

PROSPECTUS
FOR
CARMEL BY THE LAKE, UNIT V, A CONDOMINIUM

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 AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.

SUMMARY OF CERTAIN ASPECTS OF PROSPECTUS FOR
CARMEL BY THE LAKE, UNIT V, A CONDOMINIUM

1. THIS CONDOMINIUM WILL BE CREATED AND UNITS WILL BE SOLD IN FEE SIMPLE INTERESTS AND NOT AS LEASEHOLD INTERESTS.

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

For further information, see Subsection 7 hereof entitled "Manner of Conveying Units."

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

For further information, see Subsections 16.7 and Section 17 of the Declaration of Condominium attached as Exhibit 1 hereto.

PROSPECTUS FOR
CARMEL BY THE LAKE, UNIT V, A CONDOMINIUM

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PROSPECTUS FOR
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1. GENERAL: This Prospectus describes certain of the more important aspects of owning a unit in CARMEL BY THE LAKE, UNIT V, A CONDOMINIUM. CARMEL BY THE LAKE, UNIT V, A CONDOMINIUM, is sometimes referred to as CARMEL UNIT V or the "Condominium". It is not intended as a substitute for reading the documents that appear as exhibits to it nor as a substitute for consulting an attorney about the legal implications of purchasing a unit in the condominium.

2. TERMINOLOGY AND DATA: Many of the capitalized terms that appear in this Prospectus, such as "Developer," "Condominium Property," "Unit" and "Building" are defined in Section 2, DEFINITIONS, of the Declaration of Condominium of CARMEL BY THE LAKE, UNIT V, A CONDOMINIUM (sometimes referred to as the "Declaration"), which appears as Exhibit 1 to this Prospectus.

CARMEL BY THE LAKE CONDOMINIUM ASSOCIATION, INC. is sometimes referred to in this Prospectus as the "Condominium Association" or "Association." The Association is the entity responsible for the operation of common elements of four other condominiums. The names of the condominiums are: CARMEL BY THE LAKE, UNIT I, A CONDOMINIUM; CARMEL BY THE LAKE, UNIT II, A CONDOMINIUM; CARMEL BY THE LAKE, UNIT III, A CONDOMINIUM; and CARMEL BY THE LAKE, UNIT IV, A CONDOMINIUM. In addition the Association owns, operates and maintains other real property in which the Unit Owners have use rights, namely some of the recreational facilities.

CARMEL UNIT V will be a part of the existing multicondominium project known as "Carmel by the Lake".

Throughout the Prospectus, the Carmel by the Lake Development, including the four existing condominiums, together with the common areas operated by the Association, will be referred to as the CARMEL DEVELOPMENT. The entire CARMEL DEVELOPMENT is depicted on Sheet 4 of Exhibit A to the Declaration.

The capacities and dimensions set forth in this Prospectus are only approximations and the projected expenditures and completion dates only estimates. References to numbers of units in this Prospectus are based on the unit boundaries shown in Exhibit A to the proposed Declaration of Condominium that appears as Exhibit 1 to this Prospectus.

3. THE CONDOMINIUM'S NAME AND LOCATION: The condominium will be located in the City of Casselberry, Florida. The legal name of the Condominium is CARMEL BY THE LAKE, UNIT V, A CONDOMINIUM. Its official street address will be 1150 Carmel Circle, Casselberry, Florida 32707.

4. THE CONDOMINIUM PROPERTY AND THE UNITS GENERALLY: The improvements included in the condominium property will consist primarily of one (1) seven-story building which will contain a total of forty eight (48) units and forty eight (48) enclosed parking spaces.

The building will contain the following units: Twelve (12) Type A units, which will contain three (3) bedrooms, two (2) bathrooms and a balcony. Twelve (12) Type B units, which will contain two

(2) bedrooms, two (2) bathrooms and a balcony. Twelve (12) Type C units, which will contain three (3) bedrooms, two (2) bathrooms and a balcony. Twelve (12) Type D units, which will contain two (2) bedrooms, two (2) bathrooms and a balcony.

With regard to the forty eight (48) enclosed parking spaces, the Developer reserves the right to designate the exclusive use of the enclosed parking spaces to particular Unit Owners. The assignments shall be made by non-recordable instrument, a copy of which shall be kept by the Association as part of its permanent records, and will give the Unit Owner to whom it is assigned an exclusive right to use a particular enclosed parking space. A copy of the proposed form of Assignment of Interest in Enclosed Parking Space is attached to this Prospectus as Exhibit 9. The Developer will assign each Unit Owner the use of one (1) enclosed parking space.

Copies of proposed surveys and plot plans which depict the proposed boundaries of the Condominium Property appear in Exhibit A to the Declaration of Condominium (Exhibit 1 to this Prospectus). Exhibit A to the Declaration of Condominium shows the number of bedrooms and bathrooms in each unit, and contains a floor plan of each type of unit. The proposed surveys, plot plans and floor plans may undergo modifications during the permitting and construction of the building.

The Condominium is expected to be substantially constructed, finished and equipped prior to June 2002.

5. COMMON FACILITIES AND OTHER SHARED RECREATIONAL FACILITIES:
The only common facilities to be developed within the Condominium and used exclusively by the Unit Owners of the Condominium are (a) the building lobby; (b) hallways, stairwells and elevators located within the condominium building; and (c) the enclosed parking area located beneath the condominium building. All of these common facilities will be completed at the time of construction of the condominium building.

In addition, the Developer owns additional property which surrounds the Condominium. On this property is located a part of some of the common facilities that serve all of the condominiums that are a part of the CARMEL DEVELOPMENT. Developer has agreed to convey title to this surrounding property to the Association at the time that CARMEL UNIT V is completed. Upon the conveyance of the property, the Unit Owner will have the nonexclusive right to use all the common facilities in the CARMEL DEVELOPMENT.

The common expenses that are directly related to the maintenance and repair of CARMEL UNIT V shall be the obligation of the Association. The Association will in turn charge the 48 Unit Owners of CARMEL UNIT V, their proportional share of these common expenses.

In addition to the common facilities located in CARMEL UNIT V, there are other recreational facilities which will be shared by the Unit Owners of CARMEL UNIT V with the other four condominiums operated by the Association which are a part of the CARMEL DEVELOPMENT. These shared facilities are located on either property owned by the Association or property that is part of one of the other four condominiums. These common facilities include a clubhouse, pool, racquetball court, tennis court, boat ramp and boat dock. These facilities may be used by all the Unit Owners of

CARMEL UNIT V. Each Unit Owner will be obligated to pay the Association a portion of the common expenses for the maintenance of these common facilities.

6. THE CONDOMINIUM ASSOCIATION: Upon taking title to their unit, each Unit Owner will automatically become a member of CARMEL BY THE LAKE CONDOMINIUM ASSOCIATION, INC., a non-profit corporation that will be responsible for administering the condominium's affairs through its Board of Directors. The Association is also responsible for administering the affairs of the other four condominiums located within the Carmel Development. The Condominium Association's By-Laws, which are included in this Prospectus as Exhibit C to the Declaration of Condominium and Exhibit 4 to this Prospectus, govern the voting rights of Unit Owners, the manner in which the Condominium Association's meeting will be conducted, the manner in which assessments will be levied and collected, the manner in which the By-Laws may be amended, and a number of other matters of concern to Unit Owners. Prospective purchasers are urged to read the By-Laws in their entirety.

7. MANNER OF CONVEYING UNITS:

THIS CONDOMINIUM WILL BE CREATED AND UNITS WILL BE SOLD IN FEE SIMPLE INTERESTS AND NOT AS LEASEHOLD INTERESTS.

Purchasers will acquire fee simple title to their respective units as opposed to leasehold interests in them.

Conveyances will be made by warranty deeds (see Section 1 of the Contract for Sale and Purchase Agreement, Exhibit 7 to this Prospectus).

THE UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.

Although the Developer's present plans do not include leasing its units (except possibly on a short-term basis until they can be sold), it reserves the right to lease one or more of them if market conditions indicate it would be advisable to do so and to convey any leased unit subject to the lease on it.

8. RESTRICTIONS ON USE: Each Unit is restricted to use as a residence (see Subsection 16.1 of the Declaration of Condominium for a detailed explanation of who may occupy a Unit, including rigid limitations on the number of persons who may occupy each type of Unit). Children are permitted to reside in Units but are restricted in certain activities (see the Rules and Regulations that appear in this Prospectus as Exhibit 5).

With the exception of small birds or fish housed in suitable cages or aquariums, no animal may be kept on the Condominium Property unless it has been approved by the Association's Board of Directors, or unless it is either a dog that weighs less than 50 pounds, a household cat, or another "household pet" (as defined by the Condominium Association) and is capable of being hand-carried. With the exception of small fish and birds, no more than two animals may be kept by any Unit Owner. Any pet that becomes obnoxious to other Unit Owners is subject to immediate removal from the Condominium Property. See Subsection 16.2 of the Declaration of Condominium for a description of additional restrictions on pets.

In general, no behavior or practice is permitted on the Condominium Property that is illegal or immoral, that endangers or unreasonably annoys other Unit Owners or occupants of Units or that might cause the premiums for insurance on the Condominium Property to be increased. The Condominium's Common Elements may be used only for purposes for which they are reasonably suited. For additional information, see Subsections 16.4-16.6 of the Declaration of Condominium.

The parking spaces are only available for use by automobiles, motorcycles, and small, non-work trucks, used for transportation, which are in operating condition. No other vehicles are permitted, including recreational vehicles, motor homes, trailers, boats, and commercial trucks or vehicles (other than pickup trucks for personal use of the owner to a minimum of three-quarter (3/4) ton capacity) are permitted to be parked or placed on any part of the Condominium Property except (a) in designated areas or (b) on a temporary basis for pick-up, delivery and other commercial services. For more information, see Section 16.14 of the Declaration of Condominium.

Without first obtaining the consent of the Condominium Association's Board of Directors, no Unit Owner may make certain alterations or additions to the Condominium's Common Elements or their Unit. These restrictions include the prohibiting of displaying any signs on the Condominium Property or any Unit, as well as prohibiting the hanging of any garments, rugs, etc. from the windows or from any portion of the Condominium Property. Also, no external antenna may be erected on the Condominium Property except for a satellite dish for the personal use of the owner or owners which is 18" or less in diameter (for details on these and other similar restrictions, see Subsections 9.1, 9.2, 16.3 and 16.8 of the Declaration of Condominium, and the Rules and Regulations of the Association, which is Schedule A to the By-Laws).

The use of the Condominium Property will also be governed by the rules and regulations that appear in this Prospectus (Exhibit 5 to this Prospectus). These rules and regulations govern, among other things, the handling of pets on the Common Elements, the use of the pool and other common facilities and parking. The Condominium Association's Board of Directors may adopt additional rules and regulations that supplement or supplant the initial rules and regulations set forth in this Prospectus, as long as they are consistent with the Declaration of Condominium.

9. RESTRICTIONS ON UNIT LEASING.

THE LEASE OF UNITS BY UNIT OWNERS IS RESTRICTED AND CONTROLLED.

For more information, see Section 16.7 of the Declaration of Condominium, Exhibit 1 to this Prospectus, for a detailed description of certain of the restrictions and controls, the chief of which is that units may not be rented or leased for an initial term of less than seven (7) months.

10. UTILITIES AND CERTAIN OTHER SERVICES. Utilities and the other services mentioned below will be furnished as indicated:

Electricity
Telephone

Florida Power Corporation
Sprint

Water	City of Casselberry
Sanitary Sewage & Waste Disposal	City of Casselberry
Solid Waste Removal	Waste Management
Storm Drainage	City of Casselberry
Cable Television	Time Warner Cable

11. APPORTIONMENT OF THE CONDOMINIUM ASSOCIATION'S COMMON EXPENSES AND OWNERSHIP OF THE COMMON ELEMENTS: The Owners of each Unit will own an equal undivided percentage interest in the Condominium's Common Elements and Common Surplus and will be obligated for the same percentage share of the Condominium's Common Expenses. The undivided percentage interest in the Common Elements and Common Surplus, and the percentage share of the Condominium's Common Expenses, appurtenant to each Unit is one-forty-eighth (1/48th).

All Unit Owners will be members of the Condominium Association. All funds and properties acquired or held by the Association, and their proceeds, shall be held in trust for all the members of the Association. The Unit Owners interest in the Association's Common Expenses, Common Surplus and Common Property is 1/112th. The Declaration of Condominium (the Declaration is Exhibit 1 to this Prospectus) also sets forth the allocation of percentages among the Units in the Condominium.

12. CLOSING CHARGES AND ADJUSTMENTS. Each purchaser will have to pay the following closing charges at closing, in addition to the balance of the purchase price:

- A. the Florida documentary stamp tax payable on the deed;
- B. the charge for recording the deed in the public records;
- C. initial start-up fee of \$500.00 for working capital for the Condominium Association (these initial start-up fees are not a prepayment of any future assessments relative to the Unit);
- D. the prorated Assessments on the Unit payable to the Condominium Association for the remainder of the month in which the closing occurs;
- E. the fee of the purchaser's attorney, if he engages one; and
- F. any applicable sales tax.

If the purchase is financed by a mortgage loan, whatever closing fees and charges the lender imposes on him. These would normally include:

- A. Documentary stamps on the mortgage (currently at the rate of \$.35 per \$100 of the amount of the note secured by the mortgage) and an intangible tax on the mortgage (currently at the rate of \$2.00 per \$1,000 of the amount of the note);
- B. "points" on the loan;

- C. the lender's attorney's fees;
- D. a certain amount of prepaid interest, and a sum that will be placed in an "escrow account" to cover real estate taxes and insurance premiums when they become due;
- E. the cost of a credit report, the premium on a mortgagee's title insurance policy and various other of the lender's expenses in making the loan; and
- F. in some cases, a premium for private mortgage insurance.

Pro-ratable expenses relating to the Unit, such as real estate taxes and municipal and county assessments will be prorated and adjusted between the Developer and the purchaser at closing. If the purchaser is unable or unwilling to close on a date that was properly scheduled by the Developer but eventually closes on a later date, all prorations will be made as of the date originally scheduled by the Developer (see the form Purchase Agreement that appears as Exhibit 7 to this Prospectus). The method by which real estate taxes will be prorated is spelled out in detail in the Purchase Agreement form.

13. ESTIMATED OPERATING BUDGET. A one-year Estimated Operating Budget for the Condominium Association and the Condominium is included in this Prospectus as Exhibit 6. The exhibit contains estimates only and does not take into account the possible effects of inflation. Accordingly, the amounts shown may increase from time to time to reflect the actual costs of operation, management, maintenance and the like. Exhibit 6 in this Prospectus sets forth each Unit's share of the budget. Monthly Assessments for the Condominium Association's and the Condominium's expenses are, however, guaranteed under the terms and conditions set forth in Section 12.6 of the Declaration of Condominium for a period ending six months from the date of recording of the Declaration of Condominium. The Developer may, at its discretion, extend this guarantee period for up to an additional two (2) years, in monthly time increments.

14. MANAGEMENT AND SERVICE CONTRACTS:

There is a contract for the management of the condominium property with Womack and Company, Inc. This Contract is attached as Exhibit 11 to the Prospectus.

There are currently no maintenance or service contracts that affect the Condominium Property or Common Elements. The Condominium Association is empowered, however, at any time and from time to time, to enter into whatever maintenance or service contracts the Board of Directors approve without the consent of Unit Owners or contract purchasers. Any such maintenance and service contracts may be subject to cancellation by the Condominium Association and by Unit Owners directly in accordance with Section 718.302 Florida Statutes.

15. DISCLAIMER OF WARRANTIES: The Developer makes no express warranties other than those provided in the Purchase Agreement, and expressly disclaims any common law implied warranties, including but not limited to, any common law implied warranties of fitness, merchantability or habitability, and any other common

law implied warranties. Nothing contained in this paragraph should be construed by the Buyer as a disclaimer of any of the warranties expressly provided for in Florida Statute §718.203(1), which requires that the Developer grant certain warranties to Unit Buyers.

16. THE DEVELOPER: The Developer, R.P.L. DEVELOPMENT, INC., is a Florida corporation doing business as Royal Palm Homes. ALBERT KODSI, is the President of R.P.L. DEVELOPMENT, INC. He has more than eighteen (18) years experience in real estate development and sales in Florida. Mr. Kodsí has been associated with numerous condominium projects in Brevard County, Florida, including Costa Del Sol and the Oaks in Cape Canaveral, Florida; Crescent Beach Club and Wavecrest in Cocoa Beach, Florida; Shadow Green I & II in Titusville, Florida; The Horizon in Satellite Beach, Florida; Coral Reef, Royal Palm, Silver Palm, Jade Palm in Indialantic, Florida; and Golden Palm, in Indian Harbour Beach, Florida.

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This instrument prepared by:
JOHN B. SHOEMAKER
P. O. Box 320808
Cocoa Beach, Florida 32932-0808

DECLARATION OF CONDOMINIUM
OF
CARMEL BY THE LAKE, UNIT V, A CONDOMINIUM

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DECLARATION OF CONDOMINIUM

OF

CARMEL BY THE LAKE, UNIT V, A CONDOMINIUM

R.P.L. DEVELOPMENT, INC., a Florida corporation (hereinafter called the "Developer"), does hereby declare as follows:

1 INTRODUCTION AND SUBMISSION.

1.1 The Land. The Developer owns the fee title to certain land located in the City of Casselberry, Seminole County, Florida, as more particularly described on Sheet 3 and 4 of Exhibit A attached hereto, which is hereinafter referred to as the "Land."

1.2 Submission Statement. The Developer hereby submits the Land and all Improvements erected or to be erected thereon, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, to the condominium form of ownership and use in the manner provided by the Florida Condominium Act as it exists on the date hereof.

1.3 Name. The name by which this condominium is to be identified is CARMEL BY THE LAKE, UNIT V, A CONDOMINIUM (hereinafter called the "Condominium").

1.4 The Carmel by the Lake Development. The Condominium is being developed as a part of a multicondominium development known as Carmel by the Lake. Carmel by the Lake consists of four condominiums all of which are operated by the Carmel by the Lake Condominium Association, Inc. ("Association") In addition to the four condominiums, the Carmel by the Lake Development also includes certain recreational facilities which are located in whole or in part of land owned by the Association.

Upon submission of the Declaration, Developer is also conveying title to certain property to the Association. This property is described in Sheet 4 of Exhibit A to the Declaration.

Each unit owner in the Condominium will become a member of the Association and have the right to use the common facilities owned by the Association.

2 DEFINITIONS. The following terms when used in this Declaration and in its exhibits, and as they may hereafter be amended, shall have the meaning ascribed to them in this Section, except where the context clearly indicates a different meaning:

2.1 "Act" means the Condominium Act (Chapter 718 of the Florida Statutes) as it exists on the date this Declaration is recorded.

2.2 (Intentionally omitted.)

2.3 "Assessment" means a share of the funds required for the payment of Common Expenses which from time to time is assessed against the Unit Owner.

2.4 "Association" or "Condominium Association" means CARMEL BY THE LAKE CONDOMINIUM ASSOCIATION, INC., a not for profit Florida corporation and the entity responsible for the operation of the Condominium.

2.5 "Board of Directors" or "Board" means the Association's board of administration.

2.6 "Building" means the structure or structures which are located in or on the Land and in which the Units are located, irrespective of the number of such structures.

2.7 "By-Laws" mean the By-Laws of the Association.

2.8 "Common Elements" mean and include:

2.8.1 The portions of the Condominium Property which are not included within the Units.

2.8.2 Easements through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility and other facilities for the furnishing of utility and other services to Units and the Common Elements.

2.8.3 An easement of support in every portion of a Unit which contributes to the support of the Building.

2.8.4 The property and installations required for the furnishing of utilities and other services to more than one Unit or to the Common Elements.

2.8.5 Any other parts of the Condominium Property designated as Common Elements in this Declaration.

2.9 "Common Expenses" include the expenses of the operation, maintenance, repair, replacement or protection of the Common Elements, Condominium Property and Association Property; costs of carrying out the powers and duties of the Association; and any other expense, whether or not included in the foregoing, which is designated as a Common Expense pursuant to the Florida Condominium Act, this Declaration, the Articles of Incorporation or By-Laws of the Condominium Association. "Common Expenses" shall also include the cost of a master antenna television system or duly franchised cable television service obtained pursuant to a bulk contract.

2.10 "Common Surplus" means the excess of all receipts of the Association, including, but not limited to, Assessments, rents, profits and revenues on account of the Common Elements, over the amount of Common Expenses.

2.11 "Condominium Development" means the Carmel by the Lake condominium development, consisting of Carmel by the Lake, Unit I, a Condominium; Carmel by the Lake, Unit II, a Condominium; Carmel by the Lake, Unit III, a condominium; and Carmel by the Lake, Unit IV, a condominium, and any property owned by the Carmel by the Lake Condominium Association, Inc., now or in the future, as graphically described on Sheet 4 of Exhibit A.

2.12 "Condominium Parcel" means a Unit together with the undivided share in the Common Elements which is

appurtenant to said Unit; and when the context permits, the term includes all other appurtenances to the Unit.

2.13 "Condominium Property" means the Land and personal property that are subjected to condominium ownership under this Declaration, all Improvements on the Land, all easements and rights appurtenant thereto intended for use in connection with the Condominium, and all other property, real, personal or mixed, which is made subject to this Declaration as hereinafter described, and the support columns and other structural elements.

2.14 "County" means the County of Seminole, State of Florida.

2.15 "Declaration" or "Declaration of Condominium" means (and "hereof," "herein," "hereto" and words of similar import refer to) this instrument, as it may be amended from time to time.

2.16 "Developer" means R.P.L. DEVELOPMENT, INC., a Florida corporation and any successor or assignee of all or part of that corporation's rights hereunder; provided that no Unit Owner shall, solely by reason of his purchasing a Unit, be considered a successor or assignee of such rights unless he is expressly designated as such in an instrument executed and recorded by the Developer.

2.17 "Improvements" mean all structures and artificial changes to the natural environment (exclusive of landscaping) which are located on the Condominium Property, including, but not limited to, the Building.

2.18 "Institutional First Mortgagee" means any of the following that holds a first mortgage on a Unit or Units: a bank, a savings and loan association, an insurance company, a real estate or mortgage investment trust, a pension fund, an agency of the United States Government, a mortgage company, a mortgage banker, a lender generally recognized as an institutional-type lender, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Developer, or the assignee of any such mortgage originally held by one of the foregoing.

2.19 "Limited Common Elements" means those Common Elements the use of which are reserved to a certain Unit or Units to the exclusion of other Units, as specified in this Declaration. Any reference herein to Common Elements shall include also all Limited Common Elements unless the context would prohibit or it is otherwise expressly provided.

2.20 "Primary Institutional First Mortgagee" shall mean the lender which advances the bulk of the funds for the Condominium's construction until that institution's mortgage on the Condominium Property is completely satisfied, and thereafter shall mean the Institutional First Mortgagee which at any time owns all the existing mortgages on Units or owns mortgages on Units securing a greater aggregate indebtedness than that secured by mortgages on Units owned by any other Institutional First Mortgagee.

2.21 "Surface Water or Stormwater Management System" shall mean 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, overdrainage, environmental degradation, and water pollution or otherwise affect the quantity and quality of discharges.

2.22 "Unit" means a part of the Condominium Property which is subject to exclusive ownership.

2.23 "Unit Owner," "Owner of a Unit" or "Owner" means the Owner of a Condominium Parcel.

3 DESCRIPTION OF CONDOMINIUM.

3.1 Identification of Units. The Land has constructed thereon, one (1) seven-story building. The seven-story building will contain forty eight (48) units and forty eight (48) enclosed parking spaces.

3.1.1 The building will contain the following units: Twelve (12) Type A units, which will contain three (3) bedrooms/two (2) bathrooms and a balcony. Twelve (12) Type B units, which will two (2) bedrooms/two (2) bathrooms and a balcony. Twelve (12) Type C units, which will contain three (3) bedrooms/two (2) bathrooms and a balcony. Twelve (12) Type D units, which will contain two (2) bedrooms/two (2) bathrooms and a balcony.

3.1.2 Each unit is identified by separate designation set forth on Sheets 6 through 11 of Exhibit A attached hereto. Exhibit A consists of a survey of the Land, a graphic description of the improvements located thereon, including, but not limited to, the building in which the Units and enclosed parking spaces are located, and a plot plan thereof. Said Exhibit A, together with this Declaration, is sufficient in detail to identify the Common Elements and each Unit and their relative locations and approximate dimensions.

3.1.3 There shall pass with each Unit as appurtenances thereto:

3.1.3.1. An undivided share in the Common Elements and Common Surplus;

3.1.3.2. The exclusive right to use such portion of the Common Elements as may be provided in this Declaration;

3.1.3.3. An exclusive easement for the use of the airspace occupied by the Unit as it exists at any particular time and as the Unit may lawfully be altered or reconstructed from time to time; and

3.1.3.4. A membership in the Association and an undivided 1/112th interest in the funds, and assets held by the Association.

3.1.3.5. A non-exclusive easement across and through all of the Condominium Development, excluding any Units and Limited Common Elements contained in Carmel by the Lake, Unit I, a Condominium; Carmel by the Lake, Unit II, a Condominium; Carmel by the Lake, Unit III, a condominium; and Carmel by the Lake, Unit IV, a condominium for (a) vehicular and pedestrian

ingress and egress; and (b) utilities that are necessary to serve the Condominium.

3.1.3.6 Other appurtenances as may be provided in this Declaration.

3.2 Unit Boundaries. Each Unit shall include that part of the Building containing the Unit that lies within the boundaries of the Unit, which boundaries are as follows:

3.2.1 Upper and Lower Boundaries. The upper and lower boundaries of the Unit shall be the following boundaries extended to their planar intersections with the perimetrical boundaries:

3.2.1.1 Upper Boundaries. The horizontal plane(s) of the unfinished lower surface(s) of the structural ceiling (which, in the case of a multi-story Unit, shall be deemed to be the ceiling of the top story of the Unit) including, in the case of a Unit in which the ceiling forms more than one plane, the plane(s) formed by the unfinished vertical surface(s) that join the horizontal planes.

3.2.1.2 Lower Boundaries. The horizontal plane(s) of the unfinished upper surface(s) of the concrete floor of the Unit (which, in the case of a multi-story Unit, shall be deemed to be the concrete floor of the first story of the Unit), including, in the case of a Unit in which the floor forms more than one horizontal plane, the plane(s) formed by the unfinished vertical surface(s) that join the horizontal planes.

3.2.1.3 Interior Divisions. Except as provided in subsections 3.2.1.1 and 3.2.1.2 above, no part of a nonstructural interior wall shall be considered a boundary of a Unit.

3.2.2 Perimetrical Boundaries. The perimetrical boundaries of the Unit shall be the vertical planes of the unfinished interior surfaces of the walls bounding the Unit extended to their planar intersections with each other and with the upper and lower boundaries.

3.2.3 Apertures. In cases in which there are apertures in a boundary (including, but not limited to, windows, doors, conversation pits and skylights) the Unit's boundaries shall be extended so that the interior unfinished surfaces of such apertures (including all frameworks thereof) and the exterior surfaces of such apertures that are made of glass or other transparent material (including all framing and casings therefor) are within the boundaries of the Unit.

3.2.4 Role of Survey. In cases not specifically covered in this Section 3.2 and/or in any case of conflict or ambiguity, the survey of the Units set forth as Exhibit "A" hereto shall control in determining the boundaries of a Unit.

3.3 Limited Common Elements. The Limited Common Elements shall consist of the areas, spaces, structures and

fixtures described in Subsections 3.3.1-3.3.4. Whenever these paragraphs refer to a Limited Common Element being appurtenant to a Unit, the intent is that the Limited Common Element is reserved for the exclusive use of the Owner of that Unit and the occupants of the Unit to the extent the occupants are entitled to use the Unit. Any transfer of a Unit shall operate to transfer the right of exclusive use of the Limited Common Element appurtenant to that Unit, unless otherwise provided specifically to the contrary herein.

3.3.1 Balconies and Patios. Any balcony or patio which adjoins a Unit that is the only Unit having direct and immediate access to it shall be a Limited Common Element appurtenant to that Unit. For purposes of this Declaration, balcony or patio shall include any railings or parapet partially surrounding it, as well as any planter or fixtures which are part of, or contained on or within the balcony or patio.

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

3.3.3 Enclosed Parking Spaces. There will be forty eight (48) enclosed parking spaces located on the first floor of the building, as shown on Sheet 5 of Exhibit A. The Developer intends to assign the exclusive right to use the enclosed parking spaces to the Unit Owners of the Condominium. The Developer will assign the exclusive right to use one(1) enclosed parking space to each Unit Owner. The Developer reserves the right to assign the enclosed parking spaces for the exclusive use of individual Unit Owners. The assignment shall be made by a non-recordable instrument (a copy of which shall be kept by the Association as part of its permanent records) and shall operate to give the Unit Owner to whose Unit the assignment is made an exclusive right to use the enclosed parking space as a Limited Common Element. Upon such assignment, the enclosed parking space shall be a Limited Common Element. Any enclosed parking space that is assigned to a Unit Owner may be assigned by that Unit Owner to any other Unit Owner. To be effective, the assigning Unit Owner must deliver to the assignee Unit Owner, a non-recordable instrument executed by the assigning Unit Owner that identifies the enclosed parking space, the Unit to which it was originally assigned, and the Unit to which it is being assigned. In addition, to be effective, a copy of the instrument must be delivered to the Association. The Association shall keep the instrument as part of its permanent records. The Developer may keep any fee or charge it receives from a Unit Owner when it assigns the enclosed parking space to a Unit Owner. Notwithstanding anything herein to the contrary, there shall exist an easement over all enclosed parking spaces in favor of the Association and all Unit Owners for ingress and egress to any of the Common Elements. Unit Owners shall do nothing within or outside the Enclosed Parking Space(s) assigned to their Unit which would interfere with or impair with the right of the Association or the Unit Owners to gain ingress or egress to any of the Common Elements. Nothing contained herein shall affect the exclusive right of

the Unit Owner to use their assigned Enclosed Parking Space(s) for parking their automobile.

3.3.4 {Intentionally Omitted.}

3.3.5 Mortgagee Provision. Anything to the contrary herein notwithstanding, if a Unit Owner mortgages his Unit together with the right to use the Limited Common Elements appurtenant to it, his rights to use the Limited Common Elements shall not be assignable apart from the Unit.

3.4 Easements. The following easements are hereby created (in addition to any easements created under the Act):

3.4.1 Support. Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

3.4.2 Utility and Other Services; Drainage. Easements for utility and other services are reserved under, through and over the Condominium Property as may be required from time to time to serve the Condominium. A Unit Owner shall do nothing within or outside his Unit that interferes with or impairs, or may interfere with or impair, the provision of such utility or other services or drainage facilities or the use of these easements. The Board of Directors of the Association or its designee shall have a right of access to each Unit to maintain, repair or replace any Common Elements, including but not limited to, the pipes, wires, ducts, vents, cables, conduits and other utility, service and drainage facilities and any Common Elements contained in the Unit or elsewhere in the Condominium Property, and to remove any Improvements interfering with or impairing such facilities or easements herein reserved; provided such right of access, except in the event of an emergency, shall be made on not less than one (1) day's notice.

3.4.3 Encroachments. If (a) any portion of the Common Elements encroaches upon any Unit or vice versa; (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements; or (c) any encroachment hereafter occurs as a result of (i) construction of the Improvements, (ii) settling or shifting of the Improvements, (iii) alteration or repair to the Common Elements made by or with the consent of the Association, or (iv) repair or restoration of the Improvements (or any portion thereof) or any Unit after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements, then, in any such event, a valid easement shall exist for such encroachment and its maintenance as long as the Improvements involved stand.

3.4.4 Ingress and Egress. A non-exclusive easement as part of the Common Elements in favor of each Unit Owner or any Unit Owner in the Carmel Development, and resident, their guests and invitees, shall exist over streets, walks, and other rights-of-way to provide ingress and egress from the

Condominium Property to State Road 436. None of the easements specified in this Subsection 3.4.4 shall be encumbered by any leasehold or lien other than those on the Condominium Parcels. Any such lien encumbering such easements (other than those on Condominium Parcels) shall automatically be subordinate to the rights of Unit Owners with respect to such easements.

3.4.5 Sales Activity. The Developer and its designees, successors and assigns shall have the right to use any such Units and parts of the Common Elements for model apartments and sales offices, to show model apartments and the Common Elements to prospective purchasers, and tenants of Units, to erect on the Condominium Property signs and other promotional materials to advertise Units for sale or lease (without regard to the size or aesthetic qualities of the materials) and to take any and all actions which, in the Developer's opinion, may be helpful for selling or leasing Units or for promoting CARMEL BY THE LAKE, UNIT V, A CONDOMINIUM, and its operations generally.

3.4.6 Cable Television. The Developer reserves unto itself, its successors, assigns, contractors, designees and nominees, (i) ownership of any closed circuit television system, master antenna system, community antenna television system or the like (including any and all related conduits, wires, amplifiers, antennas, towers and other apparatus and equipment) which it (or one of its successors, assigns, designees or nominees) installs in part or whole on the Condominium Property (any such system and its related apparatus and equipment being hereinafter referred to as "the System"), (ii) a perpetual easement over, through and across the Condominium Property for the installation, servicing, maintenance, repair, replacement and removal of the System or any part thereof, (iii) the right to connect the System to whatever receiving source the owner of the System deems appropriate, and (iv) the right to provide (or cause to be provided) services to Units through the System (and related, ancillary services to Units) at charges not to exceed those normally paid for like services by residents of, or providers of such services to, single-family homes or condominium units.

3.4.7 Additional Easements. The Association, on its behalf and on behalf of all Unit Owners (each of whom hereby appoints the Association as his irrevocable attorney-in-fact for this purpose), shall each have the right to grant additional electric, gas or other utility or service easements in any portion of the Condominium Property, to relocate any existing utility or service easements or drainage facilities in any portion of the Condominium Property, and to grant access easements or relocate any existing access easements in any portion of the Condominium Property, as the Association deems necessary or desirable for the proper operation and maintenance of the Improvements (or any portion thereof), for the general health or welfare of the Unit Owners, or for the purpose of carrying out any provisions of this Declaration, provided that the easements as created or relocated will not prevent or unreasonably interfere with the reasonable use of the Units for the intended purposes.

3.4.8 Surface Water or Stormwater Management System. 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 any lot 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 the prior written approval of the St. Johns River Water Management District.

3.5 Support Elements. Any columns and other structural elements lying within the Common Elements but necessary to the support and structural integrity of the Building shall be and are hereby declared to be Common Elements of the Condominium whether or not included in Exhibit A hereto.

4 RESTRAINT UPON SEPARATION AND PARTITION OF COMMON ELEMENTS. The appurtenant share in the Common Elements and Common Surplus, and the exclusive right to use all Limited Common Elements appurtenant to a Unit cannot be conveyed or encumbered except together with the Unit. The respective shares in the Common Elements appurtenant to Units shall remain undivided, and no action for partition of the Common Elements, the Condominium Property, or any part thereof, shall lie, except as provided herein with respect to termination of the Condominium.

5 OWNERSHIP OF COMMON ELEMENTS AND COMMON SURPLUS AND SHARE OF COMMON EXPENSES; VOTING RIGHTS.

5.1 Percentage Ownership and Shares. The undivided percentage interest in the Condominium's Common Elements and the Condominium's Common Surplus, and the percentage share of the Condominium's Common Expenses, appurtenant to each Unit is one-forty eighthieth (1/48th).

The undivided percentage interest in the Association and the percentage share of the Association's Common Expense is one hundred twelfth (1/112th).

5.2 Voting. Each Unit shall be entitled to one vote in Condominium Association matters to be cast by its Owner in accordance with the provisions of the By-Laws and Articles of Incorporation of the Association. Each Unit Owner shall be a member of the Condominium Association.

6 AMENDMENTS. Except as elsewhere provided herein, amendments may be effected as follows:

6.1 By the Association. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors of the Association 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. Except as elsewhere provided, approvals must be by affirmative vote of:

6.1.1 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

6.1.2 After such time that Unit Owners other than the Developer elect a majority of the Board of Directors, Unit Owners owning not less than two-thirds (2/3rds) of the Units represented at any meeting at which a quorum has been attained.

6.2 By The Developer. To the extent permitted by the Florida Condominium Act, as amended from time to time, the Developer, during the time it is in control of the Board of Directors may amend the Declaration; the Articles of Incorporation, the By-Laws of the Association and applicable rules and regulations to correct an omission or error, or effect any other amendment, except that this procedure for amendment cannot be used if such an amendment would, in the reasonable opinion of the Developer, materially adversely affect substantial property rights of Unit Owners, unless the affected Unit Owners consent in writing. The execution and recording of any amendment by the Developer pursuant to this Paragraph 6.2 shall be conclusive evidence that the amendment does not materially adversely affect substantial property rights of Unit Owners who did not join in or consent to such execution, and any such amendment shall be effective as provided below unless subsequently rescinded. Without in any way limiting the generality of the foregoing, as long as it owns one or more Units, the Developer shall have an absolute right to make any amendments to this Declaration (without any other party's consent or joinder) that are requested or required by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association or any other governmental or quasi-governmental body which owns or expects to own one or more institutional first mortgages on Units or to insure the payment of one or more such mortgages or that are requested or required by any Institutional First Mortgagee or prospective Institutional First Mortgagee to enhance the salability of its first mortgages on Units to one or more of the foregoing.

6.3 Execution and Recording. An amendment, other than amendments made by the Developer alone pursuant to the Act or this Declaration, shall be evidenced by a certificate of the Association which shall include recording data identifying the Declaration and shall be executed in the form required for the execution of a deed. Amendments effected by the Developer must be evidenced in writing and recorded, but a certificate of the Association is not required. An amendment of the Declaration is effective when properly recorded in the Public Records of the County.

6.4 Alteration of Common Elements, Etc. Unless otherwise provided specifically to the contrary in this Declaration, no amendment shall change the configuration or

size of any Unit in any material fashion, materially alter or modify the appurtenances to any Unit, or change the percentage by which the Owner of a Unit shares the Common Expenses and owns the Common Elements and Common Surplus, unless record Owner(s) of the affected Unit(s), a majority of Unit Owners, and all record owners of mortgages or other liens on the affected Unit(s), shall join in the execution of the amendment.

6.5 Consent and Joinder of Mortgagee in Amendment.

The consent and joinder of any mortgagee of any Unit to or in any amendment to the Declaration is required for any amendment which materially affects the rights and interests of the mortgagee, or as otherwise required by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation. If the consent or joinder of some or all of the mortgagees of the Units is required in accordance with this paragraph, then such consent may not be unreasonably withheld by the mortgagee. For purposes of this paragraph, it shall be presumed that other than an amendment pursuant to Paragraph 6.4 or an amendment permitting the creation of time-share estates, that such amendments shall not materially affect the rights or interests of any mortgagee.

7 MAINTENANCE AND REPAIRS.

7.1 Units. All maintenance of any Unit, whether ordinary or extraordinary, (including, without limitation, maintenance of screens, windows (both sides), any hurricane shutters installed by a Unit Owner, the interior side of the entrance door and all other doors within or affording access to a Unit, that portion of the electrical (including wiring) and plumbing (including fixtures and connections), fixtures and outlets, appliances, carpets and other floor covering lying within the boundaries of the Unit, all interior surfaces and, in general, the entire interior of the Unit), as well as the air-conditioning and heating equipment lying within the boundaries of the Unit, shall be performed by the Owner of such Unit at that Owner's sole cost and expense, except as otherwise expressly provided to the contrary herein.

7.2 Common Elements.

7.2.1. Condominium Common Elements: Except to the extent expressly provided to the contrary in Subsection 7.3 or elsewhere herein, all maintenance in or to the Common Elements shall be performed by the Association. The cost and expense thereof shall be charged to all Unit Owners as a Common Expense, except to the extent it arises from or is necessitated by the negligence or misuse of a specific Unit Owner or Owners in the opinion of the Board, in which case such Unit Owner(s) shall be responsible therefor except to the extent the proceeds of insurance are made available therefor.

7.2.2. Association Common Facilities to be maintained by the Association: All maintenance in or to the Common Facilities shall be performed by the Association. The cost and expense thereof shall be charged to all Unit Owners as a Common Expense, except to the extent it arises from or is necessitated by the negligence or misuse of a specific Unit Owner or Owners in the opinion of the Board, in which case such Unit

Owner(s) shall be responsible therefor except to the extent the proceeds of insurance are made available therefor.

7.3 Limited Common Elements.

7.3.1 Balconies. Each Unit Owner shall, at his sole cost and expense, maintain the surface of the floor, ceiling and walls of any balcony that is appurtenant to his Unit as a Limited Common Element, including any railings, the surface of the interior face of any parapet that partially surrounds that balcony, and any wiring, electrical outlets, light bulbs or other fixtures located on or in that balcony.

7.3.2 Air Conditioning and Heating Equipment. Each Unit Owner shall, at his sole cost and expense, maintain any and all air conditioning and heating equipment which is a Limited Common Element appurtenant to his Unit.

7.3.3 Enclosed Parking Spaces. The Association shall be responsible for the maintenance of the enclosed parking spaces, which expense shall be a Common Expense of the Association. However, in the event that any Unit Owner adds any improvement to their enclosed parking space, such Unit Owner shall be responsible for the maintenance of such improvement.

7.4 Definition of "Maintenance". When used in this Section 7, unless the context requires otherwise, the term "maintenance" and its correlatives shall be read to mean keeping the item to be maintained in a clean and orderly condition and painting, repairing and replacing it when reasonably necessary.

8 ADDITIONS, ALTERATIONS OR IMPROVEMENTS BY THE ASSOCIATION. Whenever in the judgment of the Board of Directors, the Common Elements, or any part thereof, shall require capital additions, alterations or improvements (as distinguished from repairs and replacements) costing in excess of \$50,000.00 (which amount shall be increased each twelve (12) month period after this Declaration is recorded to keep pace with increases in the Consumer Price Index as published by the United States Bureau of Labor Statistics [or if that index be unavailable, some other suitable index designed to reflect changes in the cost of living selected by the Board]) in the aggregate in any calendar year, the Association may proceed with making such additions, alterations or improvements only if the making of such additions, alterations or improvements shall have been approved by a majority of the Units represented at a meeting at which a quorum is attained. Any such additions, alterations or improvements to such Common Elements, or any part thereof, costing \$50,000.00 (increased as aforesaid) or less in the aggregate in a calendar year may be made by the Association without approval of the Unit Owners. The cost and expense of any such additions, alterations or improvements to such Common Elements shall constitute a part of the Common Expenses and shall be assessed to the Unit Owners as Common Expenses.

9 ADDITIONS, ALTERATIONS OR IMPROVEMENTS BY UNIT OWNERS.

9.1 By Non-Developer Unit Owners. No Unit Owner other than Developer shall make any structural addition, alteration or improvement in or to the Common Elements, his Unit or any Limited Common Element, without the prior consent of the Board of Directors and the majority of the Unit Owners. The Board shall have the obligation to answer any written request by a Unit Owner for approval of such an addition, alteration or improvement in such Unit Owner's Unit or Limited Common Elements within thirty (30) days after such request and all additional information requested is received, and the failure to do so within the stipulated time shall constitute the Board's consent. Once the Board has consented, then the proposed additions, alterations and improvements must be approved by a majority of the Unit Owners. The proposed additions, alterations and improvements by the Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction, and with any conditions imposed by the Association with respect to design, structural integrity, aesthetic appeal, construction details, lien protection or otherwise. A Unit Owner making or causing to be made any such additions, alterations or improvements agrees, and shall be deemed to have agreed, for such Owner, and his heirs, personal representatives, successors and assigns, as appropriate, to hold the Association and all other Unit Owners harmless from any liability or damage to the Condominium Property and expenses arising therefrom, and shall be solely responsible for the maintenance, repair and insurance thereof from and after that date of installation or construction thereof as may be required by the Association. The Board may impose administrative charges for considering any such proposal.

9.2 By the Developer.

9.2.1 Generally. The restrictions and limitations set forth in this Section 9 shall not be applicable to Units owned by the Developer. The Developer shall have the additional right, with the consent or approval of a majority of the Unit Owners, to (a) make alterations, additions or improvements, structural and non-structural, interior and exterior, ordinary and extraordinary, in, to and upon any Unit owned by it (including, with limitation, the removal of walls, floors, ceilings and other structural portions of the improvements), (b) move and modify piping and other fixtures located within the Common Elements but serving exclusively a Unit or Units owned by the Developer, and (c) provide additional and/or expand and/or alter recreational facilities.

9.2.2 Non-Material Changes in Developer-Owned Units. Without limiting the generality of the provisions of Subsection 9.2.1 above, the Developer shall have the right, to (a) make non-material alterations, additions or improvements in, to and upon Units owned by the Developer, whether structural or non-structural, interior or exterior, ordinary or extraordinary; and (b) change the layout or number of rooms in any Developer-owned Units provided any such

changes do not materially alter, or modify the unit's configuration, size or appurtenances.

9.2.3 Material Changes in Developer-Owned Units The Developer may change the configuration or size of any condominium unit in any material fashion, materially alter or modify the appurtenances to the unit, or change the size and/or number of Developer-owned Units into two or more separate Units, combining separate Developer-owned Units (including those resulting from such subdivision or otherwise) into one or more Units, or otherwise and reapportion among the Developer-owned Units affected by such change in size or number their appurtenant interest in the Common Elements and share of the Common Surplus and Common Expenses; provided that the Owners of such Units and all record owners of liens on it join in the execution of an amendment to the Declaration and all record owners of all other units approve the amendment. and, provided further, that the Developer shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction in so doing. In making the above alterations, additions and improvements, the Developer may relocate and alter Common Elements adjacent to such Units, provided that such relocation and alteration does not materially adversely affect the market value or ordinary use of Units owned by Unit Owners other than the Developer. Any amendments to this Declaration required by actions taken pursuant to this Subsection 9.2.3 will be made in accordance with this Declaration and Chapter 718, Florida Statutes. Without limiting the generality of Subsection 6.4 hereof, the provisions of this Subsection may not be added to, amended or deleted without the prior written consent of the Developer.

9.3 Hurricane Shutters. The Board of Directors shall adopt hurricane shutter specifications for each building, which shall include color, style and other factors deemed relevant by the Board. All specifications shall comply with applicable building codes. Notwithstanding anything in this Declaration to the contrary, the Board of Directors shall not refuse to approve the installation, replacement and maintenance of any such hurricane shutters which comply with the Board approved specifications. The Board may, subject to the provisions of Florida Statute, Section 718.3026, and the approval of a majority of voting interests of the condominium, install hurricane shutters and may maintain, repair, or replace such approved hurricane shutters whether on or within common elements, limited common elements, units, or association property. However where laminated glass or window film architecturally designed to function as hurricane protection which complies with the applicable building code has been installed, the Board may not install hurricane shutters. The Board may operate shutters installed pursuant to this section without the permission of the Unit Owners only where such operation is necessary to preserve and protect the common elements of the Condominium. The installation, replacement, operation, repair and maintenance of such shutters in accordance with the procedures set forth herein shall not be deemed a material alteration to the common elements.

10 OPERATION OF THE CONDOMINIUM BY THE ASSOCIATION; POWERS AND DUTIES. The Association shall be responsible for the operation of the Condominium. The powers and duties of the

Association shall include those set forth in the Articles of Incorporation of the Association and its By-Laws (copies of which are attached hereto as Exhibits B and C, respectively), as amended from time to time.

10.1 In addition, the Association shall have all the powers and duties set forth in the Act as subsequently amended, as well as all powers and duties granted to or imposed upon it by this Declaration, including, without limitation:

10.1.1 The irrevocable right to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any Common Elements therein, or at any time and by force, if necessary, for making emergency repairs therein necessary to prevent damage to the Common Elements or to any other Unit or Units.

10.1.2 The power to make and collect Assessments and other charges against Unit Owners and to lease, maintain, repair and replace the Common Elements of the Condominium, and for the other common operating expenses of the Association.

10.1.3 The duty to maintain accounting records according to good accounting practices, which shall be open to inspection by Unit Owners or their authorized representatives at reasonable times.

10.1.4 The power and right 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 this Declaration and the Condominium Act, including, but not limited to the making of Assessments, the promulgation of rules and the execution of contracts on the Association's behalf.

10.1.5 The power to borrow money, execute promissory notes and other evidences of indebtedness and to give as security therefor mortgages and security interests in property owned by the Association, provided that such actions are approved by a majority of the entire membership of the Board of Directors and of the Units represented at a meeting at which a quorum has been attained, or by such greater percentage of the Board or Unit Owners as may be specified in the By-Laws with respect to certain borrowing.

10.1.6 Subsequent to the recording of this Declaration, the Association, when authorized by a majority of the Units represented at a meeting at which a quorum has been attained, shall have the power to acquire and enter into agreements for the acquisition of fee interests, leaseholds, memberships, and other possessory or use interests in lands or facilities, including, but not limited to, country clubs, golf

courses, marinas and other recreational facilities, whether or not contiguous to the lands of the Condominium, intended to provide for the use or benefit of the Unit Owners. The expenses of ownership (including the expense of making and carrying any mortgage related to such ownership), rental, membership fees, operation, replacements and other expenses and undertakings in connection therewith shall be Common Expenses.

10.1.7 The power to adopt and amend rules and regulations covering the details of the operation and use of the Condominium Property.

10.1.8 The power to employ personnel (part-time or full-time).

10.1.9 Subject to Subsection 3.4.6 hereof, the power to grant licenses and easements over the Common Elements as required or convenient to permit cable television service or other communications services to one or more Units.

The event of conflict between the powers and duties of the Association or the terms and provisions of this Declaration, exhibits attached hereto or otherwise, this Declaration shall take precedence over the Articles of Incorporation, By-Laws and applicable rules and regulations; the Articles of Incorporation shall take precedence over the By-Laws and applicable rules and regulations; and the By-Laws shall take precedence over applicable rules and regulations, all as amended from time to time.

10.2 Limitation Upon Liability of Association. Notwithstanding its duty to maintain and repair parts of the Condominium Property, the Association shall not be liable to Unit Owner for injury or damage, other than for the cost of maintenance and repair, caused by any latent condition of the Condominium Property.

10.3 Restraint Upon Assignment of Shares in Assets. The share of a Unit Owner in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his Unit.

10.4 Approval or Disapproval of Matters Generally. Whenever the decision of a Unit Owner is required upon any matter (whether or not the subject of an Association meeting), that decision shall be expressed by the same person who would cast the vote for that Unit if at an Association meeting, unless the joinder of record Owners is specifically required by this Declaration or by law.

10.5 Acts of the Association. Unless the approval or action of Unit Owners, and/or a certain specific percentage of the Board of Directors of the Association, is specifically required in this Declaration, the Articles of Incorporation or By-Laws of the Association, applicable rules and regulations or applicable law, all approvals or actions required or permitted to be given or taken by the Association shall be given or taken by the Board of Directors, without the consent of Unit Owners, and the Board may so approve and act through the proper officers of the Association without a specific resolution. When an approval or action of the Association is permitted to be given or taken hereunder or thereunder, the Association may condition

such action or approval in any manner it deems appropriate or may refuse to take or give such action or approval, in either case without the necessity of establishing the reasonableness of its conditions or refusal (as the case may be).

11 ASSESSMENTS.

11.1 Determination of Common Expenses and Fixing of Assessments Therefor. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Condominium, determine the amount of Assessments payable by the Unit Owners to meet the Common Expenses of the Condominium and the Association and allocate and assess such expenses among the Unit Owners in accordance with the provisions of this Declaration and the By-Laws of the Association. The Board of Directors shall advise all Unit Owners promptly in writing of the amount of the Assessment payable by each of them as determined by the Board of Directors as aforesaid and shall furnish copies of each budget, on which such Assessments are based, to all Unit Owners and (if requested in writing) to their respective mortgagees. The Common Expenses shall include the expenses of the operation, maintenance, repair, replacement and management of the Common Elements, including the enclosed parking spaces, costs of carrying out the powers and duties of the Association and any other expenses designated as Common Expenses by the Act, this Declaration, the Articles of Incorporation or By-Laws of the Association, applicable rules and regulations or by the Association. Any budget adopted shall be subject to change to cover actual expenses at any time. Any such change must be adopted consistently with the provisions of the By-Laws.

11.2 Initial Start-Up Fee. Upon purchasing a unit from the Developer, each Unit Owner shall pay to the Association \$500.00 as an initial start-up fee for working capital. The initial start-up fee shall be deposited in the Condominium working capital fund. The initial start-up fee may be used for any purpose deemed appropriate by the Association. The payment of the initial start-up fee shall not operate to relieve the Unit Owner who paid it from commencing payment of the periodic assessments provided for in Subsection 11.1, or elsewhere in this Declaration.

12 COLLECTION OF ASSESSMENTS.

12.1 Liability for Assessments. Every Unit Owner, regardless of how he acquired his Unit, (including by purchase at a foreclosure sale or by deed in lieu of foreclosure) shall be liable for all Assessments which come due while he is the unit owner. In a voluntary conveyance, the grantee shall be jointly and severally liable with the grantor for all unpaid Assessments against the grantor for his share of the Common expenses or otherwise up to the time of the conveyance, without prejudice to any right the grantee may have to recover from the grantor the amounts paid by the grantee. The liability for Assessments may not be avoided by waiver of the use or enjoyment of any Common Elements or by the abandonment of the Unit for which the Assessments are made or otherwise.

12.2 Default in Payment of Assessments for Common Expenses.

12.2.1 Delinquent Assessments. Assessments and installments thereof not paid within ten (10) days from the date when they are due shall bear interest at the highest lawful rate from the due date until paid. In addition to interest, the Association may charge a late fee in an amount not to exceed the greater of \$25.00 or 5% 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 the administrative late fee, then to costs and attorney's fees incurred in collection, and then to the delinquent assessment. This shall apply notwithstanding any restrictive endorsement, designation or instruction placed on or accompanying payment. The Association has a lien on each Condominium Parcel for any unpaid Assessments on it including interest thereon at the highest lawful rate and for reasonable attorney's fees and costs incurred by the Association in connection with the collection of the Assessments or enforcement of the lien. The lien is effective from the date of the recording of this Declaration. However, as to first mortgagees of record, the lien is effective from and after the date of recording a claim of lien.

12.2.2 Notice of Lien. The lien shall be recorded in the Public Records of Seminole County, Florida, and state the description of the condominium parcel, the name of record owner, the name and address of the association, the amount due and the due date. It must also be executed and acknowledged by an officer or authorized agent of the association. No such lien shall continue for a longer period than one (1) 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 recording of the claim of lien and prior to entry of 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 payment is entitled to a satisfaction of the lien.

12.3 Foreclosure.

12.3.1 Generally. The Association may bring an action in its name to foreclose a lien for unpaid Assessments in the manner a mortgage of real property is foreclosed and may also bring an action at law to recover a money judgment for the unpaid Assessments, together with other sums specified herein, without waiving any claim of lien.

12.3.2 Notice of Intention to Foreclose Lien. No foreclosure judgment may be entered against a Unit Owner 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 may 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 mail, return receipt requested, addressed to the Unit Owner at the Unit Owner's 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 12.3 are satisfied if the Unit Owner records a Notice of Contest of Lien as provided in the Act. 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.

12.4 Appointment of Receiver to Collect Rental. If the Unit Owner remains in possession of the Unit and the claim of lien is foreclosed, the court in its discretion may require the Unit Owner to pay a reasonable rental for the Unit and the Association is entitled to the appointment of a receiver to collect the rent.

12.5 First Mortgagee. Notwithstanding the provisions of Paragraph 12.1 above, a first mortgagee who acquires title to any Unit by foreclosure or deed in lieu of foreclosure is liable for the unpaid assessments that became due prior to the mortgagee's receipt of the deed and such amount for any unpaid assessments shall be paid to Association within 30 days after transfer of title. However, the first mortgagee's liability is limited to a period not to exceed six (6) months, but in no event does the first mortgagee's liability exceed one (1%) percent of the original mortgage debt. The first mortgagee's liability for such expenses or assessments does not commence until thirty (30) days from the date the first mortgagee receives the last payment of principal or interest. In no event shall the first mortgagee be liable for more than six (6) 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 (1%) percent of the original mortgage debt, whichever amount is less.

12.6 Developer's Liability for Assessments. The Developer shall be excused from the payment of the share of the Common Expenses and Assessments relating to Units it is offering for sale, for a period beginning with the recording of this Declaration and ending at such time as Unit Owners other than the Developer elect a majority of the members of the Board of Directors of the Association. However, the Developer must pay the portion of Common Expenses incurred during that period which exceeds the amount assessed against other Unit Owners. The Developer guarantees that a Unit Owner's assessments shall not exceed \$250.00 per month until six months after the recording of the Declaration of Condominium. The Developer has the option to extend the guarantee for up to two (2) years in monthly increments.

12.7 Certificate of Unpaid Assessments. Each Unit Owner has the right to require from the Association a certificate showing the amount of unpaid Assessments against him with respect to his Unit.

12.8 Installments. Unless changed by action of the Board, Assessments will be payable in advance in quarterly installments, and a Unit Owner must remain at all times at least one quarter in advance of the payment dates.

12.9 Receiving Agent. The Board of Directors may, at any time and from time to time, appoint the Condominium Association, or an independent receiving agent as agent to receive all Assessments and all assessments and other charges payable under this Declaration or other Cluster Declarations in one lump sum and to then disburse such sums. No agent shall have any liability except for its gross negligence or willful misconduct in receiving and disbursing monies. All enforcement actions shall remain solely within the respective associations individually, except as elsewhere herein provided to the contrary.

13. INSURANCE. Insurance covering portions of the Condominium Property shall be governed by the following provisions:

13.1 Purchase, Custody and Payment.

13.1.1 Purchase. All insurance policies described herein covering portions of the Condominium Property shall be purchased by the Association and shall be purchased by the Association and shall be issued by an insurance company authorized to do business in Florida and which, in the case of hazard insurance, has either a financial rating in Best's Financial Insurance Reports of Class VI or better or a financial rating therein of Class V and a general policyholder's rating of at least "A."

13.1.2 Approval. Each insurance policy, the agency and company issuing the policy and the insurance trustee hereinafter described (the "Insurance Trustee") shall be subject to the approval of the Primary Institutional First Mortgagees in the first instance.

13.1.3 Named Insured. The named insured shall be the Association, individually, and as agent for Owners of Units covered by the policy, without naming them, and as agent for their mortgagees, without naming them. The Unit Owners and their mortgagees shall be additional insureds.

13.1.4 Custody of Policies and Payment of Proceeds. All policies shall provide that payments for losses made by the insurer shall be paid to the Insurance Trustee, and all policies and endorsements thereto shall be deposited with the Insurance Trustee.

13.1.5 Copies to Mortgagees. One copy of each insurance policy, or a certificate evidencing such policy, and all endorsements thereto, shall be furnished by the Association upon request to each Institutional First Mortgagee who holds a mortgage upon a Unit covered by the policy. Copies or certificates shall be furnished not less than ten (10) days prior to the beginning of the term of the policy, or not less than ten (10) days prior to the expiration of each preceding policy that is being renewed or replaced, as appropriate.

13.1.6 Personal Property and Liability. Unit Owners may obtain insurance coverage at their own expense and in their own discretion upon the property lying within the boundaries of their unit, including, but not limited to, their personal property (except as covered in Section 13.2.1 below), and for their personal liability and living expense and for any other risks.

13.2 Coverage. The Association shall maintain insurance covering the following:

13.2.1 Casualty. The Building (including all fixtures, installations or additions comprising that part of the Building within the boundaries of the Units initially installed in accordance with the original plans and specifications therefor, and replacements thereof of like kind or quality, but excluding all floor, wall and ceiling coverings and all furniture, furnishings and other personal property owned, supplied or installed by Unit Owners or tenants of Unit Owners and excluding all other alterations, capital improvements and betterments made by Unit Owners or such tenants) and all Improvements located on the Common Elements from time to time, together with all service machinery contained therein (collectively the "Insured Property"), shall be insured in an amount not less than one hundred percent (100%) of the insurable value thereof (based on replacement cost), excluding foundation and excavation costs. Such policies may contain reasonable deductible provisions as determined by the Board of Directors of the Association. Such coverage shall afford protection against:

13.2.1.1 Loss or Damage by Fire and Other Hazards covered by a standard extended coverage endorsement; and

13.2.1.2 Such Other Risks as from time to time are customarily covered with respect to buildings and improvements similar to the Insured Property in construction, location and use, including, but not limited to, vandalism and malicious mischief.

13.2.2 Liability. Comprehensive general public liability and automobile liability insurance covering loss or damage resulting from accidents or occurrences on or about or in connection with the Insured Property or adjoining driveways and walkways, or any work, matters or things related to the Insured Property, with such additional coverage as shall be required by the Board of Directors of the Association, and with coverage of not less than \$1,000,000 per each accident or occurrence, for personal injury and/or property damage, and with a cross liability endorsement to cover liabilities of the Unit Owners as a group to any Unit Owner, and vice versa.

13.2.3 Workmen's compensation and other mandatory insurance when applicable.

13.2.4 Flood insurance, if required by the Primary Institutional First Mortgagee or if the Association so elects.

13.2.5 Fidelity bonding The Association shall obtain and maintain adequate insurance or fidelity bonding of all persons who control or disburse funds of the Association. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the Association or its management agent at any one time. As used in this section, the term "persons who control or disburse funds of the Association" includes, but is not limited to, those individuals authorized to sign checks, and the President, Secretary and Treasurer of the Association. The Association shall bear the cost of bonding.

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

When appropriate and obtainable, each of the foregoing policies shall waive the insurer's standard right to: (i) subrogation against the Association and against the Unit Owners individually and as a group, (ii) pay only a fraction of any loss in the event of co-insurance or if other insurance carriers have issued coverage upon the same risk, and (iii) avoid liability for a loss that is caused by an act of the Board of Directors of the Association, or by a member of the Board of Directors of the Association or by one or more Unit Owners.

13.3 Additional Provisions. All policies of physical damage insurance shall provide that such policies may not be canceled or substantially modified without at least ten (10) days' prior written notice to all of the named insureds, including all mortgagees of Units. Prior to obtaining any policy of casualty insurance or any renewal thereof, the Board of Directors shall obtain an appraisal from a fire insurance company, or other competent appraiser, of the full insurable replacement value of the Insured Property (exclusive of foundations), without deduction for depreciation, for the purpose of determining the amount of insurance to be effected pursuant to this Section.

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

13.5 Insurance Trustee; Share of Proceeds. All insurance policies obtained by the Association shall be for the benefit of the Association, the Unit Owners and their mortgagees, as their respective interests may appear, and shall provide that all proceeds covering property losses shall be paid to the Insurance Trustee which may be designated by the Board of Directors and which, if so appointed, shall be a bank, or trust company in Florida with trust powers, with its principal place of business in the County. The Insurance Trustee shall not be liable for payment of premiums, nor for the renewal or the sufficiency of policies, nor for the failure to collect any insurance proceeds. The duty of the Insurance Trustee (if appointed) shall be to receive such proceeds as are paid and to hold the same in trust for the purposes elsewhere stated herein, and for the benefit of the Unit Owners and their respective mortgagees in the following shares, but which shares need not be set forth on the records of the Insurance Trustee:

13.5.1 Insured Property. Proceeds on account of damage to the Insured Property shall be held in

undivided shares for each Unit Owner, such shares being the same as the undivided shares in the Common Elements appurtenant to each Unit, provided that if the Insured Property so damaged includes property lying within the boundaries of specific Units, that portion of the proceeds allocable to such property shall be held as if that portion of the Insured Property were Optional Property as described in Subsection 13.5.2 below.

13.5.2 Optional Property. Proceeds on account of damage solely to Units and/or certain portions or all of the contents thereof not included in the insured Property (all as determined by the Association in its sole discretion) (collectively the "Optional Property"), if any, collected by reason of optional insurance which the Association elects to carry thereon (as contemplated herein), shall be held for the benefit of Owners of Units or of other portions of the Optional Property damaged in proportion to the cost of repairing the damage suffered by each such affected Owner, which cost and allocation shall be determined in the sole discretion of the Association.

13.5.3 Mortgagees. No mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds, except for actual distributions thereof made to the Unit Owner and mortgagee pursuant to the provisions of this Declaration.

13.6 Distribution of Proceeds. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the beneficial owners thereof in the following manner:

13.6.1 Expenses of the Trust. First, all expenses of the Insurance Trustee shall be paid or provided for.

13.6.2 Reconstruction or Repair. If the damaged property for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided herein. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners thereof, remittances to Unit Owners and their mortgagees being payable jointly to them.

13.6.3 Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damaged property for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be allocated among the beneficial owners as provided in Subsection 13.5 above, and distributed first to all Institutional First Mortgagees in an amount sufficient to pay off their mortgages, and the balance, if any, to the beneficial owners.

13.6.4 Certificate. In making distributions to Unit Owners and their mortgagees, the Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary as to the names of the Unit

Owners and their mortgagees and their respective shares of the distribution.

13.7 Association as Agent. The Association is hereby irrevocably appointed as agent and attorney-in-fact for each Unit Owner and for each owner of a mortgage or other lien upon a Unit and for each owner of any other interest in the Condominium Property to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

13.8 Unit Owners' Personal Coverage. Unless the Association elects otherwise, the insurance purchased by the Association shall not cover claims against an Owner due to accidents occurring within his Unit, nor casualty or theft loss to the contents of an Owner's Unit. It shall be the obligation of the individual Unit Owner, if such Owner so desires, to purchase and pay for insurance as to all such and other risks not covered by insurance carried by the Association.

13.9 Benefit of Mortgagees. Certain provisions in this Section 13 entitled "Insurance" are for the benefit of mortgagees of Units and may be enforced by such mortgagees.

13.10 Insurance Trustee Not Appointed. The Board of Directors shall have the option in its discretion of appointing an Insurance Trustee hereunder. Anything to the contrary in this Declaration notwithstanding, if the Association fails or elects not to appoint an Insurance Trustee, the Association shall perform directly all obligations imposed upon the Insurance Trustee by this Declaration.

14 RECONSTRUCTION OR REPAIR AFTER FIRE OR OTHER CASUALTY.

14.1 Determination to Reconstruct or Repair. In the event of damage to or destruction of the Insured Property (and the Optional Property, if insurance has been obtained by the Association with respect thereto) as a result of fire or other casualty unless 75% or more of the Insured Property (and the Optional Property, if insurance has been obtained by the Association with respect thereto) is destroyed or substantially damaged and Unit Owners owning 80% or more of the Units elect not to proceed with repairs or restoration and Institutional First Mortgagees holding mortgages on at least 51% of the Units subject to mortgages held by Institutional First Mortgagees approve such election], the Board of Directors shall arrange for the prompt repair and restoration of the Insured Property (and the Optional Property, if insurance has been obtained by the Association with respect thereto) and the Insurance Trustee shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. If 75% or more of the Insured Property (and the Optional Property, if insurance has been obtained by the Association with respect thereto) is substantially damaged or destroyed and if Unit Owners owning 80% of the Units duly and promptly resolve not to proceed with the repair or restoration thereof and the Institutional First Mortgagees holding mortgages on at least 51% of the Units subject to mortgages held by Institutional First Mortgagees approve such resolution, the Condominium property will not be repaired and shall be subject to an action for partition instituted by the Association, any Unit Owner, mortgagee or lienor, as if the Condominium Property

were owned in common, in which event the net proceeds of insurance resulting from such damage or destruction shall be divided among all the Unit Owners in proportion to their respective interests in the Common Elements (with respect to proceeds held for damage to the Insured Property lying within the boundaries of the Unit), and among affected Unit Owners in proportion to the damage suffered by each such affected Unit Owner, as determined in the sole discretion of the Association (with respect to proceeds held for damage to the Optional Property, if any, and/or that portion of the Insured Property lying within the boundaries of the Unit); provided, however, that no Payment shall be made to a Unit Owner until there has first been paid off out of his share of such fund all mortgages and liens on his Unit in the order of priority of such mortgages and liens. Whenever in this Section the words "promptly repair" are used, it shall mean that repairs are to begin not more than sixty (60) days from the date the Insurance Trustee notifies the Board of Directors and Unit Owners that it holds proceeds of insurance on account of such damage or destruction sufficient to pay the estimated cost of such work, or not more than ninety (90) days after the Insurance Trustee notifies the Board of Directors and the Unit Owners that such proceeds of insurance are insufficient to pay the estimated costs of such work. The Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary to determine whether or not the damaged property is to be reconstructed or repaired.

14.2 Plans and Specifications. Any reconstruction or repair must be made substantially in accordance with the plans and specifications for the original Improvements; or if not, then in substantial accordance with the plans and specifications approved by the Board of Directors, and if the damaged property which is to be substantially altered is the Building or the Optional Property, by the Owners of not less than 80% of the applicable interests in the Common Elements, as well as the Owners of all Units and other portions of the Optional Property (and their respective mortgagees) the plans for which are to be substantially altered.

14.3 Special Responsibility. If the damage is only to those parts of the Optional Property for which the responsibility of maintenance and repair is that of the respective Unit Owners, then the Unit Owners shall be responsible for all necessary reconstruction and repair (unless insurance proceeds are held by the Association with respect thereto by reason of the purchase of optional insurance thereon, in which case the Association shall have the responsibility to reconstruct and repair the damaged Optional Property, provided the respective Unit Owners shall be individually responsible for any amount by which the cost of such repair or reconstruction exceeds the insurance proceeds held for such repair or reconstruction on a Unit-by-Unit basis, as determined in the sole discretion of the Association). In all other instances, the responsibility for all necessary reconstruction and repair shall be that of the Association.

14.4 Estimate of Costs. Immediately after a determination is made to rebuild or repair damage to property for which the Association has the responsibility of reconstruction and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair.

14.5 Assessments. If the proceeds of the insurance are not sufficient to defray the estimated costs of reconstruction and repair to be effected by the Association, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs of reconstruction and repair are insufficient, Assessments shall be made against the Unit Owners in sufficient amounts to provide funds for the payment of such costs. Such Assessments on account of damage to the Insured Property shall be in proportion to all of the Owners' respective shares in the Common Elements.

14.6 Construction Funds. The funds for payment of the costs of reconstruction and repair, which shall consist of proceeds of insurance held by the Insurance Trustee and funds collected by the Association from Assessments against Unit Owners, shall be disbursed in payment of such costs in the following manner:

14.6.1 Association. If the total Assessments made by the Association in order to provide funds for payment of the costs of reconstruction and repair which are the responsibility of the Association are more than \$50,000.00, then the sums paid upon such Assessments shall be deposited by the Association with the Insurance Trustee. In all other cases, the Association shall hold the sums paid upon such Assessments and disburse the same in Payment of the costs of reconstruction and repair.

14.6.2 Disbursement. The proceeds of insurance collected on account of a casualty, and the sums collected from Unit Owners on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner and order:

14.6.2.1 Association - Lesser Damage. If the amount of the estimated costs of reconstruction and repair which are the responsibility of the Association is less than \$50,000.00, then the construction fund shall be disbursed in payment of such costs upon the order of the Board of Directors of the Association; provided, however, that upon written request to the Insurance Trustee by the Primary Institutional First Mortgagee which is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner provided below for the reconstruction and repair of major damage.

14.6.2.2 Association - Major Damage. If the amount of the estimated costs of reconstruction and repair which are the responsibility of the Association is more than \$50,000.00, then the construction fund shall be disbursed in payment of such costs in the manner contemplated by Subsection 14.6.2.1 above, but then only upon the further approval of an architect qualified to practice in Florida and employed by the Association to supervise the work.

14.6.2.3 Unit Owners. If there is a balance of insurance proceeds after payment of all costs of reconstruction and repair that are the

responsibility of the Association, this balance may be used by the Association to effect repairs to the Optional Property (if not insured or if under-insured), or may be distributed to Owners of the Optional Property who have the responsibility for reconstruction and repair thereof. The distribution shall be in the proportion that the estimated cost of reconstruction and repair of such damage to each affected unit Owner bears to the total of such estimated costs to all affected Unit Owners, as determined by the Board; provided, however, that no Unit Owner shall be paid an amount in excess of the estimated costs of repair for his portion of the Optional Property. All proceeds must be used to effect repairs to the Optional property, and if insufficient to complete such repairs, the Owners shall pay the deficit with respect to their portion of the Optional Property and promptly effect the repairs. Any balance remaining after such repairs have been effected shall be distributed to the affected Unit Owners and their mortgagees jointly as elsewhere herein contemplated.

14.6.2.4 Surplus. It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs relating to the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated; except, however, that part of a distribution to an Owner which is not in excess of Assessments paid by such Owner into the construction fund shall not be made payable to any mortgagee.

14.6.2.5 Certificate. Notwithstanding the provisions herein, the Insurance Trustee (if appointed) shall not be required to determine whether or not sums paid by Unit Owners upon Assessments shall be deposited by the Association with the Insurance Trustee, nor, to determine whether the disbursements from the construction fund are to be made upon the order of the Association alone or upon the additional approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund, nor to determine whether surplus funds to be distributed are less than the Assessments paid by Owners, nor to determine the payees nor the amounts to be paid. The Insurance Trustee may rely upon a certificate of the Association, made by its President and Secretary, as to any or all of such matters and stating that the sums to be paid are due and properly payable, and stating the names of the payees and the amounts to be paid.

14.7 Benefit of Mortgagees. Certain provisions in this Section 14 are for the benefit of mortgagees of Units and may be enforced by any of them.

15 CONDEMNATION.

15.1 Deposit of Awards with Insurance Trustee; Authority of Association. The taking of portions of the Condominium Property by the exercise of the power or eminent domain shall be deemed to be a casualty, and the awards for that taking shall be deemed to be proceeds from insurance on account of the casualty and shall be deposited with the Insurance Trustee. Even though the awards may be payable to Unit Owners, the Unit Owners shall deposit the awards with the Insurance Trustee; and in the event of failure to do so, in the discretion of the Board of Directors of the Association, the amount of that award shall be set off against the sums hereafter made payable to that Owner, or the Association may institute a lawsuit against such Unit Owner to collect such sums. The Association shall represent the Unit Owners in any condemnation proceedings relating to any part of the Common Elements and in negotiations, settlements and agreements with the condemning authorities for the acquisition of any part of the Common Elements.

15.2 Determination whether to Continue Condominium. Whether the Condominium will be continued after condemnation will be determined in the manner provided for determining whether damaged property will be reconstructed and repaired after casualty. For this purpose, the taking by eminent domain shall also be deemed to be a casualty.

15.3 Disbursement of Funds. If the Condominium is terminated after condemnation, the proceeds of the awards and special Assessments will be deemed to be insurance proceeds and shall be owned and distributed in the manner provided with respect to the ownership and distribution of insurance proceeds if the Condominium is terminated after a casualty. If the Condominium is not terminated after condemnation, the size of the Condominium will be reduced and the property damaged by the taking will be made useable in the manner provided below. The proceeds of the awards and special Assessments shall be used for these purposes and shall be disbursed in the manner provided for disbursement of funds by the Insurance Trustee after a casualty, or as elsewhere in this Section 15 specifically provided.

15.4 Unit Reduced but Habitable. If the taking reduces the size of a Unit and the remaining portion of the Unit can be made habitable (in the sole opinion of the Association), the award for the taking of a portion of the Unit shall be used for the following purposes in the order stated and the following changes shall be made to the Condominium.

15.4.1 Restoration of Unit. The Unit shall be made habitable. If the cost of the restoration exceeds the amount of the award, the additional funds required shall be paid by the Owner of the Unit.

15.4.2 Distribution of Surplus. The balance of the award in respect of the Unit, if any, shall be distributed to the Owner of the Unit and to each mortgagee of the Unit, the remittance being made payable jointly to the Owner and such mortgagees.

15.4.3 Adjustment of Shares in Common Elements. If the floor area of the Unit is reduced by the taking, the percentage representing the share in the Common Elements and of the Common Expenses and Common Surplus appurtenant to the Unit shall be reduced by multiplying the percentage of the applicable Unit prior to reduction by a fraction, the numerator of which shall

be the area in square feet of the Unit after the taking and the denominator of which shall be the area in square feet of the Unit before the taking. The shares of all Unit Owners in the Common Elements, Common Expenses and Common Surplus shall then be restated as follows:

15.4.3.1 Add the total of all percentages of all Units after reduction as aforesaid (the "Remaining Percentage Balance"); and

15.4.3.2 Divide each percentage for each Unit after reduction as aforesaid by the Remaining Percentage Balance.

The result of such division for each Unit shall be the adjusted percentage for such Unit.

15.5 Unit Made Uninhabitable. If the taking is of the entire Unit or so reduces the size of a Unit that it cannot be made habitable (in the sole opinion of the Association), the award for the taking of the Unit shall be used for the following purposes in the order stated and the following changes shall be made to the Condominium:

15.5.1 Payment of Award. The awards shall be paid first to the applicable Institutional First Mortgagees in amounts sufficient to pay off their mortgages in connection with each Unit which is not so habitable; second, to the Association for any due and unpaid Assessments; third, jointly to the affected Unit Owners and other mortgagees of their Units as their interests may appear. In no event shall the total of such distributions in respect of a specific Unit exceed the market value of such Unit immediately prior to the taking. The balance, if any, shall be applied to repairing and replacing the Common Elements.

15.5.2 Addition to Common Elements. The remaining portion of the Unit, if any, shall become part of the Common Elements and shall be placed in a condition allowing, to the extent possible, for use by all of the Unit Owners in the manner approved by the Board of Directors of the Association; provided that if the cost of the work therefor shall exceed the balance of the fund from the award for the taking, such work shall be approved in the manner elsewhere required for capital improvements to the Common Elements.

15.5.3 Adjustment of Shares. The shares in the Common Elements, Common Expenses and Common Surplus appurtenant to the Units that continue as part of the Condominium shall be adjusted to distribute the shares in the Common Elements, Common Expenses and Common Surplus among the reduced number of Unit Owners (and among reduced Units). This shall be effected by restating the shares of continuing Unit Owners as follows:

15.5.3.1 Add the total of all percentages of all Units of continuing Owners prior to this adjustment, but after any adjustments made necessary by Subsection 15.4.3 hereof (the "Percentage Balance"); and

15.5.3.2 Divide the percentage of each Unit of a continuing Owner prior to this adjustment, but after any adjustments made necessary by Subsection 15.4.3 hereof, by the Percentage Balance.

The result of such division for each Unit shall be the adjusted percentage for such Unit.

15.5.4 Assessments. If the balance of the award (after payments to the Unit Owner and such Owner's mortgagees as above provided) for the taking is not sufficient to alter the remaining portion of the Unit for use as a part of the Common Elements, the additional funds required for such purposes shall be raised by Assessments against all of the Unit Owners who will continue as Owners of Units after the changes in the Condominium effected by the taking. The Assessments shall be made in proportion to the applicable percentage shares of those Owners after all adjustments to such shares effected pursuant hereto by reason of the taking.

15.5.5 Arbitration. If the market value of a Unit prior to the taking cannot be determined by agreement between the Unit Owner and mortgagees of the Unit and the Association within 30 days after notice of a dispute by any affected party, such value shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be three appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit. A judgment upon the decision rendered by the arbitrators may be entered in any court of competent jurisdiction in accordance with the Florida Arbitration Code. The cost of arbitration proceedings shall be assessed against all Unit Owners, including Owners who will not continue after the taking, in proportion to the applicable percentage shares of such Owners as they exist prior to the adjustments to such shares effected pursuant hereto by reason of the taking.

15.6 Taking of Common Elements. Awards for the taking of Common Elements shall be used to render the remaining portion of the Common Elements useable in the manner approved by the Board of Directors; provided, that if the cost of such work shall exceed the balance of the funds from the awards for the taking, the work shall be approved in the manner elsewhere required for capital improvements to the Common Elements. The balance of the awards for the taking of Common Elements, if any, shall be distributed to the Unit Owners in the shares in which they own the Common Elements after adjustments to these shares effected pursuant hereto by reason of the taking. If there is a mortgage on a Unit, the distribution shall be paid jointly to the Owner and the mortgagees of the Unit.

15.7 Amendment of Declaration. The changes in Units, in the Common Elements and in the ownership of the Common Elements and share in the Common Expenses and Common Surplus that are effected by the taking shall be evidenced by an amendment to this Declaration of Condominium that is only required to be approved by, and executed upon the direction of, a majority of all Directors of the Association.

16 RESIDENTIAL OCCUPANCY AND USE RESTRICTIONS. In order to provide for congenial occupancy of the Condominium Property and for the protection of the values of the Units, the use of the Units in the Condominium Property shall be restricted as follows:

16.1 Occupancy of Units. Each Residential Unit shall be used as a residence only, except as otherwise herein expressly provided. A Unit owned by an individual, corporation, partnership, trust or other fiduciary may only be occupied by the following persons, and such persons' families and guests: (i) the individual Unit Owner, (ii) an officer, director, stockholder or employee of such corporation, (iii) a partner or employee of such partnership, (iv) the fiduciary or beneficiary of such fiduciary, or (v) permitted occupants under an approved lease or sublease of the Unit (as described below), as the case may be. Occupants of an approved leased Unit must be the following persons, and such persons' families and guests: (i) an individual lessee, (ii) an officer, director, stockholder or employee of a corporate lessee or sublessee, (iii) a partner or employee of a partnership lessee, or (iv) a fiduciary or beneficiary of a fiduciary lessee. Under no circumstances may more than one family reside in a Unit at one time. "Families" or words of similar import used herein shall be deemed to mean (1) a group of natural persons related to each other by blood or legally related to each other by marriage or adoption, or (2) a group of not more than four (4) persons not so related who maintain a common household in a Unit. In no event shall occupancy (except for temporary occupancy by visiting guests) exceed two (2) persons per each bedroom in the Units. The Board of Directors shall have the power to authorize occupancy of a Unit by persons in addition to those set forth above. The restrictions in this Subsection 16.1 shall not be applicable to units owned by the Developer.

16.2 Pets. Unless it has been approved by the Association's Board of Directors, no animal may be kept anywhere on the Condominium Properties unless it is: (i) a small bird; (ii) fish; (iii) a dog, which when fully grown, will weigh less than fifty (50) pounds; (iv) a household cat; or (v) some other "household pet" (as defined by the Board of Directors) which is capable of being hand-carried. With the exception of birds and fish housed in a cage or aquarium within the Owner's Unit, no Owner may keep more than two (2) pets on the Condominium Property. No pet may be kept, bred or maintained for any commercial purpose or become a nuisance or annoyance to neighbors. Unit Owners must pick up all solid wastes of their pets and dispose of such wastes appropriately. All pets (including cats) must be leashed or carried by hand at all times when outside the Unit. No animal may be kept on a balcony or terrace when its owner is not in the Unit. Without limiting the generality to Section 18 hereof, violation of the provision of this Paragraph shall entitle the Association to all of its rights and remedies, including, but not limited to, the right to fine Unit Owners (as provided in any applicable rules and regulations) and/or to require any pet to be permanently removed from the Condominium Property upon three (3) days' notice.

16.3 Alterations. Without limiting the generality of Subsection 9.1 hereof, no Unit Owner shall cause or allow improvements or changes to any Unit, Limited Common Elements appurtenant thereto or Common Elements (including, but not

limited to, painting or other decorating of any nature, installing any electrical wiring, television antenna, machinery or air-conditioning units, installing balcony enclosures or in any other manner changing the appearance of any portion of the Building) without obtaining the prior written consent of the Association (in the manner specified in Section 9.1 hereof). Without limiting the generality of the foregoing, nothing shall be hung, displayed, installed, affixed or placed upon the exterior of the Building, nor may any other change be made to the Building which would affect its exterior appearance in any way, without the prior written consent of the Association. In general, the Condominium Property shall be kept free and clear of unsightly material.

16.4 Use of Common Elements. The Common Elements shall be used only for furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of Units.

16.5 Nuisances. No nuisances (as defined by the Association) shall be allowed on the Condominium Property, nor shall be allowed on the Condominium Property, nor shall any use or practice be allowed which is a source of annoyance to residents or occupants of Units or which interferes with the peaceful possession or proper use of the Condominium Property by its residents or occupants.

16.6 No Improper Uses. No improper, offensive, hazardous or unlawful use shall be made of the Condominium Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction, relating to any portion of the Condominium Property, shall be corrected by, and at the sole expense of, the party obligated to maintain or repair such portion of the Condominium Property, as elsewhere herein set forth.

16.7 Leases. No portion of a Unit (other than an entire Unit) may be rented. All leases must be in writing and shall provide that the Association shall have the right to terminate the lease upon default by the tenant in observing any of the provisions of this Declaration, the Articles of Incorporation and By-Laws of the Association, applicable rules and regulations, or other applicable provisions of any agreement, document or instrument governing the Condominium or administered by the Association. All leases shall be subject to this Declaration, the Articles of Incorporation, By-Laws, and Rules and Regulations of the Association. Subleasing of Units is prohibited. No lease of a Unit shall release or discharge the Unit Owner from the Unit Owner's compliance with this Declaration, or any of the Unit Owner's other duties as a Unit Owner. The leasing of Units shall also be subject to the prior written approval of the Association. All Unit Owners will be jointly and severally liable with their tenants to the Association for any amount which is required by the Association to effect such repairs or to pay any claim for injury or damage to property caused by the negligence of the tenant. No Unit may be leased for an initial term of less than seven (7) months. If a Unit is leased and the tenant or lessee vacates the Unit prior to the expiration of seven (7) months, the Unit may not be occupied by another tenant or lessee within seven (7) months

from the date that the prior tenant or lessee initially occupied the Unit. For example, if the vacating tenant or lessee initially occupied the Unit on January 1, 2002, the Unit may not be occupied by another tenant or lessee until August 1, 2002.

16.8 Exterior Improvements; Landscaping. Without limiting the generality of Subsections 9.1 or 16.3 hereof, no Unit Owner shall cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies or windows of the Building (including, but not limited to, awnings, signs, equipment, screens, furniture, fixtures and hurricane shutters), nor to be planted or grown any type of shrubbery, flower, tree, vine, grass or other plant life outside his Unit, without the prior written consent of the Association.

16.9 Security. The rights of access and use established with respect to the Condominium Property shall be subject to security checks and restrictions. If the Association hires security personnel, the security personnel shall have the right to stop and question persons and to require satisfactory evidence of any such person's right to be where such person is stopped. Persons not establishing that right to the satisfaction of the security personnel may be required to leave (even if such person actually has the right to be where stopped, but is unable to prove such right satisfactorily).

16.10 Effect on Primary Institutional First Mortgagee. The restrictions and limitations set forth in this Section 16 shall not apply to the Primary Institutional First Mortgagee or any of its affiliates or to Units owned by any of them.

16.11 Effect on Developer. The restrictions and limitations set forth in this Section 16 shall not apply to the Developer or its affiliates or to Units owned by any of them, except that Subsections 16.2 and 16.7 hereof shall apply to the Developer and its affiliates.

16.12 Relief by Association. The Board of Directors shall have the power (but not the obligation) to grant relief in particular circumstances, from the provisions of specific restrictions contained in this Section 16 for good cause shown.

16.13 Time-Share Estates. Time-share estates are prohibited.

16.14 Parking. No parking space may be used for any purpose other than parking automobiles, mini-vans, non-work vans, motorcycles, or pick-up trucks for the personal use of the owner up to a maximum of three-quarter (3/4) ton capacity trucks that are in operating condition. Recreational vehicles, motorhomes, trailers, boats, trucks, or other commercial vehicles (other than non-work trucks used for transportation) may not be parked in any parking space or parked or placed on any portion of the Condominium Property, unless permitted by the Board of Directors. Temporary parking of trucks and commercial vehicles for pick-up, delivery and other commercial services is permitted. In the event that the Board of Directors permits recreational vehicles or motorhomes to be parked in designated areas, overnight occupancy of these vehicles is prohibited. No parking space may be used by any person

other than a person properly occupying the Unit pursuant to Section 16.1, provided that the guest or visitor of a person properly occupying the Unit pursuant to Section 16.1 may use the parking space so long as such guest or visitor is actually visiting and upon the premises.

16.15 Developer Exemption. Until such time as the Developer has closed the sale of all of its Units in the Condominium, neither the Unit Owners nor the Association shall interfere with the Developer's sale of its Units. The Developer may make such use of the unsold Units and Common Elements as may facilitate its sales, including but not limited to the maintenance of a sales office, model Units, the showing of the property, and the display of advertising and signs.

17 NOTIFICATION OF THE TRANSFER OF UNITS. Any Unit Owner who transfers the ownership of their Unit, whether by sale, contract for deed, gift or other conveyance, shall at least ten (10) days prior to the transfer of such Unit, notify the Association of the pending transfer of the Unit and provide the Association with the name of the person or entity to whom the Unit is being transferred. In addition, the Unit Owner must provide a forwarding mailing address where such Unit Owner will receive mail.

18 COMPLIANCE AND DEFAULT. Each Unit Owner and every occupant of a Unit and the Association shall be governed by and shall comply with the terms of this Declaration and all exhibits annexed hereto, and the rules and regulations adopted pursuant to those documents, as the same may be amended from time to time. The Association (and Unit Owners, if appropriate) shall be entitled to the following relief in addition to the remedies provided by the Act:

18.1 Negligence. A Unit Owner shall be liable for the expense of any maintenance, repair or replacement made necessary by his negligence or by that of any member of his family of his or their guests, employees, agents or lessees, but only to the extent such expense is not met by the proceeds of insurance actually collected in respect of such negligence by the association.

18.2 Compliance. In the event a Unit Owner or occupant fails to maintain a Unit or fails to cause such Unit to be maintained, or fails to observe and perform all of the applicable provisions of the Declaration, the By-Laws, the Articles of Incorporation of the Association, applicable rules and regulations, or any other agreement, document or instrument affecting the Condominium Property, the Association shall have the right to bring an action for damages or for injunctive relief, or both, as provided in the Act.

18.3 Costs and Attorneys' Fees. In any proceeding arising because of an alleged failure of a Unit Owner or the Association to comply with the requirements of the Act, this Declaration, the exhibits annexed hereto, or the rules and regulations adopted pursuant to said documents, as the same may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees (including appellate attorneys' fees) as may be awarded by the court.

18.4 No Waiver of Rights. The failure of the Association or any Unit Owner to enforce any covenant,

restriction or other provision of the Act, this Declaration, the exhibits annexed hereto, or the rules and regulations adopted pursuant to said documents, as the same may be amended from time to time, shall not constitute a waiver of their right to do so thereafter.

19 TERMINATION OF CONDOMINIUM. The Condominium shall continue until (i) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in this Declaration, or (ii) such time as withdrawal of the Condominium Property from the provisions of the Act is authorized by a consent of Owners of at least 75% of the Units and of Institutional First Mortgagees holding mortgages on at least 75% of the Units that are subject to mortgages held by Institutional First Mortgagees. In the event such withdrawal is authorized as aforesaid, the Condominium Property shall be subject to an action for partition by any Unit Owner, mortgagee or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective interests in the Common Elements, provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his share of such net proceeds all mortgages and liens on his Unit in the order of their priority. The termination of the Condominium, as aforesaid, shall be evidenced by a certificate of the Association executed by its President and Secretary, certifying as to the basis of the termination and said certificate shall be recorded among the Public Records of the County. This Section may not be amended without the consent of all Institutional First Mortgagees which consent may not be unreasonably withheld.

20 ADDITIONAL RIGHTS OF INSTITUTIONAL FIRST MORTGAGEES. In addition to all other rights herein set forth, every Institutional First Mortgagee and every insurer and governmental guarantor of a first mortgage held by an Institutional First Mortgagee shall have the right, upon written request to the Association identifying itself and the Units subject to a first mortgage it holds or has insured or guaranteed, to:

20.1 Examine, during normal business hours or other reasonable circumstances, the Association's books, records and financial statements, and current copies of this Declaration, of the Association's Articles and By-Laws, and of its rules and regulations;

20.2 Receive notice of Association meetings and attend such meetings;

20.3 Receive notice of an alleged default by any Unit Owner whose Unit is subject to a mortgage it holds or has insured or guaranteed, if the default is not cured within sixty (60) days after notice of the default to the Unit Owner; and

20.4 Receive notice of any condemnation or casualty loss which affects a Unit subject to a mortgage it holds or has insured or guaranteed or which affects a major portion of the Condominium Property.

20.5 Have prepared at its (i.e., the requesting Institutional First Mortgagee's, insurer's or guarantor's [as the case may be]) expense, within a reasonable time after it requests it, an audited financial statement of the Association for the immediately preceding fiscal year.

20.6 Receive notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

20.7 Receive notice of any proposed action by the Association which would require hereunder the consent or approval of a specified percentage of Institutional First Mortgagees.

21 {Intentionally omitted.}

22 WATER AND SEWER LINES. The water line from each building up to, but not including, the water meter, shall be part of the Common Elements and maintained by the Association. Each water meter and the lines supplying water from the water source to the water meter is not a part of the Condominium Property and is owned and maintained by the City of Casselberry (water) or City of Casselberry (sewer). The sewer line from each building up to, but not including, the main collection line, shall be part of the Common Elements and maintained by the Association. The main collection line and the sewer line from there to the sewage treatment facility is not a part of the Condominium Property and is owned and maintained by the City of Casselberry, Florida. The Developer has provided maintenance bonds to the City of Casselberry for the water and sewer system respectively. If during the term of the bond any Unit Owner or the Association's agents or employees, through their own negligence, damage the water or sewer system, and the Developer is required by the City of Casselberry to pay for the necessary repairs to such system, then the Condominium Association shall promptly reimburse the Developer for the cost of repairs to the Water System or the Sewer System which are necessitated by the negligence of any of the Unit Owners or the Condominium Association's agents or employees.

23 COVENANT RUNNING WITH THE LAND. All provisions of this Declaration, the Articles, By-Laws and applicable rules and regulations of the Association, affecting the Unit Owners (whether or not recorded), shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the Developer, and subsequent owner(s) of the Land or any part thereof, or interest therein, and their respective heirs, personal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future Unit Owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration and such Articles, By-Laws and applicable rules and regulations, as they may be amended from time to time, (whether or not recorded in the Public Records of the County). The acceptance of a deed or conveyance, or the entering into of a lease, or the entering into occupancy of any Unit, shall constitute an adoption and ratification of the provisions of this Declaration, and the Articles, By-Laws and applicable rules and regulations of the Association, as they may be amended from time to time, by such Unit Owner, tenant or occupant.

24 SURFACE WATER OR STORMWATER MANAGEMENT SYSTEM.

24.1 Maintenance. 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. The Association shall be responsible for such maintenance and operation. 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.

24.2 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 this Declaration which relate to the maintenance, operation and repair of the Surface Water or Stormwater Management System.

24.3 Amendment. Any amendment to this Declaration which alters the Surface Water or Stormwater Management System, beyond maintenance in its original condition, including the water management portions of the common areas, must have the prior approval of the St. Johns River Water Management District.

25 ADDITIONAL PROVISIONS.

25.1 Notices. All notices to the Association required or desired hereunder or under the By-Laws of the Association shall be sent by certified mail (return receipt requested) to the Association in care of its office at the Condominium, or to such other address as the Association may hereafter designate from time to time by notice in writing to all Unit Owners. Except as provided specifically in the Act, all notices to any Unit Owner shall be sent by first class mail to the Condominium address of such Unit Owner, or such other address as may have been designated by him from time to time, in writing, to the Association, or hand-delivered to such Unit Owner. Any notice which is mailed to mortgagees of Units shall be sent by first class mail to their respective addresses, or such other address, as may be designated by them from time to time, in writing to the Association. All notices shall be deemed to have been given when mailed in a postage prepaid sealed wrapper, except notices of a change of address, which shall be deemed to have been given when received.

25.2 Interpretation. The Board of Directors of the Association shall be responsible for interpreting the provisions hereof and of any of the Exhibits attached hereto. Such interpretation shall be binding upon all parties unless wholly unreasonable. An opinion of counsel that any interpretation adopted by the Association is not unreasonable shall conclusively establish the validity of such interpretation.

25.3 Mortgagees. The Association may assume each unit is free of any mortgages or liens, unless written notice of the existence of a mortgage or lien on the Unit is received by the Association.

25.4 Exhibits. There is hereby incorporated in this Declaration any materials contained in the Exhibits annexed hereto which under the Act are required to be part of the Declaration.

25.5 Signature of President and Secretary. Wherever the signature of the President of the Association is required hereunder, the signature of a vice-president may be substituted therefor, and wherever the signature of the Secretary of the Association is required hereunder, the signature of an assistant secretary may be substituted therefor, provided that the same person may not execute any single instrument on behalf of the Association in two separate capacities.

25.6 Governing Law. Should any dispute or litigation arise between any of the parties whose rights or duties are affected or determined by this Declaration, the Exhibits annexed hereto or applicable rules and regulations adopted pursuant to such documents, as the same may be amended from time to time, said dispute or litigation shall be governed by the laws of the State of Florida.

25.7 Severability. The invalidity in whole or in part of any covenant or restriction, or any section, subsection, sentence, clause, phrase or word, or other provision of this Declaration, the Exhibits annexed hereto, applicable rules and regulations adopted pursuant to such documents, or applicable management contracts, as the same may be amended from time to time, shall not affect the validity of the remaining portions hereof or thereof which shall remain in full force and effect.

25.8 Waiver. No provisions contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce the same, without regard to the number of violations or breaches which may occur.

25.9 Ratification. Each Unit Owner, by reason of having acquired ownership (whether by purchase, gift, operation of law or otherwise), and each occupant of a Unit, by reason of his occupancy, shall be deemed to have acknowledged and agreed that all of the provisions of this Declaration, and the Articles and By-Laws of the Association, and the applicable rules and regulations and management contracts are fair and reasonable in all material respects.

25.10 Gender; Plurality. 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 or no genders.

25.11 Captions. The captions herein and in the Exhibits annexed hereto are inserted only as a matter of convenience and for ease of reference and in no way define or limit the scope of the particular document or any provision thereof.

IN WITNESS WHEREOF, the Developer has caused this Declaration to be duly executed this ____ day of _____, 200__.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

DEVELOPER:

R.P.L. DEVELOPMENT, INC., a Florida
corporation

BY: _____
ALBERT KODSI, PRESIDENT

Witness Signature

Print Witness Signature

Witness Signature

Print Witness Name

Address: P. O. Box 320808
Cocoa Beach, FL 32932

STATE OF FLORIDA)
) ss:
COUNTY OF BREVARD)

THE FOREGOING INSTRUMENT was acknowledged before me this
_____ day of _____, 200__ by ALBERT KODSI, as
President of R.P.L DEVELOPMENT, INC., a Florida corporation, who
is personally known to me, or who produced _____ N/A
as identification, and who did not take an oath.

My commission expires:

Notary Public Signature

Print Notary Public Name

Prepared by:
John B. Shoemaker, Esq.
P.O. Box 320808
Cocoa Beach, FL 32932-0808

JOINDER AND CONSENT

holder of that certain Mortgage and Security Agreement between _____ and R.P.L. DEVELOPMENT, INC., a Florida corporation in the original principal amount of \$_____, dated _____, 200__ and recorded on _____, 200__ in Official Records Book _____, Page _____, and that certain UCC-1 Financing Statement recorded _____, 200__ in Official Records Book _____, Page _____, all of the public records of Seminole County, Florida, hereby consents to and joins in the Declaration of Condominium for Carmel By The Lake, Unit V, a Condominium dated _____, 200__, and recorded on _____, 200__, in Official Records Book _____, Page _____, of the Public Records of Seminole County, Florida.

IN WITNESS WHEREOF, _____, has caused this instrument to be executed in its name by its proper officer thereunto duly authorized as of the _____ day of _____, 200__.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

Witness Signature

By: _____

Title: _____

Print Witness Name

Address: _____

Witness Signature

Print Witness Name

STATE OF FLORIDA)
) ss:
COUNTY OF _____)

THE FOREGOING INSTRUMENT was acknowledged before me this _____ day of _____, 200__ by _____, as _____ of _____, who is personally known to me, or who produced _____ as identification, and who did not take an oath.

My commission expires:

Notary Public Signature

Print Notary Public Name

c:carmel/condo/declar4.wpd

JOINDER BY CONDOMINIUM ASSOCIATION

CARMEL BY THE LAKE 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, CARMEL BY THE LAKE 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 ____ day of _____, 200__.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

CARMEL BY THE LAKE CONDOMINIUM
ASSOCIATION, INC., a Florida
corporation not for profit

Witness Signature

By: _____
President

Print Witness Name

Address: _____

Witness Signature

Print Witness Name

STATE OF FLORIDA)
) ss:
COUNTY OF _____)

THE FOREGOING INSTRUMENT was acknowledged before me this ____ day of _____, 200__ by _____, as President of CARMEL BY THE LAKE CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, who is personally known to me, or who produced _____ as identification, and who did take an oath.

My commission expires:

Notary Public Signature

Print Notary Public Name

Carmel By The Lake Unit V

A CONDOMINIUM

LEGAL DESCRIPTION

A TRACT OF LAND BEING A PORTION OF SECTION 28, TOWNSHIP 21 SOUTH, RANGE 30 EAST, SEMINOLE COUNTY FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS; COMMENCE AT THE INTERSECTION OF THE NORTHERLY RIGHT OF WAY LINE OF LAKE HOWELL LANE WITH THE EASTERLY RIGHT OF WAY LINE OF STATE ROAD 436 (SEMPERAN BOULEVARD) A 200 FOOT WIDE RIGHT OF WAY PER FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAP SECTION NUMBER 77080- 2557; THENCE N23°54'25"W ALONG SAID EASTERLY RIGHT OF WAY LINE OF STATE ROAD 436, A DISTANCE OF 1839.02 FEET FOR A POINT OF BEGINNING; THENCE CONTINUE TO RUN N23°54'25"W, ALONG SAID EASTERLY RIGHT OF WAY LINE, A DISTANCE OF 385.45 FEET TO THE SOUTH LINE OF LAKE HOWELL SQUARE MEDICAL CENTER, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 44, PAGE 72, OF THE PUBLIC RECORDS OF SEMINOLE COUNTY, FLORIDA; THENCE RUN N 88°04'42" E, ALONG SAID SOUTH LINE, A DISTANCE OF 270.68 FEET; THENCE RUN S 23°54'25" E, A DISTANCE OF 214.74 FEET; THENCE RUN S 66°05'35" W, A DISTANCE OF 124.00 FEET; THENCE RUN S 23°54'25" E, A DISTANCE OF 20.00 FEET; THENCE RUN S 66°05'35" W, A DISTANCE OF 3.89 FEET TO THE POINT OF CURVATURE OF A CURVE, CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 75.00 FEET AND A CENTRAL ANGLE OF 70°01'34"; THENCE RUN SOUTHWESTERLY, ALONG THE ARC OF SAID CURVE, A DISTANCE OF 91.66 FEET TO THE END THEREOF; THENCE RUN S 66°05'35" W, A DISTANCE OF 52.62 FEET TO THE POINT OF BEGINNING.

SAID LANDS SITUATE, LYING AND BEING IN SEMINOLE COUNTY, FLORIDA AND CONTAINING 1.67 ACRES, MORE OR LESS.

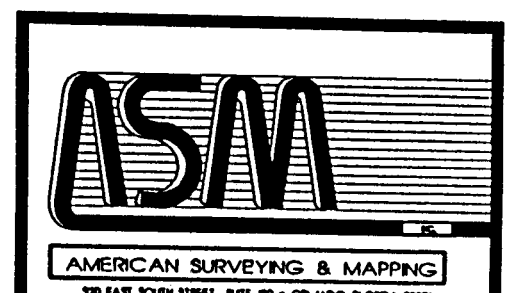
SURVEYOR'S CERTIFICATE

I, BRETT MOSCOVITZ, OF ORLANDO, FLORIDA, CERTIFY AS FOLLOWS:

1. I AM A SURVEYOR AUTHORIZED TO PRACTICE IN THE STATE OF FLORIDA
2. THIS CERTIFICATE IS MADE TO CARMEL BY THE LAKE UNIT V, A CONDOMINIUM LOCATED AT S.R. 436 AND LAKE HOWELL LANE, CASSELBERRY, SEMINOLE COUNTY, FLORIDA AND IS IN COMPLIANCE WITH SECTION 718.104(4)(E), FLORIDA STATUTES.
2. THE CONSTRUCTION OF THE IMPROVEMENTS SHOWN AND DESCRIBED ON THE ATTACHED EXHIBIT 'A' IS NOT SUBSTANTIALLY COMPLETE. HOWEVER, THESE DRAWINGS ARE SUFFICIENTLY DETAILED SO THAT THE MATERIAL DESCRIBED AND SHOWN ON THE ATTACHED EXHIBIT 'A' TOGETHER WITH THE DECLARATION OF CONDOMINIUM ESTABLISHING CARMEL BY LAKE, A CONDOMINIUM, IS AN ACCURATE REPRESENTATION OF THE LOCATION AND DIMENSIONS OF THE IMPROVEMENTS, AND THAT THE IDENTIFICATION, LOCATION AND DIMENSIONS OF THE COMMON ELEMENTS OF EACH UNIT CAN BE DETERMINED FROM THESE MATERIALS.

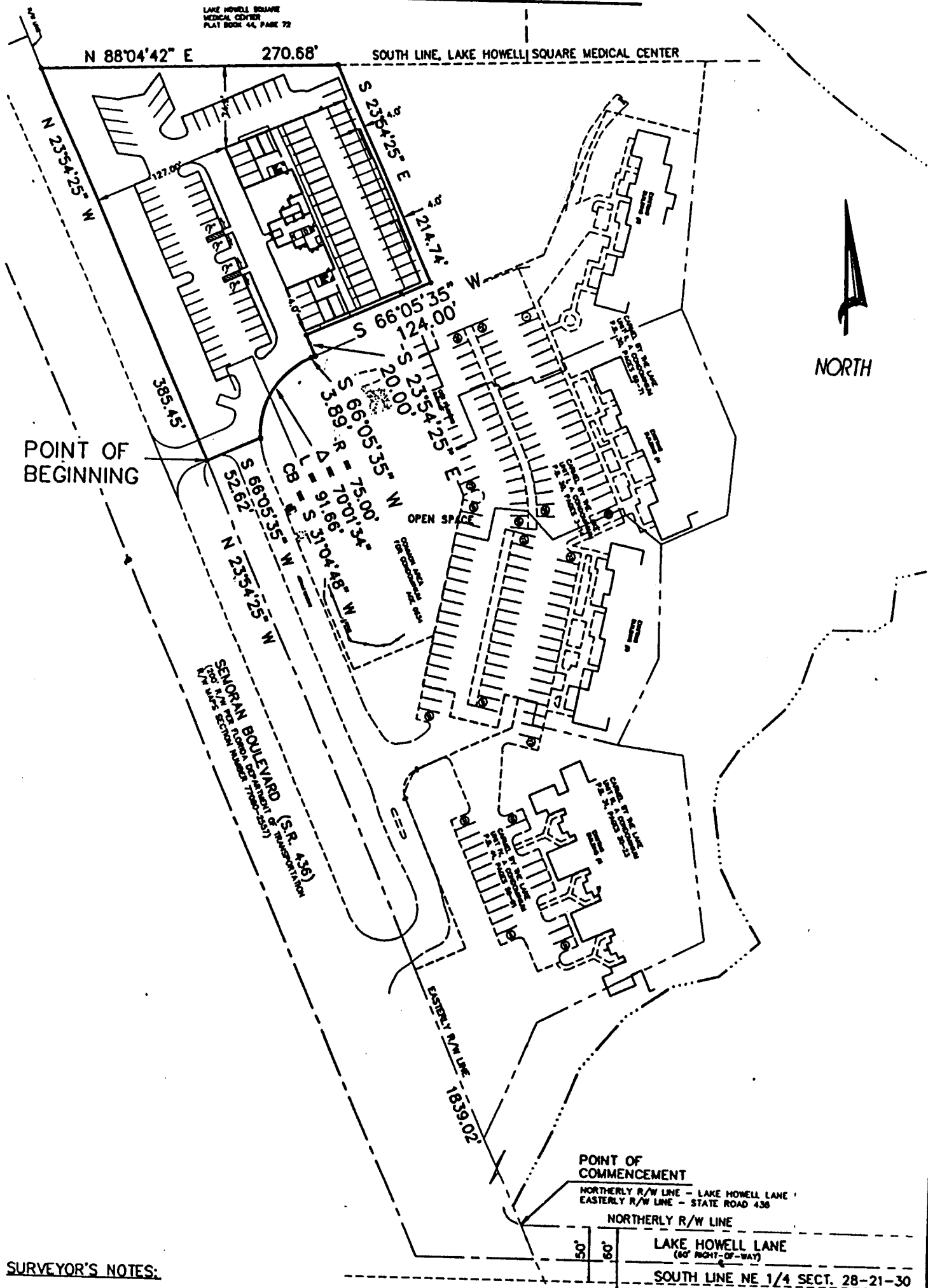
BRETT A. MOSCOVITZ
PROFESSIONAL SURVEYOR & MAPPER
FLORIDA REGISTRATION #5011

EXHIBIT 'A'



Carried by The Lake Unit V A CONDOMINIUM

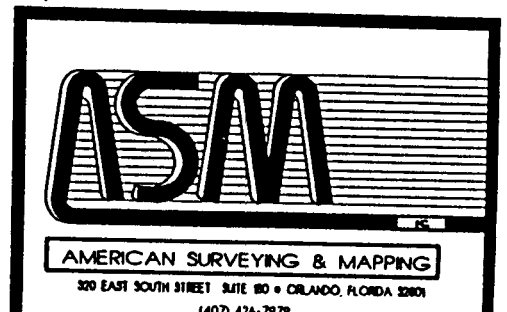
GRAPHIC PLOT PLAN



SURVEYOR'S NOTES:

1. ALL AREAS AND IMPROVEMENTS, EXCLUSIVE OF THE UNITS, ARE COMMON ELEMENTS OF THE CONDOMINIUM.
2. ALL STRUCTURAL FEATURES (COLUMNS, ETC.) ARE COMMON ELEMENTS OF THE CONDOMINIUM.
3. ALL DIMENSIONS FOR GARAGES ARE TO THE CENTER OF INTERIOR COLUMNS OR WALLS.
4. ALL IMPROVEMENTS SHOWN ARE PROPOSED.
5. ——— INDICATES THE LIMITS OF THE CONDOMINIUM.

EXHIBIT 'A'
PAGE 2 OF 45

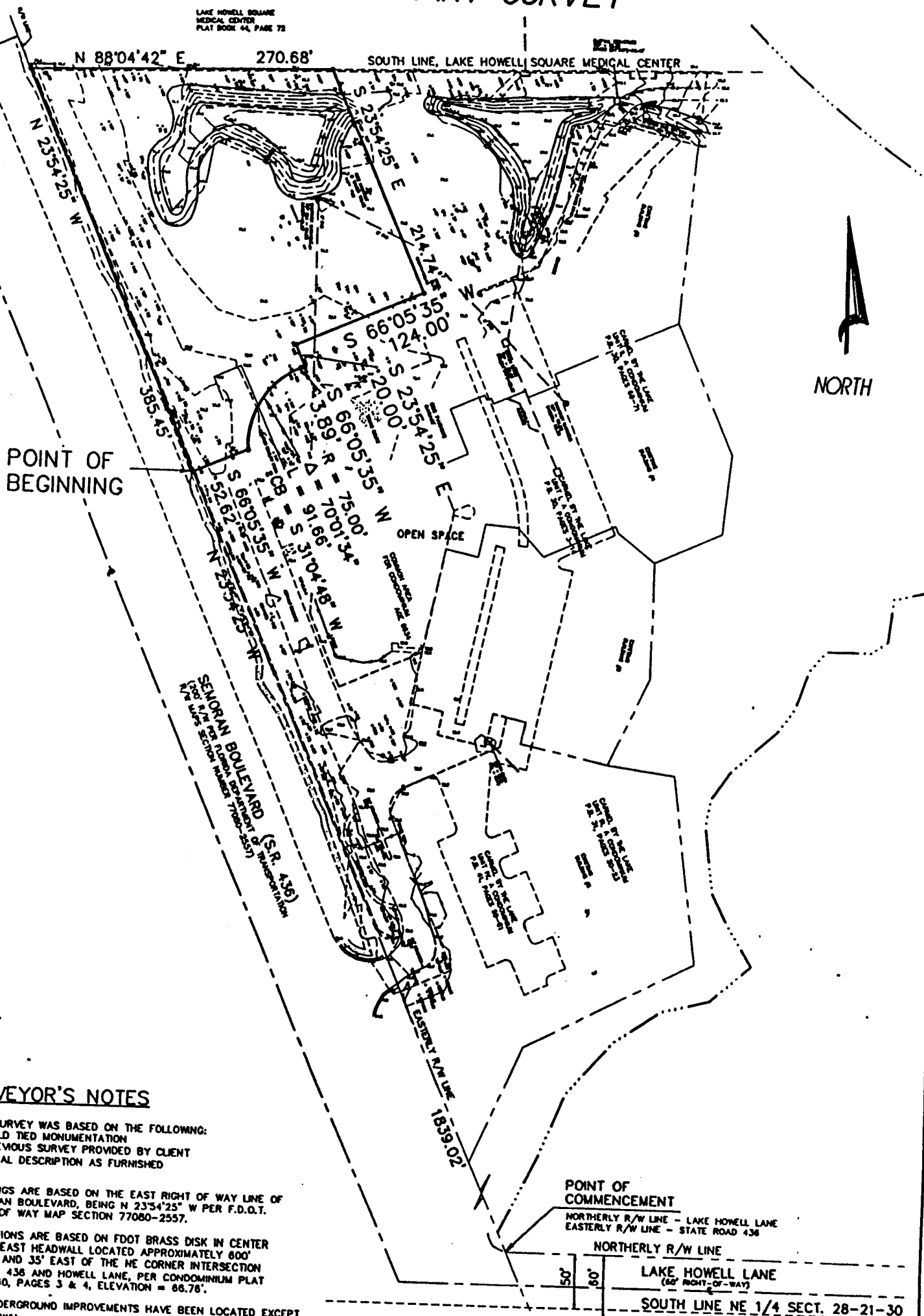


Carried by The Lake Unit V

A CONDOMINIUM

BOUNDARY SURVEY

LAKE HOWELL SQUARE
MEDICAL CENTER
PLAT BOOK 44, PAGE 72



SURVEYOR'S NOTES

- THIS SURVEY WAS BASED ON THE FOLLOWING:
A) FIELD TIED MONUMENTATION
B) PREVIOUS SURVEY PROVIDED BY CLIENT
C) LEGAL DESCRIPTION AS FURNISHED
- BEARINGS ARE BASED ON THE EAST RIGHT OF WAY LINE OF SEMORAN BOULEVARD, BEING N 23°54'25" W PER F.D.O.T. RIGHT OF WAY MAP SECTION 77080-2557.
- ELEVATIONS ARE BASED ON FOOT BRASS DISK IN CENTER OF OF EAST HEADWALL LOCATED APPROXIMATELY 800' NORTH AND 35' EAST OF THE NE CORNER INTERSECTION OF S.R. 436 AND HOWELL LANE, PER CONDOMINIUM PLAT BOOK 30, PAGES 3 & 4, ELEVATION = 66.78'.
- NO UNDERGROUND IMPROVEMENTS HAVE BEEN LOCATED EXCEPT AS SHOWN.
- THE SURVEYOR HAS NOT ABSTRACTED THE LAND SHOWN HEREON FOR EASEMENTS, RIGHTS OF WAY OR RESTRICTIONS OF RECORD WHICH MAY AFFECT THE TITLE OR USE OF THE LAND.
- I HAVE EXAMINED THE FLOOD INSURANCE RATE MAP, COMMUNITY PANEL NUMBER 12117C0140 E AND FOUND THE SUBJECT PROPERTY LIES IN ZONE X, AN AREA OUTSIDE THE 100 YEAR FLOOD.
- NOT VALID WITHOUT THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED PROFESSIONAL SURVEYOR & MAPPER.
- ALL RECORDING INFORMATION SHOWN HEREON REFERS TO THE PUBLIC RECORDS OF SEMINOLE COUNTY, FLORIDA.

POINT OF COMMENCEMENT

NORTHERLY R/W LINE - LAKE HOWELL LANE
EASTERLY R/W LINE - STATE ROAD 436

NORTHERLY R/W LINE

LAKE HOWELL LANE
(60' RIGHT-OF-WAY)

SOUTH LINE NE 1/4 SECT. 28-21-30



AMERICAN SURVEYING & MAPPING
320 EAST SOUTH STREET SUITE 100 • ORLANDO, FLORIDA 32801

EXHIBIT 'A'

Carmel By The Lake Unit V
A CONDOMINIUM

CARMEL BY THE LAKE DEVELOPMENT

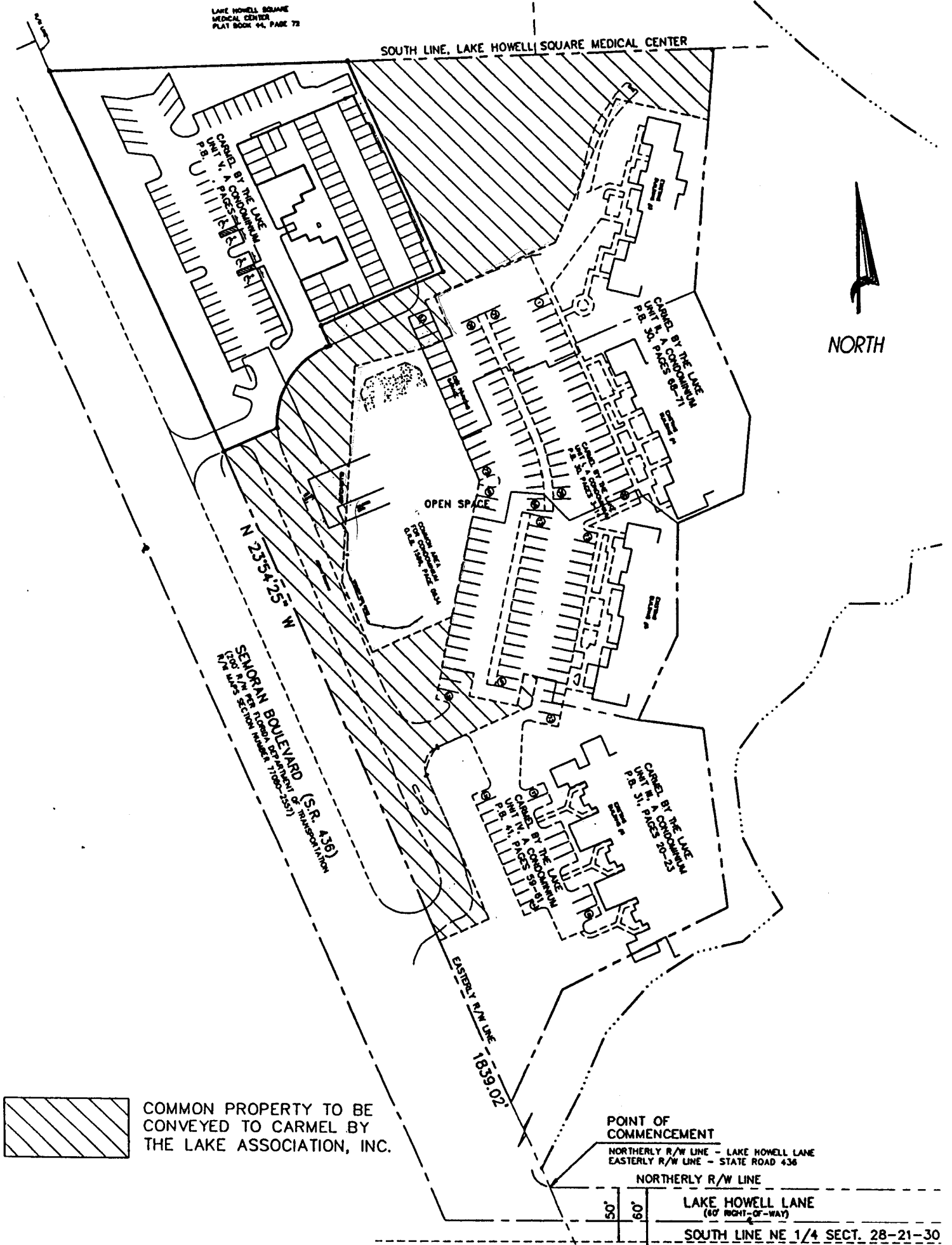
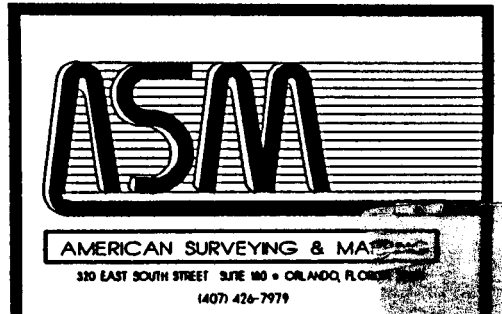
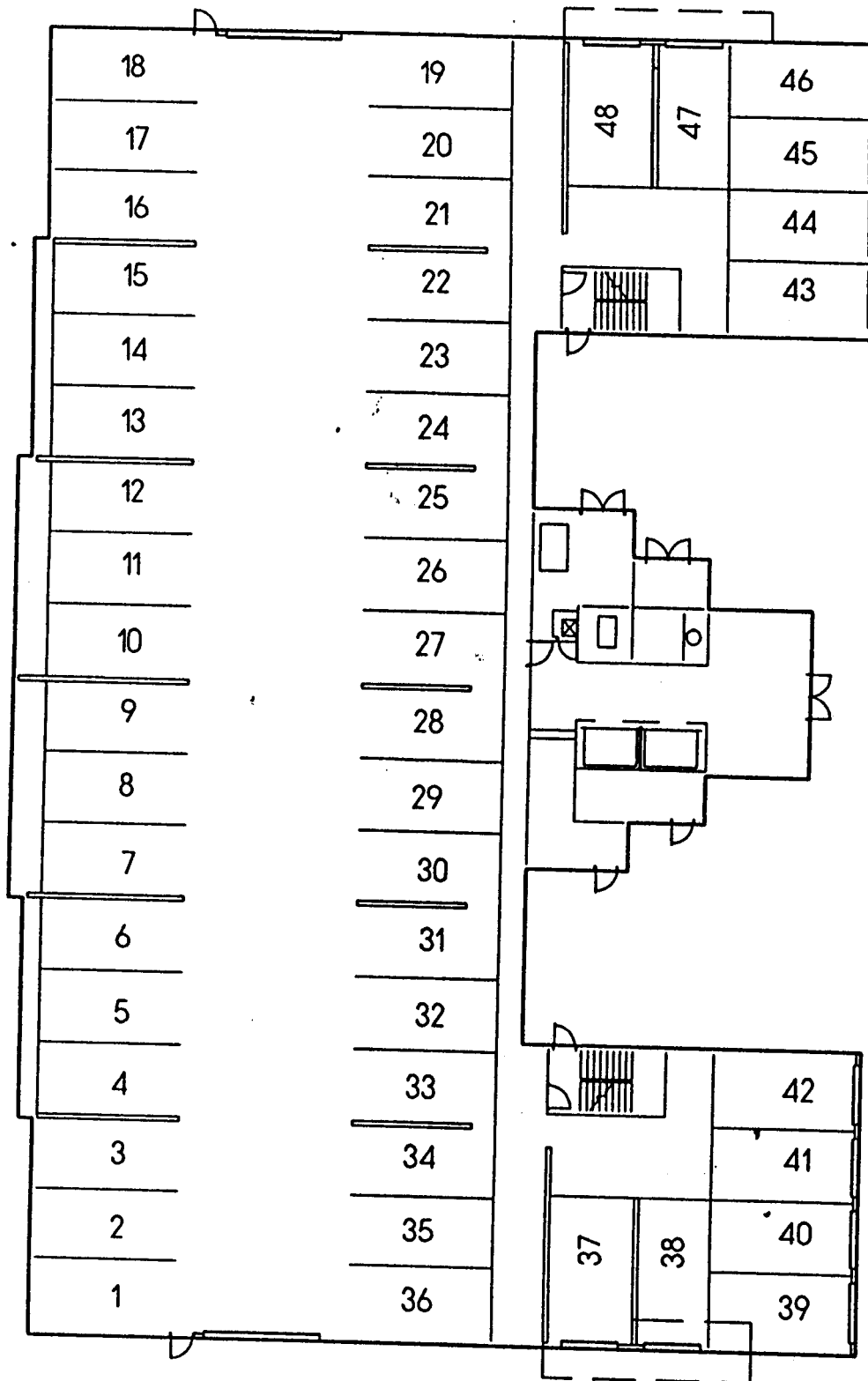


EXHIBIT "A"
PAGE 1 OF 15



Carried by The Lake Unit V

A CONDOMINIUM



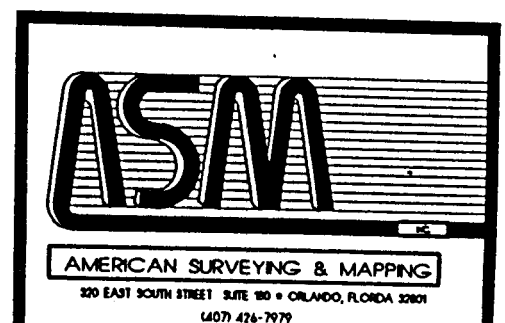
BUILDING GARAGE LEVEL

SURVEYOR'S NOTES:

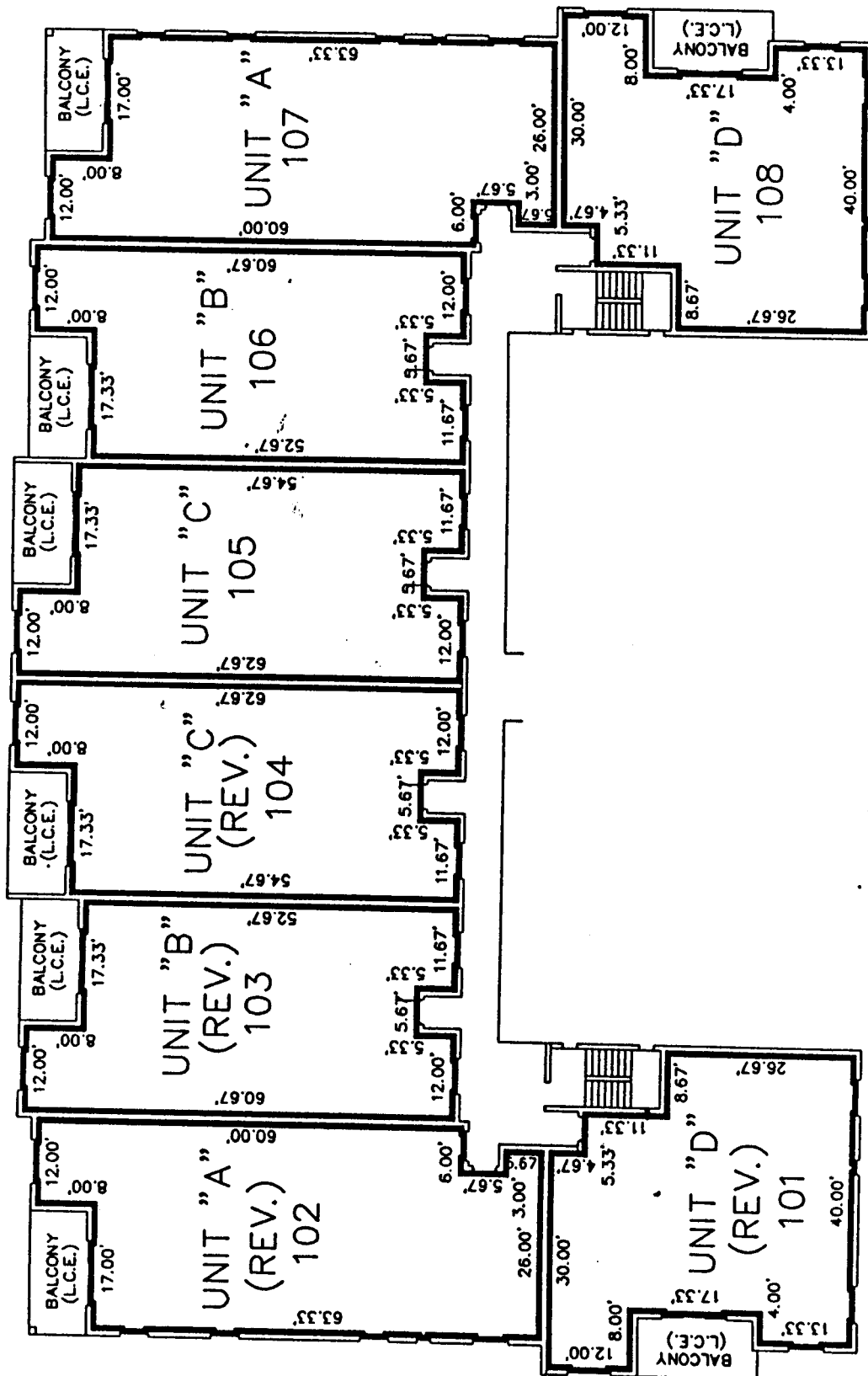
1. THE FIRST FLOOR FINISHED FLOOR ELEVATION IS 64.50 FEET.
2. THE FIRST FLOOR FINISHED CEILING ELEVATION IS 74.50 FEET.
3. ALL AREAS AND IMPROVEMENTS, EXCLUSIVE OF THE UNITS, ARE COMMON ELEMENTS OF THE CONDOMINIUM.
4. ALL STRUCTURAL FEATURES (COLUMNS, ETC.) ARE COMMON ELEMENTS OF THE CONDOMINIUM.
5. ALL DIMENSIONS FOR GARAGES ARE TO THE CENTER OF INTERIOR COLUMNS OR WALLS.
6. ALL IMPROVEMENTS SHOWN ARE PROPOSED.

L.C.E. - LIMITED COMMON ELEMENT
C.E. - COMMON ELEMENT

EXHIBIT "A"
PAGE 5 OF 15



Carried by The Lake Unit V A CONDOMINIUM



BUILDING LEVEL 2

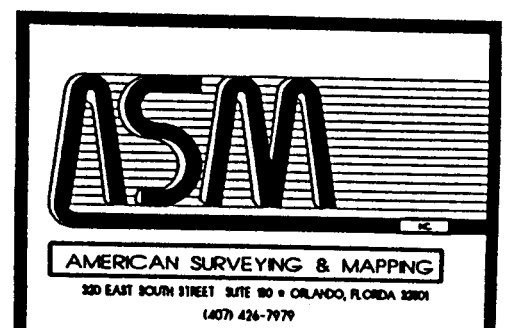
SURVEYOR'S NOTES:

1. THE SECOND FLOOR FINISHED FLOOR ELEVATION IS 75.17 FEET.
2. THE SECOND FLOOR FINISHED CEILING ELEVATION IS 83.17 FEET.
3. ALL AREAS AND IMPROVEMENTS, EXCLUSIVE OF THE UNITS, ARE COMMON ELEMENTS OF THE CONDOMINIUM.
4. ALL STRUCTURAL FEATURES (COLUMNS, ETC.) ARE COMMON ELEMENTS OF THE CONDOMINIUM.
5. ALL IMPROVEMENTS SHOWN ARE PROPOSED.
6. ——— INDICATES THE LIMITS OF THE UNIT.

L.C.E. - LIMITED COMMON ELEMENT

C.E. - COMMON ELEMENT

EXHIBIT "A"
PAGE 6 OF 15



A CONDOMINIUM



1. THE THIRD FLOOR FINISHED FLOOR ELEVATION IS 75.17 FEET.
2. THE THIRD FLOOR FINISHED CEILING ELEVATION IS 83.17 FEET.
3. ALL AREAS AND IMPROVEMENTS, EXCLUSIVE OF THE UNITS, ARE COMMON ELEMENTS OF THE CONDOMINIUM.
4. ALL STRUCTURAL FEATURES (COLUMNS, ETC.) ARE COMMON ELEMENTS OF THE CONDOMINIUM.
5. ALL IMPROVEMENTS SHOWN ARE PROPOSED.
6. INDICATES THE LIMITS OF THE UNIT.

L.C.E. - LIMITED COMMON ELEMENT
C.E. - COMMON ELEMENT

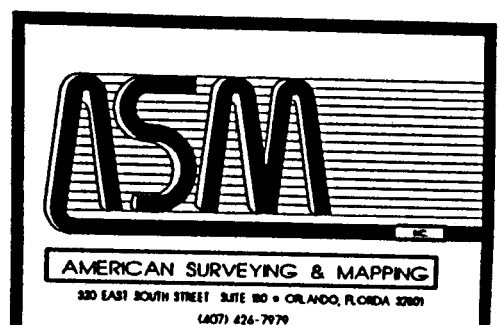
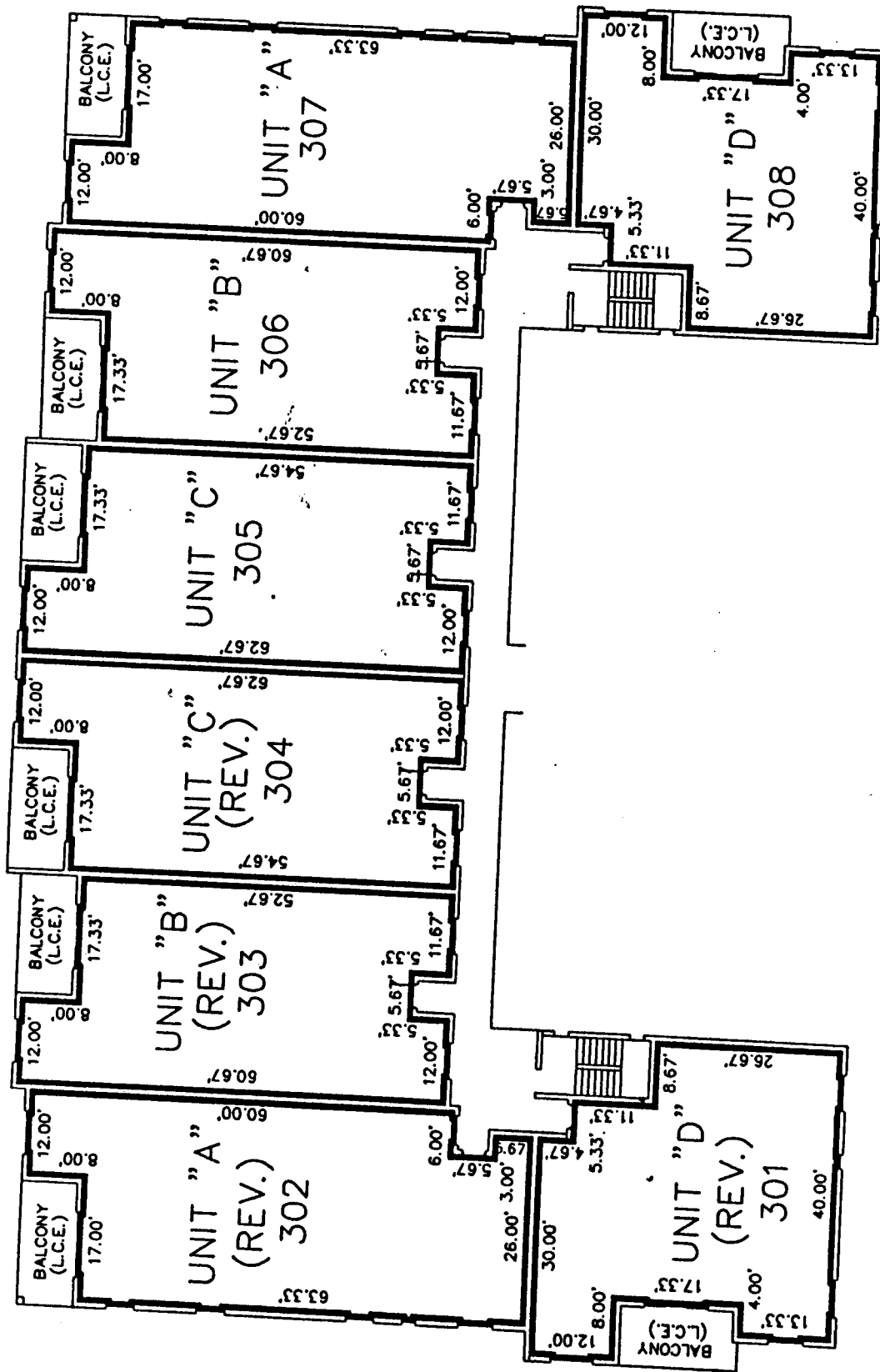


EXHIBIT "A"
PAGE 7 OF 15

Unit V A CONDOMINIUM



BUILDING LEVEL 4

SURVEYOR'S NOTES:

1. THE FOURTH FLOOR FINISHED FLOOR ELEVATION IS 75.17 FEET.
2. THE FOURTH FLOOR FINISHED CEILING ELEVATION IS 83.17 FEET.
3. ALL AREAS AND IMPROVEMENTS, EXCLUSIVE OF THE UNITS, ARE COMMON ELEMENTS OF THE CONDOMINIUM.
4. ALL STRUCTURAL FEATURES (COLUMNS, ETC.) ARE COMMON ELEMENTS OF THE CONDOMINIUM.
5. ALL IMPROVEMENTS SHOWN ARE PROPOSED.
6. ——— INDICATES THE LIMITS OF THE UNIT.

L.C.E. - LIMITED COMMON ELEMENT
C.E. - COMMON ELEMENT

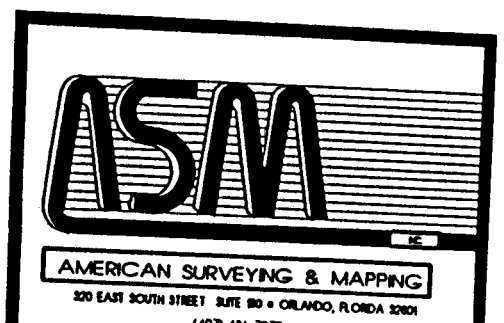
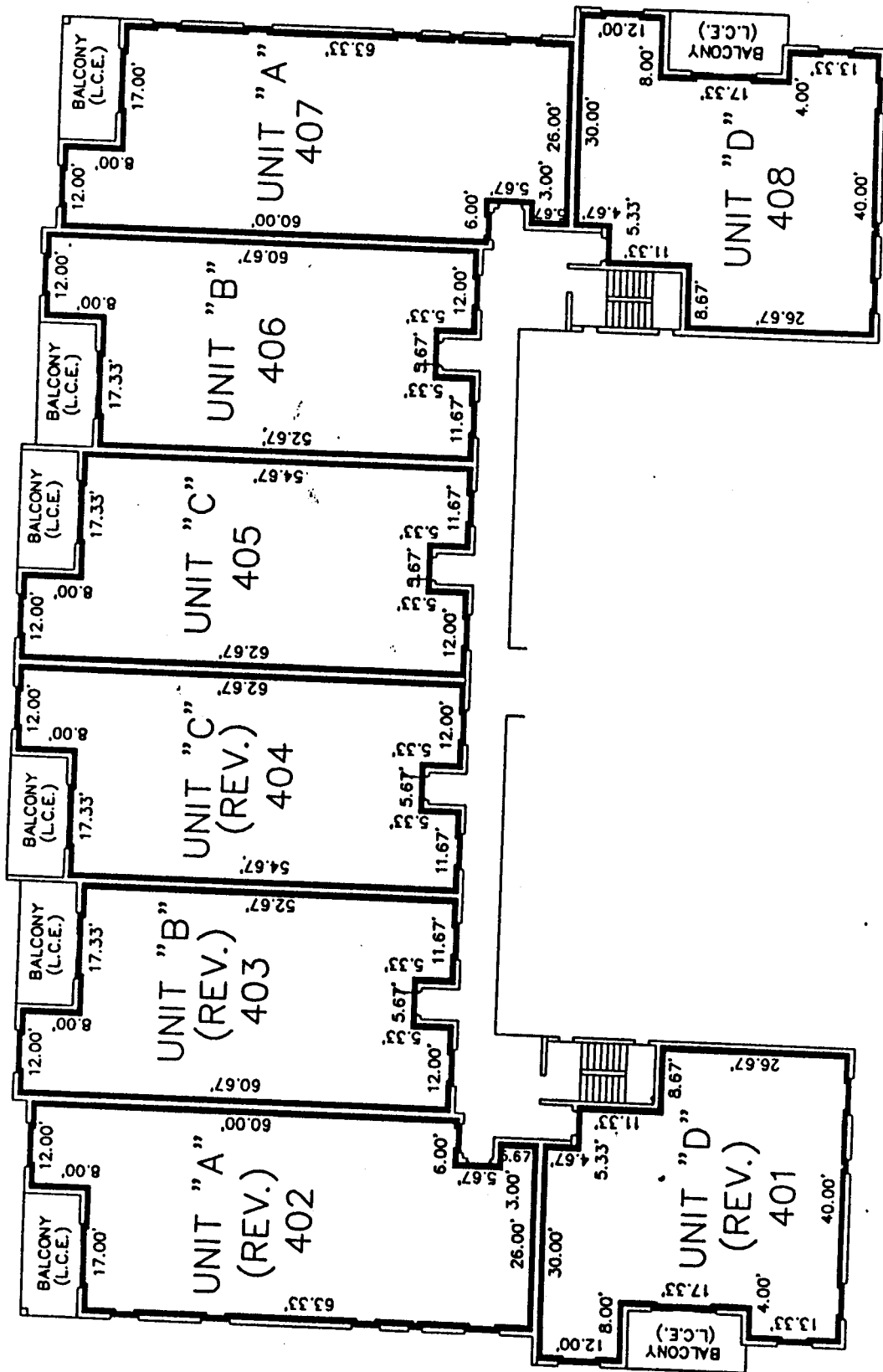


EXHIBIT "A"
PAGE 2 OF 10

Carrier by the Lake Unit V

A CONDOMINIUM



BUILDING LEVEL 5

SURVEYOR'S NOTES:

1. THE FIFTH FLOOR FINISHED FLOOR ELEVATION IS 75.17 FEET.
2. THE FIFTH FLOOR FINISHED CEILING ELEVATION IS 83.17 FEET.
3. ALL AREAS AND IMPROVEMENTS, EXCLUSIVE OF THE UNITS, ARE COMMON ELEMENTS OF THE CONDOMINIUM.
4. ALL STRUCTURAL FEATURES (COLUMNS, ETC.) ARE COMMON ELEMENTS OF THE CONDOMINIUM.
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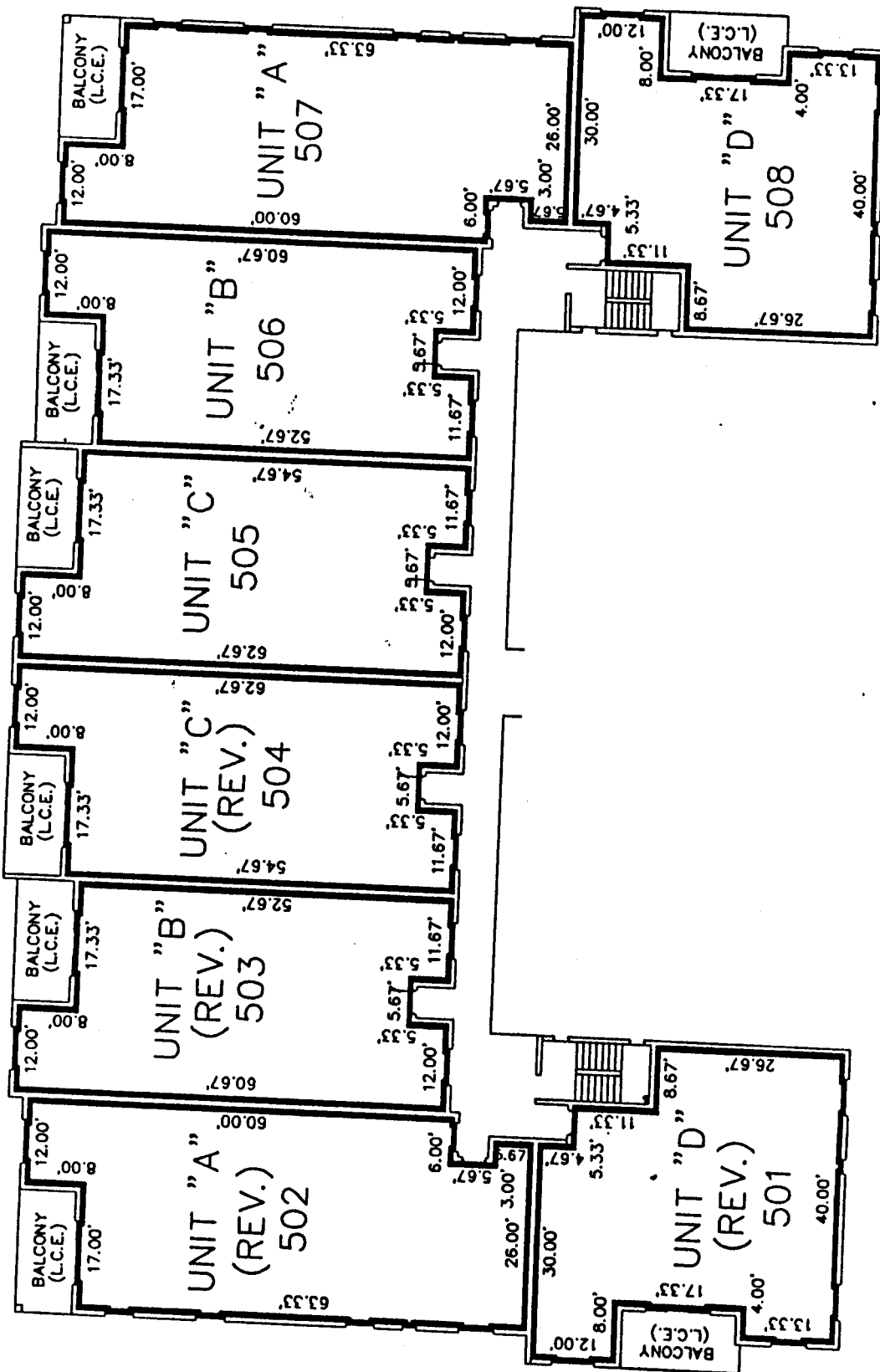
L.C.E. - LIMITED COMMON ELEMENT
C.E. - COMMON ELEMENT



EXHIBIT "A"

Carroll by The Lake Unit V

A CONDOMINIUM



BUILDING LEVEL 6

SURVEYOR'S NOTES:

1. THE SIXTH FLOOR FINISHED FLOOR ELEVATION IS 75.17 FEET.
2. THE SIXTH FLOOR FINISHED CEILING ELEVATION IS 83.17 FEET.
3. ALL AREAS AND IMPROVEMENTS, EXCLUSIVE OF THE UNITS, ARE COMMON ELEMENTS OF THE CONDOMINIUM.
4. ALL STRUCTURAL FEATURES (COLUMNS, ETC.) ARE COMMON ELEMENTS OF THE CONDOMINIUM.
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6. ——— INDICATES THE LIMITS OF THE UNIT.

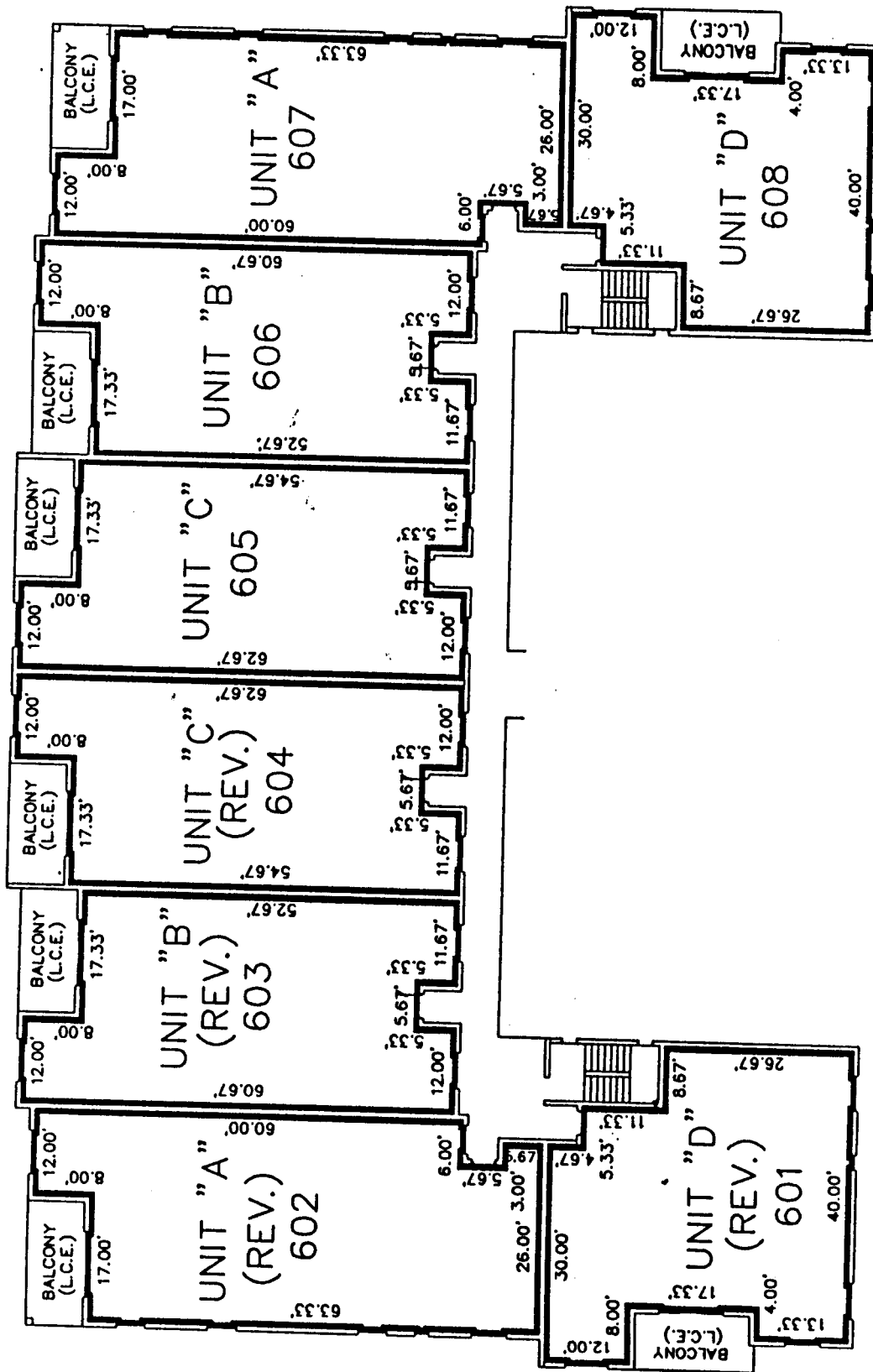
L.C.E. - LIMITED COMMON ELEMENT
C.E. - COMMON ELEMENT



EXHIBIT "A"

Carried by The Lake Unit V

A CONDOMINIUM



BUILDING LEVEL 7

SURVEYOR'S NOTES:

1. THE SEVENTH FLOOR FINISHED FLOOR ELEVATION IS 75.17 FEET.
2. THE SEVENTH FLOOR FINISHED CEILING ELEVATION IS 83.17 FEET.
3. ALL AREAS AND IMPROVEMENTS, EXCLUSIVE OF THE UNITS, ARE COMMON ELEMENTS OF THE CONDOMINIUM.
4. ALL STRUCTURAL FEATURES (COLUMNS, ETC.) ARE COMMON ELEMENTS OF THE CONDOMINIUM.
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6. ——— INDICATES THE LIMITS OF THE UNIT.

L.C.E. - LIMITED COMMON ELEMENT
C.E. - COMMON ELEMENT

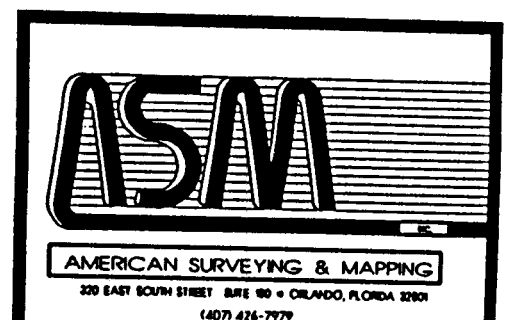
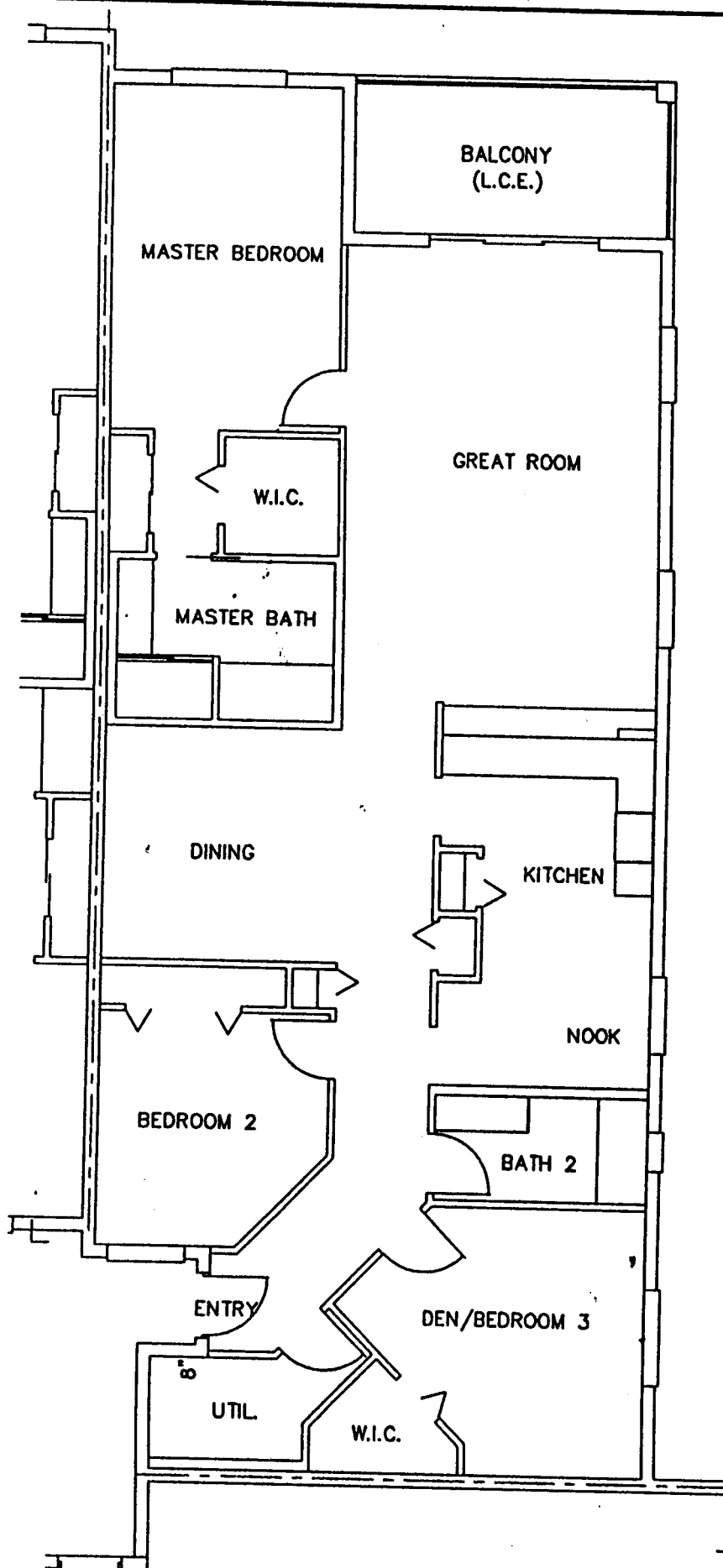


EXHIBIT "A"
PAGE 11 OF 15

Carried by The Lake Unit V A CONDOMINIUM



TYPICAL UNIT A

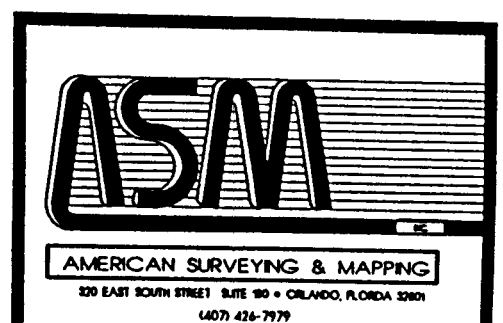
L.C.E. - LIMITED COMMON ELEMENT

C.E. - COMMON ELEMENT

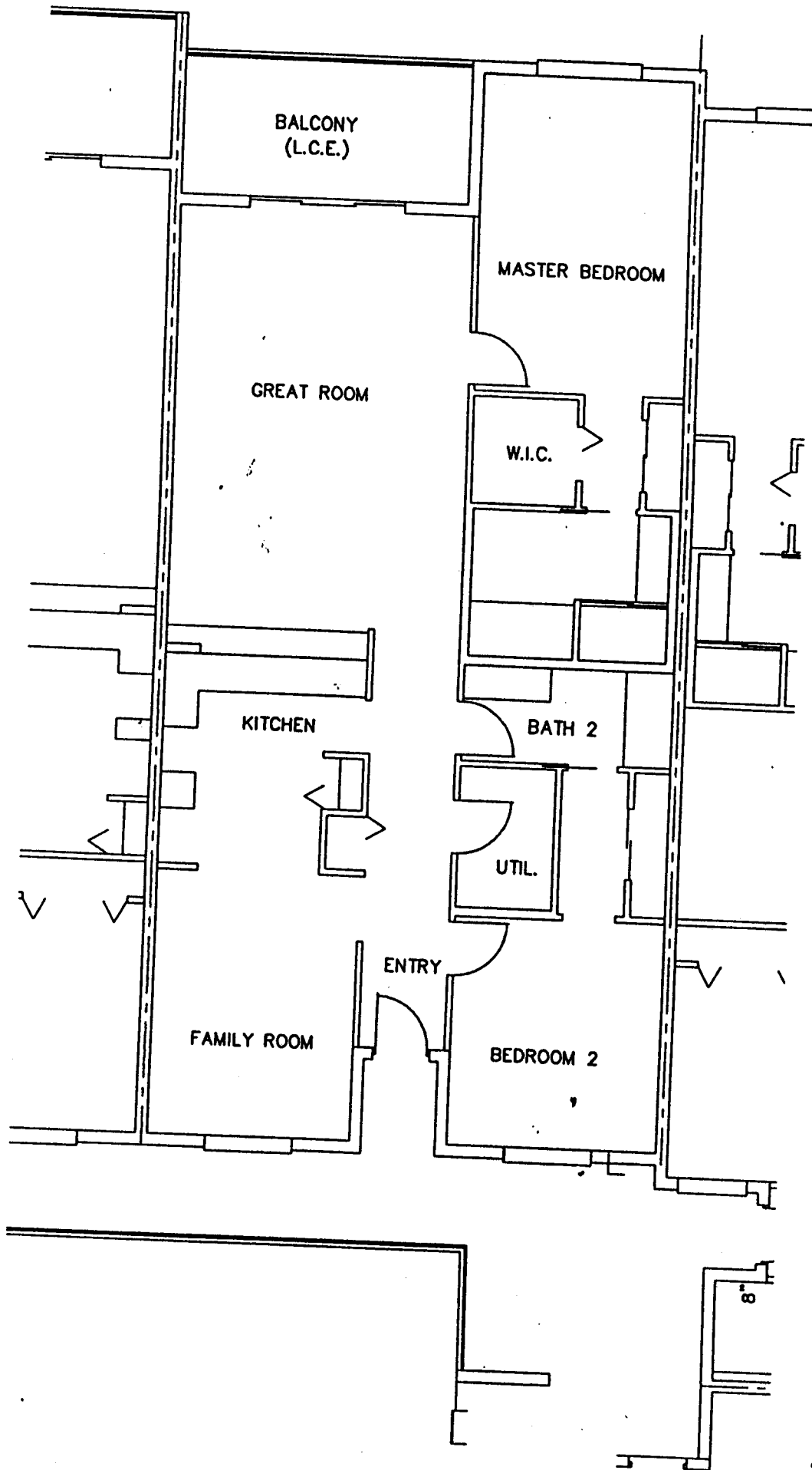
SURVEYOR'S NOTES:

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EXHIBIT "A"
PAGE 12 OF 45



Unit V A CONDOMINIUM



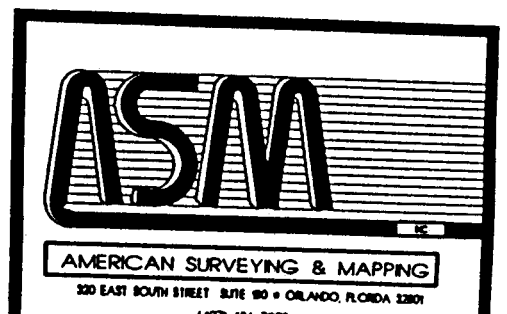
TYPICAL UNIT B

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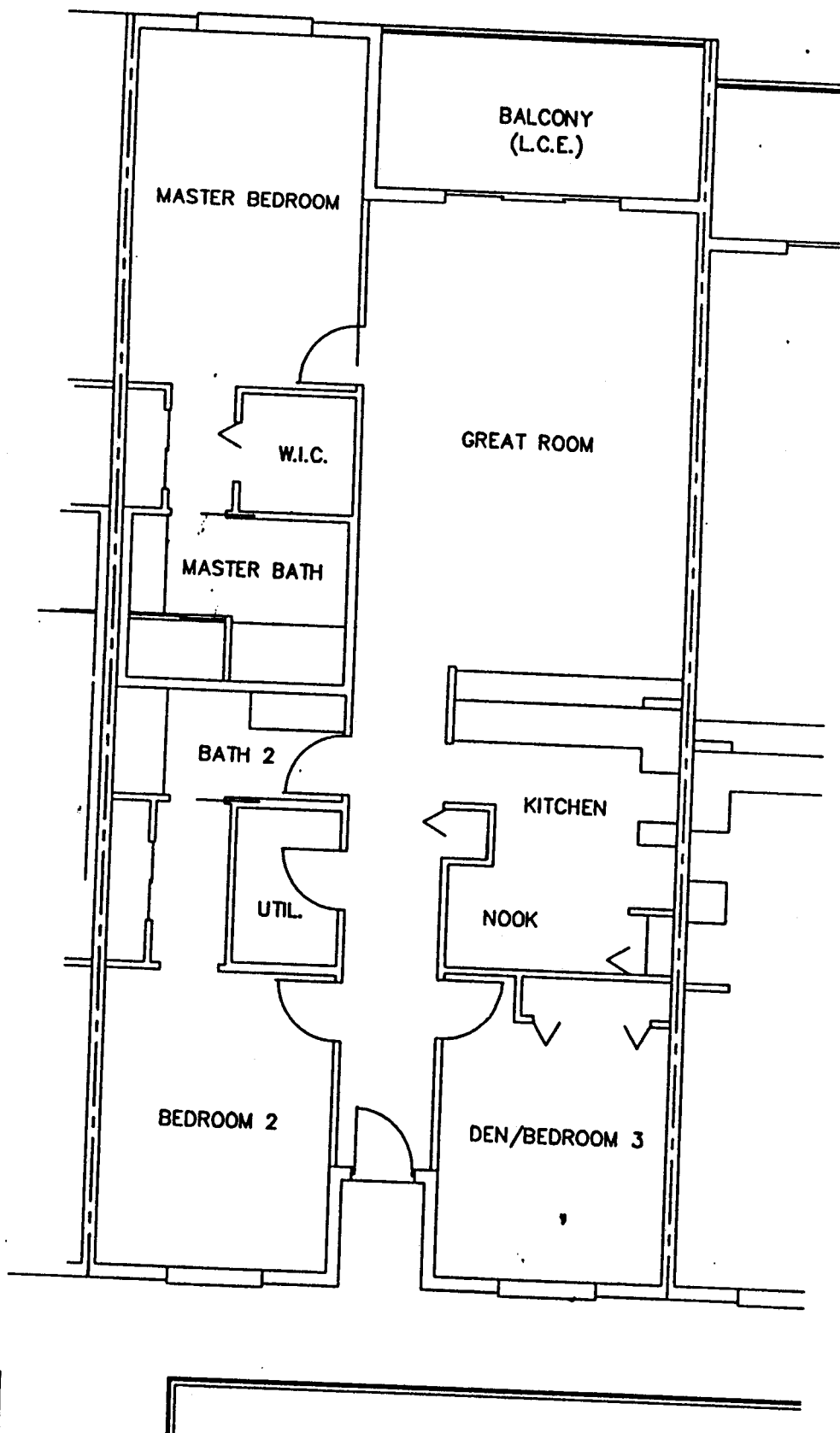
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EXHIBIT "A"

PAGE 10 OF 15



UNIT V A CONDOMINIUM



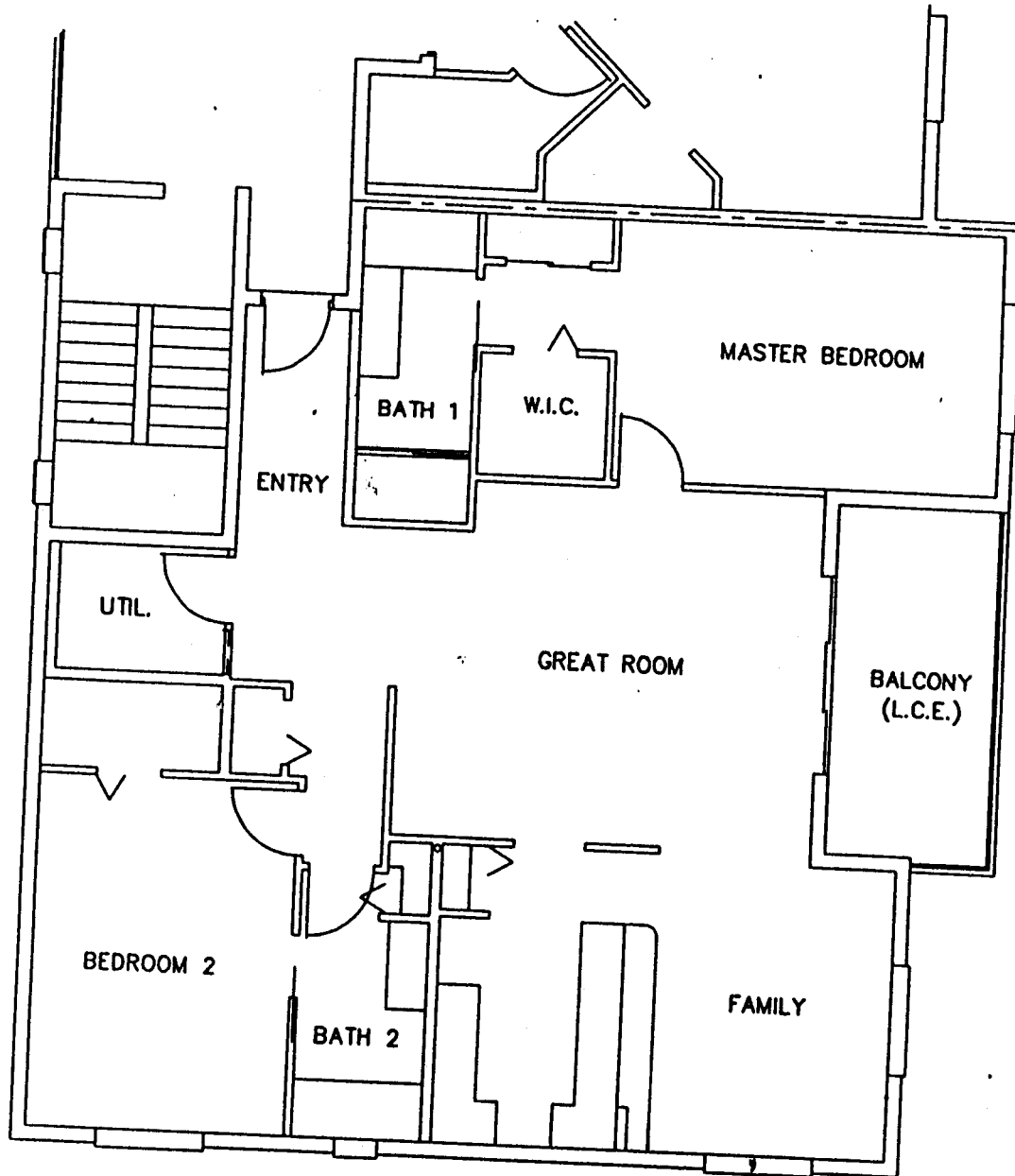
TYPICAL UNIT C

SURVEYOR'S NOTES:

1. ALL AREAS AND IMPROVEMENTS, EXCLUSIVE OF THE UNITS, ARE COMMON ELEMENTS OF THE CONDOMINIUM.
2. ALL STRUCTURAL FEATURES (COLUMNS, ETC.) ARE COMMON ELEMENTS OF THE CONDOMINIUM.
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4. ALL IMPROVEMENTS SHOWN ARE PROPOSED.



UNIT V A CONDOMINIUM

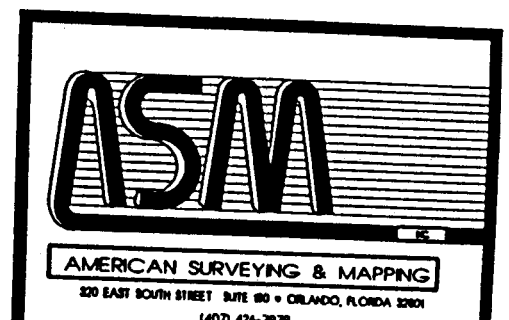


TYPICAL UNIT D

SURVEYOR'S NOTES:

1. ALL AREAS AND IMPROVEMENTS, EXCLUSIVE OF THE UNITS, ARE COMMON ELEMENTS OF THE CONDOMINIUM.
2. ALL STRUCTURAL FEATURES (COLUMNS, ETC.) ARE COMMON ELEMENTS OF THE CONDOMINIUM.
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4. ALL IMPROVEMENTS SHOWN ARE PROPOSED.

EXHIBIT "A"
PAGE 15 OF 15



ARTICLES OF INCORPORATION

OF

NOV 19 1984

CARMEL BY THE LAKE CONDOMINIUM ASSOCIATION, STATE

The undersigned by these Articles associate themselves for the purpose of forming a corporation not for profit under Chapter 617, Florida Statutes, and certify as follows:

ARTICLE 1

Name and Definitions

The name of the corporation shall be CARMEL BY THE LAKE CONDOMINIUM ASSOCIATION, INC. For convenience the corporation shall be referred to in this instrument as the Association, these Articles of Incorporation as Articles, and the By-Laws of the Association as By-Laws.

ARTICLE 2

Purpose

The purpose for which the Association is organized is to provide an entity pursuant to Chapter 718, Florida Statutes, for the operation of Carmel by the Lake, Unit 1, a Condominium, on real property situated in Seminole County, Florida, to be more particularly described in the declaration of condominium (the Declaration) for Carmel by the Lake, Unit 1, a Condominium, and for any other condominiums which may be developed as hereinafter set forth. Carmel by the Lake, Unit 1, a Condominium, will consist of 20 condominium units. Additional condominiums may be constructed and developed on real property adjacent to or nearby Carmel by the Lake, Unit 1, a Condominium, and if all such condominiums are constructed and developed, the entire condominium development will consist of not more than 520 condominium units, all of which may ultimately be operated and administered by this Association.

ARTICLE 3

Powers

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

3.1 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 terms of these Articles.

3.2 Enumeration. The Association shall have all of the powers and duties set forth in Chapter 718, Florida Statutes, (the Condominium Act) and all of the powers and duties reasonably necessary to operate the Condominium pursuant to the Declaration and as it may be amended from time to time or any other declarations of condominiums for which the Association is to be the entity to operate the condominiums, including those set forth in these Articles and those set forth in the Declaration of Condominium, if not inconsistent with the Condominium Act, including but not limited to the following:

(a) To make and collect assessments against members as unit owners to defray the costs, expenses and losses of the Condominium.

(d) To use the proceeds of assessments and other funds for the exercise of its powers and duties.

(e) To buy or lease both real and personal property for condominium use, and to sell or otherwise dispose of property so acquired.

(f) To maintain, repair, replace and operate the condominium property and property acquired or leased by the Association for use by unit owners.

(g) To purchase insurance upon the condominium property and insurance for the protection of the Association and its members as unit owners.

(h) To reconstruct and repair improvements after casualty and to construct additional improvements of the condominium property.

(i) To make and amend reasonable regulations respecting the use and appearance of the property in the condominiums; provided, however, that all those regulations and amendments thereof shall be approved by not less than 51% of the votes of the entire membership of the Association before they shall become effective.

(j) To enforce by legal means the provisions of the Condominium Act (Chapter 718, Florida Statutes), the declarations of condominiums, these Articles, the By-Laws of the Association and the regulations for the use of the property in the condominiums.

(k) To operate and manage the condominiums within the purpose and intent of the declarations of condominium, and the Condominium Act and to contract for the management of the condominiums. The Association shall, however, retain at all times the powers and duties granted it by the Condominium Act and the Association shall not delegate any powers or duties reserved to the Association by the Condominium Act.

(l) To contract for the management or operation of portions of the common elements susceptible to separate management or operation, and to grant leases of those portions for this purpose, subject to the provisions of the Condominium Act.

(m) To employ personnel to perform the services required for proper operation of the condominium and to purchase or lease a unit in the condominium from its owner in order to provide living quarters for a manager of the condominium.

3.3 Purchase of Units. Except to provide for living accommodations of management personnel, the Association shall not have the power to purchase a condominium unit of the condominiums except at sales in foreclosure of liens for assessments for common expenses, at which sales the Association shall bid no more than the amount secured by its lien. This provision shall not be changed without approval of 75% of the entire membership of the Association.

3.4 Condominium Property. All funds and the titles of all properties acquired by the Association and their proceeds shall be held in trust for the members in accordance with the provisions of the declarations of condominium, these Articles of Incorporation and the By-Laws.

3.5 Distribution of Income. The Association shall make no distribution of income to its members, directors or officers.

3.6 Limitation. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the declarations of condominium and the By-Laws.

ARTICLE 4

Members

4.1 Membership. The members of the Association shall consist of all of the record owners of condominium units in Carmel by the Lake, Unit 1, a Condominium, and future condominiums, if constructed and developed as hereinbefore set forth, and after termination of the condominiums shall consist of those who are members at the time of the termination and their successors and assigns.

4.2 Evidence. After the transfer or change in the ownership of a Unit, the change of membership in the Association shall be established by recording in the public records of Seminole County, Florida, a deed or other instrument establishing a public record of the transfer of the title substantiating the membership, and delivery to the Association of a copy of the recorded instruments. The owner receiving title of the unit by instrument of transfer will be a member of the Association and the membership of the prior owner will be terminated. In the case of a unit which is owned by more than one person, all owners of the unit shall hold the membership jointly, which membership shall be considered as one membership.

4.3 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.

4.4 Voting. A member of the Association shall be entitled to one vote for each unit owned by the member. The exact number of votes to be cast by owners of a unit and the manner of exercising voting rights shall be determined by the By-Laws of the Association.

ARTICLE 5

Directors

5.1 Number and Qualification. The affairs of the Association shall be managed by a board consisting of the number of directors determined by the By-Laws, but not less than three directors, and in the absence of that determination shall consist of three directors. Directors need not be members of the Association.

5.2 Duties and Powers. All of the duties and powers of the Association existing under the Condominium Act, declarations of condominium, 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 unit owners when that is specifically required.

5.3 Election; Removal. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by 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.

5.4 Until the first annual meeting, the non-profit operation will be governed by an interim board composed of developer representatives. The annual meeting shall take place within one (1) year after the first condominium unit is conveyed. At the first meeting, the Board of Directors will be elected by owners of the condominium units.

appoint two-thirds of the members of the board of directors and members of the Association, other than Bonaire, shall be entitled to elect the remaining one-third of the board of directors at a special members meeting to be held in accordance with the Articles and By-Laws. Members of the Association other than Bonaire are entitled to elect not less than a majority of the members of the board of directors of the Association the earlier of (a) three years after 50% of all of the units of the condominium that will be operated ultimately by the Association have been conveyed to members, (b) one hundred twenty days after 75% of the units that will be operated ultimately by the Association have been conveyed to members, (c) when all the units that will be operated ultimately by the Association have been completed and some of them have been conveyed to members, and none of the course of business, or (d) seven years from the date of recording the Declaration of Condominium for Carmel by the Lake, Unit 1. Notwithstanding the foregoing, Bonaire is entitled to elect at least one member of the board of directors as long as Bonaire holds for sale in the ordinary course of business at least 5% of the units of all of the condominiums to be operated by this Association. Bonaire and members of the Association other than § 718.301, Florida Statutes, as it exists on the date of incorporation of the Association. Notwithstanding any provision herein to the contrary, Bonaire may at any time relinquish its right to appoint directors and cause its representatives to resign as directors.

5.5 First Directors. The name and addresses of the members of the first board of directors who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

<u>Name</u>	<u>Address</u>
David Kohn	101 Wymore Road, Suite 504 Altamonte Springs, FL 32714
Samuel Benjamini	1180 Avenue of the Americas New York, New York 10036
David Richmond	101 Wymore Road, Suite 504 Altamonte Springs, FL 32714

The names and addresses of the officers who shall serve until their successors are designated by the board of directors are as follows:

President	- David Richmond
Vice President	- Samuel Benjamini
Secretary & Treasurer	- David Kohn

ARTICLE 7

Indemnification

Every director and officer of the Association, and every member of the Association serving the Association at its request, shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred or imposed upon such person in connection with any proceeding or any settlement of any proceeding to which such person may be a party or in which such person may become involved by reason of that person being or having been a director or officer of the Association or by reason of that person serving or having served the Association at its request, whether or not that person is a

director or officer or is serving at the time the expenses are incurred; provided that in the event of a settlement before entry of judgment, and also when the person concerned is adjudged guilty or willful misfeasance or malfeasance in the performance of that person's duties, the indemnification shall apply only when the board of directors approves the settlement and reimbursement as being for the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which that person may be entitled. The Association shall have the right, as a common expense, to purchase the necessary insurance in order to provide coverage for the indemnification set forth above.

ARTICLE 8

By-Laws

The first By-Laws of the Association shall be adopted by the board of directors and may be altered, amended or rescinded by the directors and members in the manner provided by the By-Laws.

ARTICLE 9

Amendments

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

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

9.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed either by the board of directors or by 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, providing the approval is delivered to the secretary at or prior to the meeting. The approvals must be either:

(a) by not less than 75% of the entire membership of the board of directors and by not less than 66% of the votes of the entire membership of the Association; or

(b) by not less than 75% of the votes of the entire membership of the Association.

9.3 Limitation. No amendment shall make any changes in the qualifications for membership nor in the voting rights or property rights of members, nor any changes in §3.3 to 3.6 inclusive of Article 3, entitled "Powers", without approval in writing by all members and the joinder of all record owners of mortgages upon units. No amendment shall be made that is in conflict with the Condominium Act or the declarations of the condominium.

9.4 Recording. A copy of each amendment shall be filed with, accepted and certified by the Secretary of the State of Florida and be recorded in the public records of Seminole County, Florida.

ARTICLE 10

Term

The term of the Association shall be perpetual.

ARTICLE 11

Office

The Association shall initially have an office at 101 Wymore Road, Altamonte Springs, Florida 32714.

ARTICLE 12

Subscribers

The names and addresses of the subscribers to these Articles of Incorporation are as follows:

<u>Name</u>	<u>Address</u>
David Kohn	101 Wymore Road, Suite 504 Altamonte Springs, Florida 32714
David Richmond	101 Wymore Road, Suite 504 Altamonte Springs, Florida 32714
Joan Spek	101 Wymore Road, Suite 504 Altamonte Springs, Florida 32714

IN WITNESS WHEREOF the subscribers have executed these Articles as of March 19, 1984.

David Kohn
David Richmond
Joan Spek

STATE OF FLORIDA
COUNTY OF SEMINOLE

DAVID KOHN, JOAN SPEK, AND DAVID RICHMOND, appeared before me, and after being duly sworn they acknowledge that they executed the foregoing Articles of Incorporation for the purposes expressed in the Articles on March 19, 1984.

Aline S. Rushin
NOTARY PUBLIC

(Notarial Seal)

My Commission Expires:

Notary Public, State of Florida at Large
My Commission expires February 28, 1988
Bonded through Cornelius Johnson & Clark, Inc.

11110

CERTIFICATE DESIGNATING PLACE OF BUSINESS OF A CORP. FOR THE SERVICE
OF PROCESS WITHIN FLORIDA. NAMING AGENT FOR SERVICE OF PROCESS
MAY 17 1984

IN COMPLIANCE WITH SECTION 44. 01. FL. STAT. 1977, 1978, 1979
FOLLOWING IS SUBMITTED:

FIRST--THAT Cornel By The Lake Condominium Association, Inc.
NAME OF CORPORATION

DESIRING TO ORGANIZE OR QUALIFY UNDER THE LAWS OF THE STATE OF FLORIDA,

WITH ITS PRINCIPAL PLACE OF BUSINESS AT CITY OF Allamonte Springs
(CITY)

STATE OF Florida, HAS NAMED David Kohn
(STATE) NAME OF RESIDENT AGENT

LOCATED AT 101 Wymore Road Suite 504
(STREET ADDRESS AND NUMBER OF BUILDING,
POST OFFICE BOX ADDRESSES ARE NOT ACCEPTABLE)

CITY OF Allamonte Springs, STATE OF FLORIDA, AS ITS AGENT TO ACCEPT
(CITY)

SERVICE OF PROCESS WITHIN FLORIDA.

SIGNATURE David Richmond
(CORPORATE OFFICER,
David Richmond
TITLE President
DATE March 20, 1984

HAVING BEEN NAMED TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE
STATED CORPORATION, AT THE PLACE DESIGNATED IN THIS CERTIFICATE,
HEREBY AGREE TO ACT IN THIS CAPACITY, AND I FURTHER AGREE TO COMPLY
WITH THE PROVISIONS OF ALL STATUTES RELATIVE TO THE PROPER AND COM-
PLETE PERFORMANCE OF MY DUTIES.

SIGNATURE David Kohn
(RESIDENT AGENT)
David Kohn
DATE March 20, 1984

1984 MAY -4 PM 1:35

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLES OF AMENDMENT TO
ARTICLES OF INCORPORATION OF
CARMEL BY THE LAKE CONDOMINIUM ASSOCIATION, INC.

CARMEL BY THE LAKE CONDOMINIUM ASSOCIATION, INC.
pursuant to Section 617.017, Florida Statutes, does hereby
file the following Articles of Amendment:

1. That the name of this Corporation is CARMEL
BY THE LAKE CONDOMINIUM ASSOCIATION, INC.

2. That the first four sentences of Article 5.4
which read: "5.4 Until the first annual meeting, the non-
profit operation will be governed by an interim board composed
of developer representatives. The annual meeting shall take
place within one (1) year after the first condominium unit
is conveyed. At the first meeting, the Board of Directors
will be elected by owners of the condominium units. appoint
two-thirds of the members of the board of directors and members
of the Association, other than Bonaire, shall be entitled to
elect the remaining one-third of the board of directors at
a special members meeting to be held in accordance with the
Articles and By-Laws."; be amended

3. That the foregoing sentences of Article 5.4
are amended to read: "5.4 Term of First Directors. The first
board of directors of the Association shall serve and be admin-
istered in accordance with the following guidelines and
procedures: So long as Bonaire Development Company, Inc.
(Bonaire), a Florida corporation, or its successors or assigns
hold title to more than 85% of all of the units to be governed
by the Association, Bonaire shall have the right to appoint
all members of the board of directors. When Bonaire shall
hold title to 85% or less of all of the units to be governed
by the Association, Bonaire shall have the right to appoint
two-thirds of the members of the board of directors and members
of the Association, other than Bonaire, shall be entitled to
elect the remaining one-third of the board of directors at
a special members meeting to be held in accordance with the
Articles and By-Laws."

4. That the foregoing Amendment was adopted by
the Board of Directors and the members of this Corporation
on the 3rd day of May, 1984 pursuant to Section 617.018(1),
Florida Statutes and;

5. That the foregoing Amendment was also adopted
by the Board of Directors and the members of this Corporation
in accordance with Article 9.2(a) of the Articles of Incorporation
of CARMEL BY THE LAKE CONDOMINIUM ASSOCIATION, INC.

IN WITNESS WHEREOF, the undersigned President and
Secretary of this Corporation have executed these Articles
of Amendment on the 3rd day of May, 1984.

CARMEL BY THE LAKE CONDOMINIUM
ASSOCIATION, INC.

(CORPORATE SEAL)

By: David Richmond
David Richmond, President

ATTEST:

David Kohn
David Kohn, Secretary

BY-LAWS

CARMEL BY THE LAKE CONDOMINIUM ASSOCIATION, INC.

A Corporation not for profit
under the laws of the State of Florida

1. Identity. These are the By-Laws of CARMEL BY THE LAKE CONDOMINIUM ASSOCIATION, INC., hereinafter called the Association, a corporation not for profit under the laws of the State of Florida. The Articles of Incorporation of the Association were filed in the office of the Secretary of State of Florida on _____, 198 _____. The Association has been organized for the purpose of administering condominiums pursuant to Chapter 718, Florida Statutes (the Condominium Act), the first condominium being identified as Carmel by the Lake, Unit I, a Condominium, which is located on real property situate in Seminole County, Florida, more particularly described in the Declaration of Condominium for Carmel by the Lake, Unit I. As provided by the Articles of Incorporation for the Association, the Association may also provide the operating entity to administer other condominiums.

1.1 The office of the Association shall be initially at 101 Wymore Road, Suite 504, Altamonte Springs, Florida 32701.

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

1.3 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, an impression of which is as follows:

2. Members.

2.1 Roster of Members. The Association shall maintain a roster of the names and mailing addresses of unit owners, which shall constitute a roster of members. The roster shall be maintained from evidence of ownership furnished to the Association in the manner required by the Articles of Incorporation and the declaration of condominiums.

2.2 Annual Meeting. The annual members' meeting shall be held in December of each year at such time and place in Seminole County, Florida as a majority of the board of directors shall determine. The purpose of the meeting shall be to elect directors and to transact any other business authorized to be transacted by the members; provided that if the date for the first annual meeting of members subsequent to relinquishment of control by the developer of the condominium is more than 60 days from such annual meeting, a special meeting shall be held to satisfy the requirements of Fla. Stat. §718.30. Until the first annual meeting, the non-profit operation will be governed by an interim board composed of developer representatives. At the first meeting, the board of directors will be elected by owners of the condominium units.

2.3 Special members' meetings shall be held at such places as provided for annual meetings whenever called by the President or by a majority of the board of directors, and must be called by those officers upon receipt of a written request from a majority of the members of the Association. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting.

2.4 Notice of meeting of members stating the time and place and the objects for which the meeting is called shall be given by the ~~secretary~~ ~~or parties authorized~~ by these By-Laws calling the meeting. A copy of the notice shall be posted at a conspicuous place at each of the condominiums and a copy shall be delivered (if allowed by the Condominium Act) and mailed to each member entitled to attend the meeting except members who waive the notice in writing. The delivery and mailing shall be to the address of the member as it appears on the roster of members. The posting, delivery and mailing of the notice shall be effected not less than 14 days nor more than 40 days prior to the date of the meeting. Proof of posting and delivery of the notice shall be given by the affidavit of the person serving the notice. Proof of mailing shall be by post office certificate of mailing and such certificate shall be retained in the Association records. The right to receive notice of the annual meeting may only be waived prior to the 14 day notification period. Notwithstanding the foregoing, if notice is mailed to members, delivery of notice shall not be required. Notice of a meeting may be waived before or after the meeting, except as otherwise provided herein. Members may waive notice of meetings by written instrument and members may take action by written agreement without meetings; provided, however, members may not take action without a meeting for the annual meeting relating to budget matters and statutory reserves, as required by the Condominium Act.

2.5 A quorum at members' meetings shall consist of persons entitled to cast a majority of the votes of the entire membership. The acts approved by a majority of the votes cast at a meeting at which a quorum is present shall constitute the acts of the members, except when approval by a greater number of members is required by the declarations of condominium, the Articles of Incorporation, these By-Laws or the Condominium Act.

2.6 Voting.

(a) In any meeting of members the owners of units shall be entitled to cast one vote for each condominium unit owned.

(b) If a unit is owned by one person, the owner's 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; provided, however, that if a unit is owned by husband and wife, such certificate shall not be required. If title to a unit is held by a life tenant with others owning the remainder interest, the life tenant shall be the person entitled to vote. 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 the president or vice president of the corporation and filed with the Secretary of the Association. 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 owner of a share in the unit. If a certificate designating the person entitled to cast the vote for a unit is not on file, the vote of the owners shall not be considered in determining whether a quorum is present nor for any other purpose.

2.7 Proxies. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote and shall be valid only for the meeting and matters designated in the proxy. The proxy shall be valid for a lawfully adjourned meeting thereof, unless otherwise specified in the proxy. A proxy must be filed with the Secretary before the appointed time of the meeting, or before the time to which the meeting is adjourned. No

proxy shall be valid for a period longer than 90 days after the date of the first meeting specified in the proxy, or such lesser time as specified. Proxies shall be revocable at any time by the grantor of the proxy.

2.8 Adjourned Meetings. If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, provided notice of the adjourned meeting is given in the manner required for notice of a meeting.

2.9 The order of business at annual members' meetings and as far as practical at other members' meetings, shall be:

- (a) Call to order by President
- (b) Election of chairman of the meeting
- (c) Calling of the roll and certifying of proxies
- (d) Proof of notice of meeting or waiver of notice
- (e) Reading and disposal of any unapproved minutes
- (f) Reports of officers
- (g) Reports of committees
- (h) Appointment or election of inspectors of election
- (i) Determination of number of directors
- (j) Election of directors
- (k) Unfinished business
- (l) New business
- (m) Adjournment

3. Directors.

3.1 Membership. The affairs of the Association shall be managed by a board of not less than three directors nor more than seven directors, the numbers to be determined at the time of election.

3.2 Election of directors shall be conducted in the following manner:

(a) Election of directors shall be held at the annual members' meeting.

(b) A nominating committee of three members shall be appointed by the board of directors not less than 20 days prior to the annual members' meeting. The committee shall nominate one person for each director to be elected. Nominations for additional directorships created at the meeting shall be made from the floor, and other nominations may be made from the floor.

(c) The election shall be by ballot (unless dispensed by unanimous consent) and by a plurality of the votes cast, each person voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

(d) Except as to vacancies provided by removal of directors by members, vacancies in the board of directors occurring between annual meetings of members shall be filled by the remaining directors.

(e) Subject to the provisions of §718.301 of the Condominium Act, any director may be removed with or without cause by concurrence of a majority of the votes of the entire membership at a special meeting of the members called for that purpose or by agreement in writing of such majority. The vacancy in the board of directors so created shall be filled by the members of the Association at the same meeting. A special meeting of the unit owners to recall a member or members of the board of directors may be called by 10 percent of the unit owners giving

notice of the meeting as required for a meeting of unit owners, and the notice shall state the purpose of the meeting.

3.3 The term of each director's service shall be determined in the following manner. At the time the members of the Association, other than Bonaire Development Company, Inc., a Florida corporation (including its successors and assigns), shall be entitled to elect all of the directors of the Association, the directors shall be classified with respect to the time for which they shall severally hold office by dividing them into three classes, each class consisting of one-third of the directors and each director of the Association shall hold office until his successor shall be elected and shall qualify. At such meeting of the members at which the members shall first elect all of the directors of the Association, the directors of the first class shall be elected for a term of one year; the directors of the second class shall be elected for a term of two years; and the directors of the third class shall be elected for a term of three years. Such meeting for the election of directors of the Association as provided by §718.301, F.S., shall be held and called pursuant to the terms of §718.301, F.S. At each annual election of directors thereafter, the successors to the class of directors whose terms shall expire that year shall be elected to hold office for the term of three years, so that the term of office of one class of directors shall expire in each year.

3.4 The organization meeting of a newly-elected board of directors shall be held within ten days of their election at such place and time as shall be fixed by the directors at the meeting at which they were elected, and no further notice of the organization meeting shall be necessary.

3.5 Regular meetings of the board of directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director, personally or by mail, telephone or telegraph, and shall be transmitted at least three days prior to the meeting. Except in the event of emergency meetings, a notice of all meetings shall be posted conspicuously 48 hours in advance for the attention of members of the Association.

3.6 Special meetings of the directors may be called by the President and must be called by the Secretary at the written request of one-third of the directors. Notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting, and shall be transmitted not less than three days prior to the meeting. Notice of a special meeting shall be posted conspicuously 48 hours in advance for the attention of members of the Association except in an emergency.

3.7 All meetings of the directors shall be open to all members of the Association.

3.8 Waiver of notice. Any director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to the giving of notice.

3.9 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 required by the declaration of condominiums, the Articles of Incorporation or these By-Laws.

3.10 Adjourned meetings. If at any meeting of the board of directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business that

might have been transacted at the meeting as originally called may be transacted without further notice.

3.11 The presiding officer of directors' meetings shall be the chairman of the board if such an officer has been elected; and if none, the President shall preside. In the absence of the presiding officer, the directors present shall designate one of their number to preside.

3.12 The order of business at directors' meetings shall be:

- (a) Calling of roll
- (b) Proof of due notice of meeting
- (c) Reading and disposal of any unapproved minutes
- (d) Reports of officers and committees
- (e) Election of officers
- (f) Unfinished business
- (g) New business
- (h) Adjournment

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

3.14 Minutes of all meetings of the board of directors or members shall be kept in a book available for inspection at all reasonable times by members or their authorized representatives and the board of directors. The Association shall retain minutes of meetings for a period of seven years or such other period of time as may be designated by the Condominium Act.

4. Powers and Duties of the Board of Directors. All of the powers and duties of the Association existing under the Condominium Act, declaration of condominiums, Articles of Incorporation and these By-Laws shall be exercised exclusively by the board of directors, its agents, contractors or employees, subject only to approval by unit owners when that is specifically required. The Association shall, however, in any event retain at all times the powers and duties granted it by the Condominium Act.

5. Officers.

5.1 The executive officers of the Association shall be a President, who shall be a director, a Vice President, who shall be a director, a Treasurer, a Secretary and an Assistant Secretary (if determined to be necessary by the Board of Directors), all of who shall be elected annually by the board of directors and who may be preemptorily removed at any meeting by concurrence of a majority of all of the directors. There may be two Vice Presidents, and a Vice President may also be a Secretary or a Treasurer. A person may hold more than one office except that the President may not also be the Secretary or Assistant Secretary. The board of directors from time to time shall elect such other officers and designate their powers and duties as the board shall find to be required to manage the affairs of the Association.

5.2 The President shall be the chief executive officer of the Association. The President shall have all of the powers and duties that are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the members from time to time to assist in the conduct of the affairs of the Association as he is his discretion may determine appropriate.

5.3 The Vice President shall exercise the powers and perform the duties of the President in the absence or disability of the President. The Vice President also shall assist the President and exercise such other powers and perform such other duties as shall be prescribed by the directors.

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

5.5 The Assistant Secretary shall exercise the powers and perform the duties of the Secretary in the absence or disability of the Secretary.

5.6 The Treasurer or Assistant Treasurer (if any), shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. The Treasurer 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. The Treasurer 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.

5.7 The compensation, if any, of all employees of the Association shall be fixed by the directors. The provision that directors' fees or officer's compensation shall be determined by members, shall not preclude the board of directors from employing a director as an employee of the Association or preclude the contracting with a director for the management of the condominium.

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

6.1 Accounts. The receipts and expenditures of the Association shall be credited and charged to accounts in accordance with generally accepted accounting principles.

6.2 Budget. The board of directors shall adopt a budget for each calendar year that shall include the estimated funds required to defray the common expense and to provide and maintain funds for various accounts established according to generally accepted accounting principles. The budget shall include reserve accounts for capital expenditures and deferred maintenance as required by the Condominium Act.

(a) Copies of a proposed budget and proposed assessments shall be mailed or delivered (if allowed by the Condominium Act) to each member not less than 30 days prior to the meeting of the board of directors at which the proposed budget will be considered for adoption together with a notice of the time of that meeting. If the budget is amended subsequently, a copy of the amended budget shall be furnished to each member.

(b) If an adopted budget required assessment against the unit owners in any calendar year exceeding 115 percent of the assessments for the preceding year, the board, upon written application of 10 percent of the unit owners to the board, shall call a special meeting of the unit owners within 30 days, upon not less than 10 days' written notice to each unit owner. At the special meeting, unit owners shall consider and enact a budget. The adoption of the budget shall require a vote of not less than a majority vote of all unit owners. The board of administration may propose a budget to the unit owners at a meeting of members or in writing, and if the budget or proposed budget is approved by the unit owners at the meeting or by a majority of all unit owners in writing, the budget shall be

adopted. In determining whether assessments exceed 115 percent of similar assessments in prior years, any authorized provisions for reasonable reserves for repair or replacement of the condominium property, anticipated expenses by the condominium association which are not anticipated to be incurred on a regular or annual basis, or assessments for betterments to the condominium property shall be excluded from the computation. However, as long as the developer is in control of the board of directors, the board shall not impose an assessment for any year greater than 115 percent of the prior fiscal or calendar year's assessment without approval of a majority of all unit owners.

6.3 Assessments. Assessments against the unit owners for their shares of the items of the budget shall be made by the board of directors for the calendar year annually in advance on or before December 31 preceding the year for which the assessments are made. The amount required from each unit owner to meet the annual budget shall be divided into 12 equal assessments, one of which shall be due on the first day of each month of the year for which the assessments are made, or 10 days after the mailing to the unit owners concerned of a statement for the assessment coming due, whichever date shall last occur. If assessments are not made annually as required, assessments shall be presumed to have been made in the amount of the last prior monthly assessment, and assessments in the amount shall be due on the first day of each month until changed by an amended assessment. In the event a monthly assessment shall be insufficient in the judgment of the board of directors to provide funds for the anticipated current expense for the ensuing month and for all of the unpaid operating expenses previously incurred, the board of directors shall amend the budget and shall make amended monthly assessments for the balance of the year in sufficient amount to meet these expenses for the year; provided, however, that any account of the amended budget that exceeds the limit upon increases for that year shall be subject to the approval of the membership of the Association as required in these By-Laws.

6.4 Assessments for Charges. Charges by the Association against members for other than common expense shall be payable in advance. Those charges may be collected by assessment in the same manner as common expenses, and when circumstances permit, those charges shall be added to the assessments for common expense. Charges for other than common expense may be made only after approval of a member, and may include but shall not be limited to charges for the use of condominium property when authorized by the Declaration of Condominium, maintenance services furnished at the expense of a member and other services furnished for the benefit of a member.

6.5 Assessments for Emergencies. Assessments for common expenses of emergencies for maintenance or repair of the condominium property that cannot be paid from the annual assessments for common expenses shall be due only after 30 days' notice is 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.

6.6 Notice of Meeting - Assessments. Notice of any meeting in which 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.

6.7 The depository of the Association shall be such bank or banks as shall be designated from time to time by the directors and in which the moneys from those accounts shall be only by checks signed by such persons as are authorized by the directors.

6.8 An audit of the accounts of the Association shall be made annually by a committee appointed by the board of directors or by a certified public accountant if such audit is requested by 75% of the entire membership of the Association and a copy of such audit report, if any is so requested, shall be furnished to each member not later than April 1 of the year following the year for which the audit is made. Otherwise the board of directors shall furnish a financial report in customary form to each member not later than April 1 for the prior year.

6.9 Directors Insurance and Fidelity Bonds will be required by the board of directors from all persons handling or responsible for Association funds. The requirements for obtaining such bonds, the amount of those bonds and the sureties shall be determined by the directors and as required by the Condominium Act. The premiums on the bonds shall be paid by the Association. The board of directors are also authorized to obtain and pay for a director's liability insurance. The bond shall name the Association as an obligee and be written in an amount equal to at least one hundred-fifty percent (150%) of the estimated annual operating expenses of the condominium project, including reserves.

7. Parliamentary Rules. Roberts' Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Declaration of Condominium, Articles of Incorporation of these By-Laws.

8. Amendments. Except as elsewhere provided otherwise, these By-Laws may be amended in the following manner:

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

8.2 A resolution adopting a proposed amendment may be proposed by either the board of directors of the Association or by 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, providing that approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, the approvals must be either by:

(a) not less than 75% of the entire membership of the board of directors and by not less than 66% of the votes of the entire membership of the Association; or

(b) by not less than 75% of the votes of the entire membership of the Association; or

(c) until a majority of the directors are elected by members other than the Developer of the condominium, only a majority of the directors.

8.3 Proviso. That no amendment shall discriminate against any member nor against any unit or class or group of units unless the members so affected shall consent. No amendment shall be made that is in conflict with the Articles of Incorporation or the Declaration of Condominium.

8.4 No By-Law shall be revised or amended by reference to its title or number only. Proposals to amend existing By-Laws shall contain the full text of the By-Laws 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 By-Law. See By-Law.....for present text." Nonmaterial errors or omissions in the By-Law process shall not invalidate an otherwise properly promulgated amendment.

8.5 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 officers of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the public records of Seminole County, Florida.

The foregoing were adopted as the By-Laws of the Association, a corporation not for profit under the laws of the State of Florida, at the first meeting of the board of directors on _____, 198__.

Secretary

APPROVED:

President

RULES and REGULATIONS

The Carmel by the Lake Declaration of Condominium and its associated set of Corporate Bylaws are the top level organizational standards. These standards are mandated by Florida State Law (FSS Chapter 718) and binding on every Carmel resident, tenant and guest.

Subparagraph 10.7 of the Declaration of Condominium provides the opportunity to regulate Carmel lifestyle at a more detailed level. The following set of rules and regulations is a living document and it reflects the current areas of particular concern.

- 1. The Condominiums**
 - 1.1** Exteriors of buildings, walkways and sidewalks may not be painted, modified or decorated by individuals.
 - 1.2** No window awnings, light reflective material, ventilators, fans, television antennas, clotheslines or air-conditioning units shall be installed at building openings. For Sale and For Rent signs are prohibited.
 - 1.3** Security doors, screen doors and window security bars must conform to approved designs and owners must obtain Board approval prior to installation.
 - 1.4** Balcony and patio floor treatments must have Board approval prior to commencement of work.
 - 1.5** Balcony and patio enclosures must have Board approval prior to commencement of work.
 - 1.6** Hurricane shutters must be installed on the inside of the unit and require Board approval prior to installation.
 - 1.7** Sidewalks, entrances, walkways, driveways, elevator doors, stairways, etc. must be kept clear for easy passage and to allow for maintenance. Potted plants must be placed so there is no danger of their falling or being blown from upper floors.
 - 1.8** Bathing suits, bedding, clothing, rugs or other items shall not be hung on railings of walkways, balconies or patios.
 - 1.9** Shaking of rugs, floor mats, etc. from walkways or balconies is not permitted. Sweeping of upper floor walkways and balconies onto lower floors is prohibited.
 - 1.10** Gasoline, kerosene, etc. shall not be stored in residential units or garage storage rooms.
 - 1.11** Personal items shall not be stored in common areas. (i.e., trash rooms, stairways, etc.)
 - 1.12** Garage and/or Yard sales are not permitted.

2. Parking and Storage

- 2.1 Each unit is assigned one covered, reserved parking space and allotted one unreserved, uncovered parking space for use of the unit owner or lessee. Additional vehicles and those of guests should be parked in the designated areas.**
- 2.2 Trucks larger than pick-ups, campers, oversize vans, buses, or like vehicles shall not be parked on Carmel property on a permanent basis.**
- 2.3 Parking or storage of vehicles lacking current registration as well as those of dilapidated appearance or unable to move under their own power is prohibited.**
- 2.4 Parking in diagonal painted spaces is prohibited.**
- 2.5 Boats and boat trailers must have current registration and be parked in the designated areas. Boats must also be registered with the Association.**
- 2.6 Vehicles and boats in violation will be towed away at the expense of the owner.**
- 2.7 Vehicles, boats, etc. may be washed in the designated area west of the Clubhouse.**
- 2.8 Emergency repairs such as jump-starting or changing a flat tire are allowed; other repairs, painting, changing of oil and the like are prohibited.**
- 2.9 The reserved covered parking is restricted to automobiles, light trucks and vans which meet clearance requirements. Storage of other personal items is prohibited.**
- 2.10 Commercial vehicles owned by residents should be parked in the spaces immediately east of the Raquetball Court.**
- 2.11 Commercial vehicles not owned by residents shall not be parked overnight.**
- 2.12 Skateboarding, roller skating or inline skating is not permitted on Carmel property.**

3. Swimming Pool and Spa

- 3.1 The swimming pool and spa are unattended, and their use is at the sole risk of the user.**
- 3.2 Guests must be accompanied by a resident and children under 12 years of age must be accompanied by and under the direct supervision of an adult.**
- 3.3 Children of diaper age must wear protective waterproof pants over diapers, (under bathing suits) while in the pools.**
- 3.4 The swimming pool and spa are to be used only after showering to prevent the build-up of lotions and oils in the filter system.**
- 3.5 Running, wrestling, horseplay, etc. is not permitted.**
- 3.6 No roller skates, bicycles or skateboards are allowed.**
- 3.7 No food or glass containers are allowed on the pool deck. Food service should be confined to the covered patio area of the Clubhouse.**
- 3.8 Umbrellas should be closed after each use to prevent wind damage.**
- 3.9 Users are encouraged to use a cover on the pool furniture while sunbathing to avoid their lotion damaging the plastic supports.**
- 3.10 Pool furniture shall not be removed from the pool area.**
- 3.11 All smoking materials, trash, etc. should be placed in the proper receptacles.**
- 3.12 The rope and float barrier in the pool is required by Florida law, if you disengage this device to swim laps, you must return it to proper position when you are done.**
- 3.13 In case of emergency, there is a telephone located at the Clubhouse end of the pool. Access is by breaking glass to use telephone to dial 911.**

4. Racquetball Court

- 4.1 The racquetball court should not be abused by the manner of use and must be kept free of trash.**
- 4.2 No roller skates, bicycles or skateboards are allowed.**

5. Tennis Court

- 5.1 The tennis court is to be used for tennis only.**
- 5.2 Shoes designed for tennis court use must be worn.**
- 5.3 No roller skates, bicycles or skateboards are allowed.**

6. Clubhouse

- 6.1 The Clubhouse is for exclusive use of residents and their guests.**
- 6.2 The use of the Clubhouse for profit oriented purposes is prohibited.**
- 6.3 The Clubhouse can be rented by residents for private functions. Please contact the property manager for details.**
- 6.4 Please, no smoking in the Clubhouse.**

7. Boat Ramp and Docks

- 7.1 The boat ramp is for the exclusive use of residents and guests accompanied by residents.**
- 7.2 The docks are intended for temporary mooring.**
- 7.3 All craft must have current registration as required by City and State law.**
- 7.4 Please make every effort to keep the ramp and dock areas free from trash and debris.**

8. Pets

- 8.1 All pets must have current license and inoculations.**
- 8.2 Control of all pets is the responsibility of the owner.**
- 8.3 Animal waste can be both unhealthy and irritating. Owners are responsible for the immediate removal of any and all waste when walking their pets on Carmel property.**
- 8.4 Pets must be kept under control by the owner either with leads, transport cages or by carrying the animal.**
- 8.5 Pets are not allowed in the pool area, tennis and racquetball courts, or Clubhouse.**
- 8.6 Tenants are not permitted to have pets on Carmel property.**

9. General

- 9.1 The amenities should be considered an extension of everyone's home and should be treated accordingly.**
- 9.2 All amenities are for the sole and exclusive use of owners, their tenants, and guests when accompanied by an owner.**
- 9.3 Children under 12 years of age must be accompanied by and under the direct control of an adult at all times.**
- 9.4 The Association Board meets monthly, usually on the third Monday. You are encouraged to attend. Please check the bulletin board located on the Clubhouse patio wall for notices of meetings.**
- 9.5 The bulletin board is also used to post the calendar of Clubhouse activities as well as individual announcements. Should you want something posted, please contact the property manager.**
- 9.6 The property manager is usually on site each Wednesday from 9:00 AM to 12:00 noon.**

CARMEL BY THE LAKE UNIT V, A CONDOMINIUM			
ESTIMATED OPERATING BUDGET			
PERIOD BEGINNING JANUARY 1, 2001			
ENDING DECEMBER 31, 2001			
		MONTHLY	ANNUALLY
I.	EXPENSES FOR THE ASSOCIATION AND CONDOMINIUM		
A.	ADMINISTRATION OF ASSOCIATION		
1	MANAGEMENT FEES	\$ -	-
2	ACCOUNTING FEES	42.00	504.00
3	OFFICE EXPENSE	-	-
4	PROFESSIONAL FEES	-	-
5	LICENSES/FEES/PERMITS	10.00	120.00
6	PRINTING/POSTAGE	-	-
7	FEES TO BUREAU OF CONDOMINIUMS	16.00	192.00
B.	MAINTENANCE		
1	POOL SERVICE AND POOL SUPPLIES	-	-
2	MAINTENANCE PERSONNEL	-	-
3	EXTERMINATING	30.00	360.00
4	FIRE WARNING SYSTEM	175.00	2,100.00
5	ELEVATOR MAINTENANCE	500.00	6,000.00
6	TRASH REMOVAL	250.00	3,000.00
7	MULCH, ANNUALS, AND SOD	350.00	4,200.00
8	BUILDING SUPPLIES AND REPAIRS	150.00	1,800.00
9	COMMON EXPENSES FOR COMMON AREAS	5,500.00	66,000.00
C.	RENT FOR RECREATIONAL AND OTHER COMMONLY USED FACILITIES	N/A	N/A
D.	TAXES UPON ASSOCIATION PROPERTY	N/A	N/A
E.	TAXES UPON LEASED AREAS	N/A	N/A
F.	INSURANCE	250.00	3,000.00
G.	SECURITY PROVISIONS	N/A	N/A
H.	OTHER EXPENSES		
1	ELECTRIC	200.00	2,400.00
2	SEWER AND WATER	1,300.00	15,600.00
3	TELEPHONE	75.00	900.00
4	GAS	-	-
5	CABLE TELEVISION	720.00	8,640.00
6	OPERATING CAPITAL	N/A	N/A
I.	UNRESTRICTED DEFERRED MAINTENANCE	72.00	864.00
J.	RESERVES:		
1	ROOF REPLACEMENT	420.00	5,040.00
	ESTIMATED LIFE: 5 YEARS		
	ESTIMATED REPLACEMENT COST: \$25,200		
	ESTIMATED REMAINING LIFE: 5 YEARS		
	CURRENT BALANCE IN RESERVE ACCOUNT: \$0		
2	REPAINTING (BUILDING)	715.00	8,580.00
	ESTIMATED LIFE: 7 YEARS		
	ESTIMATED REPLACEMENT COST: \$60,600		
	ESTIMATED REMAINING LIFE: 7 YEARS		
	CURRENT BALANCE IN RESERVE ACCOUNT: \$0		
3	PAVEMENT RESURFACING	425.00	5,100.00
	ESTIMATED LIFE: 10 YEARS		
	ESTIMATED RESURFACING COST: \$51,000		
	ESTIMATED REMAINING LIFE: 10 YEARS		
	CURRENT BALANCE IN RESERVE ACCOUNT: \$0		
4	ALUMINUM RAILINGS	210.00	2,520.00
	ESTIMATED LIFE: 20 YEARS		
	ESTIMATED RESURFACING COST: \$50,400		
	ESTIMATED REMAINING LIFE: 20 YEARS		
	CURRENT BALANCE IN RESERVE ACCOUNT: \$0		
5	ELEVATORS	170.00	2,040.00
	ESTIMATED LIFE: 20 YEARS		
	ESTIMATED RESURFACING COST: \$40,800		
	ESTIMATED REMAINING LIFE: 20 YEARS		
	CURRENT BALANCE IN RESERVE ACCOUNT: \$0		
6	COMMON AREA RESERVES	421.00	5,052.00
	ESTIMATED LIFE: VARIOUS		
	ESTIMATED RESURFACING COST: VARIOUS		
	ESTIMATED REMAINING LIFE: VARIOUS		

CARMEL BY THE LAKE UNIT V, A CONDOMINIUM		
ESTIMATED OPERATING BUDGET		
PERIOD BEGINNING JANUARY 1, 2001		
ENDING DECEMBER 31, 2001		
	MONTHLY	ANNUALLY
CURRENT BALANCE IN RESERVE ACCOUNT: \$0		
II. EXPENSES FOR A UNIT OWNER		
A. RENT FOR THE UNIT, IF SUBJECT TO A LEASE		
B. RENT PAYABLE BY THE UNIT OWNERS DIRECTLY TO LESSOR OR AGENT UNDER RECREATIONAL LEASE OR LEASE FOR THE USE OF COMMONLY USED FACILITIES, WHICH USE AND PAYMENT IS A MANDATORY CONDITION OF OWNERSHIP AND IS NOT INCLUDED IN THE COMMON EXPENSES OR ASSESSMENT FOR COMMON MAINTENANCE PAID BY THE UNIT OWNERS OF THE ASSOCIATION.	N/A N/A	N/A N/A
TOTAL EXPENSES WITH RESERVES	12,001.00	144,012.00
PROJECTED OPERATING BUDGET PER UNIT WITH RESERVES (48 UNITS)	250.00	3,000.00
TOTAL EXPENSES WITHOUT RESERVES	9,640.00	115,680.00
PROJECTED OPERATING BUDGET PER UNIT WITHOUT RESERVES (48 UNITS)	200.00	2,410.00
NOTE 1: THE ABOVE ITEMS ARE ASSOCIATION EXPENSES COLLECTIBLE FOR ASSESSMENT FROM THE UNIT OWNERS.		
NOTE 2: THE DEVELOPER HAS GUARANTEED ASSESSMENTS FROM JANUARY 1, 2001 UNTIL DECEMBER 31, 2001, AND HAS OBLIGATED ITSELF TO PAY ANY AMOUNT OF COMMON EXPENSES INCURRED DURING SAID PERIOD OF TIME NOT PRODUCED BY THE ASSESSMENTS AT THIS GUARANTEED LEVEL.		
NOTE 3: THE GUARANTEED LEVEL OF ASSESSMENTS IS \$250.00 PER MONTH, WHICH ASSESSMENTS ARE COLLECTED BY THE ASSOCIATION ON A MONTHLY BASIS.		
NOTE 4: THE DEVELOPER INTENDS TO VOTE TO WAIVE RESERVES FOR THE FIRST TWO FISCAL YEARS BEGINNING ON THE DATE THAT THE BUILDING IS COMPLETED IN ACCORDANCE WITH FLORIDA STATUTES SECTION 718.112(2)(f)2.		

PURCHASE AGREEMENT

FOR

CARMEL BY THE LAKE, UNIT V, A CONDOMINIUM

SELLER, hereinafter referred to as "Developer":

R.P.L. DEVELOPMENT, INC., a
Florida corporation
d/b/a ROYAL PALM HOMES

whose address is: P.O. Box 320808
Cocoa Beach, Florida 32932-0808

and whose telephone number is (321) 784-3266

BUYER:

Name(s): _____

Address: _____

City: _____ State: _____ Zip: _____

Home Telephone: (____) _____ Office Telephone: (____) _____

Social Security Number(s): _____

OFFER TO PURCHASE

DATE OF OFFER: _____, 200____.

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

Unit No. _____ and Enclosed Covered Parking Space No(s) _____, as a limited common element, in accordance with and subject to the covenants, conditions, restrictions, terms and other provisions of the Declaration of Condominium of CARMEL BY THE LAKE, UNIT V, A CONDOMINIUM.

This offer is not conditioned upon the Buyer obtaining approval of a mortgage loan on the subject parcel.

The Developer requires a deposit of ten (10%) percent of the purchase price.

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 REPRESENTATIONS OF 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.

EXHIBIT 7 TO THE PROSPECTUS

1. ITEMS OF PERSONAL PROPERTY INCLUDED IN PURCHASE PRICE:

A. Appliances:

1. Range
2. Microwave Oven
3. Garbage Disposal
4. Dishwasher

B. Floor Covering:

A floor covering allowance in the amount of \$_____ will be credited to Buyer at closing, or choice of standard floor covering.

2. PURCHASE PRICE AND TERMS OF PAYMENT:

A. PURCHASE PRICE

- (1) Purchase Price of Unit \$_____
- (2) Other: _____

_____ \$_____
- (3) TOTAL PURCHASE PRICE AND
ADDITIONAL FEES: \$_____

B. TERMS OF PAYMENT:

- (1) Earnest money deposit:
- (a) Initial deposit \$_____
- (b) Additional deposit upon
execution of this offer,
receipt of which is hereby
acknowledged. \$_____
- (c) Additional Deposit \$_____
- (d) Balance to close \$_____

C. Any changes, upgrade or extras may be ordered by the Buyer, but any such changes, upgrades or extras shall be paid in cash in advance at the time the changes, upgrades or extras are ordered. Developer may at its sole option, invoice Buyer for any changes, upgrades or extras, in which case Buyer shall have ten (10) days from the receipt of any such invoice to pay. In the event that Buyer does not close on the purchase of the unit for any reason, Buyer shall be liable to Developer for any changes, upgrades or extras ordered by Buyer.

3. ESCROW AGENT. All payments made by the Buyer to the Developer under this Agreement shall be deposited into FIRST AMERICAN TITLE INSURANCE COMPANY, and shall be disbursed pursuant to the terms of this agreement. FIRST AMERICAN TITLE INSURANCE COMPANY is the Escrow Agent, whose address is 2233 Lee Road, Suite 110, Winter Park, Florida 32789. The Buyer may obtain a receipt for his deposit(s) from the Escrow Agent upon request. In the event this sale

does not close within fifteen (15) days from the date of acceptance of this offer, then all deposits up to ten (10%) percent of the purchase price shall bear interest at the current money market rates from the date of receipt by Escrow Agent. Any interest shall be paid to Developer at closing or in the event of default by Buyer. The Escrow Agent is not obligated to place the deposits in a money market account bearing interest at the highest or best rate of interest. The excess deposits over ten (10%) percent of the purchase price may be used by the Developer as permitted under the Florida Condominium Act. Upon delivery by Developer to Buyer of the deed at closing, all these monies aforesaid held in the ten (10%) percent escrow deposit account and in the separate escrow account for those deposits in excess of ten (10%) percent shall be released to the Developer, unless the closing occurs within ninety (90) days, in which event the Buyer shall not be entitled to any interest. No interest shall be paid on monies deposited in excess of ten (10%) percent of the purchase price unless specifically provided for in a separate addendum.

4. USE OF DEPOSITS. Any and all deposits or payments against the purchase price of the Unit made hereunder by Buyer prior to the completion of construction or closing, whichever shall first occur, shall be held in a special account by the Escrow Agent as set forth in paragraph 2 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 buyers purchasing condominium Units in the subject condominium and such deposits may otherwise be held in common or general trust or escrow accounts and commingled with other trust or escrow funds. 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 CARMEL BY THE LAKE, UNIT V, 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. The deposits of buyers in excess of ten (10%) percent of the purchase price may be used for any expenses permitted to be paid out of such deposits under the laws of the State of Florida and for the reimbursement to any person or persons whomsoever for the payment of such lawful expenses for which the deposits could have been used directly. Without limiting the foregoing in any regard, the costs and expenses for which deposits may be used shall include the payment of principal and interest on construction loans, the proceeds of which loans are utilized in the construction and development of the subject condominium and to pay or reimburse architects' and engineers' fees in and about the subject condominium.

5. TITLE INSURANCE. The Buyer at closing will receive owner's title insurance at Developer's expense covering both their Unit and their interest in the common elements. The owner's title insurance policy shall be in the amount of the purchase price and shall insure good and insurable title in Buyer.
6. EXPENSES.
 - A. CLOSING COSTS. The Developer shall pay for the owner's title insurance policy and the cost of recording any corrective instruments. The Buyer shall pay for recording the deed, documentary stamps which are required to be affixed to the deed, and for all costs required to be paid by the mortgage lender, including mortgagee title insurance, 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.
 - B. COMMON EXPENSES. The Buyer's contribution to the common expenses for maintaining and operating the condominium is guaranteed at \$250.00 per month, payable in advance, for six (6) months commencing with the date of the recording of the Declaration of Condominium, which period may be extended monthly for up to two additional years.
 - C. INITIAL START-UP FEE. At closing, the Buyer shall pay an initial start-up fee to the Association in the sum of \$500.00. This initial start-up fee is not to be considered as advance maintenance payments. The start-up fee may be used by the Association for any proper purpose.
7. CONVEYANCE.
 - A. Unit. Developer agrees, subject to the terms of this contract, to convey the fee simple title to the Unit by statutory warranty deed. The Buyer agrees to take title subject to standard exceptions and those usual and common to the area and property location, 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.

B. Enclosed Parking Spaces. The Developer shall assign to the Buyer the Enclosed Parking Space(s) by a non-recordable Assignment of Interest in Enclosed Parking Space ("Assignment"), a copy of which form is included in the Prospectus. The Enclosed Parking Space(s) are limited common elements of CARMEL BY THE LAKE, UNIT V, A CONDOMINIUM. The Enclosed Parking Space(s) are being conveyed subject to the terms, restrictions and reservations found in the Assignment.

8. POSSESSION. The Developer agrees to deliver possession of said 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 to be sold to the Buyer.
- F. A copy of the executed ESCROW AGREEMENT.
- G. Frequently Asked Question and Answer Sheet.
- H. Assignment of Interest in Enclosed Parking Space.

THIS AGREEMENT 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 AGREEMENT 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 AGREEMENT IS ALSO VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 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 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. THE BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

10. ASSIGNABILITY. This contract may not be assigned without approval of Developer, which approval may be withheld by Developer in the exercise of its sole and absolute discretion. If Developer grants approval and as a condition of its approval, the Developer may require a transfer fee not to exceed \$5,000.00. Any and all of Developer's interest in this agreement 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 \$100.00 per transaction.

11. NOTICE. The delivery of any item and the giving of notice in compliance with this agreement 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 agreement. Notice or delivery by mail shall be effective when mailed.

12. THE CONDOMINIUM.

- A. The Developer will construct and equip one 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 agreement 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 agreement. The subordination herein contained is automatic and shall not require nor be deemed to require any writing; however, in the event any mortgage 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 agreement or with any escrow agreement between the Developer and the Buyer.

- D. CONSTRUCTION WARRANTY. The Developer warrants that the construction will be substantially in accordance with approved sets of plans and specifications, and substantially in compliance with all applicable building codes. The Developer disclaims any other warranties, either express or implied, except as otherwise provided in this Purchase Agreement.

13. CLOSING.

- A. The closing will be held at such place as the Developer may designate.
- B. The balance of the purchase price, plus the assessment and initial start-up fee to the Association, will be paid to Developer by a certified or local bank cashier's check.
- C. The Buyer and the Developer mutually agree that the closing of the purchase of the Property ("Closing") shall take place in accordance with the provisions of this Contract after the date of issuance ("Completion Date") of a Certificate of Occupancy ("Certificate"), with respect to the Unit by the appropriate governmental authority. The date of Closing ("Closing Date") shall be within thirty (30) days from the issuance of the Certificate, unless the Developer, at its sole discretion, extends the date for closing.

If the Certificate has been issued with respect to the

Unit prior to the date of this Contract, then check here _____ and the Closing Date shall be on or before _____, 200____.

- D. At least five (5) 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 Closing Notice") The Buyer shall inspect the Unit and furnish the Developer with an inspection punch list within fifteen (15) days following the 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. Buyer acknowledges that completion of the "punch list" work in both the Unit and the common elements may occur after closing, and that Buyer has no right to delay closing pending completion of these items.

In the event the Buyer does not complete the Closing within five (5) days from the date set forth in the Closing Notice, and Developer elects not to hold Buyer in default and terminate the Contract, then the Purchaser shall pay to the Developer a late closing fee equal to One Hundred and No/100 Dollars (\$100.00) per day from the date set forth in the Closing Notice until the actual Closing occurs or, at the Developer's sole option, the Developer may terminate this Contract by written notice to the Buyer to that effect. In the event that Developer elects to terminate the Contract, Developer shall be entitled to the remedies provided in paragraph 14 of this Contract, and Buyer will not be liable for the late closing fee. For the purpose of calculating prorations at Closing, the date specified in the Closing Notice shall be the date of Closing.

- E. Risk of loss pertaining to the Unit and Condominium covered by this agreement, 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 agreement, make payments within the time provided above, or to comply with the provisions of this agreement within the time provided herein, shall be considered defaults by Buyer hereunder. Refusal or failure of the Buyer to make necessary disclosures, execute necessary instruments, or to effect a mortgage application, shall constitute defaults of this contract. 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 agreement, but in no event shall such liquidated sum exceed ten (10%) percent of the purchase price of the Unit, together with the retention of any monies to cover the costs of any items specially ordered by the Buyer for the Unit and any interest earned on the Buyer's

deposit. 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 agreement 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 agreement. 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 agreement 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 agreement, but has reference only to those instances in which the Developer may later give consent to a particular assignment in accordance with the provisions of paragraph 10 above. 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 agreement 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 agreement without said written consent from the Developer shall constitute a breach of this agreement and shall entitle the Developer to terminate this agreement, at the Developer's option.
17. ENFORCEABILITY. If any provision of this agreement is invalid or unenforceable, all the other terms and provisions thereof shall remain in full force and effect.
18. TIME FOR ACCEPTANCE. If this agreement is not executed by both parties, and a copy hereof is delivered to each party, on or before _____, 200__ this agreement shall be null and void.
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 _____, 200__.
21. INSULATION. SEE INSULATION RIDER.
22. ESCROW AGENT. The Developer and FIRST AMERICAN TITLE INSURANCE COMPANY, have entered into an Escrow Agreement pursuant to Section 718.202, Florida Statutes, whereby the title company has been designated as the Escrow Agent. The Escrow Agent's address is 2211 Lee Road, Suite 211, Winter Park, Florida 32789, and the Buyer may obtain a receipt for his deposit upon request.
23. AGENT OF DEVELOPER. The person/entity procuring this sale is _____, an authorized representative of R.P.L. DEVELOPMENT, INC., a Florida corporation. The sales agent for the Developer will be paid by the Developer at closing and on disbursement of funds to Developer.

24. Buyer represents and warrants to Developer that Buyer has dealt with no broker or other intermediary other than _____ ("Broker") and _____ (insert name of cooperating broker, "Co-broker", if any) in connection with the purchase of the unit to be constructed thereon. Buyer agrees to indemnify, defend and hold harmless Developer of and from any liability resulting from a breach by Buyer of the foregoing representations and warranty. Developer shall pay all commissions, fees and payments due and owing the Broker, which commissions, fees and payments shall be pursuant to the terms of an existing separate listing agreement with Broker. Seller shall also pay all commissions, fees and payments due and owing the Co-broker, if any, which commissions, fees and payments shall be a sum equal to _____ percent (____%) of the Purchase Price of \$ _____. By execution hereof, the Broker and Co-broker hereby acknowledge and agree that if this transaction fails to close for any reason, including, without limitation, a default by either Buyer or Developer, Broker and Co-broker shall not be entitled to any commission, fee or payment. Broker and Co-broker shall not be entitled to any commission fee or payments due to any real estate broker, salesman, agent of finder claiming to have dealt with the Broker or Co-broker, including, without limitation, any cooperating broker. In any litigation arising out of the Purchase Agreement concerning the Broker's fee, the prevailing party shall recover reasonable attorney's fees and costs. The terms of this section shall survive the closing of the transaction.

25. DISCLAIMER OF COMMON LAW IMPLIED WARRANTIES. The Developer makes no express warranties other than those provided in this Purchase Agreement, and expressly disclaims any common law implied warranties, including but not limited to, any common law implied warranties of fitness, merchantability or habitability, and any other common law implied warranties. Nothing contained in this Paragraph 25 should be construed by the Buyer as a disclaimer of any of the warranties expressly provided for in Florida Statute §718.203(1), which requires that the Developer grant certain warranties to Unit Buyers. Developer will provide Buyer with a written Limited Warranty at closing.

26. RADON GAS. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risk 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.

27. SPECIAL CLAUSES.

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.

WITNESSES:

BUYER

As to BUYER(S)

BUYER

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:

R.P.L. DEVELOPMENT, INC.
a Florida corporation
d/b/a ROYAL PALM HOMES

By: _____
Authorized Representative

INSULATION RIDER

"U" FACTORS OF BUILDING COMPONENTS

EXTERIOR WALLS

5/8" STUCCO	
8" C.M.U.	
3/4" Furring (insulated)	"R"
1/2" Gyp. Bd.	
TOTAL "R" =	4
TOTAL "U" =	.149

ROOF

Insulation
8" Concrete

TOTAL "R" =	19
TOTAL "U" =	.751

carmel/condo/puragr.2

CONTRACT ESCROW AGREEMENT

THIS IS A CONTRACT ESCROW AGREEMENT made the 24th day of December, 2000 between R.P.L. DEVELOPMENT, INC., a Florida corporation, whose address is P.O. Box 320808, Cocoa Beach, Florida 32932, hereinafter referred to as the "DEVELOPER," and FIRST AMERICAN TITLE INSURANCE COMPANY, 2233 Lee Road, Suite 110, Winter Park, Florida 32789, hereinafter referred to as the "ESCROW AGENT."

W I T N E S S E T H :

WHEREAS, the DEVELOPER is entering into agreements with various persons as purchasers of condominium parcels in a proposed condominium to be known as CARMEL BY THE LAKE, UNIT V, 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;

WHEREAS, ESCROW AGENT is a title insurer authorized to do business in the State of Florida; 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).

2. The ESCROW AGENT, a title company in the State of Florida, 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 purchase 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.

EXHIBIT 8 TO THE PROSPECTUS

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 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.


5. If in doubt as to ESCROW AGENT'S duties or liabilities under the provisions of the Purchase Agreement for CARMEL BY THE LAKE, UNIT V, A CONDOMINIUM, ESCROW AGENT may, at ESCROW AGENT'S option, continue to hold the subject matter of the escrow until the parties mutually agree to its disbursement or until a judgment of a court of competent jurisdiction shall determine the rights of the parties or ESCROW AGENT may deposit same with the clerk of the circuit court having jurisdiction of the dispute. Upon notifying all parties concerned of such action, all liability on the part of ESCROW AGENT shall fully terminate, except to the extent of accounting for any items previously delivered out of escrow. Parties agree that ESCROW AGENT shall not be liable to any party or person for misdelivery to DEVELOPER or purchaser of items subject to this escrow, unless such misdelivery is due to willful breach of this Contract Escrow or gross negligence of ESCROW AGENT.

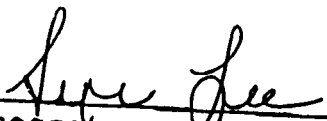
6. The ESCROW AGENT is responsible that monies shall not be released directly to the DEVELOPER except that pursuant to Florida Statutes §718.202(3) and pursuant to the Purchase Agreement for CARMEL BY THE LAKE, UNIT V, A Condominium, ESCROW AGENT may release deposits in excess of ten percent (10%) directly to the DEVELOPER in accordance with Florida Statutes §718.202(3).

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:

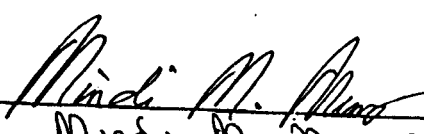
R.P.L. DEVELOPMENT, INC., a
Florida corporation

By: 
ALBERT KODSI, ITS PRESIDENT

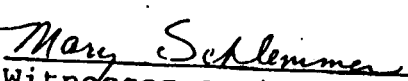

Witnesses as to DEVELOPER

DATED BY
DEVELOPER: 12-8-00

FIRST AMERICAN TITLE INSURANCE
COMPANY

By: 
Minda M. Mims
Typed Name

Its: Escrow Officer


Witnesses as to ESCROW AGENT

DATED BY
ESCROW AGENT: 12.8.00
c:\WP51\FILES\carmel\CONDO\CONESC

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: CARMEL BY THE LAKE, UNIT V, A
CONDOMINIUM

ADDRESS OF CONDOMINIUM: 1150 Carmel Circle
Casselberry, Florida 32707

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.

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

EXHIBIT 9, TO THE PROSPECTUS

RECEIPT FOR CONDOMINIUM DOCUMENTS

(Continued)

DOCUMENT

RECEIVED

Floor Plans

Survey of Land and Graphic Description of
Improvements

Executed Escrow Agreement

Plans and specifications

MADE AVAILABLE

THIS 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 THIS 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. THIS 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 THIS AGREEMENT SHALL TERMINATE AT CLOSING.

PURCHASER

DATE

PURCHASER

DATE

CARMEL\CONDO\RECEIPT

**ASSIGNMENT OF INTEREST IN
ENCLOSED PARKING SPACE**

THIS ASSIGNMENT OF INTEREST IN ENCLOSED PARKING SPACE ("Assignment") is made this _____ day of _____, 200____, by R.P.L. DEVELOPMENT, INC. a Florida corporation, ("Assignor"), whose address is P. O. Box 320808, Cocoa Beach, Florida 32932-0808, to _____ ("Assignee"), whose address is _____.

RECITALS:

WHEREAS, Assignor is the Developer of CARMEL BY THE LAKE, UNIT V, A CONDOMINIUM, located in Seminole County, Florida;

WHEREAS, Developer has developed a 48-unit condominium located in one building. As part of the condominium, there are forty eight (48) enclosed parking spaces (the "Enclosed Parking Spaces"). A diagram of the Enclosed Parking Spaces is included as Sheet 5 of Exhibit "A" to the Declaration of Condominium of Carmel By The Lake, Unit V, a Condominium as recorded in Official Records Book _____, Page _____, Public Records of Seminole County, Florida (the "Declaration"). The Enclosed Parking Spaces are designated as a Limited Common Element under, and governed by, the Declaration.

WHEREAS, Assignee is the owner of Unit No. _____, CARMEL BY THE LAKE, UNIT V, A CONDOMINIUM, according to the Declaration; and

WHEREAS, Assignor has agreed to assign to Assignee all of its rights to a certain Enclosed Parking Space described below.

NOW, THEREFORE, for and in consideration of the sum of TEN (\$10.00) DOLLARS, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledge, the parties agree as follows:

1. Recitals. The above recitals are true and correct and form a material part of this Assignment.

2. Assignment of Enclosed Parking Space. Assignor hereby grants, bargains, sells, assigns, and transfers to Assignee all of its right, title, and interest in and to:

Enclosed Parking Space No. _____, as shown on Sheet 5 of Exhibit A to the Declaration of Condominium of CARMEL BY THE LAKE, UNIT V, A CONDOMINIUM (the "Enclosed Parking Space"), which Enclosed Parking Space is a Limited Common Element of CARMEL BY THE LAKE, UNIT V, A CONDOMINIUM.

Assignor is conveying all its right, title and interest to the above-described Enclosed Parking Space, which includes an exclusive right to use the Enclosed Parking Space.

3. Rules and Regulations of CARMEL BY THE LAKE CONDOMINIUM ASSOCIATION, INC. The use of the Enclosed Parking Space is subject to rules and regulations promulgated by CARMEL BY THE LAKE CONDOMINIUM ASSOCIATION, INC. (the "Association"), and all terms and provisions set forth in the Declaration. Assignee agrees to comply with all rules and regulations governing the Enclosed Parking Spaces.

4. Further Assignment by Assignee. Assignee may assign the Enclosed Parking Space only to a person or entity owning a unit in CARMEL BY THE LAKE, UNIT V, A CONDOMINIUM. Such assignment shall be in compliance with Florida law and shall be on forms approved by the Association. The Association shall be provided with notice of the Assignment.

EXHIBIT 10 TO THE PROSPECTUS

5. Exceptions. This Assignment is made subject to and Assignee shall be bound by the terms, conditions and regulations contained in the Declaration of Condominium of CARMEL BY THE LAKE, UNIT V, A CONDOMINIUM.

6. Use of Enclosed Parking Space. Assignee agrees that only reasonable and customary use will be made of the Enclosed Parking Space covered hereby, and that no unnecessary wear and tear, disturbance, nuisance, rubbish or garbage will be permitted on the Enclosed Parking Space or adjacent facilities or premises. Assignee agrees to keep the Enclosed Parking Space and adjacent premises free and clear of gear, tackle and other obstructions, and Assignee will dispose of all rubbish and garbage in appropriate containers. Assignee shall be responsible for the conduct and actions of his or her guests.

7. Damages and Insurance. Assignor and the Association will not be responsible for any injuries and property damage caused by or arising out of the use of the Enclosed Parking Space. The use of all of the Enclosed Parking Space is entirely at the risk of Assignee, as to theft, fire, vandalism and other Acts of God. Assignor and the Association do not maintain insurance covering the personal property of Assignee. It is the responsibility of Assignee to adequately insure its property.

8. No Liability for Damages. Assignor and CARMEL BY THE LAKE CONDOMINIUM ASSOCIATION, INC., their employees or agents shall not be responsible for any injuries, including death, or property damage resulting from, caused by, or arising out of the use of the Enclosed Parking Space. Assignee releases and discharges Assignor and the Association from any and all liability from loss, injury or damages to persons or property sustained while in or on the Enclosed Parking Space.

9. Miscellaneous.

(a) Execution by Parties. This Assignment shall not become effective until it has been executed by all of the parties hereto, but shall be dated for purposes hereof as of the date and year first above written.

(b) Applicable Law. This Assignment shall be construed under the laws of the State of Florida.

(c) Time of the Essence. Time is of the essence.

(d) Binding Effect Upon Successors and Assigns. This Assignment shall be binding upon and inure to the benefit of, respectively, the parties, their successors, legal representatives, grantees and assigns, as applicable and appropriate.

(e) Severability. If any term of this Assignment shall be held to be invalid, illegal, or unenforceable, the validity of the other terms of this Assignment shall in no way be affected thereby.

(f) Counterparts. This Assignment may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but each counterpart shall together constitute one and the same instrument.

(g) Attorneys' Fees. If it becomes necessary for either party herein, their successors or assigns, or the Association, to seek legal means to enforce the terms of this Assignment, the nonprevailing party will be liable for all reasonable attorneys' fees, collection costs, travel expenses, deposition costs, expert witness expenses and fees, and any other cost of whatever nature reasonably and necessarily incurred by the prevailing party as a necessary incident to the prosecution or defense of such action plus court costs in all proceedings, trials and appeals.

(h) Waiver. No waiver of any breach of this Assignment shall be held to be a waiver of any other or subsequent breach. All remedies afforded in this Assignment shall be taken and construed as cumulative, this is, in addition to every other remedy provided therein or by law. The failure of either party to enforce at any time any of the provisions of this Assignment, or to exercise any option which is herein provided, or to require at any time performance by the other party of any of the provisions hereof, shall in no way be construed to be a waiver or create an estoppel from enforcement of such provisions, nor in any way to affect the validity of this Assignment or any part thereof, or the right of either party to thereafter enforce each and every such provision, or to seek relief as a result of the prior breach.

(i) Total Agreement. This Assignment contains the entire understanding of the parties and supersedes all previous verbal and written agreements. There are no other agreements, representations or warranties not set forth herein.

10. Notice. All notices to be given with respect to this Assignment shall be in writing. Notices may be hand delivered or may be sent by regular mail to the following addresses:

Assignor: CARMEL BY THE LAKE CONDOMINIUM ASSOCIATION, INC.

Casselberry, Florida 32707

Assignee:

IN WITNESS WHEREOF, the parties hereto have executed this Assignment on the day and year first above written.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

ASSIGNOR:

R.P.L.DEVELOPMENT, INC.
a Florida corporation

Witness Signature

Print Witness Name

By: _____

ALBERT KODSI, President
Address: P.O. Box 320808
Cocoa Beach, FL 32932-0808

STATE OF FLORIDA)
) ss:
COUNTY OF SEMINOLE)

THE FOREGOING INSTRUMENT was acknowledged before me this _____ day of _____, 200____, by ALBERT KODSI, as President of R.P.L.. DEVELOPMENT, INC., a Florida corporation, who is personally known to me, or who produced _____ as identification, and who did not take an oath.

Notary Public Signature
My commission expires:

Print Notary Public Name

ASSIGNEE:

Witness Signature

Print Witness Name

Address:

STATE OF _____)
COUNTY OF _____) ss:

THE FOREGOING INSTRUMENT was acknowledged before me this _____
day of _____, 200__, by _____
AND _____, who is/are
personally known to me, or who produced _____
_____ as identification, and who did not take an
oath.

My commission expires: _____

Notary Public Signature

Print Notary Public Name

RECEIPT OF ASSIGNMENT BY
CARMEL BY THE LAKE CONDOMINIUM ASSOCIATION, INC.

I, _____, as President of CARMEL BY THE
LAKE CONDOMINIUM ASSOCIATION, INC., a non-profit Florida
corporation, acknowledge receiving a copy of the foregoing
Assignment of Interest in Enclosed Parking Space. The Assignment
will be duly noted in the official records of the Association.

CARMEL BY THE LAKE CONDOMINIUM
ASSOCIATION, INC., a Florida
corporation not for profit

By: _____

Its: _____
PRESIDENT

CARMEL\condo\assign.p



VISTA

COMMUNITY
ASSOCIATION
MANAGEMENT

CONTRACT FOR MANAGEMENT SERVICES

Page 1 of 3

September 26, 2000

VISTA COMMUNITY ASSOCIATION MANAGEMENT (Womack & Company, Inc.), hereinafter referred to as "Agent", proposes to perform the following services at the stated fees for the CARMEL BY THE LAKE CONDOMINIUM ASSOCIATION, INC., hereinafter referred to as "Association":

FISCAL

Financial Reporting:

Agent will prepare monthly financial statements as follows:

1. Balance Sheet
2. Income Statement/Budget Variance Report
3. Bank Reconciliation
4. Check Disbursements Journal
5. Accounts Receivable/Delinquency Listing/Collection Report
6. General Ledger and Journals, upon request

Receivables/Collections:

Agent will bill, collect, post and deposit monthly assessments to individual ledgers, collect delinquent assessments following a procedure outlined by the Board of Directors in accordance with the documents of the Association and state statutes, and coordinate with attorney on lien and lien foreclosure action.

Payables:

Agent will prepare checks for the payment of bills and will coordinate with appropriate Board members for the proper signatures on such checks. The process for the payment of bills may be changed from time to time as decided by the Board of Directors.

Audit/Taxes/Title Companies/Closing Agents/Legal:

Agent will work as liaison with CPA for audit and tax purposes, with attorney on collection matters, and with other agencies requiring the coordination of information for ownership changes, etc.

Corporate Reports and Filing:

Agent will complete the appropriate filings on behalf of the Association, including 1099 reporting.

225 SOUTH WESTMONTE DRIVE, SUITE 2050 • ALTAMONTE SPRINGS, FLORIDA 32714 • TEL 407-682-3443 • FAX 407-682-0181
MAILING ADDRESS: P.O. BOX 161606 • ALTAMONTE SPRINGS, FLORIDA 32716-1606 • E-MAIL: VISTACAM@AOL.COM

Budget:

Agent will assist the Board in the annual budgeting process, including reserve scheduling.

MANAGEMENT AND ADMINISTRATIVE

Management:

A licensed Community Association Manager (CAM) will be assigned to oversee the property.

Board Meetings and Annual Meetings:

Agent will attend twelve regular Board of Directors meetings and the annual members meeting and will prepare and distribute the minutes of such meetings, if required.

Covenant Violations:

Agent will assist the Board in enforcing Covenants and Restrictions in a uniform manner, from letter writing to legal enforcement, as voted by the Board of Directors.

Public Relations and Communications:

Agent will maintain correspondence file, maintain owner roster, answer inquiries from owners/residents, realtors, government agencies, etc. and will follow up until situations are resolved. Agent will prepare, copy and mail correspondence to owners as requested by Board. Agent will act as Registered Agent for the Association.

Record Storage:

Agent will maintain, for safekeeping, all books and records of the Association as required by the Board and Florida Statutes.

Maintenance:

Agent will perform weekly visits to the complex on Wednesday mornings at 9:00 a.m. to assure that these areas and facilities are maintained in an acceptable manner. The time of the visit may be changed as agreed by Agent and Association. Agent will oversee contracted services, such as lawn maintenance, to insure that services are carried out.

Agent will assist the Board in obtaining competitive bids for regular contracts such as grounds, insurance, and also for special projects.

Agent will observe and receive maintenance requests and coordinate work orders with contracted vendors, or hire contractors, as needed, and will inspect the work when completed.

BOARD OF DIRECTORS RESPONSIBILITIES

The Association will designate a single individual who shall deal with the Agent on any matter relating to the management of the Association.

Board of Directors of Association will: establish all operating policies and procedures including collection of delinquent assessments and architectural guidelines; elect directors at the annual meetings; By-Law changes (ratification at annual meetings); recommend changes to the Declaration, Articles of Incorporation, and present to membership at annual meetings; approve budget and review spending.

The Board of Directors will insure common elements against loss due to fire, theft, storm, etc. and the Board Members against liability for injury, damage, or actions taken in accord with Association documents. The Board of Directors will establish measures to protect elements of the common area property and will plan and program future improvements and major repairs in the complex.

Association agrees to save AGENT harmless from all damages, suits or claims in connection with the management of the property, and from all liability for injuries to persons or properties suffered or sustained by an employee or any other person whomsoever, not caused by AGENT's own gross negligence or willful misconduct, and Association and its members do hereby indemnify and save harmless AGENT from any such liability for damages, costs and expenses, including attorney fees, for the administrative of its duties hereunder to from injury to any person or property in and about or in connection with ASSOCIATION property from any costs whatsoever unless such loss or injury shall be directly caused by AGENT's own gross negligence or willful misconduct.

Monthly Fee --- \$1,200.00

One Time Set Up Fee --- \$800.00

The fees cover all services included in this proposal with the exception of printing, mailing supplies, postage, long distance telephone calls, and supplies which become the property of the Association.

This contract has been accept by both parties and will commence on 10-1-00. The stated fees will remain in effect through December 31, 2001. Thereafter, the fees will not increase by more than 5% annually. This contract is continuous and may be cancelled by either party with a thirty- (30) day written notice.

Hank Gierken 9/27/00
CARMEL BY THE LAKE CONDOMINIUM ASSOCIATION, INC. DATE

Mary A. P. S. S. S. 9/27/00
VISTA COMMUNITY ASSOCIATION MANAGEMENT DATE
(Womack & Company, Inc.)

SCHEDULE OF MISC. FEES:

Copies	\$.10 each
Envelopes	\$.10 each
Postage	Actual Cost Reimbursement
Check Preparation	\$.25 per check (includes copy of invoice and envelope)

STEPHEN H. COOVER
Hutchinson, Mamele & Coover, P.A.
230 North Park Avenue
Sanford, FL 32771

547778

SEMINOLE COUNTY, FL
RECORDED & VERIFIED
2000 JUN -8 PM 2:48

9/150

[Space Above This Line For Recording Data]

Warranty Deed

(Statutory Form - FS 689.02)

SEMINOLE
9

This Indenture, made June 8, 2000, between LaVie Partnership, Inc., of the County of Seminole in the State of Florida, party of the first part, whose post address is 368 Seminole Woods Blvd., Geneva, FL 32732, and R.P.J. Development, Inc., party of the second part, and whose post office address is P.O. Box 320808, Cocoa Beach, FL 32931, whose Taxpayer Identification Number is 59-3633787,

Witnesseth:

That the said party of the first part, for and in consideration of the sum of \$10.00 and other valuable consideration to him in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, has granted, bargained, and sold to the said party of the second part, his heirs and assigns forever, the following described land, to wit:

SEE ATTACHED EXHIBIT "A"

(For Information Only: Property Appraiser's Parcel Identification Number is 28-21-30-300-017A-0000)

Subject to easements, restrictions and reservations of record not coupled with a right of reverter and taxes for the current year.

And the said party of the first part does hereby fully warrant the title to said land, and will defend the same against the lawful claims of all persons whomsoever.

Signed, sealed and delivered in the presence of:

LaVie Partnership, Inc.

Sign Linda S. Casselman
Print Linda S. Casselman
Sign Lori L. Weinstein
Print Lori L. Weinstein

Sign F.T. Allen (Seal)
Print F.T. Allen
Title President

STATE OF FLORIDA

COUNTY OF SEMINOLE

ACKNOWLEDGEMENT

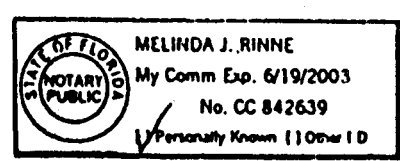
The foregoing instrument was acknowledged before me on June 8, 2000, by F.T. Allen, President of LaVie Partnership, Inc., ☒ who is personally known to me or ☐ who produced a Florida Driver's License as identification.

NOTARY PUBLIC:

Melinda J. Rinne

Documentary Tax Pd. \$ 2800.00
Intangible Tax Pd. _____
Maryanne Morse, Clerk Seminole
County By: m D.G.

State of Florida at Large
My commission expires:



referred to
Seminole
8-8-00