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**DECLARATION OF CONDOMINIUM
FOR
GALIA AT LOST KEY MARINA & YACHT CLUB, A CONDOMINIUM**

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WCI Communities, Inc., a Delaware corporation, hereby declares as follows:

Section 1: Introduction And Submission

1.1 The Land. The Developer owns the fee title to certain land located in Escambia County, Florida, as more particularly described in Exhibit No. 1 hereto (the "Land").

1.2 Submission Statement. The Developer hereby submits (a) the Land together with all improvements from time to time erected or to be installed thereon, (b) the easements contained in that certain Declaration and Grant of Easements recorded in Official Records Book 6097, Page 1824, public records of the County ("Declaration and Grant of Easements"), (c) the easements contained in that certain Master Declaration for Lost Key Marina & Yacht Club recorded in Official Records Book 6097, Page 1877, public records of the County ("Master Declaration"), and (d) the easements contained in that certain Avigation Easement recorded in Official Records Book 5722, Page 1062, public records of the County ("Avigation Easement"), to the condominium form of ownership and use in the manner provided for in the Florida Condominium Act as it exists on the date hereof, subject to the reservations, easements and restrictions of record.

1.3 Property Subject to Certain Restrictions and Easements. The Condominium Property (as defined hereinafter) is subject to the covenants, conditions, restrictions, and reserved rights of the Developer contained in this Declaration. The Condominium Property also is subject to (a) the Declaration and Grant of Easements; (b) the terms, covenants, conditions, restrictions and easements contained in the Master Declaration; (c) the Avigation Easement; (d) declaration to public use of rights of way as shown on the Plat of Quinavista, recorded in Plat Book 2, Page 68, public records of the County; (e) Easement in favor of Gulf Power Company contained in instrument recorded July 7, 1949, Deed Book 298, Page 511, public records of the County; (f) oil, gas, mineral or other reservations as set forth in deed by Frank Kidder Hubbard, et al recorded in Official Records Book 1336, Page 116, public records of the County; (g) oil, gas, mineral or other reservations as set forth in deed by Ignatius C. Quina and Bertha N. Quina recorded in Official Records Book 903, Page 756, public records of the County; (h) oil, gas, mineral or other reservations as set forth in deed by Frank H. Hubbard and Lucille A. Hubbard recorded in Official Records Book 988, Page 926, public records of the County, Florida; (i) terms and conditions of that certain Sovereignty Submerged Lands Lease recorded in Official Records Book 5268, Page 978, as modified by assignment recorded in Official Records Book 5511, Page 1347, and by modification recorded in Official Records Book 5560, Page 154, all of the public records of the County; (j) rights of the public, State of Florida, municipality and public or quasi public utility companies to that portion of Turner Street not vacated by Resolution 101 recorded in Official Records Book 5455, Page 1796, of the public records of Escambia County; (k) Utility Easement in favor of Emerald Coast Utilities Authority recorded in Official Records Book 6096, Page 1883, public records of the County; (l) Utility Easement in favor of Emerald Coast Utilities Authority recorded in Official Records Book 6096, Page 1887, public records of the County; and (m) that certain Amenities Declaration for Lost Key Marina & Yacht Club recorded in Official Records Book 6097, Page 1847, public records of the County; (n) such other easements as shown on the Condominium Plat, on any subdivision plat which impacts the Condominium Property, as contained in any future amendments to this Declaration, or as declared by the Developer pursuant to reserved rights contained herein; and (o) all other instruments of record which were in existence prior to recording of this Declaration.

1.4 Name. The name by which this condominium is to be identified is GALIA AT LOST KEY MARINA & YACHT CLUB, A CONDOMINIUM (the "Condominium").

1.5 Development Matters. Unless specifically defined in this Section, all defined terms contained in this Section shall refer to those definitions contained hereinafter. The Community is primarily a residential development containing residential condominium units. However, there will also be owners and

lessees of wet boat slips contained within a marina facility and dry storage boat condominium units contained within the Community, which shall be provided pursuant to and governed by the Amenities Declaration. The wet boat slips in the marina facility are available to residents of the Condominium as well as the general public on a first-come, first-served basis. All users of the wet slips will be required to pay use fees as required by the entity charged with maintenance of the marina facilities. In the event that members of the general public take advantage of this first-come, first-served availability and become authorized users of the wet boat slips of the marina facility, such individuals shall have the right to park in and walk across pre-designated areas of the Community's common areas to access the marina facilities. In no manner shall any additional development within the Community result in any limitation on the rights of the general public to access and use the marina facilities on a first-come, first-served basis.

The Community may also contain other uses desired or deemed appropriate by WCI Communities, Inc. as declarant under the Master Declaration. There are also or may be certain recreational and other ancillary facilities contained within the Community.

Each Unit Owner, by virtue of taking title to a Unit, consents to and understands that (a) WCI Communities, Inc. has certain rights, obligations and privileges under the Master Declaration and the Amenities Declaration which pertain to the present and future development of the Community, and (b) the marina facilities may be used by members of the general public.

Section 2: Definitions

For purposes of this Declaration and the exhibits attached hereto, the following terms shall have the respective meanings ascribed to them in this Section, except where the context clearly indicates a different meaning or a specific limited meaning is detailed:

2.1 "Act" or "Condominium Act" or "Florida Condominium Act" means the Florida Condominium Act (Chapter 718, Florida Statutes) as it exists on the date hereof.

2.2 "Articles" or "Articles of Incorporation" means the Articles of Incorporation of the Association, as amended from time to time. A certified copy of the original Articles of Incorporation is attached hereto as Exhibit No. 2.

2.3 "Assessment," as further described and defined in Sections 13 and 14 hereof, means a share of the funds required for the payment of the Common Expenses as provided in the Condominium Documents and which from time to time is assessed against the Unit Owner.

2.4 "Association" means GALIA AT LOST KEY MARINA & YACHT CLUB CONDOMINIUM ASSOCIATION, INC., a Florida corporation not-for-profit, the sole entity responsible for the operation of the Condominium. Where utilized herein or in the exhibits attached hereto, the term "Corporation" shall be deemed to be synonymous with the term "Association." The Association is and shall be considered to be a "Subdivision Association" (as such term is defined) under the Master Declaration.

2.5 "Association Property" means the property, real and personal, in which title or ownership is vested in, or which is dedicated on a recorded plat or leased to, the Association for the use and benefit of its members.

2.6 "Board of Directors" or "Board" means the board of directors of the Association.

2.7 "Building" means the structure in which the Units and certain of the Common Elements are located on the Condominium Property.

2.8 "By-Laws" mean the By-Laws of the Association, as amended from time to time. A copy of the original By-Laws is attached hereto as Exhibit No. 3.

2.9 "Common Elements" mean and include: (a) the portions of the Condominium Property which are not included within the Units; (b) easements over, under, across, and through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility and other services to the Units and the Common Elements; (c) an easement of support in every portion of a Unit which contributes to the support of the Unit or other improvements on all other Units, Common Elements or Limited Common Elements; (d) the property and installations required for the furnishing of utilities and other services to more than one (1) Unit or to the Common Elements; (e) any hallways, foyers, doors, elevators, stairwells, alarm systems, access systems, or security systems not contained within a specific Unit; (f) to the extent applicable, any guest suites located within the Building; (g) to the extent applicable, any manager's residence contained within the Building; (h) all portions of the stormwater management system for the Condominium as described more fully in the Development Order; and (i) any other parts of the Condominium Property designated as Common Elements pursuant to this Declaration or the Act.

2.10 "Common Expenses" mean all expenses incurred by the Association to accomplish its duties as contemplated by this Declaration and the Act which shall be assessed or imposed against Units in the Condominium by the Association as authorized by the Act. "Common Expenses" shall include the cost of any duly franchised cable television service obtained pursuant to a bulk contract. For all purposes of this Declaration, "Common Expenses" also shall include all reserves required by the Act or otherwise established by the Association, regardless of when reserve funds are expended.

2.11 "Common Surplus" means the excess of all receipts of the Association collected on behalf of the Association, including, but not limited to, Assessments, rents, profits and revenues on account of the Common Elements, over and above the amount of the Common Expenses.

2.12 "Community" means the master planned community development project known as Lost Key Marina & Yacht Club, as more particularly defined in the Master Declaration.

2.13 "Condominium Documents" means collectively this Declaration, the Articles of Incorporation and By-Laws of the Association, and any other documents governing or imposing an obligation upon the Association.

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

2.15 "Condominium Plat" means the condominium drawings required by Section 718.104 of the Act and constituting Exhibit No. 1 hereto.

2.16 "Condominium Property" means the Land and improvements constructed thereon which have been submitted to condominium ownership under this Declaration, subject to the limitations thereof and exclusions therefrom.

2.17 "County" means Escambia County, State of Florida.

2.18 "Declaration" or "Declaration of Condominium" means this instrument, as it may be amended from time to time.

2.19 "Developer" means WCI Communities, Inc., a Delaware corporation, and its successors and such of its assigns as to which its rights hereunder are assigned by written instrument recorded in the public records of the County. Such assignment may be made on an exclusive or non-exclusive basis and

may be an assignment of all or only portions of its rights of Developer hereunder; provided, however, that no such assignment shall make any assignee the "Developer" for purposes hereof unless such assignment is an assignment of all of Developer's rights hereunder and is exclusive, except as to any previously assigned rights.

2.20 "Development Order" means Escambia County Development Order No. _____, as has been or may be amended from time to time, together with any other development order(s) as may be issued from time to time by the County for the Property.

2.21 "Institutional First Mortgagee" means a bank, savings and loan association, insurance company, credit union, real estate or mortgage investment trust, pension fund, an agency of the United States Government, mortgage banker, the Federal National Mortgage Association ("FNMA"), the Federal Home Loan Mortgage Corporation ("FHLMC") or any other lender generally recognized as an institutional lender, or the Developer, holding a first mortgage on a Unit or Units. A "Majority of Institutional First Mortgagees" shall mean and refer to Institutional First Mortgagee(s) of Units with regard to at least 51% of the voting interests which are appurtenant to Units subject to mortgages held by Institutional First Mortgagees.

2.22 "Limited Common Elements" mean those Common Elements, the use of which is reserved to a certain Unit or Units to the exclusion of other Units and as shown on the Condominium Plat or otherwise specified in this Declaration. References herein to Common Elements also shall include all Limited Common Elements unless the context would prohibit or it is otherwise expressly provided.

2.23 "Management Agreement" means and refers to an agreement entered into between the Association and a Management Firm which provides for the operation and administration of the Condominium and the management of the Condominium Property. The initial Management Agreement is attached to this Declaration as Exhibit No. 5.

2.24 "Management Firm" means and refers to Meyer Real Estate of Florida and its successors and assigns, or any person or entity contracted by the Association to perform management functions for and on behalf of the Association. The Management Firm shall be responsible for the management services as provided in the Management Agreement.

2.25 "Master Association" means and refers to the Lost Key Marina & Yacht Club Master Association, Inc., a Florida corporation not-for-profit, and its successors and assigns. The Master Association is the operational entity responsible for certain obligations and duties prescribed in the Master Declaration and the exhibits attached thereto, as well as any rules and regulations duly promulgated by the Master Association. The Master Association is not the same entity as the Association.

2.26 "Primary Institutional First Mortgagee" means the Institutional First Mortgagee which owns, at the relevant time, Unit mortgages securing a greater aggregate indebtedness than is owed to any other Institutional First Mortgagee.

2.27 "Rules and Regulations" means the rules and regulations duly promulgated by the Association from time to time. The initial Rules and Regulations are contained in Exhibit No. 4 attached hereto and made a part hereof, and there shall be no requirement that modifications to such initial Rules and Regulations be recorded in the public records of the County.

2.28 "Unit" or "Condominium Unit" means and refers to that portion of the Condominium Property which is subject to exclusive ownership and is referred herein to each of the separate and identified Units delineated in the Condominium Plat. The physical boundaries of each Unit are as delineated in the Condominium Plat and are as more particularly described in Section 3.2 of this

Declaration. The term "Unit" is often used synonymously herein with "Condominium Parcel" when meaning the sum total of an Owner's ownership interest in the Condominium.

2.29 "Unit Owner" or "Owner of a Unit" or "Owner" means the record owner of legal title to a Condominium Parcel.

Section 3: Description Of Condominium

3.1 Identification of Units. The Condominium shall contain 70 Units contained within one Building. Each Unit in the Condominium shall be identified by a separate numerical designation as shown on the Condominium Plat, which exists as Exhibit No. 1 hereto, and which consists of a survey of the Land, a graphic description of the improvements located thereon (including the Units and the Building in which the Units are located), and a plot plan thereof. The Condominium Plat, together with this Declaration, is sufficient in detail to identify the Common Elements and each Unit and their relative locations and dimensions. There shall pass with a Unit as appurtenances thereto: (a) an undivided share in the Common Elements and Common Surplus; (b) the exclusive right to use such portion of the Common Elements as may be the Limited Common Elements for such Unit; (c) an exclusive easement for the use of the air space occupied by the Unit as it exists at any particular time and as the Unit may lawfully be altered or reconstructed from time to time, provided that an easement in air space which is vacated shall be terminated automatically; (d) membership in the Association with the full voting rights appurtenant thereto; and (e) other appurtenances as may be provided by this Declaration or the Act. The Condominium is not a phase condominium under Section 718.403 of the Act. Timeshare estates or interests will not be created with respect to any of the Units in the Condominium.

3.2 Unit Boundaries. Each Unit shall include that part of the Building that lies within the following boundaries:

(a) Upper and Lower Boundaries. The upper and lower boundaries of the Unit shall be the following boundaries extended to their intersections with the perimeter boundaries:

(i) Upper Boundaries. The horizontal plane of the unfinished lower surface of the ceiling of the Unit.

(ii) Lower Boundaries. The horizontal plane of the unfinished upper surface of the floor of the Unit.

(b) Perimeter Boundaries. The perimeter boundaries of the Unit shall be the vertical planes of the unfinished interior surfaces of the drywall walls bounding the Unit as depicted on the Condominium Plat extended to their intersections with each other and with the upper and lower boundaries.

(c) Interior Walls. No portion of the non-structural interior partition walls within a Unit shall be considered part of the boundary of a Unit.

(d) Additional Items Included within the Units. To the extent the following items exist for the use of a Unit, such items shall be considered to be a part of the Unit, regardless of whether or not such item in whole or in part exists within the physical boundaries described above:

(i) all kitchen items and fixtures, including, but not necessarily limited to, ovens, refrigerators, freezers, trash compactors, sinks, ranges, cabinets, dishwashers and exhaust fans;

(ii) all bathroom and plumbing fixtures, including, but not necessarily limited to, sinks, tubs, showers, toilets, vanities, bidets, exhaust fans and medicine or other related storage cabinets;

(iii) all electrical and lighting fixtures, including, but not necessarily limited to, outlets, switches, lamps, bulbs, outlet, switch and control boxes, telephone outlets, circuit breakers, cable television or other communications jacks or outlets, circuit breakers and circuit breaker panels;

(iv) all clothes washers and dryers, water heaters, heating equipment and air conditioning equipment which serve a Unit; and

(v) all pipes, ducts, wiring, facilities, cables and conduits of any kind, nature or type which service a particular Unit.

Any utility lines which are located within a Unit and which provide service to more than one Unit shall be considered to be Common Elements, notwithstanding their physical location being within the Unit's boundaries. If a wall or roof surface overhangs or part of a Unit encroaches onto the Common Elements, the overhanging or encroaching specific portion of such Unit shall be a part of the Unit.

Notwithstanding the fact that no Unit may be divided or partitioned for purposes of sale or lease, a Unit may be combined with the laterally-adjacent Unit or the Unit lying directly above or beneath a particular Unit in order to permit occupancy of such areas as one residential living space. Such a combination of Units shall be for purposes of occupancy and use only and shall not be deemed an amendment to this Declaration. Further, any such combination shall not materially alter or modify the configuration or size of a Unit.

(e) Permitted Improvements. All Units shall be either one-story or two-story and shall constitute a single residence for purposes of occupancy.

3.3 Limited Common Elements.

(a) Definition of Limited Common Elements. To the extent applicable and subject to the provisions of this Declaration, each Unit shall have, as Limited Common Elements appurtenant thereto, such portions of the Common Elements as are defined herein and/or shown on the Condominium Plat, including, but not limited to, the following:

(i) any area(s) labeled as a Limited Common Element on the Condominium Plat and contiguous to a Unit or identified as being appurtenant to a Unit, such as, but not necessarily limited to, balconies and lanais (but in no manner shall any walls, windows, railings, sliding glass doors or other structures be considered to be a Limited Common Element, as such areas shall serve as the boundaries of the Limited Common Element balcony or lanai area and shall constitute general Common Elements of the Condominium);

(ii) one (1) parking space as contained within the boundaries of the Condominium Property, as more fully described in Section 25.7 hereof;

(iii) the structure(s) located on a portion of the Building on which is located any air-conditioning equipment which serves the Unit;

(iv) one (1) climate-controlled storage locker contained within the Building, as assigned by the Developer in its sole discretion for so long as Developer owns any Units in the Condominium;

(v) the drywall which serves to define the vertical and upper horizontal boundaries of the Unit; and

(vi) the mailbox which exclusively serves a Unit.

(b) Maintenance of Limited Common Elements. The Limited Common Elements shall be maintained, repaired or replaced by the Association as part of the Common Expenses; provided, however, that:

(i) each respective Unit Owner may utilize the portions of the balconies and lanais which are constructed adjacent to and connected with a Unit for the exclusive use of such Unit Owner, and such Unit Owners shall be responsible for the maintenance, repair and/or replacement of all items of personal property placed within the area of such balconies and lanais by such Unit Owner;

(ii) with regard to all balconies or lanais located on the rear side of the Building which contain screening and structures associated therewith, the Unit Owner shall be solely responsible for the maintenance, repair, replacement and reconstruction of all portions of such screening and the structures associated therewith in accordance with the Rules and Regulations;

(iii) each Unit Owner shall be solely responsible for the maintenance, repair, and replacement of all air-conditioning equipment and all wiring and piping related thereto which serve the Unit and which are constructed on the Limited Common Elements or, as may be applicable, the Common Elements (for purposes of reference herein, the Unit Owner shall be the owner of all such air-conditioning equipment and all wiring and piping related thereto regardless of such equipment, wiring and piping being located outside of the physical boundaries of the Unit); and

(iv) each Unit Owner shall be responsible for maintaining, repairing, replacing and/or reconstructing the Limited Common Element drywall pertaining to the Unit.

Should any maintenance, repair or replacement of a portion of the Limited Common Elements which is the responsibility of the Association be caused by the lessees, servants, guests, invitees or licensees of a Unit Owner, then such Unit Owner shall be responsible therefor and the Association shall have the right to levy a fine against the Owner of such Unit.

3.4 Easements. In addition to any easements previously recorded in the public records of the County, or easements created under the Act or other sections of this Declaration, the following easements are hereby created or reserved:

(a) There shall be an easement of support in every portion of a Unit which contributes to the support of any other Unit or Common Element or Limited Common Element.

(b) Easements are hereby created over, under, across, and through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility and other services to the Units and the Common Elements, provided that such easements do not interfere with the residential use of the Units.

(c) Easements are hereby reserved unto the Developer and to the respective utility providers under, through, across and over the Condominium Property as may be required from time to time for the construction, use, maintenance and operation of all utilities (whether public or private), cable television systems, communications and security systems, and other services which may serve the Condominium, with the power to relocate any such existing easements in any portion of the Condominium Property and/or the Association Property; provided, however, that these easements shall not permanently

interfere with the residential use of the Units. Such easements created under this subsection are hereby granted to the Association with the power of assignment.

(d) An easement is reserved unto the Developer and granted to the County and their respective agencies and other applicable governmental agencies over and across the Common Elements for the purpose of providing drainage and for the installation, operation, use and maintenance of drainage facilities; provided, however, that the Association shall be responsible for the continuous maintenance of the easements and rights-of-way of the drainage system located on the Condominium Property. This obligation shall run with the land as do other provisions of the Declaration, and any Unit Owner may enforce this covenant and will be entitled to costs and fees, pursuant to Section 20.3 of the Declaration, which result from such enforcement.

(e) If: (a) any portion of the Common Elements encroaches upon any Unit; (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements; or (c) any encroachment shall hereafter occur as a result of (i) construction of the improvements; (ii) settling or shifting of the improvements; (iii) any alteration or repair to the Common Elements made by or with the consent of the Association or Developer, as appropriate, or (iv) any repair or restoration of the improvements (or any portion thereof) or any Unit after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the improvements shall stand.

(f) An easement in favor of each Unit Owner and resident shall exist for pedestrian traffic over, through and across sidewalks, streets, paths, walks, and other portions of the Common Elements as from time to time may be intended and designated for such purpose and use and for vehicular and pedestrian traffic over, through and across such portions of the Common Elements as from time to time may be paved and intended for such purposes. None of the easements specified in this subsection shall be encumbered by any leasehold or lien other than those on the Condominium Parcels. Any such lien encumbering such easements (other than those on Condominium Parcels) automatically shall be subordinate to the rights of Unit Owners and the Association with respect to such easements.

(g) The Developer shall have the right, in its sole discretion from time to time, to enter the Condominium Property and to take all other action necessary or convenient for the purpose of completing the construction thereof, or any part thereof, or any improvements or Units located or to be located thereon, and for repair, replacement and maintenance purposes or where the Developer, in its sole discretion, determines that it is required or desires to do so; provided, however, that the easements created under this subsection shall not interfere with the residential use of the Units or the reasonable use of the Condominium Property.

(h) An easement is hereby reserved to the Developer, and is granted to the Association with the power to assign, over, under, upon and through the Condominium Property as may become necessary for the purposes of access to, constructing or maintaining improvements upon, providing utility access to or across, or providing drainage to or from the Condominium Property, any other lands which are now a part or which may become a part of the Community, or other lands adjacent to the Community; provided, however, that the easements created under this subsection shall not interfere with the residential use of the Units or the reasonable use of the Condominium Property. Neither the Unit Owners nor the Association, nor their use of the Condominium Property, shall interfere in any way with the Developer's completion and sale of Units or other lands located within the Community.

(i) Easements are hereby created over, under, across, in and through the Condominium Property as part of the Community for the purposes of the Developer, the Association and other appropriate entities to enable each respective entity to act upon and carry out its rights and duties,

expressed or implied, pursuant to this Declaration and its exhibits, and to facilitate such other actions by appropriate parties as may be reasonably necessary to further the advancement of the Condominium and the Community.

(j) Developer hereby reserves unto itself, with the power to assign, easements over, upon, and through the Condominium Property for vehicular and/or pedestrian traffic by the Developer, its designees, successors, assigns, licensees, lessees, invitees, and guests within the Condominium Property, provided that any such easement shall not interfere with the reasonable use of the Units for residential purposes.

(k) For as long as there are any unsold Units, the Developer shall have the right to use any such Units and parts of the Common Elements for model apartments and sales, management and construction offices, to show model Units and the Common Elements to prospective purchasers and tenants of Units and residential Units within the overall Condominium and to erect on the Condominium Property signs and other promotional material to advertise Units (or the other aforesaid residential Units) for sale or lease.

(l) If not previously existing, any other easements described or shown on the Condominium Plat are hereby created.

(m) Until such time as the Developer completes and sells all of the Units in the Condominium, the Developer reserves the right to prohibit access to any portion of the Common Elements or uncompleted Units to any of the occupants of the Condominium, and to utilize various portions of the Common Elements or the Units in connection with such construction and development. No Unit Owner or such Owner's guests or invitees shall in any way interfere or hamper the Developer, its employees, successors or assigns, in connection with such construction. Thereafter, during such time as the Developer, its successors or assigns, own any Units and is carrying on any business in connection therewith, including the selling, renting or leasing of such Units, the Unit Owners, their guests and invitees shall in no way interfere with such activities or prevent access to such Units by the Developer, its employees or its successors or assigns.

A Unit Owner shall do nothing within or outside his Unit that interferes with or impairs, or may interfere with or impair, the provision of services contemplated or the use of the easements created under this Section. The Association has the irrevocable right of access to each Unit during reasonable hours, when necessary, to maintain, repair or replace those items and areas, as detailed in Section 7 herein or as otherwise contemplated herein, for which the Association is responsible, and to remove any improvements interfering with or impairing such facilities or easements herein reserved, pursuant to the Declaration or as necessary to prevent damage to the Common Elements or to a Unit or Units.

Wherever in this Section or elsewhere in this Declaration an easement is granted or reserved to any party, such easement shall also benefit such party's successors, designees, grantees, assigns, agents, employees, licensees, invitees and guests, and all easements referred to herein shall be nonexclusive easements unless otherwise stated.

3.5 Special Easements and Rights to Grant Easements.

(a) Developer hereby reserves unto itself and its successors and its assigns, and grants to the Association with the power to assign, non-exclusive easements over, under and through the Condominium Property for the construction, maintenance and operation of electric, gas or other utility, cable television, security systems, communications service or other easements pertaining to the construction, maintenance and operation of other equipment, conduits, pipes, lines and similar installations servicing the

Condominium Property or other property with the power to relocate any such existing easements in any portion of the Condominium Property and/or Association Property.

(b) Developer hereby reserves unto itself and its successors and its assigns, and grants to the Association with the power to assign, non-exclusive easements over, under, upon and through the Condominium Property for the purposes of access to, constructing or maintaining improvements upon, providing utility services to or across, or providing drainage to or from the Condominium Property, any other property which may become part of the Condominium Property pursuant to this Declaration, or any other property adjacent to the Condominium Property.

(c) Developer hereby reserves unto itself and its successors and its assigns perpetual non-exclusive easements over, upon, and through the Condominium Property for vehicular and/or pedestrian traffic by the Developer, its designees, successors, assigns, licensees, lessees, invitees, and guests within the Condominium Property.

(d) Developer, until such time as Developer no longer owns any Units in the Condominium or which are or may in the future be made subject to the governance of the Association, reserves the right to govern all matters of architectural control in the Condominium (meaning that until expiration of such period, all modifications, repairs and the like sought to be made by Unit Owners may only be undertaken with the prior written consent of the Developer); provided, however, that any rights of the Master Association over architectural control (pursuant to the Master Declaration) shall supersede the Developer's rights under this subsection.

3.6 Incidental Damage. Any damage to any Unit caused by, or as a result of, the carrying out of the maintenance responsibilities of the Association or another Unit Owner, or the negligence thereof, shall be repaired promptly by the Association as a Common Expense, or the Unit Owner, as the case may be. Any damage to any part of the Common Elements caused by or the result of any intentional act of a Unit Owner, the Unit Owner's family, agents, contractors, invitees, licensees or tenants, or by such Unit Owner in carrying out his maintenance responsibilities, if any, shall be repaired promptly at the expense of such Unit Owner.

Section 4: Restraint Upon Separation And Partition Of Common Elements

The undivided share in the Common Elements and Common Surplus which is appurtenant to a Unit, and the exclusive right to use all appropriate appurtenant Limited Common Elements, shall not be separated from such Unit and shall pass with the title to the Unit, whether or not separately described. The appurtenant share in the Common Elements and Common Surplus, and the exclusive right to use all Limited Common Elements appurtenant to a Unit, cannot be conveyed or encumbered, except together with such Unit. The respective shares in the Common Elements appurtenant to Units shall remain undivided, and no action for partition of the Common Elements, the Condominium Property, or any part thereof, shall lie, except as provided herein with respect to termination of the Condominium.

Section 5: Ownership Of Common Elements And Common Surplus And Share Of Common Expenses; Voting Rights

5.1 Undivided Interest in Common Elements and Undivided Share of Common Expenses. Each Unit shall have attributable thereto an undivided share in the Common Expenses and ownership of the Common Elements and the Common Surplus equal to 1/70th of 100%.

5.2 Voting. Each Unit Owner shall be a member of the Association. Each Unit shall be entitled to one vote to be cast by its Owner in accordance with the provisions of the By Laws and the Articles of Incorporation. The total number of votes shall always be equal to 70. Membership in the

Association shall automatically terminate upon the termination of ownership of a Condominium Parcel, and the subsequent Owner(s) taking title shall automatically become entitled to membership in the Association.

Section 6: Amendments

6.1 Amendment by Unit Owners. Except as otherwise provided in Section 6 hereinbelow or elsewhere in this Declaration or the exhibits attached hereto, this Declaration (including the Condominium Plat) may only be amended by affirmative vote of the Owners of 75% of the total voting interests in the Association, such votes to be cast at an Association meeting duly called for such purpose pursuant to the By-Laws and at which a quorum is present; provided, however, that (1) no amendment to this Declaration shall be made which affects any of the rights and privileges provided to the Developer as defined herein without the written consent of such Developer, and (2) no amendment may change the configuration or size of a Unit without the written consent of the affected Unit Owner(s) and the lienholder(s) on such affected Unit(s). All amendments under this Section 6.1 shall be recorded and certified as required by the Act.

6.2 Amendment by Developer.

(a) Amendment to Condominium Plans and Declaration. The Developer reserves the right to make whatever changes it may deem necessary in the Condominium Plat and this Declaration until such time as Developer has transferred control of the Association to the non-Developer Unit Owners pursuant to the Act. The amendment reflecting such changes need only be executed by the Developer; provided, however, that no such amendment unilaterally approved by the Developer shall change the configuration or size of any Unit in any material fashion, materially alter or modify the appurtenances to the Unit, or change the proportion or percentage by which the Unit Owner shares the Common Expenses and owns the Common Surplus, unless such amendment is also approved by at least a majority of the total voting interests of the Association.

(b) Special Amendment. Developer reserves the right and power to record a special amendment ("Special Amendment") to this Declaration at any time and from time to time which amends the Declaration and any provision therein (i) to comply with requirements of the FNMA, FHLMC, the Government National Mortgage Association, the Department of Housing and Urban Development, the Federal Housing Administration, the Veteran's Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities; (ii) to induce any of such agencies or entities to make, purchase, sell, insure, guarantee or otherwise deal with first mortgages covering Units; and (iii) to bring this Declaration into compliance with applicable laws, ordinances or governmental regulations. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Developer to make or consent to a Special Amendment on behalf of each Unit Owner and the Association. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgement of, and a consent to the reservation of, the power of the Developer to make, execute and record Special Amendments. The right and power to make Special Amendments hereunder shall terminate on the earlier of (i) December 31, 2010, or (ii) the date on which Developer has conveyed all Units in the Condominium to third parties.

(c) This Declaration and all exhibits hereto, where applicable, may be amended unilaterally by the Developer for the purposes set forth pursuant to Section 718.110(5), Florida Statutes, to correct scrivener's errors.

6.3 Amendment Pertaining to Stormwater Management System. Notwithstanding any provisions to the contrary contained in this Section 6, any amendment which will affect the stormwater management system, including the management portion of the Common Elements, serving the Condominium must have the prior written approval of the Northwest Florida Water Management District (or

the Department of Environmental Protection of the State of Florida if the Northwest Florida Water Management District's obligations for governance have been ceded to such state agency) in order to be effective and binding.

6.4 Execution and Recording. An amendment, other than amendments made by the Developer alone pursuant to the Act or this Declaration, shall be evidenced by a certificate of the Association which shall include recording data identifying the Declaration and shall be executed with the same formalities required for the execution of a deed. Amendments by the Developer must be evidenced by a similar certificate executed by the Developer alone. An amendment of the Declaration is effective when the applicable certificate is properly recorded in the public records of the County.

6.5 Limitation.

(a) No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Developer without the consent of said Developer in each instance. The provisions of this paragraph may not be amended in any manner.

(b) Notwithstanding any provision herein to the contrary, no amendment to this Declaration shall have the effect of eliminating or materially restricting the general public's ability to lease wet boat slips in the marina on a first-come, first-served basis, nor may such changes provide a preferential right to owners within the Condominium to lease a wet boat slip in the marina.

6.6 Procedure. No provision of this Declaration shall be revised or amended by reference to its title or number only. Proposals to amend existing provisions of this Declaration shall contain the full text of the provision to be amended, new words shall be inserted in the text underlined, and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, rather, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of Declaration. See provision ____ for present text." Nonmaterial errors or omissions in the amendment process shall not invalidate an otherwise properly promulgated amendment.

Section 7: Maintenance And Repairs

Responsibility for the maintenance, repair and replacement of the Condominium Property is as follows:

7.1 Common Elements.

(a) Maintenance of Common Elements as part of the Common Expenses. Except as otherwise provided in this Declaration, the Association shall manage, maintain, repair and replace, as part of the Common Expenses, all of the Common Elements as defined herein, including, but not limited to, the following:

- Unit; (i) electrical wiring up to the circuit breaker panel within or serving each
- Unit; (ii) water pipes up to the individual Unit cut-off valve within or serving the
- (iii) cable television lines up to the wall outlets in the Unit;

- the Unit; (iv) air-conditioning condensation drain lines, up to the point where they enter
- (v) sewer lines, up to the point where they enter the Unit;
- another Unit, or located outside the Unit, for the furnishing of utilities to more than one Unit or the Common Elements; (vi) all installations, fixtures and equipment located within one Unit but serving
- caulking; (vii) the exterior surface of the main entrance doors to the Units;
- (viii) all exterior Building walls, including painting, waterproofing, and
- Condominium Property; (ix) all landscaping, lawn and grass areas and sprinkler systems within the
- Property; (x) any and all gates, walls and fencing located on the Condominium
- Condominium Property; (xi) any parking areas and all trash receptacle areas located on the
- (xii) all buffer zones as described in the Development Order; and
- (xiii) any and all limited access systems which serve more than one Unit.

(b) Exception from Maintenance of Limited Common Elements. The Association shall not perform such maintenance required of a Unit Owner with regard to the Limited Common Elements pursuant to Section 3.3 hereof.

7.2 Units. The responsibility for maintenance, repair and replacement within the Units shall be shared by the Association and the Unit Owners as follows:

(a) By the Association. The Association shall be responsible for maintaining, repairing and replacing all load-bearing walls contained within the Unit except for the finished surfaces thereof. The cost of such maintenance shall constitute a Common Expense.

(b) By the Unit Owner. Each Unit Owner shall maintain, repair and replace everything within the confines of or deemed to be a part of the Owner's Unit, including the permitted improvements, which is not to be maintained by the Association pursuant to subparagraph (b)(i) of this section, including, but not limited to:

- (i) All exterior doors, windows and screens of any permitted improvement; provided, however, that the painting of the exterior doors shall be a Common Expense, which surfaces shall be maintained in such manner as to preserve a uniform appearance among the Units of the Condominium;
- and ceilings; (ii) Paint finish, covering, wallpaper and decoration of all interior walls, floors
- (iii) All built-in shelves, cabinets, counters, storage areas and closets;

- (iv) Any and all appliances and mechanical, ventilating, heating and air conditioning equipment contained within and serving the Unit;
- (v) All bathroom fixtures, equipment and apparatuses;
- (vi) All electrical, plumbing, telephone and television fixtures, apparatuses, equipment, outlets, switches, wires, pipes and conduits above the concrete slab serving only the respective Unit, and all electric lines between the Unit and its individual service panel or meter;
- (vii) All interior doors, non-load-bearing walls, partitions, and room dividers;
- (viii) All furniture, furnishings and personal property contained within the respective Unit; and
- (ix) All other maintenance or repair of or replacements involving a Unit as contemplated and authorized hereunder.

7.3 Incidental Damage by the Association. All incidental damage caused to a Unit or a Limited Common Element by work performed or ordered to be performed by the Association shall be promptly repaired by and at the expense of the Association, which shall restore the Unit or the Limited Common Element as nearly as practical to its condition before the damage, and the cost shall be a Common Expense, except the Association shall not be responsible for the damage to any alteration or addition to the Common Elements made by a Unit Owner or his predecessor in title or for damage to paint, wallpaper, paneling, flooring or carpet which, of necessity, must be cut or removed to gain access to work areas located behind them. The Association shall not perform such maintenance required of a Unit Owner who utilizes portions of the Limited Common Elements appurtenant to such Unit in accordance with Section 3.3 herein or as otherwise contemplated herein. The costs of such maintenance activities shall be Common Expenses for which Assessments shall be levied in accordance with Sections 13 and 14 hereof.

**Section 8: Additions, Alterations Or Improvements
By The Association**

Whenever, in the judgment of the Board of Directors, the Common Elements, or any part thereof, shall require capital additions, alterations or improvements (as distinguished from maintenance, repairs and replacements) costing in excess of \$10,000.00 in the aggregate in any calendar year, the Association may proceed with such additions, alterations or improvements only if the making of such additions, alterations or improvements shall have been approved by the Owners of a majority of the Units represented at a meeting at which a quorum is attained. Any such additions, alterations or improvements to such Common Elements, or any part thereof, costing in the aggregate \$10,000.00 or less in a calendar year may be made by the Board of Directors without approval of the Unit Owners. The cost and expense of any such additions, alterations or improvements to such Common Elements shall be as a "Capital Improvement Assessment" of the Unit Owners as provided in Section 13.2 hereof. For purposes of this Section, "aggregate in any calendar year" shall include the total debt incurred in that year, if such debt is incurred to perform the above-stated purposes, regardless of whether the repayment of any part of that debt is made beyond that year.

Section 9: Additions, Alterations Or Improvements By Unit Owner

9.1 To the Common Elements. After the completion of the improvements included in the Common Elements which are set forth in this Declaration, or which are contemplated by the Developer in the completion of the development as set forth herein, there shall be no alterations or additions to Limited Common Elements of this Condominium, other than those contemplated under Section 3.3 herein, except as

authorized by the Board of Directors and approved by not less than 75% of the total voting interests of the Condominium, provided that no alterations or additions may be made involuntarily to the Limited Common Elements of any particular Unit if such alteration or addition will adversely affect or prejudice the rights of such Unit Owner unless such Unit Owner's consent first has been obtained. The cost of the foregoing shall be assessed as Common Expenses unless otherwise provided herein.

All open space areas contained within the Common Elements shall be preserved and developed solely as open space areas by the Developer, the Association or the Unit Owners in a manner solely detailed or contemplated herein or on the Condominium Plat. Neither the Association nor the Developer nor the Unit Owners, without an appropriate amendment to the Development Order by the County, may utilize such areas for purposes other than as landscaped open spaces.

9.2 To the Units. Except as otherwise reserved by the Developer, no Unit Owner shall make any alteration or improvement to such Owner's Unit except in accordance with this Section 9.2. A Unit Owner may make alterations and improvements to a Unit so long as such alterations or improvements are not visible from the outside of the Unit, do not impair the structural integrity of the building in which such Unit is contained, do not otherwise violate the terms of this Declaration, and are in compliance with all applicable building codes and laws. A Unit Owner may not expand, enlarge or relocate the boundaries of such Owner's Unit. Other alterations or improvements to a Unit which are not discussed in this Declaration may be made only if prior approval in writing is obtained from the Board or a committee designated by the Board in accordance with the By-Laws.

9.3 Indemnification by Unit Owner. A Unit Owner making or causing to be made any additions, alterations or improvements to the Unit or the Limited Common Elements as contemplated herein agrees, and shall be deemed to have agreed, for such Owner, and such Owner's heirs, personal representatives, successors and assigns, as appropriate, to hold the Association and all other Unit Owners harmless from and to indemnify them for any liability or damage to the Condominium Property and expenses arising therefrom, and shall be solely responsible for the maintenance, repair and insurance thereof from and after that date of installation or construction thereof as may be required by the Association.

Section 10: Additions, Alterations Or Improvements By Developer

The foregoing restrictions of Section 9 shall not apply to Developer-owned Units. The Developer shall have the additional right, without the consent or approval of the Board of Directors or other Unit Owners, to make alterations, additions or improvements, structural and non-structural, interior and exterior, ordinary and extraordinary, in, to and upon any Unit owned by it, to the proposed or already constructed Unit located or to be located thereon, and Limited Common Elements appurtenant thereto. Such Unit shall include, without limitation: (i) the removal of walls, floors, ceilings and other structural portions of the Unit; (ii) changes to the layout or number of rooms in any Developer-owned Units; and (iii) changes to the size and/or number of Developer-owned Units by combining separate Developer-owned Units or otherwise. Any amendments to this Declaration or the Condominium Plat required by actions taken pursuant to this Section 10 may be effected by the Developer alone without the consent of any other person; provided, however, if any such amendment shall change the configuration or size of any Unit in any material fashion, materially alter or modify the appurtenances to the Unit, or change the proportion or percentage by which the Unit Owner shares the Common Expenses and owns the Common Surplus, the execution of the amendment to the Declaration effecting such change must be joined in by the record Owners of the Unit, all record owners of liens on the affected Unit, and at least a majority of the total voting interests in the Association. Without limiting the generality of Section 6.5 hereof, the provisions of this Section may not be added to, amended or deleted unless by, or with the prior written consent of, the Developer.

Section 11: Operation Of The Condominium By The Association: Powers And Duties

11.1 Powers and Duties. The Association shall be the entity responsible for the operation of the Condominium. The powers and duties of the Association shall include those set forth in the By-Laws and Articles of Incorporation as amended from time to time. In addition, the Association shall have all the powers and duties set forth in the Act, as well as all powers and duties granted to or imposed upon it by this Declaration, including, without limitation:

(a) The irrevocable right to have access to any portion of each Unit and its Limited Common Elements from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of such portions thereof as required by this Declaration or the Act, for performing extermination services, or at any time and by force, if necessary, for making emergency repairs therein necessary to prevent damage to the Common Elements or to any other Unit or Units.

(b) The power to make and collect Assessments and other related expenses authorized under the Act against Unit Owners, to lease, maintain, repair and replace the Common Elements, and to grant, modify or cancel easements pertaining to the Common Elements.

(c) The duty to maintain accounting records, according to good accounting practices, which shall be open to inspection by Unit Owners or their authorized representatives at reasonable times upon prior request.

(d) The power to contract for the management and maintenance of the Condominium Property and to authorize a duly licensed management agent (who may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of Rules and Regulations, and perform the maintenance, repair and replacement required of the Association with such funds as shall be made available by the Association for such purposes. The Association shall also have the power to join with other condominium associations and entities in contracting for the maintenance and repair of the Condominium Property and other type properties, and may contract for or may join with other condominium associations in contracting for the management of the Condominium Property and other type properties, as may be more specifically provided for by the Articles of Incorporation and By-Laws of the Association. The Association, through its Board of Directors, has entered into a Management Agreement, attached hereto as Exhibit No. 5, which encompasses the provisions of this subparagraph (d).

(e) The power to borrow money, execute promissory notes and other evidences of indebtedness and to give as security therefor mortgages and security interests in property owned by the Association, if any. Such actions must be approved by a majority of the entire Board of Directors and the Owners of all the Units or by such greater percentage of the Board or Unit Owners as may be specified in the By-Laws with respect to certain borrowing, and no such action shall be permitted while the Developer owns any Unit without the prior written consent of the Developer.

(f) The power to adopt and amend Rules and Regulations concerning the details of the operation and use of the Condominium Property.

(g) The power to acquire, lease, mortgage, and convey real and personal property and to grant, modify and cancel easements regarding such property, provided that such action may be done only (i) upon the approval of a majority of the Board of Directors, and (ii) a finding by the Board that such action is for the benefit of the members of the Association. The requirements of Section 8 pertaining to the Unit Owners' approval of costs in excess of the threshold amount stated therein (including the proviso as to the debt incurred) shall also apply to this acquisition and dealing with Association-owned property;

provided, however, that the acquisition of a Unit as a result of a foreclosure of the lien for Assessments shall be exempt from these requirements.

(h) The power to acquire or enter into agreements acquiring leaseholds, memberships or other possessory or use interests in lands or facilities for recreational purposes as long as such arrangements are also approved by the Owners of a majority of the Units.

(i) All of the powers which a corporation not-for-profit in the State of Florida may exercise pursuant to this Declaration, the Articles of Incorporation and By-Laws, Chapter 617, Florida Statutes and the Act, in all cases except as expressly limited or restricted in the Act or the Condominium Documents.

11.2 Conflict. In the event of conflict among the powers and duties of the Association or the terms and provisions of this Declaration or the exhibits attached hereto, this Declaration shall take precedence over the Articles of Incorporation, By-Laws and applicable rules and regulations; the Articles of Incorporation shall take precedence over the By-Laws and applicable Rules and Regulations; and the By-Laws shall take precedence over applicable Rules and Regulations, all as amended from time to time. Notwithstanding anything in this Declaration or its exhibits to the contrary, the Association shall at all times be the entity having ultimate authority over the Condominium, consistent with the Act.

11.3 Limitation of Liability of the 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 for the cost of maintenance and repair, caused by any latent condition of the Condominium Property. Further, the Association shall not be liable for any such injury or damage caused by defects in design or workmanship or any other reason connected with any additions, alterations or improvements done by or on behalf of any Unit Owners, regardless of whether or not same shall have been approved by the Association pursuant to the provisions hereof.

NOTWITHSTANDING ANYTHING CONTAINED HEREIN OR IN THE ARTICLES OF INCORPORATION, BY-LAWS, ANY RULES OR REGULATIONS OF THE ASSOCIATION OR ANY OTHER DOCUMENT GOVERNING OR BINDING THE ASSOCIATION (COLLECTIVELY, THE "ASSOCIATION DOCUMENTS"), THE ASSOCIATION SHALL NOT BE LIABLE OR RESPONSIBLE FOR, OR IN ANY MANNER BE A GUARANTOR OR INSURER OF, THE HEALTH, SAFETY OR WELFARE OF ANY OWNER, OCCUPANT OR USER OF ANY PORTION OF THE CONDOMINIUM PROPERTY, INCLUDING, WITHOUT LIMITATION, RESIDENTS AND THEIR FAMILIES, GUESTS, INVITEES, AGENTS, SERVANTS, CONTRACTORS OR SUBCONTRACTORS OR FOR ANY PROPERTY OF ANY SUCH PERSONS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING:

(a) IT IS THE EXPRESS INTENT OF THE ASSOCIATION DOCUMENTS THAT THE VARIOUS PROVISIONS THEREOF WHICH ARE ENFORCEABLE BY THE ASSOCIATION AND WHICH GOVERN OR REGULATE THE USES OF THE CONDOMINIUM PROPERTY HAVE BEEN WRITTEN, AND ARE TO BE INTERPRETED AND ENFORCED, FOR THE SOLE PURPOSE OF ENHANCING AND MAINTAINING THE ENJOYMENT OF THE CONDOMINIUM PROPERTY AND THE VALUE THEREOF;

(b) THE ASSOCIATION IS NOT EMPOWERED, AND HAS NOT BEEN CREATED, TO ACT AS AN ENTITY WHICH ENFORCES OR ENSURES THE COMPLIANCE WITH THE LAWS OF THE UNITED STATES, STATE OF FLORIDA, ESCAMBIA COUNTY, AND/OR ANY OTHER JURISDICTION OR THE PREVENTION OF TORTIOUS ACTIVITIES; AND

(c) ANY PROVISIONS OF THE ASSOCIATION DOCUMENTS SETTING FORTH THE USES OF ASSESSMENTS WHICH RELATE TO HEALTH, SAFETY AND/OR WELFARE SHALL BE INTERPRETED AND APPLIED ONLY AS LIMITATIONS ON THE USES OF ASSESSMENT FUNDS AND NOT AS CREATING A DUTY OF THE ASSOCIATION TO PROTECT OR FURTHER THE HEALTH, SAFETY OR WELFARE OF ANY PERSON(S), EVEN IF ASSESSMENT FUNDS ARE CHOSEN TO BE USED FOR ANY SUCH REASON.

EACH UNIT OWNER (BY VIRTUE OF HIS ACCEPTANCE OF TITLE TO HIS UNIT) AND EACH OTHER PERSON HAVING AN INTEREST IN OR LIEN UPON, OR MAKING ANY USE OF, ANY PORTION OF THE CONDOMINIUM PROPERTY (BY VIRTUE OF ACCEPTING SUCH INTEREST OR LIEN OR MAKING SUCH USES) SHALL BE BOUND BY THIS PROVISION AND SHALL BE DEEMED TO HAVE AUTOMATICALLY WAIVED ANY AND ALL RIGHTS, CLAIMS, DEMANDS AND CAUSES OF ACTION AGAINST THE ASSOCIATION ARISING FROM OR CONNECTED WITH ANY MATTER FOR WHICH THE LIABILITY OF THE ASSOCIATION HAS BEEN DISCLAIMED IN THIS PROVISION.

AS USED IN THIS SECTION, "ASSOCIATION" SHALL INCLUDE WITHIN ITS MEANING ALL OF THE ASSOCIATION'S DIRECTORS, OFFICERS, COMMITTEE AND BOARD MEMBERS, EMPLOYEES, AGENTS, CONTRACTORS (INCLUDING MANAGEMENT COMPANIES), SUBCONTRACTORS, SUCCESSORS AND ASSIGNS. THE PROVISIONS OF THIS ARTICLE SHALL ALSO INURE TO THE BENEFIT OF THE DEVELOPER AND ITS AFFILIATES, WHICH SHALL BE FULLY PROTECTED HEREBY.

11.4 Restraint upon Assignment of Shares in Assets. The share of a Unit Owner in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his Unit.

11.5 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, that decision shall be expressed by the same person who would cast the vote for that Unit if at an Association meeting, unless the joinder of all record Owners of the Unit is specifically required by this Declaration or by law.

11.6 Acts of the Association. Unless the approval or action of Unit Owners, and/or a certain specific percentage of the Board of Directors is specifically required in this Declaration, the Articles of Incorporation or the By-Laws, applicable Rules and Regulations or applicable law, all approvals or actions required or permitted to be given or taken by the Association shall be given or taken by the Board of Directors, without the consent of Unit Owners, and the Board may so approve and act through the proper officers of the Association without a specific resolution. When an approval or action of the Association is permitted to be given or taken hereunder or thereunder, such action or approval may be conditioned in any manner the Association deems appropriate or the Association may refuse to take or give such action or approval without the necessity of establishing the reasonableness of such conditions or refusal.

11.7 Amendment of By-Laws. No modification of or amendment to the By-Laws shall be valid unless set forth in or annexed to a duly recorded amendment to this Declaration. The By-Laws may be amended in the manner provided for therein, but no amendment of said By-Laws shall be adopted which would affect or impair the validity or priority of any mortgage covering any Condominium Parcel(s), or which would change the provisions of the By-Laws with respect to institutional mortgages without the written approval of all Institutional First Mortgagees of record. No amendment shall change the rights and privileges of the Developer and the Management Firm without their respective written consent. Any amendment to the By-Laws, as provided herein, shall be executed by the parties as required in this Section 11 and in Section 6 above, and said amendment shall be recorded in the public records of the County.

11.8 Binding Effect of Condominium Documents. Every Owner of a Condominium Parcel, whether he has acquired his ownership by gift, conveyance or transfer by operation of law, or otherwise, shall be bound by the Articles of Incorporation and By-Laws of the Association, the provisions of this Declaration and the Management Agreement. Membership in the Association shall automatically terminate upon the termination of ownership of a Condominium Parcel in this Condominium, and the subsequent Owner(s) taking title shall automatically become entitled to membership.

11.9 Eligibility of Directors. No person shall be entitled to serve on the Board of Directors if they have not met the eligibility requirements contained in the Act or as are provided in the By-Laws.

Section 12: Professional Management

The Association has entered into a Management Agreement, a copy of which is attached hereto as Exhibit No. 5. The general purpose thereof is to contract for the management and maintenance of the Condominium Property and to authorize the Management Firm to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the Common Elements with funds as shall be made available by the Association for such purposes. The Association, its directors and its officers shall, however, retain at all times the powers and duties granted by the Condominium Documents and the Act, including, but not limited to, the making of Assessments, promulgation of rules, and execution of contracts on behalf of the Association. Each Unit Owner, and such Owner's heirs, successors and assigns, shall be bound by said Management Agreement and any concurrent or subsequent Management Agreement(s) entered into by the Association for purposes of providing management services for the Condominium, for the purposes therein expressed, and by virtue of said party's taking title to a Condominium Parcel in the Condominium, such Owner shall be deemed to have agreed to, confirmed and ratified the following:

12.1 Adopting, ratifying and consenting to the execution of said Management Agreement by the Association.

12.2 Covenanting and promising to perform each and every of the covenants, promises and undertakings to be performed by Unit Owners in the cases provided therefore in said Management Agreement.

12.3 Ratifying, confirming and approving each and every provision of said Management Agreement, and acknowledging that all of the terms and provisions thereof are reasonable.

12.4 Agreeing that the persons acting as directors and officers of the Association entering into said Management Agreement have not breached any of their duties or obligations to the Association.

12.5 The acts of the Board of Directors and officers of the Association in entering into said Management Agreement be and the same are hereby ratified, approved, confirmed and adopted.

Section 13: Determination Of Assessments

13.1 Assessments.

(a) General Assessment. The Board of Directors shall from time to time, and at least annually, prepare and adopt a budget for the Condominium ("Budget for Common Expenses"), determine the amount payable by the Unit Owners to meet the Common Expenses, and allocate and assess such expenses among the Unit Owners in accordance with the provisions of this Declaration and the By-Laws ("General Assessment"). The Board of Directors shall advise all Unit Owners promptly in writing of the

amount of the General Assessment payable by each of them as determined by the Board of Directors as aforesaid. The Budget for Common Expenses shall include the reserves required by law or determined appropriate by the Board, the costs of carrying out the powers and duties of the Association and any other expenses designated as Common Expenses by the Act, this Declaration, the Articles of Incorporation, the By-Laws, or applicable Rules and Regulations. Incidental income to the Association, if any, may be used to pay regular or extraordinary Association expenses and liabilities, to fund reserve accounts, or otherwise as the Board shall determine from time to time, and need not be restricted or accumulated. Any adopted Budget for Common Expenses adopted shall be subject to change by the Board of Directors, and the amount of the General Assessment shall be changed in accordance with such revised Budget for Common Expenses to cover actual expenses at any time. Notwithstanding any provisions herein to the contrary, in accordance with applicable Florida law, reserves for deferred maintenance which would otherwise be a part of the Common Expenses will only be collected from Units and the Owners thereof with regard to Units for which a certificate of substantial completion or a certificate of occupancy (as the case may be) has been issued.

(b) Special and Capital Improvement Assessments. In addition to General Assessments, the Board of Directors may levy "Special Assessments" and "Capital Improvement Assessments" upon the following terms and conditions:

(i) "Special Assessments" shall mean or refer to amounts levied against each Owner and such Owner's Unit, representing a portion of the costs incurred by the Association for specific purposes of a nonrecurring nature which are not in the nature of capital improvements.

(ii) "Capital Improvement Assessments" shall mean and refer to amounts levied against each Owner and his Unit, representing a portion of the costs incurred by the Association for the acquisition, installation, construction or replacement (as distinguished from maintenance, repairs and replacement) of any capital improvements located or to be located within the Common Elements.

(c) Levying of Assessments. Special Assessments and Capital Improvement Assessments may be levied by the Board of Directors and shall be payable in lump sums or installments, in the discretion of the Board; provided that if such Special Assessments and Capital Improvement Assessments, in the aggregate in any year, exceed \$5,000.00 or cause the total Assessments levied to exceed 115% of Assessments for the proceeding calendar year, the Board must obtain approval of a majority of the Owners of Units represented duly called, noticed and held in accordance with the By-Laws and the Act. All Assessments shall be levied against the Unit Owners in accordance with their percentage interest in the Common Elements as provided in Section 5.1 hereof.

13.2 Resale Capital Contribution. Subsequent to the initial sale of a Unit, upon the conveyance of a Unit from one person to another, the purchaser of the Unit shall pay to the Association a "Resale Capital Contribution." This sum shall be used and applied as a working capital fund, and shall not be refundable or applied as a credit against the Unit Owner's payment of Assessments. The Board shall set the amount of the Resale Capital Contribution from time to time, but the amount of the Resale Capital Contribution shall be consistent for the Units in the Community.

13.3 Limited Ability to Assess for Casualty Improvements During Developer Guarantee Period. Notwithstanding any provision in this Declaration to the contrary, if, while the Association is controlled by the Developer, the Association has maintained all insurance coverage required by the Act, Common Expenses incurred during a guarantee period as a result of a natural disaster or an act of God occurring during the same guarantee period, which are not covered by the proceeds from such insurance, may be assessed against all Unit Owners owning Units on the date of such natural disaster or act of God, and their successors and assigns, including the Developer with respect to Units owned by the Developer. In such an event, such Common Expenses shall be assessed pursuant to the provisions of Section 5 hereof.

Section 14: Collection Of Assessments

14.1 Collection of Assessments. All Assessments shall be collected as follows:

(a) Liability for Assessments. A Unit Owner, regardless of how title is acquired, including by purchase at a judicial sale or by deed in lieu of foreclosure, shall be liable for all Assessments coming due while such person (as defined in Section 1.01(3), Florida Statutes) is the Owner of the Unit. Additionally, a Unit Owner shall be jointly and severally liable with the previous owner for all unpaid Assessments that came due up to the time of the conveyance, without prejudice to any right such Unit Owner may have to recover from the previous owner the amounts paid by such Unit Owner. The liability for Assessments may not be avoided by waiver of the use or enjoyment of any Common Elements or by the abandonment of the Unit for which the Assessments are made or otherwise.

(b) Default in Payment of Assessments. Assessments and installments thereof not paid within 10 days from the date when they are due shall bear interest at the rate established from time to time by the Board of Directors from due date until paid (provided, however, that no such rate shall exceed the maximum allowed by law). In the event the Board has not established such rate, the interest rate shall be 15%. Each delinquent payment shall be subject to an administrative late fee in an amount not to exceed the greater of \$25.00 or 5% of each delinquent installment. The Association has a lien on each Condominium Parcel for any unpaid Assessments on such Condominium Parcel, with interest thereon and for reasonable attorney's fees and costs incurred by the Association incident to the collection of the Assessment or enforcement of the lien. The lien shall be effective on the earliest date allowed by law, which shall be no later than as of the recording of the claim of lien. Such lien shall be evidenced by the recording of a claim of lien in the public records of the County, stating the description of the Condominium Parcel, the name of the record Owner, the name and address of the Association, the amount(s) due and the due dates. The claim of lien shall not be released until all sums secured by such claim of lien (or such other amount as to which the Association shall agree by way of settlement) have been fully paid or until it is barred by law. The claim of lien shall secure (whether or not stated therein) all unpaid Assessments, interest thereon, the administrative late fee (if permitted under applicable law), and costs and attorneys' fees which are due and which may accrue subsequent to the recording of the claim of lien and prior to the entry of a final judgment of foreclosure thereof. A claim of lien shall be signed and acknowledged by an officer or authorized agent of the Association. Upon payment, the person making the payment is entitled to a satisfaction of the lien in recordable form. The Association or its assignee may bring an action to foreclose a lien for unpaid Assessments in the manner a mortgage of real property is foreclosed in Florida, and may also bring an action at law to recover a money judgment for the unpaid Assessments and other amounts due without waiving any claim of lien. The Association is entitled to recover its costs and reasonable attorneys' fees incurred in either a lien foreclosure action or an action to recover a money judgment for unpaid Assessments.

As an additional right and remedy of the Association, upon default in the payment of Assessments as aforesaid and after 30 days' prior written notice to the applicable Unit Owner and the recording of a claim of lien, the Association may declare the balance of General Assessment installments due for the remainder of the fiscal year and payments of other known Assessments to be accelerated and shall thereupon be immediately due and payable. In the event that the amount of such accelerated installments or payments changes, the Unit Owner or the Association, as appropriate, shall be obligated to pay or reimburse to the other the amount of increase or decrease within 10 days of same taking effect.

Any payments received by the Association from a delinquent Unit Owner shall be applied first to any interest accrued as provided above, then to any administrative late fee, then to any costs and reasonable attorneys' fees incurred in collection as aforesaid and then to the delinquent and any accelerated Assessments. The foregoing application of funds received shall be applicable despite any restrictive endorsement, designation or instruction placed on or accompanying a payment.

(c) Notice of Intention to Foreclose Lien. Unless otherwise required by the Act or other applicable law, no foreclosure judgment may be entered until at least 30 days after the Association gives written notice to the Unit Owner of its intention to foreclose its lien to collect the unpaid Assessments. If this notice is not given at least 30 days before the foreclosure action is filed, and if the unpaid Assessments, including those coming due after the claim of lien is recorded, are paid before the entry of a final judgment of foreclosure, the Association shall not recover attorneys' fees or costs. The notice must be given by delivery of a copy of it to the Unit Owner or by certified or registered mail, return receipt requested, addressed to the Unit Owner at the last known address, and upon such mailing, the notice shall be deemed to have been given. If after diligent search and inquiry the Association cannot find the Unit Owner or a mailing address at which the Unit Owner will receive the notice, the court may proceed with the foreclosure action and may award attorneys' fees and costs as permitted by law. The notice requirements of this subsection are satisfied if the Unit Owner records a Notice of Contest of Lien as provided in the Act.

(d) Appointment of Receiver to Collect Rental. If the Unit Owner remains in possession of the Unit after a foreclosure judgment has been entered, the court in its discretion may require the Unit Owner to pay a reasonable rental for the Unit. If the Unit is rented or leased during the pendency of the foreclosure action, the Association is entitled to the appointment of a receiver to collect the rent, the expenses of such receiver to be paid by the party which does not prevail in the foreclosure action.

(e) Institutional First Mortgagee. In the event an Institutional First Mortgagee or other purchaser shall obtain title to a Unit by foreclosure, or by deed in lieu of foreclosure, such Institutional First Mortgagee or other purchaser, its successors and assigns, shall be liable for Assessments or other related expenses authorized under the Act secured by the claim of lien only to the extent provided by the Act. If, due to the applicable provisions of the Act, any unpaid share of the Assessments or other related expenses authorized under the Act are not required to be paid, then such unpaid share or other related expenses authorized under the Act shall be deemed to be a Common Expense collectible from all of the Unit Owners, including such acquirer, and such acquirer's successors and assigns.

14.2 Certificate of Unpaid Assessments. Within 15 days after request by a Unit Owner or mortgagee of a Unit, the Association shall provide a certificate stating all Assessments and other monies owed to the Association by the Unit Owner with respect to such Owner's Unit. Any person other than the Unit Owner who relies upon such certificate shall be protected thereby.

14.3 Installments. Assessments shall be collected monthly or quarterly, in advance, as determined from time to time by the Board of Directors. Initially, General Assessments will be collected quarterly.

14.4 Appointment of Receiver to Collect Rental. If the Unit Owner remains in possession of the Unit after a foreclosure judgment has been entered, the court in its discretion may require the Unit Owner to pay a reasonable rental for the Unit. If the Unit is rented or leased during the pendency of the foreclosure action, the Association is entitled to the appointment of a receiver to collect the rent, the expenses of such receiver to be paid by the party which does not prevail in the foreclosure action.

14.5 Institutional First Mortgagee. In the event an Institutional First Mortgagee or other purchaser shall obtain title to a Unit by foreclosure, or by deed in lieu of foreclosure, such Institutional First Mortgagee or other purchaser, its successors and assigns, shall be liable for Assessments or other related expenses authorized under the Act secured by the claim of lien only to the extent provided by the Act. If, due to the applicable provisions of the Act, any unpaid share of the Assessments or other related expenses authorized under the Act are not required to be paid, then such unpaid share or other related expenses authorized under the Act shall be deemed to be a Common Expense collectible from all of the Unit Owners, including such acquirer, and such acquirer's successors and assigns.

14.6 Certificate of Unpaid Assessments. Within 15 days after request by a Unit Owner or mortgagee of a Unit, the Association shall provide a certificate stating all Assessments and other monies owed to the Association by the Unit Owner with respect to such Owner's Unit. Any person other than the Unit Owner who relies upon such certificate shall be protected thereby.

14.7 Developer's Guarantee with Optional Activation. At the time of recording of this Declaration, the Developer has the option of either activating the below guarantee of assessments by checking the box contained on the signature page, or leaving such box empty, in which event the Developer will pay Assessments on Developer-owned Units. If the guarantee is activated, the following provisions shall apply:

Developer guarantees, pursuant to Section 718.116(9)(a)2., Florida Statutes, that the Assessment for Common Expenses imposed upon the Unit Owners will not increase over the following dollar amounts for the Unit types noted below, and will pay any amounts of Common Expenses incurred during the below period(s) not produced by the Assessments at the guaranteed level receivable from other Unit Owners for the applicable guarantee period. Commencing upon the date of recordation of this Declaration in the public records of the County and ending on December 31, 2007, the Assessments shall be guaranteed for all Units not to exceed \$1,666.25 quarter (which equates to an amount of \$6,665.00 on an annual basis). Thereafter, for the period commencing on January 1, 2008, and ending on December 31, 2008, the Assessments shall be guaranteed for all Units not to exceed \$1,916.00 per quarter (which equates to an amount of \$7,664.00 on an annual basis). Commencing on January 1, 2009, and continuing thereafter the Developer shall have the option to extend the guarantee of Assessments for additional periods of one (1) month each. Notwithstanding any provision to the contrary, the guarantee of Assessments shall automatically terminate on the date of the meeting of unit owners at which transfer of control of the Association to Unit Owners other than the Developer occurs. In exchange for this guarantee, the Developer shall be excused from the payment of its pro-rata share of the Assessments for all Units it owns.

Section 15: Insurance

Insurance covering the Condominium Property and the Association Property shall be governed by the following provisions:

15.1 "Insurance Trustee." The Board of Directors shall have the option, in its sole discretion, of appointing an Insurance Trustee hereunder. If the Board of Directors fails or elects not to appoint such Insurance Trustee, the Board of Directors will perform directly all obligations imposed upon such Insurance Trustee by this Declaration. Fees and expenses of any Insurance Trustee are Common Expenses.

15.2 Purchase, Custody and Payment.

(a) Purchase. All insurance policies purchased by the Association shall be issued by an insurance company authorized to do business in Florida meeting all criteria established by the Board or the Act and any rules promulgated thereunder.

(b) Named Insured. Under all insurance policies purchased by the Association, the named insured shall be the Association, individually, and as agent for Owners of Units covered by the policy, without naming them, and as agent for their mortgagees, without naming them. The Unit Owners and their mortgagees shall be deemed additional insureds.

(c) Custody of Policies and Payment of Proceeds. All insurance policies purchased by the Association shall provide that payments for losses made by the insurer shall be paid to the Insurance Trustee, and such policies and endorsements thereto shall be deposited with the Insurance Trustee.

(d) Copies to Mortgagees. One copy of each insurance policy, or a certificate evidencing such policy, and all endorsements thereto, shall be furnished by the Association upon request to each Institutional First Mortgagee who holds a mortgage upon a Unit covered by the policy. Copies or certificates shall be furnished not less than 10 days prior to the beginning of the term of the policy, or not less than 10 days prior to the expiration of each preceding policy that is being renewed or replaced, as appropriate.

(e) Exceptions from Association Responsibility; Unit Owner's Personal Coverage. Except as specifically provided herein or by the Act, the Association shall not be responsible to Unit Owners to obtain insurance coverage upon any and all property lying within the boundaries of their Unit (i.e., personal property and permitted fixtures contained therein), and for their personal liability and living expense and for any other risks not otherwise insured in accordance herewith.

Separate and apart from the provisions of Section 15.3(f) hereof, Unit Owners may be required to purchase flood insurance for their respective Unit(s) if such insurance is required by their mortgagee(s). In the event flood insurance is required, such insurance shall not be for the lesser of 100% of the current replacement cost of the Unit as contained within the Building, or the maximum amount of flood insurance available with regard to such property.

The Unit Owner shall be solely responsible for insuring any and all equipment, machinery, fixtures, furniture and the like installed and/or placed upon or within the Limited Common Elements appurtenant to such Owner's Unit, including, but not necessarily limited to, air-conditioning equipment, automobiles and any other item placed within the appurtenant Limited Common Element garage area, and any furniture or other items placed on a balcony adjacent to a Unit. The Association shall have no responsibility to, but may upon the determination of two thirds () of the voting interests in the Association, obtain insurance on behalf of the Unit Owners with regard to the Limited Common Elements.

Unless the Association elects otherwise, the insurance purchased by the Association shall not cover claims against a Unit Owner due to accidents occurring within such Owner's Unit. It shall be the obligation of the individual Unit Owner, if such Unit Owner so desires, to purchase and pay for insurance as to all such and other risks not covered by insurance carried by the Association.

15.3 Coverage Responsibilities of the Association. The Association shall use its best efforts to obtain and maintain adequate insurance covering the following:

(a) Casualty. Insurance covering loss or damage to the Common Elements and all other portions of the Condominium Property which the Association is responsible to maintain under the terms of this Declaration, and all items for which the Association is required under applicable provisions of the Act to insure against loss or damage by fire and against loss or damage by risks now or hereafter embraced by standard extended coverage and vandalism and malicious mischief endorsements (collectively, the "Insured Property"). Such policies may contain reasonable deductible provisions as determined by the Board of Directors. Such coverage shall afford protection against such other risks as from time to time are customarily covered with respect to buildings and improvements similar to the Insured Property in construction, location and use, including, but not limited to, vandalism and malicious mischief.

(b) Liability. Comprehensive general public liability and automobile liability insurance covering loss or damage resulting from accidents or occurrences on or about or in connection with the Insured Property or adjoining driveways and walkways, or any work, matters or things related to the

Insured Property, with such coverage as shall be required by the Board of Directors of the Association, but with combined single limit liability of not less than \$1,000,000.00 per occurrence, and with a cross liability endorsement to cover liabilities of the Unit Owners as a group to any Unit Owner, and vice versa.

(c) Worker's Compensation and other mandatory insurance, when applicable.

(d) Fidelity Insurance, if required by the Act or FNMA/FHLMC, covering all persons who control or disburse Association funds, such insurance to be in the amount required by law.

(e) Association Property. Appropriate additional policy provisions, policies or endorsements extending the applicable portions of the coverage described above to all Association Property, where such coverage is available.

(f) Flood Insurance. Flood insurance shall be maintained by the Association in connection with the improvements of the Condominium, and the costs of which shall be a Common Expenses.

(g) Additional Insurance. Such other additional insurance as the Board of Directors shall determine from time to time to be desirable.

When appropriate and obtainable, each of the foregoing policies shall waive the insurer's right to: (i) subrogation against the Association, its officers, members of the Board, the Developer, the Management Firm and its respective employees and agents, and against the Unit Owners individually and as a group; (ii) to pay only a fraction of any loss in the event of coinsurance or if other insurance carriers have issued coverage upon the same risk; and (iii) avoid liability for a loss that is caused by an act of the Board of Directors, a member of the Board of Directors, the Management Firm and its respective employees and agents, one or more Unit Owners or as a result of contractual undertakings. Additionally, each policy shall provide that any insurance trust agreement will be recognized, that the insurance provided shall not be prejudiced by any act or omissions of the Management Firm or the individual Unit Owners that are not under the control of the Association, and that the policy shall be primary, even if a Unit Owner has other insurance that covers the same loss.

Every casualty insurance policy obtained by the Association shall have the agreed amount and inflation guard endorsement unless the Board finds such endorsement is unobtainable or economically infeasible.

15.4 Additional Provisions. All policies of insurance shall provide that such policies may not be canceled or substantially modified without at least 30 days' prior written notice to all of the named insureds, including all mortgagees of Units. Prior to obtaining any policy of casualty insurance or any renewal thereof, the Board of Directors may wish to obtain an appraisal from a fire insurance company, or other competent appraiser, of the full insurable replacement value of the Insured Property (exclusive of foundations), without deduction for depreciation, for the purpose of determining the amount of insurance to be effected pursuant to this Section.

15.5 Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense, except that the costs of fidelity bonding for the Management Firm employees may be paid by the Management Firm pursuant to the Management Agreement. Premiums may be financed in such manner as the Board of Directors deems appropriate.

15.6 Insurance Trustee; Share of Proceeds. All insurance policies obtained by or on behalf of the Association shall be for the benefit of the Association, the Management Firm, the Unit Owners and their mortgagees, as their respective interests may appear, and shall provide that all proceeds covering losses to

the Insured Property shall be paid to the Insurance Trustee, which may be designated by the Board of Directors and which, if so appointed, shall be a bank or trust company in Florida with trust powers, with its principal place of business in the State of Florida. The Insurance Trustee shall not be liable for payment of premiums, nor for the renewal or the sufficiency of policies, nor for the failure to collect any insurance proceeds. The duty of the Insurance Trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purposes elsewhere stated herein, and for the benefit of the Unit Owners and their respective mortgagees in the following shares, but shares need not be set forth on the records of the Insurance Trustee:

(a) Insured Property. Proceeds on account of damage to the Insured Property shall be held by the Association for each Unit Owner as tenants in common on the basis of the fair market value of each Unit, relative to the other Units in the Condominium, immediately prior to the event of casualty (such fair market value shall be determined by an MAI-certified appraiser selected by the Board of Directors in its sole discretion); provided, however, that prior to any distributions to the Unit Owners, such proceeds shall first be distributed in accordance with the provisions of Section 15.7 herein.

(b) Mortgagees. No mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds, except for actual distributions thereof made to the Unit Owner and mortgagee pursuant to the provisions of this Declaration.

15.7 Distribution of Proceeds. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the beneficial owners thereof in the following manner:

(a) Expenses of the Trust. All expenses of the Insurance Trustee shall be first paid or provision shall be made therefor.

(b) Reconstruction or Repair. If the damaged property for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided herein. Any proceeds remaining after defraying such costs shall be distributed to each Unit Owner, by check made payable jointly to such Unit Owner and its respective mortgagee(s), in accordance with the provisions of Section 15.6(a) herein.

(c) Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damaged property for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be allocated among the beneficial owners as provided in Section 15.6(a) herein, and distributed to each Unit Owner by check made payable jointly to such Unit Owner and its respective mortgagee(s). If there is no mortgage on the Unit, all distributions shall be made directly to the Unit Owner.

(d) Certificate. In making distributions to Unit Owners and their mortgagees, the Insurance Trustee (if appointed) may rely upon a certificate of the Association made by its President and Secretary as to the names of the Unit Owners and their mortgagees and their respective shares of the distribution.

15.8 Association as Agent. The Association is hereby irrevocably appointed as agent and attorney-in-fact for each Unit Owner and for each owner of a mortgage or other lien upon a Unit and for each owner of any other interest in the Condominium Property to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

15.9 Presumption as to Damaged Property. In the event of a dispute or lack of certainty as to whether damaged property constitutes a Unit(s) or Common Elements, such property shall be presumed to be Common Elements.

Section 16: Reconstruction Or Repair After Fire Or Other Casualty

16.1 Determination to Reconstruct or Repair. Subject to the immediately following subsection, in the event of damage to or destruction of the Insured Property as a result of fire or other casualty, the Board of Directors shall arrange for the prompt repair and restoration of the Insured Property, and the Insurance Trustee shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. If the Insurance Trustee has not been appointed, then the Board of Directors shall act as if it were the Insurance Trustee hereunder.

If 75% or more of the Insured Property is substantially damaged or destroyed and if Unit Owners owning 80% of the applicable interests in the Common Elements duly and promptly resolve not to proceed with the repair or restoration thereof and a Majority of Institutional First Mortgagees approve such resolution, the Condominium Property shall not be repaired and the net proceeds of insurance resulting from such damage or destruction shall be distributed to each Unit Owner, by check made payable to such Unit Owner and its respective mortgagee(s), in accordance with the provisions of Section 15.6(a) herein.

Whenever in this Section 16 the words "promptly repair" are used, it shall mean that repairs are to begin not more than 60 days from the date the Insurance Trustee (if appointed) notifies the Board of Directors and Unit Owners that it holds proceeds of insurance on account of such damage or destruction sufficient to pay the estimated cost of such work, or not more than 90 days after the Insurance Trustee (if appointed) notifies the Board of Directors and the Unit Owners that such proceeds of insurance are insufficient to pay the estimated costs of such work. The Insurance Trustee (if appointed) may rely upon a certificate of the Association made by its President and Secretary to determine whether or not the damaged property is to be reconstructed or repaired.

16.2 Plans and Specifications. Any reconstruction or repair must be made substantially in accordance with the plans and specifications for the original improvements and the then applicable building and other codes; or if not, then in accordance with the plans and specifications approved by the Board of Directors and the then-applicable building and other codes.

16.3 Disbursement. The proceeds of insurance collected on account of a casualty, and the sums collected from Unit Owners on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner and order:

(a) Lesser Damage. If the amount of the estimated costs of reconstruction and repair which are the responsibility of the Association is less than \$100,000.00, then the construction fund shall be disbursed in payment of such costs upon the order of the Board of Directors; provided, however, that upon request to the Insurance Trustee (if appointed) by an Institutional First Mortgagee which is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner provided below for the reconstruction and repair of major damage.

(b) Major Damage. If the amount of the estimated costs of reconstruction and repair which are the responsibility of the Association is more than One Hundred Thousand and No/100 Dollars (\$100,000.00), then the construction fund shall be disbursed in payment of such costs in the manner contemplated by subsection (i) above, but then only upon the further approval of an architect or engineer qualified to practice in Florida and employed by the Association to supervise the work.

(c) Unit Owners. If there is a balance of insurance proceeds after payment of all costs of reconstruction and repair that are the responsibility of the Association, this balance shall be distributed to each Unit Owner, by check made payable jointly to such Unit Owner and its respective mortgagee(s), in accordance with the provisions of Section 15.6(a) herein.

(d) Certificate. Notwithstanding the provisions herein, the Insurance Trustee shall not be required to determine whether or not sums paid by Unit Owners upon Assessments shall be deposited by the Association with the Insurance Trustee, nor to determine whether the disbursements from the construction fund are to be made upon the order of the Association alone or upon the additional approval of an architect, engineer or otherwise, nor whether a disbursement is to be made from the construction fund, nor to determine whether surplus funds to be distributed are less than the Assessments paid by Unit Owners, nor to determine the payees nor the amounts to be paid. The Insurance Trustee may rely upon a certificate of the Association, made by its President and Secretary, as to any or all of such matters and stating that the sums to be paid are due and properly payable, and stating the names of the payees and the amounts to be paid.

16.4 Assessments. If the proceeds of the insurance are not sufficient to defray the estimated costs of reconstruction and repair to be effected by the Association, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs of reconstruction and repair are insufficient, Assessments (as applicable) shall be levied against the Unit Owners in sufficient amounts to provide funds for the payment of such costs. Such applicable Assessments on account of damage to the Insured Property shall be in proportion to all of the Owners' respective shares in the Common Elements, as determined by the Association.

16.5 Responsibilities of Unit Owners. If damage occurs to the Units, the maintenance and responsibility of which lies solely upon the respective Unit Owners, then each Unit Owner shall be solely responsible for all necessary reconstruction and repair to its respective Unit, which reconstruction and repair shall be effected promptly and in accordance with guidelines established by the Board of Directors. Each Unit Owner shall have the absolute responsibility of applying insurance proceeds, arising as a result of flood, fire or other casualty damage to the Unit, to the repair and/or reconstruction of such Unit; provided, however, that no Unit Owner shall have the responsibility of applying insurance proceeds to the repair and/or reconstruction of the respective Units if the Condominium is terminated in accordance with the provisions of Section 21 herein.

16.6 Benefit of Mortgagees. Certain provisions in this Section are for the benefit of mortgagees of Units and may be enforced by any of them.

Section 17: Condemnation

Any condemnation of any portion(s) of the Condominium Property shall be governed by the following provisions:

17.1 Deposit of Certain Condemnation Awards with Insurance Trustee. Condemnation awards pertaining to the taking of Common Elements shall be paid over by each Unit Owner to the Insurance Trustee for use as noted hereinafter in this Section. In the event the Unit Owner fails to turn over such award as required, the defaulting Unit Owner shall be charged the maximum interest which does not constitute usury under Florida law until such amount is fully paid.

Condemnation awards pertaining to the condemnation of Units shall not be the property of the Association.

17.2 Determination Whether to Continue Condominium. Whether the Condominium will be continued after condemnation will be determined in the manner provided for in Section 16 herein for determining whether damaged property will be reconstructed and repaired after casualty. For this purpose, the taking by eminent domain also shall be deemed to be a casualty.

17.3 Disbursement of Funds. If the Condominium is terminated following a condemnation, the proceeds of the awards pertaining to the condemnation of Common Elements will be deemed to be insurance proceeds and shall be owned and distributed in the manner provided with respect to the ownership and distribution of insurance proceeds if the Condominium is terminated after a casualty. If the Condominium is not terminated after condemnation, the size of the Condominium will be reduced and the property damaged by the taking will be made usable in the manner provided below. The proceeds of any such awards shall be used for these purposes and shall be disbursed in the manner provided for disbursement of funds by the Insurance Trustee after a casualty, or as elsewhere in this Section specifically provided.

17.4 Condemnation of Common Elements. Awards for the taking of portions of the Common Elements shall be used to render the remaining portion of the Common Elements usable in the manner approved by the Board of Directors of the Association; provided, however, that if the cost of such work shall exceed the balance of the funds from the awards for the taking, the work shall be approved in the manner elsewhere required for capital improvements to the Common Elements. The balance of the awards for the taking of Common Elements, if any, shall be distributed, after adjustments to these shares effected pursuant hereto by reason of the taking, to each Unit Owner by check made payable jointly to such Unit Owner and its respective mortgagee(s), in accordance with the provisions of Section 15.6(a) herein.

17.5 Condemnation of a Unit. If there is a taking of a Unit, the respective Unit Owner shall not be required to utilize any portion of the condemnation award with regard to reconstruction of its Unit. Following such taking of a Unit and the recording of a deed to the condemning authority, (a) the affected Unit Owner shall no longer have an ownership interest in its Unit or an undivided ownership interest in the Common Elements, and (b) such Unit Owner shall no longer be responsible for the payment of Common Expenses.

The following changes shall be made in the Condominium following a taking as described in this Section 17.5:

(a) Addition to Common Elements. The remaining portion of the Unit, if any, shall become part of the Common Elements and shall be placed in a condition allowing, to the extent possible, for use by all of the Unit Owners in the manner approved by the Board of Directors.

(b) Adjustment of Shares. The shares in the Common Elements, Common Expenses and Common Surplus appurtenant to the Units that continue as part of the Condominium shall be adjusted to distribute the shares in the Common Elements, Common Expenses and Common Surplus among the reduced number of Unit Owners (and among reduced Units). This distribution shall be determined by taking the fractional share of each Unit Owner in proportion to the number of Units remaining in the Condominium.

(c) Assessments. In the event the Association does not have the funds necessary to alter the remaining portion of the condemned Unit for use as a part of the Common Elements, the additional funds for such purposes shall be raised by applicable Assessments against all of the Unit Owners who will continue as Owners of Units after the changes in the Condominium effected by the taking. The Assessments shall be made in proportion to the applicable percentage shares of those Owners after all adjustments to such shares effected pursuant hereto by reason of the taking.

17.6 Amendment of Declaration. The changes in Units, in the Common Elements and in the ownership of the Common Elements and share in the Common Expenses and Common Surplus that are effected by the taking shall be evidenced by an amendment to this Declaration that is only required to be approved by, and executed upon the direction of, a majority of all members of the Board of Directors.

Section 18: Occupancy And Use Restrictions

In order to provide for congenial occupancy of the Condominium Property and for the protection of the values of the Units, the use of the Condominium Property shall be restricted to and shall be in accordance with the following provisions, in addition to the Rules and Regulations:

18.1 Occupancy. Each Unit shall be used as a single family residence only, except as may be otherwise herein expressly provided. The provisions of this subsection shall not be applicable to Units used by the Developer for model apartments, guest accommodations, sales or other offices or management services.

18.2 Antennae and Satellite Dishes. Satellite dishes, aerals and antennas and all lines and equipment related thereto located wholly within the physical boundaries of a Unit shall be permitted without any requirement for approval from the Board of Directors.

Satellite dishes, aerals and antennas shall not be permitted on the Common Elements except to the extent required to be permitted by applicable law (including, but not limited to, the Federal Telecommunications Act of 1996). The Association shall have the right and authority, in its sole discretion and from time to time, to promulgate rules and regulations concerning the size and location of and safety restrictions pertaining to the installation of satellite dishes, aerals and antennas and all lines and equipment related thereto which shall be permitted on the Common Elements.

Notwithstanding any provision to the contrary, the Association, in its discretion and from time to time, shall have the power and ability to erect or install any satellite dish, antenna or aerial or any similar structure on the Common Elements, provided that such satellite dish, aerial or antenna be solely utilized for the reception of television or radio signals to be utilized by the residents of the Condominium or for security purposes.

18.3 Specific Prohibited Uses. No sign, advertisement, notice or other lettering shall be exhibited, displayed, inscribed, painted or affixed in, on or upon any part of the Unit, Limited Common Elements or Condominium Property by any Unit Owner or occupant without prior written consent of the Developer for so long as the Developer owns any Units. The foregoing includes signs within a Unit which are visible from outside the Unit. No person shall use the Common Elements or any part thereof, or a Unit, or the Condominium Property, or any part thereof, in any manner contrary to or not in accordance with the Rules and Regulations. The Unit Owner shall not permit or suffer anything to be done or kept in such Owner's Unit which will increase the rate of insurance on the Condominium Property, or which will obstruct or interfere with the rights of other Unit Owners, or annoy them by unreasonable noises, or otherwise, nor shall the Unit Owners commit or permit any nuisance, immoral or illegal acts in or about the Condominium Property.

18.4 Nuisances. No nuisances (as reasonably determined by the Association) shall be allowed on the Condominium Property, nor shall any use or practice be allowed which is a source of annoyance to residents or occupants of Units or which interferes with the peaceful possession or proper use of the Condominium Property by its residents or occupants. No activity specifically permitted by this Declaration shall be deemed a nuisance.

18.5 No Improper Uses. No improper, offensive, hazardous 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 thereover shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereover, relating to any portion of the Condominium Property, shall be corrected by, and at the sole expense of, the party obligated to maintain or repair such portion of the Condominium Property, as elsewhere herein set forth. Notwithstanding the foregoing and any provisions of this Declaration, the Articles of Incorporation or By-Laws, the Association shall not be liable to any person(s) for its failure to enforce the provisions of this Section. No activity specifically permitted by this Declaration shall be deemed a violation of this Section 18.

18.6 Sound Transmission. All Units shall always have the floors covered with wall-to-wall carpeting installed over high quality padding, except carpeting is not required in entry foyer, kitchens, bathrooms, grand salon or laundry rooms, subject to the exceptions set forth below. A Unit Owner who desires to install in place of carpeting any hard-surface floor covering (e.g., marble, slate, ceramic tile, parquet) shall also install a sound absorbent underlayment of such kind and quality equivalent or superior to cork material, all installed in accordance with the rules and regulations promulgated by the Association, as amended from time to time, so as to reduce the transmission of noise to adjoining Units. The Unit Owner shall obtain written approval of the Board prior to any such installation. If the installation is made without such prior written approval, the Board may, in addition to exercising all the other remedies provided in this Declaration, require the offending Unit Owner to cover all such hard-surface flooring with carpeting, or require the removal of such hard-surface flooring at the expense of the offending Unit Owner. Each Unit Owner, by acceptance of a deed or other conveyance of their Unit, hereby acknowledges and agrees that sound and impact noise transmission in a building such as within the Condominium is very difficult to control, and that noises from adjoining or nearby Units and/or mechanical equipment can be heard in another Unit. The Developer does not make any representation or warranty as to the level of sound or impact noise transmission between and among Units and the other portion of the Condominium Property, and each Unit Owner hereby waives and expressly releases, to the extent not prohibited by applicable law as of the date of this Declaration, any such warranty and claims for loss or damages resulting from sound or impact noise transmission.

18.7 Extended Vacations and Absences. In the event a Unit will be unoccupied for an extended period of time, in addition to the obligations of the Unit Owners and any notices required to be provided in accordance with the Master Declaration, the Unit Owner must also notify the Association of such absence and provide to the Association the name and contact information of the Unit Owner's designee who has a key to the Unit. Under no circumstances shall the Association have any responsibility of any nature relating to any unoccupied Unit.

18.8 Non-Interference with the Developer. Until the Developer has completed and sold all of the Units, no Unit Owner, nor the Association, shall interfere with the completion of the proposed improvements and the sale of Units by the Developer. The Developer and/or entities in which the Developer has an ownership interest may make such use of the unsold Units and Common Elements as may facilitate such the offering of Units for sale, including, but not limited to, maintaining a sales office, displaying signs and operating model Units.

Section 19: Selling, Leasing And Mortgaging Of Units

Units may be made subject to mortgages without restrictions, but sales and leases thereof shall be subject to the provisions of this Section:

19.1 Sales. In connection with the conveyance of each Unit, other than conveyance by the Developer or Institutional Mortgagees, an officer of the Association shall execute and acknowledge a

certificate stating that all Assessments levied against such Unit have been paid in full, or if not paid in full, the amounts due and owing. The Board of Directors shall furnish such certificate upon receipt from the Unit Owner of a request form (which will be prepared by the Association) setting forth the proposed purchaser's name, notice address and date of closing. Payment of outstanding Assessments shall be in accordance with the Act. Each new Unit Owner receiving a conveyance from any party except the Developer shall notify the Association and the Management Firm promptly after becoming a new Owner by delivering a copy of the deed to the Unit to the Association and the Management Firm.

19.2 Leases.

(a) All leases shall be for a term of not less than 30 consecutive days. No Unit Owner may lease or rent a Unit if delinquent in the payment of any Assessments. If all Assessments are paid up to date, a Unit Owner may rent or lease a Unit without further approval. However, the Unit Owner renting or leasing a Unit shall promptly notify the Association and the Management Firm of each renter and the term of such rental or lease. The sub-leasing or sub-renting of a Unit Owner's interest shall be subject to the same limitations as are applicable to the leasing or renting thereof. The Association shall have the right to require upon notice to all Unit Owners that a substantially uniform form of lease or sub-lease be used by all Unit Owners (including the Developer) intending to rent or lease after said notice and to provide such form as a Common Expense. Entire Units only may be rented, provided the occupancy is only by the lessee, his family and guests, and no individual rooms may be rented. A tenant of a Unit shall have all of the use rights in the Association Property and Common Elements otherwise readily available for use generally by Unit Owners, and the Owner of the leased Unit shall not have such rights, except as a guest. This shall not, however, interfere with access rights of an Owner as landlord pursuant to applicable law. All provisions of this Section 19.2 shall not be applicable to the Developer.

(b) No later than 15 days prior to the anticipated date of closing on the sale of a Unit, or with regard to a lease the first date of occupancy, the Unit Owner shall provide written notice to the Association indicating such Unit Owners' intention to sell or lease the Unit. The notice shall include the name and address of the proposed purchaser/lessee(s) and an executed copy of the purchase contract or a copy of the proposed lease. The Association may require other such information as it deems reasonably necessary, and may impose a transfer fee not to exceed \$100.00 or such other amount as permitted by law from time to time.

The Association must, within 15 days after receipt of all the information required above, either approve, disapprove for cause, or, upon the written demand of the Unit Owner, furnish an alternate lessee it approves or the Association may itself elect to purchase, and the Unit Owner must sell to such alternate or to the Association upon the same terms set forth in the proposal given the Association, or the Unit Owner may withdraw his proposed sale or lease. In exercising its power of disapproval, the Association must act in a manner that is neither arbitrary nor unlawfully discriminatory and withhold approval only for a reason or reasons rationally related to the protection, preservation and proper operation of the Community and the purposes set forth herein. If the Association fails or refuses within the allotted time to notify the Unit Owner of either approval or disapproval in writing, or if it fails to provide an alternate lessee or make an election to purchase the Unit itself when required to do so, then the Association shall conclusively be presumed to have approved the transaction, and the Association shall, upon demand, provide a recordable certificate of approval.

- (c) The following provisions specifically pertain to the leasing of a Unit:
- (i) Approvals of leases need not be recorded;
 - (ii) Only entire Units may be leased;

(iii) All leases must include, and if they do not, shall be deemed to include and state:

(A) the agreement of the lessee(s) to abide by all of the terms and provisions of the Condominium Documents (but notwithstanding such statement, the Unit Owner shall be responsible for all conduct of the Unit Owner's tenants, including without limitation any damage to the Common Elements as a result of the acts or omissions of the Unit Owner's tenants);

(B) that a violation of the Condominium Documents is a material breach of the lease and is grounds for damages, termination and eviction;

(C) that the lessee(s) and the Unit Owner agree that the Association may proceed directly against such lessee(s) and that the lessee(s) shall be responsible for the Association's costs and expenses, including attorneys' fees and paraprofessional fees at all levels, including appeals, collections and bankruptcy. If such costs and fees are not immediately paid by the lessee(s), the Unit Owner shall be required to pay same, and collection of such funds shall be through any avenue available to the Association pursuant to this Declaration or at law. Each Unit Owner irrevocably appoints the Association as the Unit Owner's agent-in-fact having authority to bring actions in the Unit Owner's name and at the Unit Owner's expense (including actions for injunctive relief, damages, termination and eviction) against the lessee(s); and

(D) that the Condominium Documents must be provided to the lessee(s) by or on the behalf of the Unit Owner at or before the commencement of the lease term.

(iv) Consistent with the provisions of this Section 19.2 and as specifically stated in Section 6.13 of the Master Declaration, de facto timesharing of Units is not permitted, and approval will not be given for the sale of a Unit or an interest therein interest in a Unit to multiple persons (such as siblings or business associates), who may intend that they and their families would split occupancy of the Unit into different time periods during the year. Furthermore, no vacation clubs or similar revolving residential arrangements or occupancy rights shall be permitted with regard to any Unit.

19.3 Continuing Liability. The liability of the Unit Owner under this Declaration shall continue, notwithstanding the fact that such Owner may have leased, rented or sub-let said interest as provided herein. Every purchaser, tenant or lessee shall take subject to this Declaration, the Articles of Incorporation, the By-Laws and the Management Agreement, as well as the provisions of the Act.

19.4 No Severance of Ownership. No part of the Common Elements may be sold, conveyed or otherwise disposed of, except as an appurtenance to the Unit in connection with a sale, conveyance or other disposition of the Unit to which such interest is appurtenant, and any sale, conveyance or other disposition of a Unit shall be deemed to include that Unit's appurtenant interest in the Common Elements.

19.5 Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer such Owner's Unit by gift, to devise such Owner's Unit by will, or to have such Owner's Unit pass by intestacy, without restriction; provided, however, that each succeeding Unit Owner shall be bound by, and such Owner's Unit subject to, the provisions of this Section.

Section 20: Compliance And Default

Each Unit Owner and every occupant of a Unit and the Association shall be governed by and shall comply with the terms of this Declaration of Condominium and all exhibits annexed hereto, and the rules and regulations adopted pursuant to those documents, as the same may be amended from time to time. The

Association (and Unit Owners, if appropriate) shall be entitled to the following relief in addition to the remedies provided by the Act:

20.1 Negligence. A Unit Owner shall be liable for the expense of any maintenance, repair or replacement made necessary by his negligence or by that of any member of his family or his or their guests, employees, agents or lessees, but only to the extent such expense is not met by the proceeds of insurance actually collected in respect of such negligence by the Association.

20.2 Compliance. In the event a Unit Owner or occupant fails to maintain a Unit or fails to cause such Unit to be maintained, or fails to observe and perform all of the provisions of the Declaration, the By-Laws, the Articles of Incorporation, applicable rules and regulations, or any other agreement, document or instrument affecting the Condominium Property or administered by the Association, in the manner required, the Association shall have the right to proceed in a court of equity to require performance and/or compliance, to impose any applicable fines or to sue in a court of law for damages.

20.3 Costs and Attorneys' Fees. In any proceeding arising because of an alleged failure of a Unit Owner or the Association to comply with the requirements of the Act, this Declaration, the Articles of Incorporation, the By-Laws or the rules and regulations adopted pursuant to said documents, as the same may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees (including appellate attorneys' fees).

20.4 No Waiver of Rights. The failure of the Association or any Unit Owner to enforce any covenant, restriction or other provision of the Act, this Declaration, the Articles of Incorporation, the By-Laws or the rules and regulations adopted pursuant to said documents, as the same may be amended from time to time, shall not constitute a waiver of their right to do so thereafter.

Section 21: Termination Of Condominium

The Condominium shall continue until (i) terminated by casualty loss, condemnation or eminent domain, as more particularly provided elsewhere in this Declaration, or (ii) such time as termination of the condominium form of ownership is authorized by a vote of Owners owning 90% of the Units and by the Primary Institutional First Mortgagee. Upon such termination, the former Condominium Property shall be subject to an action for partition by any Owner, and the net proceeds of sale shall be divided among all Owners in proportion to their respective interests in the Common Elements; provided, however, that no payment shall be made to an Owner until all mortgages and liens on such Owner's Unit, in the order of their priority, have been satisfied out of such Owner's share of such net proceeds. Upon such termination, all funds of the Association, including, but not limited to, reserves, insurance proceeds, and condemnation awards, shall be divided among all Owners in proportion to their respective interests in the Common Elements; provided, however, that no payment shall be made to an Owner until all mortgages and liens on such Owner's Unit, in the order of their priority, have been satisfied out of such Owner's share of such net proceeds. The termination of the Condominium shall be effective upon a certificate of the Association, executed by its President and Secretary, certifying the basis of the termination being recorded among the public records of the County.

Section 22: Additional Rights Of Mortgagees And Others

The following provisions are intended for the benefit of each holder of a first mortgage upon a Unit, and, to the extent that any other provisions of this Declaration conflicts with the following provisions, if at all, the following provisions shall control:

22.1 Upon request in writing, the Association shall furnish to each Institutional First Mortgagee of a Unit and any holder, insurer or guarantor of a first mortgage a written notice of any default by the Unit

Owner of such Unit in the performance of such Unit Owner's obligations under this Declaration that has not been cured within 30 days.

22.2 Upon request in writing, each Institutional First Mortgagee of a Unit and any holder, insurer or guarantor of a first mortgage on a Unit shall have the right:

(a) to examine current copies of this Declaration, the By-Laws, Rules and Regulations and the books, records and financial statements of the Association during normal business hours;

(b) to receive, without any charge and within a reasonable time after such request, the annual audited financial statement which is prepared and distributed by the Association to the Unit Owners at the end of its fiscal year; provided, however, that in the event an audited financial statement is not available, the holders of 51% or more of the first mortgages in the Units shall be entitled to have such an audited statement prepared at their expense;

(c) to receive written notices of all meetings of the Association and to designate a representative to attend all such meetings;

(d) to receive written notice of any decision by the Unit Owners to make a material amendment to the Declaration, the By-Laws or Articles of Incorporation;

(e) to receive written notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and

(f) to receive written notice of any action which would require the consent of a specified number of Institutional First Mortgagees.

22.3 No provision of this Declaration or the Articles of Incorporation or any similar instrument pertaining to the Condominium Property or the Units therein shall be deemed to give a Unit Owner or any other party priority over any rights of the Institutional First Mortgagees of Units pursuant to their mortgages in the case of distribution to Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of the Units and/or the Common Elements, or any portion thereof or interest therein. In such event, the holder of any first mortgage on a Unit shall be entitled, upon specific written request, to timely written notice of any such loss.

22.4 Upon specific written request to the Association, each Institutional First Mortgagee of a Unit or holder, insurer or guarantor of a mortgage on a Unit shall be furnished notice in writing by the Association of any damage to or destruction or taking of the Common Elements if such damage or destruction or taking exceeds \$10,000.00 or if damage shall occur to a Unit in excess of \$1,000.00.

22.5 If any Unit or portion thereof or the Common Elements or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, then the holder, insurer or guarantor of any first mortgage on a Unit will be entitled to timely written notice, upon specific written request, of any such proceeding or proposed acquisition and no provisions of any document will entitle a Unit Owner or other party to priority over such holder with respect to the distribution to such Unit of the proceeds of any award or settlement.

22.6 Any holder of a first mortgage on a Unit who receives a written request to approve additions or amendments and fails to deliver or mail to the requesting party a negative response within 30 days shall be deemed to have approved such request.

22.7 In the event professional management has been previously required by any holder, insurer or guarantor of a first mortgage on a Unit, any decision to establish self management by the Association shall require the prior consent of Unit Owners in accordance with Section 718.302(1), Florida Statutes.

22.8 As required by Section 718.110, Florida Statutes, any mortgagee consent required under this Section shall not be unreasonably withheld and shall otherwise be deemed to apply to the extent applicable.

Section 23: Disclaimer of Warranties

DEVELOPER HEREBY DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES AS TO DESIGN, CONSTRUCTION, FURNISHING AND EQUIPPING OF THE CONDOMINIUM PROPERTY, EXCEPT ONLY THOSE SET FORTH IN SECTION 718.203 OF THE ACT. AS TO SUCH WARRANTIES WHICH CANNOT BE DISCLAIMED, AND TO OTHER CLAIMS, IF ANY, WHICH CAN BE MADE AS TO THE AFORESAID MATTERS, ALL INCIDENTAL AND CONSEQUENTIAL DAMAGES ARISING THEREFROM ARE HEREBY DISCLAIMED.

ALL UNIT OWNERS, BY VIRTUE OF THEIR ACCEPTANCE OF TITLE TO THEIR RESPECTIVE UNITS (WHETHER FROM THE DEVELOPER OR ANOTHER PARTY), SHALL BE DEEMED TO HAVE AUTOMATICALLY WAIVED ALL OF THE AFORESAID DISCLAIMED WARRANTIES AND INCIDENTAL AND CONSEQUENTIAL DAMAGES.

Section 24: Mediation and Arbitration

All issues or disputes which are recognized by the Act or by administrative rules promulgated under the Act as being appropriate or required for mediation or arbitration shall be submitted to such alternative resolution procedures prior to institution of civil litigation proceedings.

Section 25: Additional Provisions

25.1 Notices. All notices to the Association required or desired hereunder or under the By-Laws shall be sent by first class mail to the Association in care of its office at the Condominium, or to such other address as the Association may hereafter designate from time to time by notice in writing to all Unit Owners. Except as provided specifically in the Act, all notices to any Unit Owner shall be sent by first class mail to the address of such Unit Owner appearing in the Association's records at the time the notice is transmitted. 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 identifies 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 in the deed of record.

All notices to mortgagees of Units shall be sent by first class mail to their respective addresses, or such other address as may be designated by them from time to time, in writing to the Association.

All notices shall be deemed to have been given when mailed in a postage prepaid sealed wrapper, except notices of a change of address, which shall be deemed to have been given when received, or 5 business days after proper mailing, whichever shall first occur.

25.2 Interpretation. The Board of Directors shall be responsible for interpreting the provisions hereof and of any of the exhibits attached hereto. Such interpretation shall be binding upon all parties unless wholly unreasonable. An opinion of legal counsel to the Association, or the legal counsel having drafted this Declaration, that any interpretation adopted by the Association is not unreasonable shall conclusively establish the validity of such interpretation.

25.3 Binding Effect of Section 718.303, Florida Statutes. The provisions of Section 718.303(1), Florida Statutes, shall be in full force and effect and are incorporated herein. A Management Firm, if a Management Agreement is in effect, shall assist the Association in the prosecution of any action pursuant to the statute aforescribed.

25.4 Right of Developer to Add Recreational Facilities and Common Elements. If the Developer elects to add or expand any recreational facilities or any other portion of the Common Elements, the Developer shall pay all the expenses relating to the construction or the providing of such addition or expansion and shall record an amendment to this Declaration describing such property. The amendment shall be executed with the formalities of a deed and recorded in the public records of the County. No approval or action of the Association, Unit Owners or mortgagees shall be necessary for adding such additional Common Elements to condominium ownership. All costs of maintenance, repair and replacement relating to the addition or expansion of the recreational facilities or any other portion of the Common Elements shall be a Common Expense.

25.5 Right of Developer to Convey Property to the Association. The Developer hereby reserves the right to convey to the Association any real property contiguous to the Condominium Property free and clear of liens and encumbrances, including, but not limited to, wetlands or other parcels more suitable to become Association Property rather than Common Elements. All costs and expenses associated with such Association Property shall be Common Expenses. The Association shall be required to accept any such conveyance from the Developer.

25.6 Transfer of Control of the Association. When Unit Owners other than the Developer own 15% or more of the Units, the Unit Owners other than the Developer shall be entitled to elect no less than one third () of the members of the Board of Directors. Unit Owners other than the Developer are entitled to elect not less than a majority of the members of the Board of Directors: (a) three years after 50% of the Units have been conveyed to purchasers; (b) three months after 90% of the Units have been conveyed to purchasers; (c) when all the Units have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business; (d) when some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or (e) seven years after recordation of this Declaration.

25.7 Limited Common Element Parking Spaces. Each Unit shall have one allocated Limited Common Element parking space that is located within the boundaries of the Condominium Property. Certain spaces will be contained within the physical boundaries of the Building, and other spaces will be contained within the real property described in the Declaration of Easements (which real property constitutes a portion of the Condominium Property). There are not sufficient parking spaces contained within the physical boundaries of the Building so as to permit each Unit to have one covered parking space. Accordingly, certain of the Units will have assigned thereto one open-air (i.e., uncovered) Limited Common Element parking space (all of which spaces are contained within the real property described in the Declaration of Easements. Allocations of both covered and uncovered parking spaces will initially be assigned by the Developer by an unrecorded written instrument given to the purchaser at closing (and Developer shall have the right to charge and collect a fee for the assignment of parking spaces). Later, in the event that two or more Unit Owners wish to exchange a space, they may do so by surrendering their allocation instruments to the Association, which shall re-issue allocation instruments reflecting the exchange; provided, however, that each Unit at all times shall have one parking space. Allocations may only be changed with the written consent of the holder; provided, however, the Association shall have the absolute right to make allocations or re-allocations of parking spaces to accommodate the needs of the handicapped persons. Allocated spaces while allocated shall constitute Limited Common Elements appurtenant to Units, subject to severance as contemplated herein. No non-Unit Owner shall hold a parking space allocation within the Condominium Property, and allocated Limited Common Element parking spaces shall pass with

the title to the Unit. If a Unit Owner has more than one vehicle, such Unit Owner shall be entitled to utilize unallocated parking spaces within the overall Community common property, but the Association shall have the right, in its sole discretion and from time to time, to limit the number of vehicles that a Unit Owner may park upon the Community common property.

25.8 Avigation Easement. The Condominium is situated in close proximity to one or more civilian or military airfields and accordingly users of civilian or military aircraft may operate in and through the airspace above, over, across or near the surface of the property upon which the Condominium is located. Such operation will likely cause such noise, vibrations, odors, vapors, exhaust, smoke, dust or other effects as are inherent in the operation of civilian and military aircraft. The airspace above and around the Unit and the Condominium may be used for the launching, landing and maneuvering about of civilian and military aircraft. By purchasing a Unit in the Condominium, a Unit Owner expressly assumes the risk of residing in close proximity to such operations and agrees that the Developer or any entity designing, constructing or managing the Condominium will not be liable to Unit Owner or any invitee, guest, tenant, licensee or family of unit owner for any loss or damage for personal injury, damage to property, trespass, nuisance or any other alleged wrong attributable to any extent to the proximity of the Unit or the Condominium to the civilian or military airfields and the flight or passage of civilian or military aircraft in and through the airspace above, over, across or near the surface of the property upon which the Condominium is located. Each Unit Owner by virtue of accepting title to a Unit also accepts the terms and conditions of the Avigation Easement regarding the rights of Escambia County regarding air rights related to the operation of civilian or military airfields.

25.9 Exhibits. There are hereby incorporated in this Declaration all materials contained in the exhibits annexed hereto, except that as to such exhibits, any conflicting provisions set forth therein as to their amendment, modification, enforcement and other matters shall control over those hereof.

25.10 Signature of President and Secretary. Wherever the signature of the President of the Association is required hereunder, the signature of a Vice-President may be substituted therefor, and, wherever the signature of the Secretary of the Association is required hereunder, the signature of an Assistant Secretary may be substituted therefor, provided that the same person may not execute any single instrument on behalf of the Association in two separate capacities.

25.11 Severability. The invalidity in whole or in part of any covenant or restriction, or any section, subsection, sentence, clause, phrase or word, or other provision of this Declaration, the exhibits annexed hereto, or applicable rules and regulations adopted pursuant to such documents, as the same may be amended from time to time, shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.

25.12 Waiver. No provisions contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce the same, without regard to the number of violations or breaches which may occur.

25.13 Ratification. Each Unit Owner, by reason of having acquired ownership (whether by purchase, gift, operation of law or otherwise), and each occupant of a Unit, by reason of his occupancy, shall be deemed to have acknowledged and agreed that all of the provisions of this Declaration, the Articles of Incorporation, the By-Laws, and applicable rules and regulations, are fair and reasonable in all material respects.

25.14 Gender: Plurality. For convenience and ease of reference, the third person singular impersonal form of pronoun "it" has been used herein without regard to the proper grammatical person or gender of the party being referred to. All such references shall be deemed to include the singular or plural person and the masculine, feminine or neuter gender, as required by the context.

25.15 Captions. The captions herein and in the exhibits annexed hereto are inserted only as a matter of convenience and for ease of reference and in no way define or limit the scope of the particular document or any provision thereof.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Developer has caused this Declaration to be duly executed and its corporate seal to be hereunto affixed this 20th day of February, 2007.

WITNESSES:

WCI Communities, Inc., a Delaware corporation

Name: Mary B. Taffard
Print Name: MARY B. TAFFARD

By: Wanda Z. Cross
Wanda Z. Cross, Vice President

Name: Constance Mitchell
Print Name: CONSTANCE MITCHELL

(Corporate Seal)

Developer hereby activates the guarantee in Section 14.7 above.

STATE OF FLORIDA
COUNTY OF ESCAMBIA

The foregoing instrument was acknowledged before me this 20 day of February, 2007, by Wanda Z. Cross, as Vice President WCI COMMUNITIES, INC., a Delaware corporation, on behalf of the corporation, as Developer of Galia at Lost Key Marina & Yacht Club, A Condominium. She is personally known to me or has produced _____ as identification.

My Commission Expires:

(AFFIX NOTARY SEAL)



Dana M. Harris
(Signature)
Name: Dana M. Harris
(Legibly Printed)
Notary Public, State of Florida
DD 576468
(Commission Number, if any)

EXHIBIT NO. 1 TO DECLARATION OF CONDOMINIUM

The legal description of the Condominium, as submitted to condominium ownership pursuant to the recording of the Declaration of Condominium to which this exhibit is attached, is as follows and is provided for the sake of clarity:

Legal Description for Sketch of Condominium Property
(Building Envelope for Galia Condominium)
HMM Project No. 210213
July 2, 2005 (Revised: May 4, 2006)

A parcel of land lying and being in Section 24, Township 3 South, Range 31 West, Escambia County, Florida, being more particularly described as follows:

Commence at the Northwest corner of Block 2, Quinavista Subdivision, a Subdivision lying in Lot 1, Section 24, Township 3 South, Range 31 West, Escambia County, Florida, as recorded in Plat Book 2 at page 68 of the Public Records of Escambia County, Florida; thence run North 78°11'50" East along the South right-of-way of Gulf Beach Highway (66' R/W) for a distance of 423.05 feet to an one-inch iron pipe; thence departing said South right-of-way run South 11°50'40" East for a distance of 250.09 feet; thence run North 78°12'50" East for a distance of 26.12 feet; thence run South 11°43'12" East for a distance of 158.63 feet; thence run North 78°16'48" East for a distance of 25.84 feet to the Point of Beginning; thence run North 66°10'26" East for a distance of 262.24 feet; thence run South 23°49'34" East for a distance of 97.02 feet to a point on a non-tangent circular curve being concave to the South, having a radius of 856.50 feet and a central angle of 1°38'51"; said point also being on the North line of a 30-foot Access and Utility Easement; thence run Southwesterly along the arc of said curve and said Easement for an arc distance of 24.63 feet (Chord Bearing= South 71°19'22" West, Chord Distance= 24.63 feet) to a point of compound curvature with a circular curve being concave to the South, having a radius of 115.00 feet and a central angle of 19°51'47"; said point also being on said North line of Easement; thence run Southwesterly along the arc of said curve and said Easement for an arc distance of 39.87 feet (Chord Bearing= South 60°34'02" West, Chord Distance= 39.67 feet); thence departing said curve and said Easement run South 66°10'26" West for a distance of 204.69 feet; thence run North 23°49'34" West for a distance of 68.78 feet; thence run North 11°39'02" West for a distance of 30.59 feet to the Point of Beginning.

Contains 0.6021 acres, more or less.

TOGETHER WITH

Legal Description for Sketch of Parcel A
(Parking Easement for Galia Condominium)
HMM Project No. 210213
July 20, 2006

A Parking Easement over and across a parcel of land lying and being in Section 24, Township 3 South, Range 31 West, Escambia County, Florida, being more particularly described as follows:

Commence at the Northwest corner of Block 2, Quinavista Subdivision, a Subdivision lying in Lot 1, Section 24, Township 3 South, Range 31 West, Escambia County, Florida, as recorded in Plat Book 2 at page 68 of the Public Records of Escambia County, Florida; thence run North 78°11'50" East along the South right-of-way of Gulf Beach Highway (66' R/W) for a distance of 423.05 feet to an one-inch iron pipe; thence departing said South right-of-way run South 11°50'40" East for a distance of 250.09 feet; thence run North 78°12'50" East for a distance of 26.12 feet; thence run South 11°43'12" East for a distance of 79.80 feet; thence run North 78°16'48" East for a distance of 31.44 feet to the Point of Beginning of Parcel A; thence

run North 78°20'58" East for a distance of 18.00 feet to a point here forth known as Point 'A'; thence run South 11°39'02" East for a distance of 45.00 feet to a point here forth known as Point 'B'; thence run South 78°20'58" West for a distance of 18.00 feet; thence run North 11°39'02" West for a distance of 45.00 feet to the Point of Beginning.

Contains 810.00 square feet or 0.0186 acres, more or less.

TOGETHER WITH

Legal Description for Sketch of Parcel B
(Parking Easement for Galia Condominium)
HMM Project No. 210213
July 20, 2006

A Parking Easement over and across a parcel of land lying and being in Section 24, Township 3 South, Range 31 West, Escambia County, Florida, being more particularly described as follows:

Commence at the aforesaid Point 'A' of Parcel A; thence run North 78°20'58" East for a distance of 29.97 feet; thence run South 23°49'34" East for a distance of 2.29 feet to the Point of Beginning of Parcel B; thence run North 66°10'26" East for a distance of 54.00 feet to a point here forth known as Point 'C'; thence run South 23°49'34" East for a distance of 18.00 feet; thence run South 66°10'26" West for a distance of 54.00 feet; thence run North 23°49'34" West for a distance of 18.00 feet to the Point of Beginning.

Contains 972.00 square feet or 0.0223 acres, more or less.

TOGETHER WITH

Legal Description for Sketch of Parcel C
(Parking Easement for Galia Condominium)
HMM Project No. 210213
July 20, 2006

A Parking Easement over and across a parcel of land lying and being in Section 24, Township 3 South, Range 31 West, Escambia County, Florida, being more particularly described as follows:

Commence at the aforesaid Point 'C' of Parcel B; thence run North 66°10'26" East for a distance of 10.00 feet to the Point of Beginning of Parcel C; thence continue North 66°10'26" East for a distance of 108.00 feet; thence run South 23°49'34" East for a distance of 18.00 feet; thence run South 66°10'26" West for a distance of 108.00 feet; thence run North 23°49'34" West for a distance of 18.00 feet to the Point of Beginning.

Contains 1,944.00 square feet or 0.0446 acres, more or less.

TOGETHER WITH

Legal Description for Sketch of Parcel D
(Parking Easement for Galia Condominium)
HMM Project No. 210213
July 20, 2006

A Parking Easement over and across a parcel of land lying and being in Section 24, Township 3 South, Range 31 West, Escambia County, Florida, being more particularly described as follows:

Commence at the aforesaid Point 'B' of Parcel A; thence run North 78°20'58" East for a distance of 4.91 feet; thence run South 23°49'34" East for a distance of 5.59 feet to the Point of Beginning of Parcel D;

thence run North 66°10'26" East for a distance of 54.00 feet to a point here forth known as Point 'D'; thence run South 23°49'34" East for a distance of 18.00 feet; thence run South 66°10'26" West for a distance of 54.00 feet; thence run North 23°49'34" West for a distance of 18.00 feet to the Point of Beginning.

Contains 972.00 square feet or 0.0223 acres, more or less.

TOGETHER WITH

Legal Description for Sketch of Parcel E
(Parking Easement for Galia Condominium)
HMM Project No. 210213
July 20, 2006

A Parking Easement over and across a parcel of land lying and being in Section 24, Township 3 South, Range 31 West, Escambia County, Florida, being more particularly described as follows:

Commence at the aforesaid Point 'D' of Parcel D; thence run North 66°10'26" East for a distance of 48.97 feet to the Point of Beginning of Parcel E; thence continue North 66°10'26" East for a distance of 108.00 feet; thence run South 23°49'34" East for a distance of 18.00 feet; thence run South 66°10'26" West for a distance of 108.00 feet; thence run North 23°49'34" West for a distance of 18.00 feet to the Point of Beginning.

Contains 1,944.00 square feet or 0.0446 acres, more or less.

The original Condominium drawings (which constitute Exhibit No. 1 to the Declaration of Condominium) and the certificate of substantial completion as issued by the surveyor for the condominium improvements are attached hereinafter.

CERTIFICATE OF SURVEYOR PURSUANT TO
SECTION 718.104(e), FLORIDA STATUTES

GALIA AT LOST KEY MARINA & YACHT CLUB, A CONDOMINIUM

STATE OF FLORIDA
COUNTY OF ESCAMBIA

BEFORE ME, the undersigned authority, personally appeared H. Wade Pridgen (the "Affiant"), who was sworn and says:

1. Affiant is a duly registered and duly licensed land surveyor, authorized to practice under the laws of the State of Florida.
2. Affiant is providing this Certificate of Surveyor pursuant to Section 718.104(4)(e), F.S. (2005).
3. Affiant hereby certifies that the construction of the improvements (the "Improvements"), all as more particularly described on Exhibit "A" of the Declaration of Condominium for GALIA AT LOST KEY MARINA & YACHT CLUB, A Condominium, is substantially complete so that Exhibit No. 1 of the Declaration of Condominium for GALIA AT LOST KEY MARINA & YACHT CLUB, A Condominium, together with all other provisions of the Declaration describing the Condominium Property as it relates to matters of survey, is an accurate representation of the location and dimensions of the Improvements, and that the identification, location, and dimensions of the Common Elements (as defined in the Declaration), the Limited Common Elements (as defined in the Declaration), and each unit of the Condominium can be determined from these materials.

Further Affiant Sayeth Not.

Dated this 2nd day of March, 2007.

Hatch Mott MacDonald Florida, Inc., a Florida corporation

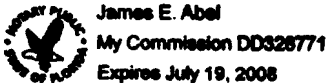
By: [Signature]
Name: H. Wade Pridgen
Title: Survey Manager
State Survey No.: 3758

STATE OF FLORIDA
COUNTY OF ESCAMBIA

The foregoing instrument was sworn to, subscribed to and acknowledged before me this 2nd day of MARCH, 2007, by H. WADE PRIDGEN as SURVEY MANAGER of Hatch Mott MacDonald Florida, Inc., a Florida corporation, on behalf of the corporation, who did not take an oath and who is personally known to me.

[Signature]
Notary Public

(Notary Seal Must Be Affixed)



Name of Notary Printed _____
My Commission Expires: _____
Commission Number: _____

GALIA AT LOST KEY MARINA & YACHT CLUB, A CONDOMINIUM

Surveyor's Notes:

1. North and Bearings are based on Escambia County gps Monuments Esc 4121 and Esc 4122 being N 44°10'23" E.
2. Underground utilities, foundations, or encroachments not located, if any.
3. There may be additional restrictions not shown on this survey that may be found in the Public Records of Escambia County. A title search will have to be provided to this surveyor for them to be shown.

As provided in Section 3.2 of the Declaration of Condominium, each Unit shall include that part of the Building that lies within the following boundaries:

- (a) Upper and Lower Boundaries. The upper and lower boundaries of the Unit shall be the following boundaries extended to their intersections with the perimeter boundaries:
 - (i) Upper Boundaries. The horizontal plane of the unfinished lower surface of the ceiling of the Unit.
 - (ii) Lower Boundaries. The horizontal plane of the unfinished upper surface of the floor of the Unit.
- (b) Perimeter Boundaries. The perimeter boundaries of the Unit shall be the vertical planes of the unfinished interior surfaces of the drywall walls bounding the Unit as depicted on the Condominium Plat extended to their intersections with each other and with the upper and lower boundaries.
- (c) Interior Walls. No portion of the nonstructural interior partition walls within a Unit shall be considered part of the boundary of a Unit.

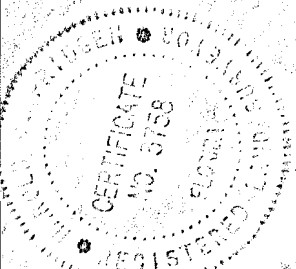
As provided in the Declaration of Condominium, "Common Elements" means (a) the portions of the Condominium property which are not included within the Units; (b) easements over, under, across, and through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility and other services to the Units and the Common Elements; (c) an easement of support in every portion of a Unit which contributes to the support of the Unit and the Dwelling or other improvements on all other Units, Common Elements or Limited Common Elements; (d) the property and installations required for the furnishing of utilities and other services to more than one Unit or to the Common Elements; (e) any entryways, alarm systems, access systems, or security systems not contained within or for a specific Unit; (f) all portions of the stormwater management system for the Condominium as described more fully in the Development Order; and (g) any other parts of the Condominium Property designated as Common Elements pursuant to the Declaration of Condominium or Chapter 718, Florida Statutes.

As provided in Section 3.3 of the Declaration of Condominium, "Limited Common Elements" means such portions of the Common Elements as are defined herein and/or shown on these Condominium drawings, including, but not limited to: (a) that portion of the Limited Common Elements, as detailed on these Condominium drawings, which surrounds each Unit and directly touches the boundary of such Unit (if any); (b) any balconies, patios, or lanais or similar structures which are constructed on the Common Elements and are connected with or adjacent to such Unit and for the sole use of the respective Unit Owner (if any); (c) to the extent applicable, any portion(s) of the Common Elements adjacent to or in close proximity to the Unit upon which is constructed equipment necessary for the cooling and heating of the Dwelling, including, but not necessarily limited to, air conditioners and heat pumps; (d) any light and electrical fixtures outside the Unit or attached to the exterior walls of the Dwelling which are not otherwise contained within the Unit, which are designed to exclusively serve such Unit; (e) to the extent contained on the Condominium Property, the mailbox assigned for the use of a Unit; (f) one or more parking spaces as may be assigned to a particular Unit; and (g) the drywall which serves to define the vertical and upper horizontal boundaries of the Unit.

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

H. WADE PRIDGEN
 FLORIDA PROFESSIONAL SURVEYOR
 AND MAPPER NO. 37558

H. Wade Pridgen
 3-2-07
 AFFIX SURVEYOR SEAL



PROJECT: GALIA
 AT LOST KEY MARINA & YACHT CLUB,
 A CONDOMINIUM

TITLE: SURVEYOR'S NOTES



Hatch Mott MacDonald Florida, LLC
 Architects Engineers Surveyors
 5111 North 13th Avenue, Pompano Beach, FL 33062
 Telephone: (850) 464-8111 • Fax: (850) 464-8100

FIELD BOOK: 805/65-66 860/44-45,
 813/64 867/1 874/10
 DRAWN BY: G. EDWARDS

PROJECT SURVEYOR: H.W. PRIDGEN
 PROJECT MANAGER: W. NEWSOME

DATE: 07-02-2005
 REVISION DATE: 02-05-2007
 FIELD DATE: 03-2-07

H.M.M. PROJECT NUMBER: 210213

SHEET: 1 OF 11

GALIA AT LOST KEY MARINA & YACHT CLUB, A CONDOMINIUM

LEGAL DESCRIPTION

Legal Description for Sketch of Condominium Property (Building Envelope for Galia Condominium)
 HMM Project No. 210213
 July 2, 2005 (Revised: May 4, 2006)

A parcel of land lying and being in Section 24, Township 3 South, Range 31 West, Escambia County, Florida, being more particularly described as follows:

Commence at the Northwest corner of Block 2, Quinavista Subdivision, a Subdivision lying in Lot 1, Section 24, Township 3 South, Range 31 West, Escambia County, Florida, as recorded in Plat Book 2 at page 68 of the Public Records of Escambia County, Florida; thence run North 78°1'50" East along the South right-of-way of Gulf Beach Highway (66' R/W) for a distance of 423.05 feet to an one-inch iron pipe; thence departing said South right-of-way run South 11°50'40" East for a distance of 250.09 feet; thence run North 78°12'25" East for a distance of 26.12 feet; thence run South 11°43'12" East for a distance of 158.63 feet; thence run North 78°16'48" East for a distance of 25.84 feet to the Point of Beginning; thence run North 68°10'26" East for a distance of 262.24 feet; thence run South 23°49'34" East for a distance of 97.02 feet to a point on a non-tangent circular curve being concave to the South, having a radius of 856.50 feet and a central angle of 1°38'51"; said point also being on the North line of a 30-foot Access and Utility Easement; thence run Southwesterly along the arc of said curve and said Easement for an arc distance of 24.63 feet (Chord Bearing= South 71°19'22" West, Chord Distance= 24.63 feet) to a point of compound curvature with a circular curve being concave to the South, having a radius of 115.00 feet and a central angle of 19°51'47"; said point also being on said North line of Easement; thence run Southwesterly along the arc of said curve and said Easement for an arc distance of 39.87 feet (Chord Bearing= South 68°34'02" West, Chord Distance= 39.87 feet); thence departing said curve and said Easement run South 68°10'26" West for a distance of 204.69 feet; thence run North 23°49'34" West for a distance of 68.78 feet; thence run North 11°39'02" West for a distance of 30.59 feet to the Point of Beginning.
 Contains 0.6021 acres, more or less.

Legal Description for Sketch of Parcel A (Parking Easement for Galia Condominium)
 HMM Project No. 210213
 July 20, 2006

A Parking Easement over and across a parcel of land lying and being in Section 24, Township 3 South, Range 31 West, Escambia County, Florida, being more particularly described as follows:

Commence at the Northwest corner of Block 2, Quinavista Subdivision, a Subdivision lying in Lot 1, Section 24, Township 3 South, Range 31 West, Escambia County, Florida, as recorded in Plat Book 2 at page 68 of the Public Records of Escambia County, Florida; thence run North 78°1'50" East along the South right-of-way of Gulf Beach Highway (66' R/W) for a distance of 423.05 feet to an one-inch iron pipe; thence departing said South right-of-way run South 11°50'40" East for a distance of 250.09 feet; thence run North 78°12'25" East for a distance of 26.12 feet; thence run South 11°43'12" East for a distance of 179.80 feet; thence run North 78°16'48" East for a distance of 31.44 feet to the Point of Beginning of Parcel A; thence run North 78°20'58" East for a distance of 18.00 feet to a point here forth known as Point 'A'; thence run South 11°39'02" East for a distance of 45.00 feet to a point here forth known as Point 'B'; thence run South 78°20'58" West for a distance of 18.00 feet; thence run North 11°39'02" West for a distance of 45.00 feet to the Point of Beginning.
 Contains 810.00 square feet or 0.0186 acres, more or less.

Legal Description for Sketch of Parcel B (Parking Easement for Galia Condominium)
 HMM Project No. 210213
 July 20, 2006

A Parking Easement over and across a parcel of land lying and being in Section 24, Township 3 South, Range 31 West, Escambia County, Florida, being more particularly described as follows:

Commence at the aforesaid Point 'A' of Parcel A; thence run North 78°20'58" East for a distance of 29.97 feet; thence run South 23°49'34" East for a distance of 2.29 feet to the Point of Beginning of Parcel B; thence run North 68°10'26" East for a distance of 54.00 feet to a point here forth known as Point 'C'; thence run South 23°49'34" East for a distance of 18.00 feet; thence run South 68°10'26" West for a distance of 54.00 feet; thence run North 23°49'34" West for a distance of 18.00 feet to the Point of Beginning.
 Contains 972.00 square feet or 0.0223 acres, more or less.

Legal Description for Sketch of Parcel C (Parking Easement for Galia Condominium)
 HMM Project No. 210213
 July 20, 2006

A Parking Easement over and across a parcel of land lying and being in Section 24, Township 3 South, Range 31 West, Escambia County, Florida, being more particularly described as follows:

Commence at the aforesaid Point 'C' of Parcel B; thence run North 68°10'26" East for a distance of 10.00 feet to the Point of Beginning of Parcel C; thence continue North 68°10'26" East for a distance of 108.00 feet; thence run South 23°49'34" East for a distance of 18.00 feet; thence run South 68°10'26" West for a distance of 108.00 feet; thence run North 23°49'34" West for a distance of 18.00 feet to the Point of Beginning.
 Contains 1,944.00 square feet or 0.0446 acres, more or less.

Legal Description for Sketch of Parcel D (Parking Easement for Galia Condominium)
 HMM Project No. 210213
 July 20, 2006

A Parking Easement over and across a parcel of land lying and being in Section 24, Township 3 South, Range 31 West, Escambia County, Florida, being more particularly described as follows:

Commence at the aforesaid Point 'B' of Parcel A; thence run North 78°20'58" East for a distance of 4.91 feet; thence run South 23°49'34" East for a distance of 5.59 feet to the Point of Beginning of Parcel D; thence run North 68°10'26" East for a distance of 54.00 feet to a point here forth known as Point 'D'; thence run South 23°49'34" East for a distance of 18.00 feet; thence run South 68°10'26" West for a distance of 54.00 feet; thence run North 23°49'34" West for a distance of 18.00 feet to the Point of Beginning.
 Contains 972.00 square feet or 0.0223 acres, more or less.

Legal Description for Sketch of Parcel E (Parking Easement for Galia Condominium)
 HMM Project No. 210213
 July 20, 2006

A Parking Easement over and across a parcel of land lying and being in Section 24, Township 3 South, Range 31 West, Escambia County, Florida, being more particularly described as follows:

Commence at the aforesaid Point 'D' of Parcel D; thence run North 68°10'26" East for a distance of 48.97 feet to the Point of Beginning of Parcel E; thence continue North 68°10'26" East for a distance of 108.00 feet; thence run South 23°49'34" East for a distance of 18.00 feet; thence run South 68°10'26" West for a distance of 108.00 feet; thence run North 23°49'34" West for a distance of 18.00 feet to the Point of Beginning.
 Contains 1,944.00 square feet or 0.0446 acres, more or less.

UNLESS ACCOMPANIED BY A SIGNED AND SEALED SHEET 1, THEN THIS DRAWING, SKETCH, PLAT, MAP OR DESCRIPTION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT VALID.



Hatch Mott MacDonald Florida, LLC
 Architects Engineers Surveyors
 Certificate of Authorization: LE-0006763
 5111 North 17th Avenue (2000) / P. O. Box 2010 (200) Jacksonville, Florida 32218
 Telephone: (904) 244-4111 or Fax: (904) 244-4188

FIELD BOOK: 805/65-66 860/44-45, 813/64 867/1 874/10
 DRAWN BY: G. EDWARDS

PROJECT SUPERVISOR:
 PROJECT MANAGER:

H.W. PRIDGEN
 W. NEWSOME

DATE: 07-02-2005
 REVISION DATE: 02-05-2007

HMM PROJECT NUMBER: 210213

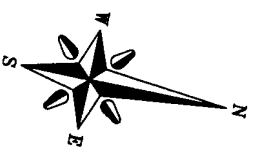
SHEET: 2 OF 11

PROJECT: GALIA AT LOST KEY MARINA & YACHT CLUB, A CONDOMINIUM
 TITLE: LEGAL DESCRIPTIONS

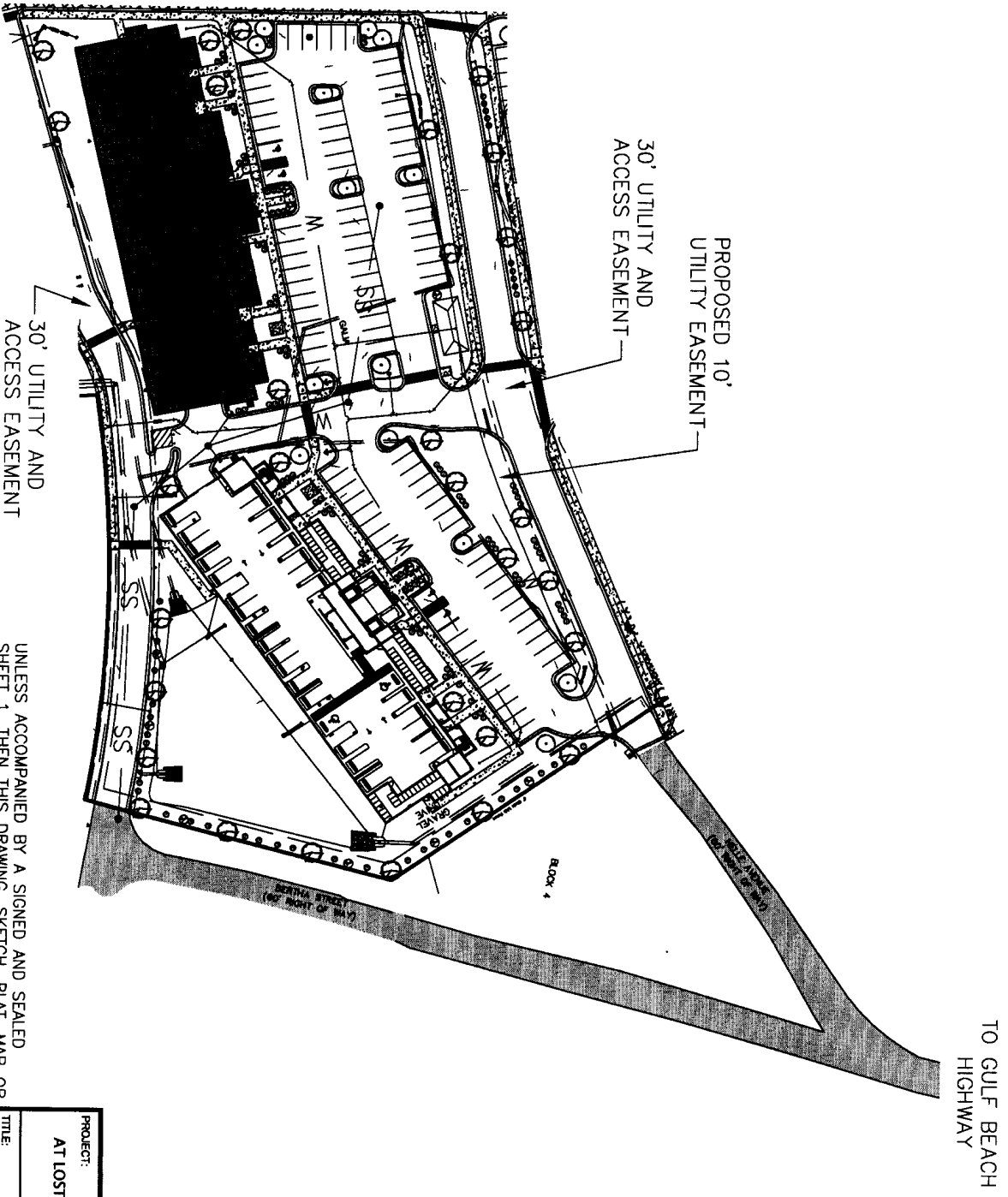
GALIA AT LOST KEY MARINA & YACHT CLUB, A CONDOMINIUM OVERALL SITE DEVELOPMENT PLAN



VICINITY MAP (NOT TO SCALE)



SCALE 1"=100'



**Hatch Mott
MacDonald**

Hatch Mott MacDonald Florida, LLC
Architects Engineers Surveyors
Civil Mechanical Electrical
5111 North 13th Avenue
Pensacola, Florida 32504
Telephone: (850) 464-8711 • Fax: (850) 264-8188

FIELD BOOK: 805/65-66 860/44-45,
813/64 867/1 874/10
DRAWN BY: G. EDWARDS

PROJECT SURVEYOR: H.W. PRIDGEN
PROJECT MANAGER: W. NEWSOME

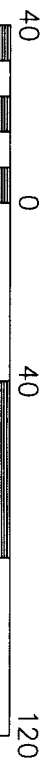
DATE: 07-02-2005
REVISION DATE: 02-05-2007
FIELD DATE:

H.M.M.
PROJECT NUMBER: 210213

PROJECT: GALIA
AT LOST KEY MARINA & YACHT CLUB,
A CONDOMINIUM

TITLE: OVERALL ROD & REEL
SITE DEVELOPMENT PLAN

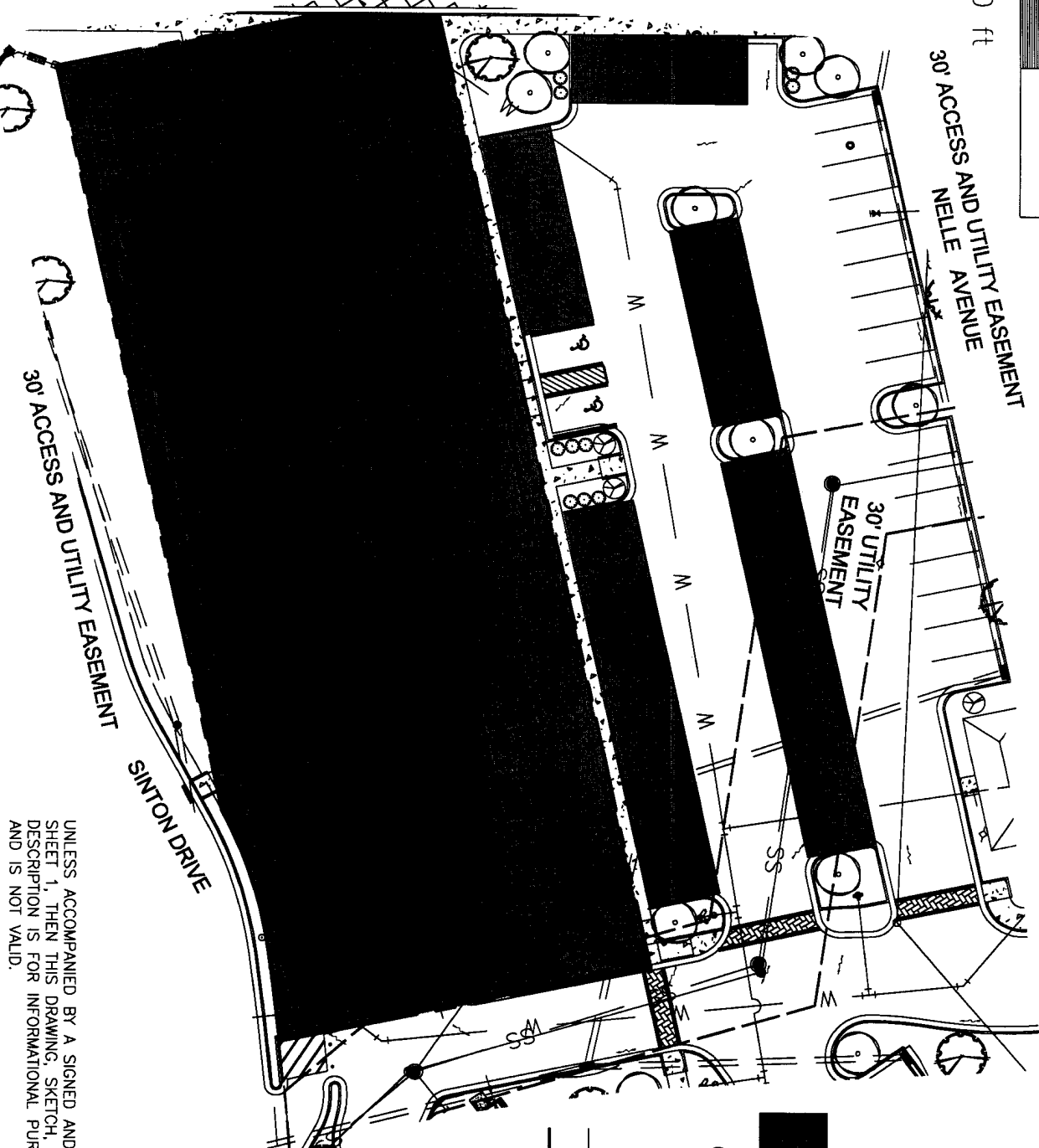
SHEET: 3 OF 11



Scale 1" = 40 ft



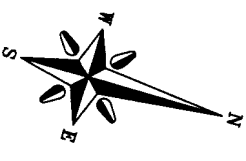
GALIA AT LOST KEY MARINA & YACHT CLUB, A CONDOMINIUM CONDOMINIUM SITE PLAN



- LEGEND**
- = GALIA PARKING SPACE NUMBER (LIMITED COMMON ELEMENT)
 - = TREE, PROPOSED
 - = WATER LINE
 - = SANITARY SEWER LINE
 - = EASEMENT LINE
 - = BOUNDARY OF CONDO ENVELOPE

NOTES:

- DISTANCE FROM OUTERMOST EXTREMITY OF BUILDING TO UTILITY EASEMENT.



SCALE 1"=40'



Hatch Mott MacDonald Florida, LLC
Architects, Engineers, Surveyors
Certificate of Authorization: LE-0008783
5111 North 12th Avenue (Coral Gables) P.O. Box 2618 (33135-2618)
Telephone: (305) 264-0111 • Fax: (305) 464-4189

FIELD BOOK: 805/65-66 860/44-45,
813/64 867/1 874/10
DRAWN BY: G. EDWARDS

PROJECT SUPERVISOR: H.W. PRIDGEN
PROJECT MANAGER: W. NEWSOME

DATE: 07-02-2005
REVISION DATE: 02-05-2007
FIELD DATE:

H.M.M. PROJECT NUMBER: 210213

UNLESS ACCOMPANIED BY A SIGNED AND SEALED SHEET 1, THEN THIS DRAWING, SKETCH, PLAN, MAP OR DESCRIPTION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT VALID.

PROJECT: GALIA
AT LOST KEY MARINA & YACHT CLUB,
A CONDOMINIUM

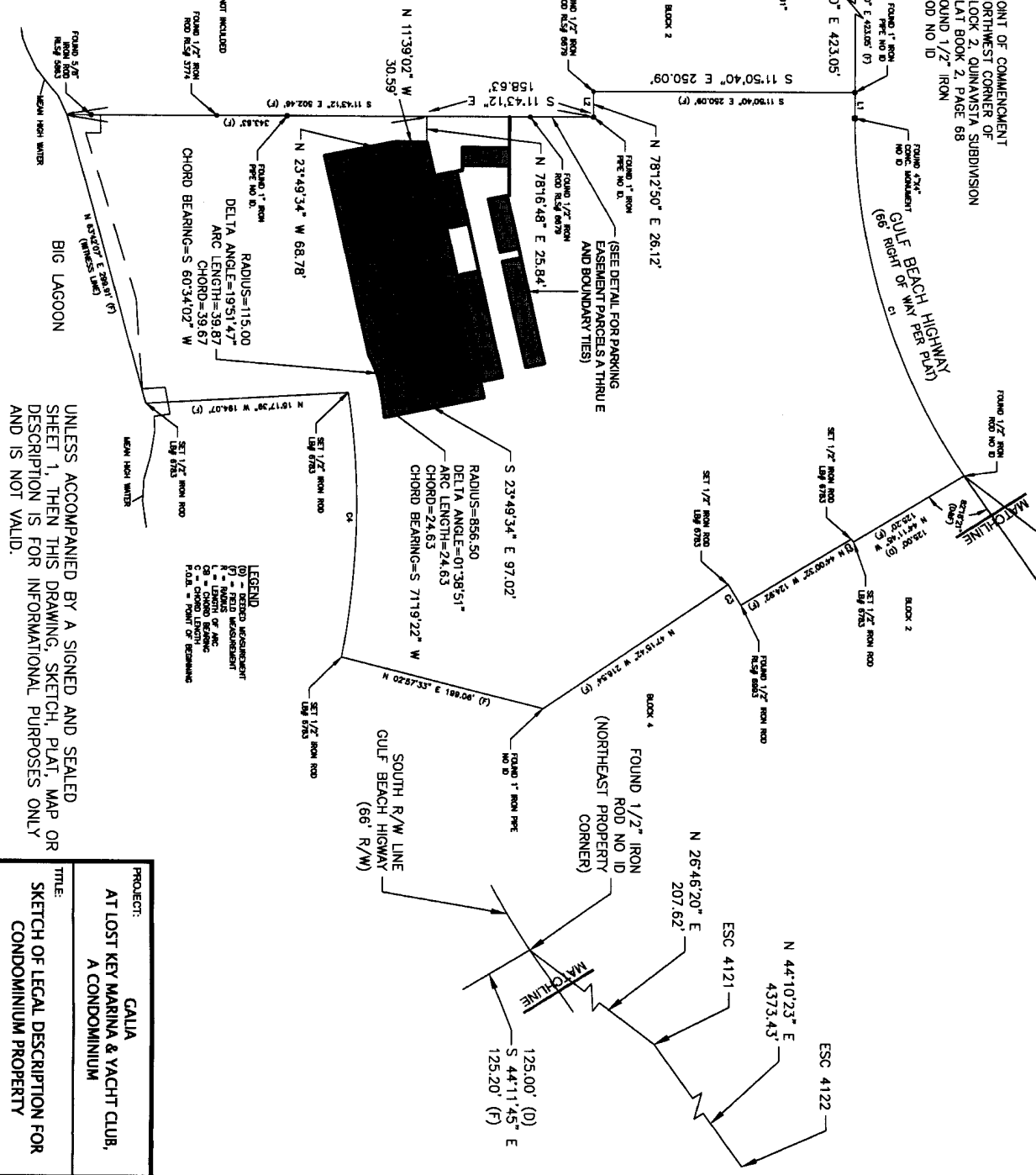
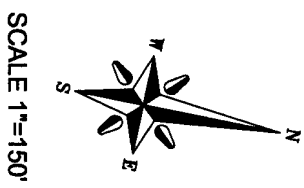
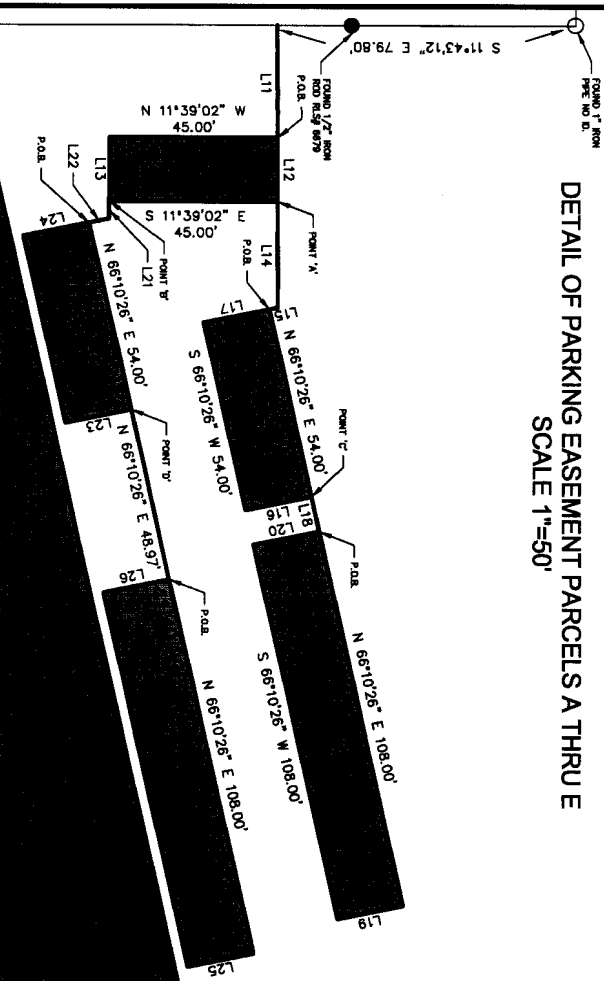
TITLE: OVERALL ROD & REEL
SITE DEVELOPMENT PLAN

SHEET: 4 OF 11

GALIA AT LOST KEY MARINA & YACHT CLUB, A CONDOMINIUM SKETCH OF LEGAL DESCRIPTION FOR CONDOMINIUM PROPERTY

LINE	BEARING	LENGTH
L11	S 78°16'48" W	31.44'
L12	N 78°20'58" E	18.00'
L13	S 78°20'58" W	18.00'
L14	N 78°20'58" E	29.97'
L15	S 23°49'34" E	2.29'
L16	S 23°49'34" E	18.00'
L17	N 23°49'34" W	18.00'
L18	N 66°10'26" E	108.00'
L19	S 23°49'34" E	18.00'
L20	N 23°49'34" W	18.00'
L21	N 78°20'58" E	4.91'
L22	S 23°49'34" E	5.59'
L23	N 23°49'34" W	18.00'
L24	N 23°49'34" E	18.00'
L25	S 23°49'34" E	18.00'
L26	N 23°49'34" W	18.00'

DETAIL OF PARKING EASEMENT PARCELS A THRU E
SCALE 1"=50'

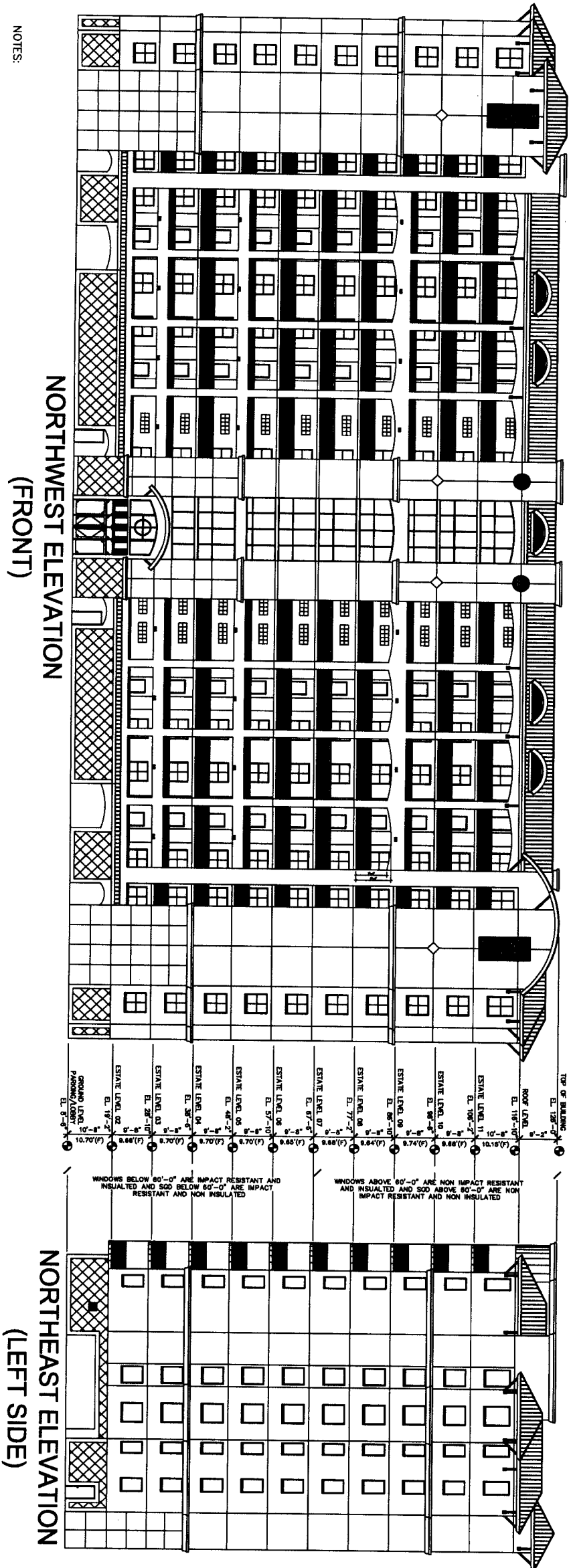


LEGEND
 (P) = BEARING
 (L) = LENGTH
 (D) = DISTANCE
 (R) = RIGHT OF WAY
 (C) = CHORD
 (F) = POINT OF BEGINNING

UNLESS ACCOMPANIED BY A SIGNED AND SEALED SHEET 1, THEN THIS DRAWING, SKETCH, PLAN, MAP OR DESCRIPTION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT VALID.

Hatch Mott MacDonald	Hatch Mott MacDonald Florida, LLC Architects, Engineers, Surveyors Certificate of Authorization: LA-0009783 5111 North 72nd Avenue (305) 911-7100 P.O. Box 2081 (305) 281-2819 Telephone: (850) 464-8111 • Fax: (850) 464-8180	FIELD BOOK: 805/65-66 860/44-45, 813/64 867/1 874/10	PROJECT SURVEYOR: H.W. PRIDGEN
		DRAWN BY: G. EDWARDS	PROJECT MANAGER: W. NEWSOME
		DATE: 07-02-2005	REVISION DATE: 02-05-2007
		H.M.M. PROJECT NUMBER: 210213	SHEET: 5 OF 11
PROJECT: GALIA AT LOST KEY MARINA & YACHT CLUB, A CONDOMINIUM			
TITLE: SKETCH OF LEGAL DESCRIPTION FOR CONDOMINIUM PROPERTY			


GALIA AT LOST KEY MARINA & YACHT CLUB, A CONDOMINIUM ELEVATION OF IMPROVEMENTS



NOTES:
1. (F)=FIELD MEASUREMENT

SCALE 1"=30'

UNLESS ACCOMPANIED BY A SIGNED AND SEALED SHEET 1, THEN THIS DRAWING, SKETCH, PLAN, MAP OR DESCRIPTION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT VALID.

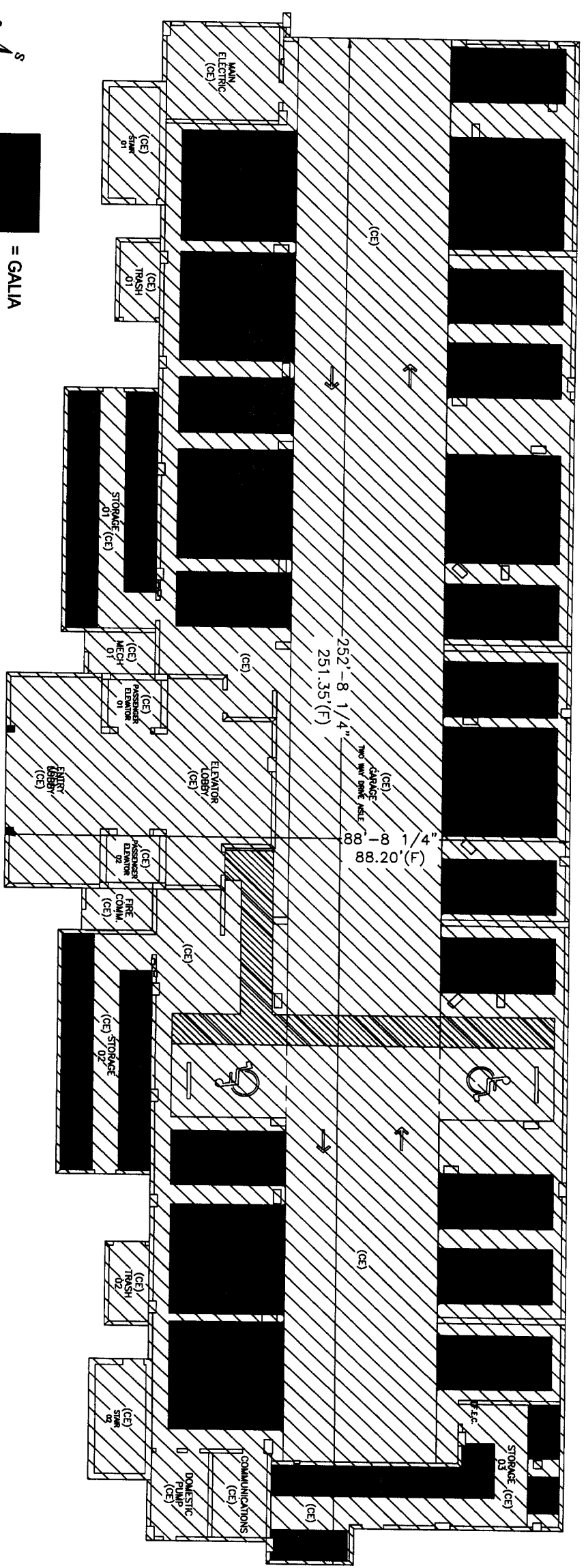
 Hatch Mott Macdonald	Hatch Mott MacDonald Florida, LLC Architects Engineers Surveyors Certificate of Authorization: LB-0006783 5111 North 12th Avenue (CS2001) P. O. Box 2518 (2313-2518) Telephone: (850) 484-4071 • Fax: (850) 484-4188	FIELD BOOK: 805/65-66 860/44-45, DRAWN BY: 813/64 867/1 874/10 G. EDWARDS	PROJECT SUPERVISOR: H.W. PRIDGEN PROJECT MANAGER: W. NEWSOME
		DATE: 07-02-2005 REVISION DATE: 02-05-2007	H.M.M. PROJECT NUMBER: 210213
		SHEET: 6 OF 11	

PROJECT: GALIA
AT LOST KEY MARINA & YACHT CLUB,
A CONDOMINIUM

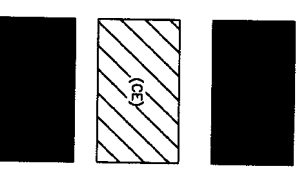
TITLE:
ELEVATION OF IMPROVEMENTS

GALIA AT LOST KEY MARINA & YACHT CLUB, A CONDOMINIUM

LEVEL 1



SCALE 1"=20'



= GALIA
 PARKING SPACE NUMBER
 (LIMITED COMMON ELEMENT)
 = COMMON ELEMENT
 = LIMITED COMMON ELEMENT (F) = FIELD MEASUREMENT

UNLESS ACCOMPANIED BY A SIGNED AND SEALED SHEET 1, THEN THIS DRAWING, SKETCH, PLAT, MAP OR DESCRIPTION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT VALID.



Hatch Mott MacDonald Florida, LLC
 Architects
 5111 North 17th Avenue (2500) / P. O. Box 2078 (250132510)
 Pensacola, Florida
 Telephone: (850) 484-8011 • Fax: (850) 484-8198

FIELD BOOK: 805/65-66 860/44-45,
 813/64 867/1 874/10
 DRAWN BY: G. EDWARDS

PROJECT SURVEYOR: H.W. PRIDGEN
 PROJECT MANAGER: W. NEWSOME

DATE: 07-02-2005
 REVISION DATE: 02-05-2007
 FIELD DATE:

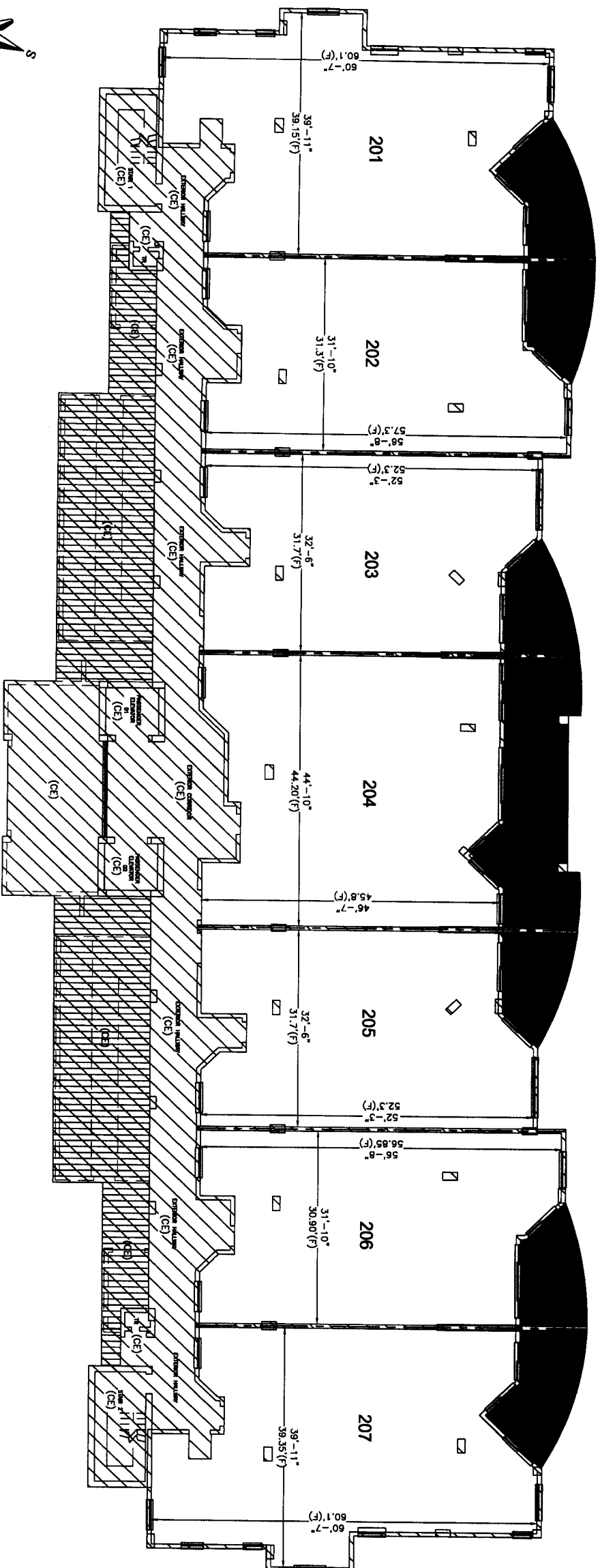
H.M.M.
 PROJECT NUMBER: 210213

PROJECT: GALIA
 AT LOST KEY MARINA & YACHT CLUB,
 A CONDOMINIUM

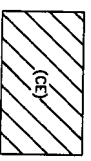
TITLE: GROUND
 LEVEL 1

SHEET: 7 OF 11

GALIA AT LOST KEY MARINA & YACHT CLUB, A CONDOMINIUM LEVEL 2



SCALE 1"=20'



= COMMON ELEMENT



= LIMITED COMMON ELEMENT

(F) = FIELD MEASUREMENT

201 = UNIT NUMBER

100 / 70 = 1,42857 SHARES PER UNIT

UNLESS ACCOMPANIED BY A SIGNED AND SEALED SHEET 1, THEN THIS DRAWING, SKETCH, PLAN, MAP OR DESCRIPTION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT VALID.



Hatch Mott MacDonald

Hatch Mott MacDonald Florida, LLC
Architects Engineers Surveyors
Civil Mechanical Electrical
5111 North 25th Avenue, Pompano Beach, FL 33069
Telephone: (860) 244-0111 • Fax: (860) 484-4188

FIELD BOOK: 805/65-66 860/44-45,
813/64 867/1 874/10
DRAWN BY: G. EDWARDS

PROJECT SURVEYOR: H.W. PRIDDGEN
PROJECT MANAGER: W. NEWSOME

DATE: 07-02-2005
REVISION DATE: 02-05-2007
FIELD DATE:

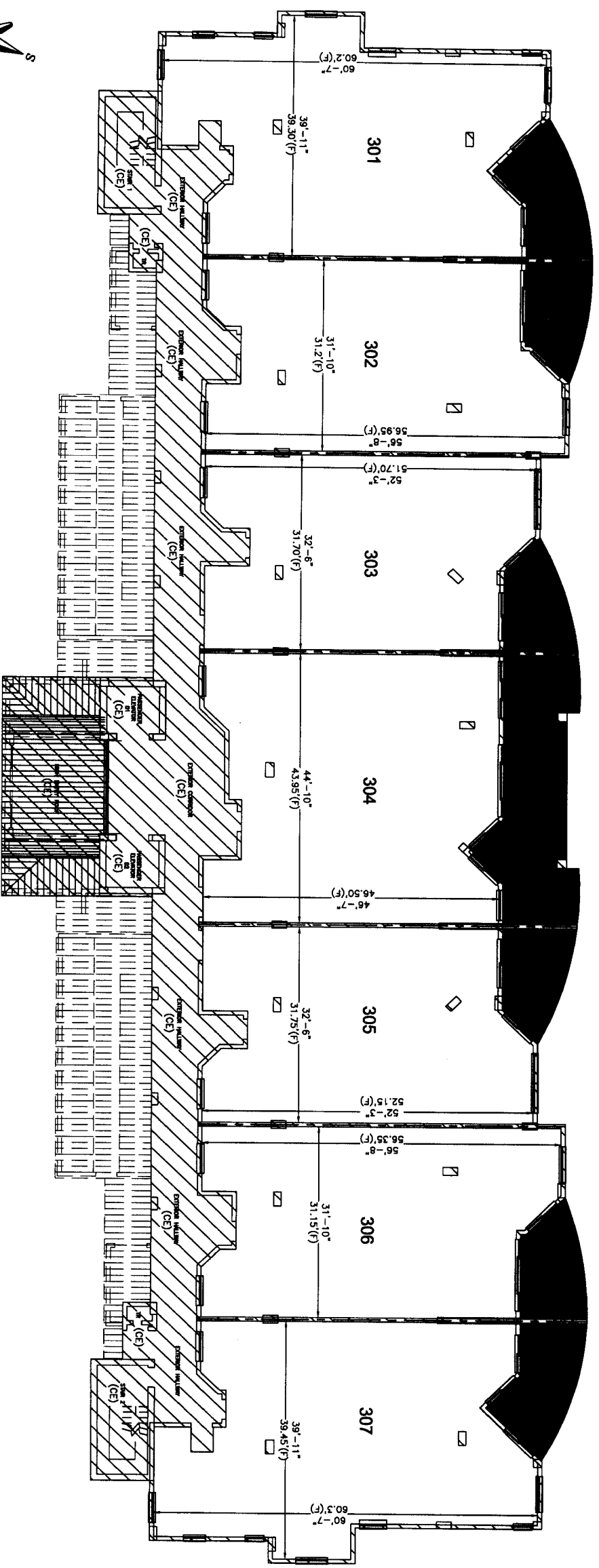
H.M.M. PROJECT NUMBER: 210213

PROJECT: GALIA
AT LOST KEY MARINA & YACHT CLUB,
A CONDOMINIUM

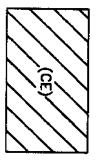
TITLE: LEVEL 2

SHEET: 8 OF 11

GALIA AT LOST KEY MARINA & YACHT CLUB, A CONDOMINIUM LEVEL 3



SCALE 1"=20'



= COMMON ELEMENT

(F) = FIELD MEASUREMENT



= LIMITED COMMON ELEMENT

301 = UNIT NUMBER

100 / 70 = 1.42857 SHARES PER UNIT

UNLESS ACCOMPANIED BY A SIGNED AND SEALED SHEET 1, THEN THIS DRAWING, SKETCH, PLAT, MAP OR DESCRIPTION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT VALID.



Hatch Mott MacDonald Florida, LLC
Architects Engineers Surveyors
Certified of Architecture, LB - 000783
5111 North 12th Avenue, Coconut Creek, FL 32026 (954) 321-3210
Telephone: (866) 344-0011 • Fax: (866) 484-1198

FIELD BOOK: 805/65-66 860/44-45,
813/64 867/1 874/10
DRAWN BY: G. EDWARDS

PROJECT SURVEYOR: H.W. PRIDGEN
PROJECT MANAGER: W. NEWSOME

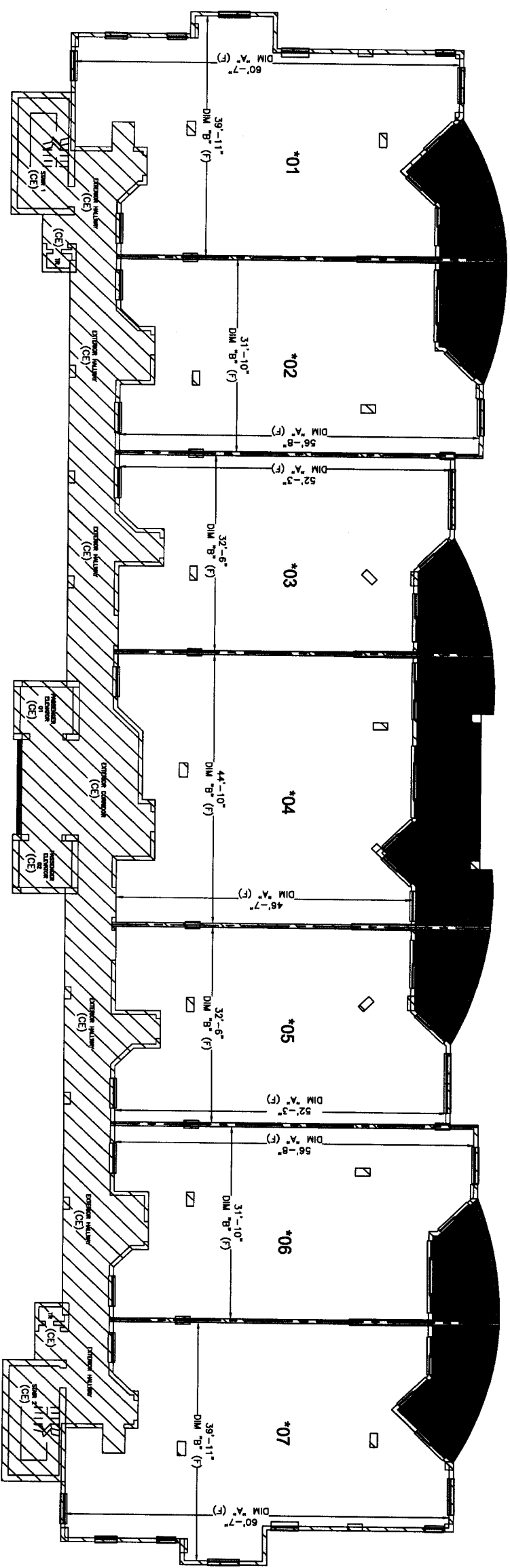
DATE: 07-02-2005
REVISION DATE: 02-05-2007
FIELD DATE:

H.M.M. PROJECT NUMBER: 210213

<p>PROJECT: AT LOST KEY MARINA & YACHT CLUB, A CONDOMINIUM</p>	<p>SHEET: 9 OF 11</p>
<p>TITLE: LEVEL 3</p>	

GALIA AT LOST KEY MARINA & YACHT CLUB, A CONDOMINIUM

LEVELS 4-11

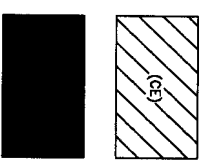


FIELD MEASUREMENTS (F) FOR LEVELS 4-11

100 / 70 = 1.42857 SHARES PER UNIT		100 / 70 = 1.42857 SHARES PER UNIT	
* = FLOOR NUMBER		* = FLOOR NUMBER	
*01 = UNIT NUMBER		*01 = UNIT NUMBER	
UNIT	DIM "A" DIM "B"	UNIT	DIM "A" DIM "B"
401	60.40' 39.25'	801	60.90' 39.30'
402	57.20' 31.30'	802	57.10' 31.25'
403	52.00' 31.75'	803	52.80' 31.85'
404	45.90' 44.10'	804	45.70' 43.90'
405	52.20' 31.75'	805	52.60' 31.75'
406	56.20' 31.10'	806	56.50' 31.20'
407	60.20' 39.50'	807	61.20' 39.45'
501	61.10' 39.30'	901	60.10' 39.45'
502	57.15' 31.20'	902	57.25' 31.40'
503	51.80' 31.75'	903	52.90' 31.70'
504	45.70' 43.90'	904	46.40' 44.00'
505	52.30' 31.75'	905	52.60' 31.75'
506	56.30' 31.20'	906	56.60' 31.75'
507	60.20' 39.45'	907	60.30' 39.55'
UNIT	DIM "A" DIM "B"	UNIT	DIM "A" DIM "B"
1001	60.15' 39.40'	1101	60.40' 39.15'
1002	56.00' 31.25'	1102	56.10' 31.25'
1003	51.75' 32.00'	1103	51.85' 31.75'
1004	46.40' 44.90'	1104	46.00' 44.15'
1005	52.60' 31.75'	1105	51.85' 32.00'
1006	56.40' 31.75'	1106	56.00' 31.85'
1007	60.35' 39.35'	1107	60.40' 39.40'



SCALE 1"=20'



= COMMON ELEMENT
= LIMITED COMMON ELEMENT



Hatch Mott MacDonald
Architects Engineers Surveyors
5111 North 153rd Avenue, Pompano Beach, FL 33062
Telephone: (800) 264-8111 • Fax: (800) 464-4188

FIELD BOOK: 805/65-66 860/44-45, 813/64 867/1 874/10
DRAWN BY: G. EDWARDS

PROJECT SURVEYOR: H.W. PRIDGEN
PROJECT MANAGER: W. NEWSOME

DATE: 07-02-2005
REVISION DATE: 02-05-2007
FIELD DATE:

H.M.M. PROJECT NUMBER: 210213

SHEET: 10 OF 11

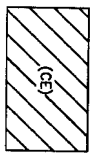
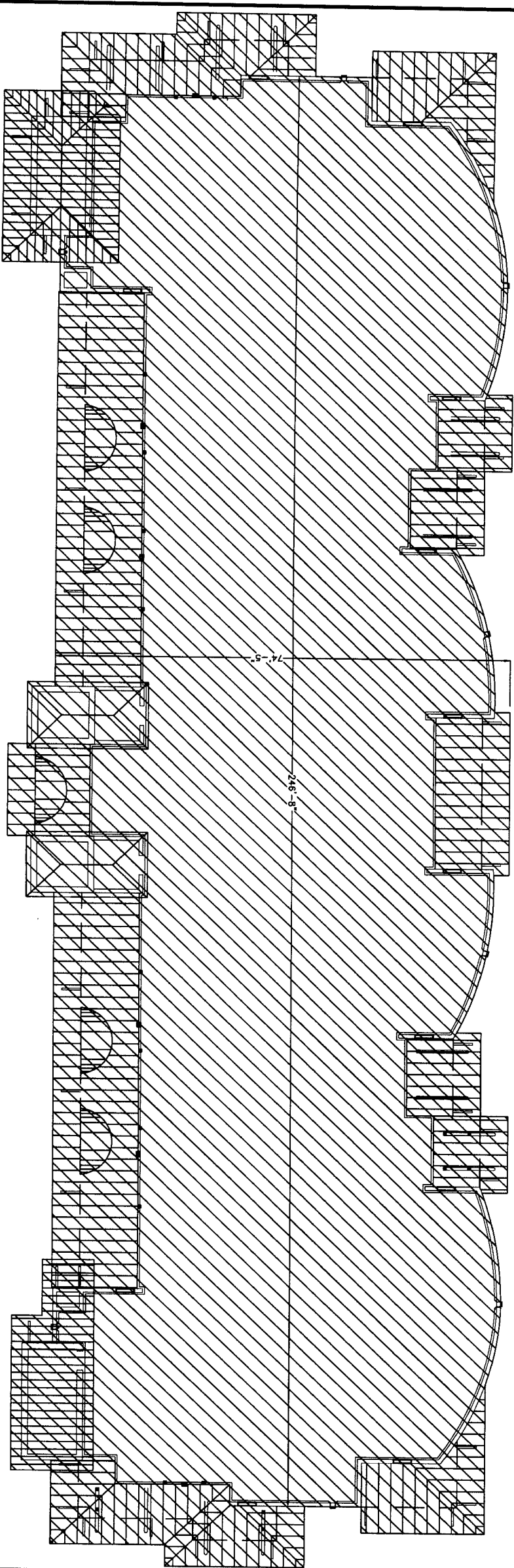
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PROJECT: GALIA AT LOST KEY MARINA & YACHT CLUB, A CONDOMINIUM

TITLE: LEVELS 4-11

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GALIA AT LOST KEY MARINA & YACHT CLUB, A CONDOMINIUM ROOF PLAN



(CE)
= COMMON ELEMENT



SCALE 1"=20'

UNLESS ACCOMPANIED BY A SIGNED AND SEALED SHEET 1, THEN THIS DRAWING, SKETCH, PLAT, MAP OR DESCRIPTION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT VALID.



Hatch Mott MacDonald Florida, LLC
Architects Engineers Surveyors
Certified of Authorization: LB - 0000763
5111 North 12th Avenue (OCSB) / P. O. Box 2518 (2513-2518)
Tallahassee, Florida 32310-2518
Telephone: (904) 484-4011 • Fax: (904) 484-4198

FIELD BOOK: 805/65-66 860/44-45,
813/64 867/1 874/10
DRAWN BY: G. EDWARDS

PROJECT SUPERVISOR: H.W. PRIDGEN
PROJECT MANAGER: W. NEWSOME

DATE: 07-02-2005
REVISION DATE: 02-05-2007
FIELD DATE:

H.M.M. PROJECT NUMBER: 210213

PROJECT: GALIA
AT LOST KEY MARINA & YACHT CLUB,
A CONDOMINIUM

TITLE: ROOF PLAN

SHEET: 11 OF 11

EXHIBIT NO. 2 TO DECLARATION OF CONDOMINIUM

02/02/2007 14:29 FAX
850-205-0381

2/2/2007 2:01 PAGE 001/002

+ CF

001/002

Florida Dept of State

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of GALIA AT LOST KEY MARINA & YACHT CLUB CONDOMINIUM ASSOCIATION, INC., a Florida corporation, filed on February 1, 2007, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number N07000029182. 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 N07000001162.

Authentication Code: 507A00008175-020207-N07000001162-1/1

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Second day of February, 2007



Handwritten signature of Kurt S. Browning.

Kurt S. Browning
Secretary of State

02/02/2007 14:30 FAX

+ CF

002/002

850-205-0381

2/2/2007 2:01

PAGE 002/002

Florida Dept of State



February 2, 2007

FLORIDA DEPARTMENT OF STATE
Division of Corporations

GALIA AT LOST KEY MARINA & YACHT CLUB CONDOMINIUM ASSOC
24301 WALDEN CENTER DR - STE 300
BONITA SPRINGS, FL 34134

The Articles of Incorporation for GALIA AT LOST KEY MARINA & YACHT CLUB CONDOMINIUM ASSOCIATION, INC. were filed on February 1, 2007, and assigned document number N07000001162. Please refer to this number whenever corresponding with this office.

Enclosed is the certification requested. To be official, the certification for a certified copy must be attached to the original document that was electronically submitted and filed under FAX audit number H07000029182.

A corporation annual report/uniform business report will be due this office between January 1 and May 1 of the year following the calendar year of the file/effective date year. A Federal Employer Identification (FEI) number will be required before this report can be filed. Please apply NOW with the Internal Revenue Service by calling 1-800-829-3676 and requesting form SS-4 or by going to their website at www.irs.ustreas.gov.

Please be aware if the corporate address changes, it is the responsibility of the corporation to notify this office.

Should you have questions regarding corporations, please contact this office at the address given below.

Tammy Hampton
Document Specialist
New Filings Section
Division of Corporations

Letter Number: 507A00008175

Audit No. H07000029182 3

**ARTICLES OF INCORPORATION
OF
GALIA AT LOST KEY MARINA & YACHT CLUB
CONDOMINIUM ASSOCIATION, INC.**

THE UNDERSIGNED INCORPORATOR, being a natural person competent to contract, for the purpose of forming a corporation not-for-profit under the laws of the State of Florida, does hereby adopt, subscribe and acknowledge the following Articles of Incorporation.

ARTICLE I. NAME; DEFINITIONS

The name of the Condominium Association shall be GALIA AT LOST KEY MARINA & YACHT CLUB CONDOMINIUM ASSOCIATION, INC. ("Association"). All capitalized terms contained in this instrument shall have the same defined meaning as contained in the Declaration of Condominium, unless otherwise provided to the contrary.

ARTICLE II. PURPOSE AND POWERS

Section 1. Purpose. The purpose for which the Association is organized is to provide an entity for the operation and governance of Galia at Lost Key Marina & Yacht Club, A Condominium (the "Condominium"), located upon lands in Escambia County, Florida, said property being described in the duly recorded Declaration of Condominium applicable thereto.

The Association shall not be operated for profit and shall make no distribution of income to its members, directors or officers.

Section 2. Powers. The Association shall have all of the common-law and statutory powers of a corporation not-for-profit which are not in conflict with the terms of these Articles.

The Association shall have all of the powers and duties contemplated in the Declaration of Condominium and the Florida Condominium Act together with all of the powers and the duties reasonably necessary to operate the Condominium pursuant to the Declaration as it may be amended from time to time, and such other documents or agreements that may exist from time to time pertaining to the Condominium. The powers and duties, which the By-Laws may set forth in more detail, shall include, but shall not be limited to, the following specific powers and duties:

(a) To make and collect Assessments against members as Unit Owners to defray the costs, expenses and losses of the Condominium, and to make such other Special Assessments against Unit Owners as the Declaration of Condominium shall provide, and to enforce such levy of Assessments through a lien and the foreclosure thereof or by other action pursuant to the Declaration of Condominium.

(b) To use the proceeds of the Assessments in the exercise of its powers and duties, and as provided in the Declaration of Condominium.

(c) To maintain, repair, replace and operate the Condominium Property.

Audit No. H07000029182 3

- (d) To purchase insurance and enter into contracts for services, utilities and other purposes as may be deemed appropriate.
- (e) To reconstruct improvements after casualty and further improve the Condominium Property.
- (f) To make and amend reasonable rules and regulations.
- (g) To perform such functions as may be specified in the Declaration of Condominium and the By-Laws.
- (h) To enforce by legal means the provisions of the Florida Condominium Act, the Declaration of Condominium, these Articles, the By-Laws of the Condominium Association and such rules and regulations as may be promulgated.
- (i) To employ personnel to perform the services required for proper operation of the Condominium.
- (j) To lease, maintain, repair and replace the Common Elements as same are defined in the Declaration of Condominium.
- (k) To acquire or enter into agreements acquiring leaseholds, memberships or other possessory or use interests in lands or facilities and to pay the rental, membership fees, operational, replacement and other expenses as Common Expenses.
- (l) To purchase a Unit or Units of the Condominium for any purpose and to hold, lease, mortgage or convey such Units on terms and conditions approved by the Board of Directors.
- (m) To exercise such other power and authority to do and perform every act and thing necessary and proper in the conduct of its business for the accomplishment of its purposes as set forth herein and as permitted by the applicable laws of the State of Florida.
- (n) To contract for the management and maintenance of the Condominium Property and to authorize a management agent to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, and other sums due from Unit Owners, preparation of records, enforcement of rules and maintenance, repair and the replacement of the Common Elements with funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the Condominium documents and the Florida Condominium Act, including, but not limited to, the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association.
- (o) To bring suit as may be necessary to protect the Association's interests, the interests of the Association's Members, or the Condominium Property, and to be sued.

Audit No. H07000029182 3

ARTICLE III. DEVELOPER

WCI COMMUNITIES, INC., a corporation organized under the laws of Delaware, shall make and declare or has made and declared a certain Declaration of Condominium submitting to condominium ownership certain property described therein under the terms, covenants, and conditions expressed more fully therein; the Condominium is to be known as GALIA AT LOST KEY MARINA & YACHT CLUB, A CONDOMINIUM.

ARTICLE IV. TERM

The term for which this Association shall exist shall be perpetual. In the event the Association is dissolved, the Association shall ensure that the maintenance of the surface water management system, which is a Common Element as defined in the Declaration, is delegated, transferred or assigned to a similar not-for-profit corporation.

ARTICLE V. INCORPORATOR

The name and address of the incorporator of this Association is as follows:

Robert S. Freedman
Carlton Fields, P.A.
Corporate Center Three at International Plaza
4221 West Boy Scout Boulevard, Suite 1000
Tampa, Florida 33607

ARTICLE VI. OFFICERS

The officers of the Association shall be a President, Vice President, Secretary and Treasurer and such other officers as the Board of Directors may from time to time determine. The officers of this Association shall be elected for a term of one year (unless otherwise provided in the By-Laws), and until a successor shall be elected and qualified, by the Board of Directors at their annual meeting and in accordance with the provisions provided therefor in the By-Laws of the Association. Until transfer of the control of the Association to the unit owners other than the Developer has been accomplished, the officers need not be directors or members.

The names of the persons who shall serve as the first officers are:

Wanda Cross	President
Tim Pyle	Vice President
Sylvia Keith	Secretary
Marci Tiebout-Touron	Treasurer

Audit No. H07000029182 3

ARTICLE VII. DIRECTORS

The affairs of the Association shall be managed by a Board of Directors composed of not less than three directors. Until control of the Association is transferred to unit owners other than the Developer, the Developer shall be entitled to designate non-member directors to the extent permitted by the Florida Condominium Act. Except for non-member directors appointed by the Developer, all directors shall be elected at the annual membership meeting of the Association.

The first Board of Directors shall be comprised of three persons who shall serve until their respective successors are elected (or designated) and qualified. The names and addresses of the members of the Board of Directors who shall serve as the first Directors are:

Wanda Cross	13587 Perdido Key Drive Pensacola, Florida 32507
Tim Pyle	13587 Perdido Key Drive Pensacola, Florida 32507
Marci Tiebout-Touron	13587 Perdido Key Drive Pensacola, Florida 32507

Notwithstanding anything in these Articles of Incorporation, or the By-Laws to the contrary, the Developer shall be entitled to elect or designate from time to time all or a part of the directors that will manage the affairs of the until such time as the Developer is no longer entitled to elect or designate directors or a director pursuant to the Condominium Act in effect on the date of the creation of the . The Developer shall be entitled to elect or designate all of the directors of the as long as members other than the Developer own less than 15% of the Units that will be operated ultimately by the . Unit Owners other than the Developer, at such time as such Unit Owners own 15% or more of the Units in the Condominium, are entitled to elect not less than one third (1/3) of the members of the Board of Directors. Unit Owners other than the Developer are entitled to elect not less than a majority of the members of the Board of Directors (a) three years after 50% of the Units in the Condominium have been conveyed to purchasers; (b) three months after 90% of the Units in the Condominium have been conveyed to purchasers; (c) when all the Units that will be operated ultimately by the have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business; (d) when some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or (e) seven years after recordation of the Declaration.

ARTICLE VIII. BY-LAWS

The initial By-Laws of the shall be attached as an exhibit to the Declaration of Condominium for the Condominium and shall be adopted by the first Board of Directors.

Audit No. H07000029182 3

ARTICLE IX. MEMBERS

Membership in the Association shall automatically consist of and be limited to all of the record owners of units in the Condominium. Transfer of Unit ownership, either voluntary or by operation of law, shall terminate membership in the Association and said membership is to become vested in the transferee. If Unit ownership is vested in more than one person then all of the persons so owning said Unit shall be members eligible to hold office, attend meetings, etc., but the owner(s) of each unit shall only be entitled to one vote as a member of the Association. The manner of designating voting members and exercising voting rights shall be determined by the By-Laws.

ARTICLE X. AMENDMENTS

Amendments to these Articles of Incorporation shall be made in the following manner:

(a) The Board of Directors shall adopt a resolution setting forth the proposed amendment and, if there are members of the Association, the Board shall direct that it be submitted to a vote at a meeting of the members, which may be either the annual or a special meeting. If there are no members of the Association, the amendment shall be adopted by a vote of the majority of directors and the provisions for adoption by members shall not apply.

(b) Written notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each member of record entitled to vote thereon within the time and in the manner provided herein for the giving of notice of meetings of members. If the meeting is an annual meeting, the proposed amendment or such summary may be included in the notice of such annual meeting.

(c) At such meeting, a vote of the members entitled to vote thereon shall be taken on the proposed amendment. The proposed amendment shall be adopted upon receiving the affirmative vote of a majority of the total voting interests in the Association.

No amendment to these Articles of Incorporation shall be made which affects any of the rights and privileges provided to the Developer in the condominium documents without the written consent of the Developer.

ARTICLE XI. PRINCIPAL PLACE OF BUSINESS

The principal place of business of the Association shall 24301 Walden Center Drive, Suite 300, Bonita Springs, Florida 34134, or at such other place or places as may be designated from time to time.

ARTICLE XII. REGISTERED OFFICE AND AGENT

The street address of the initial registered office of the Association and the name of the initial registered agent at that address are:

Audit No. H07000029182 3

Vivien N. Hastings
24301 Walden Center Drive, Suite 300
Bonita Springs, Florida 34134

ARTICLE XIII. INDEMNIFICATION

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

IN WITNESS WHEREOF, the subscribing Incorporator has hereunto set his hand and seal and caused these Articles of Incorporation to be executed this 30th day of January, 2007.



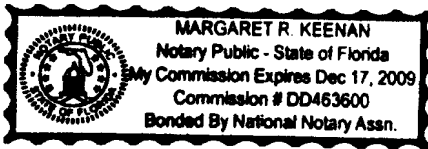
Robert S. Freedman, Incorporator

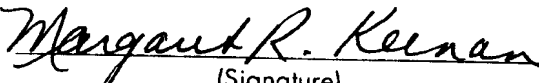
STATE OF FLORIDA
COUNTY OF HILLSBOROUGH

The foregoing instrument was acknowledged before me this 30th day of January, 2007, by Robert S. Freedman, being known to me to be the person who executed the foregoing Articles of Incorporation of GALIA AT LOST KEY MARINA & YACHT CLUB CONDOMINIUM ASSOCIATION, INC. He is personally known to me.

My Commission Expires:

(AFFIX NOTARY SEAL)





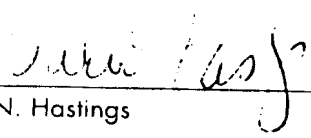
(Signature)
Name _____
(Legibly Printed)
Notary Public, State of Florida

(Commission Number, if any)

Audit No. H07000029182 3

ACCEPTANCE OF DESIGNATION OF REGISTERED AGENT

The undersigned, having been named as registered agent and to accept service of process for GALIA AT LOST KEY MARINA & YACHT CLUB CONDOMINIUM ASSOCIATION, INC., hereby accepts the appointment as registered agent and agrees to act in such capacity. The undersigned further agrees to comply with the provisions of all statutes relating to the proper and complete performance of her duties and is familiar with and accepts the obligations of her position as registered agent.



Vivien N. Hastings

EXHIBIT NO. 3 TO DECLARATION OF CONDOMINIUM

**BY-LAWS OF
GALIA AT LOST KEY MARINA & YACHT CLUB
CONDOMINIUM ASSOCIATION, INC.**

ARTICLE I: IDENTITY

GALIA AT LOST KEY MARINA & YACHT CLUB CONDOMINIUM ASSOCIATION, INC. ("Association") is a not-for-profit corporation, organized and existing pursuant to the laws of the State of Florida for purposes of operating and administering Galia at Lost Key Marina & Yacht Club, A Condominium, located in Escambia County, Florida ("Condominium").

Section 1. Principal Office. The principal office of the Association shall be at 24301 Walden Center Drive, Suite 300, Bonita Springs, Florida 34134, or at such other place as may be subsequently designated by the Board of Directors of the Association.

Section 2. Definitions. All terms used herein shall have the same definitions as attributed to them in said Declaration of Condominium. As used herein, in the Declaration of Condominium, or in the Florida Condominium Act, the terms "Board of Directors" and "Board of Administration" shall be synonymous.

ARTICLE II: MEMBERSHIP AND VOTING PROVISIONS

Section 1. Membership in the Association. Membership in the Association shall be limited to Owners of Units in the Condominium. Transfer of Unit ownership, either voluntary or by operation of law, shall terminate membership in the Association, and said membership shall become vested in the transferee. If Unit ownership is vested in more than one Person, then all of the Persons so owning said Unit shall be members eligible to hold office, attend meetings, etc., but, as hereinafter indicated, the vote of a Unit shall be cast by the "voting member." If Unit ownership is vested in a corporation, partnership, limited liability company or other non-individual entity, such entity shall be required to designate an individual as its "voting member."

Any application for the transfer of membership, or for a conveyance of an interest in, or to encumber or lease a Condominium Parcel, where the approval of the Board of Directors is required by these By-Laws and the Declaration shall be accompanied by application fee in an amount to be set by the Association, to cover the cost of contacting the references given by the applicant, and such other costs of investigation that may be incurred.

Section 2. Voting.

(A) The Owner(s) of each Unit shall be entitled to one vote for each Unit owned. If a Unit Owner owns more than one Unit, such individual shall be entitled to one vote for each Unit owned. The vote of a Unit shall not be divisible.

(B) A majority of the Members who are present in person or by proxy pursuant to applicable Florida law and are entitled to vote under Section 5 of this Article at a meeting at which a quorum is present shall decide any question (except the election of members of the Board of Directors which must be by written ballot or voting machine), unless the Declaration, Articles of Incorporation,

By-Laws, or agreement entered into by the Association provides otherwise, in which event the voting percentage required in said documents shall control.

Section 3. Quorum. The presence in person, or by limited or general proxy pursuant to applicable Florida law, of a majority of the members entitled to vote under Section 5 hereof shall constitute a quorum.

Section 4. Proxies. Votes may be cast in person or may be cast by limited or general proxy in certain circumstances in accordance with applicable Florida law. All proxies shall be in writing and signed by the person entitled to vote (as set forth below in Section 5) and shall be filed with the secretary not less than three days prior to the meeting in which they are to be used. Proxies shall be valid only for the particular meeting designated therein. Where a Unit is owned jointly by a husband and wife, and if they have not designated one of them as a voting member, a proxy must be signed by both husband and wife where a third person is designated.

Section 5. Designation of Voting Member. If a Unit is owned by one Person, such Person's right to vote shall be established by the recorded title to the Unit. If a Unit is owned by more than one Person, the Person entitled to cast the vote for the Unit shall be designated in a certificate, signed by all of the recorded Owners of the Unit and filed with the secretary of the Association. If a Unit is owned by a corporation, the individual entitled to cast the vote of the Unit for the corporation shall be designated in a certificate for this purpose, signed by the president or vice president, attested to by the secretary or assistant secretary of the corporation, and filed with the secretary of the Association. The Person designated in such certificate who is entitled to cast the vote for a Unit shall be known as the "voting member." If such a certificate is required and is not filed with the secretary of the Association for a Unit owned by more than one person or by a corporation, the vote of the Unit concerned may not be cast and shall not be considered in determining the requirement for a quorum or for any purpose requiring the approval of a person entitled to cast the vote for the Unit. Unless the certificate shall otherwise provide, such certificates shall be valid until revoked or until superseded by a subsequent certificate, or until a change in the ownership of the Unit concerned. Notwithstanding the foregoing, if a Unit is owned jointly by a husband and wife, the following three provisions are applicable thereto:

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

(B) If they do not designate a voting member, and if both are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting.

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

ARTICLE III: MEETINGS OF THE MEMBERSHIP

Section 1. Place. All meetings of the Association membership shall be held at such place and at such time as shall be designated by and stated in the notice of the meeting.

Section 2. Notices. It shall be the duty of the secretary to (a) mail, hand deliver or electronically transmit a written notice of each annual or special meeting, stating the time and place thereof and an identification of agenda items to each Unit Owner of record at least fourteen (14) but not more than thirty (30) days prior to such meeting, and (b) post at a conspicuous place on the property a copy of the notice of said meeting at least fourteen (14) continuous days preceding said meeting (in the alternative to posting, or as an addition to posting, the Association may, in accordance with reasonable rules promulgated in accordance with these By-Laws, post and repeatedly broadcast the notice and the agenda on a closed-circuit cable television system, in accordance with the applicable provisions of Section 718.112, Florida Statutes). Notice of any annual or special meeting shall state the purpose thereof and said meeting shall be confined to the matters stated in said notice. All notices shall be mailed, hand delivered or electronically transmitted to the address of the Unit Owner last furnished to the Association and shall be posted and/or broadcast as hereinbefore set forth. An officer of the Association shall provide an affidavit, to be included in the official records of the Association, affirming that notices of the Association meeting were mailed, hand delivered or electronically transmitted in accordance with this section, to each Unit Owner at the address last furnished to the Association. Notices of meetings of the membership may be delivered by electronic transmission to Owners who consent to receive notice in such manner.

Section 3. Annual Meeting. The annual meeting for the purpose of electing directors and transacting any other business authorized to be transacted by the members shall be held once in each calendar year at such time and on such date in each calendar year as the Board of Directors shall determine. Notice of such meeting shall be provided in accordance with applicable provisions of Section 718.112, Florida Statutes. At the annual meeting, the members shall elect, by plurality vote, a Board of Directors and shall transact such other business as may have been stated in the notice for said meeting. The election of the Board of Directors at the annual meeting shall be conducted in accordance with applicable provisions of the Florida Condominium Act. Cumulative voting shall be prohibited.

Section 4. Special Meeting. Special meetings of the members for any purpose or purposes, unless otherwise prescribed by statute, may be called by the president, and shall be called by the president or secretary at the request in writing of a majority of the Board of Directors. Except for the purpose of removing a director governed by the provisions of Section 3 of Article IV hereof, a special meeting must be called by the president or secretary upon the request in writing of voting members representing 10% of the members' total votes, which request shall state the purpose or purposes of the proposed meeting. Business transacted at all special meetings shall be confined to the matters stated in the notice thereof.

Section 5. Waiver and Consent. Any approval by Unit Owners called for by the Florida Condominium Act, the Declaration or these By-Laws shall be made at a duly noticed meeting of Unit Owners and shall be subject to all requirements of the Florida Condominium Act or the Declaration relating to Unit Owner decision making, except that Unit Owners may take action by written agreement, without meetings, on any matters for which the vote of members at a meeting is required or permitted by any provision of these By-Laws, or on matters for which action by written agreement without meeting is expressly allowed by the Declaration, or any Florida statute which provides for Unit Owner action.

Section 6. Adjourned Meeting. If any meeting of members cannot be organized because a quorum of voting members is not present, either in person or by proxy, the meeting may be adjourned from time to time until a quorum is present.

Section 7. Approval or Disapproval of a Unit Owner upon any matter, whether or not the subject of an Association meeting, shall be by the voting members; provided, however, that where a Unit is owned jointly by a husband and wife, and they have not designated one of them as a voting member, their joint approval or disapproval shall be required where they are both present, or in the event only one is present, the person present may cast the vote without establishing the concurrence of the absent person.

ARTICLE IV: DIRECTORS

Section 1. Number, Term and Qualifications. The affairs of the Association shall be governed by a Board of Directors, serving without compensation, composed of not less than three nor more than nine directors. There shall never be less than three directors. The initial Board of Directors shall be comprised of three members, but such number can be increased by the Developer at any time and from time to time in its sole discretion prior to transfer of control. The term of each director's 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 Section 3 below. All directors shall be members of the Association; provided, however, that all directors that the Developer is entitled to elect or designate need not be members. All officers of a corporation owning a Unit shall be deemed to be members of the Association so as to qualify each to become a director hereof.

Section 2. First Board of Directors. The first Board of Directors named in the Articles of Incorporation shall hold office and serve until their successors have been elected and qualified.

Section 3. Removal of Directors. Any removal of a director or directors of the Board by recall shall be done in accordance with the provisions of Section 718.112(2)(j), Florida Statutes, or the rules promulgated thereunder, or in accordance with any other applicable provisions of the Florida Condominium Act.

Section 4. Vacancies on Directorate. If the office of any director or directors becomes vacant by reason of death, resignation, retirement, disqualification or otherwise or should a vacancy be created by an enlargement of the Board or should a director be removed by the procedure of Section 3 of this Article and a successor not be elected at the meeting, a majority of the remaining directors, though less than a quorum, shall choose a successor or successors, who shall hold office until the next regularly scheduled election of directors. The election held for the purpose of filling said vacancy may be held at any regular or special meeting of the Board of Directors. Notwithstanding the above, only the Developer may elect to fill a vacancy on the Board previously occupied by a Board member elected or appointed by the Developer, in which case a quorum for purposes of that election shall consist of a majority of Units owned by the Developer. Only Unit Owners other than the Developer may elect to fill a vacancy on the Board previously occupied by a Board member elected or appointed by Unit Owners other than the Developer.

Section 5. Disqualification and Resignation of Directors. Any director may resign at any time by sending a written notice of such resignation to the secretary of the Association. Unless otherwise specified therein, such resignation shall take effect upon receipt thereof by the secretary.

Commencing with the directors elected by the Unit owners other than the Developer, the transfer of title of the Unit owned by a director shall automatically constitute a resignation, effective when such resignation is accepted by the Board of Directors.

Section 6. Regular Meetings. The Board of Directors may establish a schedule of regular meetings to be held at such time and place as the Board of Directors may designate. Notice of such regular meetings (which shall specifically incorporate an identification of agenda items) shall, nevertheless, be given to each director personally or by mail, telephone or telegraph at least five days prior to the day named for such meeting and shall be posted in accordance with the procedures of Section 718.112, Florida Statutes.

Section 7. Special Meetings. Special meetings of the Board of Directors may be called by the president, and in his absence, by the vice president or secretary, or by a majority of the members of the Board of Directors, by giving five days' notice, in writing which shall specifically incorporate an identification of agenda items, to all of the members of the Board of Directors of the time and place of said meeting and shall be posted in accordance with the procedures of Section 718.112, Florida Statutes. All notices of special meetings shall state the purpose of the meeting.

Section 8. Directors' Waiver of Notice. Before or at any meeting of the Board of Directors, any director may waive notice of such meeting and such waiver shall be deemed equivalent to the giving of notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all of the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting. Owners shall be given proper notice pursuant to applicable Florida law.

Section 9. Quorum. At all meetings of the Board of Directors, a majority of the directors constitute a quorum for the transaction of business, and the acts of the majority of the directors present at such meetings at which a quorum is present, shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At such adjourned meeting, and provided a quorum is then present, any business may be transacted which might have been transacted at the meeting as originally called. Proper notice of any adjourned meeting shall be given in accordance with applicable Florida law.

Section 10. Notice of Board Meetings. All Board meetings, regular or special, shall be properly noticed pursuant to applicable Florida law (which may include delivery of notices by electronic transmission to Owners who consent to receive notice in such manner).

Section 11. Notice to Developer. Until December 31, 2008, the Developer shall be entitled to attend the director's meetings and it may designate such person(s) as it desires to attend such meetings on its behalf. Such notice may be cancelled by Developer by delivering written notice to the Association.

Section 12. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by the Declaration, or these By-Laws, directed to be exercised and done by Unit Owners. These powers shall specifically include, but shall not be limited to, the following:

(A) To exercise all powers specifically set forth in the Declaration, the Articles of Incorporation, these By-Laws, and in the Florida Condominium Act, and all powers incidental thereto.

(B) To adopt a budget and make and collect Assessments, including Special Assessments, enforce a lien for nonpayment thereof, and use and expend the Assessments to carry out the purposes and powers of the Association, subject to the provisions of the Declaration to which these By-Laws are attached and, where applicable, recognizing obligations of the Association contained in the provisions of the Declaration. The Board of Directors shall also have the power to levy a fine against the Owner of a Unit for the purposes specified in the Declaration.

(C) To employ, dismiss and control the personnel necessary for the maintenance and operation of the Condominium, including the right and power to employ attorneys, accountants, contractors, and other professionals, as the need arises, subject to any applicable provisions of the Declaration.

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

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

(F) To enter into agreements acquiring leaseholds, memberships or other possessory or use interests regarding recreation area(s) and facilities for the use and enjoyment of the members of the Association as provided for in the Declaration.

(G) To further improve of the Condominium Property, both real and personal, and the right to purchase realty and items of furniture, furnishings, fixtures and equipment for the foregoing, and the right to acquire and enter into agreements pursuant to the Florida Condominium Act, subject to the provisions of the Declaration and these By-Laws.

(H) To enter into such agreements or arrangements, as deemed appropriate, with such firms or companies as it may deem for and on behalf of the Unit Owners to provide certain services and/or maintenance otherwise the individual responsibility of the Unit Owners and to increase the assessments due or otherwise charge each Unit Owner a share of the amount charged for said maintenance and service.

(I) To designate one or more committees which, to the extent provided in the resolution designating said committee, shall have the powers of the Board of Directors in the management and affairs and business of the Association. Such committee shall consist of at least three members of the Association. The committee or committees shall have such name or names as may be

determined from time to time by the Board of Directors, and said committee(s) shall keep regular minutes of their proceedings and report the same to the Board of Directors, as required.

Section 13. Proviso. The validity of any delegation of power and/or duty by the Board of Directors, as hereinbefore provided, shall not affect the remainder of said delegations, or the other provisions of these By-Laws or the condominium documents and its exhibits.

Section 14. Fire and Safety Code Compliance. A certificate of compliance from a licensed electrical contractor or electrician may be accepted by the Board as evidence of compliance of the Units to the applicable fire and life safety code.

ARTICLE V: OFFICERS

Section 1. Elective Officers. The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors and shall serve without compensation. One person may not hold more than one of the aforementioned offices, except one person may be both Secretary and Treasurer. The President and Vice President shall be members of the Board of Directors. Notwithstanding the foregoing, the restriction as to one person holding only one of the aforementioned offices or the President and Vice President being members of the Board of Directors shall not apply until control of the Association shall be transferred to the Unit Owners other than the Developer.

Section 2. Election. The officers of the Association designated in Section 1 above shall be elected annually by the Board of Directors at the organizational meeting of each new Board following the meeting of the members. Officers may be elected by secret ballot pursuant to applicable Florida law.

Section 3. Appointive Officers. The Board may appoint assistant secretaries and assistant treasurers, and such other officers as the Board of Directors deems necessary.

Section 4. Term. The officers of the Association shall hold office until their successors are chosen and qualified in their stead. Any officer elected or appointed by the Board of Directors may be removed at any time, with or without cause, by the Board of Directors; provided, however, that no officer shall be removed except by the affirmative vote for removal by a majority of the whole Board of Directors. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

Section 5. The President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Unit Owners and of the Board of Directors. He shall have executive powers and general supervision over the affairs of the Association and other officers. He shall sign all written contracts to perform all of the duties incident to his office and which may be delegated to him from time to time by the Board of Directors.

Section 6. The Vice President. The Vice President shall perform all of the duties of the President in his absence and such other duties as may be required of him from time to time by the Board of Directors.

Section 7. The Secretary. The Secretary shall issue notices of all Board of Directors, meetings and all meetings of the Unit owners; he shall attend and keep the minutes of same; he shall have charge of all of the Association's books, records and papers, including roster of members and mortgagees except those kept by the Treasurer. If appointed, an assistant secretary shall perform the duties of the Secretary when the Secretary is absent.

Section 8. The Treasurer.

(A) The Treasurer shall have custody of the Association's funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name of and to the credit of the Association in such depositories as may be designated from time to time by the Board of Directors. The books shall reflect an account for each Unit which shall designate the name and current mailing address of the Unit Owner, the amount of each Assessment, the dates and amounts in which the Assessment came due, the amount paid upon the account and the balance due.

(B) The Treasurer shall disburse the funds of the Association as may be ordered by the Board of Directors in accordance with these By-Laws, making proper vouchers for such disbursements, and shall render to the President and Board of Directors at the regular meetings of the Board of Directors, or whenever they may require it, an account of all of his transactions as the Treasurer and of the financial condition of the Association.

(C) The Treasurer shall collect the Assessments and shall promptly report the status of collections and of all delinquencies to the Board of Directors and, when requested, to the Developer or other entity designated by the Board of Directors.

(D) The Treasurer shall give status reports to potential transferees on which reports the transferees may rely.

(E) If appointed, an assistant treasurer shall perform the duties of the Treasurer when the Treasurer is absent.

Section 9. Proviso. Notwithstanding any provisions to the contrary in these By-Laws, the Association shall maintain separate accounting records for this Association, shall keep such records according to good accounting practices, shall open such records for inspection by Unit Owners or their authorized representatives at reasonable times and shall supply written summaries of such records at least annually to the Unit Owners or their authorized representatives. In the event the Board of Directors designates a Management Firm to operate the Condominium on behalf of the Association, said Management Firm shall be required to follow the aforesaid provisions.

ARTICLE VI: FINANCES AND ASSESSMENTS

Section 1. Depositories. The funds of the Association shall be deposited in such banks and depositories as may be determined by the Board of Directors from time to time upon resolutions approved by the Board of Directors and shall be withdrawn only upon checks and demands for money signed by such officer or officers of the Association as may be designated by the Board of Directors. Obligations of the Association shall be signed by at least two officers of the Association; provided, however, that the provisions of any Management Agreement, entered into by the

Association and a Management Firm designated by the Association to operate the Condominium, relative to the subject matter in this Section 1 shall supersede the provisions hereof. The foregoing is further subject to the applicable provisions under the Declaration.

Section 2. Fidelity Bonds. The President, Secretary, Treasurer and all other officers who are authorized to sign checks, and all officers and employees of the Association who control or disburse funds of the Association, and any contractor handling or responsible for Association funds, shall be bonded. The amount of the bond shall be determined by the Board of Directors, but in no manner shall be less than the amount of the maximum funds that will be in the custody of the Association or its management agent at any one time. The premiums on such bonds shall be paid by the Association. The cost of bonding an employee of an Association-designated management firm may be reimbursed by the Association. Notwithstanding the foregoing, the Association and/or any management firm shall not be obligated to obtain fidelity bonding of any persons in excess of any amounts stated in the Florida Condominium Act.

Section 3. Fiscal or Calendar Year. The Association shall be on a fiscal year basis coinciding with the calendar year. Notwithstanding the foregoing, the Board of Directors is authorized to change to a different fiscal year in accordance with the provisions and regulations from time to time prescribed by the Internal Revenue Code of the United States of America as such time as the Board of Directors deems it advisable. The setting of a fiscal year, as provided herein, shall not affect the applicable provisions of Article III, Section 3, of these By-Laws requiring an annual meeting in each calendar year.

Section 4. Determination of Assessments.

(A) The Board of Directors shall fix and determine from time to time the sum or sums necessary and adequate for the Common Expenses. Common Expenses shall include expenses for the operation, maintenance, repair or replacement of the Common Elements and the Limited Common Elements, cost of carrying out the powers and duties of the Association, all insurance premiums and expenses relating thereto, including fire insurance and extended coverage, obligations of the Association pursuant to the Declaration, water and sewer and any other expenses designated as Common Expenses from time to time by the Board of Directors, or under the provisions of the Declaration. The Board of Directors is specifically empowered, on behalf of the Association, to make and collect Assessments and to lease, maintain, repair and replace the Common Elements and Limited Common Elements; provided, however, the Association shall not charge any fee against a Unit Owner for the use of Common Elements or Association Property unless such use is the subject of a lease between the Association and the Unit Owner. Funds for the payment of Common Expenses shall be assessed against the Unit Owners in the proportions or percentages of sharing Common Expenses as provided in the Declaration and exhibits attached thereto. Said Assessments shall be payable monthly in advance and shall be due on the first (1st) day of each month in advance unless otherwise ordered by the Board of Directors. Special Assessments, should such be required by the Board of Directors, shall be levied in the same manner as hereinbefore provided for regular Assessments and shall be payable in the manner determined by the Board of Directors.

(B) All funds due from Unit Owners not as Common Expenses, including sums due as users of cable television service or pursuant to other applicable agreements or arrangements pertaining to all or substantially all Units, may be collected by the Association, or its agents.

(C) An annual budget and level of Assessment for Common Expenses sufficient to fund such budget shall be proposed and adopted by the Board of Directors. The Board shall mail, or cause to be mailed, to each Unit Owner a notice of the Board of Directors meeting at which the budget will be considered not less than 14 days prior to said meeting. Such notice shall include a copy of the proposed annual budget and Assessment as well as the time and place for the meeting which shall be open to the Unit Owners. If the Association shall fail for any reason to adopt a budget and authorize an Assessment prior to the beginning of the new fiscal year, the budget and Assessment for the previous year shall be increased by 15% and shall continue in effect until changed by the Association.

If the adopted budget requires an assessment against the Unit Owners in any fiscal year exceeding 115% of the Assessments for the preceding year, the Board, upon written application of 10% of the Unit Owners to the Board received within 21 days of adoption of the budget, shall call a special meeting of the Unit Owners within 60 days of such written application, and the Board shall provide not less than 14 days' written notice to each Unit Owner of such special meeting. At this special meeting, Unit Owners shall consider and enact a budget upon the vote of the members representing a majority of all Units. If a special meeting of the Unit Owners has been called pursuant to this section and a quorum is not attained or a substitute budget is not adopted by the Unit Owners, the budget adopted by the Board shall go into effect as scheduled. In determining whether Assessments exceed 115% of similar Assessments in the preceding year, any authorized provisions for reasonable reserves for repair or replacement of the Condominium Property, anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis, or Assessments for betterments to the Condominium Property shall be excluded from the computation. However, 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 prior fiscal year's Assessment without prior approval of the members representing a majority of all Units.

(D) All Assessments shall be paid to the Association and delivered to the Treasurer of the Association, subject, however, to the provisions of a Management Agreement for as long as it shall remain in effect providing for collection of such Assessments directly by an Association-designated Management Firm, and also subject to any specific applicable provisions in the Declaration.

Section 5. Application of Payments and Commingling of Funds. Reserve and operating funds collected by the Association, or by an Association-designated Management Firm as long as a Management Agreement shall be in effect, may not be commingled in a single fund for purposes of investment unless otherwise permitted by the Florida Condominium Act, in which event any decision to commingle funds must be made by the Association or such Management Firm as long as the Management Agreement remains in effect, or thereafter as the Board of Directors determines in its sole discretion. All Assessment payments collected shall be applied (1) pursuant to the applicable provisions of the Declaration, or (2) as provided by a Management Agreement as long as the Management Agreement remains in effect, or thereafter, as the Board of Directors determines in its sole discretion. All funds shall be maintained in a separate account in the name of the Association. If so designated by the Board, a Management Firm shall maintain separate accounting records for each condominium it manages pursuant to the provisions of such Management Agreement and the Florida Condominium Act.

Section 6. Acceleration of Assessment Installments upon Default. If a Unit owner shall be in default in the payment of an installment upon any assessment, an Association-designated Management Firm or the Board of Directors may accelerate the monthly installment for the next three months upon notice thereof to the Unit Owner and, thereupon, the unpaid installments of the Assessment together with the monthly assessments for the next three months shall become due upon the date stated in the notice, but not less than 14 days after delivery of or the mailing of such notice to the Unit Owner. The acceleration of installments may be repeated at the end of each three-month period thereafter if at the end of such period there remains any sums due and unpaid.

ARTICLE VII: FINANCIAL REPORTING REQUIREMENTS

The Association shall provide financial reporting to its Members in accordance with the Act.

ARTICLE VIII: COMPLIANCE AND DEFAULT

Section 1. Violations. In the event of a violation (other than the non-payment of an Assessment) by the Unit owner in any of the provisions of the Declaration, of these By-Laws, or of the applicable portions of the Florida Condominium Act, the Association, by direction of its Board of Directors, may notify the Unit Owner by written notice of said breach, transmitted by mail or delivered in person. If such violation shall continue for a period of 30 days from the date of the notice in the case of violations involving alterations and structural changes to the Unit and five days from the date of the notice in the case of all other violations, the Association, through its Board of Directors, shall have the right to treat such violation as an intentional and inexcusable and material breach of the Declaration, of the By-Laws, or of the pertinent provisions of the Florida Condominium Act, and the Association may then, at its option, have the following elections:

- (A) An action at law to recover for its damage on behalf of the Association or on behalf of the other Unit Owners;
- (B) An action in equity to enforce performance on the part of the Unit Owner; or
- (C) An action in equity for such equitable relief as may be necessary under the circumstances, including injunctive relief.

Failure on the part of the Association to maintain such action at law or in equity within 30 days from date of a written request, signed by a Unit Owner, sent to the Board of Directors, shall authorize any Unit Owner to bring an action in equity or suit at law on account of the violation in the manner provided for in the Florida Condominium Act.

Section 2. Fines. In addition to the remedies as identified in Section 1 above, the Association may levy a fine not to exceed the maximum amount allowed by the Florida Condominium Act against any owner, resident, guest or invitee, for failure to abide by any provisions of the Declaration, these By-Laws or the rules of the Association. No fine will become a lien against a unit. A fine may be levied on the basis of a continuing violation, with a single notice and an opportunity for a hearing, provided that no such fine shall exceed the maximum aggregate amount allowed under the Florida Condominium Act. No fine may be levied except after giving reasonable notice and an opportunity for a hearing, to be held not less than 14 days after reasonable notice, to the Owner, resident, guest or invitee. Reasonable notice shall include: a statement of the date, time and place of

the hearing; a statement as to the provisions of the Declaration, these By-Laws or the rules of the Association which have allegedly been violated; and a short and plain statement of the matters asserted by the Association.

A hearing shall be held before a committee of other Unit Owners. At the sole discretion of the Board of Directors, this committee may be either a standing committee appointed by the Board of Directors for the purpose of addressing all fine situations, or a committee appointed by the Board of Directors for the particular hearing. At such hearing, the party against whom the fine may be levied shall have the opportunity to respond to, to present evidence relating to, and to provide written and oral argument on all issues involved, and shall have an opportunity to review, challenge and respond to any material considered by the committee. A fine may not be levied if more than 75% of the members of the committee disagree with such fine. The notice and hearing procedures shall also satisfy any other requirements of the Florida Condominium Act or the regulations promulgated thereunder.

Section 2. Negligence or Carelessness of Unit Owner, Etc. Any 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, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance company of rights of subrogation.

Section 3. Costs and Attorneys' Fees. In any proceeding brought by the Association pursuant to this Article, the Association, if it is the prevailing party, shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees as may be determined by the court.

Section 4. No Waiver of Rights. The failure of the Association or of a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Condominium documents shall not constitute a waiver of the right of the Association or Unit Owner to enforce such right, provision, covenant or condition in the future.

Section 5. Election of Remedies. All rights, remedies and privileges granted to the Association or Unit Owner pursuant to any terms, provisions, covenants or conditions of the Condominium documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be granted to such other party by condominium documents, or at law or in equity.

ARTICLE IX: ACQUISITION OF UNITS

At any foreclosure sale of a Unit, the Board of Directors may, with the authorization and approval by the affirmative vote of voting members casting not less than 75% of the total votes of the members present at any regular or special meeting of the members wherein said matter is voted upon, acquire in the name of the Association or its designee a Condominium Parcel being foreclosed. The term "foreclosure," as used in this section, shall mean and include any foreclosure of any lien, excluding the Association's lien for assessments. The power of the Board of Directors to acquire a Condominium Parcel at any foreclosure sale shall never be interpreted as any requirement or obligation on the part of the Board of Directors or of the Association to do so at any foreclosure sale.

The provisions hereof are permissive in nature and for the purpose of setting forth the power in the Board of Directors to do so should the requisite approval of the voting members be obtained. Once general authority to purchase a Unit at a foreclosure sale is obtained, the Board of Directors shall not be required to obtain the specific approval of Unit Owners regarding the sum the Board of Directors determines to bid at such foreclosure sale unless the limit of such authority has been established in the original authorization.

ARTICLE X: AMENDMENTS TO THE BY-LAWS

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

- (A) Notice of the meeting shall contain a statement of the proposed amendment.
- (B) If the amendment has received the unanimous approval of the full Board of Directors, then it shall be approved upon the affirmative vote of two-thirds ($\frac{2}{3}$) of the votes cast at a meeting called for such purpose.
- (C) If the amendment has not been approved by the unanimous vote of the Board of Directors, then the amendment shall be approved by the affirmative vote of three-fourths ($\frac{3}{4}$) of the votes cast at a meeting called for such purpose.
- (D) Said amendment shall be recorded and certified as required by the Florida Condominium Act.
- (E) Notwithstanding the foregoing, these By-Laws may only be amended with the written approval when required of the parties specified in Article VIII of the Declaration to which these By-Laws are attached.
- (F) No amendment to these By-Laws shall be made which affects any of the rights and privileges provided to the Developer in the Condominium documents without the written consent of the Developer.

ARTICLE XI: NOTICES

Whatever notices are required to be sent hereunder shall be posted, delivered or sent in accordance with the applicable provisions as to same as set forth in the Declaration to which these By-Laws and other exhibits attached to said Declaration.

ARTICLE XII: INDEMNIFICATION

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

ARTICLE XIII: LIABILITY SURVIVES TERMINATION OF MEMBERSHIP

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

ARTICLE XIV: LIMITATION OF LIABILITY

Notwithstanding the duty of the Association to maintain and repair parts of the Condominium Property, the Association shall not be liable for injury or damage by a latent condition in the Condominium Property, nor for injury or damage caused by the elements or by other owners or persons.

ARTICLE XV: PARLIAMENTARY RULES

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

ARTICLE XVI: MORTGAGE REGISTER

The Association, or its agents, may maintain a register of all mortgages and at the request of a mortgagee, the Association shall forward copies of all notices for unpaid Assessments or violations served upon a Unit Owner to said mortgagee. If a register is maintained, the Association, or its agent, maintaining same may make such charge as it deems appropriate against the applicable Unit for supplying the information provided herein.

ARTICLE XVII: ALTERNATIVE DISPUTE RESOLUTION

All issues or disputes which are recognized by the Act or by administrative rules promulgated under the Act as being appropriate or required for mediation or arbitration shall be submitted to such alternative resolution procedures prior to institution of civil litigation proceedings.

ARTICLE XVIII: EMERGENCY POWERS

The following shall apply to the extent not viewed to be in conflict with the Act:

Section 1. In anticipation of or during any emergency defined in Section 6 below, the Board of Directors may:

(A) Name as assistant officers persons who are not Board members, which assistant officers shall have the same authority as the executive officers to whom they are assistant, during the period of the emergency, to accommodate the incapacity of any officer of the Association; and

(B) Relocate the principal office or designate alternative principal offices or authorize the officers to do so.

Section 2. During any emergency defined in Section 6 below:

(A) Notice of a meeting of the Board of Directors need be given only to those Directors whom it is practicable to reach and may be given in any practicable manner, including by publication and radio; and

(B) The Director or Directors in attendance at a meeting shall constitute a quorum.

Section 3. Corporate action taken in good faith during an emergency under this Section to further the ordinary affairs of the Association:

(A) Binds the Association; and

(B) Shall have the presumption of being reasonable and necessary.

Section 4. An officer, director, or employee of the Association acting in accordance with these emergency provisions is only liable for willful misconduct.

Section 5. These emergency provisions shall supersede any inconsistent or contrary provisions of the By-Laws for the period of the emergency.

Section 6. An emergency exists for purposes of this Article if a quorum of the Association's Directors cannot readily be assembled because of some catastrophic event.

**EXHIBIT NO. 4 TO DECLARATION OF CONDOMINIUM FOR
GALIA AT LOST KEY MARINA & YACHT CLUB, A CONDOMINIUM**

INITIAL RULES AND REGULATIONS

Unless otherwise defined in this document, all defined terms used herein shall have the same meaning as used in the Declaration of Condominium.

GENERAL RULES

1. Passenger automobiles, sport/utility vehicles, mini-trucks, vans, Private Electric Vehicles (as defined in the Master Declaration for Lost Key Marina & Yacht Club, defined herein as the "Master Declaration") and motorcycles (used for personal transportation and not commercially) that do not exceed the size of one parking space may be parked in the areas provided for that purpose, subject to the applicable provisions of the Declaration of Condominium and the Master Declaration. As provided in the Master Declaration, with limited exceptions, no golf carts shall be permitted on the Condominium Property or in any other portions of the Community. Certain Limited Common Element parking spaces are assigned and no Unit Owner or occupant may park more than one (1) vehicle in the assigned spaces unless additional spaces have been assigned to the Unit. Commercial vehicles, trucks, campers, motor homes, trailers, boats and boat trailers are prohibited. Bicycles and mopeds shall be parked only in the bike storage areas or as may otherwise be designated by the Board. Vehicle maintenance, except car washing in the designated area, if any, is not permitted on the Condominium Property. All vehicles must be currently licensed and no inoperable or unsightly vehicles may be kept on the Condominium Property. Notwithstanding the foregoing, the Developer shall be exempt from this regulation for vehicles which are engaged in any activity relating to construction, maintenance or marketing of Units, as are commercial vehicles used by vendors of the Association while engaged in work at the Condominium.

2. Recreational facilities will be used in such a manner as to respect the rights of others, and the Board may regulate duration of use, hours of opening and closing and schedule their use.

3. No exterior radio, television or data reception antenna or any exterior wiring for any purpose may be installed without the written consent of the Board.

4. To maintain harmony of the exterior appearance of the Building, no one shall make any changes to, place anything upon, affix anything to or exhibit anything from any part of the Condominium Property or Association Property visible from the exterior of the Building or from the Common Elements without the prior written consent of the Board. All curtains, shades, drapes and blinds shall be white or off-white in color or lined with material of these colors. Balcony tile and floor covering material and colors must be approved by the Board.

5. All Common Elements inside and outside the Building will be used for their designated purposes only, and nothing belonging to Unit Owners, their family, tenants or guests shall be kept therein or thereon without the approval of the Board, and such areas shall at all times be kept free of obstruction. Owners are financially responsible to the Association for damage to the Common Elements caused by themselves, their tenants, guests and family members.

6. Pets shall be permitted only in accordance with the applicable provisions of the Master Declaration. Further, with regard to the Condominium Property and the Association Property:

a. No pets shall be permitted in any pool area within the Community, leashed or unleashed.

b. On all other portions of the Common Elements and the Association Property, pets shall be under hand-held leash or carried at all times.

c. Messes made by pets must be removed by Unit Owners or handlers immediately. The Board shall designate the portions of the Condominium Property which shall be used to accommodate the reasonable requirements of Unit Owners who keep pets.

d. Pets that are vicious, noisy or otherwise unpleasant will not be permitted in the Condominium. In the event that a pet has become a nuisance or unreasonably disturbing in the opinion of the Board, written notice shall be given to the Unit Owner or other person responsible for the pet and the pet must be removed from the Condominium Property within three (3) days.

e. Guests and tenants are not permitted to have pets.

f. The Board of Directors has the authority and discretion to make exceptions to the limitations in this regulation in individual cases and to impose conditions concerning the exceptions.

7. Disposition of garbage and trash shall be only by use of receptacles approved by the Association or by use of garbage disposal units. Specifically, trash placed in the trash chutes must be disposed of as noted on the instructions of the trash chute. The trash chute equipment provides for the disposal of all general trash. Food and vegetable scraps are to be disposed of in the individual Unit residence garbage disposals. Bulky items must be carried down to the trash room on the lower garage level.

8. All persons occupying Units other than the Unit Owners shall be registered with the Management Firm or other designate of the Association at or before the time of their occupancy of the Unit. This includes renters and house guests.

Units may not be rented for periods of less than seven (7) consecutive days. A copy of these Rules and Regulations must be given to the tenants and guests by the Unit Owner, or the Unit Owner's agent. No Unit may be permanently occupied by more persons than the number of bedrooms times two, nor may more persons, including guests, occupy a Unit overnight than the number of bedrooms times two, plus two.

This regulation may not be amended in a way that would be detrimental to the sales of Units by the Developer so long as the Developer holds Units for sale in the ordinary course of business.

9. The Association shall retain a pass key to the Units, and the Unit Owners shall provide the Association with a new or extra key whenever locks are changed or added for the use of the Association pursuant to its statutory right of access to the Units. Duplication of Unit Owners' keys to Common Element facilities is restricted in the interest of security. Such keys shall be duplicated only with the assistance of the Management Firm (or if no Management Firm is in existence, a designated agent of the Board). Changing of locks must be done through the Association.

10. Children shall be under the direct control of a responsible adult. Children under the age of 12 may not use the pool unless accompanied by an adult, nor shall they be permitted to run, play tag or act boisterously on the Condominium Property. Skateboarding, "Big Wheels, Scooters or loud or obnoxious toys are prohibited. Children may be removed from the Common Elements for misbehavior by or on the instructions of the Board.

11. No person under the age of 16 may use the fitness center unless accompanied by a supervising adult. Exercise equipment in the fitness center must be returned to its proper location after use.

12. Loud and disturbing noises are prohibited. All radios, televisions, tape machines, compact disc players, stereos, singing and playing of musical instruments, etc. shall be regulated to sound levels that will not disturb others and if used at or in the vicinity of the pool shall be used only with earphones. No vocal or instrumental practice is permitted after 10:00 p.m. or before 9:00 a.m.

13. Use of barbecue grills shall only be allowed in areas designated as safe and appropriate by the Board. Grills shall not be used on balconies.

14. Illegal and immoral practices are prohibited.

15. Lawns, shrubbery or other exterior plantings shall not be altered, moved or added to without permission of the Association.

16. No glass of any kind shall be permitted in the pool area. Any liquid refreshments consumed near the pool area shall be in paper or plastic containers.

17. Laundry, bathing apparel, beach and porch accessories shall not be maintained outside of the Units or Limited Common Element balconies and terraces, and such apparel and accessories shall not be exposed to view.

18. No nuisance of any type or kind shall be maintained upon the Condominium Property.

19. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance on the Building or contents thereof or upon any portion of the Condominium Property without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on the Building, or contents thereof, or which would be in violation of any law or building code.

20. Persons moving furniture and other property into and out of Units must notify the Management Firm (or if no Management Firm is in existence, a designated agent of the Board) in advance and use the designated access door into the Building and the designated service elevator or passenger elevator. All such moving must be Mondays through Saturdays between the hours of 8:00 A.M. and 5:00 P.M. Moving vans and trucks used for this purpose shall only remain on the Condominium Property when actually in use.

21. Repair, construction, decorating or re-modeling work shall only be carried on Mondays through Fridays between the hours of 8:00 A.M. and 5:00 P.M. and Saturday between the hours of 8:00 A.M. and 12:00 P.M., and the rules for decorators and subcontractors set forth herein must be complied with.

22. These Rules and Regulations shall apply equally to Unit Owners, their families, guests, staff, invitees and lessees.

23. The Board may impose a fine for each violation of these Rules and Regulations or any of the Condominium documents, the amount of such fine to be set by the Board in accordance with the provisions of Chapter 718, Florida Statutes.

24. Management staff pertaining to the Condominium are not permitted to do private work for Unit Owners, their families, tenants or guests while on duty. If both parties are agreeable, staff may assist such persons privately when off duty.

25. Hurricane shutters have been designed and specified by the Developer for all balconies appurtenant to condominium residences. These shutters meet or exceed standards set forth in the Standard Building Code (applicable to Escambia County) for buildings in the coastal zone and are the only approved application for hurricane protection. A copy of these specifications is maintained by the Association. Non-balcony Unit windows are a special architect-approved laminated glass and have been designed and installed to meet or exceed the wind load and windborne debris impact standards of the hurricane shutters. Consequently, such windows in the Units, as built, meet or exceed the requirements of the applicable building code for hurricane protection. For this reason and for the purpose of preserving the aesthetic appearance of the Building, hurricane shutters shall not be installed on non-balcony windows in the Units. If such non-balcony windows in the Units are replaced, they must be replaced with laminated architectural glass equal to or exceeding the specifications of the original glass and which comply with the applicable building code.

26. These Rules and Regulations do not purport to constitute all of the restrictions affecting the Condominium. Reference should be made to the Condominium documents and the Master Declaration.

RULES FOR DECORATORS, CONTRACTORS AND SUB-CONTRACTORS

1. The Unit Owner must pre-register with the Management Firm (or if no Management Firm is in existence, a designated agent of the Board) giving him the name, address, telephone number and fax number of the Unit Owner's representative who will be overseeing the work being done in the Unit whether it be the interior decorator the general contractor or the Unit Owner.

2. Prior to commencing work, the Unit Owner's representative must submit to the Management Firm (or if no Management Firm is in existence, a designated agent of the Board) a list of names, addresses and telephone numbers of all sub-contractors who will be working in the Unit, together with a schedule for their work.

3. The Management Firm (or if no Management Firm is in existence, a designated agent of the Board) will coordinate with the Unit Owner's representative for the issuance of temporary passes for access for decorators and contractors into the Community.

4. Work hours are 8:00 a.m. to 5:00 p.m., Monday through Saturday.

5. The contractor and all sub-contractors must have Type "B" licenses in Escambia County and submit proof of same for the Management Firm's file (or if no Management Firm is in existence, the Association's file).

6. Prior to authorization for access, the contractors and all sub-contractors must produce from their insurance carrier a Certificate of Insurance of general liability of no less than \$250,000 per occurrence and no less than \$500,000 aggregate, and provide proof of Worker's Compensation coverage for the Management Firm's file (or if no Management Firm is in existence, the Master Condominium Association's file).
7. All vehicles and persons will enter the Building only at locations approved by the Board. There, they will be registered by access personnel, unless the Management Firm (or if no Management Firm is in existence, a designated agent of the Board) makes other arrangements.
8. Workers will be allowed to unload their materials and equipment outside the garage east/southeast entrance. A passenger elevator will be designated for use as a service elevator for purposes of transporting materials.
9. After unloading, workers must park their vehicles in the designated outside service parking or other areas specified by the Management Firm (or if no Management Firm is in existence, a designated agent of the Board).
10. Work preparations will not be allowed in the garage, i.e., mixing of paints, mud, grout, etc.
11. The trash chute is not to be used, nor is any trash to be left in Units or hallways. The Management Firm (or if no Management Firm is in existence, a designated agent of the Board) will provide information on disposal of trash.
12. All trash and debris shall be hauled off by the workers on a daily basis unless a dumpster is specifically designated for their use.
13. Grout, paint, wall mud or any other material may not be poured down Building drains, sinks, toilets or bathtubs. Check with the Management Firm (or if no Management Firm is in existence, a designated agent of the Board) for location of cleaning area.
14. Sub-contractors are not to use carts owned by the Association (Supply your own).
15. Breaks and lunches, if taken inside the Building, should be confined to the Owner's Unit.
16. No radios will be allowed in the Building unless used with headphones.
17. Access to the individual Condominium Units must be coordinated through the Unit Owner, decorator or other designee.
18. Do not tamper with or hang extension cords from any of the sprinkler heads.
19. Unit smoke alarms are to be left in place. They are to be properly protected during the interior finish work which generates heavy airborne particles, i.e. sanding and painting.
20. Workers are not to wander around in areas other than the specific area or Unit to which they are assigned.

21. **FLOORING.** Each Unit Owner who elects to install in any portion of his Unit hard surface flooring materials (i.e., tile, marble, wood) shall first be required to install an approved sound underlayment material and perimeter sound isolation material installed in accordance with the procedures as generally provided below. Each Unit Owner is required to submit for approval to the Board of Directors or its representative the proposed hard surface floor underlayment material. Written approval for the proposed materials is required prior to installation of hard surface flooring, and then the installed sound attenuation must be inspected and approved prior to installation of the hard flooring. Installation procedures shall meet or exceed the following:

A. Isolation Barrier

1. At the perimeter of the entire floor, and the periphery of all protrusions to that floor, a fiberglass board (6-15 pcf) not less than 3/8 of an inch (9.525 millimeters) thick, to minimize flanking, should be used within 1/4 inches (6.35 millimeters) of the finished surface.

2. Closed cell polyethylene foam (2.7 - 9 pcf) not less than 1/4 of an inch thick (6.35 millimeters) may also be used as the perimeter isolation barriers.

3. The fiberglass board or the polyethylene foam can be cut into strips and held in place with a few spots of acoustical sealant. If the strips are too tall, they can easily be trimmed within the 1/4 inch of the finished surface after the tile is grouted, therefore keeping any hard residue out of the perimeter grout joints.

B. After the tile is set and grouted, additional time should be spent to check the perimeter of the entire floor and the periphery for any protrusions such as pipes, so as not to have any of the mortar, bond coat, or grout, touching the walls or any protrusions that penetrate the floor. Should any of the hard material from the installation make contact between the tile or setting bed and the wall, or a penetrating protrusion, a large reduction in the sound rating will occur. After grouting, but before the edges are caulked, trim the polyethylene sheeting back to the top of the fiberglass or polyethylene foam edging.

C. A sealant is required at the perimeter of the entire floor, and the periphery of all protrusions to that floor.

1. This joint shall be 1/4 inch wide (6.35 millimeters) from the finished top of the tile. This joint must be filled with an elastomeric sealant or an acoustical sealant. Hard grout is unacceptable.

2. This caulking can be done before or after grouting as long as the hard grout is left out of the joint between the floor and the wall and around the periphery of any protrusion.

3. If USG acoustical sealant is used, the joint can be painted to conform to the color of the grout used in the field.

4. Dow-Corning and G.E. Silicone sealant comes in a variety of colors to harmonize with the color of the tile.

22. Each Unit Owner is responsible for his decorators', contractors' and sub-contractors' actions and inactions while on the Condominium Property and while within the Community. Decorators,

contractors, and sub-contractors are on the Condominium Property at their own risk and agree to indemnify and hold harmless the Condominium Association, the Master Association and WCI Communities, Inc. for any liability or damages which might arise in connection with their activities on the Condominium Property and while within the Community.

23. Should a decorator, contractor or sub-contractor discover a defect in a Unit, they must notify the Management Firm (or if no Management Firm is in existence, a designated agent of the Board) immediately so the defect may be verified and corrected prior to doing any work which might be impacted by the defect.

24. Smoking, while discouraged, will only be allowed in the individual Units with the Unit Owner's permission.

25. Please help us keep the building clean.

Activities will be monitored during the day. Non-compliance may result in you or your firm being barred from the Building.

If you have any questions please contact the Management Firm (or if no Management Firm is in existence, a designated agent of the Board).

RULES FOR OWNER PARTICIPATION IN BOARD OF DIRECTORS MEETINGS, A BUDGET COMMITTEE MEETING AND A MEETING OF ANY COMMITTEE AUTHORIZED TO TAKE ACTION ON BEHALF OF THE BOARD; AND OF THE LOCATION FOR POSTING NOTICES OF MEETINGS

I. THE RIGHT TO SPEAK:

26. To the maximum extent practical, the posted Board meeting agenda for each meeting shall list the substance of the matters and actions to be considered by the Board.

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

28. After each motion is made and seconded by the Board members the meeting Chairperson will permit Unit Owner participation regarding the motion on the floor, which time may be limited depending on the complexity and effect on the Association.

29. Unit Owner participation will not be permitted after reports of officers or committees unless a motion is made to act upon the report, or the Chair determines that it is appropriate or is in the best interest of the Association.

30. A Unit Owner wishing to speak must first raise his or her hand and wait to be recognized by the Chair.

31. While a Unit Owner is speaking, he or she must address only the Chair; no one else is permitted to speak at the same time.

32. A Unit Owner may speak only once for not more than three (3) minutes and only on the subject or motion on the floor.

33. The Chair may, by asking if there be any objection and hearing none, permit a Unit Owner to speak for longer than three (3) minutes, or to speak more than once on the same subject. The objection, if any, may be that of a Board member only and if there is an objection then the question will be decided by a vote of the Board.

34. The Chair will have the sole authority and responsibility to see to it that all Unit Owner participation is relevant to the subject or motion on the floor.

II. THE RIGHT TO VIDEOTAPE OR AUDIOTAPE:

1. The audio and video equipment and devices which Unit Owners are authorized to utilize at any such meeting must not produce distracting sound or light emissions.

2. Audio or video equipment shall be assembled and placed in position in advance of the commencement of the meeting in a location that is acceptable to the Board or the Committee.

3. Anyone videotaping or recording a meeting shall not be permitted to move about the meeting room in order to facilitate the recording.

4. At least 24 hours advance written notice shall be given to the Board by any Unit Owner desiring to utilize any audio and/or video equipment to record a meeting.

III. ALL NOTICES OF MEMBERSHIP, DIRECTORS AND COMMITTEE MEETINGS AT WHICH OWNERS ARE ENTITLED TO PARTICIPATE WILL BE POSTED ON THE CONDOMINIUM PROPERTY.

EXHIBIT NO. 5 TO DECLARATION OF CONDOMINIUM

PROPERTY MANAGEMENT CONTRACT

For

GALIA AT

LOST KEY MARINA & YACHT CLUB

CONDOMINIUM ASSOCIATION, INC.

Presented to

GALIA AT

**LOST KEY MARINA & YACHT CLUB
CONDOMINIUM ASSOCIATION, INC.**

By

**Meyer Real Estate of Florida
Association Management Division
Post Office Box 34009
Pensacola, Florida 32507**

ASSOCIATION MANAGEMENT AGREEMENT

THIS AGREEMENT, made and entered into this **1st Day of March, 2007** by and between **MEYER REAL ESTATE OF FLORIDA** herein called "Management Agent" and **GALIA AT LOST KEY MARINA & YACHT CLUB CONDOMINIUM OWNERS ASSOCIATION, INC.** (herein called "Condominium Association")

FOR AND IN CONSIDERATION of these premises and of the mutual promises and covenants herein contained, Management Agent and Association agree as follows:

1) EMPLOYMENT

The Condominium Association does hereby engage the services of **MEYER REAL ESTATE OF FLORIDA** as the exclusive Management Agent of **GALIA AT LOST KEY MARINA & YACHT CLUB CONDOMINIUM ASSOCIATION, INC.** located in Pensacola, Florida and consisting of the following specific improvements:

Number of Units - 70 units

Common Areas - **OUTDOOR POOL, POOL HOUSE, ELEVATORS, COMMON WALKWAYS, POOL PATIO AREAS AND PARKING AREAS, where applicable.**

And the Management Agent does hereby accept such engagement.

2) TERM

The commencement date of this Agreement shall be March 1, 2007 which date shall constitute the time that the Management Agent will be required to begin performance of its duties hereunder. Unless sooner terminated or renewed as elsewhere herein provided, this Agreement shall be in effect until March 1, 2008.

3) SERVICES OF MANAGEMENT AGENT

The services of the Management Agent shall include:

A) General Administration -

The Management Agent will provide general administrative and community service management to the Condominium Association. The Management Agent will operate under the direction of the Condominium Association to ensure proper operational management and maintenance, and to promote a meaningful Board/Resident/Management Agent relationship.

- B) Maintain Condominium Association Files – The Management Agent shall collect, organize and maintain complete files for the Condominium Association of all legal documents, rosters of owners, correspondence, house rules, site plans, blueprints and specifications (as available), etc. The files will be open for owner inspection in accordance with applicable law and the governing community documents and will be supervised by the Management Agent during that time period. Supervision of Owner inspection of files will be performed at the agreed hourly rate for “Compensation for Other Services”.
- C) Assist with Communications – Management Agent shall assist the Condominium Association with newsletters, special notices, questionnaires, etc. The Management Agent shall implement and inform residents of a 24-hour, 7 day-a-week emergency call service. Radios and/or cell phones will provide a rapid response to emergency situations.
- D) Resolve Owner Problems – The Management Agent shall assist in resolving individual owner problems as they pertain to the Condominium Association, common elements and governing rules and regulations.
- E) Regular Property Inspections – The Management Agent shall make periodic inspections of the Condominium Association’s property, render reports and make recommendations concerning the property.
- F) Assistance to Board of Directors – The Management Agent shall provide administrative support services to the Condominium Association’s Board of Directors for up to four (4) board meetings annually and also the General Membership meeting. Additional meetings can be held at a cost of \$250.00 per meeting. The administrative support services include preparation of all notices of Board and General Membership meetings, notifying the Directors of Board meetings, notifying owners of General Membership meetings, and circulating the minutes of the preceding meeting as prepared by the Secretary.
- The Management Agent shall assist in outlining and amending rules and regulations. The Management Agent will attend scheduled board meetings as available.
- G) General and Special Membership Meetings – The Management Agent shall, at the request of the Board, organize one annual meeting of the Condominium Association and any and all special meetings of the Condominium Association’s Board, including the preparation and delivery of the meeting notice, and the preparation of proxy forms. The Management Agent will prepare the agenda for all such meetings and will assist in overseeing the election of any new directors.
- H) Rescheduling Meetings – Any meeting scheduled during a period in which tropical cyclone watch or warning has been issued may be rescheduled at the direction of the Association.
- I) Financial Management Services – The Management Agent will provide financial management services to the Condominium Association.
- 1) Annual Budgeting – The Management Agent shall prepare the annual budget for

the Condominium Association's approval. Until a new budget is approved the last approved budget will be considered the Approved Budget. The budget is detailed to reflect expected operations for each month during the twelve-month period. The budget will be established to illustrate expected recurring receipts and disbursements. It will also be used for comparison of actual monthly income with expenditures. The Management Agent shall analyze and compare operating receipts and disbursements against the Board-approved budgets. Where applicable, suggested corrective recommendations will be made.

- 2) Financial Statements – The Management Agent shall prepare monthly financial reports, with month-to-date summaries. The financial data shall include:
 - a) Balance sheet and income statement
 - b) Cash flow statements
 - c) Accounts receivable, aged invoice report
 - d) Month-to-date general ledger
- 3) Year-end Statements – The Management Agent shall prepare a year-end statement of the operations for the Condominium Association. The Management Agent shall assist the CPA, selected by the Board, to perform audits, prepare forms, and pay taxes; and file local, state and federal reports as required.
- 4) Collect Condominium Association Monies – The Management Agent shall collect all money. The Management Agent will set up checking, savings, or other account(s) as is customary with such Condominium Associations. All monetary transactions will be made to the Condominium Associations checking, money market and certificate of deposit accounts. The Management Agent will keep accounting records to reflect the status of owners' interest in any account or accounts set up by the Management Agent. The Management Agent shall mail delinquency notices to any owner in arrears and exert reasonable efforts to collect delinquent accounts including reminder notices and delinquency letters. In the event of failure to collect delinquent accounts, and at the discretion of the Board, the Management Agent shall pursue payment through the Condominium Association's attorney (at the expense of the Condominium Association and, in turn, to be collected from the delinquent owner).
- 5) Make Disbursements – The Management Agent shall make all required disbursements for the Condominium Association with bills or disbursement vouchers. The Management Agent shall make all disbursements from assessments collected for normal recurring expenses as provided in the Board approved budget. The Management Agent will be granted authority to make any budget expenditures as provided in the approved budget at the Management Agent's own discretion. All non-budget expenditures (exceeding \$ 500.00) will be made only with the prior approval of the Board, except in the cases of emergency, which require prompt action to avoid further loss.

- J) Contractual and Physical Administration – The Management Agent will oversee maintenance needs of the common areas.
- 1) Access to Owners Units in Emergencies – Condominium Association Board of Directors is responsible for obtaining the necessary keys from the owners and forwarding them to the Management Agent. In the event the key given to the Management Agent does not work, the Board authorizes the Management Agent to gain entrance to the owners unit using a locksmith. The cost of obtaining access will be billed to the Condominium Association and the Board of Directors and may in turn direct the Management Agent to submit a bill to the owner to reimburse the Condominium Association.
 - 2) Lockouts – Owners or their designated party may pick up keys at Meyer Real Estate Administrative offices, with prior notice, located at Valacio Village during normal business hours, with proper identification. Renters must obtain keys from their rental company. After normal business hours a locksmith or rental agent must be called to gain entrance.
 - 3) Service Contracting – The Management Agent shall solicit, analyze and compare bids and negotiate contracts for execution by the Board for the services of contractors for any requisite ground maintenance, landscaping, lighting, security, audit and legal services and all other services required by the Condominium Association. An officer of the board must execute all contracts.
 - 4) Monitor Contractor's Performances – The Management Agent shall review service contractor's performance and recommend changes based upon experience to provide greater efficiency and/or decrease cost.

4) COMPENSATION

- A) Ordinary Compensation – The Management Agent shall be paid a monthly service fee by the Condominium Association equal to eighty-one (81%) of the total management fee charged by the Association to **LOST KEY MARINA & YACHT CLUB MASTER CONDOMINIUM ASSOCIATION, INC.**

For the first term of this contract (Phase I of the development) the base fee shall be \$37.00 per door per month, of which the Condominium Association shall pay \$30.00 per door per month. This fee is payable monthly at \$2100.00.

After the initial period of this contract and provided Condominium Association elects to renew the agreement as provided in Paragraph 7 hereof, all fees shall be adjusted annually by the percentage change in the national average of the consumer price index for the previous twelve months.

Payments of all fees are due on the first of the month, in advance and all payments made later than ten (10) days after the due date shall bear a service charge of 1% per month. There shall be no penalty provision for late payments if the Management Agent is responsible for making such payments.

- B) Crisis Management Compensation – Crisis management requires that the Management Agent employ a larger than normal staff in order to handle contingencies such as storms, hurricanes, flooding and other perils that may occur. A Crisis Management Fee will be charged on a per incident basis. This fee is calculated by multiplying the total number of condominium units in the Association by \$30.00. This Crisis Management fee is initiated automatically at the Management Agent's sole discretion when it is determined that the potential risk to the Association's property and/or the owner's property requires quick action in order to protect the property from storm damage or other perils.
- C) Administrative Expenses – The Association shall also be responsible for other reasonable expenses necessary to the proper performance of the management services, including without limitation: long distance telephone and fax charges, copying, postage expenses and all office supplies used on behalf of the Association.
- D) Compensation for Other Services – In the event that the Association requests the Management Agent to provide services other than those required of Agent as described herein, such services shall be performed at an hourly rate up to **\$50.00** per hour (See Paragraph 13 of the agreement regarding non-included services).
- E) Association Management Signs – The Management Agent shall have the exclusive right to place signs on the property indicating that Meyer Real Estate is the Association Management Company.
- F) Set Up Fee – There will be a one time set up fee of **\$500** due upon execution of this contract.

5) EMPLOYEES AND SUBCONTRACTORS

The Management Agent may select vendors and/or subcontractors for hire, at its complete discretion, to carry out its duties under this Agreement except as such authority may be subject to review by the Condominium Association Board as specified in this section.

6) AUTHORIZED AGENTS OF CONDOMINIUM ASSOCIATION AND MANAGEMENT AGENT

The Condominium Association hereby designates the following single representative **Tim Pyle**,

who shall be authorized to furnish information and instructions to the Management Agent on any matter pertaining to the obligations of either party to this Agreement. The Management Agent hereby designates **Les Williams**, or another designated person, who shall be entitled to rely on the instructions of the Condominium Association representative as the final authority and instructions from the Condominium Association board.

7) **AUTOMATIC TERMINATION**

This agreement shall automatically expire unless the Condominium Association's Board provides proper written notice to the Management Agent not less than ninety- (90) days prior to the expiration of the initial term or any renewal term of its intent to renew. Renewal terms, if applicable, shall be for a period of three (3) years and shall be governed by the same terms and conditions of the agreement's initial term. Provided, however the parties will mutually agree upon changes in Management Agent's compensation under paragraph 4. If the parties are unable to agree after good faith efforts within 90 days of the date of the Condominium Association's renewal notice, then this agreement shall terminate.

8) **TERMINATION**

This Agreement may be canceled with just cause by either party before the termination date specified in paragraph two herein with no less than 60 days written notice to the other party (unless otherwise specified in the Condominium Association Bylaws). This Agreement may be cancelled by either party for any reason what so ever upon no less than 180 days written notice to the other party.

9) **TERMINATION PROCEDURES**

Upon termination by either party, whether for cause or not, the parties shall observe the following termination procedures:

A) **Turnover of Records** – The following records shall be provided to the Condominium Association by the Management Agent within thirty (30) days of the date of termination of this Agreement:

- 1) Copies of all tax returns of the Condominium Association retained by the Management Agent;
- 2) All bank statements, canceled checks and other bank records of the Condominium Association retained by the Agent;
- 3) Copies of all financial statements not previously provided to the Condominium Association;
- 4) All accounting and legal records of the Condominium Association including by way of example but not limitation, general ledger, general journal, accounts payable

information (including copies of unpaid invoices), monthly assessment records, Board minutes, unit owner roster and contracts and other documents to which the Condominium Association is a party.

- 5) All records, statements, papers, articles, items, equipment or other information possessed by Management Agent and relating to the services provided pursuant to this Agreement.

- B) Certified Audit – Upon the termination of this Agreement, the Condominium Association, at its expense may engage the services of a duly licensed Certified Public Accountant to render a certified audit of the financial statement of the Condominium Association for the current financial period ending on the termination date and commencing at the beginning of the latest fiscal year of the Condominium Association or six (6) months from the termination date, whichever period shall be longer.

- C) Condominium Association Funds and Bank Accounts – Any funds belonging to the Condominium Association shall be returned to the Condominium Association on the termination date of this Agreement, with the exception that the Management Agent may, at its discretion, retain in an escrow account the sum of money which is necessary to pay accounts payable which are the obligation of the Condominium Association to pay but which have been contracted for in the name of the Management Agent. The Management Agent, in the event it retains any of the sums described herein, shall provide the Condominium Association with an accounting showing the purposes of the retention at the time it returns the remaining funds of the Condominium Association.

- D) Bank Accounts – Upon termination of this Agreement, the Management Agent shall terminate all signature authority it may have in any bank account of the Condominium Association.

10) ACCOUNTING AND LEGAL SERVICES

The Condominium Association shall be responsible for the selection and engagement of attorneys and other professionals to provide, at the Condominium Association's expense, any legal and accounting services not required to be performed by the Management Agent pursuant to the terms of this Agreement. Such services which shall be paid by the Condominium Association shall include, but not be limited to, payment for any annual certified audits required pursuant to the terms of this Agreement, any attorneys' fees for legal activities required to be taken in order to collect any of the Condominium Association's assessments, or to bring suit on behalf of or defend any suit filed against the Condominium Association, unless such litigation is the result of a willful or grossly negligent conduct on the part of the Management Agent.

11) ANNUAL CERTIFIED AUDIT

The Condominium Association may conduct, at its expense, an annual certified audit of the financial statement prepared by the Management Agent and of the system of internal control

by the Management Agent in maintaining the Condominium Association's records.

12) PROPERTY RIGHTS AND LIEN RIGHTS OF THE PARTIES

The Management Agent shall not have any lien rights whatsoever upon the termination of this Agreement.

13) NON-INCLUDED SERVICES

The following services *shall not* be provided by the Management Agent as part of the services, which it shall perform pursuant to the terms of this Agreement, and consequently, these services shall constitute other services as described in paragraph 4 (D) of this Agreement:

- A) Court appearances, depositions or consultations with attorneys in connection with litigation filed or proposed on behalf of or directed at the Condominium Association.
- B) Insurance claim administration, for which the Managing Agent may be compensated directly by the Condominium Association or by way of the Condominium Association's including in the claim the Managing Agent's fee for such claim administration.
- C) Warranty or punch list work, either in connection with claims arising against the developer or against contractors under contracts begun prior to the management contract.
- D) Supervision and coordinating extensive repairs, remodeling, rebuilding and /or renovation or adding new amenities shall constitute additional compensation to the Managing Agent. The Condominium Association Board and the Managing Agent shall agree upon the amount of additional compensation to the Managing Agent prior to initiating this service.
- E) The management of preexisting lawsuits, insurance claims, repairs and renovation, shall constitute additional compensation to the Managing Agent. The Condominium Association Board and the Managing Agent shall agree upon the amount of additional compensation to the Managing Agent prior to initiating this service.
- F) Maintenance of individual condominium unit's, which shall be the sole responsibility and expense of the Owners of such units.
- G) Condominium Resale Questionnaires fees are payable by Seller or Buyer at closing. However Meyer Real Estate will assist in the preparation of the questionnaires relative to providing true basic information on the property.
- H) Lockouts, after normal business hours. Please refer Paragraph 3 (J) (2) of this Agreement.
- I) Any additional work, unless clearly agreed to by Management Agent in this agreement or in a separate written agreement.

14) NOTICE

Notice which either party desires to give or is required to give to the other under this Agreement shall be given by certified mail, return receipt requested, and it shall be deemed given when it shall have been deposited in the United States Postal Service, addressed to the party for whom it is intended as follows:

FOR THE GALIA CONDOMINIUM ASSOCIATION:

**GALIA AT LOST KEY Marina & Yacht CLUB
CONDOMINIUM ASSOCIATION, INC.
13587 Perdido Key Drive
Pensacola, FL 32507
ATTN: Galia Project Manager**

FOR THE MANAGEMENT AGENT:

**MEYER REAL ESTATE of FLORIDA
PO BOX 34009
PENSACOLA, FL 32507**

15) GOVERNING LAW

The laws of the State of Florida shall govern this Agreement. In the event, however any provision contained in this Agreement is in conflict with laws of Florida such provision shall be deemed invalid and superseded by the governing state laws; but in such event, the remaining provisions of this Agreement shall remain in full force and effect.

16) SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon and inure to the benefit of the heirs, the personal representatives, successors and assigns of the Condominium Association, and the heirs, personal representatives, successors and assigns of the Management Agent. The Condominium Association shall not assign its rights under this Agreement without the prior written consent of the Management Agent. Nor shall the Management Agent assign its rights under this Agreement without the prior written consent of the Condominium Association.

17) DEFAULT BY MANAGEMENT AGENT

Failure by the Management Agent to substantially perform its duties and obligations under this Contract for a continuous period of forty-five (45) days after written notice of default from the Association specifying the default complained of, shall be just cause for the Association to cancel this agreement.

18) SUPERSEDEENCE OF MANAGEMENT AGREEMENT

The applicable terms and provisions of the Association's by-laws and the applicable provisions of the Declaration of Covenants and Restrictions for the community shall be deemed paramount to the terms and provisions of this Agreement and, where applicable, the terms and provisions of this Agreement shall be deemed amended to comply with the foregoing.

19) CERTAIN NON-LIABILITY OF MANAGEMENT AGENT

The Management Agent shall not be liable to the Condominium Association and its members for any loss or damage not caused by the Management Agent's own gross negligence or willful misconduct, and the Association and its members will and do hereby indemnify and save harmless the Management Agent from any liability of damages, costs and expenses arising from the injury to person or property in, about and in connection with the community from any cause whatsoever unless such injury shall be caused by the Management Agent's own gross negligence or willful misconduct.

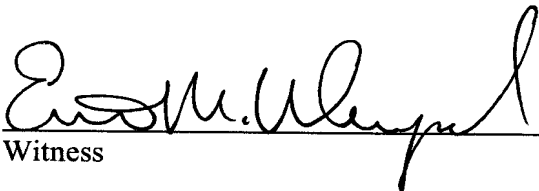
20) INTEGRATION CLAUSE

This Agreement constitutes the full understanding of the parties hereto and no prior or contemporaneous oral representations or prior written representations made by either party shall be binding. This Agreement may be modified only in writing, signed by both parties.

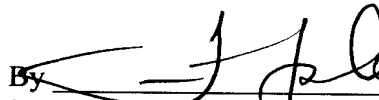
IN WITNESS WHEREOF, the parties have affixed or caused to be affixed their respective signatures on this 22nd day of FEBRUARY 2007.

Signed, sealed and delivered in the presence of:

**GALIA AT LOST KEY MARINA &
YACHT CLUB CONDOMINIUM
ASSOCIATION, INC.**




Witness

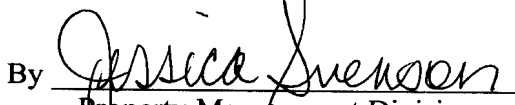
By 

Its VICE PRESIDENT

MEYER REAL ESTATE OF FLORIDA



Witness

By 

Property Management Division