

DECLARATION OF CONDOMINIUM
LAGO DEL REY CONDOMINIUM 4

I.

SUBMISSION STATEMENT

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The Corporation whose name appears at the end of this Declaration as "Developer", being the owner of record of the fee simple title to the real property situate, lying and being in Palm Beach County, Florida, as more particularly described and set forth as the Condominium property in the Survey Exhibits attached hereto as "Exhibit No. 1", which are made a part hereof as though fully set forth herein (together with equipment, furnishings and fixtures therein contained not personally owned by unit owners), 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, F.S. 718 Et Seq. (hereinafter referred to as the "Condominium Act"), and the provisions of said Act are hereby incorporated by reference and included herein thereby, and does herewith file for record this Declaration of Condominium.

Definitions: As used in this Declaration of Condominium and By-Laws and Exhibits attached hereto, and all Amendments thereof, 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, means the Florida non-profit Corporation whose name appears at the end of this Declaration as "Association", said Association being the entity responsible for the operation of the Condominium.

C. By-Laws, means the By-Laws of the Association specified above as they exist from time to time.

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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 a certain unit or units, to the exclusion of all other units as specified in the Declaration of Condominium.

Record and return to Abrams, Anton,
Robbins, Resnick and Schneider, P.A.
P.O. Box 650
Hollywood, Florida 33020

This Instrument prepared by: Abrams,
Anton, Robbins, Resnick & Schneider,
P.A. By: EDWARD S. RESNICK, Attorney.
P.O. Box 650, Hollywood, Florida 33022

- D-1 -

OFF REC 3025 PG 0074

EXHIBIT A TO OFFERING CIRCULAR

F. Condominium, means that form of ownership of real property which is created pursuant to the provisions of Chapter 718, Florida Statutes, and which is comprised of units that may be owned by one or more persons, and there is appurtenant to each unit an undivided share of the common elements.

G. Condominium Act, means and refers to the Condominium Act of the State of Florida (F.S. 718 et seq).

H. Common Expenses, means all expenses and assessments properly incurred by the Association for the Condominium for which owners are liable to the Association.

I. Common Surplus, means the excess of all receipt of the Association from this Condominium, including but not limited to assessments, rents, profits and revenues on account of the common elements, over and above the amount of common expenses of this Condominium.

J. Condominium property, means and includes the lands, leaseholds and personal property that are subjected to condominium ownership, whether or not contiguous, and all improvements thereon, and all easements and rights appurtenant thereto 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, are assessed against the unit owner.

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

M. Condominium Unit, or Unit, is a unit as defined in the Condominium Act, referring herein to each of the separate and identified units delineated in the Survey attached to the Declaration as Exhibit No. 1, and when the context permits, the Condominium parcel includes such unit, including its share of the common elements appurtenant thereto. The physical boundaries of each unit are as delineated in the Survey aforescribed, and are as more particularly described in Article III and Article XIX.B, of this Declaration.

N. Unit Owner, or Group of Owners, or Owner of a Unit, or Parcel Owner, means the owner or group of owners of a single Condominium parcel.

O. Developer, means the Florida Corporation whose name appears at the end of this Declaration as "Developer", its successor and assigns.

P. Institutional Mortgagee, means a Bank, Savings and Loan Association, Insurance Company or Union Pension Fund authorized to do business in the United States of America, an Agency of the United States Government, a real estate or mortgage investment trust, or a lender generally recognized in the Community as an Institutional type lender. An individual mortgage on a unit may be placed through a Mortgage or a Title Company.

Q. Occupant, means the person or persons in possession of a Unit, including the Unit Owner.

R. Condominium Documents, means this Declaration, the By-Laws, and all Exhibits annexed hereto, as the same may be amended from time to time. The term, Condominium Documents, may also mean, where applicable, Rules and Regulations, Prospectus or Offering Circular, and the applicable required items under Chapter 718, Florida Statutes, unless the context otherwise requires, and notwithstanding that some or all of said documents or items may or may not be Exhibits to the Declaration of Condominium and/or recorded in the Public Records of the County wherein the Condominium is located.

S. Unless the context otherwise requires, all other terms used in this Declaration shall be assumed to have the meaning attributed to said term by Part I of the Condominium Act as of the date of this Declaration.

T. The Lago Del Rey Pool and Facilities means and refers to that certain area as more particularly described and set forth in the Survey Exhibits attached hereto as Exhibit No. 1, and the Condominium property which constitutes this Condominium includes an undivided interest in this area, as hereinafter provided in this Declaration and Exhibit No. 1. The real property which constitutes the Lago Del Rey Pool and Facilities is legally described in Exhibit No. 1 attached hereto. The terms "Lago Del Rey Pool" and/or "Lago Del Rey Facilities", and/or "the recreation area:", and/or "the recreation facilities", and/or "recreation area and facilities", mean the same as the foregoing.

U. The terms "Lago Del Rey Condominium Complex" and "Complex", where used throughout this Declaration and the Exhibits attached hereto, shall mean the same.

V. The references to all sections and sub-sections under Chapter 718 of the Florida Statutes, i.e., F.S. 718 Et Seq. in this Declaration and Exhibits attached hereto, shall mean those sections and sub-sections as enacted under Chapter 76-222 of the laws of the State of Florida, unless the context otherwise specifies or requires.

II.

NAME

The name by which this Condominium is to be identified is as specified at the top of Page 1 of this Declaration of Condominium.

III.

IDENTIFICATION OF UNITS

The Condominium property consists essentially of all units in the building(s) and other improvements as set forth in Exhibit No. 1 attached hereto, and for the purpose of identification, all units in the building(s) located on said Condominium property are given identifying number(s) or letter(s), and all building(s) are given identifying number(s) or letter(s), if applicable, and the same are 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 or letter as does any other unit. The aforesaid identifying number or letter as to the unit is also the identifying number or letter as to the parcel. The said Exhibit No. 1 also contains a survey of the land, graphic description of the improvements in which the units are located and a plot plan and, together with this Declaration, they are in sufficient detail to identify the location, dimensions and size of the common elements and of each unit, and provide accurate representations of their locations and dimensions. There shall be included in said Exhibit No. 1 a Certificate or Certificates pursuant to and as required by F.S. 718.104(4)(e). The legend and notes contained within the said Exhibit No. 1 are incorporated herein and made a part hereof by reference.

Where the provisions of F.S. 718.104(3) and (4)(m) are applicable to this Condominium, the party or parties required thereunder shall join in this Declaration or consent to same, or execute a subordination or similar instrument, or an appropriate non-disturbance agreement for the purpose of granting unit owners use rights for exclusive or non-exclusive easements for ingress and egress of such streets, walks and other rights-of-way, etc., as required under F.S. 718.104(3) and (4)(m).

This Condominium consists of the Condominium building(s), together with improvements as shown in Exhibit No. 1 attached hereto.

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 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. 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 Association and such person shall 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 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.

Each owner or group of owners shall be entitled to the number of votes equal to the total of the percentage of ownership in the common elements applicable to his Condominium parcel, as set forth and specified in Exhibit "A" which is annexed to this Declaration and made a part hereof. The vote of a Condominium unit is not divisible.

VI.

COMMON EXPENSE AND COMMON SURPLUS

The common expenses of the Condominium shall be shared by the unit owners, as specified and set forth in this Declaration and in Exhibit "A" to this Declaration. 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 conveyed in accordance with the By-Laws, by the affirmative vote of Voting Members casting not less than three-fourths (3/4ths) 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 unit's ownership interest in the common elements of the Condominium nor a Condominium unit's proportionate or percentage share of the common expenses and ownership of the common surplus, nor the voting rights appurtenant thereto, nor materially alter or modify the appurtenances to a unit, nor change the configuration or size of any unit in any material fashion unless the record owner(s) thereof and all record owners of liens thereon shall join in the execution of the Amendment subject, however, where applicable, to the paramount provisions of the last paragraph in this Article VII. No Amendment shall be passed which shall impair or prejudice the rights and priorities of any mortgages, or change the provisions of this Declaration with respect to Institutional Mortgagees, without the written approval of all Institutional Mortgagees of record; nor shall the provisions of Article XII of this Declaration be changed without the written approval of all Institutional Mortgagees of record. Notwithstanding the provisions of this Article VII, the Declaration and Exhibits thereto, where applicable, may be amended for the purposes set forth and pursuant to F.S. 718.110(5), and the Declarations and Exhibits thereto, where applicable, may be amended for the purposes set forth and pursuant to the provisions of F.S. 718.304(1), subject only to the unanimous approval of the full Board of Directors.

No Amendment shall change the rights and privileges of the Developer without the Developer's written approval.

Notwithstanding the foregoing paragraphs of this Article VII, 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 wall between any 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 the amendment of this Declaration with a Survey attached, reflecting such authorized alteration of units, and said amendment need only be executed and 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 shares in the common elements appurtenant to the units concerned, and the voting rights, together with apportioning the common expenses and common surplus of the units concerned, and such shares of common elements, common expenses and common surplus and the voting rights of the units concerned, shall be duly noted in the Amendment of the Declaration.

Notwithstanding the other paragraphs of this Article VII, there shall be automatically incorporated as part of this Declaration and, where applicable, the Exhibits attached thereto including, but not limited to, the Articles of Incorporation of the Condominium Association and the By-Laws of the Condominium Association, any and all provisions which now or hereafter may be required by any agency of the United States government which holds a first mortgage or insures to the holder thereof the payment of same; and the provisions required by any such governmental agency shall supersede any conflicting matters contained within this Declaration and the Exhibits attached thereto. Should the governmental agency require, or at the sole discretion of the Developer, an amendment to this Declaration and the applicable Exhibits attached thereto, then said amendment may be made and executed solely by the Developer without regard to any other provisions herein contained regarding amendments and without any requirement of securing the consent of any unit owners or any others, and said amendment shall be duly filed in the Public Records of the County in which the Condominium is located.

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VIII.

BY-LAWS

The operation of the Condominium property shall be governed by the By-Laws of the Association which are set forth in a document which is annexed to this Declaration, marked Exhibit No. 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), or which would change the provisions of the By-Laws with respect to Institutional Mortgages, without the written approval of all Institutional Mortgagees of record. No amendment shall change the rights and privileges of the Developer without said party(s) written consent. Any amendment to the By-Laws, as provided herein, shall be executed by the parties as required in this Article and in Article VII above, and said Amendment shall be recorded in the Public Records of the County in which the Condominium is located.

IX.

THE OPERATING ENTITY

The operating entity of the Condominium shall be the Florida non-profit Corporation whose name appears at the end of this Declaration as the "Association" which is responsible for the operation of the Condominium specified in Article II hereinabove, said Association being organized and existing pursuant to the Condominium Act. The said Association shall have all of 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, a copy of said Articles of Incorporation being annexed hereto marked Exhibit No. 3 and made a part hereof, and all of the powers and duties necessary to operate the Condominium as set forth in this Declaration and the By-Laws, as they may be amended from time to time.

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 and Articles of Incorporation of the said Association and the provisions of this Declaration of Condominium. Membership in the Florida non-profit Corporation whose name appears at the end of this Declaration terminates upon the termination of ownership of a Condominium parcel in this Condominium.

X.

ASSESSMENTS

A. 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 sums as are specifically provided for in this Declaration and Exhibits attached hereto. The Board of Directors may adopt a budget for the common expenses of the Condominium for the coming fiscal or calendar year in such amount as the Board deems necessary and during a fiscal or calendar year, said Board may increase the assessments for common expenses of the Condominium and/or levy a special assessment for common expenses in such amount as the Board deems necessary. Where the Developer has guaranteed assessments for common expenses of the Condominium that may be imposed upon the unit owners other than the Developer pursuant to F.S. 718.116(8)(b), during the period of said guarantee the Developer may increase the assessments

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for common expenses imposed upon the unit owners other than the Developer during the period of time of said guarantee in such amount as it deems necessary, provided said increase does not exceed the stated dollar amount as guaranteed pursuant to F.S. 718.116(8)(b); and upon notification of such increase by the Developer the Board of Directors of the Condominium Association shall immediately cause the assessments for common expenses of the Condominium to be increased and collected against the unit owners other than the Developer, pursuant to said notification. The procedure for the determination of all such assessments shall be as set forth in the By-Laws of the Association and this Declaration, and the Exhibits attached hereto. A portion of the common expenses of this Condominium may be determined by certain parties as provided under Article XVII of this Declaration, and the applicable provisions hereinbefore set forth in this Article X.A shall apply to the provisions of this sentence and the Board of Directors shall comply with the provisions of said Article XVII of this Declaration.

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

C. Assessments and installments that are unpaid for over ten (10) days after due date shall bear interest at the rate of 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. Regular assessments shall be due and payable monthly on the first day of the applicable month unless otherwise determined by the Board of Directors of the Association.

D. The Association shall have a lien on each Condominium parcel for 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, including fees on appeal, incurred by the Association incident to the collection of such assessments or 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 deemed in its best interests. 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, as provided herein, 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 for the period of time said parcel is occupied by the unit owner or anyone by, through or under said unit owner, and Plaintiff in such foreclosure shall be entitled to the appointment of a Receiver to collect same from the unit owner and/or occupant. The provisions of this paragraph shall also include and apply to certain parties as provided under Article XVII of this Declaration of Condominium.

E. Where the Mortgagee of a First Mortgage of record, or other purchaser of a Condominium unit, obtains title to a Condominium parcel as a result of foreclosure of the First Mortgage, or when a First Mortgagee of record accepts a Deed to said Condominium parcel in lieu of foreclosure, such acquirer of title, its successors and assigns, shall not be liable for the shares 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 unless such share is secured by a claim of lien for assessments

that is recorded prior to the recording of the foreclosed mortgage or the unrecorded mortgage where a Deed in lieu of foreclosure is obtained. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectable from all of the unit owners, including such acquirer, his successors and assigns.

F. Any person who acquires an interest in a unit except through foreclosure of an Institutional First Mortgage of record or by virtue of an Institutional First Mortgagee accepting a Deed to a Condominium parcel in lieu of foreclosure, as specifically provided hereinabove, 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 owners 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 assessments to the Developer or to any unit owner or group of unit owners, or to any third party. The provisions of F.S. 718.116(6) which are set forth in Paragraph E of this Article X are paramount to the applicable provisions of this paragraph.

G. Developer has guaranteed that for a period of one year from the date of the issuance of a Certificate of Occupancy as to the building in this Condominium, the assessments for common expenses of the Condominium, including the monies due under Article XVII as to the Lago Del Rey Pool and Facilities imposed upon the unit owners of units in said building other than the Developer, shall be in the monthly amount for the applicable unit as specified in the estimated Operating Budget provided, however, that the Developer shall have the right, where it deems it necessary, to require the Board of Directors of the Condominium Association to increase said monthly assessments for such months during said one-year period for said units other than units owned by the Developer in an amount as determined by the Developer which shall not exceed 15% in toto for said period of the guarantee over the stated monthly assessment for the applicable unit, as specified in the Operating Budget. Where the Condominium consists of more than one building, the guarantee shall commence as of the first day of the month following the date of the issuance of a Certificate of Occupancy as to the last building in the Condominium. The Board of Directors of the Condominium Association, by virtue of its execution of this Declaration, hereby agree to the foregoing provisions and further agree to levy and collect the assessments forthwith and to cause same to be paid forthwith as directed by the Developer. During the period of said guarantee, the Developer shall pay the amount of common expenses incurred during that period and not produced by the assessments at the guaranteed level receivable from other unit owners, as provided herein, and during said period the Developer shall not be required to pay any specific sum for its share of the common expenses as to any units owned by it provided, however, said Developer shall pay the deficit during said period. The Developer's guarantee is not intended to include and does not include expenses called for or occasioned by an action or decision of the Board of Directors of the Association when the unit owners, other than the Developer, elect a majority of the Board of Directors of the Association, where such expense is inconsistent with expenses preceding that time. If, as and when any of the foregoing shall take place, such sums shall not be used in determining the extent of the Developer's guarantee, as herein provided, and in such event the Developer, at its option, may pay the sums required to be paid by it excluding the sums not intended to be included in said guarantee or in order to minimize matters in controversy between the Developer and the Board of Directors, where the majority of said Board is elected by the unit owners other than the Developer, as related to the guarantee and the provisions of this paragraph and the applicable provisions of the Purchase Agreements or Deposit Receipt Agreements between the Developer and the unit owners, the Developer at its option may cancel said guarantee and, in such case, it shall pay the assessments for common expenses as to the applicable units as it would have been required to pay pursuant to F.S. 718.116(8)(a).

XI.

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

A. SALE OR RENTAL OF UNITS - Association to have First Right of
Refusal.

In the event any unit owner wishes to sell, rent or lease his unit, 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 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 his Condominium parcel (which means the unit, together with the undivided share of the common elements appurtenant thereto), he shall, before accepting any offer to purchase, sell or 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, the name and address of the person(s) to whom the proposed sale, lease or transfer is to be made, two (2) bank references and three (3) individual references - local, if possible, and such other information (to be requested within five (5) 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 foregoing.

The Board of Directors of the Association, within ten (10) 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, or the Association may designate one or more persons then unit owners, or any other person(s) satisfactory to the Board of Directors of the Association who are willing to purchase, lease or rent, upon the same terms as those specified in the unit owner's 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 from the Board of Directors to the unit owner. However, the Association shall not unreasonably withhold its consent to the prospective sale, rental or lease.

The stated designee of the Board of Directors shall have fourteen (14) days from the date of the notice sent by the Board of Directors within which to make a binding offer to buy, 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 offer within the said fourteen (14) 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 (90) days after his notice was given.

The consent of the Board of Directors of the Association shall be in recordable form, signed by two (2) Officers of the Association and shall be delivered to the purchaser or lessee. Should the Board of Directors fail to act, as herein set forth, and within the time provided herein, the Board of Directors of 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 a unit owner's interest shall be subject to the same limitations as are applicable to the leasing or renting thereof. The Association shall have the right to require that a substantially uniform form of lease or sub-lease be used or, in the alternative, the Board of Directors' approval of the lease or sub-lease 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. No individual rooms may be rented and no transient tenants may be accommodated.

Where a corporate entity is the owner of a unit, it may designate the occupants of the units as it desires and for such period of time as it desires without compliance with the provisions of Section A. of this Article XI. The foregoing shall not be deemed an assignment or sub-leasing of a unit, and shall be deemed to be in compliance with the provisions of the first paragraph of Article XIII of this Declaration.

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 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 (2) Officers of the Association. Where a unit owner sells his unit and takes back a mortgage, the approval of the Association shall not be required.

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 of the Association, 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 (viz: - 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 bequeathed to some person other than his spouse, children or parents, or if some other person is designated by the 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 unit descends to some person or persons other than the decedent's spouse, children or parents, the Board of Directors of the Association may, 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 the owner of the Condominium parcel.

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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(s) of the Condominium parcel, subject to the provisions of the Enabling Declaration and the Exhibits attached thereto.

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, within which 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 the 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 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, and such sale shall be subject in all other respects to the provisions of this Enabling Declaration and Exhibits attached hereto.

5. The liability of the unit owner under these covenants shall continue, notwithstanding the fact that he may have leased, rented or sub-let said interest as provided herein. Every purchaser, tenant or lessee shall take subject to this Declaration, the By-Laws and Articles of Incorporation 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 Developer.

(a) An Institutional First Mortgagee holding a mortgage on a Condominium parcel, upon becoming the owner of a 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 or the lien for common expenses, 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 and without the prior approval of the said Board of Directors. The provisions of Sections A and B., No.'s 1-5 of this Article XI shall be inapplicable to such Institutional First Mortgagee, or acquirer of title, as aforedescribed in this paragraph.

(b) The provisions of Sections A and B., No.'s 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 them. 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. The Developer may use a unit(s) as a sales office and/or model apartment(s).

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 unit owners as its and their interests appear, in such amounts and providing such coverage as the Board of Directors of the Association may determine from time to time. Premiums for the payment of such insurance shall be paid by the Board of Directors of the Association and such premiums shall be 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 of the insurable improvements within the Condominium (including the units and the fixtures and other equipment initially installed by the Developer, but not including personal property supplied or installed by unit owners or others, nor, where applicable, the carpeting in the units nor, where applicable, the screening or enclosure on and of the terrace, balcony or porch which, where applicable, are limited common element(s) of said unit) and all personal property owned by the Association, or included in the common elements, 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 of the improvements without deduction for depreciation but exclusive of excavation and foundation costs and in an amount equal to the value of the personal property owned by the Association or included in the common elements, as determined annually by the Board of Directors of the Association. The premiums for such coverage and other expenses in connection with said insurance shall be paid by the Association, and shall be charged as a common expense. The insurance carriers must be good and responsible companies authorized to do business in the State of Florida.

Institutional First Mortgagees owning and holding first mortgages encumbering Condominium units in the Condominium property having an unpaid dollar indebtedness equal to \$100,000.00 or more shall have the right to approve the Policies and the company or companies who are the insurers under the insurance placed by the Association as herein provided, and the amount thereof, and the further right to approve the Insurance Trustee. In the absence of the action of said Mortgagees, then the Association shall have said right without qualification.

2. Loss Payable Provisions - Insurance Trustee: - All policies purchased by the Association shall be for the benefit of and made payable to the Association, and 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. Said Policies 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". Mortgagee Endorsements shall be issued as to said Policies. All Institutional First Mortgagees who own and hold a First Mortgage on a Condominium unit shall have a right to receive a certified copy of the Insurance Policy(s) which are obtained pursuant to this Article XII.B and the party responsible for obtaining said Policy(s) shall cause certified copies of said Policy(s) to be delivered to such Institutional First Mortgagees immediately upon written request by said Mortgagee(s). 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 content of the policies. The sole duty of the Insurance Trustee shall be to receive such proceeds as are paid and hold same in trust for the purposes elsewhere stated herein, and for the benefit of the Association and 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:-

(i) 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.

(ii) 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 unit.

(c) Mortgagees: - In the event a Mortgagee Endorsement has been issued as to a unit, the share of the unit owner shall be held in trust for the mortgagee and the unit owners as their interests may appear, provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired.

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 remittance 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 said mortgagee. Said remittances 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 such mortgagee. Said remittances 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 herein.

OFF REC 3025 PG 0086

(c) Certificate: - In making distribution to 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, 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 a Single Unit: - If loss shall occur within a single unit or units without damage to the common elements and/or the party wall between units, the provisions of Article XII.B.5 below shall apply.

5. Loss Less than "Very Substantial": - Where a loss or damage occurs within a unit or units 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 owner(s) to repair, restore and rebuild the damage caused by said loss. Where such loss or damage is less than "very substantial":-

(a) 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 \$3,000.00, 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 of the damage.

(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 it 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 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 a first mortgage encumbering a Condominium unit in this Condominium where the unpaid balance due on said mortgage to said Institutional First Mortgagee is equal to \$100,000.00 or more. 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's written approval, if said Institutional First Mortgagee's 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 mechanic's liens to the Insurance Trustee and execute any Affidavit required by law or by the Association, the aforesaid Institutional First Mortgagee and the 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 such form and amount and with a Bonding Company authorized to do business in the State of Florida, as is acceptable to the said Mortgagee.

(d) Subject to the foregoing, the Board of Directors of the Association 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

OFF REC 3025 PG 0087

the cost of restoration of the common elements, and against the individual owners for that portion of the deficiency as is attributable to his individual unit; provided, however, that if the Board of Directors of the Association finds that it cannot determine with reasonable certainty the portion of the deficiency attributable to a specific individual damaged unit(s), then the Board of Directors of the Association shall levy an 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 in the common elements. The special assessment funds shall be delivered by the Association to the Insurance Trustee, and added by said Insurance Trustee to the proceeds available for the repair and restoration of the property.

(f) No mortgagee shall have the right to require the application of insurance proceeds to the payment of its loan.

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 (3/4ths) or more of the total unit space in the Condominium is rendered untenable, or loss or damage whereby seventy-five percent (75%) or more of the total amount of insurance coverage (placed as per Article XII.B.1) becomes payable. Should such "very substantial" damage occur, then:-

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

(b) The Board of Directors of the Association shall ascertain as promptly as possible, the net amount of insurance proceeds available for restoration and repair. No mortgagee shall have the right to require the application of insurance proceeds to the payment of its loan.

(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 reference to the termination of the Condominium, subject to the following:-

(i) If the net insurance proceeds available for restoration and repair 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 (2/3rds) of the total votes of the members of the Association shall vote to terminate this Condominium, in which case the Condominium property shall be removed from the provisions of the law by the recording of an instrument terminating this Condominium in the Public Records of the County in which this Condominium is located, which said instrument shall further set forth the facts effecting the termination, certified by the Association and executed by its President and Secretary. The 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, i.e., 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.

(ii) 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 the costs thereof so that a special assessment will be required, and if a majority of the total votes of the members of the Association shall vote against such special assessment and to terminate this Condominium, then it shall be so terminated and the Condominium property removed from the provisions of the law as set forth in Paragraph

6(c)(i) above, and the unit owners shall be tenants in common in the property in such undivided interests - and all mortgages and liens upon the Condominium parcels shall encumber the undivided interests of such tenants in common, as is provided in said Paragraph 6(c)(i) above. In the event a majority of the total votes of the members of the Association vote in favor of special assessments, 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 Paragraph 5(c) and (d) above. 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 restoration and repair of the property. The proceeds shall be disbursed by the Insurance Trustee for the repair and restoration of the property, as provided in Paragraph 5(c) above.

(d) 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 monies 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 the 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 provided herein.

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 shall forthwith 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.

11. Institutional Mortgagee's Right to Advance Premiums: - Should the Association fail to pay such premiums when due, or should the Association fail to comply with other insurance requirements of the Institutional Mortgagee holding the greatest dollar volume of unit mortgages, said Institutional Mortgagee(s) shall have the right, at its option, to order insurance policies and to advance such sums as are required to maintain or procure such insurance, and to the extent of the money so advanced, said mortgagee shall be subrogated to the assessment and lien rights of the Association as against the individual unit owners for the payment of such item of common expense.

Notwithstanding the foregoing, any Institutional Mortgagee(s) owning and holding a mortgage on a unit in this Condominium shall have the right to require the Association and its members, if applicable, to obtain certain type(s) of insurance as it may require due to any governmental law and/or regulation and the like, including flood insurance under the provisions of the Flood Disaster Protection Act of 1973 and amendments thereto and regulations applicable thereto. The Association shall obtain and, where applicable, cause its members to obtain such insurance forthwith upon notification by said Institutional Mortgagee(s) and said Association shall exhibit evidence to said Mortgagee(s) that

such insurance has been obtained and the Association has paid such premiums when due and/or caused its members to pay such premiums when due; and in the event the Association fails to obtain such insurance and/or cause its members to pay such premiums when due and to exhibit proof of the foregoing to said Mortgagee(s) forthwith, said Mortgagee(s) shall have the right at its option to order insurance policies on behalf of the Association and, if applicable, its members as to the foregoing, and said Institutional Mortgagee(s) may file the necessary applications for said insurance on behalf of the Association and if required on behalf of the unit owners, and said Mortgagee(s) may advance such sums as are required to maintain and/or procure such insurance and to the extent of the money so advanced, said Mortgagee(s) shall be subrogated to the assessment and lien rights of the Association as against the individual unit owners for the payment of the foregoing; and said Mortgagee(s) shall also have a cause of action not only against the individual unit owners but also against the Association to enforce the provisions herein and the Association and, where applicable, the individual members, i.e., unit owners, shall be liable to said Mortgagee(s) for the funds it has advanced to maintain and/or procure such insurance and for its reasonable attorney's fees and costs incurred by it in collecting the foregoing, as well as any other damages it may have incurred as a result of the failure of the Association and, where applicable, the individual members to comply with the terms and provisions herein. The rights of an Institutional Mortgagee, as provided in this paragraph, shall also apply to the Institutional Mortgagee or Mortgagees referred to in the first paragraph under this Article XII.B.11.

C. WORKMEN'S COMPENSATION POLICY: to meet the requirements of law.

D. Such other insurance as the Board of Directors of the Association shall determine from time to time to be desirable. The Board of Directors of the Association may obtain insurance policies as provided under this Article XII which contain such deductible clauses and amounts as the Board of Directors determines.

E. Each individual unit owner shall be responsible for purchasing, at his own expense, liability insurance to cover accidents occurring within his unit and the limited common element patio area and for purchasing insurance upon his own personal property.

F. If available, and where applicable, the Association shall endeavor to obtain policies which provide that the Insuror waives its right of subrogation as to any claims against unit owners, the Association, their respective servants, agents and guests. Insurance Companies authorized to do business in the State of Florida shall be affirmatively presumed to be good and responsible companies and the Board of Directors of the Association shall not be responsible for the quality or financial responsibility of the Insurance Companies provided same are licensed to do business in the State of Florida.

XIII.

USE AND OCCUPANCY

The owner of a unit shall occupy and use his apartment unit as a single family private dwelling for himself and the members of his family and his social guests, and for no other purpose. No children under fifteen (15) years of age shall be permitted to reside in any of the units of this Condominium except that children may be permitted to visit and temporarily reside for periods not exceeding sixty (60) days in toto in any calendar year. The provisions of Article XI are paramount to the foregoing provisions. Notwithstanding the foregoing, occupancy of a unit on a permanent basis is limited to two (2) individuals for all one-bedroom units and four (4) individuals for all two-bedroom units and six (6) individuals for all three-bedroom units; however, individuals in excess of this number may be permitted to visit and temporarily reside in a unit not to exceed sixty (60) days in toto in any calendar year. The Association shall have the right to extend said period of visitation within any calendar year.

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 owners commit or permit any nuisance, immoral or illegal acts 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 and subject to the Rules and Regulations adopted by the Board of Directors, provided that they are not kept, bred or maintained for any commercial purposes and further provided that such house pets causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the property subject to these restrictions upon three (3) days' written notice from the Board of Directors of the Association. Once permission is granted, as provided in this paragraph, it may not be withdrawn or terminated unless such house pet has caused or created a nuisance or unreasonable disturbance as provided in this paragraph. Pets shall not be permitted upon the Lago Del Rey Pool and Facilities area unless a portion thereof is designated as the area for pets to relieve themselves.

The unit owner shall not cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors or windows of the units, building(s) nor the limited common elements nor the common elements; nor shall they place any furniture or equipment outside their unit nor shall they cause awnings and/or storm shutters, screens and enclosures and the like to be affixed or attached to any units, limited common elements or common elements, nor shall they plant any flowers, plants, greenery or shrubbery in any planters which are a limited common element, except with the prior written consent of the Board of Directors and further, when approved, subject to the Rules and Regulations adopted by the Board of Directors. No clothes line or similar device shall be allowed on any portion of the Condominium property, nor shall clothes be hung anywhere except where designated by the Board of Directors of the Association. No laundry facilities or equipment shall be permitted in any unit or elsewhere without the written consent of the Board of Directors of the Association, except where the Developer has provided plumbing and electrical connections for laundry facilities or equipment. The unit owner may not enclose the exterior terrace, balcony, patio or porch which abuts a unit without the prior written consent of the Association, which type enclosure is further subject to the prior written approval of the Association; however, the Developer shall have the absolute right to enclose or screen in said exterior terrace, balcony, patio or porch, and said Developer shall have the absolute right to determine what type and style of enclosures shall be permitted as to said terrace, balcony, patio or porch, notwithstanding the fact that the prior written consent of the Association is required.

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 promulgated by the Association.

XIV.

MAINTENANCE AND ALTERATIONS

A. The Board of Directors of the Association may enter into a contract with any firm, person or corporation or may join with other Condominium Associations and entities in contracting for the maintenance and repair of the Condominium property(s) and other type properties, and may contract for or may join with other Condominium Associations in contracting for the management of the Condominium property(s) and other type properties, and may delegate to the contractor or manager all the powers and duties of the Association except such as are specifically required by this Declaration or by the By-Laws to have the approval of the Board of Directors or the membership of the Association. The contractor or manager may be authorized to determine the budget, make assessments for

common expenses and collect assessments, as provided by this Declaration, By-Laws and Exhibits to the Declaration.

B. There shall be no alterations or additions to the common elements or limited common elements of this Condominium where the cost thereof is in excess of ten (10%) percent of the annual budget of this Condominium for common expenses except as authorized by the Board of Directors and approved by not less than seventy-five (75%) percent of the total vote of the unit owners of this Condominium; 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 alteration or additions as aforesaid - i.e., as to the common elements or limited common elements of this Condominium 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 owner(s) 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 approved by not less than seventy-five (75%) percent of the total vote of the unit owners exclusively or substantially exclusively benefiting therefrom, and where said unit owners are ten (10) or less, the approval of all but one shall be required.

Where the approval of unit owners for alterations to the common elements or limited common elements of this Condominium or the Lago Del Rey Pool and Facilities is required in this Declaration and Exhibits attached hereto, the approval of Institutional First Mortgagees whose mortgages encumber Condominium parcels in this Condominium representing not less than seventy (70%) percent of the total unpaid dollar indebtedness as to principal on said parcels at said time shall also be required.

C. Each unit owner agrees as follows:-

1. To maintain in good condition and repair his unit and all interior surfaces within his unit and the entire interior of his unit, and to maintain and repair the fixtures and equipment therein, which includes but is not limited to the following, where applicable, air conditioning and heating unit, including compressor and condenser and all appurtenances thereto wherever situated, and hot water heater, refrigerator, stove, and all other appliances, drains, plumbing fixtures and connections, sinks, all plumbing and water-lines within the unit, electric panels, electric wiring and electric outlets and fixtures within the unit; interior doors, windows, screening and glass, all exterior doors (except the painting of the exterior of exterior doors shall be a common expense of the Condominium); and pay for his electricity and telephone. Water, sewage and waste fees shall be a part of the common expenses if billed to the Condominium; however, if individual bills are sent to each unit by the party furnishing such service, each unit owner shall pay said bill for his unit individually. Where a unit is carpeted, the cost of maintaining and replacing the carpeting shall be borne by the owner of said unit. Each unit owner shall maintain, care for and preserve portions of the limited common elements as provided in Article XV of this Declaration.

2. Not to make or cause to be made any structural addition or alteration to his unit or to the limited common elements or common elements. Alterations within a unit may be made with the prior written consent of the Association and any First Mortgagee holding a mortgage on his unit.

3. To make no alterations, decoration, repair, replacement or change of the common elements, limited common elements, or to any outside or exterior portion of the building(s), whether within a unit or part of the limited common elements or common elements without the

prior written consent of the Association. Any area within a unit designated as a carpeted area by the Association must be carpeted and it may only be changed as to the type of floor covering other than carpeting with the prior written consent of the Association. Non-carpeted designated areas within a unit or within a limited common element which is for the exclusive use of a unit may only be changed as to the type of floor surface thereon with the prior written consent of the Association. Unit owners may use such contractor or sub-contractor as are approved by the Association and said parties shall comply with all Rules and Regulations adopted by the Board of Directors. The unit owner shall be liable for all damages to another unit, the common elements or the Condominium property caused by the unit owner's contractor, sub-contractor or employee, whether said damages are caused by negligence, accident or otherwise.

4. To allow the Board of Directors or the agents or employees of the Association to enter into any unit or limited common element for the purpose of maintenance, inspection, repair, replacement of the improvements within the units, limited common elements or the common elements, or to determine in case of emergency circumstances threatening units, limited common elements 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, limited common elements, or his unit, and to erect no exterior antenna or aerials, except as consented to by the Board of Directors of the Association. The foregoing includes signs within a unit which are visible from outside the unit and the foregoing includes posters, advertisements or circulars upon the Condominium property including common elements, limited common elements, units or vehicles parked upon the Condominium property and distributing advertisements or circulars to units within the Condominium.

D. In the event the owner of a unit fails to maintain the said unit and limited common elements, as required herein, or makes any alterations or additions 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 equity 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 a unit, and the unit, for such necessary sums to remove any unauthorized addition or alteration 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 or agents, or any sub-contractors appointed by it, enter a 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(s) and all exteriors, and interior color scheme of the common elements, and shall be responsible for the maintenance thereof, and no owner shall paint an exterior wall, door, window or any exterior surface, or replace anything thereon or affixed thereto, without the written consent of the Association.

F. The Association shall be responsible for the maintenance, repair and replacement of the common elements and all portions of the Condominium property not required to be maintained, repaired and/or replaced by the unit owner(s). Notwithstanding the unit owner's duty of maintenance, repair, replacement and his other responsibilities as to his unit, as hereinbefore provided in this Declaration, the Association may enter into an agreement with such firms or companies as it may determine to provide certain services and/or maintenance for and on behalf of the unit owners in the Condominium whereby maintenance and service are

provided on a regularly scheduled basis for air-conditioning maintenance and service and appurtenances thereto, exterminating services and other types of maintenance and services, including a Master Television Antenna system, CATV or other allied or similar type use, as the Association deems advisable and for such period and on such basis as it determines. Said agreements shall be on behalf of all unit owners and the monthly assessment due from each unit owner for common expenses shall be increased by such sum as the Association deems fair and equitable under the circumstances in relation to the monthly charge for said maintenance or service. Each unit owner shall be deemed a party to said agreement with the same force and effect as though said unit owner had executed said agreement and it is understood and agreed that the Association shall execute said agreement as the agent for the unit owners. The aforesaid assessment shall be deemed to be an assessment under the provisions of Article X of this Declaration. Where a portion of the Condominium property is a lake, canal, lagoon or waterway area or a street easement, the cost of maintaining the aforesaid and the taxes as to same, including the roadway within the street easement and landscaping within the street easement or abutting said street easement, where applicable, shall be the obligation of the Condominium upon which it is situated and a common expense of said Condominium notwithstanding the fact that said area(s) may be subject to easements for the use and benefit of others.

XV.

LIMITED COMMON ELEMENTS, ETC.

Those areas reserved for the use of certain unit owners or a certain unit owner, to the exclusion of other unit owners, are designated as "limited common elements", and are shown and located on the Surveys annexed hereto as "Exhibit No. 1". Any expense for the maintenance, repair or replacement relating to limited common elements shall be treated as and paid for as part of the common expenses of the Association unless otherwise specifically provided in this Declaration and Exhibits attached hereto. Should said maintenance, repair or replacement be caused by the negligence or misuse by a unit owner, his family, 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. Where the limited common element consists of a terrace, balcony, patio or porch, the unit owner who has the right to the exclusive use of said terrace, balcony, patio or porch shall be responsible for the maintenance, care and preservation of the paint and surface of the interior walls and windows or screening thereon, where applicable, including floor and ceiling, within said exterior terrace, balcony, patio or porch, and the fixed and/or sliding glass door(s) in the entrance way(s) to said terrace, balcony, patio or porch, and the wiring, electrical outlet and fixtures thereon, if any, and the replacement of light bulbs, if any. There is a terrace, balcony, patio or porch adjacent to each Condominium unit within this Condominium and said terrace, balcony, patio or porch adjoining and adjacent to each unit is a limited common element of said unit and for said unit's exclusive use. The applicable provisions in Article XIII of this Declaration as to the terraces, balconies, patios or porches as set forth therein shall be deemed repeated herein. Where units on the second floor of a Condominium building have planters constructed by the Developer which are a part or adjoins a terrace, balcony, patio or porch, said planter is a limited common element for the exclusive use of the unit it adjoins; however, the unit owner of said unit is not permitted to plant in said planter without the prior written consent of the Association. It is intended that the planters be planted by the Developer initially and thereafter maintained and replaced by the Association as a common expense of the Condominium. Where the Association authorizes a unit owner to plant certain items in said planter, as hereinabove provided, it may determine what special assessment shall be paid by said unit owner as an additional cost of maintaining same.

The Board of Directors of the Association shall assign specific

parking spaces to the unit owners in this Condominium. All parking spaces are located within the limited common element parking area shown and designated on Exhibit No. 1 attached hereto; however, such assignment shall not be recorded in the Public Records of Palm Beach county. The Board of Directors of the Association shall have the right to change the assignment of such specific parking spaces from time to time as to the unit owners in this Condominium as it deems advisable in its sole discretion. Each Condominium unit shall be entitled to one (1) parking space. However, a portion of the parking spaces may be for the use of guest parking as determined by and pursuant to the Rules and Regulations adopted by the Board of Directors of the Association. Each parking space is given an identifying number or letter and no parking space bears the same identifying number or letter as any other. However, the number or letter and location of each parking space is not set forth on the Survey Exhibit attached hereto as Exhibit No. 1; however, as hereinbefore provided, all such parking spaces are contained within the parking area which is designated as a limited common element on Exhibit No. 1 attached hereto.

Where a unit owner, lessee or occupant thereof is not using said unit's designated parking space(s) for any period of time, it shall so advise the Association, and the Association shall have the right to authorize the use of said parking space(s) during such periods of time to such party and under such terms and conditions as it determines, and said unit owner shall not be entitled to any compensation therefor.

XVI.

TERMINATION

This Condominium may be voluntarily terminated in the manner provided for in F.S. 718.117 at any time. In addition thereto, 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. In addition thereto, if the proposed voluntary termination is submitted to a meeting of the membership of the Association, pursuant to notice, and is approved in writing within sixty (60) days of said meeting by three-fourths (3/4ths) of the total vote of the members of the Association, and by all Institutional Mortgagees, then the Association and the approving owners, if they desire, shall have an option to purchase all of the parcels of the other owners within a period expiring one-hundred twenty (120) days from the date of such meeting. Such approvals shall be irrevocable until the expiration of the option, and if the option is exercised, the approvals shall be irrevocable. The option shall be exercised upon the following terms:

A. Exercise of Option: - An Agreement to Purchase, executed by the Association and/or the record owners of the Condominium parcels who will participate in the purchase, shall be delivered by personal delivery or mailed by Certified or Registered Mail to each of the record owners of the Condominium parcels to be purchased, and such delivery shall be deemed the exercise of the option. The Agreement shall indicate which Condominium parcels will be purchased by each participating owner and/or the Association and shall require the purchase of all Condominium parcels owned by owners not approving the termination, but the Agreement shall effect a separate contract between the seller and his purchaser.

B. Price: - The sale price for each condominium parcel 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 Appraisers appointed by the Senior Judge of the Circuit Court in and for the area wherein the Condominium is located, on the Petition of the seller. The expenses of appraisal shall be paid by the purchaser.

C. Payment: - The purchase price shall be paid in cash.

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

LAGO DEL REY POOL AND FACILITIES

The Lago Del Rey Pool and Facilities area is the real property with improvements thereon as described in Exhibit No. 1 attached hereto. It is the intention of the Developer to create such number of Condominiums as shall include not more than three hundred (300) Condominium units which shall constitute Section One of the Lago Del Rey Condominium Complex, said Complex being legally described in Exhibit B to this Declaration. Upon the Declaration of Condominium for each of the Condominiums being recorded in the Public Records of Palm Beach County, Florida, the Condominium property for each Condominium shall include an undivided interest in and to the fee simple title of said Lago Del Rey Pool and Facilities area as a part of the common elements of the Condominium as specified in Exhibit No. 1 attached hereto. The Developer covenants and warrants the foregoing. The foregoing shall apply regardless of the number of Condominium units within a Condominium. The foregoing shall be the undivided interest in and to the fee simple title of said Lago Del Rey Pool and Facilities area as to the applicable Condominium by virtue of the execution of said Condominium's Declaration of Condominium and the recording thereof in the Public Records of Palm Beach County, Florida. Each Condominium in the property described in Exhibit B shall have equal use of and access to the Lago Del Rey Pool and Facilities, notwithstanding the undivided interest of said Pool and Facilities by the applicable Condominium. Should the Developer not create the number of Condominiums set forth hereinabove in this paragraph within the property described in Exhibit B to this Declaration as of December 31, 1980, or earlier if the Developer so determines, it shall execute a Quit-Claim Deed and file same of record in the Public Records of Palm Beach County, Florida, whereby it divests itself of all vestigial interest in the aforesaid area. The Grantee(s) in said Quit-Claim Deed shall be the Condominium Association(s) responsible for the operation of each Condominium created within the property described in Exhibit B and where there is more than one Grantee, said Quit-Claim Deed shall convey to each Grantee an equal undivided interest of the Developer's vestigial interest in and to the aforesaid area. The Condominiums created within the property described in Exhibit B may be operated by one Association or several different Associations; however, the foregoing provisions as to the Grantee(s) in the Quit-Claim Deed and the interest conveyed to them, where there is more than one Grantee, shall apply regardless of the number of Condominium units within a Condominium. The term "area" as used in this Article means the Lago Del Rey Pool and Facilities area as described in Exhibit No. 1 attached hereto. The Condominiums which are entitled to the use and enjoyment of the Lago Del Rey Pool and Facilities shall jointly and severally have the duty and obligation to maintain same and said Condominiums shall pay for all of the costs and expenses of any type or nature as to same, including without limitation, expenses, taxes, assessments, insurance premiums, costs of maintenance and repair and all replacements and undertakings and all other costs applicable thereto, and the sum due from this Condominium shall be a common expense of this Condominium. All Condominiums entitled to the use and enjoyment of said area shall share said costs and expenses regardless of the number of units within a Condominium and regardless of the undivided interest owned by a Condominium Association and/or the undivided interest which constitutes a portion of the Condominium property as follows: Each unit entitled to the use and enjoyment of said area shall pay its share of said costs and expenses as provided in Exhibit A attached hereto. Each Condominium shall commence sharing said costs commencing with the first day of the month after the recording of the Declaration of Condominium in the Public Records of Palm Beach County, Florida. The Developer shall not be required or obligated to share any part of said costs and expenses of any type or nature as to said area notwithstanding the fact that as of the date of this Declaration of Condominium and up to December 31, 1980, or prior thereto as determined by the Developer, the Developer may continue to own an undivided interest in and to said area and the Developer may own units in various Condominiums in the property described in Exhibit B, subject however, to the paramount provisions, where applicable, of Article X.G of this Declaration and the applicable provisions of F.S. 718.116(8)(a) as to units owned by the Developer.

Where one Association is responsible for the operation of all the Condominiums created within the property described in Exhibit B, said Association shall determine the assessment to be charged each Condominium unit as well as the budget for said area and the Rules and Regulations as to the use of same. Where more than one Association is responsible for the operation of Condominiums created within the property described in Exhibit B, each such Condominium Association shall appoint one (1) officer or person who shall meet with the other Associations to determine the assessment to be charged to each Condominium and the units therein, as well as the budget therefor and the Rules and Regulations as to the use of same. The sum due and owing from the Condominium Association(s) and its members shall be a common expense of said Condominiums and an assessment and lien against each unit in the applicable Condominium as per Article VI and Article X of this Declaration, and said lien shall include those costs as are provided in this paragraph and Article X and the lien shall be enforceable in the manner provided in Article X. Where more than one Association operates the Condominiums described in Exhibit B, the aforesaid lien shall be in favor of the individual representatives as the agents for and on behalf of said parties and may be foreclosed by said parties as per Article X; however, where one Association is responsible for the operation of all Condominiums created in the property described in Exhibit B, said lien shall be in favor of said Association and may be foreclosed by said Association as per Article X. Notwithstanding the foregoing, until December 31, 1980, or such prior date as the Developer determines, the Developer shall have the paramount right to determine the Rules and Regulations as to the use of the Lago Del Rey Pool and Facilities and the costs and expenses of any type or nature as to same and the budget for same for each year and the share to be paid by each Condominium and the units therein. The Condominium Association(s) hereby agrees to assess its members as the Developer determines, as hereinbefore provided, and to pay said sum to the Developer on or before the tenth (10th) day of each and every month, it being understood that said assessment shall be made monthly, subject, however, to the Developer's right to increase said assessment. Where the Developer determines the Rules and Regulations and the budget and the assessments due from each Condominium and units therein, it shall have a lien upon said Condominium units for the sum due and owing, as herein provided, and said lien shall be in the name of the Developer and may be foreclosed in the same manner as mortgages and statutory liens are foreclosed in the State of Florida. Said liens shall include those costs as are provided in this paragraph and Article X of this Declaration and the lien shall be enforceable in the name of the Developer in the manner provided in Article X.

The Condominium Association responsible for the operation of the Condominium created by virtue of this Declaration of Condominium and its members and the Developer and its successors and assigns and all parties who own an interest in and to the aforesaid Lago Del Rey Pool and Facilities agree that they shall not have any right to bring any action for partition or division of the real property that constitutes said Lago Del Rey Pool and Facilities and said parties do hereby waive said rights of partition or division of said Lago Del Rey Pool and Facilities until such time as the owners thereof jointly agree otherwise.

Notwithstanding the foregoing provisions of this Article XVII, it is understood and agreed that the Developer is not required to create Condominiums upon all of the property described in Exhibit B attached hereto and, in such case, only Condominiums created upon said property described in Exhibit B shall own an interest in the Lago Del Rey Pool and Facilities; however, should the Developer construct non-Condominium units within the property described in Exhibit B on or before December 31, 1980, it shall have the right in its sole discretion to determine whether the owner of said units and the lessees thereof shall be entitled to the use and enjoyment of said Lago Del Rey Pool and Facilities and, in such event, although the total interest in and to the fee simple title to said Lago Del Rey Pool and Facilities may be owned by the Condominium Association(s) as hereinbefore provided, said Condominium Association(s) covenant and agree and they shall be legally required, at the option of the Developer,

its successors and assigns, to enter into an agreement with the owner and/or party responsible for the operation and management of said non-Condominium units whereby the owners and/or occupants of said units are entitled to the equal use and enjoyment of the Lago Del Rey Pool and Facilities. The term of such agreement shall be for not less than fifty (50) years from the date of said agreement unless the parties thereto jointly agree otherwise. The agreement shall be prepared by the Association(s) and it shall contain such matters as the Association(s) shall determine in their sole discretion; however, the non-Condominium unit owners and/or occupants shall be entitled to the equal use and enjoyment of said Lago Del Rey Pool and Facilities to the same extent as are the Condominium Association(s)' members and all Rules and Regulations as to said Facilities shall be the same as to all parties entitled to the use and enjoyment of said Facilities. The aforesaid agreement shall be duly recorded in the Public Records of Palm Beach County, Florida, at the cost and expense of the non-Condominium unit owners and said agreement shall incorporate therein such provisions for payment and enforcement of the payment of the obligations of said non-Condominium unit owners and/or occupants as to the Lago Del Rey Pool and Facilities as the Association(s) shall determine in its sole discretion. Every Condominium unit or non-Condominium unit entitled to the use and enjoyment of said Facilities shall pay the cost and expense of same on the same basis as is hereinbefore provided as to only Condominium units sharing said costs and expenses. The Condominium Association specified in Article IX of this Declaration covenants and agrees to the provisions of this paragraph by virtue of its execution of this Declaration of Condominium.

Each unit owner, his heirs, successors and assigns, agrees to make payment to the Association of his share of the monies due pursuant to and in the amount or proportion as specified herein. It shall be mandatory for the unit owner to make said payments regardless of whether or not said unit owner uses the Lago Del Rey Pool and Facilities. The foregoing is subject to the paramount right of the Developer to require payments to be made to it, as hereinbefore provided.

The initial Rules and Regulations and all amendments thereof and revisions thereof shall be posted in a conspicuous place in the Lago Del Rey Pool and Facilities area. The unit owners hereby covenant and agree to be bound by all of such Rules and Regulations and said parties shall obey same and be responsible for their being obeyed by the said unit owners, their family, guests, invitees and servants. Should a unit owner fail to pay an assessment for common expenses, as required under the terms of this Declaration of Condominium for the period of time specified herein whereby said assessment becomes delinquent, the Association may deny the unit owner and/or the authorized user of the Lago Del Rey Pool and Facilities the use and enjoyment of same until such time as all assessments are paid. The Association shall further have the right in its sole discretion to suspend any unit owner and/or authorized user of said Facilities from the use of same for a period not to exceed thirty (30) days for any infraction of the promulgated Rules and Regulations pertaining to said Facilities. Should the unit owner or the authorized user of said Facilities rights to use same be suspended, there shall be no reduction in the assessments due and payable by said unit owner or authorized user.

Any person who is the owner of a Condominium parcel in this Condominium, together with spouse and other members of said parcel owner's immediate family who are in residence in the Condominium parcel, as provided herein, may use the Lago Del Rey Pool and Facilities. Where a corporation is a parcel owner, the use of said Facilities shall be limited at any one time to such officer, director or employee of said corporation who is in actual residence, and such individual shall be deemed to be the Condominium parcel owner for the purposes of this paragraph. All unit owners' children and children of guests or invitees who are under such age as determined by the Association(s) must be accompanied by an adult to such portions of the Lago Del Rey Pool and Facilities as the Association(s) determine. Guests and invitees of a

unit owner, whether in temporary residence in the Condominium or not, may only be permitted to use the Lago Del Rey Pool and Facilities area, if at all, with the permission of the Association(s), and subject to the terms and conditions as the Association(s) may determine in its sole discretion, including the payment of additional compensation therefor, it being understood and agreed that said facilities are primarily designed for the use and enjoyment of said unit owners and others within the real property described in Exhibit B, and the use by others may be required to be limited or not permitted at all during certain times of the day, certain weeks of months of a year, and the Association(s) shall determine the foregoing in their sole discretion, including the manner and method in which the facilities are to be used and under what circumstances. Notwithstanding the foregoing, where children in residence in the Condominium are sons and daughters of the parcel owner, such parent shall not be required to pay additional compensation for use by said children of said Facilities. Where a unit owner owns more than one unit, the family in residence in each unit shall be entitled to the use of the Lago Del Rey Pool and Facilities, whether said family in residence be a Lessee of said Condominium unit, or otherwise. Where a party owns one Condominium unit and leases same, the Lessee shall be entitled to the use of the Facilities and said Lessee's rights thereto shall be the same as though said Lessee were the unit owner and during the term of said Lease, the unit owner and his family shall not be entitled to the use of the Facilities.

The initial and original improvements, equipment and personalty of the Lago Del Rey Pool and Facilities area, shall be at the cost and expense of the Developer and as the Developer determines in its sole discretion. The Developer shall be the sole judge of the size, contents, style, plans and specifications of all improvements and the equipment and personalty to be contained therein. The Developer hereby represents unto the Condominium Association and its members that the initial and basic improvements contemplated for Lago Del Rey Pool and Facilities are complete.

XVII-A

ADDITIONAL RECREATION FACILITIES

The Developer hereby reserves the right to add additional facilities to the existing recreation building described in Exhibit No. 1 to this Declaration. The Developer's right to add such additional facilities shall terminate on December 31st, 1979. Notwithstanding the provisions of Article VII of this Declaration, if the Developer should add such additional facilities, then in that event occurring, at such time as the facilities are completed, the Developer shall file an Amendment to this Declaration of Condominium, which Amendment need only be executed by the Developer without any requirement of securing the consent of any unit owner or the Association, and said Amendment shall be duly filed in the Public Records of the County in which the Condominium is located.

XVIII.

MISCELLANEOUS PROVISIONS

A. The owners of the respective Condominium units shall not be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, floors and ceilings surrounding their respective condominium units, nor shall the unit owner be deemed to own pipes, wires, conduits or other public utility lines running through said respective condominium units which are utilized for or serve more than one condominium unit, which items are, by these presents, hereby made a 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 condominium unit, and shall also be deemed to own the inner decorated and/or finished surfaces of the perimeter walls, floors and ceilings, including plaster, paint, wallpaper, etc., however, all load bearing walls located within a Condominium unit are a part of the common elements to the unfinished surface of said walls, and where applicable, all two-story units as to the floor between the first-ground floor and the second floor within said unit is a part of the common elements to the unfinished surface of the applicable floor.

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 shall and does exist. In the event a Condominium building or buildings are partially or totally destroyed and then rebuilt, the owners

of the condominium parcels agree that encroachments on parts of the common elements or limited common elements or Condominium units, as aforedescribed, due to construction, shall be permitted, and that a valid easement for said encroachments and the maintenance thereof shall exist.

C. No 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 the Lago Del Rey Pool and Facilities, or by the abandonment of his Condominium unit.

D. Where required, the owners of each and every Condominium parcel shall file a return as to said parcel for the purpose of ad valorem taxes, with the Tax Assessor of the County wherein the Condominium is situated, or with such other future legally authorized governmental officer or authority having jurisdiction over 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 valuation herein prescribed, each unit owner to pay ad valorem taxes and special assessments as are separately assessed against his Condominium parcel.

For the purpose of ad valorem taxation, the interest of the owner of a Condominium parcel in his Condominium unit and in the common elements shall be considered a unit. The value of said 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 equal 100% of the value of all of the land and improvements thereon.

E. All provisions of this Declaration of Condominium and Exhibits attached hereto, and Amendments thereof, shall be construed as 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 occupant 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 of Condominium and Exhibits annexed hereto, and any Amendments thereof.

F. If any of the provisions of this Declaration, or of the By-Laws, Articles of Incorporation of the Association, or of the Condominium Act, or any section, clause, phrase, word, or the application thereof, in any circumstance, is held invalid, the validity of the remainder of this Declaration of Condominium, the By-Laws, Articles of Incorporation, or the Condominium Act, and of the application of any such provision, action, 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 owner at their place of residence in the Condominium, unless the unit owner has, by 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 Secretary of the Association at the Secretary's residence in the Condominium, or in the case of the Secretary's absence, then to the President of the Association at his residence in the Condominium and, in his absence, any member of the Board of Directors of the Association. The change of the mailing address of any party, as specified herein, shall not require an amendment to this Declaration.

H. Nothing hereinabove set forth in this Declaration shall be construed as prohibiting the Developer or the Board of Directors of the Association from authorizing the removal of or removing 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 the 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.

The Developer shall have the right to use a portion of the common elements of the Condominium property for the purpose of aiding in the sale of Condominium units including the right to use portions of the Condominium property for parking for prospective purchasers and such other parties as Developer determines. The foregoing right shall mean and include the right to display and erect signs, billboards and placards and store, keep and exhibit same and distribute audio and visual promotional materials upon the common elements of the Condominium property. The foregoing includes the Lago Del Rey Pool and Facilities and the improvements thereon.

I. Subsequent to the filing of this Declaration of Condominium, the Condominium Association - when authorized by a vote of not less than three-fourths (3/4ths) of the total vote of the members of the Association and approved by all of the owners and holders of Institutional First Mortgages encumbering Condominium parcels may acquire and enter into agreements from time to time whereby it acquires leaseholds, memberships and other possessory or use interests in lands or facilities, including but not limited to country clubs, golf courses, marinas and other recreational facilities, whether or not contiguous to the lands of the Condominium, intended to provide for the enjoyment, recreation and other use or benefit of the unit owners. The expenses of rental, membership fees, operations, replacements and other undertakings in connection therewith, shall be common expenses, together with all other expenses and costs herein or by law defined as common expenses. The provisions of this Paragraph I are paramount to and superior to Article VII of this Declaration as to the matters set forth in this paragraph.

J. 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 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 a Condominium. The term "Section One" of Lago Del Rey Condominium Complex means the same as "Parcel One" of Lago Del Rey Condominium Complex, and said Section One consists of all or that portion of the real property described in Exhibit B attached hereto, as determined by the Developer pursuant to this Declaration.

K. The captions used in this Declaration of Condominium 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.

L. Where an Institutional First Mortgage by some circumstances fails 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 hereto, be deemed to be an Institutional First Mortgage.

M. 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.

N.(1) The Developer specifically disclaims any intent to have made any warranty or representation in connection with the property or the Condominium documents except as specifically set forth therein, and no person shall rely upon any warranty or representation not so specifically made therein. Common expenses, taxes or other charges are estimates only and no warranty, guaranty or representation is made or intended, nor may one be relied upon. The Developer has constructed the building(s) and improvements substantially in accordance with the Plans and Specifications on file in the Building and Zoning Department of the applicable governmental authority and as same have been modified, and this is the full extent of the Developer's liability and responsibility, subject, however, to the paramount provisions of Article X.

(2) The Developer shall not be responsible for conditions resulting from condensation on or expansion or contraction of materials, paint over walls, both interior and exterior, loss or injury caused in any way by the elements; the water tightness of windows and doors, defects which are the result of characteristics common to the materials used, and damage due to ordinary wear and tear or abusive use, collection of water within the building(s) or on any portion of the Condominium property, nor anything of any type or nature including a bulkhead, where applicable, except such items as are specifically delineated and agreed to in writing between the Developer and the individual unit owner and, where applicable, the Condominium Association, and it shall be understood and agreed that the Developer shall bear no responsibility in any way as to the matters provided in this paragraph to the Condominium Association and unit owners. Guaranties have been obtained from certain Sub-Contractors, such as the plumber, electrician and air-conditioner, and warranties have been obtained from the manufacturer of certain appliances and equipment, as specified by said manufacturer, and it shall be the obligation of the Condominium Association and its members to enforce such guaranties and warranties.

(3) The terms and provisions under Article XVIII.N and the paragraphs thereunder are modified by the provisions of F.S. 718.203 of Chapter 76-222 and the warranties set forth therein shall be deemed to be repeated and realleged therein.

(4) Condominium Association, by its execution of this Declaration of Condominium, approves the foregoing and all of the covenants, terms and conditions, duties and obligations of this Declaration of Condominium and Exhibits attached hereto. The Condominium unit owners, by virtue of their acceptance of the Deed of Conveyance as to their Condominium unit, and other parties by virtue of their occupancy of units hereby approve the foregoing and all of the terms and conditions, duties and obligations of this Declaration of Condominium and Exhibits attached hereto.

O. Escrow Account for Insurance and Certain Taxes: - There may be established and maintained, as determined solely by the Board of Directors of the Association, in a local, national or state bank, or a federal or state savings and loan association, two (2) interest bearing savings and deposit accounts, in order to accumulate sufficient monies for the following purposes:

1. To pay all insurance premiums for the insurance on the Condominium property obtained and purchased by the Association, pursuant to Article XII of this Declaration; and

2. To pay all Real and Personal Property Taxes assessed by the taxing authorities aforescribed for property owned by the Condominium, or taxes which the Condominium is required to pay as part of its common expenses, which taxes are not included in the taxes assessed by the taxing authorities against the individual Condominium parcels.

The foregoing provisions shall be deemed to include the Lago Del Rey Pool and Facilities. On or before the 30th day of each month, the Association may cause two (2) checks to be issued and drawn on the Association's bank account - each check being equal respectively to one-twelfth (1/12th) of the estimated yearly amounts as to Items 1 and 2 above, and said checks shall be immediately deposited into the appropriate savings deposit account.

These accounts shall be maintained in the state or national bank or state or federal savings and loan association owning and holding the first recorded mortgage encumbering a Condominium unit, and upon the aforesaid mortgagee's no longer owning and holding a mortgage on a unit, then these accounts shall be maintained in the bank or savings and loan association having the highest dollar amount of indebtedness of institutional first mortgages owing against the Condominium units. Where said Institutional First Mortgagee is not a state or national bank or state or federal savings and loan association, said accounts shall be maintained in one of the foregoing as selected by said Institutional First Mortgagee.

These accounts shall have the right of withdrawal restricted to a joint request by the Board of Directors of the Association and the Institution holding the first recorded mortgage encumbering a unit and, thereafter, the Institution having the highest dollar amount of indebtedness on units.

If, for any reason, the Association does not pay the Real Property Taxes assessed as to Item 2 above within sixty (60) days after these taxes are permitted by law to be paid, then the Institution having the right of withdrawal, as aforescribed, shall have undisputed right to withdraw, without the written consent of the Board of Directors of the Association, such sums of money as are necessary to pay Item 2. Similarly, in the event the annual premium as to Item 1 above is not paid on or before its due date, said Institution having the right of withdrawal, as aforescribed, shall have the right, without the necessity of securing the written consent of the Board of Directors of the Association, to withdraw such sums of money as are necessary to pay the then due premiums.

Should a Condominium unit owner fail to pay that portion of the monthly assessment relating to Items 1 and 2 above within thirty (30) days from its due date, the Association shall have the right, but it is not required, to advance the necessary funds so as to deposit the required monthly sum into the savings deposit accounts. The Association shall have a lien for all sums so advanced, together with interest thereon. It shall also have the right to assign its lien to any unit owner or group of unit owners, or to any third party. No such foreclosure action may be brought by said Institution or individual or group of individuals, where the necessary funds are advanced, until the delinquent unit owner has received not less than ten (10) days' written notice in this regard.

P. No Condominium parcel owner shall bring, or have any right to bring, any action for partition or division of the Condominium property, including the Lago Del Rey Pool and Facilities.

Q. The real property submitted to Condominium ownership herewith is subject to conditions, limitations, restrictions, reservations and all matters of record and, if applicable, any right of any governmental authority or agency as to any submerged land, taxes, applicable zoning ordinances now existing or which may hereafter exist, easements for ingress and egress for pedestrian and vehicular purposes, easements for utility service and drainage now existing or hereafter granted by the Developer for the benefit of such persons as the Developer designated, and the said Developer shall have the right to grant such easements and designate the beneficiaries thereof for such time as it determines in its sole discretion, and thereafter, the Association shall be empowered to grant such easements on behalf of its members. During the period of time that the Developer has the right to grant the foregoing easements, the consent and approval of the Association and its members shall not be required. The right to grant the foregoing easements shall be subject to said easements not structurally weakening the building(s) and improvements upon the Condominium property nor unreasonably interfering with the enjoyment of the Condominium property by the Association's members. Where applicable, riparian and littoral rights as to the Condominium property are disclaimed by the Developer; however, the Association and its members shall have the same riparian and littoral rights as to the Condominium property as the Developer has at this time.

The Condominium Association and its members, the Developer, its successors, assigns and designees, by virtue of the execution of this Declaration and Exhibits attached hereto by said Condominium Association and Developer hereby grant to each other and the designees of the Developer an easement for ingress and egress over, through and across the paved area of the common elements, other than the parking spaces, which is intended for vehicular and pedestrian traffic, and such parties are further hereby granted a pedestrian easement over, through and across the common elements of the Condominium. The foregoing easement over, through and

across the paved area of the common elements of the Condominium other than the parking spaces shall be referred to as a "parking street easement" or "street easement" or "ingress and egress easement" or "access easement" and same are designated in Exhibit No. 1 annexed to this Declaration. The Condominium property may not be abutting, contiguous or adjacent to any public street, road or right-of-way. Where such is the case, the Developer covenants to provide access from the nearest public street, road or right-of-way to the Condominium property for ingress and egress for vehicular and pedestrian traffic and said area shall be referred to as a "parking street easement" or "ingress and egress easement" or "street easement" or "access easement"; however, where all or a portion of such easement area is over and across a property which may become a Condominium or a property which is not a Condominium but is improved with an apartment building, then in such event the part of said area over and across said Condominium or non-Condominium property, as aforesaid, shall be referred to as a "parking street easement" or "ingress and egress easement" or "street easement" or "access easement". Where applicable, the easements previously referred to herein are as designated in Exhibit No. 1 annexed to this Declaration. The easements as provided above are hereby granted by virtue of the execution of this Declaration and Exhibits attached by the Condominium Association(s) and the Developer to each other and the Developer's designees and same are further granted thereby to and for the benefit of owners and occupants, including the Condominium Association(s) and its members contained within the Lago Del Rey Condominium Complex, as determined by the Developer. The easements hereinbefore provided in this paragraph for vehicular and/or pedestrian purposes shall also apply to the Lago Del Rey Pool and Facilities. The aforesaid easements shall also be for the benefit of all owners of a portion of the real property and persons resident upon the lands or portions of the lands which are more fully described in Exhibit B attached hereto. The aforesaid easements for the aforesaid parties are also for the purpose of giving said parties the use and enjoyment and access to and from any lakes, canals, lagoons, waterways and pedestrian walkways within Section One of Lago Del Rey Condominium Complex which is more fully described in Exhibit B attached hereto.

No right shall ever accrue to the public from the above described easements and said easements shall endure to January 1, 2072, and thereafter for successive periods of ten (10) years unless sooner terminated by a recorded document duly executed and recorded by the persons required. Said easements may be terminated in whole or in part prior to January 1, 2072, and thereafter upon the joint consent of the Developer, its successors and assigns, and the owners of all the lands which are entitled to the use of said easements except where all or portions of said lands shall have been submitted to Condominium ownership, the Condominium Association(s) responsible for the operation and management of said Condominium(s) are irrevocably appointed and authorized by the Condominium parcel owners to execute said instrument and the execution of said instrument by the Condominium parcel owners shall not be required. The foregoing easement areas shall be subject to such easements as may be required for drainage and utility service purposes as the Developer may hereafter deem necessary and the Developer shall have the right in its sole discretion to grant such drainage and utility service easements over, upon, across and under said easement areas as it deems necessary and the consent of no other party shall be required. The unit owners of this Condominium and the Condominium Association shall be responsible for the care and maintenance of those portions of the Condominium property that are designated as and are subject to being an easement, including landscaping thereon, and said unit owners shall share the total cost thereof, except for planted medians within an easement area. The Developer may convey all or part of the easement areas to the proper governmental authorities causing same to become public roads and the Developer may also, at such time as it determines, convey fee simple title to such easement areas to the Condominium Association(s) which comprise the Association(s) formed to operate the Condominium(s) in Section One of Lago Del Rey Condominium Complex and the owners of real property within the Complex which may not be Condominiums, as it determines in its sole discretion, as to easement

areas which are not a portion of a Condominium's property. Where the Developer grants additional easements in Section One of the Lago Del Rey Condominium Complex and such additional properties as it determines which connect with the easements designated in Exhibit No. 1 annexed to this Declaration, the same shall automatically be a part of the easements hereinbefore provided as if originally set forth herein.

R. In order to insure the Condominium and Section One of the Lago Del Rey Condominium Complex with adequate and uniform water service and sewerage disposal service, the Developer shall have and hereby reserves the exclusive right to contract for the servicing of said Condominium and the unit owners therein and Section One of the Lago Del Rey Condominium Complex with said service. Pursuant to the foregoing, the Developer has, will or may contemporaneously herewith contract for the furnishing of said services and the Association and unit owners agree to pay the charges therefor pursuant to and to comply with all of the terms and conditions of said utility agreement, where applicable. The Developer shall have and hereby reserves the exclusive right to contract for the servicing of this Condominium and the unit owners therein to provide waste and trash removal with a private company providing said services, and the Association and unit owners agree to pay the charges therefor pursuant to and to comply with all of the terms and conditions of said waste and trash removal agreement. The Condominium Association and its members further agree that the Developer may enter into said agreement on behalf of and as agent for the Condominium Association and its members. The said waste and trash removal agreement shall be for such period of time and upon such terms and conditions as the Developer determines in its sole discretion.

S. Due to the requirements of PHLMC, the following provisions are hereby made a part of this Declaration of Condominium and Exhibits attached hereto and said provisions are paramount to any contrary provisions in this Declaration and Exhibits attached hereto and, where applicable, the appropriate provisions in this Declaration and Exhibits attached hereto shall be deemed to be changed and modified by these provisions. The following are said provisions, to wit:-

1. The holder of any mortgage encumbering a Condominium unit shall be entitled to written notification from the Condominium Association of any default by a unit owner and/or mortgagor of such unit in the performance of such unit owner and/or mortgagor's obligations under the Condominium documents which is not cured within thirty (30) days.

2. Any holder of a mortgage encumbering a Condominium unit which comes into possession of said unit pursuant to the remedies provided in said mortgage, or foreclosure of said mortgage, or deed (or assignment) in lieu of foreclosure, shall be exempt from any "right of first refusal", including but not limited to all of the provisions of Article XI of the Declaration of Condominium.

3. Any holder of a mortgage encumbering a Condominium unit which comes into possession of said unit pursuant to the remedies provided in said mortgage, foreclosure of the mortgage, or deed (or assignment) in lieu of foreclosure, shall take the property, i.e., Condominium parcel-unit, free of any claims for unpaid assessments or charges against the mortgaged unit which accrue prior to the time such holder comes into possession of the unit (except for claims for a pro-rata share of such assessments or charges resulting from a pro-rata share of such assessments or charges resulting from a pro-rata reallocation of such assessments or charges to all units including the mortgaged unit). The foregoing provisions in this Paragraph 3 shall be deemed to change the provisions of Article X of the Declaration of Condominium, where applicable.

4. Unless all holders of first mortgage liens on individual units have given their prior written approval, the unit owners, voting members of the Condominium Association and the Condominium Association shall not be entitled to:

(a) Change the pro-rata interest or obligations of any unit for purposes of levying assessments and charges and determining shares of the common elements and proceeds of the Condominium.

(b) Partition or subdivide any unit or the common elements of the Condominium, nor

(c) By act or omission seek to abandon the condominium status of the Condominium except as provided by the applicable provisions of F.S. 718 Et Seq., and except in the case of "very substantial" damage, as provided in Article XII.B.6 of the Declaration of Condominium.

The provisions of Article XVI of the Declaration of Condominium, which said Article is entitled "Termination", shall be deemed amended pursuant to the provisions hereinabove set forth under Article XVIII.S.4 and 4(a), (b) and (c).

5. All taxes, assessments and charges which may become liens prior to a mortgage encumbering a Condominium unit under Florida law shall relate only to the Condominium unit and not to the Condominium as a whole.

6. All amenities which are regarded as part of the value of a Condominium unit for purposes of the appraisal upon which a mortgage loan is predicated (such as parking, recreation and service areas) are a part of the Condominium and are covered by the mortgage at least to the same extent as are general common elements. All amenities of the Condominium are common elements of said Condominium. Common elements means the portion of the Condominium property not included in the Condominium units. All such amenities are fully installed and completed and are available for use by unit owners except the recreational facilities pursuant to Article XVII of this Declaration.

7. Any holder of a first mortgage encumbering a Condominium unit shall have the right to examine the books and records of the Condominium Association, and to require the submission of annual reports and other financial data and, where applicable, the foregoing right shall extend to a Management Firm under a Management Agreement.

8. This Condominium has been created and is existing in full compliance with requirements of the Condominium enabling Statute of the State of Florida, and all other Federal or State laws. This Declaration has been executed by Edward S. Resnick, an Attorney authorized to practice law in the State of Florida, who prepared this Declaration of Condominium and Exhibits attached hereto except for the Survey Exhibit No. 1.

T. Notwithstanding the fact that the present provisions of the Condominium Act of the State of Florida are incorporated by reference and included herein thereby, the provisions of this Declaration and Exhibits attached hereto 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 therein.

U. All of the terms and provisions of this Declaration and Exhibits attached hereto shall be limited and deemed amended to comply with the applicable provisions of Chapter 76-222 of the laws of the State of Florida, where such provision(s) of said Chapters are determined, as a matter of law, to apply to and be paramount to the applicable terms and provisions of this Declaration and Exhibits attached hereto. The reference to the provisions of this Declaration and Exhibits attached hereto and the provisions of Chapter 76-222 shall be deemed to mean the terms and provisions thereof, notwithstanding the use of the phrase "provisions", "terms" or "terms and provisions".

CONDEMNATION - EMINENT DOMAIN

In the event of a taking by condemnation or eminent domain of all or a part of the Condominium, regardless of the amount of such taking, this Condominium may only be terminated in the manner provided in Article XVI of this Declaration as to voluntary termination. Subject to the foregoing, the applicable provisions under Article XII.B. of this Declaration shall apply to the foregoing, including without limitation, provisions affecting receipt and disbursement of the condominium award, responsibilities of the Insurance Trustee, the disbursement of monies by the Insurance Trustee toward the cost of repair or restoration, and where applicable, to the unit owners. All awards under the provisions of this Article shall be paid to the Insurance Trustee, and all monies held by the Insurance Trustee shall be disbursed for repair and restoration; however, where applicable, monies held by the Insurance Trustee for unit owners shall be disbursed to the unit owner and holder of a first mortgage on a unit in place of the unit owner, pursuant to the applicable provisions under Article XII.B. of this Declaration. Where the award is not sufficient to cover the cost of repair or restoration and this Condominium is not terminated pursuant to the applicable provisions for voluntary termination, as provided in Article XVI of this Declaration, the Association shall immediately determine and levy such assessment against the applicable units in this Condominium as are deemed necessary to cover the cost of such repair or restoration, pursuant to the applicable provisions of Article XII.B.3. The Condominium property and improvements thereon remaining after a taking by condemnation or eminent domain, must be repaired or restored, as the case may be, as herein provided, unless this Condominium is voluntarily terminated pursuant to Article XVI of this Declaration. Such taking by condemnation or eminent domain shall not disturb the first lien priority of a first mortgage encumbering a unit except to the extent as is specifically provided herein. The provisions of this Article shall also be deemed to apply to the Lago Del Rey Pool and Facilities as set forth in Article XVII of this Declaration of Condominium.

IN WITNESS WHEREOF, the undersigned has caused these presents to be signed in its name by its proper Officer, and its Corporate Seal to be affixed, this 14th day of March, 1979.

Signed, sealed and delivered
in the presence of:

Mary C. Conde
Mary E. Cadden

MULTIPLEX OF FLORIDA, INC. A FLA. INC.
By: Aron Drost (Seal)
Aron Drost, President
(DEVELOPER)

STATE OF FLORIDA)
COUNTY OF PALM BEACH) ss:

BEFORE ME, the undersigned authority personally appeared ARON DROST, to me well known to be the person described in and who executed the foregoing Declaration of Condominium, as President of MULTIPLEX OF FLORIDA, INC., a Florida Corporation, and he acknowledged to and before me that he executed such instrument as such Officer 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 was duly authorized and executed for the purposes therein expressed.

WITNESS my hand and official seal, at the State and County aforesaid, this 14th day of March, 1979.

My commission expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES NOV. 24 1979
BONDED THRU GENERAL INS. UNDERWRITERS.

Mary C. Conde (Seal)
NOTARY PUBLIC
State of Florida at Large

FOR GOOD AND VALUABLE CONSIDERATIONS, the receipt whereof is hereby acknowledged, LAGO DEL REY CONDOMINIUM, INC. 5, a Florida Corporation not for profit, hereby agrees to accept all of the benefits and all of the duties, responsibilities, obligations and burdens imposed upon it by the provisions of this Declaration of Condominium and Exhibits attached hereto.

IN WITNESS WHEREOF, the above described Corporation, a Florida Corporation not for profit, has caused these presents to be signed in its name by its President, and its Corporate Seal to be affixed, attested by its Secretary, this 14th day of March, 1979.

Signed, sealed and delivered in the presence of:

Mary C. Conde
Mary C. Callender

LAGO DEL REY CONDOMINIUM, INC. 5

By: Aron Drost (Seal)
Aron Drost, President

Attest: James J. Sarno (Seal)
James J. Sarno, Asst. Secretary

(ASSOCIATION)

STATE OF FLORIDA
COUNTY OF PALM BEACH

BEFORE ME, the undersigned authority, personally appeared ARON DROST and JAMES J. SARNO, to me well known to be the persons described in and who executed the foregoing instrument as President and Secretary respectively of LAGO DEL REY CONDOMINIUM, INC. 5, a Florida Corporation not for profit, 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 the said instrument was duly authorized and executed for the purposes therein expressed.

WITNESS my hand and official seal, at the State and County aforesaid, this 14th day of March, 1979.

My commission expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES NOV. 24 1979
BONDED THRU GENERAL INS. UNDERWRITERS

Mary C. Conde (Seal)
NOTARY PUBLIC
State of Florida at Large

THE UNDERSIGNED hereby joins in this Declaration of Condominium for the purpose of confirming the provisions of Article XVIII.S.8 of this Declaration.

Signed, sealed and delivered in the presence of:

Mary C. Conde
Mary C. Callender

Edward S. Resnick (Seal)
EDWARD S. RESNICK

OFF REC 3025 PG 0108

SURVEY AND SITE PLAN
LAGO DEL REY CONDOMINIUM 4

CONFIDENTIAL-4



LEGAL DESCRIPTION OF CONDOMINIUM PROPERTY IS AS FOLLOWS

A PORTION OF TRACT "A", LAGO DEL RAY, ACCORDING TO THE
PLAN THEREOF AS RECORDED IN PLAT BOOK 30, PAGE 59, OF
THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA,
BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

[illegible]

WILLIAM V. STRECK & ASSOCIATES, INC.

10 Williams
Lynchburg
March 26, 1860
Dear Mr. Lumsden
CONDOMINIUM 4

[illegible]

LAGO DEL REY, DELRAY BEACH, FLORIDA.
A CONDOMINIUM.

EVE

Arthur V. Stro
engineers • planners • surveyors

Arthur V. Strock & Associates, Inc.

deerfield beach • delray beach, flo.

UNIT AND ELEVATION	CONDO	UNIT	CEILING
UNIT #107 & 207	107	107	107
UNIT #108 & 208	108	108	108
UNIT #109 & 209	109	109	109
UNIT #110 & 210	110	110	110
UNIT #111 & 211	111	111	111
UNIT #112 & 212	112	112	112
UNIT #113 & 213	113	113	113
UNIT #114 & 214	114	114	114
UNIT #115 & 215	115	115	115
UNIT #116 & 216	116	116	116
UNIT #117 & 217	117	117	117
UNIT #118 & 218	118	118	118
UNIT #119 & 219	119	119	119
UNIT #120 & 220	120	120	120
UNIT #121 & 221	121	121	121
UNIT #122 & 222	122	122	122
UNIT #123 & 223	123	123	123
UNIT #124 & 224	124	124	124
UNIT #125 & 225	125	125	125
UNIT #126 & 226	126	126	126
UNIT #127 & 227	127	127	127
UNIT #128 & 228	128	128	128
UNIT #129 & 229	129	129	129
UNIT #130 & 230	130	130	130
UNIT #131 & 231	131	131	131
UNIT #132 & 232	132	132	132
UNIT #133 & 233	133	133	133
UNIT #134 & 234	134	134	134
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UNIT #136 & 236	136	136	136
UNIT #137 & 237	137	137	137
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UNIT #181 & 281	181	181	181
UNIT #182 & 282	182	182	182
UNIT #183 & 283	183	183	183
UNIT #184 & 284	184	184	184
UNIT #185 & 285	185	185	185
UNIT #186 & 286	186	186	186
UNIT #187 & 287	187	187	187
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UNIT #196 & 296	196	196	196
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UNIT #199 & 299	199	199	199
UNIT #200 & 300	200	200	200

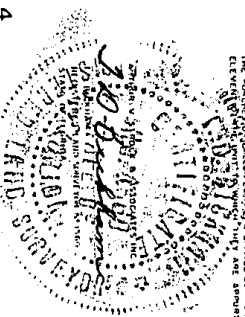
UNIT AND ELEVATION
UNIT #107 & 207
UNIT #108 & 208
UNIT #109 & 209
UNIT #110 & 210
UNIT #111 & 211
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UNIT #113 & 213
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UNIT #191 & 291
UNIT #192 & 292
UNIT #193 & 293
UNIT #194 & 294
UNIT #195 & 295
UNIT #196 & 296
UNIT #197 & 297
UNIT #198 & 298
UNIT #199 & 299
UNIT #200 & 300

LAGO DEL REY CONDOMINIUM 4

EXHIBIT N° 1 TO THE DECLARATION OF CONDOMINIUM OF LAGO DEL REY CONDOMINIUM 4



LEGEND
INDICATES LIMITED COMMON ELEMENTS
(POND, FIRST FLOOR, BALCONY, SECOND FLOOR)
NOTE
THE SURVEYOR HAS BEEN ADVISED BY THE OWNER THAT THE UNIT IS A LIMITED COMMON ELEMENT AND THAT IT IS NOT A PART OF THE CONDOMINIUM. IT IS THE SURVEYOR'S DUTY TO SHOW THE UNIT AS A LIMITED COMMON ELEMENT.

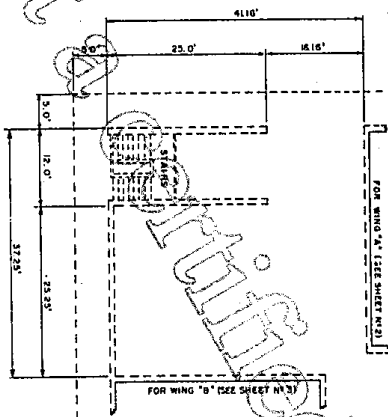


OFF REC 3025 PG 0111

EXHIBIT № 1 TO THE DECLARATION OF CONDOMINIUM OF LAGO DEL REY CONDOMINIUM 4

LAGO DEL REY CONDOMINIUM 4

CORE AREA
FIRST AND SECOND FLOOR PLAN
SCALE IN FEET



OFF REC 3025 PG 0112

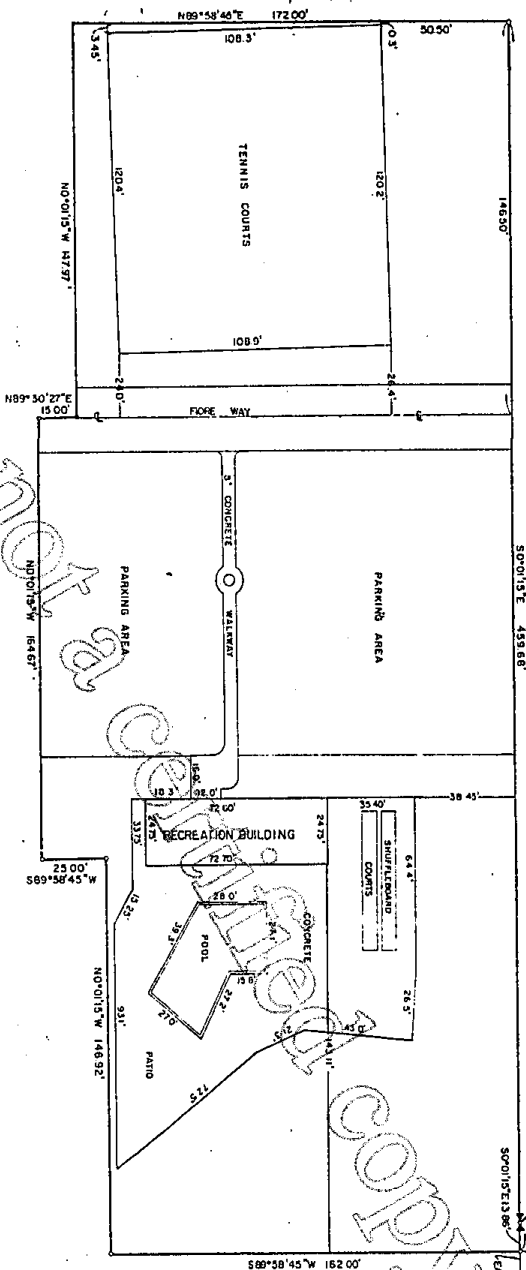
N 0° 15' W 1179'
N 89° 50' 27" E
15 00'
N 60° 15' W 1646'

STATION BUILDING
DOOR ELEVATION - 17-41
DUG ELEVATION - 28-BT
DOWN HORIZONTAL DISTANCE FROM
TOP

SURVEY & SITE PLAN

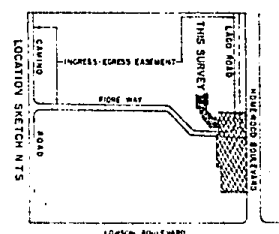
LAGO DEL REY POOL AND FACILITIES

EXHIBIT NO.1 TO THE DECLARATION OF CONDOMINIUM OF LAGO DEL REY RECREATION AREA



SE CORNER SW 1/4, NW 1/4
SEC 19-46-43

SOUTHEAST CORNER TRACT A1
LEAST BOUNDARY LINE OF TRACT A



LEGAL DESCRIPTION OF LAGO DEL REY POOL AND FACILITIES IS AS FOLLOWS:
A PORTION OF TRACT A, LAJO DEL REY, ACCORDING TO THE PLAT THEREON
RECORDED IN PLAT BOOK 30, PAGE 89, OF THE PUBLIC RECORDS OF
PALM BEACH COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED
AS FOLLOWS:

[illegible]

THE UNDERSIGNED, A SUBDIVIDER PURSUANT TO THE PROVISIONS OF THE FLORIDA LAND ACQUISITION ACT, HEREBY CERTIFIES THAT THE CONSTRUCTION OF THE STATE OF FLORIDA, HEREBY AUTHORIZED BY THE CONSTITUTION AND STATUTES THEREOF, IS NOT IN VIOLATION OF ANY OTHER LAW OR REGULATION OF THE STATE OF FLORIDA, NOR DOES IT CONTRAVENE ANY OTHER LAW OR REGULATION OF THE UNITED STATES OF AMERICA.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND SEAL OF OFFICE, THIS _____ DAY OF _____, 20____.

[Signature]

[Printed Name]

[Title]

NOTARIAL PUBLIC FOR THE STATE OF FLORIDA
MY COMMISSION EXPIRES ON _____, 20____

STATE OF FLORIDA, COUNTY OF _____
I, _____, CLERK OF THE CIRCUIT COURT, DO hereby certify that the foregoing is a true and correct copy of the original as same appears in my records.

[Signature]

[Printed Name]

[Title]

CLERK OF THE CIRCUIT COURT

OFF REC 3025 PG 0113

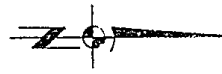
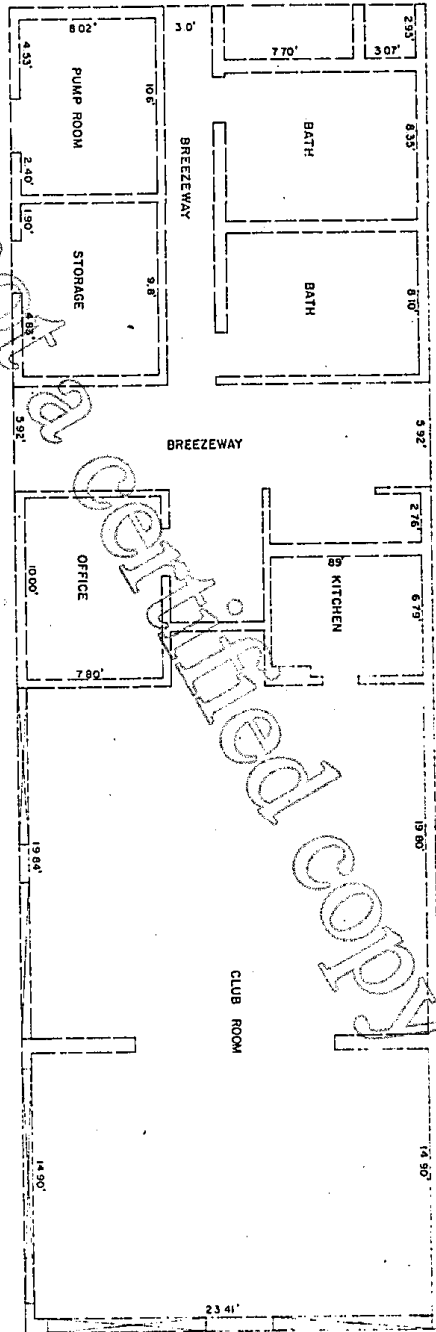
Arthur V. Strock & Associates Inc.

consulting engineers • land surveyors
deerfield beach • delray beach, florida

LAGO DEL REY
DELRAY BEACH, FLORIDA
A CONDOMINIUM

MAY 1-2-75
 MAY 3-19-75
 MAY 20-75
 MAY 21-75

FINISHED FLOOR ELEVATION
 11.41
 FINISHED CEILING ELEVATION
 10.50
 FINISHED GROUND HEREON, AS BASED ON USC 8.65
 MEAN SEA LEVEL DATUM



0 2 4 6 8 10 12
 SCALE IN FEET

LAGO DEL REY POOL AND FACILITIES

FLOOR PLAN RECREATION BUILDING

EXHIBIT NO. 1 TO THE DECLARATION OF CONDOMINIUM OF LAGO DEL REY POOL AND FACILITIES



OFF REC 3025 PG 0114

LAGO DEL REY CONDOMINIUM 4

Exhibit "A"
to
DECLARATION OF CONDOMINIUM

Condominium Unit and Parcel Number or Letter	Type	Percentages of Undivided Interest in Common Elements and Unit Owner's share of Common Expenses excluding share as to LAGO DEL REY POOL & FACILITIES
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		Per Unit
101	CC	4.15
102	C	3.86
103	C	3.86
104	A	3.49
105	C	3.86
106	C	3.86
107	C	3.86
108	C	3.86
109	C	3.86
110	A	3.49
111	C	3.86
112	C	3.86
114	CC	4.15
(There is no 113)		
201	CC	4.15
202	C	3.86
203	C	3.86
204	A	3.49
205	C	3.86
206	C	3.86
207	C	3.86
208	C	3.86
209	C	3.86
210	A	3.49
211	C	3.86
212	C	3.86
214	CC	4.15
(There is no 213)		

Unit types are as follows: BB means an efficiency and a 1-bedroom, 1-bath unit in an apartment-type building; B means a 1-bedroom, 1 1/2 bath unit in an apartment-type building; C means a 2-bedroom, 2-bath unit in an apartment-type building; CC means a 2-bedroom, 2-bath deluxe unit in an apartment-type building; C-4 means a 2-bedroom, 2-bath unit in a triplex or fourplex in a similar type building but not in an apartment type building; D means a three bedroom, 2-bath unit either in an apartment type building or triplex or fourplex or similar type building; and E means a townhouse type unit; and A means a 1-bedroom convertible, 2 bath unit in an apartment type building.

The total common expenses for the Lago Del Rey Pool and Facilities shall be shared by each unit which is entitled to use same as of the time and pursuant to the provisions of Article XVII of the Declaration of Condominium to which this Exhibit A is attached; provided, however, the units sharing said total common expenses of the Lago Del Rey Pool and Facilities pursuant to said Article XVII, shall share same based upon the following formula:

The total common expenses will be weighed and computed in such manner so that the following ratio will prevail:

The BB Units will be used as the base of each proration and the base shall be 1; B units shall be 113% of the base; A Units shall be 126% of the base; C Units shall be 139% of the base; CC units shall be 152% of the base; C-4 Units shall be 165% of the base; D Units shall be 183% of the base; and E Units shall be 196% of the base. The foregoing applies only where applicable.

The provisions of the foregoing paragraph as to Lago Del Rey Pool and Facilities are further subject to all Units being classified as to "type" by the Developer in the Declaration of Condominium controlling such units, as to one of the types aforescribed, or where said building(s) is not a Condominium but is a party to an agreement entitling said non-condominium units in said building(s) to the use of the Lago Del Rey Pool and Facilities, pursuant to Article XVII of the Declaration of Condominium to which this Exhibit A is attached, then in such event, the Developer of said building(s) shall classify all units therein as to type as to one of the types aforescribed. The term, "Unit", shall also mean an apartment, townhouse, or other residential structure. As provided in Article XVII of the aforescribed Declaration, the Lago Del Rey Pool and Facilities may only be used, as provided therein, by the owners and occupants of all or a portion of the lands described in Exhibit B attached to the Declaration of Condominium to which this Exhibit A is attached.

Notwithstanding the formula used above to determine each unit owner's share of common expenses as to Lago Del Rey Pool and Facilities, said formula is used only to determine the total common expenses for which units in the Condominium will be responsible, and such sum as is determined by using said formula shall be allocated among the units in this Condominium as a common expense, according to the particular Unit's percentage of undivided interest in the common elements as set forth above.

OFF REC 3025 PG 0116

LAGO DEL REY CONDOMINIUM 4

EXHIBIT B
TO
DECLARATION OF CONDOMINIUM

Section One (Parcel 1) of the LAGO DEL REY CONDOMINIUM COMPLEX, consists of all or portions of the following described real property, to-wit:

TRACT A, LAGO DEL REY, according to the Plat thereof, recorded in Plat Book 30 at Page 69, of the Public Records of Palm Beach County, Florida, less the North 40.00 feet thereof, containing an area of 31.80 acres, more or less.

C O N S E N T

THE UNDERSIGNED, as the Owner and Holder of a Mortgage encumbering the lands described in the Declaration of Condominium to which this instrument is attached, consents to the filing of said Declaration of Condominium of LAGO DEL REY CONDOMINIUM 4, and the undersigned hereby specifically subordinates the lien of its Mortgage as to the land which is designated as easements in the aforesaid Declaration of Condominium and Exhibits attached thereto.

This instrument is executed by the undersigned for the purpose of complying with and pursuant to F. S. 718.

Signed, sealed and delivered
in the presence of:

FIRST FEDERAL SAVINGS AND LOAN
ASSOCIATION OF DELRAY BEACH

Cordie L. Nelson

By:

C. Harrison Newman, President

Connie Pierce

STATE OF FLORIDA)
COUNTY OF PALM BEACH)

BEFORE ME, the undersigned authority, personally appeared C. HARRISON NEWMAN, to me well known to be the person described in and who executed the foregoing Consent instrument as President of FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF DELRAY BEACH, and he acknowledged before me that he executed such instrument as such Officer of said Association and that the Seal affixed thereto is the Corporate Seal of said Association, and that it was affixed to said instrument by due and regular Corporate authority, for the purposes therein expressed.

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

OFF REC 3025 PG 0118

Martha B. Hall
NOTARY PUBLIC, State of Florida

My Commission expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES JUL 1 1981
BONDED THRU GENERAL IND. 100,000.00

EXHIBIT 2

The By-Laws of LAGO DEL REY CONDOMINIUM, INC. 5, a Florida Corporation not for profit, shall govern the operation of the Condominium named in the Declaration of Condominium to which this Exhibit is attached.

The By-Laws of LAGO DEL REY CONDOMINIUM, INC. 5, referred to herein, are recorded in Official Records Book 2863 at Pages 1673 through 1679 inclusive, of the Public Records of Palm Beach County, Florida, and said By-Laws shall be deemed incorporated herein and made a part hereof by reference, just as though said By-Laws were fully set forth herein.

EXHIBIT 3

The Articles of Incorporation of LAGO DEL REY CONDOMINIUM, INC. 5, a Florida Corporation not for profit, referred to herein, are recorded in Official Records Book 2863 at Pages 1658 through 1672 inclusive, of the Public Records of Palm Beach County, Florida, and said Articles of Incorporation shall be deemed incorporated herein and made a part hereof by reference, just as though said Articles of Incorporation were fully set forth herein.

OFF REC 3025 PG 0119

Record Verified
Palm Beach County, Fla.
John B. Dunkle
Clerk Circuit Court