

BYLAWS

of

**CAMELLIA GARDENS CONDOMINIUMS ASSOCIATION, INC.,
a Florida Not-For-Profit Corporation**

[Exhibit "C" to the Declaration of Condominium of Camellia Gardens Condominiums]

**ARTICLE I
IDENTITY**

These are the Bylaws of Camellia Gardens Condominiums Association, Inc., a corporation not-for-profit under the laws of the State of Florida, hereinafter referred to as the "Association" and under the Articles of Incorporation (the "Articles") which have been filed in the office of the Secretary of State. The Association has been organized for the purpose of administering a condominium upon certain lands in Leon County, Florida known as Camellia Gardens Condominiums (the "Condominium"), in accordance with the Declaration of Condominium of Camellia Gardens Condominiums (the "Declaration").

§1.1. Office. The office of the Association shall be at 3400, OLD BAINBRIDGE ROAD, TALLAHASSEE, FL 32303, or at such other place as may be designated by the board of directors from time to time.

§1.2. Fiscal Year. The fiscal year of the Association shall be December 1 through November 30. The fiscal year may be changed in the discretion of the Board.

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

§1.4. Terms. The terms used in these Bylaws shall have the same meaning as the identical terms utilized in the Declaration, unless the context otherwise requires. Capitalization, or lack thereof, throughout these Bylaws, shall not change the meanings of the words defined below.

All terms and provisions of the Condominium Act, Chapter 718, which are not inconsistent with the terms of these Bylaws, are incorporated herein. If any terms and provisions of these Bylaws are inconsistent with the Condominium Act, such inconsistency shall not affect the validity of these Bylaws, rather, the applicable terms and provisions will be deemed to be replaced by those required by the Condominium Act.

The Association shall maintain a current copy of Chapter 718, Florida Statutes, at the office location of the Association, as well as all rules and regulations applicable to condominiums as adopted by the Division.

ARTICLE II
MEMBERSHIP, VOTING, AND CONTROL

The operation of the Condominium shall be by the Association, which shall fulfill its functions pursuant to the following provisions:

§ 2.1. Membership. Membership of each Owner in the Association shall be acquired pursuant to the provisions of the Articles of Incorporation and Bylaws of the Association.

§ 2.2. Votes and Proxies. Each Unit shall have one (1) vote in the Association. Where a Unit is owned by more than one owner, the co-tenants of the Unit shall file a voting certificate with the Association, in the form provided by the Association, setting forth which co-tenant is designated to cast the vote for that Unit. Each voting certificate shall be valid until revoked by a subsequent voting certificate.

Pursuant to § 718.112(2)(b)2, unit owners may not vote by general proxy, but may vote by limited proxies substantially conforming to a limited proxy form adopted by the division. Limited proxies and general proxies may be used to establish a quorum. Limited proxies shall be used for votes taken to waive or reduce reserves in accordance § 718.112(2)(f)2.; for votes to waive financial statement requirements; for votes taken to amend the declaration pursuant to §

718.110; for votes taken to amend the articles of incorporation or bylaws; and for any other matter for which Chapter 718 requires or permits a vote of the unit owners. Except as provided in § 718.112(2)(d), no proxy, limited or general, shall be used in the election of board members. General proxies may be used for other matters for which limited proxies are not required, and may also be used in voting for nonsubstantive changes to items for which a limited proxy is required and given.

§ 2.3. Restraint Upon Apportionment Of Shares And Assets. Each Owner's share in the funds and assets of the Association cannot and shall not be assigned, hypothecated or transferred in any manner except as an appurtenance to his Unit.

§ 2.4. Transfer Of Control Of Association. Association control shall be transferred as follows:

- (a) Owners other than the Developer shall be entitled to elect not less than one-third (1/3) of the members of the board of directors of the Association when the Owners other than the Developer own 15 percent or more of the Units in the Condominium that will be operated ultimately by the Association.
- (b) Owners other than the Developer shall be entitled to elect not less than a majority of the members of the board of directors of the Association:
 - (1) Three years after fifty (50%) percent of the Units that will be operated ultimately by the Association have been conveyed to purchasers;
 - (2) Three months after ninety (90%) percent of the units that will be operated ultimately by the Association have been conveyed to purchasers;
 - (3) When all the Units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business;

- (4) When some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business;
- (5) Seven (7) years after recordation of this Declaration;
- (c) The Developer is entitled to elect at least one (1) member of the board of Directors of the Association as long as the Developer holds for sale in the ordinary course of business at least five (5) percent of the Units in the Condominium operated by the Association.
- (d) Following the time the Developer relinquishes control of the Association, the Developer may exercise the right to vote any Developer-owned Units in the same manner as any other Owner except for purposes of reacquiring control of the Association or selecting the majority members of the board of directors.
- (e) Within 75 days after the unit owners other than the developer are entitled to elect a member or members of the board, the association shall call, and give not less than 60 days notice of an election for the members of the board. The election shall proceed as provided in § 718.112(2)(d). The notice may be given by any Unit Owner if the association fails to do so. Upon election of the first Unit Owner other than the developer to the board, the developer shall forward to the division the name and mailing address of the unit owner board member.
- (f) Nothing in this section shall be construed so as to preclude the Developer from relinquishing control of the board of directors at any time the Developer may so elect.

§ 2.5. Developer Approval of Actions. For so long as the Developer holds Units for sale in the ordinary course of business, none of the following actions may be taken without approval in writing by the Developer:

- (a) Assessment of the Developer as the Owner of Units for capital improvements; and,
- (b) Any action by the Association that would be detrimental to the sale of Units by the Developer.

**ARTICLE III
MEMBERS MEETINGS**

§ 3.1. Time. The annual members' meeting shall be held at such time, place and date as may be designated by the board of directors, for the purpose of electing directors and of transacting any other business authorized to be transacted by the members.

§ 3.2. Other Members' Meeting Provisions. Notice, quorums, proxies, and special meetings shall be in accordance with § 718.112, Florida Statutes, and any other applicable provision of Chapter 718.

§ 3.3. Order of Business. The order of business and conduct at annual members' meetings and, as far as practicable at all other members' meetings, shall be in substantial conformity with normal customary corporate meeting procedure, to the extent reasonably possible. Pursuant to Rule 61B-23.0021(10)(a), the first order of business shall be the collection of election ballots.

**ARTICLE IV
DIRECTORS**

§ 4.1. Initial Board and Eligibility Requirements. The affairs of the Association shall be managed by a board of directors who shall be members of the Association, excepting that the first board of directors and their successors appointed by the remaining directors (in the event of vacancies occurring before the first election of a majority of directors by members) need not be members. The initial board of directors shall consist of three (3) directors, and thereafter the

membership of the board shall consist of not less than three (3) nor more than seven (7) directors. Within these limits, the board of directors may from time to time increase or decrease the number of persons to serve on the board, except that the board shall always contain an odd number of members. Where units are owned by corporations, the officers, directors, employees or other appointed representatives of said corporations shall be eligible to serve on the board of directors of the Association on behalf of the corporation.

A person who has been convicted of any felony by any court of record in the United States and who has not had his or her right to vote restored pursuant to law in the jurisdiction of his or her residence is not eligible for board membership. The validity of an action by the board is not affected if it is later determined that a member of the board is ineligible for board membership due to having been convicted of a felony.

§ 4.2. Elections. Election of directors shall be conducted in accordance with § 718.112(2)(d)(3). Vacancies on the board of directors may be filled by majority of the remaining directors, even though a quorum may not exist. A director appointed to fill a vacancy in office shall serve the remainder of the term of the office to which he is appointed. The directors named in the Articles of Incorporation shall serve until the first election of directors, and any vacancies in office occurring before the first election shall be filled by the remaining directors. In the event there are no remaining directors then any such vacancies shall be filled by the Developer. Owners of Units other than the Developer will be entitled to elect members of the board of directors as provided in § 2.4 above. Transfer of Control of Association.

§ 4.3. Term of Election. Members of the board of directors who are elected by Owners other than the Developer at the annual meeting of members shall serve for one (1) year until the next annual meeting of the members and thereafter, unless and until his successor is duly elected or qualified or until he is removed in the manner elsewhere provided.

§ 4.4. Organizational Meeting. The organizational meeting of a newly elected board of directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the directors at the meeting at which they were elected or at a time and place so

announced at said meeting. Notice of the organizational meeting shall be given in the same manner as set forth in § 4.5 below.

§ 4.5. Time for Regular Meetings. Regular meetings of the board of directors may be held at such time and place as shall be determined from time to time by a majority of the directors. Notice of regular meetings shall be in accordance with § 718.112(2)(c), Fla. Stat.

§ 4.6. Calling Special Meetings. Special meetings of the directors may be called by the president and must be called by the secretary at the written request of one-third (1/3) of the votes of the board. Not less than three (3) days notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place, purpose of the meeting, and shall specifically incorporate an identification of agenda items.

§ 4.7. Waiver of Notice. A director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice. Any directors attendance at a meeting shall constitute a waiver of the notice of that meeting.

§ 4.8. Quorum. A quorum at directors' meetings shall consist of the directors entitled to cast a majority of the votes of the entire board. The acts of the board approved by a majority of votes present shall constitute the acts of the board of directors. If at any meeting of the board of directors there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At the adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice.

§ 4.9. Presiding Officer. The presiding officer at board of directors' meetings shall be the president of the Association. In the absence of the president the vice-president shall preside.

§ 4.10. Directors' Fees. Directors' fees, if any, shall be determined by the members of the Association; provided that all changes to compensation or fees must be ratified by a affirmative vote of a majority of the voting interest of the Condominium. No director shall receive a fee

prior to the election of a majority of the members of the board of directors by Owners other than the Developer.

§ 4.11. Removal of Directors. Owner directors may be removed from the board of directors pursuant to Section 718.112(2)(j), Florida Statutes, and any other pertinent provisions of the Condominium Act.

§ 4.12. Removal by Developer. Anything to the contrary contained herein notwithstanding, any director who is appointed by the Developer may be removed by the Developer at any time. Upon such removal, the Developer shall immediately appoint a replacement director and notify the remaining directors, if any, of such removal and appointment.

ARTICLE V
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

§ 5.1. Exercise. All of the powers and duties of the Association shall be exercised by the board of directors including those existing under the common law, statutes, the Articles and the Condominium Documents. Such powers and duties of the directors shall be exercised in provisions accordance with the provisions of the Declaration which governs the use of the land, and shall include, but not be limited to, the following:

- (a) To adopt a budget and to make and collect assessments against Owners to defray the costs of operating the Condominium.
- (b) To use the proceeds of assessments in the exercise of its powers and duties.
- (c) To maintain, manage, repair, replace and operate the Condominium property, including but not limited to, obtaining and maintaining adequate insurance to protect the Association and the Condominium property.
- (d) To reconstruct improvements after casualty and to construct further improvements to the Condominium property.
- (e) To promulgate and amend the Condominium Rules and Regulations respecting the use of Condominium Property. Such rules and regulations may be promulgated by the board of directors at any duly noticed meeting of the board or of the members.

- (f) To enforce by legal means the provisions of the Condominium Documents, the Articles, these Bylaws, and the Condominium Rules and Regulations.
- (g) To contract for management of the Condominium and to delegate to such contractor all powers and duties of the Association except such as are specifically required by the Condominium Documents or applicable law to have approval of the board of directors or members of the Association.
- (h) To pay taxes and assessments which are liens against any part of the Condominium Property other than individual Units and the appurtenances thereto, and to assess the same against the Unit Owner subject to such liens.
- (i) To pay the cost of all power, water, sewer and other utility services rendered to the Condominium and not billed to Owners of individual Units.
- (j) To employ personnel for reasonable compensation to perform the services required for proper administration of the purposes of the Association, including but not limited to accountants and attorneys.
- (k) To bond any or all employees, officers and directors of the Association, for which the Association shall bear the costs.
- (l) To maintain all books and records concerning the Condominium including, but not limited to, the maintenance of a complete list of the names and addresses of all Owners of Units.

**ARTICLE VI
OFFICERS**

§ 6.1. Executive Officers. The executive officers of the corporation shall be a president, a vice president, a secretary, and a treasurer, all of whom shall be directors who shall be elected annually by the board of directors at any meeting. Any person may hold two or more offices except that the president shall not also be the vice-president, secretary or treasurer, or assistant secretary or assistant treasurer. The board of directors shall from time to time elect such other officers and designate their powers and duties as the board determines necessary to manage the affairs of the Association.

§ 6.2. Chief Executive. The president shall be the chief executive of the Association. He shall have all of the powers and duties which are usually vested in the office of president including, but not limited to, the power of appointing committees from among the members from

time to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the Association.

§ 6.3. Exercise of Powers by Vice President. The vice-president shall, in the absence of or disability of the president, exercise the powers and duties of the president. He shall also generally assist the president and exercise such other powers and perform such other duties as shall be prescribed by the directors.

§ 6.4. Duties of the Secretary. The secretary shall keep the minutes of the proceedings of the directors and the members in a book available for inspection by the directors or members, or their authorized representatives, at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years. He shall attend to the giving and serving of all notices required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall have custody of all property of the Association, including financial records, funds, securities and evidences of the indebtedness. He shall keep the financial records of the Association and shall keep the assessment rolls, the accounts of the members, and the books of the Association in accordance with generally accepted accounting practices. He shall perform all other duties incident to the office of secretary of an Association and as may be required by the directors or the president.

§ 6.5. Compensation. The compensation of all employees of the Association shall be fixed by the directors; provided that all changes to compensation must be ratified by a affirmative vote of a majority of the voting interest of the Condominium.

ARTICLE VII
ASSESSMENTS AND FISCAL MANAGEMENT

§ 7.1. Amount of Assessments. The Developer has set the amount of the assessments for the initial fiscal year, as shown by the initial budget. As set forth in the Declaration, the terms of the Developer excusal and guarantee regarding assessments are incorporation herein.

The initial fiscal year expires on NOVEMBER 30, 2004. Thereafter, the board of directors of the Association shall fix and determine from time to time the sum or sums necessary and adequate for the Common Expenses of the Condominium and in an amount not less than required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. The board of directors is specifically empowered, on behalf of the Association, to make and collect assessments and to lease, maintain, repair and replace the Common Elements and Limited Common Elements of the Condominium. Funds for the payment of Common Expenses shall be assessed against the members in the proportions of percentages of sharing Common Expenses, as provided in the Declaration.

§ 7.2. Regular Collection of Assessments. Assessments for Units shall become due and payable in advance on a QUARTERLY BASIS.

Assessments shall be considered delinquent if payment has not been received on or before the FIFTEENTH (15th) day after the due date, unless otherwise ordered by the board of directors. Special assessments, should such be required by the board of directors, shall be levied in the same manner as provided for regular assessments, and shall be payable in the manner determined by the board of directors. If a member shall be in default in the payment of any assessment due on his Unit, the Association shall have all collection rights available to it under Chapters 718, Florida Statutes and the Declaration.

§ 7.3. Liability for Assessments. A unit owner, regardless of how title has been acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure, is liable for all assessments which come due while he or she is the unit owner. Additionally, a unit owner is jointly and severally liable with the previous owner for all unpaid assessments that came due up to the time of transfer of title. This liability is without prejudice to any right the owner may have to recover from the previous owner the amounts paid by the owner.

§ 7.4. Collection Records. The Association shall maintain adequate records of collection of assessments, either by computer, on paper ledgers, or both. Any member shall have the right to require from the Association a certificate showing the amount of unpaid assessments

against him with respect to his Unit. The holder of a mortgage or other lien shall have the same right as to any Unit upon which he has a lien. Any person who relies upon such certificate shall be protected thereby.

§ 7.5. Notice. Notice of any meeting, whether a meeting of the board of directors or of the members of the Association, at which assessments against members are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of such assessments. Adequate notice of all meetings, which notice shall specifically incorporate an identification of agenda items, shall be posted conspicuously on the condominium property at least 48 continuous hours preceding the meeting except in an emergency. Any item not included on the notice may be taken up on an emergency basis by at least a majority plus one of the members of the board. Such emergency action shall be noticed and ratified at the next regular meeting of the board. However, written notice of any meeting at which non-emergency special assessments, or at which amendment to rules regarding unit use, will be considered shall be mailed or delivered to the unit owners and posted conspicuously on the condominium property not less than 14 days prior to the meeting. Evidence of compliance with this 14-day notice shall be made by an affidavit executed by the person providing the notice and filed among the official records of the association. Upon notice to the unit owners, the board shall by duly adopted rule designate a specific location on the condominium property or association property upon which all notices of board meetings shall be posted. If there is no condominium property or association property upon which notices can be posted, notice of board meetings shall be mailed or delivered at least 14 days before the meeting to the owner of each unit. Notice of any meeting in which regular assessments against unit owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments. Meetings of a committee to take final action on behalf of the board or make recommendations to the board regarding the association budget are subject to the provisions of this paragraph. Meetings of a committee that does not take final action on behalf of the board or make recommendations to the board regarding the association budget are subject to the provisions of this section, unless those meetings are otherwise exempted from this section by these bylaws. Notwithstanding any other law, the requirement that board meetings and committee meetings be open to the unit owners is inapplicable to meetings between the board or

a committee and the association's attorney, with respect to proposed or pending litigation, when the meeting is held for the purpose of seeking or rendering legal advice.

Notice of unit owner meetings, including annual meetings, must be by written notice, which notice must include an agenda, shall be mailed or hand delivered to each unit owner at least 14 days prior to the annual meeting and shall be posted in a conspicuous place on the condominium property at least 14 days preceding the annual meeting. Upon notice to the unit owners, the board shall by duly adopted rule designate a specific location on the condominium property or association property upon which all notices of unit owner meetings shall be posted; however, if there is no condominium property or association property upon which notices can be posted, this requirement does not apply. Unless a unit owner waives in writing the right to receive notice of the annual meeting, such notice shall be hand delivered or mailed to each unit owner. Notice for meetings and notice for all other purposes shall be mailed to each unit owner at the address last furnished to the association by the unit owner, or hand delivered to each unit owner. However, if a unit is owned by more than one person, the association shall provide notice, for meetings and all other purposes, to that one address which the developer initially identifies for that purpose and thereafter as one or more of the owners of the unit shall so advise the association in writing, or if no address is given or the owners of the unit do not agree, to the address provided on the deed of record. An officer of the association, or the manager or other person providing notice of the association meeting, shall provide an affidavit or United States Postal Service certificate of mailing, to be included in the official records of the association affirming that the notice was mailed or hand delivered, in accordance with this provision.

§ 7.6. Interest: Application of Payments Assessments and installments on such assessments paid on or before FIFTEEN (15) days after the date when due shall not bear interest, but all sums not paid on or before FIFTEEN (15) days after the due date shall bear interest at the rate of EIGHTEEN PERCENT (18.0%) from the due date until paid. A late charge equal to the greater of \$25.00 or 5% of the delinquent payment shall also be due on delinquent accounts. All payments on accounts shall be first applied to any interest that has accrued, then to any late charge, then to any costs and reasonable attorney and paralegal fees incurred in collection, and then to the assessment payment first due. The board of directors shall have the discretion to increase or decrease the amount of late charge and/or interest rate within the limits imposed by

law; provided, however, that such increase or decrease shall be made effective by amending the Condominium Rules and Regulations and by utilizing the same notice procedures and requirements as used for meetings at which assessments will be considered (see § 7.5 above).

§ 7.7. Lien for Assessments. The Association shall have a lien against each Condominium Parcel for any unpaid assessments which are due and which may accrue subsequent to the recording of the claim of lien and prior to the entry of a certificate of title, which lien shall also secure any interest, and all reasonable attorneys' fees and costs incurred by the Association incident to the collection process, whether or not legal proceedings are initiated. The lien procedures shall be according to Chapter 718, Florida Statutes, and other applicable Florida law. Upon full payment, the party making payment shall be entitled to a recordable satisfaction of lien, to be prepared by and recorded at such party's expense. All such liens shall be subordinate to any mortgage recorded prior to the date of recording the Claim of lien, and all such liens may be foreclosed by suit brought in the name of the Association in the same manner as a foreclosure of a mortgage on real property. The Association may also sue to recover a money judgment for unpaid assessments without thereby waiving any claim of lien. Pursuant to Section 718.116(l), Florida Statutes, in the event a Mortgagee shall obtain title to a Condominium Parcel as a result of the foreclosure of its mortgage, or in the event such Mortgagee shall obtain title to a Condominium Parcel as the result of a conveyance in lieu of foreclosure of its mortgage, such Mortgagee shall be liable for the unpaid Common Expenses and assessments that became due prior to the Mortgagee's acquisition of title, subject to the limitations set forth in § 718.116(1)(b), Fla. Stat.

§ 7.8. No Withholding of Assessments. No Owner may withhold payment of any regular assessment or special assessment or any portion thereof because of any dispute which may exist between that Owner and the Association, the directors of the Association, the Management Company or the Developer or among any of them but, rather, each Owner shall pay all assessments when due pending resolution of any dispute.

§ 7.9. Mortgagee Notice of Delinquent Assessments. Any Mortgagee, upon written request to the Association (such request to state the name and address of such Mortgagee and the Unit number at issue), will be entitled to timely written notice of any delinquency in the payment

of assessments or charges owned by an Owner of a Unit subject to the mortgage of such Mortgagee where such delinquency has continued for a period of sixty (60) days.

§ 7.10. Refunds Of Common Surplus. If the Association shall refund all or a portion of any Common Surplus to the Owners for any fiscal year in which the Developer paid any assessment, such refund shall be prorated as of the date of closing of any sale of a Unit upon which the sale was closed by the Developer during such year, and the prorated amount allocable to the period of time of the Developer's ownership shall be refunded directly to the Developer by the Association.

§ 7.11. Certificate. Any Owner shall have the right to require from the Association a certificate showing the amount of unpaid assessments against him with respect to his Unit. The holder of a mortgage or other lien shall have the same right as to any Unit upon which it has a lien. Any person who relies upon such certificate shall be protected thereby.

§ 7.12. Depository. The depository of the Association shall be such bank or other institution permitted by applicable law, as shall be designated from time to time by the board of directors and from which the monies in such accounts shall be withdrawn only by checks signed by such persons as are authorized by the board of directors.

§ 7.13. Financial Reporting. The Association shall comply with the financial reporting requirements of Chapter 718, Florida Statutes.

ARTICLE VIII
Budgets

§ 8.1. Budget. The board of directors shall adopt a budget for each fiscal year. The first budget adopted by the board shall take effect after the expiration of the initial budget made by the Developer when the Condominium was created.

The initial budget expires on NOVEMBER 30, 2004. Therefore, the first budget adopted by the board shall take effect on DECEMBER 1, 2004.

All subsequent budgets shall be in substantially similar form to the initial budget, and shall meet the requirements of Chapter 718, Florida Statutes.

§ 8.2. Budget Proposals. Budget proposals, limitations, requirements, and meetings regarding budgets shall be in accordance with § 718.112(2)(e) and (f).

<p>ARTICLE IX INSURANCE</p>

The insurance other than title insurance, if any, that shall be carried upon the Condominium Property shall be governed by the following provisions:

§ 9.1. Authority To Purchase Named Insured. All insurance policies upon the Condominium Property shall be purchased by the Association from a fiscally responsible company authorized to do business in the State of Florida. In selecting an insurance carrier, the Association shall refer to and comply with the criteria set forth in the FNMA Conventional Home Mortgage Selling Contract Supplement and the FHLMC Sellers Guide for specific requirements regarding the qualifications of insurance carriers. The named insured shall be the Association individually and as agent for the Owners, without naming them, and as agent for their Mortgagees. Such policies shall provide that payments by the insurer for losses shall be made to the Association or the Insurance Trustee designated below, and all policies and their endorsements shall be deposited with the Association or the Insurance Trustee. Such policies shall also include a "condominium endorsement" which shall provide for recognition on any insurance trust agreement, waiver of the right of subrogation against Owners individually, that the insurance is not prejudiced by any act or neglect of individual Owners which is not in the control of such Owners collectively and that the policy is primary in the event the Owners have other insurance covering the same loss. Such policies shall also include, to the extent available and commonly required by prudent institutional mortgage investors in the area, an "Agreed Amount Endorsement", "Inflation Guard Endorsement" and/or "Demolition or Building Code Endorsement".

§ 9.2. Personal Property Of Owners. If desired, each Owner shall obtain insurance coverage upon his personal property at his own expense, and such insurance shall not be the responsibility of the Association.

§ 9.3. Terms of Coverage. The terms of the insurance coverage shall be as follows:

- (a) **Casualty.** All buildings and improvements upon the Condominium Property shall be insured in an amount equal to one hundred percent (100%) of the current replacement cost, exclusive of land, foundation and excavation costs, and all other items normally excluded from coverage, and all personal property owned by the Association shall be insured for its current replacement cost, all as shall be determined from time to time by the board of directors of the Association. Coverage shall afford protection against:
- (1) Loss or damage by fire and other hazards normally covered by a standard extended coverage endorsement;
 - (2) Such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use as the buildings on the Condominium Property, including floods, and all other perils normally covered by the standard "all risk" endorsement where such is available, including, but not limited to, vandalism and malicious mischief.
- (b) **Public Liability.** Public liability insurance shall be carried in such amounts and with such coverage as shall be required by the board of directors of the Association from time to time. Wherever and whenever it is possible and economically feasible to do so, the board of directors shall attempt to obtain adequate insurance protection in reasonably prudent coverages. Except as required herein, nothing in this Declaration shall be construed to require the board of directors to obtain such coverage as a condition precedent to the Association conducting business.

- (c) **Worker's Compensation.** Workers compensation insurance shall be carried to the extent necessary to meet the requirements of law.
- (d) **Fidelity Bond.** Fidelity insurance coverage shall be carried in the name of the Association for all officers, directors and employees of the Association and all other persons handling or responsible for funds of the Association. Where the Management Company has the responsibility for handling or administering funds of the Association, the Management.

The total amount of fidelity bond coverage required shall be in the amount required for each such officer, director or employee as required by Chapter 718, or in an amount not less than the estimated maximum of funds, including reserve funds, in the custody of the Association or Management Company, as the case may be, at any given time during the term of each bond, whichever is greater, but in no event may the aggregate amount of such bonds be less than a sum equal to three months' aggregate assessments on all Units plus reserve funds. The fidelity bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions. The fidelity bonds shall not be canceled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days prior written notice to the Association. Such bonds must also provide that any FNMA servicer, on behalf of FNMA, must also receive such notice of cancellation or modification.

- (e) **Other.** Such other insurance may be carried as the board of directors of the Association shall determine from time to time to be desirable.

§ 9.4. **Premiums.** Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense.

§ 9.5. Insurance Trustee: Share Of Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the Owners and any Mortgagees as their interests may appear and shall provide that all proceeds covering property losses shall be paid to the Association or to a named Insurance Trustee (the "Insurance Trustee") if the board of directors shall so elect. All references to an Insurance Trustee herein shall apply to the Association if the board of directors elects not to appoint an Insurance Trustee. Any Insurance Trustee appointed by the board of directors shall be a commercial bank with trust powers authorized to do business in Florida or another entity acceptable to the board of directors of the Association. The insurance Trustee (other than the Association) shall not be liable for payment of premiums nor for the failure to collect any insurance proceeds. The duty of the Insurance Trustee shall be to receive such proceeds as are paid and hold the proceeds in trust for the purposes stated herein for the benefit of the Owners and any Mortgagees in the following shares; provided, however, that such shares need not be set forth on the records of the Insurance Trustee:

- (a) Proceeds on Account of Damage to Common Elements and Limited Common Elements. Proceeds on account of damage to Common Elements and Limited Common Elements shall be held in undivided shares for each Owner, such share being the same as the undivided share in the Common Elements and Limited Common Elements appurtenant to each Unit.
- (b) Units. Proceeds on account of damage to Units when the building or Unit is not to be restored shall be held in undivided shares for each Owner of those Units or Unit, such share being the same as the undivided share in the Common Elements appurtenant to each Owner's interest.
- (c) Mortgagees. Such insurance policies shall contain the standard mortgage clause or equivalent endorsement (without contribution) which is commonly accepted by private institutional mortgage investors in the area in which the condominium is located and which appropriately names FNMA and FHLMC, if such corporations are Mortgagees. In the event a Mortgagee endorsement has been issued, any share for the Owner shall be held in trust for the Mortgagee and the Owner as their interests may appear; provided, however, that no Mortgagee shall have the

right to determine or participate in the determination as to whether any damaged property shall be reconstructed or repaired, and no Mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distributions of such proceeds made to the Owner and Mortgagee pursuant to the provisions of this Declaration. Notwithstanding the foregoing, the Mortgagee shall have the right to apply or have applied to the reduction of its mortgage debt any or all sums of insurance proceeds applicable to its mortgaged interest in any of the following events:

- (1) When its mortgage is not in good standing and is in default; or
- (2) When insurance proceeds are insufficient to restore or repair the Unit to the condition existing prior to the loss and additional monies are not available for such purpose.

§ 9.6. Distribution Of Proceeds. Proceeds of insurance policies received by the insurance Trustee shall be distributed to or for the benefit of the beneficial owners of such proceeds in the following manner:

- (a) All expenses of the Insurance Trustee shall be paid first or provisions made for such payment.
- (b) If the damage for which the proceeds are paid is to be repaired or reconstructed, the proceeds shall be paid to defray the cost thereof as provided herein. Any proceeds remaining after defraying such cost shall be distributed to the beneficial owners, remittances to Owners and any Mortgagees being payable jointly to them. This is a covenant for the benefit of, and may be enforced by, any Mortgagee.
- (c) If it is determined in the manner provided herein that the damage for which proceeds are paid shall not be reconstructed or repaired, the proceeds shall be distributed to the beneficial owners, remittances to Owners and any Mortgagees

being payable jointly to them. This is a covenant for the benefit of, and may be enforced by, any Mortgagee.

- (d) In making distribution to Owners and any Mortgagees, the Insurance Trustee may rely upon a certificate of the Association made by its president and secretary as to the names of the Owners and their respective shares of the distribution.

§ 9.7. Association As Agent And Attorney-In-Fact. The Association is hereby irrevocably appointed agent and attorney-in-fact for each Owner to adjust all claims arising under the insurance policies purchased by the Association and to execute and deliver releases upon the payment of a claim.

§ 9.8. Notice To Owners And Mortgagees. No insurance policy required by this Declaration may be canceled or substantially modified without at least ten (10) days prior written notice to the Association and each Mortgagee holding a first mortgage and which is listed as a scheduled holder of a first mortgage in the policies. Certificates of insurance shall be issued to each Owner and Mortgagee upon written request therefor.

ARTICLE X
Liability of Association

§ 10.1. Notwithstanding the duty of the Association to maintain and repair portions of the Condominium Property, the Association shall not be liable to Owners for injury or damage other than for the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the Association or caused by the elements or other Owners or persons.

ARTICLE XI
RECONSTRUCTION OR REPAIR AFTER CASUALTY

§ 11.1. Obligation To Reconstruct Or Repair. If any part of the Condominium Property shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined in the following manner:

- (a) Common Limited Common Elements. If the damaged improvement is a Common Element or a Limited Common Element, then the damaged property shall be reconstructed or repaired unless it is determined that the Condominium shall be terminated because of damage to Units as set forth in paragraph (b) directly below.
- (b) Units:
- (1) Minor Damage. If the damage is to Units and if less than fifty percent (50%) of the Units are found by the board of directors of the Association to be untenable, the damaged property shall be reconstructed or repaired.
 - (2) Major Damage. If the damage is to Units and if fifty percent (50%) or more of the Units are found by the board of directors of the Association to be untenable, then the damaged property will be reconstructed or repaired unless within sixty (60) days after the casualty, the holders of ninety percent (90%) of all of the votes of the Association agree in writing to not reconstruct or repair and to terminate the Condominium. Any election to terminate the Condominium after substantial destruction or a substantial taking in condemnation of the Condominium Property must have the prior approval of the Mortgagees holding first mortgages on Units to which at least fifty-one percent (51%) of the votes of Units subject to mortgages held by Mortgagees are allocated.
- (c) Certificate. The Insurance Trustee May rely upon a certificate of the Association made by its president and attested by its secretary as to whether or not the damaged property is to be reconstructed or repaired.

§ 11.2. Plans And Specifications. Any reconstruction or repairs must be substantially in accordance with the plans and specifications for the damaged Property as originally constituted or, in lieu thereof, according to the plans and specifications approved by the board of directors of

the Association. Any restoration or repair of the Condominium after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with this Declaration and the original Condominium plans and specifications unless the approval of the Mortgagees holding first mortgages on Units to which at least fifty one percent (51%) of the votes of Units subject to mortgages held by such Mortgagees are allocated is obtained.

§ 11.3. Estimates Of Cost. Prior to rebuilding or repairing 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.

§ 11.4. Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association or if at any time during reconstruction and repair or upon completion of reconstruction and repair the funds from insurance for the payment of the costs of reconstruction and repair are insufficient, special assessments shall be made against all Owners in sufficient amounts to provide funds for the payment of such costs. Such special assessments shall be in proportion to the Owners' respective obligations for Common Expenses.

§ 11.5. Construction Funds. The funds for payment of costs of reconstruction and repair after casualty, which shall consist of proceeds of insurance held by the Association or the insurance Trustee and funds collected by the Association through assessments against Owners, shall be disbursed in payment of such costs in the following manner:

- (a) Association. If the total of assessments made by the Association in order to provide funds for the payment of costs of reconstruction and repair that are the responsibility of the Association is more than Fifty Thousand Dollars (\$50,000.00), then the sums paid upon such assessments shall be deposited by the Association with the Insurance Trustee (if other than the Association). In all other cases the Association shall hold the sums paid upon such assessments and disburse them in payment of the costs of reconstruction and repair.

(b) Insurance Trustee. The proceeds of insurance collected on account of casualty and the sums deposited with the Insurance Trustee by the Association from collections of assessments against 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:

- (1) Association - Minor Damage. If the amount of the estimated costs of reconstruction and repair that is the responsibility of the Association is less than Fifty Thousand Dollars (\$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 by a Mortgagee that 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 for the reconstruction and repair of major damage.
- (2) Association - Major Damage. If the amount of the estimated costs of reconstruction and repair that are the responsibility of the Association is more than Fifty Thousand Dollars (\$50,000.00), then the construction fund shall be applied by the Insurance Trustee to the payment of such costs and shall be paid to or for the account of the Association from time to time as the work progresses but not more frequently than once in any calendar month. The Insurance Trustee shall make payments upon the written request of the Association for withdrawal of insurance proceeds, accompanied by a certificate dated not more than fifteen (15) days prior to such request, signed by an officer of the Association and by an architect in charge of the work, who shall be selected by the Association, setting forth that the sum then requested either has been paid by the Association or is justly due to contractors, subcontractors, materialmen, architects or other persons who have rendered services or furnished materials in connection with the work, giving a brief description of the services and materials and any amounts paid prior to the request, and stating that the sum requested does not exceed the value of the services and material described in the

certificate; that, except for the amount stated in such certificate to be due as aforesaid, there is no outstanding indebtedness known to the person signing such certificate after due inquiry which might become the basis of a vendor's, mechanic's, materialmen's or similar lien upon such work against the Common Elements or any Unit; and that the cost as estimated by the person signing such certificate of the work remaining to be done subsequent to the date of such certificate does not exceed the amount of insurance proceeds or other funds remaining in the hands of the Insurance Trustee after the payment of the sum so requested.

- (3) Surplus. It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund, except, however, that only those portions of distribution to the beneficial owners in excess of assessments paid by an Owner to the construction fund shall be made payable to any Mortgagee.
- (4) Certificate. Notwithstanding the provisions of this instrument, the Insurance Trustee shall not be required to determine whether sums paid by the Owners upon assessments shall be deposited by the Association with the Insurance Trustee, nor to determine whether the disbursements from the construction fund are to be upon the order of the Association or approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund, nor to determine the payee nor the amount to be paid. Instead, the Insurance Trustee may rely upon a Certificate of the Association made by its president and secretary as to any or all of such matters and stating that the sums to be paid are due and properly payable and stating the name of the payee and the amount to be paid; provided, that when a Mortgagee is required in this instrument to be named payee, the Insurance Trustee shall also name the Mortgagee as a

payee of any distribution of insurance proceeds to an Owner; and further provided, that when the Association or a Mortgagee that is the beneficiary of an insurance policy whose proceeds are included in the construction fund so requires, the approval of an architect named by the Association shall be first obtained by the Association prior to disbursements in payment of costs of reconstruction and repair.

§ 11.6. Eminent Domain. The Association is hereby empowered to defend and/or settle any action or threatened action with respect to the taking in condemnation of any portion of the Common Elements or any Unit or portion of any Unit. Upon obtaining knowledge of such action or threatened action, the Association shall notify all affected Mortgagees of record of same.

- (a) Common Elements. Any award or settlement made as a result of such a taking of all or a portion of the Common Elements shall be made payable to the Association. Any such award or settlement shall be held in trust by the Association for the benefit of the Owners and Mortgagees holding a first mortgage as their interests may appear. In the event any repair or restoration of the Common Elements is necessary in the opinion of a majority of the board of directors of the Association on account of such taking, or in the event a majority of the voting interests at a duly called and constituted meeting of the Association promptly approve such restoration or repair, the board of directors shall arrange for same and shall disburse such of the proceeds of such award or settlement as shall reasonably be necessary to effect such restoration or repair to the contractors engaged for such purpose in appropriate progress payments. The balance of such proceeds, or all of such proceeds if no determination to repair or restore is made, shall be disbursed by the Association in the same manner as insurance proceeds under Article X, §11.5 above where there is no repair or restoration of the damage.
- (b) Units. Any award or settlement for the taking in condemnation of a Unit shall be made payable to the Association for the benefit of the Owners thereof. In the

event any repair or restoration of the Unit is necessary in the event a majority of the voting interests appurtenant to that Unit at a duly called and constituted meeting of the Association promptly approve such restoration or repair, the board of directors shall arrange for same and shall disburse such of the proceeds of such award or settlement as shall reasonably be necessary to effect such restoration or repair to the contractors engaged for such purpose in appropriate progress payments. The balance of such proceeds, or all of such proceeds if no determination to repair or restore is made, shall be disbursed by the Association as to the Owners of that Unit in the same manner as insurance proceeds under Article X, §11.5 above. If a temporary taking in condemnation of use (but not title) of a Unit occurs, the entire award or settlement for such temporary taking shall be paid to the Association for the benefit of the Owners of such Unit.

§ 11.7. Notice To Mortgagees. Any Mortgagee, upon written request to the Association (such request to state the name and address of such Mortgagee and the Unit number at issue), will be entitled to timely written notice of any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects any Unit on which there is a first mortgage held, insured or guaranteed by such Mortgagee.

ARTICLE XII AMENDMENTS

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

§ 12.1. Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered, and shall specifically incorporate an identification of agenda items.

§ 12.2. Proposal and Adoption. An amendment may be proposed by either the board of directors or by the membership of the Association. Except as otherwise provided herein, a resolution adopting a proposed amendment must receive approval of not less than two-thirds (2/3) of all the directors until the first election of a majority of directors by Owners other than the

Developer. Thereafter, the Bylaws may be amended by not less than two-thirds (2/3) of all the directors and by not less than a three-fourths (3/4) vote of the members of the Association at a duly called meeting of the Association. Directors and members not present at the meeting considering the amendment may express their approval in writing within ten (10) days after such meeting; provided however, this agreement or disagreement may not be used as a vote for or against the action taken and may not be used for the purposes of creating a quorum.

§ 12.3. Effective Date. An amendment when adopted shall become effective only after being recorded in the Public Records of Leon County, Florida.

§ 12.4. Required Notation For Amendments. At any time prior to the first election of a majority of directors by Owners other than the developer, these Bylaws may be amended by the Developer, if necessary, to make the same consistent with the provisions of the Declaration, to meet the requirements of any governmental entity or statute, FHA or VA rules, regulations or policies, and as may be in the best interests of the Association. No bylaw shall be revised or amended by reference to its title or number only. Proposals to amend existing bylaws shall contain the full text of the bylaws to be amended; new words shall be inserted in the text underlined, and words to be deleted shall be lined through the hyphens. However, if the proposed change is so extensive that this procedure would hinder rather than assist the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language "Substantial rewording of Bylaw. See Bylaw _____ for present text." Nonmaterial errors or omissions in the bylaw amendment process shall not invalidate an otherwise properly promulgated amendment.

§ 12.5. Accord. Any amendments to these Bylaws shall be in accord with the terms and provisions of the Declaration.

§ 12.6. Developer Amendments. Developer amendments to these Bylaws may be made in the same manner as stated in the Declaration.

ARTICLE XIII
GOVERNING LAW & SEVERABILITY

§ 13.1. Governing Law. These Bylaws are to be governed by and construed according to the laws of the State of Florida.

§ 13.2. Severability. If it should appear that any of the provisions hereof are in conflict with the Declaration or any rule of law or statutory provision of the state of Florida, then such provisions of these Bylaws shall be deemed inoperative and null and void insofar as they may be in conflict therewith, and shall be deemed modified to conform to the Declaration or such rule of law. In the event that any section or provision is deemed null and void, the remaining sections and provisions shall be unaffected by such a determination and shall remain in full force and effect.

ARTICLE XIV
MANDATORY NON-BINDING MEDIATION

§ 14.1. Internal Disputes. Internal disputes arising from the operation of the Condominium among the Developer, the Association, the Owners, their respective agents and assigns, or any or all of them, must be submitted first for resolution through non-binding mediation by a certified mediator. The parties to the dispute will all equally share the cost of mediation.

ARTICLE XV
LIMITED POWER TO CONVEY COMMON ELEMENTS

§ 15.1. Limited Power. As provided in Section 718.112(2)(m), Florida Statutes, the Association shall have a limited power to convey a portion of the Common Elements to a condemning authority for the purpose of providing utility easements, right-of-way expansion, or other public purposes, whether negotiated or as a result of eminent domain proceedings.

ARTICLE XVI
INSPECTION OF RECORDS

§ 16.1. Records and Financial Statements. The Association shall keep all Official Records as required by § 718.111(12). The Association shall make available to Unit Owners and Mortgagees for inspection during normal business hours, and under reasonable circumstances, the Association's Official Records. The Association shall also make available to prospective purchasers of Units current copies of the above-listed documents as well as the most recent annual audited financial statement, if such is prepared.

§ 16.2. Mortgagee Rights. Mortgagees shall be afforded the same inspection rights as owners.

ARTICLE XVII
MANAGEMENT CONTRACTS

§ 17.1. Management Contracts. The Association may enter into such management contracts from time to time as it deems necessary to engage the services of a Management Company to carry out all or part of the maintenance and operational duties and obligations of the Association in accordance with this Declaration. In the event that the Management Contract is terminated, the maintenance duties and other obligations of the Condominium will once again be the responsibility of the Association. If the unit owners other than the developer have assumed control of the association, or if unit owners other than the developer own not less than 75 percent of the voting interests in the condominium, the cancellation shall be by concurrence of the owners of not less than 75 percent of the voting interests other than the voting interest owned by the developer. If a grant, reservation, or contract is so canceled and the unit owners other than the developer have not assumed control of the association, the association shall make a new contract or otherwise provide for maintenance, management, or operation in lieu of the canceled obligation, at the direction of the owners of not less than a majority of the voting interests in the condominium other than the voting interests owned by the developer. Any grant, reservation, or contract made by an the association, whether before or after assumption of control of the

association by unit owners other than the developer, that provides for operation, maintenance, or management of the condominium association or the condominium property shall not be in conflict with the powers and duties of the association or the rights of the unit owners as provided by law.

ARTICLE XVIII
ALIENABILITY OF UNITS

§ 18.1. No Alienability Restrictions. The right of an Owner to sell, transfer, assign or hypothecate his Unit shall not be subject to the approval of the Association. Accordingly, a proper transfer or conveyance of such Unit shall not require the written approval of the Association.

§ 18.2. Leasing And Rental Restrictions. Owners may lease or rent their Units in whole or in part for tenant occupancy and no approval by the Association shall be necessary therefor. Owners shall be specifically permitted to rent portions of Units, it being the intention of Developer to permit the Owner to rent individual bedrooms within a Unit to separate and unrelated persons. However, all lessees, as well as guests of Owners, shall be required to abide by the terms and conditions of this Declaration, as well as all Rules and Regulations adopted by the board of directors of the Association from time to time.

REGARDLESS OF ANY PROVISIONS IN THE DECLARATION AND BYLAWS ALLOWING FOR AMENDMENTS TO THE CONDOMINIUM DOCUMENTS, NO AMENDMENT TO THE CONDOMINIUM DOCUMENTS THAT PROHIBITS LEASING/RENTAL OF UNITS MAY BE ADOPTED WITHOUT JOINDER OF ONE HUNDRED PERCENT (100%) OF ALL OWNERS OF ALL UNITS IN THE CONDOMINIUM. UNDER NO CIRCUMSTANCES WILL ANY SUCH AMENDMENTS BE APPLICABLE OR ENFORCEABLE AGAINST UNITS WHOSE OWNERS HAVE NOT JOINED IN SUCH AMENDMENT.

ARTICLE XIX
COMPLIANCE AND DEFAULT

§ 19.1. Compliance And Default. Each Owner shall be governed by and shall comply with the terms of the Condominium Documents and the Condominium Rules and Regulations adopted pursuant to those documents and as they may be amended from time to time. Failure of an Owner to comply with the provisions of such documents and regulations shall entitle the Association or other Owners to pursue any and all legal and equitable remedies for the enforcement of such provisions, including, but not limited to, an action for damages, an action for injunctive relief or an action for declaratory judgment. Failure of the Association to comply with the provisions of the Condominium Documents and the Condominium Rules and Regulations adopted pursuant to those documents and as they may be amended from time to time shall entitle the Owners to pursue any and all legal and equitable remedies for the enforcement of such provisions, including, but not limited to, an action for damages, an action for injunctive relief or an action for declaratory judgment. All provisions of this Declaration shall be enforceable equitable servitudes and shall run with the land and shall be effective until the Condominium is terminated.

§ 19.2. Costs And Attorneys' Fees. In any proceeding arising because of an alleged failure of an Owner or the Association to comply with the terms of the Condominium Documents or the Condominium Rules and Regulations adopted pursuant to them as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and recover such reasonable attorneys' and paralegal fees as may be awarded by the Court, including all appeals and all proceedings in bankruptcy.

§ 19.3. No Waiver Of Rights. The failure of the Association or any Owner to enforce any covenant, restriction or other provision of Chapter 718, the Condominium Documents or the Condominium Rules and Regulations shall not constitute a waiver of the right to do so thereafter.

§ 19.4. Injunctive Relief. The Association may seek an injunction from a court of equity to compel or prohibit compliance or violation of the Condominium Documents regardless of whether an adequate remedy at law exists.

§ 19.5. Governing Law; Waiver Of Jury Trials Venue Of Actions. This Declaration shall be governed by, and shall be construed in accordance with, the laws of the State of Florida, as the same may exist on the date of recording hereof. The Association, an Owner or Owners, the Developer, the Management Company and any other party claiming rights or obligations by, through, or under this Declaration, or two or more of the foregoing, each hereby waive any right they may have under any applicable law to a trial by jury with respect to any suit or legal action which may be commenced by or against the others concerning the interpretation, construction, validity, enforcement or performance of this Declaration or any other agreement or instrument executed in connection with this Declaration. In the event any such suit or legal action is commenced by any party, the other parties hereby agree, consent and submit to the personal jurisdiction of the circuit court for the county in which the Condominium is situated, with respect to such suit or legal action, and each party also hereby consents and submits to and agrees that venue in any such suit or legal action is proper in said court and county, and each party hereby waives any and all personal rights under applicable law or in equity to object to the jurisdiction and venue in said court and county. Such jurisdiction and venue shall be exclusive of any other jurisdiction and venue.

ARTICLE XX
TERMINATION

The Condominium may be terminated in the following manners, in addition to the manner provided by Chapter 718:

§ 20.1. Agreement. The Condominium may be terminated at any time upon prior notification to the Division by the approval in writing of all Owners and all Mortgagees of record. Notice of a meeting at which the proposed termination is to be considered shall be given not less than thirty (30) days prior to the date of such meeting.

§ 20.2. Termination Through Condemnation. The Condominium shall only be terminated by virtue of a condemnation action if all Condominium Property is taken in condemnation. If less than all of the Condominium Property is taken in condemnation, the Condominium shall continue as to those portions of the Condominium Property not so taken.

§ 20.3. Certificate. Termination of the Condominium in either of the foregoing manners shall be evidenced by a certificate of the Association executed by its president and secretary certifying to the facts effecting the termination, said certificate to become effective upon being recorded in the Public Records of Leon County, Florida.

§ 20.4. Shares Of Owners After Termination. After termination of the Condominium, each Owner shall own an undivided share of the Condominium Property and all assets of the Association as a tenant in common in accordance with Exhibit "D".

§ 20.5. Notice To Mortgagees. Any Mortgagee, upon written request to the Association (such request to state the name and address of such Mortgagee and the Unit number at issue), will be entitled to timely written notice of any proposed termination of the Condominium.

§ 20.6. Notice to Division. Pursuant to § 718.117, when the board of directors intends to terminate the association, the board shall so notify the division before taking any action to terminate the condominium or the association, and also submit to the Division a copy of the recorded termination notice certified by the clerk of the county in which the recording took place.

**ARTICLE XXI
MERGER**

§ 21.1. Requirements For Merger. This Declaration, the Association and the Common Elements of the Condominium described herein may be merged with the declaration of condominium, condominium association and common elements of another independent and separate condominium to form a single condominium upon prior notification to the Division and with the consent of sixty-six and two-thirds percent (66 2/3%) of the total number of voting interests and with the approval of all of the record owners of liens on the Units. In the event

such consent and approval is obtained, a new or amended declaration of condominium, articles of incorporation and bylaws of the Association shall be recorded and shall contain such provisions as are necessary to amend and modify the appurtenances to the Units and percentages by which the Owners of Units share the Common Expenses and own the Common Surplus and Common Elements in order to create a consolidated single condominium.

ARTICLE XXII

Certificate of Compliance for Fire and Life Safety

§ 22.1. Electrical Certificate. Pursuant to § 718.112(2)(l), a certificate of compliance from a licensed electrical contractor or electrician may be accepted by the Association's Board as evidence of compliance of the Condominium Units to the applicable fire and life safety code.

ARTICLE XXIII

Owner Inquiries

§ 23.1. Owner Inquiries. Pursuant to § 718.112(2)(a)2., when a unit owner files a written inquiry by certified mail with the board, the board shall respond in writing to the unit owner within 30 days of receipt of the inquiry. The board's response shall either give a substantive response to the inquirer, notify the inquirer that a legal opinion has been requested, or notify the inquirer that advice has been requested from the division. If the board requests advice from the division, the board shall, within 10 days of its receipt of the advice, provide in writing a substantive response to the inquirer. If a legal opinion is requested, the board shall, within 60 days after the receipt of the inquiry, provide in writing a substantive response to the inquiry. The failure to provide a substantive response to the inquiry as provided herein precludes the board from recovering attorney's fees and costs in any subsequent litigation, administrative proceeding, or arbitration arising out of the inquiry. The association may through its board adopt reasonable rules and regulations regarding the frequency and manner of responding to unit owner inquiries, one of which may be that the association is only obligated to respond to one written inquiry per unit in any given 30-day period. In such a case, any additional inquiry or inquiries must be responded to in the subsequent 30-day period, or periods, as applicable.

EXECUTION

The undersigned hereby certifies that she is the duly elected and acting secretary of the Association named herein and that the foregoing is a true copy of the Bylaws of said Association duly adopted by action of the sole Directors, dated this 6 day of November 2003, and hereby further certifies that such Bylaws have not been amended or rescinded and remain in full force and effect at the date hereof.

DATED this 6 day of November, 2003.

WITNESS SIGNATURES:

Leah Snook
Signature
Leah Snook
Printed Name

SECRETARY SIGNATURE:

DURENE GILBERT, Secretary

Patricia H. Smith
Signature
Patricia H. Smith
Printed Name

NOTARY

STATE OF FLORIDA
COUNTY OF LEON

BEFORE ME, the undersigned authority authorized to take acknowledgments in the state and county aforesaid, appeared DURENE GILBERT, Secretary of Camellia Gardens Condominiums Association, a Florida Corporation, and she acknowledged that she executed the foregoing instrument on behalf of the corporation pursuant to due authority therefrom. She is personally known to me or has produced sufficient identification and did not take an oath.

WITNESS my hand and seal this 6th day of November, 2003.

Stamp or Seal:



Patricia H. Smith
Notary Signature
Patricia H. Smith
Notary Printed Name

PERCENTAGE INTERESTS IN THE COMMON ELEMENTS

[Exhibit "D" to Declaration of Condominium of Camellia Gardens Condominiums]

As required under Florida Statutes, Section 718,104(4)(f), appurtenant to each Unit in the Condominium shall be an equal undivided ownership interest in the Common Elements, as well as an equal undivided share of the Common Expenses and Common Surplus.

Under such circumstances, as each phase is constructed and declared, each Unit will have appurtenant to it an undivided ownership interest in the Common Elements and a percentage share of the Common Expenses and Common Surplus as follows:

- After completion of Phase 1: $\frac{1}{10}$ fractional interest and percentage share
- After completion of Phase 2: $\frac{1}{20}$ fractional interest and percentage share
- After completion of Phase 3: $\frac{1}{30}$ fractional interest and percentage share
- After completion of Phase 4: $\frac{1}{40}$ fractional interest and percentage share
- After completion of Phase 5: $\frac{1}{50}$ fractional interest and percentage share
- After completion of Phase 6: $\frac{1}{58}$ fractional interest and percentage share

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CONDOMINIUM RULES AND REGULATIONS
for
CAMELLIA GARDENS CONDOMINIUMS

[Exhibit "E" to the Declaration of Condominium of Camellia Gardens Condominiums]

Each Owner shall be governed by and shall comply with the terms of the Condominium Documents and these Condominium Rules and Regulations adopted pursuant to those documents. All terms used in these Condominium Rules and Regulations shall have the same meaning as the identical terms used in the Declaration of Condominium for Camellia Gardens Condominiums. Failure of an Owner to comply with the provisions of the Condominium Documents and these Condominium Rules and Regulations shall entitle the Association or other Owners to pursue any and all legal and equitable remedies for the enforcement of such provisions, including but not limited to an action for damages, an action for injunctive relief or an action for declaratory judgment.

1. Units, Common Elements and Limited Common Elements. No Unit may be divided or subdivided into a smaller Unit. The Common Elements and Limited Common Elements shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of the Owners, their guests and lessees and other authorized occupants of Units.

Responsibility for the maintenance of the Condominium Property, and restrictions upon its alteration and improvement, shall be as follows:

- (a) **By the Association.** Unless caused by the specific abuse of an Owner or any licensee, guest or tenant of an Owner, the Association shall maintain, repair and replace at the Association's expense:
- (1) All Common Elements and Limited Common Elements except as otherwise provided in the Condominium Documents.
 - (2) All conduits, ducts, plumbing, wiring and other facilities for the furnishing of Utility Services.

(b) **By the Owner.** The responsibility of the Owner for maintenance, repair and replacement shall be as follows:

- (1) To not paint or otherwise decorate or change the appearance of any portion of the Condominium Property without the prior written approval of the Association.
- (2) To promptly report to the Association upon discovery any defect or need for repairs for which the Association is responsible.
- (3) To bear in their entirety any expenses of repairs or replacements to the Condominium Property occasioned by the specific use or abuse by any Owner or any licensee, guest or tenant of said Owner.
- (4) To maintain, repair and replace all components, furnishings, carpeting, appliances and other property, real, personal or mixed, located inside or comprising a Unit unless provided otherwise in the Condominium Documents.

2. Nuisances. No nuisance shall be allowed upon the Condominium Property or within a Unit, nor any use or practice that is the source of annoyance to Owners or which interferes with the peaceful possession and proper use of the Condominium Property by the Owners. All parts of the Condominium shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage shall be allowed to accumulate nor any fire hazard allowed to exist. No Owner shall permit any use of a Unit or make or permit any use of the Common Elements that will increase the cost of insurance upon the condominium Property.

3. Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the Condominium Property or a Unit, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction shall be observed.

4. Leasing of Units. Owners have the right to lease/rent all or part of a unit. All of the terms and provisions of the Condominium Documents and these Condominium Rules and Regulations pertaining to use and occupancy shall be applicable and enforceable against any person occupying a Unit as a tenant to the same extent as against an Owner. Any lease or rental agreement, whether oral or written and whether specifically expressed in such agreement or not, shall be deemed to contain a covenant upon the part of each such Owner and tenant designating

the Association as the Owner's agent for the purpose of and with the authority to enforce the terms and provisions of the Condominium Documents or Condominium Rules and Regulations.

5. Signs. Owners of Units have the right to place and maintain reasonably sized and located "For Sale" or "For Rent" signs in front of the respective unit. Placement of such advertising signs may not be prohibited outright; provided, however, that the Board has the power to determine if such signs are unsightly and/or unreasonable to the detriment of the community, and accordingly, the Board may control and restrict the placement of "For Sale" or "For Rent" signs or other displays or advertising on any part of the Units, Common Elements, and Limited Common Elements. Types of signs other than "For Sale" or "For Rent" may be restricted or prohibited by the Board. The Board should work closely with unit owners in developing any such restrictions, and any restriction by the Board regarding signs may be modified or removed by a majority vote of the unit owners. The Developer (and the Developer's successor and/or assigns and entities affiliated with the Developer or employed by the Developer to market the Units) reserves the right to place and maintain "For Sale" or "For Rent" signs on the Condominium Property for as long as the Developer may have Units to sell.

6. Prohibited Vehicles. No trailers or commercial vehicles (excluding those vehicles owned by the Developer or the Management Company) shall be parked in any parking space, except such temporary parking spaces provided for the purpose as may be necessary to effectuate deliveries to the Condominium, the Association or the Owners. Bicycles and motorcycles shall not be stored on the Condominium Property except in such areas designated for this purpose.

7. Exterior Appearance. No Owner shall decorate or alter any part of a Unit so as to affect the appearance of the Unit from the exterior. Such decoration or alteration shall include, but not be limited to, painting or illumination of the exterior of a Unit, display of objects upon patios, balconies, railings or exterior window sills or ledges, reflective film or other extraordinary window treatments, draperies, window shades, screen doors and lights. The Association shall have the sole discretion, which may be based on aesthetic principles only, to determine compliance with this provision.

8. Antennas and Satellite Dishes. No antennas of any type designed to serve a Unit shall be allowed on the Common Elements or Limited Common Elements, except as may be provided by the Association to serve as a master antenna for the benefit and use of the Condominium. No electrical or other equipment may be operated on the Condominium Property which interferes with television signal reception. The Developer intends for the Condominium to utilize local cable service for television reception. Once the Condominium is completely developed, members may vote to allow installation of satellite dishes (i.e. DIRECTV), antennas, or other reception devices on the Units, and may then also choose to restrict the size of the dish or device and location of installation. Vote approval to allow installation shall be by a majority of the members, and the members may subsequently choose at any time to disallow such devices by majority vote.

9. Noise. Should noise transmission create a disturbance or a nuisance, the responsibility is with the Owner to abate the noise transmission, and not the Association. In order to insure the comfort of all Owners and authorized users, radio, television sets, and any and all other such audio equipment generating noise should be turned down to a minimum volume so as not to disturb other persons, and if noise is problematic, the Board may set certain hours of the night to remain peaceful and free of noise disturbances.

10. Obstructions. Sidewalks, entrances, driveways, passages, patios, courts, stairways, corridors, halls and/or all other areas intended for common use must be kept open and shall not be obstructed in any manner. Nothing shall be projected out of any window on the Condominium Property. All personal property of Owners shall be stored within the Unit.

11. Children. Children are to play only in areas either designated or clearly intended for play, and they are not to play in public halls, or stairways, streets, or other common areas which would cause an obstruction or safety hazard. Reasonable supervision by parents or guardians must be exercised at all times when children are playing on the Condominium Property.

12. Balconies and Windows. Plants, pots, receptacles and other movable objects must not be kept, placed or maintained on ledges or balconies. No objects shall be hung from balconies or window sills. No cloth, clothing, rugs or mops shall be hung up or shaken from windows, doors or balconies. Owners shall not allow anything to be thrown or to fall from windows, doors, or balconies. Provided, however, that any unit owner may display one portable, removable United States flag in a respectful way, and on Armed Services Day, Memorial Day, Flag Day, Independence Day, and Veterans Day may display in a respectful way portable, removable official flags, not larger than 4 ½ feet by 6 feet, that represent the United States Army, Navy, Air Force, Marine Corps, or Coast Guard, regardless of any declaration, rules, or requirements dealing with flags.

13. Entry for Emergencies. In case of emergency originating in or threatening any Unit, regardless of whether or not the Owner is present at the time of such emergency, the board of directors of the Association, the Management Company or any other person authorized by the, shall have the right to enter such Unit for the purpose of remedying or abating the cause of such emergency, and such right of entry shall be immediate, and to facilitate entry in the event of any such emergency, the Association or its designee shall be allowed to retain a key for each Unit.

14. Plumbing. Plumbing shall not be used for any other purpose than those for which it was constructed, and no sweepings, rubbish, rags or other foreign substances shall be deposited into plumbing. The cost of any damage resulting from misuse shall be borne by the Owner.

15. Roof. Owners are not permitted on the roof of any building within the Condominium Property for any purpose without the express approval of the board of directors or Management Company.

16. Solicitation. There shall be no solicitation by any person anywhere on the Condominium Property for any cause, charity or purpose whatsoever, unless specifically authorized in writing by the board of directors or the Management Company, except for solicitation by the Developer or an entity affiliated with the Developer in marketing the sale or rental of Units.

17. Parking. No vehicle belonging to any Owner or to a member of the family of an Owner or guest, tenant or employee of any owner shall be parked in any unauthorized area.

18. Storage of Dangerous Items. No flammable, combustible, or explosive fluid, chemical or substance, shall be kept in any Unit, Common Element or Limited Common Element except as are required for normal household use.

19. Employees/Agents Control and Entry of Units. Employees and/or agents of the Association or Management Company, and employees and/or agents of the Developers or affiliated entity's on-going sales or rental programs, shall not be sent off the condominium Property by any Owner or authorized user at any time for any purpose. No Owner or authorized user shall direct, supervise or in any manner attempt to assert any control over the employees of the Management Company or the Association. Violations of these Rules and Regulations, or other matters of concern, should be brought to the attention of the Management Company for proper resolution. Employees or agents of the Management Company shall be permitted, during reasonable hours, to enter units for maintenance and repairs.

20. Complaints. Complaints regarding the service of the Condominium shall be made in writing to the Management Company, as long as the Management Contract remains in effect, and thereafter, to the board of directors. Also, see Article XXIII of the Bylaws for information regarding unit owner inquiries.

21. Payment of Maintenance Fees and Special Charges and Fines. Payment of maintenance fees and other duly authorized charges and assessments shall be made at the office of the Management Company, as designated in the Management Contract.

22. Pets. The Board may require a non-refundable or refundable pet fee to be deposited to offset damage or maintenance caused by pets. If noise or nuisance by pets becomes problematic, members may vote to set certain restrictions to address the problems. Vote approval for pet restrictions shall be by a majority of the members, and the members may subsequently choose at any time to remove pet restrictions by majority vote.