 55 years of age, to permanently reside in the Condominium, even in the absence of another resident age 55 or older, provided that said exceptions shall not be permitted in situations where the granting of a hardship exception would result in less than 80% of the units in the Condominium having less than one resident 55 years of age or older, it being the intent that at least 80% of the units shall at all times have at least one resident 55 years of age or older. The Board of Directors shall establish policies and procedures for the purpose of insuring that the foregoing required percentages of elderly occupancy are maintained at all times. The Board, or its designee, shall have the sole and absolute authority to deny occupancy of a Unit by any person(s) who would thereby create a violation of the afore-stated percentages of elderly occupancy. Regardless of anything to the contrary, the Board of the Association, or its designee, shall have the sole and absolute authority to deny occupancy of a unit by any person(s) who would thereby create a violation of any applicable percentages of elderly occupancy. Permanent occupancy or residency shall be further defined from time to time in the rules and regulations of the Association as promulgated by the Board. The standards, requirements and policies set forth in or for compliance with this paragraph, however, are subject to applicable laws and regulations as they exist from time to time, and the Board shall have the right, in its sole and complete discretion, to modify or eliminate the restrictions contained in this paragraph in the event laws and/or regulations result in the impossibility or impracticality of compliance with the requirements of the "over 55" exemption.

All units shall be used for single-family residential purposes only and only one family per unit shall be allowed. The following leasing restrictions apply. No sale, lease or transfer shall occur until the Buyer, lessee, or transferee shall file an application with the Association along with the application/processing fee and shall acknowledge in writing to the Association that it has received a copy of the Condominium documents including the Declaration. The minimum lease term shall be four (4) months, and no more than two (2) leases may be entered into in any year for any unit.

11.2 Receipt of Documents. No sale or transfer shall occur until the Buyer, lessee, or transferee shall acknowledge in writing to the Association that it has received a copy of the Condominium documents including this Declaration.

11.3 Purchase of Units by the Association. The Association shall have the power to purchase Units subject to the following provisions:

11.3.1 Decision. The decision of the Association to purchase a Unit may be made by its Directors, without approval of its members, except as otherwise provided herein.

11.3.2 First Refusal. The right of a Unit Owner to sell, transfer or convey his or her Unit shall not be subject to a right of first refusal or similar restriction.

11.4 Sale, Lease or Transfer. No sale, lease or transfer shall occur until the Buyer, lessee, or transferee shall file an application with the Association along with the application/processing fee of \$50.00, and shall acknowledge in writing to the Association that it has received a copy of the Condominium documents including the Declaration. The minimum lease term shall be four (4) months, and no more than two (2) leases may be entered into in any year for any unit. The Association shall have the right to deny occupancy to an owner or lessee or invitee based upon age, as provided in Section 11.1.

12. PARKING

Each Unit shall contain sufficient paved and/or concrete slab parking space for an owner's or resident's vehicles. No overnight parking shall be allowed on the streets. The Board of the Association may establish rules and regulations governing parking on a Unit or Common Elements.

13. EASEMENTS

Each of the following easements is a covenant running with the land of the Condominium (including the Units) 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 of the Condominium from the condominium. All easements shown on Exhibit A over, upon, through and across the

Lands adjacent to and adjoining the Land of the Condominium, and all other easements heretofore set forth with respect to such Lands, except for those existing easements recorded in the Public Records of Manatee County, Florida, prior to the date hereof, shall become effective only from and after the date such easements are recorded, notwithstanding anything herein contained to the contrary.

13.1 Utilities and Access. As may be required for utility services in order to adequately serve the Condominium Property or adjoining property owned or developed by Developer. In addition, there is a non-exclusive Access, Drainage and Utility Easement along the roadways and across the frontage of the Units, as depicted in Exhibit A for required utility services, drainage and common access for the benefit of the Condominium Parcels. Certain Condominium Parcels may also be subject to a utility easement as depicted in Exhibit A which easement shall benefit other Condominium Parcels and adjoining property owned or developed by Developer.

13.2 Pedestrian and Vehicular Traffic. For pedestrian traffic over, through and across sidewalks, paths, lanes and walks, as the same may from time to time exist, upon the Common Elements, if any, and for the vehicular traffic over, through and across such portions of the Common Elements, if any, and upon the easements on over and across Units as may be from time to time paved and intended for such purposes.

13.3 Perpetual Nonexclusive Easement in Common Elements. The Common Elements shall be, and the same is hereby declared to be, subject to a perpetual nonexclusive easement in favor of all of the owners of Units 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, for the enjoyment of said owners.

13.4 Right of Entry. Whenever it is necessary to enter upon any Unit's grounds for any authorized purpose, the owner of each Unit shall permit the Association to enter upon such unit for such purpose. Each Unit Owner shall keep its home and structures maintained in good and presentable condition, and if a Unit Owner fails to do so, it shall be deemed a violation of this Declaration and the Association shall have the rights and remedies as provided herein and in the Bylaws and as provided at law and in equity.

13.5 Air Space. An exclusive easement for the use of the air space occupied by a Condominium Unit as it exists at any particular time and as the Unit may lawfully be altered.

13.6 Construction; Maintenance Easement. The Developer (including its designees and contractors) shall have the right, in its and their sole discretion from time to time, to enter the Condominium Property and all utility and access easement areas of the Condominium and the Units and take all other action necessary or convenient for the purpose of completing the construction thereof, or any part thereof, or any improvements or homes located or to be located thereon, provided such activity does not prevent or unreasonably interfere with the use or enjoyment by the Unit Owners of the Condominium Property.

13.7 Sales Activity Easement. For as long as there are any unsold Units, the Developer and its designees shall have the right to use any such Units and the Common Elements (including, but not limited to, all recreational facilities) in order to establish, modify, maintain and utilize, as it and they deem appropriate, model home and sales and other offices. Without limiting the generality of the foregoing, the Developer and its designees may show model homes and the Common Elements to prospective purchasers and tenants of Units, erect on the Condominium Property signs and other promotional material to advertise Units for sale or lease and take all other action helpful for sales, leases and promotion of the Condominium.

13.8 Encroachments. Each Unit Owner shall have a perpetual easement for encroachments which may exist now or in the future by inaccuracies in construction, surveying errors, settlement or movement of any buildings, which encroachments shall be allowed to remain undisturbed until they no longer exist.

13.9 Drainage Easements. Certain Units may be subject to a drainage easement across and under a Unit for the purpose of stormwater drainage from roadways and Units to lakes, ponds or retention areas, as depicted in Exhibit A.

13.10 Additional Easements. The Association, on its behalf and on behalf of all Unit Owners (each of whom hereby appoints the Association as his attorney-in-fact for this purpose) shall have the right to grant such additional electric, gas, other utility or service or other easements, or relocate any existing easements or drainage facilities, in any portion of the Condominium Property, and to grant access easements or relocate any existing access easements in any portion of the Condominium Property, as the Association shall deem necessary or desirable for the proper operation and maintenance of the Improvements, or any portion thereof, or for the general health or welfare of the Unit Owners, or for the purpose of carrying out any provisions of this Declaration or otherwise, provided that such easements or the relocation of existing easements will not prevent or unreasonably interfere with the reasonable use of the Units for their intended purposes. The Association, on behalf of itself and all Unit Owners (as such Owners' attorney-in-fact), shall also have the right to transfer title to utility-related equipment, facilities or material to any public utility company or governmental agency which is assuming the obligation to maintain such equipment, facilities or material. In connection with the foregoing, bills of sale may be granted for items of personal property owned or governed by the Association. Furthermore, the Association shall have the authority to take any other action, on behalf of itself and all Unit Owners (as such Owners' attorney-in-fact), to satisfy the requirements of any public utility

company or governmental agency to which any such utility-related equipment, facilities or material are to be so transferred.

13.11 Reserved Right for Easement. The Association, on its behalf and on behalf of all Unit Owners (each of whom hereby appoints the Association irrevocably as their attorney-in-fact for this purpose), each shall have the right to grant such additional electric, drainage, gas, cable television or other utility or service easements, or relocate any existing utility or service easements or drainage facilities (subject to applicable restrictions), in any portion of the Condominium Property, and to grant access easements in any portion of the Condominium Property, as or the Association shall deem necessary or desirable for the proper operation and maintenance of the Improvements, or any portion thereof, or for the general health or welfare of the Unit Owners, or for the purpose of carrying out any provisions of this Declaration or otherwise, provided that such easements or the relocation of existing easements will not prevent or unreasonably interfere with the reasonable use of the Units for dwelling purposes.

13.12 Roadways and Utilities. Developer herewith ratifies and confirms and declares that those access and utility easement areas and other easements set forth in the instruments referenced in this Declaration (including without limitation those roadways and easement areas shown on Exhibit A) are non-exclusive easements dedicated to and for the benefit of the condominium and the Unit Owners.

13.13 Walls and Signage. An easement is reserved across all Condominium Parcels and Common Elements for perimeter walls along the perimeter of the Condominium Property and for signage for the Condominium Property. Said easement shall run in favor of the Developer and/or Association.

14. ASSOCIATION

In order to provide for the proficient and effective administration of this Condominium by the owners of Units, a non-profit corporation known and designated as FERNWOOD PROPERTY ASSOCIATION, INC., has been organized under the laws of the State of Florida and said corporation shall administer the operation and management of this Condominium, and undertake and perform all acts and duties incident thereto in accordance with the terms, provisions and conditions of this Declaration of Condominium, its Bylaws and the Rules and Regulations promulgated by the Association from time to time.

14.1 Articles of Incorporation. A copy of the Articles of Incorporation of the Association is attached hereto as Exhibit C.

14.2 Bylaws. The Bylaws of the Association shall be the bylaws of the Condominium, a copy of which is attached hereto as Exhibit D.

14.3 Limitation Upon Liability of Association. Notwithstanding the duty of the Association to maintain and repair parts of the Condominium 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 condition of the property to be maintained and repaired by the Association, or caused by the elements or other owners or persons.

14.4 Restraint Upon Assignment of Shares in Assets. The shares of members in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to a Unit.

14.5 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 shall be expressed in accordance with the Bylaws of the Association.

14.6 Membership. The record owners of all Units in this Condominium shall be members of the Association, and no other persons or entities shall be entitled to membership except for subscribers to the Articles of Incorporation. Membership shall be established by acquisition of ownership of fee title to, or fee interest in a Condominium Parcel in said Condominium, whether by conveyance, devise, judicial decree or otherwise, subject to the provisions of this Declaration and by the recordation among the public records of Manatee County, Florida, of the deed or other instrument establishing the acquisition and designating the parcel affected thereby and by the delivery to the Association of a true copy of such recorded deed or other instrument. The new owner designated in such deed or other instrument shall thereupon become a member of the Association, and the membership of the prior owner as to the parcel designated shall be terminated.

14.7 Voting. On all matters as to which the membership shall be entitled to vote, there shall be only one (1) vote for each Unit.

14.8 Action Without A Meeting (Members). Anything to the contrary herein notwithstanding, to the extent lawful, any action required to be taken at any annual or special meeting of members, or any action which may be taken at any annual or special meeting of such members, may be taken without a meeting, without prior notice and without a vote if a consent in writing, setting forth the action so taken, shall be signed by the members (or persons authorized to cast the vote of any such member as elsewhere herein set forth)

having not less than the minimum number of votes that would be necessary to attain a quorum, or, with respect to certain matters where a higher percentage of members are required, such number of votes that would be necessary to approve such matters. Within ten days after obtaining such authorization by written consent, notice must be given to members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action.

14.9 Financial Statements. Upon written request from HUD, VA, FNMA or FHLMC (provided such has an interest or prospective interest in the condominium), the Association shall be required to prepare and furnish within a reasonable time an audited financial statement of the Association for the immediately preceding fiscal year.

14.10 Availability. The Association shall be required to make available to Unit Owners, lenders and the holders and insurers of the first mortgage on any Unit, current copies of the Declaration, Bylaws and other rules governing the Condominium, and other books, records and financial statements of the Association. The Association also shall be required to make available to prospective purchasers current copies of the Declaration, Bylaws, other rules governing the Condominium, and the most recent annual audited financial statement, if such is prepared. "Available" shall at least mean available for inspection upon request, during normal business hours or under other reasonable circumstances.

14.11 Powers. The Association shall have all of the powers and duties reasonably necessary to operate the Condominium Property as set forth in the Condominium Act, this Declaration and the Articles of Incorporation and Bylaws of the Association, and as the same may be amended from time to time. It shall also have the power prior to and subsequent to the recording of this Declaration to acquire and enter into agreements whereby it acquires leaseholds, memberships and other possessory or use interests in real and personal property, including, but not limited to country clubs, club houses, golf courses, and other recreational facilities, whether or not contiguous to the Condominium Property, intended to provide for the enjoyment, recreation or other use or benefit of Unit Owners and to declare the expenses of rental, membership fees, operation, replacements and other undertakings in connection therewith to be Common Expenses and may make such covenants and restrictions respecting the use of the facilities not inconsistent with the Condominium Act as may be desired. The Association shall also have the power to contract for the management of the Condominium and to delegate to the contractor all of the powers and duties of the Association except such as are specifically required by this Declaration, the Bylaws or the Florida Condominium Act to have the approval of the Board of Directors or the membership of the Association.

15. INSURANCE

The Association is not responsible for nor shall it insure the improvements and homes located or to be located upon a Unit including the appurtenances thereto. However, the Board of Directors of the Association, in its discretion, may procure from time to time insurance it deems to be in the best interest of the Association and the Unit Owners, including Directors' Liability Insurance, worker's compensation insurance, or other insurance that an institutional mortgagee may reasonably require, so long as it is the owner of a mortgage on any Condominium Parcel. Additionally, the Board shall procure or cause to be procured such insurance policies as required by FNMA and other appropriate federal loan programs. Premiums for insurance policies purchased by the Association shall be paid by the Association. The Association is hereby irrevocably appointed agent for each Unit Owner to adjust all claims arising under insurance policies purchased by the Association.

16. RECONSTRUCTION OR REPAIR AFTER CASUALTY

16.1 Determination to Reconstruct or Repair. If any part of the Condominium Property shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined in the following manner:

16.1.1 Common Elements. If the damaged improvement is a Common Element, the damaged property shall be reconstructed or repaired, unless it is determined in the manner elsewhere provided that the Condominium shall be terminated.

16.2 Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original improvements, or if not, then according to plans and specifications approved by the Board of Directors of the Association.

16.3 Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair of the Common Elements by the Association, or if at any time during the reconstruction and repair the funds for the payment of the costs thereof are insufficient, a special assessment shall be made against all Unit Owners in sufficient amounts to provide funds to pay the estimated costs. This shall not preclude an action by the Association against a Unit Owner whose negligence may have caused such damage.

16.4 Deductible Provision. The funds necessary to cover any deductible amount under an insurance policy against which a claim is made shall be a Common Expense.

17. ASSESSMENTS.

The making and collecting of assessments against Unit Owners for Common Expenses shall be the obligation of the Board of Directors pursuant to the Bylaws and subject to the following provisions:

17.1 Share of the Common Expenses. Each Unit Owner shall be liable for a proportionate share of the Common Expenses and shall be entitled to an undivided share of the Common Surplus, such shares being set forth in Exhibit B. A Unit Owner, regardless of how title is acquired, including, without limitation, a purchaser at a judicial sale, shall be liable for all assessments coming due while he is the owner of a Unit. In a voluntary conveyance, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his share of the Common Expenses up to the time of such voluntary conveyance, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefor.

17.2 Non-Waiver. The liability for assessments may not be avoided by waiver of the use or enjoyment of any Common Elements or by abandonment of the Unit for which the assessment is made.

17.3 Interest, Application of Payments. Assessments and installments on such assessments paid on or before ten (10) days after the date when due shall not bear interest, but all sums not paid on or before ten (10) days after the date when due shall bear interest at the highest rate allowed by the laws of the State of Florida from the date when due, until paid. All payments upon account shall be first applied to interest and then to the assessment payment first due.

17.4 Lien for Assessments. The Association shall have a lien on each Condominium Parcel for any unpaid assessments, together with interest thereon, against the owner of such Condominium Parcel. Reasonable attorney's fees incurred by the Association incident to the collection of such assessment for the enforcement of such lien, together with all sums advanced and paid by the Association for taxes and payment on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien 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 use charges and operation costs likewise referred to as Common Expenses.

Said lien shall be effective from and after the time of recording in the public records of Manatee County, Florida, of a claim of lien stating the description of the condominium parcel, the name of the record owner, the amount due and the date when due, and the lien shall continue in effect until all sums secured by the lien shall have been fully paid or otherwise earlier extinguished by applicable law. Such claims of lien shall be signed and verified by an officer of the Association. Upon full payment, the party making payment shall be entitled to a recordable satisfaction of the lien. All such liens shall be subordinate to the lien of an institutional mortgage recorded prior to the time of recording of the claim of lien.

17.5 Collection and Foreclosure. The Board of Directors may take such action as they deem necessary to collect assessments of the Association by personal action or by enforcing and foreclosing said lien, and may settle and compromise same, if in the best interests of the Association. Said lien shall be effective as and in the manner provided for by the Condominium Act, and shall have the priorities established by said 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, if allowed by the court or applicable law, the Unit Owner may be required to pay a reasonable rental for the Condominium Parcel and the plaintiff in such foreclosure shall be entitled to the appointment of a Receiver to collect same from the Unit Owner and/or occupant.

17.6 Purchaser for Assessment. Notwithstanding anything to the contrary contained in this Declaration of Condominium, where the mortgagee of a first mortgage of record or its successors or assignees obtains title to a Condominium Parcel as a result of foreclosure of the first mortgage or by accepting a deed in lieu of foreclosure, such acquirer of title shall be liable for the share of Common Expenses or assessments by the Association pertaining to such Condominium Parcel, or chargeable to the former Unit Owner of such parcel which become due prior to the acquisition of title as a result of the foreclosure, or the acceptance of such deed in lieu of foreclosure, however, such liability shall be limited the lesser of: a) the Unit's unpaid common expenses and regular periodic assessments which accrued or came due during the 6 months immediately preceding the acquisition of title and for which payment in full has not been received by the Association; or b) one percent (1%) of the original mortgage debt, but only if mortgagee joined the Association as a defendant in the foreclosure action. Payment shall be made within 30 days after transfer of title.

17.7 Assignment of Claim and Lien Rights. If allowed by applicable law, the Association, acting through its Board of Directors, shall have the right to assign its claim and lien rights for the recovery of any unpaid assessment to the Developer, or to any Unit Owner or group of Unit Owners, or to any third party.

17.8 Unpaid Assessments Certificate. Any Unit Owner shall have the right to require from the Association a certificate showing the amount of unpaid assessments against him with respect to this Condominium Parcel. The holder of a mortgage or other lien shall have the same right as to any

Condominium Parcel upon which he has a lien. Any person other than the owner who relies upon such certificate shall be protected thereby.

17.9 Developer. Notwithstanding any provision to the contrary, the Developer may be excused from the payment of Developer's share of the Common Expenses which would have been assessed against the Units owned by Developer during the period of time that Developer shall have guaranteed to each purchaser in purchase contract or prospectus that the assessment for Common Expenses of the Condominium imposed upon the Unit Owners would not increase over stated dollar amount and shall have obligated itself to pay any amount of Common Expenses incurred during such period and not produced by the assessments at the guaranteed level receivable from other Unit Owners. In the event of a casualty loss in excess of \$10,000.00 during the time in which the Developer guarantees the expenses of the Association such guarantee shall terminate effective upon the occurrence of such casualty loss.

18. COMPLIANCE AND DEFAULT

Each Unit Owner shall be governed by and shall comply with the terms of the Declaration of Condominium, Articles of Incorporation, Bylaws and Rules and Regulations adopted pursuant thereto, and said documents and rules and regulations as they may be amended from time to time. Failure of Unit Owners to comply therewith shall entitle the Association or other Unit Owners to the following relief in addition to the remedies provided by the Condominium Act.

18.1 Negligence. A Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness or by that of any member of his family or his or their guests, invitees, employees or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association.

18.2 Cost and Attorneys' Fees. In any proceeding arising because of an alleged failure of a Unit Owner to comply with the terms of the Declaration, the Articles of Incorporation or the Bylaws and the Rules and Regulations adopted pursuant thereto, and said documents and rules 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.

18.3 No Waiver of Rights. The failure of the Association or any Unit Owner to enforce a covenant, restriction or other provision of the Condominium Act, this Declaration or any of the exhibits attached hereto, shall not constitute a waiver of the right to do so thereafter.

19. AMENDMENT OF DECLARATION

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

19.1 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 considered.

19.2 Resolution of Adoption. A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association 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, providing such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be either by:

19.2.1 Not less than seventy-five percent (75%) of the votes of the entire membership of the Board of Directors and by not less than seventy-five percent (75%) of the votes of the entire membership of the Association; or

19.2.2 Not less than eighty percent (80%) of the votes of the entire membership of the Association.

19.3 Resolution of Adoption for Errors or Omissions Not Materially Adversely Affecting Property Rights of the Unit Owners.

19.3.1. A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by members of the Association whenever it appears that there is an omission or error in the Declaration of Condominium, or any exhibit attached hereto, or amendment hereto, as follows:

19.3.1.1 Not less than fifty-one percent (51%) of the votes of the entire membership of the Board of Directors and by not less than fifty-one percent (51%) of the votes of the entire membership of the Association.

19.3.1.2 Any amendment adopted pursuant to the provisions of paragraph 19.3 shall not materially adversely affect the property rights of Unit Owners.

19.3.1.3 So long as Developer holds units for sale in the ordinary course of business, none of the following actions may be taken without the approval in writing of the Developer: (i) Assessment of the Developer as a Unit Owner for capital improvements; or (ii) any action by the Association that would be detrimental to the sales of units by the Developer.

19.3.2 Clerical errors and items required by law to be in the condominium documents may be added or corrected at any time by Developer until management of the Condominium is turned over to the owners or thereafter by the Association by recording the amendment. Errors in the survey may be corrected by a licensed surveyor employed by Developer or Association at any time by recording the corrected survey or a certificate of affidavit making the correction.

19.4 Proviso. No amendment shall discriminate against any Unit owner or against any Unit, or class or group of Units, unless the Unit owners so affected shall consent; no amendment may change the configuration or size of any Condominium Unit in any material fashion, materially alter or modify the appurtenances to the Unit, or change the proportion or percentage by which the Unit Owner shares the common expenses and owns the common surplus unless the Unit Owner and all record owners of liens on it join in the execution of the amendment and unless a majority of all other Unit Owners approve the amendment.

19.5 Execution and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted, which certificate shall be executed by the officers of the Association with the formalities of a deed. The amendment shall be effective when such certificate and a copy of the amendment are recorded in the public records of Manatee County, Florida.

19.6 Amendments. The section concerning termination cannot be amended without consent of 80% of the Unit Owners and all record owners of mortgages upon Condominium Parcels.

20. DEVELOPER'S UNITS AND PRIVILEGES

20.1 Developer. The Developer, at the time of recording of this Declaration, is the owner of all of the real property, individual Units and appurtenances comprising this Condominium. Therefore, the Developer, until all of the Units have been sold and closed, shall be irrevocably empowered, notwithstanding anything herein to the contrary, to sell Units to any person approved by the Developer. Said Developer shall have the right to transact upon the Condominium Property any business necessary to consummate the sale of Units, including, but not limited to, the right to maintain models, have signs, staff employees, maintain offices, use the Common Elements and show Units. Any sales office, signs, fixtures or furnishing or other tangible personal property belonging to the Developer shall not be considered Common Elements and shall remain the property of the Developer.

20.2 Changes in Developer-Owned Units. Despite any other provision of this Declaration the Developer shall have the right, without the vote or consent of the Association or Unit Owners, to (i) make non-material alterations, additions or improvements in, to and upon Units (and their appurtenant Limited Common Elements, if any) owned by the Developer, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (ii) non-materially change the size or configuration of Developer-owned Units, unless such change conflicts with the requirements of Florida Statutes §718.110(4). All amendments to this Declaration required by actions taken pursuant to this paragraph shall be effected by the Developer alone. The provisions of this paragraph may not be added to, amended or deleted without the prior written consent of the Developer.

20.3 Expenses. After the commencement date of payment of monthly Common Expenses, in the event there are unsold Units, the Developer retains the right to be the owner of said unsold Units; however, for such time as the Developer continues to be a Unit Owner, but not exceeding such period of time as the Developer shall have guaranteed that the assessment for Common Expenses of the Condominium imposed upon Unit Owners other than the Developer shall not increase over a stated dollar amount, the Developer shall be required to contribute only such sums to the Common Expenses of the Condominium as incurred and required during that period and which have not been produced by assessments at the guaranteed level receivable from other Unit Owners, as may be required for the Association to maintain the Condominium. In no event shall the Developer be required to contribute to the Common Expenses as to the Units owned by it in any amount exceeding the obligation for such Unit as specified and set forth in this Declaration and the exhibits attached hereto. Commencing on the expiration of the period of a guaranteed level of assessments as aforesaid, the Developer shall contribute to the Common Expenses, as to the Units owned by it, in the same manner as all other Unit Owners.

21. TERMINATION

21.1 General. The Condominium may be terminated in the following manner in addition to the manner provided in the Condominium Act.

21.2 Agreement. The Condominium may be terminated by the approval in writing of all of the owners of the Units therein and by all record owners of mortgages thereon. If the proposed termination is submitted to a meeting of the members of the Association, the notice of which meeting gives notice of the proposed termination, and if the approval of the owners of not less than eighty percent (80%) of the Common Elements, and of the record owners of all mortgages upon the Units, are obtained in writing not later than thirty (30) days from the date of such meeting then the approving owners shall have an option to buy all of the units of the other 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. Notwithstanding the above the Developer's consent must be obtained if Developer owns a Unit in the condominium. Such option shall be upon the following terms:

21.2.1 Exercise of Option. The option shall be exercised by delivery or mailing by certified mail, to each of the record owners of the Units to be purchased, of an agreement to purchase, signed by the record owners of Units who will participate in the purchase. Such agreement shall indicate which Units will be purchased by each participating owner and shall provide for the purchase of all of the Units owned by owners not approving the termination, and the effect of said agreement shall be to create a separate contract between each seller and his purchaser.

21.2.2 Price. 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 in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two (2) appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

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

21.2.4 Closing. The sale shall be closed within thirty days following the determination of the sale price.

21.3 Certificate. The termination of the Condominium in either of the foregoing manners shall be evidenced by a certificate of the Association, executed by the President and Secretary, certifying as to the facts effecting the termination, which certificate shall become effective upon being recorded in the public records of Manatee County, Florida.

21.4 Shares of Owners After Termination. After termination of the Condominium, Unit Owners shall own the Condominium Property and all assets of the Association as tenants in common in undivided shares, and their respective mortgagees and lienors shall have mortgages and liens upon the respective undivided shares of the Unit Owners. Such undivided shares of the Unit Owners shall be the same as the undivided shares in the Common Elements appurtenant to the owners' Units prior to the termination.

21.5 Amendments. This section concerning termination cannot be amended without consent of 80% of the Unit Owners and all record owners of mortgages upon Condominium Parcels.

22. SEVERABILITY AND INVALIDITY

The invalidity in whole or in part of any covenant or restriction or any section, subsection, sentence, clause, phrase or word, or other provision of this Declaration of Condominium and the Articles of Incorporation, the Bylaws and the Rules and Regulations of the Association, shall not affect the validity of the remaining portions which shall remain in full force and effect. In the event any court shall hereafter determine that any provisions of this Declaration of Condominium, as originally drafted, or as amended, violates the rule against perpetuities or any other rules of law because of the duration of the period involved, the period specified in the Declaration shall not thereby become invalid, but instead shall be reduced to the maximum period allowed under such rules of law, and for such purpose measuring lives shall be those of the incorporators of the Association.

23. INTERPRETATION

The provisions of this Declaration of Condominium shall be liberally construed to effectuate its purposes of creating a uniform plan for the operation of a condominium in accordance with the laws made and provided for same. The Board of Directors of the Association shall be responsible for interpreting the

provisions of this Declaration and of any of the exhibits attached hereto. Such interpretation shall be binding upon all parties unless wholly unreasonable. An opinion of counsel that any interpretation adopted by the Board is not unreasonable shall conclusively establish the validity of such interpretation.

24. MERGER

24.1 Procedure. This Condominium may be merged with one or more other condominiums (which may be located in the community in which this Condominium is located) to form a single condominium upon the approval of 80% of all the Unit Owners of the condominium and 80% of the Institutional Mortgagees (who hold a first mortgage upon a Unit) upon the recording of new or amended articles of incorporation, declarations and bylaws.

24.2 Ownership Interest. In the event a merger occurs the proportion or percentage by which the owner of a Unit or parcel shares in the Common Expenses and shares in the Common Surplus shall be readjusted such that the total number of Units in the merged condominium shall be the denominator and the numerator shall be "1" for determining such percentage of expenses and surplus. The ownership interest in the Common Elements shall be similarly adjusted.

25. RIGHTS OF DEVELOPER

Developer shall have the exclusive right to designate and elect all Directors of the Association until Developer elects to terminate its control of the Association, subject however to the following provisions for transfer of control of the Association.

When Unit Owners, other than the Developer, own 15% or more of the Units constituting a part of the Condominium Property that will be operated ultimately by the Association, the Unit Owners, other than the Developer, shall be entitled to elect no less than 1/3 of the members of the Board of Directors of the Association. Unit Owners, other than the Developer, shall be entitled to elect not less than a majority of the members of the Board of Directors of the Association upon the earlier to occur of the following:

- (a) 3 years after 50% of the Units that will be operated ultimately by the Association have been conveyed to purchasers;
- (b) 4 months after 75% of the units that will be operated ultimately by the Association have been conveyed to purchasers if the Federal Housing Administration or FNMA have guaranteed any of the mortgages which encumber a Unit;
- (c) 3 months after 90% of the Units that will be operated ultimately by the Association have been conveyed to purchasers;
- (d) 7 years after recordation of the Declaration of Condominium;
- (e) 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;
- (f) 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.
- (g) 3 years following conveyance of the first Unit in a single-phase project or five years following such conveyance in an expandable project, if the Federal Housing Association or FNMA have guaranteed any of the mortgages which encumber a Unit.

The Developer shall be 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% of the Units in the Condominium.

IN WITNESS WHEREOF, the Developer, Oakwood Land Associates, a Florida general partnership, has caused the execution of this Declaration of Condominium this 9th day of June 19 95.

WITNESSES:

 Type name: *Kim Abbott*

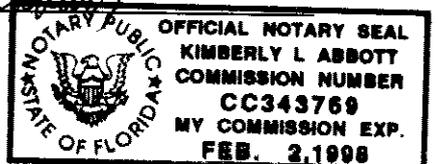
 Type name: *Beverly R. Wynn*

Oakwood Land Associates, a Florida general partnership
 BY: _____
 Felix J. Charlotte

STATE OF FLORIDA
COUNTY OF SARASOTA

The foregoing instrument was acknowledged before me this 9th day of June, 19 95, by Felix J. Charlotte as Managing General Partner of Oakwood Land Associates, a Florida general partnership, who is personally known to me or who has produced a drivers license as identification.

Notary Public - Type Name:
My Commission Expires:



MORTGAGEE'S JOINDER IN AND CONSENT TO FILING OF DECLARATION OF CONDOMINIUM

SOUTHTRUST BANK OF THE SUNCOAST, is the owner and holder of that certain mortgage dated December 24, 1994, recorded Jan. 12, 1995 in Official Records Book 1451, Page 327, as subsequently modified, of the Public Records of Manatee County, Florida, covering all or some portion of the real property located in Manatee County, Florida which is being dedicated to condominium ownership by this Declaration of Condominium. *and Mortgage dated December 29, 1994, recorded January 12, 1995 in Official Records Book 1451, Page 3289

For good and valuable consideration in hand paid by the record owner of said real property, receipt whereof is hereby acknowledged, the undersigned hereby specifically joins in and consents to the filing of the foregoing Declaration of Condominium of FERNWOOD, a Land Condominium and Mortgagee hereby agrees that the lien of its Mortgage shall hereinafter be upon all of the condominium property described therein and all of the appurtenances thereto, including, but not limited to, the undivided share of each unit in the common elements appurtenant to each of the units described therein.

DATED, this the 13th day of June, 1995

WITNESSES:

Bev Albritton (Signature and Name)

Evelyn Torres (Signature and Name)

SOUTHTRUST BANK OF THE SUNCOAST

By: William H. Keener, Jr. (Signature and Name)
Its Executive Vice President

(CORPORATE SEAL)

Address: P.O. Box 4705
Sarasota, FL 34230

STATE OF FLORIDA
COUNTY OF SARASOTA

The foregoing instrument was acknowledged before me this 13th day of June, 1995 by WILLIAM H. KEENER as the EXEC. VICE PRESIDENT of SOUTHTRUST BANK OF THE SUNCOAST. He or she is personally known to me or has produced as identification.

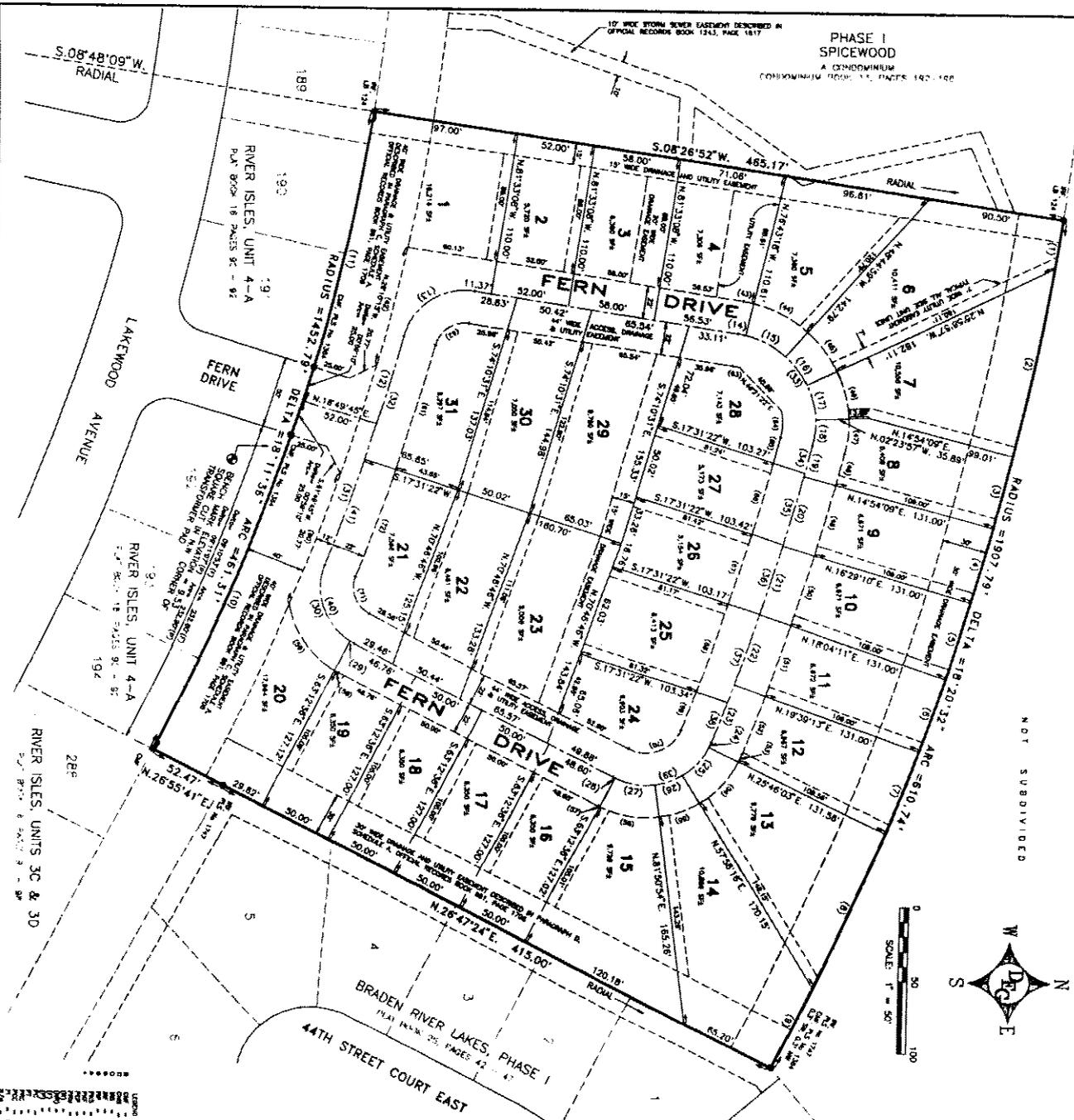
Beverley R. Albritton (Signature)
Notary Public - Type name: Beverley R. Albritton
My Commission Expires:



BEVERLEY R. ALBRITTON
MY COMMISSION # CC434102 EXPIRES
April 5, 1999
BONDED THRU TROY FAIN INSURANCE, INC.

FERNWOOD CONDOMINIUM
 A LAND CONDOMINIUM
 IN SECTION 28, TOWNSHIP 34 SOUTH, RANGE 18 EAST
 CITY OF BRADENTON, MANATEE COUNTY, FLORIDA

CONDOMINIUM BOOK **28** PAGE **138**
 SHEET **2** OF **2** SHEETS



CURVE TABLE

NO.	RADIUS	ARC	TANGENT	CHORD	CHORD BEARING
1	1907.78	0.01014	33.96	33.96	S 81° 02' 37" E
2	1907.78	0.03556	130.83	65.48	S 60° 01' 23" E
3	1907.78	0.12005	500.01	250.00	S 45° 00' 00" E
4	1907.78	0.27278	1123.07	562.17	S 33° 45' 58" E
5	1907.78	0.51302	1927.78	963.89	S 25° 00' 00" E
6	1907.78	0.74284	2618.81	1309.00	S 18° 45' 58" E
7	1907.78	0.96226	3136.56	1568.81	S 14° 00' 00" E
8	1907.78	1.17128	3518.81	1750.00	S 10° 00' 00" E
9	1907.78	1.37090	3796.56	1875.00	S 7° 15' 00" E
10	1907.78	1.56122	4000.00	1950.00	S 5° 45' 58" E
11	1907.78	1.74324	4140.00	2000.00	S 4° 30' 00" E
12	1907.78	1.91806	4227.78	2037.78	S 3° 45' 58" E
13	1907.78	2.08668	4272.78	2067.78	S 3° 00' 00" E
14	1907.78	2.24910	4287.78	2090.00	S 2° 45' 58" E
15	1907.78	2.40632	4272.78	2107.78	S 2° 30' 00" E
16	1907.78	2.55944	4230.00	2120.00	S 2° 15' 00" E
17	1907.78	2.70946	4162.78	2127.78	S 2° 00' 00" E
18	1907.78	2.85738	4075.00	2130.00	S 1° 45' 58" E
19	1907.78	2.99420	3970.00	2127.78	S 1° 30' 00" E
20	1907.78	3.12102	3850.00	2120.00	S 1° 15' 00" E
21	1907.78	3.23884	3717.78	2107.78	S 1° 00' 00" E
22	1907.78	3.34866	3567.78	2090.00	S 0° 45' 58" E
23	1907.78	3.45148	3405.00	2067.78	S 0° 30' 00" E
24	1907.78	3.54730	3232.78	2040.00	S 0° 15' 00" E
25	1907.78	3.63612	3055.00	2007.78	S 0° 00' 00" E
26	1907.78	3.71894	2875.00	1970.00	S 0° 15' 00" E
27	1907.78	3.79676	2695.00	1927.78	S 0° 30' 00" E
28	1907.78	3.86958	2517.78	1880.00	S 0° 45' 58" E
29	1907.78	3.93740	2345.00	1837.78	S 0° 55' 58" E
30	1907.78	4.00022	2180.00	1790.00	S 1° 05' 58" E
31	1907.78	4.05804	2025.00	1747.78	S 1° 15' 00" E

DARRELL E. GERKEN
 PROFESSIONAL LAND SURVEYOR
 No. 12345
 5754
 (813) 964-7463
 6825 9th Ave. N.W.
 Bradenton, FL 34209

EXHIBIT "B"

SCHEDULE OF SHARES

Each Unit shall have an equal 1/31 interest and share in the Common Elements and in Common Surplus and Expenses.

ARTICLES OF INCORPORATION OF
FERNWOOD PROPERTY ASSOCIATION, INC.
A FLORIDA CORPORATION NOT FOR PROFIT

The undersigned incorporator by these Articles forms a corporation not for profit pursuant to the laws of the State of Florida, and adopts the following Articles of Incorporation:

ARTICLE I. NAME; PRINCIPAL OFFICE; MAILING ADDRESS

The name of this corporation is FERNWOOD PROPERTY ASSOCIATION, INC. The principal office and mailing address of the Association is 4427 Fern Drive, Bradenton, Fl. 34208. For convenience, the corporation shall be referred to in this instrument as the "Association," these Articles of Incorporation as the "Articles" and the Bylaws of the Association as the "Bylaws."

ARTICLE II. TERM OF EXISTENCE

The Association shall have perpetual existence.

ARTICLE III. PURPOSE; POWERS

This Association is organized for the purpose of providing an entity under the Florida Condominium Act (the "Act") for the operation of a condominium located in Manatee County, Florida, and known as FERNWOOD, a Land Condominium (the "Condominium"), created pursuant to the Declaration of Condominium (the "Declaration"). The Association shall have the powers granted to a Property Association under the Florida Condominium Act and the powers granted to a not-for-profit corporation under the Florida Statutes.

ARTICLE IV. MEMBERS; DIRECTORS

The qualification of members and election of directors and the manner of their admission shall be as regulated by the Bylaws.

ARTICLE V. INITIAL REGISTERED OFFICE AND REGISTERED AGENT

The street address of the initial registered office of this corporation is 2033 Main Street, Suite 600, Sarasota, Fl. and the name of the initial registered agent of this corporation at that address is J. Geoffrey Pflugner.

ARTICLE VI. FIRST BOARD OF DIRECTORS

The number of persons constituting the first Board of Directors shall be three and their names and addresses are as follows:

NAME	ADDRESS
FELIX J. CHARLOTTE	4427 Fern Drive, Bradenton, Fl. 34208
JEFFREY E. CHARLOTTE	4427 Fern Drive, Bradenton, Fl. 34208
DONNA D. BADA	4427 Fern Drive, Bradenton, Fl. 34208

ARTICLE VII. INCORPORATORS

PREPARER: CHRIS CASWELL
2033 MAIN STREET, SUITE 600
SARASOTA, FL.
(813) 366-8100
FLA. BAR NO. 0371211

#H95000006420

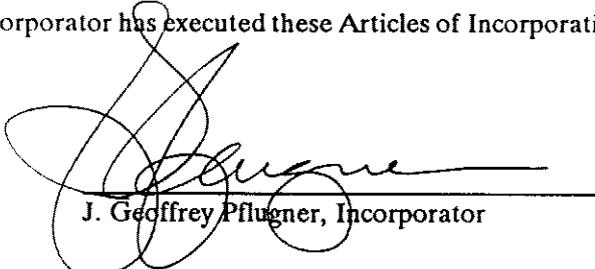
The name and address of the Incorporator is as follows:

NAME	ADDRESS
J. GEOFFREY PFLUGNER	2033 Main St., Suite 600 Sarasota, Fl. 34237

ARTICLE VIII. INDEMNITY

The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director, employee, officer or agent of the Association, against expenses (including attorneys fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement as long as actually and reasonably incurred by him in connection with such action, suit or proceeding, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for gross negligence or misfeasance or malfeasance in the performance of his duty to the Association, unless and only to the extent that the court in which such action or suit was brought shall determine upon application that despite the adjudication of liability, but in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interest of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

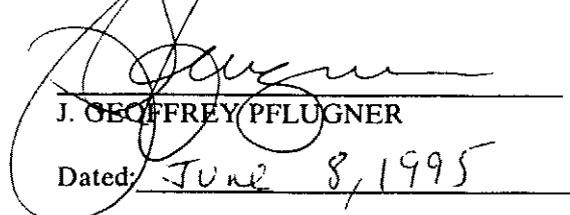
IN WITNESS WHEREOF the undersigned incorporator has executed these Articles of Incorporation on June 8, 1995.



J. Geoffrey Pflugner, Incorporator

ACCEPTANCE OF REGISTERED AGENT

Having been named as Registered Agent to accept service of process for FERNWOOD PROPERTY ASSOCIATION, INC., at the place designated in these Articles, I agree to act in this capacity and I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties.



J. GEOFFREY PFLUGNER
Dated: June 8, 1995

CKCC\ferwood\ferwood.aoi

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of FERNWOOD PROPERTY ASSOCIATION, INC., a Florida corporation, filed on June 9, 1995, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H95000006420. This certificate is issued in accordance with section 15.16, Florida Statutes, and authenticated by the code noted below.

The document number of this corporation is N95000002716.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Twelfth day of June, 1995

Authentication Code: 495A00028618-061295-N95000002716-1/1



CR2EO22 (2-91)

Sandra B. Northam

Sandra B. Northam
Secretary of State

BYLAWS OF

FERNWOOD PROPERTY ASSOCIATION, INC.

ARTICLE I. IDENTITY

These are the Bylaws of FERNWOOD PROPERTY ASSOCIATION, INC. (the Association), a corporation not for profit under the laws of the State of Florida, organized for the purpose of administering that certain condominium located in Manatee County, Florida, and known as FERNWOOD, A Land Condominium (the Condominium).

1.1 Principal office.

The principal office of the Association shall be at 4427 Fern Drive, Bradenton, Fl. or at such other place as may be designated by the Board of Directors.

1.2 Fiscal year.

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

1.3 Seal.

The seal of the Association shall bear the name of the Corporation, the word "Florida," the words, "corporation not for profit," and the year of incorporation.

1.4 Definitions.

For convenience, these Bylaws shall be referred to as the "Bylaws;" the Articles of Incorporation of the Association as the "Articles;" and the Declaration of Condominium for the Condominium as the "Declaration." The other terms used in these Bylaws shall have the same definitions and meaning as those set forth in F.S. Chapter 718, The Condominium Act (the Act), as well as those set forth in the Declaration and the Articles, unless provided to the contrary in these Bylaws, or unless the context otherwise requires.

1.5 Official Records and Minutes.

The Association shall maintain each of the items, which is applicable, identified within Section 718.111(12), F.S., to constitute the Official Records of the Association. Minutes of all meetings of the members and all meetings of the Board of Directors shall be kept in a book and such Official Records and minutes shall be available for inspection by Unit Owners and board members and their authorized representatives at all reasonable times. The right to inspect shall include the right to make or obtain copies, at the reasonable expense, if any, of the Unit Owner. The Association may adopt reasonable rules in writing regarding the frequency, time, location, notice, and manner of record inspections and copying. The Association shall maintain an adequate number of copies of the Declaration of Condominium, Articles of Incorporation, these Bylaws, and Association Rules, and all amendments to each of the foregoing, as well as the Question and Answer Sheet provided for in Section 718.504, F.S., on the Condominium property to ensure the availability to Unit Owners and prospective purchasers and may charge its actual costs for preparing and furnishing these documents to those requesting them. The Association shall update annually the Question and Answer Sheet. All minutes shall be retained for a period of not less than seven (7) years.

ARTICLE II. MEETINGS OF MEMBERS AND VOTING

2.1 Annual meeting.

The annual meeting of the members shall be held on the date and at the place and time as determined by the Board of Directors from time to time, provided that there shall be an annual meeting every calendar year and no later than 13 months after the last annual meeting. The purpose of the meeting shall be to elect directors and to transact any other business authorized to be transacted by the members.

2.2 Special meetings.

Except as provided in 2.5 and 2.6 of this Article, special meetings of the members shall be held at such places as provided for annual meetings and may be called by the President or by a majority of the Board of Directors of the Association, and must be called by the President or Secretary on receipt of a written request from at least 40% of the members of the Association entitled to vote at the meeting. Requests for a meeting by the members shall state the purpose for the meeting and business conducted at any special meeting shall be limited to the matters stated in the notice for it. The provisions of this section, as applicable, shall be modified by the provisions of F.S. §718.112.

2.3 Notice of all members' meetings.

Notice of all members' meetings stating the time and place and including the agenda for which the meeting is called shall be given by the President or Vice President or Secretary unless waived in writing. Such notice shall be in writing and sent to each member at his address as it appears on the books of the Association. The notice of all members' meetings shall be mailed or delivered not less than fourteen (14) continuous days prior to the date of the meeting. An officer of the Association shall execute an affidavit affirming that notices of the members' meeting were mailed or hand delivered to each Unit Owner in accordance with the Florida Condominium Act. This affidavit shall be included in the official records of the Association. In addition, a notice of the annual and each meeting of the membership shall be posted at a conspicuous place on the Condominium property at least fourteen (14) continuous days preceding the annual and each meeting of the members. Proof of posting shall be given by Affidavit. The notice of the annual meeting of the members must be sent by mail to each Unit Owner unless the particular Unit Owner has waived in writing the right to receive the notice of the annual meeting by mail. Upon notice to the members, the Board shall by duly adopted rule, designate a specific location on the Condominium property upon which all notices of Unit Owner meetings shall be posted. Where a unit is owned by more than one person, the Association shall provide notice, for meetings and all other purposes, to that one address which the Developer initially identified for that purpose and thereafter as one or more of the owners of the unit shall so advise the Association in writing, or if no address is given or the owners of the unit do not agree, to the address provided on the deed of record for the unit.

2.4 Notice of budget meeting.

The Board of Directors shall mail a notice and a copy of the proposed annual budget to the Unit Owners not less than 14 days before the meeting at which the Board will consider the budget.

2.5 Notice of meeting to consider excessive budget.

If a budget adopted by the Board of Directors requires assessment against the Unit Owners for any calendar year exceeding 115% of the assessment for the preceding year, the Board, on written application of 10% of the Unit Owners to the Board, shall call a special meeting of the Unit Owners giving notice of the meeting as required for a meeting of Unit Owners, stating the purpose of the meeting.

2.6 Notice of meeting to consider recall of Board members.

A special meeting of the Unit Owners to recall a member or members of the Board of Directors may be called by 10% of the Unit Owners giving notice of the meeting as required for a meeting of Unit Owners, stating the purpose of the meeting.

2.7 Notice of meeting to elect nondeveloper directors.

Notice of a meeting to elect a director or directors from Unit Owners other than the developer shall be given not less than 30 days nor more than 40 days before the meeting. The meeting may be called and notice given by any Unit Owner if the Association fails to do so.

2.8 Quorum.

Unless a lower number or no requirement of quorum is provided within these Bylaws, a quorum at meetings of members shall consist of persons entitled to cast, either in person or by proxy, a majority of the votes of the entire membership. Absentee ballots alone may not be counted in determining a quorum.

2.9 Voting.

(a) Number of votes.

In any meeting of members, the owners of units shall be entitled to cast one vote for each Unit Owned. The vote of a condominium unit is not divisible.

(b) Majority vote.

The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum is present shall be binding on all Unit Owners for all purposes unless the Act, the Declaration, the Articles, or these Bylaws require a larger or lesser percentage of vote, in which case that larger or lesser percentage shall control.

2.10 Membership-designation of voting member.

Persons or entities shall become members of the Association on the acquisition of fee title to a unit in the condominium after approval of the acquisition in the manner provided in the Declaration. Membership shall be terminated when a person or entity no longer owns a unit in the Condominium. If a unit is owned by more than one natural person, any record owner of the unit may vote in person or by proxy, provided that there shall be no more than one vote per unit. In the case of conflict among the owners of the unit, the vote for that unit shall not be counted as to the matter under consideration in which the conflict arose, and whether the conflict appears by vote in person or by proxy. Ballots may be cast for units owned by corporations or partnerships by a president, vice president, a partner, or any other person designated in a written certificate filed with the Secretary of the Association and signed by a president or vice president of a corporation or a partner of a partnership.

2.11 Proxies; Powers of Attorney.

Except as specifically otherwise provided herein, Unit Owners may not vote by general proxy, but may vote by limited proxies substantially conforming to the limited proxy form adopted by the Division of Florida Land Sales, Condominium, and Mobile Homes (DBR Form 33-033). Limited proxies and general proxies may be used to establish a quorum. Limited proxies shall be used for votes taken to waive or reduce reserves in accordance with Section 718.112(2) (f)2., Florida Statutes (F.S.); for votes taken to waive financial statement

requirements as provided by Section 718.111(14), F.S.; for votes taken to amend the Declaration pursuant to Section 718.110, F.S.; for votes taken to amend the Articles of Incorporation or these Bylaws pursuant to the provisions herein; and for any other matter for which Chapter 718, F.S., requires or permits a vote of the Unit Owners. No proxy, limited or general, shall be used in the election of members to the Board. General proxies may be used for other matters for which limited proxies are not required, and may also be used in voting for nonsubstantive changes to items for which a limited proxy is required and given. Notwithstanding the provisions hereof, Unit Owners may vote in person at Unit Owner meetings. Each proxy shall set forth specifically the name of the person voting by proxy and the name of the person authorized to vote the proxy for him. Each proxy shall contain the date, time and place of the meeting for which the proxy is given. If the proxy is a limited proxy, it shall set forth those items that the holder of the proxy may vote and the manner in which the vote is to be cast. The proxy shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings. No proxy shall be valid for a period longer than 90 days after the date of the first meeting for which it was given, and it may be revoked at any time at the pleasure of the Unit Owner executing it. The proxy shall be signed by the Unit Owner or owners (if more than one) or by the appropriate officer or partner of a corporation or partnership or other designated person mentioned in 2.11, or the duly authorized attorney-in-fact of that person or persons (provided the power of attorney is filed with the Secretary of the Association). The proxy shall be filed with the Secretary before or at the meeting for which the proxy is given. One holding a power of attorney from a Unit Owner, properly executed and granting such authority, may vote that unit.

2.12 Adjourned meetings.

If any meeting of members cannot be organized because a quorum is not present, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present. The time and place to which the meeting is adjourned shall be announced at the meeting at which the adjournment is taken and a notice shall be posted in a conspicuous place on the condominium property as soon thereafter as may be practical stating the time and place to which the meeting is adjourned.

2.13 Waiver of notice.

Unit Owners may waive their right to receive notice of any meeting, whether annual or special, by a writing signed by them to that effect. The waiver shall be filed with the Secretary of the Association either before, at, or after the meeting for which the waiver is given.

2.14 Action by members without a meeting.

Unless otherwise prohibited by law, Unit Owners may take action by written agreement without a meeting, as long as written notice is given to the Unit Owners in the manner prescribed elsewhere in these Bylaws appropriate to the subject matter to be agreed on, unless that notice is waived as provided in these Bylaws. The decision of a majority of the Unit Owners, or a larger percentage vote as otherwise may be required by the Act, the Declaration, the Articles or these Bylaws (the decision to be evidenced by written response to be solicited in the notice), shall be binding on the membership, provided a quorum submits a response. The notice shall set forth a time period within which responses must be made by the members.

2.15 Minutes of meetings.

The minutes of all meetings of Unit Owners shall be kept in a book available for inspection by Unit Owners or their authorized representatives, and Board members at any reasonable time. The minutes shall be retained by the Association for a period of not less than seven years. Unit Owners and their authorized representatives shall have the right to make handwritten notations from the minutes.

2.16 Order of business.

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

- (a) Call to order;
- (b) Election of a chairman of the meeting, unless the President or Vice President is present, in which case he shall preside;
- (c) Calling of the roll, certifying of proxies, determination of a quorum;
- (d) Proof of notice of the meeting or waiver of notice;
- (e) Reading and disposal of any unapproved minutes;
- (f) Reports of officers;
- (g) Reports of committees;
- (h) Appointment of inspectors of election;
- (i) Determination of number of directors;
- (j) Election of directors;
- (k) Unfinished business;
- (l) New business;
- (m) Adjournment

2.17 Actions specifically requiring Unit Owner votes.

The following actions require approval by the Unit Owners and may not be taken by the Board of Directors acting alone:

- (a) Amendments to the Declaration, except those made by the Developer and recording a certificate of surveyor.
- (b) Merger of two or more independent Condominiums of a single complex to form a single Condominium.
- (c) Purchase of land or recreation lease.
- (d) Cancellation of certain grants or reservations made by the Declaration, a lease or other document and any contract made by the Association before the transfer of control of the Association from the Developer to Unit Owners other than the Developer.
- (e) Exercise of Option to purchase recreational or other commonly used facilities lease.
- (f) Providing no Reserves, or less than adequate reserves.

(g) Recall of members of Board of Directors.

(h) Other matters contained in the Declaration, the Articles or these Bylaws that specifically require a vote of the members.

2.18 Proof of mailing. Any 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 or hand delivered in accordance with this provision, to each Unit Owner at the address last furnished to the Association.

2.19 Unit Owner meeting participation. Unit Owners shall have the right to participate in meetings of Unit Owners with reference to all designated agenda items. The Association may adopt reasonable rules in writing governing the frequency, duration, and manner of Unit Owner participation.

2.20 Tape recording or video taping of meetings. Any Unit Owner may tape record or video tape a meeting of the Unit Owners subject to such reasonable rules adopted by the Division of Florida Land Sales, Condominiums, and Mobile Homes, and such written rules as may be adopted in compliance therewith by the Board.

ARTICLE III. DIRECTORS

3.1 Number and qualifications.

The affairs of the Association shall be managed initially by a board of three directors selected by the Developer. When Unit Owners other than the Developer are entitled to elect a majority of the directors, the Board shall be composed of any odd number of directors that the Unit Owners may decide. The number of directors, however, shall never be less than three. Other than those selected by the Developer, directors must be either Unit Owners; tenants residing in the Condominium; officers of a corporate Unit Owner; or partners of a partnership Unit Owner. No director (except those selected by the Developer) shall continue to serve on the Board after he ceases to be a Unit Owner or tenant residing in the Condominium.

3.2 Election of directors.

The members of the Board shall be elected by written ballot or voting machine. Proxies shall in no event be used in electing the Board, either in general elections or elections to fill vacancies caused by recall, resignation, or otherwise, unless otherwise provided in Florida Statutes Chapter 718. Not less than sixty (60) days before a scheduled election, the Association shall mail or deliver, whether by separate Association mailing or included in another Association mailing or delivery including regularly published newsletters, to each Unit Owner entitled to vote, a First Notice of the date of the election. The Board shall hold a meeting within 5 days after the deadline for a candidate to provide notice to the association of intent to run. At this meeting, the Board shall accept additional nominations. Any Unit Owner or other eligible person may nominate himself or may nominate another Unit Owner or eligible person, if he has permission in writing to nominate the other person. Any Unit Owner or other eligible person desiring to be a candidate for the Board must give written notice to the Association not less than forty (40) days before a scheduled election. Not less than thirty (30) days before the election, the Association shall mail or deliver a Second Notice of the election to all Unit Owners entitled to vote therein, together with a ballot which shall list all candidates. Upon request of a candidate, the Association shall include an information sheet, no larger than 8 1/2 x 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 and copying to be borne by the Association. The voting procedures at such meeting shall be such as are consistent with provisions established within such rules adopted by the Division of Florida Land Sales, Condominiums, and Mobile Homes. 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. 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 reason stated in 101.051, F.S., 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, F.S. The regular election shall occur on the date of the annual meeting. Notwithstanding the provisions hereof, an election and balloting are not required unless more candidates file notices of intent to run or are nominated than vacancies exist on the Board.

3.3 Term.

Each director's term of service shall extend until the next annual meeting of the members and thereafter until his successor is duly elected and qualified or until he is removed in the manner provided in 3.5. The members, however, at any annual meeting after the Developer has relinquished control of the Association and in order to provide a continuity of experience, may vote to create classes of directorships having a term of one, two or three years so that a system of staggered terms will be initiated.

3.4 Vacancies.

Subject to the provisions of applicable statutes regarding the entitlement to representation on the Board by Developer and/or Unit Owners, only the Developer may vote, in person or by proxy, to fill a vacancy on the Board previously occupied by a Board member elected or appointed by that Developer, in which case a quorum for purposes of that vote shall consist of a majority of units owned by the Developer. Only Unit Owners other than Developer may vote, in person or proxy, to fill a vacancy on the Board previously occupied by a Board member elected or appointed by Unit Owners other than Developer, in which case a quorum for purposes of that vote shall consist of a majority of Unit Owners other than Developer. Any director elected to fill a vacancy shall hold office only until the next election of directors by the members, irrespective of the length of the remaining term of the vacating director.

3.5 Removal.

Any director, except those selected by the Developer, may be recalled and removed from office with or without cause by the vote or agreement in writing of a majority of all voting interests. A special meeting of the Unit Owners to recall a member or members of the Board of Directors may be called by 10% of the voting interests giving notice of the meeting as required in these Bylaws. The notice shall state the purpose of the meeting. Any vacancy on the Board of Directors thus created shall be filled by the members of the Association at the same meeting. If more than one director is subject to recall, there shall be a separate vote on the question to remove each director.

A. If the recall is approved by a majority of all voting interests by a vote at a meeting, the recall shall be effective as follows: the Board shall duly notice and hold a Board meeting within 5 full business days of the adjournment of the unit owner meeting to recall one or more Board members. At the meeting, the Board shall either certify the recall, in which case such member or members shall be recalled effective immediately and shall turn over to the Board with 5 full business days any and all records and property of the Association in their possession, or shall proceed as set forth in subparagraph C.

B. If the proposed recall is by an agreement in writing by a majority of all voting interests, 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 Administration shall duly notice and hold a meeting of the Board within 5 full business days after receipt of the agreement in writing. At the meeting, the Board shall either certify the written agreement to recall a member or members of the Board, in which case such member or members shall be recalled effective

immediately and shall turn over to the Board within 5 full business days, any and all records and property of the Association in their possession, or proceed as described in subparagraph C.

C. If the Board determines not to certify the written agreement to recall a member or members of the Board, or does not certify the recall by a vote at a meeting, the Board shall, within 5 full business days after the meeting, file with the Division a petition for binding arbitration pursuant to the procedures of F.S. 718.1255. 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 arbitration certifies the recall as to any member or members of the Board, the recall shall be effective upon mailing of the final order of arbitration to the Association. If the Association fails to comply with the order of the arbitrator, the Division may take action pursuant to F.S. 718.501. Any member or members so recalled shall deliver to the Board any and all records of the Association in their possession within 5 full business days of the effective date of the recall.

D. If the Board fails to duly notice and hold a Board meeting within 5 full business days of service of an agreement in writing or within 5 full business days of the adjournment of the Unit Owner recall meeting, the recall shall be deemed effective and the Board members so recalled shall immediately turn over to the Board any and all records and property of the Association.

E. During a meeting of Unit Owners to recall one or more members of a Board of Administration, the owners shall select and announce the name and address of a representative to receive pleadings, notices, or other papers on behalf of the petitioning Unit Owners in the event that the vote at the meeting is disputed and a petition for arbitration is filed. If a proposed recall is sought by written agreement, the agreement shall also designate a representative to receive pleadings, notices, or other papers on behalf of the Unit Owners executing the agreement in the event the Board of Administration determines not to certify the written agreement to recall and files a petition for binding arbitration.

F. Unless otherwise provided in the Declaration or Bylaws, the proposed recall of more than one member of the Board of Administration shall require a separate vote for each member sought to be recalled or, where recall is attempted by written agreement, a separate agreement is required for each member of the Board being recalled.

G. If a vacancy occurs on the Board as a result of a recall and less than a majority of the Board members are removed, the vacancy may be filled by the affirmative vote of a majority of the remaining directors, notwithstanding any provision to the contrary contained herein. If vacancies occur on the Board as a result of a recall and a majority or more of the Board members are removed, the vacancies shall be filled in accordance with procedural rules to be adopted by the Division of Condominiums.

3.6 Disqualification and resignation.

Any director may resign at any time by sending or personally delivering a written notice of resignation to the Association, addressed to the Secretary. The resignation shall take effect on receipt by the Secretary, unless it states differently.

3.7 Organizational meeting.

The organizational meeting of a newly elected Board of Directors shall be held within ten days of their election at a place and time that shall be fixed by the directors at the meeting at which they were elected and without further notice, except notice to Unit Owners required by F.S. 718.112(2)(c).

3.8 Regular meetings.

The Board of Directors may establish a schedule of regular meetings to be held at a time and place as a majority of them shall determine from time to time. Notice of regular meetings, however, shall be given to each director personally or by mail, telephone or telegraph, at least three days before the day named for the meeting.

3.9 Special meetings.

Special meetings of the Board of Directors may be called by the President and, in his absence, by the Vice President, and must be called by the Secretary at the written request of one third of the directors. Notice of the meeting shall be given personally or by mail, telephone or telegraph. The notice shall state the time, place and purpose of the meeting and shall be transmitted not less than three days before the meeting.

3.10 Waiver of notice.

Any director may waive notice of a meeting before, at or after the meeting and that waiver shall be deemed equivalent to the giving of notice. Attendance by any director at a meeting shall constitute a waiver of notice of the meeting, except when his attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

3.11 Notice to Unit Owners.

Notices of all meetings of the Board of Directors specifically identifying all agenda items shall be titled "To The Attention of All Unit Owners" and shall also be posted conspicuously on the Condominium property at least forty-eight (48) continuous hours preceding the meeting, except in an emergency. Any item not included on the notice may be taken up on an emergency basis by at least a majority plus one of the members of the Board. Such emergency action shall be noticed and ratified at the next regular meeting of the Board. Notice of any meeting in which regular assessments against Units or Unit Owners are to be considered for any reason shall contain a statement that assessments will be considered and the nature of any such assessments. Written notice of any meeting at which non-emergency special assessment, or at which amendment to rules regarding unit use will be proposed, discussed, or approved, shall be mailed or delivered to the Unit Owners and posted conspicuously on the Condominium property not less than fourteen (14) days prior to the meeting. Evidence of compliance with this fourteen (14) day notice shall be made by an affidavit executed by the Secretary and filed among the Official Records of the Association. Upon notice to the Unit Owners, the Board shall by duly adopted rule designate a specific location on the Condominium property upon which all notices of Board meetings shall be posted.

3.12 Quorum.

A quorum at the meetings of the directors shall consist of a majority of the entire Board of Directors. 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 is required by the Condominium Act, the Declaration, the Articles or these Bylaws. A Director who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless such Director votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest. No Director may vote by proxy or by secret ballot at a Board meeting except for the election of officers. A vote or abstention for each member present shall be recorded in the minutes of that meeting.

3.13 Adjourned meetings.

If there is less than a quorum present at any meeting of the Board of Directors, the majority of those present may adjourn the meeting until a quorum is present. The adjourned meeting shall be held after proper notice given in accordance with these Bylaws.

3.14 No proxy.

There shall be no voting by proxy or secret ballot at any meeting of the Board of Directors.

3.15 Joinder in meeting by approval of minutes.

A director may join in the action of a meeting by signing and concurring in the minutes of that meeting. That concurrence, however, shall not constitute the presence of that director for the purpose of determining a quorum.

3.16 Meetings open to members.

Meetings of the Board of Directors and any committee thereof at which a quorum of the members of that committee are present shall be open to all Unit Owners. When a telephone conference is used, a telephone speaker shall be attached so that the discussion may be heard by the Board members and by any Unit Owners present in an open meeting. Board members utilizing a telephone conference call may be counted toward obtaining a quorum and may vote over the telephone. The right to attend such meetings includes the right to speak at such meetings with reference to all designated agenda items; however, the Board may permit a Unit Owner to speak on items not specifically designated on the agenda and may adopt reasonable rules governing the frequency, duration, and manner of Unit Owner statements. Any Unit Owner may tape record or videotape meetings of the Board. Tape recording and videotaping of a meeting shall be in compliance with such reasonable rules as may have been adopted by the Division of Florida Land Sales, Condominium, and Mobile Homes and such written rules adopted by the Board. The Association may adopt reasonable rules in writing governing the frequency, duration, and manner of such Unit Owner statements.

3.17 Presiding officers.

The presiding officer at Board meetings shall be the President or, in his absence, the Vice President, and in his absence, the directors present shall designate any one of their number to preside.

3.18 Minutes of meetings.

The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by Unit Owners or their authorized representative and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven years. Unit Owners and their authorized representatives shall have the right to make written notations from the minutes.

3.19 Committees.

The Board of Directors, by resolution adopted by a majority of the full Board, may appoint an Executive Committee and one or more other committees comprised either of Board members, Unit Owners, or Board members and Unit Owners appointed by the Board, whose exercise of power shall be subject to the prior and subsequent approval of the Board of Directors. The Executive Committee shall have and may exercise all of the powers of the Board in the management of the business and affairs of the condominium during the intervals between the meetings of the Board insofar as may be permitted by law. The Executive Committee, however, shall not have power to: (a) determine the common expenses required for the operation

of the condominium; (b) determine the assessments payable by the Unit Owners to meet the common expenses of the condominium; (c) adopt or amend rules and regulations covering the details of the operation and use of the condominium property; (d) purchase, lease or otherwise acquire units in the condominium in the name of the Association; (e) approve or recommend to Unit Owners any actions or proposals required by the Act, the Declaration, the Articles or these Bylaws to be approved by Unit Owners; or (f) fill vacancies on the Board of Directors.

3.20 Compensation.

Directors shall serve without pay but shall be entitled to reimbursement for expenses reasonably incurred in the discharge of their duties. No Director shall solicit, offer to accept, or accept anything or service of value for which consideration has not been provided for his own benefit or that of his immediate family, from any person providing or proposing to provide goods or services to the Association. Any Director who knowingly so solicits, offers to accept, or accepts anything or service of value is subject to a civil penalty pursuant to Section 718.501(1)(d), F.S. However, this paragraph does not prohibit a Director from accepting services or items received in connection with trade fairs or education programs.

3.21 Order of business.

The order of business at meetings of directors shall be:

- (a) Calling of roll;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading and disposal of any unapproved minutes;
- (d) Reports of officers and committees;
- (e) Election of officers;
- (f) Unfinished business;
- (g) New business;
- (h) Adjournment

3.22 Election of directors by Unit Owners other than the Developer.

- (a) One third.

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.

- (b) Majority.

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) 4 months after 75% of the units that will be operated ultimately by the Association have been conveyed to purchasers if the Federal Housing Administration or FNMA have guaranteed any of the mortgages which encumber a Unit;

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

(iv) 7 years after recordation of the Declaration of Condominium;

(v) 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

(vi) 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.

(vii) 3 years following conveyance of the first Unit in a single-phase project or 5 years following such conveyance in an expandable project, if the Federal Housing Association or FNMA have guaranteed any of the mortgages which encumber a Unit.

Notwithstanding the foregoing, the provisions of the Declaration shall control if such provide for earlier turnover than as set forth in these Bylaws.

(c) Developer member.

The Developer is entitled to elect at least one member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business at least 5% of the units that ultimately will be operated by the Association, if that number shall be fewer than 500 units, and 2% if that number shall be more than 500 units.

(d) Election.

Within 75 days after the Unit Owners other than the Developer are entitled to elect a member or members of the Board of Directors, the Association shall call and give not less than 60 days' notice of an election for the members of the Board of Directors. The election shall proceed as provided in F. S. 718.112(2)(d). The notice may be given by any Unit Owner if the Association fails to do so.

(e) Relinquishment of control.

Either before or not more than 60 days after the time that Unit Owners other than the Developer elect a majority of the members of the Board of Directors, the Developer shall relinquish control of the Association and the Unit Owners shall accept control. Simultaneously, the Developer shall deliver to the Association all property of the Unit Owners and of the Association held or controlled by the Developer, including but not limited to those items specified in the Act.

(f) Compelling compliance.

In any action brought to compel compliance with F.S. 718.301 regarding transfer of Association control and election of directors by Unit Owners other than the Developer, the summary procedure provided for in F.S. §51.011 may be employed, and the prevailing party shall be entitled to recover reasonable attorneys' fees.

(g) Early transfer.

Nothing contained in this 3.21 shall be deemed to prevent the Developer from transferring control of the Association to Unit Owners other than the Developer before the occurrence of the events described in this section.

3.23 Failure to elect director quorum.

If the Association or the Board of Directors fails to fill vacancies on the Board of Directors sufficient to constitute a quorum, any Unit Owner may apply to the circuit court within whose jurisdiction the condominium is situated for the appointment of a receiver to manage the affairs of the Association, in the manner prescribed in the Act. If a receiver is appointed, the Association shall be responsible for the salary of the receiver, court costs, and attorneys' fees. The receiver shall have all the powers and duties of a duly constituted Board of Directors and shall serve until the Association fills vacancies on the Board sufficient to constitute a quorum.

ARTICLE IV. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association existing under the Act, the Declaration, the Articles and these Bylaws shall be exercised exclusively by the Board of Directors, or its duly authorized agents, contractors or employees, subject only to the approval by Unit Owners when that approval is specifically required. The powers and duties of the Board shall include, but shall not be limited to, the following:

4.1 Maintenance, management and operation of the condominium property.

4.2 Contract, sue or be sued.

After the Unit Owners are entitled to elect a majority of the Board of Directors of the Association, the Association may institute, maintain, settle or appeal actions or hearings in its name on behalf of all Unit Owners concerning matters of common interest, including but not limited to the common elements and commonly-used facilities. The statute of limitations for any actions in law or equity that the Association may have shall not begin to run until the Unit Owners have elected a majority of the members of the Board of Directors.

4.3 Right of access to units.

The Association has the irrevocable right of access to each unit during reasonable hours as necessary for the maintenance, repair or replacement of any common elements or for making emergency repairs necessary to prevent damage to the common elements or to another unit or units.

4.4 Make and collect assessments.

4.5 Lease, maintain, repair and replace the common elements

4.6 Lien and foreclosure for unpaid assessments.

The Association has a lien on each condominium parcel for any unpaid assessments with interest and for reasonable attorneys' fees incurred in the collection of the assessment or enforcement of the lien. It also has the power to purchase the condominium parcel at the foreclosure sale and to hold, lease, mortgage or convey it.

4.10 Acquire use interest in recreational facilities.

The Association may enter into agreements, acquire leaseholds, memberships and other possessory or use interests in lands or facilities, such as country clubs, golf courses, marinas and other recreational facilities, whether contiguous to the condominium property or not if: (a) they are intended to provide enjoyment, recreation or other use or benefit to the Unit Owners and (b) if they exist or are created at the time the Declaration was recorded, they are fully stated and described in the Declaration.

4.11 Authorize certain amendments.

If it appears that through a drafter's error in the Declaration that the common elements, common expenses or common surplus has been stated or distributed improperly, an amendment to the Declaration correcting that error may be approved by the Board of Directors or a majority of the Unit Owners. No Unit Owners except those directly affected must join in the execution of the amendment.

4.12 Adopt rules and regulations.

The Association may adopt reasonable rules and regulations for the use of the common elements, common areas and recreational facilities serving the Condominium.

4.13 Maintain accounting records.

4.14 Obtain insurance.

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

4.15 Furnish annual financial reports to members.

4.16 Give notice of liability exposure.

If the Association may be exposed to liability in excess of insurance coverage in any legal action, it shall give notice of the exposure to all Unit Owners, who shall have the right to intervene and defend.

4.17 Provide certificate of unpaid assessment.

Any Unit Owner, mortgagee or other record lienholder has the right to require from the Association a certificate showing the amount of unpaid assessments respecting the Unit Owner's condominium parcel.

4.18 Pay the annual fee to the Division of Florida Land Sales and Condominiums for each residential unit operated by the Association.

4.19 Approve or disapprove unit transfers and impose fees.

The Association may charge a present fee of up to \$50 in connection with the approval or disapproval of any proposed transfer, lease, sale or other disposition of a unit in the Condominium. However, if the approval is for a renewal of a lease or sublease with the same lessee or sublessee no charge shall be made.

4.20 Contract for maintenance and management of the Condominium.

4.21 Pay taxes or assessments against the common elements or Association property.

4.22 Pay costs of utilities services rendered to the Condominium and Association property and not billed directly to individual Unit Owners.

4.23 Employ personnel.

The Association may employ and dismiss personnel as necessary for the maintenance and operation of the Condominium property and may retain those professional services that are required for those purposes.

4.24 Impose fines.

Pursuant to Florida Statutes Section 718.303 (3), the Board of Directors may impose fines on Unit Owners (or Unit occupants, invitees, licensees) in such reasonable sums as they may deem appropriate, not to exceed the maximum amount allowed by statute, for violations of the Act, the Declaration, the Articles, these Bylaws and lawfully adopted rules and regulations, by owners or their guests or tenants. The Board may collect those fines in one or more installments. Each day of violation shall be a separate violation. No fine shall be imposed until the offending party (which always shall include the Unit Owner) has been given written notice of the violation and an opportunity to appear and be heard before the Board of Directors, which notice and hearing shall comply with F.A.C. 61B-23.005(1), and shall provide, at a minimum:

- (a) The party against whom the fine is sought to be levied shall be afforded an opportunity for hearing after reasonable notice of not less than fourteen (14) days and said notice shall include:
 - 1. A statement of the date, time and place of the hearing;
 - 2. A statement of the provisions of the declaration, association bylaws, or association rules which have allegedly been violated; and
 - 3. A short and plain statement of the matters asserted by the association.
- (b) The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the association.

The hearing must be held before a committee of other Unit Owners. If the committee does not agree with the fine, the fine may not be levied.

4.25 Suspend rights of delinquent Unit Owners.

Pursuant to Florida Statutes Section 718.106, the Board of Directors may not suspend the right of any Unit Owner, his tenants or guests, to use the recreation facilities of the Condominium as long as the Unit Owner is delinquent in the payment of assessments for common expenses.

4.26 Authorize private use of the common elements.

The Board of Directors may authorize Unit Owners or others to use portions of the common elements, such as social rooms and meeting rooms for private parties and gatherings, for which reasonable charges may be imposed.

4.27 Repair or reconstruct improvements after casualties.

4.28 Lien for labor and materials furnished to the common elements.

Labor performed on or materials furnished to the common elements, if authorized by the Board of Directors, may be the basis for the filing of a lien against all condominium parcels in the proportions for which the owners are liable for common expenses.

ARTICLE V. OFFICERS

5.1 Executive officers.

The executive officers of the Association shall be a President, who shall be a director, a Vice President, who shall be a director, a Treasurer, a Secretary and an Assistant Secretary. The officers shall be elected annually by the Board of Directors and may be removed without cause at any meeting by a vote of a majority of all of the directors. A person may hold more than one office except that the President may not also be the Secretary or Assistant Secretary. No person shall sign an instrument nor perform an act in the capacity of more than one office. The Board of Directors from time to time shall elect other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

5.2 President.

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

5.3 Vice President.

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

5.4 Secretary.

The Secretary shall keep the minutes of all proceedings of the notices to the members and directors and other notices required by law. He shall have custody of the seal of the Association and shall affix it to instruments requiring the 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 the secretary of an association and as may be required by the directors or the President.

5.5 Treasurer.

The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. He shall submit a Treasurer's report to the Board at reasonable intervals and shall perform all other duties incident to the office of treasurer. All money and other valuable effects shall be kept for the benefit of the Association in such depositories as may be designated by a majority of the Board.

5.6 Compensation.

The compensation, if any, of all officers and other employees of the Association shall be fixed by the Board of Directors. This provision shall not preclude the Board from employing a director as an employee of the Association or preclude the contracting with a director for the management of the Condominium. No officer shall solicit, offer to accept, or accept any thing or service of a value for which consideration has not been provided for his own benefit or that of his immediate family, from any person providing or proposing to provide goods or services to the Association. Any officer who knowingly so solicits, offers to accept, or accepts anything or service of a value is subject to a civil penalty pursuant to Section 718.501(1)(d), F.S. However, the provisions hereof do not prohibit an officer from accepting services or items received in connection with trade fairs or education programs.

ARTICLE VI. FISCAL MANAGEMENT

6.1 Board adoption of budget.

The Board of Directors shall adopt a budget for the common expenses of the Association in advance of each fiscal year at a special meeting of the Board called for that purpose at least 45 days before the end of each fiscal year.

6.2 Budget requirements.

The proposed annual budget of common expenses shall be detailed and shall show the amounts budgeted by accounts and expense classifications, including, when applicable, but not limited to:

- (a) Administration of the Association;
- (b) Management fees;
- (c) Maintenance;
- (d) Rent for recreational and other commonly used facilities;
- (e) Taxes on association property;
- (f) Taxes on leased areas;
- (g) Insurance;
- (h) Security provisions;
- (i) Other expenses;
- (j) Operating capital;
- (k) Fees payable to the Division of Florida Land Sales and Condominiums;
- (l) Reserve accounts for capital expenditures and deferred maintenance, including, but not limited to, roof replacement, building painting and pavement resurfacing. Reserves may be removed from the final budget if by vote of the majority of the total voting interests voting in person or by limited proxy at a duly called meeting of the Association they shall determine for a fiscal year to provide no reserves or reserves less adequate than required by F.S. 718.112(2)(f)2.

In addition, if the Association maintains limited common elements with the cost to be shared only by those entitled to use such limited common elements, the budget or a schedule attached to the budget shall show amounts budgeted therefor. The reserve accounts for capital expenditures and deferred maintenance shall include, but are not limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement costs, and for any other item for which the deferred maintenance expense or replacement cost exceeds ten thousand dollars (\$10,000.00). In computing the amount to be reserved, the Association may adjust such replacement reserve assessments annually to account for extension of the useful life of a reserve item caused by deferred maintenance. Such reserve funds and any interest accruing thereon shall remain in the reserve account for authorized reserve expenditures,

unless their use for other purposes is approved in advance by a vote of the majority of the voting interests present at a duly called meeting of the Association.

6.3 Member rejection of excessive budget.

If a budget adopted by the Board of Directors requires assessment against the Unit Owners in any fiscal year exceeding 115% of the assessment for the previous year, the Board, on written application of 10% of the Unit Owners shall call a special meeting of the Unit Owners within 30 days. The special meeting shall be called on not less than ten days' written notice to each Unit Owner. At the special meeting, Unit Owners shall consider and enact a budget by not less than a majority vote of all Unit Owners. Provisions for reasonable reserves for repair or replacement of all the Condominium property, nonrecurring expenses and assessments for betterment to the Condominium property shall be excluded from the computation in determining whether assessments exceed 115% of similar assessments in the previous year.

6.4 Alternative budget adoption by members.

At its option, for any fiscal year, the Board of Directors may propose a budget to the Unit Owners at a meeting of members or in writing. If the proposed budget is approved by the Unit Owners at the meeting or by a majority of all Unit Owners in writing, the budget shall be adopted.

6.5 Budget restraints on Developer.

As long as the Developer is in control of the Board of Directors, the Board shall not impose an assessment for any year greater than 115% of the previous year's assessment without approval of a majority of all Unit Owners.

6.6 Accounting records and reports.

The Association shall maintain accounting records in the county in which the Condominium is located, according to good accounting practices. The records shall be open to inspection by Unit Owners or their authorized representatives at reasonable times. The records shall include but are not limited to: (a) a record of all receipts and expenditures and (b) an account for each unit, designating the name and current mailing address of the Unit Owner, the amount of each assessment, the dates and amounts in which the assessments come due, the amount paid on the account and the balance due. Within 60 days after the end of each fiscal year, the Board of Directors shall mail or furnish by personal delivery to each Unit Owner a complete financial report of actual receipts and expenditures for the previous 12 months.

6.7 Depository.

The depository of the Association shall be those banks or savings and loan associations, state or federal, located in Florida, as shall be designated from time to time by the Board of Directors and in which the money for the Association shall be deposited. Withdrawal of money from those accounts shall be only by checks or other withdrawal instruments signed by those persons as are authorized by the directors. Reserve and operating funds of the Association may be commingled for purposes of investment, but separate ledgers must be maintained for each account.

6.8 Fidelity bonding.

Each person who controls or disburses funds of the Association shall be bonded by a fidelity bond. The cost of bonding shall be at the expense of the Association. The amount of the fidelity bond shall be as follows: if the Association's annual gross receipts do not exceed \$100,000.00, the bond shall be in the principal sum of not less than \$10,000.00 for each such person. If the Association's annual gross receipts exceed

\$100,000.00, but do not exceed \$300,000.00, the bond shall be in the principal sum of \$30,000.00 for each such person. If the Association's annual gross receipts exceed \$300,000.00, the bond shall be in the principal sum of not less than \$50,000.00 for each such person.

6.9 Annual election of income reporting method.

The Board of Directors shall make a determination annually, based on competent advice, whether it shall cause the Association's income to be reported to the Internal Revenue Service by the "regular" method (Federal Tax Form 1120), or the "alternative" method (Federal Tax Form 1120H), according to which method of reporting shall best serve the interests of the Association for the reporting period under consideration.

ARTICLE VII. ASSESSMENTS AND COLLECTION

7.1 Assessments, generally.

Assessments shall be made against the Unit Owners not less frequently than quarterly in the discretion of the Board of Directors. The assessments shall be made in an amount no less than required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. The assessment funds shall be collected against Unit Owners in the proportions or percentages provided in the Declaration. Unit Owners shares of common expenses shall be in the same proportions as their ownership interest in the common elements.

7.2 Emergency assessments.

Assessments for common expenses of emergencies that cannot be paid from the annual assessment for common expenses shall be made by the Board of Directors after 30 days notice given to the Unit Owners. These assessments shall be paid at the times and in the manner that the Board may require in the notice of assessment.

7.3 Other charges.

Charges by the Association against members for other than common expenses shall be payable in advance and may be collected along with common expenses. Charges for other than common expenses may be made only after approval of a member or when expressly provided for in the Declaration or other Condominium documents. These charges may include, without limitation, charges for the use of the Condominium property or recreation area, maintenance services furnished at the expense of a member and other services furnished for the benefit of a member.

7.4 Liability for assessments.

Each Unit Owner, regardless of how title is acquired, shall be liable for all assessments coming due while he is the Unit Owner. The Unit Owner and his grantee in a voluntary conveyance shall be jointly and severally liable for all unpaid assessments due and payable up to the time of the voluntary conveyance. The liability for assessments may not be avoided by waiver of the use or enjoyment of any common element or by abandonment of the unit for which the assessments are made.

7.5 Assessments, amended budget.

If the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors. Unpaid assessments for the remaining portion of the year for which an amended assessment is made shall be payable in as many equal installments as there are installment payment

dates remaining in the budget year as of the date of the amended assessment. The budget shall not be amended for emergency or special nonrecurring expenses.

7.6 Collection; interest, application of payment.

Assessments and installments on them, if not paid within ten days after the date they become due, shall bear interest at the rate of 18% per year. The Association may also assess a late charge on delinquent assessments in addition to such interest in an amount not to exceed the greater of twenty-five dollars (\$25.00) or five percent (5%) of each installment of the assessment for each delinquent installment that the payment is late. Any payment received shall be applied first to interest accrued, next to late charges, then to any costs and reasonable attorney's fees incurred in collection, and lastly to the delinquent assessment.

7.7 Lien for assessment.

The Association has a lien on each condominium parcel to secure the payment of assessments with interest and for reasonable attorneys' fees incurred by the Association incident to the collection of the assessment or enforcement of the lien. The claim of lien shall secure all unpaid assessments, interest, late charges, costs and attorneys' fees which are due and which may accrue subsequent to the recording of the claim of lien and prior to entry of a final judgment of foreclosure.

7.8 Collection suit, notice.

The Association may bring an action to foreclose any lien for assessment in the manner that a mortgage of real property is foreclosed. It also may bring an action to recover a money judgment for the unpaid assessment without waiving any claim of lien. The Association is entitled to recover its reasonable attorneys fees incurred in either a lien foreclosure action or an action to recover a money judgment for unpaid assessments. The Association shall give notice to the Unit Owner of its intention to foreclose its lien at least 30 days before the foreclosure action is filed. The notice shall be given by delivery of a copy of it to the Unit Owner or by certified mail, return receipt requested, addressed to the Unit Owner.

ARTICLE VIII. ASSOCIATION CONTRACTS, GENERALLY

8.1 Fair and reasonable cancellation.

Any contracts made by the Association before the Unit Owners assume control from the Developer must be fair and reasonable. All contracts for the operation, maintenance or management of the Association or property serving the Unit Owners, made by the Association, whether before or after assumption of control of the Association by the Unit Owners, must not be in conflict with the powers and duties of the Association or the rights of the unit owners. Contracts made by the Association before the Unit Owners assume control may be canceled by the Unit Owners after assumption of control in the manner and under the circumstances as provided in the Act.

Any contract that is not to be fully performed within one (1) year from its making or any contract for the purchase, lease, or renting of materials or equipment to be used by the Association in accomplishing its purposes under Chapter 718 and any contract for the provision of services shall be in writing. If a contract for the purchase, lease, or renting of materials or equipment or for the provision of services requiring payment by the Association exceeds 5% of the total annual budget of the Association, including reserves, the Association shall obtain competitive bids for the materials, equipment, or services. Nothing contained herein shall be construed to require the Association to accept the lowest bid. Notwithstanding the foregoing, contracts with employees of the Association which does not include managers hired by the Association licensed or required to be licensed pursuant to Section 468.431, F.S., and contracts for attorney's, accountant's, architect's, engineer's and landscape architect's services shall not be subject to the provisions hereof. Nothing

contained herein is intended to limit the ability of the Association to obtain needed products and services in an emergency. The provisions hereof shall not apply if the business entity with which the Association desires to enter into a contract is the only source of supply within the county serving the Association. However, nothing contained herein shall excuse a party contracting to provide maintenance or management services from compliance with Section 718.3025, F.S. If allowed under applicable statute, the Association may waive the requirement of this paragraph as provided in such statute.

8.2 Vending equipment.

The Developer may obligate the Association under lease agreements or other contractual arrangements for vending equipment. The leases or agreements for the vending equipment may not be subject to cancellation by Unit Owners other than the Developer if the vending equipment leases or agreements contain certain provisions as prescribed by the Act.

8.3 Escalation clauses in management contracts prohibited.

No management contract entered into by the Association shall contain an escalation clause, since they have been declared to be against the public policy of the State of Florida.

8.4 Requirements for maintenance and management contracts.

Written contracts for operation, maintenance and management entered into by the Association must contain certain elements in order to be valid and enforceable. These include, but are not limited to:

- (a) Specification of the services, obligations and responsibilities of the service provider.
- (b) Specification of costs for services performed.
- (c) An indication of frequency of performance of services.
- (d) Specification of minimum number of personnel to provide the services contracted for.
- (e) The disclosure of any financial or ownership interest that the Developer has in the service provider, if the Developer is in control of the Association.

ARTICLE IX. ROSTER OF UNIT OWNERS AND MORTGAGEES

Each Unit Owner shall file with the Association a copy of the deed or other instrument showing his ownership, together with a copy of any mortgage on his unit and any satisfaction of that mortgage. The Association shall maintain these documents in a suitable binder for reference as required in the exercise of its powers and duties.

ARTICLE X. COMPLIANCE AND DEFAULT

10.1 Violations, notice, actions.

In the case of a violation (other than the nonpayment of an assessment) by a Unit Owner of any of the provisions of the Act, the Declaration, the Articles, these Bylaws or any lawfully adopted rules and regulations, the Association by direction of its Board of Directors may transmit to the Unit Owner by certified mail, return receipt requested, a notice of the violation. If the violation shall continue for a period of 30 days

from the date of the notice, the Association shall have the right to treat the violation as an intentional and material breach of the provision cited in the notice. It then, at its option, may take the following actions:

- (a) File an action to recover for its damages on behalf of the Association or on behalf of other Unit Owners.
- (b) File an action for injunctive relief requiring the offending Unit Owner to take or desist from taking certain actions.
- (c) File an action for both damages and injunctive relief.

A Unit Owner may bring an action against the Association for damages, injunctive relief, or both, if the Association fails to comply with the provisions of the Act, the Declaration, the Articles, these Bylaws or the rules and regulations.

The foregoing action may be taken in addition to the Association's right to impose fines under 4.24 of these Bylaws.

10.2 Attorneys' fees.

In any action brought pursuant to the provisions of 10.1, the prevailing party is entitled to recover reasonable attorneys' fees. As used in these Bylaws or in the Declaration, attorneys' fees shall include fees incurred in all appeals and in bankruptcy and any legal assistants' fees associated therewith.

10.3 No waiver of rights.

Neither a Unit Owner nor the Association may waive a provision of the Act if that waiver would adversely affect the rights of a Unit Owner or the purposes of the provision, except that Unit Owners or Board members may waive notice of specific meetings in writing.

10.4 Certificate of Compliance.

A certificate of compliance from a licensed electrical contractor or electrician may be accepted by the Association's Board as evidence of compliance of the Condominium Units to the applicable Fire and Life Safety Code.

XI. ARBITRATION OF INTERNAL DISPUTES

Mandatory non-binding arbitration as provided for in Section 718.1255, F.S., shall be conducted respecting disputes as defined therein.

ARTICLE XII. LIABILITY SURVIVES MEMBERSHIP TERMINATION

Termination of membership in the Association shall not relieve or release a former member from any liability or obligation incurred with respect to the Condominium during the period of membership, nor impair any rights or remedies that the Association may have against the former member arising out of his membership and his covenants and obligations incident to that membership.

ARTICLE XIII. LIMITATIONS ON UNIT OWNER LIABILITY FOR USE
OF COMMON ELEMENTS

Each Unit Owner may be personally liable for the acts or omissions of the Association relating to the use of the common elements. That liability shall be shared with other Unit Owners in the same percentages as their respective interests in the common elements. No individual Unit Owner's liability shall exceed the value of his unit.

ARTICLE XIV. PARLIAMENTARY RULES

ROBERTS' RULES OF ORDER (latest edition) shall govern the conduct of the Association's meetings when not in conflict with the Act, the Declaration, the Articles or these Bylaws.

ARTICLE XV. RULES AND REGULATIONS

15.1 Board may adopt.

The Board of Directors may adopt and amend, from time to time, reasonable rules and regulations governing the details of the use and operation of the common elements, common areas and recreational facilities serving the Condominium.

15.2 Posting and furnishing copies.

A copy of the rules and regulations adopted from time to time by the Board of Directors, and any amendments to existing rules and regulations, shall be posted in a conspicuous place on the Condominium property and a copy furnished to each Unit Owner. No rule, regulation or amendment shall become effective until 30 days after posting, except in the case of an emergency, in which case the rule, regulation or amendment shall become effective immediately on posting.

15.3 Limitations on authority.

The Board of Directors may not unreasonably restrict any Unit Owner's right to peaceably assemble or right to invite public officers or candidates for public office to appear and speak in common elements, common areas and recreational facilities. The Board may not deny any resident of the Condominium, whether tenant or owner, access to any available franchised or licensed cable television service or exact a charge or anything of value in excess of charges normally paid for like services any residents of single-family homes within the same franchise or license area.

15.4 Reasonableness test.

Any rule or regulation created and imposed by the Board of Directors must be reasonably related to the promotion of the health, happiness and peace of mind of the Unit Owners and uniformly applied and enforced.

ARTICLE XVI. RESTRICTIONS ON AND REQUIREMENTS FOR
USE, MAINTENANCE AND APPEARANCE OF THE UNITS

16.1 Where contained.

Restrictions on the use, maintenance and appearance of the individual condominium units shall be as stated in the Declaration and no amendments or additions shall be contained elsewhere than in the Declaration as adopted by a vote of the Unit Owners in the manner prescribed elsewhere in these Bylaws.

16.2 Tests for validity of restricting.

Restrictions contained in the Declaration and any amendments duly adopted by a vote of the Unit Owners shall be valid and in the nature of covenants running with the land, unless it is shown that they: (1) are wholly arbitrary in their application; (2) are in violation of public policy; or (3) abrogate some fundamental constitutional rights.

ARTICLE XVII. BYLAWS DEEMED AMENDED

These Bylaws shall be deemed amended in those particulars as may be required to make them consistent with the provisions of the Act, as it may be amended from time to time.

ARTICLE XVIII. PRIORITIES IN CASE OF CONFLICT

In the event of conflict between or among the provisions of any of the following, the order of priorities shall be, from highest priority to lowest:

- (a) The Act
- (b) The Declaration
- (c) The Articles
- (d) These Bylaws
- (e) The Rules and Regulations

ARTICLE XIX. INDEMNIFICATION

Every officer and director of the Association shall be indemnified by the Association against all expenses and liabilities, including reasonable attorneys fees incurred and imposed in connection with any proceedings to which he may be a party, or in which he may become involved by reason of his being or having been an officer or director of the Association, whether or not he is an officer or director at the time the expenses are incurred. The officer or director shall not be indemnified if he is adjudged guilty of gross negligence or willful misconduct or shall have breached his fiduciary duty to the members of the Association. The Association shall not be liable, however, for payment of a voluntary settlement unless it is first approved by the Board of Directors. The foregoing rights shall be in addition to and not exclusive of all other rights to which the director or officer may be entitled.

ARTICLE XX. DEFECTIVE CONDOMINIUM DOCUMENTS
CURATIVE PROVISIONS

The Association or a Unit Owner may petition the circuit court having jurisdiction in the county in which the condominium property is situated to correct an error or omission in the Declaration or any other documents required to establish the Condominium, affecting its valid existence, and which errors or omissions are not correctable by the amendment procedures in the Declaration or the Act. In any case, after three years from the filing of the Declaration, it shall be deemed to be effective under the Act to create a condominium, whether in fact it substantially complies with the mandatory requirements of the Act or not.

ARTICLE XXI. AMENDMENTS

Amendments to these Bylaws shall be proposed and adopted in the following manner:

21.1 Notice.

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

21.2 Adoption.

An amendment may be proposed either by a majority of the Board of Directors or by not less than one third of the members of the Association. The amendment shall be adopted if it is approved either by: (a) not less than a majority of the votes of the entire membership of the Association and by not less than two thirds of the Board of Directors; or (b) by not less than 75% of the votes of the entire membership of the Association.

21.3 Limitation.

No amendment shall be made that is in conflict with the Act or the Declaration, nor shall any amendment abridge, alter or amend the rights of the developer or mortgagees of units without their consent.

21.4 Recording.

A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of the Declaration and Bylaws. The certificate shall be executed by the President or Vice President and attested by the secretary or Assistant Secretary of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the public records of the county, with the book and page of the Public Records where the Declaration of Condominium operated by the Association is recorded being identified on the first page thereof.

21.5 Format.

Proposals to amend existing Bylaws shall contain the full text of the Bylaws to be amended. New words shall be underlined and words to be deleted shall be lined through with hyphens. If the proposed change is so extensive that this procedure would hinder rather than assist understanding, a notation must be inserted immediately preceding the proposed amendment saying "SUBSTANTIAL REWORDING OF BYLAW. SEE BYLAW NUMBER _____ FOR PRESENT TEXT."

ARTICLE XXII. CONSTRUCTION

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

The foregoing were adopted as the Bylaws of FERNWOOD PROPERTY ASSOCIATION, INC., on the 9th day of June, 1995.

FERNWOOD PROPERTY ASSOCIATION, INC.

By [Signature]
President

Attest [Signature]
Secretary