

BAY POINT GOLF VILLAS II
A CONDOMINIUM

DECLARATION OF CONDOMINIUM

SUBMISSION STATEMENT

The undersigned, being the owner of record of the fee simple title to the following described real property, situate, lying and being in Bay County, Florida, to wit:

Commence at the intersection of the East line of Section 10, Township 4 South, Range 15 West, Bay County, Florida, and the Southwesterly right-of-way line of Delwood Beach Road; Thence South $51^{\circ} 08' 47''$ East along said right-of-way line for 184.00 feet to the Easterly right-of-way line of Bay Point Road, according to the plat of Bay Point Unit One as recorded in Plat Book 11, Pages 47-56 in the public records of Bay County, Florida. Thence South $38^{\circ} 51' 13''$ West along said right-of-way line of Bay Point Road for 106.00 feet to the P. C. of a curve in said right-of-way line concave to the Northwest and having a central angle of $23^{\circ} 48' 45''$ and a radius of 478.46 feet; Thence Southwesterly along said curve for an arc distance of 198.85 feet, said arc having a chord of 197.42 feet bearing South $50^{\circ} 45' 35.5''$ West to the P. C. of a curve in said right-of-way line concave to the Southeast and having a central angle of $81^{\circ} 36' 57''$ and a radius of 320.00 feet; Thence Southwesterly along said curve for an arc distance of 455.83 feet, said arc having a chord of 418.26 feet bearing South $23^{\circ} 40' 19''$ West to the P. T. of said curve; Thence South $17^{\circ} 25' 12''$ East along said right-of-way line for 91.86 feet to the P. C. of a curve in said right-of-way line concave to the Northwest and having a central angle of $113^{\circ} 55' 33''$ and a radius of 465.00 feet; Thence Southerly along said curve for an arc distance of 289.73 feet, said arc having a chord of 285.06 feet bearing South $0^{\circ} 25' 46''$ West to the point of beginning. Thence continue Southwesterly along said curve in said right-of-way line for an arc distance of 386.42 feet, said arc having a chord of 375.40 feet bearing South $42^{\circ} 05' 10''$ West; Thence South $23^{\circ} 26' 06''$ East for 82.77 feet; Thence South $61^{\circ} 03' 42''$ East for 189.72 feet; Thence South $35^{\circ} 18' 12''$ East for 156.72 feet; Thence North $40^{\circ} 34' 17''$ East for 96.50 feet; Thence North $27^{\circ} 03' 41''$ East for 174.80 feet; Thence North $41^{\circ} 52' 10''$ East for 171.23 feet; Thence North $36^{\circ} 05' 24''$ East for 146.85 feet; Thence North $75^{\circ} 25' 12''$ West for 393.66 feet to the point of beginning, containing 3.959 acres more or less.

hereby states and declares that said realty, together with improvements thereon, is submitted to condominium ownership, pursuant to the Condominium Act of the State of Florida, Florida Statutes 711 Et. Seq. (hereinafter referred to as the "Condominium Act"), and the provisions of said Act are hereby incorporated by reference included herein thereby, and does herewith file for record this Declaration of Condominium.

Definitions: As used in this Declaration of Condominium and By-Laws attached hereto, and all Amendments thereto, unless the context otherwise requires, the following definitions shall prevail:

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

B. Association or Corporation means BAY POINT GOLF VILLAS II ASSOCIATION, INC., a Florida non-profit corporation, being the entity responsible for the operation of the Condominium.

C. By-Laws, means the By-Laws of BAY POINT GOLF VILLAS II ASSOCIATION, INC., as they exist from time to time.

D. Common Elements, means the portions of the Condominium property not included in the Units.

E. Limited Common Elements means and includes those common elements which are reserved for the use of certain units, to the exclusion of all other units.

F. Condominium, means that form of ownership of condominium property under which units of improvements are subject to ownership by different owners, and there is appurtenant to each unit, as part thereof, an undivided share in the common elements.

G. Condominium Act, means and refers to the Condominium Act of the State of Florida (Florida Statutes 711, Et. Seq.), as the same may be amended from time to time.

H. Common Expenses means the expenses for which the unit owners are liable to the Association.

I. Common Surplus means the excess of all receipts of the Association, including but not limited to assessments, rent, profits and revenues on account of the common elements, over the amount of common expenses.

J. Condominium Property means and includes the land in a condominium whether or not contiguous, and all improvements thereon intended for use in connection with the condominium.

K. Assessment means a share of the funds required for the payment of common expenses which, from time to time is assessed against the unit owner.

L. Condominium Parcel means a Unit, together with the undivided share in the common elements, which is appurtenant to the Unit.

M. Condominium Unit, or Unit, means a part of the condominium property which is to be subject to private ownership.

N. Unit Owner, or Owner of a Unit, or Parcel Owner, means the owner of a condominium parcel.

O. Developer means THE GRAND LAGOON COMPANY, a Florida corporation, its successors or assigns.

P. Institutional Mortgagee means a Bank, Savings and Loan Association, Insurance Company, or Union Pension Fund, authorized to do business in the State of Florida, or an Agency of the United States Government. The mortgage may be placed through a Mortgage or Title Company.

Q. Occupant means the person or persons, other than the Unit owner, in possession of a Unit.

R. Condominium Documents means this Declaration, the By-Laws and all Exhibits annexed hereto as the same from time to time may be amended.

S. Unless the context otherwise requires, all other terms in this Declaration shall be assumed to have the meaning attributed to said term by Section 711.03, Florida Statutes, a section of the Condominium Act of the State of Florida.

II

NAME

The name by which this Condominium is to be identified is: BAY POINT GOLF VILLAS II, a condominium.

III

IDENTIFICATION OF UNITS

The condominium property consists essentially of ³⁰38 units in all and for the purpose of identification, all units in the building located on said condominium property are given identifying numbers and delineated on the survey exhibits collectively identified as Exhibit No. 1, attached hereto and made a part of this Declaration. No unit bears the same identifying number as does any other unit. The aforesaid identifying number as to the unit is also the identifying number as to the parcel. The said Exhibit No. 1 also contains a Survey of the land, a graphic description of the improvements in which the units are located, and a plat plan and, together with this Declaration, they are in sufficient detail to identify the location, dimensions and size of the common elements of each unit, as evidenced by the Certificate of the Registered Land Surveyor hereto attached. The legend and notes contained within the said Exhibit are incorporated herein and made a part hereof by reference.

The aforesaid building or buildings are or will be constructed substantially in accordance with the plans prepared by Robert G. Hecht, A.I.A., copies of which plans shall be on file with the Association.

IV

OWNERSHIP OF COMMON ELEMENTS

Each of the unit owners of the Condominium shall own an undivided interest in the common elements and limited common elements (if there are any such limited common elements), and the undivided interest stated as percentages of such ownership in the said common elements and limited common elements, is set forth on Exhibit A, which is annexed to this Declaration and made a part hereof.

The fee title to each condominium parcel shall include both the condominium unit and the above respective undivided interest in the common elements, said undivided interest in the common elements to be deemed to be conveyed or

encumbered with its respective condominium unit, even though the description in the instrument of conveyance may refer only to the fee title to the condominium unit. Any attempt to separate the fee title to a condominium unit from the undivided interest in the common elements appurtenant to each unit shall be null and void. The term "common elements," when used throughout this Declaration, shall mean both common elements and limited common elements, unless the context otherwise specifically requires.

V

VOTING RIGHTS

There shall be one person with respect to each unit ownership, who shall be entitled to vote at any meeting of the unit owners--such person to be known (and is hereinafter referred to) as a "voting member." If a unit is owned by more than one person, the owners of said unit shall designate one of them as the voting member, or in the case of a corporate unit owner, an officer or an employee thereof shall be the voting member. The designation of the voting member shall be made as provided, by, and subject to, the provisions and restrictions set forth in the By-Laws of the Association. The total number of votes shall be equal to the total number of units in the Condominium, and each condominium unit shall have no more and no less than one equal vote in the Association. If one individual owns two condominium parcels, he shall have two votes. The vote of a condominium unit is not divisible.

Unit ownership, for the purposes of voting rights, is defined as ownership in fee title; however, should a person acquire the unexpired term of a Ninety-nine Year Leasehold interest in and to a unit, said Lessee shall be entitled to the voting rights for said unit until the expiration of said Lease.

VI

COMMON EXPENSES AND COMMON SURPLUS

The common expenses of the condominium shall be shared by the unit owners as specified and set forth in Exhibit A. The foregoing ratio of sharing common expenses and assessments shall remain regardless of the purchase price of the condominium parcels, their location or the building square footage included in each condominium unit.

Any common surplus of the Association shall be owned by each of the unit owners in the same proportion as their percentage ownership interest in the common elements--any common surplus being the excess of all receipts of the Association, from this Condominium, including but not limited to assessments, rents, profits and revenues on account of the common elements of this Condominium, over the amount of the common expenses of this Condominium.

VII

METHOD OF AMENDMENT OF DECLARATION

This Declaration may be amended at any regular or special meeting of the unit owners of this Condominium, called and convened in accordance with the By-Laws, by the affirmative vote of voting members casting not less than three-fourths (3/4) of the total vote of the members of the Association.

All Amendments shall be recorded and certified as required by the Condominium Act. No Amendment shall change any Condominium parcel nor a Condominium unit's proportionate share of the common expenses or common surplus, nor the voting rights appurtenant to any unit, unless the record owner(s) thereof, and all record owners of mortgages, or other voluntarily placed liens thereon, shall join in the execution of the Amendment. No Amendment shall be passed which shall impair or prejudice the rights and priorities of any mortgages. No Amendment shall change the provisions of this Declaration with respect to institutional mortgagees with the written approval of all institutional mortgagees of record. No Amendment shall change the rights and privileges of the developer without the developer's written approval.

Notwithstanding the foregoing two paragraphs, the developer reserves the right to change the interior design and arrangement of all units and to alter the boundaries between units, as long as the developer owns the units so altered; however, no such change shall increase the number of units nor alter the boundaries of the common elements, except the party walls between the condominium units without Amendment of this Declaration in the manner hereinbefore set forth. If the Developer shall make any changes in units as provided in this paragraph, such changes shall be reflected by an Amendment of this Declaration with the servity attached, reflecting such authorized alteration of units, and said Amendment need only be executed or acknowledged by the Developer and any holders of institutional mortgages encumbering the said altered units. The survey shall be certified in the manner required by the Condominium Act. If more than one unit is concerned, the Developer shall apportion between the units the shared of the common elements appurtenant to the unit's concern, together with apportioning common expenses and common surplus of the units concerned, and such shares of common elements, common expenses and common surplus shall be duly noted in the Amendment of the Declaration.

VIII

BY-LAWS

The operation of the condominium property shall be governed by By-Laws, which are set forth in a document entitled "By-Laws of BAY POINT GOLF VILLAS II ASSOCIATION, INC.", which is annexed to this Declaration, marked "Exhibit 2," and made a part hereof.

No modification of or Amendment to the By-Laws of said Association shall be valid unless set forth in or annexed to a duly recorded Amendment to this Declaration. The By-Laws may be amended in the manner provided for therein, but no Amendment to said By-Laws shall be adopted which would affect or impair the validity or priority of any mortgage covering any condominium parcel(s) without the written approval of the affected mortgagees of record.

IX

THE OPERATING ENTITY

The name of the Association responsible for the operation of the Condominium is set forth in Article VIII hereinabove; said Corporation is a non-profit Florida corporation, organized and existing pursuant to the Condominium Act. The said Association shall have all the powers and duties set forth in the Condominium Act, as well as all of the powers and duties granted to or imposed upon it by this Declaration, the By-Laws of the Association, and its Articles of Incorporation, which Articles of Incorporation are attached hereto, marked "Exhibit 3," and made a part hereof.

Every owner of a condominium parcel, whether he has acquired his ownership by purchase, by gift, conveyance, or transfer by operation of law, or otherwise, shall be bound by the By-Laws of said Association, by the Articles of Incorporation of the Association, and by the provisions of the Declaration.

X

ASSESSMENTS

The Association, through its Board of Directors, shall have the power to fix and determine, from time to time, the sum or sums necessary and adequate to provide for the common expenses of the condominium property, and such other assessments as are specifically provided for in this Declaration and the By-Laws attached hereto. The procedure for the determination of such assessments shall be as set forth in the By-Laws of the Association.

The common expenses shall be assessed against each Condominium parcel owner, as provided in Article VI of the Declaration.

Assessments that are unpaid for over fifteen (15) days after due date, shall bear interest at the rate of ten percent (10%) per annum, from due date until paid, and at the sole discretion of the Board of Directors, a late charge of \$25.00 shall be due and payable thereon.

The Association shall have a lien on each condominium parcel for any unpaid assessments, together with interest thereon, against the unit owner of such condominium parcel, together with a lien on all tangible personal property located within said unit, except that such lien upon the aforesaid tangible personal property shall be subordinate to prior bona fide liens of record. Reasonable attorney's fees incurred by the Association incident to the collection of such assessment for the enforcement of such lien, together with all sums advanced and paid by the Association, for taxes and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien, shall be payable by the unit owner and secured by such lien.

The Board of Directors may take such action as they deem necessary to collect assessments by personal action, or by enforcing and foreclosing said lien, and may settle and compromise the same, if in the best interests of the Association. Said lien shall be effective as and in the manner provided for by the Condominium Act, and shall have the priorities established by said Act. The Association shall be entitled to bid at any sale held pursuant to a suit to foreclose an assessment lien, and to apply as a cash credit against its bid, all sums due the Association covered by the lien enforced. In case of such foreclosure, the unit owner shall be required to pay a reasonable rental for the condominium parcel, and the Plaintiff in such foreclosure shall be entitled to the appointment of a Receiver to collect same from the unit owner and/or occupant.

Where the mortgagee of an institutional first mortgage of record, or other purchaser of a condominium unit obtains title to a condominium parcel as a result of foreclosure of the institutional first mortgage, or when an institutional first mortgagee of record accepts a deed to said condominium parcel in lieu of foreclosure, such acquirers of title, his successors and assigns, shall not be liable for the share of common expenses or assessments by the Association pertaining to such condominium parcel, or chargeable to the former unit owner of such parcel, which became due prior to acquisition of title as a result of the foreclosure, or the acceptance of such deed in lieu of foreclosure. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all the unit owners, including such acquirer, his successors and assigns.

Any person who acquires an interest in a unit, except through foreclosure of an institutional first mortgage of record or deed in lieu thereof as specifically provided in the paragraph immediately preceding, including without limitation, persons acquiring title by operation of law, including purchasers at judicial sales, shall not be entitled to occupancy of the unit or enjoyment of the common elements, until such time as all unpaid assessments due and owing by the former unit owner have been paid.

The Association, acting through its Board of Directors, shall have the right to assign its claim and lien rights for the recovery of any unpaid assessment, to the Developer, or to any unit owner or group of owners, or to any third party.

XI

PROVISIONS RELATING TO SALE OR RENTAL OR OTHER ALIENATION OR MORTGAGING OF CONDOMINIUM UNITS

A. SALE OR RENTAL OF UNITS

In the event any unit owner wishes to sell his unit or rent or lease his unit for a period in excess of 364 days, the Association shall have the option to purchase, rent or lease said unit, upon the same conditions as are offered by the unit owner to a third person. Any attempt to sell, rent or lease (for in excess of said period of time) said unit, without prior offer to the Association, shall be deemed a breach of this Declaration, and shall be wholly null and void, and shall confer no title or interest whatsoever upon the intended purchaser, tenant or lessee.

Should a unit owner wish to sell, lease or rent (for in excess of such period of time) his condominium parcel (which means the unit, together with the undivided share of the common elements appurtenant thereto), he shall, before making or accepting any offer to purchase, sell or so lease or rent his condominium parcel, deliver to the Board of Directors of the Association, a written notice containing the terms of the offer he has received or which he wishes to accept, or proposes to make, the name and address of the person(s) to whom the proposed sale, lease or transfer is to be made, and two bank references, and three individual references, local, if possible, and such other information (to be required within five days from receipt of such notice) as may be required by the Board of Directors of the Association. The Board of Directors of the Association is authorized to waive any or all of the references aforementioned.

The Board of Directors of the Association, within ten days after receiving such notice and such supplemental information as is required by the Board of Directors, shall either consent to the transaction specified in said Notice, or by written Notice to be delivered to the unit owner's unit, (or mailed to the place designated by the unit owner in his Notice), designate the Association, one or more persons then unit owner, or any other person(s) satisfactory to the Board of Directors of the Association, who are willing to purchase, so lease or rent, upon the same terms as those specified in said Notice, or object to the sale, leasing or renting to the prospective purchaser, tenant or lessee, for good cause, which cause need not be set forth in the Notice of the Board of Directors to the unit owner. However, it shall require the unanimous vote of the Board of Directors in order to object for good cause. The Association shall not unreasonably withhold its consent to any prospective sale, rental or lease.

The stated designee of the Board of Directors shall have 14 days from the date of the notice sent by the Board of Directors to make a binding offer to buy, so lease or rent upon the same terms and conditions specified in the unit owner's notice. Thereupon, the unit owner shall either accept such offer or withdraw and/or reject the offer specified in his Notice to the Board of Directors. Failure of the

Board of Directors to designate such person(s) or failure of such person(s) to make such an offer within said fourteen day period or failure of the Board of Directors to object for good cause shall be deemed consent by the Board of Directors to the transaction specified in the unit owner's Notice, and the unit owner shall be free to make, or accept the offer specified in his Notice, and sell, lease or rent said interest, pursuant thereto, to the prospective purchaser or tenant named therein, within ninety days after his Notice was given.

The consent of the Board of Directors of the Association shall be in recordable form, signed by two officers of the Association, and shall be delivered to the purchaser or lessee. Should the Association fail to act, as herein set forth, and within the time provided herein, the Association shall, nevertheless, thereafter prepare and deliver its written approval in recordable form, as aforesaid, and no conveyance of title or interest whatsoever shall be deemed valid without the consent of the Board of Directors, as herein set forth.

The sub-leasing or sub-renting of said unit owner's interest for a period in excess of 364 days shall be subject to the same limitations as are applicable to the leasing or renting thereof. The Board of Directors shall have the right to require that a substantially uniform form of lease or sublease be used, or in the alternative, the Board of Directors' approval of the lease or sublease form to be used shall be required. After approval as herein set forth, entire units may be rented provided the occupancy is only by the lessee, his family and guests.

Where a corporate entity is the owner of a unit, it may designate the occupants of the unit as it desires and for such period of time as it desires without compliance with the provisions of Paragraph A of this Article XI.

Nothing herein shall be construed as prohibiting the lease or sub-lease of a unit for a period of 364 days or less without notice to the Directors of the Association.

B. MORTGAGE AND OTHER ALIENATION OF UNITS

1. A unit owner may not mortgage his unit nor any interest therein, without the approval of the Association, except as to an institutional mortgagee, as hereinbefore defined. The approval of any other mortgagee may be upon conditions determined by the Board of Directors of the Association, and said approval, if granted, shall be in recordable form, executed by two officers of the Association.

2. No judicial sale of a unit nor any interest therein shall be valid unless:

(a) The sale is to a purchaser approved by the Association, which approval shall be in recordable form executed by two officers of the Association and delivered to the Purchaser, or,

(b) The sale is a result of a public sale with open bidding.

3. Any sale, mortgage or lease which is not authorized pursuant to the terms of the Declaration shall be void, unless subsequently approved by the Board of Directors, and said approval shall have the same effect as though it had been given and filed of record simultaneously with the instrument it approved.

4. The foregoing provisions of this Article XI shall not apply to transfers by a unit owner to any member of his immediate family (that is, spouse, children or parents). The phrase, "sell, rent or lease," in addition to its general definition, shall be defined as including the transferring of a unit owner's interest by gift, devise, or involuntary or judicial sale. In the event a unit owner dies and his unit

is conveyed or devised to some person other than his spouse, children or parents, or if some other person is designated by decedent's legal representative to receive the ownership of the condominium unit, or if under the laws of descent and distribution of the State of Florida, the condominium descends to some person or persons other than the decedent's spouse, children or parents, the Board of Directors of the Association shall, within thirty (30) days of proper evidence or rightful designation served upon the President or any other officer of the Association, or within thirty (30) days from the date the Association is placed on actual notice of the said devisee or descendant, express its refusal or acceptance of the individual or individuals so designated as owner of the condominium parcel. If the Board of Directors of the Association shall consent, ownership of the condominium parcel may be transferred to the person or persons so designated, who shall thereupon become the owner of the condominium parcel, subject to the provisions of this Declaration of Condominium and the By-Laws of the Association. If, however, the Board of Directors of the Association shall refuse to consent, then the members of the Association shall be given an opportunity during thirty (30) days next after said last above mentioned thirty (30) days to purchase or to furnish a purchaser for cash, the said condominium parcel at the then fair market value thereof. Should the parties fail to agree on the value of such condominium parcel, the same shall be determined by an appraiser appointed by the senior Judge of the Circuit Court in and for the area wherein the condominium is located, upon ten (10) days notice, on petition of any party in interest. The expense of appraisal shall be paid by the said designated person or persons or the legal representative of the deceased owner out of the amount realized from the sale of such condominium parcel. In the event the then members of the Association do not exercise the privilege of purchasing or furnishing a purchaser for said condominium parcel within such period and upon such terms, the person or persons so designated may then, and only in such event, take title to the condominium parcel; or, such person or persons or the legal representative of the deceased owner may sell the said condominium parcel, but such sale shall be subject in all other respects to the provisions of this enabling Declaration of Condominium and the By-Laws of the Association.

5. The liability of the unit owner under these covenants shall continue notwithstanding the fact that he may have leased, rented or sublet said interest, as provided herein. Every purchaser, tenant or lessee shall take subject to this Declaration of Condominium and the By-Laws of the Association, as well as the provisions of the Condominium Act.

6. Special Provisions re Sale, Leasing, Mortgaging or Other Alienation by certain Mortgagees and the Developer.

(a) An institutional first mortgagee holding a mortgage on a condominium parcel upon becoming the owner of said condominium parcel through foreclosure or by deed in lieu of foreclosure, or whomsoever shall become the acquirer of title at the foreclosure sale of an institutional first mortgage shall have the unqualified right to sell, lease or otherwise transfer said unit, including the fee ownership thereof; and/or to mortgage said parcel without prior offer to the Board of Directors of the Association. The provisions of Paragraphs A and B, sub-paragraphs 1-5, of this Article XI, shall be inapplicable to such institutional first mortgagee or the acquirer of the title as described above in this paragraph.

(b) The provisions of Paragraphs A and B, Sub-paragraphs 1-5 of this article XI, shall be inapplicable to the Developer. The said Developer is irrevocably empowered to sell, lease, rent and/or mortgage condominium parcels or units, and portions thereof, to any purchaser, lessee or mortgagee approved by it, and the Developer shall have the right to transact any business necessary to consummate sales or rentals of units, or portions thereof, including but not

limited to, the right to maintain models, have signs, use the common elements, and to show units. The sales office(s), signs, and all items pertaining to sales, shall not be considered common elements, and shall remain the property of the Developer. In the event that there are unsold parcels, the Developer retains the right to be the owner of said unsold parcels under the same terms and conditions as all other parcel owners in said Condominium; however, said Developer, at such time as he continues to be parcel owner, and not exceeding twenty-four (24) months after the date of the filing of the said Declaration, shall only be required to contribute such sums to the common expenses of the Condominium, in addition to the total monthly common expenses and assessments paid by all other parcel owners as may be required by the Association to maintain the Condominium and fulfill its obligations, as provided in this Declaration and the Exhibits attached hereto, but in no event shall the Developer be required to contribute to the common expenses as to the parcels owned by him, in an amount exceeding the obligation for such unit, as specified and set forth in Exhibit A attached to this Declaration. Commencing twenty-four (24) months after the date of the filing of this Declaration of Condominium, the Developer shall contribute to the common expenses, as to the parcels owned by him, in the same manner as all other parcel owners, as provided in Exhibit A attached to this Declaration.

XII

INSURANCE PROVISIONS

A. LIABILITY INSURANCE

The Board of Directors of the Association shall obtain public liability and property damage insurance covering all of the common elements of the condominium, and insuring the Association and the common owners as its and their interests appear, in such amounts as the Board of Directors of the Association may determine from time to time, provided that the minimum amount of coverage shall be \$250,000/\$500,000/\$10,000. Said insurance shall include but be not limited to water damage, legal liability, hired automobile, non-owned automobile and off-premises employee coverages. All liability insurance shall contain cross-liability endorsements to cover liabilities of the unit owners as a group to a unit owner. Premiums for the payment for such insurance shall be paid by the Association and charged as a common expense.

B. CASUALTY INSURANCE

1. Purchase of Insurance. The Association shall obtain fire and extended coverage Insurance and vandalism and malicious mischief Insurance, insuring all the insurable improvements within the Condominium, including personal property owned by the Association, in and for the interests of the Association, all unit owners and their mortgagees, as their interests may appear, in a company acceptable to the standards set by the Board of Directors of the Association, in an amount equal to the maximum insurable replacement value as determined annually by the Board of Directors of the Association; the premiums for such coverage and other expenses in connection with such insurance shall be paid by the Association and charged as a common expense. The company or companies with whom the Association shall place its insurance coverage as provided in this Declaration must be good and responsible companies authorized to do business in the State of Florida. The institutional first mortgagee owning and holding the first recorded mortgage encumbering a condominium unit shall have the right for so long as it owns and holds any mortgage encumbering a

condominium unit, to approve the policies and the company or companies who are the insurers under the insurance placed by the Association as herein provided in the amount thereof and the further right to designate and appoint the Insurance Trustee. At such time as aforesaid institutional first mortgagee is not the holder of a mortgage on a unit, then these rights of approval and designation shall pass to the institutional first mortgagee having the highest dollar indebtedness on units in the condominium property and in the absence of the action of said mortgagee, the Association shall have the right without qualification,

2. Loss Payable Provisions--Insurance Trustee. All policies purchased by the Association shall be for the benefit of the Association, all unit owners and their mortgagees, as their interests may appear. Such policies shall be deposited with the Insurance Trustee (as hereinafter defined), who must first acknowledge that the policies and any proceeds thereof will be held in accordance with the terms hereof. The Insurance Trustee may be the named insured and it shall not be necessary to name the Association or the unit owners; however, a mortgagee endorsement shall be issued. Said policy shall provide that all insurance proceeds payable on account of loss or damage shall be payable to the Insurance Trustee, which may be any bank in Florida with trust powers as may be approved by the Board of Directors of the Association, which Trustee is herein referred to as the Insurance Trustee. The Insurance Trustee shall not be liable for the payment of premiums nor for the renewal or the sufficiency of policies, nor for the failure to collect any insurance proceeds, nor for the form or contents of the policies. The sole duty of the Insurance Trustee shall be to receive such proceeds as are paid and hold the same in trust for the purposes elsewhere stated herein, and for the benefit of the Association, the unit owners and their respective mortgagees, in the following shares, but such shares need not be set forth upon the records of the Insurance Trustee.

(a) Common Elements. Proceeds on account of damage to common elements--an undivided share for each unit owner, such share being the same as the undivided share in the common elements appurtenant to his unit.

(b) Condominium Units. Proceeds on account of condominium units shall be in the following undivided shares:

1. Partial Destruction--When units are to be repaired and restored--for the owners of the damaged units in proportion to the cost of repairing the damage suffered by each unit owner.

2. Total Destruction of Condominium Improvements or Where "Very Substantial" Damage Occurs and the Condominium Improvements are not to be Restored as Provided Hereinafter in this Article--For the owners of all condominium units, each owner's share being in proportion to his share in the common elements appurtenant to his condominium unit.

(c) Mortgagees. In the event a mortgagee endorsement has been issued to a unit, the share of a 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 the right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired.

3. Distribution of Proceeds. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the beneficial owners and expended or disbursed after first paying or making provision for the payment of the expenses of the Insurance Trustee in the following manner:

(a) Reconstruction or Repair. If the damage for which the proceeds were paid is to be repaired and restored, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, all remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by him. Said remittance shall be made solely to an institutional first mortgagee when requested by such institutional first mortgagee whose mortgage provides that it has the right to require application of the insurance proceeds to the payment or reduction of its mortgage debt.

(b) Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be repaired and restored, the proceeds shall be disbursed to the beneficial owners; remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by him. Said remittance shall be made solely to an institutional first mortgagee when requested by such institutional first mortgagee whose mortgage provides that it has the right to require application of the insurance proceeds to the payment of its mortgage debt. In the event of loss or damage to personal property belonging to the Association and should the Board of Directors of the Association determine not to replace such personal property as may be lost or damaged, the proceeds shall be disbursed to the beneficial owners as surplus in the manner elsewhere stated.

(c) Certificate. In making distribution to the unit owners and their mortgagees, the Insurance Trustee may rely upon a certificate of the Association as to the names of the unit owners and their respective shares of the distribution approved in writing by an attorney authorized to practice law in the State of Florida, or a title insurance company or abstract company authorized to do business in the State of Florida. Upon request of the Insurance Trustee, the Association forthwith shall deliver such certificate.

4. Loss Within Single Unit. If loss shall occur within a single unit or units without damage to the common elements, the insurance proceeds shall be distributed to the beneficial unit owner, remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by him. Said remittance shall be made solely to an institutional first mortgagee when requested by such institutional first mortgagee whose mortgage provides that it has the right to require application of the insurance proceeds to the payment or reduction of its mortgage debt. The unit owner shall thereupon be fully responsible for the restoration of the unit.

5. Loss Less Than "Very Substantial". Where a loss or damage occurs to more than one unit, or to the common elements, or to any unit or units and the common elements, but said loss is less than "very substantial" (As hereinafter defined), it shall be obligatory upon the Association and the unit owners to repair, restore and rebuild the damage caused by said loss. Where such loss or damage is less than "very substantial":

(a) The Board of Directors of the Association shall promptly obtain reliable and detailed estimates of the cost of repairing and restoration.

(b) If the damage or loss is limited to the common elements, with no, or minimum damage or loss to any individual units, and if such damage or loss to the common elements is less than \$3,000, the insurance proceeds shall be endorsed by the Insurance Trustee over to the Association, and the Association shall promptly contract for the repair and restoration.

(c) If the damage or loss involves individual units encumbered by institutional first mortgages, as well as the common elements, or if the damage is limited to the common elements alone, but is in excess of \$3,000.00, the insurance proceeds shall be disbursed by the Insurance Trustee for the repair and restoration of the property upon the written direction and approval of the Association and provided,

however, that upon the request of an institutional first mortgagee, the written approval shall also be required of the institutional first mortgagee owning and holding the first recorded mortgage encumbering a condominium unit so long as it owns and holds any mortgage encumbering a condominium unit. At such time as the aforesaid first institutional mortgagee is not the holder of a mortgage on a unit, then this right of approval and designation shall pass to the institutional first mortgagee having the highest dollar indebtedness on units in the condominium property. Should written approval be required as aforesaid, it shall be said mortgagee's duty to give written notice thereof to the Insurance Trustee. The Insurance Trustee may rely upon the certificate of the Association and the aforesaid institutional first mortgagee, if said institutional first mortgagee's written approval is required, as to the payee and the amount to be paid from said proceeds. All payees shall deliver paid bills and waivers of mechanics' liens to the Insurance Trustee, and execute any Affidavit required by law or by the Association, the aforesaid institutional first mortgagee, and Insurance Trustee and deliver same to the Insurance Trustee. In addition to the foregoing, the institutional first mortgagee, whose approval may be required as aforesaid, shall have the right to require the Association to obtain a completion, performance and payment bond in an amount and with a bonding company authorized to do business in the State of Florida, which are acceptable to said mortgagee.

(d) Subject to the foregoing, the Board of Directors shall have the right and obligation to negotiate and contract for the repair and restoration of the premises.

(e) If the net proceeds of the insurance are insufficient to pay for the estimated cost of restoration and repair (or for the actual cost thereof if the work has actually been done), the Association shall promptly upon determination of the deficiency levy a special assessment against all unit owners in proportion to the unit owner's share in the common elements for that portion of the deficiency as is attributable to the cost of restoration of the common elements, and against the individual unit owners for that portion of the deficiency as is attributable to his individual unit; provided, however, that if the Board of Directors finds that it cannot determine with reasonable certainty the portion of the deficiency attributable to specific individual damaged unit(s), then the Board of Directors shall levy the assessment for the total deficiency against all of the unit owners in proportion to the unit owner's share in the common elements just as though all of said damage had occurred to the common elements. The special assessment funds shall be delivered by the Association to the Insurance Trustee and added by said Trustee to the proceeds available for the repair and restoration of the property.

(f) In the event the insurance proceeds are sufficient to pay for the cost of restoration and repair, or in the event the insurance proceeds are insufficient but additional funds are raised by special assessment within ninety (90) days, after the casualty so that sufficient funds are on hand to fully pay for such restoration and repair, then no mortgagee shall have the right to require the application of insurance proceeds to the payment of its loan, provided, however, that this provision may be waived by the Board of Directors in favor of any institutional first mortgagee upon request therefor at any time. To the extent that any insurance proceeds are required to be paid over to such mortgagee, the unit owners shall be obligated to replenish the funds so paid over, and said unit owner and his unit shall be subject to special assessment for such sum.

6. "Very Substantial" Damage. As used in this Declaration, or any other context dealing with this condominium, the term "very substantial" damage shall mean loss or damage whereby three-fourths (3/4) or more of the total unit space of the condominium is rendered untenantable, or loss or damage whereby seventy-five percent (75%), or more, of the total amount of insurance coverage (placed pursuant to Article XII B-1) becomes payable. Should such "very substantial" damage occur, then:

(a) The Board of Directors of the Association shall promptly obtain reliable and detailed estimates of the cost of repair and restoration.

(b) The provisions of Article XII B-5(f) shall not be applicable to any institutional first mortgagee who shall have the right if its mortgage so provides to require applications of the insurance proceeds to the payment or reduction of its mortgage debt. The Board of Directors shall ascertain as promptly as possible the net amount of insurance proceeds available for restoration and repair.

(c) Thereupon, a membership meeting shall be called by the Board of Directors of the Association, to be held not later than sixty (60) days after the casualty, to determine the wishes of the membership with respect to the abandonment of the condominium project, subject to the following:

(1) If the net insurance proceeds available for restoration and repair, together with funds advanced by unit owners to replace insurance proceeds paid over the institutional first mortgagees, are sufficient to cover the cost thereof so that no special assessment is required, then the condominium property shall be restored and repaired, unless two-thirds (2/3) of the total votes of the members of the Association shall vote to abandon the condominium project, in which case the condominium property shall be removed from the provisions of the law, in accordance with Section 711.16, Florida Statutes, and there shall be recorded in the Public Records of Bay County, Florida, an instrument terminating this condominium, which said instrument shall further set forth the facts effecting the termination, certified by the Association and executed by its President and Secretary. Termination of the condominium shall become effective upon the recording of said instrument, and the unit owners shall, thereupon, become owners as tenants in common in the property, that is, the real, personal, tangible and intangible personal property, and any remaining structures of the condominium and their undivided interests in the property shall be the same as their undivided interests in the common elements of this condominium prior to its termination and the mortgages and liens upon condominium parcels shall become mortgages and liens upon the undivided interests of such tenants in common with the same priority as existed prior to the termination of the condominium.

(2) If the net insurance proceeds available for restoration and repair, together with funds advanced by unit owners to replace insurance proceeds paid over to institutional first mortgagees are not sufficient to cover costs thereof, so that a special assessment will be required, then if a majority of the total votes of the members of the Association vote against such special assessment and to abandon the condominium project, then it shall be so abandoned and the property removed from the provision of the law in accordance with Section 711.16, Florida Statutes, and with the preceding paragraph hereof. In the event a majority of the total members of the Association vote in favor of the special assessment, the Association shall immediately levy such assessment and thereupon the Association shall proceed to negotiate and contract for such repairs and restoration, subject to the provisions of Subparagraph 5 (c) and (d) above. The special assessment funds shall be delivered by the Association to the Insurance Trustee and added by said Trustee for the repair and restoration of the property as provided in Subparagraph 5 (c) above. To the extent that any insurance proceeds are paid over to such mortgagee and in the event it is determined not to abandon the condominium project and to vote such special assessment to his mortgagee and said unit owner and his unit shall be subject to special assessment for such sum.

In the event any dispute shall arise as to whether or not "very substantial" damage has occurred, it is agreed that such a finding made by the Board of Directors of the Association shall be binding upon all unit owners.

7. Surplus. It shall be presumed that the first moneys disbursed in payment of costs of repair and restoration shall be from the insurance proceeds; and if there is a balance in the funds held by the Insurance Trustee after payment of all costs of the repair and restoration, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated.

8. Certificate. The Insurance Trustee may rely upon a certificate of the Association, certifying as to whether or not the damaged property is to be repaired and restored. Upon request of the Insurance Trustee, the Association forthwith shall deliver such certificate.

9. Plans and Specifications. Any repair and restoration must be substantially in accordance with the plans and specifications for the original building, or as the building was last constructed, or according to the plans approved by the Board of Directors of the Association, which approval shall not be unreasonably withheld. If any material or substantial change is contemplated, the approval of all institutional first mortgagees shall also be required.

10. Association's Power to Compromise Claim. The Association is hereby irrevocably appointed agent for each unit owner for the purpose of compromising and settling claims arising under insurance policies purchased by the Association, and to execute and deliver releases therefor upon the payment of claims.

C. Workmen's Compensation Policy to Meet the Requirements of Law.

D. Such other insurance as the Board of Directors of the Association may determine from time to time to be desirable.

E. Each individual unit owner shall be responsible for purchasing, at his own expense, liability insurance to cover accidents occurring within his own unit, and for purchasing insurance upon his own personal property, and living expense insurance. Such insurance, where applicable, shall contain the same waiver of subrogation, if available, as referred to in Paragraph F hereinafter.

F. If available and where applicable, the Board of Directors of the Association shall endeavor to obtain policies which provide that the insurer waives its rights of subrogation as to any claims against unit owners, the Association, and their respective servants, agents and guests.

XIII

USE AND OCCUPANCY

The owner of a unit shall occupy and use his apartment as a single family private dwelling for himself and the members of his family, his social guests, his lessees as provided for in this Declaration, and for no other purpose. The unit owner shall not permit or suffer anything to be done or kept in his unit which will increase the rate of insurance on the condominium property, or which will obstruct or interfere with the rights of other unit owners, or annoy them by unreasonable noises, or otherwise; nor shall the unit owner commit or permit any nuisance, immoral or illegal act in or about the condominium property.

No animals or pets of any kind shall be kept in any unit, or on any property of the condominium, except with the written consent of the Board of Directors and thereafter, under the Rules and Regulations adopted by the Board; provided that they are not kept, bred or maintained for any commercial purpose, and further, provided that such pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the property subject to these restrictions, upon three days written notice from the Board.

The unit owner shall not cause anything to be hung, displayed or placed on the exterior walls, doors or windows of the building, without the prior written consent of the Board of Directors of the Association. No clothes line or similar device shall be allowed on any portion of the condominium property by any person, firm or corporation without the written consent of the Board of Directors.

No person shall use the common elements or any part thereof, or a condominium unit or the condominium property, or any part thereof, in any manner contrary to or not in accordance with such rules and regulations pertaining thereto, as from time to time may be promulgated by the Association.

The initial Rules and Regulations are captioned "Building Rules and Regulations," and are as set forth in the By-Laws of the Association, which are annexed hereto as "Exhibit 2." The said Building Rules and Regulations shall be deemed effective until amended, as provided in the By-Laws.

XIV

MAINTENANCE AND ALTERATIONS

A. The Board of Directors of the Association may enter into a contract with any firm, person or corporation, for the maintenance and repair of the Condominium property.

B. There shall be no material alterations, or substantial additions to the common elements or limited common elements, except as the same are authorized by the Board of Directors, and ratified by the affirmative vote of voting members casting not less than seventy-five percent (75%) of the total votes of the members of the Association present at any regular or special meeting of the unit owners called for that purpose, provided the aforesaid alterations or additions do not prejudice the right of any unit owner unless his consent has been obtained. The cost of the foregoing shall be assessed as common expenses. Where any alterations or additions as aforescribed are exclusively or substantially exclusively for the benefit of the unit owner(s) requesting same, then the cost of such alterations or additions shall be assessed against and collected solely from the unit owners exclusively or substantially exclusively benefiting and the assessment shall be levied in such proportion as may be determined as fair and equitable by the Board of Directors of the Association. Where such alterations or additions exclusively or substantially exclusively benefit unit owners requesting same, said alterations or additions shall only be made when authorized by the Board of Directors and ratified by not less than seventy-five percent (75%) of the total votes of the unit owners exclusively or substantially exclusively benefiting therefrom, and where said unit owners are ten or less, the approval of all but one shall be required.

C. Each unit owner agrees as follows:

1. To maintain in good condition and repair his unit, and all interior surfaces within or surrounding his unit (such as the surfaces of the walls, ceiling, floors, etc.), whether or not part of the unit or common elements, and to maintain and repair the fixtures therein, which includes but is not limited to the following where applicable: air conditioning and heating units, refrigerators, stoves, fans and hot water heaters, and to pay for such utilities as are separately metered to his unit. Where a unit is carpeted, the cost of replacing carpeting shall be borne by the owner of said unit. Likewise, where a unit is furnished, the cost of replacing or repairing such furniture shall be borne by the owner of said unit.

2. Not to make or cause to be made any structural addition or alteration to his unit, or to the common elements, without prior consent of the Association, and all mortgagees holding a mortgage on his unit.

3. To make no alteration, decoration, repair, replacement or change of the common elements, or to any outside or exterior portion of the building whether within a unit or part of the common elements; to only use those contractors or subcontractors within his unit approved by the Board of Directors.

ENTRY
4. To allow the Board of Directors, or the agents or employees of the Association, to enter into any unit for the purpose of maintenance, inspection, repair, replacement of the improvements within the units or the common elements, or to determine in case of emergency circumstances threatening units or the common elements, or to determine compliance with the provisions of this Declaration and the By-Laws of the Association.

5. To show no signs, advertisements or notices of any type on the common elements, or his unit and erect no exterior antenna and aerials except as consented to by the Board of Directors of the Association.

D. In the event the owner of a unit fails to maintain it as required herein, or make any structural addition or alteration without the required written consent, or otherwise violates or threatens to violate the provisions hereof, the Association shall have the right to proceed in a court of law for an injunction to seek compliance with the provisions hereof. In lieu thereof, and in addition thereto, the Association shall have the right to levy an assessment against the owner of the unit, and the unit, for such necessary sums and to restore the property to good condition and repair. Said assessment shall have the same force and effect as all other special assessments. The Association shall have the further right to have its employees and agents, or any subcontractors appointed by it, enter the unit at all reasonable times, to do such work as is deemed necessary by the Board of Directors of the Association to enforce compliance with the provisions hereof.

E. The Association shall determine the exterior color scheme of the building and all exteriors, and shall be responsible for the maintenance thereof, and no owner shall paint an exterior wall, door, window or balcony, or any exterior surface or replace anything thereon or affixed thereto, without the written consent of the Association.

XV

LIMITED COMMON ELEMENTS

If any areas are designated on Exhibit 1 hereto as limited common elements, any expense for maintenance, repair or replacement shall be treated as and paid for as a part of the common expense of the Association. Should said maintenance, repair or replacement be caused by the negligence or misuse of a unit owner, his family or the guests, servants and invitees, he shall be responsible therefor, and the Association shall have the right to levy an assessment against the owner of said unit, which assessment shall have the same force and effect as all other special assessments.

XVI

TERMINATION

This Condominium may be voluntarily terminated in the manner provided for in Section 711.16, Florida Statutes, at any time. However, when there has been "very substantial" damage, as defined in Article XII B (6) above, this Condominium shall be subject to termination as provided in Article XII B (6) above.

XVII

N.B.

MISCELLANEOUS PROVISIONS

A. The owner of the respective "condominium unit" shall not be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, floors and ceilings surrounding his respective condominium unit, nor shall the unit owner be deemed to own pipes, wires, conduits, or other public utility lines running through said respective condominium unit which are utilized for or serve more than one condominium unit, which items are by these presents hereby made part of the common elements. Said unit owner, however, shall be deemed to own the walls and partitions which are contained in said unit owner's respective condominium unit, and also shall be deemed to own the inner decorated and/or finished surfaces of the perimeter walls, floors and ceilings, including plaster, paint, wallpaper, etc.

B. The owners of the respective condominium units agree that if any portion of a condominium unit or common element or limited common element encroaches upon another, a valid easement for the encroachment and maintenance of same, as long as it stands, shall and does exist. In the event the condominium building is partially or totally destroyed, and then rebuilt, the owners of the condominium parcels agree that encroachments of parts of the common elements or limited common elements or condominium units, as aforescribed, due to construction, shall be permitted, and that a valid easement for said encroachments and the maintenance thereof shall exist.

C. The owner of a condominium parcel may exempt himself from liability for his contribution toward the common expenses by waiver of the use and enjoyment of any of the common elements, or by the abandonment of his condominium unit.

D. The owners of each and every condominium parcel shall return the same for the purpose of ad valorem taxes with the Tax Assessor of the County wherein the condominium is situate, or such other future legally authorized governmental authority or officer having jurisdiction over the same. Nothing herein shall be construed, however, as giving to any unit owner the right of contribution or any right of adjustment against any other unit owner on account of any deviation by the taxing authorities from the valuations herein prescribed, each unit owner to pay such ad valorem taxes and special assessments as are separately assessed against his "condominium parcel."

For the purposes of ad valorem taxation, the interests of the owner of a "condominium parcel", in his "condominium unit," and in the "common element," shall be considered as a unit. The value of such unit shall be equal to the percentage of the value of the entire condominium, including land and improvements as has been assigned to said unit and as set forth in this Declaration. The total of all of said percentages equals 100% of the value of all of the land and improvements thereon.

E. All provisions of this Declaration and Exhibits attached hereto and Amendments thereof, shall be construed to be covenants running with the land, and of every part thereof and interest therein, including but not limited to every unit and the appurtenances thereto, and every unit owner and claimant of the property or any part thereof or of any interest therein, and his heirs, executors, administrators, successors and assigns, shall be bound by all of the provisions of said Declaration and Exhibits annexed hereto and Amendments thereof.

F. If any provisions of this Declaration or of the By-Laws attached hereto or of the Condominium Act or any section, sentence, clause, phrase or word, or the application thereof, in any circumstance, is held invalid, the validity of the remainder of this Declaration, the By-Laws attached hereto, or the Condominium Act, and of the application of any such provision, section, sentence, clause, phrase or word, in other circumstances, shall not be affected thereby.

G. Whenever notices are required to be sent hereunder, the same may be delivered to unit owners, either personally or by mail addressed to such unit owners, at their place of residence in the condominium building, unless the unit owner has, by prior written notice duly receipted for, specified a different address. Proof of such mailing or personal delivery by the Association shall be given by the Affidavit of the person mailing or personally delivering said notices. Notices to the Association shall be delivered by mail to the office of the Association at Bay Point, Panama City Beach, Florida 32401. Notices to the Developer shall be delivered by mail at Bay Point, Panama City Beach, Florida 32401. All notices shall be deemed and considered sent when mailed. Any party may change its mailing address by written notice duly receipted for. Notices required to be given the personal representative of a deceased owner or devisee, when there is no personal representative may be delivered either personally or by mail to such party at his or its address appearing in the records of the Court wherein the estate of such deceased owner is being administered.

H. Nothing hereinabove set forth in this Declaration shall be construed as prohibiting the Developer or the Board of Directors of the Association from removing, or authorizing the removal of any party wall between any condominium units in order that the said units might be used together as one integral unit. In such event, all assessments, voting rights and the share of common elements shall be calculated as if such units were as originally designated on the exhibits attached to this Declaration, notwithstanding the fact that several units are used as one, to the intent and purpose that the unit owner of such "combined" units shall be treated as the unit owner of as many units as have been so combined.

I. The "Remedy for Violation," provided for by Section 711.23, Florida Statutes, shall be in full force and effect. In addition thereto, should the Association find it necessary to bring a Court action to bring about compliance with the law, this Declaration and the By-Laws, upon a finding by the Court that the violation complained of is willful and deliberate, the unit owner so violating shall reimburse the Association for reasonable attorney's fees incurred by it in bringing such action, as determined by the Court.

J. The change of any mailing address of any party to this Declaration of Condominium shall not require an Amendment to this Declaration.

K. Whenever the context so requires, the use of any gender shall be deemed to include all genders, and the use of the singular shall include the plural, and the plural shall include the singular. The provisions of the Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of the condominium.

L. The captions used in this Declaration and Exhibits annexed hereto are inserted solely as a matter of convenience and shall not be relied upon and/or used in construing the effect or meaning of any of the text of this Declaration or Exhibits hereto annexed.

M. Where an institutional first mortgage by some circumstance falls to be a first mortgage, but it is evident that it is intended to be a first mortgage, it shall nevertheless, for the purpose of this Declaration and Exhibits annexed, be deemed to be an institutional first mortgage.

N. If any term, covenant, provision, phrase, or other element of the condominium documents is held invalid or unenforceable for any reason whatsoever, such holding shall not be deemed to affect, alter, modify, or impair in any manner whatsoever, any other term, provision, covenant, or element of the condominium documents.

O. The Developer specifically disclaims any intent to have made any warranty or representation in connection with the property or the condominium document except as specifically set forth therein, and no person shall rely upon any warranty or representation not so specifically made therein. Any estimates of common expenses, taxes or other charges are deemed accurate, but no warranty or guaranty is made or intended, nor may one be relied upon.

P. In order to insure the Condominium of adequate and uniform water, sewage disposal and television cable service, Developer shall have and hereby reserves the exclusive right to contract for the servicing of this Condominium and the unit owners therein with said services. This right may be terminated by a waiver executed by the Developer in writing.

Q. Notwithstanding the fact that the present provisions of the Condominium Act of the State of Florida incorporated by reference and included herein thereby, the provisions of this Declaration and Exhibits thereto shall be paramount to the condominium act as to those provisions where permissive variances are permitted; otherwise, the provisions of said Condominium Act shall prevail and shall be deemed incorporated there

R. No Condominium parcel shall bring, or have any right to bring, any act of partition or division of the Condominium property.

S. This Declaration of Condominium and Exhibits thereto shall be interpreted under the laws of the State of Florida.

T. Each member of the operating entity as provided for in Article IX hereof shall also be a member of the Bay Point Improvement Association, Inc., a Florida non-profit corporation; a copy of the Articles of Incorporation of said corporation is attached hereto as Exhibit "4".

IN WITNESS WHEREOF, THE GRAND LAGOON COMPANY has caused these presents to be signed in its name by its President, and its Corporate Seal affixed, attested by its Secretary, this 15th day of December, 1973.

THE GRAND LAGOON COMPANY

BY:

Deigh C. [Signature]
Its President

(SEAL)

ATTEST:

[Signature]
Secretary

Signed, sealed and delivered
in the presence of:

Robert W. Haines

Martha A. Middleton

(CORPORATE SEAL)



STATE OF FLORIDA)

COUNTY OF BAY)

BEFORE ME, the undersigned authority, personally appeared Cliff M. Averett, Jr. and Thomas P. Mallory to me well known to be the persons described in and who executed the foregoing instrument, as President and Secretary, respectively, of THE GRAND LAGOON COMPANY, a Florida corporation, and they severally acknowledged before me that they executed such instrument as such officers of said corporation, and that the seal affixed thereto is the true corporate seal of said corporation, and that it was affixed to said instrument by due and regular act of said corporation.

WITNESS my hand and seal at the County and State aforesaid, this 15th day of December, 1973.

TARY

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE

MY COMMISSION EXPIRES 18 NOVEMBER 1977

Martha A. Middleton
Notary Public

FOR GOOD AND VALUABLE CONSIDERATION, receipts whereof is hereby acknowledged, BAY POINT GOLF VILLAS II ASSOCIATION, INC., a Florida non-profit corporation, hereby agrees to accept all of the benefits and all of the duties, responsibilities, obligation, and burdens imposed upon it by the provisions of this Declaration and Exhibits attached hereto.

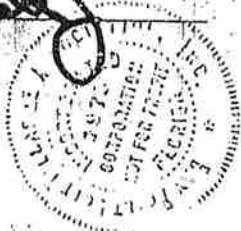
IN WITNESS WHEREOF, BAY POINT GOLF VILLAS II ASSOCIATION, INC., a Florida non-profit corporation, has caused these presents to be signed in its name by its President, and its Corporate Seal affixed and attested by its Secretary, this 15th day of December, 1973.

BAY POINT GOLF VILLAS II ASSOCIATION, INC.

By: Deigh L. Lutz
Its President

ATTEST:

(Corporate Seal)



[Signature]
Secretary

STATE OF FLORIDA)

COUNTY OF BAY)

BEFORE ME, the undersigned authority, personally appeared Cliff M. Averett, Jr. and Thomas P. Mallory to me well known to be the persons described in and who executed the foregoing instrument, as President and Secretary, respectively, of BAY POINT GOLF VILLAS II ASSOCIATION, INC., a Florida non-profit corporation, and they severally acknowledged before me that they executed such instrument as such officers of said corporation, and that the seal affixed thereto is the corporate seal of said corporation, and that it was affixed to said instrument by due and regular corporate authority, and that said instrument is the free act and deed of said corporation.

WITNESS my hand and official seal at the County and State aforesaid, this 15th day of December, 1973.

NOTARY
PUBLIC

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE

MY COMMISSION EXPIRES 18 NOVEMBER 1977

Martha A. Middleton
Notary Public

EXHIBIT A

Condominium
Unit and Parcel

Percentages of
Undivided Interest
In Common Elements

Unit Owner's
Share of Common
Expenses

Unit No.	440C	3.95	3.95
	441B	3.46	3.46
	442A	3.02	3.02
	443E	3.18	3.18
	444E	3.18	3.18
	445A	3.02	3.02
	446B	3.46	3.46
	447C	3.95	3.95
	448E	3.18	3.18
	449A	3.02	3.02
	450B	3.46	3.46
	451B	3.46	3.46
	452A	3.02	3.02
	453E	3.18	3.18
	454A	3.02	3.02
	455E	3.18	3.18
	456B	3.46	3.46
	457B	3.46	3.46
	458C	3.95	3.95
→	459B	3.46	3.46
	460A	3.02	3.02
	461E	3.18	3.18
	462A	3.02	3.02
	463E	3.18	3.18
	464B	3.46	3.46
	465B	3.46	3.46
	466C	3.95	3.95
	467B	3.46	3.46
	468A	3.02	3.02
	469E	3.18	3.18

Bay Point Golf Villas II Association, Inc., a Florida non-profit corporation, has been formed to operate this Condominium, as set forth in the Articles of Incorporation attached hereto as Exhibit 3, and all members of the Association shall, as unit owners, share the common expenses in the foregoing ratios.

EXHIBIT NO. 1

SURVEYOR'S CERTIFICATE

STATE OF FLORIDA,

COUNTY OF BAY,

BEFORE ME, the undersigned authority duly authorized to administer oaths and take acknowledgements, personally appeared BUELL H. HARPER, JR., who after being first duly sworn, deposes and says as follows:

1. That he is a duly licensed land surveyor under the laws of the State of Florida, being Surveyor No. 1718.

2. Affiant hereby certifies that the Declaration of Condominium of BAY POINT GOLF VILLAS II, together with the exhibits attached hereto, constitute a correct representation of the improvements located upon the real property described therein, and that there can be determined therefrom, the identification, location, dimension and size of the common elements, and of each Condominium Unit therein.

FURTHER AFFIANT SAYETH NAUGHT.

Buell H. Harper Jr.

SWORN TO AND SUBSCRIBED before me this 6th day ofFebruary, 1974.

Martha A. Middleton

NOTARY PUBLIC

My Commission expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE,
MY COMMISSION EXPIRES 19 NOVEMBER 1977

[illegible]

LEGEND

1. Each condominium unit consists of the space bounded by a vertical projection of the condominium unit boundary line shown and by the horizontal planes at the floor and ceiling elevations.
2. All interior angles of condominium units at 90°, unless otherwise noted.
3. _____
_____ Indicates boundary of condominium units.

_____ Indicates common element.
4. Parking areas are for the use of all condominium unit owners and specific parking areas will be assigned by the Association.
5. Exterior walls are nominal 4" stud walls either stuccoed or paneled. Dividing walls between units and end walls are 8" concrete masonry, stuccoed where exposed to the exterior.
6. There are six plan configurations for condominium units, identified on the plans as A, A', E, E', B, and C. All units have a private fenced entrance court yard which is a portion of the condominium unit as indicated on the plans.

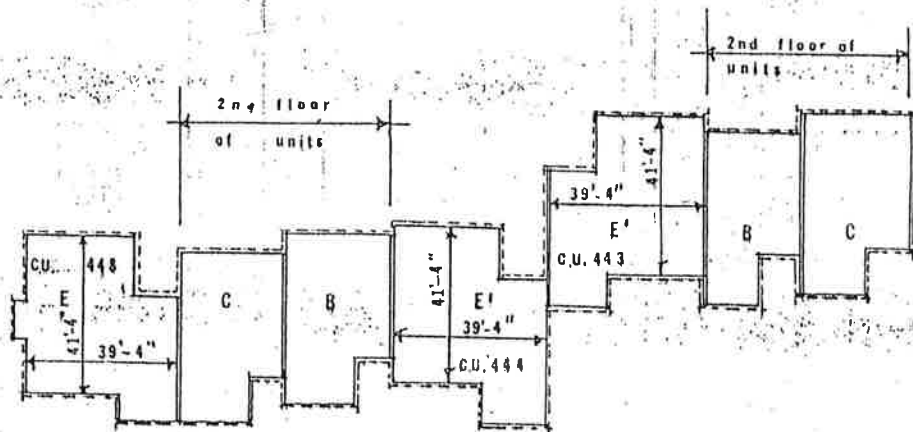
A and A' are first floor, 2-bedroom units containing a kitchen, combined living and dining room, screened porch, two baths, and two dressing areas.

E and E' are second floor, 2-bedroom units containing a kitchen, dining room, living room, screened porch, two baths, and two dressing areas.

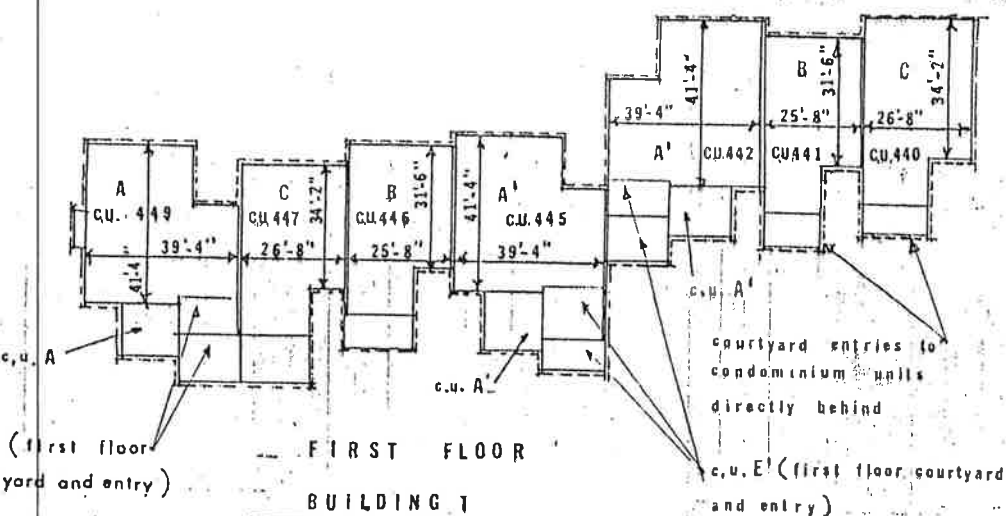
B is a 2-bedroom, two-story (walk-up) unit containing a kitchen, laundry area, powder room, living room, dining room, screened porch, two baths, and two dressing areas.

C is a 3-bedroom, two-story (walk-up) unit containing a kitchen, laundry area, powder room, living room, dining room, screened porch, two baths, and two dressing areas.
7. "All condominium units in the buildings located on the condominium property are given identifying numbers, which are delineated within each condominium unit space in this Exhibit. The condominium unit number is the Condominium parcel number".
8. "The condominium property shall be subject to such utility service easements as specified herein, and as the Developer may hereinafter deem necessary, pursuant to the Declaration of Condominium to which this Exhibit No. 1 is attached".
9. The following drawings, Sheets 4 of 5 and 5 of 5 were prepared by Hecht and Burdeshaw, Architects.

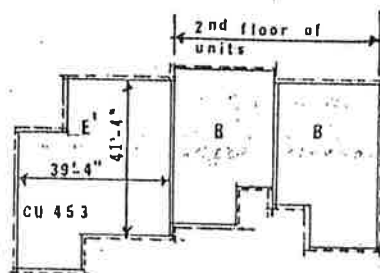




SECOND FLOOR



FIRST FLOOR
BUILDING 1



SECOND FLOOR

