

**DECLARATION OF CONDOMINIUM
OF
HILLCREST COUNTRY CLUB APARTMENTS NO. 15, A CONDOMINIUM**

HILLCREST COUNTRY CLUB APARTMENTS, INC., NO. 15, a Florida corporation not-for-profit (hereinafter called the "Declarant"), does hereby declare as follows:

1. Introduction and Submission.

1.1 The Land. The Declarant owns the fee title to that certain land located in Broward County, Florida, which is more particularly described in Exhibit "1" hereto (hereinafter called the "Land").

1.2 Submission Statement. The Declarant hereby submits the Land and all Improvements erected or to be erected thereon, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, to the condominium form of ownership and use in the manner provided by the Florida Condominium Act as amended from time to time.

1.3 Name. The name by which this condominium is to be identified is HILLCREST COUNTRY CLUB APARTMENTS NO. 15, A CONDOMINIUM (hereinafter called the "Condominium").

2. Definitions. When used in this Declaration or in its exhibits (including any amendments thereto), the following terms shall have the meaning set forth in this Section, except in cases in which the context clearly indicates a different meaning:

2.1 "Act" means the Condominium Act (Chapter 718 of the Florida Statutes).

2.2 "Articles" mean the Articles of Incorporation of the Association.

2.3 "Assessment" means a share of the funds required for the payment of Common Expenses, which from time to time is assessed against the Unit Owner, whether same is a Budgeted Assessment, as such term is hereinafter defined, or a Special Assessment, as such term is hereinafter defined.

2.4 "Association" or "Condominium Association" means Hillcrest Country Club No. 15 Condominium, Inc., a not for profit Florida corporation and the entity responsible for the operation of the Condominium.

2.5 "Budgeted Assessment" means a share of the funds required for the payment of common expenses which from time to time is assessed against a Unit Owner in accordance with the annual budget adopted by the Association.

2.6 "Building" means the structure or structures which are located in or on the Land (or on any of the property hereafter made part of the Condominium) and in which the Units are located, irrespective of the number of such structures.

2.7 "By-Laws" mean the By-Laws of the Association.

2.8 "Common Elements" mean and include:

(a) The portions of the Condominium Property which are not included within the Units.

(b) Easements through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing

of utility and other services to Units and the Common Elements.

(c) An easement of support in every portion of a Unit which contributes to the support of the Building.

(d) The property and installations required for the furnishing of utilities and other services to more than one Unit or to the Common Elements.

(e) Any other parts of the Condominium Property designated as Common Elements in this Declaration.

2.9 "Common Surplus" means the excess of all receipts of the Association, including, but not limited to, Assessments, rents, profits and revenues from the Common Elements, over the amount of Common Expenses.

2.10 "Condominium Parcel" means a Unit together with the undivided share of the Common Elements which is appurtenant to that Unit; and when the context permits, the term includes all other appurtenances to the Unit.

2.11 "Condominium Property" means the Land and personal property that are subjected to condominium ownership under this Declaration, all Improvements on the Land, all easements and rights appurtenant thereto intended for use in connection with the Condominium, and all other property, real, personal and mixed, acquired by the Association.

2.12 "County" means the County of Broward, State of Florida.

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

2.14 "Improvements" mean all structures and artificial changes to the natural environment (exclusive of landscaping) which are located on the Condominium Property, including, but not limited to, the Building.

2.15 "Institutional First Mortgagee" means any of the following that holds a first mortgage on a Unit or Units: a bank, a savings and loan association, an insurance company, a real estate or mortgage investment trust, a pension fund, an agency of the United States Government, a mortgage banker, a lender generally recognized as an institutional-type lender, the Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation.

2.16 "Limited Common Elements" mean those Common Elements the use of which are reserved to a certain Unit or Units to the exclusion of other Units, as specified in this Declaration. Reference herein to Common Elements includes all Limited Common Elements unless the context prohibits or it is otherwise expressly provided.

2.17 "Special Assessment" means any assessment levied against a Unit Owner other than a Budgeted Assessment.

2.18 "Unit" means a part of the Condominium Property which is subject to exclusive ownership.

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

3. Description of Condominium.

3.1 Identification of Units. Constructed on the land is a Building containing 65 Units. Each Unit is identified by a numerical designation. The designation of each Unit is set forth on Exhibit "2" hereto. Exhibit "2" includes a survey of the Land, a graphic description of the Improvements located on or in the Land (including, but not limited to, the Building in which the Units are located) and a plot plan showing the Improvements. Exhibit "2" taken together with this Declaration, is sufficiently detailed to identify the Common Elements and each Unit and their relative locations and approximate dimensions. There shall pass with each Unit as appurtenances to it: (a) an undivided share in the Common Elements and Common Surplus; (b) the right to use such portion of the Common Elements as may be provided in this Declaration; (c) an exclusive easement for the use of the airspace occupied by the Unit as it exists at any particular time and as the Unit may lawfully be altered or reconstructed from time to time; and (d) other appurtenances as may be provided in this Declaration.

3.2 Unit Boundaries. Each Unit shall include that part of the Building containing the Unit that lies within the boundaries of the Unit, which boundaries are as follows:

- (a) Upper and lower Boundaries. The upper and lower boundaries of the Unit shall be the following boundaries extended to their planar intersections with the perimetrical boundaries: (Upper Boundaries. The horizontal plane(s) of the unfinished lower surface(s) of the structural ceiling including, in the case of any Unit in which the ceiling forms more than one plane, the plane (s) formed by the unfinished vertical surface(s) that join the horizontal planes; provided that in any two-story Unit in which the lower story extends beyond the upper story, the upper boundary shall include that portion of the ceiling of the lower story for which there is no corresponding ceiling on the upper story directly above such lower story ceiling.
 - (ii) Lower Boundaries. The horizontal plane(s) of the unfinished upper surface(s) of the floor of the Unit including, in the case of any Unit in which the floor forms more than one horizontal plane, the plane(s) that join the horizontal planes; provided that in any two-story Unit in which the upper story extends beyond the lower story, the lower boundary shall include that portion of the floor of the upper story for which there is no corresponding floor on the bottom story directly below the floor of such upper story.
 - (iii) Interior Divisions. Except as provided in subsections (i) and (ii) above, no part of the floor of the upper floor, ceiling of the lower floor, stairwell adjoining floors or nonstructural interior walls shall be considered a boundary of the Unit.
- (b) Perimetrical Boundaries. The perimetrical boundaries of the Unit shall be the vertical planes of the unfinished interior surfaces of the walls bounding the Unit extended to their planar intersections with each other and with the upper and lower boundaries.
- (c) Apertures. Where there are apertures in any boundary, including, but not limited to, windows and doors, the Unit's boundaries shall be extended so that the interior unfinished surfaces of such apertures (including all frameworks thereof) and the exterior surfaces of such apertures that are made of glass or other transparent material or screening (including all framing and casings therefor) are within the boundaries of the Unit.
- (d) Exceptions. In cases not specifically covered above, and/or in any case of conflict or ambiguity, the survey of the Units set forth on Exhibits "2" hereto shall control in determining the boundaries of a Unit.

3.3 Limited Common Elements. The Limited Common Elements shall consist of the areas, spaces, structures and fixtures described in Subsections 3.3(a) and 3.3(b). Whenever these paragraphs refer to a Limited Common Element being appurtenant to a Unit, the intent is that the Limited Common Element is reserved for the exclusive use of the Owner of that Unit and the occupants of the Unit to the extent the occupants are entitled to use the Unit; provided, however, such use shall be subject to all of the restrictions thereon set forth in this Declaration and applicable rules and regulations pursuant to Section 16 hereof. Any transfer of a Unit shall operate to transfer the right of exclusive use of the Limited Common Elements appurtenant to that Unit, unless otherwise provided specifically to the contrary herein.

(a) Balconies and Terraces. Any balcony (including any enclosed corridor or breezeway) or terrace (including any railing or parapet partially surrounding it, any screening or other enclosure enclosing it and any lighting or other fixture that is part of or contained within it) that adjoins a Unit which has direct and exclusive access to it shall be a Limited Common Element appurtenant to that Unit.

(b) Spaces Created by Joining Units. If any part of a wall separating two Units is removed as permitted in Section 9.2, the space created by the removal shall be a Limited Common Element appurtenant to those Units.

3.4 Easements. The following easements are hereby created (in addition to any easements created under the Act):

(a) Support. Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

(b) Utility and Other Services; Drainage. Easements are reserved under, through and over the Condominium Property as may be required from time to time for drainage of the Condominium and for utility, cable TV and other services furnished the Condominium. No Unit Owner may do anything within or outside his Unit that interferes with or impairs, or may interfere with or impair, the provision of drainage facilities or such utility, cable TV or other services or the use of these easements. The Board of Directors of the Association or its designee shall have a right of access to each Unit to inspect the Unit, to maintain, repair or replace the pipes, wires, ducts, vents, cables, conduits and other utility, service and drainage facilities, and Common Elements contained in the Unit or elsewhere in the Condominium Property, and to remove any Improvements interfering with or impairing such facilities or easements herein reserved; provided such right of access, except in the event of an emergency, shall not unreasonably interfere with the Unit Owner's permitted use of the Unit, and except in the event of an emergency, entry shall be made on not less than one (1) day's notice. Such notice shall be personally delivered to Owner or an occupant of the Unit, mailed to Owner, posted to the Unit or any other manner reasonably believed by the Association to provide notice to Owner of the intended entry to the Unit. Further, in order to facilitate the exercise of such right of access, each Unit Owner shall provide the Association with a key which will provide access to Owner's Unit, and Owner shall not at any time alter the lock to the Unit without simultaneously providing the Association with a new key which will provide access to the Unit.

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

(d) Ingress and Egress. A non-exclusive easement in favor of each Unit Owner and resident, their guests and invitees, shall exist for pedestrian traffic over, through and across all sidewalks, access ways, streets (if any), hallways, paths, walks, and other portions of the Common Elements as from time to time may be intended and designated for such purpose and use; and for vehicular and pedestrian traffic over, through and across such portions of the Common Elements as from time to time may be paved and intended for such purposes, if any. None of the easements specified in this subparagraph (d) shall be encumbered by any leasehold or lien other than those on the Condominium Parcels. Any such lien encumbering such easements (other than those on Condominium Parcels) shall automatically be subordinate to the rights of Unit Owners with respect to such easements.

(e) Additional Easements. The Association, on behalf of all Unit Owners (each of whom hereby appoints the Association, irrevocably as their attorney-in- fact for this purpose), shall have the right to grant access easements and electric, gas, phone, cable TV, drainage, irrigation, lawn and shrubbery maintenance and other utility or service easements on, in or over any portion of the Condominium Property, and to relocate any such existing access or utility or service easements (subject to applicable restrictions) on, in or over any portion of the Condominium Property, in any such case as the Association deems necessary or desirable for the proper operation and maintenance of all or any portion of the Improvements, for the general health or welfare of the Unit Owners, for carrying out any provisions of this Declaration, or otherwise, provided that the easements thus granted or relocated will not prevent or unreasonably interfere with the reasonable use of the Units for their intended purposes.

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

5. Ownership of Common Elements and Common Surplus and Share of Common Expenses; Voting Rights.

5.1 Percentage Ownership and Shares. The undivided fractional interest in the Common Elements and Common Surplus, and the share of the Common Expenses appurtenant to each Unit is set forth in Exhibit "3" hereto.

5.2 Membership and Voting Rights. Each Unit Owner shall be a member of the Association. Each Unit Owner shall, by virtue of owning a particular Unit, be entitled to one (1) vote regardless of the manner in which title or ownership is vested subject to and in accordance with the provisions and restrictions set forth in the By- Laws. As used herein and in the Articles and By-Laws, reference to a majority or some greater percentage of Unit Owners, Owners or members, or some similar reference to voting rights of Unit Owners, Owners or members, shall be understood to mean a majority or such greater percentage of the voting interests of the Association and not of the Unit Owners, Owners or members themselves, unless specifically herein or by law required otherwise.

6. Amendments. Except as elsewhere provided herein, amendments to this Declaration may be effected as follows:

6.1 By The Association. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors of the Association or by not less than twenty (20) members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval or disapproval in writing, provided that such approval or disapproval is delivered to the secretary at least twenty-four (24) hours or prior to the meeting. Except as elsewhere may be provided, approval of an amendment must be by the affirmative vote of Unit Owners holding in excess of 75% percent of the voting interests of the Association.

6.2 Execution and Recording. Every amendment shall be evidenced by a certificate of the Association which includes recording data identifying the Declaration and is executed in the form required for the execution of a deed. An amendment of the Declaration is effective when properly recorded in the public records of the County.

6.3 Proviso. Unless otherwise provided specifically to the contrary in this Declaration, no amendment shall change the configuration or size of any Unit in any material fashion, materially alter or modify the appurtenances to any Unit, or charge the percentage by which the Owner of a Unit shares the Common Expenses and owns the Common Elements and Common Surplus, unless the record Owner(s) of the Unit(s) so affected, and all record owners of mortgages or other liens thereon, join in the execution of the amendment. No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted mortgagees of Units without the consent of those mortgagees in each instance. The provisions of this Section 6.3 may not be amended in any manner.

7. Maintenance and Repairs.

7.1 Units. All maintenance of any Unit, whether ordinary or extraordinary, including, without limitation, maintenance of screens, windows (both sides), the door frame and the interior side of the entrance door (except painting of exterior surface) and all other doors within or affording access to a Unit, that portion of the electrical system (including wiring), plumbing system (including fixtures and connections), heating and air-conditioning equipment, fixtures and outlets, appliances, carpets and other floor and/or wall coverings lying within the boundaries of the Unit, all interior surfaces and, in general, the entire interior of the Unit, shall be performed by the Owner of such Unit at the Unit Owner's sole cost and expense, except as otherwise expressly provided to the contrary herein.

7.2 Common Elements. Except to the extent expressly provided to the contrary in Section 7.3 or elsewhere herein, all maintenance, repairs and replacements in or to the Common Elements, all maintenance of the exterior side of doors to Units and all caulking required to keep windows weathertight shall be performed by the Association. Further, the Association may provide extermination services for the interior of all Units, not less frequently than once per month. The cost and expense of these matters shall be charged to all Unit Owners as a Common Expense, except to the extent it arises from or is necessitated by the negligence or misuse of specific Unit Owners in the opinion of the Board (in which case such cost and expense shall be paid solely by such Unit Owners) and except to the extent the proceeds of insurance are made available therefor.

7.3 Specific Unit Owner Responsibility. The obligation to maintain and repair the following specific items shall be the responsibility of the Unit Owners, individually, and not the Association, without regard to whether such items are included within the boundaries of the Units, are Limited Common Elements or are Common Elements other than Limited Common Elements:

(a) Balconies and Terraces. Each Unit Owner shall, at his sole cost and expense, maintain (a) the surface of the floor, of any balcony or terrace that is appurtenant to his Unit as a Limited Common Element, (b) all other interior surfaces of such balcony or terrace, (c) the screening and shutters of such balcony or terrace, and (d) any wiring, electrical outlets, fixtures and light bulbs located on or in such balcony or terrace.

(b) Spaces Created by Joining Units. Any space or area described in Subsection 9.2 shall be maintained as though it were part of the Units abutting it.

7.4 Special Rules Regarding Repair and Replacement. The Association shall be responsible for repairing and replacing any portion of the structure the Unit Owner would normally be responsible for maintaining if and to the extent that repairing or replacing the portion the Association is responsible for maintaining naturally entails repairing or replacing the portion the Unit Owner would otherwise be responsible for maintaining.

7.5 Definition of Maintenance. When used in this Section 7, unless the context requires otherwise, the term "maintenance" and its correlatives shall be read to mean keeping the item to be maintained in a clean and orderly condition and painting, repairing and replacing it when reasonably necessary. Further, any "painting" by the Association of Common Elements shall be deemed ordinary maintenance thereof irrespective of colors utilized and not an alteration, material or otherwise, of the Common Elements.

8. Additions Alterations or Improvements by the Association. Whenever in the judgment of the Board of Directors, the Common Elements, or any part thereof, shall require capital additions, alterations or improvements (as distinguished from repairs and replacements) costing the Association in excess of \$5,000.00 in the aggregate in any calendar year, the Association may proceed with such additions, alterations or improvements only if the making of such additions, alterations or improvements shall have been approved by Unit Owners holding in excess of 66 2/3% of the voting interests of the Association represented at a meeting at which a quorum is attained. Any such additions, alterations or improvements to such Common Elements, or any part thereof, costing in the aggregate \$5,000.00 or less in a calendar year may be made by the Association without approval of the Unit Owners. The cost and expense of any such additions, alterations or improvements to such Common Elements shall constitute a part of the Common Expenses and shall be assessed to the Unit Owners as Common Expenses.

9. Additions, Alterations or Improvements.

9.1 (a) Generally. No Unit Owner shall make any addition, alteration or improvement in or to the Common Elements or any Limited Common Element, without the prior written consent of the Board of Directors; and, without the prior written consent of the Board, no Unit Owner shall make any addition, alteration or improvement to his Unit that would or might (in the Board of Directors' judgment); (a) interfere with any other Unit Owner's use and enjoyment of his Condominium Parcel, (b) impair the Building's structural soundness, (c) affect the Common Elements, (d) change the Building's exterior appearance or (e) violate any applicable law or ordinance. The Board shall have the obligation to answer any written request by a Unit Owner for approval of such an addition, alteration or improvement in such Unit Owner's Unit or Limited Common Elements within thirty (30) days after such request and all additional information requested is received, and the failure to do so within the stipulated time shall constitute the Board's consent, provided that during such period, the Board shall have the absolute right, with or without cause, to reject any such request. Such proposed additions, alterations and improvements by the Unit Owners must be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction, and with any conditions imposed by the Association with respect to design, structural integrity, aesthetic appeal, consistency, construction details, lien protection or otherwise. Once approved by the Board, such approval may not be revoked thereafter. A Unit Owner making or causing to be made any such additions, alterations or improvements agrees, and shall be deemed to have agreed, for such

Owner, and his heirs, personal representatives, successors and assigns, as appropriate, to hold the Association and all other Unit Owners harmless from any liability or damage to the Condominium Property and expenses arising therefrom, and shall be solely responsible for the maintenance, repair and insurance thereof from and after the date of installation or construction thereof as may be required by the Association. If the Unit Owner fails to construct the addition, alteration or improvement in the manner approved, the Unit Owner shall be obligated to make all corrections necessary and, if such Unit Owner fails to do so, the Association, upon notice to the Unit Owner, may make such corrections and impose on such Unit Owner a Special Assessment in the amount of the cost of such correction and a reasonable administrative charge therefor. The Board may appoint an Architectural Control Committee to assume the foregoing functions on behalf of the Board. The Board may impose administrative charges for considering any such proposal. Anything to the contrary herein notwithstanding, changes to the interior of Units not visible from the exterior thereof may be made by any Owner, provided such changes would not fall within the prohibitions set forth above, and provided further that a full set of plans and specifications and a certification from a licensed structural engineer stating that such changes would not be prohibited by the foregoing limitations are first delivered to the Board.

9.2 Combining Units. A Unit Owner who owns two Units separated by a common party wall may, at his own expense, combine the two Units to form one dwelling by removing all or a part of that wall, as if such combination were a change to be effected pursuant to Section 9.1. Anything to the contrary herein notwithstanding, the Board of Directors' approval shall not be required unless the proposed alteration would be in any material way (a) interfere with any other Unit Owner's use and enjoyment of his Condominium Parcel, (b) impair the Building's structural soundness, (c) impair utility services to any unit, (d) change the Building's exterior appearance, or (e) violate any applicable law or ordinance. A Unit Owner who thus combines two or more Units may at any time restore the original party wall in its original location and shall be required to do so before conveying one of the Units without the other or before conveying the Units to different parties. No amendment to this Declaration shall be required for any such changes.

10. Operation of the Condominium by the Association; Powers and Duties. The Association shall be the entity responsible for the operation of the Condominium. The powers and duties of the Association shall include those set forth in the Articles and By-Laws (respectively, Exhibits "4" and "5" annexed hereto), as amended from time to time. In addition, the Association shall have all the powers and duties set forth in the Act, as well as all powers and duties granted to or imposed upon it by this Declaration, including, without limitation:

- (a) The irrevocable right to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any Common Elements therein, or at any time and by force, if necessary, for making emergency repairs therein deemed necessary to prevent damage to the Common Elements or to any other Unit or Units, or to determine compliance with the terms and provisions of this Declaration, the exhibits annexed hereto, and the rules and regulations adopted pursuant to such documents, as the same may be amended from time to time.
- (b) The power to make and collect Assessments and other charges against Unit Owners and to lease, maintain, repair and replace the Common Elements.
- (c) The duty to maintain accounting records according to accounting practices normally used by similar associations, which records shall be open to inspection by Unit Owners and their authorized representatives at reasonable times.
- (d) To contract for the management and maintenance of the Condominium Property and to authorize a management agent to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of

Assessments, preparation of records, enforcement of rules and maintenance, repair, and replacement of the Common Elements with such funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the Condominium documents and the Act, including but not limited to the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association.

- (e) The power to borrow money, execute promissory notes and other evidences of indebtedness and to give as security therefor mortgages and security interests in property owned by the Association, provided that such actions are approved by a majority of the entire membership of the Board of Directors and a majority of the voting interests of the Association represented at a meeting at which a quorum has been attained, or by such greater percentage of the Board or voting interests of the Association as may be specified in the By-Laws with respect to certain borrowing.
- (f) Subsequent to the recording of this Declaration, the Association, when authorized by 66 2/3% of the voting interests of the Association represented at a meeting at which a quorum has been attained, shall have the power to acquire and enter into agreements for the acquisition of fee interests, leaseholds, memberships, and other possessory or use interests in lands or facilities intended to provide for the use or benefit of the Unit Owners. The expenses of ownership (including the expense of making and carrying any mortgage related to such ownership), rental, membership fees, operation, replacements and other expenses and undertakings in connection therewith shall be Common Expenses.
- (g) The power to adopt and amend rules and regulations covering the details of the operation and use of the Units and all other Condominium Property.
- (h) The power to employ personnel (part-time or full-time).
- (i) All of the powers which a corporation not for profit in the State of Florida may exercise.

10.1 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 caused by any latent condition of the Condominium Property other than for the cost of maintenance and repair.

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

10.3 Approval or Disapproval of Matters. Whenever the decision of a Unit Owner is required upon any matter, whether or not the subject of an Association meeting, that decision shall be expressed by the same person who would cast the vote for that Unit if at an Association meeting, unless the joinder of record Owners is specifically required by this Declaration or by law.

10.4 Acts of the Association. Unless the approval or action of Unit Owners, and/or a certain specific percentage of the Board of Directors of the Association, is specifically required in this Declaration, the Articles or By-Laws, applicable rules and regulations or applicable law, all approvals or actions required or permitted to be given or taken by the Association shall be given or taken by the Board of Directors, without the consent of Unit Owners, and the Board may so approve and act through the proper officers of the Association without a specific resolution. When an approval or action of the Association is permitted to be given or taken hereunder or under the Articles or By-Laws, such action or approval may be conditioned in any manner the Association deems appropriate or the

Association may refuse to take or give such action or approval without the necessity of establishing the reasonableness of its refusal, except as provided herein to the contrary.

11. Determination of Common Expenses and Fixing of Assessments Therefor. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Condominium, determine the amount of Assessments payable by the Unit Owners to meet the Common Expenses of the Condominium and allocate and assess such expenses among the Unit Owners in accordance with the provisions of this Declaration and the By-Laws. The Board of Directors shall advise all Unit Owners promptly in writing of the amount of the Assessment payable by each of them as determined by the Board of Directors as aforesaid and shall furnish copies of each budget, on which such Assessments are based, to all Unit Owners and (if requested in writing) to their respective mortgagees. The Common Expenses shall include the expenses of and reserves (as required by the Act) for the operation, maintenance, repair and replacement of the Common Elements, costs of carrying out the powers and duties of the Association and any other expenses designated as Common Expenses by the Act, this Declaration, the Articles or By-Laws of the Association, applicable rules and regulations of the Association. Any Budget adopted shall be subject to change to cover actual expenses at any time. Any such change shall be adopted consistent with the provisions of the By-Laws.

12. Collection of Assessments.

12.1 Liability for Assessments. Regardless of how he acquired title to his Unit, every Unit Owner (including a purchaser at a judicial sale) shall be liable for all Assessments coming due while he is the Unit Owner. In a voluntary conveyance, the grantee shall be jointly and severally liable with the grantor for all unpaid Assessments against the grantor for his share of the Common Expenses up to the time of the conveyance, without prejudice to any right the grantee may have to recover from the grantor the amounts paid by the grantee. The liability for Assessments may not be avoided by waiver of the use or enjoyment of any Common Elements or by the abandonment of the Unit for which the Assessments are made or otherwise.

12.2 Default in Payment of Assessments for Common Expenses. Assessments and installments thereof not paid within thirty (30) days from the date when they are due shall bear interest at the highest lawful rate from the due date until paid. In addition, such delinquent payments shall bear an additional late fee of Twenty-five (\$25.00) Dollars to compensate the Association for the administrative expense incurred in processing late payments. The Association has a lien on each Condominium Parcel for any unpaid Assessments on such Parcel (including interest thereon) and for reasonable attorney's fees and costs incurred by the Association incident to the collection of the Assessment or enforcement of the lien. The lien is effective from and after the time a claim of lien is recorded in the Public Records of the County, stating the description of the Condominium Parcel, the name of the record owner, the amount due and the due date(s). The lien is in effect until all sums secured by it have been fully paid or until barred by law and shall secure all unpaid Assessments, interest, costs and attorney's fees due as of the effective date thereof and which may accrue subsequent to the recording of the claim of lien and prior to entry of a final judgment of foreclosure thereon. A claim of lien shall be signed and acknowledged by an officer or agent of the Association. Upon payment, the person making the payment is entitled to a satisfaction of the lien. The Association may bring an action in its name to foreclose a lien for unpaid Assessments in the manner a mortgage of real property is foreclosed and may also bring an action at law to recover a money judgment for the unpaid Assessments without waiving any claim of lien.

12.3 Notice of Intention to Foreclose Lien. No foreclosure judgment may be entered until at least thirty (30) days after the Association gives written notice to the Unit Owner of its intention to foreclose its lien to collect the unpaid Assessments. If this notice is not given at least thirty (30) days before the foreclosure action is filed, and if the unpaid Assessments, including those coming due after the claim of lien is recorded, and other sums permitted hereunder are paid before the entry of a

final judgment of foreclosure, the Association shall not recover attorney's fees or costs. The notice must be given by delivery of a copy of it to the Unit Owner or by certified mail, return receipt requested, addressed to the Unit Owner or as otherwise provided by the Act. If after diligent search and inquiry the Association cannot find the Unit Owner or a mailing address at which the Unit Owner will receive the notice, the court may proceed with the foreclosure action and may award attorney's fees and costs as permitted by law. The notice requirements of this subsection shall be satisfied if the Unit Owner records a Notice of Contest of Lien as provided in the Act.

12.4 Appointment of Receiver to Collect Rental. If the Unit Owner remains in possession of the Unit and the claim of lien is foreclosed, the court in its discretion may require the Unit Owner to pay a reasonable rental for the Unit and the Association shall be entitled to the appointment of a receiver to collect the rent.

12.5 Institutional First Mortgagee. In the event an Institutional First Mortgagee shall obtain title to a Unit as a result of foreclosure of its mortgage, or as a result of a deed given in lieu of foreclosure, such Institutional First Mortgagee, its successors and assigns, shall not be liable for the share of Common Expenses or Assessments or other charges imposed by the Association pertaining to such Condominium Parcel or chargeable to the former Unit Owner of such Condominium Parcel which became due prior to acquisition of title as a result of the foreclosure or the acceptance of such deed in lieu, unless such share is secured by a claim of lien that is recorded prior to the recording of the foreclosed mortgage. Such unpaid share of Common Expenses or Assessments or other charges shall be deemed to be Common Expenses collectible from all of the Unit Owners, including such acquirer, and such acquirer's successors and assigns.

12.6 Certificate of Unpaid Assessments. Any Unit Owner has the right to require from the Association a certificate showing the amount of unpaid Assessments against him with respect to his Unit.

13. Insurance. Insurance covering portions of the Condominium Property shall be governed by the following provisions:

13.1 Purchase, Custody and Payment.

- (a) Purchase. All insurance policies described herein covering portions of the Condominium Property shall be issued by an insurance company which is authorized to do business in Florida and which, in the case of hazard insurance, has either a financial rating in Best's Financial Insurance Reports of Class VI or better or a financial rating therein of Class V and a general policyholder's rating of at least "A". In the event such ratings are changed or discontinued, the Board of Directors of the Association shall adopt such new requirements as will most closely provide the quality of coverage afforded under the foregoing requirements. Such policies may cover property in addition to the Condominium Property.
- (b) Named Insured. A named insured shall be the Association, individually, and as agent for Owners of Units covered by the policy, without naming them, and as agent for their mortgagees, without naming them. The Unit Owners and their mortgagees shall be additional insureds.
- (c) Custody of Policies and Payment of Proceeds. All policies shall provide that payments for losses made by the insurer shall be paid to the Insurance Trustee (if appointed), and all policies and endorsements thereto shall be deposited with the Insurance Trustee (if appointed).
- (d) Copies to Mortgagees. One copy of each insurance policy, or a certificate evidencing such policy, and all endorsements thereto, shall be furnished by the Association upon request to each Institutional First Mortgagee who holds a mortgage upon a Unit covered by the policy.

- (e) Personal Property and Liability. Unit Owners may obtain insurance coverage at their own expense and within the boundaries of their Unit, including, but not limited to, their personal property, and for their personal liability and living expense and for any other risks not otherwise insured in accordance herewith.

13.2 Coverage. The Association shall maintain insurance covering the following:

- (a) Casualty. The Building (including all fixtures, installations or additions comprising that part of the Building within the boundaries of the Units initially installed in accordance with the original plans and specifications therefor and all replacements thereof, but excluding all furniture, furnishings or other personal property owned, supplied or installed by Unit Owners or tenants of Unit Owners) and all Improvements located on the Common Elements from time to time, together with all service machinery contained therein (collectively the "Insured Property"), shall be insured in an amount not less than 100% of the full insurable replacement value thereof, excluding foundation and excavation costs. Such policies may contain reasonable deductible provisions as determined by the Board of Directors of the Association. Such coverage shall afford protection against:
 - (i) Loss or Damage by Fire and Other hazards covered by a standard extended coverage endorsement; and
 - (ii) Such Other Risks as from time to time are customarily covered with respect to buildings and improvements similar to the Insured Property in construction, location and use, including, but not limited to, vandalism and malicious mischief.
- (b) Liability. Comprehensive general public liability and automobile liability insurance covering loss or damage resulting from accidents or occurrences on or about or in connection with the Insured Property or adjoining driveways and walkways, or any work, matters or things related to the insured Property, with such coverage as shall be required by the Board of Directors of the Association, but with combined single limit liability of not less than \$300,000 for each accident or occurrence, \$100,000 per person and \$50,000 property damage, and with a cross liability endorsement to cover liabilities of the Unit Owners as a group to any Unit Owner, and vice versa if such is reasonably available.
- (c) Workmen's Compensation and other mandatory insurance, when applicable.
- (d) Flood Insurance, if the Association so elects.

- (e) Fidelity Insurance covering all directors, officers and employees of the Association and managing agents who handle Association funds, the aggregate coverage of which shall be in whatever amount (not to exceed one-hundred fifty percent (150%) of the Association's annual estimated operating expenses and reserves for the period covered) the Board of Directors considers appropriate.
- (f) Such Other insurance as the Board of Directors of the Association may determine from time to time to be desirable.

When appropriate and obtainable, each of the foregoing policies shall waive the insurer's right to: (i) subrogation against the Association and against the Unit Owners individually and as a group, (ii) the clause that reserves to the insurer the right to pay only a fraction of any loss in the event of co-insurance or if other insurance carriers have issued coverage upon the same risk, and (iii) avoid liability for a loss that is caused by an act of the Board of Directors of the Association, or by a member of the Board of Directors of the Association or by one or more unit Owners.

13.3 Additional Provisions. All policies physical damage insurance shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days' prior written notice to all of the named insureds, including all mortgagees of Units. Prior to obtaining any policy of casualty insurance or any renewal thereof, the Board of Directors may obtain an appraisal from a fire insurance company, or other competent appraiser, of the full insurable replacement value of the Insured Property (exclusive of foundations), without deduction for depreciation, for the purpose of determining the amount of insurance to be placed pursuant to this Section.

13.4 Premiums. Premiums (or allocable shares thereof) upon insurance policies purchased by this Association shall be paid by the Association as a Common Expense, except that the amount of increase in the premium occasioned by misuse, occupancy or abandonment of any one or more units or their appurtenances or of the Common Elements by a particular Unit Owner or Owners shall be assessed against and paid by such Owners. Premiums may be financed in such manner as the Board of Directors deems appropriate.

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

- (a) Insured Property. Proceeds on account of damage to the Insured Property shall be held in undivided shares for each Unit Owner, such shares being the same as the undivided shares in the Common Elements appurtenant to each Unit, provided that if the Insured Property so damaged includes property lying within the boundaries of specific Units, that portion of the proceeds allocable to such property shall be held as if that portion of the Insured Property were Optional Property as described in paragraph (b) below.
- (b) Optional Property. Proceeds on account of damage solely to Units and/or certain portions or all of the contents thereof not included in the Insurance Property (all as determined by the Association in its sole discretion) (collectively the "Optional Property"), if any, is

collected by reason of optional insurance which the Association elects to carry thereon (as contemplated herein), shall be held for the benefit of Owners of Units or other portions of the Optional Property damaged in proportion to the cost of repairing the damage suffered by each such affected Owner, which cost and allocation shall be determined in the sole discretion of the Association.

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

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

- (a) Expenses of the Trust. All expenses of the Insurance Trustee (if appointed) shall be first paid or provision shall be made therefor.
- (b) Reconstruction or Repair. If the damaged property for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided herein. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners thereof, remittances to Unit Owners and their mortgagees being payable jointly to them.
- (c) Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damaged property for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be allocated among the beneficial owners as provided in Section 13.5 above, and distributed pro rata first to all Institutional First Mortgagees in an amount sufficient to pay off their mortgages, and the balance, if any, to the beneficial owners.
- (d) Certificate. In making distributions to Unit Owners and their mortgagees, the Insurance Trustee (if appointed) may rely upon a certificate of the Association made by its President and Secretary as to the names of the Unit Owners and their mortgagees and their respective shares of the distribution.

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

13.8 Unit Owners' Personal Coverage. Unless the Association elects otherwise, the insurance purchased by the Association shall not cover claims against an Owner due to accidents occurring within his Unit, nor casualty or theft loss to the contents of an Owner's Unit. It shall be the obligation of the individual Unit Owner, if such Owner so desires, to purchase and pay for insurance as to all such and other risks not covered by insurance carried by the Association.

13.9 Benefit of Mortgagees. Those provisions in this Section 13 entitled "Insurance" which are for the benefit of mortgagees of Units may be enforced by such mortgagees.

13.10 Insurance Trustee. The Board of Directors of the Association shall have the option in its discretion of appointing an Insurance Trustee hereunder. If the Association fails to or elects not to appoint

such Trustee, the Association will perform directly all obligations imposed upon such Trustee by this Declaration. Fees and expenses of any Insurance Trustee or incurred by the Association's Board of Directors if acting without an insurance trustee are Common Expenses.

14. Reconstruction or Repair After Fire or Other Casualty.

14.1 Determination to Reconstruct or Repair. In the event of damage to or destruction of the Insured Property (and the Optional Property, if insurance has been obtained by the Association with respect thereto) as a result of fire or other casualty [unless 75% or more of the Insured Property (and the Optional Property, if insurance has been obtained by the Association with respect thereto) is destroyed or substantially damaged and Unit Owners holding 80% or more of the voting interests of the Association elect not to proceed with repairs or restoration and such election is approved in writing by the Institutional First Mortgagees owning at least 70% of the first mortgages on Units, the Board of Directors shall arrange for the prompt repair and restoration of the Insured Property (and the Optional Property, if insurance has been obtained by the Association with respect thereto) and the Insurance Trustee (if appointed) shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments under procedures it adopts. If 75% or more of the Insured Property (and the Optional Property, if insurance has been obtained by the Association with respect thereto) is substantially damaged or destroyed and if Unit Owners holding 80% of the voting interests of the Association duly and promptly resolve not to proceed with the repair or restoration thereof and such election is approved in writing by the Institutional First Mortgagees owning at least 70% of the first mortgages on Units, the Condominium Property will not be repaired and shall be subject to an action for partition instituted by the Association, any Unit Owner, mortgagee or lienor as if the Condominium Property were owned in common, in which event the net proceeds of insurance resulting from such damage or destruction shall be divided among all the Unit Owners in proportion to their respective interests in the Common Elements (with respect to proceeds held for damage to the Insured Property other than that portion of the Insured Property lying within the boundaries of the Unit), and among affected Unit Owners in proportion to the damage suffered by each such affected Unit Owner, as determined in the sole discretion of the Association (with respect to proceeds held for damage to the Optional Property, if any, and/or that portion of the Insured Property lying within the boundaries of the Unit); provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his share of such funds all mortgages and liens on his Unit in the order of priority of such mortgages and liens. Whenever in this Section the words "promptly repair" are used, it shall mean that repairs are to begin not more than sixty (60) days from the date the Insurance Trustee (if appointed) notifies the Board of Directors and Unit Owners that it holds proceeds of insurance on account of such damage or destruction sufficient to pay the estimated cost of such work, or not more than ninety (90) days after the Insurance Trustee (if appointed) notifies the Board of Directors and the Unit Owners that such proceeds of insurance are insufficient to pay the estimated costs of such work. The Insurance Trustee (if appointed) may rely upon a certificate of the Association made by its President and Secretary to determine whether or not the damaged property is to be reconstructed or repaired.

14.2 Plans and Specifications. Any reconstruction or repair must be made substantially in accordance with the plans and specifications for the Improvements, as modified, if necessary, to reflect the Improvements as actually constructed; or if not, then in accordance with the plans and specifications approved by the Board of Directors of the Association, and if the damaged property which is to be altered is the Building or the Optional Property, by the Unit Owners holding not less than 80% of the voting interests of the Association as well as the Owners of all Units and other portions of the Optional Property (and their respective mortgagees) the plans for which are to be materially altered.

14.3 Special Responsibility. If the damage is only to those parts of the Optional Property for which the responsibility of maintenance and repair is that of the respective Unit Owners, then the Unit Owners shall be responsible for all necessary reconstruction and repair and same shall be effected

promptly and in accordance with guidelines established by the Board (unless insurance proceeds are held by the Association with respect thereto by reason of the purchase of optional insurance thereon, in which case the Association shall have the responsibility to reconstruct and repair the damaged Optional Property, provided that respective Unit Owners shall be individually responsible for any amount by which the cost of such repair or reconstruction exceeds the insurance proceeds held for such repair or reconstruction on a Unit by Unit basis, as determined in the sole discretion of the Association). In all other instances, the responsibility for all necessary reconstruction and repair shall be that of the Association.

14.4 Estimate of Costs. Immediately after a determination is made to rebuild or repair damage to property for which the Association has the responsibility of reconstruction and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair.

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

14.6 Construction Funds. The funds for payment of the costs of reconstruction and repair, which shall consist of proceeds of insurance held by the Insurance Trustee (if appointed) and funds collected by the Association from Assessments against Unit Owners, shall be disbursed in payment of such costs in the following manner:

(a) Association. If the total Assessments made by the Association in order to provide funds for payment of the costs of reconstruction and repair which are the responsibility of the Association are more than \$50,000.00, then the sums paid upon such Assessments shall be deposited by the Association with the Insurance Trustee (if appointed). 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.

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

(i) Association - Lesser Damage. If the amount of the estimated costs of reconstruction and repair which are the responsibility of the Association is less than \$50,000.00, then the construction fund shall be disbursed in payment of such costs upon the order of the Board of Directors of the Association; provided, however, that upon request to the Insurance Trustee (if appointed) by an Institutional First Mortgagee which is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner provided below for the reconstruction and repair of major damage.

(ii) Association - Major Damage. If the amount of the estimated costs of reconstruction and repair which are the responsibility of the Association is more than \$50,000.00, then the construction fund shall be disbursed in payment of such costs in the manner contemplated by subparagraph (i) above, but then only upon the further

approval of an architect qualified to practice in Florida and employed by the Association to supervise the work.

- (iii) Unit Owners. If there is a balance of insurance proceeds after payment of all costs of reconstruction and repair that are the responsibility of the Association, this balance may be used by the Association to effect repairs to the Optional Property (if not insured or if under-insured), or may be distributed to Owners of the Optional Property who have the responsibility for reconstruction and repair thereof. Any such distribution shall be in the proportion that the estimated cost of reconstruction and repair of such damage to each affected Unit Owner bears to the total of such estimated costs to all affected Unit Owners, as determined by the Board; provided, however, that no Unit Owner shall be paid an amount in excess of the estimated costs of repair for his portion of the Optional Property. All proceeds thus distributed to Owners must be used to effect repairs to the Optional Property, and if insufficient to complete such repairs, the Owners shall pay the deficit with respect to their portion of the Optional Property and promptly effect the repairs. Any balance remaining after such repairs have been effected shall be distributed to the affected Unit Owners and their mortgages jointly as elsewhere herein contemplated.
- (iv) 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 relating to the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated; except, however, that part of a distribution to an Owner which is not in excess of Assessments paid by such Owner into the construction fund shall not be made payable to any mortgagee.
- (v) Certificate. Notwithstanding the provisions herein, the Insurance Trustee (if appointed) 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 (if appointed), or to determine whether the disbursements from the construction fund are to be made upon the order of the Association alone or upon the additional approval of an architect or otherwise, nor to determine whether a disbursement is to be made from the construction fund, nor to determine whether surplus funds to be distributed are less than the Assessments paid by Owners, nor to determine the payees or the amounts to be paid. The Insurance Trustee (if appointed) may rely upon a certificate of the Association, made by its President and Secretary, as to any or all of such matters and stating that the sums to be paid are due and properly payable, and stating the names of the payees and the amounts to be paid.

14.7 Benefit of Mortgagees. Those provisions in this Section 14 which are for the benefit of mortgagees of Units may be enforced by any of them.

15. Condemnation.

15.1 Deposit of Awards with Insurance Trustee. The taking of portions of the Condominium Property by the exercise of the power of eminent domain shall be deemed to be a casualty, and the awards for that taking shall be deemed to be proceeds from insurance on account of the casualty and shall be deposited with the Insurance Trustee (if appointed). Even though the awards may be payable to Unit Owners, the Unit Owners shall deposit the awards with the Insurance Trustee (if appointed); and in the event of failure to do so, in the discretion of the Board of Directors of the Association, a Special Assessment shall be made against a defaulting Unit Owner in the amount

of his award, or the amount of that award shall be set off against the sums hereafter made payable to that Owner.

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

15.3 Disbursement of Funds. If the Condominium is terminated after condemnation, the proceeds of the awards and Special Assessments will be deemed to be insurance proceeds and shall be owned and distributed in the manner provided with respect to the ownership and distribution of insurance proceeds if the Condominium is terminated after a casualty. If the Condominium is not terminated after condemnation, the size of the Condominium will be reduced and the property damaged by the taking will be made usable in the manner provided below. The proceeds of the awards and special Assessments shall be used for these purposes and shall be disbursed in the manner provided for disbursement of funds by the Insurance Trustee (if appointed) after a casualty, or as elsewhere in this Section 15 specifically provided.

15.4 Unit Reduced but Habitable. If the taking reduces the size of a Unit and the remaining portion of the Unit can be made habitable (in the sole opinion of the Association) , the award for the taking of a portion of the Unit shall be used for the following purposes in the order stated and the following changes shall be made to the Condominium.

(a) Restoration of Unit. The Unit shall be made habitable. If the cost of the restoration exceeds the amount of the award, the additional funds required shall be assessed against the Owner of the Unit.

(b) Distribution of Surplus. The balance of the award in respect of the Unit, if any, shall be distributed to the Owner of the Unit and to each mortgagee of the Unit, the remittance being made payable jointly to the Owner and such mortgagees.

(c) Adjustment of Shares in Common Elements. If the floor area of the Unit is reduced by the taking, the percentage representing the share in the Common Elements and of the Common Expenses and Common Surplus appurtenant to the Unit shall be reduced by multiplying the percentage of the applicable Unit prior to reduction by a fraction, the numerator of which shall be the area in square feet of the Unit after the taking and denominator of which shall be the area in square feet of the Unit before the taking. The shares of all Unit Owners in the Common Elements, Common Expenses and Common Surplus shall then be restated as follows:

(i) add the total of all percentages of all Units after reduction as aforesaid (the "Remaining Percentage Balance"); and

(ii) divide each percentage for each Unit after reduction as aforesaid by the Remaining Percentage Balance. The result of such division for each Unit shall be the adjusted percentage for such Unit.

15.5 Unit Made Uninhabitable. If the taking is of the entire Unit or so reduces the size of a Unit that it cannot be made habitable (in the sole opinion of the Association), the award for the taking of the Unit shall be used for the following purposes in the order stated and the following changes shall be made to the Condominium:

- (a) Payment of Award. The awards shall be paid first to the applicable Institutional First Mortgagees in amounts sufficient to pay off their mortgages in connection with each Unit which is not so habitable; second, to the Association for any due and unpaid Assessments; third, jointly to the affected Unit Owners and other mortgagees of their Units. In no event shall the total of such distributions in respect of a specific Unit exceed the appraised value of such Unit immediately prior to the taking as determined by the applicable trier of fact or as agreed upon between the parties. The balance, if any, shall be applied to repairing and replacing the Common Elements.
- (b) The remaining portion of the Unit, if any, shall become part of the Common Elements and shall be placed in a condition allowing, to the extent possible, for use by all of the Unit Owners in the manner approved by the Board of Directors of the Association; provided that if the cost of the work therefor shall exceed the balance of the fund from the award for the taking, such work shall be approved in the manner elsewhere required for capital improvements to the Common Elements.
- (c) Adjustment Shares. The shares in the Common Elements, Common Expenses and Common Surplus appurtenant to the Units that continue as part of the Condominium shall be adjusted to distribute the shares in the Common Elements, Common Expenses and Common Surplus among the reduced number of Unit Owners (and among reduced Units). This shall be effected by restating the shares of continuing Unit Owners as follows: (i) add the total of all percentages of all Units of continuing Owners prior to this adjustment, but after any adjustments made necessary by Section 15.4(c) hereof (the "Percentage Balance"); and (ii) divide the percentage of each Unit of a continuing Owner prior to this adjustment, but after any adjustments made necessary by Section 15.4(c) hereof, by the Percentage Balance. The result of such division for each Unit shall be the adjusted percentage for such Unit.
- (d) Assessments. If the balance of the award (after payments to the Unit Owner and such Owner's mortgagees as above provided) for the taking is not sufficient to alter the remaining portion of the Unit for use as a part of the Common Elements, the additional funds required for such purposes shall be raised by Assessments against all of the Unit Owners who will continue as Owners of Units after the changes in the Condominium effected by the changes in the Condominium effected by the taking. The Assessments shall be made in proportion to the applicable percentage shares of those Owners after all adjustments to such shares effected pursuant hereto by reason of the taking.
- (e) Arbitration. If the market value of a Unit prior to the taking cannot be determined by agreement between the Unit Owner and mortgagees of the Unit and the Association within 30 days after notice of a dispute by any affected party, such value shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit. A judgment upon the decision rendered by the arbitrators may be entered in any court of competent jurisdiction in accordance with the Florida Arbitration Code. The cost of arbitration proceedings shall be assessed against all Unit Owners, including Owners who will not continue after the taking, in proportion to the applicable percentage shares of such Owners as they exist prior to the adjustments to such shares effected pursuant hereto by reason of the taking.

15.6 Taking of Common Elements. Awards for the taking of Common Elements shall be used to render the remaining portion of the Common Elements usable in the manner approved by the Board of Directors of the Association; provided, that if the cost of such work shall exceed the balance of the funds from the awards for the taking, the work shall be approved in the manner elsewhere required for capital improvements to the Common Elements. The balance of the awards for the taking of

Common Elements, if any, shall be distributed to the Unit Owners in the shares in which they own the Common Elements after adjustments to these shares effected pursuant hereto by reason of the taking. If there is a mortgage on a Unit, the distribution shall be paid jointly to the Owner and the mortgagees of the Unit.

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

16. Ownership, Occupancy and Use Restrictions. In order to promote the health, happiness and peace of mind of the majority of the Unit Owners, to provide for congenial occupancy of the Condominium Property and for the protection of the values of the Units, the ownership, occupancy and use of the Condominium Property shall be restricted in accordance with the following provisions:

16.1 Sale or Conveyance of Ownership.

- (a) No sale, transfer or conveyance of a Unit shall be valid without the approval of the Condominium Association except in the cases elsewhere provided in this Declaration, which approval shall not be unreasonably withheld. Notice of the proposed sale, transfer or conveyance shall be made in the manner required under Section 17 hereof. Approval shall be in recordable form, signed by an executive officer of the Association and shall be delivered to the purchaser and made a part of the recorded documents.
- (b) Failure of the Association to act within thirty (30) days from receipt of such notice shall be deemed to constitute approval, in which event the Association must on demand prepare and deliver an approval in recordable form; unless the Association shall have exercised its right of first refusal provided in Section 17 hereof.
- (c) Every purchaser who acquires any interest in a Unit shall acquire the same subject to the provisions of the Declaration, the By-Laws, the Articles of Incorporation, applicable rules and regulations, and all other agreements, documents or instruments affecting the Condominium Property, as same may be amended from time to time.
- (d) The provisions of this Section 16.1 shall not apply with respect to any sale or conveyance of any Unit by (a) the Unit Owner thereof to his spouse, adult children, parents, parents-in-law, adult siblings or a trustee where the Unit Owner or the aforementioned related persons are and continue to be the sole beneficiary or equity owner of such trustee or to any one or more of the above, (b) the Association, (c) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of foreclosure, or d) an Institutional First Mortgagee (or its designee) deriving title by virtue of foreclosure of its mortgage or acceptance of a deed in lieu of foreclosure; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Section 16.1.
- (e) Any Unit Owner shall be free to convey or transfer his Unit by gift, to devise his Unit by will, or to have his Unit pass by intestacy, without restriction; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to the provisions of this Section 16.1 and, if the title to the Unit of such owner shall become vested in any person other than a person or persons designated in Paragraph "(d)" above, then within ninety (90) days of such person or persons' taking title to the Unit, he shall advise the Association in writing of his intention of residing in the Unit and of his or their current address. The Association shall have thirty (30) days thereafter to advise said person or persons in

writing, delivered or mailed to the said current address, whether his ownership of the Unit is approved. The failure of the Association to give such advice within the said thirty (30) days shall be deemed automatic approval and evidence thereof shall be given on demand as provided above. If the Association does not approve the ownership of the Unit by said person or persons and so notifies them, said person or persons shall have a period of six (6) months from the date of such notification to dispose of the Unit in accordance with the provisions of this Declaration.

(f) Nothing in this Section 16.1 shall be deemed to reduce, forgive or abate any amounts due the Association from the Unit Owner at the time of his death, nor the assessments attributable to the Unit becoming due after the owner's death, all of which shall be fully due and payable as if the Unit Owner had not died.

(g) Nothing herein shall prevent the sale and transfer of a Unit by the owner thereof in the manner otherwise provided in this Declaration.

(h) In addition to the requirements of this Section 16.1, the Association shall have the right with respect to any sale of a Unit to exercise its right of first refusal.

16.2 Occupancy. Each Unit shall be used as a single family residence only, except as otherwise expressly provided in this Declarations. A Unit owned by an individual, trust or other fiduciary may only be occupied by the following persons and such persons' families (i) the individual Unit Owner, (ii) the fiduciary or beneficiary of such fiduciary, (iii) members of a Unit Owner's Family or (iv) housekeepers or live-in employees. "Families" or words of similar import used herein shall be deemed to include spouses, parents, parents-in-law, brothers, sisters and children and grandchildren. In no event shall occupancy (except for temporary occupancy by visiting guests) exceed three (3) persons for a one (1) bedroom Unit and five (5) persons for a two (2) bedroom Unit. Occupancy by visiting guests shall be limited to a twenty-nine (29) day period unless the Unit Owner shall be present during such occupancy. After the twenty-nine (29) day continuous occupancy by such guest, the occupancy shall be deemed a lease and must comply with the provisions for leasing contained herein. The Board of Directors shall have the power to authorize occupancy of a Unit by persons in addition to those set forth above in order to meet special situations and to avoid undue hardships or practical difficulties.

16.3 Children. Inasmuch as Hillcrest Country Club Apartments No. 15 is designed and intended as a community of older persons, to provide housing for residents who are fifty-five (55) years of age or older, no unit shall, at any time, be permanently occupied by children who are under sixteen (16) years of age; except that children below the age of sixteen (16) may be permitted to visit and temporarily reside for periods not exceeding sixty (60) days in any calendar period. No permanent occupancy of any unit shall be permitted by an individual between the ages of sixteen (16) and fifty-five (55). Notwithstanding same, the Board in its sole discretion shall have the right to establish hardship exceptions to permit individuals between the ages of sixteen (16) and fifty-five (55) to permanently reside in the community, providing that said exceptions shall not be permitted in situations where the granting of a hardship exception would result in less than 80% of the units in the Condominium community having less than one resident fifty-five (55) years of age or older, it being the intent that at least 80% of the units shall at all times have at least one resident fifty-five (55) years of age or older. The Board of Directors shall establish policies and procedures for the purpose of assuring that the foregoing required percentages of adult occupancy are maintained at all times. The Board, or its designee, shall have the sole and absolute authority to deny occupancy of a unit by any person(s) who would thereby create a violation if the aforesaid percentages of adult occupancy. Permanent occupancy or residency shall be defined in the Rules and regulations of the Association as may be promulgated by the Board.

16.4 Pets. No animal with the exception of small fish or a small bird, may be kept in the Unit or any other part of the Condominium Property.

- 16.5 Alterations. Without limiting the generality of Section 9.1 hereof, no Unit Owner shall cause or allow improvements or changes to any Limited Common Elements or Common Elements (including, but not limited to, painting or other decorating of any nature, installing any electrical wiring, television antenna, machinery or air conditioning units or in any manner changing the appearance of any portion of the Building) without obtaining the prior written consent of the Association in the manner specified in Section 9.1 hereof.
- 16.6 Use of Common Elements. The Common Elements shall be used only for furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of Units.
- 16.7 Nuisances. No nuisances as defined by the Association shall be allowed on the Condominium Property, nor shall any use or practice be allowed which is a source of annoyance to residents or occupants of Units or which interferes with the peaceful possession or proper use of the Condominium Property by its residents or occupants.
- 16.8 No Improper Uses. No improper, offensive, hazardous or unlawful use shall be made of the Condominium Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereover shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereover, relating to any portion of the Condominium Property, shall be corrected by, and at the sole expense of, the party obligated to maintain or repair such portion of the Condominium Property, as elsewhere herein set forth.
- 16.9 Exterior Improvements; Landscaping. Without limiting the generality of Section 9.1 or 16.4 hereof, no Unit Owner shall cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies or windows of the Building (including, but not limited to, awnings, signs, storm shutters, screens, furniture, fixtures and equipment), nor plant or grow any type of shrubbery, flower, tree, vine, grass or other plant life outside his unit, without the prior written consent of the Association.
- 16.10 Guest Parking. Those parking spaces, if any, designated as guest parking spaces and/or handicap parking spaces are restricted in use to the guests of Unit Owners only and not Unit Owners.
- 16.11 No Severance of Ownership. No part of the Common Elements may be sold, conveyed or otherwise disposed of, except as an appurtenance to the Unit in connection with a sale, conveyance or other disposition of the Unit to which such interest is appurtenant, and any sale, conveyance or other disposition of a Unit shall be deemed to include that Unit's appurtenant interest in the Common Elements.
- 16.12 Rules and Regulations. The Board of Directors may adopt and promulgate Rules and Regulations concerning the use and occupancy of the Units and the Condominium Property and otherwise involving or concerning the Condominium, all of which Rules will be enforceable against and binding upon all Unit Owners and occupants. Initial Rules and Regulations of the Condominium have been adopted and are attached as Schedule "A" to the By-Laws, and may be amended from time to time by the Board of Directors of the Association in accordance with the By-Laws.
- 16.13 Approval Fee. In connection with the application for approval of the Condominium Association as to any sale, transfer, conveyance, lease or mortgage of a Unit, the Association shall be entitled to charge a fee up to the maximum amount permitted under the Act.

16.14 Parking. Unless arranged by the Board of Directors, there are no assigned parking spaces at the Condominium and use of parking spaces shall be on a first come first serve basis.

16.15 Leases. No unit or portion thereof may be rented.

17. Selling and Mortgaging of Units. No Unit Owner may sell or mortgage his Unit except by complying with the following provisions:

17.1 Right of First Refusal. Any Unit Owner who receives a bona fide offer to purchase his Unit (such offer to purchase a Unit, as the case may be, is called an "Outside Offer," the party making any such Outside Offer is called an "Outside Offeror," and the Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which he intends to accept shall give notice by certified mail, return receipt requested, or by hand delivery (if receipted by an officer of the Association) to the Board of Directors of the receipt of such Outside Offer. Said notice shall also state the name and address of the Outside Offeror, the terms of the proposed transaction and such other information as the Board of Directors may reasonably require and shall include a copy of the document containing the Outside Offer. The giving of such notice to the Board of Directors shall constitute an offer by such Unit Owner to sell his Unit to the Association or its designee upon the same terms and conditions as contained in such Outside Offer and shall also constitute a warranty and representation by the Unit Owner who has received such Outside Offer to the Association that such Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board of Directors may reasonably request. Not later than thirty (30) days after receipt of such notice, together with such further information as may have been requested, the Association or its designee may elect, by sending written notice to such Offeree Unit Owner before the expiration of said thirty (30) day period, by certified mail, to purchase such Unit upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner.

In the event the Association shall timely elect to purchase such Unit, or to cause the same to be purchased by its designee, title shall close at the office of the attorneys for the Association, in accordance with the terms of the Outside Offer, within the later of (i) forty-five (45) days after the giving of notice by the Association of its election to accept such offer or (ii) the closing date specified in the Outside Offer. If, pursuant to such Outside Offer to purchase said Unit, the Outside Offeror was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Association may purchase the Unit and assume or take title to the Unit subject to said existing mortgage or mortgages, as the case may be.

In the event the Association or its designee shall fail to accept such offer, within thirty (30) days after receipt of notice and all additional information requested, as aforesaid, the Offeree Unit Owner shall be free to accept the Outside Offer within sixty (60) days after the expiration of said thirty (30) day period in which the Association might have accepted such offer. In the event the Offeree Unit Owner shall not, within such sixty (60) day period, accept, in writing, the Outside Offer or if the Offeree Unit Owner shall accept the Outside Offer within such sixty (60) day period but such sale shall not be consummated in accordance with the terms of such Outside Offer or within a reasonable time after the date set for closing thereunder, then, should such Offeree Unit Owner thereafter elect to sell such Unit, the Offeree Unit Owner shall be required to again comply with all of the terms and provisions of this Section 17.1.

Any deed to an Outside Offeror shall provide (or shall be deemed to provide) that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws, the Articles of Incorporation, applicable rules and regulations, and all other agreements, documents or instruments affecting the Condominium Property, as the same may be amended from time to time.

Any purposed sale of a Unit in violation of this Section 17.1 shall be voidable at any time, at the election of the Association, and if the Board of Directors shall so elect, the Unit's Owner shall be deemed to have

authorized and empowered the Association to institute legal proceedings to avoid the conveyance, in the name of the offending Unit Owner. The offending Unit Owner shall reimburse the Association for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

- 17.2 Consent of Unit Owners to Purchase of Units by the Association. The Association shall not exercise any option hereinabove set forth to purchase any Unit without the prior approval of the membership of the Association at a duly called meeting.
- 17.3 Release by the Association of the Right of First Refusal. The right of first refusal contained in Section 17.1 may be released or waived by the Association only in the manner provided in Section 17.5. In the event the Association shall release or waive its right of first refusal as to any Unit, such Unit may be sold or conveyed free of the provisions of said Section 17.1.
- 17.4 Certificate of Termination of Right of First Refusal. A certificate in recordable form signed by an executive officer of the Association stating that the provisions of Section 17.1 have been satisfied by a Unit Owner, or stating that the right of first refusal contained therein has been duly released or waived by the Association and that, as a result thereof, the rights of the Association thereunder have terminated (as to that sale only), shall be conclusive with respect to all persons who rely on such certificate in good faith. The Board of Directors shall furnish such certificate upon request to any Unit Owner in respect to whom the provisions of such Section have, in fact, terminated or been waived.
- 17.5 Financing of Purchase of Units by the Association. The purchase of any Unit by the Association shall be made on behalf of all Unit Owners if approved in the manner set forth in Section 17.2 hereof. If the available funds of the Association are insufficient to effectuate any such purchase, the Board of Directors may levy an Assessment against each Unit Owner (other than the Offeree Unit Owner), in proportion to his share of the Common Expenses, and/or the Board of Directors may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Condominium Property other than the Unit to be purchased.
- 17.6 Exceptions. The provisions of Section 17.1 shall not apply with respect to any sale or conveyance of any Unit by (a) the Unit Owner thereof to his spouse, adult child, parents, parents-in-law, adult siblings or a trustee where the Unit Owner or the aforementioned related persons are and continue to be the sole beneficiary or equity owner of such trustee or to any one or more of the above, (b) the Association, (c) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of foreclosure, or (d) an Institutional First Mortgagee (or its designee) deriving title by virtue of foreclosure of its mortgage or acceptance of a deed in lieu of foreclosure; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Section 17.
- 17.7 Mortgage of Units. A Unit Owner may not mortgage his unit, nor any interest therein, without the prior approval of the Association, except as to an Institutional First Mortgagee. All mortgages other than first mortgages shall be subordinate to lien rights of the Association for assessments. The approval of the Association hereunder may be upon such conditions as may be deemed reasonable by the Board of Directors of the Association. Such approval, if granted, shall be in recordable form, signed by an executive officer of the Association and shall be delivered to the Unit Owner and made a part of the recorded documents. If a Unit Owner sells his Unit and takes back a purchase money mortgage, the approval of the Association shall not be required. Failure of the Association to act within thirty (30) days from receipt of the request for such approval, shall be deemed to constitute approval, in which event the Association must on demand prepare and deliver approval in recordable form.

18. Compliance and Default. Each Unit Owner and every occupant of a Unit and the Association shall be governed by and shall comply with the terms of this Declaration of Condominium and all exhibits annexed hereto, and the rules and regulations adopted pursuant to those documents, as the same may be amended from time to time. The Association (and Unit Owners, if appropriate) shall be entitled to the following relief in addition to the remedies provided by the Act:
- 18.1 Negligence. A Unit Owner shall be liable for the expense of any maintenance, repair or replacement made necessary by his negligence or by that of any member of his family or his or their guests, employees, agents, lessees or invitees, but only to the extent such expense is not met by the proceeds of insurance actually collected by the Association in respect of such negligence.
- 18.2 Compliance. In the event a Unit Owner or occupant of a Unit fails to maintain a Unit or fails to cause such Unit to be maintained, or fails to observe and perform all of the provisions of this Declaration, the By-Laws, the Articles of Incorporation of the Association, applicable rules and regulations, or any other agreement, document or instrument affecting the Condominium Property or administered by the Association, in the manner required, the Association shall have the right to proceed in a court of equity to require performance and/or compliance, to impose any applicable fines, to sue in a court of law for damages, to assess the Unit Owner and the Unit for the sums necessary to do whatever work is required to put the Unit Owner or Unit in compliance and to collect such Assessment and have a lien therefor as elsewhere provided. In addition, the Association shall have the right, for itself and its employees and agents, to enter the Unit and perform the necessary work to enforce compliance with the above provisions (by force, if necessary), without having committed a trespass or incurred any other liability to the Unit Owner.
- 18.3 No Waiver of Rights. The failure of the Association or any Unit Owner to enforce any covenant, restriction or other provisions of the Act, this Declaration, the exhibits annexed hereto, or the rules and regulations adopted pursuant to said documents, as the same may be amended from time to time, shall not constitute a waiver of their right to do so thereafter.
19. Termination of Condominium. The Condominium shall continue until (i) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in this Declaration, or (ii) such time as withdrawal of the Condominium Property from the provisions of the Act is authorized by a vote of Owners holding at least 80% of the voting interests of the Association and is approved in writing by the Institutional Mortgagees holding at least 70% of the mortgages on Units. In the event such withdrawal is authorized as aforesaid, the Condominium Property shall be subject to an action for petition by any Unit Owner, mortgagee or lienor as if owned in common in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective interests in the Common Elements, provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his share of such net proceeds all mortgages and liens on his Unit in the order of their priority. The termination of the Condominium, as aforesaid, shall be evidenced by a certificate of the Association executed by its President and Secretary, certifying as to the basis of the termination and said certificate shall be recorded among the public records of the County.

20 Additional Rights of Institutional First Mortgagees. In addition to all their other rights herein set forth, Institutional First Mortgagees shall have the right, upon written request to the Association, to:

20.1 inspect the Association's books and records during normal business hours;

20.2 receive an unaudited financial statement of the Association within ninety (90) days after each of its fiscal years closes;

20.3 receive from the Association written notice of any meeting of the Association's membership and to attend any such meeting;

20.4 receive from the Association written notice of any default under this Declaration or the By-Laws by an Owner of a Unit encumbered by a mortgage to the Institutional First Mortgagee, if the default remains uncured for more than thirty (30) days;

20.5 receive timely written notice of casualty damage to or condemnation of any part of the Common Elements or any Unit on which it has a first mortgage or of any proposed termination of the Condominium;

20.6 obtain an endorsement to each insurance policy covering the Condominium Property that requires that the Institutional First Mortgagee be given any notice of cancellation provided for in the policy; and

21. Covenants Running With the Land. All provisions of this Declaration, the Articles, By-Laws and applicable rules and regulations of the Association, shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Condominium Property and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of and subsequent owner(s) of the Condominium Property or any part thereof, or interest therein, and their respective heirs, personal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future Unit Owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration and such Articles, By-Laws, and applicable rules and regulations of the Association, as they may be amended from time to time. The acceptance of a deed or conveyance, or the entering into of a lease, or the entering into occupancy of any Unit, shall constitute an adoption and ratification by such Unit Owner, tenant or occupant of the provisions of this Declaration, and the Articles, By-Laws and applicable rules and regulations of the Association, (and, with respect to non-Unit Owners, the non-assessment related provisions hereof and thereof), as they may be amended from time to time, including, but not limited to, a ratification of any appointments of attorneys-in-fact contained herein and therein.

22. Additional Provisions.

22.1 Notices. All notices to the Association required or desired hereunder or under the By-Laws of the Association shall be sent by certified mail (return receipt requested) to the Association c/o its office at the Condominium, or to such other address as the Association may hereafter designate from time to time by notice in writing all Unit Owners. Except as provided specifically in the Act, all notices to any Unit Owner shall be sent by first class mail to the Condominium address of such unit Owner, or such other address as may have been designated by him from time to time, in writing, to the Association. All notices to mortgagees of Units shall be sent by first class mail to their respective addresses, or such other addresses, as may be designated by them from time to time, in writing to the Association. All notices shall be deemed to have been given when mailed in a postage prepaid sealed wrapper, except notices of a change of address, which shall be deemed to have been given when received, or 5 business days after proper mailing, whichever shall first occur.

- 22.2 Interpretation. The Board of Directors of the Association shall be responsible for interpreting the provisions hereof and of any of the Exhibits attached hereto. Such interpretation shall be binding upon all parties unless wholly unreasonable. An opinion of counsel that any interpretation adopted by the Association is not unreasonable shall conclusively establish the validity of such interpretation.
- 22.3 Mortgagees. The Association shall not be responsible to any mortgagee or lienor of any Unit hereunder, and may assume the Unit is free of any such mortgages or liens, unless written notice of the existence of such mortgage or lien is received by the Association.
- 22.4 Exhibits. There are hereby incorporated in this Declaration any materials contained in the Exhibits annexed hereto which under the Act are required to be part of the Declaration.
- 22.5 Signature of President and Secretary. Wherever the signature of the President of the Association is required hereunder, the signature of a vice-president may be substituted therefor, and wherever the signature of the Secretary of the Association is required hereunder, the signature of an assistant secretary may be substituted therefor, provided that the same person may not execute any single instrument on behalf of the Association in two separate capacities.
- 22.6 Governing Law. Should any dispute or litigation arise between any of the parties whose rights or duties are affected or determined by this Declaration, the Exhibits annexed hereto or applicable rules and regulations adopted pursuant to such documents, as the same may be amended from time to time, said dispute or litigation shall be governed by the laws of the State of Florida.
- 22.7 Severability. The invalidity in whole or in part of any covenant or restriction, or any section, subsection, sentence, clause, phrase or word, or other provision of this Declaration, the Exhibits annexed hereto, or applicable rules and regulations adopted pursuant to such documents, as the same may be amended from time to time, shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.
- 22.8 Waiver. No provisions contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce the same, without regard to the number of violations or breaches which may occur.
- 22.9 Ratification. Each Unit Owner, by reason of having acquired ownership (whether by purchase, gift, operation of law or otherwise), and each occupant of a Unit, by reason of his occupancy, shall be deemed to have acknowledged and agreed that all of the provisions of this Declaration, and the Articles and By-Laws of the Association, and applicable rules and regulations, are fair and reasonable in all material respects.
- 22.10 Conflicts. In the event of a conflict, the Declaration shall take precedence over the Articles of Incorporation, By-Laws, and applicable rules and regulations; the Articles of Incorporation shall take precedence over the By-Laws and applicable rules and regulations; and the By-Laws shall take precedence over applicable rules and regulations, all as amended from time to time.
- 22.11 Gender; Plurality. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all or no genders.
- 22.12 Captions. The captions herein and in the Exhibits annexed hereto are inserted only as a matter of convenience and for ease of reference and in no way define or limit the scope of the particular document or any provision thereof.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be duly executed according to law on this ____ day of _____, 2018

Signed, Sealed and Delivered in the presence of:

HILLCREST COUNTRY CLUB
APARTMENTS, INC., NO. 15,
a Florida corporation

By: (signed) _____ (printed) _____
Board of Directors, President - HILLCREST COUNTRY CLUB APARTMENTS, INC., NO. 15

(Corporate Seal)

STATE OF FLORIDA
COUNTY OF BROWARD

Before me personally appeared _____, to me well known, and known to me to be the individual described in and who executed the foregoing instrument as President of HILLCREST COUNTRY CLUB APARTMENTS, INC., NO. 15, a Florida corporation, and acknowledged to and before me that he executed such instrument as President of said corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that it was affixed to said instrument by due and regular corporate authority, and that said instrument is the free act and deed of said corporation.

WITNESS my hand and official seal, this ____ day of _____, 2016

My Commission Expires: _____

By: (signed) _____ (printed) _____
Notary Public, State of Florida
at Large