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DECLARATION OF CONDOMINIUM

OF

LAKE TARPON SAIL AND TENNIS CLUB I, A CONDOMINIUM

Tarpon Springs, Florida

The undersigned, LAKE TARPON, INC., a Florida corporation, hereinafter referred to as the "Developer", being the owner of fee simple title of record to those certain lands located and situate in Pinellas County, Florida, being more particularly described in Exhibit A, "Legal Description of Condominium," attached hereto, does hereby submit the said lands and improvements thereon to condominium ownership pursuant to the provisions of Chapter 711, of the Florida Statutes, as amended, hereinafter referred to as the "Condominium Act".

1. NAME

The name by which this condominium is to be identified is LAKE TARPON SAIL AND TENNIS CLUB I, a condominium, hereinafter referred to as the "Condominium".

2. DEFINITIONS

The terms used in this Declaration and in its exhibits, including the Articles of Incorporation and By-Laws of the Association, shall be defined in accordance with the provisions of the Condominium Act, and as follows unless the context otherwise requires:

2.1 Association means LAKE TARPON SAIL AND TENNIS CLUB CONDOMINIUM ASSOCIATION, INC., a non-profit Florida corporation, and its successors.

2.2 Common Elements shall include:

(a) All of those items stated in the Condominium Act.

(b) Tangible personal property deemed proper by the Association for the maintenance and operation of the Condominium.

(c) All Condominium Property not included in the Units.

2.3 Common Expenses include:

(a) Expenses of administration and management of the Association and of the Condominium Property.

(b) Expenses of maintenance, operation, repair or replacement of the Common Elements, Limited Common Elements, and of the portions of Units to be maintained by the Association.

(c) The costs of carrying out the powers and duties of the Association.

(d) Expenses declared Common Expenses by the provisions of this Declaration or by the By-Laws of the Association.

(e) Any valid charge against the Condominium Property as a whole.

(f) The Condominium's share of the costs and expenses attributable to the Recreation Area.

2.4 Condominium Parcel is a Unit together with the undivided share in the Common Elements which are appurtenant to the Unit.

2.5 Condominium Property means and includes the land in the Condominimum, whether or not contiguous, and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection with the Condominium.

2.6 Developer means LAKE TARPON, INC., a Florida corporation, its successors and assigns unless the context otherwise requires.

2.7 Institutional Mortgagee or Institutional Lender shall be synonymous and may be used interchangeably, and shall mean any Trust, savings and loan association, bank, insurance company, or commercial loan company licensed to do business in the State of Florida, holding a first mortgage on any portion of the Condominium Property.

2.8 Limited Common Elements means and includes those Common Elements which are reserved for the use of a certain Unit or Units to the exclusion of other Units.

2.9 Project means the overall LAKE TARPON SAIL AND TENNIS CLUB PROJECT, which may include one (1) or more condominiums, the legal description of which is set forth in Exhibit "F" to this Declaration of Condominium.

2.10 Recreation Area means those lands more particularly described on Schedule "A" of that certain 'Agreement for Use and Conveyance', attached hereto as Exhibit "C", and incorporated herein by reference, as the same may be, from time to time amended. Additional recreational facilities may be included within the Common Elements, but for the purposes of this Declaration shall not be included within the definition of 'Recreation Area'.

2.11 Unit means a part of the condominium property which is subject to private ownership.

2.12 Unit Owner or Owner of a Unit means the owner of a Condominium Parcel.

2.13 Utility Services shall include but not be limited to electric power, gas, water, air conditioning, and garbage, sewerage disposal, cable television, together with all other public service and convenience facilities.

3. EXHIBITS

Exhibits attached to this Declaration of Condominium include the following:

3.1 (Exhibit "A") The legal description of the land included in the Condominium and a Survey of the land and a graphic description of the improvements in which Units are located and a plot plan thereof which together with the Declaration are of sufficient detail to identify the Common Elements and each Unit and their relative locations and approximate dimensions.

3.2 (Exhibit "B") The percentage ownership schedule of the Common Elements and Common Surplus.

3.3 (Exhibit "C") Agreement for Use and Conveyance.

3.4 (Exhibit "D") The Articles of Incorporation of the Association.

3.5 (Exhibit "E") The By-Laws of the Association.

3.6 (Exhibit "F") The Legal Description of the LAKE TARPON SAIL AND TENNIS CLUB PROJECT.

4. EASEMENTS

Easements are expressly provided for and reserved in favor of the Developer, the Units Owners, their lessees, their guests and invitees, and Unit Owners in subsequent Condominiums which may be declared on lands contained within the Project, as follows:

4.1 Utilities. Easements are reserved through the Condominium Property as may be required for utility service in order to serve the Condominium and the Recreation Area adequately, provided, however, such easement shall be only according to the plans and specifications for the building, or as the building is constructed, unless approved in writing by a Unit Owner or the Owner of the Recreation Area, as appropriate.

4.2 Encroachments. In the event that any Unit or the Recreation Area shall encroach upon any of the Common Elements or upon any other Unit for any reason other than the intentional or negligent act of the Unit Owner, or Owner of the Recreation Area, or in the event any Common Element shall encroach upon any Unit, then an easement shall exist to the extent of such an encroachment so long as the same shall exist.

4.3 Traffic. An easement shall exist for pedestrian traffic over, through and across sidewalks, paths, walks, halls, lobbies, elevators, center cores, and other portions of the Common Elements as may be from time to time 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 may from time to time be paved and intended for such purposes, and such easement shall be for the use and benefit of the Unit Owners, the Owner of the Recreational Area and those claiming by, through or under the aforesaid; provided, however, nothing herein shall be construed to give or create in any person the right to park upon any portion of the Condominium Property except to the extent that space may be specifically designated and assigned for parking purposes. In the event that said easements for ingress and egress shall be encumbered by leasehold or lien, other than those on the Condominium parcels, such leaseholds or liens shall be required to be subordinate or made subordinate to the use rights of any Condominium Unit Owner or Owners whose Condominium parcel is not also encumbered by said lien or leasehold, or in the alternative, an appropriate non-disturbance agreement may be executed and recorded providing at least in part that the use rights shall not be terminated with respect to any Unit Owner or Owners who in the case of the leasehold have not been evicted for reason of their default under the lease and in the case of a mortgage whose Units have not been foreclosed for default. In addition, further easements shall exist for ingress and egress over such streets and walks and other rights of way serving the Units as shall be necessary to provide for reasonable access to the public ways.

4.4 Recreation Area Easement. There is hereby reserved, over, across and through the Condominium Property, an easement for the use and benefit of Unit Owners in subsequent Condominiums and other residents within the Project, for access to the Recreation Area. The areas affected by this easement shall include, but not be limited to, established walkways, pathways, sidewalks or driveways within the Common Elements.

4.5 Developer's Easement. Developer hereby retains an easement for ingress and egress over the Common Elements and the Recreation Area for the purpose of assuring access for the construction of any future buildings upon the lands contained within the Project.

4.6 Association Easement. The Association hereby retains an easement for ingress and egress over the Common Elements for any and all utility services and access to any docks that may be constructed at some future date along the shore line of the Property contained within the Condominium, the Recreation Area or the Project. This easement shall inure to the assigns of the Association, provided, however, [illegible] Unit Owners of this [illegible] constructed within the [illegible].

5. 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:

5.1 The upper and lower boundaries of the Unit shall be the following boundaries extended to an intersection with the perimeter boundaries:

(a) Upper Boundaries - The imaginary horizontal plane through the highest point of the interior unfinished surface of the concrete ceiling of the Unit.

(b) Lower Boundaries - The imaginary horizontal plane through the lowest point of the upper surface of the undecorated concrete floor of the Unit.

5.2 The perimeter boundaries of the Unit shall be the imaginary vertical planes along and coincident with the interior surfaces of the masonry blocks of perimeter walls, or where no wall exists, an imaginary vertical plane along and coincident with the sides of the perimeter of such Unit.

5.3 Additional inclusions of the Unit shall consist of all built-in appliances, fixtures, all doors, all windows, interior walls and partitions, drywall and/or other facing material on the perimeter walls and ceilings thereof, the inner decorated and/or finished surfaces of the floors, (including all flooring tile, ceramic tile, finishing flooring, carpeting and padding) and all other improvements located within a Unit described which are exclusive to such Unit.

6. APPURTENANCES TO UNITS

6.1 Undivided Interests. Each Unit Owner shall own an undivided share and certain interest in the Condominium Property, of which his Unit is a part, which share and interest shall be appurtenant to the Unit, said undivided interest in the Condominium Property and Common Elements being as designated and set forth in Exhibit "B" attached hereto and made a part hereof.

6.2 Limited Common Elements

(a) Storage Space, if available, shall be assigned by the Association.

(b) Automobile Parking Space. Parking spaces may be assigned pursuant to the rules and regulations of the Association so as to provide parking for one automobile per Unit. In the event a specific parking space is assigned in connection with the sale of a Unit by the Developer, the right to the exclusive use of the said designated parking space shall pass as an appurtenance to the Unit, and the Association shall not thereafter reassign or change the said Unit Owner's parking space without his written consent, provided, further, said Unit Owner shall not transfer or assign use of the said parking space except in connection with the sale of the Condominium Unit.

6.3 Recreation Area Use. The right of use and enjoyment of the Recreation Area which accrues to members of the Association by virtue of their membership therein, shall be deemed an appurtenance to the Condominium Unit, the ownership of which creates and establishes the membership of the Unit Owner in the Association.

7. MAINTENANCE, ALTERATION AND IMPROVEMENT

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

7.1 Units

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

(1) All Common Elements and Limited Common Elements except as provided in Section (b) below.

(2) All conduits, ducts, plumbing, wiring, and other facilities for the furnishing of utility services contained in the portions of a Unit that service part or parts of the Condominium Property other than the Unit within which contained.

(3) All incidental damage caused to a Unit by reason of maintenance, repair and replacement accomplished pursuant to the provisions of 7.1(a) (1) and (2) above.

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

(1) To maintain, repair and replace at his expense all portions of his Unit except the portion to be maintained, repaired and replaced by the Association. Included within the responsibility of the Unit Owner shall be windows, screens and doors opening into or onto his Unit. All such maintenance, repair and replacement shall be done without disturbing the rights of other Unit Owners. All replacement materials shall be of like appearance, material, and quality as originally designed and built.

(2) 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.

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

7.2 Parking Spaces. The Association shall maintain and repair at the Association's expense all parking spaces, covered and uncovered, including those which have been assigned as an appurtenance to a Unit, other than damage due to the negligence of the assigned Unit Owner.

7.3 Alteration and Improvement. After the completion of the improvements included in the Condominium Property which are contemplated in this Declaration, there shall be no alteration or further improvements of the Condominium Property without the prior approval, in writing, by record owners of seventy-five (75%) percent of all Unit Owners in this Condominium, together with the approval of the Association. The cost of such alteration or improvement shall be a common expense and so assessed. Any such alteration or improvement shall not interfere with the rights of any Unit Owner without his consent.

7.4 Recreation Area and Improvements. Maintenance, repair, replacement, alteration and improvement of the Recreation Area and Improvements shall be by the Association at the Association's expense, pursuant to the provisions of this Declaration.

8. ASSESSMENTS AND COMMON EXPENSES

8.1 Common Expenses. Each Unit Owner shall be liable for a proportionate share of the Common Expenses as set forth in Exhibit "B" attached hereto and made a part hereof. Such Common Expenses shall include all of the obligations and liabilities of the Association attributable to the Recreation Area. Certain expenses of the Association may be incurred for the benefit of more than one Condominium in the Project. Such expenses may include, by way of illustration and not of limitation, management, routine maintenance and security. Such expenses shall be allocated among the condominiums benefited thereby according to the number of units in such condominium, or in such other manner as the Board of Directors of the Association may determine to be equitable. Any such expense allocated to this Condominium shall be assessed in the same manner as is herein provided for the assessment of other Common Expenses. This Condominium shall be responsible for the costs attributable to the Recreation Area based on the proportion of the number of units in this Condominium to the total number of units in the Project. The Developer owning Units offered for sale shall be excused from the payment of the share of the Common Expenses and assessments related thereto, for a period subsequent to the recording of the Declaration of Condominium and terminating not later than the first day of the fourth calendar month following the month in which such Declaration is recorded, or for a period terminating with the first day of the month of the third succeeding calendar month after the closing of the purchase and sale of any Condominium Unit within the Condominium to a Unit Owner who is not a developer, the nominee of the Developer, or a substitute or Alternative Developer, whichever shall be the later date; provided that the Developer shall be obligated to pay that portion of the Common Expenses incurred during that period which exceed the amount assessed against other Unit Owners. The Developer, his successors or assigns, shall be excused from the payment of its share of the Common Expense in respect to said Units during such period of time that it shall have guaranteed that the assessment for Common Expenses of the Condominium imposed upon the Unit Owners other than the Developer or such person making the guarantee, shall not increase over a stated dollar amount, and obligate itself to pay any amount of Common Expenses incurred during that period and not produced by the assessments at the guaranteed level receivable from other Unit Owners.

8.2 Assessments. The making and collection of Assessments against each Unit owner for common expenses, and for reserves as may from time to time be established by the Association, shall be pursuant to the By-Laws of the Association, subject to the following provisions:

(a) Interest; Application of Payments. Assessments and installments on such assessments paid on or before five (5) days after the date when due, shall not bear interest, but all sums not paid on or before five (5) days after the date when due shall bear interest at the maximum legal rate from the date when due until paid. All payments on accounts shall be first applied to interest and then to the assessment payment first due.

(b) Lien For Assessments. The Association shall have a lien against each Unit for any unpaid assessments against the owner thereof, and for interest accruing thereon, which lien shall also secure reasonable attorneys' fees incurred by the Association incident to the collection of such assessment or enforcement of such lien, whether or not legal proceedings are initiated. The said liens may be recorded among the Public Records of the County where located by filing a claim therein which states the legal description of the Unit, and the amount claimed to be due, and said lien shall continue in effect until all sums secured by the lien shall have been paid. Such claims of lien shall be signed and verified by an officer of the Association, or by an agent of the Association. Upon full payment, the party making payment shall be entitled

to a recordable satisfaction of lien, to be prepared by and recorded at his 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, at its option, sue to recover a money judgment for unpaid assessments, without thereby waiving the lien securing the same. In the event an Institutional Mortgagee, as holder of a first mortgage of record, shall obtain title to a Unit as a result of the foreclosure of such mortgage, or in the event such Institutional Mortgagee shall obtain title to a Unit as the result of a conveyance in lieu of foreclosure of such first mortgage, such Institutional Mortgagee shall not be liable for that share of the Common Expenses or assessments chargeable to the Unit, or the Owner thereof, which became due prior to the acquisition of title by such Institutional Mortgagee and any such unpaid share of Common Expenses, or assessments, chargeable against any such foreclosed Unit, or against any Unit transferred in lieu of foreclosure, shall be deemed a Common Expense to be paid in the same manner as other Common Expenses of the Condominium by all of the Unit Owners.

9. ASSOCIATION

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

9.1 Membership in Association. Membership of each Unit Owner in the Association shall be acquired pursuant to the provisions of the Articles of Incorporation and By-Laws of the Association. The interest of each Unit Owner in the funds and assets held by the Association and the Unit Owner's share in surpluses shall be in the same proportion as the liability of each such Owner for common expenses. Each Unit shall be entitled to one vote in the Association.

9.2 Articles of Incorporation. A copy of the Articles of Incorporation of the Association, which sets forth its powers and duties, is attached as an Exhibit "D" and made a part hereof.

9.3 By-Laws. A copy of the By-Laws of the Association is attached as an Exhibit "E" and made a part hereof.

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

9.5 Restraint upon assignment of shares and assets. The Unit 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.

10. INSURANCE

The insurance other than title insurance that shall be carried upon the Condominium Property and the property of the Unit Owners shall be governed by the following provisions:

10.1 Authority to purchase; named insured. All insurance policies upon the Condominium Property shall be purchased by the Association. The named insured shall be the Association

individually and as agent for the Unit Owners, without naming them, and as agent for their mortgagees. Provisions shall be made for the issuance of the mortgagee endorsements and memoranda of insurance to the mortgagees of Unit Owners. Such policies shall provide that payments by the insurer for losses shall be made to the Association or the Insurance Trustee designated below, and all policies and their endorsements shall be deposited with the Association or the Insurance Trustee.

10.2 Property of Unit Owner. Unit Owners should obtain insurance coverage at their own expense upon their personal property and for their personal liability and living expense and such insurance shall not be the responsibility of the Condominium Association.

10.3 Coverage.

(a) Casualty. All buildings and improvements upon the Condominium Property shall be insured in an amount equal to One Hundred (100%) percent of the replacement cost value, excluding foundation and excavation costs, and all personal property included in the Common Elements shall be insured for its value, all as shall be determined annually by the Board of Directors of the Association. All such coverage, including the amount thereof and the insurance company issuing same, shall be subject to the approval of the Institutional Mortgagee holding the greatest dollar amount of first mortgages against Units in the Condominium. Such approval shall be conclusively deemed given if such Institutional Mortgagee fails to notify the Association otherwise within ten (10) days of being notified by the Association of the proposed coverage amount and insurance company. Coverage shall afford protection against:

(1) Loss or damage by fire and other hazards covered by a standard extended coverage endorsement, generally known as All Risks Physical Damage Insurance, and

(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 land, including but not limited to vandalism, malicious mischief and flood insurance.

(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, including but not limited to hired vehicles, owned, and non-owned vehicle coverages, known as Employers Automobile Non-Ownership Liability Insurance, and with cross liability endorsements to cover liabilities of the Unit Owners as a group to a Unit Owner as an individual.

(c) Workmen's Compensation. Workmen's compensation insurance shall be carried so as to meet the requirements of law.

(d) Recreation Area. The Recreation Area shall be insured in the same manner and to the same extent as if said Recreation Area were included in the Common Elements of the Condominium provided, however, that the costs attributable to such insurance shall be allocated as described in Paragraph 8.1 above.

(e) Association. Fidelity Insurance Coverage shall be carried in the name of the Association.

(f) Other. Such other insurance may be carried, as the Board of Directors of the Association shall determine from time to time to be desirable.

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

10.5 Insurance Trustee; Share of Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the Unit Owners and their mortgagees as their interests may appear, and shall provide that all proceeds covering property losses shall be paid to the Association or to a named Insurance Trustee (hereinafter referred to as the Insurance Trustee), as Trustee, which shall be a commercial bank with trust powers, authorized to do business in Florida, as may be designated as Insurance Trustee from time to time by the Board of Directors of the Association when required by this Declaration. The selection of the Insurance Trustee is subject to the approval of the Institutional Mortgagee holding the greatest dollar amount of first mortgages against the Units in the Condominium. Such approval shall be conclusively deemed given if such Institutional Mortgagee fails to notify the Association otherwise within ten (10) days of being notified by the Association of the proposed coverage amount and insurance company. The Insurance Trustee 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 Unit Owners and their mortgagees in the following shares, provided, however, 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 Unit 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 is not to be restored, shall be held in undivided shares for each Unit Owner, such share being the same as the undivided share in the Common Elements appurtenant to the Unit.

(c) Cost of Restoration and Repair of the Recreation Area. The cost of restoration and repair of the Recreation Area after casualty shall be paid out of the proceeds from insurance, and the said Recreation Area shall in all events be repaired and restored unless there shall be not only a total destruction of the Recreation Area and appurtenances thereto, but in addition, a destruction of 70% of the Units in the total Condominium Project. In the event additional monies are required over and above the amount available from the Recreation Area insurance, such monies shall be considered a Common Expense, to be paid by the Condominium Unit Owners and to be chargeable to and collectible from them in the same manner as other assessments and Common Expenses.

(d) Mortgagee. In the event a mortgagee endorsement has been issued, any share for the Unit Owner shall be held in trust for the mortgagee and the Unit Owner as their interests may appear; provided, however, that no mortgagee shall have any 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 Unit 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 the mortgage debt any or all insurance proceeds applicable to its mortgage [illegible]

(1) Its mortgage is not in good standing and is in default.

(2) Insurance proceeds are insufficient to restore or repair the building to the condition existing prior to the loss and additional monies are not available for such purpose.

(e) Insurance Trustee. An Insurance Trustee shall be appointed when there exists a major damage as defined in paragraph 11.6(b)(2) herein.

10.6 Distribution of proceeds. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the beneficial Owners 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 defr y the cost thereof as provided herein. Any proceeds remaining after defraying such cost shall be distributed to the beneficial Owners, remittances to Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of, and may be enforced by, any mortgagee of a Unit.

(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 Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of, and may be enforced by, the mortgagee of a Unit.

(d) In making distribution to Unit Owners and their mortgagees, the Insurance Trustee may rely upon a Certificate of the Association made by its President and Secretary as to the names of the Unit Owners and their respective shares of the distribution.

10.7 Association as Agent. The Association is hereby irrevocably appointed Agent for each Unit Owner and for each Owner of any other interest in the Condominium Property 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.

10.8 Recreation Area. The distribution of proceeds of Recreation Area insurance shall be in the same manner as distribution on account of damage to Common Elements and Limited Common Elements.

11. RECONSTRUCTION OR REPAIR AFTER CASUALTY

11.1 Determination to reconstruct or repair. If any part of the Condominium Property shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined in the following manner:

(a) Common Elements and Limited Common Elements. If the damaged improvement is a Common Element and a Limited Common Element then the damaged property shall be reconstructed or repaired, unless it is determined that the Condominium shall be terminated.

(b) Units

(1) Minor damage. If the damage is to Units and if the Units to which thirty (30) percent of the Common Elements are appurtenant, as set forth in Exhibit "B", are found by the Board of Directors of the Association to be tenantable, the damaged property shall be reconstructed or repaired, unless within sixty (60) days after the casualty, it is determined by agreement that the Condominium shall be terminated.

(2) Major damage. If the damage is to Units and if the Units to which less than thirty (30%) percent of the Common Elements are appurtenant, as set forth in Exhibit "B", are found by the Board of Directors of the Association to be tenantable, then the damaged property will not be reconstructed or repaired, and the Condominium will be terminated without agreement, unless within sixty (60) days after the casualty, the Owners of eighty (80%) percent of the Common Elements agree in writing to such reconstruction or repair.

(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 original building, or in lieu thereof, according to the plans and specifications approved by the Board of Directors of the Association and by the Owners of not less than eighty (80%) percent of the Common Elements, including the Owners of all damaged Units, together with the approval of the Institutional Mortgagees holding first mortgages upon all damaged Units, which approval shall not be unreasonably withheld.

11.3 Responsibility. If the damage is only to those parts of Units for which the responsibility of maintenance and repair is that of the Unit Owner, as set forth in Section 7, then the Owner shall be responsible for the timely reconstruction and repair after casualty.

11.4 Estimates of cost. 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.

11.5 Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, or if at any time during 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, assessments shall be made against all Unit Owners in sufficient amounts to provide funds for the payment of such costs. Such assessments shall be in proportion to the Owner's obligation for Common Expenses.

11.6 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 from Assessments against Unit 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 is the responsibility of the Association is more than $20,000.00, then the sums paid upon such assessments shall be deposited by the Association with the Insurance Trustee. In all other cases the Association shall hold the sums paid upon such assessments and disburse 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 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:

(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 $20,000.00, 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 $20,000.00, then the construction fund shall be applied by the Insurance Trustee to the payment of such cost, 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 15 days prior to such request, signed by a responsible 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 liens upon such work against the common elements or any individual 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 a distribution to the beneficial Owners in excess of assessments paid by a Unit 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 Unit 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 a Unit 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.

12. USE RESTRICTIONS

The use of the Condominium Property shall be in accordance with the following provisions as long as the Condominium exists upon the land:

12.1 Units. Each of the Units shall be occupied only as a single family private dwelling. Except as reserved to Developer, no Unit may be divided or subdivided into a smaller Unit.

12.2 Common Elements and Limited Common Elements. 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 Units.

12.3 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 residents or which interferes with the peaceful possession and proper use of the property by its residents. All parts of the Condominium shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate nor any fire hazard allowed to exist. No Unit Owner shall permit any use of his Unit or make any use of the Common Elements that will increase the cost of insurance upon the Condominium Property.

12.4 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. The responsibility of meeting the requirements of governmental bodies for maintenance, modification or repair of the Condominium Property or a Unit shall be the same as the responsibility for the maintenance and repair of the property concerned.

12.5 Leasing of Units. After approval by the Association required herein, entire Units may be rented provided the occupancy is only by the Lessee, his family and guests, provided such written approval when once given and relied upon may not thereafter be revoked or terminated without the consent of the Unit Owner. No rooms may be rented and no transient tenants shall be accommodated in any Unit, nor shall any lease of any Unit release or discharge the Owner thereof from compliance with any of his obligations and duties as a Unit Owner. All of the provisions of this Declaration, and By-Laws, and the Rules and Regulations of the Association pertaining to use and occupancy shall be applicable and enforce-

able against any person occupying a Unit as a tenant to the same extent as against a Unit Owner, and a covenant upon the part of each such tenant to abide by the Rules and Regulations of the Association, and the terms and provisions of the Declaration of Condominium and By-Laws, and designating the Association as the Unit Owner's agent for the purpose of and with the authority to terminate any such lease agreement in the event of violations by the tenant of such covenant shall be an essential element of any such lease or tenancy agreement, whether oral or written, and whether specifically expressed in such agreement or not. The provisions of this section shall be inapplicable as to the Developer. The Developer shall be irrevocably empowered to sell, lease, rent or mortgage any Unit owned by it, notwithstanding the limitations imposed by this section, provided that such action shall in no way impair or diminish the rights and interests of other Unit Owners.

12.6 Signs. No "For Sale" or "For Rent" signs or other displays or advertising shall be maintained on any part of the Common Elements, Limited Common Elements, or Units, except that the right is specifically reserved in the Developer to place and maintain "For Sale" or "For Rent" signs in connection with any unsold or unoccupied Unit he may from time to time own, and the same right is reserved to any institutional first mortgagee which may become the owner of a Unit, and to the Association as to any Unit which it may own.

12.7 Prohibited Vehicles. No trucks, motorcycles, trailers, camper type vehicles or other commercial vehicle shall be parked in any parking space except with the written consent of the Board of Directors of the Association, except such temporary parking spaces provided for the purpose as may be necessary to effectuate deliveries to the Condominium, the Association, or Unit Owners, or residents.

12.8 Regulations. Reasonable Rules and Regulations concerning the use of Condominium Property may be made and amended from time to time by the Association in the manner provided by its Articles of Incorporation and By-Laws. Copies of such Rules and Regulations and amendments shall be furnished by the Association to all Unit Owners and residents of the Condominium.

12.9 Developer's Exemption. Until the Developer has completed all of the contemplated improvements and closed the sale of all of the Units within the Project, neither the Unit Owners nor the Association, nor their use of the Condominium Property shall interfere with the completion of the contemplated improvements and the sale of the Units. Developer may make such use of the unsold Units, Common Elements and common areas and of the Recreation Area as may facilitate such completion and sale, including, but not limited to, maintenance of a sales office, showing of the property, and the display of signs.

13. MAINTENANCE OF COMMUNITY INTERESTS

In order to maintain a community of congenial residents who are financially responsible and thus protect the value of the Units, the transfer of Units by an Owner other than the Developer shall be subject to the following provisions as long as the Condominium exists upon the land:

13.1 Transfers subject to approval. No Unit Owner, except the Developer, may either acquire or dispose of any Unit by sale, lease, gift, devise, inheritance, or other transfer of title or possession without the written consent of the Association except as hereinafter provided. In the event of transfer of title by operation of law the continued ownership is subject to the written approval of the Association except as hereinafter provided.

13.2 Approval by Association. The written approval of the Association that is required for the transfer of title of a Unit shall be obtained in the following manner:

(a) Notice to Association.

(1) Sale. A Unit Owner intending to make a bona fide sale of his Unit or any interest therein shall give to the Association notice of such intention, together with the name and address of the intended purchaser and such other information concerning the intended purchaser as the Association may reasonably require. Such notice at the Unit Owner's option may include a demand by the Unit Owner that the Association furnish a purchaser of the Unit if the proposed purchaser is not approved; and if such demand is made, the notice shall be accompanied by an executed copy of the proposed contract to sell.

(2) Lease. A Unit Owner intending to make a bona fide lease of his Unit to any interest therein shall give to the Association notice of such intention, together with the name and address of the intended lessee, such other information concerning the intended lessee as the Association may reasonably require and an executed copy of the proposed lease.

(3) Gift, devise, inheritance, or other transfers. A Unit Owner who has obtained his title by gift, devise or inheritance, or by any other manner not previously specified, shall give to the Association notice of the acquiring of his title, together with such information concerning the Unit Owner as the Association may reasonably require, and a certified copy of the instrument evidencing the Owner's title.

(4) Failure to give notice. If the above required notice to the Association is not given, then at any time after receiving knowledge of a transaction or event transferring ownership or possession of a Unit, the Association at its election and without notice may approve or disapprove the transaction, ownership, or possession. If the Association disapproves of the transaction, ownership, or possession, the Association shall proceed as if it had received the required notice on the date of such disapproval.

(b) Certificate of Approval.

(1) Sale. If the proposed transaction is a sale then within thirty (30) days after receipt of such notice and information, the Association must either approve or disapprove the proposed transaction. If approved, the approval shall be by a certificate in recordable form executed by the Association.

(2) Lease. If the proposed transaction is a lease, then within thirty (30) days after receipt of such notice and information, the Association must either approve or disapprove the proposed transaction. If approved, the approval shall be by a certificate in a non-recordable form executed by the Association.

(3) Gift, devise or inheritance; other transfers. If the Unit Owner giving notice has acquired his title by gift, devise or inheritance or in any other manner, then within thirty (30) days after receipt of such notice and information the Association must either approve or disapprove the continuance of the Unit Owner's ownership of his Unit. If approved, the approval shall be by a certificate in recordable form executed by the Association.

(c) Approval of corporate owner or purchaser. Inasmuch as the Condominium may be used only for residential purposes and a corporation cannot occupy a Unit for such use, if the Unit Owner, purchaser or lessee of a Unit is a corporation, the approval of ownership or lease by the corporation may be conditioned by requiring that all persons occupying the Unit be approved by the Association.

(d) Screening Fees. The Association shall require the deposit of a reasonable screening fee simultaneously with the giving of notice of intention to sell or lease, or of transfer by gift, devise or inheritance, for the purpose of defraying the Association's expenses and providing for the time involved in determining whether to approve or disapprove the transaction or continued ownership by a transferee, said screening fee shall be a reasonable fee to be set from time to time by the Association.

13.3 Disapproval by Association. If the Association shall disapprove a transfer of ownership of a Unit, the matter shall be disposed in the following manner.

(a) Sale. If the proposed transaction is a sale and if the notice of sale given by the Unit Owner shall so demand, then within thirty (30) days after receipt of such notice and information the Association shall deliver or mail by registered mail to the Unit Owner an agreement to purchase the Unit by a purchaser approved by the Association, or an agreement to purchase signed on behalf of the Association by its President and attested by its Secretary, in which event the Unit Owner shall sell the Unit to the named purchaser at the price and upon the terms stated in the disapproved contract to sell, or upon mutually agreed terms.

(1) The sale shall be closed within thirty (30) days after delivery or mailing of the agreement to purchase, or upon the date designated in the disapproved contract, whichever date shall be later.

(2) If the Association shall fail to purchase or provide a purchaser upon demand of the Unit Owner in the manner provided, or if the purchaser furnished by the Association shall default in his agreement to purchase, the proposed transaction shall be deemed to have been approved, and the Association shall furnish a certificate of approval in recordable form.

(b) Lease. If the proposed transaction is a lease, the Unit Owner shall be advised of the disapproval in writing, and the lease shall not be made.

(c) Gift, devise or inheritance; other transfers. If the Unit Owner giving notice has acquired his title by gift, devise or inheritance, or in any other manner, then within thirty (30) days after receipt from the Unit Owner of the notice and information required to be furnished, the Association shall deliver or mail by registered mail to the Unit Owner an agreement to purchase the Unit concerned by a purchaser approved by the Association who will purchase and to whom the Unit Owner must sell the Unit upon the following terms:

(1) The sale price shall be the fair market value determined by agreement between the seller and the purchaser within thirty (30) days from the delivery or mailing of such agreement. In the absence of agreement as to price, the price 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; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

(2) The purchase price shall be paid in cash.

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

(4) If the Association shall fail to provide a purchaser as required by this instrument, or if a purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding the disapproval such ownership shall be deemed to have been approved, and the Association shall furnish a certificate of approval in recordable form, to the Unit Owners.

13.4 Mortgage. No Unit Owner may mortgage his Unit nor any interest in it without approval of the Association except to a bank, life insurance company, a savings and loan association, a real estate investment trust, or to a seller to secure a portion or all of the purchase price. The approval of any other mortgagee may be upon conditions determined by the Association or may be arbitrarily withheld.

13.5 Exceptions. The foregoing provisions of this section entitled "Maintenance of Community Interests" shall not apply to a transfer or purchase by an institutional lender that acquires its title as the result of owning a mortgage upon the Unit concerned, and this shall be so whether the title is acquired by deed from the mortgagor, his successors or assigns, or through foreclosure proceedings; nor shall such provision apply to a transfer, sale or lease by an institutional lender that so acquires its title. Neither shall such provisions require the approval of a purchaser who acquires the title to a Unit at a duly advertised public sale with open bidding provided by law, such as but not limited to, execution sale, foreclosure sale, judicial sale or tax sale. Neither shall such provisions apply to the Developer, or any person who is an officer, stockholder or director of the Developer, or to any corporation having some or all of its directors, officers or stockholders in common with the Developer, and any such person or corporation or any limited partner or general partner shall have the right to freely sell, lease, transfer or otherwise deal with the title and possession of a Unit without complying with the provisions of this section, and without the approval of the Association.

13.6 Unauthorized transactions. Any sale, mortgage, lease, or transfer not authorized pursuant to the terms of this Declaration shall be voidable unless subsequently approved by the Association or otherwise cured by the terms of this Declaration.

13.7 Notice of lien or suit.

(a) Notice of Lien. A Unit Owner shall give notice, in writing, to the Association of every lien upon his Unit other than for authorized mortgages, taxes and special assessments within five (5) days after the attaching of the lien.

(b) Notice of Suit. A Unit Owner shall give notice, in writing, to the Association of every suit or other proceeding which may affect the title to his Unit, such notice to be given within five (5) days after the Unit Owner shall receive knowledge or notice thereof.

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

13.8 Whenever in this section an approval is required of the Association in connection with the sale, transferring, leasing or pledging of any Unit, and such approval shall not have been obtained pursuant to the provisions hereof, failure upon the part of the Association to object in writing to such sale, transfer, pledging or leasing within ninety (90) days after the date thereof, or within thirty (30) days of the date upon which the purchaser, transferee or lessee shall take possession of the premises, whichever date shall be later, shall constitute waiver by the Association of objection to the written consent otherwise required by this section and the Association upon demand shall forthwith deliver consent in recordable form.

14. PURCHASE OF UNITS BY ASSOCIATION

The Association shall have the power to purchase a Unit or Units subject to the following provisions:

14.1 Decision. The decision of the Association to purchase a Unit shall be made by its directors, without the necessity of approval by its membership except as is hereinafter expressly provided.

14.2 Limitation. If at any time the Association shall be the Owner or agreed purchaser of five or more Units, it may not purchase any additional Units without the prior written approval of seventy-five (75) percent of the Unit Owners eligible to vote. A Unit Owner whose Unit is the subject matter of the proposed purchase shall be ineligible to vote thereon, provided, however, that the limitations hereof shall not apply to Units to be purchased at public sale resulting from a foreclosure of the Association's lien for delinquent assessments where the bid of the Association does not exceed the aggregate of the amounts due by virtue of any and all senior or superior liens against the Unit plus the money due the Association, nor shall the limitation of this paragraph apply to Units to be acquired by the Association in lieu of foreclosure of such liens if the consideration therefor does not exceed the cancellation of such lien.

15. RIGHTS OF DEVELOPER

Notwithstanding anything herein to the contrary, the Developer shall have the right of first refusal to purchase any Unit which the Association shall have the right to purchase upon the same price and at the same terms available to the Association, such right of first refusal to continue until such time as the Developer shall have completed, sold and closed on the sale of all Units in the Project.

16. COMPLIANCE AND DEFAULT

Each Unit Owner shall be governed by and shall comply with the terms of the Declaration of Condominium, Articles of Incorporation and By-Laws and the Rules and Regulations adopted pursuant to those documents, and as they may be amended from time to time. Failure of a Unit Owner to comply with the provisions of such documents and regulations shall entitle the Association or other Unit 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 the Declaration shall be enforceable, equitable servitudes and shall run with the land and shall be effective until the Declaration is revoked.

Additionally, the Association shall be entitled to the following relief:

16.1 Negligence. A Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or by that of any member of his family or his or their guests, employees, agents, or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. A Unit Owner shall pay the Association the amount of any increase in its insurance premiums occasioned by use, misuse, occupancy or abandonment of a Unit or its appurtenances, or of the Common Elements, by the Unit Owner.

16.2 Costs and attorneys' fees. In any proceeding arising because of an alleged failure of a Unit Owner or the Association to comply with the terms of the Declaration, Articles of Incorporation of the Association, the By-Laws, or the Rules and Regulations adopted pursuant to them, and the documents and regulations as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and recover such reasonable attorneys' fees as may be awarded by the Court.

16.3 No waiver of rights. The failure of the Association or any Unit Owner to enforce any covenant, restriction or other provision of the Condominium Act, this Declaration, the Articles of Incorporation of the Association, the By-Laws or the Rules and Regulations shall not constitute a waiver of the right to do so thereafter.

17. AMENDMENTS

Except as provided herein, this Declaration of Condominium and the Articles and By-Laws of the Association, may be amended in the following manner:

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

17.2 Resolution. A resolution for the adoption of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

17.3 Adoption. A resolution shall be adopted in the following manner:

(a) Until the first election of directors, and so long as the initial directors designated in the Certificate of Incorporation shall remain in office, proposal of an amendment and approval thereof shall require only the affirmative action of all of the said original directors, and no meeting of the Unit Owners nor any approval thereof need be had, provided, the amendment does not increase the number of Units nor alter the boundaries of the Common Elements beyond the extent provided for under the provisions of Section Five hereof.

(b) A resolution for the adoption of a proposed amendment may be proposed by the Board of Directors of the Association or by the Unit Owners of the Association. Unit Owners may propose such an amendment by instrument in writing directed to the President or Secretary of the Board signed by not less than ten (10%) percent of the Unit Owners. Amendments may be proposed by the Board of Directors by action of a majority of the Board at any regularly constituted meeting thereof. Upon an amendment being proposed as herein provided, the President, or, in the event of his refusal or failure to act, the Board of Directors, shall call a meeting of the Unit Owners to be held not sooner than fifteen (15) days nor later than sixty (60) days thereafter for the purpose of considering said amendment. Directors and Unit Owners not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided such approval is delivered to the Secretary at or prior to the meeting. Except as provided herein, such approvals must be by:

(1) Not less than seventy-five (75%) percent of the entire membership of the Board of Directors and not less than seventy-five (75%) percent of the Association; or

(2) Not less than eighty (80%) percent of the votes of all Unit Owners; or

(3) An agreement signed and acknowledged by all Unit Owners in the manner required for the execution of a deed.

17.4 Limitations. No Amendment shall discriminate against any Unit Owner nor against any Unit or class or group of Units, unless the Unit Owners so affected shall consent; no amendment shall change any Unit nor the share in the Common Elements appurtenant to it nor increase the Owner's share of the Common Expenses, unless the Unit Owner concerned and all Institutional Mortgagees of record of such Unit shall join in the execution of the amendment; no amendment shall make any change in the section entitled 'Insurance' nor in the section entitled 'Reconstruction or Repair after Casualty' unless all Institutional Mortgagees of record of any Condominium Property shall join in the execution of such amendment; no amendment shall make any change which would in any way affect any of the rights, privileges, powers and/or options herein provided in favor of or reserved to the Developer, or any person who is an officer, stockholder or director of the Developer, or any corporation having some or all of its directors, officers or stockholders in common with the Developer, unless the Developer shall join in the execution of such amendment.

17.5 Execution and recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted, and the certificate shall be executed by the President of the Association and attested by the Secretary with the formalities of a deed, and shall be effective upon recordation thereof in the Public Records of the County and State in which the land is situate.

18. TERMINATION

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

18.1 Destruction. If it is determined as provided herein that the damaged area shall not be reconstructed because of major damage, the Condominium plan of ownership shall be terminated without agreement, except as otherwise provided.

18.2 Agreement. The Condominium may be terminated at any time by the approval in writing of all Unit Owners and all mortgagees of record of Units. 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. Provided that the approval of Owners of not less than seventy-five (75%) percent of the Common Elements, and the approval of all record Owners of mortgages upon the Units, are obtained at the meeting or within thirty (30) days thereafter, then the approving Owners shall have an option to buy all of the Units of the Owners not approving of termination, said option to continue for a period of sixty (60) days from the date of such meeting. Approval by an Owner of a Unit, or of a mortgage encumbering a Unit, shall be irrevocable until expiration of the aforerecited option to purchase the Unit of Owners not so approving, and if the option to purchase such Unit is exercised, then such approval shall be irrevocable. The option to purchase the Units not approving of termination shall be exercised upon the following terms;

(a) Exercise of option. The option shall be exercised by delivery or mailing by registered mail to each Owner of the Units to be purchased an agreement to purchase signed by the Owners of Units who will participate in the purchase. Such agreement shall indicate which Units will be purchased by each participating Owner and shall require the purchase of all Units owned by Owners not approving the termination, but the agreement shall effect a separate contract between each seller and his purchaser.

(b) Price. The sale price for each Unit shall be the fair market value determined by agreement between the seller and the purchaser within thirty (30) days from the delivery or mailing of such agreement, and in the absence of agreement as to price, it shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association by appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any Court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser. In any such action for specific performance the prevailing party shall also be entitled to his reasonable attorneys' fees and costs incurred in connection therewith.

(c) Payment. The purchase price shall be paid in cash, provided, in the event there shall be a pre-existing first mortgage on the Unit, then the purchaser shall have the option of assuming the remaining principal obligation thereof if available, and that portion of the purchase price which is in excess of such mortgage shall be payable in cash at closing.

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

18.3 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 the County and State in which the land is situate.

18.4 Shares of Owners after termination. After termination of the Condominium, the Unit Owners shall own the Condominium Property and all assets of the Association as tenants in common in undivided shares that shall be the same as the undivided shares in the Common Elements appurtenant to the Owners' Units prior to the termination.

18.5 Amendment. This section concerning termination cannot be amended without consent of all Unit Owners and mortgagees of record of the Units.

19. RECREATION AREA

The use and ownership of the Recreation Area shall be governed by the terms and conditions of the "Agreement for Use and Conveyance" described above and by the following provisions:

19.1 Future Development. Developer may construct several condominiums within the Project. All condominiums within the Project shall be managed by the Association. As additional Condominiums are created within the Project, certain additional lands may be submitted to the terms and conditions of the said "Agreement for Use and Conveyance". All members of the Association shall have the full and free non-exclusive use of such Recreation Area.

19.2 Prohibition Against Partition. Such portions of the Recreation Area as are conveyed to the Association pursuant to said "Agreement for Use and Conveyance", shall be used in their entirety by all members of the Association and other authorized persons, and there shall be no distinction or classification as to the use of particular areas within the Recreation Area.

19.3 Management. The Association shall manage and maintain the Recreation Area and shall promulgate such rules and regulations for the use of the Recreation Area as it shall, from time to time, deem proper.

20. SEVERABILITY

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

21. RIGHTS OF CONSTRUCTION LENDER

Developer has obtained a Construction Loan (the "Loan") from MARTIN FENTON, ABNER D. GOLDSTINE, JAMES C. HILL, ALLEN T. MURPHY, ALBERT G. OAKS, T. A. SEDAM, and BOYD J. SIMMONS, not individually, but only as Trustees of CONTINENTAL ILLINOIS REALTY, a California real estate investment trust ("Continental Illinois Realty"), for the purpose of construction the condominium improvements, which Loan is secured by a mortgage dated June 11, 1973, recorded June 14, 1973, in Official Records Book 4041, Page 1448, of the Public Records of Pinellas County, Florida (the "Mortgage"). If Continental Illinois Realty, its nominee, designee, or any purchaser therefrom acquires title to any portion of the Condominium Property by reason of foreclosure of the Mortgage or conveyance to Continental Illinois Realty, its nominee, designee, or any other purchaser by deed in lieu of foreclosure of the Mortgage, (i) Continental Illinois Realty, its nominee, designee, or other purchaser shall succeed to all of the rights of Developer and to all of the benefits accruing to Developer under the Declaration of Condominium, the By-Laws, the Agreement for Use and Conveyance, and any other documents in connection with the Condominium (the "Condominium Documents"). Thereafter, Continental Illinois Realty, its nominee, designee or other purchaser shall be entitled to exercise all of the rights of and benefits accruing to the Developer under the Condominium Documents as if Continental Illinois Realty, its nominee, designee or other purchaser was originally named as the Developer in the Condominium Documents, (ii) Continental Illinois Realty shall have the immediate right to remove any and all directors and officers of the association appointed by Developer, anything in the Condominium Documents to the contrary notwithstanding and thereupon Continental Illinois Realty shall have the right to appoint directors and officers of the association, anything in the Condominium Documents to the contrary notwithstanding. Developer agrees to execute and deliver to Continental Illinois Realty such documents as Continental Illinois Realty and its counsel may require in order to insure that the provisions of this paragraph will be validly and legally enforceable and effective against Developer and all parties claiming by, through, under or against Developer, but excluding unit purchasers, and including, without limitation, a modification of the mortgage in which the rights to be transferred under this paragraph are validly and legally mortgaged to Continental Illinois Realty. Developer hereby constitutes Continental Illinois Realty, its agent and attorney as agent for Developer to execute on behalf of Developer any documents necessary to validly and legally carry out the right granted to Continental Illinois Realty under the terms of this paragraph. The foregoing power is a power coupled with an interest and is irrevocable by Developer. The By-Laws and any other Condominium Documents are hereby modified according to the provisions of this paragraph, anything to the contrary notwithstanding.

IN WITNESS WHEREOF, the Developer has executed this Declaration this 15th day of APRIL, 1976.

Signed, Sealed and Delivered in the Presence of:

Thyra Smith

LAKE TARPON, INC., a Florida corporation

By: Robert E. Sunness
President

STATE OF ~~FLORIDA~~ CALIFORNIA)
COUNTY OF LOS ANGELES)

BEFORE ME, the undersigned authority, personally appeared ROBERT E. Sunness, of LAKE TARPON, INC., a Florida corporation, to me well known to be the person who signed the foregoing instrument as President and acknowledged the execution thereof to be his free act and deed as such officer for the uses and purposes therein mentioned, and that the said instrument is the fact and deed of said corporation.

WITNESS my hand and official seal at Los Angeles County, California, this 15th day of April, 1976.

Elaine R. Hoskell
NOTARY PUBLIC
CALIFORNIA

My Commission Expires: 2-5-80

CONSENT OF MORTGAGEE
TO DECLARATION OF CONDOMINIUM

THIS CONSENT made and entered into this 15th day of APRIL, 1976, by MARTIN FENTON, ABNER D. GOLDSTINE, JAMES C. HILL, ALLEN T. MURPHY, ALBERT C. OAKS, T. A. SEDAM, and BOYD J. SIMMONS, not individually, but as Trustees of CONTINENTAL ILLINOIS REALTY, a California real estate investment trust pursuant to its Declaration of Trust dated February 7, 1969, as amended and restated, whose address is 606 Wilshire Boulevard, Suite 500, Santa Monica, California, (hereinafter referred to as "Mortgagee").

W I T N E S S E T H:

THAT WHEREAS, Mortgagee is the owner and holder of a Mortgage dated June 11, 1973, recorded June 14, 1973, in Official Records Book 4041, at Page 1448, of the Public Records of Pinellas County, Florida, as amended by instrument filed April 1, 1975 in Official Records Book 4274 at Page 1111 of the Public Records of Pinellas County, Florida, (hereinafter referred to as the "Mortgage"); and

WHEREAS, the Mortgage encumbers the land described in Exhibit A attached to the Declaration of Condominium of LAKE TARPON SAIL AND TENNIS CLUB I, a Condominium, (hereinafter called the "Declaration") to which this Consent is attached; and

WHEREAS, the Mortgagee has agreed to join in and consent to the Declaration;

NOW, THEREFORE, Mortgagee agrees as follows:

1. Mortgagee does hereby consent to the recordation of the Declaration.

2. Mortgagee agrees that the lien of the Mortgage, as the same applies to and encumbers the land described in Exhibit "A" attached to the Declaration (the Land), shall be upon the condominium parcels, apartments and common elements of LAKE TARPON SAIL AND TENNIS CLUB I, a Condominium.

3. This Consent shall apply and be effective solely to the land and nothing contained herein shall affect, alter or modify in any manner whatsoever the terms and conditions, lien, operation, effect and priority of the Mortgage upon any real property encumbered by the Mortgage.

IN WITNESS WHEREOF, the Mortgagee has caused this instrument to be executed by its duly authorized officers the day and year first above written.

Witnesses:

CONTINENTAL ILLINOIS REALTY

By:

By:

STATE OF CALIFORNIA)

COUNTY OF LOS ANGELES)

On APRIL 15, 1976, before me, the undersigned, a Notary Public in and for said County and State, personally appeared TIMOTHY P. HOGAN, known to me to be the Assistant Secretary and Robert E. Sunness known to me to be the Assistant Treasurer, of the Trust that executed the within Instrument, known to me to be the persons who executed the within instrument on behalf of the Trust therein named, and acknowledged to me that such Trust executed the within instrument pursuant to its by-laws or a resolution of its Board of Trustees.

WITNESS my hand and official seal.

Notary Public in and for said County and State

ELAINE R. HUSKEY
My Commission Expires

EXHIBIT "A"

LAKE TARPON SAIL AND TENNIS CLUB I, A CONDOMINIUM

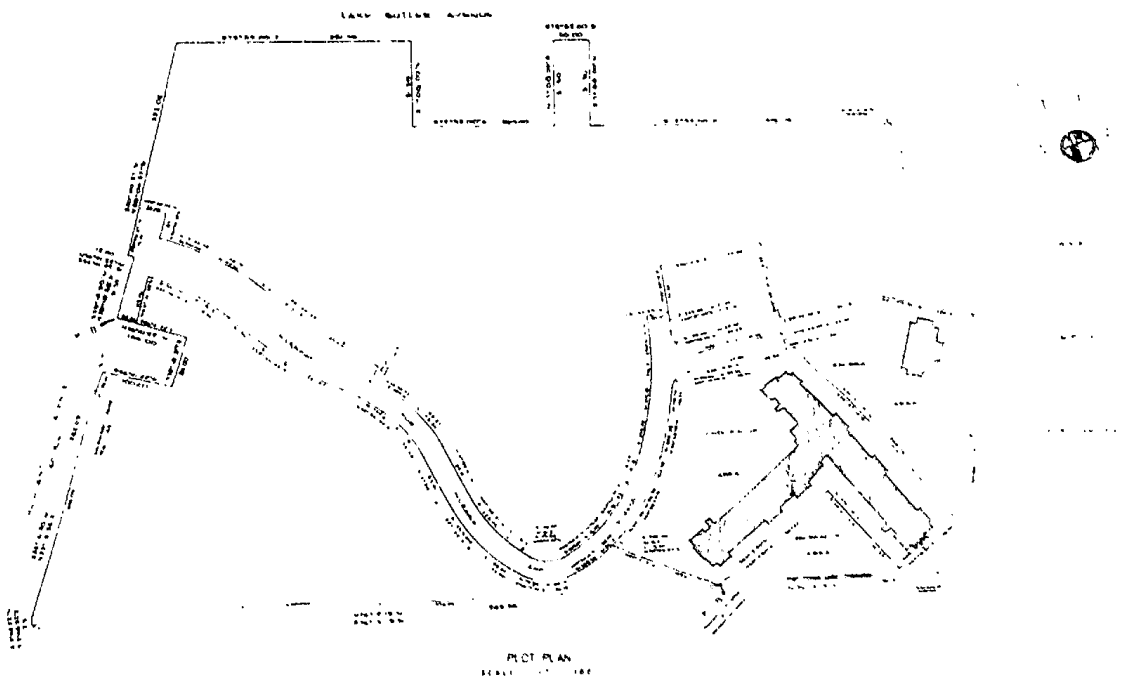
LEGAL DESCRIPTION OF CONDOMINIUM

A portion of Tracts 152 and 513, of the Official Map of the Town of Tarpon Springs, Hillsborough County, Florida, of which Pinellas County was formerly a part, as recorded in Plat Book 4, Page 79, Public Records of Pinellas County, Florida, more particularly described as follows:

Commencing at the Southwest corner of said Tract 153, said corner being on the Southeasterly Right-of-Way line of Highland Avenue, (a 60 foot Right-of-Way); thence along said Right-of-Way line by the following two courses: S. 33°18'38" W., 346.09 feet; S. 13°48'32" W., 9.31 feet; thence S. 76°12'13" E., along the South line of said Tract 152, 973.28 feet to the Point of Beginning. Thence N. 52°12'13" W., 163.61 feet to a Point on Curve; thence along the arc of a curve to the left, Radius 255.00 feet, Arc 15.41 feet, Chord N. 58°23'27" E., 15.40 feet to a Point of Compound Curve; thence along the arc of a curve to the left, Radius 297.33 feet, Arc 126.94 feet, Chord N. 44°25'47" E., 125.98 feet to a Point of Compound Curve; thence along the arc of a curve to the left, Radius 533.85 feet, Arc 106.79 feet, Chord N. 26°28'06" E., 106.62 feet to a point of Reverse Curve; thence along the arc of a curve to the right, Radius 30.00 feet, Arc 38.23 feet, Chord N. 57°14'42" E., 35.70 feet to a Point of Tangency; thence S. 86°14'51" E., 155.95 feet; thence S. 24°47'10" E., 340.26 feet; thence S. 65°12'50" W., 106.00 feet; thence N. 24°47'10" W., 151.33 feet; thence S. 65°12'50" W., 207.24 feet to a point on the South line of aforementioned Tract 152, said point also being the Point of Beginning.

LAKE TARPON SAIL AND TENNIS CLUB I

A CONDOMINIUM
SECTION 8, TOWNSHIP 27 SOUTH RANGE 16 EAST
PINELLAS COUNTY FLORIDA



PLOT PLAN

LAKE TARPON SAIL AND TENNIS CLUB I

A CONDOMINIUM
SECTION 8 TOWNSHIP 27 SOUTH RANGE 16 EAST
PINELLAS COUNTY FLORIDA

LEGAL DESCRIPTION OF CONDOMINIUM PROPERTY

[illegible]

LEGAL DESCRIPTION OF INGRESS EGRESS EASEMENT

[illegible]

LEGAL DESCRIPTION OF RECREATION AREA

[illegible]

SURVEYOR'S CERTIFICATE

THE UNDERSIGNED HEREBY CERTIFIES THAT THE DESCRIPTIONS AND PLANS OF THE CONDOMINIUM PROPERTY SET OUT IN THIS [illegible] CONSTRUCT OR AT LEAST IMPROVEMENTS DETAIL SUFFICIENTLY COMPLETE SO THAT SUCH MATERIAL, TOGETHER WITH THE WORDS [illegible] IS A GENERAL REPRESENTATION OF THE IMPROVEMENTS DESCRIBED AND FURTHER THAT WITH SUCH MATERIAL THERE CAN BE IDENTIFIED [illegible] DIMENSIONS OF THE COMMON ELEMENTS AND OF EACH UNIT

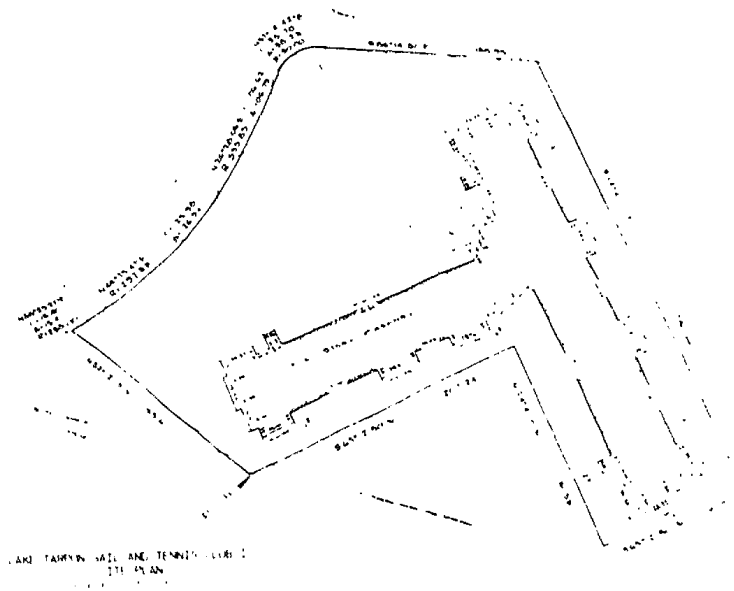
GEORGE F. YOUNG, INC.

[illegible]

LAKE TARPON SAIL AND TENNIS CLUB I

A CONDOMINIUM
SECTION 8 TOWNSHIP 27 SOUTH RANGE 16 EAST
PINELLAS COUNTY FLORIDA

LEGAL DESCRIPTION OF CONDOMINIUM PROPERTY



LAKE TARPON SAIL AND TENNIS CLUB I
SITE PLAN

LAKE TARPON SAIL AND TENNIS CLUB I

A CONDOMINIUM
SECTION 8, TOWNSHIP 27 SOUTH, RANGE 16 EAST
PINELLAS COUNTY FLORIDA

BASEMENT FLOOR PLAN

NOTE

- ALL DIMENS ONS SHOWN REFER TO INSIDE DIMENSIONS OF EACH UNIT AS SHOWN, AND ARE SUBJECT TO SLIGHT PER UNITS WH CH MAY PAST O CURRED DURING CONSTRUCTION
- THE LOWER AND UPPER LIMITS OF THE UNIT SPECIFIED, DO NOT THE TOP OF THE CONCRETE SLAB AND THE BOTTOM OF THE CEILING SLAB RESPECTIVELY

LEGEND

E	ELEVATOR	MEN	MAINTENANCE ROOM
EE	ELEVATOR EQUIPMENT	M	MAIN ROOM
EE	ELECTRICAL EQUIPMENT		
WR	MAIL ROOM		
RR	REST ROOM		

PREPARED BY
GEORGE F YOUNG INC
[illegible]
[illegible] ARLINGTON AVENUE NORTH
ST PETERSBURG FLORIDA

SHEET [illegible] OF [illegible]

EXHIBIT "A"

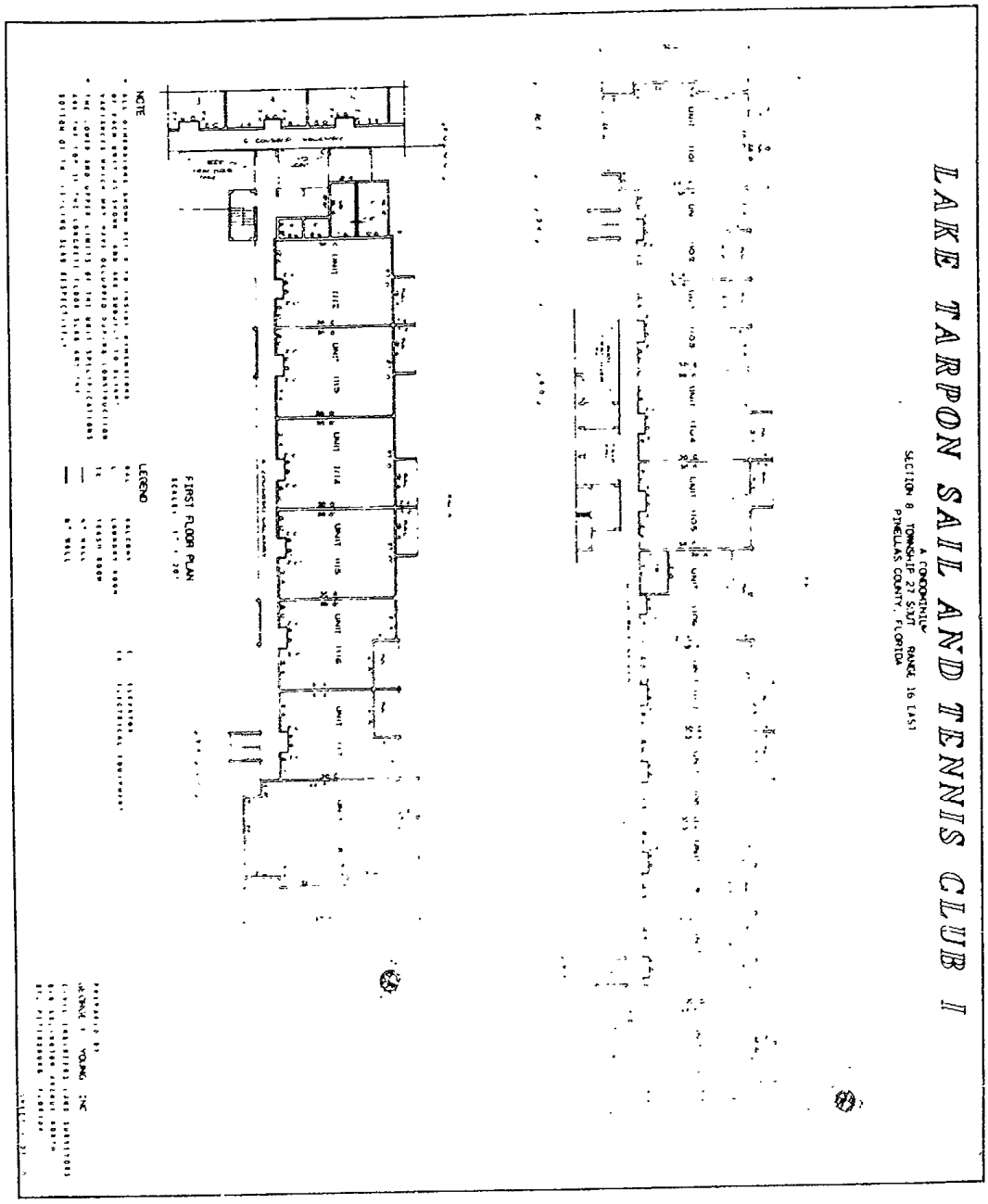

LAKE TARPON SAIL AND TENNIS CLUB I
A CONDOMINIUM
SECTION 8 TOWNSHIP 27 S.N.T. RANGE 16 EAST
PINELLAS COUNTY, FLORIDA
FIRST FLOOR PLAN
LEGEND
NOTE

EXHIBIT "B"

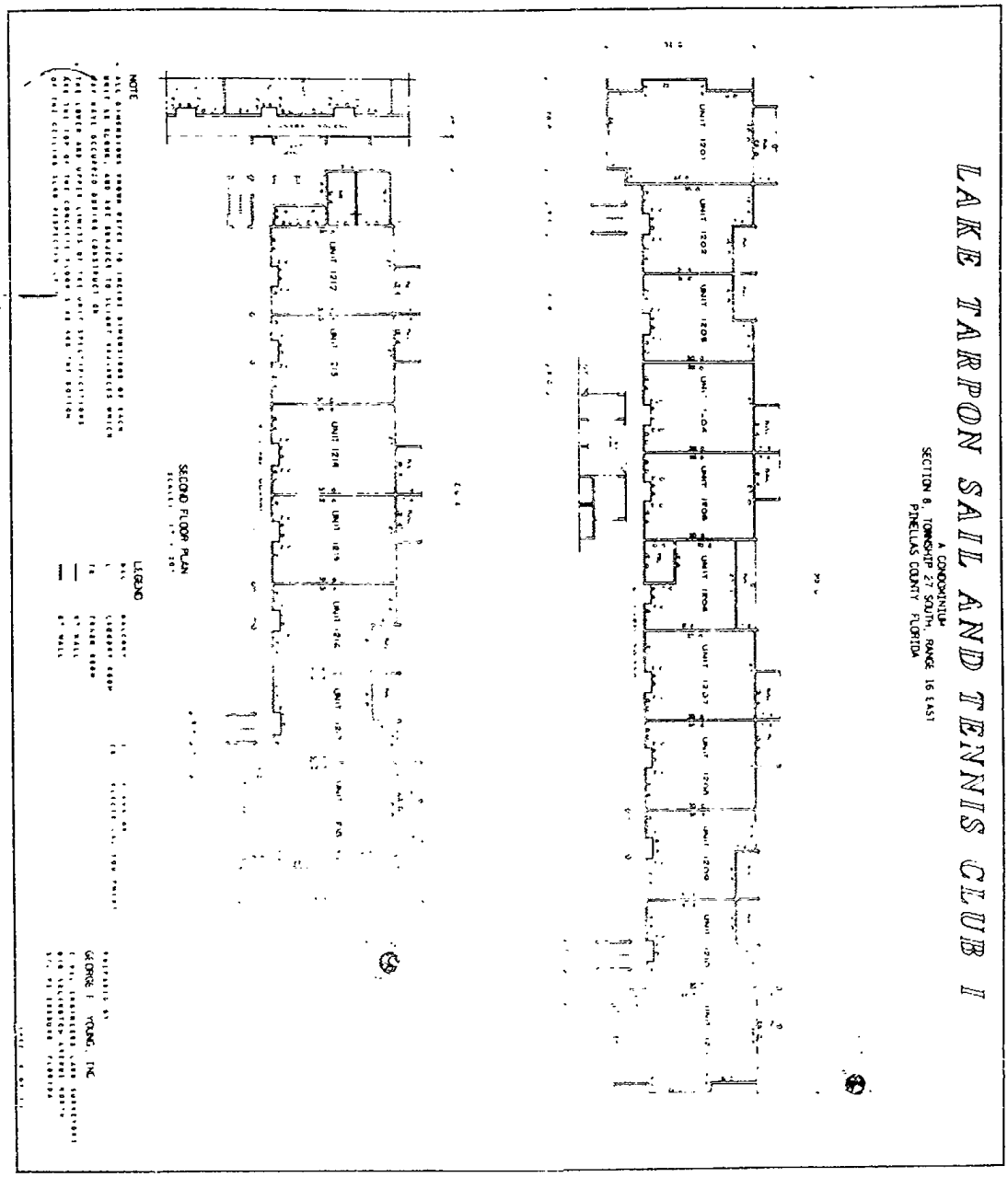
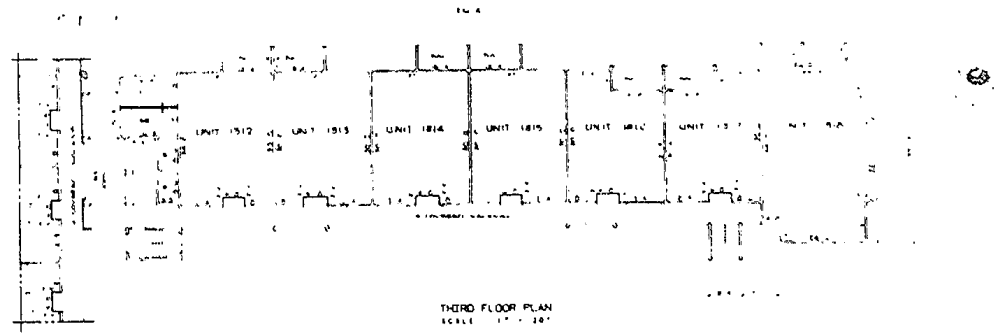

LAKE TARPON SAIL AND TENNIS CLUB I
A CONDOMINIUM
SECTION 8, TOWNSHIP 27 SOUTH, RANGE 16 EAST
PINELLAS COUNTY FLORIDA
SECOND FLOOR PLAN
NOTE
LEGEND
GEORGE F. YOUNG, INC.

EXHIBIT "A"

LAKE TARPON SAIL AND TENNIS CLUB I

A CONDOMINIUM
SECTION 8, TOWNSHIP 27 SOUTH, RANGE 16 EAST
PINELLAS COUNTY FLORIDA



THIRD FLOOR PLAN

NOTE

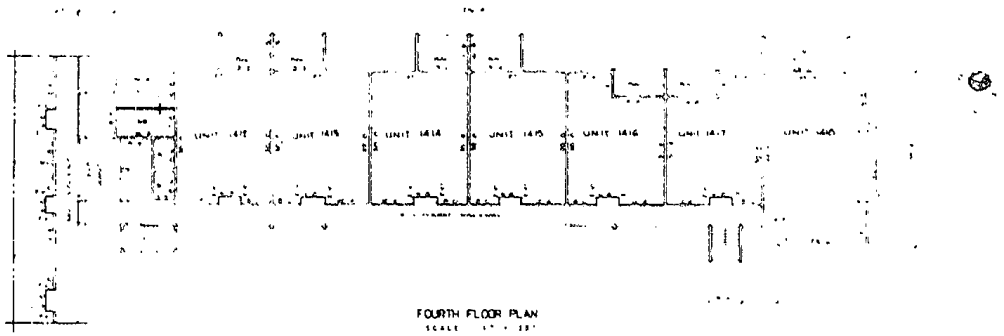
LEGEND

PREPARED BY
GEORGE F. YOUNG INC

EXHIBIT "A"

LAKE TARPON SAIL AND TENNIS CLUB I

A CONDOMINIUM
SECTION 8 TOWNSHIP 27 SOUTH RANGE 16 EAST
PINELLAS COUNTY, FLORIDA



FOURTH FLOOR PLAN

NOTE

LEGEND

PREPARED BY
GEORGE F. YOUNG, INC.
CIVIL ENGINEERS AND SURVEYORS
535 ARLINGTON AVENUE NORTH
ST. PETERSBURG, FLORIDA

EXHIBIT "A"

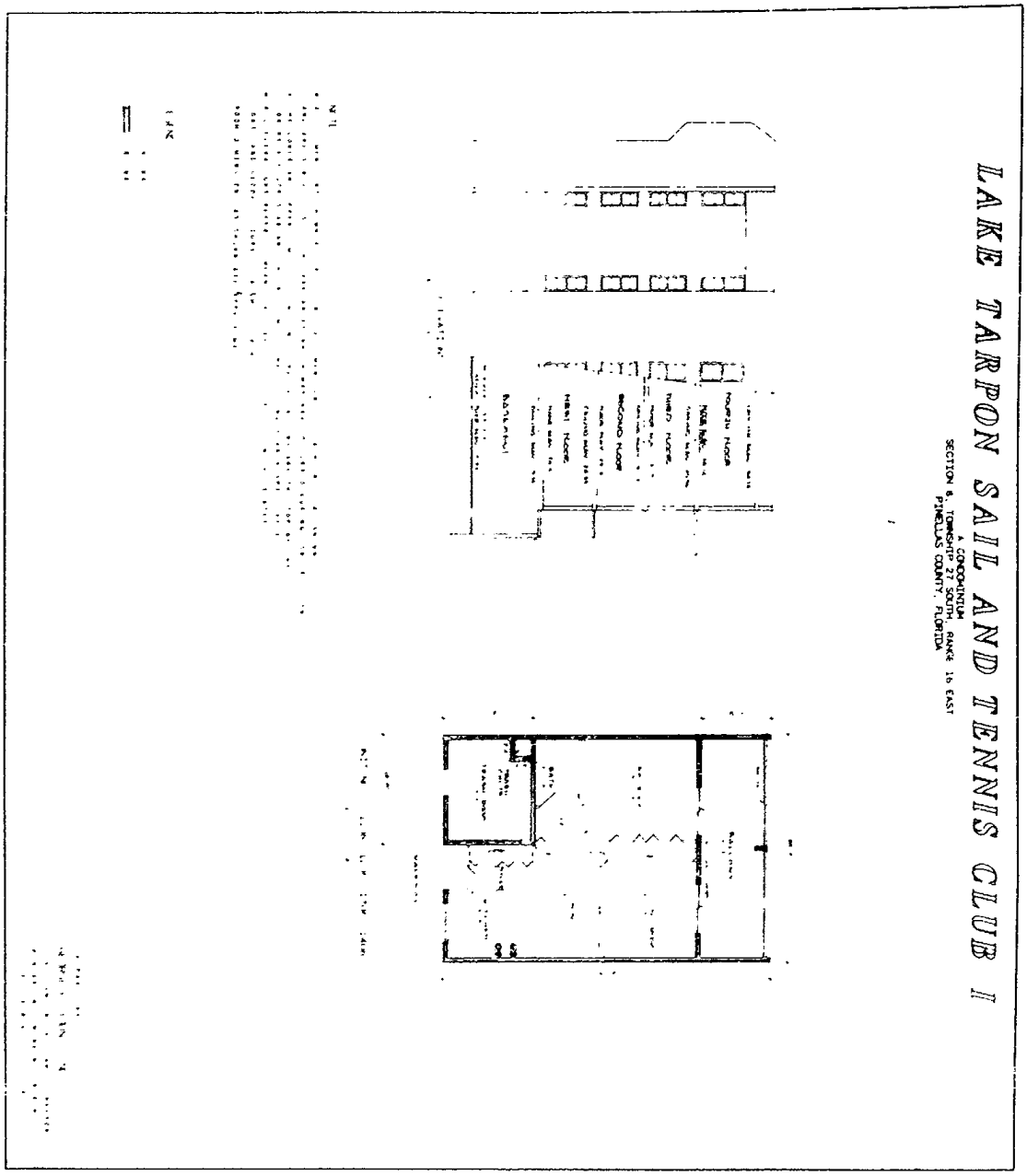
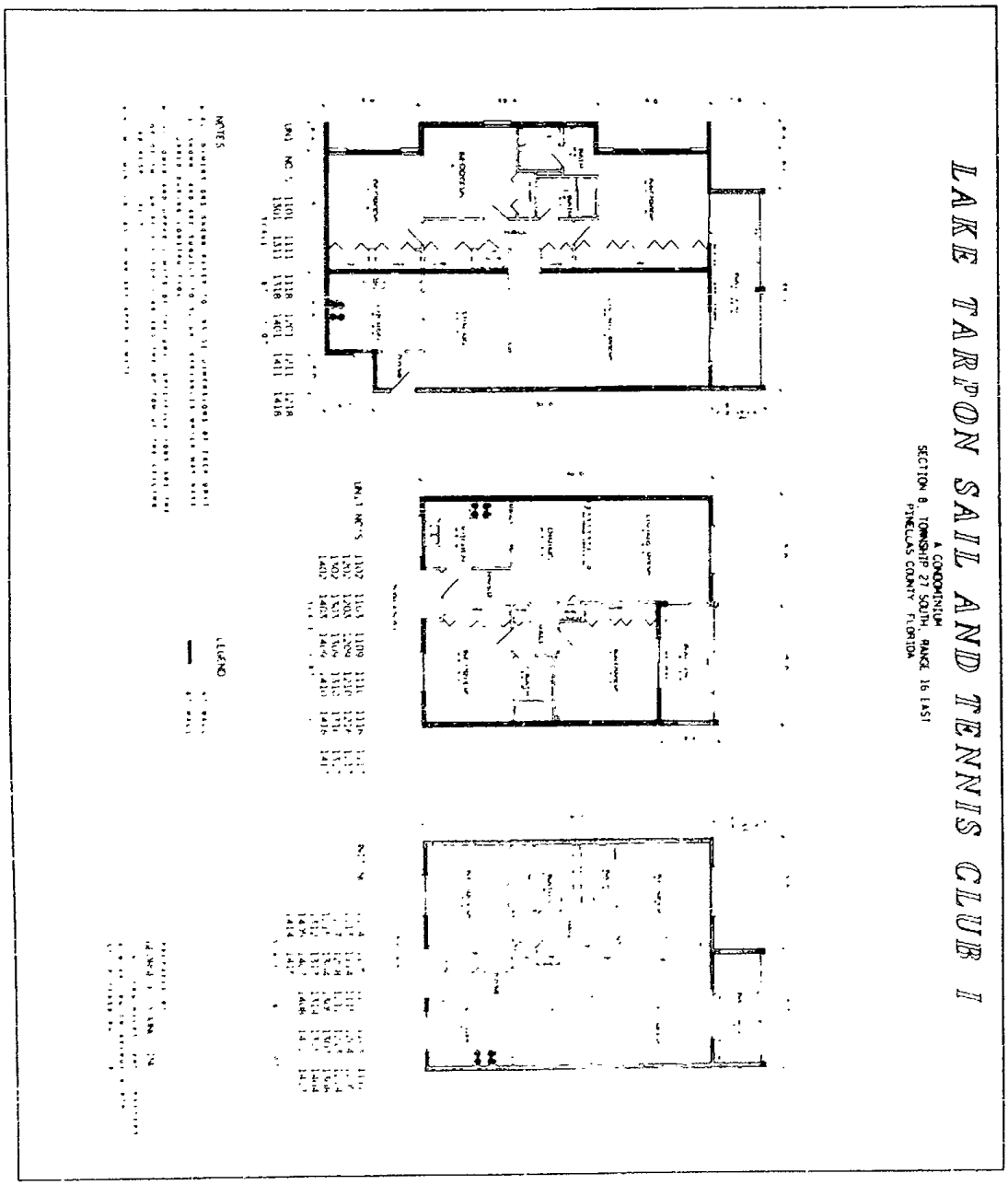


EXHIBIT "A"



CERTIFICATE

I, Robert A. Campbell, a surveyor, licensed to practice in the State of Florida, a registered land surveyor number 1982, hereby execute this Certificate with regard to LAKE TARPON SAIL AND TENNIS CLUB I, a Condominium, according to the Declaration thereof, to which this Certificate is attached and which Certificate is in compliance with Section 711.08 (1)(e), Florida Statutes:

I hereby certify that the following, together with this Certificate constitute Exhibit "A" to the Declaration of Condominium to wit:

1. Sheet 1	Plot Plan
Sheet 2	Legal Descriptions
Sheet 3	Site Plan
Sheet 4	Basement Floor Plan
Sheet 5	First Floor Plan
Sheet 6	Second Floor Plan
Sheet 7	Third Floor Plan
Sheet 8	Fourth Floor Plan
Sheet 9	Elevation and Apartment Floor Plan
Sheet 10	Apartment Floor Plans

I hereby certify that construction of the improvements described is sufficiently complete so that the foregoing material, together with the wording of the Declaration, is a correct representation of the improvements described, and that there can be determined therefrom the identification, location, and dimensions of the Common Elements and of each unit.

STATE OF FLORIDA
COUNTY OF

The foregoing instrument was acknowledged before me this ___ day of _____, 197_ by

Notary Public

My Commission Expires:

EXHIBIT B

PERCENTAGE OWNERSHIP OF COMMON
ELEMENTS AND COMMON SURPLUS
AND SHARE OF COMMON EXPENSES

Each and every Unit of the Condominium shall share equally in the common expenses of the Condominium and shall own an equal share of the common surplus. An equal one-seventy second (1/72) undivided share of the common elements shall be appurtenant to each of the units.

EXHIBIT "C"

AGREEMENT FOR USE AND CONVEYANCE

This Agreement entered into the 15th day of April, 1976, between LAKE TARPON, INC., a Florida corporation, hereinafter called the "Developer" and LAKE TARPON SAIL AND TENNIS CLUB CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit hereinafter called the "Association";

W I T N E S S E T H:

1. Upon the terms and conditions herein set forth and in consideration of Association's agreement to maintain, repair, insure, pay taxes and to otherwise bear all expenses of the management, operation, use and Developer's ownership of the properties covered by this Agreement, and in consideration of the prompt and continuous performance by the Association of each and every of its covenants and agreements herein made to be kept, the Developer hereby agrees to permit the Association, its members and their guests and invitees, the non-exclusive and regular use of the properties which from time to time are brought under the provisions of this Agreement as hereinafter provided.

Schedule "A", attached hereto and by reference made a part hereof, contains the legal description of the lands comprising the LAKE TARPON SAIL AND TENNIS CLUB PROJECT, which may consist of one or more Condominiums, hereinafter referred to as the "Project", and the Recreation Area, said Recreation Area hereinafter referred to as the "Properties", said Properties being the subject of the terms of this Agreement. Schedule "A" further sets forth when the Properties will be conveyed, at no additional charge, to the Association. As to such additional properties, but only as to such additional properties, Developer retains the absolute right to amend Schedule "A" in order to add additional properties and thereby make them subject to the terms of this Agreement. As to such additional properties, Developer retains the right in its sole and absolute discretion to change or modify from time to time, the nature, size, type, number and extent of such additional properties and the time of their conveyance. Such changes or modifications shall become effective upon the giving of written notice of such changes or modifications by the Developer to the Association. Except as specifically modified herein, the definitions contained in the Declaration of Condominium of LAKE TARPON SAIL AND TENNIS CLUB I, a Condominium, are hereby incorporated herein by reference.

2. The term of this Agreement shall commence as of the date upon which

the Declaration of Condominium of Lake Tarpon Sail and Tennis Club I, a condominium, shall have been recorded in the Public Records of Pinellas County, Florida, and shall terminate upon the conveyance of all Properties subject to this Agreement.

3. Properties. The Association has entered into this Agreement to make available the Properties for the recreation, leisure time activity, health, use, benefit and enjoyment of its members. It is recognized and acknowledged that some or all of the persons financially interested in the Developer under the terms of this Agreement may comprise some or all of the officers and directors of the Association, constituting the original Board of Directors and officers thereof, and are persons who may be subject to the control or influence of the Developer. Each Unit Owner, for himself, his heirs, successors and assigns, waives all objection to such circumstances, and ratifies and agrees to be bound by the terms and provisions of this Agreement to the same extent as if he had joined in the execution hereof for all purposes herein expressed, as well as for the purposes of (a) agreeing to perform each and every of the covenants, promises, and undertakings to be performed by Unit Owners wherever so provided for in this Agreement; (b) ratifying, confirming and approving each and every provision herein contained and acknowledging that all of the terms and provisions hereof are reasonable; (c) adopting, ratifying, confirming and consenting to the execution of this Agreement by the Association; and (d) agreeing that the persons acting as directors and officers of the Association in the acquisition of rights and obligations herein set forth have not breached any of their duties or obligations to the Association or its members.

a. The Association shall constitute the irrevocable agent in fact, with full power of substitution, of each and every Unit Owner, to do and perform each and every act and thing required of Unit Owners pursuant to the provisions of the Agreement, and to consent to and execute any and all documents, where necessary, to effectuate any and all of the provisions of this Agreement. In the event any of the provisions

of this Agreement shall be in conflict with any of the provisions of the applicable Declaration of Condominium, the provisions of this Agreement shall control, except with the express written consent of the Developer to the contrary.

b. The payments herein provided for to be paid, the cost of repairing, and maintaining the Properties in good condition and repair and of replacing portions thereof as necessary, and other undertakings and obligations herein provided for, shall be considered and shall constitute a Common Expense of the Condominium or Condominiums in existence within the Project.

c. Each Unit Owner shall have the right to use, occupy and enjoy the Properties, subject to all of the provisions of this Agreement, the Articles of Incorporation and the By-Laws of the Association, and such rules and regulations which the Association may from time to time adopt. In the event that other Condominiums are built within the Project, Unit Owners of such Condominiums shall have the same and equal rights and privileges under the same terms and conditions as granted to Unit Owners in this Condominium. The Association, neither before nor after it shall have taken title to the Properties under this Agreement, shall in any manner withdraw or withhold from any Unit Owner in such future Condominiums, the use and enjoyment of the Properties, except as may be specifically provided for in this Agreement. This shall be a covenant running with the land and enforceable accordingly. The rights herein reserved to such future Unit Owners shall be conditioned upon the provision that future development within the Project must be started within five (5) years of the effective date of this Agreement.

d. Use of the Properties shall be subject to all laws, statutes, ordinances, rules and regulations of all appropriate governmental authorities, and to the rules and regulations of the National Board of Fire Underwriters, or in the event it shall terminate its present functions, then of any other body exercising similar functions. All use of the Properties shall further comply with the requirements of all insurers carrying insurance in force with respect to the Properties.

4. The Association shall pay any and all expenses incurred with regard to the maintenance and use of the Properties including but not necessarily limited to taxes, insurance, management fees if any, utilities, landscaping maintenance, pool maintenance, recreation building maintenance, etc. It is the intention of the parties hereto that Association shall bear the entire burden, liability and expense, without exception, with regard to the Properties as if Association were the actual owner of the same.

5. Rights Reserved Into Developer. Until the Developer shall have completed

the Development and promotion and sales of all units to be constructed within the Project, it shall have the following rights with regard to the Properties, notwithstanding any other provisions of this Agreement to the contrary.

a. Developer shall have the right to use, occupy, demonstrate and exhibit, on a non-exclusive basis, all or any part of the Properties for the purpose of promoting and aiding in the sale or rental of the Units located or to be constructed within the Project. Such rights shall be exercised in a reasonable manner consistent with the rights of the members of the Association to use, occupy and enjoy such portions of the Properties.

b. Nothing herein contained shall serve in any way to reduce the Association's obligations for the payment of any costs and expenses related to the Properties.

c. The Developer shall have the further right to display and erect signs, billboards and placards, and store, keep and exhibit and distribute written, audio and visual promotional materials in and about the Properties.

d. No act exercised or performed pursuant to the rights reserved to it under the provisions of this article shall be construed or deemed as a breach of the Developer's covenants hereunder or as an actual, implied or constructive failure of the Developer to deliver possession of the Properties to the Association, or as an actual, implied or constructive eviction of the Association from the Properties, or as an excuse or justification for the Association's failure to promptly, fully, completely and continuously perform its covenants and obligations hereunder.

6. Taxes.

a. The Association covenants and agrees to pay all real estate taxes, assessments and other governmental levies and charges, general and special, ordinary and extraordinary, foreseen and unforeseen, of whatsoever kind and nature, all of which are hereinafter called "taxes and assessments", which are assessed, levied, confirmed, imposed or charged against the Properties for the year 1975 and subsequent years during the term of this Agreement; provided however that the obligation to pay taxes as to any Properties not covered by this Agreement as of the date of this Agreement shall commence as to each particular such Property as of the date it is brought under this Agreement by appropriate addendum. Payment of all such taxes and assessments shall be made by the Association when due.

b. The Association may, if it shall so desire, endeavor at any time to contest the validity of any assessment, or to obtain a lowering of the assessed valuation upon the Properties for the purpose of reducing any assessment. In such event the Developer will offer no objection, and at the request of the Association, without expense to the Developer, will cooperate with the Association. If requested by the Association, and provided it will not in the reasonable judgment of the Developer incur any expense or liability thereby, the Developer will execute any documents which may be necessary and proper for any such proceedings. Any refunds shall be the property of the Association to the extent to which it may be based on a payment of an assessment made by the Association. The Developer may at any time require the Association to deposit funds for the payment of current taxes and assessments on the Properties in a bank selected by the Developer. Such funds shall be held in the name of the Association, with any interest payable to the Association, but the depository shall be prohibited from paying such funds to anyone other than the appropriate taxing authority, except, upon the written consent of the Developer. The Association shall so deposit one-twelfth of the current annual taxes, or those of the preceding tax year if the current taxes have not then been fixed, on the first day of each month in advance, except that all additional funds required for any payment shall also be deposited on the first day of the final month during which or at the end of which a payment is due and payable without interest or penalty.

7. Insurance Premiums and Utilities. Association covenants and agrees that it shall pay premiums for all insurance policies which the Association is obligated to carry under the terms of this Agreement not less than fifteen (15) days prior to the date upon which the same shall become due, and that it will exhibit to the Developer proof of such payment within ten (10) days after making payment. The Association shall further make all necessary deposits in connection with and pay all bills and charges for gas, electricity, light, heat, power, and telephone or other utilities, used, rendered or supplied on or in connection with the Properties, and shall indemnify the Developer against any liability or damages on such account.

8. Repairs and Maintenance. The Association covenants that, at its sole cost and expense, it will take good care of the Properties, and repair and maintain the same in the same excellent condition as when new. The term "repair" shall include replacements or renewals of all items of furniture, fixtures, furnishings, machinery and equipment and all such repairs, replacements and renewals shall be at least equal in quality and class to the original. Air conditioning, pool, and other equipment and machinery shall be regularly serviced and maintained under service contracts. The Association shall keep and maintain all portions of the Properties in clean and orderly condition, free of accumulation of dirt and rubbish and pest infestation. All buildings, structures and improvements, furniture, furnishings, fixtures, machinery and equipment now or hereinafter placed or brought, or intended for use upon the Properties shall be considered a part thereof. The Association shall not, during the term of this Agreement, change the design, color, materials or appearance of the improvements now or hereafter placed upon the Properties, or any of the furniture, furnishings, fixtures, machinery or equipment contained therein without the Developer's prior written approval.

9. Mechanics' Liens. All persons are hereby placed on notice that the Association shall never, under any circumstances, have the power to subject the interest of the Developer in the Properties to any mechanics' or materialman's lien, liens or claims of any kind, in the absence of a specific provision to the contrary herein contained, authorizing in specific terms the creation of such lien or liens. All persons who may hereafter, during the term of this Agreement, furnish work, labor, services or material to the Properties upon the request or order of the Association, or any person claiming under, by or through the Association, shall and must look only to the interest of the Association in connection with payment therefor, and not to the interest of the Developer. If any notices of intention, stop notices, lien claims, or mechanics' liens are filed or asserted against the Developer's interest in the Properties, the Association shall, within thirty (30) days after the date upon which notice thereof shall come to its attention, cause such lien to be released from the Developer's interest in the Properties, in the manner provided by the applicable statutes of the State of Florida, failing which, the

Developer shall have the right to cause the said notices of intention, stop notices, liens claims or mechanics' liens to be released in the manner provided by the Florida statutes, and shall have the right to thereupon charge the cost and expense of having had the said notices of intention, stop notices, lien claims or mechanics' liens removed and discharged, against the Association and such costs and expense shall be due and payable to Developer within fifteen (15) days of the date of the notice thereof to the Association.

10. Indemnification.

a. Association covenants and agrees with the Developer that during the term of this Agreement, the Association will indemnify and save harmless the Developer against any and all claims, debts, demands or obligations which may be made against the Developer, or against Developer's title in the premises, arising by reason of or in connection with the making of this Agreement, and the interests hereby created in the Association, and if it becomes necessary for the Developer to defend any action seeking to impose such liability, the Association will pay the Developer all costs of court and attorneys' fees incurred in connection with any such defense, in addition to any other sums which the Developer may be called upon to pay by reason of entry of a Judgment against the Developer in the litigation in which such claim is asserted.

b. Public Liability Insurance. The Association will cause to be written a policy or policies of insurance in the form generally known as Public Liability and Property Damage and/or Owner's and Landlord and Tenant policies, insuring the Developer and Association against any and all claims and demands made by any person or persons whomsoever for injuries received in connection with the operation and maintenance of the improvements and buildings located on the Properties, or for any other risks insured against by such policies, each class of which policies shall have been written within limits of not less than $250,000.00 for damages incurred or claimed by any one person, and for not less than $1,000,000.00 for damages incurred or claimed by more than one person as a result of any accident or incident. All such policies will name the Association and Developer, as their respective interests may appear, as

the parties insured by such policy or policies, and the original or a true copy of each of such policies shall be delivered by Association to Developer prior to occupancy and promptly upon the writing of such policy or policies, together with adequate evidence of the fact that the premiums therefor are paid; and in any event such policies and evidence of payment by the Association of the premiums shall be delivered by the Association to Developer before the expiration of any then similar coverage and in time to assure the Developer that such coverage will be carried continuously. The foregoing insurance policy or policies shall be written through an agent in the State of Florida and shall be in such form as herein set forth and in such company or companies, and in such amounts, in addition to the minimum amounts specified herein, as the Developer shall reasonably require, and the said policy or policies may not be canceled or changed without ten (10) days prior written notice being given to the Developer.

c. Property Insurance. Association shall obtain and pay for policies of insurance insuring the buildings and improvements now or hereafter located upon and constituting a portion of the Properties against loss by fire, windstorm and such other hazards as may be included in the broadest form of extended coverage from time to time available; and, to the extent required by the Developer, war damage or damage by civil insurrection or commotion as the same may not be covered by other policies hereinabove described. When, in compliance with the provisions of this paragraph, the Association shall furnish policies insuring the actual replacement costs, said valuation shall be without deduction or depreciation insofar as such coverage may be obtainable, and in such case the term "maximum insurable value" as property required to be insured without deduction for depreciation.

d. All insurance required to be carried shall be effected under policies written in such form and issued by such companies as shall be approved by the Developer, who shall not unreasonably withhold such approval. All policies shall be for the benefit of the Developer and the Association as their respective interests may appear, and shall be subject to such provisions as Institutional Mortgagees of the Properties may require.

11. Reconstruction and repair. Upon the occurrence of any damage or total or partial destruction to any portion of the Properties, whether or not the casualty causing such damage be insured against, and whether or not, if insured, any proceeds are paid in connection therewith, the following provisions shall apply:

a. No Termination of Agreement. The destruction, alteration, demolition or non-use or other deterioration in condition of the Properties or any portion thereof, regardless of the nature thereof or events which cause such destruction, alteration, demolition or non-use, except taking by eminent domain, shall not in any way reduce, abate or suspend the Association's obligations and covenants hereunder nor shall the same effect a termination in whole or in part of this Agreement.

b. Reconstruction and Repair by Association. Association, at its expense, shall repair and reconstruct, if necessary, any and all improvements, buildings and structural damages, and shall replace or repair all personal property damaged so as to restore the same into good condition. For the purposes of this paragraph, as well as when used elsewhere in this Agreement, "good condition" shall mean the best condition in which it is reasonably possible to replace the real or personal property involved. Work necessary to accomplish the replacing or repair of any damaged or destroyed improvements or personal property shall be commenced no later than sixty (60) days after the occurrence of damage, and shall be completed no later than ten (10) months after date of commencement, provided, however, these time limitations shall be extended by reason of any time lost due to an act of God, war, civil insurrection, strikes or other events over which the Association has no control.

c. Plans, Specifications and Estimates. Within thirty (30) days after the occurrence of damage, requiring replacement or repair of improvements to the Properties, wherein such replacement or repair requires the issuance of a building or other permit by, and pursuant to the ordinances of, a governmental authority, the Association shall supply to the Developer plans and specifications for such reconstruction and repair. Said plans and specifications shall be prepared by and be under the certificate of an architect licensed to practice in the State

of Florida. Within thirty (30) days thereafter, the Association shall furnish to the Developer a copy of a contract executed by an independent, licensed, general contractor wherein the work, labor and materials indicated by such plans and specifications are to be furnished at an agreed price and a performance, completion and payment bond is provided for, unless such bond is waived, in writing, by Developer.

d. Proceeds of Insurance.

(1) Fund. In the event proceeds of insurance shall be payable by reason of damage and/or total or partial destruction of the Properties, or any portion thereof, and as often as such insurance proceeds shall be payable, the same shall be paid to the Developer, and said sums so paid shall be deposited in a special account of the Developer in a bank in the State of Florida, and such sums shall be available to the Association for the purpose of reconstruction and repair pursuant to the provisions of this paragraph. Such monies shall be paid out of said special account from time to time by the Developer upon the certificate of the Association or of the contractor who has contracted for the performance of such reconstruction and repair, certifying that the amount of payment is being applied to the payment of obligations incurred for such reconstruction and repair, provided, however, the Developer shall have the right to make such payment directly to the contractor, sub-contractor or materialman to whom sums of money may be due and owing from time to time, as reflected in such certificates, and provided, further, that the Developer shall have the right to require the Association at the time of contracting for or undertaking such repair or reconstruction, and/or at such additional time thereafter as may be appropriate, to provide evidence satisfactory to the Developer that at all times the undisbursed portion of such fund in said bank account is sufficient to pay for the reconstruction and repair in its entirety, and if at any time it should reasonably appear to the Developer that said funds will be insufficient to pay the full cost of said repair and reconstruction, the Association will immediately and forthwith deposit

into said fund such additional monies as may be reasonably necessary to pay such full costs. Upon the completion of the said reconstruction and/or repair, and upon the Developer having been provided with receipted bills and full and final waivers of lien as to all work performed and material supplied, any monies remaining in said special account shall be paid over and disbursed by the Developer to the Association.

(2) Notwithstanding anything contained herein to the contrary, the provisions of any mortgage now or hereafter encumbering the Properties relative to insurance and proceeds thereof shall have priority and shall supercede all of the provisions of this Agreement. If a mortgagee shall elect to submit the application of insurance proceeds to reconstruction and repair, such mortgagee may hold such funds and may impose such terms and conditions relative to requiring the Association to supplement such funds in such amounts as may be necessary to pay for reconstruction and repair, to disbursements of the same, and to such other matters relating to such funds and proceeds as such mortgagee may require.

12. Developer's Right to Apply Funds Held on Behalf of the Association. If at any time during the term of this Agreement the Developer shall have in its possession monies otherwise belonging to or payable to the Association, and the Association shall at the time said monies or funds would otherwise be payable to it be in default in the payment of any of its obligations provided for herein, the Developer shall have the right, but not the obligation, to apply such monies against all existing defaults to the extent available or necessary to cure such defaults.

13. Eminent Domain.

a. Total Taking. If during the term of this Agreement the entire Properties shall be taken or become permanently unusable as a result of the exercise of the power of eminent domain, herein called "proceeding", this Agreement shall be deemed terminated on the date of the vesting of title pursuant to such proceeding and the total award in such proceeding shall be divided between the Developer and the Association with the Developer receiving a percentage of such award equal to the percentage of Developer's ownership of Units within the Project.

b. Partial Taking. If during the term of this Agreement there is a partial taking of the Properties which does not render the particular property permanently unusable, this Agreement shall terminate as to the part so taken and the party in whom title to the particular property is vested shall be entitled to and shall receive the total award made in any such proceeding and the non-vested party hereby assigns such award to the party in whom title is vested but the party in whom title is vested in such case covenants and agrees that at such party's sole cost and expense, promptly to restore, repair and replace those portions of the buildings on the particular property not so taken to complete architectural units. The obligation to replace and repair shall be limited to the amount of awards available to such party after any divisions, prorations, obligations, to any mortgagee or liabilities to any other parties have been satisfied in accordance with the provisions of the Articles of Incorporation and By-Laws of the Association, the Declarations of Condominium within the Project, or any applicable mortgage. It is intended that any repair or reconstruction shall restore the original improvement to its former use and purpose and it is specifically understood that no change in the basic purpose or configuration of a structure shall be made without Developer's written consent.

14. Suspension of Use Rights.

It is mutually recognized and agreed by and between the Developer and the Association herein that in the event any Unit Owner is delinquent in the payment of the monthly maintenance charges assessed his particular Unit, such Unit Owner shall not be permitted to use the Properties for so long as such delinquency shall exist, but this shall not preclude other Unit Owners from the use of the Properties, nor suspend, reduce or in any other way modify the Association's obligations under this Agreement.

15. Consent And Ratification of this Agreement by Unit Owners. Each and every person, whether natural or corporate, who shall acquire or take any title or interest whatsoever in or to a Unit in the Development shall by acceptance and/or recordation of the deed, grant, assign, or other instrument granting, conveying or providing for such interest, or by the exercise of the rights or uses granted therein, be deemed to have consented to and ratified the provisions of this Agreement, to the same

effect and extent as if such person or persons had executed this Agreement, with the formalities required in a deed, and shall be deemed to have subordinated and subjected each and every interest of such person to the terms of this Agreement.

16. Assignment.

a. The Association shall have no right to mortgage or otherwise encumber any of its right, title and interest in and to this Agreement or the Properties, nor shall it have any right to assign the same or any part thereof without the prior written consent of Developer.

b. The Developer shall have the right to assign and to encumber its interest under this Agreement and to the Properties which have not been conveyed to the Association without the consent of the Association, or any individual Unit Owner. The Association shall, at the Developer's request, sign and execute such instruments as may be required or requested by the Developer to effectuate such transfer or encumbrance.

c. Each of the parties hereto agrees to provide the other, within fifteen (15) days after written request therefor, a statement of the status of the Agreement, in writing, advising whether the Agreement is in good standing, and if it is not, the particulars in which it is not; and failure to provide such statement shall constitute a representation that the Agreement is in good standing which may be relied upon by any third party as being true and correct.

17. Duty of Association to Pay. It shall be the duty and obligation of the Association to assess its members for such monies as shall be necessary to make the payments and pay the other obligations of the Association pursuant to this Agreement and to otherwise perform its covenants and promises contained herein.

18. Developer's Right to Perform Association's Covenants. In the event Association shall fail to pay the costs of maintenance and repairs required for the Properties, or if it shall fail to obtain, maintain or deliver insurance policies required herein, or shall otherwise fail to perform any other act on its part covenanted herein to be performed by it, including the duty to assess members and to meet the obligations of the Association herein contained, then the Developer may, but shall

not be obligated to, without notice or demand upon the Association, perform the act so omitted or not performed by the Association. If such performance by the Developer shall constitute in whole or in part the payment of monies, such monies paid by the Developer, together with interest thereon at the highest legal rate, shall be deemed payments due and payable to the Developer upon demand, and the Association covenants to pay any such sums with the said interest.

19. Developer's Right of Entry. The Developer and its agents shall have the right of entry upon the Properties at all reasonable times to examine the condition and use thereof, and if said premises are damaged in any manner which causes the premises to be exposed to the elements or otherwise subject to further damage, then the Developer may enter upon the premises to make emergency repairs, and it shall have the right to recover the costs thereof from the Association as additional payment due under the terms of this Agreement.

20. Title to Properties.

a. Prior to conveyance, the interest of the Association in the Properties shall be subject to:

1. The title and rights of the Developer and the terms, conditions and provisions of this Agreement.

2. All easements which have been or which may hereafter be created by the Developer, or joined in by the Developer for the purpose of providing for utilities, passage, pedestrian and vehicular ingress and egress, and or other use designed to permit full utilization and enjoyment of the Properties by the Association's members and other owners of lands within the Project.

3. The lien of any institutional first mortgagee in connection with any mortgage now existing or hereafter created encumbering the Properties, provided however, that any such mortgagee shall acknowledge the existence of this Agreement, and the Association's rights hereunder, so long as it shall faithfully perform each and every of its duties and obligations herein imposed.

4. The Roadway, as designated and described on Schedule "A" shall be subject to an easement for ingress and egress in favor of all owners within the Project provided, however, that the right to such easement shall be conditioned on such other owners sharing the cost and expenses for the maintenance of the Roadway in accordance with Section 8.1 of the Declaration of Condominium of Lake Tarpon Sail and Tennis Club I, a condominium.

b. At time of conveyance, Developer shall convey free and clear fee simple title to the Association, by special Warranty Deed, subject only to easements and restrictions of record, including but not limited to the ingress and egress easement described above as to the Roadway, and the terms and conditions of the Declaration of Condominium, as amended, and all Exhibits thereto, as recorded in the Public Records of Pinellas County, Florida, and the terms of this Agreement.

21. Default Clause.

a. Notwithstanding anything elsewhere in this Agreement to the contrary it is further covenanted and agreed by and between the parties hereto that if, at any time, default shall be made by the Association in the making of any payment herein provided for upon the day when same becomes due and payable, or if the Association shall fail to perform any of the other covenants of this Agreement by it to be kept and performed, then, and in that event, it shall and may be lawful for the Developer, at its election, to terminate this Agreement and to re-enter upon any portions of the Properties not then conveyed to Association and the buildings and improvements situated thereon, or any part thereof, either with or without process of law, the said Association hereby waiving any demand for possession of said Properties and any and all buildings and improvements then situated thereon; or, the Developer may have such other remedies as the law and this instrument afford. The Association covenants and agrees that upon such termination of this Agreement it will forthwith surrender and deliver up such unconveyed Properties peaceably to the Developer, its agents or attorneys.

b. Nothing herein contained shall be construed as authorizing the Developer to declare this Agreement in default where the default consists of a failure to make any of the payments herein called for, until such non-payment shall, in violation of the terms of this Agreement, have continued for fifteen (15) days after written notice of such default shall have been given by the Developer to the Association; and where the alleged default consists of some other violation other than the foregoing, the Developer may not declare this Agreement in default until such violation shall have continued for thirty (30) days after the Developer shall have given written notice of such violation, and the Association shall not have undertaken, during said thirty day notice period, to cure said violation by vigorous and affirmative action; provided, however, that nothing herein contained shall be construed as precluding the Developer from having such remedy as may be necessary in order to preserve the Developer's rights and the interest of the Developer in the premises and in this Agreement, even before the expiration of the grace periods provided for in this paragraph if, under particular circumstances then

existing, the allowance of such grace period or the giving of such notice would prejudice or endanger the rights and estate of the Developer in this Agreement and in the unconveyed Properties.

c. All default and grace periods shall be deemed to run concurrently and not consecutively.

d. It is mutually covenanted and agreed that various rights, powers, options, elections, privileges and remedies of the Developer contained in this Agreement shall be construed as cumulative, and no one of them shall be construed as being exclusive of any other, or exclusive of any rights provided by law.

e. It is further covenanted and agreed by and between the parties hereto that the right given to the Developer in this Agreement to collect the payments that may be due under the terms of this Agreement by any proceedings under the same, or the right to collect any additional payments due under the terms of this Agreement by any proceedings under the same, or the right given the Developer to enforce any of the terms and provisions of this Agreement, shall not in any way affect the rights of the Developer to declare this Agreement void and the term thereby ended, as herein provided, when default is made by the Association in any of the terms and provisions hereof.

f. The Association pledges and assigns unto the Developer all of the rents, issues and profits which might otherwise accrue to the Association with respect to or for the use, enjoyment and operation and management of the Properties, and in connection with such pledge of rents, the Association hereby covenants and agrees that if the Developer, upon the default of the Association, elects to file suit to enforce or terminate this Agreement and perfect the Developer's rights hereunder, then the Developer may apply to the Court having jurisdiction thereof for the appointment of a Receiver of Rents, and it is expressly covenanted and agreed that the Court shall forthwith appoint a Receiver with the usual powers and duties of Receivers in like cases.

22. <u>Costs and Attorneys' Fees.</u> In any proceeding arising by reason of an alleged failure of the Association to perform any of its duties and obligations pursuant to the provisions hereof, or by reason of an alleged breach of any of the terms, conditions or covenants of

this Agreement or by reason of any default in the payment of any monies, or sums due or becoming due under the terms and provisions hereof, or by reason of any action by the Developer to require the Association to comply with its duties and obligations hereunder, the Developer shall, in the event it shall prevail in such action, be entitled to recover its reasonable attorneys' fees incurred, together with all costs, including those not normally allowable in actions of law, such as, but not limited to, costs of copies of depositions, whether or not used at trial; expert witness fees for testifying at trial or deposition, together with such additional fees as the expert witness may charge the Developer in connection with his preparation for giving such testimony and witness subpoenas issued to insure the presence of witnesses at deposition or at trial whether or not the witnesses shall actually appear or be called upon to testify. In the event of any dispute or litigation between the Developer and the Association in connection with any alleged breach or default upon the part of the Association wherein the Developer deems it advisable or necessary to retain the services of an attorney, and which is settled prior to litigation, by the Association paying the monies demanded, or by the Association otherwise complying with the demands of the Developer as to the Association's duties and obligations under the terms of this Agreement, the Developer will be deemed to have prevailed in such dispute or controversy, and to be entitled to the recovery of his reasonable attorneys' fees incurred in connection therewith.

23. Solvency of Association. If, during the term of this Agreement, (a) the Association shall make an assignment for the benefit of creditors; (b) a voluntary or involuntary petition shall be filed by or against the Association under any law having for its purpose the adjudication of the Association as a bankrupt or the extension of the time of payment, composition, adjustment, modification, settlement or satisfaction of the liabilities of the Association or the reorganization of the Association or (c) a permanent receiver be appointed for the property of the Association, or (d) any governmental authority shall take possession of the lands described, then this Agreement, at the option of the Developer, shall be terminated and shall expire as fully and completely as if the day of

happening of such contingency coincided with the date specifically fixed as the expiration of the term hereof, the provisions relative to notice and grace notwithstanding, and if the Association shall contest any proceeding of an involuntary nature which would be grounds or cause for termination of the Agreement under this section, and shall prosecute said defense with due diligence, provided all other covenants of the Association herein made are otherwise kept and performed, this right of termination in the Developer under this section shall be suspended until the ultimate determination of said matters by a Court of competent jurisdiction or until the Association shall abandon or fail to take suitable action to preserve its rights to contest the proceedings. The Association shall, every twenty (20) days, notify the Developer in writing of its continued intention to prosecute the defense, and further advise the Developer of the status of all litigation then pending and the failure of the Association to do so shall be deemed a termination of the suspension of the Developer's right to terminate as above provided. If a defense shall be brought by the Association and timely prosecuted and the Association shall comply with the above provision with regard to notice and information to the Developer, then the right of the Developer to terminate by reason of the provisions of this section shall be controlled by the outcome of such litigation, to wit:

a. If such litigation be resolved in favor of the Association, the Developer shall have no right to terminate by reason of the occurrence of the acts above listed.

b. If such litigation be resolved against the Association, the Developer shall thereupon have the right to terminate as above provided, but nothing herein shall be construed as relieving the Association of the performance of any of its covenants herein which became performable prior to the determination of the outcome of such litigation or the earlier abandonment of defense by the Association

24. Entire Agreement. This instrument constitutes the entire agreement between the parties, and neither party has been induced by the other by representations, promises or understandings not expressed herein, and there are no collateral agreements, stipulations, promises or understandings whatsoever in any way touching the subject matter of this Agreement which are not expressly contained herein.

25. Notice. Whenever, under the terms of this Agreement, reference is made to the giving of notice by one of the parties hereto to the other, or whenever either of the parties shall desire to give notice of any matter to the other, such notice shall be given and shall be deemed sufficient when given by written instrument sent by registered or certified mail, return receipt requested, addressed to the appropriate party, with postage prepaid. For the purposes of this paragraph and this Agreement, the addresses of the parties hereto are as follows:

Developer:	LAKE TARPON, INC. 100 Highland Avenue North Tarpon Springs, Florida 33589
Association	LAKE TARPON SAIL AND TENNIS CLUB CONDOMINIUM ASSOCIATION, INC. 5100 North Federal Highway Fort Lauderdale, Florida 33308

Either party may change the address for giving of notice hereunder by giving notice of such change to the other party in the manner above provided.

26. Construction. This Agreement shall be construed and interpreted in accordance with the laws of the State of Florida.

27. Severability. The invalidity in whole or in part of any covenant, promise or undertaking or any section, subsection, clause, phrase or word, or of any provision of this Agreement shall not affect the validity of the remaining portions thereof.

28. Captions and Titles. The captions and titles contained in this Agreement are for convenience and reference only and in no way shall serve to limit or describe the scope or intent of this Agreement or any party thereof.

29. Waiver or Rights. The failure of the Developer to enforce any covenant, obligation or agreement of the Agreement herein contained, shall not constitute a waiver of the right to do so thereafter, nor shall it constitute a waiver of the right to enforce any other covenant, obligation or agreement herein contained.

30. Amendments. Unless otherwise specifically herein provided, this Agreement may not be amended except by instrument in writing executed by the parties hereto.

31. Gender and Use of Singular or Plural. Wherever the context hereof so requires, or permits, the use of the singular shall include the plural, and the use of the plural shall include the singular; and the use of any gender shall include all genders.

32. Definitions. The definitions contained in the Declaration of Condominium of Lake Tarpon Sail and Tennis Club I, a condominium, shall be deemed incorporated herein by reference.

LAKE TARPON, INC., a Florida corporation.

BY: [signature]

ATTEST: [signature]
Secretary

LAKE TARPON SAIL AND TENNIS CLUB CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit

BY: [signature]

ATTEST: [signature]
Secretary

STATE OF ~~FLORIDA~~ CALIFORNIA
COUNTY OF LOS ANGELES

BEFORE ME, the undersigned authority, personally appeared ROBERT E. SUNNESS and TIMOTHY P. HOLAN as and Secretary respectively of LAKE TARPON INC., a Florida corporation, to me well known to be the persons who signed the foregoing instrument and acknowledged the execution thereof to be their free act and deed as such officers for the uses and purposes therein mentioned, and that the said instrument is the fact and deed of said Corporation.

WITNESS my hand and official seal at Los Angeles County, ~~Florida~~ CALIFORNIA, this 15th day of APRIL, 1976.

[signature]
Notary Public, State of Florida

My Commission Expires: 2-5-80

STATE OF FLORIDA
COUNTY OF

BEFORE ME, the undersigned authority, personally appeared and as and Secretary respectively of LAKE TARPON SAIL AND TENNIS CLUB CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, to me well known to be the persons who signed the foregoing instrument and acknowledged the execution thereof to be their free act and deed as such officers for the uses and purposes therein mentioned, and that the said instrument is the fact and deed of said Corporation.

WITNESS my hand and official seal at County, Florida, this _____ day of _____, 19____.

Notary Public, State of Florida

My Commission Expires:

Notary Public State of Florida at Large
My Commission Expires Nov 17, 1979
Bonded by American Fire & Casualty Co

SCHEDULE "A"

I. LEGAL DESCRIPTION OF PROPERTIES AS REFERRED TO IN PARAGRAPH 1 OF THAT CERTAIN AGREEMENT FOR USE AND CONVEYANCE TO WHICH THIS SCHEDULE "A" IS ATTACHED:

A portion of Tracts 152 and 153, of the Official Map of the Town of Tarpon Springs, Hillsborough County, Florida, of which Pinellas County was formerly a part, as recorded in Plat Book 4, Page 79, Public Records of Pinellas County, Florida, more particularly described as follows:

Commencing at the Southwest corner of said Tract 153, said corner being on the Southeasterly Right-of-Way line of Highland Avenue, a 60 foot Right-of-Way; thence along said Right-of-Way line by the following two courses: S. 33°18'38" W., 346.09 feet; S. 13°48'32" W., 9.31 feet; thence S. 76°12'13" E., along the South line of said Tract 152, 973.28 feet to the Point of Beginning, thence N. 65°12'50" E., 207.24 feet; thence S. 24°47'10" E., 151.33 feet; thence N. 65°12'50" E., 106.00 feet; thence N. 24°47'10" W., 340.26 feet; thence N. 86°14'51" W., 11.49 feet; thence N. 03°45'09" E., 24.00 feet; thence N. 86°14'51" W., 119.93 feet to a Point of Curve; thence along the arc of a curve to the right, Radius 35.00 feet, Arc 59.65 feet, Chord N. 37°25'23" W., 52.69 feet to a Point of Reverse Curve; thence along the arc of a curve to the left, Radius 533.85 feet, Arc 27.02 feet, Chord N. 09°57'05" E., 27.01 feet to a Point of Tangency; thence N. 08°30'05" E., 70.83 feet; thence S. 86°14'51" E., 145.84 feet; thence S. 03°45'09" W., 113.35 feet; thence S. 83°23'06" E., 138.18 feet; thence S. 61°02'30" E., 180.00 feet ± to the West Shore of Lake Butler (Lake Tarpon); thence Southwesterly along said shore to its intersection with the aforementioned South line of Tract 152; thence N. 76°12'13" W., along said line, 311.00 feet more or less to the Point of Beginning.

II. DATE OF CONVEYANCE:

No later than thirty (30) days after Developer shall have sold all of the Units comprising Lake Tarpon Sail and Tennis Club I, and any other Condominiums within the Project, or shall declare to the Association in writing that it has ceased and terminated its sales and marketing program and no longer offers any Units in said Condominium or Condominiums for sale in the normal course of business, or shall declare to the Association in writing that all phases of the Lake Tarpon Sail and Tennis Club Project are completed and Developer has no intentions or plans for further construction or building, then and in that event, Developer shall convey all Properties not yet conveyed, to the Association.

LAKE TARPON SAIL AND TENNIS CLUB PROJECT

All of Tract 152, situated in Section 7, 8, 17 and 18, Township 27 South, Range 16 East, according to the map of lands of TAMPA AND TARPON SPRINGS LAND CO'S SUBDIVISION, recorded in Plat Book 1, on page 116, of the Public Records of Hillsborough County, Florida, of which Pinellas County was formerly a part. Said lands being also described as: Lot 152 of the official Map of the Town of Tarpon Springs, Hillsborough County, Florida, (of which Pinellas County was formerly a part) recorded in Plat Book 4, on Page 79 of the Public Records of Pinellas County, Florida.

together with:

All of Lot 153, in Section 8, Township 27 South, Range 16 East, Pinellas County, Florida, according to plat of TAMPA AND TARPON SPRINGS LAND CO'S SUBDIVISION, recorded in Plat Book 1, on Page 116, of the Public Records of Hillsborough County, Florida, of which Pinellas County was formerly a part, LESS AND EXCEPT the following described portions thereof:

a) Begin at the SW corner of said Lot 153 and run thence Northeasterly along Highland Avenue 36' for P.O.B., continue thence Northeasterly along the boundary of Highland Avenue a distance of 80'; run thence Southeasterly and perpendicular to Highland Avenue a distance of 100'; run thence Southwesterly parallel to Highland Avenue a distance of 80'; run thence Northwesterly 100' to P.O.B.

b) Beginning at the NE corner of Lot 153, run thence N. 72°52' W, a distance of 666'; run thence S 17° 08' W, 131.5'; thence run S 72° 52' E, 670' to the West shore of Lake Butler; thence run in a Northerly direction following the shore line of said Lake Butler to the P.O.B.

together with:

The following portion of the property excluded in (b) above: Beginning at the NE corner of Lot 153, run Westerly 416' to the P.O.B.; thence Southerly 131.5', westerly 50', Northerly 131.5', thence Easterly 50' to P.O.B., City of Tarpon Springs; said lot being numbered and designated in accordance with the Plat thereof which appears of record in Plat Book 4, Page 79, of the Public Records of Pinellas County, Florida.

ROADWAY

The following described property is subject to an easement for ingress and egress in favor of all owners within the Project according to the terms and conditions set forth in this Agreement for Use and Conveyance:

A portion of Tract 152 and 153 of the Official Map of the Town of Tarpon Springs, Hillsborough County, Florida, of which Pinellas County was formerly a part, recorded in Plat Book 4, Page 79, Public Records of Pinellas County, Florida, more particularly described as follows:

Commencing at the Southwest corner of said Tract 153, said corner being the Easterly Right-of-Way line of Highland Avenue, a 60 foot Right-of-Way; thence N. 33°18'38" E., along said line 116.00 feet to the Point of Beginning; thence S. 56°41'22" E., 28.00 feet; thence N. 33°18'38" E., 65.46 feet to a point on curve; thence along the arc of a curve to the right, Radius 340.00 feet, Arc 119.13 feet, Chord S. 42°06'01" E., 118.52 feet to a Point of Reverse Curve; thence along the arc of a curve to the left, Radius 961.71 feet, Arc 222.13 feet, Chord S. 38°40'43" E., 221.63 feet to a Point of Reverse Curve; thence along the arc of a curve to the right, Radius 224.61 feet, Arc 128.21 feet, Chord S. 28°56'32" E., 126.48 feet to a Point of Tangency, thence S. 12°35'21" E., 83.01 feet to a Point of Curve; thence along the arc of a curve to the left, Radius 255.00 feet, Arc 133.52 feet, Chord S. 27°35'21" E., 132.00 feet to a Point of Compound Curve; thence along the arc of a curve to the left, Radius 78.50 feet, Arc 84.12 feet, Chord S. 73°17'15" E., 80.15 feet to a Point of Compund Curve; thence along the arc of a curve to the left, Radius 255.00 feet, Arc 86.14 feet, Chord N. 66°20'14" E., 85.73 feet to a Point of Compound Curve; thence along the arc of a curve to the left, Radius 297.33 feet, Arc 126.94 feet, Chord N. 44°25'47" E., 125.98 feet to a Point of Compound Curve; thence along the arc of a curve to the left, Radius 533.85 feet, Arc 106.79 feet, Chord N. 26°28'06" E., 106.62 feet to a Point of Reverse Curve; thence along the arc of a curve to the right, Radius 30.00 feet, Arc 38.23 feet, Chord N. 57°14'42" E., 35.70 feet to a Point of Tangency; thence S. 86°14'51" E., 144.46 feet; thence N. 03°45'09" E., 24.00 feet; thence N. 86°14'51" W., 119.93 feet to a Point of Curve; thence along the arc of a curve to the Right, Radius 35.00 feet, Arc 59.65 feet, Chord N. 37°25'23" W., 52.69 feet to a Point of Reverse Curve; thence along the arc of a curve to the left, Radius 533.85 feet, Arc 27.02 feet, Chord N. 09°57'05" E., 27.01 feet to a Point of Tangency; thence N. 81°29'55" W., 30.00 feet to a Point of Curve; thence along the arc of a curve to the right, Radius 503.85 feet, Arc 208.39 feet, Chord S. 20°21'01" W., 206.91 feet to a Point of Compound Curve; thence along the arc of a curve to the right, Radius 267.33 feet, Arc 114.13 feet, Chord S. 44°25'47" W., 113.26 feet to a Point of Compound Curve; thence along the arc of a curve to the right, Radius 225.00 feet, Arc 76.00 feet, Chord S. 66°20'14" W., 75.64 feet to a Point of Compound Curve; thence along the arc of a curve to the right, Radius 48.50 feet, Arc 51.97 feet, Chord N. 73°17'15" W., 49.52 feet to a Point of Compound Curve; thence along the arc of a curve to the right, Radius 225.00 feet, Arc 117.81 feet, Chord N. 27°35'21" W., 116.47 feet to a Point of Tangency; thence N. 12°35'21" W., 83.01 feet to a Point of Curve; thence along the arc of a curve to the left, Radius 254.61 feet, Arc 145.34 feet, Chord N. 28°56'32" W., 143.37 feet to a Point of Tangency; thence N. 44°42'16" E., 30.00 feet to a Point of Curve; thence along the arc of a curve to the right, Radius 901.71 feet, Arc 208.27 feet, Chord N. 38°40'43" W., 207.81 feet to a Point of Reverse Curve; thence along the arc of a curve to the left, Radius 400.00 Feet, Arc 149.25 feet, Chord N. 42°45'08" W., 148.35 feet to a Point on curve; thence N. 30°00'37" E., 77.84 feet; thence N. 59°59'23" W., 38.00 feet to a point on the Southeasterly Right-of-Way line of abovementioned Highland Avenue; thence along said line by the following three courses: S. 30°00'37" W., 75.00 feet, S. 56°41'22" E., 12.40 feet; S. 33°18'38" W., 91.53 feet to the Point of Beginning.

CONSENT OF MORTGAGEE
TO AGREEMENT FOR USE AND CONVEYANCE

THIS CONSENT made and entered into this 15th day of APRIL, 1976, by MARTIN FENTON, ABNER D. GOLDSTINE, JAMES C. HILL, ALLEN T. MURPHY, ALBERT G. OAKS, T. A. SEDAM, and BOYD J. SIMMONS, not individually, but as Trustees of CONTINENTAL ILLINOIS REALTY, a California real estate investment trust pursuant to its Declaration of Trust dated February 7, 1969, as amended and restated, whose address is 606 Wilshire Boulevard, Suite 500, Santa Monica, California, (hereinafter referred to as "Mortgagee").

W I T N E S S E T H:

THAT WHEREAS, Mortgagee is the owner and holder of a Mortgage dated June 11, 1973, recorded June 14, 1973, in Official Records Book 4041, at Page 1448, of the Public Records of Pinellas County, Florida, as amended by instrument filed April 1, 1975 in Official Records Book 4274 at Page 1111 of the Public Records of Pinellas County, Florida, (hereinafter referred to as the "Mortgage"); and

WHEREAS, the Mortgage encumbers the land (hereinafter called the "Land") described in Schedule A attached to the Agreement for Use and Conveyance (hereinafter called the "Agreement") to which this Consent is attached; and

WHEREAS, the Mortgagee has agreed to join in and consent to the Agreement;

NOW, THEREFORE, Mortgagee agrees as follows:

1. Mortgagee does hereby consent to the execution and recordation of the Agreement.

2. Mortgagee agrees that the lien of the Mortgage, as the same applies to and encumbers the Land shall be upon the condominium parcels and common elements of LAKE TARPON SAIL AND TENNIS CLUB I, a Condominium.

3. This Consent shall apply and be effective solely to the Land and nothing contained herein shall affect, alter or modify in any manner whatsoever the terms and conditions, lien, operation, effect and priority of the Mortgage upon any real property encumbered by the Mortgage.

IN WITNESS WHEREOF, the Mortgagee has caused this instrument to be executed by its duly authorized officers the day and year first above written.

Witness:

CONTINENTAL ILLINOIS REALTY

BY:

BY:

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On APRIL 15, 1976, before me, the undersigned, a Notary Public in and for said County and State, personally appeared TIMOTHY P. HOGAN, known to me to be the ASSISTANT SECRETARY and ROBERT E. SUNNESS known to me to be the ASSISTANT TREASURER, of the Trust that executed the within Instrument, known to me to be the persons who executed the within instrument on behalf of the Trust therein named, and acknowledged to me that such Trust executed the within instrument pursuant to its by-laws or a resolution of its Board of Trustees.

WITNESS my hand and official seal.

Notary Public in and for said County and State

ELAINE R. HASKELL
My Commission

STATE OF FLORIDA

DEPARTMENT OF STATE

I certify that the following is a true and correct copy of

CERTIFICATE OF INCORPORATION

OF

LAKE TARPON SAIL AND TENNIS CLUB CONDOMINIUM ASSOCIATION, INC.

filed in this office on the 20th day of April

19 76

Charter Number: 735623

GIVEN under my hand and the Great Seal of the State of Florida, at Tallahassee, the Capital, this the 20th day of April

19 76

Bruce A. Smathers

SECRETARY OF STATE

EXHIBIT "D"

ARTICLES OF INCORPORATION

OF

LAKE TARPON SAIL AND TENNIS CLUB
CONDOMINIUM ASSOCIATION, INC.

THE UNDERSIGNED hereby associate themselves together for the purpose of forming a corporation not for profit under Chapter 617, Florida Statutes, 1973, and certify as follows:

ARTICLE 1 - NAME

The name of the Corporation shall be LAKE TARPON SAIL AND TENNIS CLUB CONDOMINIUM ASSOCIATION, INC., and the principal office of this corporation shall be 5100 North Federal Highway, Fort Lauderdale, Florida 33308. For convenience this corporation shall be referred to as the Association.

ARTICLE 2 - PURPOSES

2.1 The purpose for which the Association is organized is to manage, operate and maintain one or more condominiums, each to be known as a LAKE TARPON SAIL AND TENNIS CLUB CONDOMINIUM.

2.2 This Association is organized for the purpose of providing a convenient means of administering such Condominiums by the owners thereof.

2.3 The Association shall have no capital stock and shall make no distribution of income or profit to its members, Directors or Officers.

ARTICLE 3 - POWERS

The powers of the Association shall include and shall be governed by the following provisions:

3.1 The Association shall have all of the common law and statutory powers of a corporation not for profit which are not in conflict with the terms of these Articles.

3.2 The Association shall have all of the powers reasonably necessary to implement the purpose of the Association, including but not limited to the following:

A. To make and collect assessments against members to defray the costs of the Condominiums.

B. To use the proceeds of assessments in the exercise of its powers and duties.

C. To maintain, repair, replace and operate condominium property.

D. To reconstruct improvements after casualty and construct further improvements to the property.

E. To make and amend regulations respecting the use of condominium property.

F. To approve or disapprove proposed purchasers, lessees and mortgagees of Units.

G. To enforce by legal means the provisions of the Condominium Documents, these Articles, the By-Laws of the Association and the Rules and Regulations for the use of condominium property.

H. To contract for the management of the Condominiums and to delegate to such contractor all powers and duties of the Association except such as are specifically required by the Condominium Documents to have approval of the Board of Directors or the members of the Association.

I. Notwithstanding anything herein to the contrary, the Corporation shall exercise only such powers as are in furtherance of the exempt purposes of organizations set forth in Section 501(c) (7), of the Internal Revenue Code and its regulations as the same may now exist or as they may be hereinafter amended from time to time.

3.3 All funds and the titles to all property acquired by the Association and the proceeds thereof shall be held only for the benefit of the members in accordance with the provisions of the Condominium Documents.

3.4 The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declaration of Condominium.

ARTICLE 4 - MEMBERS

The qualifications of members, the manner of their admission, and voting by members shall be as follows:

4.1 All owners of Units in any of the Condominiums shall be members of this Association, and no other persons or entities shall be entitled to membership. Each Unit shall be entitled to one vote.

4.2 Changes in membership in the Association shall be established by the recording in the Public Records of Pinellas County, Florida, of a deed or other instrument establishing a change of record title to a Unit in any of the Condominiums and the delivery to the Association of a certified copy of such instrument, the new owner designated by such instrument thereby becoming a member of the Association. The membership of the prior owner shall be thereby terminated.

4.3 The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his Unit.

ARTICLE 5 - DIRECTORS

5.1 The affairs of the Association will be managed by a Board of not less than three (3) nor more than nine (9) Directors as shall be determined by the By-Laws, and in the absence of such determination shall consist of three (3) Directors.

5.2 Directors of the Association shall be appointed or elected at the Annual Meeting of the members in the manner determined by the By-Laws.

5.3 The names and addresses of the first Board of Directors who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

John B. Deinhardt 5100 North Federal Highway, Fort Lauderdale, Florida 33308

Christian E. Carlsen, Jr. 5100 North Federal Highway, Fort Lauderdale, Florida 33308

Michael D. Shanabarger, 5100 North Federal Highway, Fort Lauderdale, Florida, 33308

ARTICLE 6 - OFFICERS

The affairs of the Association shall be administered by a President, a Vice-President, and a Secretary-Treasurer, to be elected by the Board of Directors at its first meeting following the Annual Meeting of the members of the Association, which officers shall serve at the pleasure of the Board of Directors. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

John B. Deinhardt 5100 North Federal Highway, Fort Lauderdale, Fla. 33308
President

Christian E. Carlsen, Jr. 5100 North Federal Highway, Fort Lauderdale, Fla. 33308
Vice President

Michael D. Shanabarger, 5100 North Federal Highway, Fort Lauderdale, Fla. 33308
Secretary-Treasurer

ARTICLE 7 - INDEMNIFICATION

Every Director and every Officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved by reason of his being or having been a Director or Officer of the Association or any settlement thereof, whether or not he is a Director or Officer at the time such expenses are incurred, except in such cases wherein the Director or Officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification herein shall apply only when the Board of Directors has approved such settlement and reimbursement as being for the best interests of the Association. The foregoing indemnification shall be in addition to and not exclusive of all other rights to which such Director or Officer may be entitled. The use of any gender shall include all genders where appropriate

ARTICLE 8 - BY-LAWS

The By-Laws of the Association shall be adopted by the Board of Directors and may be altered, amended, or rescinded by not less than seventy-five (75%) percent of all the Directors and by not less than seventy-five (75%) percent of all the members of the Association, in the manner provided by the By-Laws.

ARTICLE 9 - AMENDMENTS

Amendments to the Articles of Incorporation shall be proposed and adopted in the following manner:

9.1 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.

9.2 A resolution approving a proposed amendment may be proposed by either the Board of Directors or by the Members of the Association, and after being proposed and approved by one of such bodies, requires the approval of the other body. Such approvals must be by not less than seventy-five (75%) percent of all the Directors and by not less than seventy-five (75%) percent of all the members of the Association. Directors and the members not present at the meeting considering the amendment may express their approval in writing within ten (10) days after such meeting, and said amendment shall be effective when recorded in the Public Records of Pinellas County, Florida.

ARTICLE 10 - TERM

The term of the Association shall be the life of the Condominiums, unless the Association is terminated sooner in accordance with the Declaration. The Association shall be terminated by the termination of the Condominiums in accordance with the Declaration of Condominium.

ARTICLE 11 - SUBSCRIBERS

The names and residences of the subscribers to these Articles of Incorporation who shall also constitute the first Board of Directors to hold office until successors are elected and have qualified are as follows:

NAME	ADDRESS
John B. Deinhardt	6267-3 Bay Club Drive Fort Lauderdale, Florida 33308
Christian E. Carlsen, Jr.	1920 N.E. 62nd Street Fort Lauderdale, Florida 33308
Michael D. Shanabarger	890 Renmar Drive Plantation, Florida 33317

ARTICLE 12 - INITIAL REGISTERED OFFICE AND AGENT

The street address of the Initial Registered Office of this Association is 5100 North Federal Highway, Suite 405, Fort Lauderdale, Florida, 33308, and the name of the Initial Registered and Resident Agent of this Association at that address is John B. Deinhardt.

IN WITNESS WHEREOF, the subscribers have hereto affixed their signatures this _____ day of _____, 197_.

JOHN B. DEINHARDT

CHRISTIAN E. CARLSEN, JR.

MICHAEL D. SHANABARGER

I HEREBY ACCEPT appointment as Registered and Resident Agent.

JOHN B. DEINHARDT

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this _____ day of _____, 1976, by JOHN B. DEINHARDT.

NOTARY PUBLIC

My Commission Expires:

Notary Public, State of Florida at Large
My Commission Expires Nov. 17, 1979
Bonded by American Fire & Casualty Co

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this [illegible] day of [illegible], 1976, by CHRISTIAN E. CARLSEN, JR.

Notary Public

My Commission Expires:

Notary Public, State of Florida at Large
My Commission Expires Nov. 17, 1979
Bonded by American Fire & Casualty Co.

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this [illegible] day of [illegible], 1976, by MICHAEL D. SHANABARGER.

Notary Public

My Commission Expires:

Notary Public, State of Florida at Large
My Commission Expires Nov. 17, 1979
Bonded by American Fire & Casualty Co.

EXHIBIT "E"

BY-LAWS

OF

LAKE TARPON SAIL AND TENNIS CLUB
CONDOMINIUM ASSOCIATION, INC.

a corporation not for profit
under the laws of the State of Florida

I. IDENTITY

These are the By-Laws of LAKE TARPON SAIL AND TENNIS CLUB CONDOMINIUM ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, the Articles of Incorporation of which were filed in the Office of the Secretary of State of Florida, and subject to the Charter granted by the Secretary of State and the Declaration affecting the land and all improvements thereon known as LAKE TARPON SAIL AND TENNIS CLUB Project. The Association has been organized for the purpose of administering the condominiums upon certain lands in Pinellas County, Florida.

1. The office of the Association shall be at 5100 North Federal Highway, Fort Lauderdale, Florida 33308.

2. The fiscal year of the Association shall be the calendar year.

3. 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.

II. MEMBERS' MEETINGS

1. The annual members' meeting shall be held at such site as may be designated by the Board of Directors on the first Tuesday in February each year, for the purpose of electing directors and of transacting any other business authorized to be transacted by the members, provided, however, if that day is a legal holiday, the meeting shall be held at the same hour on the next succeeding day.

2. Special members' meetings shall be held whenever called by the President or Vice President or by a majority of the Board of Directors and must be called by such officers upon receipt of a written request from one-third (1/3) of the entire membership.

3. Notice of all members' meetings stating the time and place and the objects for which the meeting is called shall be given by the President or Vice President or Secretary-Treasurer, unless waived in writing. Such notice shall be in writing to each member at his address as it appears on the books of the Association and shall be mailed not less than fourteen (14) days nor more than sixty (60) days prior to the date of the meeting. In addition, a notice of the meeting shall be posted at a conspicuous place on the condominium property at least fourteen (14) days prior to said meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of meeting may be waived before or after the meeting.

4. A quorum at members' meetings shall consist of those unit owners attending in person or by proxy entitled to cast a majority of the votes of the entire membership. The joinder of a member in the action of a meeting by signing and concurring in the minutes thereof within ten (10) days after such meeting shall constitute a presence of such member for the purpose of determining a quorum.

5. Each unit shall be entitled to one (1) vote. The vote of the owners of a unit owned by more than one person or by a corporation or other entity shall be cast by the person named in a certificate signed by all of the owners of the unit and filed with the Secretary-Treasurer of the Association. Such certificate shall be valid until revoked by a subsequent certificate. If such certificate is not on file, the vote of such owners shall not be considered in determining the requirements for a quorum nor for any other purposes.

6. Proxies. Votes may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated therein and must be filed with the Secretary-Treasurer before the appointed time of the meeting. No one person shall be designated to hold more than five (5) proxies.

7. Approval or disapproval of a unit owner upon any matter, whether or not the subject of an association meeting, shall be by the same person who would cast the vote of such owner if in an Association meeting.

8. Adjourned Meetings. If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

9. The order of business at annual members' meetings and, as far as practicable at all other members' meetings, shall be:

   A. Election of Chairman of the meeting.
   B. Calling of the roll and certifying of proxies.
   C. Proof of notice of meeting or waiver of notice.
   D. Reading and disposal of any unapproved minutes.
   E. Report of Officers.
   F. Report of Committees.
   G. Election of Directors.
   H. Unfinished Business.
   I. New Business.
   J. Adjournment.

10. Proviso. Provided, however, that until the Developer of the Project has completed all of the contemplated improvements and closed the sales of all of the units in the Project, or until the Developer terminates its control of the project, as provided for herein, whichever shall first occur, the proceedings of all meetings of members of the Association shall have no effect unless approved by the Board of Directors.

III. DIRECTORS

1. 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 shall consist of three (3) directors who need not be members of the Association, and thereafter the membership of the Board shall consist of not more than nine (9) Directors. The Board of Directors may from time to time increase or decrease the number of persons to serve on the Board, provided, however, that the Board shall consist of an odd number of members.

2. Election of Directors shall be conducted in the following manner:

a) Members of the Board of Directors shall be elected by a plurality of the votes cast at the annual meeting of the members of the Association. There shall be no cumulative voting.

b) Vacancies in the Board of Directors may be filled until the date of the next annual meeting by the remaining Directors.

c) 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 and such successor Directors, need not be members of the Association. In the event there are no remaining Directors then any such vacancies shall be filled by the Developer.

1) At such time as fifteen (15%) percent or more of the Units are owned by Unit Owners other than the Developer, the Unit Owners other than the Developer shall be entitled to elect not less than one third (1/3) of the members of the Board of Directors of the Association.

2) Unit 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 three (3) years after sales by the Developer have been closed of fifty (50%) percent of the Units, or three (3) months after sales have been closed by the Developer of ninety (90%) percent of the Units, or when all of the Units that will be operated ultimately by the Association have been completed and some of them have been sold and none of the others are being offered for sale by the Developer in the ordinary course of business, whichever shall first occur.

3) The Developer shall be entitled to elect not less than 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 any Units in the condominium.

4) As to the election of Directors pursuant to this subparagraph, within sixty (60) days after Unit Owners other than the Developer are entitled to elect a member or members of the Board of Directors of the Association, the Association shall call and give not less than thirty (30) days nor more than forty (40) days notice of a meeting of the Unit Owners for this purpose.

3. The term of each Director's service shall extend until the next annual meeting of the members and thereafter until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

4. 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, and no further notice of the organizational meeting shall be necessary providing a quorum shall be present.

5. 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 given to each Director, personally or by mail, telephone or telegraph at least three (3) days prior to the date named for such meeting unless such notice is waived.

6. Special meetings of the Directors may be called by the President and must be called by the Secretary-Treasurer at the written request of one-third (1/3rd) 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 and purpose of the meeting.

7. Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

8. 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 the votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors except as specifically otherwise provided in the Declaration of Condominium. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At an adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing a concurrence in the minutes thereof within ten (10) days after such meeting shall constitute the presence of such Director for the purpose of determining a quorum.

9. The presiding officer of Directors' meetings shall be the Chairman of the Board. If such has not been elected, then the President shall preside. In the absence of the presiding officer, the Directors present shall designate one of their members to preside.

10. Directors' fees, if any, shall be determined by the members.

11. A Director may be removed for cause or for the failure to be either the owner of a unit, have an interest therein or in the event of a corporate ownership to be an officer or designated agent thereof. The removal of a Director pursuant to this Paragraph shall be by the majority vote of the remaining Board members, and said vote shall be taken at a special meeting called for that purpose.

IV. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association shall be exercised by the Board of Directors including those existing under the common law and statutes, the Articles of Incorporation of the Association and the documents establishing the condominium. Such powers and duties of the Directors shall be exercised in accordance with the provisions of the Declaration of Condominium which governs the use of the land, and shall include but not be limited to the following:

1. To make and collect assessments against members to defray the costs of the condominium.

2. To use the proceeds of assessments in the exercise of its powers and duties.

3. To maintain, repair, replace and operate the condominium property.

4. To reconstruct improvements after casualty and to construct further improvements to the property.

5. To make and amend regulations respecting the use of the property in the condominium.

6. To approve or disapprove proposed occupants, purchasers, lessees and mortgagees of apartments in the manner provided by the Condominium Documents.

7. To enforce by legal means the provisions of the Condominium Documents, the Articles of Incorporation, the By-Laws of the Association, and the Rules and Regulations for the use of the property in the condominium.

8. 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 to have approval of the Board of Directors or membership of the Association.

9. To pay taxes and assessments which are liens against any part of the condominium other than individual units and the appurtenances thereto, and to assess the same against the unit owner subject to such liens.

10. To carry insurance for the protection of unit owners and the Association against casualty and liabilities.

11. 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.

12. To employ personnel for reasonable compensation to perform the services required for proper administration of the purposes of the Association.

V. OFFICERS

1. The executive officers of the corporation shall be a President, who shall be a Director, a Vice President, and a Secretary-Treasurer, all of whom 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 or Secretary-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.

2. 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 of an Association, 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.

3. 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.

4. The Secretary-Treasurer shall keep the minutes of the proceedings of the Directors and the members. 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 funds, securities and evidences of indebtedness. He shall keep the records of the Association and shall keep the assessment rolls, the accounts of the members, and the books of the Association in accordance with good accounting practices. He shall perform all other duties incident to the office of Secretary-Treasurer of an Association and as may be required by the Directors or the President.

5. The compensation of all officers and employees of the Association shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee of the Association nor preclude the contracting with a Director for the management of the Condominium.

VI. FISCAL MANAGEMENT

The provisions for fiscal management of the Association set forth in the Declaration of Condominium and the Articles of Incorporation shall be supplemented by the following provisions:

1. Assessment Roll the assessment roll shall be maintained in a set of accounting books in which there shall be an account for each unit. Such an account shall designate the name and address of the owners or owner, the dates and amounts in which the assessments come due, the amounts paid upon the account and the balance due upon assessments.

2. Budget.

   A. The Board of Directors shall adopt a budget for each calendar year which shall contain estimates of the cost of performing the functions of the Association, and the income of the Association including but not limited to the following items:

      (a) Common Expense Budget

         i. Maintenance and operation of Common Elements.
         ii. Utilities.
         iii. Liability Insurance.
         iv. Casualty Insurance.
         v. Administration.
         vi. Dockage maintenance and operation with funds provided therefor from lease payments of leasing owners.
         viii. Maintenance and operation of the Recreation Area.

      (b) Proposed assessments against each member.

   B. Copies of the proposed budget and proposed assessments shall be transmitted to each member on or before January 1 of the year for which the budget is made. If the budget is subsequently amended before the assessments are made, a copy of the amendment shall be furnished each member concerned. Assessments shall be made against members not less frequently than quarterly.

3. The depository of the Associaton shall be such bank or banks as shall be designated from time to time by the Directors and in which the monies from such accounts shall be only by checks signed by such persons as are authorized by the Directors.

4. An audit of the accounts of the Association shall be made annually by a certified public accountant, and a copy of the report shall be furnished to each member not later than April 1 of the year following the year for which the report is made.

5. Fidelity bonds may be required by the Board of Directors from all officers and employees of the Association and from any contractor handling or responsible for Association funds. The amount of such bonds shall be determined by the Directors, but shall be at least the amount of the total annual assessments against members for common expenses. The premiums on such bonds shall be paid by the Association.

VII. PARLIAMENTARY RULES

Robert's Rules of Order (latest edition) shall govern the conduct of corporate proceedings when not in conflict with the Articles of Incorporation and By-Laws of the Corporation or with the Statutes of the State of Florida.

VIII. AMENDMENTS

Amendments to the By-Laws shall be proposed and adopted in the following manner:

1. 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.

2. A resolution adopting a proposed amendment must receive approval of not less than two-thirds (2/3) of the votes of the entire membership of the Board of Directors and not less than seventy-five (75%) percent of the votes of the entire membership 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.

3. Initiations. An amendment may be proposed by either the Board of Directors or by the membership of the Association, and after being proposed and approved by one of such bodies, it must be approved by the other.

4. Effective Dates. An Amendment when adopted shall become effective only after being recorded in the Public Records of Pinellas County, Florida.

5. These By-Laws shall be amended, if necessary, so as to make the same consistent with the provisions of the Declaration of Condominium.

IX. SEVERABILITY AND CONFORMITY TO STATE LAW

These By-Laws are to be governed by and construed according to the laws of the State of Florida. If it should appear that any of the provisions hereof are in conflict with any rule of law or statutory provision of the State of Florida, then such provisions of these By-Laws shall be deemed inoperative and null and void insofar as they may be in conflict therewith, and shall be deemed modified to conform to such rule of law.

The foregoing were adopted as the By-Laws of LAKE TARPON SAIL AND TENNIS CLUB CONDOMINIUM ASSOCIATION, INC., a condominium corporation not for profit under the laws of the State of Florida, at the first meeting of the Board of Directors on the ____ day of _____, 197_.

_____
SECRETARY-TREASURER

Approved:

_____
PRESIDENT

EXHIBIT "F"

LAKE TARPON SAIL AND TENNIS CLUB PROJECT

All of Tract 152, situated in Section 7, 8, 17 and 18, Township 27 South, Range 16 East, according to the map of lands of TAMPA AND TARPON SPRINGS LAND CO'S SUBDIVISION, recorded in Plat Book 1, on page 116, of the Public Records of Hillsborough County, Florida, of which Pinellas County was formerly a part. Said lands being also described as: Lot 152 of the official Map of the Town of Tarpon Springs, Hillsborough County, Florida, (of which Pinellas County was formerly a part) recorded in Plat Book 4, on Page 79 of the Public Records of Pinellas County, Florida.

together with:

All of Lot 153, in Section 8, Township 27 South, Range 16 East, Pinellas County, Florida, according to plat of TAMPA AND TARPON SPRINGS LAND CO'S SUBDIVISION, recorded in Plat Book 1, on Page 116, of the Public Records of Hillsborough County, Florida, of which Pinellas County was formerly a part, LESS AND EXCEPT the following described portions thereof:

a) Begin at the SW corner of said Lot 153 and run thence Northeasterly along Highland Avenue 36' for P.O.B., continue thence Northeasterly along the boundary of Highland Avenue a distance of 80'; run thence Southeasterly and perpendicular to Highland Avenue a distance of 100'; run thence Southwesterly parallel to Highland Avenue a distance of 80'; run thence Northwesterly 100' to P.O.B.

b) Beginning at the NE corner of Lot 153, run thence N. 72°52' W, a distance of 666'; run thence S 17° 08' W, 131.5'; thence run S 72° 52' E, 670' to the West shore of Lake Butler; thence run in a Northerly direction following the shore line of said Lake Butler to the P.O.B.

together with:

The following portion of the property excluded in (b) above: Beginning at the NE corner of Lot 153, run Westerly 416' to the P.O.B.; thence Southerly 131.5', westerly 50', Northerly 131.5', thence Easterly 50' to P.O.B., City of Tarpon Springs; said lot being numbered and designated in accordance with the Plat thereof which appears of record in Plat Book 4, Page 79, of the Public Records of Pinellas County, Florida.