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DECLARATION OF CONDOMINIUM

OF

LAKESHORE 10, A CONDOMINIUM

VETERANS CONSTRUCTION CORPORATION, a Delaware corporation, being the owner of record of the fee simple title to the real property situate, lying and being in Dade County, Florida, as more particularly described in the Survey Exhibit attached hereto as Exhibit 1, which is incorporated herein by reference, does hereby state and declare that the realty described on sheet three (3) of said Exhibit 1, under the legend "Lakeshore 10, A Condominium, Phase 1", together with improvements thereon, is submitted to condominium ownership pursuant to the Condominium Act of the State of Florida (Chapter 718, Fla.Stat., et seq.) and does hereby file this Declaration of Condominium.

1. PURPOSE; NAME AND ADDRESS; LEGAL DESCRIPTION; EFFECT.

- 1.1 PURPOSE. The purpose of this Declaration is to submit the lands and improvements herein described to condominium ownership and use in the manner prescribed by the Laws of the State of Florida.
- 1.2 NAME AND ADDRESS. The name of this Condominium is as specified in the title of this document.
- 1.3 THE LAND. The real property described under the legend "Lakeshore 10, A Condominium" on sheet three (3) of said Exhibit 1, is the Condominium Property contemplated to be subject to condominium ownership as provided for herein. Such property is subject to such easements, restrictions, reservations and rights of way of record, together with those contained or provided for in this instrument and the exhibits attached hereto. The real property described for Lakeshore 10, A Condominium, Phases 2, 3, and 4, on sheet three (3) of said Exhibit 1, are not being submitted to condominium ownership by this Declaration but rather are described in order to meet the requirements of 718.403, Fla.Stat. (1984) and may be added to this Condominium pursuant to the provisions of Paragraphs 2.2-2.4 hereof or the descriptions thereof may be revised pursuant to 718.403, Fla. Stat.
- 1.4 EFFECT. All of the provisions of this Declaration of Condominium and all Exhibits attached hereto shall be binding upon all Unit Owners and are enforceable equitable servitudes running with the Condominium Property and existing in perpetuity until this Declaration is revoked and the Condominium is terminated as provided herein. In consideration of receiving, and by acceptance of a grant, devise or mortgage, all grantees, devisees or mortgagees, their heirs, personal representatives, successors and assigns, and all parties claiming by, through, or under such persons agree to be bound by the provisions hereof. Both the burdens imposed and the benefits granted by this instrument shall run with each Unit as herein defined.

2. SURVEY AND DESCRIPTION OF IMPROVEMENTS.

- 2.1 SURVEY. On sheets two (2) through fourteen (14) of Exhibit 1 is a survey of the land, graphic description, and plot plans of the improvements constituting the Condominium, identifying the Units, Common Elements and Limited Common Elements, and their respective locations.

and approximate dimensions. Sheet two (2) of Exhibit 1 contains the Surveyor's Notes with respect to same.

- 2.2 PHASING. This Condominium is a phase condominium as provided for in 718.403, Fla.Stat. On Exhibit 1, Sheets two (2) through seven (7) there are representations and descriptions of the land which may, at Sponsor's sole option, become part of the Condominium and upon which each phase is to be built. There are five types of units to be constructed in the Condominium, Type A, approximately 685 square feet, Type B, approximately 863 square feet, Type C, approximately 970 square feet, Type D, approximately 960 square feet and Type E, approximately 1195 square feet. Such size is the maximum per unit type.

The proposed arrangement of the five unit types for each phase of the Condominium appears on Sheets nine (9) and ten (10) of Exhibit 1. Sponsor reserves the right to alter the mix and size of unit types so long as there will be no material or adverse change in the approximate size of the units.

The maximum and minimum number of units to be included in each phase is as follows:

Phase 1	12 units	Phase 3	8 units
Phase 2	12 units	Phase 4	8 units

- 2.3 AMENDMENT. No amendment, notwithstanding anything in the Declaration to the contrary, adding phases to the Condominium shall require the execution of such amendment or any form of consent thereto by Unit Owners, the Association or by any party other than the Sponsor. The form of such amendment is attached hereto as Exhibits 1a and 1a-1.

- 2.4 EFFECT OF PHASING. The general effect of phasing a condominium is the submission of a parcel of property to condominium ownership as the initial condominium phase and the addition(s) of subsequent parcels to condominium ownership with such subsequent parcels being part and parcel of the same condominium and governed by the same condominium association. It is not anticipated that the submission of additional phases to the Condominium will have significant impact upon the individual Unit Owner's rights except as set forth in this Declaration. The adding of a subsequent phase to this Condominium, thereby adding additional Units, will reduce the fraction of common elements attributable to each previously created Unit, as specifically set forth in Exhibit 1b. (See Paragraph 4.2 hereof). The adding of a subsequent phase to this Condominium will not affect the vote of any Unit Owner as a member of the Association. Each Unit Owner shall continue to have one vote for each Unit in the Condominium owned by such Unit Owner, provided, however, that the total number of votes entitled to be cast will increase by the number of Units contained in the phase so added. If Sponsor decides not to add any or all of the additional phases to this Condominium, the number of Units in this Condominium will be as created by this Declaration and the Owners thereof shall comprise the complete membership of the Association and thereby be entitled to cast 100% of the votes of the Association. No time shares may be created with respect to Units in any phase. There are no recreation areas and facilities owned as common elements of the Condominium and,

therefore, phasing will have no effect on such areas and facilities.

The phases of the Condominium will be completed by the following schedule. (The date by which a particular unit must be completed will be set forth in Paragraph 4 of an executed purchase and sale agreement):

<u>Phase</u>	<u>Completion Date</u>	<u>Phase</u>	<u>Completion Date</u>
1	December 31, 1988	3	December 31, 1988
2	December 31, 1988	4	December 31, 1988

3. DEFINITIONS OF TERMS. The terms used in this Declaration and the Exhibits attached hereto shall have the meanings stated in the Condominium Act (718.101, Fla. Stat.) and as follows, unless the context otherwise requires.
- 3.1 "Condominium" means that form of ownership of real property which is created pursuant to the provisions of Chapter 718, Fla. Stat. and which is comprised of units that may be owned by one or more persons, and there is, appurtenant to each Unit an undivided share in Common Elements. The term shall also mean the Condominium established by this Declaration.
- 3.2 "Declaration" or "Declaration of Condominium" means this instrument.
- 3.3 "Unit" or "Condominium Unit" means the portions of the Condominium Property which are to be subject to private ownership as specified in this Declaration.
- 3.4 "Common Elements" means the portions of the Condominium Property not included in the Units.
- 3.5 "Limited Common Elements" means those Common Elements which are reserved for the use of certain Unit or Units to the exclusion of other Units as specified in this Declaration.
- 3.6 "Association" means the non-profit Florida corporation whose name and seal appears at the end of this Declaration which is the entity responsible for the operation of the Condominium.
- 3.7 "Board" or "Board of Administration" or "Board of Directors" means the Board of Directors of the Association responsible for the administration of the Association.
- 3.8 "Bylaws" means the Bylaws of the aforescribed Association. The Bylaws of the Association are attached hereto and made a part hereof as Exhibit 3.
- 3.9 "Condominium Act" means the Condominium Act of the State of Florida (Chapter 718, Fla. Stat., et seq.) as it exists at the time of filing this Declaration.
- 3.10 "Common Expenses" means all expenses and assessments properly incurred by the Association for the Condominium as specified in the Condominium Act and all other expenses declared Common Expenses by provisions of this Declaration and its exhibits.
- 3.11 "Common Surplus" means the excess of all receipts of the Association, including, but not limited to, assessments, rents, profits, and revenues on account of the Common Elements, over the amount of Common Expenses.

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- 3.12 "Condominium Property" means and includes the lands hereby subjected to condominium ownership, whether or not contiguous, and all improvements thereon and all easements and rights appurtenant thereto.
- 3.13 "Assessment" means a share of the funds required for the payment of Common Expenses which is assessed against the Unit Owners from time to time.
- 3.14 "Unit Owner" means the owner of a Condominium Unit, which includes any individual, corporation, partnership or other business entity.
- 3.15 "Institutional Mortgagee" means a State or Federal Bank, Savings and Loan Association, Insurance Company, Real Estate Investment Trust, Union Pension Fund, or an Agency of the United States Government or like entity being a mortgagee of a Unit generally recognized in the community as an Institutional Mortgagee.
- 3.16 "Occupant" means the person or persons other than the Unit Owner in actual possession of a Unit.
- 3.17 "Privacy Area" means those contained or fenced Limited Common Elements, appurtenant to a certain Unit reserved for the use of such Unit to the exclusion of other Units.
- 3.18 "Condominium Documents" means this Declaration, the Survey Exhibit, Articles of Incorporation of the Association, and Bylaws of the Association.
- 3.19 "Sponsor" means Veterans Construction Corporation, a Delaware corporation, its successors and assigns which has created this Condominium in its capacity as developer.
- 3.20 "Articles of Incorporation" means the Articles of Incorporation of the Association. The Articles of Incorporation are attached hereto and made a part hereof as Exhibit 2.
- 3.21 "Community Association" means The Lakeshore Community Association, Inc., whose Articles of Incorporation and Bylaws will be recorded among the Public Records of Dade County, Florida, which governs pursuant to that certain Master Declaration.
- 3.22 "The Lakeshore Community" means all or part of those lands described on sheet one (1) of Exhibit 1 to the Declaration.
- 3.23 "Master Association" means Villages of Homestead Homeowners' Association, Inc., a Florida corporation not for profit, its successors and assigns, and the entity responsible for the administration of the Master Declaration.
- 3.24 "Master Declaration" means the Declaration of Protective Covenants and Conditions for Villages of Homestead, dated September 5, 1978 and recorded September 28, 1978 in Official Records Book 10169 at Page 1539 of the Public Records of Dade County, Florida, and when the context permits, shall also mean the Articles of Incorporation and Bylaws of the Master Association, all as now or hereafter amended, modified or supplemented.

The definitions herein contained shall prevail as the context requires.

4. THE UNIT AND COMMON ELEMENTS.

4.1 INTEREST IN COMMON ELEMENTS. Each Unit Owner shall own, as an appurtenance to his Unit, an undivided interest in the Common Elements as assigned thereto in Exhibit 1b. (Subject to the provisions of Paragraph 4.2.) The percentage of undivided interest of each Unit shall not be changed without the unanimous consent of all owners of all of the Units (except as provided for in Paragraphs 2, 4 and 16 hereof). No owner of any Unit shall bring an action for partition or division of his undivided interest in the Common Elements.

4.2 PHASING. As set forth in Paragraph 2 of this Declaration, in the event that additional improvements are submitted to Condominium Ownership there will be an automatic change in the percentage of undivided interests in Common Elements appurtenant to each unit as set forth on Exhibit 1b. It is acknowledged that 718.403, Fla. Stat. provides that the Sponsor may effectuate such amendment without the joinder of any person whomsoever. However, notwithstanding such provision the Unit Owners in this Condominium, and the Mortgagees of such units are deemed, by the acceptance of their interests, to have specifically consented, in proper form (including language of conveyance if necessary) to such amendment. Each Unit Owner shall own an individual fractional interest in the Common Elements based upon a fraction, the numerator of which shall be one (1) and the denominator of which shall be the number of Units submitted to condominium ownership from time to time, as additional phases may be added. For instance, each Unit Owner in Phase 1 (containing twelve (12) Units) will own an individual one/twelfth (1/12th) interest in and to the Common Elements. If Phases 2 through 4, containing an additional proposed twenty-eight (28) Units, are added to the Condominium, then each Unit Owner will own an individual one/fortieth (1/40th) interest in and to the Common Elements.

4.3 BOUNDARIES. A Unit consists of an individual apartment lying within the following boundaries:

4.3.1 HORIZONTAL BOUNDARY:

UPPER AND LOWER BOUNDARIES. The upper and lower boundaries of the Apartment shall be following boundaries extended to an intersection with the perimetrical boundaries:

- (1) UPPER BOUNDARY - The horizontal plane of the undecorated finished ceiling.
- (2) LOWER BOUNDARY - The horizontal plane of the undecorated finished floor.

4.3.2 PERIMETRICAL BOUNDARIES:

The perimetrical boundaries of the Unit shall be the vertical planes of the undecorated finished interior walls extended to intersections with each other and with the Upper and Lower Boundaries.

- (1) Where there is an aperture in any perimetrical boundary, including, but not limited to, windows and doors, the vertical boundary shall be extended at all such places, at right angles, to the dimension of such aperture, so that the perimetrical boundary at such places shall be coincident with the exterior unfinished surface of such aperture, including the framework thereto. Exterior walls made of glass or glass fired to metal framing, exterior windows and frames, exterior glass sliding doors, frames and casings, shall be included within the Unit and shall not be deemed a Common Element.
- (2) Where a balcony, attic, loggia, terrace, porch, stairway or other portion of the building or any fixture shall vary with exterior unfinished surface of any such structure, the perimetrical boundary shall be extended in a vertical plane, where necessary, to the horizontal boundary.
- (3) The interior partitions within a Unit are part of said Unit.
- (4) The balcony of each Unit shall be a Limited Common Element, limited to the use of the Owner of the Unit to which the balcony is attached and shall pass as an appurtenance to said Unit.

4.3.3 WEIGHT BEARING STRUCTURES. The area beneath the unfinished surface of any weight bearing structure which is otherwise within the horizontal and perimetrical boundaries of a Unit is a Common Element not a part of the Unit.

4.3.4 MAINTENANCE EASEMENT. There shall exist as a Common Element, an easement through each Unit for ducts, pipes, conduits, plumbing, wiring or other facilities for the furnishing of utility services to Units and the Common Elements and for maintaining, repairing or servicing the same. Any pipes, ducts, wires, conduits, electrical panels, plumbing, drains, or any utility services serving only one Unit are part of such Unit and are not Common Elements.

4.3.5 AIR CONDITIONING. Notwithstanding any of the provisions of this Paragraph 4 to the contrary, the air-conditioning compressor serving a Unit and the refrigerant and electrical lines running from such compressors to, and the air handler within, the individual Units are part of such Unit and are not Common Elements.

4.4 AUTOMOBILE PARKING AREAS. After the filing of this Declaration, there shall be assigned to each Unit the exclusive right to use at least one automobile parking space. Such assigned parking spaces shall be used only by the owner of such Unit or such owner's guests and invitees. The assignment of such parking spaces shall be made by the Sponsor and the assignment thereof may be amended by the Community Association at its discretion. Parking spaces shall be assigned by a Designation of Parking Space to be conveyed to each unit owner

at closing. Said designations shall be retained in the Community Association's files but will not be recorded.

4.4.1 NO CHANGE IN COMMON EXPENSE. Upon the assignment of an exclusive parking spaces, the owner of such Unit shall have the exclusive right to use the same without additional charge therefor by the Association.

4.4.2 UNASSIGNED PARKING. Parking spaces which have not been assigned shall be maintained as guest parking and governed as such by the Community Association.

5. RESTRICTION AGAINST FURTHER SUBDIVIDING OF UNITS. No unit may be divided or subdivided into a smaller Unit or Units other than as shown on Exhibit 1 hereto, nor shall any Unit, or portion thereof, be added to or incorporated into any other Unit (except as provided in Paragraph 2 hereof).

6. EASEMENTS.

6.1 PERPETUAL NON-EXCLUSIVE EASEMENT. The Common Elements are hereby declared to be subject to a perpetual non-exclusive easement in favor of all of the Unit Owners in the Condominium for their use and the use of their immediate families, guests and invitees, for all proper and normal purposes, including the providing of services for the benefit of all Units.

6.2 EASEMENT FOR UNINTENTIONAL AND NON-NEGLIGENT ENCROACHMENTS. In the event that any Unit, Common Element or Limited Common Element shall encroach upon any other Unit, Common Element or Limited Common Element for any reason other than the purposeful or grossly negligent act of any person, then an easement appurtenant to such shall exist for so long as such encroachment shall naturally exist.

6.3 UTILITY EASEMENTS. Utility easements are reserved and/or granted, through the Condominium Property as may be required for utility service (including construction and maintenance) in order to adequately serve the Condominium.

6.4 INGRESS AND EGRESS. A non-exclusive easement for ingress and egress is hereby created for pedestrian traffic over, through and across sidewalks, paths, walks, driveways, passageways and lanes as the same, from time to time, may exist upon the Common Elements; and for vehicular traffic over, through and across such portions of the Common Elements as, from time to time, may be paved and intended for such purposes.

6.5 USE. The use of any easement by a Unit Owner shall be subject to the provisions of this Declaration and of the document creating the easement.

6.6 ACCESS. Sponsor covenants to provide, either by way of easements or publicly dedicated right of way, reasonable access for ingress and egress from this Condominium to the public way. The Sponsor shall have the unequivocal continuous right to use, alter, change and relocate said easements as often as it deems necessary, without the consent of the Association, Unit Owners, and any others entitled to use the easement as location of this easement shall not be deemed to run with this Condominium. The Sponsor shall also have the right to grant or dedicate such easements to the public, govern-

mental authorities or Community Association without the consent of any person whomsoever. However when requested the Association and Unit Owners shall join in the execution or confirmation of the same. Provided however, such right to use, alter, change and relocate said easements shall expire the later of substantial completion of the last of the five (5) phases or December 31, 1988.

- 6.7 SURVEY EXHIBIT - EASEMENTS. The Sponsor shall have the right to create, or reserve unto itself, such easements as are necessary to accomplish the purposes referred to in this Declaration. Further, Sponsor shall have the unequivocal right without the joinder of any other party to grant such easements, (ingress, egress and maintenance) to such parties, including the Community Association, as Sponsor deems fit, over the traffic ways as contained in the parking areas and those portions of the canals and waterways as are contained on the Condominium Property. If such easement is granted, the portion thereof that falls within the confines of the Condominium Property is designated as shown on Exhibit 1 attached hereto and shall be governed by the language thereon or may be created by separate document. The responsibility for the maintenance of the easements designated on Exhibit 1 being granted over parking areas, canals or waterways, if any, shall be as provided for therein, and if no such provision is made, the Community Association shall be responsible for the maintenance and care thereof. Sponsor, or its designee, or the Community Association, shall have the right to enter the Condominium Property for the purpose of constructing, maintaining and repairing said easements and the equipment thereon. Should the Sponsor grant additional easements which connect with or are intended to supplement, replace or relocate the easements designated on Exhibit 1, the same shall automatically be part of the easements provided therein as if originally set forth.
- 6.8 ADDITIONAL EASEMENTS. Sponsor reserves unto itself, or its designee, the unequivocal right to create additional easements over, upon, or through the Condominium Property, at any time, for any purpose without the joinder of the Association or any Unit Owners whomsoever, provided, that said easements so created shall not cause a diminution of parking spaces or cause a taking of part or all of the actual building. However, if requested, the Association and Unit Owners shall join in the creation thereof.
7. COMMON EXPENSE; COMMON SURPLUS.
 - 7.1 LIABILITY AND METHOD OF SHARING. Each Unit shall share in the Common Surplus and be liable for the Common Expenses in the same percentage as the percentage representing the undivided interest of each Unit in the Common Elements as it may exist at any time. The right to share in the Common Surplus does not include the right to withdraw, or to require payment or distribution thereof, except upon termination and dissolution of the Condominium.
 - 7.2 SPONSOR'S OBLIGATION. The Sponsor shall be excused from payment of the share of Common Expenses in respect to those units owned by Sponsor which are offered for sale during such period of time that Sponsor shall have guaranteed that the assessment for Common Expenses of the Condominium imposed upon the Unit Owners other than

Sponsor shall not increase over a stated dollar amount, and for which period Sponsor shall have obligated itself to pay any amount of Common Expenses not produced by the assessments at the guaranteed level receivable from other Unit Owners. Sponsor guarantees that monthly assessments shall not exceed the amount of Forty-Seven (\$47.00) Dollars per year for each Unit during the year of the guarantee period. The time period during which assessments shall be guaranteed at the stated rate shall be in effect for a period of one year from the date of recordation of this Declaration.

8. ADMINISTRATION OF THE CONDOMINIUM.

- 8.1 THE ASSOCIATION. The Association shall administer the operation and management of the Condominium Property and undertake and perform all acts and duties incident thereto in accordance with this Declaration, its exhibits and the Condominium Act and join with other corporations or entities in becoming a member of the Community Association to assist same in promoting the health, safety and welfare of the residents of The Lakeshore Community.

As phases are added to, and become a part of this Condominium, the Association shall administer the operation and management of the Condominium as it then exists.

- 8.2 MEMBERSHIP. Each Unit Owner shall automatically become a member of the Association with full voting rights appertaining thereto, and Community Association upon his acquisition of title to any Unit and said membership shall terminate automatically upon said Unit Owner being divested of title to such Unit, regardless of the means by which such ownership may be divested. No person holding any lien, mortgage or other encumbrance upon any Unit shall be entitled, by virtue thereof, to membership in the Association or Community Association or to any of the rights or privileges of such membership.

- 8.3 POWERS OF ASSOCIATION. In the administration of the Condominium, the Association shall have, and is hereby granted, the authority and power to enforce the provisions of this Declaration, levy and collect assessments in the manner hereinafter provided, and to adopt, promulgate and enforce such Rules and Regulations governing the use of the Units, Common Elements and Limited Common Elements as the Board of the Association may deem to be in the best interest of the Condominium. The Association shall have all of the powers and duties set forth in the Condominium Act, Chapter 718, Florida Statutes.

- 8.4 REPORTS TO MEMBERS. The Association or its designees shall maintain such records as required by the Condominium Act.

- 8.5 REPORTS TO LENDERS AND OTHERS. So long as an Institutional Mortgagee of any Unit is the owner or holder of a mortgage encumbering a Unit in the Condominium, the Association shall furnish said Institutional Mortgagee or insurer of such mortgage with one (1) copy of an audited annual financial statement, report of the Association pertaining to the Unit upon which the mortgage is held, and all other records and documents which

the Association is required to maintain pursuant to the Condominium Act, provided said Institutional Mortgagee requests same.

- 8.6 INSURANCE REPORTING. In any legal action in which the Association may be exposed to liability in excess of insurance coverage protecting it and the Unit Owners, the Association shall give notice of the exposure within a reasonable time to all Unit Owners who may be exposed to the liability and they shall have the right to intervene and defend.

A copy of each insurance policy obtained by the Association shall be made available for inspection by Unit Owners at reasonable times.

- 8.7 VOTING. Each Unit Owner or Owners, including the Sponsor, shall be entitled to only one (1) vote for each Unit owned. The vote of each Unit Owner shall be governed by the provisions of the Bylaws.

- 8.8 MANAGEMENT AGREEMENT. The Association may enter into an agreement with any person, firm or corporation for the administration, maintenance and repair of the Condominium Property and may delegate to such contractor or manager such of the powers and duties of the Association as the Association and such person, firm or corporation shall agree.

9. USE AND OCCUPANCY.

- 9.1 RESIDENTIAL USE. Each Unit is hereby restricted to residential use as a single family residence by the owner or owners thereof, their immediate families, guests and invitees but in no event shall there be more than two (2) natural person owners of any Unit or more than one non-natural person owner of any Unit. Guests and invitees may visit and temporarily reside in a Unit no more than twice in any calendar year for a period of time not to exceed thirty (30) days for each visit unless otherwise approved by the Association in cases of extreme personal need or hardship.

- 9.2 OWNERSHIP BY ENTITY. In the event that other than a natural person is a Unit Owner, said entity shall, prior to the purchase of such Unit, designate the person who is to be the Occupant of such Unit. Such entity shall not thereafter have the right to designate other persons as the Occupants of such Unit, whether in substitution of or in addition to the persons initially designated, except with the approval of the Association. All provisions of this instrument shall apply to such designated Occupants as though they had title to such Unit and the entity owning such Unit shall be bound thereby. The provisions hereof shall not be applicable to any Corporation formed or controlled by Sponsor. In the event more than one family unit shall hold title to a unit then they shall also designate occupants as aforesaid. It is understood that at no time may the unit be used by more persons than that for which it is designed.

- 9.3 GENERAL USE RESTRICTION. No person shall use the Condominium Property, or any parts thereof, in any manner contrary to the Condominium Documents or Condominium Act.

- 9.4 ALTERATIONS AND ADDITIONS. No Unit Owner shall make or permit to be made any internal material alteration, addition or modification to his Unit, without the prior written consent of the Association and Sponsor. No Unit Owner shall cause the balcony or terrace which is abutting, or part of, his Unit to be enclosed or cause any improvements or changes to be made therein, or changes to the exterior of the Unit without the written permission of the Association, Sponsor and the Architectural Control Committee of the Community Association for so long as at least one (1) unit in The Lakeshore Community remains for sale in the ordinary course of business by Sponsor. All improvements or changes which may be permitted shall be uniform in appearance. No Unit Owner shall cause to be made any modification or installation of electrical wiring, television antenna systems or connections whether inside or outside the Unit or in any manner change the appearance of any portion of the Condominium Property. No Unit Owner may cause any material puncture or break in the boundaries of his Unit. No Unit Owner shall grow or plant any type of plant, shrub, flower, etc. outside his Unit or in his Privacy Area without the prior, written consent of the Association and Sponsor. The Sponsor's consent shall not be unreasonably withheld. All units above ground level shall maintain fully carpeted floors in said units at all times (except in bathrooms and kitchens).
- 9.5 LAWFUL USE. No immoral, improper, offensive or unlawful use shall be made of any or all the Condominium Property, and all laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies for maintenance, modification or repair of the Condominium Property shall be the same as the responsibility for maintenance and repair of the property concerned.
- 9.6 NUISANCES. No nuisance or any use or practice that is the source of unreasonable annoyance to other Unit Owners or which interferes with the peaceful possession and proper use of the Condominium Property by the Unit Owners is permitted. No Unit Owner or Occupant shall permit or suffer anything to be done or kept upon the Condominium Property or his Unit which will increase the rate of insurance on the Condominium. No cooking outside of the Unit will be permitted except in areas designated for same and maintained by the Community Association.
- 9.7 LEASING. No lease may be made for less than a ninety (90) day period nor shall any transient accommodations be provided. No Owner may lease his Unit more than twice a calendar year. A Unit Owner intending to lease his Units shall furnish the Association a copy of said lease. No part of a unit may be leased. All leases of a unit shall be subject to the provisions of the Condominium Documents. Failure of any lessee to comply with the provisions of said documents shall constitute a default under the terms of the lease.
- 9.8 APPLICABILITY TO SPONSOR. No Unit Owner or the Association, or their use of the Condominium, shall interfere with the Sponsor's completion and sale of the Condominium Units, whether in this Condominium or otherwise. Anything contained herein to the contrary notwithstanding, the Sponsor may make such use of any

unsold Unit and the Common Elements as may facilitate the sale or leasing of any Unit.

9.9 RULES AND REGULATIONS. All Unit Owners and other persons shall use the Condominium Property in accordance with the Rules and Regulations promulgated by the entity in control thereof and the provisions of this Declaration and the Bylaws of the Association, as applicable.

10. MAINTENANCE, ALTERATION AND REPAIR OF THE CONDOMINIUM PROPERTY.

10.1 MAINTENANCE BY ASSOCIATION. The Association, at its expense, shall be responsible for and shall maintain, repair and replace all of the Common and Limited Common Elements, except for lawn maintenance which shall be the responsibility of the Community Association. Any exterior painting, repair or replacement requires the prior approval of the Architectural Control Committee of the Community Association.

10.2 MAINTENANCE BY UNIT OWNER. The Unit Owner shall, subject to the other provisions of this Declaration, maintain, repair and replace, at his expense, all portions of his Unit including, but not limited to, all doors, windows, glass, screens, porch, balcony, screening, electric panels, electric wiring, electric outlets and fixtures, heaters, hot water heaters, refrigerators, dishwashers and other appliances, drains, plumbing fixtures and connections, interior surfaces of all walls, floors and ceilings, and all other portions of his Unit. The Unit Owner shall maintain and repair the air-conditioning compressor, refrigerant and electrical line appurtenant to his Unit.

10.3 LIABILITY OF UNIT OWNER. Should a Unit Owner undertake additions and modifications to his Unit or to his Privacy Area(s) without the prior written consent of the Board of Directors and Sponsor, or refuse to make repairs as required, or should a Unit Owner cause any damage to the Common Elements, the Association may make such removals, repairs or replacements and have the right to levy a special assessment for the cost thereof against the said Unit Owner. In the event a Unit Owner threatens to or violates the provisions hereof, the Association shall also have the right to proceed in a court of equity for an injunction to seek compliance with the provisions hereof.

10.4 INSURANCE PROCEEDS. Whenever any maintenance, repair and replacement of any items for which the Unit Owner is responsible is made necessary by any loss covered by insurance maintained by the Association, the proceeds of the insurance received by Association, or the Insurance Trustee, shall be used for the purpose of accomplishing such maintenance, repair or replacement. The Unit Owner shall be required to pay all of the costs thereof that exceed the amount of the insurance proceeds.

10.5 RIGHT OF ENTRY BY ASSOCIATION. Whenever it is necessary to enter any Unit for the purpose of inspection, including inspection to ascertain a Unit Owner's compliance with the provisions of this Declaration, or for performing any maintenance, alteration or repair to any portion of the Common Elements or Unit, the Unit Owner shall permit an authorized agent of the Association and Management Firm to enter such Unit, go upon the Limited

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Common Elements, or to go upon the Common Elements, provided, that such entry shall be made only at reasonable times and with reasonable advance notice. In the case of emergency such as, but not limited to, fire or hurricane, entry may be made without notice or permission. The Unit Owners acknowledge that the Association has retained a master pass key to all the Units in the Condominium. Each Unit Owner does hereby appoint the Association as his agent for the purposes herein provided and agrees that the Association shall not be liable for any alleged property damage or theft caused or occurring on account of any entry.

11. NOTICE OF LIEN OR SUIT.

11.1 NOTICE OF LIEN. A Unit Owner shall give notice to the Association of every lien upon his Unit other than for mortgages, taxes and special assessments within five (5) days after the attaching of the lien.

11.2 NOTICE OF SUIT. A Unit Owner shall give notice to the Association of every suit or other proceeding which may affect title to his Unit, such notice to be given within five (5) days after the Unit Owner receives knowledge thereof.

Failure to comply with this subsection concerning liens will not affect the validity of any judicial sale.

12. PURCHASE OF UNITS BY THE ASSOCIATION. The Association shall have the power to purchase Units subject to the following provisions:

12.1 DECISION. The decision of the Association to purchase a Unit shall be made by its Directors, without approval of its members, except as hereinafter provided.

12.2 LIMITATION. If at any one time the Association be the Owner or agreed purchaser of four (4) units, it may not purchase any additional Unit without the prior written approval of seventy-five (75%) percent of the members eligible to vote thereon, excluding the Association. A member whose Unit is the subject matter of the proposed purchase shall be ineligible to vote thereon; provided, however, that the foregoing limitation shall not apply to Units to be purchased at public sale resulting from a foreclosure of the Association's lien for delinquent assessments where the bid of the Association does not exceed the amount found due the Association, or to be acquired by the Association in lieu of foreclosure of such lien if the consideration therefor does not exceed the cancellation of such lien.

13. TAX OR SPECIAL ASSESSMENT ASSESSED AGAINST THE CONDOMINIUM PROPERTY. If any taxing authority levies or assesses any Tax or Special Assessment against the Condominium Property as a whole, and not the individual Units, the same shall be paid as a Common Expense by the Association and assessed to the Unit Owners. In such event, the amount due shall constitute a lien prior to all mortgages and encumbrances upon any parcel to the same extent as though such Tax or Special Assessment had been separately levied by the taxing authority upon each unit.

All personal property taxes levied or assessed against personal property owned by the Association shall be paid by the Association and shall be a Common Expense.

14. INSURANCE PROVISIONS. The insurance which shall be purchased and maintained for the benefit of the Condominium shall be governed by the following provisions:

14.1 PURCHASE OF INSURANCE. All insurance purchased pursuant to this Paragraph 14.1 shall be purchased by the Association for the benefit of the Association, the Unit Owners and their respective mortgagees, as their interest may appear, and shall provide for the issuance of certificates of insurance and mortgagee endorsements to any or all of the holders of institutional first mortgages. The policies shall provide that the insurer waives its rights of subrogation as to any claims against Unit Owners and the Association, their respective servants, agents and guests. Each Unit Owner and the Association hereby agree to waive any claim against each other and against other Unit Owners for any loss or damage for which insurance hereunder is carried where the insurer has waived its rights of subrogation as aforesaid. Said policies and endorsements shall be deposited with the Insurance Trustee (as hereinafter defined) who must first acknowledge that the policies and any proceeds thereof will be held in accordance with the terms and conditions hereof.

14.2 COST AND PAYMENT OF PREMIUMS. The cost of obtaining all insurance hereunder, excluding only the insurance as may be purchased by individual Unit Owners, is declared to be a Common Expense, as are any other fees or expenses incurred which may be necessary or incidental to carry out the provisions hereof.

14.3 UNIT OWNERS' RESPONSIBILITY. Each Unit Owner may obtain insurance, at his own expense, affording coverage upon his own property and for his own liability and living expenses as he deems advisable. All such insurance shall contain the same waiver of subrogation that is referred to herein and shall waive any right to contribution.

14.4 COVERAGE. The following coverage shall be obtained by the Association:

14.4.1 The building(s) and all other insurable improvements upon the land, including all of the Units, Common Elements, Limited Common Elements, and all personal property owned by the Association shall be insured in an amount equal to the maximum insurable replacement value thereof of like kind or quality (exclusive of excavations and foundations as determined annually by the Association in consultation with the insurance company providing the coverage). Said coverage shall afford protection against loss or damage by fire and other hazards covered by the standard extended coverage endorsement and all other such risks as, from time to time, may be covered with respect to buildings similar in construction, location and use, including, but not limited to, fire, vandalism, malicious mischief, windstorm, war damage and war risk insurance, if available.

14.4.2 Comprehensive general public liability and property damage insurance in such an amount and in such form as shall be required by the Association in limits of not less than One Million (\$1,000,000.00) Dollars for bodily injury or death to any person; not less than Three Hundred

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Thousand (\$300,000.00) Dollars for bodily injury or death resulting from any one accident of occurrence, and not less than Fifty Thousand (\$50,000.00) for property damage. Said coverage shall include, but not be limited to, water damage, legal liability, hired automobile, non-owned automobile, and off-premises employee coverage. All liability insurance shall contain cross liability endorsements to cover liabilities of the Unit Owners as a group to an individual Unit Owner and one Unit Owner to another.

14.4.3 Workmen's compensation policies shall be obtained to meet the requirements of law.

14.4.4 Such other insurance as the Board of the Association may determine to be necessary from time to time.

14.5 INSURANCE TRUSTEE. All insurance policies purchased in accordance with Paragraph 14.4a shall provide that all proceeds payable to the Association as a result of any insured loss, except those specifically herein excluded, shall be paid to any national or state bank doing business in Dade County. Such bank shall be designated as Trustee, from time to time, by the Association (said Trustee is herein referred to as the "Insurance Trustee") and which appointment is subject only to the approval of the Institutional Mortgagee holding the greatest dollar amount of mortgages against Units in the Condominium. The Insurance Trustee shall not be liable for payment of premiums, the renewal of the policies, the sufficiency or content of the policies, or for failure to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to receive said proceeds, as paid, and to hold the same in trust for the benefit of the Association, the Unit Owners and their respective mortgagees, as follows:

14.5.1 Proceeds received on account of damage to Common Elements shall be held in the same proportion as the share in the Common Elements which is appurtenant to each of the Units.

14.5.2 Proceeds on account of damage to the Units shall be held in the following manner in undivided shares:

(a) PARTIAL DESTRUCTION WHEN THE BUILDING IS TO BE RESTORED. For the benefit of the Unit Owners of the damaged Unit. Upon the request of the Insurance Trustee, the Association shall certify to the Insurance Trustee the appropriate proportion and each Unit Owner shall be bound thereby and the Insurance Trustee may rely upon said certification.

(b) TOTAL DESTRUCTION WHEN THE BUILDING IS DESTROYED OR WHEN THE BUILDING IS NOT TO BE RESTORED. For all Unit Owners of a destroyed building; the share of each being in the same proportion as the Unit Owner's undivided share in the Common Elements which is appurtenant to his Unit. In the event a mortgagee endorsement has been issued hereunder, the share of the Unit Owner shall be held in trust for the mortgagee and the Unit Owner as their interest

may appear. In the event that there is more than one building in the condominium then the proceeds shall be held for the benefit of the Unit Owners in the destroyed building as if it were the only building in the Condominium.

14.6 DISTRIBUTION OF PROCEEDS. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the Unit Owners (after first paying or making provision for payment of the expenses, including a reasonable fee for the services rendered, of the Insurance Trustee) in the following manner:

14.6.1 If the damage for which the proceeds were paid is to be reconstructed, the proceeds shall be paid to defray the costs thereof. Any proceeds remaining after defraying said costs shall be distributed to the Association.

14.6.2 If it is determined that the damage for which the proceeds are paid shall not be reconstructed, the proceeds shall be distributed to the Unit Owners and their mortgagees as their interest may appear.

14.6.3 In making distribution to Unit Owners and their mortgagees, the Insurance Trustee may rely upon a certificate provided by the Association as to the names of the Unit Owners and mortgagees and their respective shares of the distribution. Upon request of the Insurance Trustee the Association shall forthwith deliver said certificate.

14.7 ASSOCIATION AS AGENT. The Association is irrevocably appointed agent for each Unit Owner, for each owner of a mortgage upon a Unit and for each owner of any other interest in the Condominium Property to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

14.8 DETERMINATION TO RECONSTRUCT. If any part of the Condominium Property shall be damaged by casualty the determination as to whether or not it shall be reconstructed shall be made in the following manner:

14.8.1 COMMON ELEMENT. If the damage is only to Common Elements the damaged property shall be reconstructed unless it is determined in the manner elsewhere provided that the Condominium shall be terminated.

14.8.2 DAMAGE TO UNITS.

(a) If the damage is to Units to which more than 70% of the Common Elements are appurtenant are found by the Board of Directors to be untenable, then the damaged property will not be reconstructed and the Condominium will be terminated without agreement as elsewhere provided, unless within sixty (60) days after the casualty Unit Owners owning 75% or more of the Common Elements agree in writing to such reconstruction. Notwithstanding the foregoing, if the damages could be repaired for One Hundred Thousand (\$100,000.00)

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Dollars or less, the property shall be reconstructed.

- (b) If the damage is to Units, but Units to which more than 30% of the Common Elements are appurtenant are found by the Board of Directors to be tenantable, then reconstruction shall be determined on a building-by-building basis as follows:

(1) If Units in a particular building which represent more than 25% of the Common Elements appurtenant to all the Units in said building are found by the Board of Directors to be tenantable, the damaged property shall be reconstructed, unless within sixty (60) days after the casualty the Owners of Units which represent 75% or more of the Common Elements appurtenant to all the Units in said building agree in writing not to reconstruct, in which event all the Units in that building shall be removed from the Condominium without agreement pursuant to Paragraphs 14.16 and 14.17 hereof. Notwithstanding the foregoing, if such property may be reconstructed for Two Hundred Thousand (\$200,000.00) Dollars or less, the property will be reconstructed.

(2) If Units in a particular building which represent more than 75% of the Common Elements appurtenant to all the Units in said building are found by the Board of Directors to be untenable, then said damaged building will not be reconstructed and the Units in the building will be removed from the Condominium, without agreement, as provided in Paragraph 16.3 hereof, unless within sixty (60) days after the casualty the Owners of Units which represent 75% or more of the Common Elements appurtenant to all the Units in said building agree in writing to such reconstruction; provided, however, that all first mortgagees shall be given prompt written notice by the Association in the event of substantial damage to or destruction of any unit or any part of the Common Elements and the written agreement of all mortgagees must be obtained before the condominium may be terminated. Notwithstanding the fact that the required number of Units are untenable if such property may be reconstructed for Two Hundred Thousand (\$200,000.00) Dollars or less, the property shall be reconstructed.

14.8.3 CERTIFICATE. The Insurance Trustee may rely upon a certificate of the Association executed by its President or Vice President and Secretary or Assistant Secretary to determine whether or not the damaged property is to be reconstructed or repaired.

- 14.9 RESPONSIBILITY. If the damage is only those parts of a Unit for which the responsibility of maintenance and repair is that of the Unit Owner then the Unit Owner shall be responsible for reconstruction after casualty. In all other instances, the responsibility of reconstruction after casualty shall be that of the Association.
- 14.10 NATURE OF RECONSTRUCTION. Any reconstruction included hereunder shall be substantially in accordance with the plans and specifications of the original building, or as the building was last constructed, subject to modification to conform with the then current governmental restrictions and codes if necessary.
- 14.11 ESTIMATES. In all instances hereunder, immediately after a casualty causing damage to the property for which the Association has the responsibility of maintenance and repair, the Association shall obtain a reliable, detailed estimate of the cost to place the damaged property in a condition as good as that before the casualty. Such cost may include professional fees and premiums for such bonds as the Board may desire, or those required by any Institutional Mortgagee involved.
- 14.12 ASSESSMENTS. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction by the Association, or if, at any time during reconstruction or upon completion of reconstruction, the funds for the payment of the costs of reconstruction are insufficient, assessments shall be made against all Unit Owners in sufficient amounts to provide funds for the payment of such costs. Such assessments against Unit Owners for damage to Units shall be in proportion to the cost of reconstruction of their respective Units. Such assessments on account of damage to Common Elements shall be in proportion to the Unit Owner's shares in the Common Elements.
- 14.13 DISPOSITION OF PROCEEDS. The proceeds of insurance and any special assessments, if any, collected on account of a casualty and deposited with the Insurance Trustee by the Association shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction in the following manner:
- 14.13.1 That portion of insurance proceeds representing damage for which the responsibility of reconstruction lies with the Unit Owner; to such contractors, suppliers, and personnel for work done, materials supplied or services required for such reconstruction. Payments shall be in such amounts and at such times as the Unit Owners may direct, or if there is a mortgagee endorsement, to such payee as the Unit Owner and the mortgagee direct. Nothing contained herein shall be construed to limit or modify the responsibility of the Unit Owner to make such reconstruction.
- 14.13.2 If the amount of the estimated cost of reconstruction is less than Twenty-Five Thousand (\$25,000.00) Dollars, and is the responsibility of the Association; the construction fund shall be disbursed directly to the Association in payment of such costs and upon the

Association's order, provided, however, that upon the request of a mortgagee which is a beneficiary of the insurance policy, the construction fund shall be disbursed as the Association and such mortgagee may properly direct.

14.13.3 If the amount of the estimated cost of reconstruction is more than Twenty-Five Thousand (\$25,000.00) Dollars, and is the responsibility of the Association, then the reconstruction funds shall be applied by the Insurance Trustee to the payment of such costs and shall be paid for the account of the Association, from time to time, as the work progresses. Said Trustee shall make payments upon the written request of the Association accompanied by an appropriate certificate signed by both an officer of the Association and by the architect or engineer in charge of the work, setting forth:

- (a) That the sum then requested either has been paid by the Association or is justly due and certifying that the sum requested does not exceed the value of the services and materials described in the certificate.
- (b) That except for the amounts stated in said certificate to be due as aforesaid, there is no outstanding indebtedness known which may become the basis of vendor's, mechanic's or materialman's liens.
- (c) That the cost, as estimated, of work remaining to be done subsequent to the date of said certificate, does not exceed the amount of funds remaining in the hands of the Insurance Trustee after the payment of the sum so requested.

14.13.4 It shall be presumed that the first monies disbursed in payment of such costs of reconstruction shall be from insurance proceeds and shall first be applied to reconstruction of the Common Elements and then to the Units. If there is a balance in a construction fund after the payment of all costs of reconstruction, said balance shall be distributed to the Association.

14.13.5 Payment for any reconstruction made under Paragraphs 14.13.2 and 14.13.3 of this Paragraph shall be made by the Insurance Trustee and the Association only upon presentation of proof of payment of bills for materials in place, labor, services and materials for work covered and included in such payments for which failure to pay might result in a lien on the Common Elements.

14.14 EFFECT OF MORTGAGEE ENDORSEMENTS CONCERNING INSURANCE PROCEEDS. In the event a mortgagee endorsement has been issued relative to any Unit, the share of the Unit Owner shall be held in trust for the mortgagee as heretofore provided; provided, however, that no mortgagee shall have the right to determine or participate

in the determination as to whether or not the damaged property shall be reconstructed, and no mortgagee shall have the right to apply, or have applied to, the reduction of its mortgage debt any insurance proceeds except distributions of such proceeds made to the Unit Owner and mortgagee where the responsibility for reconstruction is that of the Unit Owner. All mortgagees are to waive the rights to said proceeds if the same are used pursuant to the provisions of the Declaration to pay for the restoration of such damage. The provisions hereof shall not affect the rights of the mortgagee, if any, to require any surplus proceeds to be distributed to it, over and above the amounts actually used for such restoration. All covenants contained herein for the benefit of any mortgagee may be enforced by such mortgagee. Nothing contained herein, however, shall be construed as relieving the Unit Owner from his duty to reconstruct damage to his Unit as heretofore provided.

14.15 AUTHORITY OF ASSOCIATION. In all instances herein, except when a vote of the membership of the Association, or of a particular building, is specifically required, all decisions, duties and obligations of the Association under this Paragraph 14 may be made by the Board. The Association and its members shall jointly and severally be bound thereby.

14.16 REPAIR OF LAND. In the event, pursuant to the provisions of Paragraph 14.8.2 (b), the Condominium is not terminated but a building is not to be restored, the remains of said building shall be razed and the land thereunder restored to a landscaped green area at the sole pro rata expense of the Unit Owners who own Units in said building. The expense thereof may be deducted from any insurance proceeds payable on account of casualty to said building.

14.17 CONVEYANCE TO ASSOCIATION. In the event, pursuant to the provisions of Paragraph 14.8.2 (b), hereof, the Condominium is not terminated but a building is not to be restored, the payment of any insurance funds to the Unit Owners and/or their Mortgagees of said building on account of casualty to said building, shall be contingent upon such Unit Owners' conveying by Quit-Claim Deed, executed in recordable form, all Units in said building to the Association, and further contingent upon the Mortgagees thereof executing Satisfactions of Mortgages, in recordable form for all mortgages encumbering Units in said building. The share of Common Expenses of said Units conveyed to the Association shall be a Common Expense to be shared by the remaining Unit Owners of the Condominium. Since said remaining Unit Owners will not own 100% of the Common Elements due to the fact that the Association will own the Units of said building which were not restored, and in order to collect said Common Expenses attributable to the Units owned by the Association, there shall be added to the Budget an amount entitled "Common Expenses of Association's Units" which shall be mathematically determined to equal an amount such that when added to the actual expenses and assessments of the Association, the amount to be collected from the remaining Unit Owners according to their percentage of Common Expense equals expenses and assessments.

15. ASSESSMENTS.

- 15.1 GENERAL AUTHORITY. The Association, through its Board, shall have the power to make, levy and collect regular and special assessments for Common Expenses and such other assessments as are provided for by the Condominium Act and the provisions of this Declaration and all other expenses declared by the Directors of the Association to be Common Expenses from time to time.
- 15.2 UNIT OWNERS' GENERAL LIABILITY. All Common Expenses levied against Unit Owners and Units shall be on a uniform basis in the same proportion as the percentages of the undivided shares in the ownership of the Common Elements unless specifically otherwise provided for herein, without increase or diminution for the existence, or lack of existence, of any exclusive right to use a part of the Limited Common Elements. Should the Association be the owner of any Unit(s), the assessment, which would otherwise be due and payable to the Association or others by the owner of such Unit(s), shall be a Common Expense as the same relates to the collection of such sums from the Unit Owners to pay the Association's obligations. Sponsor's liability shall be as specified in Paragraph 7 of this Declaration.
- 15.3 PAYMENT. The assessments of the Association levied against the Unit Owner and his Unit shall be payable in such installments, and at such times, as may be determined by the Board of Directors of the Association and for which the Unit Owner and his Unit shall be responsible and liable.
- 15.4 EMERGENCIES. If statements levied are, or may prove to be insufficient to pay the costs of operation and management of the Condominium, or in the event of emergencies, the Board of Directors shall have the authority to levy such additional assessment or assessments as it shall deem necessary.
 - 15.4.1 RESERVE FUND. The Board of Directors of Association in assessing for Common Expenses shall include therein a sum to be collected and maintained as a reserve fund for maintenance, repair and replacement of Common Elements for the purpose of enabling the Association to replace structural elements and mechanical equipment constituting a part of the Common Elements, as well as the replacement of personal property which may be a portion of the Condominium Property.
 - 15.4.2 OPERATING RESERVE FUND. The Board of Directors of the Association, in assessing for Common Expenses, may include therein a sum to be collected and maintained as a general operating reserve which shall be used to provide a measure of financial security during periods of special stress. Such sums may be used to meet deficiencies from time to time existing as a result of delinquent payment of assessments by Unit Owners or as a result of emergencies.

- 15.5 CONDOMINIUM WORKING CAPITAL FUND. Sponsor shall establish a Condominium Working Capital Fund for the purpose of reserve, initial and non-recurring capital expenses. At the time Sponsor closes the sale of a Unit to a purchaser (purchaser thereby becoming a Unit Owner), the purchaser shall deposit his proportionate share of the Working Capital Fund equal to two times the monthly common expense chargeable to such Unit. The Working Capital Fund may not be commingled by the Association with any of its other funds, and shall not be considered advance payment of Common Expenses.
- 15.6 SEPARATE PROPERTY. All monies collected by the Association shall, unless the same is collected for the benefit of others, be the separate property of the Association. Such monies may be applied by the Association to the payment of any expense of operating and managing the Condominium Property, or to the proper undertaking of all acts and duties imposed upon it by virtue of the provisions of this Declaration. All monies received from assessments may be co-mingled with other monies held by the Association. All assessments received by the Association shall be held for the benefit of the Unit Owners. No Unit Owner shall have the right to assign, hypothecate, pledge or in any manner transfer his interest therein, except as an appurtenance to his Unit. Such funds shall not be subject to attachment or levy by a creditor or judgment creditor of a Unit Owner. When the owner of a Unit shall cease to be a member of the Association by the divestment of his ownership of such Unit the Association shall not be required to account to such owner for any share of the funds or assets of the Association.
- 15.7 DEFAULT. The payment of any assessment or installment thereof due to the Association shall be in default if such payment is not paid to the Association when due. If in default for in excess of twenty (20) days, the delinquent assessment, or delinquent installments thereof and all advances shall bear interest at the rate equal to the maximum rate then allowed to be charged to individuals in the State of Florida. In addition, a late charge of Fifty (\$50.00) Dollars, which is acknowledged not to be a penalty, shall be then due and payable. In the event that any Unit Owner is in default in payment of any statements or installments thereof owed to the Association, said Unit Owner shall be liable for all costs of collecting the same, including reasonable attorneys' fees and court costs.
- 15.8 NO WAIVER. No Unit Owner may exempt himself from liability for any assessment levied by waiver of the use or enjoyment of any of the Common Elements or by abandonment of the Unit for which the assessments are made or in any other manner.
- 15.9 LIEN. The Association is hereby granted a lien upon each Condominium Unit, which lien shall secure the payment of all monies from each Unit Owner for which he is liable to the Association, including all assessments, interest and expenses provided for in his Declaration and reasonable attorneys' fees incurred as an incident to the enforcement of said lien. The lien granted to Association may be foreclosed as provided in the Condominium Act. The lien granted to the Association shall further secure such advances for

taxes and payments on account of Institutional Mortgages, liens or encumbrances which may be advanced by the Association in order to preserve and protect its lien. The lien shall be effective, have priority, and be collected as provided by the Condominium Act, unless, by the provisions of this Declaration, such liens would have a greater priority or dignity, in which event, the lien rights in favor of the Association having the highest priority and dignity shall be the lien of the Association. Notwithstanding anything herein to the contrary, any such lien shall be subordinate to any mortgage guaranteed by the Veterans Administration and any first mortgage on the Condominium Unit.

15.9.1 PROVISIO. In the event that any Institutional Mortgagee shall acquire title to any Unit by virtue of either foreclosure of a first mortgage, or a deed in lieu thereof, such acquirer of title, his successors and assigns, shall not be liable for the share of Common Expenses or assessments by the Association pertaining to the Condominium Unit or chargeable to the former Unit Owner of the Unit which became due prior to acquisition of title as a result of the foreclosure. The unpaid share of Common Expenses or assessments are Common Expenses collectible from all of the Unit Owners, including such acquirer and his successors and assigns. Nothing herein contained shall be construed as releasing the party liable for such delinquent assessments from the payment thereof or the enforcement of collection of such payment by means other than foreclosure. Thereafter, all Unit Owners, of any nature, including, without limitation, a purchaser at a judicial sale or Institutional Mortgagee, shall be liable for all assessments, both for Common Expenses or otherwise, coming due while he is the Unit Owner.

15.10 CERTIFICATE OF STATUS OF ASSESSMENTS. Any Unit Owner, mortgagee or lienor may require the appropriate certificate as set forth in 718.116(7), Fla. Stat. until such time as all unpaid assessments and all court costs and attorneys' fees, if any, incurred by the Association and due and owing by the former Unit Owner, have been paid in full.

15.11 NO ELECTION OF REMEDIES. The institution of a suit at law for collection of any delinquent assessment may be maintained without waiving the lien securing the same. Proceeding by foreclosure to attempt to effect such collection shall not be deemed an election precluding the institution of suit at law for collection of the same. All Unit Owners do hereby waive pleading the theory of "election of remedies" in any such proceedings.

15.12 LIENS - MECHANICS. The creation and enforcement of mechanic's and other liens against the Units and Condominium Property, except those created by this Declaration, shall be governed by the provisions of the Condominium Act.

16. TERMINATION. The Condominium may be terminated in the following manner:

- 16.1 DESTRUCTION. If it is determined in the manner provided in Paragraph 14 that the Condominium Property as a whole shall not be reconstructed, the condominium will be terminated.
- 16.2 AGREEMENT. As provided in 718.117, Fla. Stat., the Condominium may be terminated at any time by the approval in writing of all Unit Owners and all record owners of mortgages on Units.
- 16.3 CERTIFICATE. The termination of the Condominium shall be evidenced by a certificate of the Association executed by its President and Secretary certifying the fact of the termination, which shall become effective upon the certificate being recorded in the Public Records.
- 16.4 SHARES OF OWNERS AFTER TERMINATION. After termination of the Condominium the Unit Owners shall own the Condominium Property and all assets of the Association as tenants in common in undivided shares that shall be equal to the sum of the undivided shares in the Common Elements appurtenant to the Units prior to termination so that the sum total of the ownership shall equal one hundred (100%) percent.
- 16.5 OCCUPANCY RIGHTS AFTER TERMINATION. In the event of termination of the Condominium by agreement pursuant to Paragraph 16.2 hereof, each Unit Owner shall have the perpetual exclusive right to occupy the air space which formerly constituted said Unit Owner's Condominium Unit prior to termination.
- 16.6 EXCLUSIVE RIGHTS EXTINGUISHED BY TERMINATION. All exclusive rights of use of Common Elements shall be extinguished by virtue of the termination of the Condominium.
- 16.7 AMENDMENT. This Paragraph 16 concerning termination cannot be amended without written consent of all Unit Owners and all record owners of mortgages upon the Units.
- 16.8 EQUITABLE RIGHTS. Unit Owners shall have such rights as provided in 718.118, Fla.Stat.
17. AMENDMENTS. Except as herein or elsewhere provided, this Declaration may be amended in the following manner:
 - 17.1 NOTICE. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered in the form prescribed by 718.110(1), Fla.Stat.
 - 17.2 PROPOSAL OF AMENDMENT. An amendment may be proposed by either the unanimous vote of the Board of Directors of the Association, or by fifteen (15%) percent of the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided such approval is delivered to the Secretary within 10 days after the meeting. Except as elsewhere provided, a proposed amendment must be approved by either:
 - 17.2.1 Not less than seventy-five (75%) percent of the entire membership of the Board of Directors and by not less than seventy-five (75%) percent of the votes of the entire membership

of the Association. Provided however, in the event said amendments relate to leasing of units, or provisions which are for the express benefit of Institutional Mortgagees, the Association shall furnish said mortgagees with notice of proposed amendments and must procure fifty-one (51%) percent approval of said Mortgagees to the proposals in addition to the percentage unit owner approval provided for herein. An Institutional Mortgagee receiving written request for approval of amendments pursuant to this paragraph who does not deliver or post to the Association a negative response with thirty (30) days of such request, shall be deemed to have approved the amendments contained therein. In addition, this Declaration may not be amended without prior approval of the Administrator of Veterans Affairs, except as to phasing.

- 17.2.2 Until the first election of a majority of the directors by the membership as provided for in Article VII of the Articles of Incorporation, only by all of the directors.
- 17.3 PROVISIO. Except as otherwise provided in this document:
 - 17.3.1 No amendment shall alter a Unit Owner's percentage in the Common Elements, alter his proportionate share in the Common Expense or Common Surplus, change a Unit Owner's voting rights, or alter the basis for apportionment of assessment which may be levied by the Association against a Unit Owner without the written consent of the Unit Owner. This provision shall not be construed in derogation of 718.403, Fla. Stat., and all matters required by 718.403, Fla. Stat.; can only be amended by the consent of all Unit Owners.
 - 17.3.2 No amendment shall be passed which shall impair or prejudice the rights and priorities of any Institutional Mortgagee without the written consent of the Institutional Mortgagee affected.
 - 17.3.3 Prior to the recordation in the Public Records of a deed from the Sponsor, the Sponsor, without the joinder of any other person, may amend any of the provisions of this Declaration by filing an amendment in the Public Records.
 - 17.3.4 The Association may not be merged with a successor condominium association without the prior approval of the Administrator of Veterans Affairs.
- 17.4 EXECUTION AND RECORDING. Except as otherwise provided in this Declaration, a copy of each amendment shall be attached to a certificate, executed by the officers of the Association, certifying that the amendment was duly adopted. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records.

18. REMEDIES.

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- 18.1 RELIEF. Each Unit Owner and the Association shall be governed by and shall comply with the provisions of this Declaration.

A violation thereof shall entitle the appropriate party to the following relief: An action to recover sums due for damages, injunctive relief, foreclosure of lien or any combination thereof, or any other action available pursuant to the Condominium Act or law. Suit may be sought by Association, Sponsor, or, if appropriate, by one or more Unit Owners and the prevailing party shall be entitled to recover reasonable attorneys' fees. Each Unit Owner acknowledges that the failure to comply with any of the provisions of this Declaration shall or may constitute an injury to the Association, Sponsor, or the other Unit Owners, and that such injury may be irreparable.

- 18.2 COSTS AND ATTORNEYS' FEES. In any proceeding arising because of an alleged default, act, failure to act, or violation by the Unit Owner or Association, including the enforcement of any lien granted pursuant to this Declaration, the Sponsor shall be entitled to recover the costs of the proceeding, including reasonable attorneys' fees. Further, in the event proceedings are instituted by or against the Sponsor or any affiliated company of the same, or any individual connected with the same (including but not limited to the parent company of the Sponsor, or the initial directors of the Association) for any reason whatsoever, including but not limited to (1) actions for declaratory judgment, (2) any claim that any of the above have not complied with their obligations under the Offering Circular, this Declaration and its exhibits, or (3) that any provision of the same is unconscionable, unfair (or the like) or violates any state or Federal law or regulation, and if the Sponsor and affiliated companies and individuals connected with the same are the prevailing party or parties then, and in that event, they shall be entitled to recover all costs of the proceedings. Said recoverable costs shall include, but are not limited to, reasonable attorneys' fees at all levels of the proceedings, including appeals, together with all costs, including those not normally allowable in actions at law such as, but not limited to, copies of depositions, whether or not used at trial; travel expenses for witnesses traveling from without Dade County for the purpose of testifying at trial or deposition; expert witnesses; fees for testifying at trial or deposition, together with such additional fees as the expert witness may charge the said party in connection with his preparation for giving such testimony; witness subpoenas issued to insure the presence of witnesses at deposition or at trial whether or not the witness shall actually appear or be called upon to testify.
- 18.3 NO WAIVER. The failure of the Sponsor to enforce any right, provisions, covenant, or condition created or granted by this Declaration shall not constitute a waiver of the right of said party to enforce such right, provision, covenant or condition in the future.
- 18.4 RIGHTS CUMULATIVE. All rights, remedies and privileges granted to Association, Sponsor or Unit Owner pursuant to any of the provisions of this Declaration shall be deemed to be cumulative and the exercise of

any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies, or privileges as may be available to such party at law or in equity. Each Unit Owner agrees in any proceeding brought pursuant to the provisions hereof not to plead or defend the same on the theory of "election of remedies."

18.5 VENUE; WAIVER OF TRIAL BY JURY. Every Unit Owner or Occupant and all persons claiming any interest in a Unit agrees that in any suit or proceeding brought pursuant to the provisions of this Declaration, such suit shall be brought in the Circuit Court of the Eleventh Judicial Circuit in and for Dade County, Florida, or the United States District Court, Southern District of Florida, as the same is now constituted or any court in the future that may be the successor to the courts contemplated herein. All such parties, except the Sponsor, do further waive the right to trial by jury and consent to a trial by the court without a jury.

18.6 FINES. In addition to all other remedies specified in the Declaration or secured by law, in the sole discretion of the Board of Directors, a fine or fines may be imposed upon an Unit Owner for failure of an Unit Owner, his family, guests, invitees, tenants, or employees to comply with any covenant, restriction, rule or regulation contained herein or promulgated pursuant hereto provided the following procedures are adhered to:

18.6.1 NOTICES. The Association shall notify the Unit Owner of the infraction or infractions. Included in the notice shall be the date and time of the next Board of Directors meeting at which time the Unit Owner shall be afforded the opportunity to present reasons why a fine or fines should not be imposed.

18.6.2 HEARING. The matter of noncompliance shall be presented to the Board of Directors at such meeting of the Board and the Board shall hear reasons why penalties should not be imposed. A written decision of the Board of Directors shall be furnished to the Unit Owner no later than twenty-one (21) days after the conclusion of the said meeting of the Board.

18.6.3 APPEAL. Any Unit Owner aggrieved by the decision of the Board of Directors as to a noncompliance may file a written request with the Board for an appeal of such decision. Such written request must be filed within seven (7) days after the furnishing of such decision to the Unit Owner charged with any matter of noncompliance. An appeals committee shall be appointed by the Board within seven (7) days after the filing of such request for appeal consisting of three (3) non-interested Members of the Association who are neither officers nor Board members. The said appeals committee will meet and file a written determination of the matter and serve copies on both the Board and the Unit Owner. In no case shall the appeals committee's findings be exclusive of any other right

either party may have; however, the Board may elect to review its decision in the light of the findings of the appeals committee.

18.6.4 PAYMENT. The Board of Directors may impose such fines against the subject Unit Owner as follows:

- (a) A fine not in excess of Fifty (\$50.00) Dollars.
- (b) Payment of Fines: Fines shall be paid no later than thirty (30) days after notice of the imposition or assessment thereof.
- (c) Application of Fines: All monies received from fines shall be allocated as determined by the Board of Directors.
- (d) Non-exclusive Remedy: The imposition of fines pursuant hereto shall not be construed to be an exclusive right or remedy, and the right to impose such fines shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; provided, however, that any fine paid by the offending Unit Owner shall be deducted from or offset against any damages that the Association may otherwise be entitled to recover by law from such Unit Owner.

19. MISCELLANEOUS RIGHTS OF SPONSOR.

19.1 CONFLICT OF INTERESTS. No representative of the Sponsor serving on the Board of Directors of the Association shall be required to disqualify himself from any vote upon any management contract, lease, or other matter between the Sponsor and the Association where the Sponsor may have a pecuniary or other interest. Sponsor, as a member of Association, shall not be required to disqualify itself in any vote which may come before the membership of the Association upon any management contract, lease, or other matter where Sponsor may have a pecuniary or other interest, nor shall any conflict of interests be a cause of partial or total invalidity of the matter voted upon whether or not such vote was necessary for the adoption, ratification, or execution of the same.

19.2 RIGHT TO USE FACILITIES. Notwithstanding any provisions of this Declaration to the contrary, the Sponsor shall have the right to use and occupy any unsold Unit, the Common Elements and any of the Limited Common Elements, the exclusive use of which have not been assigned, for the purpose of a Sales Office or for any other purpose.

20. NOTICES. Whenever notices are required to be sent hereunder, the same may be delivered to Unit Owners, either personally or by mail, at their place of residence in the Condominium. Notices to the Association shall be delivered or mailed to the Secretary of the Association, or in case of the Secretary's absence, then to the President of the Association.

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Notices to the Sponsor shall be made by delivery to Sponsor at: Homestead, Florida.

21. OWNERSHIP IN THE LAKESHORE COMMUNITY AND VILLAGES OF HOMESTEAD.

21.1 OWNERSHIP IN THE LAKESHORE COMMUNITY. By taking title to a Unit, each Owner becomes subject to the terms and conditions of the Declaration of Covenants and Restrictions for The Lakeshore Community (the "Community Declaration"), filed in the Public Records of Dade County, Florida. Among other things, that document provides that an Owner shall become a member of the Community Association, Inc.; shall acquire certain property rights to the Community Areas; and shall become subject to the assessments of the Community Association. Copies of all amendments to this Declaration, the Articles of Incorporation and Bylaws of the Community Association, and any easements or conveyances affecting the Common Elements, shall be promptly forwarded to the Community Association prior to the recordation.

21.2 MEMBERSHIP AND VOTING IN THE COMMUNITY ASSOCIATION. Each Unit Owner also shall be a member of the Community Association; and is entitled to one vote for each Unit owned.

21.3 THE VILLAGES OF HOMESTEAD DEVELOPMENT. The Condominium is part of a development known as Villages of Homestead to be created on the Properties (as defined in the Master Declaration). The Master Declaration contains certain rules, regulations and restrictions relating to the use of the Common Areas (as defined in the Master Declaration), as well as the Condominium Property, which Master Declaration, as amended, modified and supplemented hereafter, are hereby incorporated herein by this reference. Each Unit Owner will be a member of the Master Association and will be subject to all of the terms and conditions of the Master Declaration, as amended, modified and supplemented from time to time. Among the powers of the Master Association are the powers to assess Unit Owners (and other members of the Master Association) for a pro-rata share of the expenses of the operation and maintenance of the Common Areas, and to impose and foreclose liens in the event such assessments are not paid when due.

22. RIGHTS OF FIRST MORTGAGE HOLDERS OR GUARANTORS OF SAME. Upon written request to the Association by an Institutional Mortgagee holding a first mortgage on a Unit or the Veterans Administration, they shall be entitled to receive timely written notice of:

22.1 Any condemnation loss or any casualty loss which affects a material portion of The Lakeshore Community or any condominium parcel on which there is a first mortgage held, insured, or guaranteed by such Institutional Mortgagee or the Veterans Administration;

22.2 Any delinquency in the payment of assessments or charges owed by an owner of a condominium parcel subject to a first mortgage held, insured or guaranteed by such Institutional Mortgagee or the Veterans Administration, which remains uncured for a period of 60 days;

22.3 Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

23. CONDEMNATION PROCEEDINGS. If condemnation proceedings are successfully litigated against all or any part of the Condominium Property, the entire Association shall secure the condemnation award in accordance with the ratio of ownership herein provided as it pertains to the Common Elements and disburse same to Unit Owners and their mortgagees as their interests appear of record. The Association shall give prompt written notice to each holder of a mortgage of record of any such condemnation procedures, and shall take no action in any such proceedings that will disturb any mortgagee's first lien priority.

The Association shall represent the Unit Owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the Common Elements or part thereof. Each Unit Owner hereby appoints the Association as its attorney-in-fact for the purposes described herein.

24. CONSTRUCTION. All of the provisions of this Declaration shall be construed in accordance with the Laws of the State of Florida. This construction shall govern in all matters, including matters of substantive and procedural law.
25. GENDER. Unless the contrary appears to have been intended, words in the plural number shall include the singular and words in the singular shall include the plural, and words of the male gender shall include the female gender and the neuter gender.
26. CAPTIONS. The captions to the paragraphs of this Declaration are intended for convenience only and are not deemed to be all inclusive as to the matters contained in such paragraphs or considered in connection with the construction of any of the provisions of this Declaration.
27. SEVERABILITY. If any terms or provision of this Declaration, or the application thereof to any person or circumstance, shall, to any extent, be determined to be invalid or unenforceable, the remainder of this Declaration, or the application of such term or provision to persons or circumstances other than those to which such term may be held invalid or unenforceable, shall not be affected thereby and each term and provisions of this Declaration shall be valid and enforceable to the fullest extent permitted by law.

IN WITNESS WHEREOF, the Sponsor has executed this Declaration on this 5 day of June, 1986.

Signed, Sealed and Delivered in the presence of:

George J. Conn
Joyce Dawson

VETERANS CONSTRUCTION CORPORATION, a Delaware corporation

By [Signature]
Vice President
Corporate Seal



DL 1291361468

STATE OF FLORIDA)
) SS
COUNTY OF DADE)

BEFORE ME, the undersigned authority, personally appeared JOSE A. NAVARRO to me well known to be the person described in and who executed the foregoing instrument as Vice President of Veterans Construction Corporation, a Delaware corporation, and he severally acknowledged before me that he executed such instrument as such Officer of said Corporation, and that the Seal affixed thereto is the Corporate Seal of said Corporation, and that it was affixed to said instrument by due and regular Corporate authority, and that said instrument is the free act and deed of said Corporation.

WITNESS my hand and official seal, at the State and County of DADE aforesaid, this 5 day of JUNE, 1986.

NOTARY PUBLIC STATE OF FLORIDA
EXPIRATION DATE MAY 21, 1988
BORN 10/10/1941

My Commission Expires:

James H. Smith
NOTARY PUBLIC
State of Florida at Large



FOR GOOD AND VALUABLE CONSIDERATION, the receipt whereof is hereby acknowledged Lakeshore 10 Condominium Association, Inc., a Florida corporation not for profit, hereby agrees to accept all of the benefits and all of the duties, responsibilities, obligations and burdens imposed upon it by the provisions of this Declaration of Condominium and Exhibits attached hereto.

IN WITNESS WHEREOF, the above named Condominium Association, a Florida corporation not for profit, has caused these presents to be signed in its name by its President, attested to be its Secretary, this 5 day of JUNE, 1986.

Signed, Sealed and Delivered
in the presence of:

LAKESHORE 10 CONDOMINIUM
ASSOCIATION, INC.

George A. Con
Joyce Green

By Ly M (SEAL)
President

ATTEST:

[Signature] (SEAL)
Secretary
(Corporate Seal)

STATE OF FLORIDA)
) SS
COUNTY OF DADE)

BEFORE ME, the undersigned authority, personally appeared LOUIS BECK and to me well known to be the persons described in and who executed the foregoing instrument as President and Secretary, respectively, of Lakeshore 10 Condominium Association, Inc., a Florida corporation not for profit, and they severally acknowledged

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before me that they executed such instrument as such officers of said corporation, and that said instrument is the free act and deed of said corporation.

WITNESS my hand and official seal, at the State and County aforesaid, this 5 day of JUNE, 1986.

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA
M: COMMISSION EXP. MAY 21, 1988
BONDED THRU GENERAL INS. UND.

Ronald A. Smith
NOTARY PUBLIC
State of Florida at Large



THIS INSTRUMENT PREPARED BY
AND RECORD AND RETURN TO:

HENRY B. HANDLER, ESQUIRE
Weiss & Handler, P.A.
Suite 320 - Interstate Plaza
1499 West Palmetto Park Road
Boca Raton, Florida 33432

