

**Scott Ellis**

Clerk Of Courts, Brevard County

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**PROSPECTUS FOR**

**SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH**

**THIS PROSPECTUS (OFFERING CIRCULAR) CONTAINS IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING A CONDOMINIUM UNIT.**

**THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS AND SALES MATERIALS.**

**ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. REFER TO THIS PROSPECTUS (OFFERING CIRCULAR) AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.**



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**IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING A CONDOMINIUM:**

**THE CONDOMINIUM HAS BEEN CREATED AND ALL UNITS ARE BEING SOLD AS FEE SIMPLE INTERESTS.**

**THE DEVELOPER HAS THE RIGHT TO RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD.**

**See Article VI, Page 9 of the Declaration of Condominium.**

**THE SALE, LEASE OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED.**

**See Article X(B), Page 19 of the Declaration of Condominium.**

**THE UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.**

**See number of units being sold subject to a lease on Page 5 of the Prospectus.**

**RECREATIONAL FACILITIES MAY BE EXPANDED OR ADDED WITHOUT CONSENT OF THE UNIT OWNERS OR THE ASSOCIATION.**

**See Article II, Page 4 of the Declaration of Condominium.**

**THIS IS A PHASE CONDOMINIUM. ADDITIONAL LANDS MAY BE ADDED TO THIS CONDOMINIUM. See Article II, Page 4 of the Declaration of Condominium.**

**BUILDING AND UNITS WHICH ARE ADDED TO THE CONDOMINIUM MAY BE SUBSTANTIALY DIFFERENT FROM THE OTHER BUILDING AND UNITS IN THE CONDOMINIUM.**

**See Article II, Page 3 of the Declaration of Condominium.**



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**THE FOLLOWING ITEMS ARE INCLUDED AS EXHIBITS TO THIS PROSPECTUS:**

1. Declaration of Condominium
2. Articles of Incorporation
3. By-Laws
4. Estimated operating budget and the schedule of unit owner's expenses
5. Plot plan showing the location of the residential buildings and the recreation and other common areas and Floor Plans
6. Contract for Sale and Purchase
7. Executed Escrow Agreement
8. Frequently Asked Questions
9. Evidence of Developer's Contractual Interest
10. Shares of Common Elements - Phase I
11. Shares of Common Elements - Phases I and II
12. Receipt for Condominium Documents



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**NAME AND LOCATION:** SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH, is located at 2057 N. Highway A1A, Indian Harbour Beach, FL 3 937. Phase One of the Condominium consists of one (1) building which has three (3) floors of residential units and one (1) floor of parking spaces containing a total of sixteen (16) residential units and twenty-nine (29) garage parking spaces. Building A has four (4) type "C" units, each of which has two bedrooms, 2 baths and contains approximately 1,355 square feet, including patios or balconies; four (4) type "B" units, each of which has 3 bedrooms, 3 baths and contains approximately 2,750 square feet, including patios or balconies; six (6) type "A" units each of which has 3 bedrooms, 2 baths and den and contains approximately 2,060 square feet, including patios or balconies; and two (2) type "D" units, each of which has 4 bedrooms, a den, 3 ½ baths and contains approximately 4,050 square feet, including patios or balconies. The graphic description of each floor of the Building A is shown on Sheets 7 through 9, inclusive, of Exhibit A to the Declaration of Condominium. The Developer reserves the right to designate the garages for the exclusive use of the unit owners, and upon such designation, the garages shall become limited common elements. The Developer, Serena Shores, LLC, a Florida limited liability company, may charge a fee for assignment of the garages. For legal description, survey and plot plan of the condominium see Exhibit A to the Declaration of Condominium. The Developer estimates that Phase One of the Condominium will be completed on or before October 1, 2002. The Developer is obligated to construct Phase One of the condominium only.

**PHASE DEVELOPMENT.** SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH, is a Phase Condominium. It is anticipated that the condominium project will be expanded by the addition of one (1) additional phase. Each phase may contain one or more buildings and other appurtenant improvements as hereinafter described which the Developer may construct on adjacent property. These improvements are described in detail in the surveys, graphic descriptions and plot plan contained in Exhibit A to the Declaration of Condominium. However, the Developer shall not be required to construct or add any additional phase and, if constructed, the Developer may add the phases to the Condominium in any order and may change the units, buildings, and phases as described below.

**THIS IS A PHASE CONDOMINIUM. ADDITIONAL LAND AND UNITS MAY BE ADDED TO THIS CONDOMINIUM.**

The minimum and maximum number of units in Phase One is sixteen (16) units. The maximum number of units in Phase Two is seventeen (17) units and the minimum number of units is fourteen (14) units. The minimum number of bedrooms and bathrooms that may be contained in a unit is two (2) bedrooms, one (1) bath. The maximum number of bedrooms and bathrooms that may be contained in a unit is five (5) bedrooms and five (5) baths. The maximum number of units that may be contained within the condominium is thirty-three (33), although the Developer is committed to construct Phase One only.

**BUILDINGS AND UNITS WHICH ARE ADDED TO THE CONDOMINIUM MAY BE SUBSTANTIALLY DIFFERENT FROM THE OTHER BUILDINGS AND UNITS IN THE CONDOMINIUM.**

See Article II, Page 4 of the Declaration of Condominium for a description of the extent to which added residential buildings and units in Phase Two may substantially differ from the building and units in Phase One.

Residential buildings and units which may be added to the condominium may be substantially different from the building and units in Phase One of the Condominium. The Developer may alter the size, location and layout of any unit in Phase Two of the Condominium. The minimum size of any unit shall be twelve hundred (1,200) square feet, including patios or balconies, and the maximum size of any unit shall be six thousand (6,000) square feet, including patios or balconies. Each of these buildings will contain a minimum of two (2) residential floors, although each building may contain more residential floors depending upon the number of units and the type of units the Developer may build. The Developer has no obligation to construct or add Phase Two.





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Initially, each unit owner will own an undivided share in the common elements as shown on Exhibit 11 attached hereto. If Phase Two is added with the maximum number of units, each unit owner in Phase One and Phase Two will own an undivided share in the common elements as shown on Exhibit 11 attached hereto.

Initially there shall be a total of sixteen (16) votes to be cast by the owners of the condominium units. If Phase Two is added with the maximum number of units, there shall be a total of thirty-three (33) votes to be cast by the owners of the condominium units. The owner of each condominium unit shall be entitled to cast one (1) vote as provided in Article VI of the Declaration of Condominium. If any phase is not added as a part of the Condominium, the membership vote and ownership in the association shall not be changed by the failure of the Developer to add an additional phase, but shall be as provided in this paragraph.

**EASEMENTS:** There exist non-exclusive easements for ingress and egress over the condominium property and the right to connect with and make use of the existing and future sewer and utility lines in the condominium property for the use and benefit of all owners of units in SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH. The unit owners and occupants of SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH shall have a non-exclusive easement to streets, walks, paved driveways and other common elements from and to the public highway bounding the condominium complex with all the owners and/or occupants of the Phase land, their successors or assigns. Jamestown Condominium (west of AIA) residents have a five (5') foot easement, for ingress and egress to the Atlantic Ocean over a portion of the condominium property.

**MAXIMUM NUMBER OF UNITS USING COMMON FACILITIES:** The maximum number of units using the common facilities will be thirty-three (33) units.

**NUMBER OF UNITS BEING SOLD SUBJECT TO A LEASE:** None

**THE UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.**

The Developer's present plans do not include leasing units. However the Developer reserves the right to lease its units if market conditions make it necessary to do so and to convey the leased unit(s) subject to the lease(s).

**THE CONDOMINIUM IS BEING CREATED AND ALL UNITS ARE BEING SOLD AS FEE SIMPLE INTERESTS.**

**RECREATIONAL AND OTHER COMMON FACILITIES:** The recreational facilities to be constructed in the Condominium consist of one swimming pool in Phase One. The Developer reserves the right to expand the recreational facilities without the consent of the unit owners or the Association.

The following recreation facilities will exist in SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH.

**RECREATION AREA - SWIMMING POOL AND SPA**

Pool size	Minimum of 15' X 30' square feet or 450 square feet
Deck Area	Approximately 350 sq. ft.
Depth	3' - 5'
Approximate Capacity	Fifteen (15)
Heated	Yes
Estimated Date of Completion	September 15, 2002
Spa Size	
Size	5' x 8'
Depth	3'
Capacity	5 persons



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The Developer will spend a minimum of \$1,000.00 for pool furniture to furnish the pool area. The Developer is not obligated to provide any other items of personal property.

**FUNCTION ROOM:** The recreational facilities to be constructed in the condominium includes a function room adjacent to pool area of approximately 300 square feet. The capacity of this room is 15 - 20 people.

**RECREATIONAL FACILITIES MAY BE EXPANDED OR ADDED WITHOUT THE CONSENT OF THE UNIT OWNERS OR THE ASSOCIATION.**

See Article II, Page 4 of the Declaration of Condominium.

There is no contract for the management of the condominium property.

**THE DEVELOPER HAS THE RIGHT TO RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD.**

See Article VI, Page 9, of the Declaration of Condominium.

**THE SALE, LEASE OR TRANSFER OF YOUR UNIT IS RESTRICTED OR CONTROLLED.**

See Article X(B), Page 19 of the Declaration of Condominium.

**OPERATING BUDGET:** The estimated operating budget for SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH, is enclosed in the condominium documents. Monthly and annual operating costs per unit are itemized. (See Exhibit 4 to this Prospectus).

**UTILITIES:** Utilities will be provided as follows:

Water	City of Melbourne
Electricity	Florida Power and Light
Sewer Disposal	Brevard County
Trash Removal	Brevard County
Telephone	BellSouth
Storm Drainage	On Site
Cable TV	Time Warner

Electricity for the common elements, complete ground care, maintenance and repair of the building, pool, insurance on the building and common facilities, are listed in the Projected Operating Budget attached hereto as Exhibit 4. (See Article IX, Page 18, of the Declaration of Condominium as to the owner's responsibility for maintenance and repairs within his own unit).

**APPORTIONMENT OF COMMON EXPENSES. OWNERSHIP OF COMMON ELEMENTS**

**AND PROPERTY:** Each unit's percentage ownership in the common elements is determined by percentages assigned to each unit as shown in the attached Exhibit 10 and Exhibit 11. This percentage will determine each unit's proportion of ownership in the common elements, manner of sharing common expenses, and ownership of the common surplus. The percentage was calculated by using a denominator of the total square footage of all condominium units and a numerator of the square footage of each unit.

**RESTRICTIONS ON CONDOMINIUM USE:** Each unit is hereby restricted to residential use by the owner or owners thereof, their immediate families, lessees, guests and invitees. Each unit is hereby restricted to no more than six (6) occupants, without the Association's consent. There are no restrictions upon children.

The unit may be rented provided the occupancy is only by one (1) lessee and members of his immediate family and guests. The minimum rental period is ninety (90) days which minimum



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rental period shall not be amended without the approval of a majority of the unit owners in the condominium.

No sign, advertisement or notice of any type shall be shown on the common elements or any unit. No exterior antennas, aerials or satellite dishes shall be erected on the condominium property, except the Developer or the Association after transfer of control of the association to unit owners other than the Developer may grant permission to record unit owners to install DSS satellite dishes which are approximately 18 inches in diameter.

There are no special parking or storage facilities located on the Condominium Property. No boats, utility trailers, recreational vehicles or special purpose vehicles shall be parked on the Condominium Property. No motor home, trailer, camper, watercraft, or commercial vehicle may be parked on the Condominium Property. No resident shall park any vehicle on any street. All owners and residents of the Condominium are restricted to two (2) permitted vehicles without the Association's consent to bring additional vehicles on the premises.

Two (2) pets, not exceeding thirty-five (35) pounds each, shall be allowed to be kept in the owner's unit. All pet must be kept on a leash outside the owner's unit. Each pet owner shall be responsible for cleaning up after his pets in the common elements. Pets shall not create a nuisance.

See Use Restrictions, Article X, Page 19, of the Declaration of Condominium.

**CLOSING EXPENSES:** At the time of closing, Seller shall pay for an owner's title insurance policy in the amount of the purchase price and the cost of recording any corrective instruments and pay for state documentary stamps on deed for recording deed and settlement costs. Buyer shall pay a contribution of one and one-half percent (1 ½%) of selling price toward Developer's closing costs of recording the deed and providing the Buyer with a title insurance policy. All mortgage costs, including mortgage title insurance, if Buyer's unit is to be mortgaged shall be a cost paid by the Buyer. At closing, Buyer shall pay a contribution of \$400.00 for deposit in the condominium association working capital fund. This contribution is not to be considered as advance maintenance payments.

**IDENTITY AND EXPERIENCE OF DEVELOPER AND CHIEF OPERATING OFFICER:** The Developer is SERENA SHORES, LLC, a Florida limited liability company. This company has no experience in condominium development. William Klinglesmith, a Managing Member of the Developer is experienced in real estate sales and residential construction and is the owner of Landmark Realty, a licensed Florida real estate brokerage company with an office in Satellite Beach, Florida. James Bates, a Managing Member of the Developer, will be the co-chief operating officer of the corporation. Mr. Bates is an experienced residential real estate developer who has fifteen (15) years experience in real estate sales and development. He has been involved in the development of The Marlin Condominium, Hammock Condominium, Tidewater Condominium and many other residential developments in Brevard County, Florida.

**DEVELOPER'S OBLIGATION FOR COMMON EXPENSES:** The Developer shall be excused from the payment of its share of common expenses and assessments related thereto on units it owns in the condominium for the following periods of time during which periods of time the Developer guarantees that the assessments for common expenses of the Condominium imposed upon the respective unit owners shall not increase over the stated amount, and obligates itself to pay any amount of common expenses incurred during said periods of time not produced by the assessments at the guaranteed level: Beginning with the recording of the Declaration of Condominium and ending December 31, 2002, the assessment shall not exceed \$225.60 for type "A" units; \$301.06 for type "B" units; \$148.11 for type "C" units; and \$443.12 for type "D" units. Beginning January 1, 2003 and ending December 31, 2003 the assessment shall not exceed an amount greater than 10% of the prior year's assessment. Beginning January 1, 2004 and ending December 31, 2004 the assessment shall not exceed an amount greater than 10% of the prior year's assessment. Beginning January 1, 2005 and ending December 31, 2005 the assessment shall not exceed an amount greater than 10% of the prior year's assessment. After December 31, 2005, the Developer has the option to extend the guaranty for three additional one year periods



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beginning January 1, and ending December 31, of each extension year. Notwithstanding the foregoing, the Developer's guaranty of the level of assessments of \$225.60 for type "A" units; \$301.06 for type "B" units; \$148.11 for type "C" units; and \$443.12 for type "D" units per month for Phase One. If Phase Two is constructed, because of economy of scale, the assessments will be lowered and, accordingly, the Developer's guarantee for the level of assessment shall be as follow: \$217.71 for type "A" units; \$291.06 for type "B" units; \$143.58 for type "C" units; and \$428.40 for type "D" units per month for Phase Two shall expire at turnover of control of the Association to unit owners other than the Developer.

**WARRANTIES:** There are no express warranties unless they are stated in writing by the Developer.

**OPERATING RESERVES:** The Board of Directors shall establish reserve accounts for capital expenditures and deferred maintenance. These accounts shall include but not be limited to roof replacement, building painting and pavement resurfacing. (See Article 6B of the By-Laws.)

**TIMESHARE ESTATES:** The Developer has not reserved the right to create timeshare estates pursuant to Section 718.1045, Florida Statutes.

**EVIDENCE OF DEVELOPER'S OWNERSHIP INTEREST:** A copy of the contract for purchase of the land by the Developer is attached hereto as Exhibit 9.

**MEDIATION, ARBITRATION AND LITIGATION:** In the event of a dispute between Serena Shores, LLC, the Developer, its general contractor, Castlerock Homes, Inc. and David Bryant Contracting ("Contractor"), or any of their engineers, consultants, subcontractors or vendors, or any of their employees, agents, shareholders, officers or directors, and the Condominium Association and/or one or more Unit Owners arising from the Declaration of Condominium, the Articles of Incorporation, the By-Laws, the Rules and Regulations of the Association, the Florida Condominium Act, as amended, or rules and regulations implementing the Florida Condominium Act, the Florida Administrative Code, any express or implied warranty, any construction defects, issues involving the adequacy of reserves, or any other matter, of whatever nature, involving Serena Shores Condominium of Indian Harbour Beach, such dispute shall be submitted to mandatory non-binding mediation or arbitration prior to the institution of any litigation or administrative proceedings by the Association, or any Unit Owner against the parties named above. Any such litigation or administrative proceeding shall be a "Non-Operational Controversy" or "Non-Operational Controversies". See Article XXXII of the Declaration of Condominium.

C:\OFFICE\W\DOCS\2006-2\PROJECT.05

This instrument prepared by and return to:

Robert L. Beals, Esq.  
Robert L. Beals, P.A.  
201 N. Riverside Drive, Suite B  
Indianapolis, FL 32903



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OF  
SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH**

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## SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH

Serena Shores, LLC, a Florida limited liability company, hereinafter called "Developer", does hereby make, declare, and establish this Declaration of Condominium (hereinafter sometimes called "this Declaration"), as and for a plan of condominium unit ownership for SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH, consisting of real property and improvements thereon as hereinafter described.

All restrictions, reservations, covenants, conditions and easements contained herein shall constitute covenants running with the land or equitable servitudes upon the land, as the case may be, and shall rule perpetually unless terminated as provided herein and shall be binding upon all parties or persons subsequently owning property in said Condominium, and in consideration of receiving and by acceptance of a conveyance, grant, devise, lease, or mortgage, all grantees, devisees, lessees, and assigns and all parties claiming by, through or under such persons, agree to be bound by all provisions hereof. Both the burdens imposed and the benefits shall run with each unit and the interests in the common property as herein defined.

### I.

#### ESTABLISHMENT OF CONDOMINIUM

The Developer is the owner of the fee simple title to that certain real property situate in the City of Indian Harbour Beach, County of Brevard, and State of Florida, which property is more particularly described as follows; to-wit:

#### SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

and which property the Developer owns. Phase One of the Condominium consists of one building which has three (3) floors of residential units and one (1) floor of parking spaces containing a total of sixteen (16) residential units and twenty-nine (29) garage parking spaces. Building A has four (4) type "C" units, each of which has 2 bedrooms, 2 baths and contains approximately 1,355 square feet, including patios or balconies; four (4) type "B" units, each of which has 3 bedrooms, 2 ½ baths and contains approximately 2,750 square feet, including patios or balconies; six (6) type "A" units, each of which has 3 bedrooms, 2 baths and contains approximately 2,060 square feet, including patios or balconies; and two (2) type "D" units, each of which has 4 bedrooms, a den, 3 baths and contains approximately 4,050 square feet, including patios or balconies. The graphic description of each floor of the Building A is shown on Sheets 7 through 9, inclusive, of Exhibit A to the Declaration of Condominium. the Developer reserves the right to designate the garages for the exclusive use of the unit owners, and upon such designation, the garages shall become limited common elements. The Developer, Serena Shores, LLC, a Florida limited liability company, may charge a fee for assignment of the garages. For legal description, survey and plot plan of the Condominium, See Exhibit A to the Declaration of Condominium. The Developer estimates that Phase One of the Condominium will be completed on or before October 1, 2002. The Developer is obligated to construct Phase One of the Condominium only.

The provisions of the Florida Condominium Act are hereby adopted herein by express reference and shall govern the Condominium and the rights, duties and responsibilities of unit owners hereof, except where permissive variances therefrom appear in the Declaration and the By-Laws and Articles of Incorporation of SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit.

The definitions contain in the Florida Condominium Act shall be the definition of like terms as used in this Declaration and exhibits hereto unless other definitions are specifically set forth.



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**II.****SURVEY AND DESCRIPTION OF IMPROVEMENTS**

A. Attached hereto and made a part hereof, and marked Exhibit A consisting of twenty (20) pages, are boundary surveys of the entire premises of which Phases One and Two are a part, boundary surveys of each phase, a graphic plot plan of the overall planned improvements, and graphic descriptions of the improvements contemplated as comprising Phases One and Two in which units are located, and plot plans thereof, identifying the units, the common elements and the limited common elements, and their respective locations and dimensions.

Said surveys, graphic descriptions and plot plans were prepared by:

Briel & Associates Land Surveyors, Inc.  
Professional Land Surveyor  
No. 3699, State of Florida

and have been certified in the manner required by the Florida Condominium Act. Each unit is identified and designated by a specific number. No unit bears the same numerical designation as any other unit. The specific numbers identifying each unit are listed on Sheets 7 through 9 and Sheets 14 through 16 of Exhibit A attached to this Declaration of Condominium.

The units to be located on the lands described in Exhibit A, contemplated as constituting all phases, are not substantially completed but are merely proposed. The time period within which Phase One must be completed is within twelve (12) months from the date of recording this Declaration of Condominium. All phases must be added to the Condominium within seven (7) years from the date of recording of this Declaration of Condominium. The Developer is not obligated to construct any phase other than Phase One.

Without the consent of any unit owner, the Developer, or its successor in title to all or any portion of Phase Two shown on the plans referred to in the exhibits hereto, may at any time amend the Declaration so as to subject to the provisions of the Florida Condominium Act, all of said Phase Two on which will be constructed the Phase Two improvements identified in the exhibits hereto, and from and after the recording of such amendment or amendments, the Condominium shall include Phase Two.

The above described Phases may be added to the Condominium in any order, in the Developer's sole discretion.

The Developer may construct a maximum of 33 condominium units if the maximum number of units in Phase Two are added to the Condominium.

The Developer, or any successor in title, shall have the right, prior to the execution and recording of the respective amendments, to change the size, layout and location, and to make non-material changes in the legal description of a phase. No amendment shall be effective until recorded in the Public Records of Brevard County.

**BUILDINGS AND UNITS WHICH ARE ADDED TO THE CONDOMINIUM MAY BE SUBSTANTIALLY DIFFERENT FROM THE OTHER BUILDINGS AND UNITS IN THE CONDOMINIUM.**

Residential buildings and units which may be added to the Condominium may be substantially different from the buildings and units in Phase One of the Condominium. The Developer may alter the size, location and layout of any unit in Phase Two of the Condominium. The minimum size of any unit shall be 1,200 square feet, including patios or balconies and the maximum size of any unit shall be 6,000 square feet, including patios or balconies, in Phase Two. The maximum number of bedrooms in a unit is five (5) and the minimum number is two (2). The maximum number of buildings in Phase One is One (1) building. The maximum number of building in Phase Two is one (1) building. Each of these buildings will contain a minimum of two (2) residential



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floors, although each building may contain more residential floors depending upon the number of units and the type of units the Developer may build. The Developer has no obligation to construct or add Phase Two to the Condominium.

Each unit's percentage ownership in the common elements if the second phase is added will be determined by Exhibit B attached hereto and made a part hereof. This fraction will determine each unit's proportion of ownership in the common elements, manner of sharing common expenses, and ownership of the common surplus as additional units are added to the Condominium by the addition of additional phases, if any.

Unless and until a further amendment to this Declaration is recorded adding to the Condominium Phase Two, each Phase One unit owner will own an undivided share in the common elements as shown on Exhibit B attached. Assuming Phase Two is added to the Condominium, the phases are added in order, and the maximum number of units are added in each phase then the following statements will be true. If Phase Two is added to the Condominium, with the maximum number of units, each unit owner in Phases One and Two will own an undivided share in the common elements as shown on Exhibit C attached. The Developer may add the Phases to the Condominium in any order that it elects in its sole discretion.

Initially, there shall be a total of sixteen (16) votes to be cast by the owners of the Condominium units. If Phase Two is added to the Condominium with the maximum number of units there shall be a total of thirty-three (33) votes to be cast by the owners of the Condominium units. The owner of each Condominium unit shall be entitled to cast one (1) vote as provided in Article VI of this Declaration of Condominium. If Phase Two is not added as a part of the Condominium, the membership vote and ownership in the Association shall not be changed by the failure of the Developer to add Phase Two, but shall be as provided in this paragraph. The recreational areas and facilities are described in Exhibit A attached hereto. See the Prospectus for a description of these areas and facilities. The Developer reserves the right to expand the recreational facilities without the consent of the unit owners or the Association. Time-share estates shall not be created with respect to units in any phase.

The maximum and minimum number of units in Phase One is sixteen (16) units. The maximum number of units in Phase Two is seventeen (17) units and the minimum number of units is fourteen (14) units.

- B. 1. The Developer does hereby establish and create for the benefit of Phase Two and does hereby give, grant and convey to each and every individual and business, or other entity hereafter owning any portion of Phase Two the following easements, licenses, rights and privileges:
- a. Right-of-way for ingress and egress, by vehicle or on foot, in, to, upon over and under the streets, driveways and walks in Phase One (as shown on Sheet 1 Exhibit "A" annexed hereto and as they may be built or relocated in the future), between the public highway bounding the Condominium and Phase Two for all purposes for which streets, driveways and walks are commonly used, including the transportation of construction materials for use in Phase Two and the Association shall maintain and repair all streets, driveways and walks in Phase One; and
  - b. Rights to connect with, make use of underground utility lines, pipes, conduits, sewers and drainage lines which may from time to time exist in Phase One, (as the same may be from time to time relocated) all of which shall be maintained and repaired by the Association.
  - c. The right to make use of such recreational facilities that are located in Phase One non-exclusively with the owners from time to time of Phase Two, or any parts thereof, their tenants, and the immediate families of such tenants and their guests, who are residents in occupancy of units in Phase Two.





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2. The easements, licenses, rights and privileges established, created and granted by the provisions of this subparagraph B, shall be for the benefit of and restricted solely to the owners from time to time of Phase Two or any parts thereof, their tenants, and the immediate families of such tenants and their guests who are residents in occupancy of units in Phase Two, for the duration of their tenancies; but the same is not intended, nor shall it be construed as creating any rights in or for the benefit of the general public or any rights in or to any portion of Phase One other than the driveways, walks, parking spaces, utility and drainage lines, sewers, conduits, wires, pipes and conduits.

3. The Phase One unit owners, and each of them, for themselves, their heirs, administrators, executors, successors and assigns, (and/or the Association) shall through SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM ASSOCIATION, INC., maintain and repair, at their sole cost and expense, those portions of Phase One which are subject to the easements, licenses, rights and privileges described in this subparagraph B to the Declaration.

- C. 1. The Developer does hereby establish and create, and does hereby give, grant and convey to each and every individual and business, or other entity hereafter owning any portion of Phases One and Two, those easements, licenses, rights and privileges, as are applicable to Phases One and Two as follows:
- a. As appurtenant to and benefitting Phase One.
    - i. Right-of-way for ingress and egress, by vehicle or on foot in, to, upon, over and under the streets, driveways and walks in Phase Two, when constructed (and as they may be built or relocated in the future), for all purposes for which streets driveways and walks are commonly used; and
    - ii. Rights to connect with, make use of underground utility lines, pipes, conduits, sewers and drainage lines which may from time to time exist in Phase Two, (as the same may be from time to time relocated); and
  - b. As appurtenant to and benefitting Phase Two.
    - i. Right-of-way for ingress and egress, by vehicle or on foot in, to, upon, over and under the streets, driveways and walks in Phase One, when constructed (and as they may be built or relocated in the future), for all purposes for which streets driveways and walks are commonly used; and
    - ii. Rights to connect with, make use of underground utility lines, pipes, conduits, sewers and drainage lines which may from time to time exist in Phase One (as the same may be from time to time relocated).
    - iii. The right to make use of such recreational facilities that are located in Phase one non-exclusively with the owners from time to time of Phase One, or any parts thereof, their tenants, and the immediate families of such tenants and their guests, who are residents in occupancy of units in Phase One.

The Association shall maintain and repair the streets, driveways, walks, underground utility lines, pipes, conduits, sewers, drainage lines and the recreational facilities located in the common elements. The owners of phase land not added to the Condominium shall have a right to enforce the duty of the Association to maintain and repair such facilities as described herein.



2. Unless and until Phase Two has been added to the Condominium, the Developer or any successor in title to Phase One shall have the right to charge owners of Phase Two a fair and equitable fee to be shared with the owners of Phase One until phase Two is added to the Condominium, if ever, for the cost of maintaining and keeping in good order, condition and repair those recreational facilities as have been constructed in Phase One. The owner of any phase land not submitted to Condominium not paying the fee when due shall lose the privilege of using the recreational facilities until his account is brought current. This paragraph shall not apply to any Condominium unit owner who may not be denied the privilege of using the recreational facilities for failure to pay maintenance fees under the Florida Condominium Act.

3. The easements, licenses, rights and privileges established, created and granted by Developer pursuant to the provisions of this subparagraph C shall be for the benefit of, and restricted solely to, the owners from time to time of each of the phases so benefitted, or any parts thereof, their tenants, and the immediate families of such tenants and their guests, who are residents in occupancy of units in each of the phases so benefitted, for the duration of their tenancies, but the same is not intended, nor shall it be construed as creating any rights in or for the benefit of the general public or any rights in or to any portion of each Phase other than as hereinabove provided in this subparagraph C.

D. In the event of a taking under the power of eminent domain of all or any part of Phases One and Two, that portion of the award attributable to the value of any land within the phase so taken shall be payable only to the owner or owners in fee thereof, and no claim thereon shall be made by the owners of any phase, or parts thereof, not so taken, provided, however, the owners of any phase, or parts thereof, not so taken may file collateral claims with the condemning authority, over and above the value of the land in any phase so taken, to the extent of any damage suffered by a phase not taken resulting from the loss of the easements, licenses, rights and privileges so taken; and provided further, however, that the owners of the phase so taken, to the maximum extent possible, shall promptly repair and restore the remaining portion of the phase so taken and affected by said easements, licenses, rights and privileges as nearly as practicable to the condition they were in immediately prior to such taking and without contribution from the owners of those phases not so taken, but if the net proceeds of such award are insufficient to pay the costs of such restoration and repair, the owner or owners of the phases not so taken shall contribute the new awards, if any, received by them to the extent necessary to make up such deficiency. The easements, licenses, rights and privileges affecting the land in those phases made subject to a taking shall remain in full force and effect on the remaining portion of the phase, as repaired and restored. The provisions of this subparagraph D do not control, and shall be wholly inapplicable to, the rights of any unit owners in any phase that has been added to the Condominium by amendment to the Declaration.

E. Each of the easements, covenants, restrictions, benefits and obligations hereunder shall be perpetual and run with the land. The provisions of this Article II may not be abrogated, modified or rescinded in whole or in part other than with the consent of the owner or owners of Phases One and Two, and of all mortgagees under any mortgages covering all or any part of Phases One and Two, evidenced by a declaration in writing, executed and acknowledged by all said owners and mortgagees and duly recorded in the Public Records of Brevard County. However, in the event all phases shall be included in the Condominium, the provisions of subparagraphs B, C and D of this Article II shall become null and void, just as if never entered into and without the necessity for the execution of any further documents, whereupon the common elements of the Condominium shall expressly include within its meaning, in addition to the items as listed in the Florida Condominium Act and those items heretofore set forth in this Declaration, non-exclusive cross-easements for ingress, egress, and the installation and maintenance, repair and replacement of all utility and drainage lines serving any of the units of the Condominium, but the provisions contained in subparagraph A of this Article II shall not be so rendered null and void, and, to the extent applicable, shall remain in full force and effect.



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**III.****OWNERSHIP OF UNITS AND APPURTENANT  
SHARE IN COMMON ELEMENTS AND COMMON  
SURPLUS, AND SHARE OF COMMON EXPENSES**

Each unit shall be conveyed as an individual property capable of independent use and fee simple ownership and the owner or owners of each unit shall own, as an appurtenance to the ownership of each said unit, an undivided share as shown on Exhibit B attached hereto of all common elements of the Condominium, which includes, but is not limited to, ground support area, walkways, yard area, parking areas, foundations, etc., and substantial portions of the exterior walls, floors, ceiling and walls between units unless and until a future amendment to this Declaration is recorded adding Phase 2, each unit member will own an undivided interest in the common elements as shown on Exhibit B attached. The space within any of the units and common elements shall not be further subdivided. Any undivided interest in the common property is hereby declared to be appurtenant to each unit and such undivided interest shall not be separate from the unit and such interest shall be deemed conveyed, devised, encumbered or otherwise included with the unit even though such interest is not expressly mentioned or described in the conveyance, or other instrument. Any instrument, whether a conveyance, mortgage or otherwise, which describes only a portion of the space within any unit shall be deemed to describe the entire unit owned by the person executing such instrument and an interest in all common elements of the Condominium as shown on Exhibit B attached. If Phase 2 is added to the Condominium, and if the maximum number of units are built, unit owners share in ownership of the common elements will be as shown on Exhibit C attached hereto.

The Developer hereby, and each subsequent owner of any interest in a unit and in the common elements, by acceptance of a conveyance or any instrument transferring an interest, waives the right of partition of any interest in the common elements under the laws of the State of Florida as it exists now or hereafter until this Condominium unit project is terminated according to the provisions hereof or by law. Any owner may freely convey an interest in a unit together with an undivided interest in the common elements subject to the provisions of this Declaration. The Developer hereby reserves the right to remove any party walls between any Condominium units owned by the Developer in order that the said units may be used together as one (1) integral unit. All assessments and voting rights, however, shall be calculated as if such units were as originally designated on the exhibits attached to this Declaration, notwithstanding the fact that the several units are used as one.

All owners of units shall have as an appurtenance to their units a perpetual easement of ingress to and egress from their units over streets, walks, terraces and other common elements from and to the public highways bounding the Condominium complex, and a perpetual right or easement, in common with all persons owning an interest in any unit in the Condominium complex, to the use and enjoyment of all public portions of the buildings and to other common facilities (including but not limited to facilities as they now exist) located in the common elements.

All property covered by the exhibits hereto shall be subject to a perpetual easement for encroachments which now exist or hereafter may exist caused by settlement or movement of the buildings, and such encroachments shall be permitted to remain undisturbed and such easement shall continue until such encroachment no longer exists.

All units and the common elements shall be subject to a perpetual easement in gross granted to SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM ASSOCIATION, INC., and its successors, for ingress and egress for the purpose of having its employees and agents perform all obligations and duties of the Association set forth herein. The Association shall have the right to grant utility easements under, through or over the common elements and such other easements as the Board, in its sole discretion, shall decide. The consent of the unit owners to the granting of any such easement shall not be required.



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The common expenses shall be shared and the common surplus shall be owned in the same proportion as each such unit owner's share of the ownership of the common elements as shown on Exhibit B attached hereto.

#### IV.

##### UNIT BOUNDARIES, COMMON ELEMENTS, AND LIMITED COMMON ELEMENTS

The units of the Condominium consist of that volume of space which is contained within the decorated or finished exposed interior surfaces of the perimeter walls, floors (excluding carpeting and other floor coverings) and ceilings of the units, the boundaries of the units are more specifically shown in Exhibit A attached hereto. The dark solid lines on the floor plans hereinabove mentioned represent the perimetrical boundaries of the units, while the upper and lower boundaries of the units, relating to the elevations of the units, are shown in notes on said plan.

There are limited common elements appurtenant to each of the units in this Condominium, as shown and reflected by the floor and plot plans. These limited common elements are reserved for the use of the units appurtenant thereto, to the exclusion of other units, and there shall pass with a unit, as an appurtenance thereto, the exclusive right to use the limited common elements so appurtenant. In addition, there are twenty-nine (29) garages in Phase I and thirty-two (32) garages in Phase II and as shown on Sheets 6 and 13 of Exhibit A. These garages are common elements for which the Developer reserves the right to designate the unit which shall be entitled to exclusive use of the garage. After such designation the garage shall be appurtenant to the unit and shall become a limited common element. The Developer may charge a fee for the assignment of these garages in its sole discretion.

Any air conditioning and/or heating equipment which exclusively services a Unit shall be a Limited Common Element appurtenant to the Unit it services.

The common elements of the Condominium unit consist of all of the real property, improvements and facilities of the Condominium other than the units and the limited common elements as the same are hereinabove defined, and shall include easements through the units for conduits, pipes, ducts, plumbing, wiring and other facilities for the furnishing of utility services to the units, limited common elements and common elements and easements of support in every portion of a unit which contributes to the support of improvements and shall further include all personal property held and maintained for the joint use and enjoyment of all the owners of the units.

There are located on the common elements of the Condominium property swale areas for the purpose of water retention and these areas are to be perpetually maintained by the Association so that they will continue to function as water retention areas.

#### V.

##### ADMINISTRATION OF CONDOMINIUM BY SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM ASSOCIATION, INC.

The operation and management of the Condominium shall be administered by SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM ASSOCIATION, INC., a corporation not for profit, organized and existing under the laws of the State of Florida, hereinafter referred to as the "Association."

The Association shall make available to unit owners, lenders and the holders and insurers of the first mortgage on any unit, current copies of the Declaration, By-Laws and other rules governing the Condominium, and other books, records and financial statements of the Association. The Association also shall be required to make available to prospective purchasers

current copies of the Declaration, By-Laws, other rules governing the Condominium, and the most recent annual audited financial statement, if such is prepared. "Available" shall at least mean available for inspection upon request, during normal business hours or under other reasonable circumstances.

The Association, upon written request from any institutional lenders which have an interest or prospective interest in the Condominium, shall furnish within a reasonable time the financial report of the Association required by Section 718.111(13), Florida Statutes, for the immediately preceding fiscal year.

The Association shall have all of the powers and duties set forth in the Florida Condominium Act and, where not inconsistent therewith, those powers and duties set forth in this Declaration, Articles of Incorporation and By-Laws of the Association. True and correct copies of the Articles of Incorporation and the By-Laws are attached hereto, made a part hereof, and marked Exhibit D and Exhibit E, respectively.

## VI.

### MEMBERSHIP AND VOTING RIGHTS

The Developer and all persons hereafter owning a vested present interest in the fee title to any one of the units shown on the exhibits hereto and which interest is evidenced by recordation of a proper instrument in the Public Records of Brevard County, Florida, shall automatically be members and their memberships shall automatically terminate when they no longer own such interest.

There shall be a total of sixteen (16) votes to be cast in Phase One and if Phase Two is added and the maximum number of units built thirty-three (33) votes by the owners of the Condominium units. Such votes shall be apportioned and cast as follows: The owner of each Condominium unit (designated as such on the exhibits attached to this Declaration) shall be entitled to cast one (1) vote. Where a Condominium unit is owned by a corporation, partnership or other legal entity or by more than one (1) person, all the owners thereof shall be collectively entitled to the vote assigned to such unit and such owners shall, in writing, designate an individual who shall be entitled to cast the vote on behalf of the owners of such Condominium unit of which he is a part until such authorization shall have been changed in writing. The term, "owner," as used herein, shall be deemed to include the Developer.

All of the affairs, policies, regulations and property of the Association shall be controlled and governed by the Board of Administration of the Association who are all to be elected annually by the members entitled to vote, as provided in the By-Laws of the Association. Each director shall be the owner of a Condominium unit (or a partial owner of a Condominium unit where such unit is owned by more than one (1) individual, or if a unit is owned by a corporation, including the Developer, any duly elected officer or officers of an owner corporation may be elected a director or directors). The first election of directors shall be held sixty (60) days from the date of recording of the Declaration of Condominium.

The owners shall place members on the Board or Administration in accordance with the schedule as follows: When unit owners other than the Developer own fifteen percent (15%) or more of the units, the unit owners shall be entitled to elect not less than one-third (1/3) of the members of the Board of Administration. Unit owners other than the Developer shall be entitled to elect not less than a majority of the members of the Board of Administration: (a) Three years after fifty (50%) percent of the units that will be operated ultimately by the Association have been conveyed to the purchasers; (b) Three (3) months after ninety (90%) percent of the units that will be operated ultimately by the Association have been conveyed to purchasers; (c) When all the units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business; (d) When some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business, or and (e) seven years after recordation of the declaration of condominium, or





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in the case of an association which may ultimately operate more than one condominium, seven years after recordation of the declaration for the first condominium it operates, or in the case of an association operating a phase condominium created pursuant to S. 718.403, seven years after recordation of the declaration creating the initial phase, whichever shall occur first. The Developer is entitled to elect or appoint at least one member of the Board of Administration of an association as long as the Developer holds for sale in the ordinary course of business at least five (5%) percent of the units in the Condominium operated by the Association. Following the time the Developer relinquishes control of the Association, the Developer may exercise the right to vote any Developer-owned units in the same manner as any other unit owner except for purposes of reacquiring control of the Association or selecting the majority members of the Board of Administration.

The Developer reserves the right to transfer control of the Association to unit owners other than the Developer at any time, in its sole discretion. The unit owners shall take control of the Association if the Developer so elects prior to the time stated in the above schedule.

Within seventy-five (75) days after the unit owners other than the Developer are entitled to elect a member or members of the Board of Administration of an association, the Association shall call, and give no less than sixty (60) days' notice of an election for the members of the Board of Administration. The election shall proceed as provided in F.S. 718.112(2)(d). The notice may be given by any unit owner if the Association fails to do so. Upon election of the first unit owner other than the Developer to the Board of Administration, the Developer shall forward to the Division the name and mailing address of the unit owner Board member.

If, during the period prior to the time that the Developer relinquishes control of the Association any provision of the Condominium Act or any rule promulgated thereunder is violated by the Association, the Developer is responsible for such violation and is subject to the administrative action provided for such violation or violations and is liable for such violation or violations to third parties.

## VII.

### COMMON EXPENSES, ASSESSMENTS, COLLECTION LIEN AND ENFORCEMENT. LIMITATIONS

The Board of Administration of the Association shall propose annual budgets in advance for each fiscal year which shall contain estimates of the cost of performing the functions of the Association, including but not limited to the common expense budget, which shall include, but not be limited to, the estimated amounts necessary for maintenance, and operation of common elements and limited common elements, landscaping, street and walkways, office expense, utility services, replacement and operating reserve, casualty insurance, liability insurance, administration and salaries. Failure of the board to include any item in the annual budget shall not preclude the board from levying an additional assessment in any calendar year for which the budget has been projected. Each unit owner shall be liable for the payment to the Association of a percentage of the common expenses as shown on Exhibits B and C attached hereto, of the common expenses as determined in said budget.

Common expenses include the expenses of the operation, maintenance, repair, or replacement of the common elements, costs of carrying out the powers and duties of the Association and any other expenses designated as common expense by the Condominium Act, the Declaration, the Articles of Incorporation, or the Bylaws of the Association. Common expenses also include reasonable transportation services, insurance for directors and officers, road maintenance and operation expenses, in-house communications, and security services, which are reasonably related to the general benefit of the unit owners, even if such expenses do not attach to the common elements or property of the Condominium. However, such common expenses must either have been services or items provided from the date the control of the Board of Administration of the Association was transferred from the Developer to the unit owners or must be services or items provided for in the Condominium documents or Bylaws.

After adoption of the budget and determination of the annual assessment per unit, as provided in the By-Laws, the Association shall assess such sum by promptly notifying all owners by delivering or mailing notice thereof to the voting member representing each unit at such member's most recent address as shown by the books and records of the Association. One-twelfth (1/12) of the annual assessment shall be due and payable in advance to the Association on the first (1st) day of each month.

Each initial unit owner other than the Developer shall pay at closing a contribution in the amount of \$400.00 to the Developer as working capital. This contribution shall not be credited as advance maintenance payments for the unit.

Special assessments may be made by the Board of Administration from time to time to meet other needs or requirements of the Association in the operation and management of the Condominium and to provide for emergencies, repairs or replacements, and infrequently recurring items of maintenance. However, any special assessment in excess of two hundred dollars (\$200.00) which is not connected with an actual operating, managerial or maintenance expense of the Condominium, shall not be levied without the prior approval of the members owning a majority of the units in the Condominium.

The specific purpose or purposes of any special assessment approved in accordance with the Condominium documents shall be set forth in a written notice of such assessment sent or delivered to each unit owner. The funds collected pursuant to a special assessment shall be used only for the specific purpose or purposes set forth in such notice. However, upon completion of such specific purpose or purposes, any excess funds will be considered common surplus, and may, at the discretion of the Board, either be returned to the unit owners or applied as a credit towards future assessments.

The liability for any assessment or portion thereof may not be avoided by a unit owner or waived by reason of such unit owner's waiver of the use and enjoyment of any of the common elements of the Condominium or by abandonment of the unit for which the assessments are made.

The record owners of each unit shall be personally liable, jointly and severally, to the Association for the payment of all assessments, regular or special, made by the Association and for all costs of collection of delinquent assessments. In the event assessments against a unit are not paid within thirty (30) days after their due date, the Association shall have the right to foreclose its lien for such assessments.

Assessments and installments on them that are unpaid for over thirty (30) days after due date shall bear interest at the maximum rate permitted by law per annum from the due date until paid. If a payment is more than ten (10) days late, the Association may charge an administrative late fee in addition to such interest, in an amount not to exceed the greater of \$25.00 or five percent of each installment of the assessment for each delinquent installment that the payment is late. Any payment received by the Association shall be applied first to any interest accrued by the Association, then to any administrative late fee, then to any costs and reasonable attorney's fees incurred in collection, and then to the delinquent assessment. The foregoing shall be applicable notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment. A late fee shall not be subject to the provisions in Chapter 687 or Section 718.303(3), Florida Statutes.

The Association has a lien on each Condominium parcel for any unpaid assessments with interest and for reasonable attorney's fees incurred by the Association which are incident to the collection of the assessment for enforcement of the lien. Except as set forth below, the lien shall be effective from and shall relate back to the recording of the original Declaration of Condominium. In the case of lien on a parcel located in a phase condominium created pursuant to Section 718.403, Florida Statutes, the lien is effective from and shall relate back to the recording of the Declaration or amendment thereto creating the parcel. However, as to first mortgages of record, the lien is effective from and after recording of a claim of lien. The lien shall be recorded in the Public Records in the county in which the condominium parcel is located and shall state the description of the condominium parcel, the name of the record owner, the amount due, the due



dates, and the name and address of the Association which is Serena Shores of Indian Harbour Beach Condominium Association, Inc., 2057 N. Highway A1A, Indian Harbour Beach, FL 32937. No such lien shall continue for a longer period than one year after the claim of lien has been recorded unless, within that time, an action to enforce the lien is commenced in a court of competent jurisdiction. The claim of lien shall secure all unpaid assessments, interest, costs and attorney's fees which are due and which may accrue subsequent to the recording of the claim of lien and prior to entry of a final judgment of foreclosure. A claim of lien must be signed and acknowledged by an officer or agent of the association. Upon payment, the person making the payment is entitled to a satisfaction of the lien. By recording a notice in substantially the following form, a unit owner or his agent or attorney may require the Association to enforce a recorded claim of lien against his Condominium parcel:

Notice of Contest of Lien



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TO: SERENA SHORES OF INDIAN HARBOUR BEACH  
CONDOMINIUM ASSOCIATION, INC.  
2057 N. Highway A1A  
Indian Harbour Beach, FL 32937

You are notified that the undersigned contests the claim of lien filed by you on \_\_\_\_\_, 20\_\_\_\_, and recorded in Official Records Book \_\_\_\_\_, at Page \_\_\_\_\_, of the Public Records of Brevard County, Florida, and that the time within which you may file suit to enforce your lien is limited to ninety (90) days from the date of service of this notice.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Signed: \_\_\_\_\_  
Owner, Agent or Attorney

After service of a copy of the Notice of contest of Lien, the Association shall have ninety (90) days in which to file an action to enforce the lien, and if the action is not filed within that ninety (90) day period, the lien is void.

The Association may bring an action in its name to foreclose a lien for assessments in the manner a mortgage on real property is foreclosed and may also bring an action to recover a money judgment for the unpaid assessments without waiving any claim of lien. The Association is entitled to recover its reasonable attorney's fees incurred in either a lien foreclosure action or any action to recover a money judgment for unpaid assessments.

No foreclosure judgment may be entered until at least thirty (30) days after the Association gives written notice to the unit owner of its intention to foreclose its lien to collect the unpaid assessments. If this notice is not given at least thirty (30) days before the foreclosure action is filed, and if the unpaid assessments, including those coming due after the claim of lien is recorded, are paid before the entry of a final judgment of foreclosure, the Association shall not recover attorney's fees or costs. The notice must be given by delivery of a copy of it to the unit owner or by certified or registered mail, return receipt requested, addressed to the unit owner at his last known address; and upon such mailing, the notice shall be deemed to have been given, and the court shall proceed with the foreclosure action and may award attorney's fees and costs as permitted by law. The notice requirements of this subsection are satisfied if the unit owner records a Notice of Contest of Lien as provided above. The notice requirements of this subsection do not apply if an action to foreclose a mortgage on the Condominium unit is pending before any court; if the rights of the Association would be affected by such foreclosure; and if actual, constructive, or substitute service of process has been made on the unit owner.

If the unit owner remains in possession of the unit after a foreclosure judgment has been entered, the court, in its discretion, may require the unit owner to pay a reasonable rental for the



unit. If the unit is rented or leased during the pendency of the foreclosure action, the Association is entitled to the appointment of a receiver to collect the rent. The expenses of the Receiver shall be paid by the party which does not prevail in the foreclosure action.

The Association has the power to purchase the Condominium parcel at the foreclosure sale and to hold, lease, mortgage or convey it.

A first mortgagee acquiring title to a Condominium parcel as a result of foreclosure, or a deed in lieu of foreclosure, may not during the period of its ownership of such parcel, whether or not such parcel is unoccupied, be excused from the payment of some or all of the common expenses coming due during the period of such ownership.

Within fifteen (15) days after request by a unit owner or unit mortgagee, the Association shall provide a certificate stating all assessments and other monies owed to the Association by the unit owner with respect to the Condominium parcel. Any person other than the owner who relies upon such certificate shall be protected thereby.

Any unit owner has the right to require from the Association a certificate showing the amount of unpaid assessments against him with respect to his Condominium parcel. The holder of a mortgage or other lien of record has the same right as to any Condominium parcel upon which he has a lien.

Any first mortgagee may make use of any unit acquired as may facilitate its sale including, but not limited to, the showing of the property and the display of "For Sale" signs and neither the other unit owners nor the association shall interfere with the sale of such units.

As to priority between the lien of a recorded mortgage and the lien for any assessment, the lien for assessment shall be subordinate and inferior to any recorded mortgage, unless the assessment is secured by a claim of lien which is recorded prior to the recording date of the mortgage.

Any person purchasing or encumbering a unit shall have the right to rely upon any statement made in writing by an officer of the Association regarding assessments against units which have already been made and which are due and payable to the Association, and the Association and the members shall be bound thereby.

In addition the Association may accelerate assessments of an owner delinquent in payment of common expenses. Accelerated assessments shall be due and payable on the date the claim of lien is filed. Such accelerated assessments shall include the amounts due for the remainder of the budget year in which the claim of lien was filed.

A unit owner, regardless of how his title has been acquired, including a purchaser at a judicial sale, is liable for all assessments which come due while he is the unit owner. The grantee is jointly and severally liable with the grantor for all unpaid assessments against the grantor for his share of the common expenses up to the time of the transfer of title, without prejudice to any right the grantee may have to recover from the grantor the amounts paid by the grantee. A first mortgage who acquires title to the unit by foreclosure or by deed in lieu of foreclosure is liable for the unpaid assessments that became due prior to the mortgagee's receipt of the deed. However, the mortgagee's liability is limited to a period not exceeding six months, but in no event does the first mortgagee's liability exceed one percent of the original mortgage debt. The first mortgagee shall pay the amount owed to the Association within 30 days after transfer of title. In no event shall the mortgagee be liable for more than six months of the unit's unpaid common expenses or assessments accrued before the acquisition of the title to the unit by the mortgagee or one percent of the original mortgage debt, whichever amount is less.



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## VIII

**INSURANCE COVERAGE, USE AND DISTRIBUTION OF  
PROCEEDS, REPAIR OR RECONSTRUCTION AFTER CASUALTY,  
CONDEMNATION**

**A. Type and Scope of Insurance Coverage Required**

**1. Insurance for Fire and Other Perils**

The Association shall obtain, maintain, and pay the premiums upon, as a common expense, a "master" or "blanket" type policy of property insurance covering all of the common elements and limited common elements, (except land, foundation and excavation costs) including fixtures, to the extent they are part of the common elements of the Condominium, building service equipment and supplies, and other common personal property belonging to the Association. All references herein to a "master" or "blanket" type policy of property insurance shall denote single entity Condominium insurance coverage. Every hazard policy which is issued to protect a condominium building shall provide that the word "building" wherever used in the policy include, but not necessarily be limited to, fixtures, installations, or additions comprising that part of the building within the unfinished interior surfaces of the perimeter walls, floors, and ceilings of the individual units initially installed, or replacements thereof of like kind or quality, in accordance with the original plans and specifications, or as they existed at the time the unit was initially conveyed if the original plans and specifications are not available. The word "building" does not include unit floor coverings, wall coverings, or ceiling coverings, and does not include the following equipment if it is located within a unit and the unit owner is required to repair or replace such equipment: electrical fixtures, appliances, air conditioner or heating equipment, water heaters, or built-in-cabinets. With respect to the coverage provided for by this paragraph, the unit owners shall be considered additional insureds under the policy.

The "master" policy shall be in an amount equal to one hundred (100%) percent of current replacement cost of the Condominium, exclusive of land, foundation, excavation and other items normally excluded from coverage, if available.

The policies may also be issued in the name of an authorized representative of the Association, including any insurance trustee with whom the Association has entered into an insurance trust agreement, or any successor trustee, as insured, for the use and benefit of the individual owners. Loss payable shall be in favor of the Association or insurance trustee, as a trustee, for each unit owner and each such owner's mortgagee. The Association or insurance trustee, if any, shall hold any proceeds of insurance in trust for unit owners and their first mortgage holders, as their interests may appear. Each unit owner and each unit owner's mortgagee, if any, shall be beneficiaries of the policy in the fraction of common ownership set forth in this Declaration. Certificates of insurance shall be issued to each unit owner and mortgagee upon request. Such policies shall contain the standard mortgage clause, or equivalent endorsement (without contribution), which is commonly accepted by private institutional mortgage investors in the Brevard County area and shall name any holder of first mortgages on units within the Condominium. Such policies shall provide that they may not be canceled or substantially modified, without at least ten (10) days' prior written notice to the Association and to each holder of a first mortgage listed as a scheduled holder of a first mortgage in the policies.

Policies are unacceptable where: (i) under the terms of the insurance carrier's charter, by-laws, or policy, contributions or assessments may be made against borrowers, FEDERAL HOME LOAN MORTGAGE CORPORATION,

hereinafter referred to as FHLMC, FEDERAL NATIONAL MORTGAGE ASSOCIATION, hereinafter referred to as FNMA, or the designee of FHLMC or FNMA; or (ii) by the terms of the carrier's charter, by-laws or policy, loss payments are contingent upon action by the carrier's board of directors, policyholders, or members, or (iii) the policy includes any limiting clauses (other than insurance conditions) which could prevent FNMA, FHLMC, or the borrowers from collecting insurance proceeds.

The policies shall also provide for the following: recognition of any insurance trust agreement; a waiver of the right of subrogation against unit owners individually; that the insurance is not prejudiced by any act or neglect of individual unit owners which is not in the control of such owners collectively; and that the policy is primary in the event the unit owner has other insurance covering the same loss.

The insurance policy shall afford, as a minimum, protection against the following:

- a. Loss or damage by fire and other perils normally covered by the standard extended coverage endorsement; and
- b. In the event the Condominium contains a steam boiler, loss or damage resulting from steam boiler equipment accidents in an amount not less than \$50,000.00 per accident per location (or such greater amount as deemed prudent based on the nature of the property); and
- c. All other perils which are customarily covered with respect to Condominiums similar in construction, location and use, including all perils normally covered by the standard "all-risk" endorsement.

In addition, such policies shall include an "agreed amount endorsement" and, if available, an "inflation guard endorsement."

The Association shall provide, on an individual case basis, if required by the holder of first mortgages on individual units, construction code endorsements (such as a demolition cost endorsement, a contingent liability from operation of building laws endorsement and an increased cost of construction endorsement) if the Condominium is subject to a construction code provision which would become operative and require changes to undamaged portions of the building(s), thereby imposing significant costs in the event of partial destruction of the Condominium by an insured hazard.

## 2. Liability Insurance

The Association shall maintain comprehensive general liability insurance coverage covering all of the common elements, commercial space owned and leased by the Association, and public ways of the Condominium Project. Coverage limits shall be for at least \$1,000,000.00 for bodily injury, including deaths of persons and property damage arising out of a single occurrence. Coverage under this policy shall include, without limitation, legal liability of the insureds for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the common elements, and legal liability arising out of lawsuits related to employment contracts of the Association, if available at a reasonable cost. Such policies shall provide that they may not be canceled or substantially modified, by any party, without at least ten (10) days' prior written notice to the Association and to each holder of a first mortgage on any unit in the Condominium which is listed as a scheduled holder of a first mortgage in the insurance policy. The Association shall provide, if required by the holder of first mortgages on individual units, such coverage to include protection against such other risks as are customarily covered with respect to condominiums



similar in construction, location and use, including but not limited to, host liquor liability, employers liability insurance, contractual and all written contract insurance, and comprehensive automobile liability insurance.

### 3. Flood Insurance

If the Condominium is located within an area which has been officially identified by the Secretary of Housing and Urban Development as having special flood hazards and for which floor insurance has been made available under the National Flood Insurance Program (NFIP), the Association shall obtain and pay the premiums upon, as a common expense, a "master" or "blanket" policy of flood insurance on the buildings and any other property covered by the required form of policy (herein insurable property), in an amount deemed appropriate by the Association, as follows:

The lesser of: (a) the maximum coverage available under the NFIP for all buildings and other insurable property within the Condominium to the extent that such buildings and other insurable property are within an area having special flood hazards; or (b) one hundred (100%) percent of current "replacement cost" of all buildings and other insurable property within such area. Due to circumstances existing in Florida at the present time the Developer believes that the maximum flood insurance coverage that is available is 80% of the full value of the buildings.

Such policy shall be in a form which meets the criteria set forth in the most current guidelines on the subject issued by the Federal Insurance Administrator.

### 4. Fidelity Bonds

Blanket fidelity bonds shall be maintained by the Association for all officers, directors, and employees of the Association and all other persons who control or disburse funds of the Association. If a management agent has the responsibility for handling or administering funds of the Association, the management agent shall maintain fidelity bond coverage for its officers, employees and agents handling or responsible for funds of, or administered on behalf of, the Association. Such fidelity bonds shall name the Association as an obligee. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees," or similar terms or expressions. The premiums of all bonds required herein, except those maintained by the management agent, shall be paid by the Association as a common expense. The bonds shall provide that they may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days' prior written notice to the Association, insurance trustee and the Federal National Mortgage Association, if applicable. Under no circumstances shall the principal sum of the bonds be less than the amount required by Section 718.111(11)(d), Florida Statutes.

### 5. Insurance Trustees: Power of Attorney

The Association may name as an insured, on behalf of the Association, the Association's authorized representative, including any trustee with whom the Association may enter into any insurance trust agreement or any successor to such trustee (each of whom shall be referred to herein as "insurance trustee"), who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance and to perform such other functions as are necessary to accomplish this purpose.

Each unit owner by acceptance of a deed conveying a unit in the Condominium to the unit owner hereby appoints the Association, or any insurance trustee or substitute insurance trustee designated by the Association, as



attorney-in-fact for the purpose of purchasing and maintaining such insurance, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose.

6. Qualifications of Insurance Carriers

The Association shall use generally acceptable insurance carriers. Only those carriers meeting the specific requirements regarding the qualifications of insurance carriers as set forth in the Federal National Mortgage Association Conventional Home Mortgage Selling Contract Supplements and the FHLMC Sellers Guide shall be used.

7. Condemnation and Total or Partial Loss or Destruction

The Association shall represent the unit owners in the condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the common elements, or part thereof, by the condemning authority. Each unit owner hereby appoints the Association as attorney-in-fact for such purpose.

The Association may appoint a trustee to act on behalf of the unit owners, in carrying out the above functions, in lieu of the Association.

In the event of a taking or acquisition of part or all of the common elements by a condominium authority, the award or proceeds of settlement shall be payable to the Association, or any trustee, to be held in trust for the unit owners and their first mortgage holders as their interests may appear.

In the event any loss, damage or destruction to the insured premises is not substantial (as such term "substantial" is hereinafter defined), and such loss, damage or destruction is replaced, repaired or restored with the Association's funds, the first mortgagees which are named as payees upon the draft issued by the insurance carrier shall endorse the draft and deliver the same to the Association, provided, however, that any repair and restoration on account of physical damage shall restore the improvements to substantially the same condition as existed prior to the casualty.

Substantial loss, damage or destruction as the term is herein used, shall mean any loss, damage or destruction sustained to the insured improvements which would require an expenditure of sums in excess of ten (10%) percent of the amount of coverage under the Association's casualty insurance policy or policies then existing, in order to restore, repair or reconstruct the loss, damage or destruction sustained.

In the event the Association chooses not to appoint an insurance trustee, any casualty insurance proceeds becoming due by reason of substantial loss, damage or destruction sustained to the Condominium improvements shall be payable to the Association and all first mortgagees which shall have been issued loss payable mortgagee endorsements, and such proceeds shall be made available to the first mortgagee which shall hold the greater number of mortgages encumbering the units in the Condominium, which proceeds shall be held in a construction fund to provide for the payment for all work, labor and materials to be furnished for the reconstruction, restoration and repair of the Condominium improvements. Disbursements from such construction fund shall be by usual and customary construction loan procedures. No fee whatsoever shall be charged by such first mortgagee for its services in the administration of the construction loan fund. Any sums remaining in the construction loan fund after the completion of the



restoration, reconstruction and repair of the improvements and full payment therefor, shall be paid over to the Association and held for, and/or distributed to the unit owners in proportion to each unit owner's share of common surplus. If the insurance proceeds payable as the result of such casualty are not sufficient to pay the estimated costs of such restoration, repair and reconstruction, which estimate shall be made prior to proceeding with restoration, repair or reconstruction, the Association shall levy a special assessment against the unit owners for the amount of such insufficiency, and shall pay said sum into the aforesaid construction loan fund.

Notwithstanding which first mortgagee holds the greater number of mortgages encumbering the units, such mortgagees may agree between themselves as to which one shall administer the construction loan fund.

If the damage sustained to the improvements is less than substantial, as heretofore defined, the Board of Administration may determine that it is in the best interests of the Association to pay the insurance proceeds into a construction fund to be administered by an institutional first mortgagee as hereinabove provided. No institutional first mortgagee shall be required to cause such insurance proceeds to be made available to the Association prior to completion of any necessary restoration, repairs or reconstruction, unless arrangements are made by the Association to satisfactorily assure that such restoration, repairs and reconstruction shall be completed. Such assurances may consist of, without limitation: (1) obtaining a construction loan from other sources; (2) obtaining a binding contract with a contractor or contractors to perform the necessary restoration, repairs and reconstruction; and (3) the furnishing of performance and payment bonds.

Any restoration, repair or reconstruction made necessary through a casualty shall be commenced and completed as expeditiously as reasonably possible, and must substantially be in accordance with the plans and specifications for the construction of the original building. In no event shall any reconstruction or repair change the relative locations and approximate dimensions of the common elements and of any unit, unless an appropriate amendment be made to this Declaration.

Where physical damage has been sustained to the Condominium improvements and the insurance proceeds have not been paid into a construction loan fund as hereinabove more fully provided, and where restoration, repair or reconstruction has not been commenced, an institutional mortgagee who has commenced foreclosure proceedings upon a mortgage encumbering a unit, shall be entitled to receive that portion of the insurance proceeds apportioned to said unit in the same share as the share in the common elements appurtenant to said unit.

If substantial loss, damage or destruction shall be sustained to the Condominium improvements, and at a special members' meeting called for such purpose, the owners of a majority of the units in the Condominium vote and agree in writing that the damaged property will not be repaired or reconstructed, the Condominium shall be terminated; provided, however, such termination will not be effective without the written consent of all first mortgagees holding mortgages encumbering units.

## IX.

### RESPONSIBILITY FOR MAINTENANCE AND REPAIRS

A. Each unit owner shall bear the cost and be responsible for the maintenance, repair and replacement, as the case may be, of all air conditioning and heating equipment, electrical and plumbing fixtures, kitchen and bathroom fixtures, and all other appliances or equipment, including any fixtures and/or their connections required to provide water, light, power, telephone, sewage



and sanitary service to his unit and which may now or hereafter be affixed or contained within his unit. Such owner shall further be responsible for maintenance, repair and replacement of any air conditioning equipment servicing his unit, although such equipment not be located in the unit, and of any and all wall, ceiling and floor surfaces, painting, decorating and furnishings and all other accessories which such owner may desire to place or maintain therein. Unit owners are responsible for the maintenance, including cleaning, repair or replacement of windows and screening thereon and screening on balconies and patios, screen doors, and fixed and sliding glass doors. Air conditioning and heating equipment servicing individual units is a limited common elements appurtenant to such units.

B. The Association, at its expense, shall be responsible for the maintenance, repair and replacement of all the common elements, including those portions thereof which contribute to the support of the building, and all conduits, ducts, plumbing, sprinkler systems, wiring and other facilities located in the common elements, for the furnishing of utility services to the units, and including artesian wells, pumps, piping, and fixtures serving individual air conditioning units. Painting and cleaning of all exterior portions of the building, including all exterior doors opening into walkways, shall also be the Association's responsibility. Sliding glass doors, screen doors, storm shutters on balconies and windows, windows and screens on windows or balconies, shall not be the Association's responsibility, but shall be the responsibility of the unit owner. Should any damage be caused to any unit by reason of any work which may be done by the Association in the maintenance, repair or replacement of the common elements, the Association shall bear the expense of repairing such damage.

C. Where loss, damage or destruction is sustained by casualty to any part of the building, whether interior or exterior, whether inside a unit or not, whether a fixture or equipment attached to the common elements or attached to and completely located inside a unit, and such loss, damage or destruction is insured for such casualty under the terms of the Association's casualty insurance policy or policies, but the insurance proceeds payable on account of such loss, damage or destruction are insufficient for restoration, repair or reconstruction, all the unit owners shall be specially assessed to make up the deficiency, irrespective of a determination as to whether the loss, damage or destruction is to a part of the building, or to fixtures or equipment which it is a unit owner's responsibility to maintain.

No unit owner shall do anything within his unit or on the common elements which would adversely affect the safety or soundness or the common elements or any portion of the Association property or Condominium property which is to be maintained by the Association.

D. In the event owners of a unit make any structural addition or alteration without the required written consent, the Association or an owner with an interest in any unit shall have the right to proceed in a court of equity to seek compliance with the provisions hereof. The Association has the irrevocable right of access to each unit during reasonable hours, when necessary for the maintenance, repair, or replacement of any common elements or as necessary to prevent damage to the common elements or to a unit or units.

Maintenance of the common elements is the responsibility of the Association. All limited common elements shall be maintained by the Association except for air conditioning and heating equipment servicing individual units and the interior surfaces of the garages. The owner of the unit to which a garage is appurtenant shall pay the expenses of maintaining, repairing or replacing the doors, remove control units and devices, and the interior walls, floor and ceiling of the garage. If the record owner of the unit has been granted permission to install a DS Satellite Dish which has a maximum diameter of 18 inches and can be mounted or affixed to the Condominium building at a location approved by the Association in writing, in advance of the installation, then the record owner of each such unit shall bear the costs and shall be responsible for the maintenance, repair and replacement, as the case may be, of and satellite dish. The unit owner shall maintain the air conditioning and heating equipment servicing his unit, and storage spaces and the DSS satellite dish, at the unit owner's expense.

E. The Board of Administration of the Association may enter into a contract with any firm, person or corporation for the maintenance and repair of the common elements and may join



with other condominium corporations in contracting with the same firm, person or corporation for maintenance and repair.

F. The Association shall determine the exterior color scheme of all buildings and shall be responsible for the maintenance thereof, and no owner shall paint an exterior wall, door, window, patio or any exterior surface, etc., at any time without the written consent of the Association.

X.

USE RESTRICTIONS



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A. Each unit is hereby restricted to residential use by the owner or owners thereof, their immediate families, lessees, guests and invitees. Each unit is restricted to no more than six (6) occupants, without the Association's consent. There are no restrictions upon children.

B. The unit may be rented provided the occupancy is only by one (1) lessee and members of his immediate family and guests. The minimum rental period is ninety (90) days which minimum rental period shall not be amended without the approval of a majority of the unit owners in the Condominium. No rooms may be rented and no transient tenants may be accommodated. No lease of a unit shall release or discharge the owner thereof of compliance with this Section X or any of his other duties as a unit owner. Time sharing of units is prohibited. Ownership of a unit on a monthly or weekly time sharing program is prohibited. Subleasing of units is prohibited. All leases shall be in writing and shall be subject to this Declaration, the Articles of Incorporation, By-Laws, and the Rules and Regulations of the Association and shall be approved by the Association.

C. No nuisances shall be allowed to be committed or maintained upon the Condominium property, nor any use or practice that is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents. All parts of the property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate, nor any fire hazard allowed to exist. No unit owner shall permit any use of his unit or use of the common elements that will increase the cost of insurance upon the Condominium property.

D. No immoral, improper, or offensive use shall be made of the Condominium property nor any part thereof, and all laws, zoning ordinances and regulations of all governmental authorities having jurisdiction of the Condominium shall be observed.

E. Reasonable rules and regulations concerning the use of the Condominium property may be made and amended from time to time by the Board of Administration of the Association as provided by its Articles of Incorporation and By-Laws.

F. The Association has the irrevocable right of access to each unit during reasonable hours, when necessary for the maintenance, repair, or replacement of any common elements or of any portion of a unit to be maintained by the Association pursuant to the Declaration or as necessary to prevent damage to the common elements or to a unit or units.

G. No sign, advertisement or notice of any type shall be shown on the common elements or any unit. This restriction on signs, advertising and notices shall not apply to the Developer or any institutional lender. No exterior antennas or aerials shall be erected on the Condominium property. The Developer or the Association after transfer of control of the Association to unit owners other than the Developer, may grant permission to record unit owners to install DSS satellite dishes which are approximately 18 inches in diameter. The Developer or the Association after turnover may grant written permission to the record unit owner and, if granted, shall designate the location of the DSS satellite dish in writing prior to the installation of the satellite dish. The record unit owner shall be responsible for all costs related to the installation, maintenance, repair and replacement, of the DSS satellite dish and shall indemnify, defend and hold the Association harmless therefor. Upon the sale of the unit by the record owner of the unit



the DSS satellite dish may be removed, at the owner's expense, or it may be transferred to the purchaser as part of the sale and purchase. In the event the DSS satellite dish is not removed by the record unit owner at closing then, by acceptance of the deed of conveyance by the purchaser, the purchaser shall be deemed to have assumed the responsibility for the maintenance, repair and replacement of the DSS satellite dish, together with the costs and expenses thereof, including the obligation to indemnify, defend and hold the Association harmless therefor. The installation of the DSS satellite dish does not relieve the unit owner from payment of the fee for the installed cable television connection provided by the Association as part of the Association's common expenses. This provision shall be deemed a covenant running with the land and shall be binding upon each successive owner of any Condominium unit utilizing a DSS satellite dish.

H. An owner shall not place or cause to be placed in the walkways or in or on any other common elements and facilities, stairs, or stairwells, any furniture, packages or objects of any kind. Such areas shall be used for no other reason than for normal transit through them. The Association may permit a unit owner to place small potted plants near the front doors of the unit so long as the potted plants do not protrude into or block access to the common walkways. The Association reserves the right to restrict or prohibit the placement of potted plants on the common elements.

I. It is prohibited to hang garments, rugs, etc., from the windows, patios or balconies from any of the facades of the buildings.

J. It is prohibited to dust rugs, etc., from windows, patios or balconies or to clean rugs, etc., by beating on the exterior of the buildings.

K. There are no special parking or storage facilities located on the Condominium property. No boats, utility trailers, recreational vehicles or special purpose vehicles shall be parked on the Condominium property. No motor home, trailer, camper, watercraft, or commercial vehicle may be parked on the Condominium property. No resident shall park any vehicle on any street. Any vehicle with visible advertising on the vehicle may be deemed a commercial vehicle, in the sole discretion of the Board of Administration. However, trucks with one (1) ton capacity or less and sport utility vehicles will not be deemed to be commercial vehicles unless the Board of Administration deems the vehicle to be a commercial vehicle as set forth above. Any vehicle may be parked on the streets and driveways for loading and unloading or entirely within a garage. Non-motorized boats and watercraft may be kept in the enclosed garage parking spaces provided they do not prevent the use of enclosed garage parking spaces by an authorized motor vehicle. Non-motorized boats or watercraft may not be stored or kept on the common elements of the Condominium except when in use in the First and Second Easement Areas. Service vehicles are permitted to park on the streets and driveways while repairs are being made. Any prior written approval of the Association to temporarily park a commercial vehicle is required and may not exceed four (4) forty-eight (48) hour periods in any year. No non-operating or non-functioning vehicle of any kind shall be permitted to be parked on the Condominium property. There shall be no repair, except emergency repair, performed on any permitted motor vehicle on the Condominium property. It is acknowledged and agreed by all unit owners that a violation of any of the provisions of this paragraph shall impose irreparable harm to the other owners in this Condominium. Said unit owners further agree that a reasonable assessment of such damages would be \$50.00 for each day that such violation persists after a unit owner is notified, in writing, of such violation by either the Developer or a duly elected representative of the Association. No parking space shall be used by any other person other than an occupant of the Condominium who is an actual resident or by a guest or visitor and by such guest or visitor only when such guest or visitor is, in fact, visiting and upon the premises. All owners and resident of the Condominium are restricted to two (2) permitted vehicles without the Association's consent to bring additional vehicles on the premises. All vehicles shall be parked in the open parking spaces or garages except when loading or unloading vehicles.

L. Until the Developer has closed all the sales of the units in the Condominium, neither the other unit owners nor the Association shall interfere with the sale of such units. The Developer may make such use of the unsold units and common elements as may facilitate its sales, including but not limited to maintenance of a sales office, model units, the showing of the



property, and the display of signs. The Developer may not be restricted in the use of the other common elements or areas, including but not limited to, lobbies, exercise rooms, or the sales office in the recreation building by anyone until the sale of all units is completed by the Developer.

M. Two (2) pets, not exceeding thirty-five (35) pounds each, shall be allowed to be kept in the owner's unit. All pets must be kept on a leash outside the owner's unit. Each pet owner shall be responsible for cleaning up after his pets in the common elements. Pets shall not create a nuisance.

N. No unit owner shall allow anything whatsoever to fall from the window, patio, balcony, terrace, porch, or doors of the premises, nor shall he sweep or throw from the premises any dirt or other substance into any of the corridors, halls, patios, balconies, terraces or porches, elevators, ventilators, or elsewhere in the building or upon the grounds. A unit owner shall not place, store or use any item, upon any patio, balcony, terrace or porch without the approval of the Association, other than standard patio chairs, tables and furnishings. Gas or electric grills and potted plants are permitted on balconies but charcoal grills are prohibited.

O. When a unit is leased, a tenant shall have all use rights in the Association property and those common elements otherwise readily available for use generally by unit owners and the unit owner shall not have such rights except as a guest. Nothing in this subsection shall interfere with the access rights of the unit owner as a landlord pursuant to Chapter 83, Florida Statutes. The Association shall have the right to adopt rules to prohibit dual usage by a unit owner and a tenant of Association property and common elements otherwise readily available for use generally by unit owners.

P. All electric lights shall be turned off when the garage parking space is not occupied and all garage doors shall be kept closed at all times except when parking or removing cars from the garage.

Q. The Association reserves the right to levy a charge to any unit owner using the enclosed parking garage to store appliances, dehumidifiers, table saws or any other type of devices that use electricity.

R. Carpeting or tile of any type on individual unit balconies or any common walk-ups is prohibited and the Association shall not grant permission to install carpet or tile on the individual unit balconies or walk-ups.

## XI.

### LIMITATIONS UPON RIGHT OF OWNER TO ALTER OR MODIFY UNIT

No owner of a unit shall make any structural modifications or alterations of the unit. Further, no owner shall cause any improvements or changes to be made on or to the exterior of the buildings or enclosed garage parking spaces, including painting or other decoration, the installation of awnings, shutters, electrical wiring, air conditioning units and other things which might protrude through or be attached to the walls of the buildings or enclosed garage parking spaces; further, no owner shall in any manner change the appearance of any portion of the buildings or enclosed garage parking spaces not wholly within the boundaries of the unit or enclosed garage parking spaces. The Association has adopted hurricane shutter specifications for each building and will permit the installation of hurricane shutters for any balcony and storm window panels for the windows provided the color of the shutters and storm window panels is the color approved by the Association and the installation of shutters and storm window panels complies with applicable building codes and provided that prior to installation or replacement of the hurricane shutters and storm window panels the Association has approved the installation. The installation, replacement, and maintenance of such shutters in accordance with the procedures set forth herein shall not be deemed material alterations to the common elements within the meaning of the Condominium Act.





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**XII.****ADDITIONS, ALTERATIONS OR  
IMPROVEMENTS BY ASSOCIATION**

Whenever in the judgment of the Board of Administration the Condominium property shall require additions, alterations or improvements (in the excess of the usual items of maintenance), and the making of such additions, alterations or improvements shall have been approved by a majority of the unit owners, the Board of Administration shall proceed with such additions, alterations or improvements and shall specially assess all unit owners for the cost thereof as a common expense.

**XIII.****AMENDMENT OF DECLARATION**

These restrictions, reservations, covenants, conditions and easements may be modified or amended by recording such modifications in the Public Records of Brevard County, Florida, after approval by the owners of a majority of the units whose votes were cast in person or by proxy at the meeting duly held in accordance with the By-Laws and Articles of Incorporation of the Association. No amendment to this Declaration shall be adopted which would operate to materially affect the validity or priority of any mortgage held by an institutional first mortgagee or which would alter, amend or modify, in any manner whatsoever, the rights, powers, interests or privileges granted and reserved herein in favor of any institutional first mortgagee or in favor of the Developer without the consent of all such mortgagees or the Developer, as the case may be, or as otherwise required by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation which consent may not be unreasonably withheld. There shall be no amendment adopted altering the share of ownership in the common elements or surplus, or altering the share of common expenses, except by the unanimous vote of all members in the Association and by their respective institutional first mortgagees.

Notwithstanding anything to the contrary contained in this Declaration, the Developer expressly reserves the right to amend the Declaration so as to correct any legal description contained herein, which legal description or descriptions may have been incorrect by reason of a scrivener's or surveyor's error. The Developer may amend this Declaration as aforescribed by filing an amended legal description (or descriptions) as an amendment to the Declaration among the Public Records of Brevard County, Florida, which amendment (or amendments) shall expressly describe that legal description which is being corrected (by reference to the exhibit containing said legal description or otherwise), in addition to the corrected legal description. Such amendments need be executed and acknowledged only by the Developer and need not be approved by the Association, unit owners, lienors or mortgagees of units of the Condominium whether or not elsewhere required for amendments. As part and parcel of any such amendment as provided for in this subparagraph, however, there shall be attached thereto an affidavit of the individual or individuals responsible for the original incorrect legal description, whether he be scrivener or surveyor, which affidavit shall set forth (1) that said individual made an error in the legal description, (2) that the error is corrected by the description contained in the amendment, and (3) that it was the intent at the time of the incorrect original legal description to make that description such as is contained in the new amendment. In the event the party responsible for the original incorrect legal description has died, or is not available, then in that event, any other party having personal knowledge of the incorrect legal description by reason of the scrivener's or surveyor's error may execute the required affidavit for the amendment provided herein. Any amendment subject to Section 718.110(4) shall be approved by a majority of the voting interests of the Condominium and all record owners of liens on the unit.

Article XXXII Mandatory Mediation and Litigation shall not be amended or altered, in whole or in part, without the prior approval of seventy-five (75%) percent of the Board of Directors and seventy-five (75%) percent of the total membership which vote shall be cast at meetings called for the purpose.

Pursuant to Section 718.110(2), Florida Statutes, the Developer may make amendments to this Declaration without consent of the unit owners which shall be limited to matters other than those under Section 718.110(4) and (8), Florida Statutes.

In the event it shall appear that there is an error or omission in this Declaration or exhibits thereto, then and in that event the Association may correct such error and/or omission by an amendment to this Declaration in the manner hereinafter described to effectuate an amendment for the purpose of curing defects, errors or omissions. Such an amendment shall not require a vote of approval as provided above but shall require a vote in the following manner:

1. Notice of the subject matter of a proposed amendment to cure a defect, error or omission shall be included in the notice of any meeting at which such proposed amendment is to be considered.
2. A resolution for the adoption of such a proposed amendment may be proposed by either the Board of Administration of the Association or by the members of the Association, and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing delivered to the secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be either by:
  - a. Not less than thirty-three and one-third (33 1/3%) percent of the Board of Directors and by not less than ten (10%) percent of the votes of the entire membership of the Condominium; or
  - b. Not less than twenty-five (25%) percent of the votes of the entire membership of the Association; or
  - c. In the alternative, an amendment may be made by an agreement signed and acknowledged by all unit owners in the manner required for the execution of a deed, and such amendment shall be effective when recorded in the Public Records of Brevard County, Florida.
3. The foregoing provisions relative to amendments for defects, errors or omissions are in accordance with and pursuant to Section 718.110(1), Florida Statutes.
4. That the amendment made pursuant to this paragraph need only be executed and acknowledged by the Developer or the Association and by no other parties whatsoever.

Notwithstanding anything to the contrary contained in this Declaration, the Developer reserves the right to change the interior designs 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 units, without amendment of this Declaration in the manner hereinbefore set forth. If the Developer shall make any changes in units, as provided in this paragraph, such changes shall be reflected by an amendment to the declaration with a survey attached reflecting such authorized alteration of units, and said amendment need only be executed and acknowledged by the Developer, any holders of institutional mortgages encumbering the altered units and if the amendment is subject to Section 718.110(4), it shall be approved by a majority of the voting interests of the Condominium.

The survey shall be certified in the manner required by the Condominium Act. If more than one (1) unit is concerned, the Developer shall not apportion between the units the shares in the common elements, common expenses and common surplus of the units concerned and such shares of common elements, common expenses and common surplus shall remain unchanged in the amendment of this Declaration unless all unit owners approve the amendment changing the shares.



No provision of the Declaration shall be revised or amended by reference to its title or number only. Proposals to amend existing provisions of the Declaration shall contain the full text of the provision to be amended; new words shall be inserted in the text underlined; and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language:

Substantial rewording of Declaration. "See provision... for present text."

Non-material errors or omissions in the amendment process shall not invalidate an otherwise properly promulgated amendment.

Invalidation of any one (1) or more of these restrictions, reservations, covenants, conditions and easements, or any provision contained in this Declaration, or in a conveyance of unit by the Developer, by judgment, court order, or law, shall in no way affect any of the other provisions which shall remain in full force and effect.

In the event that any court should hereafter determine that any provision, as originally drafted herein, violates the rule against perpetuities or any other rule of law because of the duration of the period involved, the period specified in this Declaration shall not thereby become invalid, but instead shall be reduced to the maximum period allowed under such rule of law, and for such purpose, the measuring life shall be that of the youngest incorporator of the Association.

These restrictions, reservations, covenants, conditions and easements shall be binding upon and inure to the benefit of all property owners and their grantees, heirs, personal representatives, successors and assigns, and all parties claiming by, through or under any member.

#### XIV.

#### TERMINATION OF CONDOMINIUM

Except as otherwise provided in Article VIII of this Declaration, the Condominium created and established hereby may only be terminated upon the vote of members of the Association owning ninety (90%) of the units in the Condominium, provided that the written consent to such termination is obtained from all institutional first mortgagees holding mortgages encumbering the units.

Immediately after the required vote of consent to terminate, each and every unit owner shall immediately convey by warranty deed to the Association all of said unit owners' right, title and interest to any unit and to the common elements, provided the Association's officers and employees handling funds have been adequately bonded and the Association or any member shall have the right to enforce such conveyance by specific performance in a court of equity.

The Board of Administration of the Association shall then sell all of the property at public or private sale upon terms approved in writing by all of the institutional first mortgagees. Upon the sale of said property, the costs, fees and charges for affecting said sale, the cost of liquidation and dissolution of the Association and all obligations incurred by the Association in connection with the management and operation of the property up to and including the time when distribution is made to the unit owners, shall be paid out of the proceeds of said sale, and the remaining balance (hereinafter referred to as "net proceeds of sale") shall be distributed to the unit owners in the manner now about to be set forth.

The distributive share of each unit owner in the net proceeds of sale, though subject to the provisions hereinafter contained, shall be the following portion thereof; to-wit:

A SHARE OF OWNERSHIP AS SHOWN ON EXHIBITS B & C ATTACHED.

The distributive share of each unit owner will change as each Phase is added to the



Condominium. Upon the determination of each unit owner's share as above provided for, the Association shall pay out of each unit owner's share all mortgages and other liens encumbering said unit in accordance with their priority, and upon such payment being made, all mortgagees and lienors shall execute and record satisfactions or releases of their liens against said unit or units, regardless of whether the same are paid in full. Thereupon, the directors of the Association shall proceed to liquidate and dissolve the Association, and distribute the remaining portion of each distributive share, if any, to the owner or owners entitled thereto. If more than one person has an interest in a unit, the Association shall pay the remaining distributive share allocable to said unit to the various owners of such unit, excepting that if there is a dispute as to the validity, priority or amount of mortgages or liens encumbering a unit, then payment shall be made to the owner and/or owners of such unit and to the owners and holders of the mortgages and liens encumbering said unit.

As evidence of the members' resolution to abandon passed by the required vote or written consent of the members, the President and Secretary of the Association shall effect and place in the Public Records of Brevard County, Florida, an affidavit stating that such resolution was properly passed, so approved by the members, and also shall record the written consents, if any, of institutional first mortgagees to such abandonment. Upon recordation of the instrument evidencing consent of ninety (90%) percent of the unit owners to terminate the Condominium, the Association shall notify the division within 30 working days of the termination and the date the document was recorded, the county where the document was recorded, and the book and page number of the public records where the document was recorded.

After such an affidavit has been recorded and all owners have conveyed their interest in the Condominium parcel to the Association and the Association to the purchaser, the title to said property thereafter shall be free and clear from all restrictions, reservations, covenants, conditions and easements set forth in this Declaration, and the purchaser and subsequent grantees of any of said property shall receive title to said lands free and clear thereof.

#### XV.

#### ENCROACHMENTS

If any portion of the common elements now encroaches upon any unit, or if any unit now encroaches upon any other unit or upon any portion of the common elements, or if any encroachment shall hereafter occur as the result of settling of the building, or alteration to the common elements made pursuant to the provisions herein, or as the result of repair and restoration, a valid easement shall exist for the continuance of such encroachment for so long as the same shall exist.

#### XVI.

#### ASSOCIATION TO MAINTAIN REGISTER OF OWNERS AND MORTGAGEES

The Association shall at all times maintain a register setting forth the names of all owners of units in the Condominium, and any purchaser or transferee of an unit shall notify the Association of the names of any party holding a mortgage upon any unit and the name of all lessees in order that the Association may keep a record of same.

#### XVII.

#### ESCROW FOR INSURANCE PREMIUMS

Any institutional first mortgagee holding a mortgage upon a unit in the Condominium shall have the right to cause the Association to create and maintain an escrow account for the purpose of assuring the availability of funds with which to pay premium or premiums due from time to time on casualty insurance policy or policies which the Association is required to keep in



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existence, it being understood that the Association shall deposit in an escrow depository satisfactory to such institutional first mortgagee or institutional first mortgagees a monthly sum equal to one-twelfth (1/12) of the annual amount of such insurance expense, and to contribute such other sum as may be required therefor to the end that there shall be on deposit in said escrow account at least one (1) month prior to the due date for payment of such premium or premiums, a sum which will be sufficient to make full payment therefor.

Premiums for insurance required to be placed by the Association shall be a common expense and shall be paid by the Association.

If two (2) or more institutional mortgagees hold any mortgage or mortgages upon any Condominium parcel of Condominium parcel, and/or shall be the owner of any Condominium parcel or Condominium parcels, the exercise of the rights above described or manner of exercising said rights shall vest in the institutional mortgagee owning and holding the first recorded mortgage encumbering a Condominium parcel, and the decision of such institutional mortgagee shall be controlling.



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#### **XVIII.**

#### **REAL PROPERTY TAXES DURING INITIAL YEAR OF CONDOMINIUM**

In the event that during the year in which this Condominium is established, real property taxes are assessed against the Condominium property as a whole, and are paid by the Association such taxes will be a common expense.

#### **XIX.**

#### **RESPONSIBILITY OF UNIT OWNERS**

The owner of each unit shall be governed by and shall comply with the provisions of this Declaration as well as the By-Laws and Articles of Incorporation of the Association. Any unit owner shall be liable for the expense of any maintenance, repair or replacement made necessary by his act, neglect or carelessness, or by that of any members of his family, or his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Nothing herein contained, however, shall be construed so as to modify any waiver of rights or subrogation by insurance companies.

In any action brought against a unit owner by the Association for damages, or injunctive relief due to such unit owner's failure to comply with the provisions of this Declaration or By-Laws of the Association, the prevailing party shall be entitled to court costs, reasonable attorney's fees and expenses incurred by it in connection with the prosecution of such action.

#### **XX.**

#### **WAIVER**

The failure of the Association, a unit owner or institutional first mortgagee to enforce any right, provision, covenant or condition which may be granted herein, or in the By-Laws and Articles of Incorporation of the Association, or the failure to insist upon the compliance with same, shall not constitute a waiver by the Association, such unit owner or institutional first mortgagee to enforce such right, provision, covenant or condition, or insist upon the compliance with same, in the future.

No breach of any of the provisions contained herein shall defeat or adversely affect the lien of any mortgage at any time made in good faith and for a valuable consideration upon said property, or any part thereof, and made by a bank, savings and loan association, or insurance

company authorized to transact business in the State of Florida and engage in the business of making loans constituting a first lien upon real property, but the rights and remedies herein granted to the Developer, the Association, and the owner or owners of any part of said Condominium, may be enforced against the owner of said property subject to such mortgage, notwithstanding such mortgage.

**XXI.**

**CONSTRUCTION**



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The provisions of this Declaration shall be liberally construed so as to effectuate its purposes. The invalidity of any provision herein shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration.

**XXII.**

**GENDER**

The use of the masculine gender in this Declaration shall be deemed to refer to the feminine or neuter gender, and the use of the singular or plural shall be taken to mean the other whenever the context may require.

**XXIII.**

**CAPTIONS**

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration nor the intent of any provisions hereof.

**XXIV.**

**REMEDIES FOR VIOLATIONS**

Each unit owner, each tenant and other invitee, and each association shall be governed by, and shall comply with the provisions of the Florida Condominium Act, the declaration, the documents creating the Association, and the Association By-Laws and the provisions thereof shall be deemed expressly incorporated into any lease of a unit. Actions for damages for injunctive relief, or both, for failure to comply with these provisions may be brought by the Association or by a unit owner against:

1. The Association.
2. A unit owner.
3. Directors designated by the Developer, for actions taken by them prior to the time control of the Association is assumed by unit owners other than the Developer.
4. Any director who willfully and knowingly fails to comply with these provisions.
5. Any tenant leasing a unit, and any other invitee occupying a unit.

The prevailing party in any such action or in any action in which the purchaser claims a right of voidability based upon contractual provisions as required in Section 718.503 (1)(a), Florida Statutes, is entitled to recover reasonable attorney's fees. A unit owner prevailing in an action between the association and the unit owner under this section, in addition to recovering his reasonable attorney's fees, may recover additional amounts as determined by the Court to be necessary to reimburse the unit owner for his share of assessments levied by the Association to



fund its expenses of the litigation. This relief does not exclude other remedies provided by law.

**XXV.**

**TIMESHARE RESERVATION**

No reservation is made pursuant to Section 718.1045, Florida Statutes, for the creation of timeshare estates. Timeshare estates are prohibited.

**XXVI.**

**FINES**



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The Association may levy reasonable fines against a unit for the failure of the owner of the unit, or its occupant, licensee, or invitee, to comply with any provision of the Declaration, the Association By-Laws, or reasonable rules of the Association. No fine may exceed \$100.00 per violation. However, a fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing, provided that no fine in the aggregate exceed \$1,000.00. No fine may be levied except after giving reasonable notice and opportunity for a hearing to the unit owner and, if applicable, its licensee or invitee. The provisions of this Article do not apply to unoccupied units.

**XXVII.**

**SIGNAGE**

After the Developer has completed its sales program, the Association, through its Board of Administration, shall have the right to determine the type, style and location of all signage associated with the Condominium property. Prior to completion of its sales program the Developer shall control signage for the Condominium.

**XXVIII.**

**INSTITUTIONAL MORTGAGEE**

An institutional mortgagee means the owner and holder of a mortgage encumbering a condominium parcel, which owner and holder of said mortgage is either a bank or life insurance company or a federal or state savings and loan association, or a mortgage or real estate investment trust, or a pension and profit sharing funds, or a credit union, or a Massachusetts business trust, or an agency of the United States Government, or the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation, or any entity controlling, controlled by or under common control with any of the foregoing, or a lender generally recognized in the community as an institutional lender or the Developer, or assignee, nominee, or designee of the Developer.

An institution mortgage means a mortgage owned or held by an institutional mortgagee.

An insurance trustee means that Florida bank having trust powers, designated by the board to receive proceeds on behalf of the association, which proceeds are paid as a result of casualty or fire loss covered by insurance policies.

**XXIX.**

**RIGHTS RESERVED UNTO INSTITUTIONAL MORTGAGEES**

All rights in favor of the Developer reserved in this Declaration of Condominium and exhibits attached hereto, are likewise reserved to any institutional mortgagee.

The rights and privileges in this Declaration of Condominium and the exhibits hereto in

favor of the Developer are freely assignable, in whole or in part, by the Developer to any party who may be hereafter designated by the Developer to have and exercise such rights. Such rights may be exercised by the nominee, assignee or designee of the Developer and/or exercised by the successor or successors in trust of the Developer and/or exercised by the successor or successors in interest or the nominees, assignees or designees of the nominees, assignees or designees of the Developer.

XXX.

#### NOTICE TO INSTITUTIONAL MORTGAGEES

The Association shall provide a holder, insurer or guarantor of a first mortgagee, upon written request (such request to state the name and address of such holder, insurer or guarantor and the unit number) timely notice of:

1. Any proposed amendment of the Condominium instruments effecting a change in (i) the boundaries of any unit or the exclusive easement rights appertaining thereto, (ii) the interests in the general or limited common elements appertaining to any unit or the liability for common expenses appertaining thereto, (iii) the number of votes in the owners Association appertaining to any unit; or (iv) the purposes to which any unit or the common elements are restricted;
2. Any proposed termination of the Condominium regime;
3. Any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects any unit on which there is a first mortgage held, insured or guaranteed by such eligible holder;
4. Any delinquency in the payment of assessments or charges owed by an owner of a unit subject to the mortgage of such eligible holder, insurer or guarantor, where such delinquency has continued for a period of 60 days;
5. Any lapse, cancellation or material modification of any insurance policy maintained by the Association.

XXXI.

#### CABLE TELEVISION AND SATELLITE DISH

The cost of a master antenna television system or duly franchised cable television service obtained pursuant to a bulk contract shall be deemed a common expense, and if not, such cost shall be considered common expense if it is designated as such in a written contract between the board of administration and the company providing the master television antenna system or the cable television service. The contract shall be for a term of not less than two (2) years.

A. Any contract made by the Board for a community antenna system or duly franchised cable television service may be canceled by a majority of the voting interests present at the next regular or special meeting of the Association. Any member may make a motion to cancel said contract, but if no motion is made or if such motion fails to obtain the required majority at the next regular or special meeting, whichever is sooner, following the making of the contract, then such contract shall be deemed ratified for the term therein expressed.

B. Any such contract shall provide, and shall be deemed to provide if not expressly set forth, that any hearing impaired or legally blind unit owner who does not occupy the unit with a non-hearing impaired or sighted person may discontinue the service without incurring disconnect fees, penalties, or subsequent service charges, and as to such units, the owners shall not be required to pay any common expenses charge related to such service. If less than all members of an association share the expenses of cable television, the expense shall be shared equally by all participating unit owners. The Association may use the provisions of Section



718.116, Florida Statutes, to enforce payment of the shares of such costs by the unit owners receiving cable television.

C. The Association has approved the installation of DSS type satellite dishes for the Condominium property. The approved satellite dish is approximately 18 inches in diameter and may be bolted to an exterior wall of the Condominium. Prior to the installation of a DSS type satellite dish the record owner of the Condominium unit shall submit a written request for permission to install the satellite dish to the Association pursuant to rules promulgated by the Association. The Association shall determine the location of the satellite dish, in its sole discretion. All costs of installation, maintenance or repair of the satellite dish shall be the responsibility of the record owner of the Condominium unit and the owner shall indemnify and hold the Association harmless therefor.

## XXXII.

### MEDIATION, ARBITRATION AND LITIGATION

In the event of a dispute between Serena Shores, LLC, the Developer, its general contractor, Castlerock Homes, Inc. and David Bryant Contracting ("Contractor"), or any of their engineers, consultants, subcontractors or vendors, or any of their employees, agents, shareholders, officers or directors, and the Condominium Association and/or one or more Unit Owners arising from the Declaration of Condominium, the Articles of Incorporation, the By-Laws, the Rules and Regulations of the Association, the Florida Condominium Act, as amended, or rules and regulations implementing the Florida Condominium Act, the Florida Administrative Code, any express or implied warranty, any construction defects, issues involving the adequacy of reserves, or any other matter, of whatever nature, involving Serena Shores Condominium of Indian Harbour Beach, such dispute shall be submitted to mandatory non-binding mediation or arbitration prior to the institution of any litigation or administrative proceedings by the Association, or any Unit Owner against the parties named above. Any such litigation or administrative proceeding shall be a "Non-Operational Controversy" or "Non-Operational Controversies" as defined below.

The Association, acting through the Board of Administration, shall have the power and duty reasonably to defend the Association (and, in the connection therewith to raise counterclaims) in any pending or potential lawsuit, bankruptcy proceeding, administrative proceeding, arbitration, mediation or governmental proceeding and the Association, shall have the power, but not the duty, reasonably to institute, prosecute, maintain, and/or intervene in any litigation or administrative proceeding ("Proceeding" or "Proceedings"), in its own name, but only with respect to matters affecting or pertaining to the Condominium Documents, the Rules and Regulations, the Common Elements, Association Property, and such other matters as may be expressly provided by the Condominium Act, and as to which the Association is a proper party in interest, and any exercise of such power shall be subject to full compliance with this Section XXXII, as follows:

A. Any proceeding commenced by the Association (1) to enforce the payment of an assessment, or to foreclose a lien for an assessment of other lien, as provided for in the Condominium documents, or (2) otherwise to enforce compliance with the Condominium documents or the Rules and Regulations by, or to obtain other relief from, any owner or occupant who has violated a provision thereof, or (3) to construe or interpret any of the Condominium documents or the Rules and Regulations, or (4) to file any compulsory counterclaim or any permissive counterclaim that would be an Operational Proceeding (hereinafter defined) if commenced by the Association, or (5) against a supplier, vendor, contractor or provider of services, pursuant to a contract or purchase order with the Association, and in the ordinary course of business, or (6) for money damages wherein the total amount in controversy for all matters arising in connection with the action is not likely to exceed ten thousand (\$10,000.00) dollars in the aggregate or (7) to protect against any other matter when waiting to obtain the approval of the Owners as hereinafter provided will create a substantial risk of irreparable injury to the Association or its members, shall be referred to herein as an "Operational Proceeding." The Board



from time to time may cause an Operational Proceeding reasonably to be commenced and prosecuted, without the need for authorization from the Owners.

B. Any and all pending or potential Proceedings other than Operational Proceedings shall be referred to herein collectively as "Non-Operational Controversies," and individually as a "Non-Operational Controversy." To protect the Association and the Owners from being subjected to potentially costly or prolonged Non-Operational Controversies without full disclosure, analysis and consent, and to protect the Board and individual Directors from charges of negligence, breach of fiduciary duty, conflict of interest or acting in excess of their authority, or in a manner not in the best interests of the Association and the Owners, and to assure voluntary and well-informed consent and clear and express authorization by the Owners, strict compliance with the following provisions of this Section XXXII shall be mandatory with regard to any and all Non-Operational Controversies commenced, instituted or maintained by the Association.

1. The Board first shall endeavor to resolve any Non-Operational Controversy by good faith negotiations with the adverse parties. In the event that such good faith negotiations fail reasonably to resolve a Non-Operational Controversy, the Board shall then endeavor in good faith to resolve such Non-Operational Controversy by mandatory non-binding mediation or arbitration. In the event that such mediation or arbitration does not reasonably resolve the Non-Operational Controversy, or if the adverse party refuses to participate in mediation or arbitration, then the Board shall not be authorized to commence, institute or maintain any Proceeding with respect to such Non-Operational Controversy until the Board has fully complied with the following procedures:

a. The Board shall first investigate the legal merit, feasibility and the expense of prosecuting the Non-Operational Controversy, by obtaining a written opinion of a licensed Florida lawyer with a Martindale-Hubbell rating of "bv" or better, expressly stating that such attorney has reviewed the underlying facts, data and law in sufficient, verifiable detail to render the opinion, and express his or her opinion whether or not the Association has a substantial likelihood of prevailing on the merits with regard to the Non-Operational Controversy, without substantial likelihood of incurring any material liability with respect to any counterclaims which may be asserted against the Association. Such attorney's opinion letter (the Opinion Letter") shall also contain the attorney's best, good faith estimate of the aggregate amount of legal fees and costs, including without limitation, court costs, costs of investigation and all further reports of studies, costs of court reports and transcripts, cost of expert witnesses and forensic specialists (collectively the "Estimated Litigation Costs") which may reasonably be expected to be incurred for the prosecution to completion (including appeal) of the Non-Operational controversy. Said Opinion Letter shall also include the attorney's best, good faith estimate for the period of time which it may reasonably be expected to prosecute such Non-Operational Controversy to completion, including any appeal, assuming same does not settle. Such opinion, which shall be a "reasoned opinion," shall fairly disclose the attorney's good faith opinion of the merits of the Association's position and defenses with respect thereto, the range of outcomes that might reasonably be anticipated, and the degree of certainty or uncertainty thereof. Said Opinion Letter shall be accompanied by, or contain an adequate summary of, any investigations, reports, analysis, or other data upon which such opinion is predicated. The Opinion Letter shall likewise address any issue with respect to potential collectability of any judgment that may ultimately be obtained.

i. The Board shall also obtain the written opinion of three (3) licensed real estate brokers who individually, or through their respective firms, have for at least five years preceding such opinion, engaged in the listing and/or sale of residential condominium units in Brevard County, Florida, which represent a significant portion of the total sales in which such broker or



brokerage firm have participated during such time. Each such opinion letter shall contain the good faith opinion of such broker as to the effect, if any, that the prosecution of such Non-Operational Controversy, and the imposition of Assessments for fees and costs associated therewith, will have on the marketability and/or market value of the Units within the Condominium.

ii. Upon receipt and review of the Opinion Letter and the broker's letters, if two-thirds or more of the entire Board affirmatively vote to proceed with the institution of prosecution of, and/or intervention in, the Non-Operational Controversy, the Board shall thereupon duly call and notice a special meeting of the members. The notice of the meeting shall include a copy of the Opinion Letter and all of the broker's letters, together with a written plan by the Board as to how the Association will fund the fees and costs of such litigation, including the Estimated Litigation Costs. At such special meeting, following review of the Opinion Letter, broker letters and the Board's plan for funding, and a full and open discussion thereof, which shall include balancing the desirability of instituting, prosecuting and/or intervening in the Non-Operational Controversy against the desirability of accepting any settlement proposals from the adversary party or parties, or taking other action, there shall be a vote of the Owners. If more than seventy-five (75%) percent of the total Voting Interests affirmatively vote in favor of pursuing such Non-Operational Controversy, then the Board shall be authorized to proceed to institute, prosecute and/or intervene in the Non-Operational controversy. If, however, seventy-five percent (75%) or fewer of the total Voting Interests do not affirmatively vote in favor of pursuing such Non-Operational Controversy, then the Non-Operational Controversy shall not be pursued further.

iii. In the event of any bonafide settlement offer from the adverse party or parties in a Non-Operational Controversy, if the Association's attorney advises the Board that acceptance of the settlement offer would be reasonable under the circumstances, or would be in the best interests of the Association, or that said attorney no longer believes that the Association has a substantial likelihood of prevailing on the merits without prospect of material liability on a counterclaim, then the Board shall have the authority to accept such settlement offer without consent of the Owners. If the Board is so authorized to accept such a settlement offer, but declines to do so, and in all other cases of a settlement offer, the Board shall submit the settlement offer to the Owners, who shall have a right to accept any such settlement offer on a majority vote of the total Voting Interests.

b. In no event shall any reserves of the Association be used as a source of funds to institute, prosecute, maintain and/or intervene in any Proceeding.

c. Notwithstanding any provision contained in the Condominium Documents to the contrary other than as set forth in this Section XXXII, the Association shall have no power whatsoever to institute, prosecute, maintain, or intervene in any Proceeding, without first strictly complying with, and continuing to comply with, each of the provisions of this Section XXXII and any such institution, prosecution, maintenance or intervention shall be unauthorized and ultra vires to the Association. This Section III shall not be amended or deleted at any time without the express prior written approval of more than seventy-five (75%) percent of the total Voting Interests of the Association, and any purported amendment or deletion of this Section III or any portion hereof without the express prior written approval of more than seventy-five (75%) percent of the total Voting Interests shall be void.



**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT**

The rules of the St. Johns River Water Management District require the following provisions to be included in this Declaration of Condominium:

A. **Property Description:** Property encompassed by the permit granted by the St. Johns River Water Management District (where the surface water management system will be located) is included in the legal description of the parent tract located on Sheets 4 and 11 of Exhibit A attached hereto and made a part hereof.

B. **Definitions:** "Surface Water or Stormwater Management System" means a system which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, over drainage, environmental degradation, and water pollution or otherwise affect the quantity and quality of discharges.

C. **Duties of Association:** The Association shall be responsible for the maintenance, operation and repair of the surface water or stormwater management system. Maintenance of the surface water or stormwater management system(s) shall mean the exercise of practices which allow the systems to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities as permitted by the St. Johns River Water Management District. Any repair or reconstruction of the surface water or stormwater management system shall be as permitted or, if modified, as approved by the St. Johns River Water Management District.

D. **Covenant for Maintenance assessments for Association:** Assessments shall also be used for the maintenance and repair of the surface water or stormwater management systems including, but not limited to, work within retention areas, drainage structures and drainage easements.

E. **Easement for Access and Drainage:** The Association shall have a perpetual non-exclusive easement over all areas of the surface water or stormwater management system for access to operate, maintain or repair the system. By this easement, the Association shall have the right to enter upon any portion of the common elements which is a part of the surface water or stormwater management system, at a reasonable time and in a reasonable manner, to operate, maintain or repair the surface water or stormwater management system as required by the St. Johns River Water Management District permit. Additionally, the Association shall have a perpetual non-exclusive easement for drainage over the entire surface water or stormwater management system. No person shall alter the drainage flow of the surface water or stormwater management system, including buffer areas or swales, without prior written approval of the St. Johns River Water Management District.

F. **Amendment:** Any amendment to the Declaration of Condominium which alter any provision relating to the surface water or stormwater management system, beyond maintenance in its original condition, including the water management portions of the common elements must have the prior approval of the St. Johns River Water Management District.

G. **Enforcement:** The St. Johns River Water Management District shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in the Declaration of Condominium which relate to the maintenance, operation and repair of the surface water or stormwater management system.

[Remainder of page intentionally left blank]

H. Swale Maintenance: The Developer has constructed a Drainage Swale upon the common elements for the purpose of managing and containing the flow of excess surface water, if any, found upon such common elements from time to time. The Association shall be responsible for the maintenance, operation and repair of the swales on the common elements. Maintenance, operation and repair shall mean the exercise of practices, such as mowing and erosion repair, which allow the swales to provide drainage, water storage, conveyance or other stormwater management capabilities as permitted by the St. Johns River Water Management District. Filling, excavation, construction of fences or otherwise obstructing the surface water flow in the swales is prohibited. No alteration of the Drainage Swale shall be authorized and any damage to any Drainage Swale, whether caused by natural or human-induced phenomena, shall be repaired and the Drainage Swale returned to its former condition as soon as possible by the Association.



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IN WITNESS WHEREOF, the above stated Developer has caused these presents to be signed and sealed on this 7<sup>th</sup> day of March, 2003.

SIGNED, SEALED AND DELIVERED  
IN THE PRESENCE OF:

Karen Perkins  
Witness Signature

Karen Perkins  
Print Witness Name

[Signature]  
Witness Signature

Kim WESTMORELAND  
Print Witness Name

DEVELOPER:

SERENA SHORES, LLC, a  
Florida limited liability company

BY: [Signature]  
William Klinglesmith, Member

STATE OF FLORIDA

COUNTY OF BREVARD

The foregoing instrument was acknowledged before me this 7<sup>th</sup> day of March, 2003, by William Klinglesmith, a Member of SERENA SHORES, LLC, a Florida limited liability company, on behalf of the Company, who is personally known to me or produced \_\_\_\_\_ as identification.



Karen Perkins  
MY COMMISSION # CC889311 EXPIRES  
November 30, 2003  
BONDED THRU TROY FAIR INSURANCE, INC.

Karen Perkins  
Notary Public signature

Print Notary Name

My commission expires:

JOINDER BY CONDOMINIUM ASSOCIATION

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SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH  
CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, hereby agrees to  
accept all the benefits and all of the duties, responsibilities, obligations and burdens imposed  
upon it by the provisions of this Declaration and Exhibits attached hereto.

IN WITNESS WHEREOF, SERENA SHORES CONDOMINIUM OF INDIAN  
HARBOUR BEACH CONDOMINIUM ASSOCIATION, INC., has caused these presents to be  
signed in its name by its proper officer and its corporate seal to be affixed the 7<sup>th</sup> day of  
March, 2003.

SIGNED, SEALED AND DELIVERED  
IN THE PRESENCE OF:

Karen Perkins  
Witness Signature

Karen Perkins  
Print Witness Name

[Signature]  
Witness Signature

Kim WESTMORELAND  
Print Witness Name

DEVELOPER:

SERENA SHORES CONDOMINIUM OF  
INDIAN HARBOUR BEACH  
CONDOMINIUM ASSOCIATION, INC.,  
a Florida not for profit corporation

BY: [Signature]  
James Bates, President

STATE OF FLORIDA

COUNTY OF BREVARD

The foregoing instrument was acknowledged before me this 7<sup>th</sup> day of  
March, 2003, by James Bates, as President of SERENA SHORES  
CONDOMINIUM OF INDIAN HARBOUR BEACH CONDOMINIUM ASSOCIATION, INC.,  
a Florida not for profit corporation, who is personally known to me or produced  
D. L. as identification.



Karen Perkins  
MY COMMISSION # CC889311 EXPIRES  
November 30, 2003  
BONDED THRU TROY FAIR INSURANCE, INC.

Karen Perkins  
Notary Public signature

Print Notary Name

My commission expires:





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**ARTICLES OF INCORPORATION  
OF  
SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH  
CONDOMINIUM ASSOCIATION, INC.**

For the purpose of forming a corporation not for profit pursuant to the laws of the State of Florida, the undersigned incorporator hereby adopts the following Articles of Incorporation:

**ARTICLE 1  
NAME**

The name of the corporation shall be SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH CONDOMINIUM ASSOCIATION, INC. For convenience, the corporation shall be referred to in this instrument as the "Association," these Articles of Incorporation as the "Articles," and the By-Laws of the Association as the "By-Laws."

**ARTICLE 2  
PURPOSE**

The purpose for which the Association is organized is to provide an entity pursuant to the Florida Condominium Act (the "Act") as it exists on the date hereof for the operation of a condominium located in Brevard County, Florida known as SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH, A CONDOMINIUM.

**ARTICLE 3  
DEFINITIONS**

The terms used in these Articles shall have the same definitions and meaning as those set forth in the Declaration of the Condominium to be recorded in the Public Records of Brevard County, Florida, unless herein provided to the contrary, or unless the context otherwise requires.

**ARTICLE 4  
POWERS**

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

4.1 **General.** The Association shall have all of the common-law and statutory powers of a corporation not for profit under the Laws of Florida that are not in conflict with the provisions of these Articles, the Declaration, the By-Laws or the Act.

4.2 **Enumeration.** The Association shall have all of the powers and duties set forth in the Act and all of the powers and duties reasonably necessary to operate the Condominium pursuant to the Declaration and as more particularly described in the By-Laws and these Articles, as they may be amended from time to time, including, but not limited to, the following:

- (a) To make and collect Assessments and other charges against members as Unit Owners, and to use the proceeds thereof in the exercise of its powers and duties.
- (b) To buy, own, operate, lease, sell, trade and mortgage both real and personal property.



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(c) To maintain, repair, replace, reconstruct, add to and operate the Common Elements, and other property acquired or leased by the Association.

(d) To purchase insurance upon the Condominium Property and insurance for the protection of the Association, its officers, directors and Unit Owners.

(e) To make and amend reasonable rules and regulations for the maintenance, conservation and use of the Condominium property and for the health, comfort, safety and welfare of the Unit Owners.

(f) To approve or disapprove the leasing, transfer, ownership and possession of Units as may be provided by the Declaration.

(g) To enforce by legal means the provisions of the Act, the Declaration, these Articles, the By-Laws, and the rules and regulations for the use of the Condominium Property.

(h) To contract for the management and maintenance of the Condominium Property and to authorize a management agent (who may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair, and replacement of the Common Elements with funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the Condominium Act, including but not limited to the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association.

(i) To employ personnel to perform the services required for the proper operation of the Condominium.

(j) To allocate expenses of the Condominium in the manner contemplated by the By-Laws.

(k) To levy and collect adequate assessments against members of the corporation for the costs of maintenance and operation of the Surface Water or Stormwater Management System. The assessments shall be used for the maintenance and repair of the Surface Water or Stormwater Management Systems, including but not limited to work within retention areas, drainage structures and drainage easements.

4.3 Condominium Property. All funds and the titles to all properties acquired by the Association and their proceeds shall be held for the benefit and use of the members or the Condominium for which the funds and/or properties are held in accordance with the provisions of the Declaration, these Articles and the By-Laws.

4.4 Distribution of Income; Dissolution. The Association shall make no distribution of income to its members, directors or officers, and upon dissolution, all assets of the Association shall be transferred only to another non-profit corporation or a public agency, except in the event of a termination of the Condominium.

4.5 Limitation. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions hereof and of the Declaration, the By-Laws and the Act.

## **ARTICLE 5**

### **MEMBERS**

5.1 Membership. The members of the Association shall consist of all of the record title owners of Units in the Condominium from time to time, and their successors and assigns.



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5.2 **Assignment.** The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the Unit for which that share is held.

5.3 **Voting.** On all matters upon which the membership, or any appropriate constituency thereof, shall be entitled to vote, there shall be only one vote for each Unit, which vote shall be exercised or cast in the manner provided by the Declaration and By-Laws. Any person or entity owning more than one Unit shall be entitled to one vote for each Unit owned.

5.4 **Meetings.** The By-Laws shall provide for an annual meeting of members, and may make provision for regular and special meetings of members other than the annual meeting.

#### **ARTICLE 6**

#### **TERM OF EXISTENCE**

Existence of the Association shall commence with the filing of these Articles of Incorporation with the Secretary of State, Tallahassee, Florida. The Association shall have perpetual existence.

#### **ARTICLE 7**

#### **INCORPORATOR**

The name and address of the incorporator of the Association is as follows:

<b>NAME</b>	<b>ADDRESS</b>
James Bates	Regency Business Center 1227 South Patrick Drive Satellite Beach, FL 32937

#### **ARTICLE 8**

#### **OFFICERS**

The affairs of the Association shall be administered by the officers holding the offices designated in the By-Laws. The officers shall be elected by the Board of Directors of the Association at its first meeting following the annual meeting of the members of the Association and shall serve at the pleasure of the Board of Directors. The By-Laws may provide for the removal from office of officers, for filling vacancies and for the duties of the officers. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

<b>President:</b>	James Bates Regency Business Center 1227 South Patrick Drive Satellite Beach, FL 32937
<b>Secretary:</b>	Julia Klingle Smith Regency Business Center 1227 South Patrick Drive Satellite Beach, FL 32937
<b>Treasurer:</b>	William Klingle Smith Regency Business Center 1227 South Patrick Drive Satellite Beach, FL 32937



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## **ARTICLE 9**

### **DIRECTORS**

9.1 **Number and Qualification.** The property, business and affairs of the Association shall be managed by a board consisting of the number of directors determined in the manner provided by the By-Laws, but which shall consist of not less than three (3) directors. Directors need not be members of the Association or residents of units in the Condominium.

9.2 **Duties and Powers.** All of the duties and powers of the Association existing under the Act, the Declaration, these Articles and the By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by all or appropriate portions of the Unit Owners when such approval is specifically required and except as provided in the Declaration.

9.3 **Election; Removal.** Directors of the Association shall be elected at their annual meeting of the members in the manner determined by and subject to the qualifications set forth in the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the By-Laws.

9.4 **Term of Developer's Directors.** The Developer of the Condominium shall appoint the members of the first Board of Directors and their replacements who shall hold office for the periods described in the By-Laws.

9.5 **First Directors.** The names and addresses of the members of the first Board of Directors who shall hold office until their successors are elected and have qualified, as provided in the By-Laws, are as follows:

James Bates  
Regency Business Center  
1227 South Patrick Drive  
Satellite Beach, FL 32937

Julia Klinglesmith  
Regency Business Center  
1227 South Patrick Drive  
Satellite Beach, FL 32937

William Klinglesmith  
Regency Business Center  
1227 South Patrick Drive  
Satellite Beach, FL 32937

## **ARTICLE 10**

### **INDEMNIFICATION**

10.1 **Indemnity.** The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director, employee, officer or agent of the Association, against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, unless (a) a court of competent jurisdiction finally determines, after all appeals have been exhausted or not pursued by the proposed indemnitee, that he did not act in good faith or in a manner he reasonably believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, that he had reasonable cause to believe his conduct was unlawful, and (b) such court also determines specifically that indemnification should be denied. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its



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equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interest of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

10.2 Expenses. To the extent that a director, officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 10.1 above, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonably incurred by him in connection therewith.

10.3 Advances. Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the affected director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article 10.

10.4 Miscellaneous. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking may be entitled under any by-law, agreement, vote of members or otherwise, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs and personal representatives of such person.

10.5 Insurance. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association, or is or was serving, at the request of the Association, as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article.

10.6 Amendment. Anything to the contrary herein notwithstanding, the provisions of this Article 10 may not be amended without the approval in writing of all persons whose interest would be adversely affected by such amendment.

## **ARTICLE 11**

### **BY-LAWS**

The first By-Laws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded in the manner provided in the By-Laws and the Declaration.

## **ARTICLE 12**

### **AMENDMENTS**

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

12.1 Notice and Adoption. Amendments to those Articles shall be proposed by the Board of Directors and, after notice to members within the time and in the manner provided for in Chapters 617 and 718 of the Florida Statutes setting forth the proposed amendment or a summary of the changes to be effected thereby, thereafter shall be submitted to a meeting of the membership of the Association. The proposed amendment shall be adopted upon receiving the affirmative vote of a majority of the votes of members entitled to vote thereon.

12.2 Recording. A copy of each amendment shall be filed with the Secretary of State pursuant to the provisions of applicable Florida law, and a copy certified by the Secretary of State shall be recorded in the public records of Brevard County, Florida.



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**ARTICLE 13  
TERMINATION**

In the event of termination, dissolution or final liquidation of the corporation, the responsibility for the operation and maintenance of the Surface Water or Stormwater Management System shall be transferred to and accepted by an entity which would comply with Section 40C-42.027, F.A.C., and be approved by the St. Johns River Water Management District prior to such termination, dissolution or liquidation.

**ARTICLE 14  
INITIAL REGISTERED OFFICE; ADDRESS  
AND NAME OF REGISTERED AGENT**

The initial registered office of this corporation shall be at Regency Business Center, 1227 South Patrick Drive, Satellite Beach, Florida 32937, with the privilege of having its office and branch offices at other places within or without the State of Florida. The initial registered agent at that address shall be James Bates.

IN WITNESS WHEREOF, the incorporator has affixed his signature the day and year set forth below.

\_\_\_\_\_  
James Bates

STATE OF FLORIDA     )  
                                  ) ss:  
COUNTY OF BREVARD    )

THE FOREGOING INSTRUMENT was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2001, by JAMES BATES, who is personally known to me, or who produced \_\_\_\_\_ as identification, and who did take an oath.

\_\_\_\_\_  
Notary Public Signature

\_\_\_\_\_  
Print Notary Public Name

My commission expires:

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**CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE  
FOR THE SERVICE OF PROCESS WITHIN THIS STATE,  
NAMING AGENT UPON WHOM PROCESS MAY BE SERVED**

In compliance with the laws of Florida, the following is submitted:

First -- That desiring to organize under the laws of the State of Florida with its principal office, located in the County of Brevard, State of Florida, the corporation named in the foregoing articles has named James Bates, whose office address is Regency Business Center, 1227 South Patrick Drive, Satellite Beach, Florida 32937, as its statutory Registered Agent.

Having been named the statutory agent of said corporation at the place designated in this certificate, I hereby accept the same and agree to act in this capacity, and agree to comply with the provisions of Florida law relative to keeping the registered office open.

\_\_\_\_\_  
James Bates, Registered Agent

DATED this \_\_\_\_ day of \_\_\_\_\_, 2001

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**BY-LAWS OF  
SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH  
CONDOMINIUM ASSOCIATION, INC.**

1. **Identity.** These are the By-Laws of SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH CONDOMINIUM ASSOCIATION, INC. (the "Association"), a corporation not for profit, incorporated under the laws of the State of Florida, and organized for the purpose of administering a condominium located in Brevard County, Florida known as SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH, A CONDOMINIUM.
  - 1.1 **Principal Office.** The principal office of the Association shall be at Regency Business Center, 1227 South Patrick Drive, Satellite Beach, Florida 32937, or at such other place as may be subsequently designated by the Board of Directors. All books and records of the Association shall be kept at its principal office.
  - 1.2 **Fiscal Year.** The fiscal year of the Association shall be the calendar year.
  - 1.3 **Seal.** The seal of the Association shall bear the name of the corporation, the word "Florida," the words "Corporation Not for Profit," and the year of incorporation.
2. **Definitions.** For convenience, these By-Laws shall be referred to as the "By-Laws" and the Articles of Incorporation of the Association as the "Articles." The other terms used in these By-Laws shall have the same definition and meaning as those set forth in the Declaration of Condominium, unless herein provided to the contrary, or unless the context otherwise requires.
3. **Members.**
  - 3.1 **Annual Meeting.** The annual members' meeting of all the Unit Owners of the Condominium shall be held on the date, at the place and at the time determined by the Board of Directors from time to time, provided that there shall be an annual meeting every calendar year and, to the extent possible, no later than twelve (12) months after the last preceding annual meeting. The purpose of the meeting shall be, except as provided herein to the contrary, to elect Directors and to transact any other business affecting the Condominium authorized to be transacted by the members, or as stated in the notice of the meeting sent to Unit Owners in advance thereof. Unless changed by the Board, the first annual meeting shall be held on the fifth day of December following the year in which the Declaration is recorded.
  - 3.2 **Special Meetings.** Special members' meetings may be called for the entire membership, for those matters affecting the Condominium or the members thereof, and shall be held at such places as provided herein for annual meetings, and may be called by the President or by a majority of the Board of Directors of the Association, and must be called by the President or Secretary upon receipt of a written request from a majority of the members of the Association, or as provided elsewhere herein or in the Act. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting.
  - 3.3 **Notice of Meeting; Waiver of Notice.** Notice of all meetings of Unit Owners, including both special and annual meetings, shall be given by written notice. The written notice must include an agenda and shall be mailed or delivered to each Unit Owner at least fourteen (14) days prior to any annual or special meeting and shall be posted in a conspicuous place on the Condominium Property at least fourteen



(14) continuous days preceding the annual or special meeting. Upon notice to the Unit Owners, the Board of Directors shall by duly adopted rule designate a special location on the Condominium Property, upon which all notices of Unit Owner meetings shall be posted.

Unless a Unit Owner waives in writing the right to receive notice of the annual meeting by mail, the notice of the annual meeting shall be sent by mail to each Unit Owner.

An officer of the Condominium Association, or the manager, or other person providing the notice of any Unit Owner meeting, shall provide an affidavit or United States postal certificate of mailing, to be included in the official records of the Condominium Association, affirming that the notice was mailed or hand-delivered in accordance with this provision, to each Unit Owner at the address last furnished to the Association.

Notice of special meetings may be waived before or after the meeting and the attendance of any member (or person authorized to vote for such member) shall constitute such member's waiver of notice of such meeting, except when their (or his authorized representative's) attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

3.4 Quorum. A quorum at members' meeting shall be attained by the presence, either in person or by proxy, of persons entitled to cast a majority of the votes of the entire membership.

3.5 Voting.

- (a) Number of Votes. Except as provided in paragraph 3.10 hereof, in any meeting of members, the Owners of Units shall be entitled to cast one vote for each Unit owned. The vote of a Unit shall not be divisible.
- (b) Majority Vote. The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum shall have been attained shall be binding upon all Unit Owners of the particular constituency for which the action was taken for all purposes except where otherwise provided by law, the Declaration, the Articles or these By-Laws. As used in these By-Laws, the Articles or the Declaration, the terms "majority of the Unit Owners" and "majority of the members" shall mean a majority of the votes of members and not a majority of the members themselves and shall further mean more than 50% of the then total authorized votes present in person or by proxy and voting at any meeting of the Unit Owners at which a quorum shall have been attained. Similarly, if some greater percentage of members is required herein or in the appropriate Declaration or Articles, it shall mean such greater percentage of the votes of members and not of the members themselves.
- (c) Voting Member. If a Unit is owned by one person, his right to vote shall be established by the roster of members. If a Unit is owned by more than one person, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by all of the record owners of the Unit according to the roster of Unit Owners and filed with the Secretary of the Association. Such person must be one of the joint owners. If a Unit is owned by a corporation, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by an appropriate officer of the corporation and filed with the Secretary of the Association. Such person need not be a Unit Owner. Those certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the





ownership of the Unit concerned. A certificate designating the person entitled to cast the vote for a Unit may be revoked by any record owner of an undivided interest in the Unit. If a certificate designating the person entitled to cast the vote for a Unit for which such certificate is required is not on file or has been revoked, the vote of the Owner(s) of such Unit shall not be considered in determining whether a quorum is present, nor for any other purpose, and the total number of authorized votes in the Association or the appropriate voting constituency shall be reduced accordingly until such certificate is filed, except if the Unit is owned jointly by a husband and wife. If a Unit is owned jointly by a husband and wife, they may, without being required to do so, designate a voting member in the manner provided above. Such designee must be a Unit Owner. In the event a husband and wife do not designate a voting member, the following provisions shall apply:

- (i) If both are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting, and their vote shall not be considered in determining whether a quorum is present on that subject at the meeting (and the total number of authorized votes in the Association shall be reduced accordingly for such subject only).
- (ii) If only one is present at a meeting, the person present shall be counted for purposes of a quorum and may cast the Unit vote just as though he or she owned the Unit individually, and without establishing the concurrence of the absent person.
- (iii) If both are present at a meeting and concur, either one may cast the Unit vote.

3.6 Proxies. Except as specifically otherwise provided herein, the Unit Owners may not vote by general proxy, but may only vote by limited proxies. Limited proxies and general proxies may be used to establish a quorum. Limited proxies shall be used for votes concerning the following matters:

- (a) Votes taken to waive or reduce reserves.
- (b) Votes taken to waive financial statement requirements.
- (c) Votes taken to amend the Declaration.
- (d) Votes taken to amend the Articles of Incorporation and the By-Laws.
- (e) Votes taken for any other matter for which the Act requires or permits vote of the Unit Owners.

No proxy, limited or general, shall be used in any other election of members of the Board of Directors.

General proxies may be used for establishing a quorum and any other matter for which limited proxies are not required, and may also be used in voting for non-substantive changes to items for which a limited proxy is required and given. Notwithstanding any of the provisions of this section, Unit Owners may vote in person at Unit Owner meetings.

Any proxy given shall be effective only for the specific meeting for which it was originally given and any lawfully adjourned meetings thereof. In no event shall any proxy be valid for a period longer than ninety (90) days from the date of the first meeting for which it was given. Each proxy is revocable at any time at the pleasure of the Unit Owner executing it.



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- 3.7 **Adjourned Meetings.** If any proposed meeting cannot be organized because a quorum has not been attained, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, provided notice of the newly scheduled meeting is given in the manner required for the giving of notice of a meeting. Except as provided by law, proxies given for the adjourned meeting shall be valid for the newly scheduled meeting unless revoked for reasons other than the new date of the meeting.
- 3.8 **Order of Business.** If a quorum has been attained, the order of business at annual members' meetings, and, if applicable, at other members' meetings, shall be:
- (a) Call to order by President;
  - (b) Appointment by the President of a chairman of the meeting (who need not be a member or a director);
  - (c) Proof of notice of the meeting or waiver of notice;
  - (d) Reading of minutes;
  - (e) Reports of officers;
  - (f) Reports of committees;
  - (g) Determination of number of Directors;
  - (i) Election of Directors;
  - (j) Unfinished business;
  - (k) New business;
  - (l) Adjournment.

Such order may be waived in whole or in part by direction of the chairman.

- 3.9 **Minutes of Meeting.** The minutes of all meetings of Unit Owners shall be kept in a book available for inspection by Unit Owners or their authorized representatives and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven years.
- 3.10 **Action Without A Meeting.** Anything to the contrary herein notwithstanding, to the extent lawful, any action required to be taken at any annual or special meeting of members, or any action which may be taken at any annual or special meeting of such members, may be taken without a meeting, without prior notice and without a vote if a consent in writing, setting forth the action so taken, shall be signed by the members (or persons authorized to cast the vote of any such member as elsewhere herein set forth) of the appropriate voting constituency having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting of such members at which an appropriate quorum of such members (or authorized persons) entitled to vote thereon were present and voted. Within ten (10) days after obtaining such authorization by written consent, notice must be given to the appropriate members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action.

4. **Directors.**

- 4.1 **Membership.** The affairs of the Association shall be governed by a Board of not



less than three (3), nor more than nine (9) Directors, the exact number to be determined in the first instance in the Articles, and thereafter, except as provided herein, from time to time upon majority vote of the membership. Directors not appointed by the Developer must be Unit Owners.

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

- (a) The members of the Board of Directors shall be elected by written ballot.
- (b) Proxies shall in no event be used in electing the members of the Board of Directors, either in general elections or in elections to fill vacancies caused by resignation or otherwise, unless otherwise provided in this section. However, limited proxies may be used in elections to fill vacancies caused by recall.
- (c) Not less than sixty (60) days before a scheduled election, the Association shall mail or deliver, whether by separate Association mailing, or by mailing included in another Association mailing, or delivering regularly published newsletters, to each Unit Owner entitled to vote, a first notice of the date of the election.
- (d) Any Unit Owner or other eligible person desiring to be a candidate of the Board of Directors must give written notice to the Association not less than forty (40) days before a scheduled election.
- (e) The Association shall mail or deliver a second notice of the election to all Unit Owners entitled to vote, together with a ballot which shall list all candidates. The costs of mailing and delivering the notice shall be borne by the Association.
- (f) Upon request of a candidate, the Association shall include an information sheet no larger than 8 1/4" by 11", which information sheet must be furnished by the candidate to the Board of Directors not less than thirty-five (35) days before the election, to be included with the mailing of the ballot, with the costs of the mailing or delivery and copying to be borne by the Association. However, the Association has no liability for the contents of the information sheets prepared by the candidates. In order to reduce costs, the Association may print or duplicate the information sheets on both sides of the paper.
- (g) Elections shall be decided by a plurality of those ballots cast. There shall be no quorum requirements; however at least twenty (20%) percent of the eligible voters must cast a ballot in order to have a ballot election of the members of the Board of Directors.
- (h) No Unit Owner shall permit any other person to cast their ballot. Any Unit Owner who needs assistance in casting the ballot may obtain assistance in casting the ballot.
- (i) The regular election shall occur on the day of the annual meeting.
- (j) Notwithstanding the provisions of this subparagraph, an election and balloting are not required unless more candidates file notices of intent to run or are nominated than vacancies exist on the Board.

4.3 Vacancies and Removal.

- (a) Vacancies in the Board of Directors occurring between annual meetings of

members shall be filled in accordance with the election procedures provided in Paragraph 4.2, provided that all vacancies in directorships to which Directors were appointed by the Developer pursuant to the provisions of paragraph 4.15 hereof, shall be filled by the Developer without the necessity of any election. However, if both the Developer and the members other than the Developer are entitled to representation on the Board, then the vacancy on the Board previously occupied by a board member elected by members other than the Developer shall be filled in accordance with the election procedures provided in Paragraph 4.2.

- (b) Any Director elected by the members may be removed by concurrence of a majority of the votes of the constituency electing such Director at a special meeting of such constituency called for that purpose. Such a meeting may be called by 10% of the Unit Owners giving notice of the meeting as required for a meeting of Unit Owners. The vacancy in the Board of Directors so created shall be filled by a majority vote of the remaining members, unless the Director was appointed by the Developer, in which case the Developer shall appoint another Director without the necessity of any meeting. However, in the event that the removal of the Director or Directors results in the inability to obtain a quorum of Directors in accordance with these By-Laws, the vacancies on the Board shall be filled in accordance with the rules promulgated by the Bureau of Condominiums. However, any Director elected in this manner shall only serve until such time as an election can be held in accordance with Paragraph 4.2. The conveyance of all Units owned by a Director in the Condominium (other than appointees of the Developer) shall constitute the resignation of such Director.
- (c) Until a majority of the Directors are elected by the members other than the Developer of the Condominium, neither the first Directors of the Association, nor any Directors replacing them, nor any Directors named by the Developer, shall be subject to removal by members other than the Developer. The first Directors and Directors replacing them may be removed and replaced by the Developer without the necessity of any meeting.
- (d) If a vacancy on the Board of Directors results in the inability to obtain a quorum of Directors in accordance with these By-Laws, other than due to the removal of a Director as provided in Paragraph 4.3(b), any Owner may apply to the Circuit Court within whose jurisdiction the Condominium lies for the appointment of a receiver to manage the affairs of the Association. At least thirty (30) days prior to applying to the Circuit Court, the Unit Owner shall mail to the Association and post in a conspicuous place on the Condominium Property a notice describing the intended action and giving the Association an opportunity to fill the vacancy(ies) in accordance with these By-Laws. If, during such time, the Association fails to fill the vacancy(ies), the Unit Owner may proceed with the petition. If a receiver is appointed, the Association shall be responsible for the salary of the receiver, court costs and attorneys' fees. The receiver shall have all powers and duties of a duly constituted Board of Directors, and shall serve until the Association fills the vacancy(ies) on the Board sufficient to constitute a quorum in accordance with these By-Laws.

- 4.4 **Term.** Except as provided herein to the contrary, the term of each Director's service shall extend until the next annual meeting of the members and subsequently until his successor is duly elected and qualified, or until he is removed in the manner elsewhere provided.



- 4.5 **Organizational Meeting.** The organizational meeting of newly-elected or appointed members of the Board of Directors shall be held within ten (10) days of their election or appointment at such place and time as shall be fixed by the Directors at the meeting at which they were elected or appointed, and no further notice to the Board of the organizational meeting shall be necessary.
- 4.6 **Regular Meetings.** Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegraph, and shall be transmitted at least three (3) days prior to the meeting. The notice must include an agenda. Regular meetings of the Board of Directors shall be open to all Unit Owners and notice of such meetings shall be posted conspicuously on the Condominium Property at least forty-eight (48) continuous hours in advance for the attention of the members of the Association, except in the event of an emergency. Any meeting of the Board of Directors shall be open to all Unit Owners. Any Unit Owner may tape record or video tape meetings of the Board of Directors. The right to attend such meetings includes the right to speak at such meetings with reference to all designated agenda items. The Board may adopt reasonable rules and regulations governing the tape recording and video taping of any meeting. The Board may also adopt reasonable rules governing the frequency, duration and manner of Unit Owner statements. Any item not included on the notice may be taken up on an emergency basis by at least a majority plus one of the members of the Board. Such emergency action shall be noticed and ratified at the next regular meeting of the Board. However, written notice of any meeting at which non-emergency special assessments or at which amendment to the rules regarding unit use will be considered shall be mailed or delivered to the Unit Owners and posted conspicuously on the condominium property not less than fourteen (14) days prior to the meeting. Evidence of compliance with this fourteen (14) day requirement shall be made by an affidavit executed by the person who provides the notice and filed among the official records of the Association. Upon notice to the Unit Owners, the Board shall by duly adopted rule designate a specific location on the condominium property upon which all notices shall thereafter be posted. A notice of any meeting in which regular assessments against Unit Owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.
- 4.7 **Special Meetings.** Special meetings of the Directors may be called by the President, and must be called by the President or Secretary at the written request of one-third (1/3) of the Directors. Notice of the meeting shall be given to the Directors personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting, and shall be transmitted not less than three (3) days prior to the meeting. Special meetings of the Board of Directors shall be open to all Unit Owners and notice of a special meeting shall be posted conspicuously on the Condominium Property at least forty-eight (48) continuous hours in advance for the attention of the members of the Association, except in the event of an emergency.
- 4.8 **Waiver of Notice.** Any Directors may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to the due receipt by said Director of notice. Attendance by any Director at a meeting shall constitute a waiver of notice of such meeting, except when his attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.
- 4.9 **Quorum.** A quorum at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is specifically required by



the Declarations, the Articles or these By-Laws.

- 4.10 Adjourned Meetings. If, at any proposed meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present, provided notice of such newly scheduled meeting is given as required hereunder.
- 4.11 Presiding Officer. The presiding officer at the Directors' meetings shall be the president (who may, however, designate any other person to preside).
- 4.12 Order of Business. If a quorum has been attained, the order of business at Directors' meetings shall be:
- (a) Proof of due notice of meeting;
  - (b) Reading and disposal of any unapproved minutes;
  - (c) Reports of officers and committees;
  - (d) Election of officers;
  - (e) Unfinished business;
  - (f) New business;
  - (g) Adjournment.



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Such order may be waived in whole or in part by direction of the presiding officer.

- 4.13 Minutes of Meetings. The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by Unit Owners, or their authorized representatives, and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven years.
- 4.14 Executive Committee; Other Committees. The Board of Directors may, by resolution duly adopted, appoint an Executive Committee to consist of members of the Board of Directors (but less than a quorum of the Board) with equal representation from the Condominium. Such Executive Committee shall have and may exercise all of the powers of the Board of Directors in management of the business and affairs of the Condominium during the period between the meetings of the Board of Directors insofar as may be permitted by law, except that the Executive Committee shall not have the power (a) to determine the Common Expenses required for the affairs of the Condominium, (b) to determine the Assessments payable by the Unit Owners to meet the Common Expenses of the Condominium, (c) to adopt or amend any rules and regulations covering the details of the operation and use of the Condominium Property, or (d) to exercise any of the powers set forth in paragraph (g) and (p) of Section 5 below.

The Board may by resolution also create other committees and appoint persons to such committees and invest in such committees such powers and responsibilities as the Board shall deem advisable.

- 4.15 Proviso. Notwithstanding anything to the contrary contained in this Section 4 or otherwise, the Board shall consist of three (3) Directors during the period that the Developer is entitled to appoint a majority of the Directors, as hereinafter provided. The Developer shall have the right to appoint all of the members of the Board of Directors until Unit Owners other than the Developer own fifteen (15%) percent or more of the Units in the Condominium that will be operated ultimately by the Association. When Unit Owners other than the Developer own fifteen

(15%) percent or more of the Units that will be operated ultimately by the Association, the Unit Owners other than the Developer shall be entitled to elect not less than one-third (1/3) of the members of the Board of Directors. Unit Owners other than the Developer are entitled to elect not less than a majority of the members of the Board of Directors:

- (a) Three (3) years after fifty (50%) percent of the Units that will be operated ultimately by the Association have been conveyed to the Purchasers;
- (b) Three (3) months after ninety (90%) percent of the Units that will be operated ultimately by the Association have been conveyed to Purchasers;
- (c) When all of the Units that will be operated ultimately by the Association have been completed, some of them have been conveyed to Purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business;
- (d) When some of the Units have been conveyed to Purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or
- (e) Seven (7) years after recordation of the Declaration of Condominium,

whichever occurs first. The Developer is entitled to elect at least one member of the Board of Directors of the Association as long as the Developer holds for sale in the ordinary course of business at least five (5%) percent of the Units in the Condominium. Following the time the Developer relinquishes control of the Association, the Developer may exercise the right to vote any Developer-owned Units in the same manner as any other Unit Owner except for purposes of reacquiring control of the Association or selecting the majority members of the Board.

Within seventy-five (75) days after the Unit Owners other than the Developer are entitled to elect a member or members of the Board of Directors, the Association shall call, and give not less than sixty (60) days' notice of a meeting of the Unit Owners to elect members of the Board. The meeting may be called and the notice given by any Unit Owner if the Association fails to do so. Upon election of the first Unit Owner other than the Developer to the Board, the Developer shall forward to the Division of Florida Land Sales the name and mailing address of the Unit Owner Board member.

If the Developer holds units for sale in the ordinary course of business, none of the following actions may be taken without approval in writing by the Developer: (1) assessment of the Developer as a Unit owner for capital improvements; or (2) any action by the Association that would be detrimental to the sales of Units by the Developer; however, an increase in assessments for Common Expenses without discrimination against the Developer shall not be deemed to be detrimental to the sales of Units.

At the time that Unit Owners other than the Developer elect a majority of the members of the Board of Directors, the Developer shall relinquish control of the Association, and the Unit Owners shall accept control. Simultaneously, or for the purposes of Paragraph (g) below, not more than ninety (90) days thereafter, the Developer shall deliver to the Association, at the Developer's expense, all property of the Unit Owners and of the Association which is held or controlled by the Developer, including, but not limited to, the following items:

- (a) The original or a photocopy of the recorded Declaration of Condominium, and all amendments thereto. If a photocopy is provided, the Developer must certify by affidavit that it is a complete copy of the actual recorded Declaration and all amendments;





- (b) A certified copy of the Articles of Incorporation for the Association;
- (c) A copy of the By-Laws of the Association;
- (d) The minute books, including all minutes, and other books and records of the Association;
- (e) Any rules and regulations which have been adopted;
- (f) Resignations of resigning officers and Board members who were appointed by the Developer;
- (g) The financial records, including financial statements, of the Association, and source documents since the incorporation of the Association to the date of turnover. The records shall be audited for the period from the incorporation of the Association or from the period covered by the last audit, if an audit has been performed for each fiscal year since incorporation, by an independent certified public accountant. All financial statements shall be prepared in accordance with generally accepted accounting principles and shall be audited in accordance with generally accepted auditing standards, as prescribed by the Florida Board of Accountancy, pursuant to Chapter 473, Florida Statutes. The accountant performing the audit shall examine to the extent necessary supporting documents and records, including the cash disbursements and related paid invoices, to determine if expenditures were for Association purposes, and billings, cash receipts and related records to determine that the Developer was charged and paid the proper amounts of Assessments;
- (h) Association Funds or the control thereof;
- (i) All tangible personal property that is the property of the Association or is or was represented by the Developer in writing to be part of the Common Elements or is ostensibly part of the Common Elements, and an inventory of such property;
- (j) A copy of the plans and specifications utilized in the construction or remodeling of the improvements and the supplying of equipment, and for the construction and installation of all mechanical components servicing the Improvements and the Condominium Property, with a Certificate, in affidavit form, of an officer of the Developer or an architect or engineer authorized to practice in Florida, that such plans and specifications represent, to the best of their knowledge and belief, the actual plans and specifications utilized in the construction and improvement of the Condominium Property and the construction and installation of the mechanical components serving the Improvements and the Condominium Property;
- (k) A list of names and addresses, of which the Developer had knowledge at any time in the development of the Condominium, of all contractors, subcontractors, and suppliers utilized in the construction or remodeling of the improvements and landscaping of the Condominium Property.
- (l) Insurance policies;
- (m) Copies of any Certificates of Occupancy which may have been issued for the Condominium Property;
- (n) Any other permits issued by governmental bodies applicable to the Condominium Property in force or issued within one (1) year prior to the



date the Unit Owners take control of the Association;

- (o) All written warranties of contractors, subcontractors, suppliers and manufacturers, if any, that are still effective;
- (p) A roster of Unit Owners and their addresses and telephone numbers, if known, as shown on the Developer's records;
- (q) Leases of the Common Elements and other Leases to which the Association is a party, if applicable;
- (r) Employment contracts or service contracts in which the Association is one of the contracting parties, or service contracts in which the Association or Unit Owners have an obligation or responsibility, directly or indirectly, to pay some or all of the fee or charge of the person or persons performing the service; and
- (s) All other contracts to which the Association is a party.

If, during the period prior to the time that the Developer relinquishes control of the Association pursuant to the provisions hereof, any provision of the Condominium Act or any rule promulgated thereunder is violated by the Association, the Developer is responsible for such violation and is subject to the administrative action provided in Chapter 718, Florida Statutes, for such violation or violations and is liable for such violation or violations to third parties.

5. **Powers and Duties.** The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Condominium and may take all acts, through the proper officers of the Association, in executing such powers, except such acts which by law, the Declaration, the Articles or these By-Laws may not be delegated to the Board of Directors by the Unit Owners. Such powers and duties of the Board of Directors shall include, without limitation (except as limited elsewhere herein), the following:

- (a) Operating and maintaining all of the Common Elements.
- (b) Determining the expenses required for the operation of the Condominium and the Association.
- (c) Collecting the Assessments for Common Expenses from Unit Owners.
- (d) Employing and dismissing the personnel necessary for the maintenance and operation of the Common Elements.
- (e) Adopting and amending rules and regulations concerning the details of the operation and use of the Condominium Property, subject to a right of the Unit Owners of the Condominium to overrule the Board as provided in Section 13 hereof.
- (f) Maintaining bank accounts on behalf of the Association and designating the signatories required therefor.
- (g) Purchasing, leasing or otherwise acquiring Units or other property in the name of the Association, or its designee.
- (h) Purchasing Units at foreclosure or other judicial sales, in the name of the Association, or its designee.
- (i) Selling, leasing, mortgaging or otherwise dealing with Units acquired by, and



subleasing Units leased by, the Association, or its designee.

- (j) Organizing corporations and appointing persons to act as designees of the Association in acquiring title to or leasing Units or other property.
- (k) Obtaining and reviewing insurance for the Condominium Property.
- (l) Making repairs, additions and improvements to, or alterations of, the Condominium Property, and repairs to and restoration of the Condominium Property, in accordance with the provisions of the Declaration after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings or otherwise.
- (m) Enforcing obligations of the Unit Owners, allocating profits and expenses and taking such other actions as shall be deemed necessary and proper for the sound management of the Condominium.
- (n) Levying reasonable fines against a Unit Owner for violations of the rules and regulations established by the Association to govern the conduct of such Unit Owners.
- (o) Purchasing or leasing Units for use as housing by resident employees for the Condominium.
- (p) Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements or the acquisition of property, and granting mortgages on and/or security interests in Association owned property; provided, however, that the consent of the Owners of at least two-thirds (2/3rds) of the Units in the Condominium represented at meeting at which quorum thereof has been attained in accordance with the provisions of these By-Laws shall be required for the borrowing of any sum with respect to the Condominium in excess of \$50,000.00; provided further that the Board of Directors may not borrow money to pay for anticipated current operating expenses or for unpaid operating expenses previously incurred. If any sum borrowed by the Board of Directors on behalf of the Condominium pursuant to the authority contained in this subparagraph (p) is not repaid by the Association, a Unit Owner of the Condominium who pays to the creditor such portion thereof as his interest in his Common Elements bears to the interest of all the Unit Owners in their Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against, or which will affect, such Unit Owner's Unit.
- (q) Contracting for the management and maintenance of the Condominium Property and authorizing a management agent (who may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair, and replacement of the Common Elements with funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the condominium documents and the Condominium Act, including, but not limited to, the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association.
- (r) At its discretion, authorizing Unit Owners or other persons to use portions of the Common Elements for private parties and gatherings and imposing reasonable charges for such private use.
- (s) Granting easements and licenses over the Condominium Property as permitted by the Declaration or the Florida Condominium Act.



- (t) Imposing a lawful fee in connection with the approval of the transfer, lease, sale or sublease of Units, not to exceed the maximum amount permitted by law in any one case.
- (u) Exercising (i) all powers specifically set forth in the Declaration, the Articles, these By-Laws, and in the Florida Condominium Act, and (ii) all powers of a Florida corporation not for profit.
- (v) Contracting with and creating special taxing districts.



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6. Officers.

6.1 Executive Officers. The executive officers of the Association shall be a President, a Vice-President, a Treasurer, and a Secretary (none of whom need be Directors), all of whom shall be elected by the Board of Directors and who may be peremptorily removed at any meeting by concurrence of a majority of all of the Directors. A person may hold more than one office, except that the President may not also be the Secretary. No person shall sign an instrument or perform an act in the capacity of more than one office. The Board of Directors from time to time shall elect such other officers and designate their powers and duties as the Board shall deem necessary or appropriate to manage the affairs of the Association. Officers need not be Unit Owners.

6.2 President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties that are usually vested in the office of president of an association.

6.3 Vice-President. The Vice-President shall exercise the powers and perform the duties of the President in the absence or disability of the President. He also shall assist the President and exercise such other powers and perform such other duties as are incident to the office of the vice president of an association and as shall otherwise be prescribed by the Directors.

6.4 Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving of all notices to the members and Directors and other notices required by law. He shall have custody of the seal of the Association and shall affix it to instruments requiring the seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the secretary of an association and as may be required by the Directors or the President.

6.5 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. He shall submit a treasurer's report to the Board of Directors at reasonable intervals and shall perform all other duties incident to the office of treasurer. All monies and other valuable effects shall be kept for the benefit of the Association in such depositories as may be designated by a majority of the Board of Directors.

6.6 Developer Appointees. No officer appointed by the Developer may be removed except as provided in Section 4.15 hereof and by law.

7. Compensation. Neither Directors nor officers shall receive compensation for their services as such, but this provision shall not preclude the Board of Directors from employing a Director or officer as an employee of the Association, nor preclude contracting with a Director or officer for the management of the Condominium or

for any other service to be supplied by such Director or officer. Directors and officers shall be compensated for all actual and proper out-of-pocket expenses relating to the proper discharge of their respective duties.

8. Resignations. Any Director or officer may resign his post at any time by written resignation, delivered to the President or Secretary, which shall take effect upon the election of a successor. The acceptance of a resignation shall not be required to make it effective. The conveyance of all Units owned by any Director or other Directors or officer (other than appointees of the Developer or other Directors or officers who are not Unit Owners) shall constitute a written resignation of such Director or officer.

9. Fiscal Management. The provisions for fiscal management of the Association, set forth in the Declaration and Articles shall be supplemented by the following provisions:

9.1 Budget.

(a) Adoption by Board; Items. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Condominium (which shall detail all accounts and items of expenses and contain at least all items set forth in the Act, if applicable), determine the amount of Assessments payable by the Unit Owners to meet the expenses of the Condominium and allocate and assess such expenses among the appropriate Unit Owners in accordance with the provisions of the Declaration. In addition to annual operating expenses, each budget shall include reserve accounts for roof replacement, building painting and pavement resurfacing and for any other item for which the deferred maintenance expense or replacement cost exceeds \$10,000.00. The amount of reserves shall be computed by means of a formula which is based upon the estimated remaining life and estimated replacement cost of each reserve item. Although reserve accounts must be included in the budget, funding thereof may be reduced or waived by a majority vote in person or by limited proxy at a duly called meeting of such appropriate members.

The adoption of a budget for each Condominium shall comply with the requirements hereinafter set forth:

- (i) Notice of Meeting. A copy of the proposed budget for the Condominium shall be mailed or hand delivered to each Unit Owner in the Condominium at the address last furnished to the Association not less than fourteen (14) days prior to the meeting of the Unit Owners or the Board of Directors at which the budget will be considered, together with a notice of that meeting indicating the time and place of such meeting. Evidence of compliance with this 14-day notice must be made by an affidavit executed by an officer of the Association or the manager or other person providing notice of the meeting and filed among the official records of the Association. The meeting must be open to the Unit Owners.
- (ii) Special Membership Meeting. If a Board adopts in any fiscal year an annual budget which requires assessments against unit owners which exceed one hundred fifteen percent (115%) of assessments for the preceding fiscal year, the Board shall conduct a special meeting of the unit owners to consider a substitute budget if the Board receives, within twenty-one (21) days after adoption of the annual budget, a written request for a special meeting from at least ten percent (10%) of all voting interests. The special meeting shall be conducted within sixty (60) days after adoption of the annual budget. At least fourteen (14) days prior to such special meeting,



the Board shall hand deliver to each unit owner, or mail to each unit owner at the address last furnished to the Association, a notice of the meeting. An officer or manager of the Association, or other person providing notice of such meeting shall execute an affidavit evidencing compliance with this notice requirement, and such affidavit shall be filed among the official records of the Association. Unit owners may consider and adopt a substitute budget at the special meeting. A substitute budget is adopted if approved by a majority of all voting interests unless the bylaws require adoption by a greater percentage of voting interests. If there is not a quorum at the special meeting or a substitute budget is not adopted, the annual budget previously adopted by the Board shall take effect as scheduled.

(iii) Determination of Budget Amount. In determining whether a budget requires Assessments against Unit Owners in any year exceeding one hundred fifteen (115%) percent of Assessments for the preceding year, there must be excluded in the computations any authorized provisions for reasonable reserves made by the Board of Directors in respect of repair or replacement of the Condominium Property or in respect of anticipated expenses of the Association in respect of the Condominium which are not anticipated to be incurred on a regular or annual basis, and there shall be excluded from such computation Assessments for improvements to the Condominium Property, all Assessments imposed for the benefit of the Community Services Association and all special Assessments (including surcharges) against specific Unit Owner(s).

(b) Adoption by Membership. In the event that the Board of Directors shall be unable to adopt a budget for the Condominium in accordance with the requirements of Subsection 9.1(a) above, the Board of Directors may call a special meeting of Unit Owners in the Condominium for the purpose of considering and adopting such budget, which meeting shall be called and held in the manner provided for such special meetings in said subsection, or propose a budget in writing to the members of the Condominium, and if such budget is adopted by the members, upon ratification by a majority of the Board of Directors, it shall become the budget of the Condominium for such year.

9.2 Assessments. Assessments against the Unit Owners for their share of the items of the budget shall be made for the applicable fiscal year annually, if possible, at least ten (10) days preceding the year for which the Assessments are made. Such Assessments shall be due in equal installments, payable in advance on the first day of each month of the year for which the Assessments are made. If an annual Assessment is not made as required, an Assessment shall be presumed to have been made in the amount of the last prior Assessment, and monthly installments on such Assessment shall be due upon each installment payment date until changed by an amended Assessment. In the event the annual Assessment proves to be insufficient, the budget and Assessment may be amended at any time by the Board of Directors, subject to the provisions of Section 9.1 hereof, if applicable. Unpaid Assessments for the remaining portion of the fiscal year for which an amended Assessment is made shall be payable in as many equal installments as there are full months of the fiscal year left as of the date of such amended Assessment, each such monthly installment to be paid on the first day of the month, commencing the first day of the next ensuing month. If only a partial month remains, the amended Assessment shall be paid with the next regular installment in the following year, unless otherwise directed by the Board in its resolution. Regular monthly installments shall be due one full month in advance.



- 9.3 Other Charges. Charges by the Association against members for other than Common Expenses shall be payable in advance. Charges for other than Common Expenses may be made only after approval of a member or when expressly provided for in the Declaration or the exhibits annexed thereto, as the same may be amended from time to time, which charges may include, without limitation, charges for the use of portions of the Condominium Property, maintenance services furnished for the benefit of an Owner and fines and damages and other sums due from such Owner.
- 9.4 Assessments for Emergencies. Assessments for Common Expenses for emergencies that cannot be paid from the annual Assessments for Common Expenses shall be due immediately upon notice given to the Unit Owners concerned, and shall be paid in such manner as the Board of Directors of the Association may require in the notice of Assessment.
- 9.5 Depository. The depository of the Association shall be such bank or banks in the State as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from those accounts shall be made only by checks signed by such person or persons as are authorized by the Directors. All sums collected by the Association from Assessments or contributions to working capital or otherwise may not be commingled.
- 9.6 Acceleration of Assessment Installments Upon Default. If a Unit Owner shall be in default in the payment of an installment upon an Assessment, the Board of Directors or its agent may accelerate the remaining installments of the annual Assessment upon notice to the Unit Owner, and the then unpaid balance of the Assessment shall be due on the date the claim of lien is filed as provided in Article 12 of the Declaration and Section 718.116, Florida Statutes.
- 9.7 Fidelity Bonds. Fidelity bonds shall be required by the Board of Directors for all persons who control or disburse funds of the Association, including any person authorized to sign checks, the President, Secretary and Treasurer of the Association. The amount of such bonds shall be in accordance with the Florida Condominium Act as amended from time to time, but in no event shall the amount of the bond be less than FIFTY THOUSAND (\$50,000.00) DOLLARS for each such person so bonded. The premiums on such bonds shall be paid by the Association as a Common Expense.
- 9.8 Accounting Records and Report. Within sixty (60) days following the end of the fiscal or calendar year or annually on such date as is otherwise provided in the By-Laws of the Association, the Board of Administration of the Association shall mail or furnish by personal delivery to each Unit Owner a complete financial report of actual receipts and expenditures for the previous 12 months, or a complete set of financial statements for the preceding fiscal year prepared in accordance with generally accepted accounting principles. The report shall show the amounts of receipts by accounts and receipt classifications and shall show the amounts of expenses by accounts and expense classifications, including, if applicable, but not limited to, the following:
- (a) Costs for security;
  - (b) Professional and management fees and expenses;
  - (c) Taxes;
  - (d) Costs for recreation facilities;
  - (e) Expenses for refuse collection and utility services;



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- (f) Expenses for lawn care;
- (g) Costs for building maintenance and repair;
- (h) Insurance costs;
- (i) Administration and salary expenses; and
- (j) Reserves for capital expenditures, deferred maintenance, and any other category for which the Association maintains a reserve account or accounts.



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- 9.9 Application of Payment. All payments made by a Unit Owner shall be applied as provided in these By-Laws and in the Declaration or as determined by the Board.
- 9.10 Notice of Meetings. Notice of any meeting where Assessments against Unit Owners are to be considered for any reason shall specifically contain a statement that Assessments will be considered and the nature of any such Assessments.
10. Roster of Unit Owners. Each Unit Owner shall file with the Association a copy of the deed or other document showing his ownership. The Association may rely upon the accuracy of such information, for all purposes until notified in writing of changes therein as provided above. Only Unit Owners of record on the date notice of any meeting requiring their vote is given shall be entitled to notice of and to vote at such meeting, unless prior to such meeting other Owners shall produce adequate evidence, as provided above, of their interest and shall waive in writing notice of such meeting.
11. Parliamentary Rules. Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration, the Articles or these By-Laws.
12. Amendments. Except where the Declaration provides otherwise, these By-Laws may be amended in the following manner:
- 12.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of a meeting at which a proposed amendment is to be considered and shall comply with the provisions of Section 718.112(2)(h), Florida Statutes.
- 12.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors or by not less than one-third (1/3) of the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided that such approval is delivered to the Secretary at or prior to the meeting. The approval must be:
- (a) Prior to the time that Unit Owners other than the Developer elect a majority of the Board of Directors, Unit Owners owning a majority of the Units represented at any meeting at which a quorum has been attained and by not less than two-thirds (2/3rds) of the Board of Directors of the Association; or
  - (b) After such time that Unit Owners other than the Developer elect a majority of the Board of Directors, Unit Owners owning not less than 75% of the Units represented at any meeting at which a quorum has been attained.
- 12.3 Proviso. No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Developer or mortgagees of Units without the



consent of said Developer and mortgagees in each instance. No amendment shall be made that is in conflict with the Articles or Declaration. No amendment to this section shall be valid.

12.4 Execution and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of the Declaration and By-Laws, which certificate shall be executed by the President or Vice-President and attested by the Secretary or Assistant Secretary of the Association with the formalities of a deed, or by the Developer alone if the amendment has been adopted consistent with the provisions of the Declaration allowing such action by the Developer. The amendment shall be effective when the certificate and a copy of the amendment is recorded in the Public Records of the County.

13. Rules and Regulations. Attached hereto as Schedule A and made a part hereof are rules and regulations concerning the use of portions of the Condominium. The Board of Directors may, from time to time, modify, amend or add to such rules and regulations, except that subsequent to the date control of the Board is turned over by the Developer to Unit Owners other than the Developer, Owners of a majority of the Units of each Condominium represented at a meeting at which a quorum thereof is present may overrule the Board with respect to any such modifications, amendments or additions relating to the Condominium, and a majority of the members represented at a meeting of the entire membership at which a quorum is present may overrule the Board with respect to any such modifications, amendments or additions relating to the Condominium. Copies of such modified, amended or additional rules and regulations shall be furnished by the Board of Directors to each affected Unit Owner not less than thirty (30) days prior to the effective date thereof. At no time may any rule or regulation be adopted which would prejudice the rights reserved to the Developer.

14. Mandatory Nonbinding Arbitration. Prior to the institution of court litigation with regard to any dispute between two or more parties that involves the authority of the Board of Directors under any law or Association document to require any Unit Owner to take any action, or not to take any action, involving that Unit Owner's Unit; to alter or add to a common area or element; or the failure of the Association to properly conduct elections, give adequate notice of meetings or other actions, properly conduct meetings, or allow inspection of books and records, the parties to such dispute shall petition the Division of Florida Land Sales, Condominiums, and Mobiles Homes of the Department of Business and Professional Regulation for mandatory nonbinding arbitration. Arbitration shall be conducted according to rules promulgated by the Division. The decision of an arbitrator shall be final; however, such a decision shall not be deemed final agency action. Nothing in this provision shall be construed to foreclose parties from proceeding in a trial de novo. If such judicial proceedings are initiated, the final decision of the arbitrator shall be admissible in evidence. The filing of a petition for arbitration shall toll the applicable statute of limitations.

At the request of any party to the arbitration, such arbitrator shall issue subpoenas for the attendance of witnesses and the production of books, records, documents, and other evidence and any party on whose behalf a subpoena is issued may apply to the court for orders compelling such attendance and production. Subpoenas shall be served and shall be enforceable in the manner provided by law. The arbitration decision shall be presented to the parties in writing. An arbitration decision shall be final if a complaint for a trial de novo is not filed in a court of competent jurisdiction within 30 days. The right to file for a trial de novo entitles the parties to file a complaint in the appropriate trial court for a judicial resolution of the dispute. The prevailing party may be awarded reasonable attorney's fees. The party who files a complaint for a trial de novo shall be assessed the other party's arbitration costs, court costs, and other reasonable costs, including attorney's fees, investigation expenses and expenses for expert or other testimony or evidence.



incurred after the arbitration hearing if the judgment upon the trial de novo is not more favorable than the arbitration decision. If the judgment is more favorable, the party who filed a complaint for trial de novo shall be awarded reasonable court costs and attorney's fees. Any party to an arbitration proceeding may enforce an arbitration award by filing a petition in the Circuit Court in the circuit in which the arbitration took place. A petition may not be granted unless the time for appeal by the filing of a complaint for trial de novo has expired. If a complaint for a trial de novo has been filed, a petition may not be granted with respect to an arbitration award that has been stayed.

15. Construction. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all genders.
16. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define or limit the scope of these By-Laws or the intent of any provision hereof.

THE FOREGOING were adopted as the By-Laws of SERENA SHORES  
CONDOMINIUM OF INDIAN HARBOUR BEACH CONDOMINIUM ASSOCIATION, INC.,  
a corporation not for profit under the laws of the State of Florida, on the \_\_\_\_ day of  
\_\_\_\_\_, 2001.

APPROVED:

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary



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## SERENA SHORES RULES & REGULATIONS – REVISED June 2005

### Serena Shores Condominium of Indian Harbour Beach Condominium Association, Inc.

In the Bylaws of the condominium, #13 Rules and Regulations: state, in part...The Board of Directors may, from time to time, modify, amend or add to such rules and regulations...Copies of such modified, amended or additional rules and regulations shall be furnished by the Board of Directors to each affected Unit Owner not less than thirty (30) days prior to the effective date thereof...

**Additions are underlined and deletions are ~~crossed through~~.**

The following Rules and Regulations supplement those contained in the Declaration of condominium of SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH CONDOMINIUM ASSOCIATION, INC. They are applicable to all occupants of Units as well as to Unit Owners.

1. The entrance ways, passages, vestibules, lobbies, halls and similar portions of the Common Elements shall be used only for ingress and egress to and from the Condominium Property. No personal property shall be stored in them.
2. Each Unit Owner's personal property must be stored within his Unit or within storage lockers or spaces, if any appurtenant to his Unit as Limited Common Elements.
3. The Common Elements shall not be obstructed, littered, defaced, or misused in any manner.
4. No articles shall be placed in the hallways.
5. No articles except suitable furniture, plants and planters shall be placed on balconies, terraces or similar areas.
6. Neither rugs, laundry nor any other articles shall be shaken or hung from windows, doors, balconies, terraces or exterior walls.
7. Garbage and other refuse shall be placed only in designated areas.
8. Employees of the Association are not to be engaged by Unit Owners for personal errands. The Board of Directors shall be solely responsible for directing and supervising the Association's employees.
9. No Unit Owner shall make disturbing noises in the Building or permit his family, servants, employees, agents, visitors, or licensees to do so. In particular, no Unit Owner shall play (or permit to be played in his Unit or the Common Elements appurtenant to it) any musical instrument, phonograph, television, radio or the like in a way that unreasonably disturbs or annoys other Unit Owners or Occupants.

## SERENA SHORES RULES & REGULATIONS – REVISED June 2005

10. No radio or television installation or other electronic equipment shall be permitted in any Unit if it interferes with the television or radio reception of another Unit.

11. ~~With the exception of signs used or approved by the Developer, No signs, advertisements, notices or lettering may be exhibited, displayed, inscribed, painted or affixed in, on or upon any part of the Common Elements or any part of a Unit so as to be visible outside the Unit. Additionally, other than those originally installed by the Developer, no awning, canopy, shutter, air-conditioning unit or other project shall be attached to, hung, displayed or placed upon the outside walls, doors, balconies, windows, roof or other portions of the Building or on the Common Elements.~~ **(Revision 04/05 allows Roll-Down shutters to be installed by owner over balcony sliders if accordion shutters are closed when roll-downs are in use. Owner vote was taken)**

12. No flammable, combustible or explosive fluids, chemicals or other substances may be kept in any Unit or on the Common Elements, except such as are normally used in small barbecues or for normal household purposes. In addition, gas or electric grills are permitted on patios or balconies, but charcoal grills are prohibited.

13. A Unit Owner who plans to be absent must prepare his Unit prior to his departure by designating a responsible firm or individual to care for his Unit should the Unit suffer damage. Owner must furnish the Association with the name(s) of that firm or individual. **A key to the unit must be furnished to the Association for pest control and for emergencies, per Florida Statute 718. (06/05)**

14. Beverages in glass containers may not be consumed on the Common Elements.

15. ~~No exterior antennae shall be permitted on the Condominium Property, provided that the Developer shall have the right (but not the obligation) to install and maintain community antennae, radio and television lines and security systems, as well as temporary communications systems.~~

16. Visiting children shall be the direct responsibility of their parents or legal guardians, and unit owners who must supervise them while they are within the Condominium Property. Full compliance with these Rules and Regulations and all other rules and regulations of the Association shall be required of children. Playing shall not be permitted in any of the lobbies, hallways, stairways, elevators and lobby areas, and loud noises will not be tolerated.

17. Pets are not permitted on any part of the Common Elements (except a balcony or terraced appurtenant to the Unit of the animal's owner) except when they are leashed and being transported directly off the Condominium Property or directly to their owner's Unit. It will be the responsibility of pet owners to clean up after their pets | **No animal may be kept on the balcony when its owner is not in the Unit. Curbing of pets is NOT allowed on the Property. (06/05)**

## SERENA SHORES RULES & REGULATIONS – REVISED June 2005

18. No solicitation of any kind shall be permitted on the Condominium Property.

19. Every Unit Owner and occupant shall comply with these rules and regulations as set forth herein, any and all rules and regulations which from time to time may be adopted, and the provisions of the Declaration, By-Laws and Articles of Incorporation of the Association (all as amended from time to time), to the extent applicable. Failure of an Owner or occupant to comply shall be grounds for legal actions which may include, without limitation, an action to recover sums for damages, an action for injunctive relief, and any combination of such actions.

20. In addition to all other remedies, at the sole discretion of the Board of Directors of the Association, a fine not exceeding \$100.00 per violation may be levied. Fines may be levied on the basis of each day of a continuing violation with a single notice and opportunity for hearing, provided no such fine shall exceed \$1,000.00 in aggregate. Fines may be levied against an Owner, occupant, family, guest, invitee, lessee, or employee for failure of an Owner, his family, guests, invitees, lessees or employees, to comply with any covenant, restriction, rule or regulation herein or in the Declaration, or Articles of Incorporation or By-Laws, provide the following procedures are adhered to:

- a. **Notice.** The Association shall notify the Owner or occupant of the infraction or infractions. Included in the notice shall be a date, time and location of the next meeting of the Infractions Committee.
- b. **Hearing.** The non-compliance shall be presented to the Infractions Committee, at which time the Owner or Occupant shall present reasons why the fine should not be levied. The Owner or Occupant may be represented by counsel and may cross-examine witnesses. A written decision of the Infractions Committee shall be submitted to the Owner or Occupant by not later than twenty-one (21) days after Infraction Committee's meeting. If the Infractions Committee does not agree with the fine, then the fine may not be levied. If the Infractions Committee agrees with the fine, or changes the amount of the fine, then the Unit Owner shall pay the fine within thirty (30) days after written decision of the Infractions Committee is mailed to the Unit Owner.
- c. **Members of Infractions Committee.** The Infractions Committee shall consist of three (3) Unit Owners, who are not on the Board of Directors. The Board of Directors may select the members of the Infractions Committee.
- d. **Application of Fines.** All monies received from fines shall be allocated as directed by the Board of Directors.
- e. **Non-exclusive Remedy.** These fines shall be construed to be non-exclusive and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any fine paid by the offending Owner shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner.

## SERENA SHORES RULES & REGULATIONS - REVISED June 2005

21. Except for rules, regulations and requirements regarding (a) leases or lessees which must be approved by the Association (b) the presence of pets or (c) parking restrictions, these rules and regulations shall not apply to the Developer, to the Developer's agents, employees or contractors, to the Primary Institutional First Mortgagee, or to Units owned by the Developer or the Primary Institutional First Mortgagee until they are conveyed. They shall apply, however, to all other Owners and occupants of Units.

### *ADDITIONS (June 2005):*

**Declaration of Condominium, X. "Use Restrictions" "K" states:** There are no special parking or storage facilities located on the Condominium property. No boats, utility trailers, recreational vehicles or special purpose vehicles shall be parked on the Condominium property. No motor home, trailer, camper, watercraft, or commercial vehicle may be parked on the Condominium property. No resident shall park any vehicle on any street. Any vehicle with visible advertising on the vehicle may be deemed a commercial vehicle, in the sole discretion of the Board of Administration. However, trucks with one (1) ton capacity or less and sport utility vehicles will not be deemed to be commercial vehicles unless the Board of Administration deems the vehicle to be a commercial vehicle as set forth above. Any vehicle may be parked on the streets and driveways for loading and unloading or entirely within a garage. Non-motorized boats and watercraft may be kept in the enclosed garage parking spaces provided they do not prevent the use of enclosed garage parking spaces by an authorized motor vehicle. Non-motorized boats or watercraft may not be stored or kept on the common elements of the Condominium except when in use in the First and Second Easement Areas. Service vehicles are permitted to park on the streets and driveways while repairs are being made. Any prior written approval of the Association to temporarily park a commercial vehicle is required and may not exceed four (4) forty-eight (48) hour periods in any year. No non-operating or non-functioning vehicle of any kind shall be permitted to be parked on the Condominium property. There shall be no repair, performed on any permitted motor vehicle on the Condominium property. It is acknowledged and agreed by all unit owners that a violation of any of the provisions of this paragraph shall impose irreparable harm to the other owners in this Condominium. Said unit owners further agree that a reasonable assessment of such damages would be \$50.00 for each day that such violation persists after a unit owner is notified in writing, of such violation by either the Developer or duly elected representative of the Association. No parking space shall be used by any other person other than an occupant of the Condominium who is an actual resident or by a guest or visitor and by such guest or visitor only when such guest or visitor is, in fact, visiting and upon the premises. All owners and residents of the Condominium are restricted to two (2) permitted vehicles without the Associations consent to bring additional vehicles on the premises. All vehicles shall be parked in the open parking spaces or garages except when loading or unloading vehicles.

### **22. GARAGE SPACES:**

Those interior parking spaces not deeded to Unit Owners may be rented by the Association to unit owners on an annual basis. The Board shall decide the Annual Cost per space. These spaces will be rented on a "First Come, First Served" basis. The lettered spaces and N20 are smaller than a normal car space and therefore will be rented for storage and motorcycles only, unless approved by the Board. These spaces will be noted in the Lease Agreement as "Storage Only" spaces.

## **SERENA SHORES RULES & REGULATIONS – REVISED June 2005**

### **23. GARAGE STORAGE:**

Owners and renters of deeded spaces in the main garage are allowed to install wall unit storage shelves with locking cabinet doors. Approval must be requested of the Board before installation and stainless steel hardware must be used. Plastic or wood shelves are allowed.

For non-installed or temporary storage, a plastic storage shed or similar is allowed as long as it only covers the width of your space, contents cannot be seen by passersby and there is still room enough to fit a standard-sized vehicle. Board approval is required for any storage units. Cardboard boxes and appliances are not allowed.

### **24. OUTSIDE PARKING SPACES:**

Outdoor parking spaces are for the temporary use of visitors of unit owners. Owners are issued one guest tag per unit. Vehicles must display the tag with the unit number on it. If after 24 hours a tag is not present, a sticker will be placed on the vehicle stating it will be towed in 24 hours. Parking is allowed in marked spaces only.

### **25. CLEANING BALCONIES:**

On the first and third Saturday of every month, preferably in the morning, owners are encouraged to wash off their balconies and railings. On these days, unit owners below can then be aware of the work being done and take precautions with any furniture or personal items that could get wet. If you wish to clean your balcony outside of these times you must notify all unit owners below your unit before cleaning.

### **26. GARBAGE AND CARTONS:**

All garbage should be bagged and tied securely and put into the trash chutes. Cartons that do not fit easily in the chute are to be broken down and placed in the containers in the trash room on the ground level.

### **27. QUIET HOURS:**

All residents will observe "quiet hours" between 10:00PM and 7:00AM in all areas, respecting the rights of others and the peaceful enjoyment of their property. This is also a city ordinance.

### **28. ROOF:**

The roof is to be used by service personnel only. 24 hour notice is required for a board member to permit access to the roof. No owners, renters, or guests are permitted on the roof.

### **29. ACTIVITIES NOT ALLOWED:**

Bike riding (except for going or coming in), skate boarding, or playing of any kind in the garages or in any of the common areas unless specifically permitted by the board.

### **30. SPEED LIMIT:**

5 MPH applies to all areas including garages and common areas.

### **31. RENTER MOVE IN/OUT FEE:**

All owners are required to collect a <sup>security</sup> ~~move~~ \$500 deposit to cover damages to the common areas including the elevator from renters moving in or out. This money shall be kept in an Association account and will be returned after a move out inspection by a board member.

## **SERENA SHORES RULES & REGULATIONS - REVISED June 2005**

Prior to any Unit being rented, the Association must receive a signed statement from the Unit owner that a copy of all applicable Condo Association rules have been provided to the prospective renter. A signed statement must also be provided to the Condo Association from the Renter verifying they have received, read and agree to obey the rules. If these signed statements are not received, the Unit may not be rented. If the signed statements are received and then the renter fails to obey the rules, this will result in forfeiture of the \$500.00 deposit and the application of any other fines that may apply.

### **32. POOL/SHOWER:**

A. For health reasons children requiring diapers or training pants are not permitted in the pool (rubber protective wear is not acceptable). Children under 12 must be accompanied by an adult 18 or older.

B. Only bathing suits shall be worn in the pool. No cutoffs, regular shorts, or street clothes are allowed.

C. No pool furniture is to be taken to the beach.

D. No glass containers are permitted in the pool area. No food or drink will be taken into the pool.

E. Personal property should not be left in the pool area. Safeguarding of individual(s) property is the owner's responsibility. Serena Shores will not be responsible for lost or stolen property.

F. Persons using tanning oils or lotions must cover chair or lounge with a towel.

G. No games, horseplay, diving, jumping or running will be permitted in the pool or on the pool decking. Jumping feet first is the same as diving, according to Florida law.

H. Equipment and toys used on the beach and/or in the ocean shall not be used or cleaned in the pool. Balls, and non solid floats are permitted in the pool, if used with discretion.

I. Before entering the pool all persons must shower. Please be sure to remove all sand and tar before entering the pool if coming from the beach.

J. Remove all sand and tar from feet and shoes before entering the function room and rest rooms.

K. No one shall tamper with pool equipment, including heaters, or life saving equipment.

L. Use of the pool/spa is restricted to the hours between 8:00 a.m. and 8:00 p.m.

### **33. BEACHFRONT/DUNES:**

Serena Shores property ends at the mean (average) high water line at the beach. Therefore, the dunes fall under the property control of our Condominium. Owners, renters, and guests will ensure that no action is taken that would damage the dunes or vegetation growing there.

### **34. UNIT RESTRICTIONS**

Each unit is hereby restricted to residential use by the owner or owners thereof, their immediate families, lessees, guests and invitees.



### Serena Shores Rules & Regulations

Enclosed you will find a copy of Serena Shores Rules & Regulations as adopted by the Board of Directors. These rules, along with the Declaration of Condominium govern the use of the units within the Association. Owners are responsible for ensuring that their tenants comply as well. A few rules in which the Board has asked me to reinforce are:

**Pets:** Each unit is limited to no more than (2) pets under 35 pounds. Owners are to keep their pets on leashes when in common areas. Pets are not to be left on balconies when no one is home.

**Parking:** Each unit may have no more than (2) vehicles on Condominium property. Owners may lease extra parking spaces from the Association for \$75 per month on a first come, first serve basis.

**Storage in garage areas:** Owners may store items in there space as long as they are kept on shelves or a storage unit that has been approved by the association. The only items that may be stored outside of the storage cabinets or shelves are non-motorized watercraft (i.e. surfboards, boogie boards, etc.) and carts used to transport items up to your unit. All items must be contained within the space and not block any car from accessing their own space. The Association is not responsible for items left in the garage area.

**Rentals:** For an owner to rent their unit they must submit a \$500 deposit to the Association. This is to cover any damage to common areas incurred by the tenants. The Association must be notified of the names, number of residents, and vehicles associated with the lease.

If you have any questions about the rules & regulations please feel free to contact me at (321)777-7575.

I have read the attached Rules & Regulations pertaining to Unit #\_\_\_\_\_ at Serena Shores Condominium Association and agree to abide by and follow these Rules.

\_\_\_\_\_  
Owner/Tenant (circle one)

\_\_\_\_\_  
Owner/Tenant (circle one)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**SCHEDULE A TO BY-LAWS**  
**RULES AND REGULATIONS**  
**FOR**  
**SERENA SHORES CONDOMINIUM OF**  
**INDIAN HARBOUR BEACH CONDOMINIUM ASSOCIATION, INC.**

The following Rules and Regulations supplement those contained in the Declaration of Condominium of SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH CONDOMINIUM ASSOCIATION, INC. They are applicable to all occupants of Units as well as to Unit Owners.

1. The entrance ways, passages, vestibules, lobbies, halls and similar portions of the Common Elements shall be used only for ingress and egress to and from the Condominium Property. No personal property shall be stored in them.
2. Each Unit Owner's personal property must be stored within his Unit or within storage lockers or spaces, if any, appurtenant to his Unit as Limited Common Elements.
3. The Common Elements shall not be obstructed, littered, defaced, or misused in any manner.
4. No articles shall be placed in the hallways.
5. No articles except suitable furniture, plants and planters shall be placed on balconies, terraces or similar areas.
6. Neither rugs, laundry nor any other articles shall be shaken or hung from windows, doors, balconies, terraces or exterior walls.
7. Garbage and other refuse shall be placed only in designated areas.
8. Employees of the Association are not to be engaged by Unit Owners for personal errands. The Board of Directors shall be solely responsible for directing and supervising the Association's employees.
9. No Unit Owner shall make disturbing noises in the Building or permit his family, servants, employees, agents, visitors, or licensees to do so. In particular, no Unit Owner shall play (or permit to be played in his Unit or the Common Elements appurtenant to it) any musical instrument, phonograph, television, radio or the like in a way that unreasonably disturbs or annoys other Unit Owners or Occupants.
10. No radio or television installation or other electronic equipment shall be permitted in any Unit if it interferes with the television or radio reception of another Unit.
11. With the exception of signs used or approved by the Developer, no signs, advertisements, notices or lettering may be exhibited, displayed, inscribed, painted or affixed in, on or upon any part of the Common Elements or any part of a Unit so as to be visible outside the Unit. Additionally, other than those originally installed by the Developer, no awning, canopy, shutter, air-conditioning unit or other projection shall be attached to, hung, displayed or placed upon the outside walls, doors, balconies, windows, roof or other portions of the Building or on the Common Elements.
12. No flammable, combustible or explosive fluids, chemicals or other substances may be kept in any Unit or on the Common Elements, except such as are normally used in small barbecues or for normal household purposes. In addition, gas or electric grills are permitted on patios or balconies, but charcoal grills are prohibited.



13. A Unit Owner who plans to be absent must prepare his Unit prior to his departure by designating a responsible firm or individual to care for his Unit should the Unit suffer damage and by furnishing the Association with the name(s) of that firm or individual.

14. Beverages in glass containers may not be consumed on the Common Elements.

15. No exterior antennae shall be permitted on the Condominium Property, provided that the Developer shall have the right (but not the obligation) to install and maintain community antennae, radio and television lines and security systems, as well as temporary communications systems.

16. Visiting children shall be the direct responsibility of their parents or legal guardians, and unit owners who must supervise them while they are within the Condominium Property. Full compliance with these Rules and Regulations and all other rules and regulations of the Association shall be required of children. Playing shall not be permitted in any of the lobbies, hallways, stairways, elevators and lobby areas, and loud noises will not be tolerated.

17. Pets are not permitted on any part of the Common Elements (except a balcony or terrace appurtenant to the Unit of the animal's owner) except when they are leashed and being walked in pet designated areas or transported directly off the Condominium Property or directly to their owner's Unit. It will be the responsibility of pet owners to clean up after their pets.

18. No solicitation of any kind shall be permitted on the Condominium Property.

19. Every Unit Owner and occupant shall comply with these rules and regulations as set forth herein, any and all rules and regulations which from time to time may be adopted, and the provisions of the Declaration, By-Laws and Articles of Incorporation of the Association (all as amended from time to time), to the extent applicable. Failure of an Owner or occupant to comply shall be grounds for legal actions which may include, without limitation, an action to recover sums due for damages, an action for injunctive relief, and any combination of such actions.

In addition to all other remedies, in the sole discretion of the Board of Directors of the Association, a fine not exceeding \$100.00 per violation may be levied. Fines may be levied on the basis of each day of a continuing violation with a single notice and opportunity for hearing, provided no such fine shall exceed \$1,000.00 in the aggregate. Fines may be levied against an Owner, occupant, family, guest, invitee, lessee or employee for failure of an Owner, his family, guests, invitees, lessees or employees, to comply with any covenant, restriction, rule or regulation herein or in the Declaration, or Articles of Incorporation or By-Laws, provided the following procedures are adhered to:

(a) Notice. The Association shall notify the Owner or occupant of the infraction or infractions. Included in the notice shall be a date, time and location of the next meeting of the Infractions Committee.

(b) Hearing. The non-compliance shall be presented to the Infractions Committee, at which time the Owner or Occupant shall present reasons why the fine should not be levied. The Owner or Occupant may be represented by counsel and may cross-examine witnesses. A written decision of the Infractions Committee shall be submitted to the Owner or Occupant by not later than twenty-one (21) days after the Infraction Committee's meeting. If the Infractions Committee does not agree with the fine, then the fine may not be levied. If the Infractions Committee agrees with the fine, or changes the amount of the fine, then the Unit Owner shall pay the fine within thirty (30) days after written decision of the Infractions Committee is mailed to the Unit Owner.

(c) Members of Infractions Committee. The Infractions Committee shall consist of three (3) Unit Owners, who are not on the Board of Directors. The Board of Directors may select the members of the Infractions Committee.



(d) Application of Fines. All monies received from fines shall be allocated as directed by the Board of Directors.

(e) Non-exclusive Remedy. These fines shall be construed to be non-exclusive and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any fine paid by the offending Owner shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner.

21. Except for rules, regulations and requirements regarding (a) leases or lessees which must be approved by the Association (b) the presence of pets or (c) parking restrictions, these rules and regulations shall not apply to the Developer, to the Developer's agents, employees or contractors, to the Primary Institutional First Mortgagee, or to Units owned by the Developer or the Primary Institutional First Mortgagee until they are conveyed. They shall apply, however, to all other Owners and occupants of Units.

C:\OFFICE\WPDOCS\1208-2\BYLAWS.002



CFN 2003067915

OR Book/Page: 4841 / 2487

Revised 6/20/01 Serena Shores Indian Harbour Beach Condominium Association, Inc. Estimated Operating Budget 16 Units, Phase I January 1, 2002-December 31, 2002				
		Monthly	Annually	
<b>A. Administrative Expense</b>				
	Accounting		\$130.00	\$1,560.00
	Legal		\$20.83	\$250.00
<b>B Management Fee</b>				
	Management Company		\$160.00	\$1,920.00
<b>C. Maintenance</b>				
	Maintenance Personnel	N/A	N/A	
	Exterminating		\$160.00	\$1,920.00
	Elevator Emergency Phone		\$25.00	\$300.00
	Sprinkler Maintenance/Inspection		\$66.67	\$800.00
	Elevator Maintenance/License		\$150.00	\$1,800.00
	Fire Alarm Monitoring		\$45.00	\$540.00
	Trash Dumpster Rental		\$100.00	\$1,500.00
	Grounds Maintenance		\$250.00	\$3,000.00
	Pool & Spa Maintenance		\$170.00	\$2,500.00
	Building Supplies and Maintenance		\$166.67	\$2,000.00
<b>D. Rent for Recreational and other Commonly Used Property</b>		N/A	N/A	
<b>E. Taxes Upon Association Property</b>		N/A	N/A	
<b>F. Taxes Upon Leased Areas</b>		N/A	N/A	
<b>G. Insurance</b>			\$725.00	\$8,700.00
<b>H. Security Provisions</b>		N/A	N/A	
<b>I. Other Expenses</b>				
	Electricity for Common Areas		\$280.00	\$3,360.00
	Water and Sewer		\$800.00	\$9,600.00
	Telephone	N/A	N/A	
	Gas/ Pool & Spa Heating		\$166.67	\$2,000.00
	TV Cable		\$184.00	\$2,208.00
<b>J. Operating Capital</b>		N/A	N/A	
<b>K. Reserves</b>				
	Reserves For Deferred Maintenance	N/A	N/A	
	Reserves for Depreciation	N/A	N/A	
	Other Reserves:			
	Roof Replacement		\$112.07	\$1,344.83
	Est. Life 30 Years			
	Est Replacement Cost \$39,000			
	Est Remaining Useful Life 30 yrs			
	Current Reserve Balance -\$0-			
	Building Repainting:		\$250.00	\$3,000.00
	Est. Life 10 Years			
	Est Replacement Cost: \$27,000			
	Est. Remaining Useful Life 10 yrs			
	Current Balance in reserve account -\$0-			
	Pavement Resurfacing:			
	Est Life 18 Years			
	Est. Replacement Cost \$8,000			
	Est. Remaining Useful Life 18 yrs			
	Current Balance in Reserve Account -\$0-			
<b>L. Fees Payable to Division:</b>			\$5.33	\$64.00
<b>M. Florida Secretary of State/Annual Report:</b>			\$5.13	\$61.50
<b>Expenses For Unit Owner:</b>				
<b>A. Rent for the Unit, if Subject to Lease</b>		N/A	N/A	
<b>B. Rent Payable by Unit Owner Under any Recreational Lease for the Use of Commonly Used Facilities</b>		N/A	N/A	
<b>TOTALS:</b>			<b>\$3,972.38</b>	<b>\$48,428.33</b>
<b>Projected Operating Budget per Unit-16 Units</b>				
	A Units	6	5.59%	\$226.60
	B Units	4	7.46%	\$301.08
	C Units	4	3.67%	\$148.11
	D Units	2	10.98%	\$443.12
		16		\$5,317.43



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OR Book/Page: 4841 / 2488



CFN 2003067915  
OR Book/Page: 4841 / 2489

Revised 6/20/01  
Serena Shores Indian Harbour Beach Condominium Association, Inc.  
Estimated Operating Budget  
If the Maximum 33 units constructed-Phase 1 and Phase 2  
January 1, 2002-December 31, 2002

	Monthly	Annually
<b>A. Administrative Expense</b>		
Accounting	\$220.00	\$2,640.00
Legal	\$41.67	\$500.00
<b>B Management Fee</b>		
Management Company	\$330.00	\$3,960.00
<b>C. Maintenance</b>		
Maintenance Personnel	N/A	N/A
Exterminating	\$330.00	\$3,960.00
Elevator Emergency Phone	\$50.00	\$600.00
Sprinkler Maintenance/Inspection	\$133.33	\$1,600.00
Elevator Maintenance/License	\$300.00	\$3,600.00
Fire Alarm Monitoring	\$90.00	\$1,080.00
Trash Dumpster Rental	\$100.00	\$3,000.00
Grounds Maintenance	\$500.00	\$6,000.00
Pool & Spa Maintenance	\$170.00	\$2,500.00
Building Supplies and Maintenance	\$333.33	\$4,000.00
D. Rent for Recreational and other Commonly Used Property	N/A	N/A
E. Taxes Upon Association Property	N/A	N/A
F. Taxes Upon Leased Areas	N/A	N/A
G. Insurance	\$1,441.67	\$17,300.00
H. Security Provisions	N/A	N/A
<b>I. Other Expenses</b>		
Electricity for Common Areas	\$560.00	\$6,720.00
Water and Sewer	\$1,650.00	\$19,800.00
Telephone	N/A	N/A
Gas/ Pool & Spa Heating	\$166.67	\$2,000.00
TV Cable	\$379.50	\$4,554.00
<b>J. Operating Capital</b>	N/A	N/A
<b>K. Reserves</b>		
Reserves For Deferred Maintenance	N/A	N/A
Reserves for Depreciation	N/A	N/A
Other Reserves:		
Roof Replacement	\$224.14	\$2,689.66
Est. Life 30 Years		
Est Replacement Cost \$78,000		
Est. Remaining Useful Life 30 yrs		
Current Reserve Balance -\$0-		
Building Repainting:	\$500.00	\$6,000.00
Est. Life 10 Years		
Est Replacement Cost: \$54,000		
Est Remaining Useful Life 10 yrs		
Current Balance in reserve account -\$0-		
Pavement Resurfacing:		
Est Life 18 Years	\$78.43	\$941.18
Est. Replacement Cost \$16,000		
Est Remaining Useful Life 18 yrs		
Current Balance in Reserve Account -\$0-		
L. Fees Payable to Division:	\$11.00	\$132.00
M. Florida Secretary of State/Annual Report:	\$5.13	\$61.50
Expenses For Unit Owner:		
A. Rent for the Unit, if Subject to Lease	N/A	N/A
B. Rent Payable by Unit Owner Under any Recreational Lease for the Use of Commonly Used Facilities	N/A	N/A
<b>TOTALS:</b>	<b>\$7,614.86</b>	<b>\$93,638.33</b>
Projected Operating Budget per Unit-33 Units		
A Units	12	2.78%
B Units	9	3.73%
C Units	9	1.84%
D Units	3	5.49%
	33	

**SURVEYOR'S CERTIFICATE  
SERENA SHORES OF INDIAN HARBOUR BEACH  
A CONDOMINIUM  
(PHASE 1)**



CFN 2003067915

OR Book/Page: 4841 / 2490

STATE OF FLORIDA

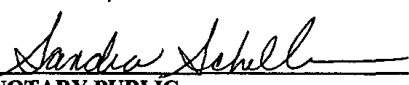
)SS.:

COUNTY OF BREVARD  
)

I, ROBERT R. BRIEL, A PROFESSIONAL SURVEYOR AND MAPPER DULY  
AUTHORIZED TO PRACTICE UNDER THE LAWS OF THE STATE OF FLORIDA,  
HEREBY CERTIFY THAT THE CONSTRUCTION OF THE IMPROVEMENTS  
COMPRISING BUILDING (THE "BUILDING"), PHASE 1 OF SERENA SHORES OF  
INDIAN HARBOUR BEACH, A CONDOMINIUM (THE "CONDOMINIUM") SHOWN  
IN THE SURVEY, GRAPHIC DESCRIPTION OF THE IMPROVEMENTS AND PLOT  
PLAN ATTACHED HERETO (THE "SURVEY MATERIALS") IS SUBSTANTIALLY  
COMPLETE SO THAT THE SURVEY MATERIALS, TOGETHER WITH THE  
PROVISIONS OF THE DECLARATION DESCRIBING THE CONDOMINIUM  
PROPERTY, ARE AN ACCURATE REPRESENTATION OF THE LOCATION AND  
DIMENSIONS OF THE IMPROVEMENTS AND THAT THE IDENTIFICATION,  
LOCATION, AND DIMENSIONS OF THE COMMON ELEMENTS, LIMITED  
COMMON ELEMENTS, AND OF EACH UNIT IN THE BUILDING CAN BE  
DETERMINED FROM THESE MATERIALS; AND THAT ALL PLANNED  
IMPROVEMENTS, INCLUDING, BUT NOT LIMITED TO, LANDSCAPING, UTILITY  
SERVICES, AND ACCESS TO ALL UNITS AND COMMON ELEMENT FACILITIES,  
SERVING THE BUILDING HAVE BEEN SUBSTANTIALLY COMPLETED, AND  
THAT THE SURVEY MATERIALS MEET THE MINIMUM TECHNICAL  
STANDARDS SET FORTH BY THE FLORIDA BOARD OF PROFESSIONAL  
SURVEYORS AND MAPPERS.

  
PROFESSIONAL SURVEYOR & MAPPER  
FLORIDA CERTIFICATE NO. 3699

SWORN TO AND SUBSCRIBED BEFORE  
ME THIS 4th DAY OF MARCH, 2003.

  
NOTARY PUBLIC

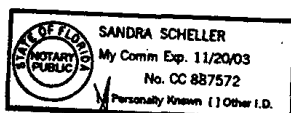


EXHIBIT 5

SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM PHASE I  
EXHIBIT "A"

DESCRIPTION — PHASE I



CFN 2003067915

OR Book/Page: 4841 / 2491

OFFICIAL RECORDS BOOK 3376, PAGE 4609

Commercial No. 1-A: From the point of intersection of the East right-of-way of State Road A1A and an easterly projection of the North line of the South 80.0 acres of Fractional Section 12, Township 27-South, Range 37-East as described in Deed Book 416, Page 111, Brevard County, Florida Public Records (said line being parallel with and 0.90 feet North of the easterly projection of the North line of Seacoast Shores, Unit Five, Section Three, as recorded in Plat Book 16, Page 56, aforesaid Public Records), run N. 12°26'05" W. along the aforesaid right-of-way 499.12 feet to the Point of Beginning; run thence N. 89°27'36" E. parallel with the 1/4 section line of aforesaid Fractional Section 12 a distance of 260 feet, more or less to the present bluff line of the Atlantic Ocean, return to the Point of Beginning and run thence N. 12°26'05" W. along the aforesaid right-of-way 200.00 feet; thence N. 89°26'36" E. parallel with the aforesaid 1/4 Section line 260 feet more or less to the aforesaid bluff line, thence Southerly along said line to close on the first call aforesaid:

Subject to an easement in the North 5 feet thereof for the purpose of ingress and egress for guest of Jamestown Apartments.

SEE SHEET 3 OF 20 FOR NOTES & LEGEND

SHEET 2 OF 20 ~ APRIL 20, 2001



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SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM PHASE I  
EXHIBIT "A"

SURVEYOR'S NOTES

1. THE BOUNDARY AND MEAN HIGH WATER SURVEY DEPICTED HEREON WAS PERFORMED BY THIS FIRM UNDER PROJECT NUMBER 00083 DATED NOVEMBER 7, 2000.
2. MEASURED BEARINGS ARE BASED ON THE STATE PLANE COORDINATE SYSTEM FOR THE EAST ZONE OF FLORIDA, NORTH AMERICAN 1927 DATUM. DERIVED FROM FLORIDA DEPARTMENT OF NATURAL RESOURCES MONUMENTS 70-80-30 AND 70-80-31 AS PUBLISHED IN SURVEY BOOK 2A, PAGE 31 OF THE PUBLIC RECORDS OF BREVARD COUNTY, FLORIDA.
3. THE DESCRIPTION RECITED IN OFFICIAL RECORDS BOOK 3376, PAGE 4609 CALLS FOR THE "PRESENT BLUFF LINE OF THE ATLANTIC OCEAN" AS THE EASTERLY BOUNDARY LINE. THIS SURVEY HAS USED THE MEAN HIGH WATER LINE OF THE ATLANTIC OCEAN FOR ACREAGE CALCULATIONS. OWNERSHIP OF THE STRIP OF LAND BETWEEN THE "BLUFF LINE" AND THE MEAN HIGH WATER LINE IS UNKNOWN.
4. THERE IS CONFLICTING MONUMENTATION AS TO THE LOCATION OF THE NORTH LINE OF THE SOUTHWEST 1/4 OF SECTION 12. OCCUPATION OF THE PARCEL TO THE NORTH OF THE LINE APPEARS TO BE TO THE NORTHERLY OF THE TWO LINES. THE DESCRIPTIONS OF THE SUBJECT PARCELS MOST NEARLY MATCH THE SOUTHERLY OF THE TWO LINES, AS PRESENTLY MONUMENTED. THE SURVEYOR MAKES NO CERTIFICATION THAT THIS IS IN FACT THE TRUE LOCATION.
5. THE NORTH LINE OF SEACOAST SHORES WAS ESTABLISHED HOLDING A 1/2" IRON ROD & CAP STAMPED "PLS3982" FOUND AT THE NORTHEAST CORNER OF LOT 25 AND A 4"x4" CONCRETE MONUMENT (NO ID) FOUND AT THE NORTHEAST PLAT CORNER.
6. THE INDIAN HARBOUR BEACH SETBACK LINE AND SEAWALL LINE DEPICTED HEREON WERE TAKEN FROM PLAN ENTITLED "OCEAN SEAWALL LOCATION PLAN, BUILDING SET-BACK LINE" PROVIDED BY THE CITY OF INDIAN HARBOUR BEACH. THIS PLAN WAS SUPPLEMENTED BY INFORMATION PROVIDED BY ALLEN ENGINEERING, INC. ON NOVEMBER 1, 2000.
7. TIES TO FOUND MONUMENTATION ARE MEASURED PERPENDICULAR TO THE DEED BOUNDARY LINES.
8. NO INSTRUMENTS OF RECORD REFLECTING EASEMENTS, RIGHTS-OF-WAY AND/OR OWNERSHIP WERE FURNISHED TO THE SURVEYOR EXCEPT AS SHOWN. NO TITLE OPINION IS EXPRESSED OR IMPLIED.
9. THIS SURVEY IS NOT INTENDED TO LOCATE ANY UNDERGROUND FOUNDATIONS, UNDERGROUND ENCROACHMENTS OR UNDERGROUND IMPROVEMENTS, EXCEPT AS SHOWN. UNDERGROUND UTILITIES DRAWN FROM ABOVE GROUND MARKINGS.
10. LOCATED IN ZONES X, AE(EL11), VE(EL13) AND VE(EL15) AS SCALED FROM FEDERAL EMERGENCY MANAGEMENT AGENCY FLOOD INSURANCE RATE MAP 12009C0464 E, DATED APRIL 3, 1989, COMMUNITY 125116, FIRM INDEX DATE NOVEMBER 19, 1997.
11. O - DENOTES 1/2" IRON REBAR WITH CAP (BRIEL LB 3869) UNLESS OTHERWISE NOTED.
12. SUBJECT PARCEL IS LOCATED IN SECTION 12, TOWNSHIP 27 SOUTH, RANGE 37 EAST.
13. ELEVATIONS ARE BASED ON THE NATIONAL GEODETIC VERTICAL DATUM OF 1929, AS MEASURED IN FEET AND DECIMALS THEREOF.
14. PROJECT BENCH MARK DESCRIPTION: TOP OF STANDARD FLORIDA DEPARTMENT OF NATURAL RESOURCES BRASS DISK IN CONCRETE MONUMENT 76 FEET NORTH OF THE SOUTH BOUNDARY LINE AND 3 FEET EAST OF THE EAST RIGHT OF WAY LINE OF STATE ROAD A-1-A STAMPED "R-101 BREV 1973 ELEV 13.748". ELEVATION 13.58 BASED ON THE NATIONAL GEODETIC VERTICAL DATUM OF 1929. ELEVATIONS DERIVED FROM UNITED STATES COAST & GEODETIC SURVEY BENCH MARK X-229 1965 AND FLORIDA DEPARTMENT OF TRANSPORTATION MONUMENT 70 80 A31.
15. MEAN HIGH WATER ELEVATION 2.03 FEET, NATIONAL GEODETIC VERTICAL DATUM OF 1929 BASED ON LABINS POINT IDENTIFICATION NUMBER 1068. THE MEAN HIGH WATER LINE LOCATION DEPICTED HEREON IS AN UPDATE OF A PREVIOUS SURVEY PERFORMED BY THIS FIRM (NOVEMBER 27, 2000) AND COMPLIES WITH CHAPTER 177, PART II FLORIDA STATUTES. THE PREVIOUS SURVEY IS RECORDED IN THE PUBLIC REPOSITORY OF THE FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION, MEAN HIGH WATER SURVEY FILE 2462.
16. CERTAIN FEATURES DEPICTED HEREON HAVE NOT BEEN DRAWN TO SCALE DUE TO SCALE LIMITATIONS.
17. ALL AREAS NOT INCLUDED WITHIN THE UNIT BOUNDARIES ARE COMMON OR LIMITED COMMON ELEMENTS. FOR COMPLETE DESCRIPTION OF UNIT BOUNDARIES, COMMON ELEMENTS, AND LIMITED COMMON ELEMENTS REFER TO ARTICLE IV. OF THE DECLARATION.
18. FOR ALL OTHER PERTINENT INFORMATION REFER TO THE DECLARATION.
19. ALL IMPROVEMENTS ARE PROPOSED EXCEPT FOR THOSE SHOWN ON THE BOUNDARY SURVEY, SHEETS 4 AND 11 OF 20. THE CONSTRUCTION OF THE CONDOMINIUM IS NOT SUBSTANTIALLY COMPLETE. UPON COMPLETION OF CONSTRUCTION THE CERTIFICATE CONTAINED HEREIN SHALL BE PROPERLY EXECUTED.

SEE SHEET 3 OF 20 FOR NOTES & LEGEND

REVISED ~ JUNE 15, 2001  
SHEET 3 OF 20 ~ APRIL 20, 2001



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CFN 2003067915  
OR Book/Page: 4841 / 2492

**SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM PHASE I  
EXHIBIT "A"**

**SURVEY LEGEND**



CFN 2003067915  
OR Book/Page: 4841 / 2493

(D)	= DEED
(M)	= MEASURED
13.51T	= TOP ELEVATION
A	= ARC DISTANCE
BFP	= BACKFLOW PREVENTOR
BPM	= BLUE PAINT MARK
BST	= BELLSOUTH TELEPHONE
Q	= CENTERLINE
CATV	= CABLE TELEVISION
CB	= CATCH BASIN
CBS	= CONCRETE BLOCK & STUCCO
CE	= COMMON ELEMENT
CLF	= CHAIN LINK FENCE
CLP	= CONCRETE LIGHT POLE
CM	= CONCRETE MONUMENT
CO	= CLEANOUT
COL	= COLUMN
CONC	= CONCRETE
COR	= CORNER
CS	= STORM DRAINAGE CONTROL STRUCTURE
CWH	= CONCRETE WALL WITH HAND RAIL
D	= DELTA ANGLE
ELEC	= ELECTRIC
EOP	= EDGE OF PAVEMENT
EX	= EXISTING
FH	= FIRE HYDRANT
FN	= FENCE
FND	= FOUND
GA	= GUY ANCHOR
GL	= GOVERNMENT LOT
GPM	= GREEN PAINT MARK
INV	= INVERT
IP	= IRON PIPE
IR	= IRON ROD
IRC	= IRON ROD & CAP
LCE	= LIMITED COMMON ELEMENT
MES	= MITERED END SECTION
NGVD	= NATIONAL GEODETIC VERTICAL DATUM
OHV	= OVERHEAD WIRE
OPM	= ORANGE PAINT MARK
ORB	= OFFICIAL RECORDS BOOK
P.O.B.	= POINT OF BEGINNING
PAV'T	= PAVEMENT
PB	= PLAT BOOK
PG	= PAGE
PREV	= PREVIOUS
PXP	= PEDESTRIAN CROSSING POLE
R	= RADIUS
RCP	= REINFORCED CONCRETE PIPE
REC	= RECREATION
RET	= RETENTION
S/W	= SIDEWALK
SBL	= SOLID BLUE LINE
SEC	= SECTION
SS	= SANITARY SEWER
STY	= STORY
SWL	= SOLID WHITE LINE
SYL	= SOLID YELLOW LINE
TOB	= TOP OF BANK
TRANS	= TRANSFORMER
TS	= TAPPING SLEEVE
TSB	= TRAFFIC SIGNAL BOX
TYP	= TYPICAL
UG	= UNDERGROUND
VF	= VINYL FENCE
VL	= VEGETATION LINE
WD	= WOOD
WM	= WATER MAIN
WPP	= WOOD POWER POLE
WS	= WATER SERVICE
WSP	= CONCRETE WHEEL STOP
WV	= WATER VALVE

SEE SHEET 3 OF 20 FOR NOTES & LEGEND

REVISED ~ FEBRUARY 27, 2003  
REVISED ~ JUNE 15, 2001  
SHEET 3B OF 20 ~ APRIL 20, 2001



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**EXHIBIT "A"**



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1. The first step in the process of identifying a problem is to recognize that a problem exists. This is often done by comparing current performance with a desired state or goal.

2. Once a problem is identified, the next step is to define the problem more precisely. This involves determining the scope of the problem and the specific areas that are affected.

3. The third step is to analyze the problem. This involves identifying the causes of the problem and the factors that contribute to its persistence.

4. The fourth step is to develop a plan of action. This involves determining the steps that need to be taken to solve the problem and the resources that will be required.

5. The fifth step is to implement the plan. This involves putting the plan into action and monitoring progress.

6. The sixth step is to evaluate the results. This involves comparing the actual results with the desired results and determining whether the problem has been solved.

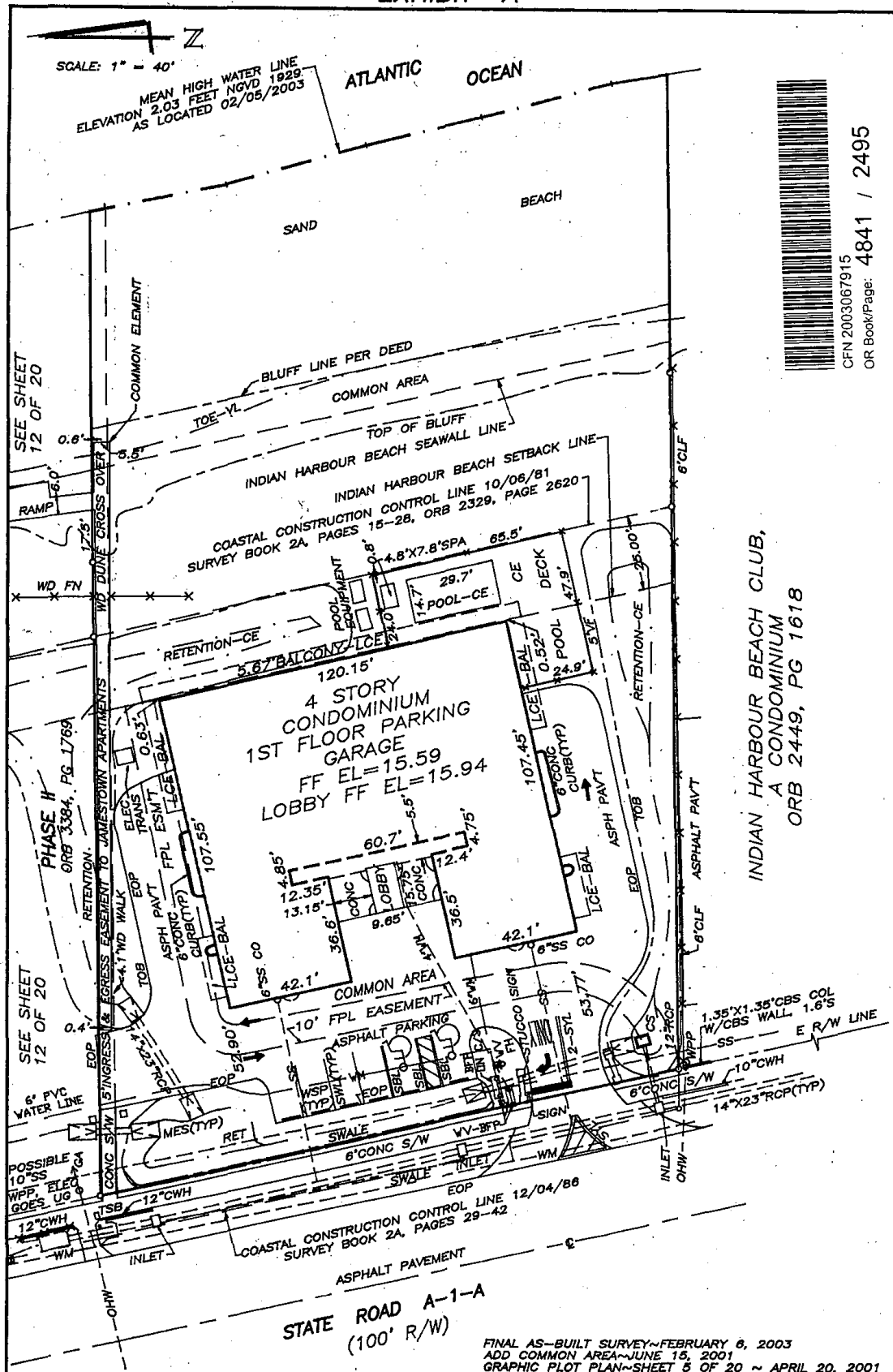
7. The seventh step is to take corrective action. This involves identifying the reasons why the problem was not solved and taking steps to prevent it from recurring.

8. The eighth step is to review the process. This involves reflecting on the entire process and identifying areas for improvement.

9. The ninth step is to communicate the results. This involves sharing the findings of the analysis and the results of the plan with others who may be affected.

10. The tenth step is to document the process. This involves creating a record of the entire process for future reference.

INDIAN HARBOUR BEACH CLUB,  
A CONDOMINIUM  
ORB 2449, PG 1618



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**SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM PHASE I  
EXHIBIT "A"**

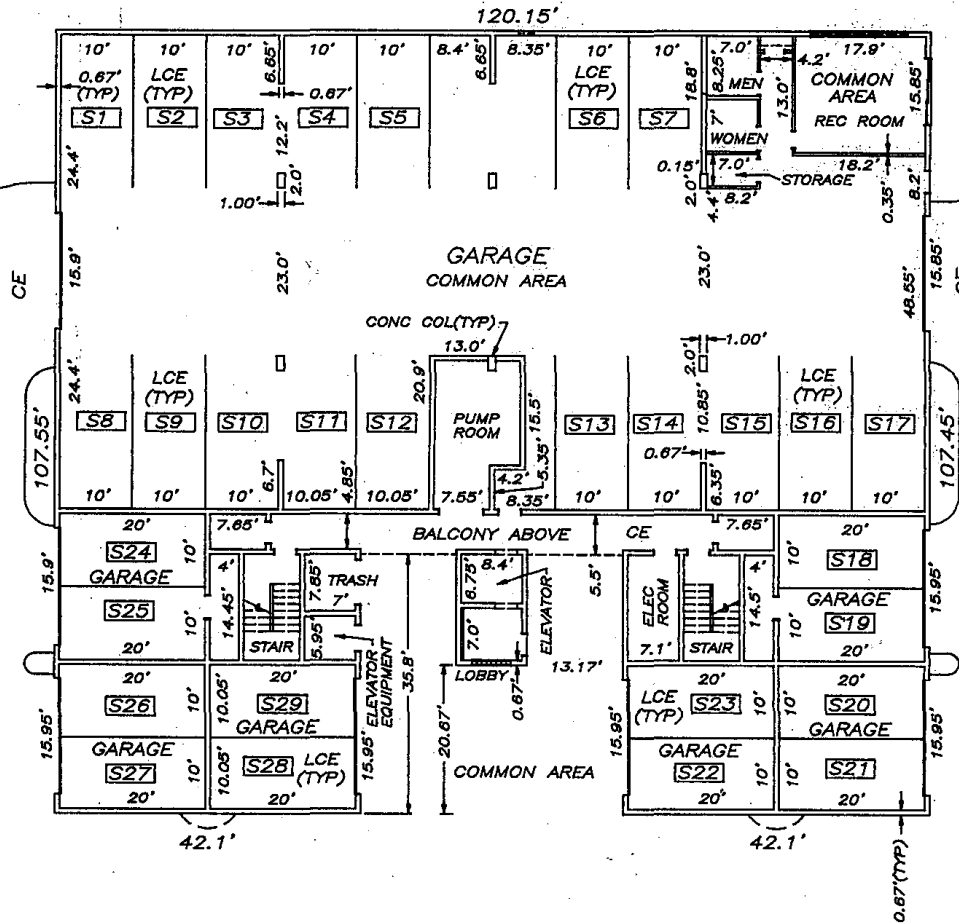
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CFN 2003067915

OR Book/Page: 4841 / 2496

**FIRST FLOOR PARKING GARAGE**



**LOWER AND UPPER BOUNDARIES**

GARAGE FL EL = 15.59 CEILING EL = 23.60  
LOBBY FL EL = 15.94 CEILING EL = 32.91

SEE SHEET 3 OF 20 FOR NOTES & LEGEND

AS-BUILT SURVEY ~ JANUARY 28, 2003  
ADD COMMON AREA ~ JUNE 15, 2001  
SHEET 6 OF 20 ~ APRIL 20, 2001

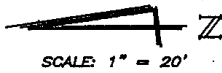


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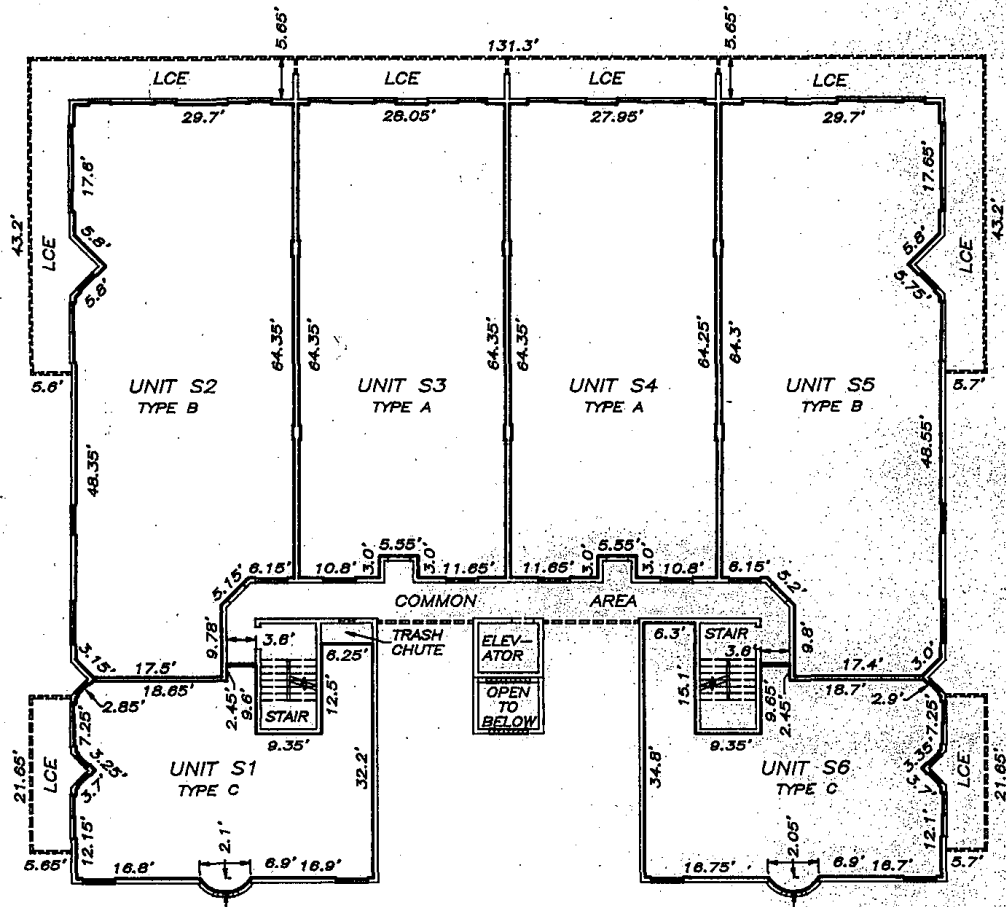
**SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM PHASE I  
EXHIBIT "A"**



CFN 2003067915

OR Book/Page: 4841 / 2497

**SECOND FLOOR**



LOWER AND UPPER BOUNDARIES  
FLOOR EL = 24.32 CEILING EL = 32.75

SEE SHEET 3 OF 20 FOR NOTES & LEGEND

AS-BUILT SURVEY ~ JANUARY 28, 2003  
REVISE UNIT S1 ~ OCTOBER 31, 2002  
ADD COMMON AREA ~ JUNE 15, 2001  
SHEET 7 OF 20 ~ APRIL 20, 2001



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SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM PHASE I  
EXHIBIT "A"

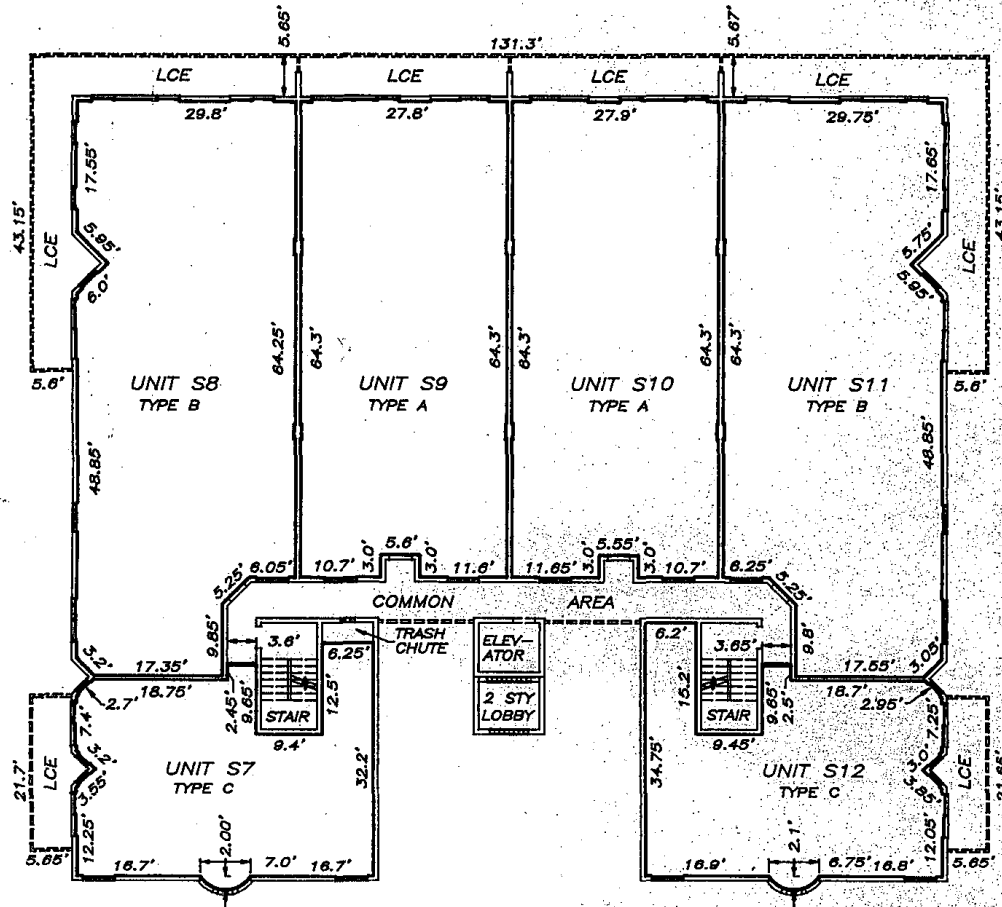
SCALE: 1" = 20'



CFN 2003067915

OR Book/Page: 4841 / 2498

THIRD FLOOR



LOWER AND UPPER BOUNDARIES  
FLOOR EL = 33.32 CEILING EL = 41.70

AS-BUILT SURVEY ~ JANUARY 28, 2003  
REVISE UNIT S7 ~ OCTOBER 31, 2002  
ADD COMMON AREA ~ JUNE 15, 2001  
SHEET 8 OF 20 ~ APRIL 20, 2001

SEE SHEET 3 OF 20 FOR NOTES & LEGEND



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SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM PHASE I  
EXHIBIT "A"

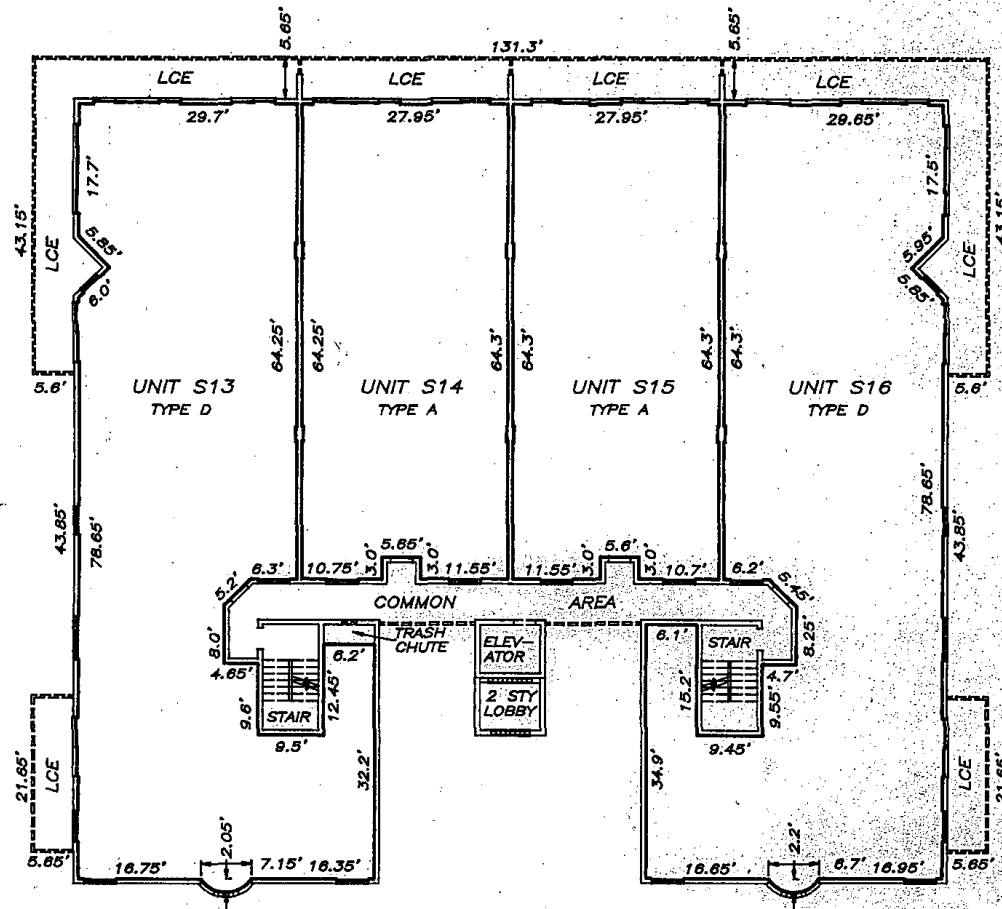
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CFN 2003067915

OR Book/Page: 4841 / 2499

FOURTH FLOOR



SEE SHEET 3 OF 20 FOR NOTES & LEGEND

AS-BUILT SURVEY ~ JANUARY 28, 2003  
ADD COMMON AREA ~ JUNE 15, 2001  
SHEET 9 OF 20 ~ APRIL 20, 2001



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SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM PHASE II  
EXHIBIT "A"

DESCRIPTION — PHASE II



CFN 2003067915

OR Book/Page: 4841 / 2500

OFFICIAL RECORDS BOOK 3384, PAGE 1769

The South 200 feet, as measured along A1A Right of Way, of  
the following described parcel:

From the point of intersection of the East right-of-way line  
of State Road A1A and an Easterly projection of the North  
line of the South 80.0 acres of Fractional Section 12,  
Township 27 South, Range 37 East, as described in Deed Book  
416, Page 111, of the Public Records of Brevard County,  
Florida (said line being parallel with, and 0.90 feet North  
of the Easterly projection of the North line of Sea Coast  
Shores, Unit 5, Section 3, as recorded in Plat Book 16, Page  
56, aforesaid Public Records), run North 12°26'05" West  
along the aforesaid right-of-way 699.12 feet to the Point of  
Beginning; run thence N. 89°27'36" East parallel with the  
one-quarter section line of aforesaid Fractional Section 12  
a distance of 270 feet, more or less, to the mean high water  
mark of the Atlantic Ocean; return to the Point of Beginning  
and run thence N. 12°26'05" West along the aforesaid  
Easterly right-of-way line a distance of 642.54 feet, more  
or less to a point formed by the intersection of an Easterly  
projection of the North line of the Southwest quarter of the  
aforesaid fractional Section 12 and the East right-of-way  
line of State Road A1A; thence N. 89°27'26" East parallel  
with the aforesaid 1/4 section line a distance of 270 foot,  
more or less, to the mean high water mark of the Atlantic  
Ocean; thence Southerly along the mean high water mark of  
the Atlantic Ocean to close on the first call aforesaid;  
subject to the non-exclusive easement for sewage collection  
system within the established west 25-foot setback from  
State Road A1A.

Subject to restrictions, reservations and easements of  
record, if any, and taxes subsequent to 1993.

SEE SHEET 3 OF 20 FOR NOTES & LEGEND

SHEET 10 OF 20 ~ APRIL 20, 2001



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CFN 2003067915  
OR Book/Page: 4841 / 2501

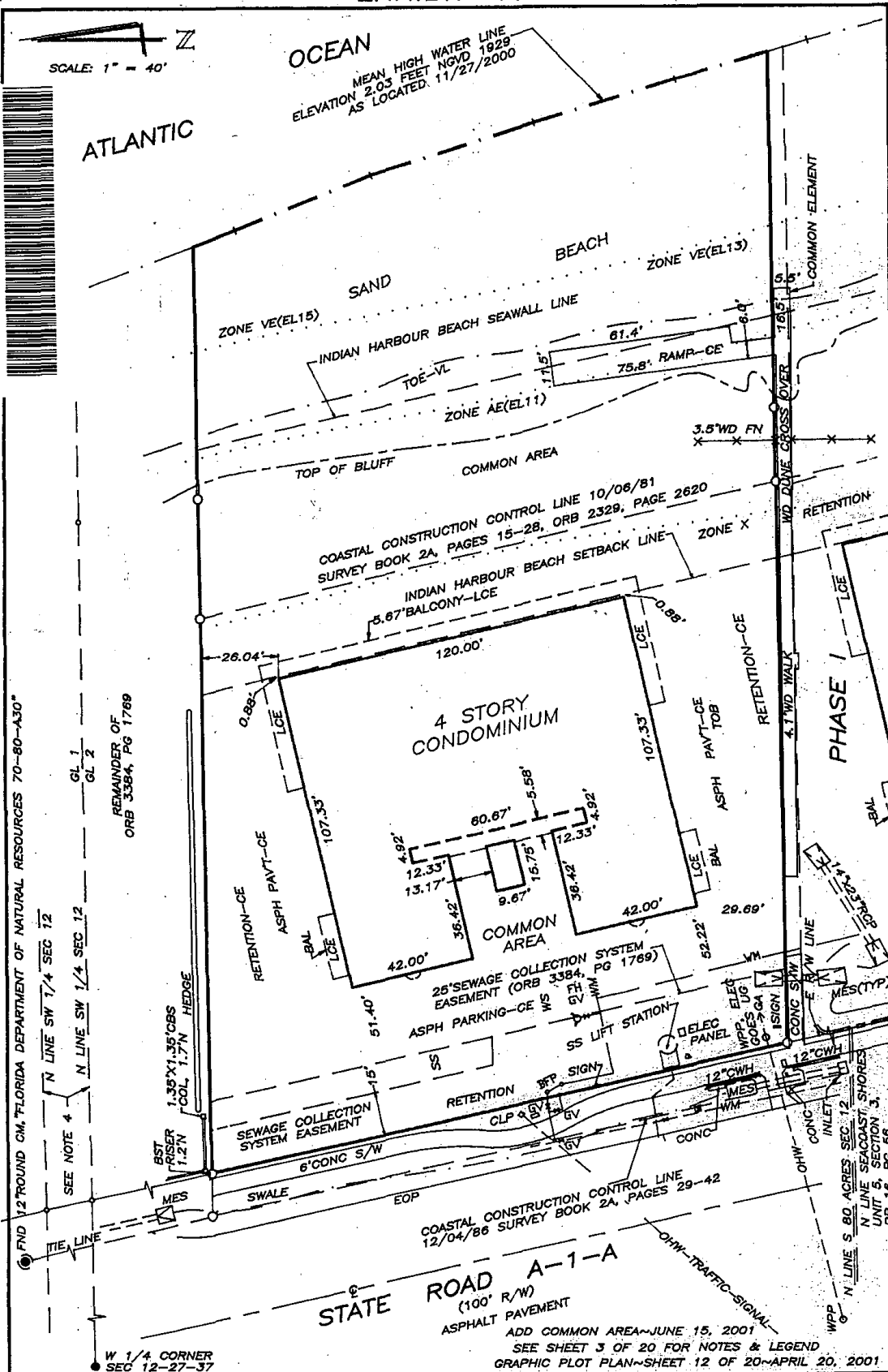


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# SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM PHASE II EXHIBIT "A"

CFN 2003067915  
OR Book/Page: 4841 / 2502



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SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM PHASE 'II'  
EXHIBIT "A"

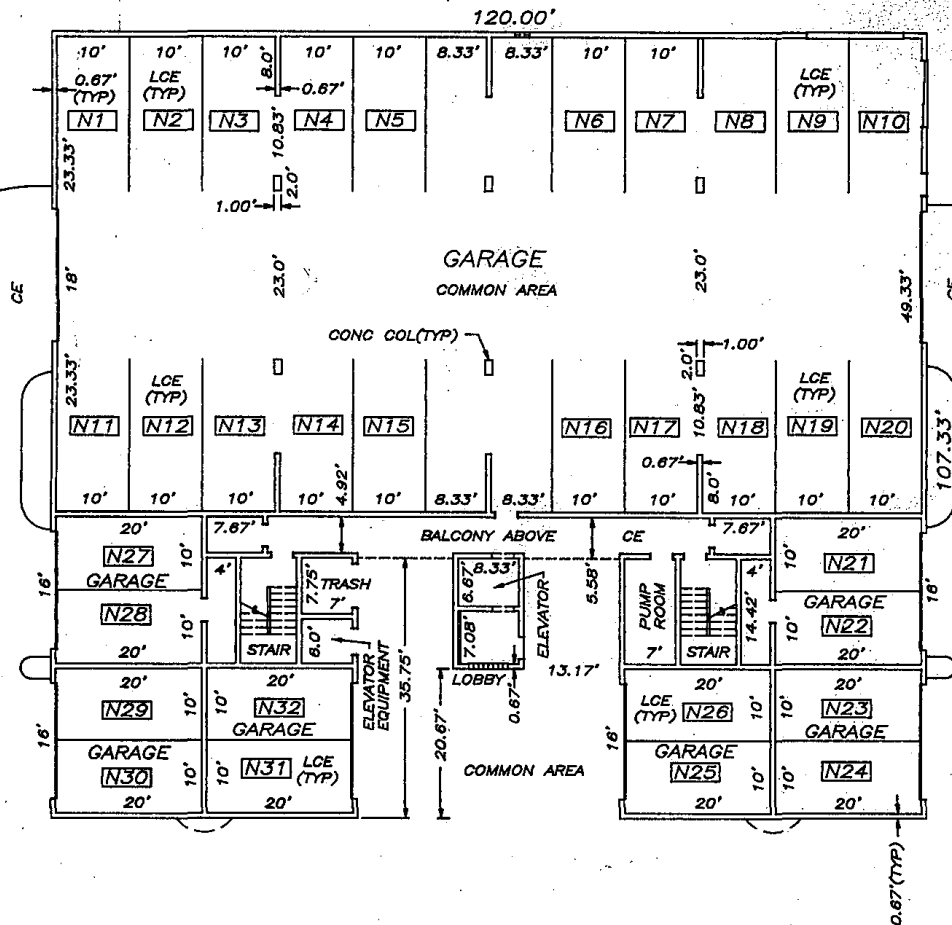
SCALE: 1" = 20'



CFN 2003067915

DR Book/Page: 4841 / 2503

FIRST FLOOR PARKING GARAGE



LOWER AND UPPER BOUNDARIES  
GARAGE FL EL = 15.50 CEILING EL = 23.58  
LOBBY FL EL = 16.00 CEILING EL = 23.58

SEE SHEET 3 OF 20 FOR NOTES & LEGEND

ADD COMMON AREA ~ JUNE 15, 2001  
SHEET 13 OF 20 ~ APRIL 20, 2001



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SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM PHASE II  
EXHIBIT "A"

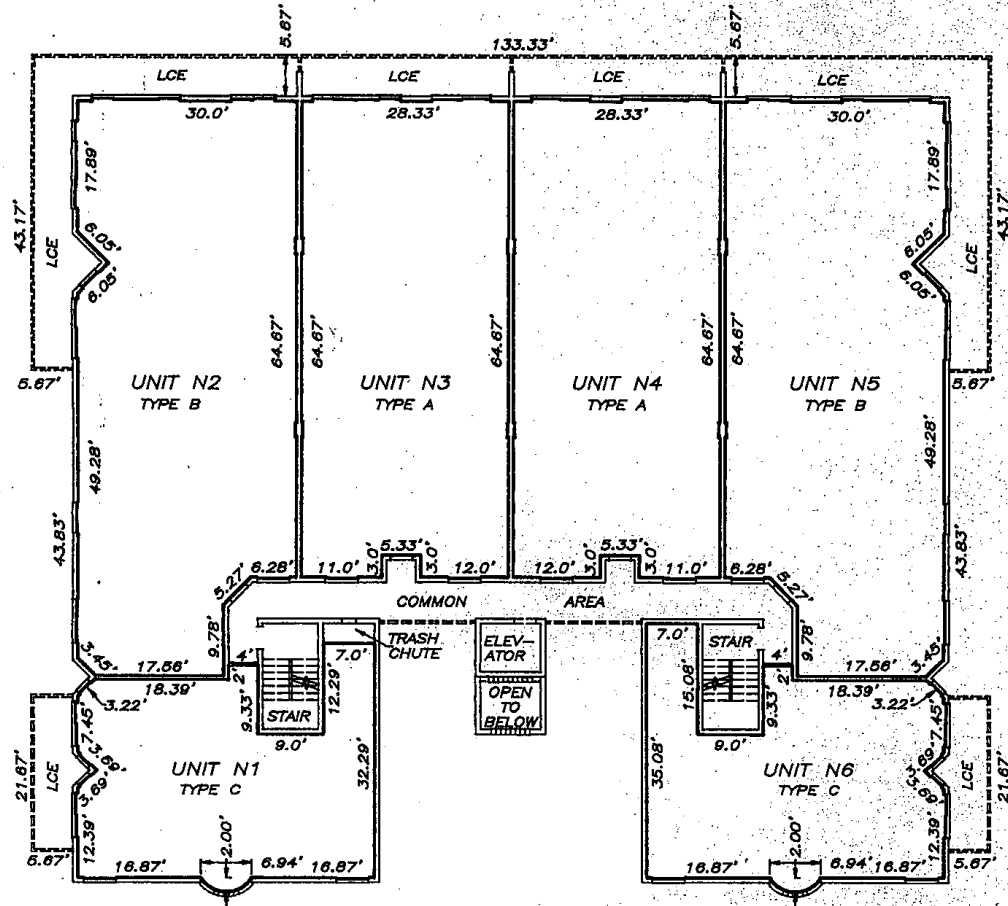
SCALE: 1" = 20'



CFN 2003067915

OR Book/Page: 4841 / 2504

SECOND FLOOR



LOWER AND UPPER BOUNDARIES  
FLOOR EL = 24.25 CEILING EL = 32.67

SEE SHEET 3 OF 20 FOR NOTES & LEGEND

REVISE UNIT N1 ~ OCTOBER 31, 2002  
ADD COMMON AREA ~ JUNE 15, 2001  
SHEET 14 OF 20 ~ APRIL 20, 2001

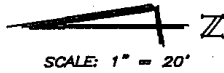


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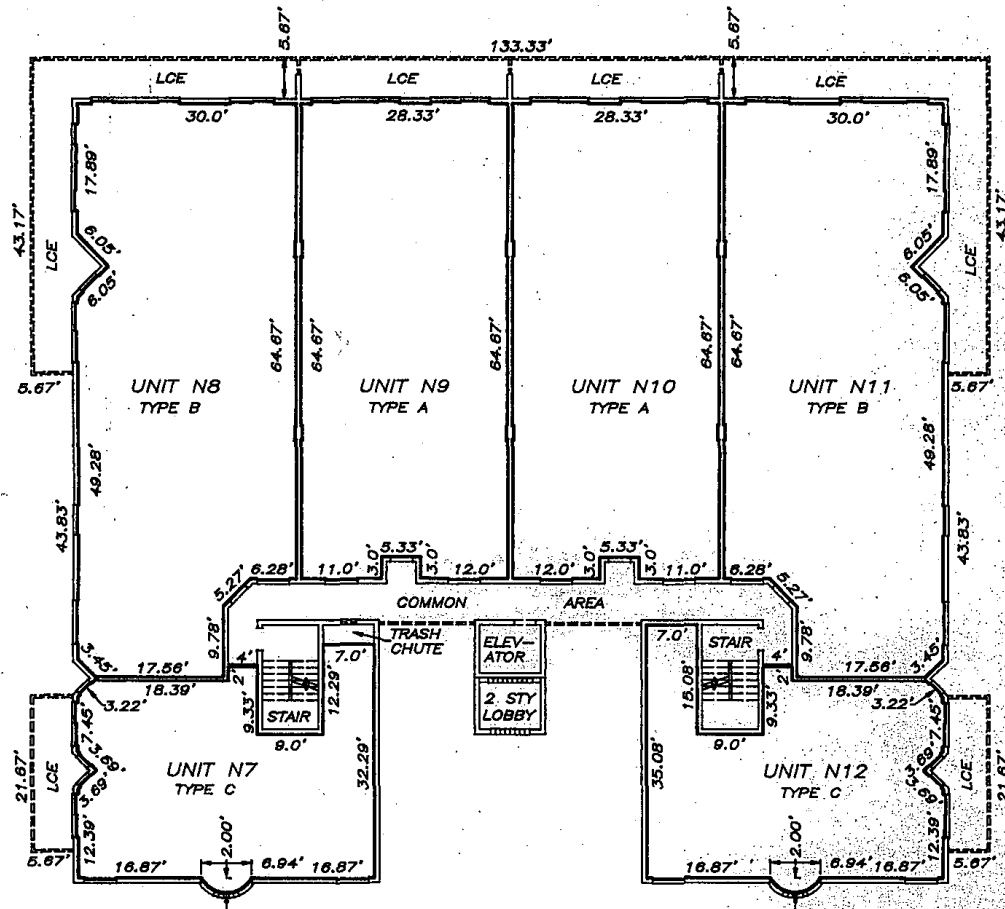
SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM PHASE II  
EXHIBIT "A"



CFN 2003067915

OR Book/Page: 4841 / 2505

THIRD FLOOR



LOWER AND UPPER BOUNDARIES  
FLOOR EL = 33.33 CEILING EL = 41.75

SEE SHEET 3 OF 20 FOR NOTES & LEGEND

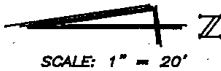
REVISE UNIT N7 ~ OCTOBER 31, 2002  
ADD COMMON AREA ~ JUNE 15, 2001  
SHEET 15 OF 20 ~ APRIL 20, 2001



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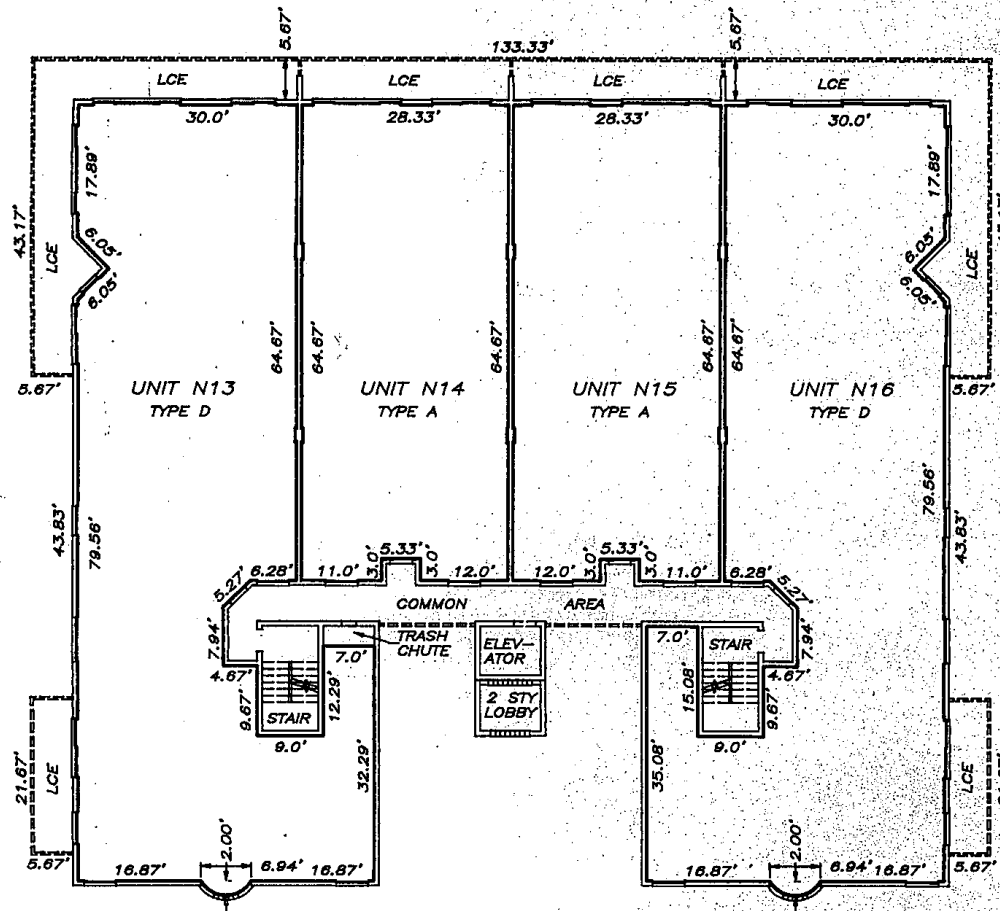
SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM PHASE II  
EXHIBIT "A"



CFN 2003067915

OR Book/Page: 4841 / 2506

FOURTH FLOOR



LOWER AND UPPER BOUNDARIES  
FLOOR EL = 42.42 CEILING EL = 50.83

SEE SHEET 3 OF 20 FOR NOTES & LEGEND

REVISE UNIT N13 ~ OCTOBER 31, 2002  
ADD COMMON AREA ~ JUNE 15, 2001  
SHEET 16 OF 20 ~ APRIL 20, 2001




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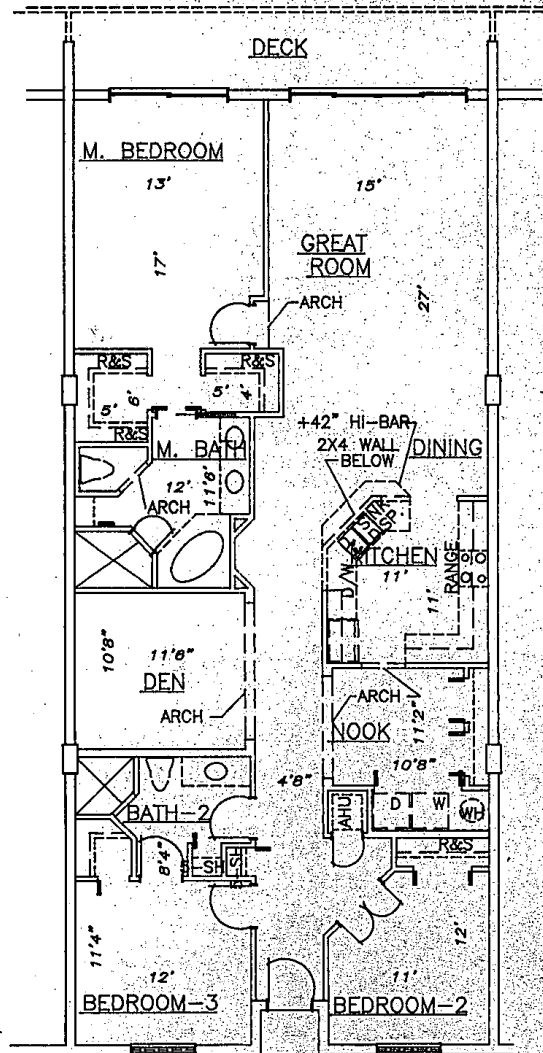
**SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM  
EXHIBIT "A"**

  
SCALE: 1" = 20'



CFN 2003067915  
OR Book/Page: 4841 / 2507

AS-BUILT LAYOUT & DIMENSIONS MAY VARY  
TYPICAL TYPE UNIT A



SEE SHEET 3 OF 20 FOR NOTES & LEGEND

SHEET 17 OF 20 ~ APRIL 20, 2001



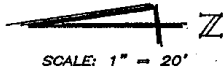
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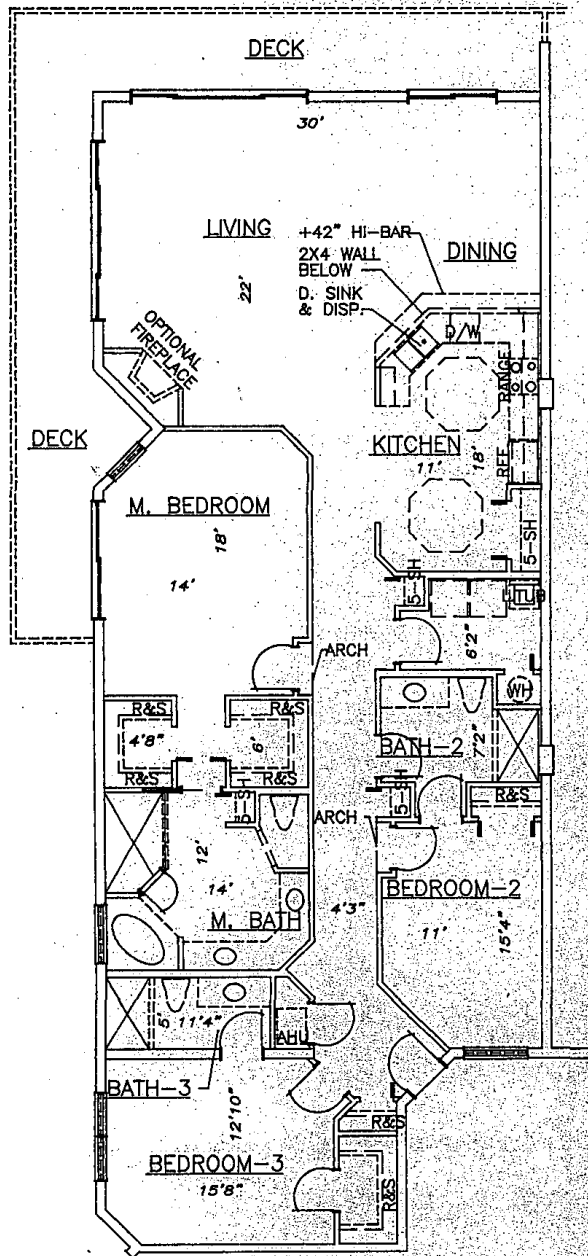
1790 Hwy. A1A, Suite 104 • Satellite Bch., Florida 32937 • (321) 773-7775



**SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM  
EXHIBIT "A"**



AS-BUILT LAYOUT & DIMENSIONS MAY VARY  
TYPICAL TYPE UNIT B REVERSE



CFN 2003067915  
OR Book/Page: 4841 / 2508

SEE SHEET 3 OF 20 FOR NOTES & LEGEND

SHEET 18 OF 20 ~ APRIL 20, 2001

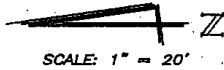


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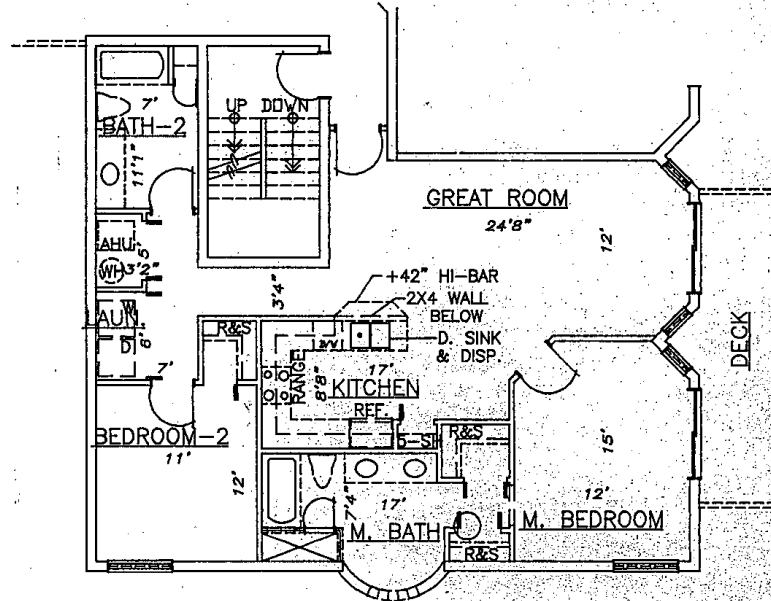
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**SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM  
EXHIBIT "A"**



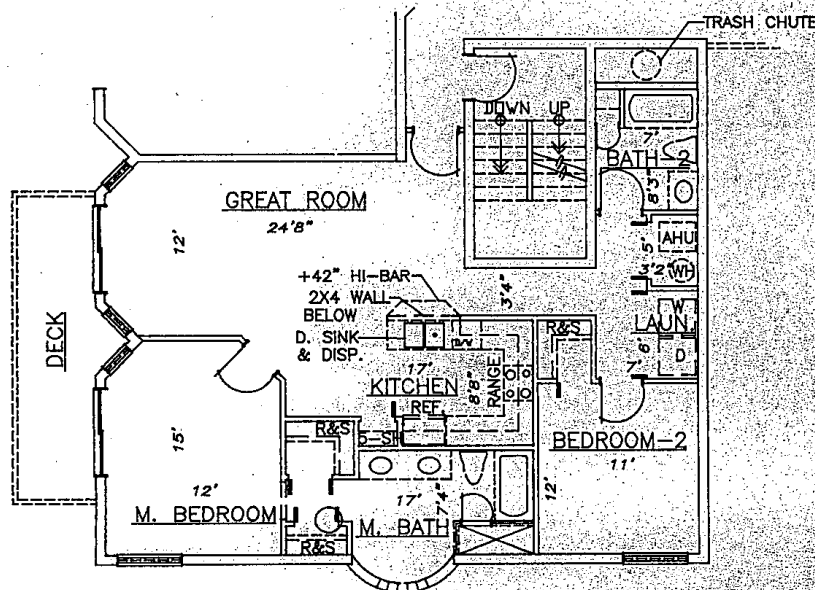
TYPICAL TYPE UNIT C -- SOUTH

AS-BUILT LAYOUT & DIMENSIONS MAY VARY



CFN 2003067915  
OF Book/Page: 4841 / 2509

TYPICAL TYPE UNIT C -- NORTH



SEE SHEET 3 OF 20 FOR NOTES & LEGEND

ADD SOUTH UNIT, OCTOBER 31, 2002  
SHEET 19 OF 20 ~ APRIL 20, 2001

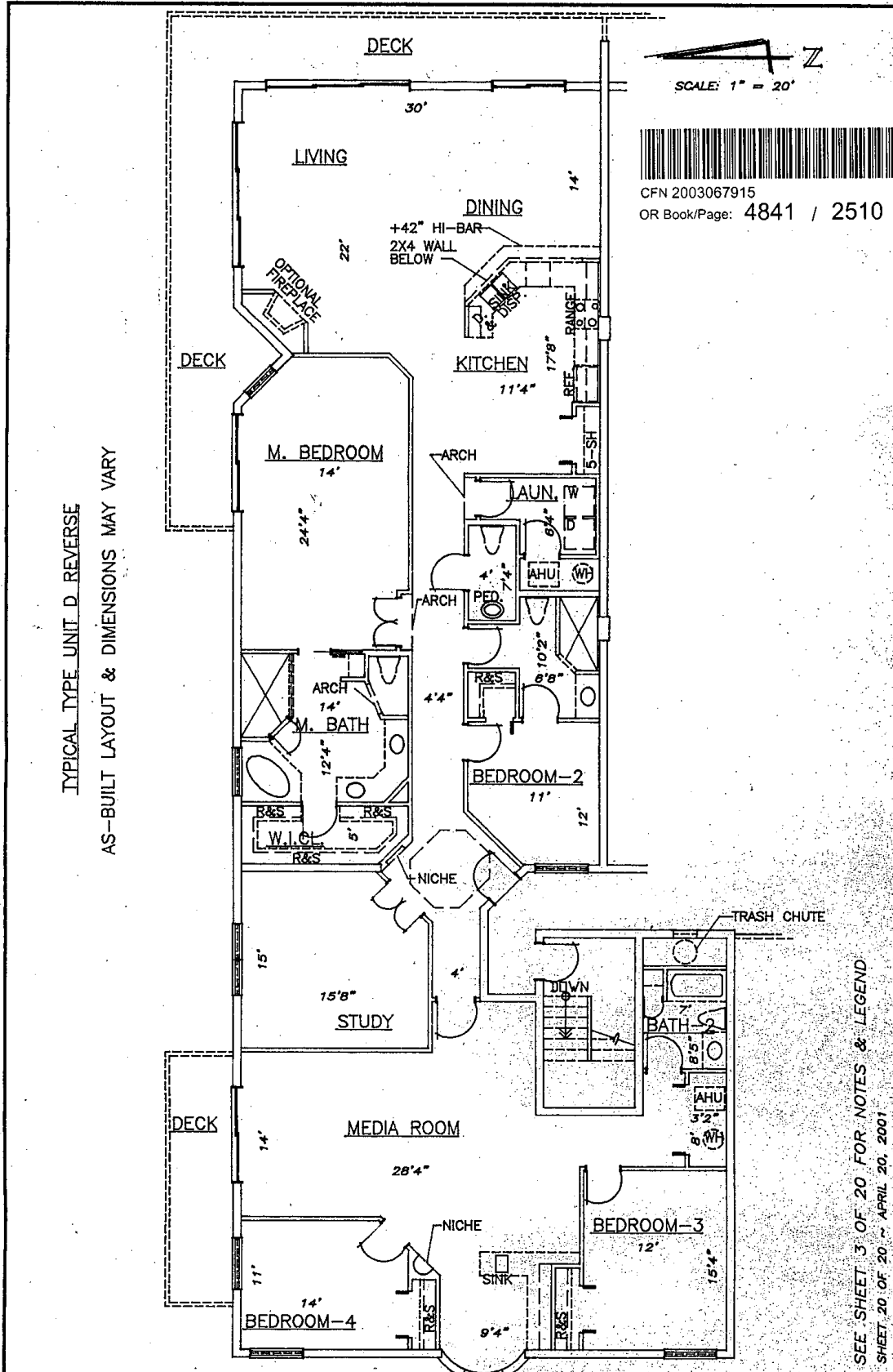


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**SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM PHASE I  
EXHIBIT "A"**



SCALE: 1" = 20'



CFN 2003067915  
OR Book/Page: 4841 / 2510

TYPICAL TYPE UNIT D REVERSE  
AS-BUILT LAYOUT & DIMENSIONS MAY VARY

SEE SHEET 3 OF 20 FOR NOTES & LEGEND  
SHEET 20 OF 20 ~ APRIL 20, 2001



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CFN 2003067915

OR Book/Page: 4841 / 2511

**CONTRACT FOR SALE AND PURCHASE**

**FOR**

**SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH,  
A CONDOMINIUM**

**SELLER**, hereinafter referred to as "Developer":

Serena Shores, LLC, a Florida limited liability company

whose address is: Regency Business Center  
1227 S. Patrick Drive  
Satellite Beach, FL 32937  
Telephone Number: (321) 773-9472

**BUYER:**

\_\_\_\_\_  
[Name]

\_\_\_\_\_  
[Local Address and Telephone Number]

\_\_\_\_\_  
[Out-of Town Address and Telephone Number]

\_\_\_\_\_  
[Social Security No.]

\_\_\_\_\_  
[Social Security No.]

**OFFER TO PURCHASE**

**DATE OF OFFER:** \_\_\_\_\_, 200\_\_.

The undersigned Buyer(s) offers to purchase from the Developer the following described property located in Brevard County, Florida, to-wit:

Unit No. \_\_\_\_\_ and Garage Space(s) No. \_\_\_\_\_, in accordance with and subject to the covenants, conditions, restrictions, terms and other provisions of the Declaration of Condominium of SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH, A CONDOMINIUM, (the "Property").

Property Address: 2057 N. Highway A1A, Unit \_\_\_\_\_,  
Indian Harbour Beach, Florida 32937

**ANY PAYMENT IN EXCESS OF TEN (10%) PERCENT OF THE PURCHASE PRICE  
MADE TO DEVELOPER PRIOR TO CLOSING PURSUANT TO THIS CONTRACT  
MAY BE USED FOR CONSTRUCTION PURPOSES BY THE DEVELOPER.**

**ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY  
STATING THE DEVELOPER. FOR CORRECT REPRESENTATIONS, REFERENCE  
SHOULD BE MADE TO THIS CONTRACT AND THE DOCUMENTS REQUIRED BY  
SECTION 718.503, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER  
TO A PURCHASER OR LESSEE.**

**ITEMS OF PERSONAL PROPERTY INCLUDED IN PURCHASE PRICE:**

**A. Appliances:**

1. Range with self-cleaning oven
2. Dishwasher
3. Garbage Disposal
4. Microwave Oven



CFN 2003067915

OR Book/Page: 4841 / 2512

**B. Floor Covering:**

Carpeting in living room, bedrooms, hallways, dens, media rooms, ceramic tile in all other areas.

upon the following terms and conditions:

**1. PURCHASE PRICE AND TERMS OF PAYMENT.**

- A. Purchase Price of Unit:** \$ \_\_\_\_\_
- B. Terms of Payment:**
1. Earnest money deposit made upon the execution of this offer, receipt of which is hereby acknowledged \$ \_\_\_\_\_
  2. Additional money deposit due and payable on or before \_\_\_\_\_, 200\_\_ \$ \_\_\_\_\_
  3. Balance of purchase price, payable in CASH, CERTIFIED OR LOCAL CASHIER'S CHECK at the time of closing (subject to adjustments and prorations) \$ \_\_\_\_\_
  4. Buyer agrees to contribute 1 1/2% of selling price toward cost of recording of Deed and Buyer's title insurance \$ \_\_\_\_\_
  5. Buyer's contribution to Association working capital \$ 400.00

**C. Extras may be ordered by the Buyer but all such extras shall be paid in cash in advance at the time the extras are ordered.**

**2. FINANCING:** Please indicate with an "X" which of the following is applicable to this offer.

This offer IS \_\_\_\_ /IS NOT \_\_\_\_ (check one) conditioned upon the Buyer obtaining approval of a mortgage loan on the subject Parcel.

**3. ESCROW AGENT.** All payments made to the Escrow Agent, **ALLIANCE TITLE OF BREVARD, LLC** under this Contract shall be deposited into the **ALLIANCE TITLE OF BREVARD ESCROW ACCOUNT**, and shall be disbursed pursuant to the terms of this contract. Deposits up to ten percent (10%) shall be placed in a separate escrow account from those payments in excess of ten percent (10%) of the purchase price and shall bear interest for the Buyer at the rate of interest paid by the financial institution at which the deposit is made. The excess deposits over ten (10%) percent of the purchase price shall not bear interest for the Buyer and may be used by the Seller as permitted under the Florida Condominium Act. **ALLIANCE TITLE OF BREVARD, LLC**, whose address is 201 North Riverside Drive, Suite C, Indialantic, FL 32903, is the Escrow Agent and the Buyer may obtain a receipt for his deposit(s) from the Escrow Agent upon request. Upon delivery by Developer to Buyer of the deed, all those monies aforesaid held in the separate escrow account for deposits up to ten percent (10%) escrow deposit account shall be released to the Developer.

4. **USE OF DEPOSITS.** Any and all deposits or payments against the purchase price of the unit made hereunder by Buyer shall be held in a special account by the Escrow Agent as set forth in Paragraph 3 above and shall not be commingled with the general funds of the Escrow Agent. Such funds, however, may be commingled with similar deposits from other purchasers purchasing condominium units in the subject condominium. Once work, as "work" is hereinafter defined, has begun upon the condominium property, the Developer may in the exercise of its discretion withdraw escrow funds in excess of ten (10%) percent of the purchase price and use such funds in and about the actual construction and development of the condominium property and/or the condominium association property. In no event, however, shall any part of those funds so withdrawn be used for salaries, commissions, expenses of salesmen or for advertising purposes. To effectuate the use of the funds which Developer is entitled to withdraw for construction and development purposes, the Developer may cause said deposits to be paid over to a construction loan account and/or any other account for the payment of actual construction and development of the condominium property and the condominium association property, and such account or accounts need not be then a separate account or accounts. For the purposes of this Paragraph 4, construction of the condominium project known as SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH, A CONDOMINIUM, shall include, but not be limited to, improvement of any part of the real property which is the site of the buildings or any part of the condominium property, or any part of the real property which becomes part of the condominium association property, whether or not such improvements include units, the common elements of the limited common elements or any of them. For the purposes of this Paragraph 4, and the determination of which construction and development costs deposits may be used for, the word "construction" and the word "improvements" shall be deemed to include, but not be limited to, activity to make a building site ready for construction, including excavation, the installation of utilities, the driving of pile and the like. For the purposes of this Paragraph 4, "work" shall be deemed to have begun upon the commencing of the clearing of the land which is the site of the subject condominium and the commencement of any site work.

5. **TITLE INSURANCE.** The Buyer at closing will receive owner's title insurance at Developer's expense covering both his unit and his interest in the common areas and facilities.

6. **EXPENSES.**

A. **CLOSING COSTS.** The Developer shall designate the closing agent and pay for the owner's title insurance policy, the cost of recording any corrective instruments, recording the deed, documentary stamps which are required to be affixed to the deed and any settlement fee. Buyer agrees to pay for all costs required to be paid by the mortgagee, including but not limited to, mortgagee title insurance, loan commitment fee, PMI insurance, charges for prepaid interest, escrows for taxes and insurance and points and discounts, if Buyer's unit is to be mortgaged. Property taxes, insurance and assessments shall be prorated between the parties as of the day of closing. Buyer agrees to contribute 1 1/2% toward Developer's closing costs.

B. **COMMON EXPENSES.** The Buyer's contribution to the common expenses for maintaining and operating the condominium is estimated at \$225.60 per month for type "A" units; \$301.06 for type "B" units; \$148.11 per month for type "C" units; and \$443.12 per month for type "D" units is due on the first day of each month payable in advance.

C. **WORKING CAPITAL.** At closing, the Buyer shall pay a fee to the Developer for deposit in the condominium working capital fund in the sum of \$400.00. This fee is not to be considered as advance maintenance payments. A Buyer's share of the initial expenses of the condominium itself (for example: advance insurance premiums, utility deposits, permits, licenses, additional equipment, and capital improvements) will be paid for by his fee to the condominium working capital fund. In addition to the above, the condominium working capital fund may be used for the purposes of capital improvements, emergency needs, initial items and non-recurring capital expenses. Although a fee to the condominium working capital fund shall be paid by each Buyer to the Developer, all condominium working capital fund fees not previously expended by the Developer for any of the foregoing items, or reimbursed to the Developer for previous expenditures for any



of the foregoing items, shall be turned over to the Association at such time as unit owners other than the Developer elect a majority of the members of the Board of Directors of the Association. During the term of the guaranty of the budget by the Developer the working capital fees shall not be used to pay the common expenses of the Association or for any other purpose other than utility deposits, prepayment of insurance, purchasing additional equipment for the condominium, and capital improvements other than the capital improvements which the Developer is committed to provide, but shall be retained in the condominium working capital fund.

7. **CONVEYANCE.** Developer agrees, subject to the terms of this contract, to convey the fee simple title to the condominium unit by statutory warranty deed and to convey said personal property by bill of sale within twenty-one (21) days of the issuance of the Certificate of Occupancy for the unit. The Buyer agrees to take title subject to standard exceptions and those usual and common to the area and the property location, and to the provisions of the Declaration of Condominium and related documents. If the Developer shall be unable to convey title in accordance with this paragraph at the time of closing, then the Developer may extend the closing for a maximum of sixty (60) days in order to perfect the title. If the Developer is unable to perfect title during the sixty (60) day period, then, at Buyer's option, this contract may be canceled and all sums paid by Buyer shall be immediately returned to Buyer or Buyer may accept the title and proceed to close the purchase of the unit.

8. **POSSESSION.** The Developer agrees to deliver possession of the property to Buyer at closing.

9. **DELIVERY AND RECEIPT OF CERTAIN DOCUMENTS.** Buyer acknowledges receipt from the Developer of the following:

- A. A copy of the PROSPECTUS with all exhibits thereto.
- B. A copy of the DECLARATION OF CONDOMINIUM, as proposed.
- C. A copy of the ARTICLES OF INCORPORATION of the Association.
- D. A copy of the BY-LAWS of the Association.
- E. A copy of the ESTIMATED OPERATING BUDGET for the condominium unit or apartment to be sold to the Buyer.
- F. A copy of the executed ESCROW AGREEMENT.
- G. A copy of the FLOOR PLAN of the unit and the PLOT PLAN showing the location of the condominium buildings and the recreation and other common areas.

**THIS CONTRACT IS VOIDABLE BY THE BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN FIFTEEN (15) DAYS AFTER THE DATE OF EXECUTION OF THIS CONTRACT BY THE BUYER, AND RECEIPT BY THE BUYER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO THE BUYER BY THE DEVELOPER UNDER SECTION 718.503, FLORIDA STATUTES. THIS CONTRACT IS ALSO VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN FIFTEEN (15) DAYS AFTER THE DATE OF RECEIPT FROM THE DEVELOPER OF ANY AMENDMENT WHICH MATERIALLY ALTERS OR MODIFIES THE OFFERING IN A MANNER THAT IS ADVERSE TO THE BUYER. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN FIFTEEN (15) DAYS AFTER THE BUYER HAS RECEIVED ALL OF THE ITEMS REQUIRED. BUYER'S RIGHT TO VOID THIS CONTRACT SHALL TERMINATE AT CLOSING.**

10. **ASSIGNABILITY.** This Contract may not be assigned without approval of the Developer, which approval may be withheld by Developer in the exercise of its absolute and uncontrolled discretion. If Developer grants approval, and as a condition of its approval, the Developer may require a transfer fee not to exceed \$1,000.00. Any and all of Developer's interests in this Contract shall be freely assignable by Developer. The transfers which are approved by the Developer shall be processed through attorneys for the Developer in order to



insure compliance with law, proper substitution of parties and transfers of escrows. Transfers must be accomplished on forms approved by Developer's attorneys. Legal fees to Developer's attorneys shall be paid by transferor or the transferee as they shall agree among themselves and, in the absence of such agreement, shall be the obligation of the transferor. It is estimated that the legal fees to be charged for such transfers will be approximately \$300.00 per transaction.

11. NOTICE. The delivery of any item and the giving of notice in compliance with this contract shall be accomplished by delivery of the item of notice to the party intended to receive it, or by mailing it within the continental United States by certified mail to the address of the party stated in this contract. Notice or delivery by mail shall be effective when mailed.

## 12. THE CONDOMINIUM.

A. The Developer will construct and equip the condominium building in accordance with the plans and specifications, subject, however, to reasonable modifications approved by the Developer that do not change the size of the floor plan of Buyer's unit, or Buyer's interest in the common elements to the detriment of the Buyer. Such plans and specifications are available for inspection by Buyer at the office of Developer. The Developer agrees that the condominium shall be ready for occupancy by the Buyer within twenty-four (24) months from the date of acceptance of this offer, with the provision, however, that the time set for completion and occupancy herein provided for shall be extended for delays and other events that would be sufficient to support a defense under Florida law based upon impossibility of performance for reasons beyond the Developer's control.

B. The Developer hereby reserves the exclusive right to make substitution of facilities, materials and/or appliances of at least equal value in the condominium for those contained in any plans and specifications referred to herein.

C. This contract and all rights hereunder are subordinate and inferior to any construction or other mortgage placed by the Developer or its nominee upon the condominium and its appurtenant lands, whether such construction or other mortgage shall be executed before or after the date of this contract. The subordination herein contained is automatic and shall not require nor be deemed to require any writing; however, in the event any mortgagee contemplated in this paragraph shall require it, Buyer shall execute a subordination agreement suitable in the mortgagee's opinion, to effectuate the provisions of this paragraph. The Buyer agrees and acknowledges that the construction lender is not guaranteeing or warranting the completion of the project, nor is the construction lender guaranteeing or warranting the fitness, merchantability or other quality of any unit or of the project. Buyer acknowledges and agrees that any periodic inspections of the construction at the project, and any review or approval of any of Developer's requests for disbursement of escrow deposits or any other funds, made by, through, or for the construction lender, are for the construction lender's loan administration purposes only and that neither the construction lender nor any of its representatives, agents, nor contractors assumes any responsibility or liability due the Buyer or any other person by reason of any such actions and that the Buyer may not rely upon any of such actions for any purpose whatsoever, including, but not limited to matters of design, adequacy of workmanship or materials, compliance with law, engineering detail, and conformance to any approved plans and specifications. Further, Buyer acknowledges that the construction lender shall assume no responsibility for the proper application of the security of all or any portion of any deposit made hereunder by Buyer. Buyer agrees that the construction lender shall have no responsibility whatsoever to Buyer for assuring the Developer's compliance with the terms of this contract or with any escrow agreement between the Developer and the Buyer.

## 13. CLOSING.

A. The closing will be held at the offices of ALLIANCE TITLE OF BREVARD, LLC, 201 North Riverside Drive, Suite C, Indialantic, Florida 32903, or at such other







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place as the Developer may designate.

B. The balance of the purchase price, plus the sum for initial working capital to the Association, will be paid to Developer by a **CERTIFIED OR LOCAL BANK CASHIER'S CHECK**.

C. This sale shall be closed within twenty-one (21) days after the issuance of the certificate of occupancy for the unit, or at such time and place as the Developer may designate. At least ten (10) days prior to the closing of the sale of the unit to the Buyer, the Developer shall notify the Buyer of the date, time and place of the closing of this transaction. The Buyer shall inspect his unit, with the Developer's representative, and furnish the Developer with an inspection punch list prior to closing. The Buyer acknowledges that the issuance of a certificate of occupancy and the requirements to close as set forth herein, does not indicate nor is it intended to be a representation by the Developer that all "punch list" items are complete with regard to the individual unit, nor that all finish work is completed in the common elements provided all planned improvements, including but not limited to, landscaping, utility services and access to the unit and common element facilities serving the building as set forth in the Declarations are first completed as required by Section 718.104(4)(e), Florida Statutes. Buyer acknowledges that completion of the "punch list" work in both his individual unit and the common elements may occur after closing, and that Buyer has no right to delay closing pending completion of these items.

E. Risk of loss pertaining to the Parcel covered by this contract, prior to closing, shall be borne by the Developer or its insurer.

14. **DEFAULT.** Failure of the Buyer to close title to the unit pursuant to the provisions of this contract, make payments within the time provided above, or to comply with the provisions of this Contract within the time provided herein, shall be considered defaults by Buyer hereunder. In such event, the parties hereto have considered the matter and have agreed that the amount of liquidated damages suffered by the Developer because of Buyer's default, shall be liquidated and paid in the following manner: The liquidated sum to be due to Developer shall be all sums heretofore paid by Buyer to Developer pursuant to the terms of this contract, but in no event shall such liquidated sum exceed ten (10%) percent of the purchase price or \$10,000.00, whichever is greater, together with the retention of any monies to cover the costs of any items specially ordered by the Buyer for his unit. All sums paid by Buyer to Developer in excess of such liquidated sum shall be paid forthwith to the Buyer, together with a statement of the Seller's election to terminate this contract and describing the Buyer's default hereunder. The Buyer shall be liable for reasonable attorney's fees and costs incurred by the Seller in enforcing its rights under this contract. In the event of default by the Developer, the Buyer shall be entitled to those remedies provided in law and equity.

15. **PERSONS BOUND.** This contract is binding upon the parties hereto, their heirs, legal representatives, successors and assigns, but nothing contained in this sentence is intended to constitute a consent to an assignment by the Buyer of this contract. All pronouns and variations thereof shall be construed so as to refer to the masculine, feminine, neuter, singular or plural thereof, as the identity of the person or persons or as the situation may require.

16. **CONTRACT NOT RECORDABLE.** This contract shall not be recorded in the office of the Clerk of any Circuit Court of the State of Florida, unless the Buyer obtains prior written consent from the Developer. Any recording of this contract without said written consent from the Developer shall constitute a breach of this contract and shall terminate this contract, at the Developer's option.

17. **ENFORCEABILITY.** If any provision of this contract is invalid or unenforceable, all the other terms and provisions thereof shall remain in full force and effect.

18. **TIME FOR ACCEPTANCE.** If this Contract is not executed by both parties, and a copy hereof delivered to each party, on or before \_\_\_\_\_, 200\_\_, this Contract shall be null and void.



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19. **TIME.** Time is of the essence of this contract.

20. **DATE OF CONTRACT.** The date of this contract, for all purposes, shall be the date of execution by the Developer, which is the \_\_\_\_ day of \_\_\_\_\_, 2000\_\_.

21. **INSULATION.** The unit has radiant barrier foil insulation in the exterior walls which has an R-Value of R5.8. The roof has either rigid or built-up sprayed foam insulation which has an R-Value of R 19. There is no insulation in the internal walls, unit ceilings or unit floors. The R-Values are taken from information provided by the manufacturer.

22. **COLOR AND APPLIANCE PACKAGE.** In the event the Buyer is unavailable to select his choice of appliances, colors, carpeting, etc., when requested by Developer, then Developer upon two (2) weeks written notice to Buyer shall select the Developer's standard color and appliance package to be installed.

23. **RADON GAS.** Radon gas is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your County public health unit.

24. **DEVELOPER'S RIGHT TO AMEND CONDOMINIUM DOCUMENTS.** The Developer reserves the right and Buyer hereby authorizes Developer to make changes in any of the condominium documents as the Developer, Governmental Authorities having jurisdiction over the condominium property, the Veterans Administration, FHA, FNMA, FHLMC, title insurance companies and mortgage lenders require or deem necessary, provided the changes do not materially change the configuration or size of the units or materially alter or modify the appurtenances to the units in which case a majority of the voting interests in the condominium shall approve the change, or change the proportion or percentage by which the owner of the unit shares the common expenses and owns the common surplus in which case the record owners of all units and the record owners of liens on the unit shall approve the change or amendment.

25. **COASTAL CONSTRUCTION CONTROL LINE ("CCCL") RIDER.** As provided by Section 161.57, F.S., (1985), as amended, if the Real Property is located either partially or totally seaward of the CCCL, then Seller at or prior to the closing, unless waived in writing by the Buyer, shall provide to Buyer, an affidavit, or a survey meeting the requirements of Chapter 472, F.S., delineating the location of the CCCL on the Real Property.

26. **SECURITY NOT REPRESENTED.** Buyer hereby acknowledges that Developer has not made and does not make any representations or warranties whatsoever relating to security services to be provided to the Buyer, to the project, or to the Buyer's individual unit. Developer shall have absolutely no responsibility for providing any security services for the Buyer, for the project, or the Buyer's individual unit. Buyer assumes responsibility for providing security services for Buyer and Buyer's guests and invitees, and Buyer shall not hold Developer liable with respect to failure to provide such security services. Buyer is not purchasing said unit based upon any representations or warranties by the Developer with respect to any security or safety measures, procedures or actions to be undertaken by the Developer. The Developer specifically disclaims any warranty, of any type, with regard to any security system that may be installed in individual units of the condominium.

27. **SPECIAL CLAUSES.**

A. Financing Agreement attached hereto as Exhibit A and made a part hereof.

Yes \_\_\_\_\_ No \_\_\_\_\_

**ANY PAYMENT IN EXCESS OF TEN PERCENT (10%) OF THE PURCHASE PRICE  
MADE TO DEVELOPER PRIOR TO CLOSING PURSUANT TO THIS CONTRACT  
MAY BE USED FOR CONSTRUCTION PURPOSES BY THE DEVELOPER.**

**WITNESSES:**

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Buyer



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**ACCEPTANCE OF OFFER**

**DATE OF ACCEPTANCE:** \_\_\_\_\_, 200\_\_

The undersigned, referred to as "DEVELOPER" in the foregoing offer, accepts the said offer to purchase and agrees to sell the described Parcel to the Buyer at the price and on the terms and conditions set forth in the offer.

**WITNESSES:**

**DEVELOPER**

\_\_\_\_\_  
Witness Signature

SERENA SHORES, LLC, a Florida  
Limited Liability Company

\_\_\_\_\_  
Witness Signature

By: \_\_\_\_\_  
Authorized Representative

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**EXHIBIT A****FINANCING AGREEMENT**

**FINANCING.** Please indicate with an "X" which of the following paragraphs is applicable to this offer.

\_\_\_\_\_ This offer IS NOT conditioned upon the Buyer obtaining approval of a mortgage loan on the subject Parcel.

\_\_\_\_\_ This offer IS conditioned upon the Buyer obtaining or Developer obtaining on the Buyer's behalf, a mortgage loan on the subject Parcel in the amount of \$ \_\_\_\_\_ for a term of \*\* years, with interest not exceeding \*\*\* % per annum, excluding points or discount.

Within ten (10) calendar days of the execution of this Contract, the Buyer agrees to apply to an institutional lender of the Buyer's choice for a mortgage loan, in the amount set forth above. The Developer will be supplied with a copy of the initial application within that period. Failure of the Buyer to make said application within the time period stated above or supply a copy to the Developer in a timely fashion will be an event of default hereunder.

If the Buyer has not received a mortgage commitment within forty-five (45) days of the date of initial application, or has been denied a mortgage loan during the forty-five (45) day period, on the basis of the initial or any other application, the Buyer will so notify the Developer in writing within five (5) days of this expiration of the application period. Failure of the Buyer to so notify the Developer will constitute a waiver of this contingency by the Buyer.

Upon receipt of such notice, the Developer will notify the Buyer of the Developer's option either: (a) to extend the application period for up to forty-five (45) additional days; or (b) to terminate this Contract; or (c) to require the Buyer to apply for a mortgage loan from a lender designated by the Developer. If the Buyer receives notice that alternative (c) applies, the Buyer will apply to the designated lender for a loan at prevailing rates upon such repayment terms as the Buyer will qualify for within five (5) days of receipt of such notice and will provide the Developer with a copy of the application within that period.

If the Buyer has not received a commitment within the extended application period from the lender designated by the Developer, the Buyer will so notify the Developer in writing within five (5) days of the expiration of the application period. The notice will specify whether the Buyer elects to terminate this Contract or waives this contingency. Failure of the Buyer to so notify the Developer of the Buyer's election to terminate will constitute a waiver of this contingency by the Buyer.

The Buyer will make best efforts to obtain a mortgage loan and will fully cooperate with any applicable lender and promptly provide any requested documents and financial information necessary to approve Buyer's mortgage loan. The Buyer will be solely responsible for any fees, charges or deposits of any kind or description imposed by a lender as a condition of considering an application, issuing or extending a commitment or closing a loan. If a lender issues a commitment, the Buyer will accept the commitment and will promptly sign all documents, fulfill all conditions and otherwise comply with any discretions issued by the lender. If the Buyer fails to accept a commitment or fulfill any conditions contained in a commitment or comply with the lender's directions, the Buyer will be in default hereunder. Upon the Buyer's receipt of a commitment, conditional or unconditional, this contingency will be deemed fully satisfied. The Buyer will be solely responsible to ensure that the commitment is in effect on the closing date and will pay any additional fees or charges and consent to any modification of the terms of the commitment if required by the lender as a condition of permitting any necessary extension of the commitment.

If this contract is properly terminated as provided in Paragraph 2, the Developer will promptly refund all deposit monies paid, whereupon neither party will be under any further obligation to



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one another pursuant to this contract.

The Buyer understands that the Buyer must satisfy the applicable lender's criteria as to creditworthiness and the Developer will have no liability if the Buyer does not qualify for a mortgage loan. If a commitment is issued, this contingency will be deemed satisfied notwithstanding subsequent withdrawal of the commitment because the Buyer's creditworthiness becomes unacceptable to the lender.

The Buyer has no other rights or obligations of waiver implied in this Contract except as expressly stated herein or as may be agreed to in writing by Developer.

Buyer represents that he has sufficient cash available (together with the mortgage or mortgages referred to) to consummate the within transaction.

Should Buyer fail to make payment of any additional monies as herein mentioned, or furnish false or incomplete information to the Developer, the Developer's agent, or the mortgage lender, concerning the Buyer's legal or financial status, or fail to cooperate in the processing of the mortgage loan application, which acts would result in the failure to obtain the approval of a mortgage commitment, or fail to comply with any of the terms of this Contract, then the Buyer shall be in default under this Contract.

- \* \* Term as required by lender. (Maximum Term \_\_\_\_ years)
- \* \* \* Prevailing interest rate at time of closing. (Maximum rate \_\_\_\_%). The amount, term and interest rate shall be the prevailing rates in Brevard County, Florida on the date of application.

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Buyer

SERENA SHORES, LLC, a Florida  
Limited Liability Company

By: \_\_\_\_\_  
Authorized Representative

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**CONTRACT ESCROW AGREEMENT**

THIS IS A CONTRACT ESCROW AGREEMENT made the 27 day of April, 2001, between SERENA SHORES, LLC, a Florida limited liability company, whose address is Regency Business Center, 1227 S. Patrick Drive, Satellite Beach, FL 32937, hereinafter referred to as the "DEVELOPER," and ALLIANCE TITLE OF BREVARD, LLC, a Florida limited liability company, whose address is 201 North Riverside Drive, Suite C, Indialantic, Florida 32903, hereinafter referred to as the "ESCROW AGENT."

**WITNESSETH:**

WHEREAS, the DEVELOPER is entering into agreements with various persons as purchasers of condominium parcels in a proposed condominium to be known as SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH, A CONDOMINIUM, hereinafter referred to as the "CONDOMINIUM"; and

WHEREAS, the purchasers shall make earnest money deposits to be held in escrow pending the closings of the individual sales; and

WHEREAS, the DEVELOPER has requested the ESCROW AGENT to act as ESCROW AGENT for the holding of said funds in accordance with the provisions of the Florida Condominium Act; and

WHEREAS, the ESCROW AGENT has agreed to act as the ESCROW AGENT for said funds to be deposited with it and to distribute the same under certain conditions as hereinafter set forth:

NOW, THEREFORE, it is agreed as follows:

1. The DEVELOPER shall cause to be delivered to the ESCROW AGENT those funds paid to the DEVELOPER as earnest money deposits pursuant to the individual sales agreements with the various purchasers of condominium parcels in the CONDOMINIUM. The ESCROW AGENT shall provide the purchaser with a receipt for the deposit(s) upon request.
2. The ESCROW AGENT, shall deposit these funds into an escrow account under its control.
3. The ESCROW AGENT shall release these funds from escrow as follows:
  - A. If a purchaser properly terminates the sales agreement pursuant to its terms or pursuant to the Florida Condominium Act, the funds shall be paid to the purchaser, together with any interest earned, if the contract provides for payment of interest to the purchaser.
  - B. If the purchaser defaults in the performance of his obligations under the sales agreement, the funds shall be paid to the DEVELOPER, together with any interest earned.
  - C. If the sales agreement does not provide for the payment of any interest earned on the escrowed funds, interest shall be paid to the DEVELOPER at the closing of the transaction.
  - D. If the funds of a purchaser have not been previously disbursed in accordance with the provision of Section 718.202, Florida Statutes, they may be disbursed to the DEVELOPER by the ESCROW AGENT at the closing of the transaction, unless prior to the disbursement, the ESCROW AGENT receives from the purchaser written notice of a dispute between the purchaser and the DEVELOPER.
4. In the event of any dispute with respect to the disposition of all or part of the escrow funds, the ESCROW AGENT shall not be obligated to disburse the disputed portion thereof. In its sole discretion, the ESCROW AGENT may, in the event of a dispute as to the disposition of all or part of the escrow funds, commence an action in the nature of interpleader



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and seek to deposit the disputed portion in a court of competent jurisdiction. The DEVELOPER shall bear any costs and attorney's fees that may be accrued by the ESCROW AGENT involving any dispute with regard to the escrow funds, regardless of who may prevail.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the day and year set forth adjacent to their respective signatures.

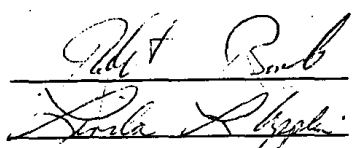
SIGNED, SEALED AND DELIVERED  
IN THE PRESENCE OF:

DEVELOPER:

SERENA SHORES, LLC, a Florida  
limited liability company

By: 

James Bates, Managing Member

  
Dated: April 27, 2001

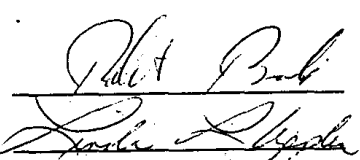
ESCROW AGENT:

ALLIANCE TITLE OF BREVARD, LLC  
a Florida limited liability company

By: ALLIANCE OF BREVARD, INC., a Florida  
corporation

By: 

Lizabeth Cassella, Vice President

  
Dated: April 27, 2001

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## FREQUENTLY ASKED QUESTIONS AND ANSWERS SHEET

### SERENA SHORES OF INDIAN HARBOUR BEACH CONDOMINIUM ASSOCIATION, INC.

February 1, 2001

- Q: What are my voting rights in the condominium association?  
A: The owner of each condominium unit shall be entitled to cast one (1) vote per unit as provided in Article VI of the Declaration of Condominium.
- Q: What restrictions exist on my right to use my unit.  
A: Each unit is restricted to residential use by the owner or owners thereof, their immediate families, guests, servants and invitees. Each unit is hereby restricted to no more than six (6) occupants. There are no restrictions upon children. Pets must be kept on a leash on the condominium grounds and shall not create a nuisance. No exterior antennas and aerials shall be erected except as provided under uniform regulations promulgated by the Association.  
See Use Restrictions, Article X, of the Declaration of Condominium.
- Q: What restrictions exist on the leasing of my unit?  
A: The minimum rental period is ninety (90) days.
- Q: How much are my assessments to the Condominium Association for my unit type and when are they due?  
A: An assessment of \$225.60 per month for type "A" units; an assessment of \$301.06 for type "B" units; an assessment of \$148.11 per month for type "C" units; and an assessment of \$443.12 per month for type "D" units is due on the first day of each month. These amounts are for Phase I only. If and when Phase II is completed, an assessment of \$217.71 per month for type "A" units; \$291.06 per month for type "B" units; \$143.58 per month for type "C" units, and \$428.40 per month for type "D" units is due on the first day of each month.
- Q: Do I have to be a member in any other association? If so, what is the name of the association and what are my voting rights in this association? Also, how much are my assessments?  
A: NO.
- Q: Am I required to pay rent or land use fees for recreational or other commonly used facilities? If so, how much am I obligated to pay annually?  
A: NO.
- Q: Is the condominium association or other mandatory membership association involved in any court cases in which it may face liability in excess of \$100,000.00? If so, Identify each such case.  
A: NO, there is no litigation of any nature pending against the Association.
- Q: What are the restrictions on pets?  
A: Two (2) pets not exceeding thirty-five (35) pounds each shall be allowed to be kept in an owner's unit. All pets must be on a leash outside the owner's unit.

NOTE: THE STATEMENTS CONTAINED HEREIN ARE SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES AND EXHIBITS HERETO, THE SALES CONTRACT AND THE CONDOMINIUM DOCUMENTS.

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EXHIBIT 8  
TO THE PROSPECTUS



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EVIDENCE OF DEVELOPER'S CONTRACTUAL INTEREST



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NONE

Exhibit B to Declaration

**Serena Shores Condominium of Indian Harbour Beach**

**Ownership of Units and Appurtenant Share in Common Elements  
and Common Surplus, and Share of Common Expenses**

**Phase I 16 Units**

Unit #	Unit Type	Approximate Square Feet including Balconies	Share of Common Expenses %
201 C		1,355	3.67%
202 B		2,750	7.46%
203 A		2,060	5.59%
204 A		2,060	5.59%
205 B		2,750	7.46%
206 C		1,355	3.67%
301 C		1,355	3.67%
301 B		2,750	7.46%
302 A		2,060	5.59%
304 A		2,060	5.59%
305 B		2,750	7.46%
306 C		1,355	3.67%
401 D		4,050	10.98%
402 A		2,060	5.59%
403 A		2,060	5.59%
404 D		4,050	10.98%
<b>TOTAL</b>		<b>36,880</b>	<b>100.00%</b>

		# of Units
A Units	5.59%	6
B Units	7.46%	4
C Units	3.67%	4
D Units	10.98%	2
<b>Total</b>		<b>16</b>



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**Exhibit C to Declaration**  
**Serena Shores Condominium of Indian Harbour Beach**

Ownership of Units and Appurtenant Share in Common Elements  
and Common Surplus, and Share of Common Expenses  
If the maximum number of units is built-33 units.

Phase 1	Unit #	Unit Type	Approximate Square Feet Including Balconies	Share of Common Expenses %
	201 C		1,355	1.836%
	202 B		2,750	3.726%
	203 A		2,060	2.791%
	204 A		2,060	2.791%
	205 B		2,750	3.726%
	206 C		1,355	1.836%
	301 C		1,355	1.836%
	301 B		2,750	3.726%
	302 A		2,060	2.791%
	304 A		2,060	2.791%
	305 B		2,750	3.726%
	306 C		1,355	1.836%
	401 D		4,050	5.487%
	402 A		2,060	2.791%
	403 A		2,060	2.791%
	404 D		4,050	5.487%

**TOTAL**

Phase 2	201 C		1,355	1.836%
	202 B		2,750	3.726%
	203 A		2,060	2.791%
	204 A		2,060	2.791%
	205 B		2,750	3.726%
	206 C		1,355	1.836%
	301 C		1,355	1.836%
	302 B		2,750	3.726%
	303 A		2,060	2.791%
	304 A		2,060	2.791%
	305 B		2,750	3.726%
	306 C		1,355	1.836%
	401 C		1,355	1.836%
	402 B		2,750	3.726%
	403 A		2,060	2.791%
	404 A		2,060	2.791%
	405 D		4,050	5.487%
			73,815	100.00%

		# of Units
A Units	2.79%	12
B Units	3.73%	9
C Units	1.84%	9
D Units	5.48%	3
Total		33



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**RECEIPT FOR CONDOMINIUM DOCUMENTS**

THE UNDERSIGNED ACKNOWLEDGES that the items checked below have been received or, as to plans and specifications, made available for inspection.

NAME OF CONDOMINIUM: SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH, A CONDOMINIUM

ADDRESS OF CONDOMINIUM: 2057 North A1A  
Indian Harbour Beach, Florida 32937

Place a check in the column by each item received or, for the plans and specifications, made available for inspection. If an item does not apply, place "NA" in the column.

DOCUMENT	RECEIVED
Frequently Asked Questions and Answer Sheet	_____
Prospectus Text	_____
Declaration of Condominium	_____
Articles of Incorporation	_____
By-Laws	_____
Estimated Operating Budget	_____
Form of Agreement for Sale	_____
Rules and Regulations	<u>NA</u>
Covenants and Restrictions	<u>NA</u>
Ground Lease	<u>NA</u>
Management and Maintenance Contracts	<u>NA</u>
Renewable Managements Contracts	<u>NA</u>
Lease of recreational and other facilities to be used exclusively by unit owners of subject condominium	<u>NA</u>
Form of Unit Lease if a leasehold	<u>NA</u>
Declaration of Servitude	<u>NA</u>
Sales Brochure	<u>NA</u>
Phase Development Description [See 718.503(2)(k) and 504(14)]	_____
Lease of recreational and other facilities to be used by unit owners with other condos [See 718.503(2)(h)]	<u>NA</u>
Description of Management for Single Management of Multiple Condominiums [See 718.503(2)(k)]	<u>NA</u>



CFN 2003067915

OR Book/Page: 4841 / 2528

Conversion Inspection Report	<u>NA</u>
Conversion Termite Inspection Report	<u>NA</u>
Plot Plan	<u>      </u>
Floor Plan	<u>      </u>
Survey of Land and Graphic Description of Improvements	<u>      </u>
Executed Escrow Agreement	<u>      </u>
Plans and Specifications	MADE AVAILABLE

THE PURCHASE AND SALE AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN FIFTEEN (15) DAYS AFTER THE DATE OF EXECUTION OF THE PURCHASE AND SALE AGREEMENT BY THE BUYER, AND RECEIPT BY THE BUYER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO HIM BY THE DEVELOPER UNDER SECTION 718.503, FLORIDA STATUTES. THE PURCHASE AND SALE AGREEMENT IS ALSO VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN FIFTEEN (15) DAYS AFTER THE DATE OF RECEIPT FROM THE DEVELOPER OF ANY AMENDMENT WHICH MATERIALLY ALTERS OR MODIFIES THE OFFERING IN A MANNER THAT IS ADVERSE TO THE BUYER. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. THE PURCHASER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN FIFTEEN (15) DAYS AFTER THE PURCHASER HAS RECEIVED ALL OF THE ITEMS REQUIRED. THE PURCHASER'S RIGHT TO VOID THE PURCHASE AND SALE AGREEMENT SHALL TERMINATE AT CLOSING.

EXECUTED this \_\_\_\_ day of \_\_\_\_\_, 2001.

\_\_\_\_\_  
PURCHASER

\_\_\_\_\_  
PURCHASER

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This instrument prepared by:  
Helena Gutierrez Malchow, Esquire  
WEAN & MALCHOW, P.A.  
646 East Colonial Drive  
Orlando, Florida 32803

**CERTIFICATE OF APPROVAL OF AMENDMENTS TO THE DECLARATION  
OF CONDOMINIUM, THE ARTICLES OF INCORPORATION AND BY-LAWS  
OF SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH  
CONDOMINIUM ASSOCIATION, INC.**

The undersigned authorities hereby certify that the members of Serena Shores Condominium of Indian Harbour Beach have duly adopted the attached amendments to the Declaration of Condominium of Serena Shores Condominium of Indian Harbour Beach ("Declaration"), as originally recorded in the Public Records of Brevard County, Florida at Official Record Book 4841, Page 2423 *et seq.*, as amended.

The attached amendment to the Declaration was approved in accordance with Article XIII of the Declaration and Section 617.0701(4), Fla. Stat., by the approval of a majority of a quorum of the owners, who executed a written consent without a meeting, accumulated between September 2, 2018 and October 1, 2018.

Additionally, the undersigned authorities hereby certify that the Members of the Association have duly adopted the attached amendment to the Articles of Incorporation of Serena Shores Condominium of Indian Harbour Beach Condominium Association, Inc. ("Articles") as originally recorded in the Public Records of Brevard County, Florida at Official Record Book 4841, Page 2459 *et seq.*

The attached amendment to the Articles was approved in accordance with Article 12 of the Articles and Section 617.0701(4), Fla. Stat., by the approval of a majority of a quorum of the owners who executed a written consent without a meeting, accumulated between September 2, 2018 and October 1, 2018.

The undersigned further certify that the Members of the Association have duly adopted the attached amendment to the Bylaws of Serena Shores Condominium of Indian Harbour Beach Condominium Association, Inc. ("Bylaws"), as originally recorded in the Public Records of Brevard County, Florida at Official Record Book 4841, Page 2466 *et seq.*

The attached amendment to the Bylaws was approved in accordance with Section 12 and Section 617.0701(4), Fla. Stat. by the approval of seventy-five percent (75%) of a quorum of the owners, who executed a written consent without a meeting, accumulated between September 2, 2018 and October 1, 2018.

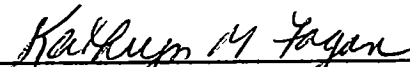
Witness our hands and seals this 17 day of October, 2018.

ATTEST:

"ASSOCIATION"

SERENA SHORES CONDOMINIUM OF INDIAN  
HARBOUR BEACH CONDOMINIUM ASSOCIATION, INC.

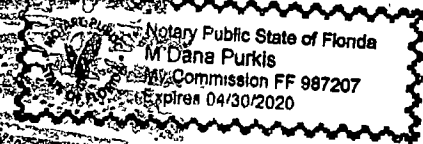
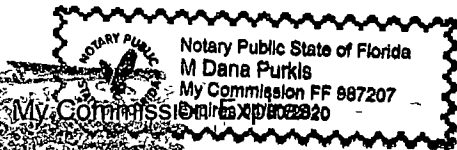
  
Michael Rywalt, Secretary

By   
Kathy Fagan, President

STATE OF FLORIDA :  
COUNTY OF BREVARD :

Before me, the undersigned authority, personally appeared Kathy Fagan and Michael Rywalt, to me personally known to be the President and Secretary, respectively, of Serena Shores Condominium of Indian Harbour Beach Condominium Association, Inc., or having produced *Self* as identification and did/did not take an oath, and they severally acknowledged before me that they freely and voluntarily executed the same as such officers, under authority vested in them by said Association.

*October* 19, 2018. Witness my hand and official seal in the State and County last aforesaid, this 19 day of



*M Dana Purkis*  
(SIGN)  
M. DANA PURKIS  
(PRINT)  
Notary Public, State of Florida at Large

**PROPOSED AMENDMENT TO THE  
DECLARATION OF CONDOMINIUM  
OF SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH**

Proposed additions shown in **bold underlining**

Proposed deletions shown in ~~strikeouts~~

Omitted but unaffected provisions are represented by \* \* \*

\* \* \*

**VI.**

**MEMBERSHIP AND VOTING RIGHTS**

The Developer and all persons hereafter owning a vested present interest in the fee title to any one of the units shown on the exhibits hereto and which interest is evidenced by ~~recording of a proper instrument in the Public Records of Brevard County, Florida, shall~~ automatically be members and their memberships shall automatically terminate when they no longer own such interest.

There shall be a total of sixteen (16) votes to be cast in Phase One and if Phase Two is added and the maximum number of units built thirty-three (33) votes by the owners of the Condominium units. Such votes shall be apportioned and cast as follows: The owner of each Condominium unit (designated as such on the exhibits attached to this Declaration) shall be entitled to cast one (1) vote. Where a Condominium unit is owned by a corporation, partnership or other legal entity or by more than one (1) person, all the owners thereof shall be collectively entitled to the vote assigned to such unit and such owners shall, in writing, designate an individual who shall be entitled to cast the vote on behalf of the owners of such Condominium unit of which he is a part until such authorization shall have been changed in writing. The term, "owner," as used herein, shall be deemed to include the Developer.

All of the affairs, policies, regulations and property of the Association shall be controlled and governed by the Board of Administration of the Association who are all to be elected annually by the members entitled to vote, as provided in the By-Laws of the Association. Each director shall be the owner of a Condominium unit (or a partial owner of a Condominium unit where such unit is owned by more than one (1) individual, or if a unit is owned by a corporation, including the Developer, any duly elected officer or officers of an owner corporation may be elected a director or directors) ~~or the spouse of the owner of a~~ **Condominium unit. In the event that the unit is owned in the name of a trust, the grantor of the trust who owns the unit or the spouse of the grantor of the trust or the beneficiary of the trust who owns the unit and who occupies the unit are eligible to serve as a Director.** The first election of directors shall be held sixty (60) days from the date of recording of the Declaration of Condominium.

The owners shall place members on the Board or Administration in accordance with the schedule as follows: When unit owners other than the Developer own fifteen percent (15%) or more of the units, the unit owners shall be entitled to elect not less than one-third (1/3) of the members of the Board of Administration. Unit owners other than the Developer shall be entitled to elect not less than a majority of the members of the Board of Administration: (a) Three years after fifty (50%) percent of the units that will be operated



ultimately by the Association have been conveyed to the purchasers; (b) Three (3) months after ninety (90%) percent of the units that will be operated ultimately by the Association have been conveyed to purchasers; (c) When all the units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business; (d) When some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business, or and (e) seven years after recordation of the declaration of condominium, or in the case of an association which may ultimately operate more than one condominium, seven years after recordation of the declaration for the first condominium it operates, or in the case of, an association operating a phase condominium created pursuant to S. 718.403, seven years after recordation of the declaration creating the initial phase, whichever shall occur first. The Developer is entitled to elect or appoint at least one member of the Board of Administration of an association as long as the Developer holds for sale in the ordinary course of business at least five (5%) percent of the units in the Condominium operated by the Association. Following the time the Developer relinquishes control of the Association, the Developer may exercise the right to vote any Developer-owned units in the same manner as any other unit owner except for purposes of reacquiring control of the Association or selecting the majority members of the Board of Administration.

The Developer reserves the right to transfer control of the Association to unit owners other than the Developer at any time, in its sole discretion. The unit owners shall take control of the Association if the Developer so elects prior to the time stated in the above schedule.

Within seventy-five (75) days after the unit owners other than the Developer are entitled to elect a member or members of the Board of Administration of an association, the Association shall call, and give no less than sixty (60) days' notice of an election for the members of the Board of Administration. The election shall proceed as provided in F.S. 718.112(2)(d). The notice may be given by any unit owner if the Association fails to do so. Upon election of the first unit owner other than the Developer to the Board of Administration, the Developer shall forward to the Division the name and mailing address of the unit owner Board member.

If, during the period prior to the time that the Developer relinquishes control of the Association any provision of the Condominium Act or any rule promulgated thereunder is violated by the Association, the Developer is responsible for such violation and is subject to the administrative action provided for such violation or violations and is liable for such violation or violations to third parties.

**PROPOSED AMENDMENT TO THE  
ARTICLES OF INCORPORATION OF SERENA SHORES CONDOMINIUM OF INDIAN  
HARBOUR BEACH CONDOMINIUM ASSOCIATION, INC.**

Proposed additions shown in **bold underlining**

Proposed deletions shown in ~~strikeouts~~

Omitted but unaffected provisions are represented by \* \* \*

\* \* \*

**ARTICLE 9  
DIRECTORS**

- 9.1 Number and Qualification. The property, business and affairs of the Association shall be managed by a board consisting of the number of directors determined in the manner provided by the By-Laws, but which shall consist of not less than three (3) directors. Directors need ~~not be members of the Association or residents of units in the Condominium.~~ **to be Unit Owners or spouses of Unit Owners. In the event that the unit is owned in the name of a trust, the grantor of the trust who owns the unit or the spouse of the grantor of the trust or the beneficiary of the trust who owns the unit and who occupies the unit are eligible to serve as a Director.**
-

**PROPOSED AMENDMENT TO THE  
BY-LAWS OF SERENA SHORES CONDOMINIUM OF INDIAN HARBOUR BEACH  
CONDOMINIUM ASSOCIATION, INC.**

Proposed additions shown in **bold underlining**

Proposed deletions shown in ~~strikeouts~~

Omitted but unaffected provisions are represented by \* \* \*

\* \* \*

4. Directors.

- 4.1 Membership. The affairs of the Association shall be governed by a Board of not less than three (3), nor more than nine (9) Directors, the exact number to be determined in the first instance in the Articles, and thereafter, except as provided herein, from time to time upon majority vote of the membership.
- Directors not appointed by the Developer must be Unit Owners **or spouses of Unit Owners. In the event that the unit is owned in the name of a trust, the grantor of the trust who owns the unit or the spouse of the grantor of the trust or the beneficiary of the trust who owns the unit and who occupies the unit are eligible to serve as a Director.**