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IMPORTANT MATTERS TO BE CONSIDERED
IN ACQUIRING A CONDOMINIUM UNIT AT
COQUINA BEACH, A CONDOMINIUM
NERITA STREET
SANIBEL ISLAND, FLORIDA

These IMPORTANT MATTERS apply to Coquina Beach, a Condominium, a condominium development developed and offered for sale by Spectrum Development Corporation, a Florida corporation. The condominium consists of forty (40) units located in five buildings, together with a "chickee", swimming pool, and tennis court.

I. THE CONDOMINIUM UNITS BEING OFFERED FOR SALE AT COQUINA BEACH, A CONDOMINIUM, ARE BEING SOLD ON A FEE SIMPLE BASIS.

II. ALL RECREATIONAL FACILITIES AND COMMON ELEMENTS WILL BELONG TO THE CONDOMINIUM ASSOCIATION. THERE ARE NO RECREATIONAL LEASES OR LAND LEASES ASSOCIATED WITH THIS DEVELOPMENT.

III. THERE ARE NO PAYMENTS REQUIRED TO BE MADE BY ANY UNIT OWNER FOR USE OF THE COMMON FACILITIES AND RECREATIONAL AREAS OTHER THAN MAINTENANCE FEES WHICH WILL BE ESTABLISHED BY THE CONDOMINIUM ASSOCIATION FOR THE UPKEEP AND PRESERVATION OF THE FACILITIES.

IV. NO PARTY OTHER THAN THE CONDOMINIUM ASSOCIATION HAS A LIEN OR LIEN RIGHT AGAINST ANY UNIT TO SECURE PAYMENT OF FEES OR OTHER EXACTIONS. THE CONDOMINIUM ASSOCIATION RESERVES THE RIGHT OF LIEN FOR FAILURE TO PAY ASSOCIATION CHARGES PROPERLY LEVIED PURSUANT TO THE BYLAWS. UNIT OWNERS FAILURE TO MAKE PAYMENT OF PROPER ASSESSMENTS MAY RESULT IN FORECLOSURE OF THE LIEN. SEE PARAGRAPH (C), PAGE 6, OF THE DECLARATION OF CONDOMINIUM.

V. RECREATIONAL FACILITIES MAY NOT BE EXPANDED OR ADDED TO EXCEPT UNDER THE AUTHORITY OF THE CONDOMINIUM ASSOCIATION.

VI. THERE IS A CONTRACT FOR THE MANAGEMENT OF THE CONDOMINIUM PROPERTY WITH EXECUTIVE SERVICES, INC., AN ASSOCIATION MANAGEMENT COMPANY BASED ON SANIBEL ISLAND, FLORIDA. THIS CONTRACT IS DESCRIBED IN THE PROSPECTUS AND A COPY OF THIS CONTRACT IS ATTACHED TO THE CONDOMINIUM DOCUMENTS AS EXHIBIT "G".

VII. THE DEVELOPER HAS THE RIGHT TO HAVE REPRESENTATION IN THE CONDOMINIUM ASSOCIATION BASED ON THE NUMBER OF UNSOLD UNITS IN HIS CONTROL OR POSSESSION. SEE PARAGRAPH (G), PAGE 8, OF THE DECLARATION OF CONDOMINIUM.

VIII. THE SALE, LEASE, OR TRANSFER OF A CONDOMINIUM UNIT IS CONTROLLED BY THE CONDOMINIUM ASSOCIATION. SEE ARTICLE XII, PAGE 7, OF THE DECLARATION OF CONDOMINIUM.

IX. THE STATEMENTS SET FORTH ABOVE ARE ONLY SUMMARY IN NATURE. PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES AS WELL AS THE ENTIRE SET OF DISCLOSURE MATERIALS AND HIS CONTRACT OR PURCHASE AGREEMENT. ALL DISCLOSURE MATERIALS, CONTRACT DOCUMENTS, AND BROCHURE MATERIALS ARE IMPORTANT LEGAL DOCUMENTS AND IF NOT UNDERSTOOD, PROSPECTIVE PURCHASER SHOULD SEEK LEGAL ADVICE.

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This instrument prepared by:

Herbert L. Brill, Esquire
Greene, Layne and Immer, P.A.
320 N. E. 18th Street
Miami, Florida 33132

PROSPECTUS
OF
COQUINA BEACH, A CONDOMINIUM
NERITA STREET
SANIBEL ISLAND, FLORIDA

ORAL REPRESENTATIONS CANNOT BE RELIED UPON
AS CORRECTLY STATING THE REPRESENTATIONS OF
THE DEVELOPER. FOR CORRECT REPRESENTA-
TIONS, REFERENCE SHOULD BE MADE TO THIS
PROSPECTUS AND ITS EXHIBITS.

This Prospectus fulfills the requirements of Chapter 711.69, Florida Statutes, as amended by the 1974 Session of the Florida Legislature.

1. A. The condominium offered for sale is known as Coquina Beach, a Condominium, and is located on Nerita Street on the Island of Sanibel, Florida. Its 2.5+ acres are located directly on the Gulf side of the Island with direct access to the beach.

B. The maximum number of units that will use the facilities in common with the subject condominium is forty (40).

2. The Developer does not plan to include a program of leasing units except as it may have unsold units which, from time to time, may be leased by the Developer until such time as the units are sold.

3. A. The condominium shall consist of five (5) buildings, each containing eight (8) units. All units have the same floor plan and contain two bedrooms and two full baths. The second floor units have a loft over the kitchen.

B. The Developer will construct forty (40) units provided that there is no prohibition for combining two or more units into one unit, or if combined, the severance of these units into their component parts.

C. A plot plan and survey of the condominium showing location of residents buildings and recreational facilities may be found in Exhibit "B" of the condominium documents.

D. The Developer estimates that the last building will be ready for occupancy no later than June 10, 1975.

4. A. The Developer, as part of the condominium common elements, is constructing a swimming pool with an approximate size of 20' x 40' with a capacity of 35 people and a pool deck area of 500 square feet with a capacity of 15 people. In addition, the pool will have all necessary and usual equipment required to maintain and operate the pool according to local health standards. The pool will range from 3' to 8' in depth and will be heated.

B. A 10' x 16' "chickee" (covered deck) with a capacity of 12 people will be provided on the area immediately adjacent to the beach.

C. Additional common facilities at Coquina Beach, a Condominium, are:

(1) A tennis court located in the rear of the condominium area with a capacity of four people.

(2) Three gas-fired barbeque grills located throughout the condominium property.

D. The personal property that is committed to be furnished for the condominium property and the common elements are as follows:

Swimming pool and patio area - twelve patio chairs,
two tables.
Common area - three gas-fired barbeque grills,
three picnic tables.
Tennis Court - nets, fence, posts.

4. E. The approximate capacity of each common facility in numbers of people is reviewed here:

Swimming pool	- 35 persons
Patio area	- 15 persons
Tennis court	- 4 persons
"Chickee"	- 12 persons
Common area	- 40 persons

4. F. The estimated date when each common facility will be available for use by the unit owners is June 10, 1975.

4. G. No additional facilities other than those indicated on the plot plan and survey of Coquina Beach, a Condominium, found in Exhibit "B" of the condominium documents, will be provided by the Developer.

4. H. All locations, areas, capacities, numbers, and volumes or sizes are stated as approximations. When all facilities have been produced, they will substantially conform and meet or exceed these approximations.

5. There will be no recreational leases, land leases, or mandatory maintenance expenses for the use of facilities, either directly or indirectly by the unit owners in common with other condominiums.

6. The condominium is not part of any phase project subject to provisions of Section 711.64, Florida Statutes.

7. The creation of Coquina Beach, a Condominium, does not in any way rely upon the conversion of an existing building.

8. No control by any person other than the unit owners or the Condominium Association exists on any property that will be used by the unit owners, and there are no leases or proposed leases of condominium property or items relating to Coquina Beach, a Condominium.

9. Summary of Restrictive Covenants: Each unit is subject to the following use and occupancy restrictions as set forth in Article XIV on page 12 of the Declaration of Condominium.

A. Each unit must be used exclusively as a single family dwelling restricted to members of the family and social guests. If premises are leased, no more than six (6) people may occupy a loft unit and no more than five (5) people in a non-loft unit.

B. Each owner shall use his unit in a way so as not to interfere with the rights of others and shall obey all laws and the rules and regulations of the Condominium Association.

C. Units are restricted for use for commercial purposes.

D. No structural changes are permitted without the consent of the Condominium Association.

E. Only such pets as do not disturb or disrupt other tenants may be kept and each unit owner is responsible for policing their pet.

F. No advertising or posters can be placed outside of the unit and no clothes lines are permitted.

G. No noise from radios, musical instruments, television sets may emanate beyond the confines of each unit and may not disturb other unit owners.

H. No unit owner can install television antennas, machines or air conditioning units, etc., without the consent of the Condominium Association.

I. No unit may be leased to unmarried persons, under the age of twenty-five (25) years, without the consent of the Condominium Association.

J. Unit owners may not cause shells to be disposed of in the plumbing system of the condominium unit.

All rules and regulations determining the use of the common elements and the condominium are subject to change by the Condominium Association, pursuant to the Bylaws.

10. There is no land being offered by the Developer for use by the unit owners that is not owned by them.

11. The sewage disposal lines from each unit are connected to a line which runs directly to a sewage disposal plant operated by Jamestown-Beachview. The charges for said facility are deemed independent of any control by the Developer. Water is supplied by The Island Water Association, Inc. and charges relating thereto are not within the control of the Developer. Telephone service is supplied by the United Telephone Company pursuant to authority granted to it by the State of Florida. Power is provided by Lee County Electric Cooperative, Inc. pursuant to authority granted to it by the State of Florida.

12. The arrangements for management of the Association, and maintenance and operation of the condominium are set out below:

A. A contract has been signed by the Developer with Executive Services, Inc., an association management company headquartered on Sanibel Island, Florida, for the management of the condominium association and property until the complete control of the Association is turned over to the unit owners in conformance with the provisions of the Declaration of Condominium.

B. This contract is subject to termination by either the Developer or Executive Services, Inc. on thirty (30) days written notice. The contract can also be cancelled or continued by the Association.

tion at the meeting of the Condominium Association when majority control of the Association is assumed by the unit owners.

C. The management contract with Executive Services, Inc. includes the following provisions:

- (1) Billing for monthly maintenance fee.
- (2) Set-up of budget and bookkeeping system to later be turned over to the Condominium Association.
- (3) Grounds maintenance.
- (4) Pool maintenance.
- (5) Beach maintenance.
- (6) Trash pick-up.
- (7) Hall and stairway maintenance.
- (8) Periodic checking of owner units.
- (9) Coordinating set-up and operation of the meeting when the condominium is ultimately turned over to unit owners.
- (10) Hiring and supervision of all personnel.

D. Executive Services, Inc. will be paid Ten and no/100 (\$10.00) Dollars per unit per month for its management services program. This fee will apply to all units in a building and will start at the time of the first closing of a unit in a building. There is no provision for increase of this management fee. When all forty units of Coquina Beach, a Condominium, are completed, the management company will be receiving Four Hundred and no/100 (\$400.00) Dollars per month or Four Thousand Eight Hundred and no/100 (\$4,800.00) Dollars per year for its management services.

E. A copy of the Management Contract is attached to this Prospectus as Exhibit "G".

13. The apportionment of common expenses in ownership of the common elements has been divided equally among all unit owners.

14. An estimated operating budget and schedule of the unit owners expenses is attached to this Prospectus as Exhibit "F".

15. The following is a schedule of estimated closing expenses to be paid by the purchaser of a unit: Purchaser shall pay all costs incurred in obtaining a mortgage on his unit, if any. Costs vary depending on the lending institution at the time of closing.

Seller will pay state documentary stamps, surtax stamps on the warranty deed, the cost of recording the deed, and will provide a title insurance policy on the condominium unit, the cost of the premium for which will be paid by the seller. The seller will also pay all real estate taxes for the year in which the closing takes place.

16. The Developer of Coquina Beach, a Condominium, is Spectrum Development Corporation, a Florida corporation. The Chief Operating Officer is Keith W. Trowbridge. Coquina Beach, a Condominium, is the first development undertaken by Spectrum Development Corporation which was formed for the express purpose of developing Coquina Beach, a Condominium.

Keith W. Trowbridge holds a Ph. D. from the University of Michigan, Center for the Study of Higher Education, an M. B. A. from Bowling Green State University and a B. S. in Business Administration from Bowling Green State University. Mr. Trowbridge has served as a consultant to the Ohio Board of Regents to coordinate their statewide physical facilities. He has served as a consultant to Defiance College, Findlay College, and as a Project Evaluator for Miami-Dade Community College. Mr. Trowbridge was associated as Director of Self Study and Accreditation and Special Assistant to the Development Office of Florida International University, Miami, Florida. In this capacity, he was involved in the development, contracting, and construction of the facilities of the University. Mr. Trowbridge is currently engaged in the development of a 20 unit P. U. D. on Sanibel Island, Florida.

Mr. Trowbridge resides on the Island with his wife, Patricia, and two sons, Michael and David.

17. This Prospectus is accompanied by the following exhibits:

- Exhibit "A" = Legal Description of Entire Property
- Exhibit "B" = Plot Plan and Survey
- Exhibit "C" = Unit Description and Identification
- Exhibit "D" = Charter of Coquina Beach Condominium Association, Inc. - Articles of Incorporation
- Exhibit "E" = Bylaws of Coquina Beach Condominium Association, Inc.
- Exhibit "F" = Estimated Operating Budget
- Exhibit "G" = Management Contract
- Exhibit "H" = Warranty Deed including legal description of individual unit

DECLARATION OF CONDOMINIUM

OFF
REC 1083 PC2111

OF

COQUINA BEACH, A CONDOMINIUM

SUBMISSION STATEMENT

KNOW ALL MEN BY THESE PRESENTS:

That Spectrum Development Corporation, a Florida corporation, (hereinafter referred to as the "Developer"), the owner of the fee simple title to the property, (hereinafter referred to as the "Condominium Property") described in Exhibit "A", attached hereto and made a part hereof, hereby makes and declares the restrictions, reservations, covenants, conditions and easements hereinafter set forth as applicable to the property described in Exhibit "A", and hereby submits said property to condominium ownership, pursuant to Chapter 711, Florida Statutes, (hereinafter referred to as the "Condominium Act").

All restrictions, reservations, covenants, conditions and easements contained herein shall constitute covenants running with the Condominium Property or equitable servitudes upon said property, as the case may be, and shall rule perpetually unless terminated as provided herein, and shall be binding upon all Unit Owners as defined in the Condominium Act. All grantees, devisees, their heirs, legal representatives, successors and assigns, and all parties claiming by, through or under said persons, in consideration of receiving and acceptance of a grant, devise, or mortgage covering a Unit, agree to be bound by the provisions hereof and the Articles of Incorporation and By-Laws, as they exist from time to time, of Coquina Beach Condominium Association, a non-profit Florida corporation, (hereinafter referred to as the "Association"), which will be the entity responsible for the operation of the Condominium.

I.

Instruments, etc., Governing Condominium and Owners of Condominium Parcels.

(A) Except where permissive variances therefrom appear in this Declaration, the Articles of Incorporation of the Association and the various instruments and documents referred to herein, and the By-Laws of the Association, which By-Laws and Articles of Incorporation are attached hereto and made a part hereof as Exhibit "E", together with any lawful amendments to said instruments, the provisions of the Condominium Act, including the definitions therein contained, are adopted herein by express reference as if set forth herein in haec verba, and the Condominium Act, and this Declaration, and the Articles of Incorporation and By-Laws of the Association, as lawfully amended from time to time, and the various instruments and documents referred to therein, shall govern this Condominium and the rights, duties and responsibilities of the Owners of Condominium Parcels therein.

(B) The term "institutional first mortgagee" means a bank, or savings and loan association, or an insurance company, pension fund, or an investment trust, mortgage banker or other institutional mortgage lender, which owns or holds a first and prior mortgage encumbering a Condominium Parcel.

(C) The term "institutional first mortgage" means a mortgage made by a bank, or a savings and loan association, or an insurance company, pension fund, or an investment trust, mortgage banker or other institutional mortgage lender, which is a first and prior mortgage encumbering a Condominium Parcel.

II.

Property Excluded from Condominium Unit.

The Owner of a Unit in the Condominium Property shall not be deemed to own the undecorated and/or unfinished surfaces, of the perimeter walls, floors and ceilings surrounding his Unit, nor shall said Owner be deemed to own supporting columns, pipes, wires, conduits, or other public utility lines running through or under said Unit, which are utilized or serve more than one (1) of the Common Elements. Said Owner, however, shall be deemed to own the interior walls and partitions which are contained in said Owner's Unit, and also shall be deemed to own the inner decorated and/or finished surfaces of the perimeter walls, floors and ceilings, including plaster, paint, wallpaper, etc., contained in said Unit.

III.

Condominium Property, Survey, Name, etc.

(A) The legal description of the Condominium Property is described in Exhibit "A", together with all improvements thereon and all easements and rights appurtenant thereto intended to use in connection with the Condominium; and the filing of this Declaration and the creation of this Condominium are intended to and do create no other right in any other property in or around the Condominium Property except as are specifically set forth and designated in this Declaration and the Exhibits attached hereto.

(B) Attached hereto and made a part hereof by reference is a Surveyor's Plat of the Condominium Property, identified as Exhibit "B", pages 1, 2 and 3. This Surveyor's Plat is filed in Condominium Plat Book 4, pages 204 through 206 inclusive, in the public records of Lee County, Florida.

Included also as a part of Exhibit "B" are reduced copies of the Architect's drawings together with typical floor plans of first floor and loft units.

In addition, attached hereto and identified as Exhibit "C" is a Unit Description and Identification Exhibit which identifies each unit by letter and number, and shows that no unit bears the same designation as any other unit. This Declaration and the other documentation and exhibits are sufficient to identify the common elements of each unit, their relative location, and the approximate dimensions.

(C) Developer reserves the right to change the interior design and arrangements of all Units as long as Developer owns the Units so changed and altered, provided such change shall be contained in an amendment of this Declaration, and provided, further, that an amendment for such purpose need be executed and acknowledged only by the Developer and need not be approved by the Association, its Officers, Directors and Members, or Unit Owners, whether or not elsewhere required for an amendment to this Declaration.

(D) Developer reserves the right to alter the boundaries between Units, so long as Developer owns the Units so altered; to increase or decrease the number of Units, and to alter the boundaries of the Common Elements, as long as the Developer owns the Units abutting the Common Elements where the boundaries are being altered, provided no such change shall be made without amendment of this Declaration, and provided, further, that an amendment for such purpose need be executed and acknowledged only by Developer and approved by the institutional mortgagee of an institutional first mortgage covering the Units affected, whether the said Units are encumbered by original mortgages, or whether they are included in an overall construction mortgage on the Condominium Property, but such amendment shall not require the approval of the Association, its Officers, Directors or Members, or Unit Owners.

(E) The name by which the Condominium is identified is Coquina Beach, a Condominium.

IV.

Identification of Buildings and Units.

(A) The Condominium consists of five (5) separate apartment buildings each containing two (2) stories and eight (8) separate apartment units per building, parking spaces, Common Elements on the ground and upper floors of said building, together with other improvements as indicated on the Exhibits attached hereto and made a part hereof as though fully set forth herein.

(B) The improvements hereinabove referred to will be constructed by the Developer on the property covered by this Declaration of Condominium.

V.

Ownership of Common Elements; Common Expenses and Common Surplus.

(A) The ownership of common elements as may be herein described, and as the same are designated to each unit on a portion of this Declaration of Condominium, are the percentage of ownership allocated to each unit as follows:

One/Fortieth (1/40)

(B) The fee simple title to each Condominium Parcel shall include both the Unit and the undivided interest in the Common Elements and/or Condominium Property even though the description in the instrument of conveyance or encumbrance may refer only to the title to the Unit. Any attempts to separate the fee simple title to a Unit from the undivided interest in the Common Elements and/or Condominium Property appurtenant to such Unit shall be null and void.

(C) The sharing of the common expenses and the ownership of the common surplus shall be distributed equally among the forty (40) units which comprise the condominium, excepting that the provisions of Article XVII, captioned "Termination", shall prevail over the provisions herein contained upon the termination of the condominium.

VI.

Voting Rights.

Subject to the provisions and restrictions set forth in the By-Laws of the Association, as amended from time to time, each Unit Owner shall be entitled to one (1) vote in the affairs of the Association for each Unit owned by him.

VII.

Method of Amendment of Declaration.

This Declaration may be amended at any regular or special meeting of the Unit Owners of this Condominium, called and convened in accordance with the By-Laws of the Association, by the affirmative vote of seventy-five (75%) percent of the Unit Owners present in person or by proxy and casting votes at such meeting. All amendments shall be recorded and shall be evidenced by a certificate executed in the manner required by the Condominium Act. No amendment shall change any Condominium Parcel nor a Condominium Unit's proportionate share of the common expenses or common surplus, nor the voting rights appurtenant to any Unit unless the record Owner(s) and all record owners of mortgages or other voluntarily placed liens thereon shall join in the execution of the amendment. No amendment shall be adopted or passed which shall impair or prejudice the rights and priorities of any institutional first mortgagee, or its rights under the institutional first mortgage. No amendment shall ever be adopted or passed, irrespective of the fact that all Members of the Association may be in favor of such amendment, which shall impair, alter, amend, rescind, or cancel the Insurance Trustee provisions contained in Article XIII (B) (2) and the instruments and documents referred to in the Sixteenth Article of the Charter and/or Articles of Incorporation of the Association. Provided, however, the documents and instruments referred to in the Sixteenth Article of the Charter and/or Articles of Incorporation may be altered, amended, rescinded or cancelled upon the consent in writing of all of the parties to any such instrument or document.

VIII.

By-Laws.

The operation of the Condominium Property shall be governed by the By-Laws of the Association. No modification or amendment to the By-Laws of the Association shall be valid unless the same is set forth in or annexed to a duly recorded amendment to this Declaration executed in accordance with the provisions of the Condominium Act as it exists from time to time. The By-Laws may be amended in the manner provided for therein, but no amendment to said By-Laws shall be

adopted which would affect or impair the validity or priority of any mortgage covering or encumbering any Condominium Parcel or Parcels, or which would nullify Article Sixteen of the Charter of the Association and the instruments and documents referred to therein. Provided, however, the documents and instruments referred to in the Sixteenth Article of the Charter and/or Articles of Incorporation may be altered, amended, rescinded or cancelled upon the consent in writing of all of the parties to any such instrument or document.

IX.

The Operating Entity.

As has been hereinabove set forth, the Association responsible for the operation of the Condominium is the non-profit Florida corporation designated in the second introductory paragraph hereof organized and existing pursuant to the Condominium Act. Said Association shall have all of the powers and duties set forth in the Condominium Act, as well as all the powers and duties as are granted to or imposed upon it by this Declaration, the By-Laws of said Association, and its Articles of Incorporation. Every Owner of a Condominium Parcel, whether he has acquired the ownership by purchase, or by gift, conveyance, or transfer by operation of law, or otherwise, shall be bound by the By-Laws of the said Association, as they may exist from time to time, and the instruments and documents referred to in the Sixteenth Article of said Articles of Incorporation, and by the provisions of this Declaration as they may exist from time to time.

X.

Maintenance of Common Elements.

(A) The maintenance of the Common Elements shall be the responsibility of the Association; and there shall be no material alteration or substantial additions to the Common Elements except in a manner provided for in this Declaration or in the By-Laws of the Association.

(B) No Unit Owner shall make any alterations in the portions of the improvements of the Condominium which are to be maintained by the Association, or remove any portion thereof, or make any additions thereto, or do any work which would jeopardize the safety or soundness of the building containing his Unit, or impair or interfere with any easement.

XI.

Assessments.

(A) The Association, through its Board of Directors, or the authorized manager employed and designated by the Association, shall have the power to fix and determine from time to time the sum or sums of money necessary and adequate to provide for the common expenses of the Condominium Property and if possible, the amount of said common expenses will be fixed and determined in advance for each fiscal year. The procedure for the determination of such assessments shall be set forth in the By-Laws of the Association.

(B) Assessments, which shall also include the payments provided for in Paragraph (H) hereof, that are unpaid for over thirty (30) days after due date shall bear interest at the rate of ten (10%) percent per annum from due date until paid. In the event it becomes necessary for the Association to resort to the services of an attorney for the collection of such assessments then the defaulting unit owner and the defaulting unit shall be responsible for the payment of the said attorneys' fees.

(C) The Association shall have first a lien on each Condominium Parcel for any unpaid assessments, together with interest thereon, against the Unit Owner of such Condominium Parcel, but all such liens shall be subordinate and inferior to the lien of institutional first mortgages recorded prior to the time said liens become effective and fixed. Reasonable attorneys' fees incurred by the Association to enforce the collection of such assessment or the enforcement of such lien shall be payable by the Unit Owner and secured by such lien. The Board of Directors may take such action as they deem necessary to collect assessments by personal action or by enforcing and foreclosing said lien, and may settle and compromise the same if it is in the best interests of the Association. Said lien shall be effective as and in the manner provided for by the Condominium Act and shall have the priorities established by said Act. The Association shall be entitled to bid up to the amount of its lien, together with costs and attorneys' fees, at any sale held pursuant to a suit to foreclose an assessment lien and to apply as a cash credit against its bid all sums due the Association covered by the lien enforced. During such foreclosure the Unit Owner shall be required to pay a reasonable rental for the use of the Condominium Parcel, and the plaintiff in such foreclosure shall be entitled to the appointment of a receiver to collect same. The Association may also, at its option, sue to recover a money judgment for unpaid assessments without thereby waiving the lien securing the same.

(D) Where an institutional first mortgagee of record or other purchaser of a Condominium Parcel obtains title thereto as a result of the foreclosure of an institutional first mortgage, or where said institutional first mortgagee accepts a deed to said Condominium Parcel in lieu of foreclosure, such acquirer of the title, his heirs, legal representative and assigns, shall not be liable for the share of common expenses or assessments by the Association pertaining to such Condominium Parcel or chargeable to the former Owner of such parcel which became due prior to acquisition of title thereto as a result of the foreclosure, or the acceptance of such deed in lieu of foreclosure. Such legal representatives, successors and assigns; or if there are sufficient funds then such common expenses and/or assessments shall be paid out of the proceeds of the foreclosure sale or sale pursuant to the acquisition by the institutional first mortgagee.

(E) The Board of Directors of the Association may not authorize or make any additions or capital improvements to the Condominium Property excepting in the manner provided for in the Bylaws, (Exhibit "E"), of the Association.

(F) The Association, acting through its Board of Directors, shall have the right to assign its claim and lien rights for the recovery of any unpaid assessments to the Developer or to any Unit Owner or group of Unit Owners, or to any third party.

(G) Nothing herein contained in this Article shall diminish or limit the rights or responsibilities of mortgagees of a Condominium Unit as are set forth and contained in the Condominium Act.

XII.

Provisions Relating to Sale or Rental.

(A) In the event that a Unit Owner desires to sell, his Condominium Parcel, the Association shall have the option to purchase said Unit upon the same conditions as are offered to the Unit Owner by any third person. Any attempt to sell said Unit without prior offer to the Association shall be deemed a breach of this Declaration, shall be wholly null and void, and shall confer no title or interest whatsoever upon the intended purchaser.

(B) Should the Unit Owner wish to sell his Condominium Parcel, he shall before accepting any offer to purchase his Condominium Parcel, deliver to the Board of Directors of the Association a written notice containing the terms of the offer he has received or which he wishes to accept, including a copy of the offer, the name and address of the person(s) to whom the proposed sale is to be made, and such other information (to be requested within five (5) days from receipt of such notice) as may be required by the Board of Directors.

(C1) The Board of Directors, within ten (10) days after receiving such notice, and such supplemental information as is required by the Board of Directors, shall either consent to the transaction specified in said notice, or, by written notice to be delivered to the Unit Owner's Unit (or mailed to the place designated by the Unit Owner in his notice), designate the Association, or one or more persons who are then Unit Owners, or any person or persons satisfactory to the Board of Directors, who is willing to purchase upon the same terms as those specified in the Unit Owner's notice. The stated designee of the Board of Directors shall have seven (7) days from the date of the notice sent by the Board of Directors to make a binding offer to buy, upon the same terms specified in the Unit Owner's notice. Thereupon, the Unit Owner shall either accept such offer or withdraw and/or reject the offer specified in his notice of the Board of Directors. Failure of the Board of Directors to designate such person or persons within said ten (10) day period, or failure of such person or persons to make such an offer within said seven (7) day period, shall be deemed as consent by the Board of Directors to the transaction specified in the Unit Owner's notice, and the Unit Owner shall be free to make or accept the offer specified in his notice, and sell said Unit pursuant thereto to the prospective purchaser named therein within ninety (90) days after his notice was given. If the sale is approved, either formally or by failure to purchase as herein permitted, by the Association, then such approval shall be set forth in an instrument executed by the Association in recordable form.

(C2) The Association shall have the right to establish rules and regulations relating to leasing of the Units by the Unit Owners in addition to those rules and regulations set forth in these condominium documents.

(D) No sub-leasing or sub-renting by a lessee of a Unit shall be permitted. The Board of Directors shall have the right to require that a uniform form of lease be used.

(E) The liability of the Unit Owner under these covenants shall continue, notwithstanding the fact that he may have leased or rented his Unit as provided herein. Every purchaser, tenant or lessee shall take subject to, and shall assume the obligations of, this Declaration, the Articles of Incorporation of the Association and the various instruments and documents referred to therein, and the By-Laws of the Association as well as the provisions of the Condominium Act, as they may exist from time to time.

(F) The provisions of this Article XII shall in no way be construed as affecting the rights of a prior institutional first mortgagee owning a recorded institutional first mortgage on any Unit, and the pre-emptive rights hereinabove set forth shall remain subordinate to any such prior institutional first mortgage. Further, the provisions of this Article shall not be applicable to purchasers at foreclosure or other judicial sales of institutional first mortgages, to transfers to institutional first mortgagees, to the Developer, or a grantee of all of the property in the Condominium, which said grantee shall be considered as the Developer as hereinabove set forth. From and after the time an institutional first mortgagee, or the Developer, or the grantee of all of the Property in the Condominium, has sold such Unit one time, then the pre-emptive rights hereinabove set forth shall be applicable to all subsequent purchasers.

(G) Notwithstanding any of the provisions hereinabove contained, the provisions of this Article XII shall not be applicable to the Developer of the Condominium Property, and said party is irrevocably authorized, permitted and empowered to sell, lease or rent Condominium Parcel to any purchaser or lessee approved by it. The Developer shall have the right to transact any business on the Condominium Property necessary to consummate sales of Condominium Parcels, including, but not limited to, the right to maintain models having signs identifying the Condominium Property and advertising the sale of Condominium Parcels, maintaining employees in the offices, use of the Common Elements, and to show Units for sale. The sales' office, the furniture and furnishings in the model apartment, signs and all items pertaining to sales on the Condominium Property shall not be considered Common Elements and shall remain the property of the Developer. In the event there are unsold Condominium Parcels, Developer's rights as the owner of said unsold Parcels shall be the same as all other Unit Owners in said Condominium Property, excepting that Developer will not be subject to the provisions of Paragraphs (A), (B), (C), and (D) hereof, and Developer, as the owner of Condominium Parcels, shall contribute to the common expenses in the same manner as other Condominium Parcel Owners, and shall have one (1) vote in the Association for each unsold Condominium Parcel.

(H) The provisions of this Article XII shall not apply to a transfer by an individual Unit Owner to his wife or husband, as the case may be.

(J) The provisions of Paragraphs (A), (B), (C) and (D) have been incorporated in this Declaration in order to maintain a community of congenial residents in the apartment building and to protect the values of the Units, and to assure the ability and responsibility of each Unit Owner to pay those obligations required by each Unit Owner to be paid pursuant to the provisions of this Declaration and the By-Laws of the Association. The Association shall have the right to charge the Seller or Lessor - Unit Owner, a reasonable fee for investigation, reviewing and approving the proposed transaction.

In addition to the rights and privileges expressly granted to the mortgagees of Condominium Units in other Articles of this Declaration of Condominium, each and every Institutional Mortgagee shall have the following rights and entitlements:

(K) To be furnished with at least one copy of the Annual Financial Statement and Report of the Association, prepared by Certified Public Accountant designated by the Association, including a detailed statement of annual carrying charges or income collected and operating expenses, such Financial Statement and Report to be furnished within ninety (90) days following the end of each calendar year.

(L) To be given written notice by the Association of the call of a meeting of the membership to be held for the purpose of considering any proposed Amendment of this Declaration of Condominium, or the Articles of Incorporation and By-Laws of Association, which notice shall state the nature of the Amendment being proposed.

(M) To be given notice of default by any member owning any Unit encumbered by a mortgage held by such Institutional Mortgagee, such notice to be given in writing and to be sent to the principal office of such Institutional Mortgagee or to the place which it or they may designate in writing to the Association.

(N) To be given an endorsement to the policies covering the Common Elements requiring that such Institutional Mortgagee be given any notice of cancellation provided for in such policy.

(O) Should the Association fail to pay such premiums when due, or should the Association fail to comply with other insurance requirements of the Mortgagee(s), said Institutional Mortgagee(s) shall have the right, at its option, to order insurance policies and to advance such sums as are required to maintain or procure such insurance, and to the extent of the money so advanced, said Mortgagee shall be subrogated to the assessment and lien rights of the Association as against the individual Unit owners for the payment of such item of common expense.

(P) Such Institutional Mortgagee shall be entitled to written notification from the Association of any default by the Mortgagor of such Unit in the performance of the Mortgagor's obligations under all Condominium documents which is not cured within thirty (30) days.

(Q) Any Institutional Mortgagee which comes into possession of the Unit pursuant to the remedies provided in the Mortgage, or foreclosure of the Mortgage or Deed in lieu of foreclosure shall be exempt from any right of first refusal or other restriction on the sale or rental of the mortgaged Unit including but not limited to restrictions on the posting of signs pertaining to the sale or rental of the Unit.

(R) Any Institutional Mortgagee which comes into possession of the Unit pursuant to the remedies provided in the Mortgage, foreclosure of the Mortgage or Deed in lieu of foreclosure, shall take the property free of any claim for unpaid assessments or charges against the Mortgaged Unit which accrue prior to the time such Institutional Mortgagee comes into possession of the Unit (except for claims for a pro-rata share of any tax or special assessment as provided for in this Declaration of Condominium.)

(S) Mortgagee will permit the Unit Owner and/or the Condominium Association as provided in the Declaration of Condominium herein, to rebuild the Unit in the event of a casualty loss, provided it is rebuilt in accordance with the plans and specifications or any reasonable modification thereof, as prepared by Barry Sugarman, AIA, or his successor. Further, providing there is sufficient money available to pay all costs of said reconstruction.

XIII.

Insurance.

(A) Liability Insurance

The Board of Directors of the Association shall obtain public liability insurance covering all of the Common Elements of the Condominium, insuring the Association and the Unit Owners as it and their interests appear in such amounts as the Board of Directors may determine from time to time, provided that the minimum amount of coverage shall be \$500,000.00 - \$1,000,000.00. Premiums for the payment of such insurance shall be chargeable as a common expense to be assessed against and paid by each of the Unit Owners in the proportions set forth and provided for in Article V(C). Each individual Unit Owner shall be responsible for purchasing liability insurance to cover accidents occurring within his own Unit, and the Limited Common Elements appurtenant thereto, and resulting from the operation of his automobiles.

(B) Casualty Insurance

(1) Purchase of Insurance. The Association shall at all times obtain and maintain fire, windstorm and extended coverage insurance in its broadest terms, and vandalism and malicious mischief insurance, and insurance against war damage and bombardment, and damage by civil insurrection, to the extent that such insurance may be obtained, insuring all of the building and improvements within the Condominium Property for the full replacement cost, excluding foundation and excavation costs, and the valuation for said replacement costs shall be without deduction or depreciation; and all personal property included in the Common Elements shall be insured for its value, together with workmen's compensation insurance and other insurance as the Association deems necessary. All of said insurance shall be carried in a company having a Triple-A-Best rating or better. The premiums for such coverage and other expenses in connection with said insurance shall be assessed against the Unit Owners as part of the common expenses. The Association shall cause an inspection to be made annually and thereby determine replacement costs for all of the then existing improvements for the ensuing year.

(2) Loss Payable Provisions. All insurance policies purchased by the Association shall be for the benefit of the Association and the Unit Owners and the institutional first mortgagees as their interests may appear, but all policies of casualty insurance covering the Condominium Parcels and Common Elements and Limited Common Elements shall have a loss payable clause in favor of an Insurance Trustee, and any and all proceeds for any loss shall be paid to such Trustee, or its successors, for the use and benefit of the Association, and the Unit Owners, and the institutional first mortgagees, if any. The Association or its agents shall be the agent for all Unit Owners for the purpose of negotiating and settling all claims against the insurance company, and, accordingly, is authorized to execute releases on behalf of the Unit Owners in favor of any insurer after settlement. The Insurance Trustee shall be designated by the Association. In any event, the Insurance Trustee shall be a banking institution in Lee County, Florida, having assets in excess of Twenty-Million (\$20,000,000.00) Dollars. The Developer shall designate the Insurance Trustee in the first instance, and after the expiration of the original term of the insurance, the Insurance Trustee shall be approved by the institutional first mortgagee holding the greater dollar amount of institutional first mortgages against the Condominium parcels. The Insurance Trustee shall receive the insurance proceeds as they are paid, and hold said proceeds in trust for the purposes hereinafter stated. The Insurance Trustee shall receive just compensation for its services and said compensation shall be a common expense of the Association.

In the event a loss and/or damage is sustained by the Condominium under any coverage, the Association shall furnish the Trustee with a list of all Unit Owners, and the institutional first mortgagees, if any, and the name of any person having a beneficial interest in the policy, and with the percentage interest of participation in the Common Elements of each Unit Owner. Such list shall be current and shall be certified as correct by the President or Vice President or Secretary of the Association. In the event that the loss or damage is in excess of \$20,000.00, the Association shall obtain three (3) competent appraisals by reputable licensed contractors engaged in business in Lee County, Florida, as to the cost and repair and rebuilding the loss and damage sustained. The Association or its authorized manager shall then negotiate and settle insurance claims with the insurance company and have the insurance proceeds paid to the Insurance Trustee. No institutional first mortgagee or any mortgagee shall have the right in its mortgage to require or to elect to apply the insurance proceeds to the reduction of such mortgage or mortgages, or to assert any right or claim to any portion of the insurance proceeds, unless it be the excess of insurance payments over the replacement cost of the damaged Unit and other portions of the Condominium Property, and then only after the same is fully repaired and restored, but the amount of said payment will be limited to the Unit Owner's share of said insurance proceeds computed in the manner provided for in Article V(C).

(3) Utilization of Insurance Payments. In the event a loss occurs to improvements within the Common Property or to improvements within the Limited Common Elements alone, and the proceeds of the insurance are paid to the Insurance Trustee for such loss or damage, the Association shall enter into a contract with a reputable licensed contractor licensed to do business in Lee County, Florida, for the repair and restoration of the damaged Property. The said Property shall be restored to the condition it was in prior to the damage, all of which shall be in accordance with the original plans and specifications of Barry Sugerman, AIA, architect, North Miami Beach, Florida, as modified

by written approval of the Association or the Unit Owner, if a Unit is damaged. The Association shall certify to the Insurance Trustee to pay for such repairs, then the difference shall be supplied and/or furnished by the Association, and such difference shall be borne by and assessed to all of the Condominium Parcel Owners as a common expense. If the insurance proceeds are sufficient for or in excess of the amount needed for said repairs then the Association shall have the Property repaired and any surplus or excess shall be paid to the Association. The Insurance Trustee, prior to and during reconstruction and repair, shall disburse monies from the proceeds of the insurance award only for repairs and restoration and only upon the written requisition of the Association or its authorized manager. All monies shall be paid by the Insurance Trustee directly to the contractor performing the repair work, who shall deliver to the Insurance Trustee releases and waivers of liens from all parties who furnished work, labor, services and materials for said repair and restoration. The contractor shall furnish a performance and payment bond for all repairs and restoration costing in excess of Fifteen Thousand (\$15,000.00) Dollars. After the receipt by the Insurance Trustee of all of the appropriate waivers and/or releases of lien, the Insurance Trustee shall not be liable for the improper application of the insurance funds, and the Association shall assume the responsibility of determining that all insurance funds have been properly paid for the repair and restoration.

(C) Termination of the Condominium Project as
a Result of Total Loss

At any time when there has been a total loss of the Units and the improvements on the Common Property and the Unit Owners, by majority vote, vote to terminate the Condominium project, said project shall be terminated, provided that the holders of all liens affecting any of the Condominium Parcels consent thereto.

(D) All insurance policies purchased by the Association
will contain substantially the following provisions:

In consideration that this Insurance is for the benefit of the Individual Condominium Unit Owners, the Company hereby waives all rights of subrogation that it now has or would have against the Individual Condominium Owners by reason of their acts or neglect in the event of loss or damage to the property insured hereunder.

The Insurance Company waives its subrogation rights or any reduction of pro-rata liability as of result of any insurance carried by the Unit Owner or any invalidity arising from any acts of the insured or any Unit Owner. This policy shall not be cancelled or substantially modified unless 10 days prior notice is given to all named insureds including all first mortgagees of all Units.

XIV

Use and Occupancy by Owner and Tenant.

(A) Each Unit of the Condominium Property shall be used for residential purposes, and as a single-family private dwelling for the Unit Owner and the members of his family and social guests and for no other purposes. For lease purposes only, if the Unit consists of two bedrooms and a loft area over the kitchen as shown on the Exhibits attached hereto, then no more than six (6) persons shall occupy or live in said Unit. If the Unit consists of two bedrooms, without the loft area over the kitchen, then no more than five (5) persons shall occupy or live in said Unit.

(B) Unit Owners shall not permit or suffer anything to be done or kept in their Units which will increase the rate of insurance or the insurance premiums 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 act in or about the Condominium Property.

(C) The use of the Unit shall be consistent, and in compliance, with existing laws, the provisions of the Declaration and these rules and regulations.

(D) Units may not be used for business use or for any commercial use whatsoever.

(E) Common Elements shall not be obstructed, littered, defaced or misused in any manner.

(F) No structural changes or alterations shall be made in any Unit, except upon approval, in writing, of the Board of Directors and the approval of the institutional first mortgagee of the institutional first mortgage, if any, encumbering said Unit.

(G) Unit Owner may keep such pets in the Unit as may be compatible with the use of the Unit by the Unit Owner providing said pet does not disturb, disrupt or, in any way, hinder the use or occupancy of any other Unit and that said Unit Owner shall properly police the Common Elements area of the condominium and prevent said pet from defacing the Common Elements area of the condominium.

(H) No Unit Owner or occupant of a Unit shall post any advertisement or posters of any kind in or on the Condominium Unit.

(I) No clothesline or similar devices shall be allowed on any portion of the Condominium Property by any person, firm or corporation without the written consent of the Board of Directors; and no rugs, etc., may be dusted from the windows or terraces of the Units, and not in any other portion of the Condominium Property; and all garbage and trash shall be deposited in the disposal installations provided for such purposes.

(J) Owners and occupants of Units shall exercise extreme care to minimize noises and in the use of musical instruments, radios, television sets, amplifiers or other loud speakers in said Unit so as not to disturb the other persons and parties occupying Units; and not to play upon or permit to be played any musical instrument or operate or permit to be operated a phonograph, radio, television set or other loud speaker in any Unit which produces a sound that can be heard in any other Unit or in any manner disturbs or annoys other occupants of the Condominium Property.

(K) No Owner or occupant of a Unit shall install wiring for electrical or telephone installations, nor install any type of television antenna, machines or air conditioning equipment, etc., except as authorized, in writing, by the Board of Directors.

(L) No Owner or occupant of a Unit shall use the balcony or terraces of a Unit for the drying of laundry or the airing of bedding, and shall not alter the exterior appearance of said balcony or terrace nor enclose the same nor use or install any screening, blinds or shielding devices thereon unless approved, in writing by the Board of Directors.

(M) Each Unit Owner and the occupants of a Unit shall maintain in good condition and repair his Unit and all interior surfaces within or surrounding said Unit (such as the surfaces of the walls, ceilings, floors), whether or not part of the Unit or Common Elements, and to maintain and repair the fixtures therein and pay for such utilities as are separately metered to his Unit.

(N) Units may be rented provided the occupancy is only by the Lessee, his family and guests, and provided further, that no Unit shall be leased to an unmarried person under the age of twenty-five (25) years, except with the express written consent of the manager or the Board of Directors of Association, and provided, further, that all of the provisions of this Declaration, the Charter and By-Laws of the Association, and the rules and regulations of the Association pertaining to the use and occupancy of the leased Unit shall be applicable and enforceable against any person occupying a Unit as a tenant to the same extent as are applicable to the Owner of a Unit; and the provisions herein contained shall constitute a covenant and agreement by such tenant occupying a Unit to abide by the Rules and Regulations of the Association and the terms and By-Laws of the Association as they may exist from time to time. The Association is and will be designated as the agent of the Owner of the Unit for the purpose of and with the authority to terminate any lease covering the Unit upon the violation by the tenant of the provisions herein contained.

(O) No Unit Owner or occupant shall cause any shells or other artifacts or the refuse therefrom to be disposed of in the plumbing system of the Condominium Unit. In the event said refuse is disposed of in the Condominium plumbing system and causes any damage, costs of repairing same may, at the discretion of the Condominium Association, be assessed against the Condominium Unit Owner.

XV

Maintenance and Alterations.

(A) The Board of Directors of the Association may enter into a contract with a firm, person or corporation for the maintenance of the Condominium Property and may join with other condominium corporations in contracting with the same firm, person or corporation for maintenance and repair.

(B) There shall be no alterations, exterior door or color changes, or additions to the Common Elements or Limited Common Elements, except as the same are authorized by the Board of Directors and ratified by the affirmative vote of three-fourths (3/4ths) of the Unit Owners present at any regular or special meeting of the Unit Owners.

(C) Each Unit Owner agrees:

(1) to make no alteration, decoration, repair, replacement, or change of the Common Elements, or to any outside or exterior portion of the building, whether within a Unit or part of the Common Elements.

(2) to allow the Board of Directors or the agents or employees of the Association to enter into any Unit for the purpose of maintenance, inspection, repair, replacement of the improvements within Units or the Common Elements, in case of emergency circumstances threatening Units or the Common Elements, or to determine compliance with the provisions of this Declaration and the By-Laws of the Association.

(3) to allow the Manager or its employees, designated by the Board of Directors to maintain a master key to enter into any Unit in case of an emergency threatening the Unit or the Common Elements, and the possession of such key will not subject the Board of Directors or the agents or employees of the Association to any liability by reason of such entry; and a Unit Owner may not change the locks on any doors without the written consent of said Manager.

(D) Each Unit Owner shall comply with and abide by all rules and regulations adopted from time to time by the Association.

(E) In the event the Owner of the Unit fails to maintain it as required herein, or makes any structural addition or alteration without the required written consent, or otherwise violates or threatens to violate the provisions hereof, the Association shall have the right to proceed in a court of equity for injunction to seek compliance with the provisions hereof. In lieu thereof, and in addition thereto, the Association shall have the right to levy an assessment against the owner of the Unit and the Unit, which assessment shall be secured by a lien against said Unit, for such necessary sums to remove any unauthorized structural addition or alteration and to restore the property to good condition and repair. The Association shall have the further right to have its employees and agents, or any subcontractors appointed by it, enter the Unit at all reasonable times to do such work as is deemed necessary by the Board of Directors of the Association to enforce compliance with the provisions hereof and in the event the Association is required to bring any action under this provision, the defaulting owner will be responsible for any court costs or attorneys' fees incurred.

(F) The Association shall determine the exterior color schemes of the building and all exteriors and shall be responsible for the maintenance thereof, and no Owner shall paint an exterior wall, door, window, patio, or any exterior surface without the written consent of the Association.

XVI

Limited Common Elements.

(A) There are Limited Common Elements appurtenant to each of the Units in this Condominium, as shown and reflected by the floor and plot plans, such as terraces and balconies. These Limited Common Elements are reserved for the use of the Unit appurtenant thereto to the exclusion of other Units, and there shall pass with a Unit as appurtenant thereto the exclusive right to use the said Limited Common Elements. Expenses of maintenance and repair relating to the interior surfaces of such Limited Common Elements shall be borne by and assessed against the individual Unit Owner. Any expenses of maintenance, repair or replacement relating to the exterior surfaces of such Limited Common Elements, or involving structural maintenance, repair or replacement, shall be paid for as part of the common expenses of the Association.

(B) One (1) car parking space will be assigned by the Developer and/or the Board of Directors of the Association to each Unit Owner as an appurtenance to the Unit.

XVII

Termination.

(A) In addition to the provisions of Article XIII (C), this Condominium may be voluntarily terminated in the manner provided for by Section 16 of the Condominium Act at any time.

(B) Immediately after the required vote or consent to terminate, each and every Unit Owner shall immediately convey by Warranty Deed to the Association all of said Unit Owner's right, title and interest to his Unit and to the Common Property, provided the Association's Officers and employees handling funds have been adequately bonded and the Association or any Member shall have a right to enforce such conveyance by seeking specific performance in a court of competent jurisdiction.

(C) The Board of Directors of the Association shall then sell all of the property at public or private sale upon terms approved in writing by all of the institutional first mortgagees. Upon the sale of said property the costs, fees and charges for effecting said sale, the cost of liquidation and dissolution of the Association, and all obligations incurred by the Association in connection with the management and operation of the property up to and including the time when distribution is made to the Unit Owners, shall be paid out of the proceeds of said sale, and the remaining balance (hereinafter referred to as "net proceeds of sale") shall be distributed to the Unit Owners in the manner now about to be set forth.

(D) The distributive share of each Unit Owner in the net proceeds of sale, though subject to the provisions hereinafter contained, shall be determined by multiplying the net proceeds of the sale by a fraction in which the numerator will be the amount originally paid by the Unit Owner to the Developer for his Condominium parcel and the denominator will be the aggregate of the amounts originally paid to the Developer for all of the Condominium Parcels contained in the Condominium Property. When the Developer has sold all of the Condominium Parcels contained in the Condominium Property, Developer will file a schedule with the Association showing the fractional portion allocable to each Unit Owner as provided for herein. The provisions herein contained for determining the distributive share for each Unit Owner upon termination of the Condominium will prevail over the provisions of Article V hereof.

(E) The Association shall pay out of each Unit Owner's share all mortgages and other liens encumbering said Unit in accordance with their priority and, upon such payment being made, all mortgagees and lienors shall execute and record satisfactions or releases of their liens against said Unit or Units, regardless of whether the same are paid in full. Thereupon, the Directors of the Association shall proceed to liquidate and dissolve the Association, and distribute the remaining portion of each distributive share, if any, to the Owner or Owners entitled thereto. If more than one (1) person has an interest in a Unit, the Association shall pay the remaining distributive share allocable to said Unit to the various Owners of such Unit, excepting that if there is a dispute to the

validity, priority or amount, of mortgages or liens encumbering a Unit, then payment shall be made to the Owner and/or Owners of such Unit and to the owners and holders of the mortgages and liens encumbering said Unit.

(F) As evidence of the Members' resolution to abandon passed by the required vote or written consent of the Members, the President and Secretary of the Association shall file and record among the Public Records of Lee County, Florida, an affidavit stating that such resolution was properly passed, or approved by the Members and also shall record the written consents, if any, of institutional first mortgagees to such abandonment.

(G) After such an affidavit has been recorded and all Owners have conveyed their interest in the Condominium Parcel to the Association and the Association to the purchaser, the title to said property thereafter shall be free and clear from all restrictions, reservations, covenants, conditions and easements set forth in this Declaration and the purchaser and subsequent grantees of any of said property shall receive title to said lands free and clear thereof.

(H) No such termination of the Condominium shall ever relieve the land or the Owners thereof from the obligation to pay the rent provided for in the Long Term Lease or the lien created thereby.

XVIII

Easements.

The following easements are expressly provided for and reserved in favor of the Developer, Owners and occupants of the Condominium Units and their guests and invitees as follows:

(A) Utilities: Easements are reserved, and the Developer is given the power to create easements, through the Condominium Property as may be required for municipal and utility services in order to serve the condominium, and other Condominiums in the Development Area. Such easements may be created with consent only of the Developer and need not have the approval of the Condominium Association or any of the individual Condominium Unit Owners unless such easement interferes with the use of the specific Condominium Unit or inhibits the right of ingress or egress to the Condominium Building.

(B) Encroachments: In the event that any Condominium Unit or any of the other condominiums located in the Development Area, shall encroach upon any of the Common Elements of the condominium property or upon any other Condominium Unit, for any reason except the intentional or negligent act of another condominium owner or where such encroachment is not necessary for the use and enjoyment of the other condominium, or the Development Area, then an easement shall exist to the extent of such encroachment so long as the same shall exist.

(C) Traffic: An easement shall exist for pedestrian traffic over through and across sidewalks, paths, walks, halls, lobbies, center cores and other portions of the Common Elements as may be from time to time necessary and intended for such purpose and use for the purpose of going from one portion of the condominium prop-

erty to another, and where necessary, for proceeding from one portion of the Development Area to the other; and for vehicular traffic as may be necessary for the Unit Owners, the owners of Condominium Units in other condominiums, for the purpose of crossing other various portions of the Development Area to obtain ingress and egress to other condominiums. Provided, however, that nothing contained herein shall be construed to allow any person or entity to enter upon the condominium property unless it is upon an area specifically designated for such traffic and necessary for such ingress and egress as described above and under no circumstances shall such traffic be allowed through or over any Condominium Unit.

XIX

Administration and Management of Condominium.

The administration and management of the condominium units, limited common elements, and of the common elements and the providing of utilities as may be designated shall be by the Condominium Association, who shall have by and through its officers and administrators, such powers, authority, and responsibilities as are vested in the officers and directors of a corporation not for profit under the laws of the State of Florida, and provided for in the Bylaws which are attached hereto as Exhibit "E". The Association shall have authority to enter into management agreements through its officers.

When unit owners other than the Developer own fifteen (15%) percent or more of the units which will be operated ultimately by the Association, these unit owners other than the Developer shall be entitled to elect not less than one-third (1/3) of the members of the Board of Administration of the Association.

Unit owners other than the Developer shall be entitled to elect not less than a majority of the Board of Administration of the Association within a time period not to exceed three (3) years after sales by the Developer have been closed on at least seventy five (75%) percent of the units which will be operated ultimately by the Association or sooner, not less than three (3) months after sales have been closed by the Developer of ninety (90%) percent of the units that will be operated ultimately by the Association.

The Developer shall be entitled to elect at least one (1) member of the Board of Administration of the Association as long as the Developer holds for sale in the ordinary course of business any units in the condominium operated by the Association.

XX

Miscellaneous Provisions.

(A) The "Common Elements" shall remain undivided and no Owner shall bring any action for partition, so long as the structure in question shall be utilized as a residential non-profit Condominium apartment building.

(B) The Owners of the respective Units agree that if any portion of a Unit or Common Element or Limited Common Element encroaches upon another, a valid easement for the encroachment and the maintenance of same, so long as it stands, shall and does exist. In the event the multi-family structure is partially or totally destroyed, and then rebuilt, the Owners of the Condominium Parcels agree that

encroachments of parts of the Common Elements or Limited Common Elements or Units due to construction shall be permitted, and that a valid easement for said encroachments and the maintenance thereof shall exist.

(C) That no Owner of a Condominium Parcel may exempt himself from liability for his contribution towards the common expenses by waiver of the use and enjoyment of any of the Common Elements, or by the abandonment of his Unit.

(D) Each Unit Owner shall pay and be responsible for such ad valorem taxes and special assessments as are separately assessed against his Condominium Parcel. For the purpose of ad valorem taxation of the common elements, the interest of the Owner of each Condominium Parcel shall be the fractional portion of the value of the entire area of common elements, including land and improvements as have been assigned to said Unit in Exhibit "E".

(E) The Board of Directors of the Association may enter into employment agreements with auditors, attorneys and such other persons as may be necessary for the orderly operation of the Condominium Property, and the fees and compensation to be paid to said parties will be a common expense, subject to assessment, provided for in Article XI hereof.

(F) Nothing hereinabove set forth in this Declaration shall be construed as prohibiting the Developer, or the Board of Directors of the Association, from removing, or authorizing the removal of any party wall between any Units in order that the said Units may be used together as a single Unit. In each event, all assessments voting rights and the share in the Common Elements shall be determined as if such Units were originally designated on the Exhibits attached to this Declaration, notwithstanding the fact that several Units are used as one, to the intent and purpose that the Unit Owner of such "combined" Units shall be treated as the Unit Owner of as many Units as have been combined.

(G) Notwithstanding the provisions of Article XII, the Developer shall have the first right of refusal to purchase any Unit which the Association shall have the right to purchase upon the same price and terms upon which the Association could purchase the Unit, and said first right of refusal shall continue until the Developer has completed and deeded all of the Units in the Condominium Property, or until two (2) years after the recordation of this Declaration, whichever shall occur first.

(H) The Developer shall, where required, enter into such contracts as may be desirable for the maintenance, operation and upkeep of the condominium areas in order to insure that they shall be maintained in a proper manner until such time as the Association is ready, willing and able to take over such function. Any agreements or contracts entered into for said purposes by the Developer shall be subject to cancellation by the Association, upon thirty (30) days written notice and the Association shall be entitled to enter into any such other agreements as it deems proper according to the rules and regulations of the condominium documents as set forth herein. The purchase of a Unit, and the acceptance of the deed therefore, by any party shall constitute the ratification, confirmation and approval by such purchaser, his heirs, legal representatives, successors and assigns, of the property and legality of said

agreements, or any other agreement authorized and permitted by Article Sixteenth of the Charter and/or Articles of Incorporation of the Association.

(I) If any provision of this Declaration or of the By-Laws of the Association attached hereto, or of the Condominium Act, or any section, sentence, clause, phrase or word, or the application thereof in any circumstances, is held invalid, the validity of the remainder of this Declaration said By-Laws attached hereto, or the Condominium Act, and of the application of any such provision, section, sentence, clause, phrase, or word in other circumstances shall not be affected thereby.

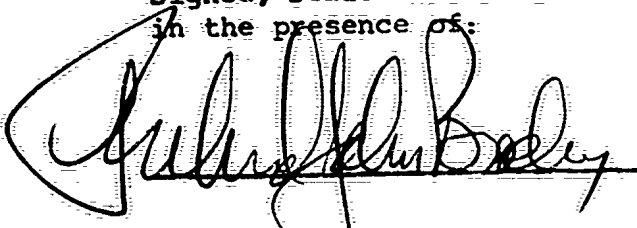
(J) Whenever notices are required to be transmitted hereunder, the same shall be sent to the Unit Owners by Certified Mail, Return Receipt Requested, at their place of residence in the Condominium Building unless the Unit Owner has, by written notice, duly receipted for, specified a different address. Notices to the Association shall be transmitted by Certified Mail, Return Receipt Requested, to Tulipa Way, Sanibel, Florida. Notices to the Developer shall be mailed Certified Mail, Return Receipt Requested, to Tulipa Way, Sanibel, Florida. All notices shall be deemed and considered sent when mailed. Any party may change his or its mailing address by written notice.

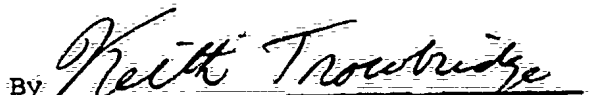
(K) Whenever the context so requires, the use of any gender shall be deemed to include all genders, and the use of the singular shall include the plural, and the plural shall include the singular. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of a Condominium.


IN WITNESS WHEREOF, SPECTRUM DEVELOPMENT CORPORATION has caused these presents to be executed by its proper officers who are thereunto duly authorized and its corporate seal to be affixed hereto, on this 14 day of APRIL, 1975.

Signed, Sealed and Delivered
in the presence of:

SPECTRUM DEVELOPMENT CORPORATION


Judy R. Brodeur

By 
Keith Trowbridge
President

Attest 
J. G. Morales
Secretary

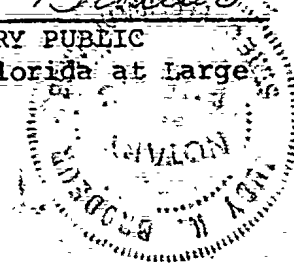
STATE OF FLORIDA

COUNTY OF Lee

Before me the undersigned authority, a Notary Public, personally appeared Keith W. Trowbridge and Jose E. Morales, of SPECTRUM DEVELOPMENT CORPORATION, a Florida corporation, who each acknowledged before me that they, as Officers of said Company, executed the above and foregoing Declaration of Condominium for the uses and purposes therein expressed, and that they were authorized by said SPECTRUM DEVELOPMENT CORPORATION to execute said Declaration, and that the said Declaration is the act and deed of said Company, and that they affixed the corporate seal of said Company to said Declaration.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 14th day of April, 1975.

Judy L. Brodeur
NOTARY PUBLIC
State of Florida at Large



My Commission Expires:

10/26/77

OFF
REC 1083 PC2132

LEGAL DESCRIPTION

A lot or parcel of land lying and being in Government Lots 1 and 8, of Section 30, Township 46 South, Range 23 East, which lot or parcel is described as follows:

Beginning at the corner common to Lots 1, 2 and 10 in Block 8 of SANIBEL SHORES NO. 1, according to a plat thereof, recorded in Plat Book 6 at Page 7 of the Public Records of Lee County, Florida, run northeasterly along the southeasterly line of Lot 1 to the southeasterly corner of said lot and the west line of Nerita Street; thence run southeasterly parallel to the northeasterly line of Lot 10 in said Block 8 and along the westerly side of the relocation of Nerita Street as described in order accepting viewers report dated April 19, 1950 and recorded in Miscellaneous Book 28 at Page 110 of said Public Records for 65 feet; thence run southwesterly parallel to the southeasterly line of said Lot 1 for 165.3 feet to a point on the northeasterly line of said Lot 10, thence run northwesterly along said northeasterly line of Lot 10 for 65 feet to the Point of Beginning.

ALSO

Beginning at the southeast corner of Lot 1 in Block 8 of that certain subdivision known as SANIBEL SHORES NO. 1, according to the map or plat thereof on file and recorded in the office of the Clerk of the Circuit Court of Lee County, Florida and Plat Book 6 at Page 7, thence run southwesterly along the southerly line of said Lot 1, a distance of 165 feet more or less to the northeast corner of Lot 10 in said Block 8; thence run in a southeasterly direction along the easterly boundary of said Lot 10 and prolongation thereof to the Mean High Tide of the Gulf of Mexico; thence run in a northeasterly direction along the beach for 185 feet; thence run in a northwesterly direction parallel to the easterly boundary of said Lot 10 to the Point of Beginning. EXCEPTING THEREFROM the northwesterly 65 feet thereof.

EXHIBIT "A"

X-A

JOINDER OF MORTGAGEE

PRISCILLA MURPHY, Nerita Street, Sanibel Island, Florida, called the Mortgagee, the owner and holder of a mortgage upon the following lands in Lee County, Florida:

A lot or parcel of land lying and being in Government Lots 1 and 8, of Section 30, Township 46 South, Range 23 East, which lot or parcel is described more particularly on Schedule "A", attached hereto and made a part hereof.

which mortgage is dated January 9, 1974, and is recorded in O. R. Book 1016 at Page 413 of the Public Records of Lee County, Florida, joins in the making of the foregoing Declaration of Condominium, and the Mortgagee agrees that the lien of its mortgage shall be upon the following described property in Lee County, Florida:

All of the units of COQUINA BEACH, a Condominium, according to the Declaration of Condominium.

TOGETHER with all of the appurtenances to the units, including but not limited to, all of the undivided shares in the common elements.

Donald R. Manchester
Witness
Carol H. Scott
Witness

Priscilla Murphy
Priscilla Murphy

STATE OF FLORIDA
COUNTY OF LEE

I HEREBY CERTIFY that on this 20th day of March, 1975, before me personally appeared Priscilla Murphy, to me known to be the person who executed the foregoing instrument and acknowledged the execution thereof to be her free act and deed for the uses and purposes therein expressed;

WITNESS my signature and official seal at Sanibel Island in the County of Lee and State of Florida, the day and year last aforesaid.

Carol H. Scott
Notary Public

NOTARY PUBLIC STATE OF FLORIDA at LARGE
MY COMMISSION EXPIRES JULY 10, 1978
BONDED BY AMERICAN BANKERS INSURANCE CO.

SCHEDULE "A"

A lot or parcel of land lying and being in Government Lots 1 and 8, of Section 30, Township 46 South, Range 23 East, which lot or parcel is described as follows:

Beginning at the corner common to Lots 1, 2, and 10 in Block 8 of SANIBEL SHORES NO. 1, according to a plat thereof, recorded in Plat Book 6 at page 7 of the public records of Lee County, Florida, run Northeasterly along the Southeasterly line of Lot 1 to the Southeasterly corner of said lot and the West line of Nerita Street; thence run Southeasterly parallel to the Northeasterly line of Lot 10 in said Block 8 and along the Westerly side of the relocation of Nerita Street as described in order accepting viewers report dated April 19, 1950, and recorded in Miscellaneous Book 28 at page 110 of said public records for 65 feet; thence run Southwesterly parallel to the Southeasterly line of said Lot 1 for 165.3 feet to a point on the Northeasterly line of said Lot 10; thence run Northwesterly along said Northeasterly line of Lot 10 for 65 feet to the point of beginning.

ALSO

Beginning at the Southeast corner of Lot 1 in Block 8 of that certain subdivision known as SANIBEL SHORES NO. 1, according to the map or plat thereof on file and recorded in the office of the Clerk of the Circuit Court of Lee County, Florida, in Plat Book 6 at page 7; thence run Southwesterly along the Southerly line of said Lot 1 a distance of 165 feet more or less to the Northeast corner of Lot 10 in said Block 8; thence run in a Southeasterly direction along the Easterly boundary of said Lot 10 and prolongation thereof to the Mean High Tide of the Gulf of Mexico; thence run in a Northeasterly direction along the beach for 165 feet; thence run in a Northwesterly direction parallel to the Easterly boundary of said Lot 10 to the point of beginning. EXCEPTING THEREFROM THE Northwesterly 65 feet thereof.

JOINDER OF MORTGAGEE

The JOHN W. MURPHREE COMPANY, a Tennessee corporation, authorized to do business in the State of Florida, 1283 Murfreesboro Road, One Airways Plaza, Nashville, Tennessee, the owner and holder of a mortgage upon the following lands in Lee County, Florida:

A lot or parcel of land lying and being in Government Lots 1 and 8, of Section 30, Township 46 South, Range 23 East, which lot or parcel is described more particularly on Schedule "A", attached hereto and made a part hereof.

which mortgage is dated April 25, 1974, and is recorded in O. R. Book 1033 at Page 691 of the Public Records of Lee County, Florida, joins in the making of the foregoing Declaration of Condominium, and the Mortgagee agrees that the lien of its mortgage shall be upon the following described property in Lee County, Florida:

All of the units of COQUINA BEACH, a Condominium, according to the Declaration of Condominium.

TOGETHER with all of the appurtenances to the units, including but not limited to, all of the undivided shares in the common elements.

[Signature]
Witness

John W. Murphree Company

by [Signature]
Secretary

[Signature]
Witness

Attest: [Signature]
Asst. Secretary

STATE OF NORTH CAROLINA
COUNTY OF WAKE

I HEREBY CERTIFY that on this 10th day of March, 1975, before me personally appeared James C. Smith and John W. Murphree of the John W. Murphree Company, to me known to be the persons who executed the foregoing instrument as such officers and severally acknowledged the execution thereof to be their free act and deed as such officers for the uses and purposes therein mentioned, and that they affixed thereto the official seal of said corporation, and that the said instrument is the act and deed of said corporation.

WITNESS my signature and official seal at Raleigh in said County and State, the day and year last aforesaid.

My Commission Expires July 13 1979

[Signature]
Notary Public

SCHEDULE "A"

A lot or parcel of land lying and being in Government Lots 1 and 8, of Section 30, Township 46 South, Range 23 East, which lot or parcel is described as follows:

Beginning at the corner common to Lots 1, 2, and 10 in Block 8 of SANIBEL SHORES NO. 1, according to a plat thereof, recorded in Plat Book 6 at page 7 of the public records of Lee County, Florida, run Northeasterly along the Southeasterly line of Lot 1 to the Southeasterly corner of said lot and the West line of Nerita Street; thence run Southeasterly parallel to the Northeasterly line of Lot 10 in said Block 8 and along the Westerly side of the relocation of Nerita Street as described in order accepting viewers report dated April 19, 1950, and recorded in Miscellaneous Book 28 at page 110 of said public records for 65 feet; thence run Southwesterly parallel to the Southeasterly line of said Lot 1 for 165.3 feet to a point on the Northeasterly line of said Lot 10; thence run Northwesterly along said Northeasterly line of Lot 10 for 65 feet to the point of beginning.

ALSO

Beginning at the Southeast corner of Lot 1 in Block 8 of that certain subdivision known as SANIBEL SHORES NO. 1, according to the map or plat thereof on file and recorded in the office of the Clerk of the Circuit Court of Lee County, Florida, in Plat Book 6 at page 7; thence run Southwesterly along the Southerly line of said Lot 1 a distance of 165 feet more or less to the Northeast corner of Lot 10 in said Block 8; thence run in a Southeasterly direction along the Easterly boundary of said Lot 10 and prolongation thereof to the Mean High Tide of the Gulf of Mexico; thence run in a Northeasterly direction along the beach for 165 feet; thence run in a Northwesterly direction parallel to the Easterly boundary of said Lot 10 to the point of beginning. EXCEPTING THEREFROM THE Northwesterly 65 feet thereof.

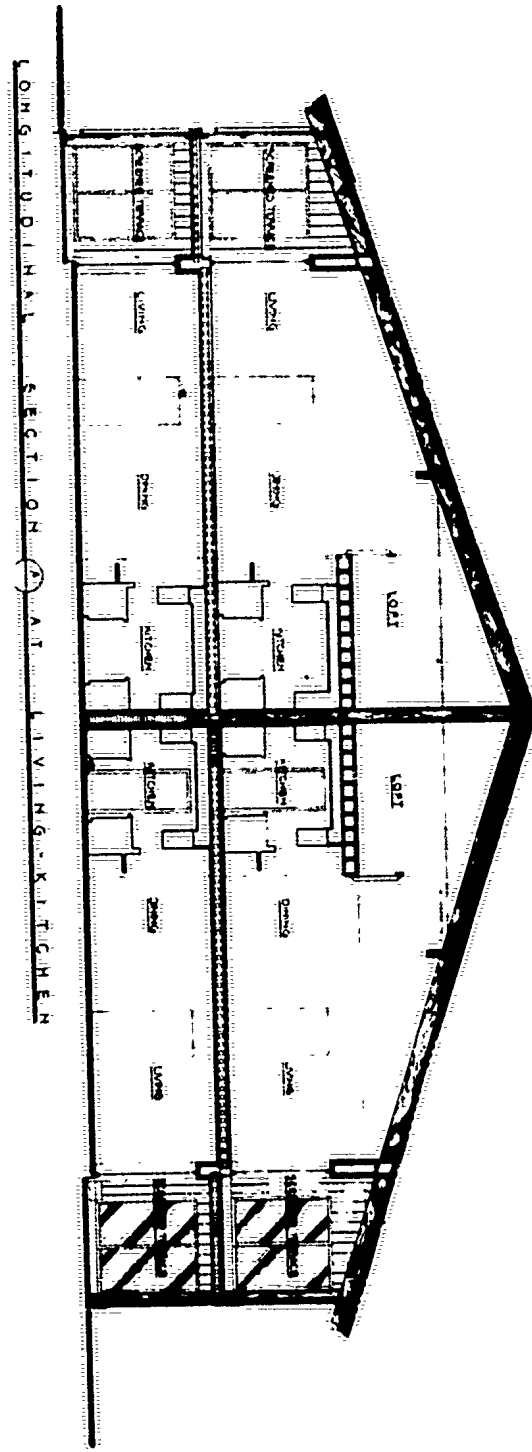
EXHIBIT "B"

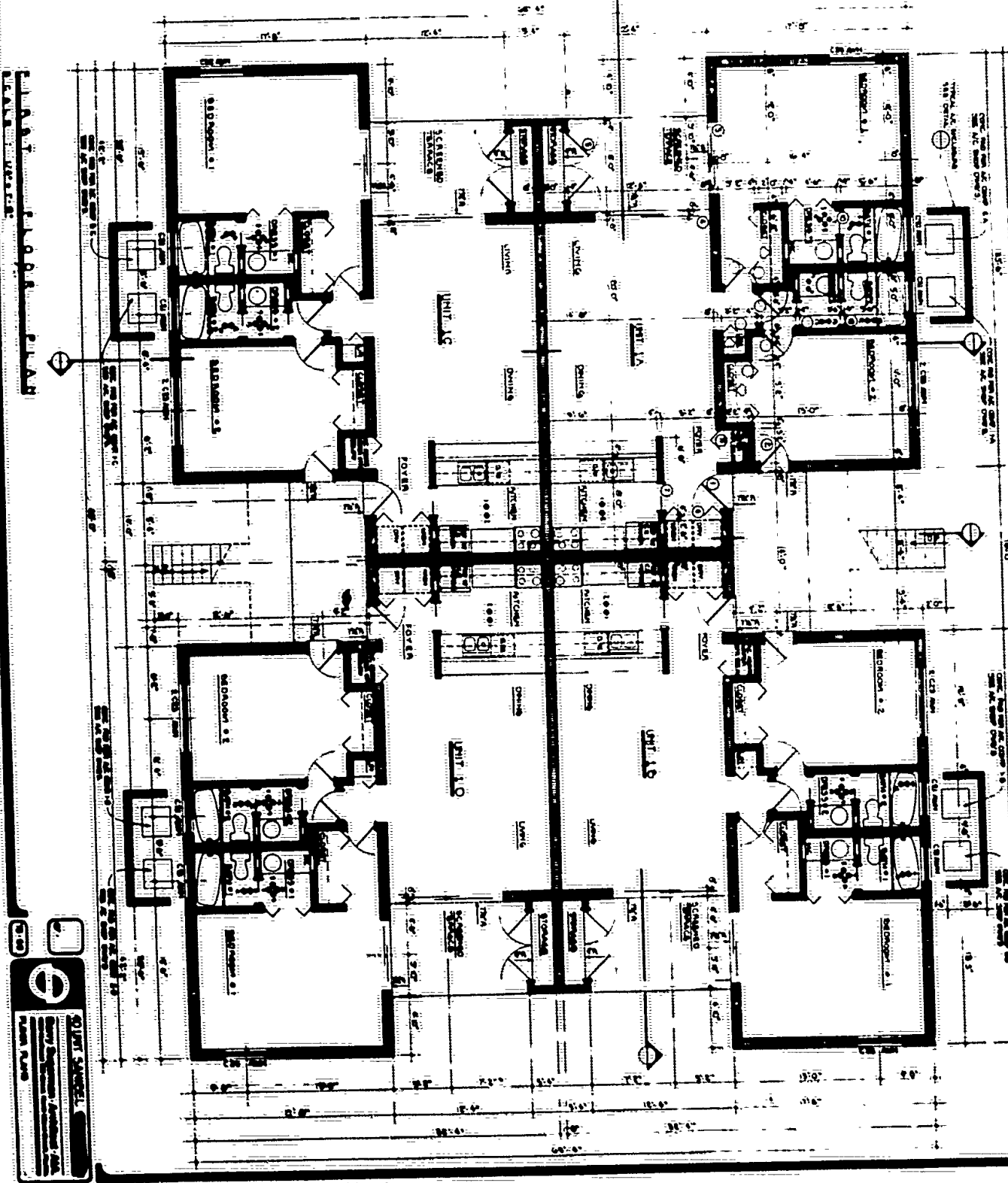
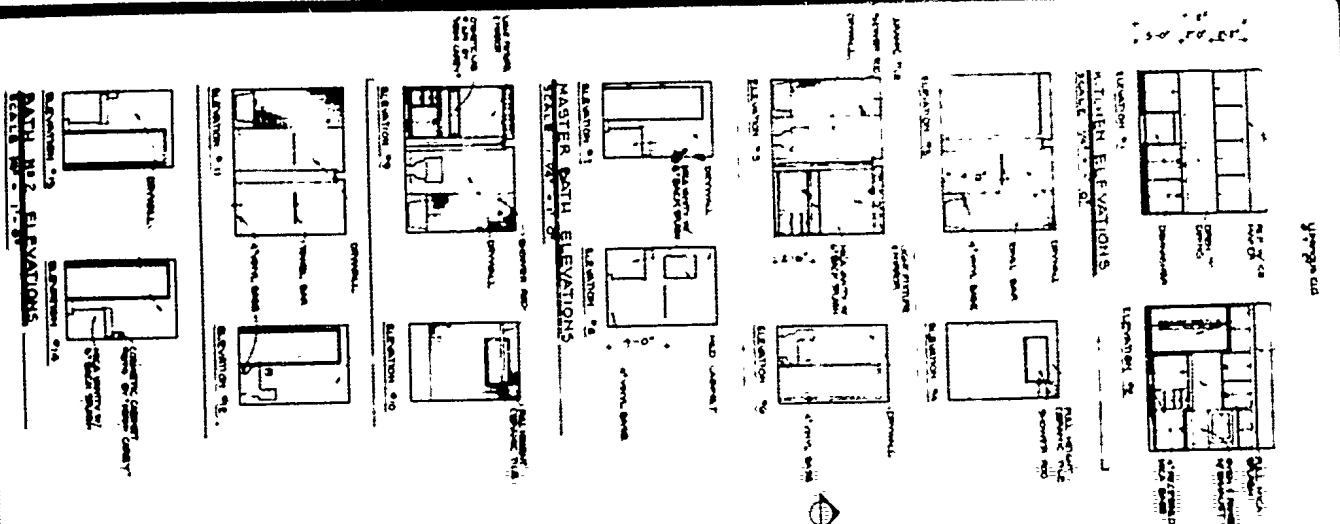
SURVEYOR'S PLAT, PLOT PLAN,
DRAWINGS AND FLOOR PLANS

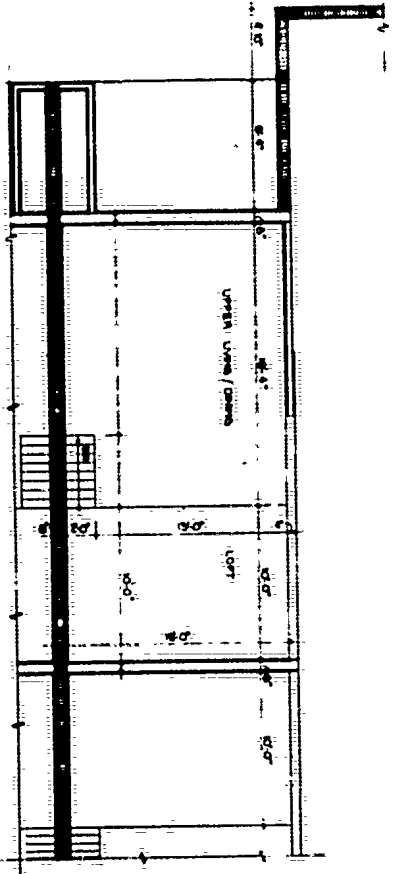
Exhibit "B" is a composite exhibit consisting of the Surveyor's plat and plot plan, drawings and typical floor plans of the Condominium and the Condominium Units.

The Surveyor's plat has been filed in the Condominium Plat Book in the office of the Clerk of the Circuit Court and appears in Condominium Plat Book 4, pages 204 through 206, inclusive, in the Public Records of Lee County, Florida.

OFF REC 1083 PC2138

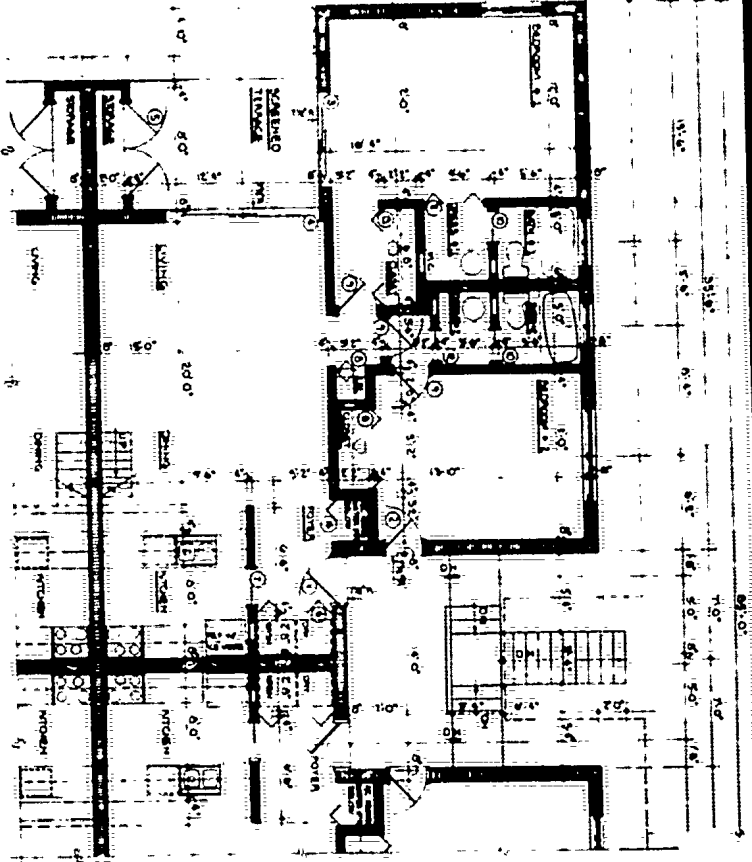






PARTIAL SECOND FLOOR PLAN (TYPICALLY)

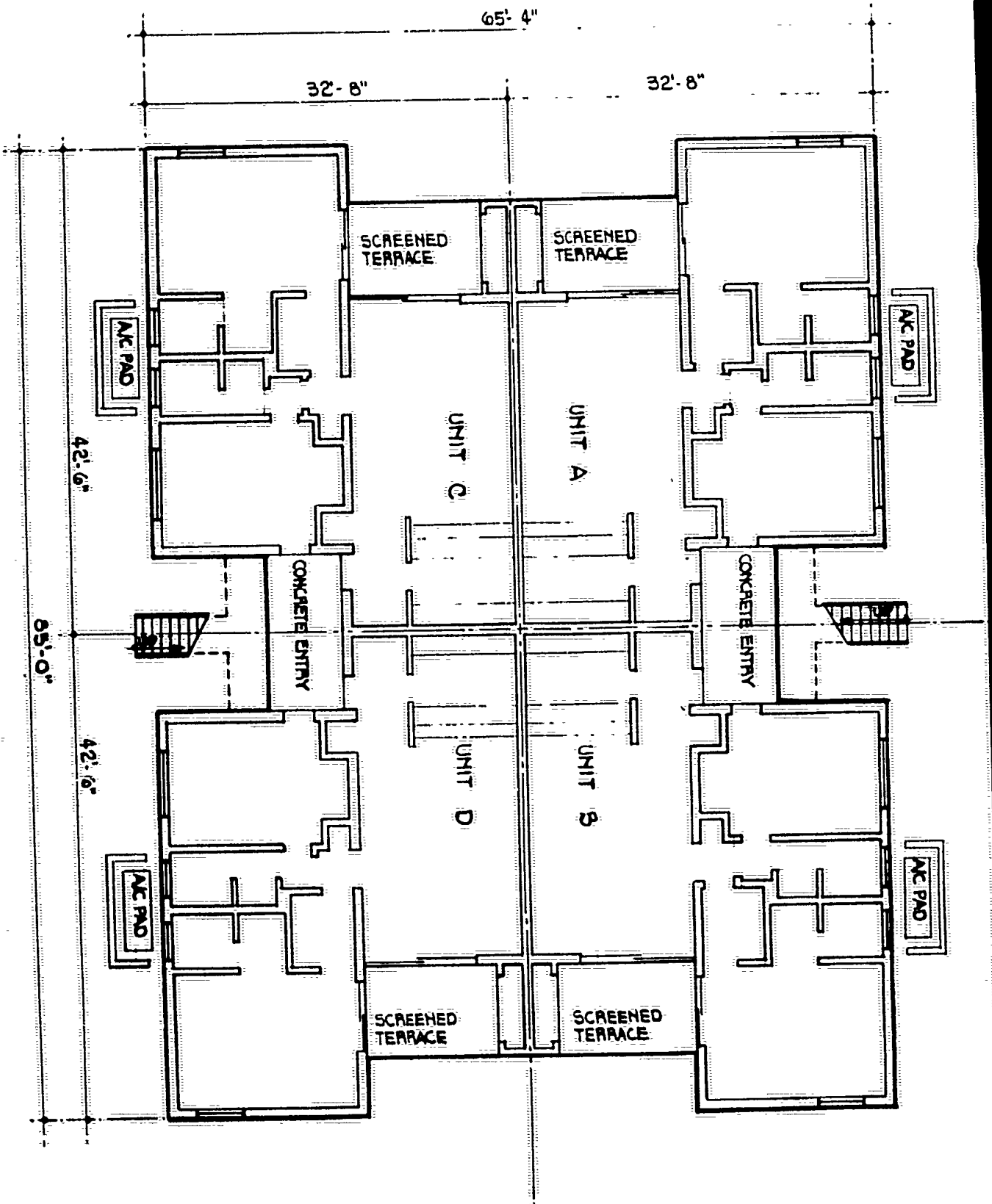
SCALE 1/8" = 1'-0"



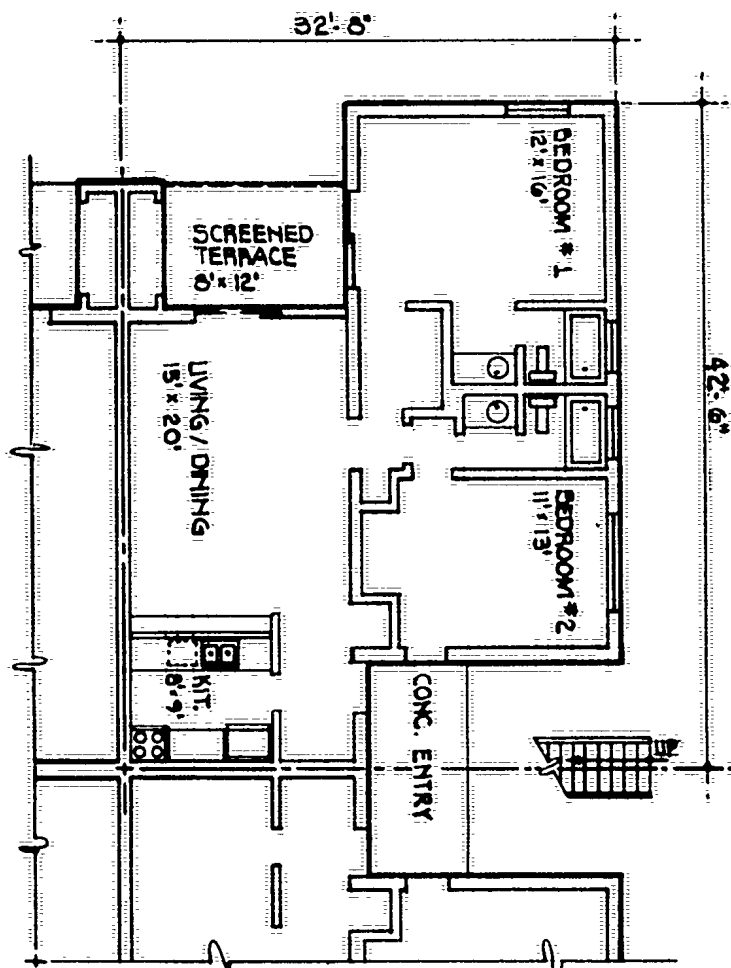
DOOR SCHEDULE									
NO.	LOCATION	NO.	NO.	TYPE	REMARKS	REMARKS	REMARKS	REMARKS	REMARKS
1	ENTRANCE	1	1	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
2	ENTRANCE	2	2	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
3	ENTRANCE	3	3	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
4	ENTRANCE	4	4	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
5	ENTRANCE	5	5	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
6	ENTRANCE	6	6	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
7	ENTRANCE	7	7	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
8	ENTRANCE	8	8	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
9	ENTRANCE	9	9	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
10	ENTRANCE	10	10	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
11	ENTRANCE	11	11	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
12	ENTRANCE	12	12	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
13	ENTRANCE	13	13	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
14	ENTRANCE	14	14	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
15	ENTRANCE	15	15	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
16	ENTRANCE	16	16	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
17	ENTRANCE	17	17	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
18	ENTRANCE	18	18	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
19	ENTRANCE	19	19	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
20	ENTRANCE	20	20	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
21	ENTRANCE	21	21	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
22	ENTRANCE	22	22	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
23	ENTRANCE	23	23	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
24	ENTRANCE	24	24	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
25	ENTRANCE	25	25	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
26	ENTRANCE	26	26	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
27	ENTRANCE	27	27	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
28	ENTRANCE	28	28	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
29	ENTRANCE	29	29	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
30	ENTRANCE	30	30	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
31	ENTRANCE	31	31	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
32	ENTRANCE	32	32	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
33	ENTRANCE	33	33	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
34	ENTRANCE	34	34	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
35	ENTRANCE	35	35	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
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38	ENTRANCE	38	38	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
39	ENTRANCE	39	39	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
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46	ENTRANCE	46	46	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
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48	ENTRANCE	48	48	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
49	ENTRANCE	49	49	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR
50	ENTRANCE	50	50	DOOR	DOOR	DOOR	DOOR	DOOR	DOOR

[illegible]

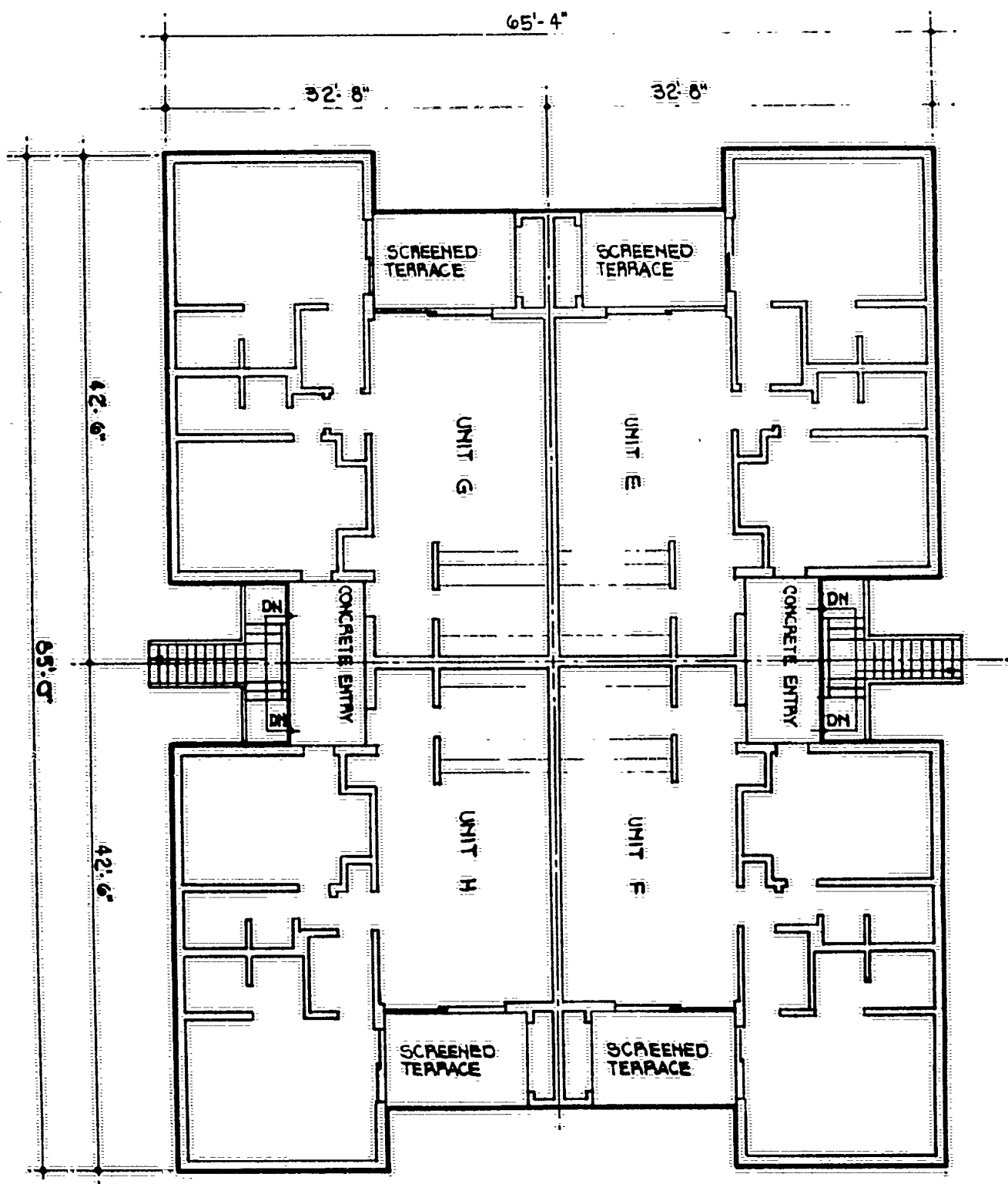
TYPICAL BUILDING FIRST FLOOR PLAN



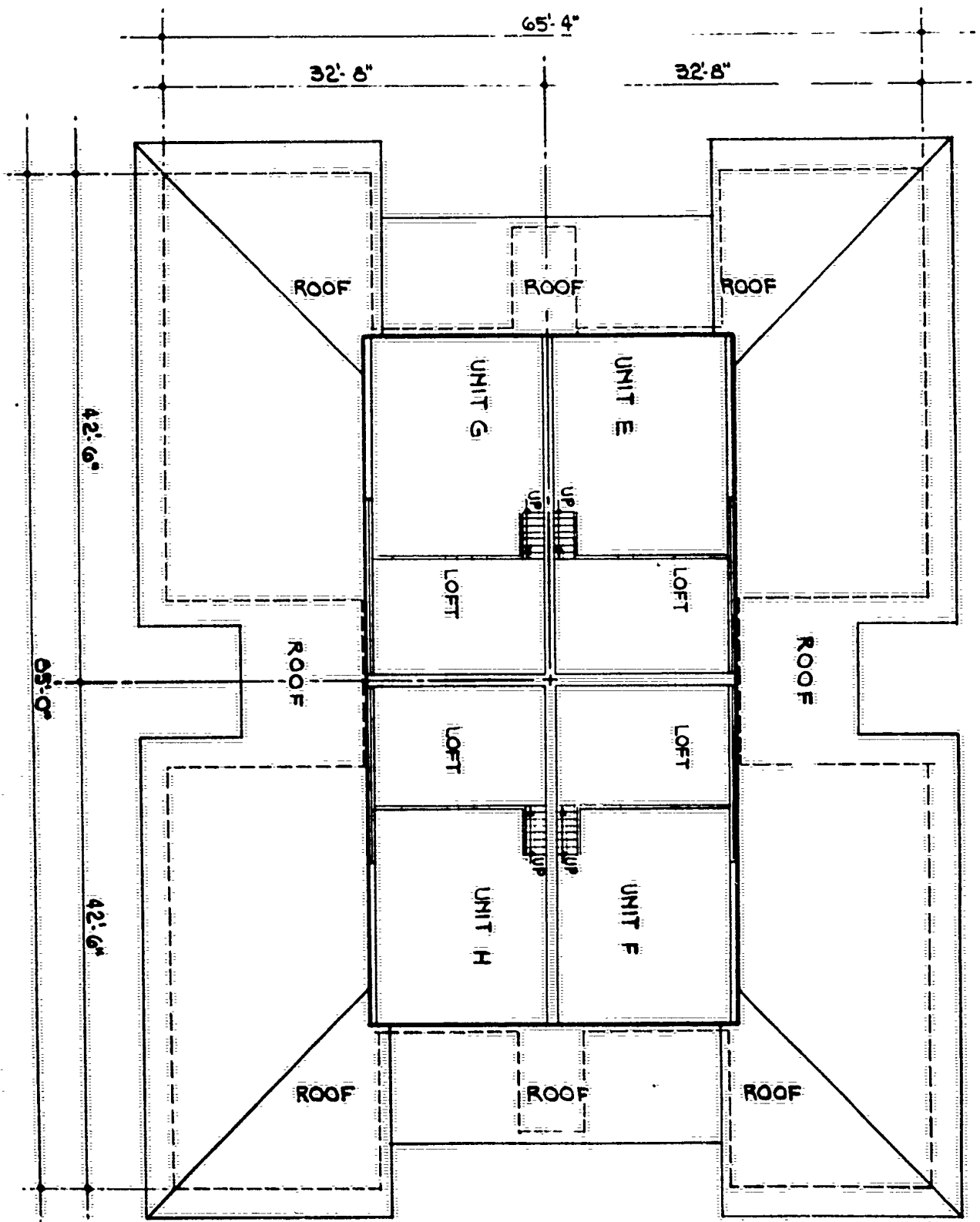
TYPICAL APARTMENT FIRST FLOOR PLAN



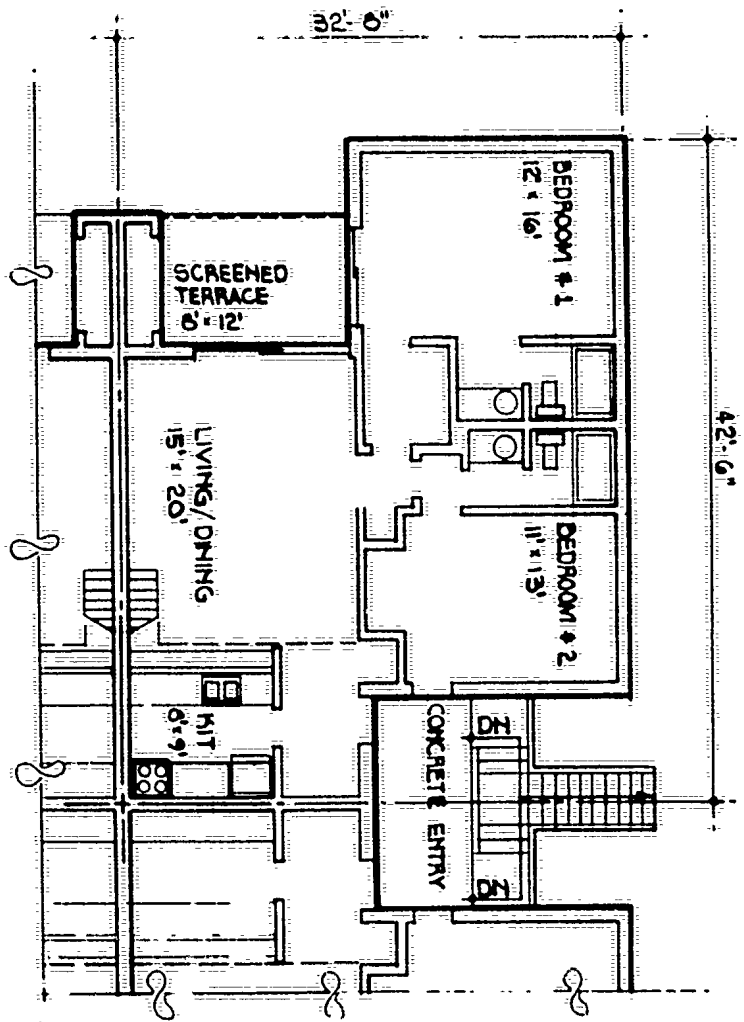
TYPICAL BUILDING SECOND FLOOR PLAN



TYPICAL BUILDING SECOND FLOOR LOFT PLAN

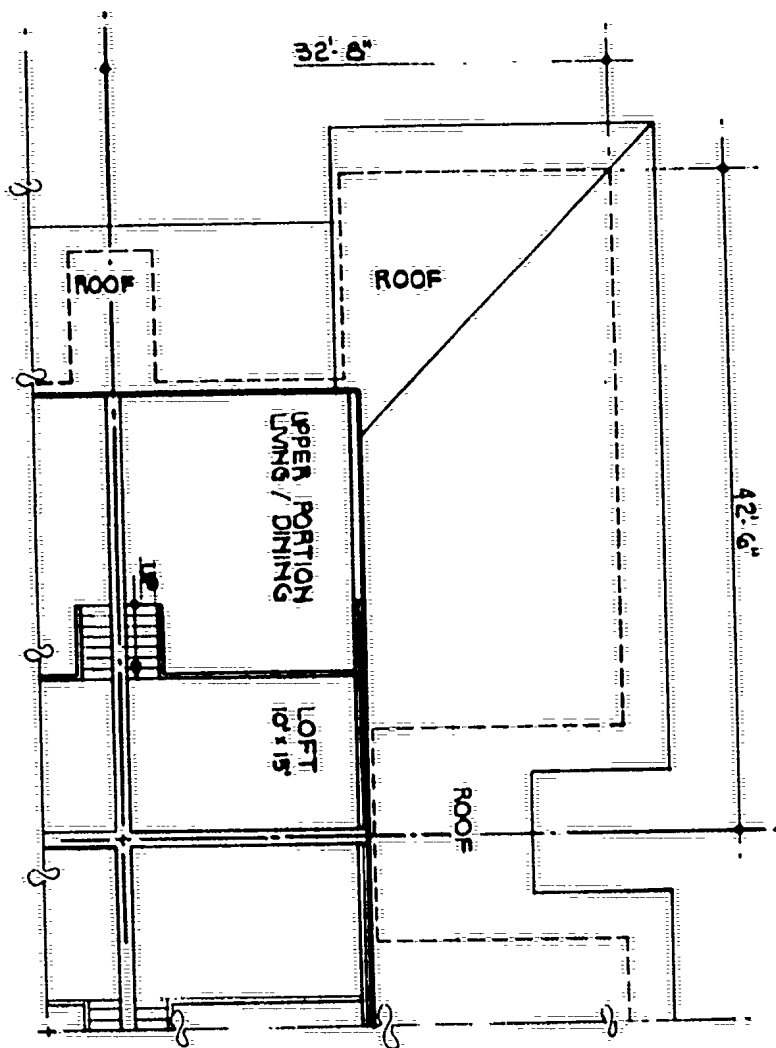


TYPICAL APARTMENT SECOND FLOOR PLAN



DIFF
REC 1083 PC2146

TYPICAL APARTMENT SECOND FLOOR LOFT PLAN



SURVEYOR'S CERTIFICATE
OF
COQUINA BEACH, A CONDOMINIUM

I have examined the Declaration of Condominium and attached Exhibits, including the Surveyor's Plat, of COQUINA BEACH, A CONDOMINIUM, and I have observed the construction site and I certify that the construction of the improvements described is sufficiently complete so that such material, together with the wording of the Declaration, is a correct representation of the improvements described, and that there can be determined therefrom the identification, location, and dimensions of the common elements and of each unit.

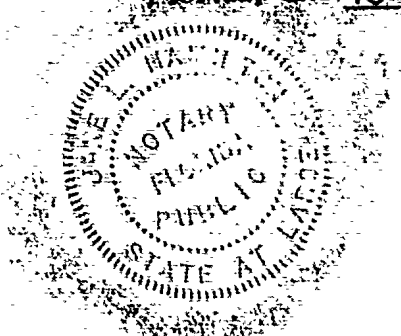
Lester L. Bulson

Lester L. Bulson
Professional Land Surveyor
Florida Certificate No. 1965

STATE OF FLORIDA
COUNTY OF LEE

BEFORE ME, the undersigned authority, authorized to administer oaths and take acknowledgements, personally appeared Lester L. Bulson of Johnson Engineering, Inc., to me well known and known to me to be the person described in and who executed the above and foregoing Surveyor's Certificate, and he acknowledged before me that he executed the same freely and voluntarily for the uses and purposes therein expressed and set forth.

WITNESS my hand and official seal at Fort Myers, Lee County, Florida, this 15TH day of APRIL, A.D. 1975.



Jane S. Hamilton

Notary Public
My Commission expires:

Notary Public, State of Florida at Large
My Commission Expires Sept. 17, 1977
Bonded by American Fire & Casualty Co.

UNIT DESCRIPTION AND IDENTIFICATION

Each unit in the Condominium shall be described and identified by a separate unit number and letter designation as reflected on the Plot Plan and Survey, Exhibit "B". The unit designation system is as follows:

Each building bears a building number with the most southerly building designated as Building No. 1; the next most southerly building designated as Building No. 2; etc., and in sequence, with the most northerly building designated as Building No. 5.

Each unit in a building is lettered according to the following system:

The lower Southwesterly unit in each building is designated as Unit A.

The lower Northwesterly unit in each building is designated as Unit B.

The lower Southeasterly unit in each building is designated as Unit C.

The lower Northeasterly unit in each building is designated as Unit D.

The upper Southwesterly unit in each building is designated as Unit E.

The upper Northwesterly unit in each building is designated as Unit F.

The upper Southeasterly unit in each building is designated as Unit G.

The upper Northeasterly unit in each building is designated as Unit H.

Each building has been assigned the individual street number. The building numbers and street numbers are as follows:

Building No. 623 - 623 Nerita Street
Building No. 625 - 625 Nerita Street
Building No. 627 - 627 Nerita Street
Building No. 629 - 629 Nerita Street
Building No. 631 - 631 Nerita Street

The mailing address for each unit is a combination of the building number and location letter which is the street address. For example,

Coquina Beach, a Condominium
623-A Nerita Street
Sanibel Island, Florida 33957

EXHIBIT "C"

X-C

CHARTER
OF
COQUINA BEACH CONDOMINIUM ASSOCIATION, INC.

ARTICLES OF INCORPORATION

- FIRST:** The name of the Corporation is COQUINA BEACH CONDOMINIUM ASSOCIATION, INC.
- SECOND:** Said Corporation is incorporated as a Corporation not for profit under the provisions of Chapter 617, Florida Statutes.
- THIRD:** The principal office and post office address of the Corporation shall be Tulipa Way, Sanibel Island, Florida. The names and addresses of the Resident Agents are Keith Trowbridge, Tulipa Way, Sanibel Island, Florida and Jose E. Morales, Nerita Street, Sanibel Island, Florida, each of whom is authorized to accept service of process within this State upon the corporation.
- FOURTH:** The purpose for which this Corporation is organized is the operation of a Condominium known as Coquina Beach, a Condominium (the Condominium) upon the real property situate, lying and being in Lee County, Florida, and more particularly described in Exhibit "A" attached hereto and made a part hereof.
- FIFTH:** The members of this Corporation shall consist of all of the record Owners of the Condominium parcels in the Condominium. The Owner of a Condominium Parcel in the Condominium shall automatically be and become a Member of this Corporation. The share of a Member in the funds and assets of this Corporation cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the Condominium Parcel. A Member will be entitled to one (1) vote for each Condominium parcel owned by him. Voting may be in person or by written proxy and a corporation may hold membership and may vote through an authorized officer or by written proxy. Membership in this Corporation shall cease and terminate upon the sale, transfer or disposition of the Member's Condominium Parcel.
- SIXTH:** The term for which this Corporation is to exist is perpetual unless the Condominium is terminated pursuant to the provisions of the Declaration of Condominium of Coquina Beach Condominium Association or Section 16, as amended, or 17 of Chapter 711, Florida Statutes, and in the event of such

termination, this Corporation shall be dissolved pursuant to Chapter 617.05, Florida Statutes, or other applicable dissolution statute existing at the time of dissolution, though subject to the provisions of Article XVII of said Declaration of Condominium.

SEVENTH: The affairs of the Corporation are to be managed by the following Officers:

PRESIDENT
VICE PRESIDENT
SECRETARY-TREASURER

EIGHTH: The Officers who are to serve until the first election of the Directors are as follows:

President - Keith Trowbridge
Vice President - Arthur McDonald
Secretary/Treasurer - Jose E. Morales

The first regular annual meeting of the Members of the Corporation shall be held, and the first election of the Board of Directors on the third Tuesday in February immediately following (a) the deeding of all of the Condominium Parcels, or (b) the date upon which the Developer of the Condominium elects to terminate its control of this Corporation, or (c) two (2) full years after the Declaration of Condominium has been recorded among the Public Records of Lee County, Florida, whichever occurs first. The Directors elected at the first annual meeting and at each subsequent annual meeting of the Members shall elect Officers of the Corporation who will hold office until the next annual meeting of the Board of Directors, or until their successors are elected and qualified.

The Board of Directors may call a special annual meeting of the Members prior to the first scheduled regular annual meeting of the Members, and prior to the happening of the above events, for the purpose of reporting to the Members of the Association and for any other purposes which the Board of Directors may require.

NINTH: This Corporation shall be governed by a Board of Directors consisting of five (5) persons, and the names and addresses of the persons who are to serve as Directors until the first annual meeting of the Members are as follows:

<u>NAMES</u>	<u>ADDRESSES</u>
Keith Trowbridge	739 Cardium Street Sanibel Island, Florida
Jose E. Morales	631-A Nerita Street Sanibel Island, Florida

<u>NAMES</u>	<u>ADDRESSES</u>
Richard J. Brodeur	Post Office Box 214 Sanibel Island, Florida 33957
Arthur McDonald	14402 S. W. 68th Court Miami, Florida 33154
Herbert Brill	320 N. E. 18th Street Miami, Florida 33132

Until such time as the Developer, SPECTRUM DEVELOPMENT CORPORATION (the Developer), as the Developer of the Condominium Property, its successors and assigns, shall have deeded all of the Condominium parcels, or until the Developer elects to terminate its control of this Corporation, or until two (2) full years have elapsed after the recording of the Declaration of Condominium among the Public Records of Lee County, Florida, whichever occurs first, the Developer shall have the right (a) to elect all of the Directors of this Corporation, which Directors need not be residents of the Condominium, nor Owners of a Condominium Parcel nor Member of this Corporation, and (b) to fill vacancies in the Board of Directors. Upon the occurrence of any one of the contingencies referred to in the preceding sentence, the vacancies in the Board of Directors shall then be filled for the unexpired term by the remaining Directors at any regular or special Directors' meeting. Subject to the provisions of the two (2) preceding sentences commencing with the first annual meeting of the Members and at each annual meeting of the Members thereafter, the Directors of the Corporation will be elected by the Members to hold office in each instance until the next annual meeting of the Members or until their successors are elected and qualified. Those Directors elected by the Members of the Corporation as distinguished from those Directors elected by the Developer, shall be Members of the Corporation. Until each Unit is sold one time, the Developer shall have the complete and absolute right to determine to whom the Unit is to be sold and to make such sale, without procuring the approval of (a) this Corporation, or its Officers or Directors, and (b) the Members of this Corporation or the Owners of the Condominium parcels, and (c) any parties whomsoever. The Directors shall have the power to increase their number and to fill the vacancies created thereby.

TENTH: The initial By-Laws of this Corporation are those annexed to the Declaration of Condominium to be made by SPECTRUM DEVELOPMENT CORPORATION, a Florida corporation, the Developer of the Condominium, and to be recorded among the Public Records of Lee County, Florida, which said Declaration will cover the real property described in Exhibit "A" attached hereto and made a part thereof. Such By-Laws subject to the provisions herein and therein contained, may

be altered, amended or added to in the manner provided for in said initial By-Laws or any subsequent By-Laws and in conformity with the provisions and requirements of Chapter 62-35, Florida Statutes, 1963.

ELEVENTH:

These Articles of Incorporation may be altered, amended, changed, added to, or repealed, in the manner now or hereafter prescribed by statute or herein or by the By-Laws of this Corporation as they exist from time to time or said Declaration of Condominium, at any duly called meeting of the Members of this Corporation provided that (a) the notice of the meeting is given in the manner provided for in Section 4(B) of Article V of the initial By-Laws and it contains a full statement of the proposed alteration, amendment, change, addition, or repeal, and (b) there is an affirmative vote of seventy-five (75%) percent of the Members present in person or by proxy in favor of said alteration, amendment, change, addition, or repeal, but in no event shall these Articles of Incorporation be altered, amended, changed, added to, or repealed, to impair, amend, rescind or cancel the instruments and documents referred to in Article Sixteenth of these Articles, excepting with the consent in writing of all of the parties to any such instrument or document.

TWELFTH:

If a Condominium Parcel is owned by more than one (1) person, the Membership relating thereto shall nevertheless have only one (1) vote which shall be exercised by the Owner or person designated in writing by the Owners of that Parcel as the one entitled to cast a vote for the Membership concerned.

THIRTEENTH:

This Corporation shall never have or issue shares of stock nor will it ever have or provide for non-voting membership.

FOURTEENTH:

In the event of the termination of said Condominium under the provisions of Chapter 711, Florida Statutes, as amended from time to time, or pursuant to the aforesaid Declaration of Condominium, the distributive share to each Unit Owner shall be determined in accordance with the provisions of said Declaration of Condominium.

FIFTEENTH:

From time to time and at least once annually the corporate officers shall furnish periodic reports to the Members, which shall include profit and loss statements and balance sheets prepared in accordance with sound business and accounting practice.

SIXTEENTH:

The Corporation shall have all the powers that are set forth and described in Chapter 617.021 of the Florida Statutes together with all those powers conferred by the Declaration of Condominium, this Charter and any and all lawful By-Laws of the Corporation. In addition to all of the foregoing, the Corporation shall have the right and the power (a) to enter into an agreement with the Developer of the Condominium and with Coquina Beach Condominium Association for the purpose of allocating between the Developer and the Condominium the duties, powers, obligations and rights with respect to certain maintenance of the Condominium Property, certain delegation of duties, functions and powers with respect to the Condominium Property, and the contributions to the maintenance of the Development Area (The Tripartite Agreement), and (b) to contract with a third party for the management of the Condominium Property and to delegate to such third party as manager, some of the powers and duties of this Corporation where such powers and duties may by law or by the provisions of these Articles of Incorporation or the By-Laws, be so delegated, and (c) to become or have an officer or member of this Corporation become a Member of the Board of Directors of the Club in accordance with the Tripartite Agreement referred to above, and to bind the Members of this Corporation, to the actions taken by the Board of Directors of the Club, where such actions are contemplated by the above referenced documents.

SEVENTEENTH:

Each Director and Officer of this Corporation shall be indemnified by the Corporation against all costs and expenses reasonably incurred or imposed upon him in connection with or arising out of any action, suit or proceedings in which he may be involved or to which he may be made a party by reason of his having been a Director or Officer of this Corporation, such expense to include the cost of reasonable settlements (other than amounts paid to the Corporation itself) made with a view of curtailment of costs of litigation. The Corporation shall not, however, indemnify such Director or Officer with respect to matters as to which he shall be finally adjudged in any such action, suit or proceedings to be liable for negligence or misconduct in the performance of his duty as such Director or Officer, or in respect to any matter in which any settlement or compromise is effected if the total expense, including the cost of such settlement, shall substantially exceed the expense which might reasonably be incurred by such Director or Officer in conducting such litigation to final conclusion, and in no event shall anything herein contained be construed as authorizing this Corporation to indemnify any such Director or Officer against any liability of the Corporation to which he would otherwise be subject

by reason of willful malfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his office. The foregoing right of indemnification shall be in addition to any other rights to which any such Director or Officer may be entitled as a matter of law or otherwise.

EIGHTEENTH: When words or phrases relating to the Condominium to be created under said Declaration of Condominium are used herein or in the By-Laws of this Corporation, the meaning thereof shall be determined by the present definition and constructions placed thereon by or under Chapter 711, Florida Statutes, as amended.

NINETEENTH: The names and addresses of the subscribers hereto are as follows:

	<u>NAMES</u>	<u>ADDRESSES</u>
1.	Keith Trowbridge	739 Cardium Street Sanibel Island, Florida
2.	Jose E. Morales	631-A Nerita Street Sanibel Island, Florida
3.	Arthur McDonald	14402 S. W. 68th Court Miami, Florida 33154

WE, THE UNDERSIGNED, being each of the incorporators hereinabove named, for the purpose of forming a Corporation supra, do hereby subscribe to this Certificate of Incorporation, and have hereunto set our hands and seals this 14th day of April, 1975.

Keith Trowbridge (SEAL)
Jose E. Morales (SEAL)
Arthur R. McDonald (SEAL)

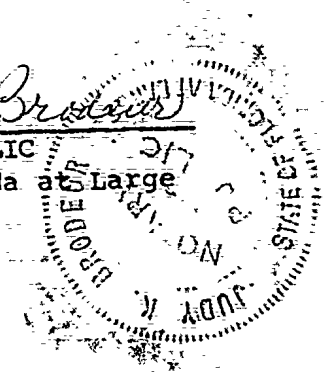
STATE OF FLORIDA)
) SS.
COUNTY OF LEE)

OFF
REC 1083 PG2155

Before me, the undersigned authority, this day
personally appeared Keith Troubridge,
José E. Morales and Arthur L.
McDonald, who after being duly sworn
according to law, depose and say that they are competent to
contract and further acknowledge that they did subscribe to
the foregoing Articles of Incorporation freely and voluntarily
and for the purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand
and official seal at Nanibel Island, Lee County,
Florida, this 14th day of April, 1975.

Judy K. Broderick
NOTARY PUBLIC
State of Florida at Large



My Commission Expires:

10-26-77

COQUINA BEACH CONDOMINIUM ASSOCIATION

ARTICLE I.

GENERAL

Section 1. The Name: The name of the Association shall be Coquina Beach Condominium Association.

Section 2. Principal Office: The Principal office of the Association shall be at Tulipa Way, Sanibel Island, Florida, or at such other places as may be subsequently designated by the Board of Directors.

Section 3. Resident Agent: For the purpose of service of process, the Association shall designate a Resident Agent or Agents, which designation may be changed from time to time, and his or their office shall be deemed an office of the Association for the purpose of service of process.

Section 4. Definitions: As used herein, the term "Corporation" shall be the equivalent of "Association" as defined in Chapter 711, Florida Statutes, and the definitions contained in said Chapter 711 are adopted hereby by express reference as if set forth herein in haec verba.

ARTICLE II.

DIRECTORS

Section 1. Number and Term: The number of Directors which shall constitute the whole Board shall be five (5). The initial Board of Directors shall serve until the first annual Meeting of the Members, which first annual Meeting shall be held on the third Tuesday in February immediately following (a) the deeding of all of the Condominium Parcels in the Condominium referred to in the Fourth Article of the Charter and/or Articles of Incorporation of this Association, or (b) the date upon which the Developer, SPECTRUM DEVELOPMENT CORPORATION, of the Condominium elects to terminate its control of this Association, or (c) two (2) full years after the Declaration of Condominium has been recorded among the Public Records of Lee County, Florida, by the Developer, whichever occurs first, or until their respective successors shall be elected and shall qualify. Until such time as said Developer, its successors and assigns, shall have deeded all of the Condominium Parcels, or said Developer elects to terminate its control of this Association, or until two (2) full years have elapsed after the recording of the Declaration of Condominium among the Public Records of Lee County, Florida, whichever occurs first, the said Developer shall have the right (a) to elect all

of the Directors of this Association, which Directors need not be residents of the Condominium, nor Members of this Association, and (b) to fill vacancies in the Board of Directors. After the occurrence of any one of the contingencies referred to in the preceding sentence, the vacancies in the Board of Directors shall be filled for their unexpired term by the remaining Directors at any regular or special Directors' Meeting. Subject to the provisions of the two preceding sentences, commencing with the first annual Meeting of the Members and at each annual meeting thereafter, the Directors of the Association will be elected by the Members to hold office in each instance until the next annual Meeting of the Members or until their successors are elected and qualified. Those Directors elected by the Members of the Association, as distinguished from those Directors elected by the said Developer, shall be Members of the Association.

Section 2. Vacancy and Replacement: If the office of any Director or Directors becomes vacant by reasons of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining Directors, though less than a quorum at a special Meeting of Directors, duly called for this purpose shall choose a successor or successors, who shall hold office for the unexpired term in respect to which such vacancy occurred, excepting that a vacancy on the Board by a Director or Directors elected by the Developer shall be filled by Developer if at the time such vacancy occurs, one of the contingencies referred to in the second sentence of Section 1 of this Article has not occurred.

Section 3. Removal: Directors may be removed for cause by an affirmative vote of a majority of the Members, excepting that Directors elected by the Developer may be removed only by Developer and with or without cause, if at the time of such removal one of the contingencies referred to in the second sentence of Section 1 of this Article has not occurred. No Director shall continue to serve on the Board if, during his term of office, his Membership in the Association shall be terminated for any reason whatsoever, excepting that Directors elected by the Developer need not be a Member of this Association.

Section 4. First Board of Directors: The first Board of Directors shall consist of the persons named and designated in Article Ninth of the Charter and/or Articles of Incorporation of this Association, and they shall hold office and exercise all powers of the Board of Directors until the first Meeting of the Members, anything herein to the contrary notwithstanding; provided, any or all of said Directors shall be subject to replacement in the event of resignation or death as above provided.

Section 5. Powers: The property and business of the Association shall be managed by the Board of Directors, who may exercise all corporate powers not specifically prohibited by statute, the Certificate of Incorporation, or the Declaration of Condominium (the Declaration) to which these By-Laws are attached (though this designation of powers in the Board of Directors shall not prevent the said Board of Directors from delegating whatever authority and powers they may lawfully delegate through a third party manager of the building who may be employed and/or designated by the Board of Directors). The said powers shall specifically include, but not be limited to the following:

A. To make and collect assessments and establish the time within which payments of same are due, which assessments shall include, but not be limited to, the charges and payments required to be made under the instruments and documents referred to and provided for in the Sixteenth Article of the Charter and/or Articles of Incorporation of this Association, and referred to in Paragraph (B) of Article XI of the Declaration of Condominium filed by the Developer;

B. To use and expend the assessments collected to maintain, care for and preserve the Units and Condominium Property, except those portions thereof which are required to be maintained, cared for and preserved by the Unit Owners;

C. To purchase the necessary equipment and tools required in the maintenance, care and preservation referred to above;

D. To enter into and upon the Units when necessary and at times that will least inconvenience the Owner in connection with such maintenance, care and preservation of the Unit;

E. To insure and keep insured said Condominium Property, in the manner set forth in the Declaration, against loss from fire and/or other casualty, and the Unit Owners against Public Liability (except for fire and liability insurance on each of the individual Condominium Units for which the Unit Owner is responsible), and to purchase such other insurance as the Board of Directors may deem advisable;

F. To collect delinquent assessments by suit or otherwise, abate nuisances and enjoin or seek damages from the Unit Owners for violations of these By-Laws and the terms and conditions of the Declaration;

G. To enter into such contracts with such firms, persons or corporations for the maintenance and preservation of the Condominium Property; and to join with other condominium corporations in contracting with the same firm, person or corporation for the maintenance, preservation and repair of the Condominium Property;

H. To enter into and execute the instruments and documents referred to and provided for in the Sixteenth Article of the Charter and/or Articles of Incorporation of this Association; and enter into and execute such additional agreements with other condominiums, with Coquina Beach Condominium Association and such other persons as the Association or its Board of Directors may deem appropriate, which may be in the best interests of the Association and the Condominium for the purpose of turning over to and delegating to other persons such duties as may be allowed to be delegated, by law, such as but not including the delegation of authority to manage the Condominium Property, make and collect assessments, and to enter into agreements concerning the collection of assessments and the maintenance of and repair of portions of the condominium property in concert with, together with or in conjunction with other condominiums in the Coquina Beach, a Condominium, development area and with the Coquina Beach Condominium Association.

I. To hire attorneys and other professionals for the purpose of bringing legal action or enforcing rights in the name and on behalf of the individual Condominium Unit Owners where such actions and rights are common to all of the Condominium Unit Owners; and to bring such action in the name of and on behalf of the said Condominium Unit Owners.

J. To contract, from time to time, with a third party for the management of the Condominium Property, and to delegate to such third party as manager such powers and duties of this Association and its Officers and Directors except such powers and duties which by law or the provisions of the Charter and/or Articles of Incorporation of this Association or the By-Laws of this Association are required to have the specific approval of the Board of Directors or Members of this Association;

K. To enter into employment agreements with auditors, attorneys and such other persons as may be necessary for the orderly operation of the Condominium Property, and to pay compensation to said parties, which compensation shall be a common expense under Section 3 of Article VII hereof.

L. To make reasonable rules and regulations for the occupancy of the Condominium parcels;

M. To acquire and/or rent and/or lease a Condominium parcel in the name of the Association or a designee;

N. To designate a Member of the Association as a substitute governor and/or representative of the Coquina Beach Condominium Association Board of Governors, and to bind the Members of the Association to the actions taken by said Coquina Beach Condominium Association Board of Governors;

O. And all other powers including the power to acquire real property or interests in real property, which may be necessary for the efficient operation of the Condominium, the Condominium Property, and for the use and benefit of the Condominium Unit Owners.

Section 6. Compensation: Neither Directors nor Officers shall receive compensation for their services as such, unless such compensation is approved by affirmative vote of seventy-five (75%) percent of the Members present in person or by proxy in favor of such compensation at a duly called Meeting of the Members.

Section 7. Meetings:

A. The first meeting of each Board newly elected by the Members shall be held within ten (10) days of the Meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual Meeting of the Board of Directors shall be held at the same place as the general Members' Meeting, or at such place as may be designated by the President of the Association, or in his absence, by the Vice President.

- B. Special Meetings shall be held whenever called by the direction of the President or a majority of the Board. The Secretary shall give notice of each special Meeting either personally, by mail or telegram, at least three (3) days before the date of such Meeting, but the Directors may waive notice of the calling of the Meeting.
- C. A majority of the Board shall be necessary and sufficient at all Meetings to constitute a quorum for the transaction of business, and the act of a majority present at any Meeting at which there is a quorum shall be the act of the Board. If a quorum shall not be present at the Meeting, the Directors then present may adjourn the Meeting without notice other than announcement at the Meeting until a quorum shall be present. The provisions herein contained are subject to the provisions of Section 6 of Article V.

Section 8. Order of Business: The order of business at all meetings of the Board shall be as follows:

- A. Roll call;
- B. Reading of Minutes of last Meeting;
- C. Consideration of Communications;
- D. Resignations and elections;
- E. Reports of Officers and employees;
- F. Reports of committees;
- G. Unfinished business;
- H. Original resolutions and new business;
- I. Adjournment.

Section 9. Annual Statement: The Board or the party employed for the management of the Condominium Property shall present, no less than at the annual Meeting, a full and complete statement of the business and condition of the Association, including a report of the operating expense of the Association and the assessments paid by each Member.

ARTICLE III.

OFFICERS

Section 1. Executive Officers: The Executive Officers of the Association shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected annually by said Board. Any two of said offices may be united in one person, except that the President shall not also be the Secretary or an Assistant Secretary of the Association. The President shall be a Director Ex Officio, unless elected to the Board. If the Board so determines, there may be more than one Vice President. All of the Executive and subordinate Officers of the Association shall be Members of the Association.

Section 2. Subordinate Officers: The Board of Directors may appoint such other officers and agent as they may deem necessary, who shall hold office during the pleasure of the Board of Directors, and have such authority and perform such duties as from time to time may be prescribed by said Board.

Section 3. Tenure of Officers; Removal: All Officers and agents shall be subject to removal, with or without cause, at any time by a majority vote of the entire Board of Directors. The Board may delegate powers of removal of subordinate Officers and agents to any Officer.

Section 4. The President:

- A. The President shall preside at all Meetings of the Members and Directors; he shall see that all orders and resolutions of the Board and order of the party employed for the Management of the Condominium Property are carried into effect; he shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the Association; the seal, when affixed, shall be attested by the signature of the Secretary;
- B. He shall have general superintendence and direction of all the other Officers of the Association, and shall see that their duties are performed properly;
- C. He shall cause a report of the operations of the Association for each fiscal year to be submitted to the Directors whenever called for by them, and to the Members at the annual Meeting, and from time to time shall report to the Board all matters within his knowledge which the interest of the Association may require to be brought to their notice;
- D. He shall be an Ex Officio Member of all committees, and shall have the general powers and duties of supervision and management usually vested in the office of the President of a corporation.

Section 5. The Vice President: The Vice President shall be vested with all the powers, and be required to perform all the duties of the President in his absence, and such other duties as may be prescribed by the Board of Directors.

Section 6. The Secretary:

- A. The Secretary shall keep or cause to be kept the Minutes of the Members' and of the Board of Directors' Meetings in one or more books provided for that purpose;
- B. He shall see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law;
- C. He shall be custodian of the corporate records and of the seal of the Association and shall see that the seal of the Association is affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized in accordance with the provisions of these By-Laws;

- D. He shall keep a register of the post office address of each Member, which will be furnished to the Secretary by such Member;
- E. In general, he shall perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 7. The Treasurer:

- A. The Treasurer shall keep or cause to be kept 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 and to the credit of the Association, in such depositories as may be designated by the Board of Directors;
- B. He shall disburse or cause to be disbursed the funds of the Association as ordered by the Board of the party employed for the management of the Condominium Property taking proper vouchers for such disbursements, and shall render or cause to be rendered to the President and Directors, at the regular Meetings of the Board, or whenever they may require it, an account of the financial condition of the Association;
- C. He may be required to give the Association a bond in a sum and with one or more sureties satisfactory to the Board, for the faithful performance of the duties of his office, and the restoration to the Association, in case of his death, resignation or removal from office, of all books, papers, vouchers, money or other property of whatever kind in his possession belonging to the Association. The Association shall pay all premiums for issuance of said bond.

Section 8. Vacancies: If the office of the President, Vice President, Secretary and Treasurer becomes vacant by reason of death, resignation, disqualification or otherwise, the remaining Directors, by a majority vote of the whole Board of Directors, may choose a successor or successors who shall hold office for the unexpired term in respect to which such vacancy occurred.

Section 9. Resignations: Any Director or other Officer may resign his office at any time, such resignation to be made in writing, and to take effect from the time of its receipt by the Association, unless some time be fixed in the resignation, and then from that date. The acceptance of a resignation shall not be required to make it effective.

Section 10. Powers and Duties of Officers: The powers and duties of the Officers of this Association will be subject to the fact that such powers and duties, or some of them, may be delegated to a third party under a management agreement of the Condominium Property, and unless delegation of such powers and duties to a third party is contrary to law, then such powers and duties so

delegated will be exercised by such third party in lieu of the Officers and/or Directors of this Association.

ARTICLE IV.

MEMBERSHIP

Section 1. Definition: Each Unit Owner shall be a Member of the Association, and Membership in the Association shall be limited to Owners of the Condominium Parcels. A Unit Owner will cease to be a Member of the Association upon the sale, transfer or disposition of the Member's Condominium Parcel.

Section 2. Transfer of Membership and Ownership: Membership in the Association may be transferred only as an incident to the transfer of the transferer's Condominium Parcel, and his undivided interest in the Common Elements of the Condominium, and such transfer shall be subject to the procedures set forth in the Declaration.

ARTICLE V.

MEETINGS OF MEMBERSHIP

Section 1. Place: All Meetings of the Associations' Membership shall be held at the office of the Association in Sanibel Island, Florida, or such other place and time as may be stated in a notice thereof, provided that the place of the holding of such meeting shall be in Sanibel Island, Florida.

Section 2. Annual Meeting:

- A. The first annual Meeting of Members shall be held on the date computed in the manner provided for in the second sentence in Section 1 of Article II of these By-Laws;
- B. Annual Meetings subsequent to the first annual Meeting of Members shall be held on the third Tuesday in February of each year, if not a legal holiday, or non-business day, and if a legal holiday, or non-business day, then on the next business day following;
- C. All annual Meetings shall be held at the hour of 8:00 o'clock P.M., or at such other time designated by the notice;
- D. Written notice of the annual Meeting shall be served upon or mailed to each Member entitled to vote thereat, at such address as appears on the books of the Association, at least fourteen (14) days prior to the Meeting;
- E. At the annual Meeting, the Members shall elect, by a plurality vote (cumulative voting prohibited), a Board of Directors, and transact such other business as may properly come before the meeting, but election of the Board of Directors will be subject to the right of the Developer to elect a majority of the Directors as provided for in Section 1 of Article II.

Section 3. Membership List: At least ten (10) days before every election of Directors by the Members a complete list of Members entitled to vote at said election, arranged numerically by apartment Units, with the residence of each, shall be prepared by the Secretary or by the party employed for the management of the Condominium Property. Such list shall be produced and kept for said ten (10) days and throughout the election at the office of the Association, and shall be open to examination by any Member throughout such time.

Section 4. Special Meetings:

- A. Special Meetings of the Members, for any purpose or purposes unless otherwise prescribed by statute or by the Certificate of Incorporation, may be called by the President, and shall be called by the President or Secretary at the request, in writing, of fifty-one (51%) percent of the total number of Members. Such request shall state the purpose or purposes of the proposed Meeting;
- B. Written notice of a special Meeting of Members, stating the time, place and object thereof, shall be served upon or mailed to each Member entitled to vote thereat, at such address as appears on the books of the Association, at least fourteen days before such Meeting;
- C. Business transacted at all special Meetings shall be confined to the objects stated in the notice thereof.

Section 5. Right to Vote: Subject to the provisions of Article XIII, each Unit Owner shall be entitled to one (1) vote. At any Meeting of the Members, every Member having the right to vote shall be entitled to vote in person or by proxy. No Unit Owner may hold more than five (5) written proxies. Such proxy shall only be valid for such Meeting or subsequent adjourned Meeting thereof.

Section 6. Quorum: Fifty-one (51%) percent of the total number of Members of the Association, present in person or represented by written proxy, shall be requisite to and shall constitute a quorum at all meetings of the Members for the transaction of business, except as otherwise provided by statute, by the Certificate of Incorporation, or by these By-Laws. If, however, such quorum shall not be present or represented at any Meeting of the Members, the Members entitled to vote thereat, present in person or represented by written proxy, shall have power to adjourn the Meeting from time to time, without notice other than announcement at the Meeting, until a quorum shall be present or represented. At such adjourned Meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the Meeting originally called.

Section 7. Vote Required to Transact Business: When a quorum is present at any Meeting, the vote of a majority of the Members present, in person or represented by written proxy, shall decide

any question brought before the Meeting, unless the question is one upon which, by express provision of the statutes or of the Certificate of Incorporation or of these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 8. Waiver and Consent: Whenever the vote of Members at a Meeting is required or permitted by any provision of the statutes or the Certificate of Incorporation or of these By-Laws to be taken in connection with any action of the Association, the Meeting and vote of Members may be dispensed with if all the Members who would have been entitled to vote upon the action of such Meeting if such Meeting were held shall consent in writing to such action being taken.

ARTICLE VI.

NOTICES

Section 1. Definition: Whenever under the provisions of the statutes or of the Certificate of Incorporation or of these By-Laws, notice is required to be given to any Director or Member, it shall not be construed to mean personal notice; but such notice may be given in writing by mail, by depositing the same in a post office or letter box in a postpaid, sealed wrapper, addressed as appears on the books of the Association.

Section 2. Service of Notice - Waiver: Whenever any notice is required to be given under the provisions of the statutes or of the Certificate of Incorporation or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

Section 3. Address: The address for notice to the Association is Tulipa Way, Sanibel Island, Florida.

ARTICLE VII.

FINANCES

Section 1. Fiscal Year: The Association shall operate upon the calendar year beginning on the 1st day of January and ending on the 31st day of December of each year. The Board of Directors is expressly authorized to change from a calendar year basis whenever deemed expedient for the best interests of the Association.

Section 2. Checks: All checks or demands for money and notes of the Association shall be signed by any two of the following officers: President or Vice president, and Secretary or Treasurer, or by such Officer or such other person or persons as the Board of Directors or party employed for the management of the Condominium Property may from time to time designate.

Section 3. Determination of Assessments:

- A. The Board of Directors shall fix and determine the sum or sums necessary and adequate to assess Unit Owners for their share of the common expenses set forth in the budget. Common expenses shall include expenses for the operation, maintenance, repair, or replacement of the common elements and limited common elements; costs of carrying out the powers and duties of the Association; all insurance premiums and expenses, including fire insurance and extended coverage; and any other expenses designated as common expenses by the Board or the Declaration. Funds for the payment of common expenses shall be assessed against Unit Owners as provided in the Declaration. Assessments shall be payable monthly in advance and shall be due on the first day of each month unless otherwise ordered by the Board of Directors. Special assessments, if necessary, shall be levied in the same manner as regular assessments and shall be payable in the manner determined by the Board of Directors. All funds due under these Bylaws and the Declaration are common expenses.
- B. When the Board of Directors has determined the amount of any assessment, the Treasurer shall mail or present to each Unit Owner a statement of assessment. All assessments shall be paid to the Treasurer and, upon request, the Treasurer shall give a receipt for each payment received.
- C. The Board of Directors has the authority to make assessments as to the following:
 - (1) For additional recreational or social activities;
 - (2) For additions to the common elements and limited common elements.
- D. The Board of Directors may not authorize or make any additions or capital improvements to the Condominium Property at a cost in excess of Fifty Thousand (\$50,000.00) Dollars without first securing a three-fourths (3/4ths) vote of all Members constituting a quorum at the Meeting called for the purpose of considering said additions or improvements, excepting that in cases of emergency, and in order to protect the Condominium property, the Board of Directors may, in their sound judgment, make repairs to the Condominium Property in excess of said Fifty Thousand (\$50,000.00) Dollars.

Section 4. Application of Payments and Commingling of Funds: All sums collected by the Association from assessments may be commingled in a single fund or divided into more than one fund, as determined by the Board of Directors.

Section 5. Acceleration of Assessment Installments Upon Default: If a

Unit Owner shall be in default in the payment of an installment upon any assessment, the Board of Directors may accelerate the remaining monthly installments for the twelve month period. A notice of acceleration shall be sent to the Unit Owner and thereupon, the unpaid balance of the assessment shall become due upon the date stated in the notice, which shall not be less than fifteen (15) days after delivery of or the mailing of such notice.

Section 6. Audit: The Board of Directors shall render an annual statement to the Unit Owners no later than four (4) months after the end of the Association's fiscal year. The Board of Directors shall perform a continual internal audit of its financial records for the purpose of verifying the same but no independent or external audit shall be required of it. The Board of Directors may conduct an external audit by an independent auditor at such reasonable time as it shall agree to; provided, however, said request for inspection is not made more than once in any calendar year and provided that the cost and expense of same is borne by the Association.

Section 7. Assessments for recurring common expenses shall be made for a twelve-month period concurrent with the preparation of the annual budget. Such assessments shall be due in twelve (12) equal consecutive monthly installments on the first day of each month for the twelve-month period in which the assessments are made. If the new annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior annual assessment, and regular monthly installments thereon shall be due upon each installment payment date until modified or changed by a new assessment schedule. The total assessments for the recurring common expenses shall not be more than one hundred fifteen (115%) percent of the assessments for the prior years, provided that this provision shall not prevent the levy of any necessary, extraordinary assessment from time to time. If a budget is adopted by the Board of Directors which requires an assessment against Unit Owners in any fiscal or calendar year exceeding one hundred fifteen (115%) percent of such assessments for the preceding year, upon written application of at least ten (10%) percent of the Unit Owners, a special meeting of the Unit Owners shall be held upon not less than ten (10) days written notice to each Unit Owner, but within thirty (30) days of the delivery of such application to the Board of Directors by any member thereof, at which such special meeting the Unit Owners may consider and enact a revision of the budget and may recall any or all members of the present Board of Directors and elect their successors. In the event that such an annual assessment proves to be insufficient, it may be amended at any time thereafter provided that the written approval of not less than sixty six and two-thirds (66 2/3%) percent of the Unit Owners entitled to vote have indicated their approval of the revised annual assessment. Any unpaid assessments for the remaining portion of the twelve-month period shall then be due in equal monthly installments on the first month thereafter during the year in which the revised assessment is made. The rights and powers to collect common expenses, granted to the Board of Directors in this Article, may be exercised concurrently by the Developer until such time as the management of the Association shall be fully vested in the Board of Directors elected by the owners of the Association. The Board of Directors may have such actions or rights as the law may provide for any default of assessment payments; the Association shall have a lien against the Unit for any unpaid assessments.

Section 8. Assessments for Emergencies: Assessments for common expenses of emergencies which cannot be paid from the assessments for recurring expenses shall be made only after notice of the need therefor to the Unit Owners concerned. After such notice and upon approval in writing of a majority of such Unit Owners concerned, the assessment shall become

effective and it shall be due after thirty (30) days notice thereof in such manner as the Board of Directors of the Association may require.

Section 9. Lien for Assessments Subordinate to Existing Mortgages:
In any foreclosure action, the lien of the Association shall be subordinate and inferior to any mortgage liens of record encumbering such Unit. In lieu of foreclosing its lien, the Association may bring suit to recover a money judgment for any sums, charges or assessments required to be paid to the Association without waiving its lien securing payment. The Association is obligated to send the mortgagee, if any, a copy of the default notice prior to instituting any action.

Section 10. Notification of Mortgagee: Any Unit Owner who mortgages his Unit shall notify the Association, providing the name and address of his mortgagee. The Association shall notify the mortgagee of any unpaid assessments due from the Unit Owner of a unit.

ARTICLE VIII.

SEAL

The seal of the Corporation shall have inscribed thereon the name of the Association, the year of its organization, and the words "Non-Profit." Said seal may be used by causing it or a facsimile thereof to be impressed affixed reproduced or otherwise.

ARTICLE IX.

STOCK

This Association shall never have or issue shares of stock and/or certificates of membership, nor will it ever have or provide for non-voting membership.

ARTICLE X.

HOUSE RULES

In addition to the other provisions of these By-Laws and the Declaration, the following House Rules and Regulations, together with such additional rules and regulations as may hereafter be adopted by the Board of Directors shall govern the use of the Units located in the property and the conduct of all residents thereof.

- A. Each unit on the Condominium Property shall be used only for residential purposes, and as a single-family private dwelling for the Unit Owner and the members of his family and social guests and for no other purposes. If the unit consists of two bedrooms in a loft area over the kitchen, then no more than six persons shall occupy or live in said unit. If the unit consists of two bedrooms, without the loft area over the kitchen, then no more than five persons shall occupy or live in said unit.

- B. Unit Owners shall not permit or suffer anything to be done or kept in their Units which will increase the rate of insurance or the insurance premiums on the Condominium Property, or which will obstruct or interfere with the right 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 act in or about the Condominium Property;
- C. The use of the Unit shall be consistent, and in compliance with existing laws, the provisions of the Declaration, and these rules and regulations;
- D. Units may not be used for business use or for any commercial use whatsoever;
- E. Common Elements shall not be obstructed, littered, defaced or misused in any manner;
- F. No structural changes or alterations shall be made in any Unit, except upon approval, in writing, of the Board of Directors and the approval of the institutional first mortgagee of the first mortgage, if any, encumbering said Unit;
- G. Unit Owner may keep such pets in the units as may be compatible with the use of the unit by the Unit Owner, providing said pet does not disturb, disrupt, or in any way hinder the use or occupancy of any other unit and that said Unit Owner shall properly police the Common Element area of the Condominium and prevent said pet from defacing same;
- H. No Unit Owner or occupant of a Unit shall post any advertisement or posters of any kind in or on the Condominium Unit or the Condominium Property except as authorized, in writing, by the Board of Directors;
- I. No clothesline or similar devices shall be allowed on any portion of the Condominium Property by any person, firm or corporation without the written consent of the Board of Directors; and no rugs, etc., may be dusted from the windows and terraces of the Units, and rugs, etc., may only be cleaned within the units and not in any other portion of the Condominium Property; and all garbage and trash be deposited in the disposal installations provided for such purposes;
- J. Owners and occupants of Units shall exercise extreme care to minimize noises and in the use of musical instruments, radios, television sets, amplifiers or other loud speakers in said Unit so as not to disturb the other persons and parties occupying Units; and not to play upon or permit to be played any musical instrument or operate

or permit to be operated a phonograph, radio, television set or other loud speaker in any unit between the hours of 11:00 o'clock P.M. and the following 8:00 o'clock A.M. if the same shall disturb or annoy other occupants of the Condominium Property;

- K. No Owner or occupant of a Unit shall install wiring for electrical or telephone installations, nor install any type of television antenna, machines or air conditioning equipment, etc., except as authorized, in writing by the Board of Directors;
- L. No Owner or occupant shall alter the exterior appearance of the balcony or terrace nor enclose the same nor use or install any screening, blinds or shielding devices thereon unless approved in writing, by the Board of Directors; nor to permit any cooking to be done on said balcony or terraces;
- M. Each Unit Owner and the occupants of a Unit shall maintain in good condition and repair his Unit and all interior surfaces within or surrounding said Unit (such as the surfaces of the walls, ceilings, floors), whether or not part of the Unit or Common Elements, and to maintain and repair the fixtures therein and pay for such utilities as are separately metered to his Unit;
- N. There are forty (40) car parking spaces located on the Condominium Property. These car parking spaces have not been assigned or designated by the Developer or the Board of Directors to individual unit owners. All car parking spaces shall be under the control and under the supervision of the Developer and/or the Board of Directors of the Association for such use as may be determined from time to time. There shall not be parked in the parking area any boat trailers, commercial vehicles, vans, mobile homes, and the like; and the parking spaces shall be for private automobiles only;
- O. Visitors and guests will be permitted to use the Condominium facilities and the facilities of the Club only with the approval of the Resident Owner and/or in accordance with the Rules and Regulations set down by the respective Board of Directors and the Owner will remain responsible for the action of his guests.
- P. Each Unit Owner will comply with and abide by all Rules and Regulations hereafter adopted from time to time by the Board of Directors.

DEFAULT

Section 1. In the event a Unit Owner does not pay any sums, charges or assessments required to be paid to the Association within thirty (30) days from due date, the Association, acting on its own behalf or through its Board of Directors, may enforce its lien for assessments or take such other action to recover the sums, charges or assessments to which it is entitled, in

accordance with the Declaration and the statutes made and provided. If an action of foreclosure is brought against the Owner of a Unit for non-payment of monies due the Association, and as a result thereof the interest of the said Owner in and to the Unit is sold, then the Unit Owner will thereupon cease to be a Member of the Association.

Section 2. If the Association becomes the Owner of a Unit by reason of foreclosure, it shall offer said Unit for sale and at such time as a sale is consummated, it shall deduct from such proceeds all sums of money due it for assessments and charges, all costs incurred in the bringing of the foreclosure suit, including reasonable attorneys' fees, and any and all expenses incurred in the resale of the Unit, which shall include but not be limited to advertising expenses, real estate brokerage fees and expenses necessary for the repairing and refurnishing of the Unit in question. All monies remaining after deducting the foregoing items of expense shall be returned to the former Owner of the Unit in question.

Section 3. In the event of violation of the provisions of the Declaration, Corporate Charter or By-Laws, as the same are or may hereafter be constituted, for five (5) days after notice from the Association to the Unit Owner to correct said breach or violation, the Association, on its own behalf or by and through its Board of Directors may bring appropriate action to enjoin such violation or may enforce the provisions of said documents, or may sue for damages, or take such other courses of action, or other legal remedy as it or they may deem appropriate.

Section 4. In the event resort to an attorney is made, in order to enforce any Rule or Regulation or cure any default, whether or not legal action is brought against a Unit Owner, then such Unit Owner shall pay the plaintiff reasonable attorney's fees and court costs.

Section 5. Each Unit Owner, for himself, his heirs, successors and assigns, agrees to the foregoing provisions relating to default and abatement of nuisance, regardless of the harshness of the remedy available to the Association and regardless of the availability of the other equally adequate legal procedures. It is the intent of all Owners of family Units to give to the Association a method and procedure which will enable it at all times to operate on a business-like basis, to collect those monies due and owing it from the Owners of Units, and to preserve each Unit Owner's right to enjoy his Unit free from unreasonable restraint and nuisance.

ARTICLE XII.

SURRENDER

In the event of the termination of membership, the Member, or any other person or persons in possession by or through the right of the Members, shall promptly quit and surrender the owned Unit to the Association in good repair, ordinary wear and tear and damage by fire or other casualty excepted, and the Association shall have the right to re-enter and to re-possess the owned apartment. The Member, for himself and any successor in interest, by operation of law or otherwise, hereby waives any and all notice and demand for possession if such be required by the law of Lee County, State of Florida, or the United States of America.

ARTICLE XIII.

JOINT OWNERSHIP

In the event a Unit is owned by more than one person, then all of the Owners of such Unit shall be entitled collectively to only one (1) voice or ballot in the management of the affairs of the Association and the vote of such Owners may not be divided between plural Owners of a single Unit. If the Owners are unable to agree upon their ballot upon any subject at any meeting, they shall lose their right to vote on such subject; but if all of the Owners of such Unit shall not be present at the Meeting, either in person or by proxy, the one or ones so present shall cast the vote of all such owners.

ARTICLE XIV.

MISCELLANEOUS

Section 1. The contract documents relating to this Condominium and the ownership of a Condominium Parcel therein shall include the Declaration of Condominium to which these By-Laws are attached, these By-Laws, the Charter of the Association, and the pertinent statutes from time to time pertaining thereto, all as amended from time to time in accordance with law, and each and every of the Exhibits attached to and made a part of the documents herein referred to.

Section 2. The Association shall have the powers, rights and authority, (including the lien rights) set forth and provided in Chapter 711, subject to any limitations thereon imposed by its Charter or these By-Laws or the Declaration of Condominium as said instruments may be effective from time to time, including any amendments thereto.

Section 3. No Unit Owner or Member, except as an Officer of this Association, shall have any authority to act for the Association or bind it.

Section 4. If any By-Law or part thereof shall be adjudged invalid, the same shall not affect the validity of any other By-Law or part thereof.

ARTICLE XV.

AMENDMENT

These By-Laws may only be altered, amended or added to at any duly called Meeting of the Members provided (1) that the notice of the Meeting shall contain a full statement of the proposed amendment; and (2) that there is an affirmative vote of seventy-five (75%) percent of the Members present in person or by proxy in favor of such alteration, amendment or addition to these

By-Laws. No amendment to these By-Laws shall ever be adopted which would affect or impair the validity or priority of any institutional first mortgage encumbering any Condominium Parcel, nor may any amendment to these By-Laws ever be adopted, or passed, irrespective of the fact that all of the Members of the Association may be in favor of such amendment, which shall impair, alter, amend, rescind or cancel the agreements referred to in the Sixteenth Article of the Charter and/or Articles of Incorporation of the Association, or impair, alter, amend, rescind or cancel the lien given as security for the payment of the common expenses referred to in Section 3 of Article VII of these By-Laws. Provided, however, the documents and instruments referred to in the Sixteenth Article of the Charter and/or Articles of Incorporation may be altered, amended, rescinded or cancelled upon the consent in writing of all of the parties to any such instrument or document.

ARTICLE XVI

CONSTRUCTION

Wherever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter, singular or plural, wherever the context so requires. Robert's Rules of Order shall govern the conduct of all Meetings of the Members, excepting, however, that if any conflict exists between these By-Laws and said Robert's Rules of Order, then the provisions of these By-Laws shall prevail.

ESTIMATED OPERATING BUDGET FOR CONDOMINIUM
ASSOCIATION AND SCHEDULE OF UNIT OWNERS' EXPENSES

The Developer of COQUINA BEACH, a Condominium, has guaranteed that the monthly maintenance fee for a unit owner will be \$59.20 per unit to January 1, 1976. It is the Developer's intent to collect the \$59.20 per month from each unit owner who has closed prior to this date and to utilize these funds along with his own funds to pay for the common expenses for the operation of the condominium. The estimated operating budget and the schedule of unit owner's expenses that are set out below represent the best estimates of the Developer based on current operating projections and experience. The individual items in this budget may be adjusted on the final operating budget, however, the monthly maintenance fee for unit owners is guaranteed by the Developer to be \$59.20 per month per unit to January 1, 1976. In the event that the actual operating expenses are in excess of the funds collected to January 1, 1976, the Developer will pay with his own funds all additional operating expenses incurred to January 1, 1976.

ESTIMATED OPERATING BUDGET AND
UNIT OWNERS MAINTENANCE FEE

	Owners Monthly	Owners Annual	x 40 =	Assn Monthly	Assn Annual
Management and Administration	\$ 10.00	120.00		400.	4,800.
Exterior Maintenance & Parking	10.25	123.00		410.	4,920.
Beach, Grounds Upkeep	8.50	102.00		340.	4,080.
Exterior Lighting	2.25	27.00		90.	1,080.
Water and Sewer Service	12.75	153.00		510.	6,120.
Disposal Service	3.25	39.00		130.	1,560.
Real Estate Taxes on Common Elements	1.20	14.40		48.	576.
Insurance on Condominium Buildings	6.00	72.00		240.	2,880.
Reserve for Depreciation and Replacement	5.00	60.00		200.	2,400.
	<u>\$ 59.20</u>	<u>710.40</u>	x 40 =	<u>2,368.</u>	<u>28,416.</u>

DEVELOPER MAY BE IN CONTROL
OF THE BOARD OF DIRECTORS OF
THE CONDOMINIUM DURING THE
PERIOD OF OPERATION FOR WHICH
THIS BUDGET HAS BEEN RENDERED.

Exhibit "F"

MANAGEMENT CONTRACT

UFF
REG 1083 PG2175

COQUINA BEACH CONDOMINIUM ASSOCIATION, INC., a corporation not for profit, hereinafter called the Association, and EXECUTIVE SERVICES, INC., a Florida corporation, of Sanibel Island, Lee County, Florida, hereinafter called the Manager, do hereby enter into the following agreement:

1. The Manager will manage and maintain the condominium property and Association known as Coquina Beach, a Condominium.
2. The Manager will set up the accounts and records of the Association, collect all Association assessments, pay the bills of the condominium and the Association, and keep record of all receipts and disbursements for condominium maintenance, operation, and repair.
3. The Manager will supervise the maintenance, operation, and repair of the condominium property and will supervise all employees or service contractors of the Association.
4. The Association will pay the Manager a management or supervision fee of Ten and no/100 (\$10.00) Dollars per unit per month beginning March 1, 1975, for the maintenance and service program. The Association will reimburse the Manager for all of the Manager's actual costs of items purchased or procured by consent of the Board of Directors to provide the management and service program.
5. The term of this contract shall run from the first day of January, 1975, to the first meeting of the Association members, at which time the majority control of the Association is transferred from the Developer to the unit owners. At this meeting, the unit owners may, at their election, cancel or continue or otherwise modify the terms and conditions of this agreement. In addition, the parties understand and agree that this contract may be terminated by either party upon thirty (30) days prior written notice.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this first day of January, 1975.

EXECUTIVE SERVICES, INC.

COQUINA BEACH CONDOMINIUM
ASSOCIATION, INC.

by Robert F. Buntrock
Robert F. Buntrock
President

by Keith W. Trowbridge /pk
Keith W. Trowbridge
President

THIS INDENTURE, made this _____ day of _____,
19__ between SPECTRUM DEVELOPMENT CORPORATION, a Florida
corporation, party of the first part; and _____

whose mailing address is _____
_____ party of the second part:

W I T N E S S E T H:

That the said party of the first part, for and in
consideration of the sum of TEN DOLLARS (\$10.00) and other
good and valuable consideration to it in hand paid by the
party of the second part, the receipt whereof is hereby
acknowledged has granted, bargained and sold to the said
party of the second part, his heirs and assigns forever,
the following described real property, situate, lying and
being in Lee County, Florida, to wit:

A Condominium Parcel consisting of Unit
No. _____ together with an undivided
_____ percentage interest in the
Common Elements of Coquina Beach Condo-
minium Association, according to the
Declaration of Condominium, recorded in
Official Records Book _____, Page _____,
of the Public Records of Lee County,
Florida, said Unit being situated on the
_____ floor in said Coquina Beach, a Condo-
minium.

Together with the personal property located
in the said Condominium Parcel, which are
designed for the use and enjoyment by the
occupant thereof.

This Deed is executed subject to taxes for the year
197__ and subsequent years; applicable zoning ordinances and
restrictions and limitations of record.

This Deed is also executed subject to the terms,
conditions, restrictions, and covenants contained in said
Declaration of Condominium of Coquina Beach Condominium
Association and the documents attached thereto, the Articles
of Incorporation of Coquina Beach Condominium Association,
a Florida corporation, and the By-Laws of said corporation.
The party of the second part by the acceptance of this Deed
agrees with the party of the first part, its successors and
assigns, that the party of the second part, his heirs, legal
representatives, successors and assigns will be bound by the
terms, conditions, restrictions and covenants contained in
each of the aforementioned documents and the exhibits attached
thereto, and hereby ratifies and confirms the same.

The party of the first part does hereby fully warrant the title to the property hereby conveyed, and will defend the same against the lawful claims of all persons whomsoever.

Whenever the text in this Deed so requires, the use of any gender shall be deemed to include all genders, and the use of the singular shall include the plural.

IN WITNESS WHEREOF, the said party of the first part has caused these presents to be executed with its corporate seal and affixed on the day and year first above written.

Signed, Sealed and Delivered
in the presence of:

SPECTRUM DEVELOPMENT CORPORATION

By: _____

Attest: _____

STATE OF FLORIDA)
) SS.
COUNTY OF LEE)

I HEREBY CERTIFY that on this _____ day of _____, 197__, before me, a Notary Public, personally appeared _____

of SPECTRUM DEVELOPMENT CORPORATION, to me known to be the persons who executed the foregoing deed, and they acknowledged before me that they executed the same as such officers for the uses and purposes therein mentioned; and that such execution is their free act and deed and the act and deed of said corporation; and that they affixed thereto the corporate seal of said corporation.

WITNESS my hand and official seal at _____, in the County and State last aforesaid, this _____ day of _____, 197__.

NOTARY PUBLIC
State of Florida at Large

My Commission Expires:

RECORDED IN OFFICIAL
RECORDS
LEE COUNTY, FLORIDA
RECORD VERIFIED

APR 22 10 15 AM '75

SAL BERACH
CLERK OF CIRCUIT COURT
Sal Berach