

** OFFICIAL RECORDS **
BK 1601 PG 621

FILE# 9711163
RCD: APR 3 1997 @ 12:21 PM

469.50



DECLARATION OF CONDOMINIUM

BELLE MER, A Condominium

Prepared by
W. Christopher Hart
Clark, Partington, Hart, Larry, Bond, Stackhouse & Stone
Suite 6-A, 151 Regions Way
Destin, Florida 32541

DECLARATION OF CONDOMINIUM**FOR****BELLE MER, A CONDOMINIUM**

MADE, this 1st day of April, 1997, by BHC COMMERCIAL VENTURES, INC., an Alabama corporation, as owner of a leasehold interest in the real property hereinafter described, and developer of the improvements thereon (hereinafter called the "Developer"), for itself, its successors, grantees, assignees and/or their transferees.

WHEREAS, said Developer, as owner, makes the following declaration:

1. PURPOSE

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

1.1 The name by which this condominium is to be identified is BELLE MER, A CONDOMINIUM.

1.2 The address of this condominium is 8269 Gulf Boulevard, Navarre Beach, Florida 32566.

1.3 The Developer owns the balance of a 99-year leasehold interest which commenced on August 23, 1967, in the land upon which the condominium is to be developed. The Restated and Amended Lease Agreement between Santa Rosa County and the Developer includes a provision for renewal for the balance of the Lessor's (Santa Rosa County's) lease term under its lease from the Santa Rosa Island Authority. The lease from the Santa Rosa Island Authority to Santa Rosa County, commenced in February, 1956, is for a term of 99 years, and automatically renews for a further term of 99 years upon full performance of the terms, provisions, and conditions by the Lessee. The lands covered by said leasehold interest owned by the Developer, which by this instrument are submitted to the condominium form of ownership, are those certain lands lying in Santa Rosa County, Florida, as described in Exhibit "A", attached hereto and made a part hereof, which shall hereinafter be referred to as "the Land". Said Land shall be subject to the conditions, restrictions, limitations, easements, and reservations of record. The Restated and Amended Lease Agreement, First Amendment, and form of the Sublease Agreement for conveyance to purchasers is attached hereto as composite Exhibit B.

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

2. DEFINITIONS

The terms used in this Declaration and in the Articles of Incorporation and the By-Laws shall have a meaning stated in the Condominium Act, unless the context otherwise requires.

Further, whenever the context so requires, the use of any gender shall be deemed to include all genders, the use of the plural shall include the singular and the singular shall include the plural.

3. DEVELOPMENT PLANS

3.1 Improvements

3.1.1 A survey and legal description of the Land, together with a narrative and graphic description of the improvements in which units are located and a site plan thereof, in sufficient detail to identify the common elements, limited common elements, and each unit in their relative location and approximate dimensions is set forth in Exhibit "A" to this Declaration of Condominium.

3.1.2 Where more than one typical unit has been acquired by the same owner and combined into a single dwelling place, the unit plans, as described in Exhibit "A", may not reflect the interior plans of the combined units, but the exterior boundaries of the combined unit remain the same. Should any units be combined, the combined units shall exist as separate units as described in this Declaration for the purpose of applying the provisions of this Declaration and all exhibits attached hereto. Should the combining of units as described in this paragraph be determined to violate the provisions of *F.S. 718.110(4)*, an Amendment to this Declaration shall be approved, executed, and recorded as required by *F.S. 718.110(4)*.

3.2 Unit Identification

The legal description of each unit shall consist of the identifying number of such unit as shown in Exhibit "A" attached hereto. Every deed, lease, mortgage, or other instrument may legally describe a unit, apartment and/or condominium parcel by its identifying number as provided for on the attached Exhibit "A" and each and every description shall be deemed good and sufficient for all purposes.

3.3 No Time-Share Estates

Time-share estates will not be created with respect to units in this condominium.

4. UNIT BOUNDARIES, COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

Each unit shall include that part of the unit, which boundaries are as follows:

4.1 Upper and Lower Boundaries

The upper and lower boundaries of the unit shall be the following boundaries extended to an intersection with the perimetrical boundaries:

4.1.1 Upper Boundary shall be the horizontal plane of the undecorated, finished ceiling.

4.1.2 Lower Boundary shall be the horizontal plane of the undecorated, finished floor.

4.2 Perimetrical Boundaries

The perimetrical boundaries of the unit shall be the vertical plane of the undecorated and/or unfinished inner surfaces of the walls bounding the unit, extended to intersection with each other and with the upper and lower boundaries.

4.3 Boundaries — Further Defined

The boundaries of the unit shall not include all of those spaces and improvements lying within the undecorated and/or unfinished inner surfaces of the perimeter walls and those surfaces above the undecorated finished ceilings of each unit, and those surfaces below the undecorated finished floor of each unit, and further, shall not include those spaces and improvements lying within the undecorated and/or unfinished inner surfaces of all interior bearing walls and/or bearing partitions, and further, shall exclude all pipes, ducts, wires, conduits and other utilities running through any interior wall or partition for the furnishing of utility services to other units and/or for the common elements.

4.4 Common Elements

The common elements shall include the following:

4.4.1 All condominium property which is not included within the units.

4.4.2 Easements through units for conduits, ducts, plumbing, wiring, and other facilities for the furnishing of utility services to units and the common elements.

4.4.3 An easement of support in every portion of a unit which contributes to the support of the building.

4.4.4 The property and installations required for the furnishing of utilities and other services to more than one (1) unit or to the common elements.

4.4.5 The storm water management system.

4.5 Limited Common Elements

Limited common elements, as the term is used herein, shall mean the common elements which are reserved herein, or assigned, or granted separately herefrom, for the use of a certain unit to the exclusion of other units, and shall include:

4.5.1 To each unit containing a balcony the balcony area contiguous to and serving only that unit.

4.5.2 To each unit in the condominium, the heating and air-conditioning equipment serving only that unit.

4.5.3 To each unit in the condominium that may be conveyed a covered parking area pursuant to the terms of this paragraph, the space occupied by that covered parking area. The Developer reserves the exclusive right to assign covered parking spaces located under the main building to particular units for additional consideration paid by unit purchasers. All assignments of covered parking spaces shall be made by instrument, in writing, executed with the formalities of a deed and recorded in the public records of Santa Rosa County, Florida. Such assignment may be made by separate instrument or included in the deed of conveyance of the unit. Upon such assignment, the covered parking space so assigned shall be deemed to be a limited common element of the unit to which it is assigned. After such assignment is made, the unit owner's right to use such covered parking space shall become an appurtenance to the unit owner's unit and may be encumbered or conveyed thereafter with the unit. The covered parking space may be conveyed, assigned, or encumbered separate from the unit to which it is assigned, provided, however, that said covered parking space may only be conveyed or assigned to another unit owner or the Association and may only be encumbered in connection with a mortgage on the unit to which the covered space is assigned. If a covered space is owned by the Association, that space shall be deemed to be a common element of the condominium.

5. OWNERSHIP

**** OFFICIAL RECORDS ****
BK 1601 PG 625

5.1 Type of Ownership

Ownership of each condominium parcel may be in sub-leasehold or in any other estate in real property recognized by law and subject to this Declaration.

5.2 Association Membership

The owners of record of the units shall be members of Belle Mer Owners Association, Inc., hereinafter the "Association". There shall be one (1) membership for each unit and if there is more than one (1) record owner per unit, then such membership shall be divided among such owners in the same manner and proportion as is their ownership in the unit.

5.3 Unit Owner's Rights

The owner of the unit is entitled to the exclusive possession of his unit. He shall be entitled to use the common elements in accordance with the purposes for which they are intended, but no such use shall hinder or encroach upon the lawful rights of owners of other units. There shall be a joint use of the common elements and a joint mutual easement for that purpose is hereby created.

6. RESTRAINT UPON SEPARATION AND PARTITION OF COMMON ELEMENTS

The leasehold title of each condominium parcel shall include both the condominium unit and an undivided interest in the common elements; said undivided interest in the common elements is deemed to be conveyed or encumbered with its respective condominium unit, even though the description in the instrument of conveyance may refer only to the subleasehold interest to the condominium unit. The share in the common elements appurtenant to a unit cannot be conveyed or encumbered except together with the unit. Any attempt to separate and/or any action to partition the leasehold title to a condominium unit from the undivided interest in the common elements appurtenant to each unit shall be null and void.

7. PERCENTAGE OF OWNERSHIP OF COMMON ELEMENTS

Each of the unit owners of the condominium shall own an undivided interest in the common elements according to the "Schedule of Shares" attached hereto as Exhibit "C".

8. COMMON EXPENSE AND COMMON SURPLUS

The common expenses to be borne by each unit owner shall be a proportionate share of the total expenses and costs of the Association. Each unit owner shall be responsible for a portion of the common expenses and costs, and such share shall be in the percentage of the undivided share in the common elements to his unit as set forth in Exhibit "C" of this Declaration.

Any common surplus of the Association shall be owned by each of the unit owners in the same proportion as their percentage liability for common expenses.

9. MAINTENANCE, ALTERATIONS AND IMPROVEMENTS

Responsibility for the maintenance of the condominium property and restrictions upon its alterations and improvements shall be as follows:

9.1 Units

9.1.1 By the Association. The Association shall maintain, repair, and replace at the Association's expense:

9.1.1.1 All portions of a unit contributing to the support of the condominium building, which portions shall include, but not be limited to, outside walls of the apartment building and all fixtures on its exterior, those portions of boundary walls not a part of a unit; floor and ceiling slabs; load-bearing columns and load-bearing walls.

9.1.1.2 All conduits, ducts, plumbing, wiring, and other facilities for the furnishing of utility services contained in the common elements and the portions of a unit maintained by the Association; and all such facilities contained within a unit that service part, or parts, of the condominium other than the unit within which contained.

9.1.1.3 All incidental damage caused to a unit by such work immediately above-described shall be repaired promptly at the expense of the Association.

9.1.1.4 All common elements of the condominium.

9.1.2 By the Unit Owner. The responsibility of the unit owner shall be as follows:

9.1.2.1 To keep and maintain his unit, its equipment and appurtenances, in good order, condition, and repair, and to perform promptly all maintenance and repair work within the unit which, if omitted, would affect the condominium in its entirety or in a part belonging to others; being expressly responsible for the damages and liability which his failure to do so may engender. Notwithstanding anything contained in his Declaration, the owner of each unit shall be liable and responsible for the maintenance, repair, and replacement, as the case may be, of all windows and all exterior doors, including sliding glass doors, storm doors, and windows, and all air-conditioning and heating equipment, whether located with or without the unit, stoves, refrigerators, fans, and other appliances and equipment, including pipes, wiring, ducts, fixtures and/or their connection required to provide water, light, power, air-conditioning and heating, telephone, sewage, and sanitary service to his unit which may now or hereafter be situated in his unit.

9.1.2.2 To maintain, repair, and replace any and all walls, ceilings and floor interior surfaces, painting, decorating furnishings, and all other accessories which such owner may desire to place and maintain in his unit.

9.1.2.3 Where applicable, to maintain and keep in a neat and trim condition the floor, interior walls, railings, columns, or balconies.

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

9.1.2.5 Plumbing and electrical repairs to fixtures and equipment located within a unit and exclusively servicing a unit shall be paid for and be financial obligation of the unit owner.

9.1.2.6 The Association has the irrevocable right of access to each unit during reasonable hours when necessary for the maintenance, repair, or replacement of any common elements or of any portion of a unit to be maintained by the Association pursuant to the Declaration or as necessary to prevent damage to the Common Elements or to a unit or units.

9.1.2.7 Not to change the paint color or otherwise decorate or change the appearance of any portion of the exterior of the condominium building and/or property.

9.1.2.8 To keep clean and in orderly condition those limited common elements which are assigned or granted to a particular unit to the exclusion of other units. The cost shall be borne by the owner or owners of the unit to which the same are appurtenant.

9.1.2.9 To maintain, repair, and replace, at the owner's expense, the

heating and air-conditioning unit and all of its parts, serving only his unit.

9.1.2.10 Notwithstanding the above maintenance and repair obligations relative to attached balconies and covered parking spaces, which are limited common elements appurtenant to units, individual unit owners shall not be responsible for structural defects or problems, including leaks. Repairs to balconies and covered parking spaces of structural defects or problems, including leaks, shall be an Association expense and paid for by all unit owners as a common expense.

9.1.2.11 A unit owner shall be responsible for any damages caused by his actions, or his willful, careless, or negligent failure to act, for the willful action or negligence of his family or his or their guests, lessees, employees, or agents, to the extent such expense is not defrayed by the proceeds of insurance carried by the Association.

9.1.3 Alteration and Improvement. Except as elsewhere reserved to the Developer, neither a unit owner nor the Association shall make any alteration in the portions of a unit that are to be maintained by the Association, remove any portion of such, make any additions to them, do anything that would jeopardize the safety or soundness of the building or impair any easement, without first obtaining written approval of the Board of Directors of the Association. A copy of plans for all such work prepared by an architect licensed to practice in this state shall be filed with the Association prior to the start of the work.

9.2 Common Elements

9.2.1 By the Association. The maintenance and operation of the common elements (including the storm water management system), including the repair, maintenance, and replacement of landscaping and other improvements and facilities shall be the responsibility of the Association as a common expense.

9.2.2 Alteration and Improvement. There shall be no alteration or further improvement of the real property constituting the common elements without prior approval, in writing, by not less than two-thirds (2/3) of the members of the Association if the cost of same shall be a common expense which exceeds in cumulative expenditure for the calendar year, the sum of \$20,000.00. Any such alteration or improvement shall not interfere with the rights of any unit owner without their consent.

9.2.3 Land Acquisition. After all planned improvements are completed, land acquired by the Association may be added to the Land submitted to condominium ownership hereby. This may be done by an amendment to this Declaration that includes the description of the acquired land and submits the said land to condominium ownership under the terms of this Declaration. The amendment shall be executed by the Association and adopted by the unit owners in the manner elsewhere required. Such amendment, when recorded in the public records of Santa Rosa County, Florida, shall divest the Association of title to the Land and shall state that it conveys all interest of the Association to and vests the title in the unit owners, without naming them and without further conveyance, in the same undivided shares as the undivided shares in the common elements appurtenant to the units owned by them.

9.2.4 Land Not Incorporated. Any land acquired by the Association that is not incorporated into the Land by amendment of this Declaration, may be sold or mortgaged or otherwise disposed of by the Association after approval, in writing, by the record unit owners of not less than seventy-five percent (75%) of the common elements of Belle Mer. This approval shall be evidenced by a certificate stating that the approval was duly given, which certificate shall be executed by the officers of the Association with the formalities of a deed and delivered to a purchaser or mortgagee of such land.

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

9.3 Enforcement of Maintenance

In the event the owner of a unit fails to maintain a unit as required above, the Association, Developer, or any other unit owner, shall have the right to proceed to any appropriate court to seek compliance with the foregoing provisions; or the Association shall have the right to charge the unit owner and the unit for the necessary sums to put the improvements within the unit in good condition. After such charge, the Association shall have the right to have its employees or agents enter the unit and do the necessary work to enforce compliance with the above provisions.

Further, in the event a unit owner violates any of the provisions of this section, the Developer and/or the Association shall have the right to take any and all such steps as may be necessary to remedy such violation, including, but not limited to, entry of the subject unit with or without the consent of the unit owner and the repair and maintenance of any item requiring same—all at the expense of the unit owner.

10. USE RESTRICTIONS

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

10.1 Residence Only

Each unit is hereby restricted to residential or rental use. Such rental may be daily or for a longer term.

10.2 Rules and Regulations

The use of Common Elements by the owners or lessees of all units and all other parties authorized to use same, shall be at all times subject to such rules and regulations as may be prescribed and established in the condominium documents governing such use or which may be hereafter prescribed and established in the condominium documents by the Association. Subject to the Developer's rights set forth in Paragraph 4.5.3, the Association shall have the specific authority to assign use of parking spaces to individual unit owners.

10.3 Lawful Use.

No immoral, improper, offensive or unlawful use shall be made of any unit or of the Common Elements or of any part thereof, and all laws, zoning ordinances and regulations of all governmental authorities having jurisdiction over Belle Mer, a condominium, shall be observed.

10.4 Insurance.

Nothing shall be done or kept in any unit or in the Common Elements which will increase the cost of insurance paid by the Association, without the prior written consent of the Association. No unit owner shall permit anything to be done or kept in his or her unit or in the Common Elements which will result in the cancellation of insurance in the Condominium Property or contents thereof, or which would be in violation of any law. No wasting of Condominium property will be permitted.

10.5 Nuisances.

No nuisance shall be allowed upon the Condominium property, nor shall any use or practice be allowed which is an unreasonable source of annoyance to unit owners or which interferes with the peaceful and proper use of the Condominium property by any unit owner, including but not limited to repairs made within a unit before 9:00 a.m. or after 5:00 p.m.

10.6 No business.

In order to preserve the residential character of the Condominium, no business, trade or profession of any type whatsoever shall be conducted from within any unit in the Condominium without the prior written consent of the Association. The Association shall possess the additional authority to promulgate reasonable rules and regulations governing the manner, method and to what degree said uses may be permitted, and further, shall have the power to revoke the granting of such permitted uses, when in the Association's sole discretion, the use in question has become excessive and/or violates the original character of the Condominium.

10.7 Window Treatment.

In order to preserve the aesthetic qualities of the Condominium, all fabric and materials used as draperies or other window treatment located within the interior of any unit, which can be viewed from the exterior of the unit through the windows thereof from any heights or location must be lined, finished, or otherwise covered with white drapery linings.

10.8 Unit Keys.

In case of an emergency originating or threatening any unit, regardless of whether the owner is present at the time of such emergency, the Board of Directors of the Association, or any person authorized by it, shall have the right to enter such unit for the purpose of remedying or abating the cause of such emergency. Such right of entry shall be immediate and to facilitate entry in the event of any such emergency, the owner of each unit, as required by the Association, shall deposit a key with the Association.

10.9 Emergency Entry.

Whenever it shall be necessary to enter any unit for the purpose of performing any maintenance, repair, or replacement to any portion of the Common Elements or to any portion of a unit to be maintained by the Association, the owner of each unit shall permit the Association to enter such unit for such purposes, provided that such entry shall be made only at reasonable times and with reasonable advance notice.

10.10 Structural Modifications.

No owner of a unit (except the Developer) shall permit any structural modification or alterations to be made within such unit without first obtaining the written consent of the Association, which consent may be withheld in the event that a majority of the Board of Directors of said Association determines, in its sole discretion, that such structural modifications or alterations would affect or in any manner endanger the Condominium in part or in its entirety. If the modification or alteration desired by the owner of any unit involves the removal of any permanent interior partitions, the Association shall have the right to permit such removal so long as the permanent interior partition to be removed is not a load bearing partition and so long as the removal thereof would be in no manner an interference with the providing of utility services constituting Common Elements located therein.

10.11 Alterations or Improvements to Common Property.

The Association shall not have the right to make or cause to be made such alterations or improvements to the Common Elements which prejudice the rights of the owner of any unit in the use and enjoyment of his unit, unless, in each instance, such owner's written consent has been obtained. The making of such alterations and improvements must be approved by the Board of Directors of the Association, and the cost of such alterations or improvement shall be assessed as common expense to be assessed and collected from all of the owners of units. However, where any alterations and improvements are exclusively or substantially exclusively for the benefit of the owner of a unit requesting the same, then the cost of such alterations and improvements shall be assessed against and collected solely from the owner of the unit exclusively or substantially benefitted. Such

assessment is to be levied in such proportion as may be determined by the Board of Directors.

10.12 Animals.

No livestock, animals, chickens, or fowl of any kind shall be permitted except dogs, cats, and birds owned as personal pets. Dogs, cats, and birds shall not be kept in such number as to be an annoyance to other unit owners. In addition, no dogs or cats shall be permitted on the condominium property, except inside a unit, without being on a hand leash and under the immediate control of a responsible individual. All such pets must be walked in appropriate areas and owners of such pets must clean up after their pets. If any such pet owner fails to properly clean up after his pet then the Association shall perform such service and shall bill the pet owner accordingly. The Association shall have the right to adopt and enforce such additional pet regulations as are reasonably necessary to ensure that such pets are not and do not become a nuisance.

10.13 Parking.

No trailer, mobile home, house trailer, truck, tractor, commercial vehicle of any kind, or other machine, equipment or apparatus, or motorbike, motorcycle, or motor scooter (herein collectively referred to as "vehicles") shall be parked any place on the condominium property other than in the designated parking areas. No such vehicle that takes up more than one regular parking space shall be permitted on the condominium property. All such vehicles which were initially designed and manufactured to be self-propelled with an individual engine must be in operating condition in order to be parked in any designated parking space and no designated parking space shall be used as a site to store, repair, and/or overhaul any such vehicle. Parking of boats and boat trailers shall be in accordance with such rules and regulations as may be adopted by the Association from time to time. This restriction, with respect to parking, does not apply to the Developer in the performance of activities authorized by the Declaration and does not apply to commercial vehicles, machines, and equipment required to perform construction, maintenance, refurbishing, or repair services to a unit or building for the period of time necessary for such construction, maintenance, refurbishing, or repair.

10.14 Proviso.

Provided, however, that until the Developer has completed all of the contemplated improvements and closed the sales of all of the units of this condominium, neither the unit owners nor the Association nor the use of the condominium property shall interfere with the completion of all contemplated improvements and the sale of all units, and the Developer may make such use of the unsold units and common elements as may facilitate such completion and sale, including, but not limited to, maintenance of a sales office, showing of the property and the display of signs.

10.15 Combining Units

Units may be physically combined into a single dwelling, but they shall nevertheless, for all other pertinent purposes, including—but not limited to, assessments, attribution of common elements, and voting, be deemed separate units. Units which had been or are combined to form one dwelling may be severed into their component units (separate units) at any time the owner of the combined units so desires. Any construction or modification of the interior of such units, as may be required to effectuate the severance of the combined units into separate units, shall be subject to the written approval of the Board of Directors of the Association, which approval shall not be unreasonably withheld. Such modification for the combining or severing of combined units shall in any and all events be accomplished at the sole expense of the unit owner or owners of the combined units and not at the expense of the Association. Nothing herein shall be deemed to require the Association or the Developer to approve any structural modifications of any load-bearing element. Furthermore, nothing herein shall be deemed to require the Association or Developer to approve any modification which will alter the exterior appearance of the condominium apartment building in which the combined unit being severed into its component units is located or in which the separate units

being combined are located. Should the combining of units as described in this paragraph be determined to violate the provisions of *F.S. 718.110(4)*, an Amendment to this Declaration shall be approved, executed, and recorded as required by *F.S. 718.110(4)*.

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 permitted 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. EASEMENTS

Each of the following easements is a covenant running with the Land of the condominium and notwithstanding any of the other provisions of this Declaration, may not be substantially amended or revoked in such a way as to unreasonably interfere with their proper and intended use and purpose, and shall survive the termination of the condominium and the exclusion of any lands of the condominium from the condominium.

12.1 Utilities

As may be required for utility services in order to adequately serve the condominium property; provided, however, easements through a unit shall be only according to the plans and specifications for the building or as the building is actually constructed, unless approved, in writing, by the unit owner.

12.2 Pedestrian and Vehicular Traffic

For pedestrian traffic over, through and across sidewalks, paths, lanes and walks, as the same may from time to time exist, upon the common elements; and for the vehicular traffic over, through and across such portions of the common elements as may be from time to time paved and intended for such purposes.

12.3 Support

Every portion of a unit contributing to the support of the condominium building or an adjacent unit shall be burdened with an easement of support for the benefit of all other units and common elements in the building.

12.4 Perpetual Non-Exclusive Easement in Common Elements

The common elements shall be, and the same are hereby declared to be, subject to a perpetual non-exclusive easement in favor of all of the owners of units in the condominium for their use and the use of their immediate families, guests, and invitees, for all proper and normal purposes and for the furnishing of services and facilities for which the same are reasonably intended for the enjoyment of said owners.

12.5 Right of Access to Units

The Association has the irrevocable right of access to each unit during reasonable hours, when necessary for the maintenance, repair, or replacement of any common elements, or any portion of a unit to be maintained by the Association pursuant to the declaration or as necessary to prevent damage to common elements or to a unit or units.

12.6 Easement for Unintentional and Non-Negligent Encroachment

In the event that any unit shall encroach upon any of the common elements for any reason not caused by the purposeful or negligent act of the unit owner or owners, or agents of such owner or owners, then an easement appurtenant to such unit shall exist for the continuance of such encroachment into the common elements for so long as such encroachment shall naturally exist; and, in the event that any portion of the common elements shall encroach upon any apartment unit, then an easement shall exist for the continuance of such encroachment of the common elements into any unit for as long as such encroachment shall naturally exist.

12.7 Air Space

An exclusive easement for the use of the air space occupied by a condominium unit as it exists at any particular time and as the unit may lawfully be altered.

12.8 Easements or Encroachments

Easements or encroachments by the perimeter walls, ceilings, and floor surrounding each condominium unit.

12.9 Easement for Overhangs

Easement for overhanging troughs or gutters, downspout, and the discharge therefrom of rainwater and the subsequent flow thereof over condominium units or any of them.

12.10 Easement for Air Space of Common Elements

An exclusive easement for the use of the area and air space occupied by the air-conditioning compressor and the equipment and fixtures appurtenant thereof, situated in and/or on common elements of the condominium, but exclusively serving and individually owned by the owner of the unit as the same exist in and on the Land which exclusive easement shall be terminated automatically in any air space which is permanently vacated by such air-conditioning compressor, and the equipment and fixtures appurtenant thereto; provided, however, that the removal of same for repair and/or replacement shall not be construed to be a permanent vacation of the air space which it occupies.

12.11 Easement Agreement, License Agreement, and Restriction.

Other than the above-described easements, the property submitted to condominium ownership by this Declaration will be subject to an existing Easement Agreement, License Agreement, and Restriction recorded in O.R. Book 1443, Page 829, public records of Santa Rosa County, Florida.

13. ASSOCIATION

In order to provide for the proficient and effective administration of this condominium, each unit owner shall become a member of a non-profit corporation known and designated as BELLE MER OWNERS ASSOCIATION, INC., organized under the laws of the State of Florida. Said corporation shall administer the operation and management of this condominium, and undertake and perform all acts and duties incident thereto in accordance with the terms, provisions, and conditions

of this Declaration of Condominium, the Articles of Incorporation and By-Laws of the Association, the Rules and Regulations promulgated by the Association from time to time, and the law of Florida.

13.1 Articles of Incorporation

A copy of the Articles of Incorporation of the Association is attached hereto as Exhibit "D".

13.2 By-Laws

The By-Laws of the Association shall be the By-Laws of the condominium, a copy of which is attached hereto as Exhibit "E".

13.3 Limitation Upon Liability of Association

Notwithstanding the duty of the Association to maintain and repair parts of the condominium property, the Association shall not be liable to unit owners for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the Association, or caused by the elements or other owners or persons.

13.4 Restraint Upon Assignment of Shares in Assets

The shares of members in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner—except as an appurtenance to a unit.

13.5 Approval or Disapproval of Matters

Whenever the decision of a unit owner is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed in accordance with the By-Laws of the Association.

13.6 Membership

The record owners of all units in this condominium shall be members of the Association and no other persons or entities shall be entitled to membership. Membership shall be established by acquisition of ownership of a sublease interest in a condominium parcel in this condominium, whether by conveyance, devise, judicial decree or otherwise, subject to the provisions of this Declaration and by the recordation among the public records of Santa Rosa County, Florida, of the sublease or other instrument establishing the acquisition and designating the parcel affected thereby and by the delivery to the Association of a true copy of such recorded sublease or other instrument. The new owner designated in such sublease or other instrument shall thereupon become a member of the Association and the membership of the prior owner, as to the parcel designated, shall be terminated.

13.7 Voting

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

13.8 Information

The Association shall make available to unit owners and lenders, and to holders, insurers, or guarantors of any first mortgage, current copies of the Declaration, By-Laws, other rules concerning the project and the books, records, and financial statements of the Association. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances.

13.9 Financial Statements

Any holder of a first mortgage shall be entitled, upon written request, to a financial statement for the immediately preceding fiscal year.

13.10 Association's Rights and Restrictions

The Association shall have the right to grant permits, licenses, and easements over the common elements for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance or operation of the project.

14. INSURANCE

The insurance, other than title insurance, which shall be carried upon the condominium property and the property of the unit owners shall be governed by the following provisions:

14.1 Authority to Purchase

All insurance policies upon the condominium property shall be purchased by the Association for the benefit of the Association and the unit owners and their mortgagees, as their interest may appear, and provisions shall be made for the issuance of certificates or mortgagee endorsements to the mortgagees of unit owners. Such policies and endorsements shall be deposited with the Insurance Trustee. Unit owners may obtain insurance coverage, at their own expense, upon their personal property and for their personal liability and living expense. All policies purchased by the Association must be written by insurance companies authorized to do business in the State of Florida, and with offices or agents in Florida, provided, however, all such insurance policies must be accepted and approved by the institutional mortgagee holding the largest aggregate dollar sum of mortgages encumbering condominium parcels in the condominium—said sum to be ascertained at the time of purchase or renewal of each policy.

14.2 Coverage

14.2.1 Casualty. All buildings and improvements upon the Land, including units and all personal property of the Association included in the condominium property, are to be insured in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs as determined by the Board of Directors of the Association, and all such insurance must be obtained, if possible, from the same company. Such coverage shall provide protection against:

14.2.1.1 Loss or damage by fire and other hazards, including flood, if available, covered by a standard extended coverage endorsement.

14.2.1.2 14.2.1.2 Such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use, including, but not limited to, vandalism and malicious mischief.

14.2.2 Public Liability. In such amounts and with such coverage as shall be required by the Board of Directors of the Association with cross liability endorsements to cover liability of the unit owners as a group to a unit owner.

14.2.3 Workmen's Compensation. As shall be required to meet the requirements of law.

14.2.4 Association Insurance. Such other insurance as the Board of Directors of the Association, in its discretion, may determine from time to time to be in the best interest of the Association and the unit owners, including Director's liability insurance, or other insurance that an institutional mortgagee may reasonably require so long as it is the owner of a mortgage on any

condominium parcel.

**** OFFICIAL RECORDS ****
BK 1601 PG 635

14.3 Premiums

Premiums for insurance policies purchased by the Association shall be paid by the Association.

14.4 Assured

All insurance policies purchased by the Association shall be for the benefit of the Association and the unit owners and their mortgagees, as their interest may appear, and shall provide that all proceeds covering casualty losses shall be paid to any bank in Santa Rosa or Escambia County, with trust powers as may be approved and designated an insurance trustee by the Board of Directors of the Association, which trustee is herein referred to as the "Insurance Trustee". All insurance policies shall require *written* notification to each institutional mortgagee not less than ten (10) days in advance of cancellation of any insurance policy insuring the condominium property.

The Insurance Trustee shall not be liable for payments of premiums, nor for the renewal or sufficiency of the policies, nor for the failure to collect any insurance proceeds. The duty of the Insurance Trustee shall be to receive such proceeds as are paid and hold same in trust for the purposes elsewhere stated herein and for the benefit of the unit owners and their mortgagees in the following shares, but which shares need not be set forth in the records of the Insurance Trustee.

14.4.1 Common Elements. Proceeds on account of common elements shall be held in as many undivided shares as there are units—the shares of each unit owner being the same as his share in the common elements as same are hereinabove stated.

14.4.2 Units. Proceeds on account of units shall be held in the following undivided shares:

14.4.2.1 Partial Destruction. When the building is to be restored, for the owners of damaged units in proportion to the cost of repairing the damage suffered by each unit owner.

14.4.2.2 Mortgagee. In the event a mortgagee endorsement has been issued as to a unit, the share of the unit owner shall be held in trust for the mortgagee and the unit owner as their interests appear. In no event shall any mortgagee have the right to demand the application of insurance proceeds to any mortgage or mortgages which it may hold against units and no mortgagee shall have any right to participate in the determination as to whether or not improvements will be restored after casualty.

14.5 Distribution of Proceeds

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

14.5.1 Expense of the Trust. All expenses of the Insurance Trustee shall be first paid or provisions made therefor.

14.5.2 Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the costs thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to all unit owners in proportion to their undivided share of the common surplus.

14.5.3 Failure to Reconstruct or Repair. If it is determined, in the manner elsewhere provided, that the damages for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to all unit owners in proportion to their

“termination share” as defined in Paragraph 20.4—remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by such mortgagee.

14.5.4 Certificate. In making distribution to unit owners and their mortgagees, the Insurance Trustee may rely upon a certificate of the Association made by the President and Secretary as to the names of the unit owners and their respective shares of the distribution.

14.5.5 Association as Agent. The Association is hereby irrevocably appointed agent for each unit owner to adjust all claims arising under insurance policies purchased by the Association.

15. RECONSTRUCTION OR REPAIR AFTER CASUALTY

15.1 Determination to Reconstruct or Repair

If any part of the condominium property shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined in the following manner.

15.1.1 Common Elements. If the damaged improvements are common elements, the damaged property shall be reconstructed or repaired—unless it is determined in the manner elsewhere provided that the condominium shall be terminated.

15.1.2 Condominium Building.

15.1.2.1 Lesser Damage. If the damaged improvement is a part of the condominium buildings, and if units to which forty percent (40%) of the common elements are appurtenant are found by the Board of Directors of the Association to be tenable, the damaged property shall be reconstructed or repaired, unless within ninety (90) days after the casualty it is determined in the manner elsewhere provided that the condominium shall be terminated.

15.1.2.2 Major Damage. If the damaged improvement is part of the condominium buildings and if units to which more than sixty percent (60%) of the common elements are appurtenant are found by the Board of Directors of the Association to be not tenable, then the damaged property will not be reconstructed or repaired and the condominium will be terminated, as elsewhere provided, unless within sixty (60) days after the casualty the owners of seventy-five percent (75%) of the common elements agree, in writing, to such reconstruction or repair.

15.1.3 Certificate. The Insurance Trustee may rely upon a certificate of the Association made by the President and Secretary to determine whether or not the damaged property is to be reconstructed or repaired.

15.2 Plans and Specifications.

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

15.3 Responsibility.

If the damage is only to those parts of one (1) unit for which the responsibility of maintenance and repair is that of the unit owner, then the unit owner shall be responsible for coordination of the reconstruction and repair after casualty. In all other instances, the responsibility for coordination of construction or repair after casualty shall be that of the Association.

15.4 Estimates of Costs.

Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance and repair, the Association shall obtain reliable and detailed estimates of the cost to repair or rebuild.

15.5 Assessments.

If the proceeds of Insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association or if at any time during the reconstruction and repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made against all unit owners in sufficient amounts to provide funds to pay the estimated costs. Such assessments shall be in proportion to the owner's share in the common elements.

15.6 Deductible Provision.

The funds necessary to cover any deductible amount under an insurance policy against which a claim is made shall be a common expense.

15.7 Construction Funds.

The funds for payment of costs of reconstruction and repair after casualty which shall consist of proceeds of insurance held by the association from assessments against unit owners, shall be disbursed in payment of such costs in the following manner:

15.7.1 Association. If costs of reconstruction and repair which are the responsibility of the Association are more than FIFTY THOUSAND DOLLARS (\$50,000), then the sums paid upon assessments to meet such costs shall be deposited by the Association with the Insurance Trustee. In all other cases, the Association shall hold the sums paid upon such assessments and disburse the same in payment of the costs of reconstruction and repair.

15.7.2 Unit Owner. The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with the unit owner, shall be paid by the Insurance Trustee to the unit owner—or, if there is a mortgagee endorsement, then to the unit owner and the mortgagee jointly.

15.7.2.1 Association - Lessor Damage. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is less than FIFTY THOUSAND DOLLARS (\$50,000), then the construction fund shall be disbursed in payment of such costs upon the order of the Association, provided, however, that upon request to the Insurance Trustee by a mortgagee which is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner hereafter provided for the reconstruction and repair of major damage.

15.7.2.2 Association - Major Damage. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is more than FIFTY THOUSAND DOLLARS (\$50,000), then the construction fund shall be disbursed in payment of such costs upon the order of the Association; provided, however, that upon request to the Insurance Trustee by a mortgagee which is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner hereafter provided for the reconstruction and repair of major damage.

15.7.2.3 Surplus. It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the owner of the fund in the manner elsewhere stated.

15.7.2.4 Certificate. Notwithstanding the provisions herein, the Insurance Trustee shall not be required to determine whether or not sums paid by unit owners upon assessments shall be deposited by the Association with the Insurance Trustee— (i) nor to determine whether the disbursements from the construction fund are to be upon the order of the Association or upon approval of an architect—or otherwise, (ii) nor whether a disbursement is to be made from the construction fund, (iii) nor to determine the payee, (iv) nor the amount to be paid, (v) nor to determine whether surplus funds to be distributed are less than the assessments paid by owners. Instead, the Insurance Trustee may rely upon a certificate of the Association made by its president and secretary as to any or all of such matters and stating that the sums to be paid are due and properly payable and stating the name of the payee and the amount to be paid; provided, that when a mortgagee is herein required to be named as payee, the Insurance Trustee shall also name the mortgagee as payee of any distribution of insurance proceeds to a unit owner and further provided that when the Association or a mortgagee, which is the beneficiary of an insurance policy, the proceeds of which are included in the construction funds, so requires, the approval of an architect named by the Association shall first be obtained by the Association upon disbursements in payment of costs of reconstruction and repair.

16. ASSESSMENTS

The making and collecting of assessments against unit owners for common expenses shall be the obligation of the board of directors pursuant to the By-Laws and subject to the following provisions:

16.1 Share of the Common Expenses.

Each unit owner shall be liable for a proportionate share of the common expenses and shall be entitled to an undivided share of the common surplus, such shares being set forth in Exhibit "C." A unit owner, regardless of how title is acquired, including, without limitation, a purchaser at a judicial sale, shall be liable for all assessments coming due while he is the owner of a unit. Additionally, a unit owner is jointly and severally liable with the previous owner for all unpaid assessments that came due up to the time of transfer of title. This liability is without prejudice to any right the new unit owner may have to recover from the previous owner the amounts paid by the new unit owner.

16.2 Non-Waiver.

The liability for assessments may not be avoided by waiver of the use or enjoyment of any common elements or by abandonment of the unit for which the assessment is made.

16.3 Interest, Application of Payments.

Assessments and installments on such assessments paid on or before then (10) days after the date when due shall not bear interest, but all sums not paid on or before ten (10) days after the date when due shall bear interest at the highest rate allowed by the laws of the State of Florida from the date when due, until paid. All payments upon account shall be first applied to interest, then to any costs and reasonable attorneys fees incurred in collection, and then to the delinquent assessment.

16.4 Lien for Assessments

The Association has a lien on each condominium parcel to secure the payment of assessments. Except as otherwise provided, the lien is effective from and shall relate back to the recording of the original Declaration of condominium. However, as to first mortgages of record, the lien is effective from and after recording of a claim of lien in the public records of the county in which the condominium parcel is located. Nothing in this subsection shall be construed to bestow upon any lien, mortgage, or certified judgment of record on April 1, 1992, including the lien for unpaid assessments created herein, a priority which, by law, the lien, mortgage, or judgment did not have

before that date.

To be valid, a claim of lien must state the description of the condominium parcel, the name of the record owner, the name and address of the Association, the amount due, and the due dates. It must be executed and acknowledged by an officer or authorized agent of the Association. No such lien shall be effective longer than one (1) year after the claim of lien was recorded unless, within that time, an action to enforce the lien is commenced. The 1-year period shall automatically be extended for any length of time during which the Association is prevented from filing a foreclosure action by an automatic stay resulting from a bankruptcy petition filed by the parcel owner or any other person claiming an interest in the parcel. The claim of lien shall secure all unpaid assessments, which are due and which may accrue subsequent to the recording of the claim of lien and prior to the entry of a certificate of title, as well as interest and all reasonable costs and attorney's fees incurred by the Association incident to the collection process. Upon payment in full, the person making the payment is entitled to a satisfaction of the lien.

16.5 Collection and Foreclosure

The Association may bring an action in its name to foreclose a lien for assessments in the manner a mortgage of real property is foreclosed and may also bring an action to recover a money judgment for the unpaid assessments without waiving any claim of lien. The Association shall give notice to the unit owner of its intention to foreclose its lien at least 30 days before the foreclosure action is filed. Said lien shall be effective as and in the manner provided for by the Condominium Act, and shall have the priorities established by said Act. The Association shall be entitled to bid at any sale held pursuant to a suit to foreclose an assessment lien, and to apply as a cash credit against its bid, all sums due the Association covered by the lien enforced. In case of such foreclosure, the unit owner shall be required to pay a reasonable rental for the condominium parcel and the plaintiff in such foreclosure shall be entitled to the appointment of a Receiver to collect same from the unit owner and/or occupant.

The Association is entitled to recover its reasonable attorney's fees incurred in either a lien foreclosure action or an action to recover a money judgment for unpaid assessments.

16.6 Liability of Mortgagee, Lienor, or Judicial Sale Purchaser for Assessment

A unit owner, regardless of how his title has been acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure, is liable for all assessments which come due while he is the unit owner, regardless of whether or not such parcel is unoccupied. Additionally, a unit owner is jointly and severally liable with the previous owner for all unpaid assessments that came due up to the time of transfer of title. This liability is without prejudice to any right the owner may have to recover from the previous owner the amounts paid by the owner.

The liability of a first mortgagee or its successor or assignees who acquire title to a unit by foreclosure or by deed in lieu of foreclosure for the unpaid assessments that became due prior to the mortgagee's acquisition of title is limited to the lessor of:

16.6.1 The unit's unpaid common expenses and regular periodic assessments which accrued or came due during the 6 months immediately preceding the acquisition of title and for which payment in full has not been received by the Association; or

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

The person acquiring title shall pay the amount owed to the Association within

30 days after transfer of title. Failure to pay the full amount when due shall entitle the Association to record a claim of lien against the parcel and proceed in the same manner as provided in this section for the collection of unpaid assessments.

16.7 Assignment of Claim of Lien Rights

Provided that the Association first complies with applicable statutory requirements, the Association, acting through its Board of Directors, shall have the right to assign its claim and lien rights for the recovery of any unpaid assessment to the Developer, or to any unit owner or group of unit owners, or to any third party.

16.8 Unpaid Assessments - Certificate

Any unit owner shall have the right to require from the Association a certificate showing the amount of unpaid assessments against him with respect to this condominium parcel. The holder of a mortgage or other lien shall have the same right as to any condominium parcel upon which he has a lien. Any person other than the owner who relies upon such certificate shall be protected thereby.

16.9 Priority of Lien

Any lien of the Association for common expenses, assessments or other charges becoming payable on or after the date of recordation of the first mortgage on any unit shall be subordinated to the lien of the first mortgage.

16.10 Operating Fund

An operating fund shall be established by the payment of each purchaser of two (2) months maintenance charges for each unit. Each unit's share of the operating fund will be collected and transferred to the Association at the time of closing of the sale of each unit and maintained in a segregated account for the use and benefit of the Association. The purpose of the fund is to provide funds to reimburse the Developer for and to pay advance utility deposits, insurance trustee, advance premiums on casualty, workmen's compensation and liability policies and to provide an initial operating fund and to ensure that the Association board will have cash available to meet unforeseen expenditures, or to acquire additional equipment or services deemed necessary or desirable by the board. Amounts paid into the fund are not advance payments of regular assessments but a separate and distinct payment of two (2) months' maintenance charges into the operating fund. Other than as set forth above for reimbursement, the operating fund may not be used by the Developer.

16.11 Lenders' Notices

Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor and the unit number or address, any such eligible mortgage holder or eligible insurer or guarantor will be entitled to timely written notice of:

16.11.1 Any condemnation loss or any casualty loss which affects a material portion of the project or any unit estate on which there is a first mortgage held, insured, or guaranteed by such eligible mortgage holder or eligible insurer or guarantor, as applicable.

16.11.2 Any delinquency in the payment of assessments or charges owned by an owner of a unit estate subject to a first mortgage held insured or guaranteed by such eligible holder or eligible insurer or guarantor, which remains uncured for a period of sixty (60) days.

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

16.11.4 Any proposed action which would require the consent of a specified percentage of mortgage holders.

17. COMPLIANCE AND DEFAULT

Each unit owner shall be governed by and shall comply with the terms of the Declaration of Condominium, By-Laws and Rules and Regulations adopted pursuant thereto, and said documents and rules and regulations as they may be amended from time to time. Failure of unit owners to comply therewith shall entitle the Association or other unit owners to the following relief in addition to the remedies provided by the Condominium Act.

17.1 Negligence

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

17.2 Costs and Attorneys' Fees

In any proceeding arising because of an alleged failure of a unit owner to comply with the terms of the Declaration, the By-Laws, and the Rules and Regulations adopted pursuant thereto, and said documents and rules and regulations as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees as may be awarded by the court.

17.3 No Waiver of Rights

The failure of the Association or any unit owner to enforce a covenant, restriction, or other provision of the Condominium Act, this Declaration, or any of the exhibits attached hereto, shall not constitute a waiver of the right to do so thereafter.

18. AMENDMENT OF DECLARATION

Unless otherwise required by this Declaration or by statute, this Declaration may be amended by a two-thirds (2/3) vote of the members of the Association, except for those amendments specifically reserved to the Developer by this Declaration or otherwise by statute to be made without a vote of the unit owners. In accordance with section 718.110(11), Florida Statutes, the consent or joinder of some or all of the mortgagees of units to or in amendments to this Declaration shall not be required; unless, however, such proposed amendment materially affects the rights or interest of the mortgagee as set forth in sections 718.110(4) and (8), Florida Statutes. And, except for amendments relating to the material alteration or configuration of a unit or units, amendments creating a time share estate in a unit or units, amendments that materially alter or modify the appurtenances to a unit or units, or amendments that change the proportion or percentage by which the owner of the parcel shares the common expenses and owns the common surplus, it shall be presumed that amendments to this Declaration do not materially affect the rights or interests of mortgagees.

19. DEVELOPER'S UNITS AND PRIVILEGES

19.1 Developer

The Developer, at the time of filing of this Declaration, is the owner of all of the real property, individual units, and appurtenances comprising this condominium. Therefore, the Developer, until all of the units have been sold and closed, shall be irrevocably empowered,

notwithstanding anything herein to the contrary, to sell, lease, or rent units to any person approved by the Developer. Said Developer shall have the right to transact upon the condominium property any business necessary to consummate the sale of units, including, but not limited to, the right to maintain models, have signs, staff employees, maintain offices, use the common elements, entertain prospective purchasers and show units. Any sales office, signs, fixtures or furnishings, or other tangible personal property belonging to the Developer shall not be considered common elements and shall remain the property of the Developer.

19.2 Amendment of Plans

Developer reserves the right to change the interior design and arrangement of all units so long as Developer owns the units so changed and altered, provided such change shall be reflected by an amendment of this Declaration, and provided further than an amendment for such purpose need be signed and acknowledged only by the Developer and need not be approved by the Association or Condominium unit owners, whether or not elsewhere required for an amendment.

19.2.1 An amendment of this Declaration reflecting such alteration by the Developer need be signed and acknowledged only by the Developer and need not be approved by the Association, condominium unit owners or any other persons whomsoever.

19.2.2 Nothing herein set forth in this Declaration shall be constructed as prohibiting the Developer from removing, or authorizing the removal of, any party wall between any units, as long as Developer owns the unit affected thereby, in order that said units may be used together as a single unit. In each event, all assessments, voting rights, and shares in the Common Elements shall be determined as if such units were as 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 unit shall be treated as the unit owner of as many units as have been combined. Should the combining of units as described in this paragraph be determined to violate the provisions of *F.S. 718.110(4)*, an Amendment to this Declaration shall be approved, executed, and recorded as required by *F.S. 718.110(4)*.

19.3 Developer's Share of the Common Expenses and Assessments

The Developer shall be excused from the payment of share of the common expenses and assessments related to all units owned by the Developer for a period of time terminating on the first day of the fourth calendar month following the month in which the closing of the purchase and sale of the first condominium unit occurs. The Developer shall pay the portion of common expenses incurred during that period which exceed the amount assessed against other unit owners.

19.4 Amendment

Notwithstanding anything herein to the contrary, the provisions of this section shall not be subject to any amendment until the Developer has sold all of the units in BELLE MER, A CONDOMINIUM.

20. TERMINATION

The condominium may be terminated in the following manner in addition to the manner provided in the Condominium Act:

20.1 Destruction

In the event that it is determined in the manner elsewhere provided that the condominium building shall not be reconstructed because of major damage, the condominium plan of ownership will be thereby terminated without agreement.

20.2 Agreement

The condominium may be terminated by the approval, in writing, of all of the owners of the units therein and by all record owners of mortgages thereon. If the proposed termination is submitted to a meeting of the members of the Association, the notice of which meeting gives notice of the proposed termination, and if the approval of the owners of not less than seventy-five percent (75%) of the common elements, and of the record owners of all mortgages upon the units, are obtained, in writing, not later than thirty (30) days from the date of such meeting, then the approving owners shall have an option to buy all of the units of the other owners for the period ending on the sixtieth (60th) day from the day of such meeting. Such approvals shall be irrevocable until the expiration of the option and, if the option is exercised, the approval shall be irrevocable. Such option shall be upon the following terms:

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

20.2.2 Price. The sale price for each unit shall be the fair market value determined by agreement between the seller and purchaser within thirty (30) days from the delivery or mailing of such agreement and, in the absence of agreement as to price, it shall be determined *by arbitration* in accordance with the *then existing* rules of the American Arbitration Association, except that the arbitrators shall be two (2) appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the unit; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

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

20.2.4 Closing. The sale shall be closed within thirty (30) days following the determination of the sale price.

20.3 Certificate

The termination of the condominium in either of the foregoing manners shall be evidenced by a certificate of the Association, executed by the president and secretary, certifying as to the facts effecting the termination, which certificate shall become effective upon being recorded in the public records of Santa Rosa County, Florida.

20.4 Shares of Owners After Termination

After termination of the condominium, unit owners shall own the condominium property and all assets of the Association as tenants in common in undivided shares, and their respective mortgagees and lienors shall have mortgages and liens upon the respective undivided shares of the unit owners. Such undivided shares of the unit owners shall be known as "termination shares" and shall be ascertained as follows:

20.4.1 The Board of directors, upon advisement by one or more independent appraisers, shall determine the value of each unit and appurtenances thereto prior to termination and of the total condominium property prior to termination. The total value of all units and appurtenances thereto shall equal the value of the condominium property.

20.4.2 The undivided share of each unit owner after termination shall equal the appraised value of his unit and appurtenance thereto divided by the appraised value of the total condominium property terminated.

20.4.3 The undivided share of each unit owner after termination shall be referred as a "termination share". After termination, the words "termination share" shall be to the Secretary of the Association by each such owner, substituted for the words "share in the common elements" or similar phrases used in this Declaration in order to ascertain the rights and duties of the holders of termination shares.

21. SEVERABILITY AND INVALIDITY

The invalidity, in whole or in part, of any covenant or restriction or any section, subsection, sentence, clause, phrase or word, or the provision of this Declaration of Condominium and the Articles of Incorporation, By-Laws, and the Rules and Regulations of the Association, shall not affect the validity of the remaining portions which shall remain in full force and effect.

In the event any court shall hereafter determine that any provisions of this Declaration of Condominium, as originally drafted or as amended, violates the rule against perpetuities or any other rules of law because of the duration of the period involved, the period specified in the Declaration shall not thereby become invalid but, instead, shall be reduced to the maximum period allowed under such rules of law and for such purpose measuring lives shall be those of the incorporators of the Association.

22. INTERPRETATION

The provisions of this Declaration of Condominium shall be liberally construed to effectuate its purposes of creating a uniform plan for the operation of a condominium in accordance with the laws made and provided for same; i.e., *Chapter 718, Florida Statutes*, as amended.

23. ASSOCIATION CONTROL

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

23.1 Three years after 50 percent of the units that will be operated ultimately by the Association have been conveyed to purchasers;

23.2 Three months after 90 percent of the units that will be operated ultimately by the Association have been conveyed to purchasers;

23.3 When all the units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business;

23.4 When some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or

23.5 Seven years after recordation of the Declaration, whichever occurs first.

Transfer of Association Control shall be in accordance with *F.S. 718.301*.

24. RENEWAL OR ASSUMPTION OF GROUND LEASE

24.1 Renewal. Unless renewed, the Ground Lease expires by its terms on August 23, 2066. In the event that the Ground Lease is not renewed, this Declaration shall be automatically terminated and the interests of Developer and of all individual unit owners in and to the

land described in Exhibit "A" shall cease.

In order to facilitate renewal of the Ground Lease, Developer hereby specifically grants the Board of Directors of the Association a limited irrevocable power of attorney, coupled with an interest to exercise by majority vote thereof Developer's option to renew Ground Lease for the Condominium, should such option become available.

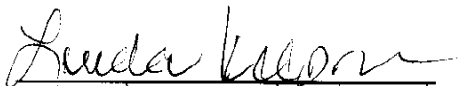
Developer reserves to itself the option to renew the Ground Lease for the benefit of the Condominium anytime during the term of the Ground Lease. In the event the Board of Directors, by majority vote, decide not to renew the Ground Lease, Developer further reserves the right to renew the Ground Lease for its benefit.

24.2 Assumption. The Association shall assume the rights and duties of Developer under the Ground Lease and instrument of conveyance at Developer's option, provided that the County of Santa Rosa agrees by recordable instrument to release Developer and its predecessors in interest from all liability under the terms of the Ground Lease. By accepting an instrument of conveyance, each purchaser of a unit acknowledges that such assumption may be undertaken by a majority vote of the Board of Directors of the Association, signed by the President of the Association and attested by the Secretary of the Association, at a time when the Developer appoints the majority of Directors, or at any other time, and each purchaser of a unit hereby expressly agrees to and ratifies such assumption.


IN WITNESS WHEREOF, the Developer has caused the execution of this Declaration of Condominium, this 1st day of April, 1997.

WITNESSES:

DEVELOPER:


Name: LINDA KELSON
Print/Type Name

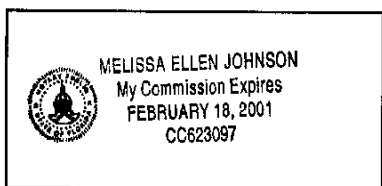
BHC COMMERCIAL VENTURES, INC.
By: James O. Rein
JAMES O. REIN
Vice President


Name: Melissa E. Johnson
Print/Type Name

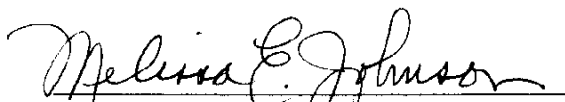
(Corporate Seal)

STATE OF FLORIDA
COUNTY OF SANTA ROSA

The foregoing instrument was acknowledged before me this 1st day of April, 1997, by **James O. Rein** the Vice President of BHC Commercial Ventures, Inc., an Alabama corporation, on behalf of the corporation, who is personally known to me.



NOTARY SEAL


NOTARY PUBLIC
Melissa E. Johnson
[Print/Type Name]

**** OFFICIAL RECORDS ****
BK 1601 PG 646

**JOINDER OF MORTGAGEE OF
DECLARATION OF CONDOMINIUM**

**JOINDER OF MORTGAGEE
OF
DECLARATION OF CONDOMINIUM**

SouthTrust Bank of Alabama, the owner and holder of a mortgage encumbering the land described in Exhibit A, attached to the Declaration of Condominium of Belle Mer, a condominium, according to the Declaration thereof to which this Joinder is attached, hereby consents to and joins in the said Declaration thereof and agrees that the lien of its mortgage, to the extent of the encumbrance upon the land described in Exhibit A attached to the Declaration of Condominium shall be upon all of the condominium parcels of Belle Mer, a condominium, according to the Declaration thereof, together with all of the appurtenances, including, but not limited to, any common elements appurtenant to the condominium parcels so encumbered and to the undivided shares of the common elements.

Nothing contained herein shall be deemed to or in any way limit or affect the mortgage held by SouthTrust Bank of Alabama or the priority of the lien created thereby and the sole purpose of this Joinder is to acknowledge the consent of said Mortgagee to the Declaration of Condominium as hereinabove provided.

This instrument is executed by the undersigned for the purpose of complying with and pursuant to Florida Statute 718.104(4)(m).

EXECUTED this 20th day of March, 1997.

SOUTHTRUST BANK OF ALABAMA,
Mortgagee

WITNESSES:

Tony A. [Signature]
Joni S. [Signature]

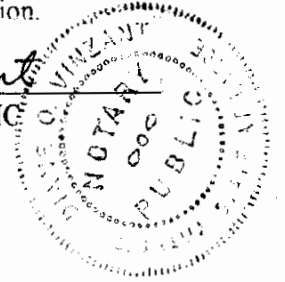
By: [Signature]
Name: W. T. KEITH
Its: Sr. Vice Pres.

(Corporate Seal)

STATE OF ALABAMA
COUNTY OF Jefferson

The foregoing Joinder of Mortgagee of Declaration of Condominium was acknowledged before me this 20th day of March, 1997, by W. T. KEITH, Sr. Vice President of SouthTrust Bank of Alabama, on behalf of said corporation.

[Signature]
NOTARY PUBLIC



My Commission Expires:
1-24-99

**** OFFICIAL RECORDS ****
BK 1601 PG 648

SURVEYOR'S CERTIFICATE

SURVEYOR'S CERTIFICATE

BELLE MER, A CONDOMINIUM

I, **Douglas A. Vanden Heuvel** (Registered Land Surveyor No. 4585, State of Florida), a surveyor authorized to practice in the State of Florida, on behalf of Noble's Varnum & Associates, Inc. hereby certify that the construction of the improvements described in Exhibit A of the Declaration of Condominium of Belle Mer, a Condominium, attached hereto, consisting of twenty (20) pages is substantially complete, except for the Sixteenth Floor, so that the material, together with the provisions of the Declaration relating to matters of survey describing the condominium property is an accurate representation of the location and dimensions of the improvements, and that the identification, location and dimensions of the common elements, limited common elements, and of each unit can be determined from these materials and that improvements, including but not limited to, landscaping, utility services and access to the unit and common element facilities have been substantially completed.

NOBLE'S VARNUM & ASSOCIATES, INC.

By: *Douglas A. Vanden Heuvel*
DOUGLAS A. VANDEN HEUVEL
Registered Land Surveyor No.: 4585
State of Florida

(SEAL)

Sworn to and subscribed before me this 13th day of March, 1997.

Josephine G. Hart
NOTARY PUBLIC

My Commission Expires:

1-20-01

(NOTARY SEAL)



JOSEPHINE G. HART
My Commission Expires
JANUARY 20, 2001
OC614607

** OFFICIAL RECORDS **
BK 1601 PG 650

EXHIBIT "A"
NARRATIVE DESCRIPTION, LEGAL DESCRIPTION
SITE PLAN, FLOOR PLANS,
AND ELEVATION

NARRATIVE DESCRIPTION

Belle Mer, A Condominium contains one high-rise building containing sixteen floors with one parking level below the first floor. The Condominium contains a total of 61 units. Two elevators will be provided.

The common elements in the Condominium include all lands and improvements thereon which are not included in the units.

Reference should be made to the site plan, floor plans, and building elevations set forth in this exhibit. The construction is not complete and upon completion this Declaration shall be amended to show the certificate of a surveyor authorized to practice in this state certifying that the construction of the improvements is substantially complete so that the material, together with the provisions of this Declaration describing the condominium property, constitute an accurate representation of the location and dimensions of the improvements and that the identification, location, and dimensions of the common elements, and limited common elements, appurtenant to each unit, can be determined from these materials.

The unit numbers, unit types, and numbers of bathrooms and bedrooms in each unit are set forth as follows:

Unit No.	Type	Number of Bedrooms	Number of Baths	Unit No.	Type	Number of Bedrooms	Number of Baths
101	A-East	4	4	702	B	3	3
102	B1	2	2	703	C	3	3
103	C1	3	3	704	A-West	4	4
201	A-East	4	4	801	A-East	4	4
202	B	3	3	802	B	3	3
203	C	3	3	803	C	3	3
204	A-West	4	4	804	A-West	4	4
301	A-East	4	4	901	A-East	4	4
302	B	3	3	902	B	3	3
303	C	3	3	903	C	3	3
304	A-West	4	4	904	A-West	4	4
401	A-East	4	4	1001	A-East	4	4
402	B	3	3	1002	B	3	3
403	C	3	3	1003	C	3	3
404	A-West	4	4	1004	A-West	4	4
501	A-East	4	4	1101	A-East	4	4
502	B	3	3	1102	B	3	3
503	C	3	3	1103	C	3	3
504	A-West	4	4	1104	A-West	4	4
601	A-East	4	4	1201	A-East	4	4
602	B	3	3	1202	B	3	3
603	C	3	3	1203	C	3	3

Unit No.	Type	Number of Bedrooms	Number of Baths	Unit No.	Type	Number of Bedrooms	Number of Baths
604	A-West	4	4	1204	A-West	4	4
701	A-East	4	4	1301	A-East	4	4
1302	B	3	3	1501	A-East	4	4
1303	C	3	3	1502	B	3	3
1304	A-West	4	4	1503	C	3	3
1401	A-East	4	4	1504	A-West	4	4
1402	B	3	3	1601	East Penthouse	4	4
1403	C	3	3	1602	West Penthouse	4	4
1404	A-West	4	4				

LEGAL DESCRIPTION

Beginning at the northwest corner of Lot 38, First Addition, Navarre Beach Commercial Section One, as recorded in Plat Book 5, Page 95, Public Records of Escambia County, Florida, said point lying on the southerly right-of-way of Gulf Boulevard and being the PC of a curve, concave northwesterly having a radius of 1184.28 feet, a central angle of $02^{\circ}15'09''$, a tangent of 23.28 feet; a chord bearing and distance of $N45^{\circ}58'59''E$, 46.55 feet; thence easterly along the arc of said curve 46.56 feet to the PT; thence $N45^{\circ}14'42''E$, along said right-of-way, 3.90 feet to the PC of a curve, concave southeasterly, having a radius of 1108.28 feet, a central angle of $13^{\circ}15'27''$ a tangent of 128.79 feet, a chord bearing and distance of $N51^{\circ}37'41''E$, 255.87 feet; thence easterly along the arc of said curve 256.44 feet to the PT; thence departing the southerly right-of-way of Gulf Boulevard proceed $S25^{\circ}40'07''E$, 97.99 feet; $S35^{\circ}22'58''W$, 84.57 feet; $S54^{\circ}37'02''E$, 147.00 feet; $S35^{\circ}22'58''W$, 5.00 feet; $S54^{\circ}37'02''E$, 39.00 feet; thence $S35^{\circ}22'58''W$, 48.00 feet; thence $N54^{\circ}37'02''W$, 34.00 feet; $S35^{\circ}22'58''W$, 75.00 feet; thence $S09^{\circ}37'02''E$, 208.17 feet to a point near the approximate mean high water level of the Gulf of Mexico; thence $S81^{\circ}16'32''W$, along said MHWL 241.69 feet to a point of intersection with the west line of the aforementioned Lot 38; thence $N10^{\circ}49'27''W$, along said west line, 404.81 feet to the Point of Beginning. Containing 3.06 acres, more or less.

AND ALSO:

The following described parcel:

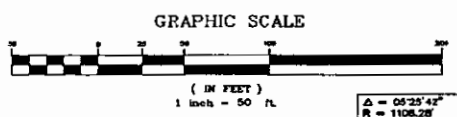
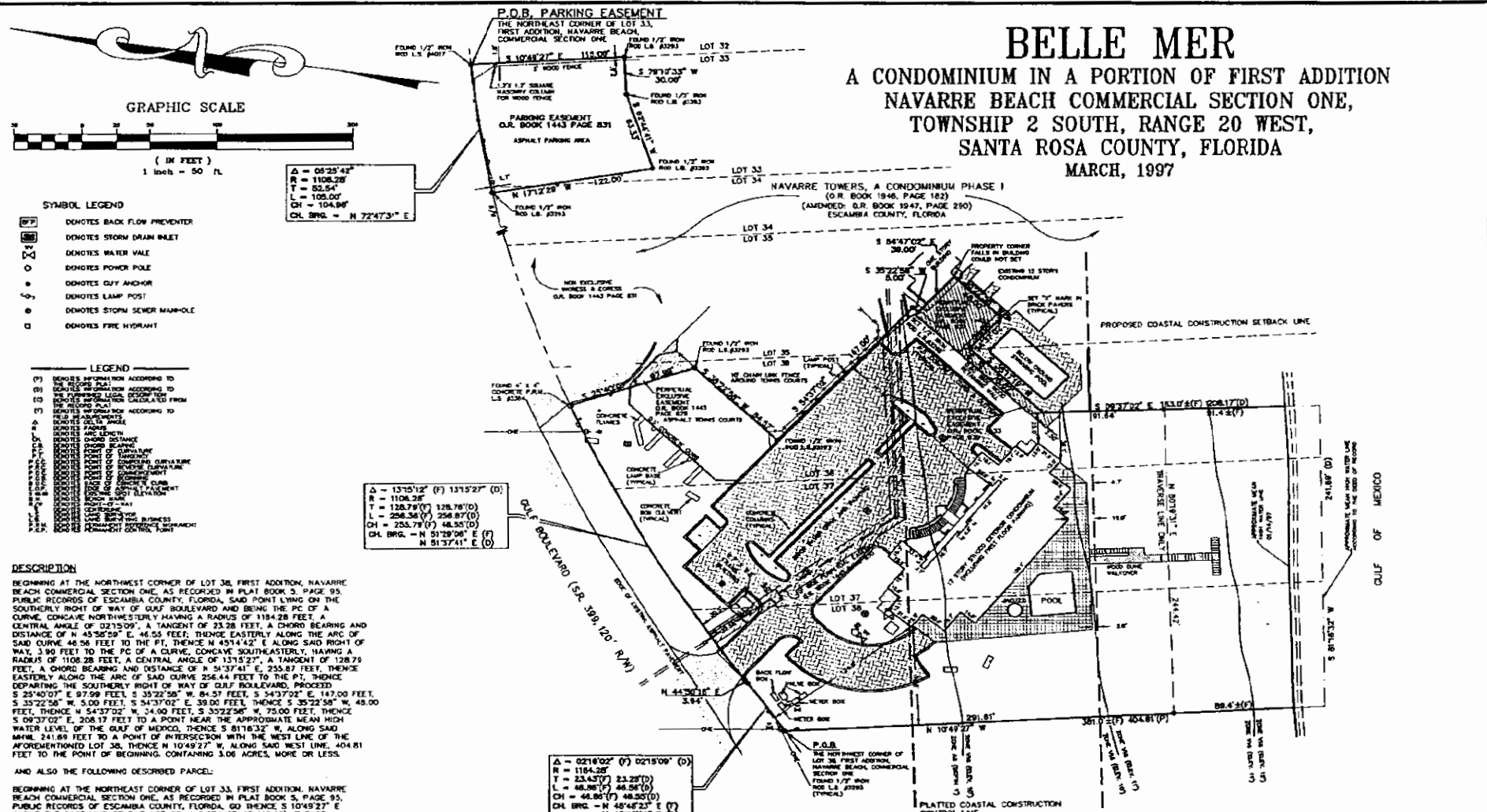
Beginning at the Northeast corner of Lot 33, First Addition, Navarre Beach, Commercial Section One, as recorded in Plat Book 5, Page 95, Public Records of Escambia County, Florida, go thence $S10^{\circ}49'27''E$, along the east line of said Lot 33, a distance of 115.00 feet; thence departing the aforementioned east line; proceed $S79^{\circ}10'33''W$, 30.00 feet; thence $S62^{\circ}44'41''W$, 63.33 feet; thence $N17^{\circ}12'29''W$, 122.00 feet to a point on the southerly right-of-way of Gulf Boulevard, said point also being the PC of a curve concave southerly, having a radius of 1108.28 feet, a central angle of $05^{\circ}25'42''$, a tangent of 52.54 feet, a chord bearing and distance of $N72^{\circ}47'31''E$, 104.96 feet; thence easterly along the arc of said curve 105.00 feet to the Point of Beginning. Containing 0.26 acres, more or less.

**** OFFICIAL RECORDS ****
BK 1601 PG 654

**SITE PLAN
&
BOUNDARY SURVEY**

BELLE MER

A CONDOMINIUM IN A PORTION OF FIRST ADDITION
NAVARRE BEACH COMMERCIAL SECTION ONE,
TOWNSHIP 2 SOUTH, RANGE 20 WEST,
SANTA ROSA COUNTY, FLORIDA
MARCH, 1997



- SYMBOL LEGEND**
- DENOTES BACK FLOW PREVENTER
 - DENOTES STORM DRAIN INLET
 - DENOTES WATER VALVE
 - DENOTES POWER POLE
 - DENOTES GUY ANCHOR
 - DENOTES LAMP POST
 - DENOTES STORM SEWER MAN-HOLE
 - DENOTES FIRE HYDRANT

- LEGEND**
- (P) BENCHES SHOWN ACCORDING TO THE RECORD PLAT
 - (S) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (C) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (D) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (E) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (F) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (G) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (H) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (I) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (J) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (K) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (L) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (M) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (N) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (O) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (P) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (Q) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (R) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (S) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (T) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (U) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (V) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (W) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (X) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (Y) BENCHES SHOWN ACCORDING TO THE FIELD NOTES
 - (Z) BENCHES SHOWN ACCORDING TO THE FIELD NOTES

DESCRIPTION

BEGINNING AT THE NORTHWEST CORNER OF LOT 38, FIRST ADDITION, NAVARRE BEACH COMMERCIAL SECTION ONE, AS RECORDED IN PLAT BOOK 5, PAGE 95, PUBLIC RECORDS OF ESCAMBA COUNTY, FLORIDA, SAID POINT LYING ON THE SOUTHERLY RIGHT OF WAY OF GULF BOULEVARD AND BEING THE P.C. OF A CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 1184.28 FEET, A CENTRAL ANGLE OF 02°15'09", A TANGENT OF 23.28 FEET, A CHORD BEARING AND DISTANCE OF N 45°58'56" E, 46.55 FEET; THENCE EASTERLY ALONG THE ARC OF SAID CURVE 46.55 FEET TO THE P.T.; THENCE SOUTHERLY ALONG THE RIGHT OF WAY, 3.90 FEET TO THE P.C. OF A CURVE, CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 1108.28 FEET, A CENTRAL ANGLE OF 13°15'27", A TANGENT OF 128.79 FEET, A CHORD BEARING AND DISTANCE OF N 51°37'41" E, 253.87 FEET; THENCE EASTERLY ALONG THE ARC OF SAID CURVE 256.44 FEET TO THE P.T.; THENCE DEPARTING THE SOUTHERLY RIGHT OF WAY OF GULF BOULEVARD, PROCEED S 85°40'07" E 97.59 FEET, S 35°22'58" W, 84.57 FEET, S 54°37'02" E, 187.00 FEET, S 35°22'58" W, 5.00 FEET, S 54°37'02" E, 39.00 FEET, THENCE S 35°22'58" W, 49.00 FEET, THENCE N 54°37'02" W, 34.00 FEET, S 35°22'58" W, 75.00 FEET, THENCE S 08°37'02" E, 208.17 FEET TO A POINT NEAR THE APPROXIMATE MEAN HIGH WATER LEVEL OF THE GULF OF MEXICO, THENCE S 81°16'32" W, ALONG SAID MEAN HIGH WATER LEVEL TO A POINT OF INTERSECTION WITH THE WEST LINE OF THE AFORESAID LOT 38, THENCE N 10°49'27" W, ALONG SAID WEST LINE, 404.81 FEET TO THE POINT OF BEGINNING, CONTAINING 3.06 ACRES, MORE OR LESS.

AND ALSO THE FOLLOWING DESCRIBED PARCEL:

BEGINNING AT THE NORTHEAST CORNER OF LOT 33, FIRST ADDITION, NAVARRE BEACH COMMERCIAL SECTION ONE, AS RECORDED IN PLAT BOOK 5, PAGE 95, PUBLIC RECORDS OF ESCAMBA COUNTY, FLORIDA, GO THENCE S 10°49'27" E ALONG THE EAST LINE OF SAID LOT 33, A DISTANCE OF 115.00; THENCE DEPARTING THE AFORESAID EAST LINE, PROCEED S 79°13'31" W, 30.00 FEET; THENCE S 87°44'11" W, 83.33 FEET; THENCE N 17°12'29" W, 122.00 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF GULF BOULEVARD, SAID POINT ALSO BEING THE P.C. OF A CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 1108.28 FEET, A CENTRAL ANGLE OF 02°15'09", TANGENT OF 23.28 FEET, A CHORD BEARING AND DISTANCE OF N 72°47'31" E, 104.96 FEET; THENCE EASTERLY ALONG THE ARC OF SAID CURVE, 105.00 FEET TO THE POINT OF BEGINNING, CONTAINING 0.28 ACRES, MORE OR LESS.

TOGETHER WITH THE EASEMENT RIGHTS GRANTED TO BHC COMMERCIAL VENTURES, INC. BY PARAGRAPH 1 AND EXHIBIT "A" AND BY PARAGRAPH 5 AND EXHIBIT "B" OF THE EASEMENT AGREEMENT, LICENSE AGREEMENT AND RESTRICTION RECORDED IN OFFICIAL RECORDS BOOK 1443, PAGE 829, OF THE PUBLIC RECORDS OF SANTA ROSA COUNTY, FLORIDA.

$\Delta = 13°15'27" (D)$
 $R = 1108.28'$
 $T = 128.79'(D)$
 $L = 256.46'(D)$
 $CH = 253.79'(D)$
 $CH. BRG. = N 51°37'41" E (D)$

$\Delta = 02°15'09" (D)$
 $R = 1184.28'$
 $T = 23.28'(D)$
 $L = 46.55'(D)$
 $CH = 46.55'(D)$
 $CH. BRG. = N 45°58'56" E (D)$

- GENERAL NOTES:**
1. BEARINGS SHOWN HEREON ARE REFERENCED TO THE WEST LINE OF LOT 38, AS BEING N 10°49'27" W AS SHOWN ON THE RECORD PLAT OF FIRST ADDITION NAVARRE COMMERCIAL SECTION ONE.
 2. THERE MAY BE ADDITIONAL RESTRICTIONS THAT ARE NOT RECORDED ON THIS PLAT THAT MAY BE FOUND IN THE PUBLIC RECORDS OF ESCAMBA COUNTY, FLORIDA.
 3. THERE ARE NO VISIBLE ENCROACHMENTS.
 4. THERE MAY BE ADDITIONAL RIGHTS OF WAY, EASEMENTS, BUILDING SETBACKS, OR OTHER RESTRICTIONS OF RECORD THAT ARE NOT SHOWN. THIS SURVEYOR HAS NOT BEEN FURNISHED A TITLE OPINION, THEREFORE, NO CERTIFICATION IS GIVEN THAT EXIST OVERLAPS AND UNDERGROUND ENCROACHMENTS DO NOT EXIST.
 5. THIS PLAT HAS BEEN PREPARED FROM A PREVIOUS BOUNDARY SURVEY PERFORMED BY NOBLES, VARNUM & ASSOCIATES, INC.
 6. THIS PARCEL LIES IN FLOOD ZONE V18 (12' MINIMUM FLOOD ELEVATION REQUIRED), FLOOD ZONE V18 (11' MINIMUM FLOOR ELEVATION REQUIRED), FLOOD ZONE V18 (10' MINIMUM FLOOR ELEVATION REQUIRED), AND FLOOD ZONE A0 (1' MINIMUM FLOOR ELEVATION REQUIRED), AS SHOWN ON FEMA FLOOD INSURANCE RATE MAP COMMUNITY PANEL NUMBER 120080 0360 C, DATED SEPTEMBER 11, 1992.

SUMMER PLACE
 A PLANNED UNIT DEVELOPMENT
 (PLAT BOOK F, PAGE 9)

SURVEYOR'S CERTIFICATE:

I HEREBY CERTIFY THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF, AND IN MY PROFESSIONAL OPINION THAT THIS IS A TRUE AND CORRECT SURVEY OF THE PROPERTY DESCRIBED HEREON AND THAT THE CONSTRUCTION OF THE IMPROVEMENTS IS SUBSTANTIALLY COMPLETE, EXCEPT FOR THE SIXTEENTH FLOOR, SO THAT THE MATERIAL TOGETHER WITH THE PROVISIONS OF THE DECLARATION DESCRIBING THE CONDOMINIUM PROPERTY IS AN ACCURATE REPRESENTATION OF THE LOCATION AND DIMENSIONS OF THE IMPROVEMENTS AND THE IDENTIFICATION, LOCATIONS AND DIMENSIONS OF THE COMMON ELEMENTS AND OF EACH UNIT CAN BE DETERMINED FROM THESE MATERIALS AND THAT IMPROVEMENTS INCLUDING, BUT NOT LIMITED TO, LANDSCAPING, HAVE BEEN SUBSTANTIALLY COMPLETE.

Douglas A. Vanden Heuvel
 DOUGLAS A. VANDEN HEUVEL, P.L.S., FLORIDA REGISTRATION NO. 18785
 CERTIFICATE OF AUTHORIZATION NO. L.B. 3293
 NOBLES, VARNUM & ASSOCIATES, INC.
 10085 HONOLULU EAST, SUITE A-3
 DUSTIN, FLORIDA 32541

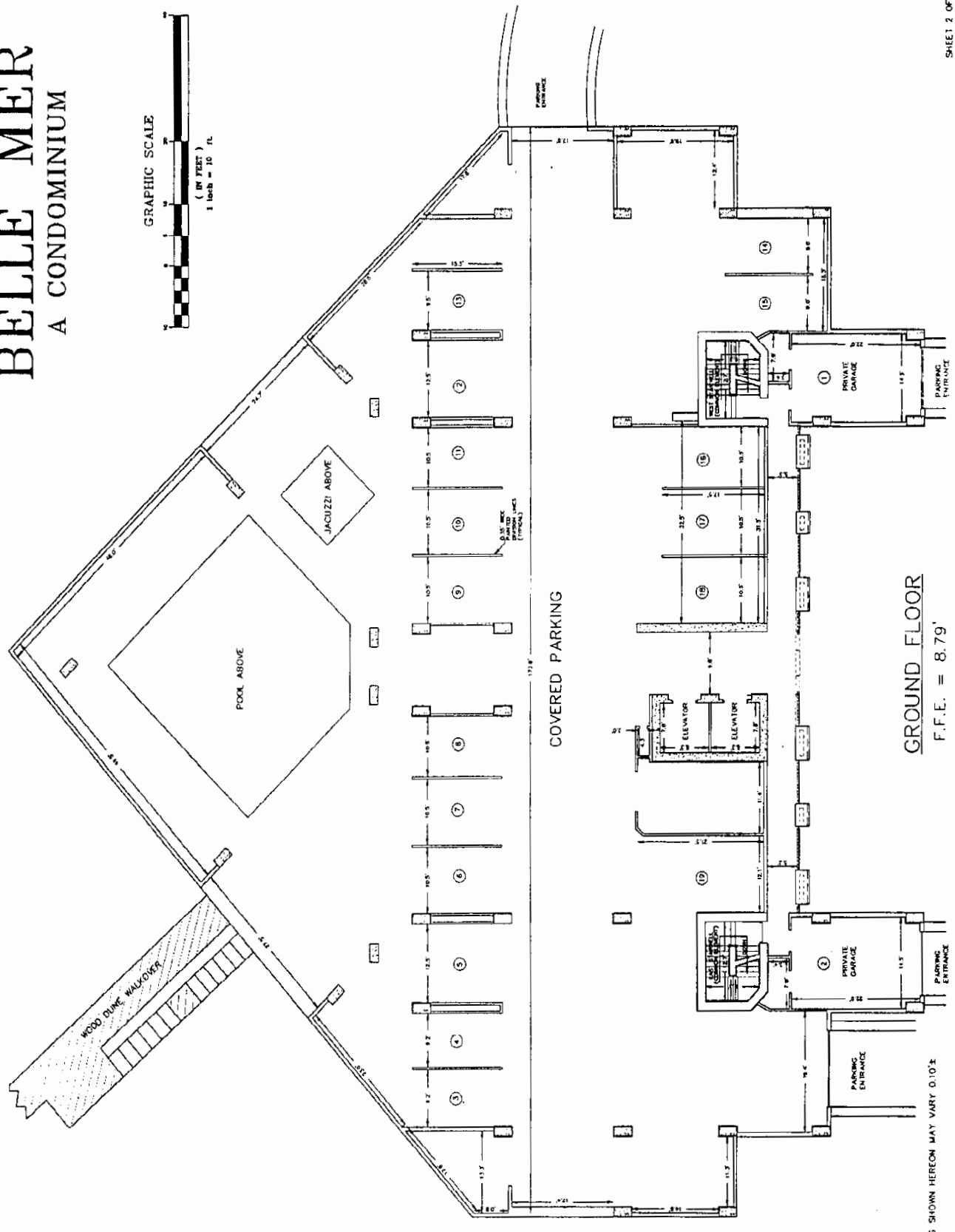
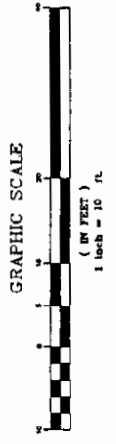
NOBLES, VARNUM & ASSOCIATES, INC.
 CIVIL ENGINEERING - LAND SURVEYING
 PLANNING - LANDSCAPE ARCHITECTURE
 ENVIRONMENTAL ANALYSIS - PERMITTING
 10085 WEST ORLANDO COAST PARKWAY, SUITE A-3, DUSTIN, FLORIDA 32541
 PHONE (904) 854-4221 - FAX (904) 854-4224 C240

Belle Mer, A Condominium -- Declaration

** OFFICIAL RECORDS **
BK 1601 PG 656

FLOOR PLANS

BELLE MER A CONDOMINIUM

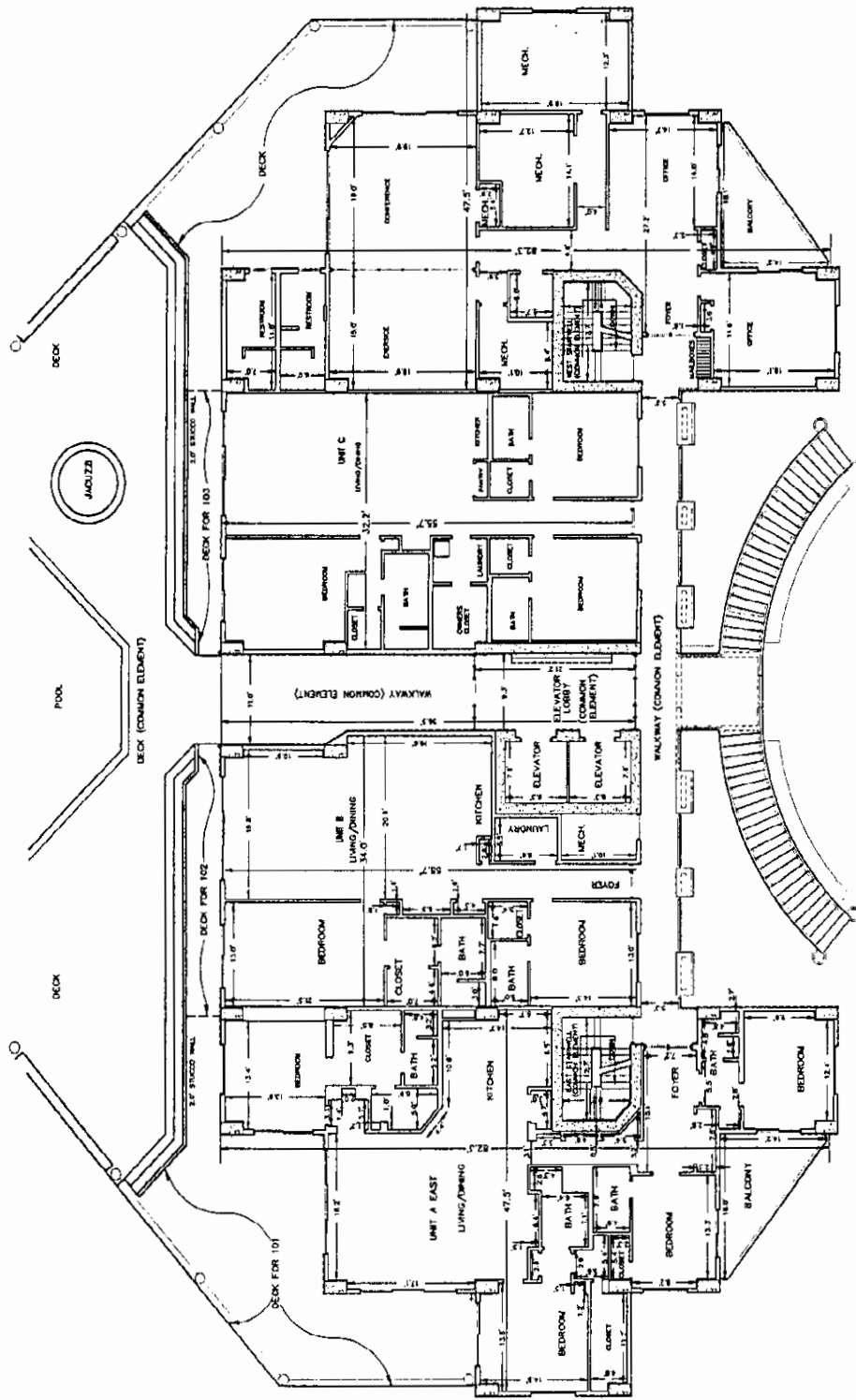


GROUND FLOOR
F.F.E. = 8.79'

NOTE: UNIT DIMENSIONS SHOWN HEREON MAY VARY 0.10 ±

SHEET 2 OF 18

BELLE MER A CONDOMINIUM



COMMON ELEMENT

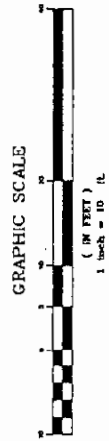
UNIT 103 (TYPE C)
SEE TYPICAL UNIT TYPE C
SHEET 19 OF 19

UNIT 102 (TYPE B)

UNIT 101 (TYPE A - EAST)

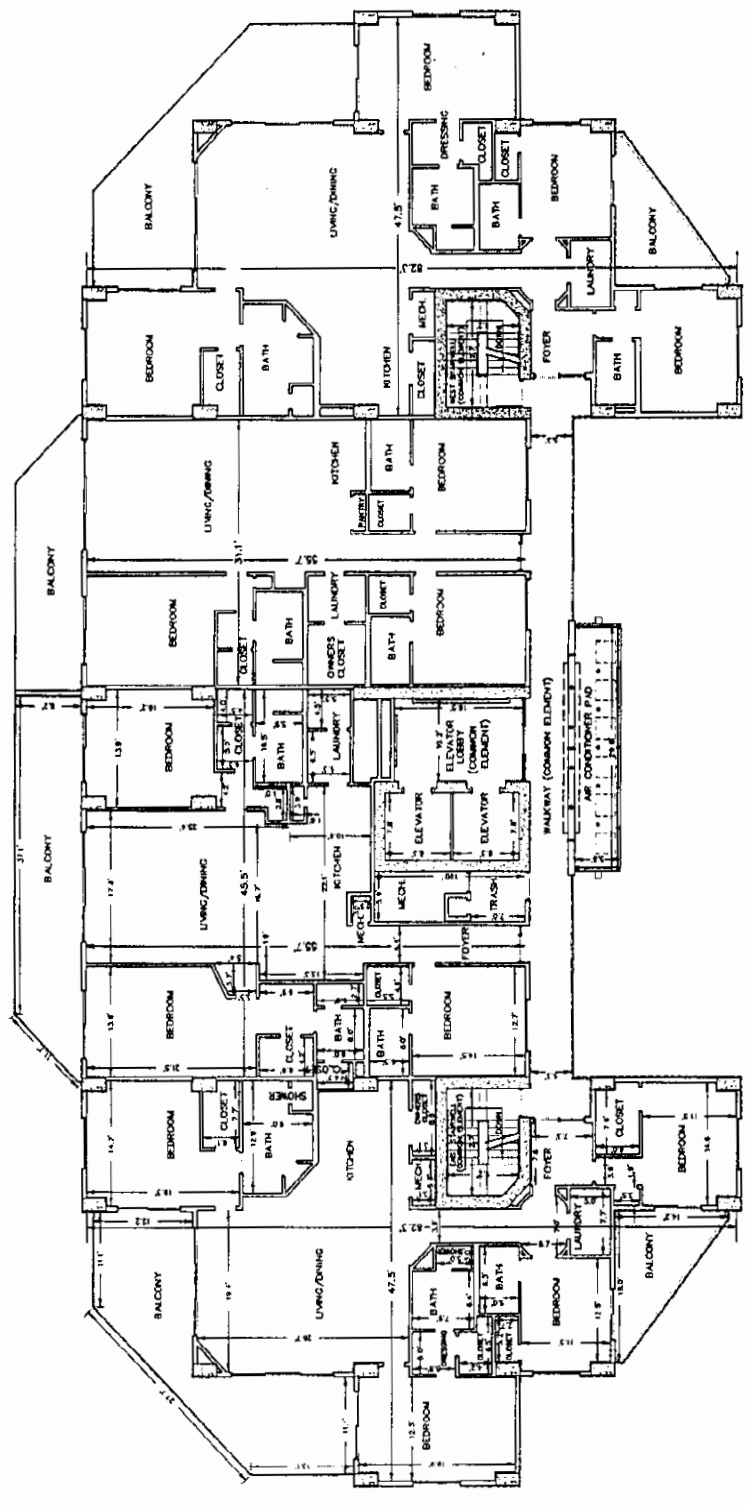
FIRST FLOOR

F.F.E. = 19.98'



BELLE MER

A CONDOMINIUM



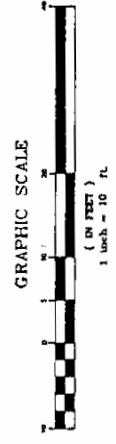
UNIT 204 (TYPE A-WEST)
SEE TYPICAL UNIT TYPE A - WEST
SHEET 19 OF 19

UNIT 203 (TYPE C)
SEE TYPICAL UNIT TYPE C
SHEET 19 OF 19

UNIT 202 (TYPE B)

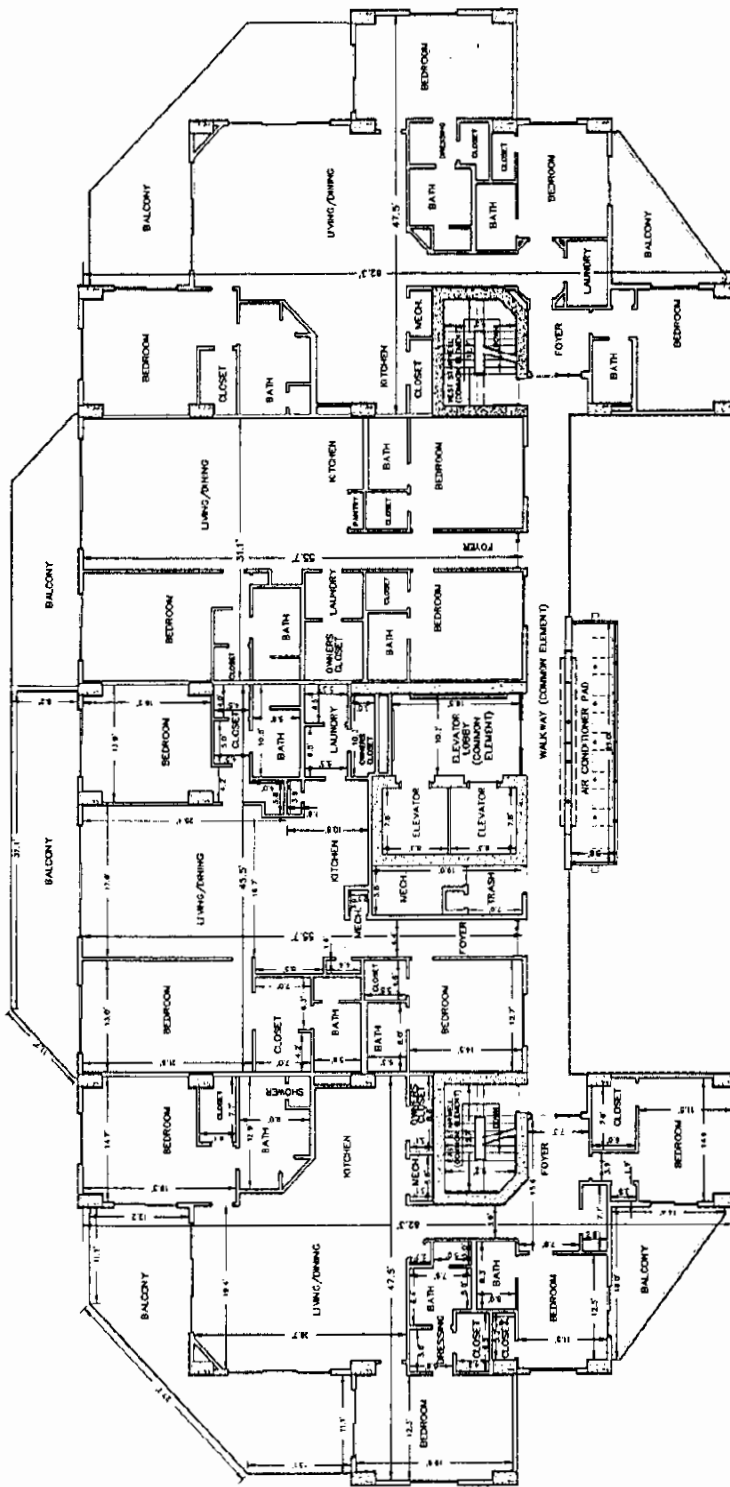
UNIT 201 (TYPE A - EAST)

SECOND FLOOR
F.F.E. = 30.67'



NOTE: UNIT DIMENSIONS SHOWN HEREON MAY VARY 0.10'±

BELLE MER A CONDOMINIUM

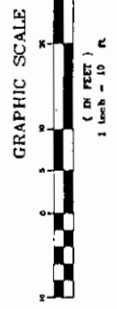


UNIT 304 (TYPE A-WEST)
SEE TYPICAL UNIT TYPE A - WEST
SHEET 19 OF 19

UNIT 303 (TYPE C)
SEE TYPICAL UNIT TYPE C
SHEET 19 OF 19

UNIT 302 (TYPE B)

UNIT 301 (TYPE A - EAST)



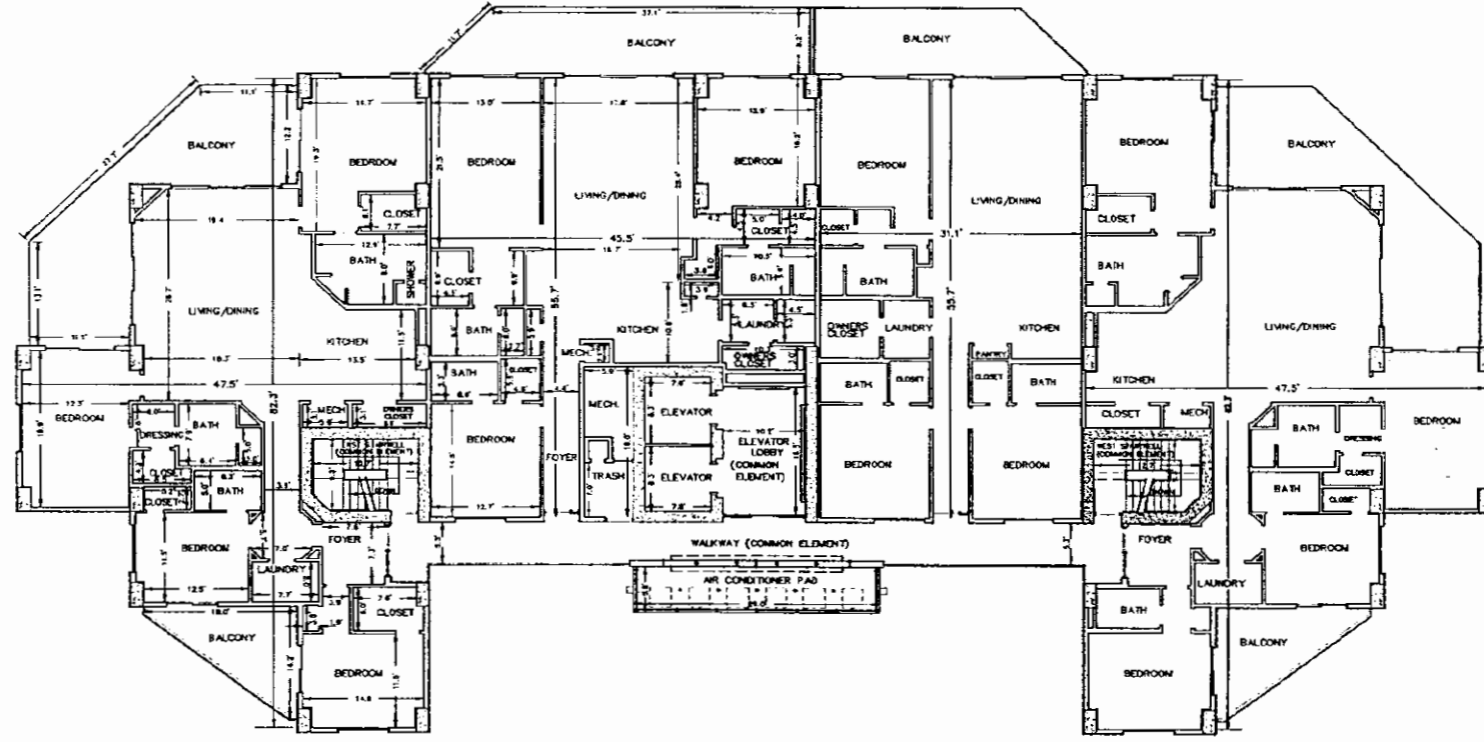
THIRD FLOOR
F.F.E. = 40.34'

NOTE: UNIT DIMENSIONS SHOWN HEREON MAY VARY 0.10'±

SHEET 5 OF 19

BELLE MER

A CONDOMINIUM

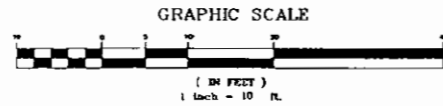


UNIT 401 (TYPE A - EAST)

UNIT 402 (TYPE B)

UNIT 403 (TYPE C)
SEE TYPICAL UNIT TYPE C
SHEET 19 OF 19

UNIT 404 (TYPE A - WEST)
SEE TYPICAL UNIT TYPE A - WEST
SHEET 19 OF 19

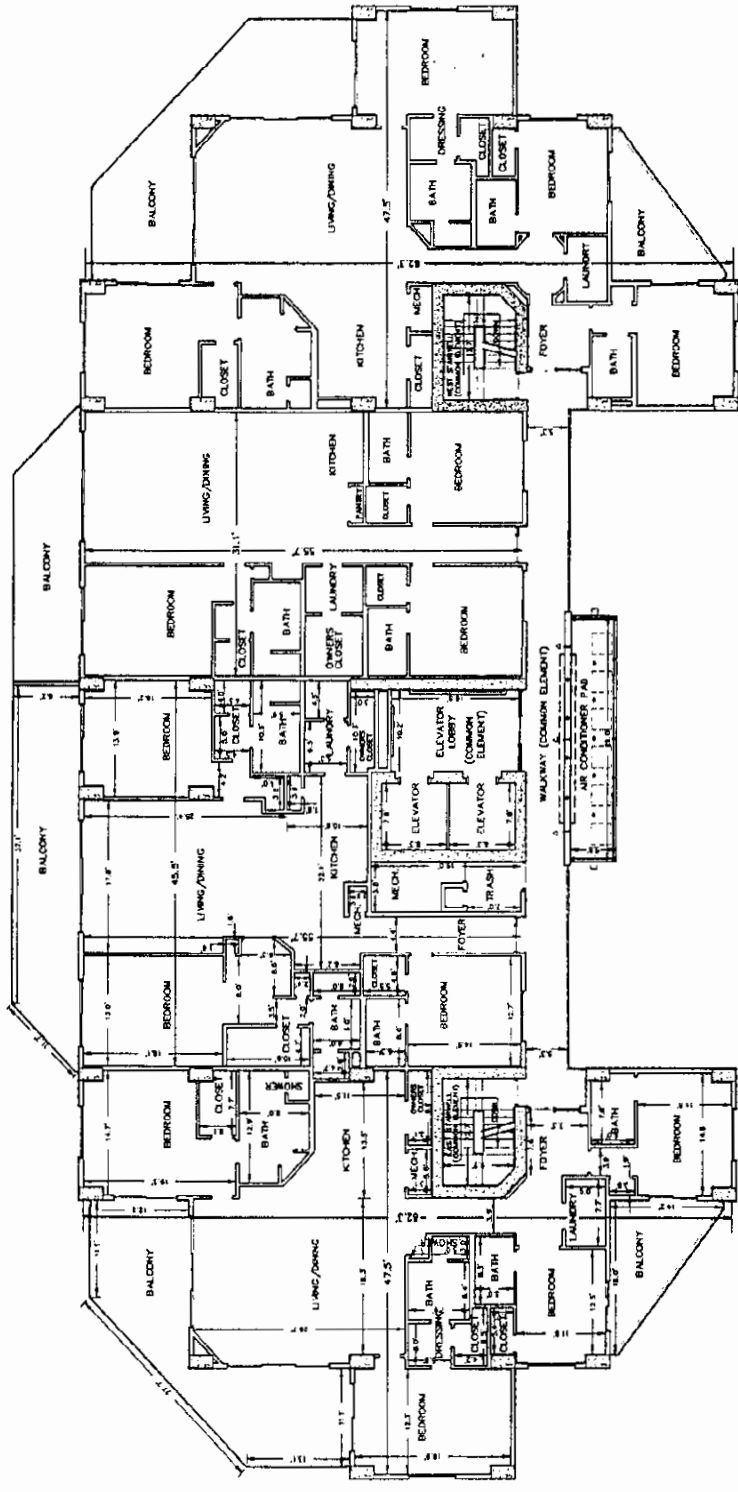


FOURTH FLOOR
F.F.E. = 50.12'

NOTE: UNIT DIMENSIONS SHOWN HEREON MAY VARY 0.10'±

BELLE MER

A CONDOMINIUM



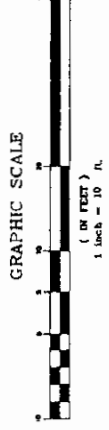
UNIT 504 (TYPE A--WEST)
SEE TYPICAL UNIT TYPE A -- WEST
SHEET 19 OF 19

UNIT 503 (TYPE C)
SEE TYPICAL UNIT TYPE C
SHEET 19 OF 19

UNIT 502 (TYPE B)

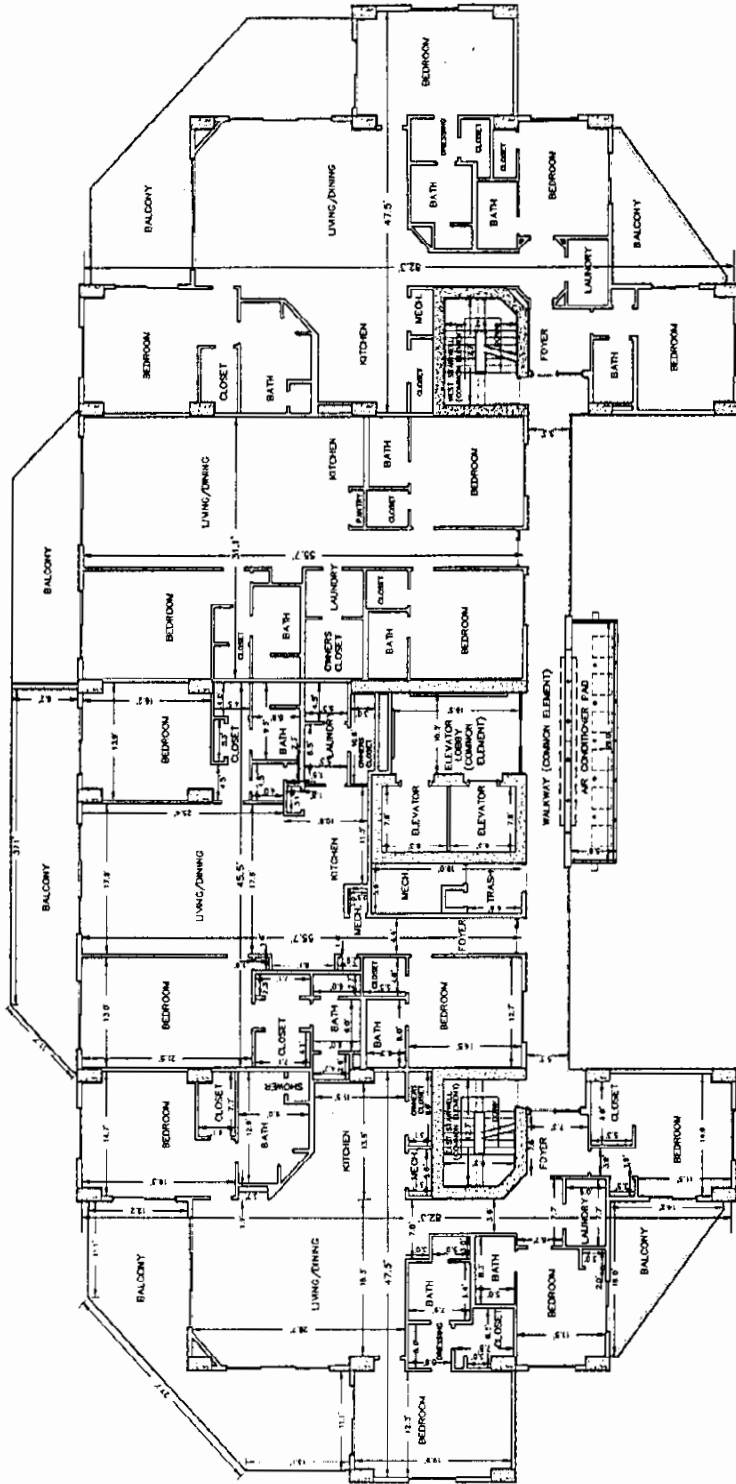
UNIT 501 (TYPE A -- EAST)

FIFTH FLOOR
F.F.E. = 59.83'



NOTE: UNIT DIMENSIONS SHOWN HEREON MAY VARY 0.10'±

BELLE MER A CONDOMINIUM



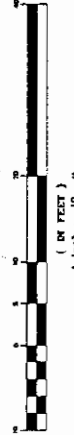
UNIT 601 (TYPE A - EAST)

UNIT 602 (TYPE B)

UNIT 603 (TYPE C)
SEE TYPICAL UNIT TYPE C
SHEET 19 OF 19

UNIT 604 (TYPE A - WEST)
SEE TYPICAL UNIT TYPE A - WEST
SHEET 19 OF 19

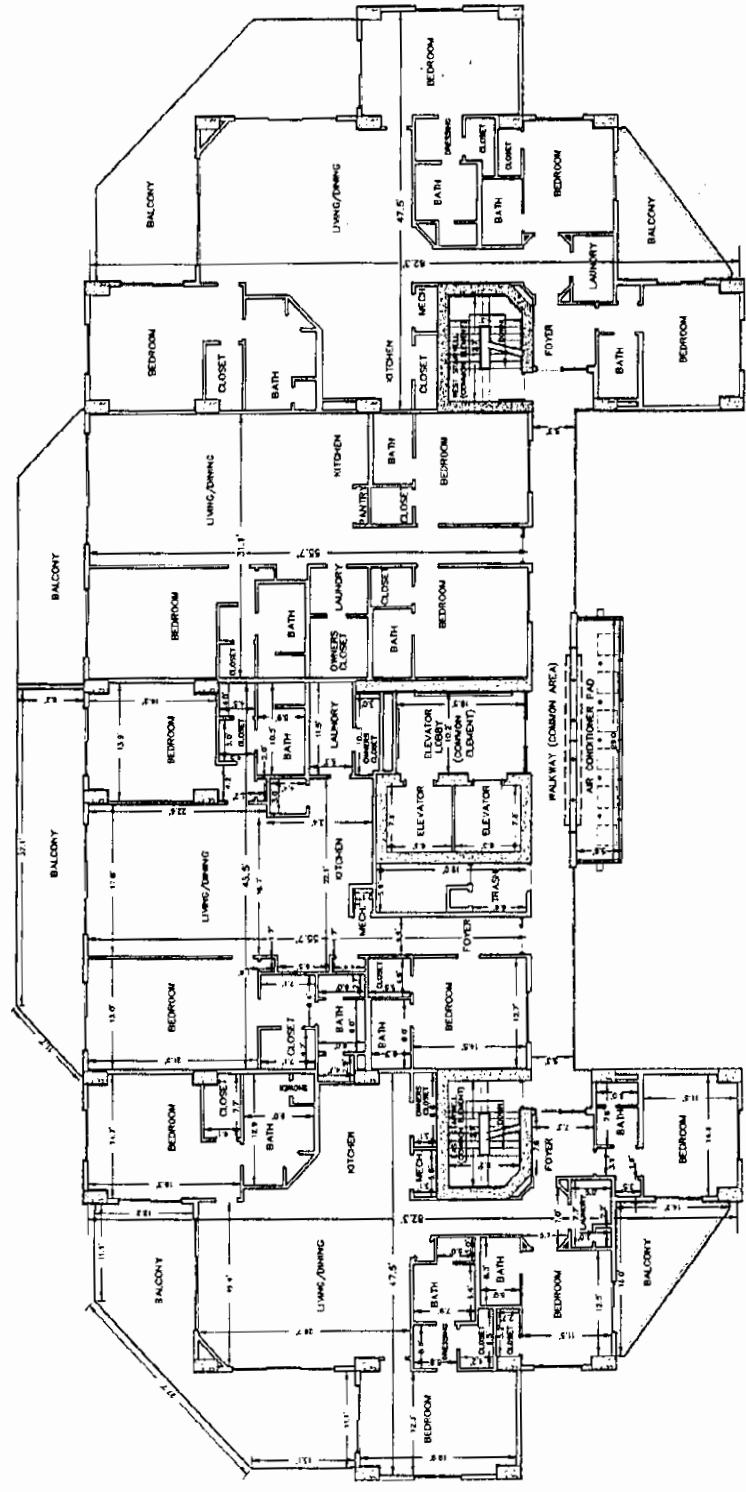
GRAPHIC SCALE



NOTE: UNIT DIMENSIONS SHOWN HEREON MAY VARY 0.10%.

SIXTH FLOOR
F.F.E. = 69.83'

BELLE MER A CONDOMINIUM



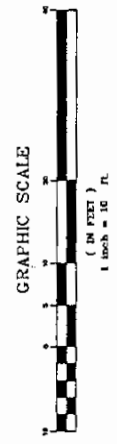
UNIT 704 (TYPE A--WEST)
SEE TYPICAL UNIT TYPE A -- WEST
SHEET 19 OF 19

UNIT 703 (TYPE C)
SEE TYPICAL UNIT TYPE C
SHEET 19 OF 19

UNIT 702 (TYPE B)

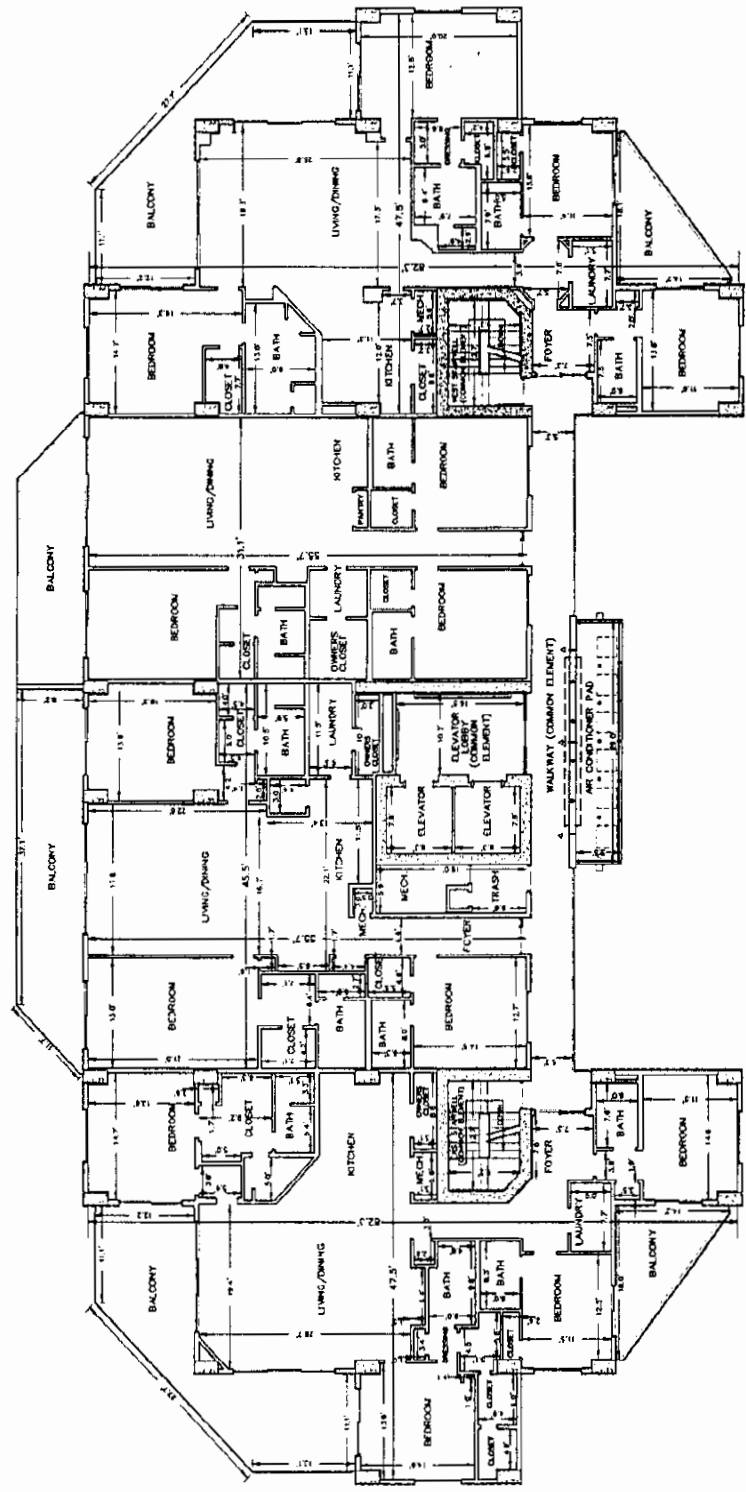
UNIT 701 (TYPE A -- EAST)

SEVENTH FLOOR F.F.E. = 79.26'



NOTE: UNIT DIMENSIONS SHOWN HEREON MAY VARY 0.10'

BELLE MER A CONDOMINIUM



UNIT 804 (TYPE A-WEST)

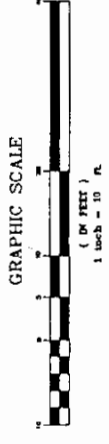
UNIT 803 (TYPE C)
SEE TYPICAL UNIT TYPE C
SEE SHEET 18 OF 19

UNIT 802 (TYPE B)

UNIT 801 (TYPE A - EAST)

EIGHTH FLOOR

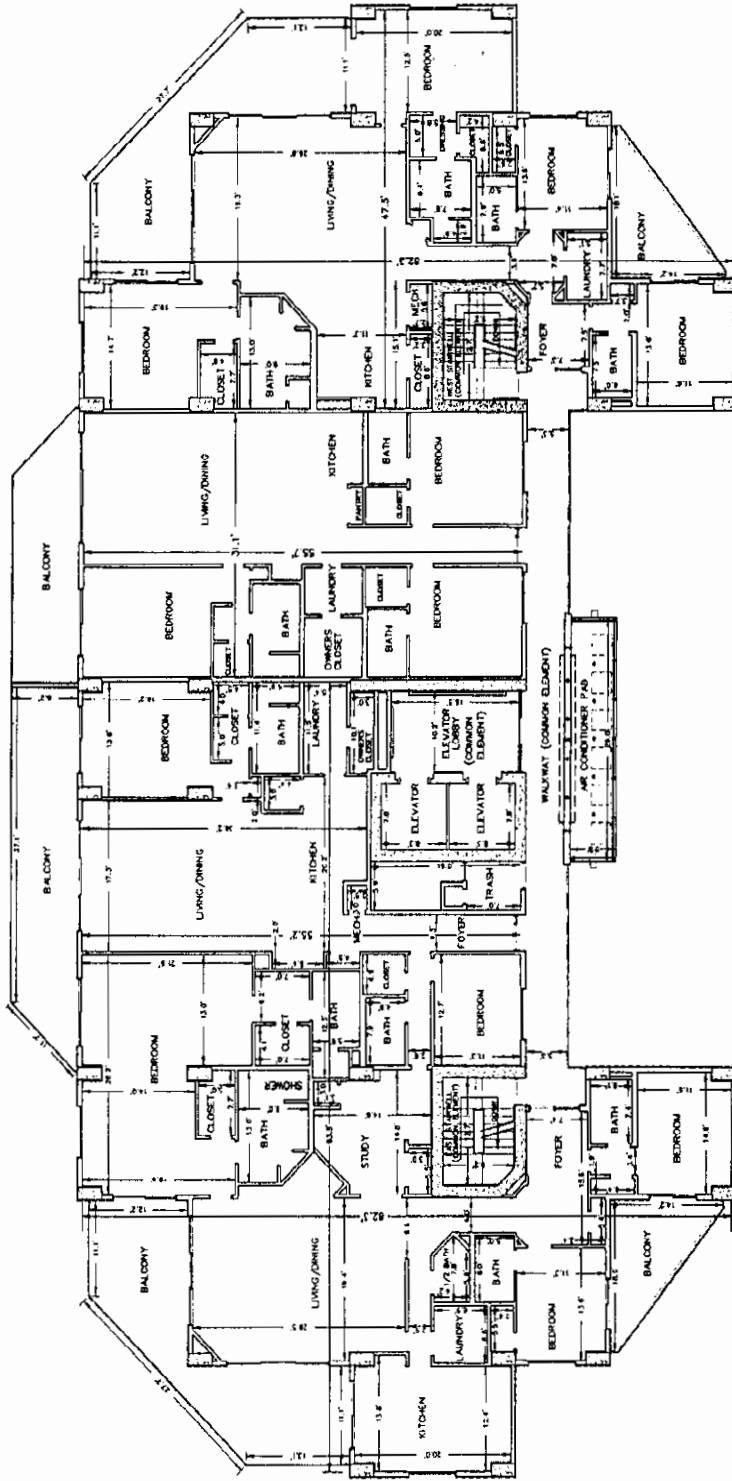
F.F.E. = 88.95'



NOTE: UNIT DIMENSIONS SHOWN HEREON MAY VARY 0.10±

SHEET 10 OF 19

BELLE MER A CONDOMINIUM



UNIT 904 (TYPE A--WEST)

UNIT 903 (TYPE C)
SEE TYPICAL UNIT TYPE C
SHEET 19 OF 19

UNIT 901/902

NINTH FLOOR

F.F.E. = 98.62'

GRAPHIC SCALE

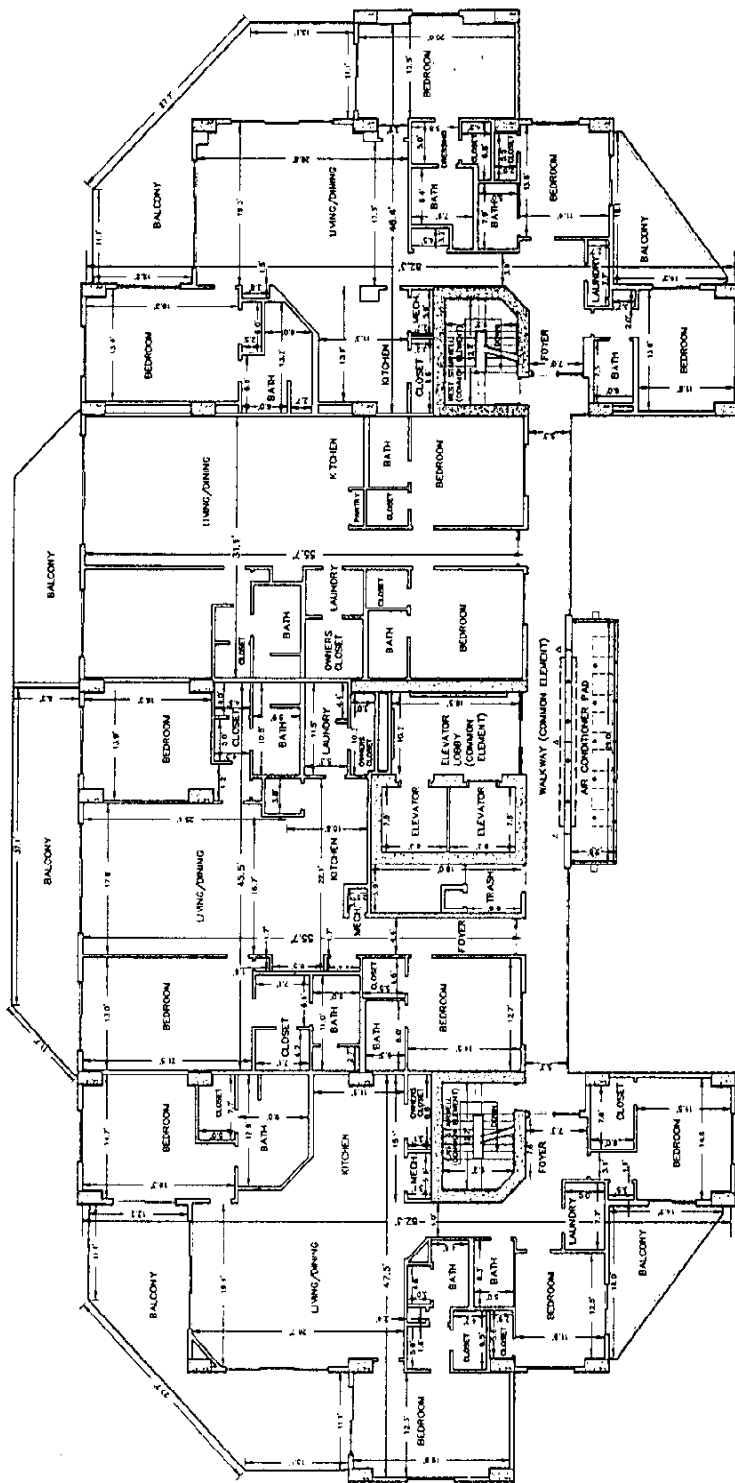


(IN FEET)
1 Inch = 10 Ft.

NOTE: UNIT DIMENSIONS SHOWN HEREON MAY VARY 0.10"

SHEET 11 OF 19

BELLE MER A CONDOMINIUM



UNIT 1004 (TYPE A--WEST)

UNIT 1003 (TYPE C)
SEE TYPICAL UNIT TYPE C
SHEET 15 OF 19

UNIT 1002 (TYPE B)

UNIT 1001 (TYPE A -- EAST)

TENTH FLOOR
F.F.E. = 108.30'

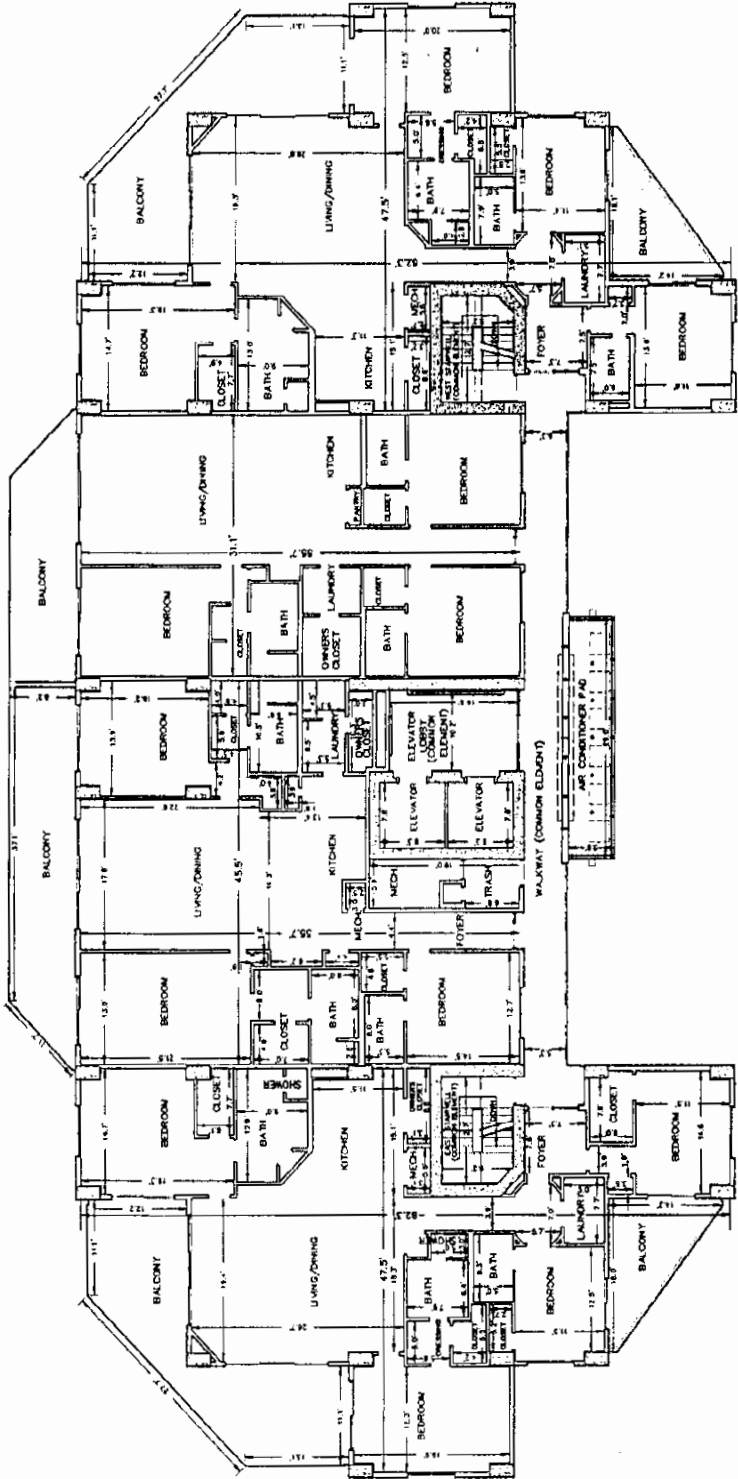


NOTE: UNIT DIMENSIONS SHOWN HEREON MAY VARY 0.10'±

SHEET 12 OF 19

BELLE MER

A CONDOMINIUM



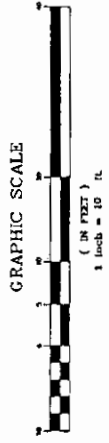
UNIT 1104 (TYPE A-WEST)

UNIT 1103 (TYPE C)
SEE TYPICAL UNIT TYPE C
SHEET 18 OF 18

UNIT 1102 (TYPE B)

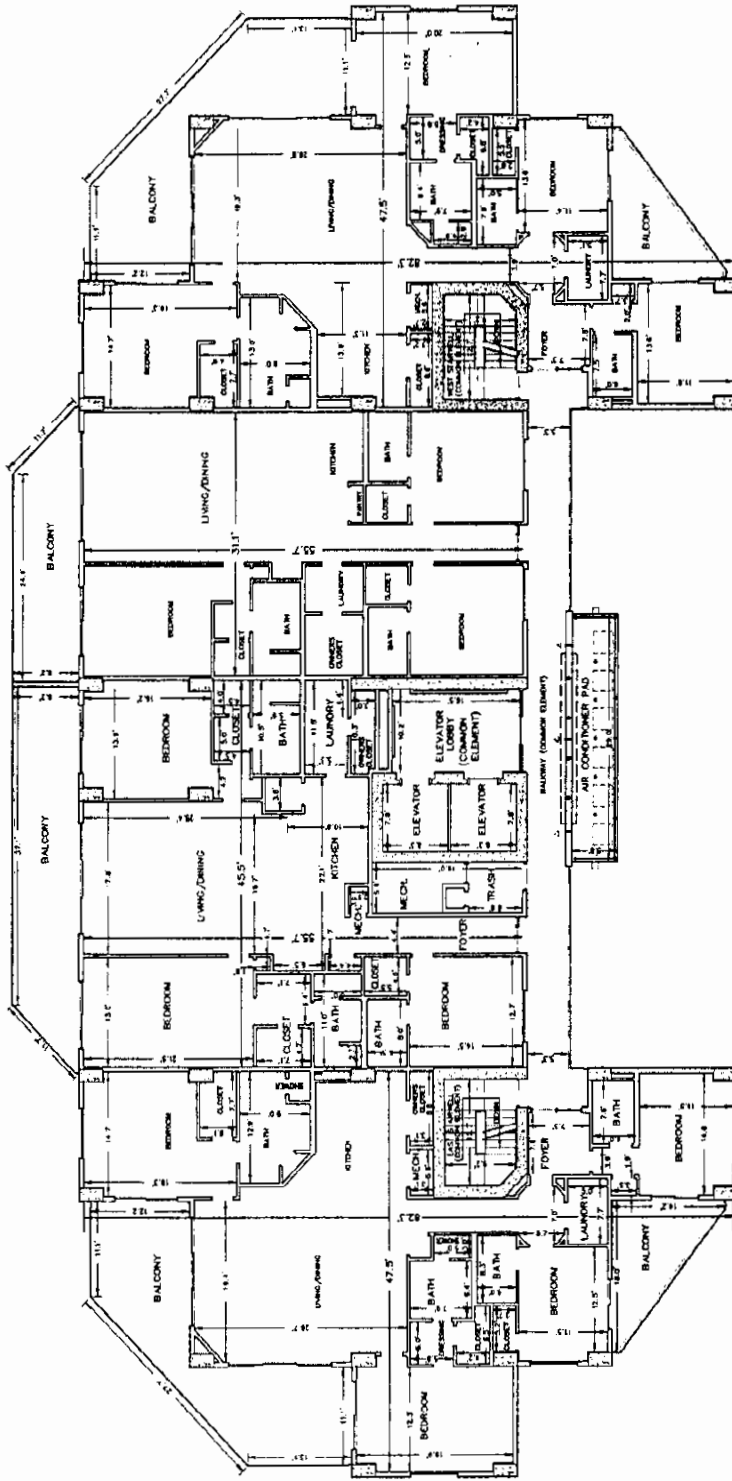
UNIT 1101 (TYPE A - EAST)

ELEVENTH FLOOR
F.F.E. = 118.05'



NOTE: UNIT DIMENSIONS SHOWN HEREON MAY VARY 0.10'

BELLE MER A CONDOMINIUM



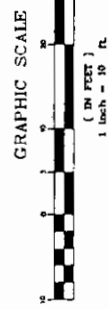
UNIT 1204 (TYPE A--WEST)

UNIT 1203 (TYPE C)
SEE TYPICAL UNIT TYPE C
SHEET 19 OF 19

UNIT 1202 (TYPE B)

UNIT 1201 (TYPE A -- EAST)

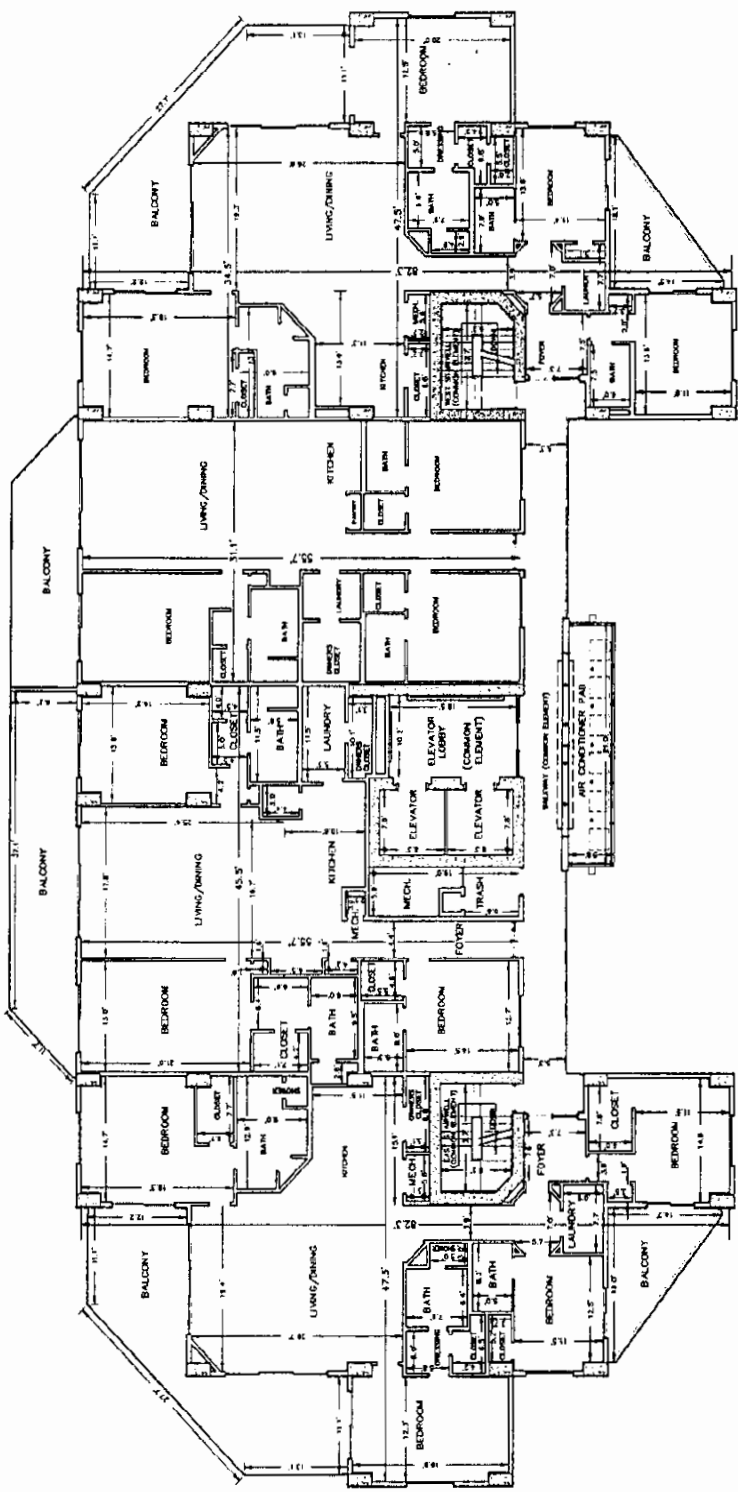
TWELFTH FLOOR
F.F.E. = 127.76'



NOTE: UNIT DIMENSIONS SHOWN HEREON MAY VARY 0.03'

SHEET 14 OF 19

BELLE MER A CONDOMINIUM



UNIT 1304 (TYPE A - WEST)

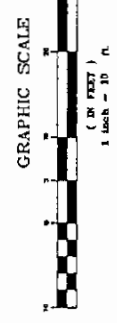
UNIT 1303 (TYPE C)
SEE TYPICAL UNIT TYPE C
SHEET 18 OF 18

UNIT 1302 (TYPE B)

UNIT 1301 (TYPE A - EAST)

THIRTEENTH FLOOR

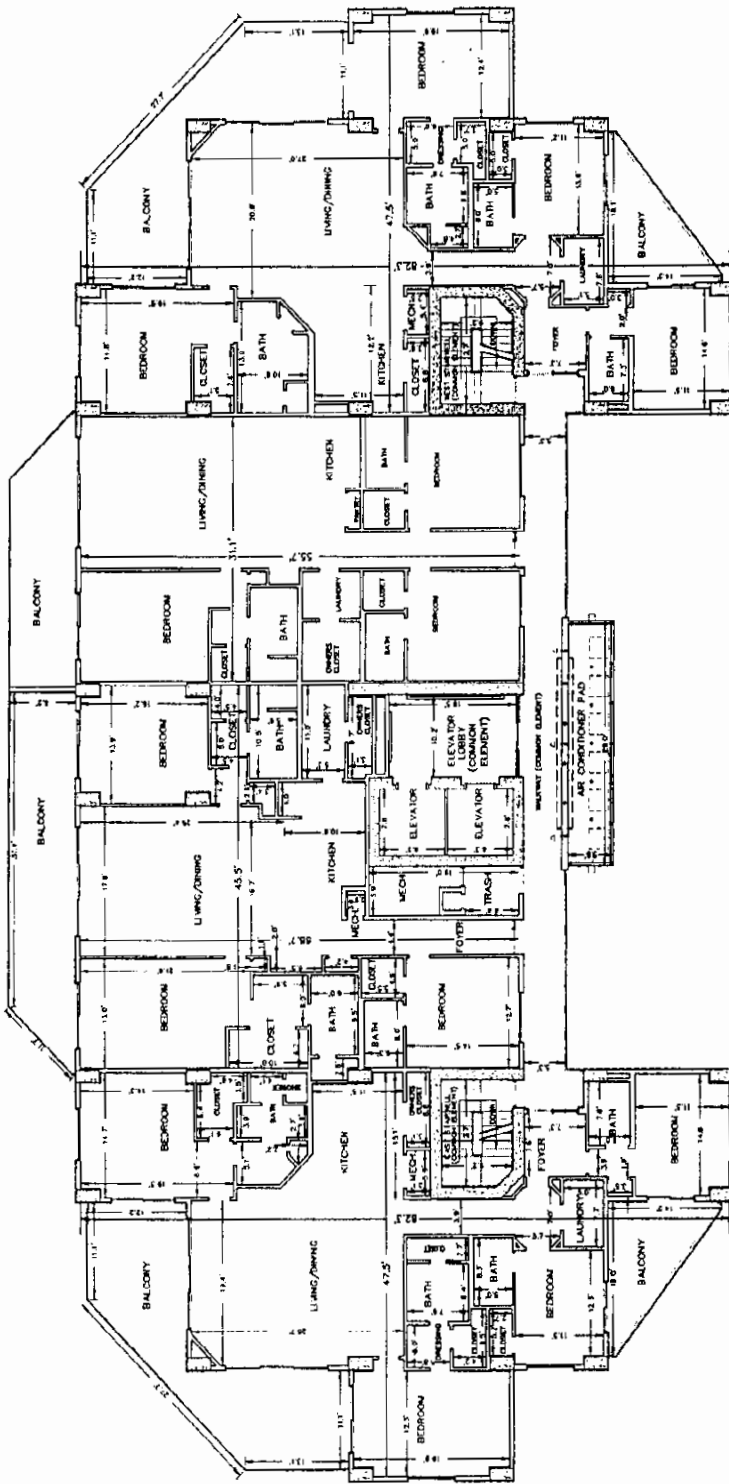
F.F.E. = 137.38'



NOTE: UNIT DIMENSIONS SHOWN HEREON MAY VARY 0.10'±

SHEET 15 OF 19

BELLE MER A CONDOMINIUM



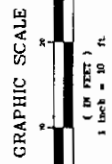
UNIT 1404 (TYPE A-WEST)

UNIT 1403 (TYPE C)
SEE TYPICAL UNIT TYPE C
SHEET 19 OF 19

UNIT 1402 (TYPE B)

UNIT 1401 (TYPE A - EAST)

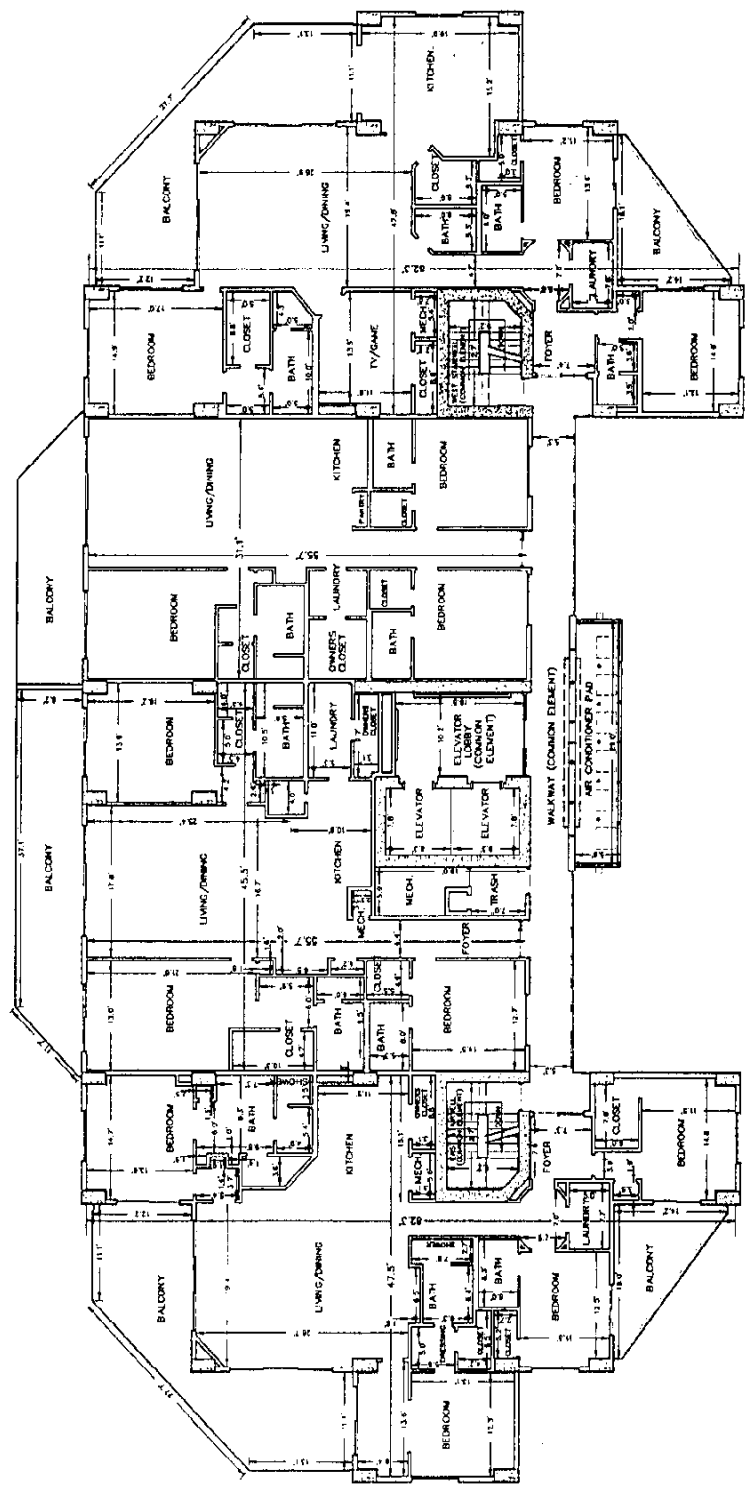
FOURTEENTH FLOOR F.F.E. = 147.26'



NOTE: UNIT DIMENSIONS SHOWN HEREON MAY VARY 0.10%

SHEET 15 OF 19

BELLE MER A CONDOMINIUM



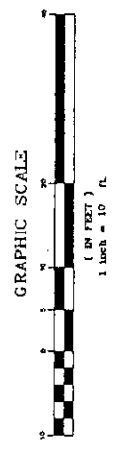
UNIT 1504 (TYPE A—WEST)

UNIT 1503 (TYPE C)
SEE TYPICAL UNIT TYPE C
SEE SHEET 19 OF 19

UNIT 1502 (TYPE B)

UNIT 1501 (TYPE A — EAST)

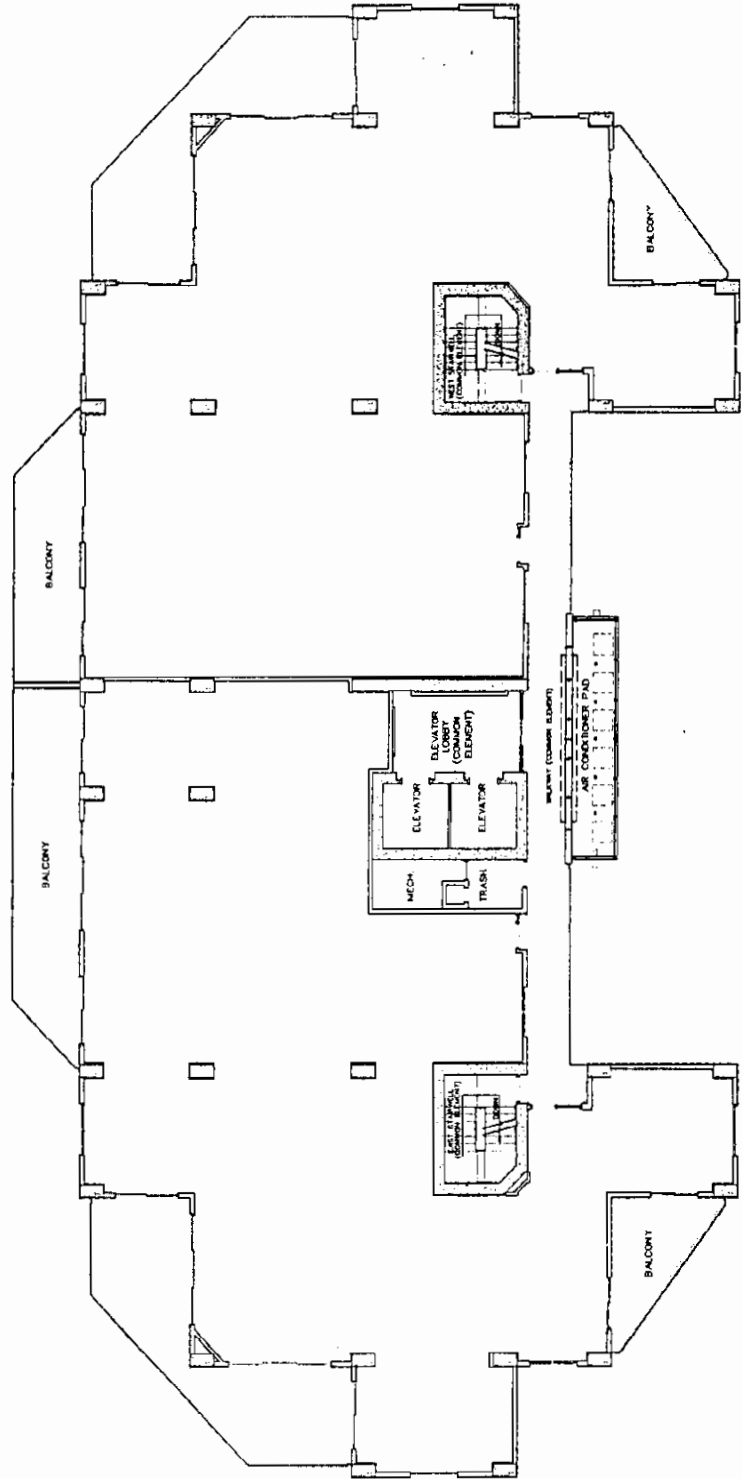
FIFTEEN FLOOR
F.F.E. = 166.56'



NOTE: UNIT DIMENSIONS SHOWN HEREON MAY VARY 0.10'

SHEET 17 OF 19

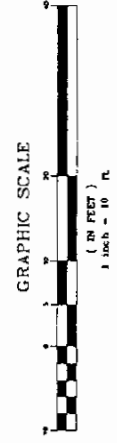
BELLE MER A CONDOMINIUM



UNIT 1602 - WEST PENTHOUSE
NOT COMPLETE

UNIT 1601 - EAST PENTHOUSE
NOT COMPLETE

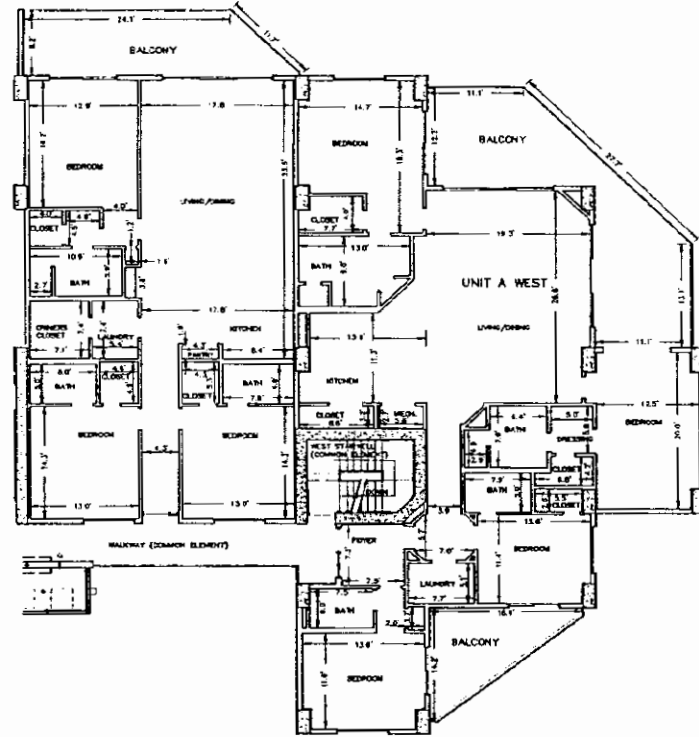
SIXTEENTH FLOOR
F.F.E. = 176.67



NOTE: UNIT DIMENSIONS SHOWN HEREON MAY VARY 0.10%

SHEET 18 OF 19

BELLE MER A CONDOMINIUM



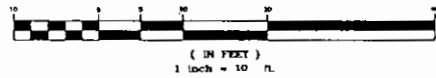
TYPICAL TYPE UNIT C

UNITS 103; 203; 303; 403;
503; 603; 703; 803; 903; 1003;
1103; 1203; 1303; 1403; 1503

TYPICAL TYPE UNIT A - WEST

UNITS 204; 304; 404; 504; 604; 704;

GRAPHIC SCALE

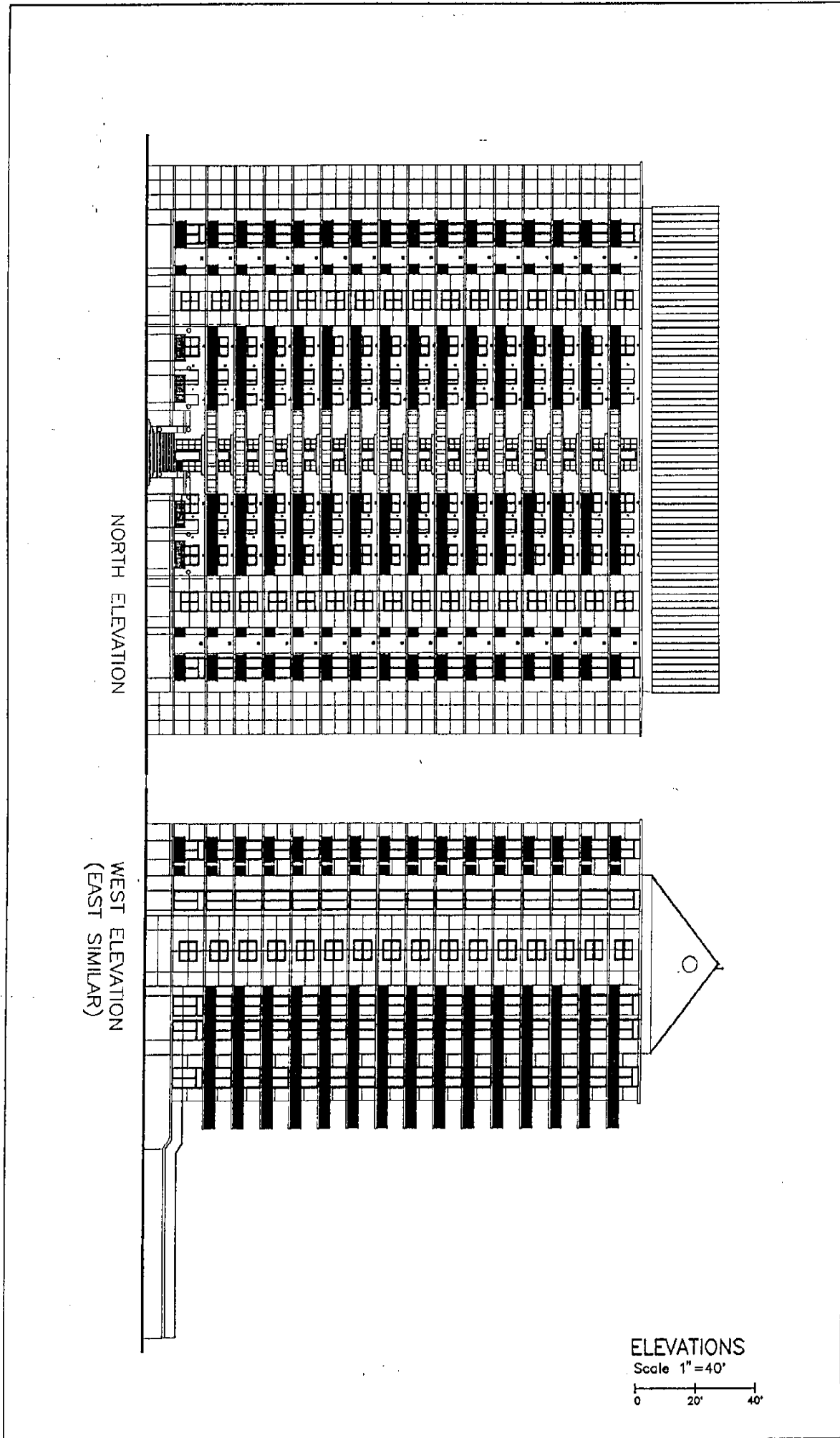


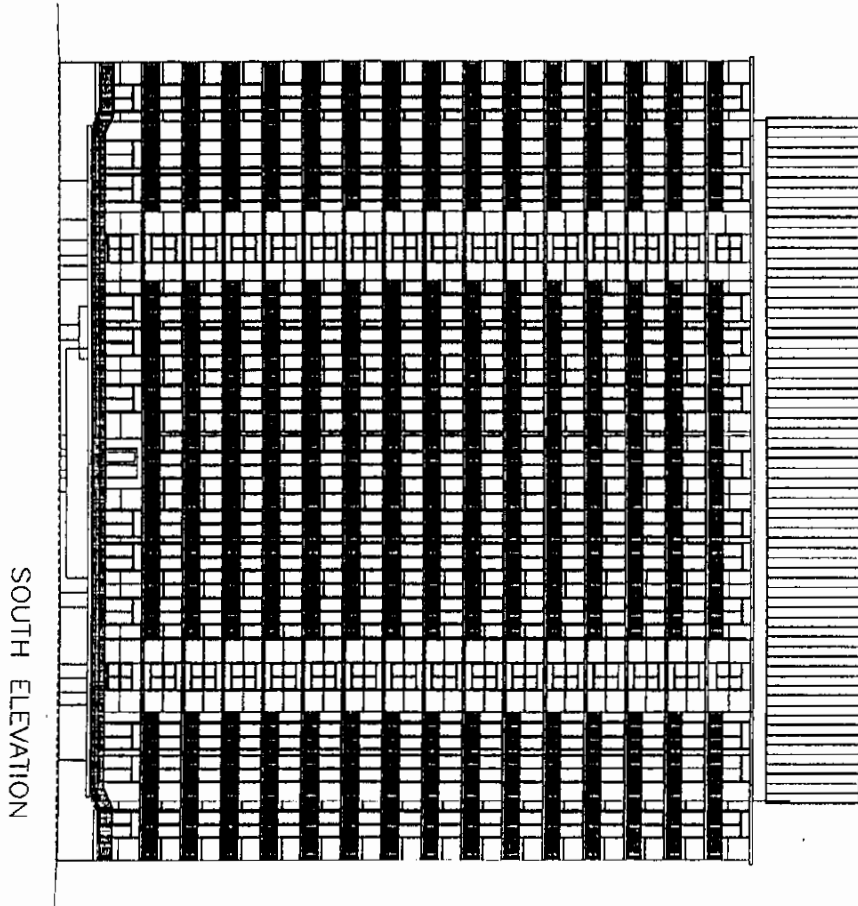
NOTE: UNIT DIMENSIONS SHOWN HEREON MAY VARY 0.10%

NOTE:
ALTHOUGH UNITS ARE CATEGORIZED AS TYPE A-EAST, TYPE B, TYPE C AND TYPE
A-WEST, NOT ALL UNITS WITHIN EACH CATEGORY ARE "TYPICAL." REFER TO
INDIVIDUAL FLOOR PLANS FOR THE LAYOUT AND DIMENSIONS OF UNITS NOT
SPECIFICALLY REFERENCED ABOVE AS "TYPICAL."

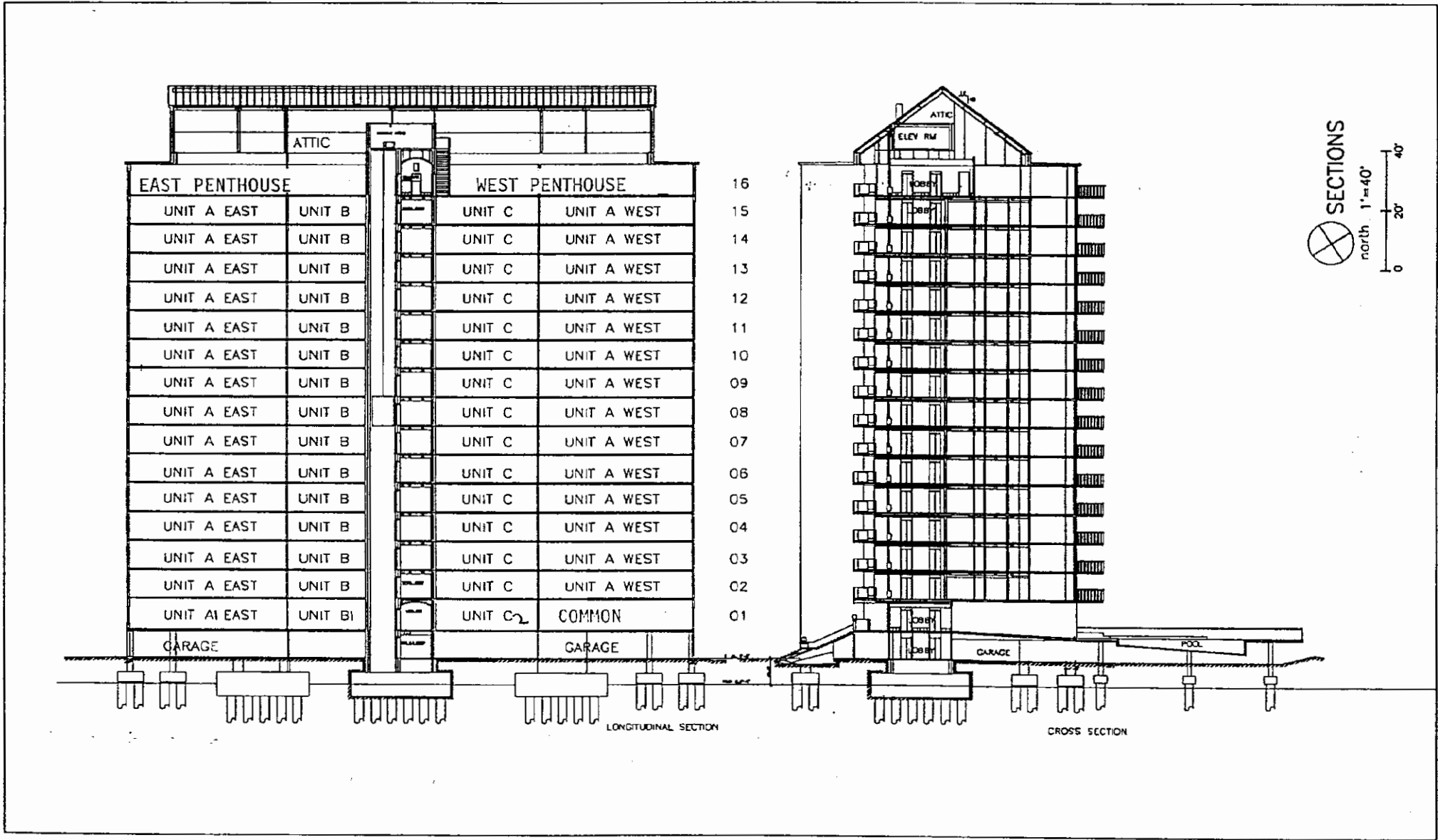
** OFFICIAL RECORDS **
BK 1601 PG 675

ELEVATIONS





ELEVATIONS
Scale 1"=40'
0 20' 40'



**** OFFICIAL RECORDS ****
BK 1601 PG 679

EXHIBIT "B"

LEASE AND FORM OF SUBLEASE

43.00
30
55
43.85

RESTATED AND AMENDED LEASE AGREEMENT

** OFFICIAL RECORDS **
BK 1601 PG 680

This Restated and Amended Lease Agreement, herein called the "Amended Lease" is made this 20 day of April, 1979, between the SANTA ROSA COUNTY BEACH ADMINISTRATION, an agency of Santa Rosa County, hereinafter called the "Lessor", and GULF BEACH DEVELOPMENT COMPANY, P. O. Box 1297, Birmingham, Alabama 35201, hereinafter called the "Lessee".

I - STATEMENT OF PURPOSE

This Amended Lease is being executed to amend, consolidate and restate the existing lease agreement between Lessor and Lessee. The purpose of this Amended Lease is to amend certain provisions of the existing lease agreement, and to restate the terms of the agreement. It is expressly recognized and agreed that this Amended Lease supersedes the existing lease between Lessor and Lessee and shall be the instrument defining the agreements between Lessor and Lessee as to the premises described in Section II.

II - PREMISES LEASED

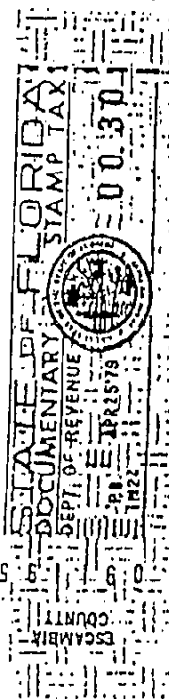
Lessor leases to the Lessee the following property located on Santa Rosa Island, Escambia County, Florida, which property is leased to Santa Rosa County, Florida:

Commercial Section #1:
Lots 37 and 38, Block 1, NAVARRE BEACH SUBDIVISION, according to the plat thereof recorded in the Public Records in and for Escambia County, Florida.

The property leased to Lessee is herein called the "Leased Property" or the "Leased Premises".

III - TERM OF AMENDED LEASE

The term of this Amended Lease shall be for a period of ninety-nine (99) years, commencing August 23 1967, which is the date of the



original lease to these lots, together with an option to renew this Amended Lease for the balance of Lessor's lease term under its lease from the Santa Rosa Island Authority; but, this Amended Lease may be sooner terminated in accordance with the terms of this Amended Lease.

IV - RENT

**** OFFICIAL RECORDS ****
BK 1601 PG 681

Lessee covenants and agrees to pay Lessor an annual rental determined as follows:

A. As to all business conducted on the Leased Property other than the sale or rental of condominium units, Lessee shall pay an annual rental of four percent (4%) of Gross Sales.

B. If Lessee constructs condominium units on the Leased Property, Lessee shall pay an annual rental for condominium units in the amount of Two Hundred Fifty and 00/100 Dollars (\$250.00) per unit per year.

Until the amounts paid pursuant to subparagraphs "A" and "B" above exceed \$500.00 ^{per lot} per year / Lessee expressly agrees to pay Lessor a minimum annual rental of not less than Five Hundred and 00/100 Dollars (\$500.00) ^{per lot} / The minimum rental of Five Hundred and 00/100 Dollars (\$500.00) ^{per lot} shall be paid in advance to Lessor on August 23 of each year, commencing with August 23, 1979, and any additional amount determined by the foregoing percentages of Gross Sales shall be paid on or before September 1, commencing as of August 1, 1979 for the preceding twelve (12) month period commencing August 1 of each year. The rental of \$250.00 per condominium unit per year shall be due and payable at the time of the initial sale of a unit, and on each anniversary date of such sale thereafter. All rents shall either be paid collectively through either the Lessee or the Condominium Association, it being expressly agreed that Lessor

shall not be required to collect or receive rental payments separately from each condominium or townhouse owner.

The term "Gross Sales" as used herein shall include:

A. The selling price of all items of merchandise, food and beverages sold by Lessee, whether for cash or for credit, and in case of sales on credit whether payment is actually made;

B. All gross receipts from the use of laundry facilities, pinball or similar game machines, and "jukeboxes" and similar items;

C. The price or consideration received for all merchandise or services of every kind, whether sold or rented, and the charges or rentals for all services or facilities performed or furnished on or from the Leased Property. Any sales or use tax which Lessee may be required to collect and account for to any governmental authority shall not be included in determining Gross Sales.

All references to Lessee's Gross Sales shall be deemed to include the gross sales of Lessee, sub-tenants, assignees or concessioners, if any, and the sum shall be included in the same manner as though they represent sales made by the Lessee. Reference to assignees, sub-tenants or concessioners of this Lease creates no separate rights in the Lessee to assign or sublease.

V - MAINTENANCE OF RECEIPT SYSTEM;
FURNISHING OF REPORTS OF GROSS SALES

Lessee shall, for the purpose of computing rental under Section IV, install and maintain an adequate system by which will be recorded the receipts from all Gross Sales and other transactions had in and upon the Leased Property in connection with Lessee's business, and Lessee will keep such records on file for a period of not less than three (3) years, and will give to Lessor and Lessor's agents the privilege at

any time during normal business hours of the Lessee of inspecting and examining Lessee's cash register receipts, vouchers, books of account (relating to calculation of Gross Sales) (if any) and Lessee will assist in Lessor's making of such inspection, examination or audit.

Lessee shall, for the purpose of ascertaining the amounts payable as percentage rental, keep at the Leased Property books which shall show Gross Sales made by the Lessee in or from the Leased Property, and further agrees to deliver to Lessor yearly statements of the total Gross Sales made in or from the Leased Property signed and sworn to by Lessee.

Lessee agrees to exhibit to Lessor, or Lessor's agents, all tax returns made by Lessee for sales or use tax purposes.

VI - UTILITIES

Lessee shall pay for all its requirements for utilities, including, but not limited to, gas, steam, water, electricity and sewer charges. Lessee further agrees to use exclusively, if provided by Lessor, such public utilities and public services relating to health and sanitation as may from time to time be made available by Lessor, or by others pursuant to agreements, licenses or permits with Lessor. Nothing in this paragraph shall obligate Lessor to provide any services.

VII - USE OF LEASED PREMISES

The Leased Premises shall be utilized and developed by Lessee as a multi-family project in the form of apartments, motels, hotels, condominiums, co-operatives and/or townhouses together with related business operations associated with such projects. Any plans for development of the Leased Premises shall be subject to the review and approval of Lessor; provided that, Lessor agrees that it will not withhold its approval of Lessee's development plans unreasonably.

Lessee agrees not to commence any construction on the Leased Premises until the plans and specifications submitted by the Lessee to Lessor receive the written approval of Lessor, and Lessee further agrees that all construction will be in accordance with the plans and specifications which are approved by Lessor.

VIII - ACCESS TO BEACHES

Lessor and Lessee agree that the public shall have access to the beaches and water (Gulf of Mexico), and that Lessee shall not charge admission for the privilege of going upon the beach or water adjacent to the Leased Property. Lessor reserves the right to make such rules and regulations concerning the use of the beaches by the public as Lessor may deem appropriate and desirable. This provision shall not be deemed as creating an access to the Gulf of Mexico from Gulf Boulevard across the Leased Property.

IX - COMPLIANCE WITH LAWS, SAFETY

Lessee agrees to comply with all laws, ordinances, rules and regulations now in effect or hereafter enacted by any governmental body having jurisdiction over the Leased Property, and Lessee shall not make or allow to be made any unlawful, improper or offensive use of the Leased Property. Lessee further agrees to maintain the Leased Property in a clean, attractive and safe condition. Lessee further agrees to exercise all reasonable safety measures in the operation of its businesses for the protection of the public.

This Amended Lease and the Leased Property shall always be subject to applicable covenants, restrictions and building codes adopted from time to time by governmental agencies having authority over the Leased Property.

X - MAINTENANCE OF REQUIRED LICENSES

Lessee shall obtain all licenses required by all governmental authorities having jurisdiction over the Leased

Property for the type of business operated by Lessee, and shall maintain all required licenses during the term of this Amended Lease.

XI - TITLE TO IMPROVEMENTS

Title to any building or other improvements of a permanent character that shall be placed upon the Leased Property by Lessee shall vest in Lessor, or its assigns, upon the termination of this Amended Lease, and Lessee acknowledges that it shall have no right to remove such fixed and permanent improvements from the Leased Property.

XII - REPAIRS AND MAINTENANCE

Lessee shall, at its own cost and expense, repair, replace and maintain the Leased Property in a good, safe and substantial condition and shall use all economically reasonable precautions to prevent waste, damage or injury to the Leased Property.

XIII - TAXES AND ASSESSMENTS

Lessee shall pay and discharge all existing and future taxes, sales taxes, use taxes, assessments, duties, impositions and burdens lawfully assessed, charged or imposed upon the Leased Property, and shall deliver to Lessor promptly upon request evidence of the payment of the taxes and assessments.

XIV - ASSIGNMENT AND TRANSFERS

Lessee shall not assign or sublet this Amended Lease, or any portion of the Leased Property, without Lessor's prior written consent, provided that Lessor shall not unreasonably withhold its consent. The parties acknowledge that Lessee plans to develop condominium units and, when legally permitted to do so, to assign this Amended Lease to a condominium association formed under Florida law. Although not consenting to such an assignment at this time, Lessor acknowledges that such an assignment would be reasonable if

the proposed assignee is reasonably capable financially and managerially of performing the duties of Lessee under this Amended Lease. Lessee may assign or mortgage this Amended Lease to any public or private lending institutions for the purpose of obtaining construction or permanent financing. So long as mortgagee keeps on file with Lessor a proper address, notice of any default by Lessee will be sent to the mortgagee at such address at the same time notice of default is sent to Lessee, and this Amended Lease may not be terminated for such default until thirty (30) days after notice thereof has been mailed to such mortgagee, during which period either the mortgagee or mortgagor may remedy the default. Should any mortgagee foreclose any mortgage covering the Leased Property, then, in that event, such mortgagee, or its assigns, shall have the right to assign, sublet or sublease this Amended Lease or the Leased Property to a third party or parties without obtaining the prior written consent of Lessor.

In the event Lessee shall construct condominium units on the demised premises, Lessor agrees to join in the declaration of condominium prepared for that purpose, provided such declaration shall in no way create financial liability for Lessor. Lessor further agrees that in the event Lessee shall construct condominium units, in the event of the sale of a condominium unit it shall not be necessary that Lessee notify Lessor of such sale or that Lessor be paid a transfer fee, provided Lessee shall at all times maintain a current accurate list of condominium owners together with the date of purchase and original purchase price of each unit. It is expressly agreed that the sale of a condominium apartment or townhouse shall not be considered an assignment or subletting, and the prior contract of Lessor to such a sale shall not be required.

XV - LESSOR'S ACCESS

Lessor and Lessor's agents shall at all reasonable times have access to the Leased Property for the purpose of inspecting and determining whether Lessee has complied with its obligations pursuant to this Amended Lease.

XVI - INDEMNITY; INSURANCE

All property of every kind which may be on the Leased Property during the term of this Amended Lease shall be at the sole risk of Lessee, or those claiming under Lessee, and Lessor shall not be liable to Lessee, or to any other person whomsoever, for any injury, loss or damage to any person or property in or upon the Leased Property, Lessee hereby covenanting and agreeing to assume all liability for or on account of any injury, loss or damage herein described, and to save Lessor harmless from such injury, loss or damage. Furthermore, Lessor shall not be liable to Lessee or to Lessee's employees, patrons, licensees, permittees or visitors for any damage to property or injury to person caused by the act or negligence of any other user of Lessee's facilities; Lessee accepts the Leased Property as wholly suitable for the purpose for which it is leased, and agrees to hold Lessor harmless from all claims for any such damage.

Additionally, Lessee hereby agrees to indemnify and save harmless Lessor for and from any and all claims, demands, suits, judgments, costs, liabilities or expenses on account of any loss or injury occurring on the Leased Property, and if suit is brought against Lessor upon any claim pursuant to this paragraph, Lessee will, upon notice of such suit, assume the defense of the suit at Lessee's expense.

In furtherance of Lessee's obligations set forth herein, Lessee agrees to maintain in full force during the term of this Amended Lease, and any renewals, continuations,

holding over or extensions, a policy of public liability and property damage insurance under which Lessor and Lessee are named as insureds, and under which the insurer agrees to indemnify and hold Lessor harmless from and against all cost, expense and liability arising out of or based upon any and all claims, accidents, injuries, demands, suits, judgments, costs and damages as mentioned in this Section. Each policy shall be noncancellable with respect to Lessor and Lessor's designees without ten (10) days written notice to Lessor and a duplicate original of the policy shall be delivered to Lessor. The minimum limits of liability of such insurance shall be \$100,000.00 for injury or death to any one person, and \$1,000,000.00 for injury or death to more than one person.

XVII - SUBJECT TO RESTRICTIONS OF RECORD

This Amended Lease and the Leased Property are expressly subject to and bound by the terms, covenants, conditions and restrictions of the lease agreement between the Santa Rosa Island Authority, as an agency of Escambia County, Florida, as Lessor, and Santa Rosa County, Florida, as Lessee, dated February 11, 1956, and recorded in Deed Book 438, at page 180 of the public records of Escambia County, Florida, and Deed Book 124 at page 301 of the public records of Santa Rosa County, Florida, and any amendments and additions to this lease, whether the amendment and additions are adopted before or after the execution of this Lease. In the event the lease between Santa Rosa Island Authority and Santa Rosa County is ever terminated, Lessee agrees to pay rent and otherwise comply with the Amended Lease in accordance with Lessor's instructions.

XVIII - ENFORCEMENT OF LEASE; FORFEITURE
DEFAULT; REMEDIES; NONWAIVER

Lessor may enforce the performance of this Amended

** OFFICIAL RECORDS **
BK 1601 PG 689

Lease in any manner provided by law, and this lease shall be void and shall be forfeited on a declaration of forfeiture by Lessor:

1. If default shall be made by Lessee in the payment of the rent as specified in this Amended Lease;
2. If Lessee shall assign or sublet the Leased Property, except as permitted herein, without the prior written consent of Lessor;
3. If Lessee shall use the Leased Property for any illegal or unauthorized purposes;
4. If Lessee fails to deliver on a timely basis any information required to be delivered pursuant to Section V of this Amended Lease and this is necessary to ascertain Lessee's correct Gross Sales for use in calculating the percentage lease payment due to Lessor;
5. If default shall be made by Lessee in the performance of any material terms or conditions of this Amended Lease that Lessee is to perform other than subparagraphs 1-4 of this Section XVIII, a breach of which shall per se be deemed to be a material default.

Lessor shall notify Lessee of any such default and of Lessor's intention to declare this Amended Lease forfeited. The notice from Lessor shall be sent as specified in this Amended Lease, or may be delivered to Lessee personally, and unless Lessee shall have completely removed or cured the default within ninety (90) days from the date of Lessor's notice of intention to declare the Amended Lease forfeited, this Amended Lease shall come to an end as if the date established by notice of forfeiture were the day originally fixed herein for the expiration of the term of this Amended Lease, without any further notice from Lessor to Lessee. Lessor's agent or attorney shall have the right, without further notice or demand, to reenter and remove all persons

and Lessee's property from the Leased Property without being deemed guilty of any trespass. In consideration of the substantial investment made by Lessee in improvements on the demised premises, Lessor agrees that Lessee shall not be liable for any rent for the unexpired portion of this Amended Lease if Lessor declares this Amended Lease forfeited pursuant to the terms of this agreement.

The failure of Lessor to insist, in any one or more instances, on a strict performance of any of the terms or conditions of this Amended Lease, or to exercise any option set forth in this Amended Lease, shall not be construed as a future waiver or a relinquishment of the provision or option, but it shall continue and remain in full force and effect. The receipt by Lessor of rent, with knowledge of the breach of any term or condition hereof, shall not be deemed a waiver of the breach and no waiver by Lessor of any provision hereof shall be deemed to have been made unless expressed in writing and signed by Lessor.

It is expressly agreed and understood that this Section is a material part of this Amended Lease, and that Lessor entered into this Amended Lease, and agreed to the terms and conditions set forth herein, in reliance on its rights set forth in this Section.

XIX - ATTORNEYS' FEE WAIVER

If default be made by Lessee in the performance of any of the terms, covenants, agreements or conditions set forth in this Amended Lease, so that it becomes necessary to place the enforcement of this Amended Lease or any part of this Amended Lease or the collection of any rent due or to become due hereunder or the recovery or possession of the Leased Property in the hands of an attorney or to file suit upon this Amended Lease, Lessee shall pay Lessor all the costs incurred in such action, including a reasonable attorneys' fee.

XX - NOTICES

All notices provided in this Amended Lease shall be deemed sufficient when sent by U. S. Certified Mail, Return Receipt Requested, postage prepaid, to the following addresses:

Lessor : Santa Rosa County Beach Administration
8655 Gulf Boulevard
Gulf Breeze, Florida 32561

Lessee : Mr. Still Hunter, Jr.
P. O. Box 1297
Birmingham, Alabama 35201

Copy to: Edwin W. Finch
P. O. Box 306
Birmingham, Alabama 35201

Any change in address of either Lessor or Lessee may be effected upon giving the notice as provided in this paragraph.

XXI - PROVISIONS BINDING

The terms and provisions of this Amended Lease shall be binding upon and shall inure to the benefit of the parties hereto, their successors and assigns, respectively, subject to other provisions in this Amended Lease limiting assignment and subletting.

XXII - AMENDMENT

This Amended Lease may not be altered, changed or amended except by an instrument in writing, signed by the parties.

XXIII - SEVERABILITY

If any provision of this Amended Lease shall be declared in contravention of law or void as against public policy, such provisions shall be considered severable and the remaining provisions of this Amended Lease shall continue in full force and effect.

XXIV - PARAGRAPH HEADINGS

The paragraph headings in this Amended Lease are intended for convenience only and shall not be taken into consideration in any construction or interpretation of this Amended Lease or any of its provisions.

XXV - ENTIRE AGREEMENT

This instrument constitutes the entire agreement between Lessor and Lessee on the subject of this Amended Lease, and all prior or contemporaneous oral or written agreements or representations of any nature with reference to the subject matter of this Amended Lease are cancelled and superseded by the provisions of this Amended Lease.

XXVI - WAIVER

Failure on the part of Lessor to complain of any action or non-action on the part of Lessee, no matter how long it may continue, shall never be deemed to be a waiver by Lessor of any of its rights under this Amended Lease. Further, it is covenanted and agreed that no waiver at any time of any of the provisions of this Amended Lease by Lessor shall be construed as a waiver at any subsequent time of the same provisions. The consent or approval by Lessor to or of any action to waive or render unnecessary Lessor's consent or approval to or to any subsequent similar act by Lessee.

XXVII - TIME OF THE ESSENCE

Time is of the essence of each and every provision, covenant and condition of this Amended Lease on the part of Lessee to be done and performed.

EXECUTED in multiple original copies on the 20 day of April, 1979.

SANTA ROSA COUNTY BEACH ADMINISTRATION
By: William H. Byrom
William H. Byrom, Chairman

ATTEST:
Oscar J. Locklin
Oscar J. Locklin, Secretary

"LESSOR"

** OFFICIAL RECORDS **
BK 1601 PG 693

WITNESSES:

[Handwritten signature]

GULF BEACH DEVELOPMENT COMPANY,
a partnership

By: *[Handwritten signature]*
_____ General Partner

"LESSEE"

STATE OF FLORIDA

COUNTY OF SANTA ROSA

The foregoing instrument was acknowledged before me this
the 20 day of April, 1979, by William H. Byrom and
Oscar J. Locklin, the Chairman and Secretary, respectively, of
Santa Rosa County Beach Administration, for and on behalf of
the administration.

[Handwritten signature]
_____ Notary Public

My commission expires: 10.8.79



STATE OF Florida
COUNTY OF Okaloosa

The foregoing instrument was acknowledged before me this
the 20 day of April, 1979, by Stall Hunter, Jr.
General Partner of Gulf Beach Development Company, a partnership.

[Handwritten signature]
_____ Notary Public

My commission expires:
MY COMMISSION EXPIRES JULY 29, 1980



** OFFICIAL RECORDS **
BK 1601 PG 694

PREPARED BY:
W. Christopher Hart, Esq.
Clark, Partington, Hart, Larry,
Bond, Stackhouse & Stone
125 West Romana Street, Suite 800
Post Office Box 13010
Pensacola, Florida 32591-3010
(904) 434-9200

** OFFICIAL RECORDS **
BK 1443 PG 814

FILE# 9434715
RCD: OCT 25 1994 @ 3:32 PM

DOC STAMP \$0.70



DOC VERIFIED: A Rice
DC, SANTA ROSA COUNTY, FL

**FIRST AMENDMENT TO
RESTATED AND AMENDED LEASE AGREEMENT
(RE: O. R. Book 1321, Page 846, Public Records of Escambia County, Florida)**

WHEREAS, the Restated and Amended Lease referenced above (hereinafter the "Lease") was entered into to provide for the development and sale of condominiums to be known as Navarre Towers, Phase II, on the following described property:

Lots 37 and 38, Block 1, First Addition, Navarre Beach, according to Plat recorded in the Public Records in and for Escambia County, Florida, and

WHEREAS, the real property to be submitted to condominium use and ownership by a Declaration of Condominium to be recorded in the public records of Santa Rosa County, Florida, and to be known as Belle Mer, a condominium, does not specifically match the description of the property described in the Lease, and

WHEREAS, the Lessor and Lessee desire to modify the Lease to conform the legal description in the Lease to the actual property to be occupied by Belle Mer, a condominium, and to be submitted to condominium use and ownership by a Declaration of Condominium for Belle Mer, a condominium.

NOW, THEREFORE, the Board of County Commissioners of Santa Rosa County, as Lessor and successor in interest to the Santa Rosa County Beach Administration, and Still Hunter-Harbert Associates, as Lessee, hereby modify and amend the Lease as follows:

1. The Premises leased under Paragraph II is amended to be described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.
2. All other provisions remain unchanged and in full force.

IN WITNESS WHEREOF, this First Amendment to Restated and Amended Lease Agreement is executed the 22 day of September, 1994.

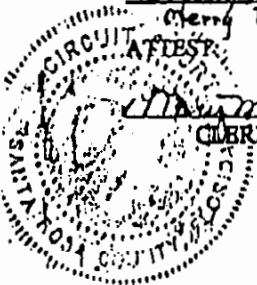
WITNESSES:

LESSOR:

BOARD OF COUNTY COMMISSIONERS,
SANTA ROSA COUNTY, FLORIDA

BY: H. Byrd Magala
Its _____ CHAIRMAN

Irene Kicker
Irene Kicker
Merry Beth Andrews
Merry Beth Andrews



Mary M. Johnson
CLERK Mary M. Johnson

** OFFICIAL RECORDS **
BK 1601 PG 695

** OFFICIAL RECORDS **
BK 1443 PG 815

WITNESSES:

STILL HUNTER - HARBERT ASSOCIATES
an Alabama general partnership

Lisa Egell
Lisa Egell

By: HUNTER DEVELOPMENT COMPANY,
an Alabama corporation, its general partner

Peggy Huckbay
Peggy Huckbay

By: Still Hunter, Jr.
Still Hunter, Jr., its President

Lisa Egell

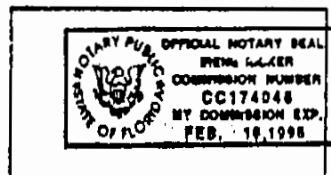
By: STILL HUNTER DEVELOPMENT
COMPANY, INC., an Alabama corporation,
its general partner

Peggy Huckbay

By: Still Hunter, Jr.
Still Hunter, Jr., its President

STATE OF FLORIDA
COUNTY OF SANTA ROSA

The foregoing instrument was acknowledged before me this 22nd day of September, 1994, by H. Byrd Mapoles and Mary M. Johnson as Chairman of the Board of County Commissioners, Santa Rosa County, Florida and as Clerk of Santa Rosa County, Florida, for and on behalf of the Board and County.



Irene Kicker
Name: _____
Notary Public (Print Name)

NOTARY SEAL

STATE OF Alabama
COUNTY OF Jefferson

The foregoing instrument was acknowledged before me this 13th day of October, 1994, by Still Hunter, Jr., as President of Hunter Development Company, Inc., and as President of Still Hunter Development Company, Inc., both corporations being general partners of Still Hunter-Harbert Associates, an Alabama general partnership on behalf of the partnership. He is personally known to me or has produced _____ as identification



Beva O. Ramsey
Name: Beva O. Ramsey
Notary Public (Print Name)

** OFFICIAL RECORDS **
BK 1601 PG 696

EXHIBIT 'A'

** OFFICIAL RECORDS **
BK 1443 PG 816

Beginning at the northwest corner of Lot 38, First Addition, Navarre Beach Commercial Section One, as recorded in Plat Book 5, Page 95, Public Records of Escambia County, Florida, said point lying on the southerly right-of-way of Gulf Boulevard and being the PC of a curve, concave northwesterly having a radius of 1184.28 feet, a central angle of 02°15'09", a tangent of 23.28 feet; a chord bearing and distance of N 45°58'59" E, 46.55 feet; thence easterly along the arc of said curve 46.56 feet to the PT; thence N 45°14'42" E, along said right-of-way, 3.90 feet to the PC of a curve, concave southeasterly, having a radius of 1108.28 feet, a central angle of 13°15'27" a tangent of 128.79 feet; a chord bearing and distance of N 51°37'41" E, 255.87 feet; thence easterly along the arc of said curve 256.44 feet to the PT; thence departing the southerly right-of-way of Gulf Boulevard proceed S 25°40'07" E, 97.99 feet; S 35°22'58" Y, 84.57 feet; S 54°37'02" E, 147.00 feet; S 35°22'58" Y, 5.00 feet; S 54°37'02" E, 39.00 feet; thence S 35°22'58" Y, 48.00 feet; thence N 54°37'02" Y, 34.00 feet; S 35°22'58" Y, 75.00 feet; thence S 09°37'02" E, 208.17 feet to a point near the approximate mean high water level of the Gulf of Mexico; thence S 81°16'32" Y, along said MHWL 241.69 feet to a point of intersection with the west line of the aforementioned Lot 38; thence N 10°49'27" Y, along said west line, 404.81 feet to the POINT OF BEGINNING. Containing 3.06 acres, more or less.

AND ALSO: The following described parcel:
Beginning at the Northeast corner of Lot 33, First Addition, Navarre Beach, Commercial Section One, as recorded in Plat Book 5, Page 95, Public Records of Escambia County, Florida, go thence S 10°49'27" E, along the east line of said Lot 33, a distance of 115.00 feet; thence departing the aforementioned east line; proceed S 79°10'33" Y, 30.00 feet; thence S 62°44'41" Y, 63.33 feet; thence N 17°12'29" Y, 122.00 feet to a point on the southerly right-of-way of Gulf Boulevard, said point also being the PC of a curve concave southerly, having a radius of 1108.28 feet, a central angle of 05°25'42", a tangent of 52.54 feet, a chord bearing and distance of N 72°47'31" E, 104.96 feet; thence easterly along the arc of said curve 105.00 feet to the POINT OF BEGINNING.
Containing 0.26 acres, more or less.

SANTA ROSA COUNTY, FLORIDA
MARY M JOHNSON, CLERK

Prepared By:

W. Christopher Hart
Clark, Partington, Hart, Larry
Bond, Stackhouse & Stone
Suite 6-A, 151 Regions Way
Destin, Florida 32541

** OFFICIAL RECORDS **
BK 1601 PG 697

Parcel Identification Number: _____
Social Security Number: _____

SUBLEASE AGREEMENT

THIS SUBLEASE AGREEMENT, made and entered into this _____ day of _____, 1997, between **BHC Commercial Ventures, Inc.**, an Alabama corporation, hereinafter called "Sublessor", Whose mailing address is 820 Shades Creek Parkway, Birmingham, Alabama 35243, and _____, whose mailing address is: _____, hereinafter called "Sublessee".

WITNESSETH:

WHEREAS, Sublessor is the Lessee under a lease from Santa Rosa County titled *Restated and Amended Lease Agreement* and recorded in Official Records Book 1321, Page 846, of the public records of Escambia County, Florida, as amended by *First Amendment to Restated and Amended Lease Agreement* recorded in Official Records Book 1443, Page 814, public records of Santa Rosa County, Florida, the *Restated and Amended Lease Agreement* and the *First Amendment* to same being hereinafter referred to as the "Lease"; and

WHEREAS, on _____, 1997, Sublessor did submit the real property leased to Sublessor under the terms of the above-described Lease, and the improvements located thereon, to condominium form of ownership and use in the manner provided in *Chapter 718, Florida Statutes*, by the execution and filing of the Declaration of Condominium of Belle Mer, a Condominium, which Declaration is recorded in Official Records Book _____, at Page _____, of the public records of Santa Rosa County, Florida, and which is hereinafter referred to as the "Declaration"; and

WHEREAS, pursuant to the Lease and the Declaration, Sublessor has a leasehold interest in the condominium parcels of Belle Mer, a Condominium, and does desire to sublease to Sublessee one such condominium parcel.

NOW, THEREFORE, Sublessor, in consideration of the sum of ten dollars (\$10.00) and other good and valuable consideration, and for the covenants hereinafter stated, does demise and lease to Sublessee the following-described property, to-wit:

Unit _____, Belle Mer, a Condominium, according to the Declaration of Condominium thereof recorded on the _____ day of _____, 1997, in Official Records Book _____, at Page _____, of the public records of Santa Rosa County, Florida, together with all of its appurtenances according to the Declaration of Condominium Act.

To Have And To Hold the said Subleased premises to Sublessee for a term beginning on the date hereof and ending upon the expiration of the term of the Lease, such term to expressly include any renewal of such Lease pursuant to the terms thereof.

By acceptance of this Sublease, Sublessee covenants and agrees as follows:

1. Sublessee agrees to timely pay to Santa Rosa County, an annual rental of \$250.00, which annual rental is payable in accordance with Paragraph IV(B) of the Lease.
2. Sublessee does agree to comply with all other provisions of the Lease.
3. Sublessee agrees that during the term of this Sublease, Sublessee shall pay any taxes or assessments levied against the condominium unit, special or otherwise, and public

charges of every kind and nature that may be addressed against the condominium unit which is the subject of this Sublease.

- 4. Sublessee agrees that this Sublease is subject to the Declaration of Condominium of Belle Mer, a Condominium, and all of its exhibits, and by acceptance of this Sublease, does hereby ratify, approve, and confirm same, and agrees to keep and perform each and every of their covenants, duties, responsibilities, and obligations as therein provided.

Sublessor does warrant that it has full right and authority to enter into this Sublease Agreement in accordance with the terms hereof, and Sublessor will defend that right against the lawful claims of all persons whomsoever. Sublessor does further warrant that at the time of this Sublease, the condominium unit, which is the subject hereof, is free and clear of all liens and encumbrances.

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

WITNESSES:

"SUBLESSOR"

BHC COMMERCIAL VENTURES, INC.

Name: _____
Print/Type Name

By: _____
JAMES O. REIN
Vice President

[CORPORATE SEAL]

Name: _____
Print/Type Name

WITNESSES:

"SUBLESSEE"

Name: _____
Print/Type Name

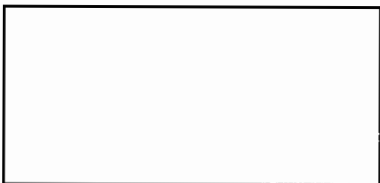
Name: _____

Name: _____
Print/Type Name

Name: _____

STATE OF FLORIDA
COUNTY OF SANTA ROSA

The foregoing instrument was acknowledged before me this _____ day of _____, 1997, by **James O. Rein**, Vice President of BHC Commercial Ventures, Inc., an Alabama corporation, on behalf of said corporation, who is personally known to me.

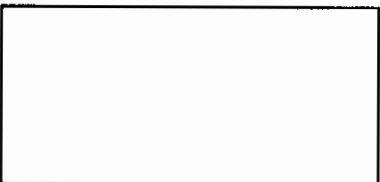


Name: _____
Notary Public

NOTARY SEAL

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1997, by _____, who () is (are) personally known to me or () has (have) produced _____ as identification.



Name: _____
Notary Public

NOTARY SEAL

** OFFICIAL RECORDS **
BK 1601 PG 699

EXHIBIT "C"
SCHEDULE OF SHARES

** OFFICIAL RECORDS **
BK 1601 PG 700

EXHIBIT "C"

SCHEDULE OF SHARES IN THE COMMON EXPENSE, COMMON
SURPLUS, AND OWNERSHIP OF THE COMMON ELEMENTS OF
BELLE MER, A CONDOMINIUM

TYPE	NUMBER OF UNITS	UNDIVIDED SHARE	TOTALS
A-East	15	2,418/136,090	36,270/136,090
A-West	14	2,418/136,090	33,852/136,090
B	14	2,060/136,090	28,840/136,090
C	14	1,790/136,090	25,060/136,090
B1	1	1,653/136,090	1,653/136,090
C1	1	1,840/136,090	1,840/136,090
East Penthouse	1	3,961/136,090	3,961/136,090
West Penthouse	1	4,614/136,090	4,614/136,090
TOTALS	61		100%

** OFFICIAL RECORDS **
BK 1601 PG 701

EXHIBIT "D"

ARTICLES OF
INCORPORATION

** OFFICIAL RECORDS **
BK 1601 PG 702

FILED
97 MAR 13 AM 8:34
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

**ARTICLES OF INCORPORATION
OF
BELLE MER OWNERS ASSOCIATION, INC.,
A FLORIDA CORPORATION NOT FOR PROFIT**

The undersigned incorporator, W. Christopher Hart, hereby presents these Articles of Incorporation for the purpose of forming a corporation not for profit pursuant to Chapter 617, Florida Statutes.

ARTICLE I. NAME

The name of this corporation is BELLE MER OWNERS ASSOCIATION, INC. For convenience, the corporation shall be referred to in this instrument as the "Association", these articles of incorporation as the "Articles", and the bylaws of the Association as the "Bylaws".

ARTICLE II. TERM OF EXISTENCE

The Association shall have perpetual existence.

ARTICLE III. PURPOSE

This Association is organized for the purpose of providing an entity under the Florida Condominium Act (the Act) for the operation of a condominium located in Santa Rosa County, Florida, and known as Belle Mer, a condominium (the "Condominium"), created pursuant to the Declaration of Condominium (the "Declaration").

ARTICLE IV. MEMBERS

The qualification of members and the manner of their admission shall be as regulated by the Bylaws. The manner in which the directors shall be elected or appointed shall be contained in the bylaws.

ARTICLE V. INITIAL REGISTERED OFFICE AND REGISTERED AGENT

The street address of the initial registered office of this corporation is 8271 Gulf Blvd., Navarre Beach, FL 32566, and the name of the initial registered agent of this corporation at that address is Carol Hudson.

ARTICLE VI. FIRST BOARD OF DIRECTORS

This corporation shall have three (3) directors initially. The number of directors may be either increased or diminished from time to time by the bylaws of the corporation.

The name and addresses of the initial directors shall be:

JAMES O. REIN
820 Shades Creek Pkwy
Birmingham, AL 35209

W. CHRISTOPHER HART
Suite 6-A, 151 Regions Way
Destin, Florida 32541

CAROL HUDSON
8271 Gulf Blvd.
Navarre Beach, FL 32566

ARTICLE VII. INCORPORATOR

The name and address of the person signing these Articles are:

W. CHRISTOPHER HART
Suite 6-A, 151 Regions Way
Destin, Florida 32541

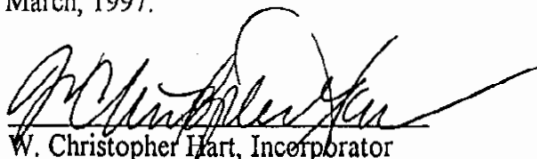
ARTICLE VIII. COMMENCEMENT OF CORPORATE EXISTENCE

The date for commencement of this corporation's existence shall be the date these Articles of Incorporation are filed with the Secretary of State of Florida.

ARTICLE IX. AMENDMENT

This corporation reserves the right to amend or repeal any provisions contained in these Articles of Incorporation or any amendment hereto.

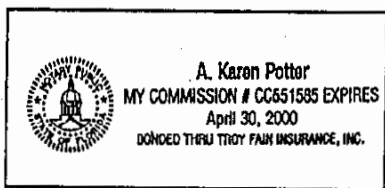
IN WITNESS WHEREOF the undersigned incorporator has executed these Articles of Incorporation on this 17th day of March, 1997.



W. Christopher Hart, Incorporator

STATE OF FLORIDA
COUNTY OF OKALOOSA

The foregoing was acknowledged before me this 17th day of March, 1997, by W. Christopher Hart, who is personally known to me.



NOTARY SEAL

Name: A. Karen Potter
[Print Name] A. KAREN POTTER

ACCEPTANCE AS REGISTERED AGENT

Having been named as *registered agent* to accept service of process for BELLE MER OWNERS ASSOCIATION, a Florida corporation, at the place designated in these Articles, I agree to act in this capacity and I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties.

Signature: Carol Hudson
Registered Agent: Carol Hudson

** OFFICIAL RECORDS **
BK 1601 PG 704

EXHIBIT "E"

BYLAWS

**BYLAWS
OF
BELLE MER OWNERS ASSOCIATION, INC.**

**** OFFICIAL RECORDS **
BK 1601 PG 705**

I. IDENTITY

These are the Bylaws of BELLE MER OWNERS ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida (the "Association"), organized for the purpose of operating that certain condominium located in Santa Rosa County, Florida, and known as *Belle Mer, a Condominium* (the "Condominium").

1.1 Principal Office. The principal office of the Association shall be at 8269 Gulf Boulevard, Navarre Beach, FL 32566, or at such other place as may be designated by the Board of Directors.

1.2 Fiscal Year. The fiscal year of the Association shall be the calendar year.

1.3 Seal. The seal of the Association shall bear the name of the corporation, the word "Florida", the words "Corporation Not for Profit", and the year of incorporation.

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

II. MEETINGS OF UNIT OWNERS AND VOTING

2.1 Membership-Designation of Unit Owners. Persons or entities shall become members of the Association on the acquisition of a leasehold interest to a Unit in the Condominium after approval of the acquisition in the manner provided in the Declaration, and shall thereafter be Unit Owners. Membership shall be terminated when a person or entity no longer owns a Unit in the Condominium. If a Unit is owned by more than one natural person, or a corporation, partnership or other artificial entity, then the voting interest of that Unit shall be exercised only by such natural person as shall be named in a voting certificate signed by all the natural persons who are owners or by the chief executive officer of the artificial entity and filed with the Secretary of the Association among its official records.

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

2.3 Special Meetings. Except as modified by the specific requirements for special kinds of Unit Owner meetings as set out in these Bylaws, notice of special meetings shall be delivered to each Unit Owner not less than 14 or more than 60 days before the date of the meeting. Unit Owner special meetings shall be held at such places as provided for annual meetings and may be called by the President or by a majority of the Board, and must be called by the President or Secretary on receipt of a written request from at least 10% of the voting interests of the Association. Requests for a meeting by the Unit Owners shall state the purpose for the meeting, and business conducted at any special meeting shall be limited to the matters stated in the notice for it.

2.4 Notice of Annual Meeting. Written notice of the annual meeting shall be mailed to each

Unit Owner at least 14 days and not more than 60 days before the annual meeting. Notice of an annual meeting at which Directors will be elected shall be delivered pursuant to Provisions 2.9 and 3.3

2.5 Notice of Budget Meeting. The Board shall mail or deliver a notice and a copy of the proposed annual budget to the Unit Owners not less than 14 days before the meeting at which the Board will consider the budget. Notice shall be mailed or delivered pursuant to Provision 2.9.

2.6 Notice of Meeting to Consider Excessive Budget. If a budget adopted by the Board requires assessment against the Unit Owners for the calendar year exceeding 115% of assessment for the preceding year (less any lawfully excluded items), the Board, on written application of 10% of the voting interests to the Board, shall call a special meeting of the Unit Owners within 30 days of receipt of the application. Unit Owners shall receive at least 10 days written notice of the meeting. Notice shall be delivered pursuant to Provision 2.9.

2.7 Notice of Meeting to Consider Recall of Directors. A special meeting of the Unit Owners to recall a Director or Directors may be called by 10% of the voting interests giving notice of the meeting as required for a special meeting of Unit Owners. The notice must be accompanied by a dated copy of a signature list of at least 10% of the Unit Owners. The meeting shall be held not less than 10 days nor more than 60 days from the date the notice of the meeting is given. Recalls shall be held in accordance with Provision 3.7.

2.8 Notice of Meeting to Elect Non-developer Directors. Notice of a meeting to elect a Director or Directors from Unit Owners other than the Developer shall be given no less than 30 days nor more than 40 days before the meeting. The meeting may be called and notice given by any Unit Owner if the Association fails to do so.

2.9 Delivery of Notice; Content; Posting; Waiver. Notice for all meetings, and all other purposes, shall be addressed to the address that the Developer initially identified for that purpose unless one or more of the Unit Owners advises the Association of a different address. If no address is given or the Unit Owners do not agree, the notice shall be delivered to the address provided on the deed of record. Notice for budget meetings shall be mailed. For all other meetings, the Association shall mail or deliver, whether by separate Association mailing or included in another Association mailing or delivery, including regularly published newsletters, a copy of the notice. An officer of the Association shall provide an Affidavit, to be included in the official records of the Association affirming that notices of the Association meeting were mailed or otherwise delivered to each Unit Owner at the address last furnished to the Association. If mailed, the notice shall be deemed to be delivered when deposited in the United States mail addressed to the Unit Owner at the address as it appears in the records of the Association, with postage prepaid. Payment of postage for notice of any meeting, by whomever called, shall be an obligation of the Association. The notice shall include the date, time and location of the meeting. The notice shall also include an identification of agenda items. A copy of the notice shall also be posted in a conspicuous place on the condominium property at least 14 continuous days before the meeting. A Unit Owner may waive their right to receive notice of any meeting by a writing signed by them and filed with the Secretary of the Association either before, at or after the meeting for which the waiver is given.

2.10 Quorum. A quorum at Unit Owner meetings shall consist of persons entitled to exercise, either in person or by proxy, a majority of the voting interests of the entire membership. Absentee ballots, alone, may not be counted in determining a quorum.

2.11 Participation. Unit Owners shall have the right to participate in meetings of Unit Owners with reference to all designated agenda items. The Association may, however, adopt reasonable rules governing the frequency, duration, and manner of Unit Owner participation. Any such rules must first be adopted in written form. The rules may limit a Unit Owner's presentation time to not less than 3 minutes and may require that a Unit Owner file with the Association, at or a reasonable time before the meeting, a written request to speak at a meeting.

2.12 Voting; Number of Votes; Majority Vote. In any Unit Owner meeting, each Unit shall have one vote. The vote of a Unit is not divisible. The acts approved by a majority of the voting interests present in person or by proxy at a meeting at which a quorum is present shall be binding on all Unit Owners for all purposes unless the Act, the Declaration, the Articles, or these Bylaws require a larger percentage, in which case that larger percentage shall control.

2.13 Proxies; Powers of Attorney. Voting interests may be exercised in person or by proxy. Except as specifically provided herein, Unit owners may not vote by general proxy, but may vote by limited proxy substantially conforming to a limited proxy form provided by the Association. Limited proxies and general proxies may be used to establish a quorum. No proxy, limited or general, shall be used in the election of Directors. Limited proxies shall be used for votes taken to waive or reduce association reserves, for votes taken to waive the requirement of the Association to deliver to the Unit Owners a complete set of financial statements for each preceding fiscal year, for votes taken to amend the Declaration of Condominium, for votes taken to amend the Articles of Incorporation or Bylaws, or for any other matter for which a Unit Owner is required or permitted to vote. General proxies may be used for other matters for which limited proxies are not required. Each proxy shall set forth specifically the name of the person voting by proxy, the name of the person authorized to vote the proxy, and the date the proxy was given. Each proxy shall contain the date, time and place of the meeting for which the proxy is given. If the proxy is a limited proxy, it shall set forth those items that the holder of the proxy may vote and the manner in which the vote is to be cast. The proxy shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings. No proxy shall be valid for a period longer than 90 days after the date of the first meeting for which it was given and it may be revoked at any time at the pleasure of the Unit Owner executing it. The proxy shall be signed by the Unit Owner or by the designated person mentioned in 2.1, or the duly authorized attorney-in-fact of that person or entity (provided the power of attorney is filed with the Secretary of the Association). The proxy shall be filed with the Secretary before or at the meeting for which the proxy is given. One holding a power of attorney from a Unit Owner, properly executed and granting such authority, may exercise the voting interest of that Unit. If the proxy expressly provides, any proxy holder may appoint, in writing, a substitute to act in his place. If no such provision is made, substitution is not authorized. Nothing contained herein shall prevent the Unit Owners from voting in person.

2.14 Adjourned Meetings. If any meeting of Unit Owners cannot be organized because a quorum is not present, the Unit Owners who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present; except that in the cases where meetings have been called to consider the enactment of a budget to replace a proposed budget which exceeds 115% of the assessments for the preceding year, or to determine to provide no reserves less adequate than required, they may not be adjourned for lack of a quorum and if a quorum is not present the excessive budget, or the reserves as the case may be, shall go into effect as scheduled. The time and place to which the meeting is adjourned shall be announced at the meeting at which the adjournment is taken and a notice and a copy of the meeting agenda shall be posted in a conspicuous place on the condominium property as soon thereafter as may be practical stating the time and place to which the meeting is adjourned.

2.15 Action by Unit Owners Without A Meeting. Unit Owners may take action by written agreement without a meeting, provided written notice is given to the Unit Owners in the manner prescribed elsewhere in these Bylaws appropriate to the subject matter to be agreed on, unless that notice is waived as provided in these Bylaws. The decision of a majority of the Unit Owners, or a larger percentage vote as otherwise may be required by the Act, the Declaration, the Articles or these Bylaws (the decision to be evidenced by written response to be solicited in the notice), shall be binding on the membership. The notice shall set forth a time period within which responses must be made by the Unit Owners, and responses received after that shall not be considered.

2.16 Minutes of Meetings. The minutes of all meetings of Unit Owners shall be kept in a book open to inspection by any Unit Owner or the authorized representative of such Owner, and Directors at all reasonable times. The minutes shall be retained by the Association for a period of not less than seven (7) years. Unit Owners and their authorized representatives shall have the right to make or obtain copies at the reasonable expense, if any, of the Unit Owner.

2.17 Order of Business. The order of business at annual Unit Owner meetings and as far as practical at other Unit Owner meetings, shall be:

- A. Call to Order.
- B. Election of a chairman of the meeting, unless the President or Vice President is present, in which case he or she shall preside.
- C. Calling of the roll, certifying of proxies, determination of a quorum.
- D. Proof of notice of meeting or waiver of notice.
- E. Reading and disposal of any unapproved minutes.
- F. Reports of Officers.
- G. Reports of Committees.
- H. Appointment of inspectors of election.
- I. Determination of number of Directors.
- J. Election of Directors.
- K. Unfinished business.
- L. New business.
- M. Adjournment.

2.18 Actions Specifically Requiring Unit Owner Approval. The following actions require approval by the Unit Owners and may not be taken by the Board acting alone:

- A. Amendments to the Declaration, except as otherwise provided specifically in the Declaration.
- B. Merger of two or more independent condominiums of a single complex to form a single condominium.
- C. Purchase of land or recreation lease.
- D. Cancellation of grants or reservations made by the Declaration, a lease or other document and any contract made by the Association before the transfer of control of the Association from the Developer to Unit Owners that provides for operation, maintenance or management of the condominium Association or property serving the Unit Owners.
- E. Exercise of Option to purchase recreational or other commonly used facilities lease.
- F. Providing no Reserves, or less than adequate reserves.
- G. Recall of Directors.
- H. Other matters contained in the Declaration, the Articles or these Bylaws that specifically require a vote of the Unit Owners.

III. DIRECTORS

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

3.2 Transfer of Control of Association.

- A. One Third. When Unit Owners other than the Developer own 15% or more of the Units in any one Condominium that will be operated ultimately by the Association, they shall be entitled to elect no less than one third of Directors.
- B. Majority. Unit Owners other than the Developer are entitled to elect not less than a majority of the Directors at the earliest of:
- (i) three years after 50% of the Units that ultimately will be operated by the Association have been conveyed to purchasers; or
 - (ii) three months after 90% of the Units that ultimately will be operated by the Association have been conveyed to purchasers; or
 - (iii) when all of the Units that ultimately will be operated by the Association have been completed, some of them have been conveyed to purchasers and none of the others are being offered for sale by the Developer in the ordinary course of business; or
 - (iv) when some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or
 - (v) seven (7) years after recordation of the Declaration of Condominium, whichever occurs first.

Transfer of Association Control shall be in accordance with *F.S. 718.301*.

- C. Developer Member. The Developer is entitled to elect at least one Director as long as the Developer holds for sale in the ordinary course of business at least 5% of the Units that ultimately will be operated by the Association, if that number shall be fewer than 500 Units, and 2% if that number shall be more than 500 Units.
- D. Election. Within 75 days after the Unit Owners other than the Developer are entitled to elect a Director or Directors, the Association shall call, and give not less than 60 days notice of a meeting of the Unit Owners to elect a Director or Directors. The meeting may be called and the notice given by any Unit Owner if the Association fails to do so. Any eligible person may nominate himself. Nominations must be provided in written form to the Association not less than 40 days before the meeting. Written notice of the meeting at which elections will be held, including an agenda and a ballot, shall be mailed or delivered to each Unit Owner at least fourteen (14) days prior to the meeting and shall be posted in a conspicuous place on the condominium property at least fourteen (14) days preceding the meeting. Elections shall be held by ballot in accordance with procedures adopted by the Division. Neither general nor limited

proxies shall be used for the election of Directors. Elections shall be decided by a plurality of the votes cast. There shall be no quorum requirement; however, at least 20 percent of the eligible voters must cast a ballot in order to have a valid election of members of the Board of Directors. Upon election of the first Unit Owner other than the Developer to the Board, the Developer shall forward to the Division the name and mailing address of the Unit Owner Director. Notice of the meeting shall be provided pursuant to Provision 2.9.

- E. Relinquishment of Control. Either before or not more than 60 days after the time that Unit Owners other than the Developer elect a majority of the Directors, the Developer shall relinquish control of the Association and the Unit Owners shall accept control. Simultaneously, the Developer shall deliver to the Association at the Developer's expense, all property of the Unit Owners and the Association held or controlled by the Developer, including but not limited to those items specified in the Act. After relinquishing control of the Association, the Developer may exercise the right to vote any Developer-owned units in the same manner as any other Unit Owner except for purposes of re-acquiring control of the Association or selecting the majority of the Board.
- F. Compelling Compliance. In any action brought to compel compliance with *F.S. 718.301* regarding transfer of Association control and election of Directors by Unit Owners other than the Developer, the summary procedure provided for in *F.S. 51.011* may be employed, and the prevailing party shall be entitled to recover reasonable attorneys' fees.
- G. Early Transfer. Nothing contained in this 3.2 shall be deemed to prevent the Developer from transferring control of the Association to Unit Owners other than the Developer before the occurrence of the events described in this section.

3.3 Election of Directors after Transfer of Control of Association. After the initial election of Directors by Unit Owners pursuant to Provision 3.2(D), Directors shall be elected at the annual Unit Owner meeting. Each Unit Owner shall be entitled to cast votes for each of as many nominees as there are vacancies. Neither general or limited proxies shall be used for the election of Directors. There shall be no cumulative voting. Not less than 60 days before an annual meeting at which an election is scheduled, the Association shall mail or deliver to each Unit Owner entitled to vote a first notice of election. Any eligible person may nominate himself. Nominations must be provided in written form to the Association not less than 40 days before a scheduled election. The Association shall mail or deliver a second notice of election to all Unit Owners entitled to vote, together with a ballot listing all candidates. Upon request of a candidate, the Association shall include an information sheet, no larger than 8-1/2" by 11", which must be furnished by the candidate not less than 35 days before the election, to be included with the mailing of the ballot. The failure of the Association to mail or deliver all information sheets provided shall void the election. The Association shall be responsible for the cost of mailing and copying. The Association shall not be liable for the contents of the information sheets prepared by the candidates. Elections shall be decided by a plurality of votes. There shall be no quorum requirement; however, at least 20% of the eligible voters must vote to have a valid election. No Unit Owner shall permit any other person to vote his ballot, and any such ballots shall be void. A Unit Owner who needs assistance in voting for the reasons stated in *F.S. 101.051* may obtain such assistance. Notwithstanding the provisions of this section, an election is not required unless more candidates are available for election than vacancies exist on the Board. Any Notice required herein shall be provided pursuant to Provision 2.9.

3.4 Election Procedures. Elections shall be held in accordance with the Act and any Division regulations.

3.5 Term. Each Director's term of service shall extend until the next annual Unit Owner meeting and thereafter until his successor is duly elected and qualified or until he is removed in the manner provided in Provision 3.7. The Unit Owners, however, at any annual meeting after the Developer has relinquished control of the Association and to provide a continuity of experience, may vote to create classes of directorships having a term of one, two, or three years to create a system of staggered terms.

3.6 Vacancies. Except for vacancies resulting from removal of Directors, vacancies occurring between annual Unit Owner meetings of members shall be filled by majority vote of the remaining Directors. Any Director elected to fill a vacancy shall hold office only until the next election of Directors, irrespective of the length of the remaining term of the vacating Director.

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

3.8 Disqualification and Resignation. Any Director may resign at any time by sending or personally delivering a written notice of resignation to the Association, addressed to the Secretary. The resignation shall take effect on receipt by the Secretary, unless it states differently. Any Director elected by the Unit Owners who is absent from more than three consecutive regular meetings of the Board, unless excused by resolution of the Board, shall be deemed to have resigned from the Board automatically, effective when accepted by the Board.

3.9 Organizational Meeting. The organizational meeting of a newly elected Board shall be held within 10 days of their election at a place and time established by the Directors at the meeting at which they were elected. Additional notice to the Directors shall not be required.

3.10 Regular Meetings. The Board may establish a schedule of regular meetings to be held at a time and place as a majority of them shall determine from time to time. Notice of regular meetings, however, shall be given to each Director personally or by mail, telephone or telegraph, at least 3 days before the meeting.

3.11 Special Meetings. Special meetings of the Board may be called by the President and, in his absence, by the Vice President, and must be called by the Secretary at the written request of one third of the Directors. Notice of the meeting shall be given personally or by mail, telephone or telegraph. The notice shall state the time, place, and purpose of the meeting and shall be delivered to each Director at least 3 days before the meeting.

3.12 Emergency Items. Any item not included on the notice of a regular or special meeting may be taken up on an emergency basis by at least a majority plus one (1) of the Board. Such emergency action shall be noticed and ratified at the next regular meeting of the Board.

3.13 Posting of Notice to Unit Owners. Upon notice to the Unit Owners, the Board shall by duly adopted rule, designate a specific location on the Condominium property or Association property for the posting of notices for all Board meetings. A copy of the notice of all Director or committee meetings shall be posted conspicuously at the selected location at least 48 continuous hours before the meeting, except in an emergency. The notice shall include an identification of agenda items, and the date, time and location of the meeting. If no property is so designated, notices of all Board meetings shall be delivered pursuant to Provision 2.9 at least fourteen (14) days before the meeting.

3.14 Written Notice to Unit Owners. Written notice of any meeting at which non-emergency special assessments, the Association budget, or amendments to rules regarding unit use

will be considered shall be delivered to the Unit Owners pursuant to Provision 2.9 not less than fourteen (14) days before the meeting. The notice shall include an identification of agenda items, and the date, time, and location of the meeting. Notice of any meeting in which regular assessments are to be considered shall specifically contain a statement that such assessments will be considered and the nature of any such assessments.

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

3.16 Quorum. A quorum at the meetings of the Directors shall consist of a majority of the Board. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board, except when approval by a greater number of Directors is required by the Declaration, the Articles or these Bylaws.

3.17 Adjourned Meetings. If there is less than a quorum present at any meeting of the Board, the majority of those present may adjourn the meeting until a quorum is present. At any adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

3.18 No Proxy. There shall be no voting by proxy at any meeting of the Board.

3.19 Presumed Assent. A Director present at any Board meeting at which action on any corporate matter is taken shall be presumed to have assented to the action taken, unless he or she votes against such action or abstains from voting because of an asserted conflict of interest.

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

3.21 Attendance by Conference Telephone. When a telephone conference is used, a telephone speaker shall be attached so that the discussion may be heard by the Board and by any Unit Owners present in an open meeting. Directors utilizing telephone conference calls may be counted toward obtaining a quorum and may vote over the telephone.

3.22 Meetings Open to Unit Owners. Meetings of the Board and any committee thereof, at which a quorum of the Directors or the committee is present shall be open to all Unit Owners. At such meetings, Unit Owners shall have the right to address agenda items. The Association may adopt reasonable rules governing the frequency, duration, and manner of Unit Owner statements. Any such rules must first be adopted in written form. The rules may limit a Unit Owner's presentation time to not less than 3 minutes and may require that a Unit Owner file with the Association, at or a reasonable time before the meeting, a written request to speak at a meeting.

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

3.24 Minutes of Meetings. The minutes of all meetings of the Board shall be kept in a book open to inspection by any Unit Owner or the authorized representative of such Owner and Directors at all reasonable times. The Association shall retain these minutes for a period of not less than seven years. Unit Owners and their authorized representatives shall have the right to make or obtain copies, at the reasonable expense, if any, of the Owner.

3.25 Executive Committee. The Board, by resolution, may appoint an executive committee to consist of three or more Directors. The executive committee shall have and may exercise all of the powers of the Board in the management of the business and affairs of the

condominium during the intervals between the meetings of the Board insofar as may be permitted by law. The executive committee, however, shall not have power to: (a) determine the common expenses required for the operation of the Condominium; (b) determine the assessments payable by the Unit Owners to meet the common expenses of the Condominium; (c) adopt or amend rules and regulations covering the details of the operation and use of the Common Elements; (d) purchase, lease or otherwise acquire Units in the Condominium in the name of the Association; (e) approve any actions or proposals required by the Act, the Declaration, the Articles or these Bylaws to be approved by Unit Owners; or (f) fill vacancies on the Board. Meetings of the executive committee shall be open to Unit Owners.

3.26 Compensation. Directors shall serve without pay but shall be entitled to reimbursement for expenses reasonably incurred in the discharge of their duties.

3.27 Order of Business. The order of business at meetings of Directors shall be:

- A. Calling of roll.
- B. Proof of notice of meeting or waiver of notice.
- C. Reading and disposal of any unapproved minutes.
- D. Reports of officers and committees.
- E. Election of Directors.
- F. Unfinished Business.
- G. New Business.
- H. Adjournment.

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

IV. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

4.1 Maintenance, Management and Operation of the Condominium Property.

4.2 Contract, Sue or be Sued. After control of the Association is obtained by Unit Owners other than the Developer, the Association may institute, maintain, settle, or appeal actions or hearings in its name on behalf of all Unit Owners concerning matters of common interest, including but not limited to the common elements and commonly-used facilities. The statute of limitations for any actions in law or equity that the Association may have shall not begin to run until the Unit Owners have elected a majority of the Directors.

4.3 Right of Access to Units. The Association has the irrevocable right to access to each

Unit during reasonable hours as necessary for the maintenance, repair or replacement of any common elements or for making emergency repairs necessary to prevent damage to the common elements or to another Unit or Units.

4.4 Make and Collect Assessments; Common Elements. The Association has the power to make and collect assessments, and to lease, maintain, repair and replace the common elements. A user fee may not be charged for the use of the common elements or Association property unless such fee is provided for in the Declaration, approved by a majority vote of the Unit Owners, or relate to expenses incurred by the Unit Owner having exclusive use of the common element or Association property.

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

4.6 Purchase Unit. In addition to its right to purchase Units at a lien foreclosure sale, the Association generally has the power to purchase Units in the Condominium and to acquire, hold, lease, mortgage, and convey them.

4.7 Grant or Modify Easements. The Association, without the joinder of any Unit Owner, may grant, modify, or move any easement if the easement constitutes part of or crosses common elements.

4.8 Purchase Land or Recreation Lease. Any land or recreation lease may be purchased by the Association on the approval of two-thirds of the voting interests of the Association.

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

4.10 Acquire Title to Property. The Association has the power to acquire title to property or otherwise hold property for the use and benefit of its members.

4.11 Authorize Certain Amendments. If it appears that through a drafter's error in the Declaration that the common elements, common expenses, or common surplus has been stated or distributed improperly, an amendment to the Declaration correcting that error may be approved by the Board or a majority of the voting interests.

4.12 Adopt Rules and Regulations. The Association may adopt reasonable rules and regulations for the operation and use of the common elements, and recreational facilities serving the Condominium.

4.13 Maintain Official Records. The Association shall maintain all of the records, where applicable, set forth in Article IX of these Bylaws, which shall constitute the official records of the Association.

4.14 Obtain Insurance. The Association shall use its best efforts to obtain and maintain adequate insurance to protect the Association, the Association property and the Condominium property. The Association may also obtain liability insurance for Directors and officers, insurance for the benefit of the Association employees, and flood insurance for common elements, Association property and units. The Association shall make available a copy of each policy for inspection by Unit Owners at reasonable times.

4.15 Furnish Annual Financial Reports to Unit Owners. The Board shall make available to the Unit Owners a complete set of financial statements for each preceding fiscal year. The statements shall be made available at or before a date to be determined by the Board. This requirement shall be satisfied if the Board makes the statements available for review by the Unit Owners. A Unit Owner may obtain copies of the statements at a reasonable cost to the Owner.

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

4.17 Provide Certificate of Unpaid Assessment. Any Unit Owner or unit mortgagee has the right to request from the Association a certificate stating all assessments and other monies owed to the Association with respect to the Condominium parcel.

4.18 Pay the Annual Fee to the Division for Each Residential Unit Operated by the Association.

4.19 Approve or Disapprove Unit Transfer and Impose Fee. The Association may charge a preset fee of up to \$100 in connection with the approval or disapproval of any proposed mortgage, lease, sub-lease, sale, or other transfer of a Unit in the Condominium.

4.20 Contract for Operation, Maintenance, and Management of the Condominium.

4.21 Pay Taxes or Assessments Against the Common Elements or Association Property.

4.22 Pay Costs of Utilities Service Rendered to the Condominium and Association Property and Not Billed Directly to Individual Unit Owners.

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

4.24 Impose Fines. The Board may impose fines on Unit Owners in such reasonable sums as they may deem appropriate, not to exceed the maximum allowed by the Division or Act for violations of the Declaration, these Bylaws, or lawfully adopted rules and regulations by Owners or their guests or tenants. See 7.10.

4.25 Suspend Approval for Delinquent Unit Owner. The Board may disapprove the prospective tenant of any Unit Owner as long as he is delinquent in the payment of assessments for Common Expenses.

4.26 Authorize Private Use of the Common Elements. The Board may authorize Unit Owners or others to use portions of the Common Elements, such as social rooms and meeting rooms for private parties and gatherings. Reasonable charges may be imposed provided a lease is entered into between the Association and the Unit Owner.

4.27 Repair or Reconstruct Improvements After Casualties.

4.28 Lien for Labor and Materials Furnished to the Common Elements. Labor performed on or materials furnished to the Common Elements, if authorized by the Board, may be the basis for the filing of a lien against all Condominium parcels in the proportions for which the Owners are liable for Common Expenses.

4.29 Evidence of Compliance to Fire and Safety Code. The Board may accept a certificate of compliance from a licensed electrical contractor or electrician as evidence of compliance of the condominium units to the applicable fire and life safety codes.

4.30 Owner Complaints. When a Unit Owner files a written complaint by certified mail with the Board, the Board shall respond to the Unit Owner within thirty (30) days of receipt of the complaint. The Board shall give a substantive response to the complainant, notify the complainant that a legal opinion has been requested, or notify the complainant that advice has been requested from the Division of Florida Land Sales, Condominiums, and Mobile Homes. The failure of the Board to comply with this provision shall preclude the Board from recovering attorney's fees and costs in any subsequent litigation, administrative proceeding, or arbitration arising out of the complaint.

V. OFFICERS

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

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

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

5.4 Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the Unit Owners. He shall attend to the serving of all notices to the Unit Owners and Directors and other notices required by law. He shall have custody of the seal of the Association and shall affix it to instruments requiring the seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the secretary of an association and as may be required by the Directors or the President.

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

5.6 Compensation. The compensation, if any, of all officers and other employees of the Association shall be fixed by the Board. This provision shall not preclude the Board from employing a Director as an employee of the Association or preclude the contracting with a Director for the management of the Condominium.

VI. FISCAL MANAGEMENT

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

6.2 Budget Requirements. The proposed annual budget of common expenses shall be detailed and shall show the amount budgeted by accounts and expense classifications, including, when

applicable, but not limited to:

- A. Administration of the Association.
- B. Management fees.
- C. Maintenance.
- D. Rent for recreational and other commonly used facilities.
- E. Taxes on Association property.
- F. Taxes on leased areas.
- G. Insurance.
- H. Security provisions.
- I. Other expenses.
- J. Operating capital.
- K. Fees payable to the Division.
- L. Reserve accounts for capital expenditures and deferred maintenance pursuant to the Act and any Division regulations.

6.3 Notice of Budget Meeting. The Board shall mail or deliver a meeting notice and copies of the proposed annual budget to the Unit Owners not less than 14 days before the meeting at which the budget will be considered. Notice shall be provided pursuant to Provision 2.9.

6.4 Unit Owner Rejection of Excessive Budget. If a budget adopted by the Board of Directors requires assessment against the Unit Owners in any fiscal year exceeding 115% of the assessment for the previous year, the Board, on written application of 10% of the voting interests, shall call a special meeting of the Unit Owner within 30 days. Each Unit Owner shall receive 10 days notice of the meeting. Notice shall be provided pursuant to Provision 2.9. At the special meeting, Unit Owners shall consider and enact a budget by not less than a majority of all voting interests. If a quorum is not attained or a substitute budget is not adopted by the Unit Owners, the budget adopted by the Board shall go into effect as scheduled. Provisions for reasonable reserves for repair or replacement of the Condominium property, nonrecurring expenses and assessments for betterment to the Condominium property shall be excluded from the computation in determining whether assessments exceed 115% of similar assessments in the previous year.

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

6.6 Budget Restraints on Developer. As long as the Developer is in control of the Board, the Board shall not impose an assessment for any year greater than 115% of the previous year's assessment without approval of a majority of all voting interest other than those held by the Developer.

6.7 Accounting Records and Reports. The Association shall maintain accounting records in the county in which the Condominium is located, according to good accounting practices. The records shall be open to inspection by any Unit Owner or the authorized representative of such Owner at all reasonable times. The records shall include, but are not limited to:

- A. Accurate, itemized, and detailed records of all receipts and expenditures.

- B. A current account and a monthly, bi-monthly, or quarterly statement of the account for each Unit designating the name of the Unit Owner, the due date and amount of each assessment, the amount paid upon the account, and the balance due.
- C. All audits, review, accounting statements, and financial reports of the Association or Condominium.
- D. All contracts for work to be performed. Bids for work to be performed shall also be considered official records and shall be maintained for a period of one year. Within 60 days after the end of each fiscal year, the Board shall mail or furnish by personal delivery to each Unit Owner a complete financial report of actual receipts and expenditures for the previous 12 months.

6.8 Depository. The depository of the Association shall be those banks or savings and loan associations, state or federal, located in Florida, as shall be designated from time to time by the Board and in which the money for the Association shall be deposited. Withdrawal of money from those accounts shall be only by checks or other withdrawal instruments signed by those persons as are authorized by the Directors.

6.9 Fidelity Bonding. Each officer and Director of the Association who controls or disburses its funds shall be bonded by a fidelity bond. If the Association's annual gross receipts do not exceed \$100,000, the bond shall be in the principal sum of not less than \$10,000 for each person. If the Association's annual gross receipts exceed \$100,001, but do not exceed \$300,000, the bond shall be in the principal sum of \$30,000 for each person. If the Association's annual gross receipts exceed \$300,000, the bond shall be in the principal sum of not less than \$50,000 for each person. The Association shall bear the cost of bonding.

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

VII. ASSESSMENTS AND COLLECTION

7.1 Assessments, Generally. Assessments shall be made against the Units not less frequently than quarterly in the discretion of the Board. The assessments shall be made in an amount no less than required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. The assessment funds shall be collected against Units in the proportions or percentages provided in the Declaration.

7.2 Special Assessments. The specific purpose or purposes of any special assessment, including emergency assessments, that cannot be paid from the annual assessment for Common Expenses, as determined by the Board, shall be set forth in a written notice of such assessment sent or delivered to each Unit Owner. The notice shall be sent or delivered within such time before the payment or initial payment thereunder shall be due, as may be reasonable or practicable in the circumstances. Special assessments shall be paid at the times and in the manner that the Board may require in the notice of the assessment. The funds collected pursuant to a special assessment shall be used only for the specific purpose or purposes set forth in such notice, or returned to the Unit Owners. Upon completion of such specific purpose or purposes, however, any excess funds shall be considered Common Surplus.

7.3 Charges for Other than Common Expenses. Charges by the Association against individual Director for other than Common Expenses shall be payable in advance and the billing and collection thereof may be administered by the Association. Charges for other than Common Expenses may be made only after approval of a Director or when expressly provided for in the Declaration or other Condominium documents. These charges may include, without limitation, charges for the use of the Condominium property or recreation area, maintenance services furnished at the expense of a Unit Owner and other services furnished for the benefit of a Unit Owner. The

provisions of 7.7 shall not apply to the charges described herein.

7.4 Liability for Assessments. Each Unit Owner, regardless of how title is acquired, shall be liable for all assessments coming due while he is the Unit Owner. The Unit Owner and his grantee in a voluntary conveyance shall be jointly and severally liable for all unpaid assessments due and payable up to the time of the transfer of title. A first mortgagee or other purchaser of a Condominium Unit who obtains title to the Condominium parcel by a purchase at the public sale resulting from the first mortgagee's foreclosure judgment in a foreclosure suit in which the Association has been properly named as a defendant junior lienholder, or who obtains title as a result of a deed given in lieu of foreclosure, together with his successors and assigns, shall not be liable for the share of Common Expenses or assessments attributable to the Condominium parcel or chargeable to the former Unit Owner of the parcel which became due prior to acquisition of title as a result of the foreclosure, unless the share is secured by a claim of lien for assessments that is recorded before the recording of the foreclosed mortgage. 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. The liability for assessments may not be avoided by waiver of the use or enjoyment of any Common Element or by abandonment of the Unit for which the assessments are made.

7.5 Assessments Against Developer-Owned Units. If a Developer holds units for sale in the ordinary course of business, the Developer may not be assessed as a Unit Owner for capital improvements without written approval by the Developer.

7.6 Assessments, Amended Budget. If the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board. Unpaid assessments for the remaining portion of the year for which an amended assessment is made shall be payable in as many equal installments as there are installment payment dates remaining in the budget year as of the date of the amended assessment. The budget shall not be amended for emergency or special nonrecurring expenses.

7.7 Collection: Interest, Application of Payment. Assessments and installments on them, if not paid within ten days after the date they become due, shall bear interest at the rate of 18% per year until paid. All assessment payments shall be applied first to interest and then to the assessment payment due.

7.8 Lien for Assessment. The Association has a lien on each Condominium parcel for any unpaid assessments with interest and for reasonable attorneys' fees incurred by the Association incident to the collection of the assessment or enforcement of the lien. The lien is effective from and after recording a claim of lien in the public records in the county in which the Condominium parcel is located. No such lien shall continue for a period longer than one year after the claim of lien has been recorded, unless within that time an action to enforce the lien is commenced in a court of competent jurisdiction. The claim of lien shall secure all unpaid assessments, interest, costs, and attorneys' fees which are due and which may accrue after the recording of the claim of lien and before the entry of a final judgment of foreclosure. The lien is subordinate to any mortgage on the Condominium parcel recorded before it.

7.9 Collection: Suit, Notice. The Association may bring an action to foreclose any lien for assessments in the manner that a mortgage of real property is foreclosed. It also may bring an action to recover a money judgment for the unpaid assessment without waiving any claim of lien. The Association shall give notice to the Unit Owner of its intention to foreclose its lien at least 30 days before the foreclosure action is filed. The notice shall be given by delivery of a copy of it to the Unit Owner or by certified or registered mail, return-receipt requested, addressed to the Unit Owner at the last known address.

7.10 Fines. Before levying a fine pursuant to the Act, the Board shall afford an opportunity for hearing to the party against whom the fine is sought to be levied, after reasonable notice of not less than 14 days. The hearing shall be held before a committee of Unit Owners. The notice shall include:

- A. a statement of the date, time and place of the hearing;

- B. a statement of the provisions of the Declaration, these Bylaws and lawfully adopted rules and regulations which have allegedly been violated; and
- C. a short and plain statement of the matters asserted by the Association. The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Association. Upon the levying of any fine, the Board may collect such fines like assessments in one or more installments. Each day of violation shall be a separate violation. The affected Unit Owner, whether the offending party or not, shall always be given notice of the hearing. No fine shall become a lien against a Unit. No fines may be levied against unoccupied Units.

VIII. ASSOCIATION CONTRACTS

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

8.2 Laundry-Related Vending Equipment. The Developer may obligate the Association under lease agreements or other contractual arrangements for laundry-related vending equipment. The leases or agreements for such vending equipment may not be subject to cancellation by Unit Owners other than the Developer if those leases or agreements contain certain provisions as prescribed by the Act.

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

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

- A. Specification of the services, obligations, and responsibilities of the service provider.
- B. Specification of costs for services performed.
- C. An indication of frequency of performance of services.
- D. Specification of minimum number of personnel to provide the services contracted for.
- E. The disclosure of any financial or ownership interest that the Developer has in the service provider, if the Developer is in control of the Association.

IX. ASSOCIATION OFFICIAL RECORDS

The Association, from its inception, shall maintain each of the following items when applicable, which shall constitute the official records of the Association:

- A. A copy of the plans, permits, warranties and other items provided by the Developer pursuant to F.S. 718.301(4) of the Act.
- B. A Photocopy of the recorded Declaration of each Condominium operated by the Association and all amendments.

- C. A photocopy of the recorded Bylaws of the Association and all amendments.
- D. A certified copy of the Articles of Incorporation of the Association and all amendments.
- E. A copy of the current rules of the Association.
- F. A book or books containing the minutes of all meetings of the Association, of the Board and of Unit Owners, which minutes shall be retained for a period of not less than seven years.
- G. A current roster of all Unit Owners, their mailing addresses, Unit identifications, voting certifications, and, if known, telephone numbers. Additionally, the Association may require a copy of the deed or other instrument showing each Unit's ownership, together with a copy of any mortgage on the Unit and any satisfaction of that mortgage.
- H. All current insurance policies of the Association and Condominiums operated by the Association.
- I. A current copy of any management agreement, lease or other contract to which the Association is a party or under which the Association or the Unit Owners have an obligation or responsibility.
- J. Bills of sale or transfer for all property owned by the Association.
- K. The accounting records required in 6.7.
- L. Ballots, sign in sheets, voting proxies, and all other papers related to voting which shall be maintained for a period of one year from the date of the meeting, election or vote to which the document relates.
- M. All rental records where the Association is acting as agent for the rental of Condominium Units.
- N. A copy of the current Question and Answer sheet as described in *F.S. 718.504*.
- O. All other records of the Association not specifically included in the foregoing which are related to the operation of the Association.

The official records of the Association shall be maintained in the county in which the Condominium is located and shall be open to inspection by any Unit Owner or the authorized representative of such Owner at all reasonable times. The right to inspect the records includes the right to make or obtain copies, at the reasonable expense, if any, of the Unit Owner. Failure to permit inspection of the Association records entitles any person prevailing in an enforcement action to recover reasonable attorneys' fees from the person in control of the records who, directly or indirectly, knowingly denied access to the records for inspection.

X. OBLIGATIONS OF OWNERS

10.1 Violations, Notice, Actions.

In the case of a violation (other than the nonpayment of an assessment) by a Unit Owner of any of the provisions of the Act, the Declaration, the Articles, these Bylaws, or any lawfully adopted rules and regulations, the Association by direction of the Board may transmit to the Unit Owner by certified mail, return-receipt requested, a notice of the violation. If the violation shall continue for a period of 30 days from the date of the notice, the Association shall have the right to treat the violation as an intentional and material breach of the provision cited in the notice. It then, at its option, may take the following actions:

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

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

The foregoing action may be taken in addition to the Association's right to impose fines under Provision 4.25.

10.2 Attorneys' Fees. In any action brought pursuant to Provision 10.1, the prevailing party is entitled to recover reasonable attorneys' fees.

10.3 No Waiver of Rights. Neither a Unit Owner nor the Association may waive a provision of the Act if that waiver would adversely affect the rights of a Unit Owner or the purposes of the provision, except that Unit Owners or Directors may waive notice of specific meetings in writing.

XI. ARBITRATION OF INTERNAL DISPUTES

Disputes among Unit Owners, the Association, their agents, and assigns shall be resolved by mandatory non-binding arbitration pursuant to the Act and any Division regulations.

XII. LIABILITY SURVIVES MEMBERSHIP TERMINATION

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

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

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

XIV. PARLIAMENTARY RULES

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

XV. RULES AND REGULATIONS

15.1 Board May Adopt. The Board may adopt and amend, from time to time, reasonable rules and regulations governing the details or the use and operation of the Common Elements, Allocation property, and recreational facilities serving the Condominium.

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

posting.

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

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

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

16.1 Where Contained. Restrictions on the use, maintenance, and appearance of the individual Condominium Units shall be as stated in the Declaration and no amendments to such restrictions shall be contained elsewhere than in the Declaration as adopted by a vote of the Unit Owners conducted in the manner prescribed elsewhere in these Bylaws.

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

XVII. BYLAWS DEEMED AMENDED

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

XVIII. PRIORITIES IN CASE OF CONFLICT

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

- A. The Act, and any regulations promulgated by the Division.
- B. The Declaration
- C. The Articles
- D. These Bylaws
- E. The Association's rules and regulations

XIX. INDEMNIFICATION

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

**XX. DEFECTIVE CONDOMINIUM DOCUMENTS,
CURATIVE PROVISIONS**

Pursuant to F.S. 718.110(10) of the Act, the Association or a Unit Owner may petition the circuit court having jurisdiction in the county in which the Condominium property is situated to correct an error or omission in the Declaration or any other documents required to establish the Condominium, affecting its valid existence, and which errors or omissions are not correctable by the amendment procedures in the Declaration or the Act. In any case, after three years from the filing of the Declaration, it shall be deemed to be effective under the Act to create a Condominium, whether in fact it substantially complies with the mandatory requirements of the Act or not.

XXI. AMENDMENTS

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

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

21.2 Adoption. An amendment may be proposed either by a majority of the Board or by not less than one third of the voting interests of the Association. The amendment shall be adopted if it is approved by not less than two-thirds of the voting interests of the Association.

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

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

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

XXII. CONSTRUCTION

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

The foregoing were adopted as the Bylaws of BELLE MER OWNERS ASSOCIATION, INC., on April 1, 1997.

BELLE MER OWNERS ASSOCIATION, INC.

ATTEST:

Carol Johnson
Secretary

BY: James O. Reini
Name: JAMES O. REINI [Print/Type Name]

[CORPORATE SEAL]

**THIS IS THE LAST PAGE OF THE DECLARATION OF CONDOMINIUM
FOR BELLE MER, A CONDOMINIUM**

This instrument prepared by:
Jay L. Roberts, Esquire
KEEFE, ANCHORS, GORDON & MOYLE, P.A.
4460 Legendary Drive, Suite 190
Destin, Florida 32541
(850) 837-5735
(Florida Bar #: 0056914)

(Space above this line for recording information)

**CERTIFICATE OF AMENDMENT
TO THE BYLAWS FOR
BELLE MER OWNERS' ASSOCIATION, INC.**

NOTICE IS HEREBY GIVEN that at a duly called meeting on May 21, 2005, by a vote of not less than two-thirds of the voting interests of the Association and after the unanimous adoption of a Resolution proposing said amendments by the Board of Directors, the Declaration of Condominium for Belle Mer Owners' Association, Inc., as originally recorded in Official Records Book 1601, Page 621, et seq., in the Public Records of Santa Rosa County, Florida. The same is hereby amended as follows:

1. The Declaration of Condominium for Belle Mer Owners' Association, Inc. is hereby amended in accordance with Exhibit A attached hereto and entitled "Amendments to the Declaration of Condominium of Belle Mer, a Condominium"

IN WITNESS WHEREOF, BELLE MER OWNERS' ASSOCIATION, INC., has caused this Certificate of Amendment to be executed in accordance with the authority hereinabove expressed this 15 day of October, 2010.

[SIGNATURES ON FOLLOWING PAGE]

BELLE MER OWNERS ASSOCIATION, INC.

ATTEST:
BY: Lori Leonard
Lori Leonard, President

STATE OF OHIO)

COUNTY OF Cuyahoga)

On this 18 day of October, 2010, personally appeared Lori Leonard, President of Belle Mer Owners' Association, Inc. and acknowledged that she executed this instrument for the purposes herein expressed.



Katherine Ft. McAleer
Notary Public, State of Ohio
My Commission Expires
Nov. 19, 2013

Katherine Ft. McAleer
Notary Public
My commission expires:

BY: _____
Charles Bugg, Secretary

STATE OF ALABAMA)

COUNTY OF _____)

On this ____ day of October, 2010, personally appeared Charles Bugg, Secretary of Belle Mer Owners' Association, Inc., and acknowledged that he executed this instrument for the purposes herein expressed.

Notary Public
My commission expires:

BELLE MER OWNERS ASSOCIATION, INC.

ATTEST:

BY: _____
Lori Leonard, President

STATE OF ~~OHIO~~ Florida)
COUNTY OF Santa Rosa)

On this 11th day of October, 2010, personally appeared Lori Leonard, President of Belle Mer Owners' Association, Inc. and acknowledged that she executed this instrument for the purposes herein expressed.

Notary Public
My commission expires:

BY: Charles Bugg
Charles Bugg, Secretary

STATE OF FLORIDA)
COUNTY OF Santa Rosa)

On this 11th day of October, 2010, personally appeared Charles Bugg, Secretary of Belle Mer Owners' Association, Inc., and acknowledged that he executed this instrument for the purposes herein expressed.

Teresa A. Warner
Notary Public
My commission expires:



TERESA A. WARNER
Commission # DD 848159
Expires April 26, 2011
Bonded Thru Troy Fair Insurance 800-369-7019

AMENDMENTS
TO
DECLARATION OF CONDOMINIUM OF BELLE MER, A CONDOMINIUM

All of the provisions of Article 14 of the Declaration of Condominium are hereby deleted and the following substituted in the place thereof:

14. **INSURANCE.** The insurance which shall be carried upon the Condominium Property and on each Condominium Parcel, shall be governed by the following provisions:

14.1 **Authority to Purchase: Named Insured.** All insurance policies upon the Condominium Property shall be purchased by the Association as determined by the Board of Directors. All policies purchased by the Association must be written by insurance companies authorized to do business in the State of Florida, and with offices or agents in Florida. The named insureds shall be the Association individually, and as agent for the Unit Owners, without naming them, and as agent for their mortgagees. Provision shall be made for the issuance of mortgagee endorsements and memoranda of insurance to the mortgagees of Unit Owners. Such policies shall provide that payments by the insurer for losses shall be made to the Association for the benefit of the Unit Owners and their mortgagees. All policies and their endorsements shall be held by the Association. The Unit Owners shall obtain coverage upon all real and personal property located within the boundaries of the Unit which is excluded from the coverage to be provided by the Association as set forth in Section 14.2 below, which policies shall provide that the coverage afforded thereunder is excess over the amount recoverable under any other policy covering the same property and which shall be without rights of subrogation against the Association.

14.2 **Coverage**

14.2.1 **Casualty.** All buildings and insurable improvements within the Condominium Property shall be insured for fire, wind and extended coverage perils, including flood, in the amount of their full insurable value, excluding foundation and excavation costs, subject to reasonable deductibles as determined by the Board of Directors. All personal property included in the Common Elements shall be insured for their full insurable value as determined by the Board of Directors. The coverage provided by the Association hereunder shall exclude all floor, wall and ceiling coverings, electrical fixtures, appliances, air conditioning or heating equipment, water heaters, water filters, built-in cabinets and countertops, and window treatments, including curtains, drapes, blinds, hardware and similar window treatment components, or replacements of any of the foregoing which are located within the boundaries of the Unit and serve only one Unit, and all air conditioning compressors that service only an individual Unit, whether or not located within the Unit.

- 14.2.2 In addition, the Association shall pay for and keep in force the following kinds of insurance:
- 14.2.2.1 Public liability, auto and non-auto insurance in such amounts and with such coverages as the Board of Directors of the Association shall determine, with cross liability endorsements to cover the liability of the unit owners as a group to a unit owner.
 - 14.2.2.2 Worker's Compensation policy to meet the requirements of law.
 - 14.2.2.3 Such other insurance as the Board of Directors of the Association shall determine from time to time to be in the best interest of the Association and the Unit Owners, including Directors and Officers Liability Insurance.
- 14.3 Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense.
- 14.4 Shares of Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the Unit Owners and their mortgagees, as their interest may appear, and shall provide that all proceeds covering property losses shall be paid to the Association. All proceeds received shall be deposited into a separate account established for such purpose and shall be disbursed by checks or other instruments of withdrawal upon the signatures of any two members of the Board of Directors. The duty of the Association shall be to receive such proceeds as are paid and to hold the proceeds in trust for the purposes elsewhere stated herein for the benefit of the Unit Owners and their mortgagees in the following shares:
- 14.4.1 Common Elements. Proceeds on account of damage to Common Elements shall be an undivided share for each Unit Owner, each share being the same as the undivided share of the Common Elements appurtenant to his Unit.
 - 14.4.2 Units. Proceeds on account of damage to Units shall be held in the following undivided shares:
 - 14.4.2.1 When the Building is to be Restored. For the Owners of damaged Units in proportion to the cost of repairing the damage suffered by such Unit Owner, which cost shall be determined by the Association; each Unit Owner shall be bound by a certificate issued by the Association as to his proportionate share of the cost of repairs.
 - 14.4.2.2 When the Building is Not to be Restored. An undivided share for each Unit Owner, such share being the same as the undivided share in the Common Elements appurtenant to his Unit.

- 14.4.3 Mortgages. In the event a mortgage endorsement has been issued as to a Unit, the share of the Unit Owner shall be held for the mortgagee and the Unit Owner as their interests may appear; provided, however, that no mortgagee shall have any right to participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distributions of such proceeds made to the Unit Owner and mortgagee pursuant to the provisions of this Declaration.
- 14.5 Distribution of Proceeds. Proceeds of insurance policies received by the Association shall be distributed to or for the benefit of the Unit Owners and their mortgagees in the following manner:
- 14.5.1 Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost of such as elsewhere provided. Any proceeds which remain after defraying such costs shall be distributed to the Unit Owners and their mortgagees, remittances to Unit Owners and their mortgagees being payable jointly to them.
- 14.5.2 Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damage for which proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the Unit Owners and their mortgagees, remittances to Unit Owners and their mortgagees being payable jointly to them.
- 14.6 The Association as Agent. The Association is hereby irrevocably appointed agent for each Unit Owner and for each owner of a mortgage or other lien upon a Unit and for each owner of any other interest in the Condominium Property for the purpose of adjusting or compromising and settling all claims arising out of insurance policies purchased by the Association, and is empowered to execute and deliver releases upon the payment of claims.

Article 15 of the Declaration of Condominium is hereby amended as follows:

~~15.1.3 Certificate. The Insurance Trustee may rely upon a certificate of the Association made by the President and Secretary to determine whether or not the damaged property is to be reconstructed or repaired.~~

15.7 Construction Funds

The funds for payment of costs of reconstruction and repair after casualty which shall consist of proceeds of insurance held by the Association and from assessments against unit owners, shall be disbursed in payment of such costs in the following manner:

15.7.1 Association. ~~If costs of reconstruction and repair which are the responsibility of the Association are more than FIFTY THOUSAND DOLLARS (\$50,000), then the sums paid upon assessments to meet such costs shall be deposited by the Association with the Insurance Trustee. In all other cases, the~~ Association shall hold the sums paid upon such received from the proceeds of insurance and from assessments and disburse the same in payment of the costs of reconstruction and repair.

15.7.2 Unit Owner. The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with the unit owners, shall be paid by the ~~Association Insurance Trustee~~ to the unit owner—or, if there is a mortgagee endorsement, then to the unit owner and the mortgagee jointly.

15.7.2.1 Association – Lesser Damage. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is less than FIFTY THOUSAND DOLLARS (\$50,000), then the construction fund shall be disbursed in payment of such costs upon the order of the Association, ~~provided, however, that upon request to the Insurance Trustee by a mortgagee which is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner hereafter provided for the reconstruction and repair of major damage.~~

~~15.7.2.4 Certificate~~. ~~Notwithstanding the provisions herein, the Insurance Trustee shall not be required to determine whether or not sums paid by unit owners upon assessments shall be deposited by the Association with the Insurance Trustee i) nor to determine whether the disbursements from the construction fund are to be upon the order of the Association or upon approval of an architect or otherwise, ii) nor whether a disbursement is to be made from the construction fund, iii) nor to determine the payee, iv) nor the amount to be paid, v) nor to determine whether surplus funds to be distributed are less than the assessments paid by owners. Instead, the Insurance Trustee may rely upon a certificate of the Association made by its president and secretary as to any or all of such matters and stating that the sums to be paid are due and properly payable and stating the name of the payee and the amount to be paid; provided, that when a mortgagee is herein required to be named as payee, the Insurance Trustee shall also name the mortgagee as payee of any distribution of insurance proceeds to a unit owner and further provided that when the Association or a mortgagee, which is the beneficiary of an insurance policy, the proceeds of which are included in the construction funds, so requires, the approval of an architect named by the Association shall first be obtained by the Association upon disbursements in payment of costs of reconstruction and repair.~~

All portions of Article 15 not amended hereby shall remain in full force and effect.

(For Article 15, additions are shown by underline; deletions are shown by ~~striketthrough~~.)

This instrument prepared by:
Jay L. Roberts, Esquire
KEEFE, ANCHORS, GORDON & MOYLE, P.A.
909 Mar Walt Dr, Suite 1022
Ft. Walton Beach, FL 32547
(850) 863-1974
(Florida Bar #: 0056914)

(Space above this line for recording information)

**CERTIFICATE OF AMENDMENT
TO THE BYLAWS FOR
BELLE MER OWNERS' ASSOCIATION, INC.**

NOTICE IS HEREBY GIVEN that at a duly called meeting on April 17, 2010, by a vote of not less than two-thirds of the voting interests of the Association and after the unanimous adoption of a Resolution proposing said amendments by the Board of Directors, the Bylaws for Belle Mer Owners' Association, Inc., as originally recorded in Official Records Book 1601, Page 705, et seq., in the Public Records of Santa Rosa County, Florida. The same is hereby amended as follows:

1. The Bylaws for Belle Mer Owners' Association, Inc. is hereby amended in accordance with Exhibit A attached hereto and entitled "Schedule of Amendments to the Bylaws for Belle Mer Owners' Association, Inc."

IN WITNESS WHEREOF, BELLE MER OWNERS' ASSOCIATION, INC., has caused this Certificate of Amendment to be executed in accordance with the authority hereinabove expressed this 9 day of August, 2010.

[SIGNATURES ON FOLLOWING PAGE]

BELLE MER OWNERS ASSOCIATION, INC.

ATTEST:

BY: Lori Leonard
Lori Leonard, President

STATE OF OHIO)

COUNTY OF CUYAHOGA

On this 9 day of July, 2010, personally appeared Lori Leonard, President of Belle Mer Owners' Association, Inc. and acknowledged that she executed this instrument for the purposes herein expressed.

Diane M. Vargo
Notary Public **DIANE M. VARGO**
My commission expires:

BY: _____
Charles Bugg, Secretary



DIANE M. VARGO, Notary Public
State of Ohio, Cuyahoga County
My Commission Expires 05-27-2012

STATE OF ALABAMA)

COUNTY OF _____)

On this ____ day of July, 2010, personally appeared Charles Bugg, Secretary of Belle Mer Owners' Association, Inc., and acknowledged that he executed this instrument for the purposes herein expressed.

Notary Public
My commission expires:

BELLE MER OWNERS ASSOCIATION, INC.

ATTEST:
BY: Lori Leonard
Lori Leonard, President



STATE OF OHIO)
COUNTY OF CUYAHOGA

On this 9 day of August, 2010, personally appeared Lori Leonard, President of Belle Mer Owners' Association, Inc. and acknowledged that she executed this instrument for the purposes herein expressed.

Diane M. Vargo
Notary Public **DIANE M. VARGO**
My commission expires: 5-27-2012

BY: _____
Charles Bugg, Secretary



DIANE M. VARGO, Notary Public
State of Ohio, Cuyahoga County
My Commission Expires 05-27-2012

STATE OF ALABAMA)
COUNTY OF _____)

On this ____ day of August, 2010, personally appeared Charles Bugg, Secretary of Belle Mer Owners' Association, Inc., and acknowledged that he executed this instrument for the purposes herein expressed.

Notary Public
My commission expires:

**Schedule of Amendments to the Bylaws for Belle Mer Owners' Association, Inc.
(Exhibit A)**

Article VII of the Bylaws is hereby amended to read as follows:

7.4 Liability for Assessments. Each Unit Owner, regardless of how title is acquired, shall be liable for all assessments coming due while he is the Unit Owner. The Unit Owner and his grantee in a voluntary conveyance shall be jointly and severally liable for all unpaid assessments due and payable up to the time of the transfer of title. ~~A first mortgagee or other purchaser of a Condominium Unit who obtains title to the Condominium parcel by a purchase at the public sale resulting from the first mortgagee's foreclosure judgment in a foreclosure suit in which the Association has been properly named as a defendant junior lienholder, or who obtains title as a result of a deed given in lieu of foreclosure, together with his successors and assigns, shall not be liable for the share of Common Expenses or assessments attributable to the Condominium parcel which became due prior to acquisition of title as a result of the foreclosure, unless the share is secured by a claim of lien for assessments that is recorded before the recorded of the foreclosed mortgage.~~ The unpaid shares of Common Expenses or assessments are Common Expenses collectible from all of the Unit Owners, including such acquirer and his successors and assigns. The liability for assessments may not be avoided by waiver of the use or enjoyment of any Common Element or by abandonment of the Unit for which the assessments are made.

If a Unit Owner is delinquent in payment of assessments, the Association reserves the right to deny Unit Owners and their guests and tenants access to the Condominium's amenities, in accordance with the Florida Condominium Act, as amended. The Condominium's amenities include, but are not limited to, the pool, gym and beach access.

(Words underlined are to be added; words ~~stricken~~ are to be deleted)

This instrument prepared by:
Jay L. Roberts, Esquire
KEEFE, ANCHORS, GORDON & MOYLE, P.A.
909 Mar Walt Dr, Suite 1022
Ft. Walton Beach, FL 32547
(850) 863-1974
(Florida Bar #: 0056914)

.....(Space above this line for recording information).....

**CERTIFICATE OF AMENDMENT
TO THE BYLAWS FOR
BELLE MER OWNERS' ASSOCIATION, INC.**

NOTICE IS HEREBY GIVEN that at a duly called meeting on April 17, 2010, by a vote of not less than two-thirds of the voting interests of the Association and after the unanimous adoption of a Resolution proposing said amendments by the Board of Directors, the Bylaws for Belle Mer Owners' Association, Inc., as originally recorded in Official Records Book 1601, Page 705, et seq., in the Public Records of Santa Rosa County, Florida. The same is hereby amended as follows:

1. The Bylaws for Belle Mer Owners' Association, Inc. is hereby amended in accordance with Exhibit A attached hereto and entitled "Schedule of Amendments to the Bylaws for Belle Mer Owners' Association, Inc."

IN WITNESS WHEREOF, BELLE MER OWNERS' ASSOCIATION, INC., has caused this Certificate of Amendment to be executed in accordance with the authority hereinabove expressed this 13th day of January, 2011.

[SIGNATURES ON FOLLOWING PAGE]

BELLE MER OWNERS ASSOCIATION, INC.

ATTEST:

BY: Lori Leonard
Lori Leonard, President

STATE OF ~~MISSISSIPPI~~ FLORIDA)

COUNTY OF Santa Rosa)

On this 13th day of January, 2011, personally appeared Lori Leonard, President of Belle Mer Owners' Association, Inc. and acknowledged that she executed this instrument for the purposes herein expressed.

Teresa A. Warner

Notary Public

My commission expires:



TERESA A. WARNER
Commission # DD 848159
Expires April 26, 2011
Bonded Title Tidy Fish Insurance 902-888-7019

BY: Charles E. Bugg
Charles Bugg, Secretary

STATE OF ALABAMA Florida)

COUNTY OF Santa Rosa)

On this 4th day of February, 2011, personally appeared Charles Bugg, Secretary of Belle Mer Owners' Association, Inc., and acknowledged that he executed this instrument for the purposes herein expressed.

Teresa A. Warner

Notary Public

My commission expires:



TERESA A. WARNER
Commission # DD 848159
Expires April 26, 2011
Bonded Title Tidy Fish Insurance 902-888-7019

Schedule of Amendments to the Bylaws for Belle Mer Owners' Association, Inc.
(Exhibit A)

Article VII of the Bylaws is hereby amended to read as follows:

7.4 Liability for Assessments. Each Unit Owner, regardless of how title is acquired, shall be liable for all assessments coming due while he is the Unit Owner. The Unit Owner and his grantee in a voluntary conveyance shall be jointly and severally liable for all unpaid assessments due and payable up to the time of the transfer of title. ~~A first mortgagee or other purchaser of a Condominium Unit who obtains title to the Condominium parcel by a purchase at the public sale resulting from the first mortgagee's foreclosure judgment in a foreclosure suit in which the Association has been properly named as a defendant junior lienholder, or who obtains title as a result of a deed given in lieu of foreclosure, together with his successors and assigns, shall not be liable for the share of Common Expenses or assessments attributable to the Condominium parcel which became due prior to acquisition of title as a result of the foreclosure, unless the share is secured by a claim of lien for assessments that is recorded before the recorded of the foreclosed mortgage.~~ The unpaid shares of Common Expenses or assessments are Common Expenses collectible from all of the Unit Owners, including such acquirer and his successors and assigns. The liability for assessments may not be avoided by waiver of the use or enjoyment of any Common Element or by abandonment of the Unit for which the assessments are made.

If a Unit Owner is delinquent in payment of assessments, the Association reserves the right to deny Unit Owners and their guests and tenants access to the Condominium's amenities, in accordance with the Florida Condominium Act, as amended. The Condominium's amenities include, but are not limited to, the pool, gym and beach access.

(Words underlined are to be added; words ~~stricken~~ are to be deleted)

This instrument prepared by:
Jay L. Roberts, Esquire
KEEFE, ANCHORS, GORDON & MOYLE, P.A.
909 Mar Walt Dr, Suite 1022
Ft. Walton Beach, FL 32547
(850) 863-1974
(Florida Bar #: 0056914)

.....(Space above this line for recording information).....

**CERTIFICATE OF AMENDMENT
TO THE BYLAWS FOR
BELLE MER OWNERS' ASSOCIATION, INC.**

NOTICE IS HEREBY GIVEN that at a duly called meeting on April 17, 2010, by a vote of not less than two-thirds of the voting interests of the Association and after the unanimous adoption of a Resolution proposing said amendments by the Board of Directors, the Bylaws for Belle Mer Owners' Association, Inc., as originally recorded in Official Records Book 1601, Page 705, et seq., in the Public Records of Santa Rosa County, Florida. The same is hereby amended as follows:

1. The Bylaws for Belle Mer Owners' Association, Inc. is hereby amended in accordance with Exhibit A attached hereto and entitled "Schedule of Amendments to the Bylaws for Belle Mer Owners' Association, Inc."

IN WITNESS WHEREOF, BELLE MER OWNERS' ASSOCIATION, INC., has caused this Certificate of Amendment to be executed in accordance with the authority hereinabove expressed this 13th day of January, 2011.

[SIGNATURES ON FOLLOWING PAGE]

BELLE MER OWNERS ASSOCIATION, INC.

ATTEST:

BY: Lori Leonard
Lori Leonard, President

STATE OF ~~OHIO~~ FLORIDA)

COUNTY OF Santa Rosa)

On this 13th day of January, 2011, personally appeared Lori Leonard, President of Belle Mer Owners' Association, Inc. and acknowledged that she executed this instrument for the purposes herein expressed.

Teresa A. Warner

Notary Public

My commission expires:



TERESA A. WARNER
Commission # DD 848159
Expires April 26, 2011
Bonded Title Tity Felt Insurance 903-888-7019

BY: Charles E. Bugg
Charles Bugg, Secretary

STATE OF ALABAMA Florida)

COUNTY OF Santa Rosa)

On this 4th day of February, 2011, personally appeared Charles Bugg, Secretary of Belle Mer Owners' Association, Inc., and acknowledged that he executed this instrument for the purposes herein expressed.

Teresa A. Warner

Notary Public

My commission expires:



TERESA A. WARNER
Commission # DD 848159
Expires April 26, 2011
Bonded Title Tity Felt Insurance 903-888-7019

Schedule of Amendments to the Bylaws for Belle Mer Owners' Association, Inc.
(Exhibit A)

Article VII of the Bylaws is hereby amended to read as follows:

7.4 Liability for Assessments. Each Unit Owner, regardless of how title is acquired, shall be liable for all assessments coming due while he is the Unit Owner. The Unit Owner and his grantee in a voluntary conveyance shall be jointly and severally liable for all unpaid assessments due and payable up to the time of the transfer of title. ~~A first mortgagee or other purchaser of a Condominium Unit who obtains title to the Condominium parcel by a purchase at the public sale resulting from the first mortgagee's foreclosure judgment in a foreclosure suit in which the Association has been properly named as a defendant junior lienholder, or who obtains title as a result of a deed given in lieu of foreclosure, together with his successors and assigns, shall not be liable for the share of Common Expenses or assessments attributable to the Condominium parcel which became due prior to acquisition of title as a result of the foreclosure, unless the share is secured by a claim of lien for assessments that is recorded before the recorded of the foreclosed mortgage.~~ The unpaid shares of Common Expenses or assessments are Common Expenses collectible from all of the Unit Owners, including such acquirer and his successors and assigns. The liability for assessments may not be avoided by waiver of the use or enjoyment of any Common Element or by abandonment of the Unit for which the assessments are made.

If a Unit Owner is delinquent in payment of assessments, the Association reserves the right to deny Unit Owners and their guests and tenants access to the Condominium's amenities, in accordance with the Florida Condominium Act, as amended. The Condominium's amenities include, but are not limited to, the pool, gym and beach access.

(Words underlined are to be added; words ~~stricken~~ are to be deleted)

This instrument prepared by:
Michelle Anchors
KEEFE, ANCHORS, GORDON & MOYLE, P.A.
2113 Lewis Turner Boulevard, Suite 100
Fort Walton Beach, FL 32547
(850) 863-1974
(Florida Bar #: 932272)

.....(Space above this line for recording information).....

**CERTIFICATE OF AMENDMENT
TO THE BYLAWS FOR
BELLE MER OWNERS' ASSOCIATION, INC.**

NOTICE IS HEREBY GIVEN that at a duly called meeting on the 19th day of November, 2011, by a vote of not less than two-thirds of the voting interests of the Association and after the unanimous adoption of a Resolution proposing said amendments by the Board of Directors, the Bylaws for Belle Mer Owners' Association, Inc., as originally recorded in Official Records Book 1601, Page 705, et seq., in the Public Records of Santa Rosa County, Florida. The same are hereby amended as follows:

1. The Bylaws for Belle Mer Owners' Association, Inc. are hereby amended in accordance with Exhibit A attached hereto and entitled "Schedule of Amendments to the Bylaws for Belle Mer Owners' Association, Inc."

IN WITNESS WHEREOF, BELLE MER OWNERS' ASSOCIATION, INC., has caused this Certificate of Amendment to be executed in accordance with the authority hereinabove expressed this 19 day of January, 2012.

[SIGNATURES ON FOLLOWING PAGE]

BELLE MER OWNERS ASSOCIATION, INC.

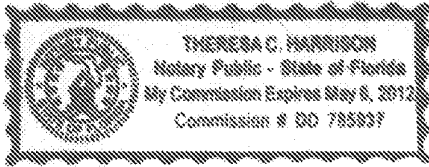
ATTEST:

BY: Lori Leonard
Lori Leonard, President

STATE OF FLORIDA)

COUNTY OF SANTA ROSA)

On this 11 day of January, 2012, personally appeared Lori Leonard, President of Belle Mer Owners' Association, Inc. and acknowledged that she executed this instrument for the purposes herein expressed.



Theresa C. Harrison
Notary Public
My commission expires:

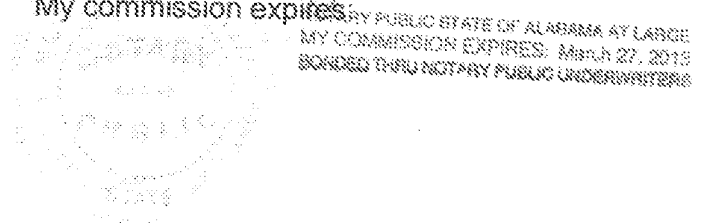
BY: Charles Bugg
Charles Bugg, Secretary

STATE OF ALABAMA)

COUNTY OF Jefferson)

On this 19th day of January, 2012, personally appeared Charles Bugg, Secretary of Belle Mer Owners' Association, Inc., and acknowledged that he executed this instrument for the purposes herein expressed.

Mary Alexy Nilstead
Notary Public
My commission expires:



**Schedule of Amendments to the Bylaws
for Belle Mer Owners' Association, Inc.**

(Exhibit A)

Article VII of the Bylaws is hereby amended to read as follows:

7.1 Assessments, Generally. Assessments shall be made against the Units not less frequently than quarterly in the discretion of the Board. The assessments shall be made in an amount no less than required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. The assessment funds shall be collected against Units in the proportions or percentages provided in the Declaration.

7.2 Special Assessments. The specific purpose of any special assessment, including emergency assessments, that cannot be paid from the annual assessment for Common Expenses, as determined by the Board, shall be set forth in a written notice of such assessment sent or delivered to each Unit Owner. The notice shall be sent or delivered within such time before the payment or initial payment thereunder shall be due, as may be reasonable or practicable in the circumstances. Special assessments shall be paid at the times and in the manner that the Board may require in the notice of the assessment. The funds collected pursuant to a special assessment shall be used only for the specific purpose or purposes set forth in such notice, or returned to the Unit Owners. Upon completion of such specific purpose or purposes, however, any excess funds shall be considered Common Surplus.

7.3 Charges for Other than Common Expenses. Charges by the Association against individual Director for other than Common Expenses shall be payable in advance and the billing and collection thereof may be administered by the Association. Charges for other than Common Expenses may be made only after approval of a Director or when expressly provided for in the Declaration or other Condominium documents. These charges may include, without limitation, charges for the use of the Condominium property or recreation area, maintenance services furnished at the expense of a Unit Owner and other services furnished for the benefit of a Unit Owner. The provisions of 7.7 shall not apply to the charges herein described.

7.4 Liability for Assessments. Each Unit Owner, regardless of how title is acquired, shall be liable for all assessments coming due while he is the Unit Owner. The Unit Owner and his grantee in a voluntary conveyance shall be jointly and severally liable for all unpaid assessments due and payable up to the time of transfer of title in accordance with The Condominium Act, as it may be amended from time-to-time. 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. The liability for assessments may not be avoided by waiver of the use or enjoyment of any Common Element or by abandonment of the Unit for which the assessments are made.

7.5 Assessments Against Developer-Owned Units. If a Developer holds units for sale in the ordinary course of business, the Developer may not be assessed as a Unit Owner for capital improvements without written approval by the Developer.

7.6 Assessments, Amended Budget. If the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board. Unpaid assessments for the remaining portion of the year for which an amended assessment is made shall be payable in as many equal installments as there are installment payment dates remaining in the budget year as of the date of the amended assessment. The budget shall not be amended for emergency or special nonrecurring expenses.

7.7 Collection: Interest, Application of Payment. Assessments and installments on them, if not paid within ten days after the date they become due, shall bear interest at the rate of 18% per year until paid. All assessment payments shall be applied first to interest, attorneys' fees and costs, and then to the assessment payment due.

7.8 Lien for Assessment. The Association has a lien on each Condominium parcel for any unpaid assessments with interest and for reasonable attorneys' fees incurred by the Association incident to the collection of the assessment or enforcement of the lien. The lien is effective from and after the date of recording a claim of lien the Declaration of Condominium in the public records in the county in which the Condominium parcel is located. No such lien shall continue for a period longer than one year after the claim of lien has been recorded, unless within that time an action to enforce the lien is commenced in a court of competent jurisdiction. The claim of lien shall secure all unpaid assessments, interest, costs, and attorneys' fees which are due and which may accrue after the recording of the claim of lien and before the entry of a final judgment of foreclosure. ~~The lien is subordinate to any mortgage on the Condominium parcel recorded before it.~~

7.9 Collection: Suit, Notice. The Association may bring an action to foreclose any lien for assessments in the manner that a mortgage of real property is foreclosed. It also may bring an action to recover a money judgment for the unpaid assessment without waiving any claim of lien. The Association shall give notice to the Unit Owner of its intention to foreclose its lien at least 30 days before the foreclosure

action is filed. The notice shall be given by delivery of a copy of it to the Unit Owner or by certified or registered mail, return-receipt requests, addressed to the Unit Owner at the last known address.

7.10 Fines. Before levying a fine pursuant to the Act, the Board shall afford an opportunity for hearing to the party against whom the fine is sought to be levied, after reasonable notice of not less than 14 days. The hearing shall be held before a committee of Unit Owners. The notice shall include:

- A. a statement of the date, time and place of the hearing;
- B. a statement of the provisions of the Declaration, these Bylaws and lawfully adopted rules and regulations which have allegedly been violated; and
- C. a short and plain statement of the matters asserted by the Association. The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Association. Upon the levying of any fine, the Board may collect such fines like assessments in one or more installments. Each day of violation shall be a separate violation. The affected Unit Owner, whether the offending party or not, shall always be given notice of the hearing. No fine shall become a lien against a Unit. No fines may be levied against unoccupied Units.

(Words underlined are to be added; words ~~stricken~~ are to be deleted)

This instrument prepared by:
Michelle Anchors
KEEFE, ANCHORS, GORDON & MOYLE, P.A.
2113 Lewis Turner Boulevard, Suite 100
Fort Walton Beach, FL 32547
(850) 863-1974
(Florida Bar #: 932272)

.....(Space above this line for recording information).....

**CERTIFICATE OF AMENDMENT
TO THE DECLARATION FOR
BELLE MER OWNERS' ASSOCIATION, INC.**

NOTICE IS HEREBY GIVEN that at a duly called meeting on the 19th day of November, 2011, by a vote of not less than two-thirds of the voting interests of the Association and after the unanimous adoption of a Resolution proposing said amendments by the Board of Directors, the Declaration of Condominium for Belle Mer Owners' Association, Inc., originally recorded in Official Records Book 1601, Page 621, et seq., in the Public Records of Santa Rosa County, Florida. The same is hereby amended as follows:

1. The Declaration of Condominium for Belle Mer Owners' Association, Inc. is hereby amended in accordance with Exhibit A attached hereto and entitled "Schedule of Amendments to the Declaration of Condominium for Belle Mer Owners' Association, Inc."

IN WITNESS WHEREOF, BELLE MER OWNERS' ASSOCIATION, INC., has caused this Certificate of Amendment to be executed in accordance with the authority herein above expressed this 19 day of January, 2012.

[SIGNATURES ON FOLLOWING PAGE]

BELLE MER OWNERS ASSOCIATION, INC.

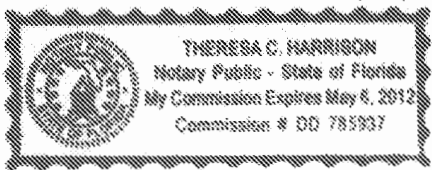
ATTEST:

BY: Lori Leonard
Lori Leonard, President

STATE OF FLORIDA)

COUNTY OF SANTA ROSA)

On this 11 day of JANUARY, 2012, personally appeared Lori Leonard, President of Belle Mer Owners' Association, Inc. and acknowledged that she executed this instrument for the purposes herein expressed.



Theresa C. Harrison
Notary Public
My commission expires:

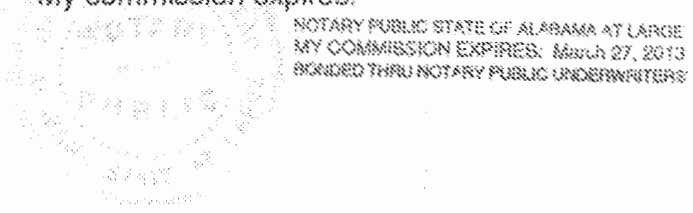
BY: Charles Bugg
Charles Bugg, Secretary

STATE OF ALABAMA)

COUNTY OF Jefferson)

On this 19 day of January, 2012, personally appeared Charles Bugg, Secretary of Belle Mer Owners' Association, Inc., and acknowledged that he executed this instrument for the purposes herein expressed.

Mary Ashley Milstead
Notary Public
My commission expires:



**Schedule of Amendments to the Declaration of Condominium
for Belle Mer Owners' Association, Inc.**

(Exhibit A)

Article 16.6 of the Declaration is hereby amended to read as follows:

16.4 Lien for Assessments

The Association has a lien on each condominium parcel to secure the payment of assessments. Except as otherwise provided, the lien is effective from and shall relate back to the recording of the original Declaration of Condominium. ~~However, as to first mortgages of record, the lien is effective from and after recording of a claim of lien in the public records of the county in which the condominium parcel is located.~~ Nothing in this subsection shall be construed to bestow upon any lien, mortgage, or certified judgment of record on April 1, 1992, including the lien for unpaid assessments created herein, a priority which, by law, the lien, mortgage, or judgment did not have before that date.

16.6 Liability of Mortgagee, Lienor, or Judicial Sale Purchaser for Assessment

A unit owner, regardless of how his title has been acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure, is liable for all assessments which come due while he is the unit owner, regardless of whether or not such parcel is unoccupied. Additionally, a unit owner is jointly and severally liable with the previous owner for all unpaid assessments that came due up to the time of transfer of title. This liability is without prejudice to any right the owner may have to recover from the previous owner the amounts paid by the owner.

The liability of a first mortgagee or its successor or assignees who acquire title to a unit by foreclosure or by deed in lieu of foreclosure for the unpaid assessments that became due prior to the mortgagee's acquisition of title is limited to the lesser of:

16.6.1 The unit's unpaid common expenses and regular periodic assessments which accrued or came due during the 6 12 months immediately preceding the acquisition of title and for which payment in full has not been received by the Association, or in the manner prescribed in Chapter 718.116(1)(b), Florida Statutes (the "Condominium Act"), as it may be amended from time-to-time, or;

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

(Words underlined are to be added; words ~~stricken~~ are to be deleted)