

Prepared by and Return to:
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**DECLARATION OF CONDOMINIUM
OF
HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM**

THIS DECLARATION OF CONDOMINIUM is made this 31st day of March, 2005, by HARBOUR ISLE DEVELOPMENT EAST, LLC, a Florida limited liability company, whose principal office is located at 801 Seaway Drive, Hutchinson Island, Florida 34949, for itself, its successors, grantees, assigns and its transferees.

(For the purposes of this Declaration, all capitalized terms set forth herein are defined in Section 3 or elsewhere in this Declaration.)

SECTION 1. PURPOSE AND SUBMISSION STATEMENT. The purpose of this Declaration is to submit real property and improvements on the real property to the condominium form of ownership and use, in the manner provided by the Condominium Act. Developer does hereby submit the Land and the improvements thereon to the condominium form of ownership and use pursuant to the Condominium Act. Developer specifically submits by special warranty deed Developer's "fee simple" interest in the Land, the legal description of which is attached as Exhibit "A" to this Declaration. The survey exhibits and plot plan of the Condominium, are as set forth in Exhibit "B" to this Declaration.

SECTION 2. NAME OF CONDOMINIUM AND ADDRESS. The name by which this Condominium is to be identified is HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM, and its address is 6A Harbour Isle Drive East, Hutchinson Island, St. Lucie County, Florida 34949. Notwithstanding the location of the Condominium in the City of Fort Pierce, St. Lucie County, Florida, the mailing address for the Condominium is 6A Harbour Isle Drive East, Hutchinson Island, Florida 34949.

SECTION 3. DEFINITIONS. The following definitions shall apply in this Declaration and in the Articles of Incorporation and Bylaws, unless the context otherwise requires:

3.1 "Articles" means the Association's Articles of Incorporation that are attached as Exhibit "C" to this Declaration, as amended from time to time.

3.2 "Assessment" means a share of the funds required for the payment of Common Expenses by all the Unit Owners and for the payment of Storage Space Area Expenses by those Unit Owners to which a Storage Space Limited Common Element has been assigned as an appurtenance to their Unit. Annual Assessments and Special Assessments shall be levied against each Owner in a percentage, equal to that Owner's Undivided Share and Owners are obligated to the Association for such Assessments pursuant to the Condominium Act, as well as common law assessments that are created by this Declaration and the Master Declaration. Storage Space Area

Rev. 02/18/2005

Expenses shall be levied as provided in Section 8.1.3.4. The Assessments are covenants running with the land, and include without limitation:

3.2.1 "Annual Assessments" means each Owner's annual share of funds required for the payment of: (i) Common Expenses, as determined in accordance with this Declaration; and (ii) Operating Expenses, as determined in accordance with the Master Declaration;

3.2.2 "Special Assessments" means any Assessments levied by the Board that are levied in addition to the Annual Assessments; and

3.2.3 "Storage Space Area Assessments" means each Owner's share, if any, of Storage Space Area Expenses as computed under Section 8.1.3.4.

3.3 "Association" means HARBOUR ISLE AT HUTCHINSON ISLAND EAST CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, its successors and assigns, the entity responsible for the operation of the Condominium.

3.4 "Board" means the board of directors or board of administration that is responsible for the Association's administration.

3.5 "Building Area" means that portion of the Community designated by the Master Declaration which is the subject of a condominium declaration, the entire area of commercial Property in the Community, or otherwise, and any other area of land in the Community which is not Corporation Property.

3.6 "Buildings and Improvements" means the structures and improvements on the Condominium Property.

3.7 "Bylaws" means the Association's Bylaws that are attached hereto as Exhibit "D" to this Declaration, as amended from time to time.

3.8 "Charges" means those charges including but not be limited to maintenance or other services furnished by the Association for the benefit of a specific Owner or a specific Unit, damages, and any other sums other than Assessments that are referred to as Charges in the Condominium Documents. At no time shall a Charge be deemed an Assessment under the Condominium Act or under the Condominium Documents, but such Charge shall give rise to a cause of action against an Owner if not paid.

3.9 "Committed Property" means the portions of the Community which are committed to the provisions of the Master Declaration and those portions of Community which may hereafter become Committed Property pursuant to the recordation of one (1) or more supplements to the Master Declaration.

3.10 "Common Elements" means all portions of the Condominium Property not included within the Units, but not property owned by the Association or Corporation Property, and includes without limitation the following:

3.10.1 The Land.

3.10.2 All portions of the Buildings and Improvements not included within the Units, including Limited Common Elements.

3.10.3 Easements through Units for conduits, ducts, plumbing, wiring, and other facilities for furnishing utility services or other services (including air ducts) to more than one (1) Unit and/or the Common Elements, including roof drains and pipe chases.

3.10.4 An easement of support and access in every portion of the Condominium Property that contributes to the support of the Buildings and Improvements.

3.10.5 The property and installments required for furnishing utilities and other services (including air ducts) to more than one (1) Unit or to the Common Elements.

3.10.6 One (1) swimming pool deck, one (1) swimming pool, one (1) clubhouse and two (2) tennis courts, all as depicted on Exhibit "B".

3.10.7 The Storage Spaces and the Storage Space Common Area.

3.10.8 The sea wall located on Condominium Property adjacent to the Marina.

3.10.9 Any other parts of the Condominium Property designated as Common Elements or Limited Common Elements in this Declaration.

3.11 "Common Expenses" means all expenses of the operation, maintenance, repair, replacement, protection or insuring of the Condominium Property and other property to the extent required by this Declaration, the expenses of operating the Association, fines levied by governmental authority, and any other expenses properly incurred by the Association for the Condominium, including accounting and legal fees and any amounts budgeted for the purpose of funding reserve accounts; provided however Common Expenses does not include Storage Space Area Expenses. Common Expenses shall include the cost of providing exterminating services for the Units, and may include basic cable television and internet access charges.

3.12 "Common Surplus" means the excess over the Common Expenses of receipts of the Association collected on behalf of the Condominium (including, but not limited to, Assessments, rents, profits and revenues, on account of the Common Elements).

3.13 "Community" means the Harbour Isle at Hutchinson Island community which is a planned, commercial and residential development being developed in stages by Developer, including, but not limited to the lands depicted on Exhibit "B", which includes without limitation the lands governed by the Master Declaration, and the lands governed by this Declaration, all as amended and supplemented from time to time.

3.14 "Condominium" means Harbour Isle at Hutchinson Island East, a Condominium, established by the recording of this Declaration.

3.15 "Condominium Act" means the Condominium Act, Chapter 718, Florida Statutes (2003), as amended through the date of recording of this Declaration amongst the Public Records, unless the context specifically requires that future amendments to the Condominium Act apply.

3.16 "Condominium Documents" means and includes this Declaration and all recorded exhibits, including the Association's Articles of Incorporation and Bylaws, the Master Declaration, the Corporation's Articles of Incorporation and Bylaws, any Rules, and all instruments and documents referred to therein and executed in connection with this Condominium, all as amended from time to time.

02/18/2005

3.17 "Condominium Parcel" means and includes each Unit, its Undivided Share and appurtenances.

3.18 "Condominium Property" means the real and personal property (owned or leased) by the Association, and real or personal property (owned or leased) comprising the Condominium, including, but not limited to, the Buildings and Improvements, the Common Elements, and all easements and rights appurtenant thereto intended for use in connection with the Condominium, including a perpetual, non-exclusive easement pursuant to the Master Declaration over, and across the Corporation Property to public ways, including dedicated streets. Notwithstanding anything contained herein to the contrary, however, the term "Condominium Property" shall not include any telecommunications lines or equipment owned by a utility and/or telecommunications firm(s) and/or other entity (entities) which have contracted with or have imposed other legal requirements upon Developer and/or the Association to provide a utility or telecommunications service and equipment and telecommunications equipment, owned by Developer, the title to which is hereby specifically reserved to Developer, Developer's successors and/or assigns.

3.19 "Corporate Easements" means any easement either established for the benefit of the Corporation or in which the Corporation has an interest and any and all other easements, buffer easements or other areas, now or in the future established by: (i) any applicable plat or replat, including the Plat; (ii) the Master Declaration, a condominium declaration, or any supplement or amendment thereto; (iii) governmental or quasi-governmental code, ordinance or other provision; (iv) specific agreement; or (v) specific grant. Corporate Easements shall be easements located in Building Areas or on other property not owned by the Corporation.

3.20 "Corporate Easement Improvements" means any landscaping, masonry walls, fences or other improvements or ground cover owned and/or maintained by the Corporation located in, on or about a Corporate Easement.

3.21 "Corporation" means HARBOUR ISLE AT HUTCHINSON ISLAND PROPERTY MAINTENANCE ASSOCIATION, INC., a Florida corporation not for profit, organized to administer the Master Declaration and having among its members Developer, owners of commercial property in the Community, the Association (through which all Owners are indirectly represented) and the association of any other condominium or homeowner association.

3.22 "Corporation Property" means all real or personal property: (i) owned or leased by the Corporation; (ii) in which the Corporation has easement rights; or (iii) dedicated by the Master Declaration or by a recorded subdivision plat to the Corporation for the use and benefit of the Corporation's members, and includes, but is not limited to the Committed Property which is not within a Building Area, Corporate Easements and Corporate Easement Improvements, but specifically excludes any lands governed by a condominium association.

3.23 "County" means St. Lucie County, Florida.

3.24 "Declaration" means this Declaration of Condominium for Harbour Isle at Hutchinson Island East, a Condominium, as amended from time to time.

3.25 "Developer" means HARBOUR ISLE DEVELOPMENT EAST, LLC, a Florida limited liability company, Developer's successors, assigns and legal representatives. Developer shall have the right to assign any and all of the rights and privileges reserved for Developer under this Declaration. An Owner shall not, solely by the purchase of a Unit, be deemed to be a successor or assign of Developer or of the rights of Developer under the Condominium

02/18/2005

Documents, unless such Owner is specifically so designated as a successor or assign of such rights in the instrument of conveyance or any other instrument executed by Developer.

3.26 "Entity" means either a corporation, a business-named partnership or a limited liability company that owns a Unit.

3.27 "Fixtures" means those items of tangible personal property which by being physically annexed or constructively affixed to the Unit have become accessory to it and part and parcel of it, including, but not limited to, interior partitions, walls, appliances which have been built in or permanently affixed, and plumbing fixtures in kitchens and bathrooms. Fixtures do not include floor, wall or ceiling coverings.

3.28 "Guest" means any person who is not a member of the immediate family of an Owner, Primary Occupant or Permanent Occupant who occupies a Unit at the invitation of the Owner, Primary Occupant or Permanent Occupant, without requirement to contribute money, perform any services or provide any other consideration to the Owner, Primary Occupant or Permanent Occupant in connection with any such occupancy of the Unit. A Permanent Occupant of a Unit shall not be considered a Guest. Furthermore, an Owner or Primary Occupant of a Unit shall never be considered a Guest in the Unit owned, unless the Owner or Primary Occupant is visiting a Permanent Occupant in the Unit.

3.29 "Institutional First Mortgagee" means an Institutional Mortgagee holding a first mortgage lien on a Unit.

3.30 "Institutional Mortgagee" means the holder (or its assignee) of a mortgage encumbering a Unit, which mortgagee is a bank, savings and loan association, savings bank, national savings bank, mortgage company, insurance company or any subsidiary or entity owned by any of the foregoing, real estate or mortgage investment trust, pension or profit sharing trust, the Federal Housing Administration, the Veterans Administration, or any agency of the United States of America. The term also refers to any holder of a mortgage against a Unit, which mortgage is guaranteed or insured by the Federal Housing Administration, the Veterans Administration, any agency of the United States of America, or by any other public or private corporation engaged in the business of guaranteeing or insuring residential mortgage loans, and their successors and assigns. The term also refers to Developer who may hold a mortgage on a Unit.

3.31 "Land" means the property described on Exhibit "A" attached to this Declaration.

3.32 "Lease" means the grant by an Owner of a temporary right of use of the Owner's Unit for good and valuable consideration.

3.33 "Limited Common Elements" means and refers to those Common Elements that are reserved or assigned for the use of a certain Unit or Units to the exclusion of other Units, as specified in this Declaration. Reference herein to Common Elements shall include also all Limited Common Elements unless the context would prohibit or it is otherwise expressly provided.

3.34 "Marina" means those areas of the Community consisting of the marina legally described as Tract "A" of the Plat ("Marina Parcel"), jetties, all docks and slips, and any other related land comprising a part of the marina not owned and governed by a condominium association or the Corporation, together with an easement of support in favor of the Marina.

3.35 "Master Declaration" means the Declaration of Protective Covenants and Restrictions for the Harbour Isle at Hutchinson Island Community recorded April 30, 2004, in

02/18/2005

Official Records Book 1954, Page 1857, as amended by: (a) First Amendment to Declaration of Protective Covenants and Restrictions for Harbour Isle at Hutchinson Island recorded December 1, 2004, in Official Records Book 2103, Page 404; and (b) Withdrawal Notice recorded January 13, 2005, in Official Records Book 2136, Page 2696, all of the Public Records, and all amendments and supplements thereto. Pursuant to the terms of the Master Declaration, portions of the real property in the Community are set aside from time to time by Developer in accordance with the plan for development set forth therein and Operating Expenses are made specifically applicable to Owners to be collected by the Association on behalf of the Corporation in the same manner and by the same procedure as Common Expenses.

3.36 "Member" means a record Owner of a Unit and member of the Association.

3.37 "Occupant" is a person who is physically present in a Unit for two (2) or more consecutive days, including staying overnight. The defined term "Occupant" shall include, as the context requires, any Permanent Occupant and any Primary Occupant.

3.38 "Operating Expenses" means the expenses for which all Owners of Units in the Community are liable to the Corporation as described in the Master Declaration and include, but are not limited to, those expenses incurred by the Corporation in administering, operating, reconstructing, maintaining, repairing and replacing all portions of the Corporation Property, and any and all improvements thereon as well as all personal property for which the Corporation has such obligation to purchase and maintain as set forth in the Master Declaration, including the costs of administration of the Corporation and any special assessments of the Corporation.

3.39 "Owner" means the record owner, whether one (1) or more persons or Entities, of the fee simple title to any Unit, but excludes those having such interests merely as security for the performance of an obligation.

3.40 "Permanent Occupant" means a person who is occupying a Unit other than as a Guest. Notwithstanding the foregoing, any person who occupies a Unit for more than sixty (60) days in any calendar year or more than sixty (60) days in any 360-day period shall be deemed to be a Permanent Occupant.

3.41 "Plans and Specifications" means the plans and specifications prepared for the Buildings and Improvements prepared by Kelly Computer Graphics, Inc., dated October 15, 2003, and September 22, 2003, without an identified Job Number, and Douglas Root Architects, Inc. dated September 7, 2003, Job No. 03140603.

3.42 "Plat" means the Plat of Harbour Isle at Hutchinson Island recorded April 30, 2004, in Plat Book 43, Page 31, and any other Plat or replat of any of the Condominium Property, all recorded in the Public Records.

3.43 "Primary Institutional Mortgagee" means that Institutional Mortgagee which, at the time a determination is made, holds first mortgages on more Units than any other Institutional Mortgagee, such determination to be made by reference to the number of Units encumbered, and not by the dollar amount of such mortgages.

3.44 "Primary Occupant" means a designated natural person approved for occupancy when title to a Unit is held in the name of an Entity or trustee of a Trust, which natural person has executed a Primary Occupant Designation Certificate in the form attached as Exhibit "I" to this Declaration.

02/18/2005

3.45 "Public Records" means the public records of the County in which all real property documents are recorded so as to provide constructive notice thereof.

3.46 "Rules" means those rules and regulations promulgated from time to time by the Board governing the use of the Condominium Property, including the Units, and the operation of the Association or those rules promulgated from time to time by the Corporation.

3.47 "Storage Space Common Area" means the Storage Space Area other than the Storage Spaces.

3.48 "Storage Space Area" means all of Tract "K" of the Plat and all improvements located thereon, including the Storage Spaces.

3.49 "Storage Space Area Expenses" means all expenses of the operation, maintenance, repair, replacement, protection or insuring of the Storage Space Area, including without limitation the Common Elements in the Storage Space Area, Storage Spaces owned by the Association, the expenses incurred by the Association in connection with operating the Storage Space Area, fines levied by governmental authority, and any other expenses properly incurred by the Association in connection with the Storage Space Area, including accounting and legal fees and any amounts budgeted for the purpose of funding reserve accounts. Storage Space Area Expenses shall include the cost of providing exterminating services for the Storage Space Area.

3.50 "Storage Space" means one of the storage spaces shown on Exhibit "B". Each Storage Space shall be assigned as a Limited Common Element appurtenant to a Unit. The vertical boundaries of the Storage Space shall be the side of the drywall or other wall material side that is attached to and touches the studs in the wall. The horizontal boundary of the ceiling of the Storage Space shall be the side of the drywall or other ceiling material that is attached to and touches the rafters of the ceiling. The horizontal boundary of the floor of the Storage Space shall be the top surface of the concrete slab floor of the Storage Space. Notwithstanding the foregoing, the entire garage door (other than the exterior surface), entrance door (other than the exterior surface), the windows, if any, and the casings, frames and hardware for each of the foregoing (collectively, the "Exterior Portion of the Storage Space") shall be a part of the Storage Space.

3.51 "Total Property" means the land that may be subject to the Master Declaration.

3.52 "Undivided Share" means each Unit's percentage of ownership share in the Condominium Property other than Units, the Common Elements and the Common Surplus. The Undivided Share shall be 1/288.

3.53 "Unit" means and refers to that portion of the Condominium Property that is subject to exclusive ownership.

3.54 "Utility" means and refers to a public or private utility.

3.55 "Very Substantial Damage" or "Very Substantial" means that two-thirds (2/3) or more of the Units in any one (1) building, as to that building, or two-thirds (2/3) of all Units and/or two-thirds (2/3) or more of the Condominium Property are or have been rendered untenable by casualty loss or damage.

02/18/2005

3.56 "Voting Interest" means and refers to the arrangement established in the Condominium Documents by which Owners of each Unit or Members of the Association collectively are entitled to one (1) vote in Association matters.

SECTION 4. IDENTIFICATION OF UNITS; DESCRIPTION OF CONDOMINIUM PROPERTY AND IMPROVEMENTS; SURVEYS AND PLANS; UNIT BOUNDARIES.

4.1 Identification of Units. The Condominium shall consist of twelve (12) four (4)-story buildings and associated improvements to be known as Buildings "1", "2", "3", "4", "5", "6", "7", "8", "9", "10", "37" and "38". Each such building shall consist of twenty-four (24) Units, with six (6) Units on each floor. Each Unit is declared to be a Unit and subject to private ownership and is identified by floor number, a "1" indicating the first floor, a "2" indicating the second floor, a "3" indicating the third floor and "PH" indicating the fourth floor penthouse, then followed by a zero "0" and the Unit number, either "1", "2", "3", "4", "5" or "6", and then followed by "Building" and the building number. By way of example, the Units in Building 1 are identified by the following designations: "101", "102", "103", "104", "105", "106", "201", "202", "203", "204", "205", "206", "301", "302", "303", "304", "305", "306", "PH01", "PH02", "PH03", "PH04", "PH05" and "PH06", then "Building 1".

4.2 Survey and Plot Plans. The Survey is attached to this Declaration as Exhibit "A" and includes the legal description and survey of the Condominium Property. The plot plans and a Certificate of Surveyor which geographically describe the improvements in which the Units are or may be located, and which also show the Units, their approximate dimensions, and the Common Elements and Limited Common Elements to be constructed are set forth in Exhibit "B".

4.3 Developer Reservation. Developer specifically intends to sell Units as fee simple estates. Developer reserves the right, however, to lease Units or convey any Units in fee simple subject to a Lease.

4.4 Share of Ownership. There will be two hundred eighty-eight (288) Units in the Condominium, each having as an appurtenance thereto one (1) vote in the Association and an equal one-two hundred eighty-eighth (1/288th) undivided share of ownership in the Common Elements.

4.5 Unit Boundaries. Each Unit shall include that part of a building that lies within the following boundaries, the boundaries being part of the Unit:

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

4.5.1.1 Upper Boundaries: The horizontal plane up to but not including the lower surface of the ceiling structural element of the Unit.

4.5.1.2 Lower Boundaries: The horizontal plane immediately adjacent to but not including the floor slab of the Unit.

4.5.2 Perimetrical Boundaries. The perimetrical boundaries of the Unit shall be: the vertical planes of the interior side of the exterior surfaces of the outside walls of the building and excluding any fixtures, for example, balcony railings, thereon; the vertical planes of the center line of an interior wall bounding another Unit, extended to the upper and lower boundaries; the undecorated interior surfaces of any window frames, window sills, doors and door frames bounding the Unit; and the exterior surfaces of any window panes or sliding glass door panes bounding the Unit.

02/18/2005

4.5.3 Interior Walls. No part of the non-structural interior partition walls within a Unit shall be considered part of the boundary of a Unit.

4.5.4 Excluded from the Units: Any items referred to in this Declaration as Common Elements or Limited Common Elements shall be excluded from the Units even though they may lie within a Unit boundary.

4.5.5 Conflict with Graphic Depiction: In cases not specifically covered in this Section 4.5 or in any case of conflict or ambiguity, the graphic depictions of the Unit boundaries set forth in Exhibit "B" to this Declaration shall control in determining the boundaries of a Unit, except that the provisions of this Section 4.5 shall control over said Exhibit.

4.6 Facilities. Commonly-used facilities and facilities designated for use by the Association:

4.6.1 Located in each building containing Units: one (1) elevator, hallways, two (2) stairways, a porte cochere, a trash room, and an electrical/mechanical room; and

4.6.2 Amenities: Located elsewhere on the Condominium Property (collectively, the "Amenities"): (i) one swimming (1) pool and swimming pool deck; one (1) clubhouse; two (2) tennis courts; and one (1) guardhouse/ entrance feature; (ii) one (1) Storage Building (as a Limited Common Element); (iii) street lighting (The street lighting may be leased or purchased by the Association (not the Developer) from the applicable service provider and the applicable lease or purchase payments paid over an extended period of time from Annual Assessments.); (iv) parking spaces (some of which shall be Limited Common Elements); (v) streets; (vi) other common areas, including green spaces and water management lakes as shown on Exhibit "B"; and (vii) the sea wall along the boundary of the Condominium and the Marina. Developer anticipates that Developer will deliver to the Association the Amenities by July 2005, although Developer shall not be obligated to complete the Common Elements (including the Amenities) until two (2) years after the first contract for the sale of a Unit is fully executed by Developer and a purchaser ("Completion Date"). Thus purchasers who take title to their Units prior to Completion Date may not have access to any or all of the Amenities until after such date.

SECTION 5. EASEMENTS; RELATED EXPENSES. Each of the easements and easement rights referred to in this Section 5 is reserved through the Units and the Condominium Property (as applicable) and is a covenant running with the Condominium Property. Notwithstanding any other provisions of this Declaration, the easements established and granted herein shall survive the removal of any portion of the Condominium Property from the Condominium. None of the easements specified in this Section 5 may be encumbered by any leasehold or lien other than those on the Units. Any lien encumbering these easements shall automatically be subordinate to the rights of Owners with respect to such easements and the use thereof.

5.1 Utility Service and Drainage Easements.

5.1.1 There is hereby created a blanket easement upon, across, over, through and under the Units and the Condominium Property for the installation, replacement, repair and maintenance of all Utility and service lines and systems and drainage and water management, including, but not limited to, electric, gas, water, sewer, telephone, electric, cable television, internet access, air circulation, security, and surveillance or communication lines and systems. By virtue of this easement, it shall be expressly permissible for Developer or the providing Utility or service company to install and maintain facilities and equipment on the Condominium Property, to

02/18/2005

excavate for such purposes and to affix and maintain wires, circuits, and conduits through the walls of the Units and on, in and under the roofs and exterior walls of the Units, providing the disturbed areas are restored to the condition in which they were found and that an easement does not prevent or unreasonably interfere with the use of the Units. Except as otherwise provided in Section 5.1.2, no sewer, electrical lines, water lines, or other Utility service lines or facilities for such utilities, and no cable or communication lines and systems or drainage and water management systems, may be installed or relocated in the Units or on the Condominium Property except as are approved by Developer or as established by the terms of this Section 5. Developer may also transfer title to Utility-related equipment, facilities or material, and to take any other action to satisfy the requirements of any Utility or governmental agency to which any such Utility-related equipment, facilities or material are to be so transferred. Developer reserves the right and authority to modify or relocate the above referenced easements.

5.1.2 Once Developer closes upon the sale of the last Unit of the Condominium, the powers vested in Developer under Section 5.1.1 shall terminate, and shall then vest in the Association. The Board shall exercise such powers in the Board's reasonable discretion without the need for joinder of any Owner.

5.1.3 Developer under Section 5.1.1 and the Association under Section 5.1.2, or the Developer's or the Association's designee, as applicable, shall have a right to remove any improvements interfering with or impairing such facilities or easements herein reserved. No Owner shall do anything anywhere in, on or about his Unit that interferes with or impairs or may interfere with or impair the provision of such utilities or other services or the use of these easements.

5.1.4 The Corporation Property is subject to all easements set forth in the Master Declaration.

5.2 Marina Channel and Basin; Jetties. The Condominium Property is subject to those easements (collectively, the "Marina Channel and Basin Easement") necessary for the construction, inspection, dredging, maintenance, repair and replacement and the reasonable crossing of the Marina channel and basin, including, without limitation, the Marina's sea walls and any structural supports therefor (collectively, the "Marina Channel and Basin"), wherever located landward within 25 feet of the boundary line between the Condominium Property and the Marina. The Marina Channel and Basin Easement is granted to the owner of the Marina, including its tenants, licensees, invitees, successors and assigns, as applicable, and shall include the right of access, ingress and egress from the property owned by the Marina owner over Condominium Property to conduct such construction, inspection, dredging, maintenance, repair and/or replacement of the Marina Channel and Basin. If at any time during the construction, inspection, dredging, maintenance, repair or replacement of the Marina Channel and Basin, the Condominium Property is altered or damaged in any manner, then the Marina owner shall have the obligation to reasonably return the Condominium Property to its original condition as it existed prior to the commencement of such construction, inspection, dredging, maintenance, repair or replacement.

5.3 Drainage of Marina and Corporation Property. Pursuant to the terms of the Master Declaration, the Corporation is responsible for the construction, inspection, maintenance, repair and replacement of the drainage and water management system in the Community, including that portion located on the Condominium Property. The lake depicted as WMA-2 on the Plat, drainage structures, swales, culverts, and all other portions of the drainage and water management system located on the Condominium Property are an integral part of said drainage and water management system serving the Total Property. In connection therewith, the Corporation is granted: (i) an easement for drainage from and to the Total Property into said drainage and water management system; (ii) an easement for access, ingress, egress and for the construction, periodic inspection,

02/18/2005

maintenance, repair and replacement of said drainage and water management system, including, but not limited to, all conduit, pipes, pumps, and other appurtenant equipment located in, on or under the Condominium Property; and (iii) an easement for access, ingress and egress and other uses in connection with the drainage and water management system of the Total Property as shown on Exhibit "B". If at any time, during the construction, inspection, maintenance, repair or replacement of the drainage and water management system, the Condominium Property is altered or damaged in any manner, then the Corporation shall have the obligation to return the Condominium Property to its original condition as it existed prior to the commencement of such construction, inspection, maintenance, repair or replacement.

5.4 Conservation Easement. The Conservation Easement located on Condominium Property adjacent to the Indian River as depicted on the Plat as CE-3 and as established in that Amended and Restated Deed of Conservation Easement recorded November 13, 2003, in Official Records Book 1841, Page 2935, of the Public Records, as further amended and restated from time to time (the "Conservation Easement") is specifically subject to the following terms, covenants, conditions and restrictions:

5.4.1 It is the purpose of these Conservation Easements to retain land or water areas in their natural, vegetative, hydrologic, scenic, open, agricultural or wooded condition and to retain such areas as suitable habitat for fish, plants or wildlife. Those wetland and/or upland areas included in the Conservation Easements that are to be enhanced or created pursuant to the South Florida Water Management District Permit No. 56-01689-P, a copy of which is attached hereto as Exhibit "G" ("SFWMD Permit") shall be retained and maintained in the enhanced or created conditions required by the SFWMD Permit and the Army Corps of Engineers Permit No. 200106166 (IP-TKW), a copy of which is attached hereto as Exhibit "H" ("Corps Permit"). To carry out this purpose, the following rights are conveyed to the South Florida Water Management District ("SFWMD") and the U.S. Army Corps of Engineers ("Corps"):

5.4.1.1 To enter upon the Condominium Property at reasonable times with any necessary equipment or vehicles to enforce the rights herein granted in a manner that will not unreasonably interfere with the use and quiet enjoyment of the Condominium Property; and

5.4.1.2 To enjoin any activity on or use of the Conservation Easements that is inconsistent with the Conservation Easements and to enforce the restoration of such areas or features of the Conservation Easements that may be damaged by any inconsistent activity or use.

5.4.2 Except for restoration, creation, enhancement, maintenance and monitoring activities, or surface water management improvements, which are permitted or required by the SFWMD Permit or the Corps Permit, the following activities are prohibited in or on the Conservation Easements depicted on Exhibit "A":

5.4.2.1 Construction or placing of buildings, roads, signs, billboards or other advertising, utilities, or other structures on or above the ground;

5.4.2.2 Dumping or placing of soil or other substance or material as landfill, or dumping or placing of trash, waste, or unsightly or offensive materials;

5.4.2.3 Removal or destruction of trees, shrubs, or other vegetation, except for removal of exotic or nuisance vegetation in accordance with a maintenance plan approved by the SFWMD;

02/18/2005

5.4.2.4 Excavation, dredging, or removal of loan, peat, gravel, soil, rock, or other material substance in such manner as to affect the surface;

5.4.2.5 Surface uses, except for purposes that prevent the land or water area to remain in its natural condition;

5.4.2.6 Activities detrimental to drainage, flood control, water conservation, erosion control, soil conservation, or fish and wildlife habitat preservation including, but not limited to, ditching, diking and fencing;

5.4.2.7 Acts or uses detrimental to such retention of land or water areas;
and

5.4.2.8 Acts or uses detrimental to the preservation of the structural integrity or physical appearance of sites or properties of historical, architectural, archaeological or cultural significance.

5.4.3 Monitoring and maintenance of the mitigation areas ("Mitigation Areas") described in the SFWMD Permit shall be the responsibility of the Association and the Other Seawall Owner (hereinafter defined) jointly and severally. The Association jointly and severally with the other Seawall Owner must successfully complete the mitigation and satisfy the permit conditions. The success criteria are described in the SFWMD Permit.

5.4.4 Any easements or use rights reasonably necessary, by the Corporation, other condominium associations or other Entities, for the implementation of the covenants, conditions and restrictions contained in the SFWMD Permit.

5.4.5 Any easements or use rights reasonably required or necessary for the implementation of the covenants, conditions and restrictions and obligations contained in the Corps Permit.

5.5 Encroachments. If any Unit encroaches upon any of the Common Elements or the Condominium Property for any reason other than the intentional act of an Owner, or if any Common Elements or the Condominium Property encroaches upon any Unit, as a result of: (i) construction of the Buildings and Improvements, (ii) settling or shifting of the Buildings or Improvements, (iii) any alteration or repair to the Common Elements made by or with the consent of the Association, (iv) any repair or restoration of Buildings or 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, or (v) for any other reason, then an easement shall exist to the extent of that encroachment and for the maintenance of the same as long as the encroachment exists.

5.6 Ingress and Egress. A non-exclusive easement shall exist in favor of each Owner, tenant and Occupant and their respective Guests and invitees, for pedestrian traffic over, through, and across sidewalks, streets, paths, walks, and other portions of the Common Elements and the Condominium Property as from time to time may be intended and designated for such purpose and use, and for vehicular and pedestrian traffic over, through, and across such portions of the Common Elements and the Condominium Property as from time to time may be paved or intended for such purposes, and for purposes of ingress and egress to the public ways. Speed bumps shall be permitted and shall be deemed not to violate any rights of any person in whose favor the easement for ingress and egress lies.

02/18/2005

5.7 Governmental and Quasi-Governmental Ingress and Egress. A non-exclusive easement shall exist in favor of all governmental and quasi-governmental agencies supplying services to the Condominium Property, including, but not limited to, police, fire, ambulance, and other support services, over, through and across sidewalks, streets, parking spaces, paths, walks, hallways, stairways, elevators and other portions of the Common Elements and the Condominium Property as from time to time may be intended or designated for such purpose and use, and for vehicular and pedestrian traffic over, through, and across such portions of the Common Elements or Condominium Property as from time to time may be paved or intended for such purposes.

5.8 Construction; Maintenance. Developer (including Developer's designees, contractors, successors and assigns) shall have the right, in Developer's and their sole discretion, from time to time, to enter the Condominium Property and take all other action necessary or convenient for the purpose of completing the construction thereof, or any part thereof, or any improvements or Units located or to be located thereon, and for repair, replacement and maintenance purposes where the Association fails to do so, or for any other purpose, provided such activity does not prevent or unreasonably interfere, in the opinion of Developer, with the use or enjoyment by the Owners of the Condominium Property.

5.9 Sales Activity. For as long as there are any unsold Units, Developer, Developer's designees, successors and assigns, shall have the right to use any such Units, and other Units with the Unit Owner's permission, and parts of the Common Elements for model Units and sales offices, to show model Units, sales offices and the Condominium Property to prospective purchasers and tenants of Units, to erect on the Condominium Property signs and other promotional material to advertise Units for sale or lease and for any other similar purpose Developer deems appropriate in Developer's opinion.

SECTION 6. APPURTENANCES TO EACH UNIT; USE AND POSSESSION OF UNITS AND SOCIAL PROVISION WHEN A UNIT IS LEASED.

6.1 Appurtenances to Each Unit. The Owner of each Unit shall have certain rights and own a certain interest in the Condominium, including without limitation, the following:

6.1.1 An Undivided Share. Each Unit's Undivided Share percentage shall be one/two hundred eighty-eighth (1/288th).

6.1.2 Membership and voting rights in the Association, which shall be acquired and exercised as provided in the Articles and the Bylaws.

6.1.3 The exclusive right to use the Limited Common Elements reserved for the Unit (and with respect to the Storage Spaces, exclusive right to use the Storage Space and exclusive right, in common with all other Owners who have Storage Spaces appurtenant to their Units, to use the Storage Space Area, excluding the Storage Spaces).

6.1.4 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. An easement in airspace that is vacated shall be terminated automatically.

6.1.5 Other appurtenances as may be provided in this Declaration and the Exhibits attached hereto.

6.2 Use and Possession. An Owner is entitled to exclusive use and possession of the Unit owned. An Owner is entitled to use the Unit as a single-family residence in accordance with

02/18/2005

the purposes for which it is intended, but no use of the Unit or of the Condominium Property may unreasonably interfere with the rights of other Owners or other persons having rights to use the Condominium Property. No Unit may be divided or any fractional portion sold, leased or otherwise transferred. The use of the Condominium Property, including the Units, shall be governed by the Condominium Documents and by the Rules.

6.3 Social Provision Regarding Use When the Unit is Leased. When a Unit is leased, a tenant in such Unit shall have all use rights in the Condominium Property otherwise readily available for use generally by Owners and the Owner of such Unit shall temporarily relinquish such rights and not have such rights except as a Guest. Nothing in this Section 6.3 shall interfere with the access rights of the Owner as a landlord pursuant to Chapter 83, Florida Statutes, or otherwise. The Board shall have the right to adopt Rules to prohibit dual usage by an Owner and a tenant of the Condominium Property otherwise readily available for use generally by Owners.

SECTION 7. COMMON ELEMENTS.

7.1 Generally. The Common Elements are located and bounded as shown on the Survey and Plot Plans, as amended. Each Unit shall have appurtenant thereto its Undivided Share, as it then exists. The Board shall have the authority to adopt Rules respecting the use and enjoyment of the Common Elements.

7.2 Restraint Upon Separation and Partition. The fee simple title to each Unit shall include both the Unit and the Unit's Undivided Share and such Undivided Share shall be deemed to be conveyed or encumbered with each respective Unit, even though the description in the instrument of conveyance or encumbrance may refer only to the Unit. Any attempt to separate the fee simple title to a Unit from the Undivided Share appurtenant to such Unit shall be null and void, and no action shall lie for partition of the Undivided Share.

SECTION 8. LIMITED COMMON ELEMENTS.

8.1 Description of Limited Common Elements. Certain Common Elements have been designated as Limited Common Elements, reserved for the use of a particular Unit or Units, to the exclusion of all other Units. The Limited Common Elements and the Units to which their use has been designated are as described in this Declaration and as further identified on the Survey and Plot Plans (Exhibits "A" and "B" to the Declaration), as amended. The following Common Elements are hereby designated as Limited Common Elements, and shall be appurtenant to the Unit to which their use has been assigned or for which they serve:

8.1.1 Windows, Window and Door Screens and their Frames, and Doors. The window and door screens, if any, and their frames, casings and hardware, sliding glass doors and screens, if any, and their hardware and framings, and casings and hardware for the sliding glass doors, are Limited Common Elements of the Unit served thereby. In all cases, all windows panes, sliding glass door panes, etc. when they form a part of the boundary of the Unit are not Limited Common Elements but rather are parts of the Units.

8.1.2 Heating and Air Conditioning Units, Water Heaters and Certain Electrical and Plumbing Lines, Fixtures and Outlets. The air conditioning/heating unit, including the handling equipment and all appurtenances and lines wherever situated, and the water heater, including all appurtenances and lines, wherever situated, serving each Unit shall be Limited Common Elements of the Unit served thereby. Also, any electrical and plumbing lines, fixtures and outlets located in the Common Elements but which serve only one (1) Unit shall be Limited Common Elements of the Unit served thereby.

02/18/2005

8.1.3 Storage Spaces.

8.1.3.1 In General. The Storage Spaces are deemed to be Limited Common Elements, all of which are initially assigned to Developer with respect to one of Developer's Units. The Storage Space Common Area is also a Limited Common Element for the benefit of those Units to which Storage Spaces are assigned. Each Owner of a Unit shall have the right to obtain an assignment from Developer for remuneration (as long as a Storage Space is available for assignment) for one (1) or more Storage Spaces, the location of each such Storage Space to be determined by mutual agreement of Developer and such Owner. A Unit may have more than one (1) Storage Space assigned to it. The Storage Spaces are numbered on Exhibit "B" to this Declaration. Such assignment shall be accomplished by Developer's execution of a Storage Space assignment form ("Storage Space Assignment Form"), attached to and made a part of this Declaration as Exhibit "F", at the later of: (a) the closing of the Unit to which such Storage Space shall at all times be an appurtenance to a Unit; or (b) upon substantial completion of the Storage Space. For any transfer of a Storage Space to be effective, a copy of the fully executed Storage Space Assignment Form shall be delivered to the Association. Once assigned, a Storage Space shall be a Limited Common Element appurtenant to the Unit to which it is assigned. Once appurtenant to a Unit, the only manner in which such Storage Space may be assigned is set forth as follows: (i) in connection with the transfer of title to the Unit to which it is appurtenant, and then only to the purchaser of said Unit; or (ii) to another Owner or to the Association only if the mortgagee, if any, of the Unit from which the Limited Common Element is severed consents to such transfer in writing and the Storage Space Assignment Form is duly completed. Upon such severance, the Storage Space shall become a Limited Common Element of the new Unit to which it is assigned.

8.1.3.2 Restrictions on Use of Storage Spaces and Storage Space Area.

8.1.3.2.1 The Storage Spaces may be leased, but only to other Unit Owners, and for a period of not less than ninety (90) days.

8.1.3.2.2 The Storage Spaces shall not be used for commercial purposes (which shall not exclude the use of the Storage Space as a home office, provided such use is not contrary to law), and no goods, services or samples shall be sold, shown or otherwise provided from the Storage Space or any other part of the Storage Space Area.

8.1.3.3 Maintenance Obligations. Each Owner of a Unit to which a Storage Space is appurtenant shall maintain the interior and the appurtenant Exterior Portion of the Storage Space in good working order and in compliance with the rules and regulations of the Association, as amended from time to time, including, without limitation, the obligation to conform the Exterior Portion of the Storage Space to the norms set forth by the Association.

8.1.3.4 Storage Space Area Assessments. The Storage Space Area Expenses shall be assessed and shared equally by the Owners of all of the Units to which Storage Spaces are assigned pursuant to Section 8.1.3.1 of this Declaration ("Storage Space Area Assessments"). If a Unit has more than one (1) Storage Space assigned as an appurtenance, the Owner's proportionate share of the Storage Space Area Assessments shall be adjusted accordingly. The Association shall keep separate records of the Storage Space Expenses and Storage Space Assessments. The annual budget or a schedule attached to the annual budget shall separately show the amounts budgeted for the Storage Space Expenses which are to be shared equally by the Owners of Units to which each Storage Space is assigned. The Association shall prorate such an Owner's obligation based on the date upon

02/18/2005

which the Storage Space is assigned to said Owner's Unit under Section 8.1.3 of this Declaration, but only after the Association receives notice of any such assignment.

8.1.4 Parking Spaces. Each Unit shall be entitled to the use of one (1) exterior, assigned parking space that shall be an unseverable Limited Common Element appurtenant to said Unit. The location of such assigned parking space shall be initially determined by Developer. The assigned parking spaces are as numbered on Exhibit "B" to this Declaration. The parking space assignment form ("Parking Space Assignment Form") to be used in connection with the parking space assignment is attached to and made a part of this Declaration as Exhibit "E". Such assignment shall be accomplished by Developer's execution of the Parking Space Assignment Form at the closing of the Unit to which such parking space is to be an appurtenance. The Parking Space Assignment Form shall neither be recorded nor shall the assignment of any parking space be reflected on any deed or other instrument of conveyance. Once assigned, a parking space shall be a Limited Common Element appurtenant to the Unit to which it is assigned. Once appurtenant to the Unit, the only manner in which such parking space may be assigned is in connection with the transfer of title to the Unit to which it is appurtenant, and then only to the purchaser of said Unit. Owners may use unassigned parking spaces (i.e. parking spaces that are not shown as Limited Common Elements on the Survey Exhibits) on a first-come, first-served basis, but no license or easement right for the benefit of any one (1) Owner is created in connection with such right to use such unassigned parking spaces. The Association may make rules limiting the number of parking spaces any one (1) Unit may occupy in excess of the parking space that is designated a Limited Common Element.

8.1.5 Air Conditioning Returns. That portion of the Common Elements of a building in which an air conditioning return is located shall be deemed a Limited Common Element appurtenant to the Unit that is served by such air conditioning return.

8.1.6 Others. Any part of the Common Elements connected to or exclusively serving a single Unit that is specifically required to be maintained, repaired, or replaced by or at the expense of the Owner pursuant to the terms of Section 11.2 of this Declaration shall be deemed a Limited Common Element appurtenant to that Unit, whether specifically described above or not.

8.2 Exclusive Use; Transfer of Use Rights. The exclusive use of a Limited Common Element is an appurtenance to the Unit to which it serves or to which it is assigned. The right of exclusive use to each Limited Common Element passes with the Unit, whether or not separately described, and cannot be separated from the Unit, except as provided to the contrary in this Declaration.

8.3 Conflict. In the event of a conflict between Exhibit "B" to the Declaration and this Section 8 as to Limited Common Elements, this Section 8 shall control.

SECTION 9. ASSOCIATION. The Condominium's operation is managed by the Association, which shall perform its functions pursuant to the terms of this Declaration, the Articles and the Bylaws.

9.1 Membership and Voting Rights. The Association's membership shall be as provided in the Articles and Bylaws. Owners of each Unit shall collectively be entitled to vote in accordance with the terms and provisions set forth in the Articles and the Bylaws.

9.2 Limitation on Liability. Notwithstanding the Association's duty to maintain and repair certain portions of the Condominium Property, the Association shall not be liable to Owners for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of

02/18/2005

the Condominium Property to be maintained and repaired by the Association, or caused by the elements. Furthermore, in the event that any portion of the Condominium Property for which an Owner has the maintenance responsibility under this Declaration, or an Owner's property or personal belongings, are damaged in the course of the Association's maintenance, repair, replacement or reconstruction after casualty of the Condominium Property for which the Association has responsibility, that Owner accepts the full risk of loss. The only exception is for the Association's (whether for itself or its contractor) gross negligence or willful misconduct which causes the loss, in which case the Association bears the risk of loss created by the same.

9.3 Purchase, Conveyance, Leasing and Mortgaging of Real Property.

9.3.1 The Association may acquire title to, or a leasehold interest in, real property. In order to facilitate such acquisition or lease, the Association may enter into agreements for the acquisition of fee simple interests, leaseholds, easements, and other possessory or use interests in lands, beach clubs, clubhouses, pools, parking, docks, dock slips, marinas, and other recreational facilities and any other property of any kind whatsoever, whether or not contiguous to the Condominium Property, intended to be used by or for the benefit of the Owners (whether or not on an exclusive basis).

9.3.2 The Association may convey all or any portion of the Association Property owned by it.

9.3.3 The Association may lease all or any portion of the Association Property owned by it.

9.3.4 The Association may mortgage all or any portion of the Association Property owned by it.

9.3.5 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.

9.3.6 No actions authorized under this Section 9.3, however, may be taken as long as Developer owns any Units, without the prior written consent of Developer. The powers of the Association established by this Section 9.3 are further subject to approval by a majority of the Voting Interests of the Association's entire membership.

9.4 Acts of the Association. Unless the approval or action of Owners, and/or a certain specific percentage of the Board, is specifically required in this Declaration, the Articles or the Bylaws, the Rules 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, without the Owners' consent, and the Board may so approve and act through the Association's proper officers without a specific resolution. When the Association's approval or action is permitted to be given or taken hereunder or thereunder, such action or approval may be conditioned in any manner the Association deems appropriate or the Association may refuse to take or give such action or approval without the necessity of establishing the reasonableness of such conditions or refusal.

9.5 Corporation. The Association shall be a member of the Corporation as described in the Master Declaration and Articles of Incorporation of the Corporation. The Corporation has been organized for the purpose of administering the covenants and obligations relating to the Community, including the Corporation Property, the use of which is shared by all owners in the Community. All Association Members acquire the benefits as to use of the Corporation Property

02/18/2005

and the obligation to pay assessments for operating expenses in accordance with the terms of the Master Declaration.

SECTION 10. ASSESSMENTS, CHARGES; LIENS; WORKING CAPITAL CONTRIBUTIONS.

The Association has the power to levy and collect Assessments against each Unit and Owner to provide the necessary funds for the Condominium's proper operation and management and for the Association's proper operation and management, including both Annual Assessments for each Unit's share of Common Expenses as set forth in the annual budget, and Special Assessments for any proper Common Expenses. The Association may also levy Charges against individual Units and Owners for any amounts, other than Common Expenses, which are properly chargeable against such Units and Owners under the Condominium Documents and the Master Declaration.

10.1 Share of Common Expenses. Except as otherwise provided in Sections 10.3 and 10.4, each Owner shall be liable for his share of the Common Expenses assessed against his Unit, which share shall be equal to the Undivided Share.

10.2 Ownership. Assessments collected by or on behalf of the Association become the Association's property. No Owner has the right to claim, assign or transfer any interest therein except as an appurtenance to his Unit. No Owner has the right to withdraw or receive distribution of his share of the Common Surplus, except as otherwise provided in the Condominium Documents or by law.

10.3 Who is Liable for Assessments? The Owner of each Unit, regardless of how title was acquired, is liable for all Assessments or installments thereon coming due while such Owner is the Owner. Multiple Owners are jointly and severally liable. Except as otherwise provided in Section 10.7.1, whenever title to a Unit is transferred for any reason, the transferee is jointly and severally liable with the transferor for all unpaid Assessments applicable to the Unit being transferred, regardless of when incurred, without prejudice to any right the transferee may have to recover from the transferor any amounts paid by the transferee.

10.4 No Waiver or Excuse From Payment. The liability for Assessments may not be avoided or abated by waiver of the use or enjoyment of any Common Elements, by abandonment of the Unit on which the Assessments are made, by interruption in the availability of the Unit or the Common Elements for any reason whatsoever, or by dissatisfaction with the Association and/or its operation and policies. No Owner may be excused from payment of such Owner's share of the Common Expenses unless all Owners are likewise proportionately excused from payment, except as otherwise provided in Section 10.7.1 as to certain mortgagees. Developer may be excused from payment for Common Expenses as stated within this Declaration or in accordance with Section 718.116 (9)(a), Florida Statutes.

10.5 Application of Payments; Failure to Pay; Interest; Late Fees. Assessments and installments thereon paid on or before ten (10) days after the date due shall not accrue interest, but all sums not so paid shall accrue interest at the highest rate allowed by law on open accounts at the particular time, calculated from the date due until paid. In addition, Assessments or installments not paid on or before ten (10) days after the date due shall result in the imposition of a late fee equal to the maximum amount permitted by the Condominium Act from time to time. (At the time of recordation, the maximum late fee chargeable is the greater of Twenty-Five Dollars (\$25.00) or five percent (5%) of the late payment.) Assessments or installments thereon shall become due, and the Owner shall become liable for the Assessments or installments, on the date established in the Bylaws or otherwise set by the Board for payment. All payments on account shall be applied in the following order irrespective of any restrictive endorsement, designation or instruction placed on or accompanying any payment: (i) interest; (ii) late fees; (iii) costs;

02/18/2005

(iv) attorneys' fees and paralegal charges; and (v) Annual and/or Special Assessments. If payment is made by a check that fails to clear, then the Owner shall be considered not to have made payment.

10.6 Liens. The Association has a lien on each Unit (including any Limited Common Elements appurtenant thereto) securing payment of past due Assessments, including interest, paralegal charges, attorneys' fees and costs incurred by the Association incident to the collection of the Assessment and/or enforcement of the lien, whether before, during or after a lien foreclosure suit or other lawsuit. Any claim of lien recorded shall state the Unit's legal description, the record Owner's name, the Association's name and address, the Assessments past due and the due dates. Subject to the provisions of Section 10.7, the Claim of Lien is effective from and has those priorities as stated in the Condominium Act, as amended from time to time, and shall remain in effect until barred by law. The Claim of Lien secures all unpaid Assessments, interest, paralegal charges, attorneys' fees, and costs coming due prior to a final judgment of foreclosure. Upon full payment, the person making the payment is entitled to a satisfaction or assignment of the lien at such person's reasonable cost and expense. The lien shall not secure late fees unless the Condominium Act is amended to permit same.

10.7 Priority of Lien; Liability of Mortgagees and Other Lienholders, Leases.

10.7.1 Rights of Mortgagees and Other Lienholders. The liability and priority of mortgagees and other lienholders and successors in title to Units as result of a mortgage or lien foreclosure shall be as provided in the Condominium Act, as amended from time to time.

10.7.2 Leases. Any Unit's lease shall be subordinate and inferior to any Claim of Lien of the Association, regardless of when the lease was executed.

10.8 Foreclosure of Lien; Action at Law. The Association may bring an action in the Association's name to foreclose the Association's lien for unpaid Assessments in the manner provided for in the Condominium Act and may also bring an action to recover a monetary judgment for unpaid Assessments without waiving any lien rights. In addition to any Assessments due, the Association shall be entitled to recover interest, paralegal charges, attorneys' fees and all costs of collection, including court costs. Late fees are recoverable at law, and as part of the Claim of Lien, unless prohibited by the Condominium Act, as amended from time to time. If the Association shall bring a lien foreclosure action, the Association shall be entitled to the appointment of a receiver to collect the rent for the Unit: (i) if the court in which the foreclosure action is pending determines that the Owner of the Unit is required to pay such rent; or (ii) that is paid by the any tenant, licensee or other Occupant of all or any part of the Unit. Such receiver shall be appointed pursuant to a court order in the foreclosure action. If some person other than the Association acts as a receiver, then the cost of the receiver shall be borne by the non-prevailing party in the lawsuit. Homestead shall not be a defense to a lien foreclosure action.

10.9 Certificate As To Assessments. Within fifteen (15) days after request by an Owner or mortgagee, the Association shall provide a certificate stating whether all Assessments and other monies owed to the Association by the Owner with respect to the Unit have been paid. Any person other than the Owner who relies upon such certificate shall be protected thereby. The Association or any management company employed by the Association may levy a reasonable fee for the preparation of said Certificate.

02/18/2005

10.10 Charges.

10.10.1 Who is Liable for Charges? Each Unit's Owner, regardless of how title was acquired, is liable for all Charges coming due while such party is the Owner. Multiple Owners are jointly and severally liable.

10.10.2 Application of Payments; Failure to Pay; Late Fees; Interest. Any Charges paid within ten (10) days after the date due as specified in the notice of Charge from the Association shall not accrue interest, but all Charges not so paid shall accrue interest at the highest rate allowed by law, calculated from the date due until paid. In addition, any Charges or installments not paid within ten (10) days after the date due shall result in the imposition of a late fee of the higher of Twenty-Five Dollars (\$25.00) or five percent (5%) of the late payment. All payments on account shall be applied in the sole discretion of the Board, irrespective of any restrictive endorsement, designation or instruction placed on or accompanying any payment. The Association also has the right to refuse to accept a partial or insufficient payment. No payment by check is deemed paid until the check has cleared. However, interest and late fees shall be calculated as accrued until the date the Association actually receives payment.

10.10.3 Collection of a Charge. The Association may bring an action to recover a monetary judgment for unpaid Charges and shall be entitled to recover interest, late fees, paralegal charges, attorneys' fees and all costs of collection, including court costs.

10.11 Working Capital Contributions. Developer may require that each Unit's initial purchaser from Developer pay to the Association a working capital contribution equal to one-quarter (1/4) of the Annual Assessment then due. Such contribution, if made, may be used to reimburse the Association for start-up expenses, or otherwise as the Board shall determine from time to time; however, notwithstanding the terms set forth above, no working capital contributions shall be used by the Association for the payment or reimbursement of Common Expenses prior to the expiration of any guarantee period in which Developer is excused from the payment of Assessments.

SECTION 11. MAINTENANCE; REPAIR AND REPLACEMENT; MAINTENANCE STANDARDS; ALTERATIONS AND IMPROVEMENTS. Responsibility for the Condominium Property's protection, maintenance, repair, replacement, and maintenance standards, and the alteration and improvement of the Condominium Property, shall be as follows:

11.1 Association Maintenance. In addition to other provisions contained elsewhere in this Declaration, the Condominium Property shall be protected, maintained, repaired and replaced by the Association at the Association's expense, as an item of Common Expense, including without limitation the following:

11.1.1 Units. The exterior outside portions of the buildings which comprise Units (including light fixtures on building walls) and the interior surfaces contributing to the support of the buildings, including concrete slabs, firewalls and outside walls which comprise the Units.

11.1.2 Common Elements. All Common Elements.

11.1.3 Limited Common Elements. All Limited Common Elements, other than those referred to in Section 11.2.2 that are the responsibility of the individual Owner or Owners.

02/18/2005

11.1.4 Utility/Plumbing. All conduits, rough plumbing and other installations located within or outside of a Unit for the furnishing of utilities to more than one (1) Unit, to the Common Elements, or to the Limited Common Elements maintained by the Association.

11.1.5 Exterminating. The Association shall be responsible to provide termite treatment to the Condominium Property as well as to individual Units. If a building must be tented, the Association shall be responsible only for the cost of the actual tenting, and not for any Owner or Occupant's incidental expenses such as food and lodging, and not for any losses to property within the Unit due to the tenting process. All Owners, tenants and Occupants shall be responsible to remove themselves, their pets and their perishable items upon reasonable notice by the Association, for tenting to be effected. Any Owner (for himself and/or for his tenants and other Occupants) who fails to so cooperate shall be liable to the Association for damages caused by delays and otherwise. The Association shall be entitled to a preliminary injunction order requiring compliance with this Section 11.1.5.

11.1.6 Seawall. The Association shall have the obligation to maintain, jointly and severally with the condominium association managing Tract "B" on the Plat (the "Other Seawall Owner"): (a) the entire seawall and the jetties shown on Exhibit "B", including those portions of the seawall and jetties that are not located on the Condominium Property; and (b) any Mitigation Areas required to be maintained under the SFWMD Permit or the Corps Permit, whether or not such mitigation areas are located on the Condominium Property, in the Community or otherwise. The Association and the Other Seawall Owner shall maintain the seawalls and jetties: (i) in the condition (including, without limitation, aesthetic, architectural and structural condition) that they were when they were delivered by the Developer to the Association and the Other Seawall Owner; and (ii) in accordance with good workmanship and engineering guidelines and practices as determined by high caliber reputable engineering firms located in or near Fort Pierce, Florida. The Association shall have the obligation to maintain, jointly and severally with the Other Seawall Owner, the Mitigation Areas as required by the SFWMD Permit and the Corps Permit. The Association shall have the right of contribution from the Other Seawall Owner for an amount equal to 624/912nds of the cost to maintain the seawall and jetties and the cost to maintain the Mitigation Areas. Notwithstanding any of the foregoing, the Association shall not have the right of contribution against the Developer or its affiliates, but shall have the right of contribution against Developer's successors-in-interest that are not affiliated with Developer. Under certain circumstances, the Corporation has granted an easement to the Association on the portion of the seawall, if any, and the jetties that are not on Association property under Section 3.14 of the Master Declaration.

11.1.7 Water Management System. The Association shall have the secondary obligation to maintain the water management lake depicted on the Plat as WMA-2, drainage pipes, drainage and water management system and the appurtenances thereto which are part of the drainage and water management system that are located on the Condominium Property to the extent not maintained by the Corporation. Pursuant to the terms of the Master Declaration, the Corporation shall have the primary obligation to maintain the lake depicted on the Plat as WMA-2, drainage pipes, drainage and water management system and the appurtenances thereto which are part of the drainage and water management system and to the extent that the Association is required to perform such tasks, it shall be reimbursed by the Corporation for the reasonable costs and expenses related thereto.

11.1.8 Association's Property. The Association shall protect, maintain, repair and replace any Association real or personal property.

11.1.9 Storage Spaces. The Association shall create a separate budget for the maintenance, repair and operation of the Storage Space Area. Only Owners who have accepted

02/18/2005

assignments of Storage Spaces as appurtenances to their Units shall be responsible for payment of their proportionate share of the budget for the Storage Space Area. By acceptance of an assignment of a Storage Space as an appurtenance to his Unit, each Owner agrees to be bound by the terms of this Section 11.1.9, including the payment of a proportionate share of the maintenance, repair and operation of the Storage Space Area.

11.2 Owner Maintenance. Each Owner is responsible, at such Owner's sole expense, for the maintenance, repair, and replacement of the following:

11.2.1 Units. All portions of the Unit, whether the maintenance, repair or replacement is ordinary or extraordinary; exclusive of exterminating within the Unit, except for those portions of the Unit that are specifically enumerated to be the Association's responsibility under Section 11.1.

11.2.2 Limited Common Elements. The Owners of Units to which Limited Common Elements are appurtenant shall be responsible to maintain, repair and replace the following Limited Common Elements:

11.2.2.1 Window and Door Screens and Windows and Doors Frames and Doors: The entirety of the items referred to in Section 8.1.1.

11.2.2.2 Heating and Air Conditioning Units, Water Heaters and Certain Electrical and Plumbing Lines; Fixtures and Outlets: The entirety of the items referenced in Section 8.1.2.

11.2.2.3 Storage Spaces. The entirety of the Storage Space.

11.2.3 Miscellaneous Covenants of Each Owner.

11.2.3.1 Each Owner must perform promptly all maintenance, repairs and replacements that are necessary to ensure a high quality condition and appearance and/or that, if not performed, would affect any of the Condominium Property and any Units belonging to any other Owners.

11.2.3.2 Each Owner shall be liable for any damages or costs incurred which occur due to a failure to perform and/or in connection with the performance of the maintenance, repair and replacement responsibilities under this Section 11.

11.2.3.3 Each Owner shall promptly report in writing to the Association or the Association's agents any defect or need for repair on Condominium Property that the Association is responsible to maintain, repair and replace under this Declaration.

11.2.3.4 No Owner shall do anything that would adversely affect the Common Elements' safety or soundness, or any other portion of the Condominium Property that the Association is obligated to maintain under this Declaration. The Board's opinion shall control in determining whether the Condominium Property's safety or soundness is adversely affected or whether damage might be caused to such Condominium Property.

11.2.3.5 Each Owner is responsible for the expense of all decorating within that Owner's Unit, including painting, wall papering, paneling, floor covering, window coverings, lamps and other light fixtures, and other interior furnishings and interior decorating.

02/18/2005

11.2.3.6 The floors in all of the Units above the first floor must be covered with insulating material approved by the Association. Each Unit as delivered by the Developer is deemed to have met this covenant.

11.3 Maintenance Standards for Owners and Occupants. Owners' maintenance obligations under this Declaration shall be performed to ensure a high standard for the Condominium's appearance at all times. Each Owner must perform promptly all maintenance, repairs and replacement for which the Owner is responsible and which are necessary to ensure such high standards. No Owner or occupant shall impede or otherwise perform or interfere with the Association's maintenance responsibilities under this Declaration. Each Owner and occupant shall be governed by maintenance standards that the Board may adopt from time to time. The following constitutes maintenance standards for Owners, which the Board is empowered to supplement from time to time without having to amend this Declaration:

11.3.1 Windows and Glass Doors. Broken or cracked glass shall be immediately replaced for safety concerns as well as cosmetic reasons.

11.3.2 Screens and Screen Frames. Torn, cut or otherwise damaged screening and damaged screen frames shall be replaced with new materials as soon as reasonably possible after the damage occurs. Screen frames shall remain freshly painted at all times.

11.4 Alterations and Improvements by Owners.

11.4.1 Owners' Limited Rights. Developer has established a uniform scheme and appearance for the Buildings and Improvements, which must be maintained. Therefore, Owners' rights to make alterations and improvements to the exterior of buildings, and alterations, improvements, decorations and changes to Units' interiors that can be seen from outside the Unit, are very limited. THEREFORE, IF THIS DECLARATION FAILS TO PERMIT AN OWNER TO MAKE AN ALTERATION OR IMPROVEMENT THAT FALLS WITHIN THE SCOPE OF THE IMMEDIATELY PRECEDING SENTENCE, THEN SUCH ALTERATION OR IMPROVEMENT SHALL NOT BE PERMITTED. IF SUCH ALTERATION OR IMPROVEMENT DOES FALL WITHIN THE SCOPE, SUCH ALTERATION OR IMPROVEMENT SHALL BE PERMITTED ONLY IF THE ALTERATION OR IMPROVEMENT FALLS WITHIN THE GUIDELINES REFERRED TO IN SECTION 11.4.2 (AS AMENDED BY THE BOARD FROM TIME TO TIME), AND UNLESS OTHERWISE STATED, ONLY UPON THE BOARD'S PRIOR WRITTEN APPROVAL.

11.4.2 Architectural Standards. The following constitute architectural standards for the Condominium applicable to all Owners. THE FOLLOWING ARE THE ONLY PERMITTED ALTERATIONS AND IMPROVEMENTS REFERRED TO IN SECTION 11.4.1 WHICH, UNLESS OTHERWISE STATED, REQUIRE THE BOARD'S PRIOR WRITTEN APPROVAL:

11.4.2.1 Shutters. Shutters (including hurricane shutters) shall not be permitted unless (i) installed by Developer; (ii) 90% of the Owners approve of such shutters; or (iii) such Unit Owner is permitted as a matter of law to install such shutters. The Owner shall maintain any such shutters permitted under this subsection in good working condition and any hurricane shutter protection shall comply with any and all applicable building codes. Such hurricane protection, other than that which may be installed by Developer, if any, shall be of such color and specification as the Board shall determine and shall be architecturally designed to function as hurricane protection in compliance with any applicable building code. The shutters, if any, shall be placed in a closed position in the event of a hurricane warning.

02/18/2005

11.4.2.2 Doors. No screen doors other than those installed by the Developer shall be permitted without the prior written approval of the Association.

11.4.2.3 Solar Panels/Devices; Roof Ventilators; Turbines; Antennae; Satellite Dishes; Roofs. No solar panels/devices, roof ventilators, turbines, antennae, or satellite dishes (other than satellite dishes (and any accessories related thereto) that are located wholly within the Unit and not in excess of two (2) feet in any dimension, and then only if such satellite dish is screened from view in accordance with the Rules if so provided in the Rules), shall be permitted without advance written approval of the Association. If any of the foregoing prohibitions are contrary to law, then to such extent and only to such extent such illegal prohibitions shall be inoperative, but the Association may pass rules that are as restrictive as the law permits. Without limiting the foregoing, no device, including the foregoing, the installation of which requires cutting into the roof membrane shall be allowed without the Association's advance written approval.

11.4.3 Removal of Interior Partition Wall or Unit Floor; Combination of Units.

11.4.3.1 No removal of any interior partition wall shall be permitted without advance written approval of the Association and only if the removal will not materially affect or interfere with: (i) the utility services constituting Common Elements, if any, located therein; (ii) any easement, whether for the benefit of the Association or for the benefit of another; or (iii) the structural integrity of the building. However, if a permit is required, the Owner shall provide a copy of any such permit to the Association prior to the start of the work.

11.4.3.2 No removal of any boundary wall or Unit floor between Units to make one (1) dwelling shall be permitted without advance written approval of the Association. All affected Units must be owned by the same Owner and without the determination that the removal will not materially affect or interfere with: (i) the utility services constituting Common Elements, if any, located therein; (ii) any easement whether for the benefit of the Association or for the benefit of another; or (iii) the structural integrity of the building. However, such removal shall not alter the Units' Undivided Shares or the sharing of Common Expenses. The alteration of the percentage of ownership of a Unit's Undivided Share or sharing of Common Expenses may be made only after obtaining the approval required by Section 22.5.2.

11.4.4 Indemnification. An Owner making or causing to be made any such 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 Owners harmless from any liability or damage to the Condominium Property and expenses arising therefrom.

11.5 Alterations and Improvements by the Association. Subject to the provisions of Sections 15 and 16 relating to insurance and casualty, the Association shall have the right to make or cause to be made alterations or improvements to the Condominium Property, as are approved by the Board. If the cost of such alterations or improvements is five percent (5%) or less of the annual budget cumulatively in a budget year, the Board's approval alone is sufficient. However, if the cost of such alterations or improvements exceed five percent (5%) of the annual budget cumulatively in a budget year, then the alteration or improvement is deemed to be material and substantial and may not be made unless ratified either before or after the fact by a majority of the Voting Interests of the Association's entire membership. Notwithstanding the foregoing, at no time shall any alteration or improvement made by the Association jeopardize the safety or soundness of any of the Buildings and Improvements or interfere with any Owner's peaceful use of such Owner's Unit.

02/18/2005

11.6 Corporation Maintenance. The Corporation may, at the Corporation's discretion, enter into agreements for and provide cable television, internet access, alarm and security service and pest control service to the Condominium Property, the expense of which shall be included in the Association's Assessments as Common Expenses. The Association shall also have the right to enter into agreements with the Corporation to provide maintenance and repairs for the Condominium Property, the expense of which shall be deemed a Common Expense of the Association.

SECTION 12. USE RESTRICTIONS. The use of the Units and the Condominium Property shall be restricted in accordance with the following provisions as long as the Condominium exists:

12.1 Occupancy of Units; Subdivision.

12.1.1 Occupancy. Each Unit shall be occupied either by the Owners, the Primary Occupant or the Permanent Occupant, or their tenants and their respective family members, Guests and invitees. Each Unit shall be utilized as a single-family residence and for no other purpose.

12.1.2 Subdivision. No Unit may be subdivided into more than one (1) Unit. Only entire Units may be sold, leased or otherwise transferred.

12.2 No Age Restriction. There is no minimum age requirement for permanent occupancy of a Unit.

12.3 Pets. Pets shall be permitted, only as provided in the Rules, as may be amended from time to time.

12.4 Vehicles and Parking. Rules, regulations and restrictions with regard to vehicles and parking are contained in the Rules.

12.5 Signs. No signs of any type shall be maintained, kept or permitted on the Condominium Property, or in, on or about a Unit (interior or exterior) such that such signs may be viewed from the Common Elements, Limited Common Elements or other Units, with the following exceptions:

12.5.1 Signs referred to with respect to Developer in Section 21.2.

12.5.2 Official notices of the Association.

12.5.3 Signs on vehicles permitted by the applicable Rules.

12.6 No Business Activity. No business of any kind whatsoever shall be maintained, operated, carried on, permitted or conducted on the Condominium Property. Garage sales, yard sales and the like are prohibited. Notwithstanding the foregoing:

12.6.1 Any business that qualifies as a home occupation under the applicable zoning code shall be permitted so long as such business is transacted wholly within the Unit and so long as customers of the business do not enter upon the Condominium Property.

12.6.2 The practice of marketing, selling or leasing Units shall not be considered to be a business activity under this Section 12.6.

02/18/2005

12.6.3 The business of operating the Association shall not be considered to be a business activity under this Section 12.6.

SECTION 13. LEASING OF UNITS. An Owner may lease only an entire Unit and only in accordance with this Declaration after receiving the Association's prior written approval as provided for in this Section 13. Reference to "leasing" in this Section 13 shall also include rental. Prior written approval is also required in connection with any lease renewal and any change in occupancy under, during or in conjunction with a lease.

13.1 Procedures.

13.1.1 Notice by the Owner. An Owner shall give to the Board or the Board's designee written notice of an intended lease or rental of a Unit at least fifteen (15) days prior to the proposed date of lease commencement and occupancy thereunder, together with the name and address of the proposed tenants and Occupants, an executed copy of the proposed lease, and such other information as the Board may reasonably require, including the ages and names of the tenants and proposed Occupants. No lease may be modified to change the tenants and / or proposed Occupants or otherwise without the Board's written consent, and the Board shall treat such modification as if it were a request for the Board's consent of a new proposed lease. The Board may require the personal appearance of any tenants, and any other intended Occupants, as a condition of approval. The Board may also require the payment of a transfer fee as more particularly described in Section 13.1.7.

13.1.2 Approval. After the required notice and all information and the transfer fee have been provided to the Board, and the tenants and any other intended Occupants have appeared before the Board (if required), the Board shall approve or disapprove the proposed lease within ten (10) days. If the Board neither approves nor disapproves the lease and the tenant(s), and/or the intended Occupants within this time period, such failure to act shall be deemed the equivalent of an approval, and on demand, the Board shall issue a letter of approval to the Owner.

13.1.3 Disapproval. A proposed lease shall be disapproved only if a majority of the entire Board so votes, and in such case the lease shall not be made. Notice of disapproval shall be sent or delivered in writing to the Owner.

13.1.4 Failure to Give Notice or Obtain Approval. If proper notice is not given, the Board in the Board's election may approve or disapprove the lease.

13.1.5 Unapproved Leases. Any lease which is not approved, or which is disapproved pursuant to the terms of this Declaration, shall be void unless subsequently approved in writing by the Board. The Board shall have the right to have any tenants and / or Occupants and their personal or other belongings removed by injunctive relief or by other means provided in this Declaration should this Section 13 be violated.

13.1.6 Application Form. The Board is vested with the authority to prescribe an application form requiring the inclusion of specific personal, social, financial, and other data relating to the intended tenant(s) and Occupants, as may reasonably be required by the Board to enable the Board to reasonably investigate the intended tenant(s) and Occupants within the time limits extended to the Board for that purpose as set forth in this Section 13. The application shall be completed and submitted to the Board or the Board's designee along with and as an integral part of the notice of intended lease.

02/18/2005

13.1.7 Transfer Fee. The Board is empowered to charge a fee in connection with and as a condition for the approvals set forth in this Section 13, in an amount not to exceed the maximum amount allowed by the Condominium Act or other applicable law or ordinance, as amended from time to time. So long as and only so long as prohibited by law at the particular time, there shall be no transfer fee in connection with the renewal of a lease, with the same tenant, if the renewed lease term immediately follows the expiration of the previous lease term.

13.1.8 Certain Exceptions; Institutional Mortgagees. Section 13 shall not apply to Units owned by an Institutional Mortgagee that acquires title as the result of owning a mortgage encumbering the Unit concerned, whether title is acquired by deed from the mortgagor, its successors or assigns, or through foreclosure proceedings.

13.2 Contents in Lease Agreement. Every lease as of the Effective Date of this Declaration, whether oral or written shall contain, and if it does not contain, shall automatically be deemed to contain, the following:

13.2.1 The tenants and all Occupants shall abide by all provisions of the Condominium Documents, including the Rules, as amended from time to time.

13.2.2 The parties recognize that the Board on behalf of the Association, as agent for the landlord/Owner, has the power to evict or eject tenants and Occupants under Chapter 83, Florida Statutes, or otherwise, for violations of the Condominium Documents and the Rules, as amended from time to time.

13.3 Subleasing; Renting Rooms. Subleasing of a Unit shall be absolutely prohibited. Furthermore, no rooms shall be rented in any Unit. The intention is that only entire Units may be rented, and Units may not be sublet.

13.4 Frequency of Leasing. No lease shall be made more often than two (2) times in any calendar year. For purposes of calculation, a lease shall be considered as made on the first day of the lease term.

13.5 Minimum Lease Terms. No lease shall be made with a lease term which is less than ninety (90) consecutive days in duration.

SECTION 14. OWNERSHIP AND TRANSFER OF OWNERSHIP OF UNITS. In order to maintain a community of congenial, financially-responsible owners with the objectives of protecting the value of the Units, inhibiting transiency, and facilitating the development of a stable, quiet community and peace of mind for all Owners and Occupants, the transfer of the ownership of a Unit shall be subject to the following provisions so long as the Condominium exists, which provisions each Owner agrees to observe.

14.1 Forms of Ownership.

14.1.1 General. Except as otherwise provided in this Section 14.1, there is no limitation with regard to how a Unit may be owned.

14.1.2 Life Estate. A Unit may be subject to a life estate, either by operation of law or by a voluntary conveyance approved under Section 14.2. In that event, the life tenant shall be the only Association Member for such Unit, and the occupancy of the Unit shall be as if the life tenant was the only Owner. Upon termination of the life estate, the holders of the remainder interest shall have no occupancy rights in and to the Unit unless separately approved by the

02/18/2005

Association. The life tenant shall be personally liable for all Assessments and Charges filed against the Owner and the Unit. Any consent or approval required of Members may be given by the life tenant alone, and the consent or approval of the holders of the remainder interest shall not be required or permitted. If there is more than one (1) life tenant, the life tenants shall be treated as co-Owners.

14.1.3 Ownership by an Entity. A Unit may be owned by an Entity if approved in the manner provided for under Section 14.2 of this Declaration. This provision's intent is to allow flexibility in estate, financial or tax planning, and not to create circumstances in which the Unit may be used as short-term, transient accommodations for several individuals or families. The approval of the Entity under Section 14.2 shall be conditioned upon designation by the Entity of one (1) natural person to be the Primary Occupant, which Primary Occupant and other intended Occupants shall also be subject to approval along with the Entity. The designation shall be in the form of the Primary Occupant Designation Certificate attached as Exhibit "I" to this Declaration. All references to Owner or Member in the Condominium Documents as to use and occupancy of and voting and other membership rights with respect to the Unit owned by the Entity shall mean and refer to the Primary Occupant; this shall not, however, relieve the Entity of any of the Entity's responsibilities and obligations under the Condominium Documents or Rules. The foregoing provisions place personal responsibility and liability upon the Primary Occupant; such personal responsibility and liability exists notwithstanding any provision to the contrary contained in the articles of incorporation and / or bylaws of the corporate Owner, contained in any partnership agreement of the partnership, or in the articles of agreement and / or regulations of the limited liability company. Any change in the Primary Occupant shall be treated as a transfer of ownership by the Entity subject to the provisions of Section 14.2 of this Declaration. Notwithstanding the foregoing, this Section 14.1.3 shall not apply to Developer.

14.1.4 Ownership by Trustee or Trustees. If a Unit is owned by a trustee or trustees of a trust, the trustee or trustees shall be deemed the Primary Occupant(s) and shall have liability to the Association in their individual capacity and not as trustees. Each trustee shall be approved by the Board pursuant to the terms of Section 14.2.

14.2 Transfer of Ownership of Units.

14.2.1 Transfers Subject to Section 14.2.

14.2.1.1 Sale or Gift. No Owner may dispose of a Unit or any interest in the Unit by sale or gift (including agreement for deed) without the Board's prior written approval.

14.2.1.2 Devise or Inheritance. If any Owner acquires title by devise or inheritance, the right to occupy or use the Unit shall be subject to the Board's approval.

14.2.1.3 Other Transfers. If any person acquires title in any manner not considered in the foregoing Sections 14.2.1.1 or 14.2.1.2, the right to occupy or use the Unit shall be subject to the Board's approval (that person having no right to occupy or use the Unit before being approved by the Board) under the procedures outlined in Section 14.2.2.

02/18/2005

14.2.2 Procedures.

14.2.2.1 Notice to Association.

14.2.2.1.1 Sale or Gift. An Owner intending to make a sale or gift of his Unit or any interest in the Unit shall give to the Board or the Board's designee written notice of such intention at least thirty (30) days prior to the intended closing or transfer date, together with the name and address of the proposed purchaser or donee, an executed copy of the sales contract, if any, and such other information as the Board may reasonably require. The Board may require the personal appearance of any purchaser(s) or donee(s) and the spouse and other immediate family members and other intended Occupants, as a condition of approval.

14.2.2.1.2 Devise, Inheritance or Other Transfers. The transferee(s) must notify the Board of the change in ownership and submit a certified copy of the instrument evidencing the change in ownership and such other information as the Board may reasonably require. The transferee(s) shall have no occupancy or use rights unless and until approved by the Board.

14.2.2.1.3 Demand. With the notice required in Section 14.2.2.1.1 and Section 14.2.2.1.2, the Owner or transferee seeking approval may make a written demand that, if the transfer is disapproved without good cause, the Association shall furnish an approved alternate purchaser upon the same price and terms as in the disapproved sales contract, or if no contract is involved, for the fair market value of the Unit determined as provided below. This obligation of the Association exists only if the written demand is made by the Owner or transferee along with and at the same time as the notice required by the terms of Section 14.2.2.1.1 and Section 14.2.2.1.2.

14.2.2.1.4 Failure to Give Notice. If no notice is given by an Owner or transferee, at the time the Board learns of the transfer, the Board, at the Board's election, may approve or disapprove the transfer. If any Owner fails to obtain the Association's approval prior to selling an interest in a Unit, or making a gift of the Unit, such failure shall create a rebuttable presumption that the seller and the purchaser, or Owner making the gift, intended to violate the covenants of this Declaration, and shall constitute good cause for Association disapproval.

14.2.2.2 Approval. After the required notice and information have been provided and the transfer fee has been paid to the Board, and the purchaser(s) or donee(s) and the spouse and other immediate family members and other intended Occupants have appeared before the Board (if required), the Board shall approve or disapprove the transfer within twenty (20) days. If a transfer is approved, the approval shall be stated in a Certificate of Approval executed by the Association's President or Vice-President in recordable form and delivered to the transferee. If the Board neither approves nor disapproves the transfer within this twenty (20)-day period, such failure to act shall be deemed the equivalent of approval, and on demand the Board shall issue a Certificate of Approval to the transferee.

14.2.2.3 Disapproval.

14.2.2.3.1 With Good Cause. The Association's approval shall be withheld if a majority of the whole Board so votes. Only the following may be deemed to constitute good cause for disapproval: (i) the person seeking approval or one (1) or more of the intended Occupants has been convicted of a felony involving violence to persons or property, or a felony demonstrating dishonesty or moral turpitude; (ii) the person seeking approval has a record of financial irresponsibility, including without limitation prior bankruptcies, foreclosures or bad debts;

02/18/2005

(iii) the person seeking approval or one (1) or more of the intended Occupants has evidenced an attitude of disregard for covenants or restrictions applicable to the Condominium and/or Rules, by his or their conduct in this Condominium as a tenant, Owner or Occupant of a Unit, or by such attitude at the personal appearance before the Board or its designee; or (iv) the person seeking approval has failed to provide the information required to process the application in a timely manner, has failed to pay the required transfer fee, has failed to appear before the Board as requested or has provided false information during the application process.

14.2.2.3.2 Without Good Cause. If the Board disproves without good cause, and if the Owner or transferee has made the demand set forth in Section 14.2.2.1.3, then within thirty (30) days after the Board meeting at which the disapproval took place, the Board shall deliver in writing to the Owner or transferee (hereafter "the Seller") the name of an approved purchaser who will purchase the Unit upon substantially the same price and terms as in the disapproved sales contract. If no sales contract was involved, or if the Board challenges the contract price as not being a good faith purchase price, then the purchase price shall be paid in cash, and the price to be paid shall be determined by agreement, or in the absence of agreement, shall be the fair market value determined by the arithmetic average of appraisals by two (2) MAI appraisers, one (1) selected by the Seller and one (1) selected by the Board. The cost of the appraisals and all other closing costs in cases where no sales contract is involved, shall be shared equally by the purchaser and Seller, except that the purchaser shall pay for purchaser's title insurance, and all costs of mortgage financing; real property taxes and Assessments and Charges shall be prorated between the purchaser and Seller for the year of closing and the parties shall bear their own attorneys' fees, if any. The closing shall take place no later than sixty (60) days after the date of Board disapproval or thirty (30) days after determination of fair market value by appraisal, whichever occurs last. Failure to close by the Seller shall constitute a breach of contract and shall entitle the purchaser to the remedies of specific performance or damages.

14.2.2.3.3 If the Board fails to deliver the name of the approved purchaser within thirty (30) days as required in Section 14.2.2.3.2, or if the approved purchaser defaults in his/her/their purchase, then the original proposed purchaser shall be deemed to be approved, despite the Board's former disapproval, and upon demand, a Certificate of Approval shall be issued.

14.3 General Provisions.

14.3.1 Unapproved Transfers. Any transfer which is not approved, or which is disapproved pursuant to the terms of this Declaration, shall be void unless subsequently approved in writing by the Board. The Board shall have the right to remove any transferees and other Occupant(s) and their personal belongings by injunctive relief or by other means provided in this Declaration should this Section 14 be violated.

14.3.2 Application Form. The Association is vested with the authority to prescribe an application form requiring the inclusion of specific personal, social, financial, and other data relating to the intended purchasers or new Owners, and Occupants, as may reasonably be required by the Board in order to enable the Board to reasonably investigate the intended purchasers, new Owners and Occupants within the time limits extended to the Board for that purpose as set forth in this Section 14. The application shall be complete and submitted to the Board or its designee along with and as an integral part of the notice of intended transfer.

14.3.3 Transfer Fee. The Board is empowered to charge a fee in connection with and as a condition for the approvals set forth in this Section 14 in the amount not to exceed the

02/18/2005

maximum amount allowed (if any maximum is so set) by the Condominium Act or other applicable law or ordinance, as amended from time to time.

14.3.4 Certain Exceptions. Section 14.2 shall not apply to a transfer to or purchase by an Institutional Mortgagee that acquires its title as the result of owning a mortgage encumbering the Unit concerned, whether title is acquired by deed from the mortgagor, its successors or assigns, or through foreclosure proceedings; nor shall such Section 14.2 apply to a transfer or sale by an Institutional Mortgagee that so acquires its title. Nor shall Section 14.2 require the approval of a purchaser who acquires title to a Unit at a duly advertised public sale with open bidding provided by law, such as but not limited to execution sale, foreclosure sale, judicial sale or tax sale. Notwithstanding the foregoing, this Section 14.3.4 shall not be construed to exempt the foregoing from compliance or permit the foregoing to be in noncompliance with the Condominium Act and all other provisions of the Condominium Documents; nor shall the grantee (other than another Institutional Mortgagee) of the foregoing be exempt from the requirements of Section 14.2.

14.3.5 Additional Exceptions. Section 14.2 shall not apply to transfers of title to or from Developer or by the Owner thereof to his spouse, adult children, parents, parents-in-law, adult siblings or an Entity or trustee of a trust where the Owner or the aforementioned related persons are and continue to be the sole beneficiary or beneficiaries of a trust or an equity Owner of an Entity.

SECTION 15. INSURANCE. In order to adequately protect the Condominium Property that is required to be insured by the Association, insurance shall be carried and kept in force at all times in accordance with the following provisions.

15.1 Duty and Authority to Obtain. The Board shall obtain and keep in force the insurance coverage which the Association is required to carry by the Condominium Act or any other law or ordinance and under the Condominium Documents, and may obtain and keep in force any or all additional insurance coverage as the Board deems necessary. The insured's name shall be the Association and Owners without naming them, and their mortgagees, as their interests shall appear. To the extent permitted by law, and by the insurance guidelines as published from time to time by FNMAE, the Association may self-insure. A copy of each policy of insurance in effect shall be made available for inspection by Owners at reasonable times upon reasonable notice.

15.2 Required Coverage. The Association shall maintain adequate insurance covering the minimum Condominium Property which the Condominium Act requires, as the Condominium Act is amended from time to time, in an amount determined annually by the Board, such insurance to afford the following protection:

15.2.1 Property. Loss or damage by fire, extended coverage (including windstorm), vandalism and malicious mischief, and other hazards covered by the standard "Causes of Loss – Special Forms" property contract or if such coverage is not available, other similar insurance contract as deemed proper by the Board.

15.2.2 Liability. Premises and operations liability for bodily injury and property damage in such limits of protection and with such coverage as required by the Board, with cross-liability endorsement to cover liabilities of Owners as a group, to an Owner.

15.2.3 Automobile. Automobile liability for bodily injury and property damage for all hired and/or non-owned motor vehicles in such limits or protection and with such coverage as may be required by the Board.

15.2.4 Workers' Compensation. Workers' Compensation insurance on at least a minimum premium basis.

15.2.5 Statutory Fidelity Bond. A minimum fidelity bond as required by the Condominium Act, on a per-person basis, for each person having access to Association funds.

15.2.6 Directors and Officers Liability Insurance. To the extent available, insurance to protect all directors and officers of the Association.

15.3 Optional Coverage. Other such insurance coverage as the Board may determine to be in the best interests of the Association and the Owners. Some of the more common options include:

15.3.1 Flood insurance.

15.3.2 Boiler and Machinery Coverage Endorsement (including breakdown on air conditioning equipment).

15.3.3 Scheduled equipment floater (protection for specialized mobile equipment).

15.3.4 Broad Form Comprehensive General Liability Endorsement.

15.3.5 Elevator liability and elevator collision.

15.3.6 Medical payments.

15.3.7 Leakage, seepage and wind-driven rain.

15.3.8 Plate glass insurance - perimeter Unit walls.

15.3.9 Employment Liability.

15.4 Description of Coverage. A detailed summary of the coverage included in the master policies, and copies of the master policies, shall be available for inspection by Owners or their authorized representatives upon written request.

15.5 Waiver of Subrogation. If available and where applicable, the Board shall endeavor to obtain insurance policies that provide that the insurer waives the insurer's right to subrogation as to any claim against the Developer, the Association, the Owners, or their respective servants, agents or Guests, except for any claim based upon gross negligence evidencing reckless, willful and wanton disregard for life or property.

15.6 Insurance Proceeds. All proceeds shall be payable to the Association. The Association's duty shall be to receive such proceeds as are paid and hold and disburse them in trust for the purposes stated in this Declaration and for the benefit of Owners and their respective mortgagees in the following shares:

15.6.1 Common Elements. Proceeds on account of damage to Common Elements shall be held in as many undivided shares as there are Units, the shares of each Owner being the same as each Owner's Undivided Share.

15.6.2 Units. Proceeds on account of damage within the Units shall be held in undivided shares based on the prorated amount of damage within each damaged Unit as a percentage of the total damage within all Units.

15.6.3 Mortgagee. If a mortgagee endorsement has been issued as to a Unit, the shares of the mortgagee and the Owner shall be as their interests appear. In no event shall any mortgagee have the right to demand application of insurance proceeds to any mortgage or mortgages which it holds and which encumbers Unit(s), except as otherwise provided in this Section 15 or Section 16. No mortgagee shall have any right to participate in determining whether improvements will be restored after casualty.

15.7 Distribution of Proceeds. Proceeds of insurance policies received by the Association shall be distributed to or for the benefit of Owners in the following manner:

15.7.1 Cost of Reconstruction or Repair. If the damage for which the proceeds are paid is to be reconstructed or repaired by the Association, the proceeds shall be paid to defray the costs. Any proceeds remaining after defraying the costs shall be distributed to the beneficial Owners, with remittances to Owners and their mortgagees being paid jointly. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by such mortgagee. This remittance shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application of the insurance proceeds to the payment or reduction of its mortgage debt.

15.7.2 Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided in this Declaration that the damage for which the proceeds are paid shall not be reconstructed or repaired, the proceeds shall be distributed to the beneficial Owners, remittances to Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by such mortgagee. This remittance shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application of the insurance proceeds to the payment of its mortgage debt.

15.8 Association as Agent. The Association is hereby irrevocably appointed as agent for each Owner to adjust all claims arising under insurance policies purchased by the Association for damage or loss to the Condominium Property and to execute and deliver releases upon the payment of such claims.

15.9 Owners. Each hazard insurance policy issued to an Owner shall provide that the coverage afforded by such policy is in excess over the amount recoverable under any other policy covering the same property. Each insurance policy issued to an Owner providing such coverage shall be without rights of subrogation against the Association. All real or personal property located within the boundaries of the Owner's unit that is excluded from the coverage to be provided by the Association pursuant to this Section 15 and the Condominium Act, shall be insured by the Owner. Owners may at their option purchase insurance for the Condominium Property that is also insured by the Association pursuant to this Section 15. Insurance purchased by Owners pursuant to this Section 15.9 shall be so purchased at their own expense. 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.

SECTION 16. RECONSTRUCTION OR REPAIR AFTER CASUALTY. If any portion of a Unit or any portion of the Condominium Property is damaged by casualty, the determination of reconstruction and repair shall be governed by the following:

02/18/2005

16.1 Damage to Units. Where loss or damage occurs within one (1) or more Units, any Association insurance proceeds on account of the loss or damage, less the deductible, shall be distributed to the Owner(s) of the damaged Unit(s) in shares as provided for in Section 15.6.2, and to the Owner(s)' mortgagees, being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by such mortgagee. This remittance shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application of the insurance proceeds to the payment or reduction of its mortgage debt. The Owner(s) of the damaged Unit(s) shall thereupon be responsible for reconstruction and repair.

16.2 Damage to Common Elements - Less than Very Substantial. Where loss or damage occurs to the Common Elements, but the loss is less than Very Substantial, it shall be mandatory for the Association to repair, restore and rebuild the damage caused by the loss, and the following procedures shall apply:

16.2.1 The Board shall promptly obtain reliable and detailed estimates of the cost of repair and restoration, and shall negotiate and contract for repair and reconstruction.

16.2.2 If the proceeds of insurance and available reserves are insufficient to pay for the cost of repair and restoration of the Common Elements, the Association shall promptly, upon determination of the deficiency, either utilize existing available funds of the Association; or if necessary or desirable, levy a Special Assessment against all Owners for the deficiency. Notwithstanding any other provision in this Declaration to the contrary, such Special Assessment need not be approved by Owners. The Special Assessment shall be added to the funds available for repair and restoration of the Common Elements.

16.3 Determination Whether to Reconstruct. Should Very Substantial Damage occur, then:

16.3.1 The Board shall promptly obtain reliable and detailed estimates of the cost of repair and restoration.

16.3.2 A membership meeting shall be called by the Board to be held not later than ninety (90) days after the Board has obtained the estimates referred to in Section 16.3.1 and has been able to locate not less than two-thirds (2/3) of the membership of the Association (if the Condominium Property and/or some or all of the buildings have suffered Very Substantial Damage) or two-thirds (2/3) of the membership in those building(s) suffering Very Substantial Damage (if only certain buildings have suffered Very Substantial Damage), to determine the opinion of such membership with reference to rebuilding or termination of the Condominium as to the Condominium and/or to the building(s) suffering Very Substantial damage, subject to the following:

16.3.2.1 If the insurance proceeds and reserves available for restoration and repair are sufficient to cover the cost so that no Special Assessments or Charges will be assessed against the Owners, then the Condominium or the building(s) suffering Very Substantial Damage shall be restored or repaired, unless two-thirds (2/3) of the Voting Interests of the membership in the Condominium (if the Condominium Property and/or some or all of the buildings have suffered Very Substantial Damage) or two-thirds (2/3) of the Voting Interests of the membership in those building(s) suffering Very Substantial Damage (if only certain buildings suffered Very Substantial Damage) shall vote for termination, or unless the then applicable zoning or other regulatory laws will not allow reconstruction of the same number and general type of Units,

02/18/2005

in either of which cases the Condominium and/or the building(s) suffering Very Substantial Damage shall be terminated.

16.3.2.2 If the Condominium Property has suffered Very Substantial Damage and if the insurance proceeds and reserves available for restoration and repair are not sufficient to cover the costs thereof without the imposition of a Special Assessment against all Owners, then unless two-thirds (2/3) of the Voting Interests of the membership of the Association vote in favor of the imposition of such Special Assessment and against termination of the Condominium, the Condominium shall be terminated.

16.3.2.3 If the Condominium Property has suffered Very Substantial Damage and the insurance proceeds and reserves available for restoration and repair are not sufficient to cover the costs thereof without the imposition of a Special Assessment and two-thirds (2/3) of the Voting Interests approve the imposition of such Special Assessment, the Association, through its Board, shall levy such Special Assessment and shall proceed to negotiate and contract for the necessary repairs and restoration. The funds obtained through the imposition of such Special Assessment shall be added to the funds available for repair and restoration of the Condominium Property.

16.3.2.4 If only certain buildings suffer Very Substantial Damage and if the insurance proceeds and reserves available for restoration and repair are not sufficient to cover the costs thereof without the imposition of a Charge against the Units in the buildings containing Very Substantial Damage, then unless two-thirds (2/3) of the Voting Interests of the membership as to the building(s) suffering Very Substantial Damage vote in favor of the imposition of such Charge and against termination of the Condominium as to the building(s) suffering Very Substantial Damage, the Condominium as to the building(s) suffering Very Substantial Damage shall be terminated and the property as to the building(s) suffering Very Substantial Damage shall be removed from the provisions of the Condominium Act.

16.3.2.5 If only certain buildings suffer Very Substantial Damage and if the insurance proceeds and reserves available for restoration and repair are not sufficient to cover the costs thereof without the imposition of a Charge and two-thirds (2/3) of the Voting Interests of the membership in those building(s) suffering Very Substantial Damage approve the imposition of such Charge, the Association, through its Board, shall levy such Charge and shall proceed to negotiate and contract for the necessary repairs and restoration. The funds obtained through the imposition of such Charge shall be added to the funds available for repair and restoration of the property as to the Units in the building(s) suffering Very Substantial Damage.

16.3.2.6 If any dispute shall arise as to whether Very Substantial Damage has occurred, a determination by the Board shall be binding upon all Owners.

16.4 Application of Insurance Proceeds. It shall be presumed that the first monies disbursed for repair and restoration are from the insurance proceeds. If a balance remains after disbursement of the insurance proceeds after the payment of all costs of repair and restoration, such balance shall be distributed to Owners, except as otherwise provided in Sections 15 or 16 of this Declaration.

16.5 Equitable Relief. In the event of damage to the Common Elements which renders any Unit untenable, and the damage is not repaired, reconstructed, or rebuilt within a reasonable period of time, the Owner of the untenable Unit may petition a Court for equitable relief, which may include a termination of the Condominium as to the building(s) affected and a partition. For the purposes of this provision, it shall be presumed that repair, reconstruction or

02/18/2005

rebuilding has occurred within a reasonable period of time if substantial work is commenced within four (4) months following the damage or destruction and is completed within nine (9) months thereafter.

16.6 Plans and Specifications. Any reconstruction or repair must be made substantially in accordance with the Plans and Specifications for the original Buildings and Improvements; or otherwise according to different plans and specifications approved by the Board, by the vote of not less than three-fourths (3/4) of the Voting Interests of the membership, and by the Primary Institutional Mortgagee, if any.

16.7 Termination. In the event of termination of the Condominium as to a particular building or with respect to the entire Condominium, the provisions of Section 18 shall apply.

SECTION 17. CONDEMNATION OR EMINENT DOMAIN.

17.1 Deposit of Awards with Association. The taking of all or any portion of the Condominium Property by condemnation or eminent domain shall be deemed to be a casualty to that portion taken and the awards for that taking shall be deemed to be proceeds from insurance on account of the casualty. Even though the awards may be payable to Owners, Owners shall deposit the awards with the Association; and if any Owner fails to do so, a Charge shall be made against the defaulting Owner and the Unit concerned in the amount of his award, or the amount of that award shall be set off against any sums payable to that Owner. The Charge shall be collected as provided for in Section 10.10.3 of this Declaration.

17.2 Determination Whether to Continue Condominium. Whether the Condominium will be continued after condemnation will be determined in the same manner provided for determining whether damaged Condominium Property and/or buildings containing Units will be reconstructed and repaired after a casualty.

17.3 Disbursement of Funds. If the Condominium is terminated after condemnation, the proceeds of all awards and Special Assessments and/or Charges will be deemed to be Condominium Property and shall be owned and distributed in the manner provided for insurance proceeds when the Condominium is terminated after a casualty. If the Condominium is not terminated after condemnation, the size of the Condominium will be reduced, Owners of condemned Units, if any, will be made whole, and any property damaged by the taking will be made usable in the manner provided below. Proceeds of awards and Special Assessments and/or Charges shall be used for these purposes and shall be disbursed in the manner provided for disbursements of funds after a casualty.

17.4 Association as Agent. The Association is hereby irrevocably appointed as each Owner's attorney-in-fact for purposes of negotiating or litigating with the condemning authority for the purpose of realizing just compensation.

17.5 Units Reduced but Habitable. If the condemnation reduces the size of a Unit and the remaining portion of the Unit can be made habitable, the award for the taking of a portion of that Unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the Condominium:

17.5.1 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 Unit's Owner.

17.5.2 Distribution of Surplus. The balance of the award, if any, shall be distributed to the Unit's Owner and to each mortgagee of the Unit, the remittance being made payable jointly to the Owner and mortgagees. The balance of the award shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application thereof to the payment or reduction of its mortgage debt.

17.5.3 Adjustment of Shares in Common Elements. If a Unit's floor area is reduced by the taking, the number representing the share in the Common Elements appurtenant to the Unit shall be reduced in the proportion by which the Unit's floor area is reduced by the taking, and then the shares of all Owners in the Common Elements shall be restated as percentages of the total of the numbers representing their original shares as reduced by the taking.

17.6 Uninhabitable Unit. If the condemnation is of an entire Unit or reduces the size of a Unit so that it cannot be made habitable, 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 effected in the Condominium:

17.6.1 Payment of Award. The Unit's fair market value immediately prior to the taking shall be paid to the Unit's Owner and to each mortgagee of the Unit, the remittance being made payable jointly to the Owner and mortgagee(s). The Unit's fair market value shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application thereof to the payment or reduction of its mortgage debt.

17.6.2 Addition to Common Elements. If possible and practical, the Unit's remaining portion shall become a part of the Common Elements and shall be placed in condition for use by some or all Owners in a manner approved by the Board.

17.6.3 Adjustment of Shares in Common Elements. The shares in the Common Elements appurtenant to the Units that continue as part of the Condominium shall be adjusted to distribute the ownership of the Common Elements among the reduced number of Owners. This shall be done by restating the shares of continuing Owners in the Common Elements as percentages of the total of the numbers representing the shares as they existed prior to the adjustment.

17.6.4 Assessments. If the amount of the award for the taking is not sufficient to pay the fair market value of the condemned Unit to the Owner and to condition the remaining portion of the Unit for use as a part of the Common Elements, the additional funds required for those purposes shall be raised by Special Assessment against all Owners who will continue as Owners of Units after the changes in the Condominium affected by the taking. The Special Assessments shall be made in proportion to the shares of those Owners in the Common Elements after the changes affected by the taking.

17.6.5 Arbitration. If a Unit's fair market value prior to the taking cannot be determined by agreement between the Owner and the Association within thirty (30) days after notice by either party, the value shall be determined by appraisal in accordance with the following. The Owner, the first mortgagee, if any, and the Association shall each appoint one (1) qualified appraiser, who shall appraise the Unit and determine the fair market value by computing the arithmetic average of their appraisals of the Unit. A judgment of specific performance upon the fair market value calculated in this way may be entered in any Court or competent jurisdiction. Each party shall bear the cost of its own appraiser.

02/18/2005

17.7 Taking of Common Elements. Awards for the taking of the Common Elements shall be used to make the remaining portion of the Common Elements usable in a manner approved by the Board. The balance of such awards, if any, shall be distributed to all Owners in the shares in which they own the Common Elements after adjustment of these shares on account of the condemnation, if any. If a Unit is mortgaged, the remittance shall be paid jointly to the Owner and the mortgagee(s) of the Unit. The awards shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application thereof to the payment or reduction of its mortgage debt.

17.8 Amendment of Declaration. Any changes in Units and in the Common Elements, in the ownership of the Common Elements, and in the sharing of Common Expenses that are necessitated by condemnation shall be accomplished by amending this Declaration. Such amendment need be approved only by a majority of all Directors. The consent of Owners or lienholders is not required for any such amendment.

17.9 Priority-Conflict. In the event of any conflict between Section 16 and this Section 17, the provisions of this Section 17 shall control and govern.

SECTION 18. TERMINATION. The Condominium may be terminated in the following manner in addition to the manner provided in Condominium Act:

18.1 Agreement. The Condominium may be terminated at any time by the approval in writing of all of Owners of Units in the Condominium at the time and by all record mortgagees.

18.2 Very Substantial Damage. If one or more building(s) in the Condominium, as a result of casualty, suffers Very Substantial Damage, or Section 17.2 applies and it is decided that one (1) or more building(s) in the Condominium suffering Very Substantial Damage will not be reconstructed or repaired, the Condominium form of ownership of the property in this Condominium, as to the building(s) affected, will terminate without agreement.

18.3 General Provisions. Upon termination of the building(s) suffering Very Substantial Damage or if Section 17.2 applies, the former Owners of Units in such building(s) shall become Owners, as tenants in common, of that portion of the Condominium which was terminated and the assets of the Association applicable to the one (1) or more buildings affected. The shares of such tenants in common shall be the same as were their Undivided Shares of the Common Elements based on their share as a proportion to the share of Owners in the affected building(s). The mortgagee or lienor of an Owner, shall have a mortgage or lien solely and exclusively upon the Undivided Share of such tenant in common in and to the lands and other properties and rights which he may receive by reason of such termination. The termination of the Condominium as to the one (1) or more building(s) affected shall be evidenced by a certificate of the Association executed by its President and Secretary certifying as to facts effecting the termination. Termination shall become effective when that certificate is recorded in the Public Records of the County.

18.4 New Condominium. The Condominium's termination does not bar creation of another Condominium affecting all or any portion of the same property.

18.5 Sale; Partition.

18.5.1 Very Substantial Damage. Except as may be provided otherwise in Section 18.5.2, following termination of all or any portion of the Condominium, the former Condominium Property which was terminated may be partitioned and sold upon the application of any Owner. However, if following a termination, at least seventy-five percent (75%) of the voting

02/18/2005

interests of Owners of the affected building(s) determine to accept an offer for the sale of the property, all Owners shall be bound to execute deeds and other documents reasonably required to complete the sale. In such event, any action for partition of the property shall be held in abeyance pending the sale, and upon the consummation of the sale, shall be discontinued by all parties.

18.5.2 By Agreement (Other Than For Very Substantial Damage). If the proposed termination is submitted to a meeting of the membership of the Association as to the affected building(s), pursuant to notice, and is approved in writing within sixty (60) days of said meeting by seventy-five percent (75%) of the Voting Interests of all Members of the Association as to the affected building(s), and by all Institutional Mortgagees as to the affected building(s), then the Association and the approving Owners as to the affected building(s), if they desire, shall have an option to purchase all of the Units of the other Owners as to the affected building(s) within a period expiring one hundred twenty (120) days from the date of such meeting. Such approvals shall be irrevocable until the expiration of the option and if the option is exercised, the approvals shall be irrevocable. During this option period, and up through the date of closing on the option, no actions for partition shall lie. The option shall be exercised upon the following terms:

18.5.2.1 Exercise of Option. An agreement to purchase executed by the Association and/or the record Owners of the Units who will participate in the purchase, shall be delivered by personal delivery or mailed by certified or registered mail, to each of the record Owners of the Units to be purchased, and such delivery shall be deemed the exercise of the option. The agreement shall indicate which Units will be purchased by each participating Owner and/or the Association, and shall require the purchase of all Units owned by Owners not approving the termination, but the agreement shall create a separate contract between the seller and his purchaser.

18.5.2.2 Price. The sale price for each Unit shall be the fair market value determined by agreement between the seller and the purchaser within thirty (30) days after the delivery or mailing of such Agreement and, in the absence of agreement as to price, it shall be determined by appraisers appointed by a Judge of the Circuit Court in and for the County, on the petition of the seller. The expense of appraisal shall be paid by the purchaser.

18.5.2.3 Payment. The purchase price shall be paid in cash.

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

18.6 Last Board. In the event that the Condominium is terminated in its entirety, the members of the last Board shall continue to have the powers granted in the Condominium Documents for the purpose of winding up the affairs of the Association, notwithstanding the fact that the Association itself may be dissolved upon termination of the Condominium.

18.7 Provisions Regarding Surface Water Management System and Termination of the Condominium. If the Condominium is terminated, prior to termination of the Condominium, the Association shall transfer, convey or dedicate the surface water management system, property containing the surface water management system and water management portions of the Condominium Property to a local governmental entity reasonably acceptable to the SFWMD. If the local governmental entity declines to accept the surface water management system, property containing the surface water management system and water management portions of the Condominium Property, then the Association shall transfer, convey or dedicate the surface water management system, property containing the surface water management system and water management portions of the Condominium Property to a non-profit corporation.

02/18/2005

18.8 Provisions Survive Termination. The provisions of this Section 18 shall be deemed covenants running with the land, and shall survive the termination of the Condominium in its entirety until all matters covered by those provisions have been completed.

SECTION 19. COMPLIANCE AND DEFAULT; REMEDIES.

19.1 Duty to Comply; Right to Sue.

19.1.1 Each Owner, Occupant, Guest, tenant and other invitee, and the Association, shall be governed by and shall comply with the provisions of the Condominium Act and the Condominium Documents. Actions for damages, for injunctive relief, for declaratory relief, and / or for failure to comply may be brought by the Association, by an Owner or by an Occupant, Guest, tenant or other invitee occupying a Unit against the following persons (which list is not all inclusive):

19.1.1.1 The Association;

19.1.1.2 Any Owner;

19.1.1.3 Members of the Board designated by the Developer, for actions taken by them prior to the time control of the Association is assumed by the Unit Owners other than the Developer.

19.1.1.4 Any member of the Board who willfully and knowingly fails to comply with these provisions.

19.1.1.5 Any tenant leasing a Unit, and any other Occupant, Guest or invitee occupying a Unit.

19.1.2 Any Owner prevailing in an action between the Association and the Owner and, if entitled to recover attorneys' fees, may recover additional amounts determined by a court to be necessary to reimburse such Owner for such Owner's share of Assessments levied by the Association to fund the Association's expenses of the litigation. Actions arising under this Section 19.1 shall not be deemed to be actions for specific performance.

19.1.3 The Association shall also have any other remedies provided for in the Condominium Documents and the Condominium Act.

19.1.4 The mandatory procedures regarding the non-binding arbitration of disputes set forth in Florida Statutes Section 718.1255, as amended from time to time, and the applicable Rules of the Florida Administrative Code, shall be followed and shall apply so long as they exist and apply.

19.2 Association Notice to Correct. If any Owner shall fail to properly discharge the maintenance, repair and replacement obligations as provided for in Sections 11.2, 11.3 and 11.4, or shall fail to make and pay for maintenance, repair or replacement as provided for in Sections 11.2, 11.3 and 11.4 and in the judgment of the Board, the same shall result in a condition of unsightliness tending to adversely affect the value or enjoyment of neighboring Owners and Occupants, or should any Owner violate Sections 11.2, 11.3 or 11.4, or should the neglect or the willful misconduct of Owner(s) cause damage which then requires maintenance, repair or replacement by the Association, then the following shall apply:

02/18/2005

19.2.1 The Board may (but shall not be required to) provide notice of such condition(s) to the proper Owner, demanding that the condition(s) be corrected within thirty (30) days after the date the notice was sent. If the Owner does not rectify the condition at the end of this thirty (30)-day period, then the Association may seek a court order authorizing the Association to contract to have the necessary work performed (and entry onto the Unit), whereupon the cost of this work shall become a Charge against the Owner and Unit concerned (solely or proportionately as the Board shall determine), which Charge shall be collected pursuant to Section 10.10.3 of this Declaration.

19.2.2 Provisos. Notwithstanding any provision to the contrary in this Section 19.2: (i) the thirty (30)-day notice period may be shortened or eliminated if the Board determines that an emergency exists; and (ii) the thirty (30)-day notice period shall not apply to Section 19.3.

19.3 Negligence; Damage Caused by Condition of Unit. Each Owner shall be liable to the Association for the expenses of any maintenance, repair or replacement of any portion of the Condominium Property made necessary by his act or negligence, or by that of any Occupant or member of his family or his Guests, invitees, employees, agents, or tenants. If any condition, defect or malfunction existing in a Unit, whether caused by the Owner's negligence or otherwise, shall cause damage to any portion of the Condominium Property or to other property owned by another Owner, the Owner of the offending Unit shall be liable to the Association or Owner responsible for repairing the damaged areas, for all costs of repair or replacement not paid by insurance. If the Association effects correction, the cost shall be levied as a Charge against the Owner and his Unit, which Charge shall be collected pursuant to Section 10.10.3 of this Declaration, and the Association may, but is not required to, provide notice to the Owner prior to effecting correction.

19.4 Association's Access to the Units; Key.

19.4.1 The Association, by and through the Board, officers, or the agents or employees of the Association, has an irrevocable right of access to each Unit during reasonable hours upon the giving of reasonable notice (except in the case of an emergency when no notice is required), when necessary for the maintenance, repair or replacement of those items for which the Association is obligated to maintain, repair and replace under this Declaration.

19.4.2 Each Owner shall deposit a key to the Unit with the Association. Should the Owner change any lock or install or add a new one, the Owner shall deposit the new additional key(s) with the Association. The Association's use of a key to gain access to a Unit shall be limited to the need to perform maintenance, repairs, replacement, alterations and protection of the Condominium Property. Should the Owner fail to provide a key, and should the Association be required to gain access to a Unit, the Owner shall be liable for any damage caused by the Association to the Unit and Common Elements resulting from the Association's forced entry into the Unit for the purposes stated in this Section 19.4.

19.5 Owners' Responsibility. Owners are strictly responsible to ensure that their family members, Guests, invitees, agents, tenants, servants, etc. or any Occupants of their Units comply with the Condominium Documents and all applicable statutes and laws. As such, Owners are responsible and liable to the Association for violations of the Condominium Documents by their family members, Guests, invitees, agents, tenants, servants, etc. or any Occupants of their Units.

19.6 Waiver of Rights. The failure of the Association or of a Member to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall

02/18/2005

not constitute a waiver of the right of the Association or Member to enforce such right, provision, covenant or condition in the future.

19.7 Costs and Attorneys' Fees and Paralegal Charges. Except and to the extent otherwise provided in Florida Statutes Section 718.1255, as amended from time to time, the applicable Rules of the Florida Administrative Code or the Condominium Act, in any legal proceeding arising out of an alleged failure of an Owner (for himself/herself or for his/her family members, Guests, invitees, agents, tenants, servants, etc. or any Occupants of the Unit), or the Association to comply with the Condominium Documents, or applicable statutes or laws, the prevailing party shall be entitled to recover costs of the proceedings and attorneys' fees and paralegals' charges (including appellate attorneys' fees and paralegals' charges).

19.8 No Election of Remedies. All rights, remedies and privileges granted to the Association or Owners under any terms, provisions, covenants, or conditions of the Condominium Documents or Rules, or applicable statutes or laws, shall be deemed to be cumulative, and the exercise of any one (1) or more shall not be deemed to constitute an election of remedies, nor shall such exercises preclude the party from exercising such other additional rights, remedies, or privileges as may be granted by the Condominium Documents, or at law or in equity.

19.9 Eviction of Tenants and Occupants. Except and to the extent otherwise provided in or barred by Florida Statutes Section 718.1255, as amended from time to time, and the applicable Rules of the Florida Administrative Code or the Condominium Act, the Association possesses all rights and remedies of the landlord/Owner under Chapter 83, Florida Statutes, for the purposes of enforcing against violations of the Condominium Documents. If tenants and/or Occupants are in non-compliance with any of the Condominium Documents, such non-compliance shall be a breach of the Condominium Documents and therefore a breach of the lease. The Association on behalf of the landlord/Owner may terminate the lease, and re-enter and re-take possession of the Unit for and on behalf of the landlord/Owner, after providing the notices required by Chapter 83, Florida Statutes. The Association has the right to serve such notices, terminate the lease and seek possession of the Unit for and on behalf of the landlord/Owner, upon the expiration of thirty (30) days after the Association mails notice of such intent to the landlord/Owner, without further notification nor the need to obtain specific permission from the landlord/Owner. The Association then has the right to institute eviction proceedings in Court against the tenants as agent for and on behalf of the landlord/Owner, based on the non-compliance mentioned above. The Association may exercise the Association's rights and remedies under this Section 19.9 without any liability to the landlord/Owner or tenants/Occupants (including, but not limited to, the loss of rent to the landlord/Owner and loss of possession by the tenants/Occupants), except as may be provided for in Chapter 83, Florida Statutes. The tenants/Occupants shall be jointly and severally responsible for the costs, paralegal charges and attorneys' fees incurred by the Association in connection with this matter.

SECTION 20. RIGHTS OF MORTGAGEES. The following rights shall apply to certain or all mortgagees, in addition to those rights contained elsewhere in the Condominium Documents:

20.1 Amendments to the Declaration. Written consent of certain mortgagees of a Unit shall be required for certain amendments to this Declaration. (Refer to Section 22.5.4 below.)

20.2 Association Lien Foreclosure. Certain named mortgagees have certain rights in connection with Association lien foreclosure actions, as provided for in Section 10.7.1.

20.3 Redemption. If proceedings are instituted to foreclose any mortgage or lien on any Unit, the Association, on behalf of one (1) or more Owners and with the permission of the

02/18/2005

mortgagee, may redeem the mortgage or lien for the amount due thereon and be thereby subrogated to all of the mortgagee's or lienor's rights of action, or the Association may purchase the Unit at the foreclosure sale. Any mortgagee shall have the right to accept title to the Unit in settlement and satisfaction of the mortgage or to foreclose its mortgage in accordance with its terms, and to bid upon the Unit at the foreclosure sale. If the Association or any of the Members redeem the mortgage or cure the default, it or they shall have a lien against the Unit for all sums expended in connection therewith and shall have the same rights to collect such sums as in the case of a past due Assessment.

20.4 Right to Inspect Books. The Association shall make available to Institutional Mortgagees requesting the same current copies of the Condominium Documents and the Association's official records, which pursuant to the Condominium Act, may be inspected by Owners. For the purposes of this Section 20.4 "available" shall mean ready for inspection, upon written request, during normal business hours or under other reasonable circumstances. Photocopies shall be provided at the expense of the person requesting the photocopies.

20.5 Financial Statements. Any Institutional Mortgagee is entitled, upon written request, to a copy of the financial statements of the Association for the immediately preceding fiscal year.

20.6 Lender's Notices. Upon written request to the Association, any Institutional Mortgagee shall be entitled to timely written notice of:

20.6.1 Any sixty (60)-day or longer delinquency in the payment of an Assessment or Charge owed by the Owner of any Unit on which the mortgagee holds a mortgage; and any thirty (30)-day or longer default of any other provision in the Condominium Documents by an Owner of any Unit on which the mortgagee holds a mortgage.

20.6.2 A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.

20.6.3 Any condemnation or casualty loss that affects a material portion of the Condominium or any Unit.

20.6.4 Any proposed action that requires the consent of a specified percentage of mortgage holders.

20.6.5 Notice of Association meetings.

20.7 Access. All Institutional Mortgagees shall specifically have a complete right of access to all of the Common Elements for the purpose of ingress and egress to any Unit upon which they have a mortgage loan. Any Institutional Mortgagee shall be entitled to attend meetings of the Association.

20.8 Presumption. Where an Institutional First Mortgagee, by some circumstance fails to hold a first mortgage encumbering a Unit, but it is evident that such mortgage is intended to be a first mortgage, such mortgage nevertheless, for the purpose of the Condominium Documents, shall be deemed to be an institutional first mortgage.

SECTION 21. DEVELOPER'S UNITS AND PRIVILEGES; DEVELOPER DESIGNEES. The following provisions shall apply in addition to any and all provisions contained elsewhere in this Declaration with respect to Developer's Units and privileges. The provisions of this Section 21 shall take precedence over any other provisions to the contrary in the Condominium Documents.

02/18/2005

21.1 Changes in General Plan of Development. Developer reserves the right to make such physical modifications to the Condominium as may be required by any lender, governmental authority, or as may be, in Developer's judgment, necessary or desirable. Provided, however, that the foregoing is subject to the rights of any Owner or other person under the Condominium Act, and shall require the approval of Owners as required by Florida Statutes Section 718.110(2), and if so required, the provisions of Section 22.5.2 shall control and govern.

21.2 Construction/Sales/Lease Activities. No Owner, person, or the Association, or their respective use of the Units or the Condominium Property, shall interfere with Developer's construction, completion, and sale or leasing of the Units (except that the Association shall have the right to approve leases and tenants of Units to be leased by Developer) or any portion of the Total Property. Until all of the Units have been sold by Developer or are no longer being offered for sale in the ordinary course of Developer's business, Developer shall be irrevocably empowered: (i) to sell Units to any person, Entity or trustee of a trust approved by Developer without any interference or objection from the Association, and without any limitation; and (ii) to prohibit any changes to any provision of the Condominium Documents, which addresses an Owner's use of a Unit which, in Developer's sole discretion, negatively impacts on Developer's ability to sell Units owned by Developer. Furthermore, Developer reserves the right to retain title to any Units and lease all or portions of same, without any intention of selling them so long as Developer obtains the approval of the Association for any such lease. Developer shall have the right to transact upon the Condominium Property any business necessary to consummate the sale/lease of Units, including, but not limited to, the right to construct, install, maintain and use temporary construction, office, storage and sales facilities, place signs, banners and flags on the Condominium Property for construction or sales purposes, use the Condominium Property for sales offices or for sales and promotional purposes, and conduct sales activities relating to the Total Property or property owned by Developer or any of Developer's affiliates or designees that are situated outside of the Condominium. Any sales offices, signs, fixtures, furnishings or other tangible personal property belonging to Developer shall not be considered as part of the Condominium Property nor owned by the Association and shall remain the property of Developer. Developer shall further be exempt from any vehicle or parking restrictions established by the Rules only to the extent that the vehicles in question are engaged in any activity relating to the construction, maintenance or marketing for sale or for lease of Units, the Total Property, or property owned by Developer or any of Developer's affiliates or designees that are situated outside of the Condominium.

21.3 Specific Exemptions Under the Declaration. In addition to any other exemptions provided in favor of Developer in this Declaration, Developer and Developer's designees shall be exempt from all use restrictions contained in this Declaration, except for those use restrictions that are precluded by the Condominium Act or other applicable law or ordinance.

SECTION 22. AMENDMENT OF DECLARATION.

22.1 Proposal. Amendments to this Declaration may be proposed by the Board or by written petition signed by Owners of one-fourth (1/4) of the Units.

22.2 Procedure; Notice and Format. Upon any amendment or amendments to this Declaration being proposed as provided above, the proposed amendment or amendments shall be submitted to a vote of the Members not later than the next annual meeting for which sufficient time exists to give proper notice before that meeting. The full text of any amendment to the Declaration shall be included in the notice of Owners' meeting at which a proposed amendment is to be considered. New words shall be inserted in the text by underlining and words to be deleted shall be lined through with hyphens; provided, however, that if the proposed change is so extensive that

02/18/2005

this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of Declaration. See provision _____ for present text."

22.3 Vote Required. Except as otherwise provided by the Condominium Act, or by specific provision of the Condominium Documents, this Declaration may be amended as follows:

22.3.1 Up through a date which is the earlier of: (i) the date upon which Developer no longer owns any Units in the Condominium; or (ii) seven (7) years from the date of the recording of this Declaration, by the vote of a majority of the entire Board and (a) if Developer opposes the amendment, seventy-five percent (75%) of the voting interests of the Members, or (b) if Developer does not oppose the amendment, a majority of the voting interests of the Members.

22.3.2 After the date referred to in Section 22.3.1, by a vote of a majority of the entire Board and a majority of the Voting Interests of all Members.

22.3.3 If the amendments were proposed by written petition signed by Owners pursuant to Section 22.1, then the concurrence of the Board shall not be required.

22.4 Certificate; Recording. A copy of each adopted amendment shall be attached to a certificate that the amendment was duly adopted as an amendment to the Declaration, which certificate shall be in the form required by law and shall be executed by any officer of the Association with the formalities of a deed. The Certificate of Amendment shall on the first page state the book and page numbers of the Public Records where the Declaration is recorded. If the written consent procedure is used, the consents of Owners need not be recorded, so long as the Certificate of Amendment executed by the officer of the Association attests to the execution of a sufficient number of consents to pass the amendment in question. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records.

22.5 Provisos. Notwithstanding any provision contained in the Condominium Documents to the contrary:

22.5.1 No amendment shall operate to unlawfully discriminate against any Unit or group of Units.

22.5.2 No amendment shall be made which falls under Florida Statutes Section 718.110(4), unless the Members vote and the approvals required therein are obtained. However, any such amendment related to a matter that falls under Sections 11.4.3.2, 21.1 and 22.6 may be approved without the approval of the Board so long as a majority of the Voting Interests of all Members do approve.

22.5.3 Developer shall be permitted to unilaterally amend this Declaration without the approval of any Owner and the Association, as permitted by Florida Statutes Sections 718.110(2). Furthermore, so long as Developer owns any Unit in the Condominium for a period of seven (7) years after the recording of this Declaration, no amendment to this Declaration that impairs or removes any reservation, right or privilege of Developer or Developer's designees shall be effective unless Developer or Developer's designees, as applicable, shall join and consent to the amendment.

02/18/2005

22.5.4 Except as to Section 22.6 as to which no mortgagee consent is necessary except as provided therein, any amendment that materially affects the rights or interests of mortgagees or for which the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation require mortgagee consent in the manner so provided in Florida Statutes Section 718.110(11), as the same shall be amended from time to time, shall not take effect without the written consent of the mortgagee, which consent may not be unreasonably withheld (joinder being unnecessary). In such case, the Certificate of the Association mentioned in Section 22.4 shall reference the obtaining of the necessary consents.

22.5.5 Any amendment proposed to this Declaration which would affect the surface water management system, Conservation Easements or water management portions of the Corporation Property shall be submitted to the SFWMD for review prior to finalization of the amendment. The SFWMD shall determine if the proposed amendment will require a modification of the environmental resource or surface water management permit. If a permit modification is necessary, the modification must be approved by the SFWMD prior to the amendment of this Declaration.

22.6 Modifying Appurtenances; Changing Undivided Share; Merger. For so long as Developer owns Units for sale, the declaration, bylaws and common elements of two (2) or more independent condominiums in the Community may be merged to form a single condominium upon the approval of Developer and a majority of Voting Interests of Members and all record owners of liens; and upon the recording of new or amended articles of incorporation, declaration and bylaws. For so long as Developer owns Units for sale, only the approval of Developer and a majority of Voting Interests of Members is required to: (i) change the number, configuration, or size of any Unit not yet conveyed to an Owner in a material fashion; (ii) materially alter or modify the appurtenances to the Units; or (iii) change the Undivided Share, by an amendment to the Declaration. Such an amendment shall not require the consent of an Institutional Mortgagee or Owner unless: (a) Developer changes the proportion by which an Owner, other than Developer, shares the Common Expenses and the Common Surplus or owns the Common Elements, in which event, such Owner whose share of Common Elements, Common Expenses and Common Surplus is being so changed and the Institutional Mortgagees of record holding mortgages on the affected Units consents in writing thereto; or (b) such change materially and adversely affects an Owner as determined by Developer in Developer's reasonable discretion, in which event such Owner and the Institutional Mortgagee of record holding the mortgage on the affected Unit consents in writing thereto.

SECTION 23. MISCELLANEOUS PROVISIONS.

23.1 Severability. The invalidity or unenforceability 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 attached hereto, or applicable Rules adopted pursuant to such documents, as the same may be amended from time to time, shall not affect the validity of the remaining portions hereof or thereof, all of which shall remain in full force and effect.

23.2 Priorities in Case of Conflict. In the event of conflict between or among the provisions of any of the following, the following order of priorities shall be applied from highest priority to lowest:

23.2.1 The Condominium Act that applies.

23.2.2 The statutes applicable to not-for-profit corporations that apply.

02/18/2005

23.2.3 Other Florida Statutes that apply.

23.2.4 This Declaration.

23.2.5 The Articles.

23.2.6 The Bylaws.

23.2.7 The Rules and architectural guidelines promulgated by the Board.

23.3 Interpretation; Construction. The Board is responsible for interpreting the provisions of this Declaration and its Exhibits. Such interpretation shall be binding upon all parties unless wholly unreasonable. A written opinion rendered by legal counsel that an interpretation adopted by the Board is not unreasonable shall conclusively establish the validity of such interpretation. The provisions of this Declaration shall be liberally construed to effectuate the purpose of creating a uniform plan of condominium ownership.

23.4 Invalidity. If any Court shall hereafter determine that any provision of this Declaration as originally drafted, or amended, violates the rule against perpetuities or any other rules of law because of the duration of the period involved, the period specified in the Declaration shall not thereby become invalid, but instead shall be reduced to the maximum period allowed such rules of law, and for such purpose measuring lives shall be that of the (original) incorporator(s) of the Association.

23.5 Captions. The captions in the Condominium Documents are inserted only as a matter of convenience and for ease of reference and in no way define or limit any provision in the Condominium Documents.

23.6 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.

23.7 Owners' Affirmative Duties. All Owners are charged with the affirmative duty to keep the Association advised, in writing, of any mailing addresses as they change from time to time. All Owners must also advise the Association of any second addresses. The Association shall be permitted to rely on the information supplied by Owners in writing. Each Owner also consents to the Association distributing to each Owner a directory of Owners and their addresses.

23.8 Covenants Running with the Land. All provisions of the Condominium Documents shall, to the extent applicable be perpetual and be construed to be covenants running with the Condominium, and all of the provisions of the Condominium Documents shall be binding upon and inure to the benefit of the Developer, the Owners, the Association and their respective heirs, personal representatives, successors and assigns (as the context requires), and shall be binding on all Occupants, Guests and invitees to the Units and the Condominium Property. None of the provisions contained in the Condominium Documents are intended to create, nor shall be construed to create, any rights in and for the benefit of the general public.

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

23.10 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

02/18/2005

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 (2) separate capacities.

23.11 Ratification. Each Owner, by reason of having acquired ownership (whether by purchase, gift, operation of law or otherwise), and each Occupant and Guest of a Unit, by reason of his occupancy, shall be deemed to have acknowledged and agreed that all of the provisions of the Condominium Documents are fair and reasonable in all material respects.

23.12 Developer as Sole Beneficiary of Condominium Documents. Notwithstanding any provision or language in the Condominium Documents to the contrary, the legal counsel of Developer prepared the Condominium Documents solely for the benefit of its client, the Developer, and not for the benefit of any third parties. The terms, covenants and conditions established by the Condominium Documents, while continuing to be valid after turnover of control of the Association to the Owners, were intended for the sole benefit of Developer. Therefore, no third party, including Owners of Units, may claim that such party was an intended, third-party beneficiary of the services of such legal counsel.

23.13 Arsenic. Causeway Island is described as that land located East of the Seaway Drive bridge and West of the South Hutchinson Island in the City of Fort Pierce, Florida. Causeway Island, including the Community, was created largely from soils dredged from submerged lands in the area. Low levels of arsenic have been detected in the soils of the Community. These levels are consistent with that found throughout the soils of Causeway Island and the adjacent Indian River Lagoon. These levels likely resulted from natural conditions or from storm water runoff of pesticides and herbicides into the Indian River Lagoon, or both. The levels are significantly lower than the minimum levels necessary for the Environmental Protection Agency of the Florida Department of Environmental Protection ("DEP") to have jurisdiction for remedial action. Nonetheless, to further enhance the Community, the Association has implemented and, subject to the Association's rights under the law, agrees to cause the Association to continue to implement a Soil Management Plan and Risk Analysis ("Remediation Plan") dated September 3, 2003, with respect to the Condominium Property for the safe residential development of the Condominium Property until it is determined by the Association that the continued implementation of the Remediation Plan is no longer necessary. While the DEP abstained from commenting on the Remediation Plan because the levels of arsenic were below the DEP's jurisdictional level for remedial action, the DEP suggested that the Remediation Plan was of the type that is frequently used to cut off the exposure pathways and thereby eliminating the mechanism by which humans are exposed to arsenic. Further information and copies of the relevant documentation are available upon request from the Association.

23.14 Adjacent Land. Portions of the Property lying upland from the Indian River Lagoon (i.e. the water generally adjacent to the Community) lie outside of the Community's property lines. Consequently, such upland property that lies between the Community and the Indian River Lagoon is owned or otherwise controlled by persons other than the Corporation, the Association and the Unit Owners.

23.15 Marina Rights. Notwithstanding that the Marina is adjacent to the Condominium Property, no Owner shall have any right to use any portion of the Marina unless such rights are specifically granted under a separate instrument executed by the Marina Owner, who is not obligated to grant any such rights.

02/18/2005

23.16 Storage Spaces. There are more Units than there are Storage Spaces. Consequently, the ownership of a Unit does not imply or guarantee the right to have a Storage Space as a Limited Common Element appurtenant to a Unit.

IN WITNESS WHEREOF, HARBOUR ISLE DEVELOPMENT EAST, LLC, a Florida limited liability company, as Developer, has caused the execution of this Declaration of Condominium of Harbour Isle at Hutchinson Island East, a Condominium, on the 31 day of March, 2005.

WITNESSES:

HARBOUR ISLE DEVELOPMENT EAST, LLC, a Florida limited liability company

Andrea Martinez
Print Name: Andrea Martinez

By: R. Mason Simpson, President
R. Mason Simpson, President

Patricia J. Morgan
Print Name: PATRICIA J. MORGAN

[Company Seal]

Address: 801 Seaway Drive
Hutchinson Island, FL 34949

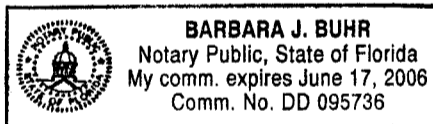
STATE OF FLORIDA)
 St. Lucie) ss:
COUNTY OF ~~INDIAN RIVER~~)

I HEREBY CERTIFY that on this 31st day of March 2005, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared R. Mason Simpson, President of HARBOUR ISLE DEVELOPMENT EAST, LLC, a Florida limited liability company, who is personally known to me or who has produced a as identification and who did not take an oath and that the official seal of the Company is duly affixed and the instrument is the act and deed of the Company.

WITNESS my signature and official seal at Ft. Pierce, in the County of St. Lucie, State of Florida, the day and year last aforesaid.

(SEAL)

Barbara J. Buhr
Printed Name: _____
Notary Public, State of Florida
My Commission Expires: _____



HARBOUR ISLE AT HUTCHINSON ISLAND EAST 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, HARBOUR ISLE AT HUTCHINSON ISLAND EAST CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, has caused these presents to be signed in its name by its proper officer and its corporate seal to be affixed this 31 day of March, 2005.

WITNESSES:

HARBOUR ISLE AT HUTCHINSON ISLAND EAST CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit

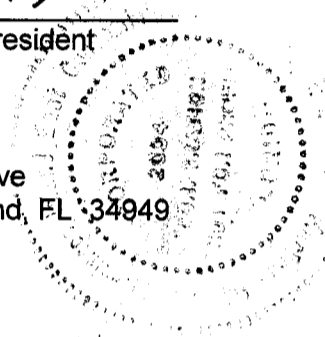
Andrea Martinez
Print Name: Andrea Martinez

By: M. Simpson, Pres.
R. Mason Simpson, President

Patricia J. Morgan
Print Name: PATRICIA J. MORGAN

[CORPORATE SEAL]

Address: 801 Seaway Drive
Hutchinson Island, FL 34949



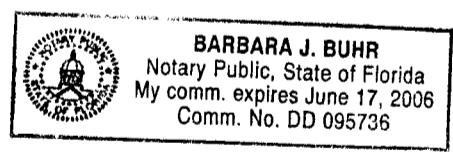
STATE OF FLORIDA)
) ss:
COUNTY OF St. Lucie)
) INDIAN RIVER

I HEREBY CERTIFY that on this day, 31st of March, 2005, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared R. Mason Simpson, President of HARBOUR ISLE AT HUTCHINSON ISLAND EAST CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, who is personally known to me or who has produced a _____ as identification and who did take an oath and that the official seal of the Corporation is duly affixed and the instrument is the act and deed of the Corporation.

WITNESS my signature and official seal at Ft. Pierce, in the County of St. Lucie, State of Florida, the day and year last aforesaid.

(SEAL)

Barbara J. Buhr
Printed Name: _____
Notary Public, State of Florida
My Commission Expires: _____



JOINDER OF MORTGAGEE TO DECLARATION OF CONDOMINIUM

FIDELITY FEDERAL BANK & TRUST, the owner and holder of that Construction Mortgage, Future Advances, in the original principal amount of \$18,000,000.00 recorded December 1, 2003, in Official Records Book 1853, Page 1029, of the Public Records of St. Lucie County, Florida (the "Mortgage"), which Mortgage encumbers the land described in Exhibit "A" attached to the Declaration of Condominium of HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM (the "Declaration"), according to the Declaration thereof, hereby consents to and joins in the Declaration.

The undersigned also agrees that the lien of its Mortgage on the land described on Exhibit "A" attached to the Declaration, shall be upon all of the Condominium Parcels of HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM, according to the Declaration thereof, together with all of the appurtenances, including, but not limited to, any Common Elements appurtenant to the Condominium Parcels so encumbered and to the undivided shares of the Common Elements, and shall be subordinate to the terms and conditions of the Declaration.

This instrument is executed by the undersigned for the purpose of complying with and pursuant to Florida Statutes Section 718.104(6).

EXECUTED this 31st day of March, 2005.

WITNESSES:

[Signature]
Print Name: Jeffrey Moses

FIDELITY FEDERAL BANK & TRUST

By: [Signature]
Name: _____
Its: _____

[Signature]
Print Name: Gina L. Gillette

Address: 205 Datura Street
West Palm Beach, FL 33401

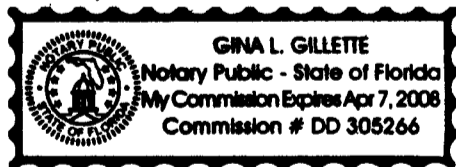
STATE OF FLORIDA)
) : ss
COUNTY OF PALM BEACH)

I HEREBY CERTIFY that on this 31st day of March, 2005, before me personally appeared John M. Ahrenholz, as First Vice President of FIDELITY FEDERAL BANK & TRUST, who is personally known to me or who has produced _____ as identification and who did not take an oath.

WITNESS my signature and official seal at West Palm Beach, in the County of Palm Beach, State of Florida, the day and year last aforesaid.

(SEAL)

[Signature]
Print Name: Gina L. Gillette
Notary Public, State of Florida
My Commission Expires:



JOINDER OF MORTGAGEE TO DECLARATION OF CONDOMINIUM

Jack B. Owen, Jr., Trustee under 689.701 [689.071] of the Causeway Island Trust dated June 29, 2001, the owner and holder of a mortgage encumbering the land described in Exhibit "A" attached to the Declaration of Condominium of HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM (the "Declaration"), according to the Declaration thereof, hereby consents to and joins in the Declaration.

The undersigned also agrees that the lien of its mortgage on the land described on Exhibit "A" attached to the Declaration, shall be upon all of the Condominium Parcels of HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM, according to the Declaration thereof, together with all of the appurtenances, including, but not limited to, any Common Elements appurtenant to the Condominium Parcels so encumbered and to the undivided shares of the Common Elements, and shall be subordinate to the terms and conditions of the Declaration.

This instrument is executed by the undersigned for the purpose of complying with and pursuant to Florida Statutes Section 718.104(6).

EXECUTED this 31 day of March, 2005.

WITNESSES:

Jack B. Owen, Jr., Trustee under 689.701 [689.071] of the Causeway Island Trust dated June 29, 2001

Christine L. Booth
Print Name: Christine L. Booth

By: Jack B. Owen, Jr. Trustee
Jack B. Owen, Jr.
Its: Trustee

Lewanna S. Farrell
Print Name: Lewanna S. Farrell

Address: 4500 PGA Boulevard, Suite 206
Palm Beach Gardens, FL 33418

STATE OF FLORIDA)
COUNTY OF Palm Beach): ss

I HEREBY CERTIFY that on this 31 day of March, 2005, before me personally appeared Jack B. Owen, Jr., Trustee under 689.701 [689.071] of the Causeway Island Trust dated June 29, 2001, who is personally known to me or who has produced _____ as identification and who did not take an oath.

WITNESS my signature and official seal at Palm Beach Gardens, FL, in the County of Palm Beach, State of Florida, the day and year last aforesaid.

(SEAL)

Lewanna S. Farrell
Print Name: _____
Notary Public, State of Florida
My Commission Expires:



Lewanna S. Farrell
MY COMMISSION # DD138253 EXPIRES
August 3, 2006
BONDED THRU TROY FAIN INSURANCE, INC.

INDEX OF EXHIBITS

Exhibit "A"	Legal Description of Land
Exhibit "B"	Survey Exhibits, Plot Plan and Certificate of Surveyor
Exhibit "C"	Articles
Exhibit "D"	Bylaws
Exhibit "E"	Parking Space Assignment Form
Exhibit "F"	Storage Space Assignment Form
Exhibit "G"	SFWMD Permit
Exhibit "H"	Army Corp. of Engineers Permit
Exhibit "I"	Form of Primary Occupant Designation Certificate

DECLARATION OF CONDOMINIUM
of
Harbour Isle at Hutchinson Island East, a Condominium

Exhibit "A"

Legal Description of the Property

HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM, LEGAL DESCRIPTION

BEING A PARCEL OF LAND KNOWN AS TRACT "C" AND TRACT "K" OF THE PLAT OF HARBOUR ISLE AT HUTCHINSON ISLAND, AS RECORDED IN PLAT BOOK 43, PAGE 31 OF THE PUBLIC RECORDS OF ST. LUCIE COUNTY, FLORIDA.

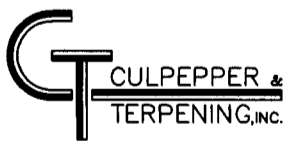
CONTAINING 20.90 ACRES, MORE OR LESS;

TOGETHER WITH:

A PARCEL OF LAND KNOWN AS TRACT "D-2" OF THE SECOND REPLAT OF HARBOUR ISLE AT HUTCHINSON ISLAND, AS RECORDED IN PLAT BOOK 46, PAGE 9, OF THE PUBLIC RECORDS OF ST. LUCIE COUNTY, FLORIDA.

CONTAINING 2.67 ACRES, MORE OR LESS.

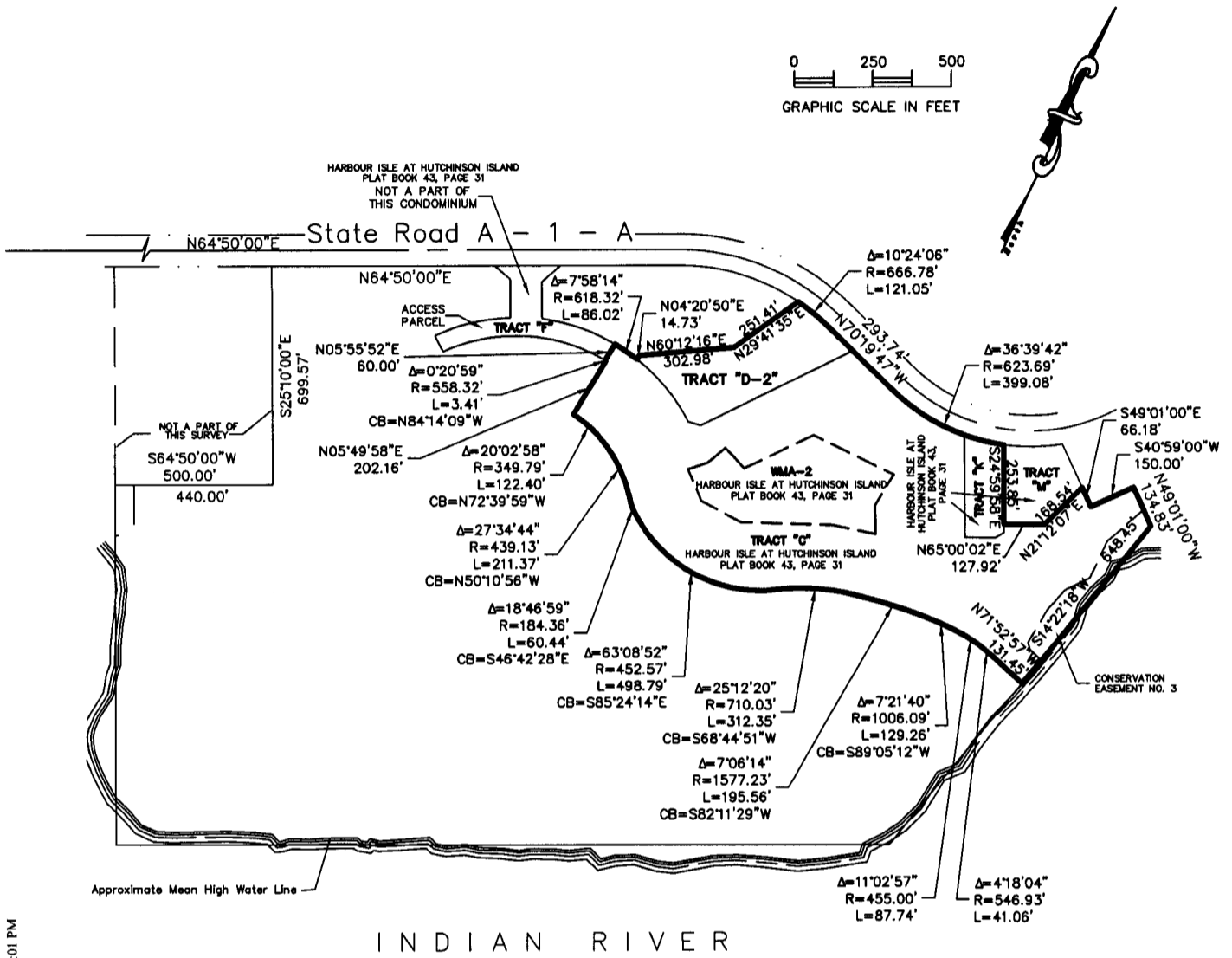
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CONSULTING ENGINEERS
&
LAND SURVEYORS
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FORT PIERCE, FLORIDA 34981
(772) 464-3537

Exhibit "A"
Sheet 1 of 7

HARBOUR ISLE AT HUTCHINSON ISLAND EAST A CONDOMINIUM, SKETCH OF BOUNDARY SURVEY



NOTE: TRACT "D-2" IS A PORTION OF THE SECOND REPLAT OF HARBOUR ISLE AT HUTCHINSON ISLAND, AS RECORDED IN PLAT BOOK 46, PAGE 9, OF THE PUBLIC RECORDS OF ST. LUCIE COUNTY, FLORIDA.

NOTE: TRACTS "C" AND "K" ARE PORTIONS OF HARBOUR ISLE AT HUTCHINSON ISLAND, AS RECORDED IN PLAT BOOK 43, PAGE 31, OF THE PUBLIC RECORDS OF ST. LUCIE COUNTY, FLORIDA.

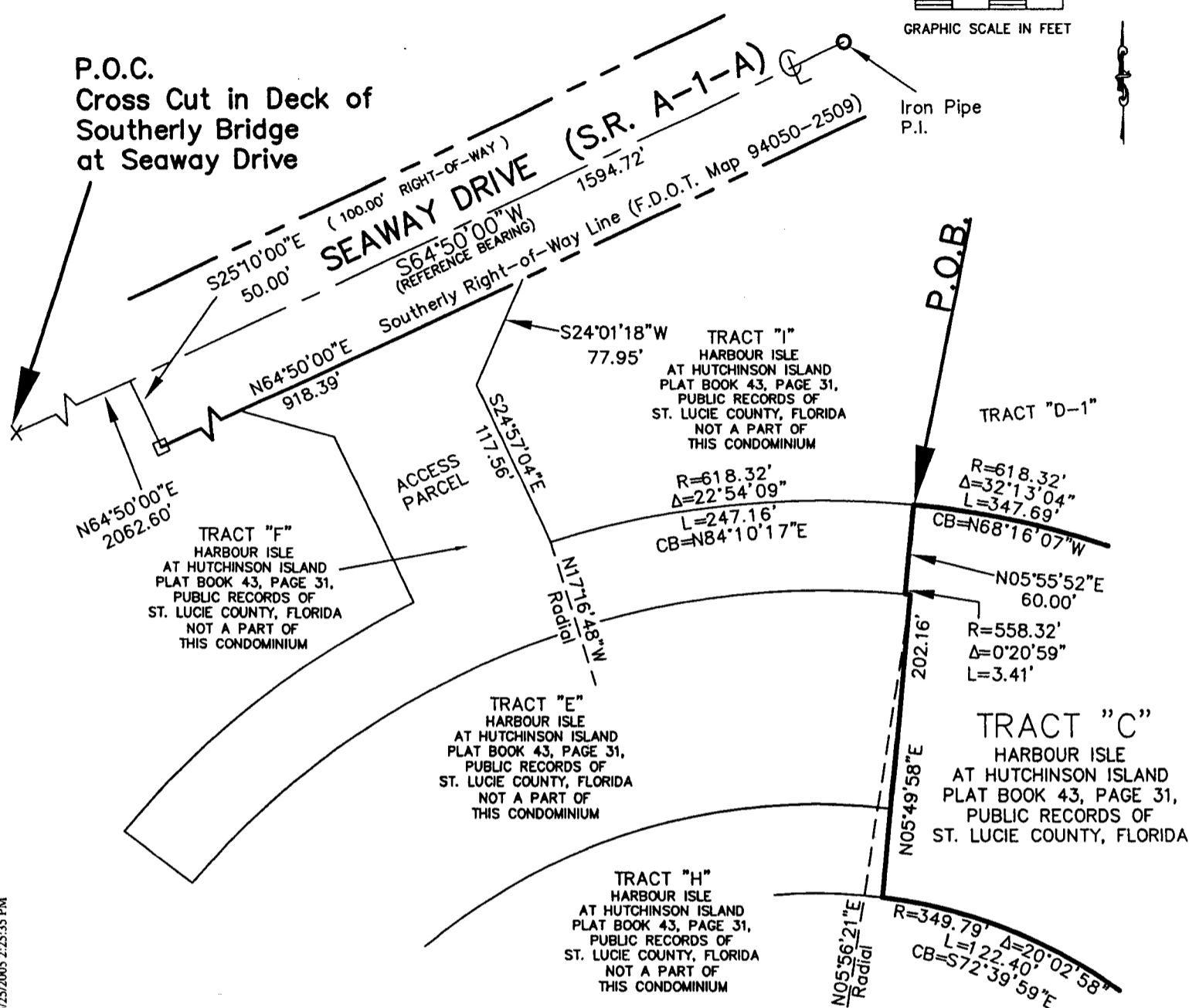
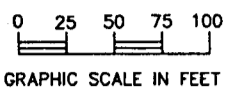


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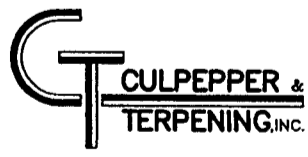
Exhibit "A"
Sheet 2 of 7

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HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM, SKETCH OF DESCRIPTION AND PLOT PLAN



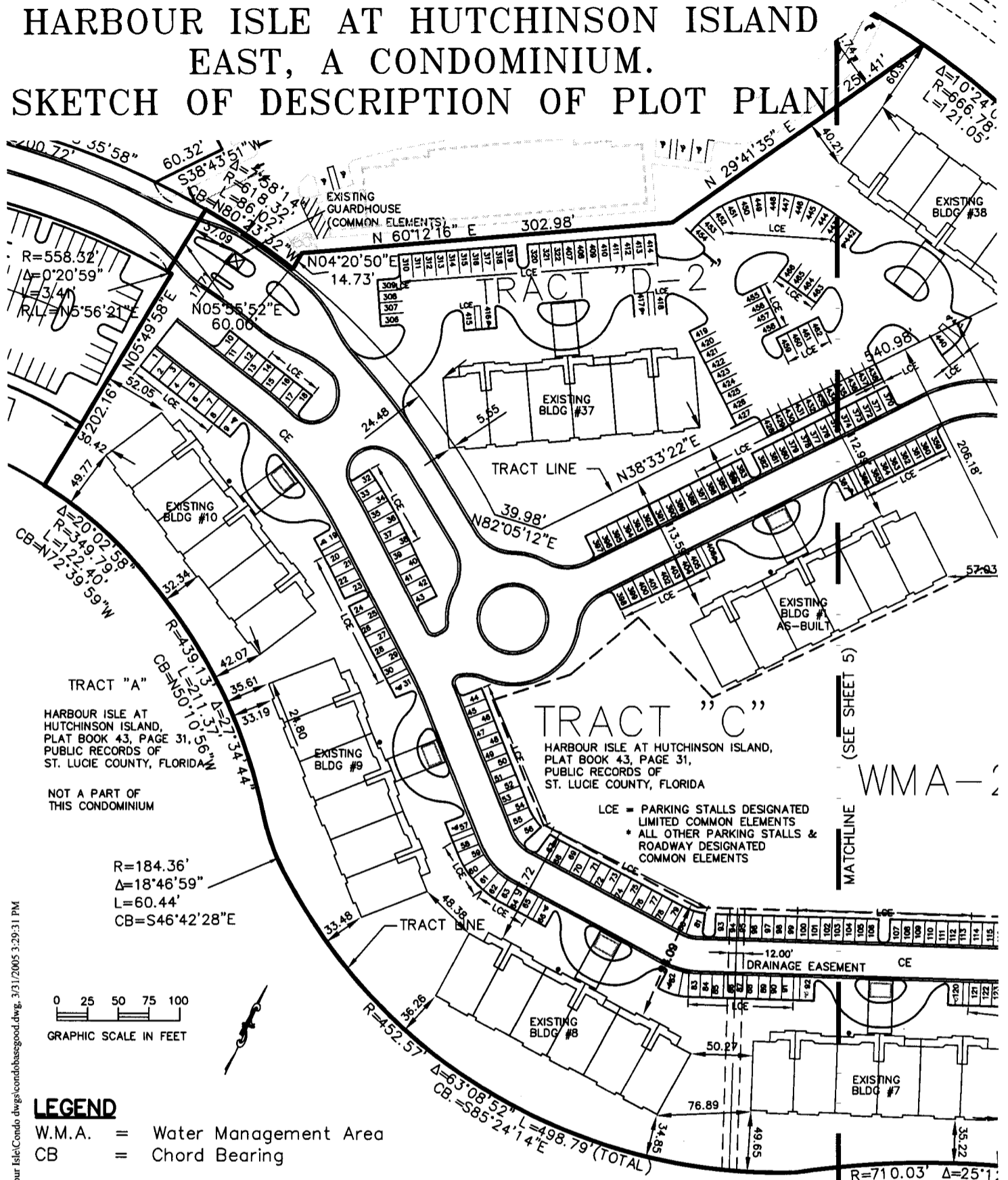
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Exhibit "A"
Sheet 3 of 7

HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM. SKETCH OF DESCRIPTION OF PLOT PLAN



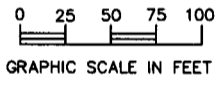
TRACT "A"
HARBOUR ISLE AT HUTCHINSON ISLAND, PLAT BOOK 43, PAGE 31, PUBLIC RECORDS OF ST. LUCIE COUNTY, FLORIDA
NOT A PART OF THIS CONDOMINIUM

TRACT "C"
HARBOUR ISLE AT HUTCHINSON ISLAND, PLAT BOOK 43, PAGE 31, PUBLIC RECORDS OF ST. LUCIE COUNTY, FLORIDA

LCE = PARKING STALLS DESIGNATED LIMITED COMMON ELEMENTS
+ ALL OTHER PARKING STALLS & ROADWAY DESIGNATED COMMON ELEMENTS

MATCHLINE (SEE SHEET 5)

WMA - 2



LEGEND

W.M.A. = Water Management Area
CB = Chord Bearing

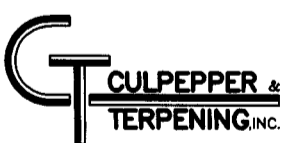
8-16-04
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(772) 464-3537

NOTE: TRACT "D-2" IS A PORTION OF THE SECOND REPLAT OF HARBOUR ISLE AT HUTCHINSON ISLAND, AS RECORDED IN PLAT BOOK 46, PAGE 9, OF THE PUBLIC RECORDS OF ST. LUCIE COUNTY, FLORIDA.

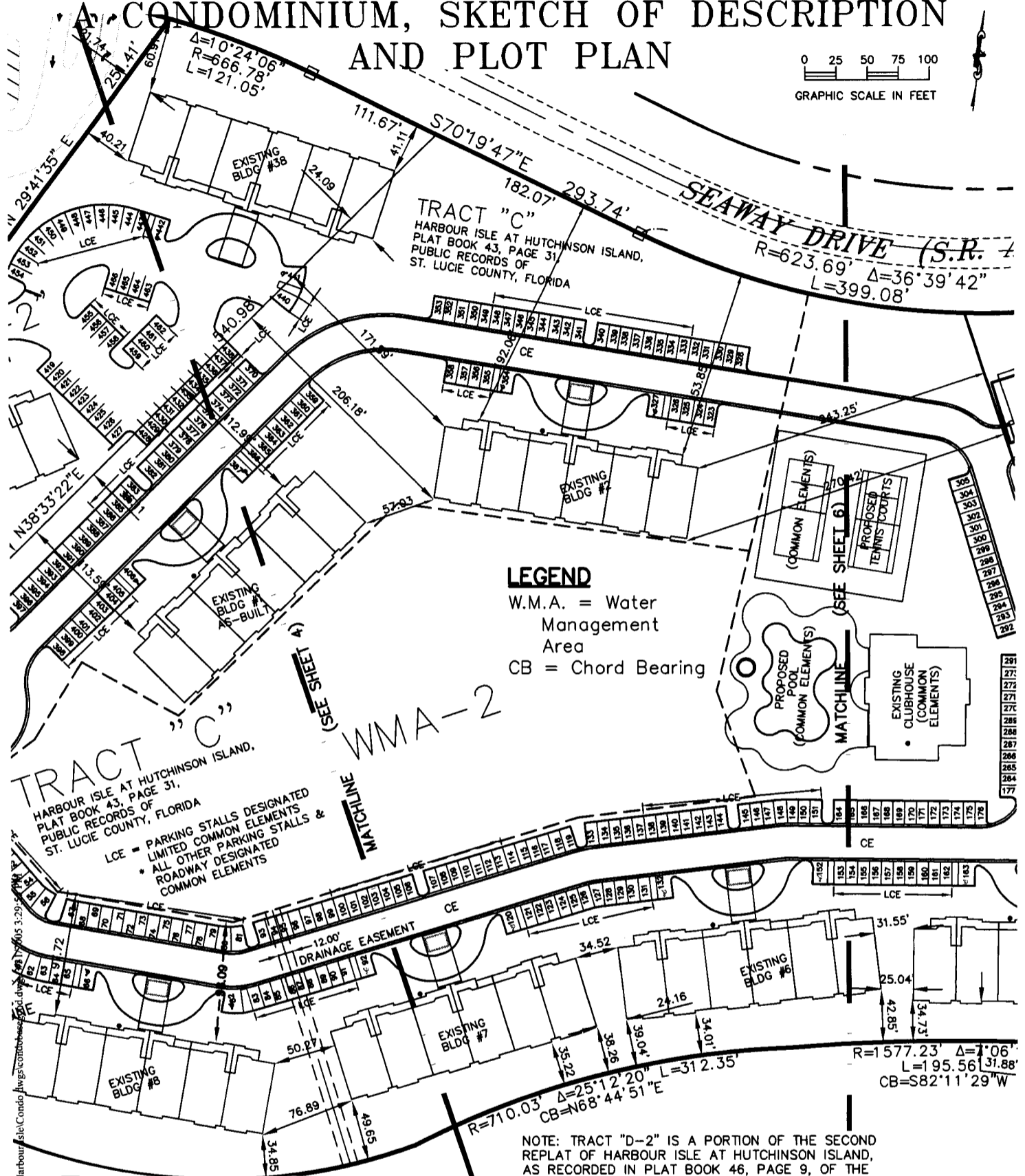
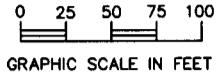
NOTE: TRACTS "C" AND "K" ARE PORTIONS OF HARBOUR ISLE AT HUTCHINSON ISLAND, AS RECORDED IN PLAT BOOK 43, PAGE 31, OF THE PUBLIC RECORDS OF ST. LUCIE COUNTY, FLORIDA.

Exhibit "A"
Sheet 4 of 7

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HARBOUR ISLE AT HUTCHINSON ISLAND EAST, CONDOMINIUM, SKETCH OF DESCRIPTION AND PLOT PLAN



NOTE: TRACT "D-2" IS A PORTION OF THE SECOND REPLAT OF HARBOUR ISLE AT HUTCHINSON ISLAND, AS RECORDED IN PLAT BOOK 46, PAGE 9, OF THE PUBLIC RECORDS OF ST. LUCIE COUNTY, FLORIDA.

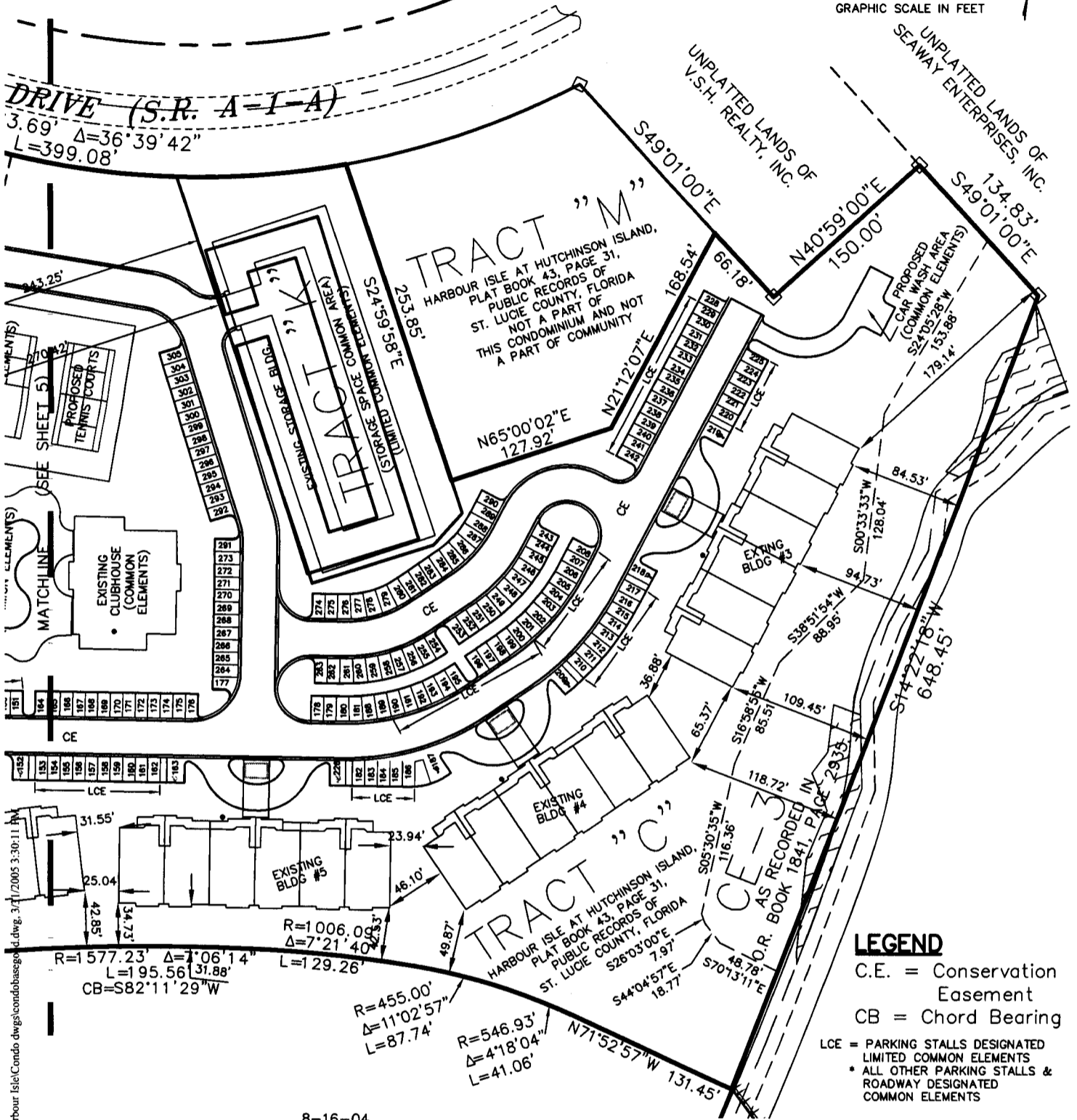
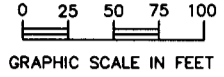
NOTE: TRACTS "C" AND "K" ARE PORTIONS OF HARBOUR ISLE AT HUTCHINSON ISLAND, AS RECORDED IN PLAT BOOK 43, PAGE 31, OF THE PUBLIC RECORDS OF ST. LUCIE COUNTY, FLORIDA.

Exhibit "A"
Sheet 5 of 7

CULPEPPER & TERPENING, INC.
8-16-04
CONSULTING ENGINEERS & LAND SURVEYORS
2980 SOUTH 25th STREET
FORT PIERCE, FLORIDA 34981
(772) 464-3537

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05/10/05 3:29p
Jwgs\contibbs

HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM, SKETCH OF DESCRIPTION AND PLOT PLAN



LEGEND

- C.E. = Conservation Easement
- CB = Chord Bearing
- LCE = PARKING STALLS DESIGNATED LIMITED COMMON ELEMENTS
- * ALL OTHER PARKING STALLS & ROADWAY DESIGNATED COMMON ELEMENTS

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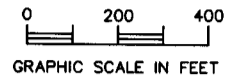
CULPEPPER & TERPENING, INC.
8-16-04
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&
LAND SURVEYORS
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FORT PIERCE, FLORIDA 34981
(772) 464-3537

NOTE: TRACT "D-2" IS A PORTION OF THE SECOND REPLAT OF HARBOUR ISLE AT HUTCHINSON ISLAND, AS RECORDED IN PLAT BOOK 46, PAGE 9, OF THE PUBLIC RECORDS OF ST. LUCIE COUNTY, FLORIDA.

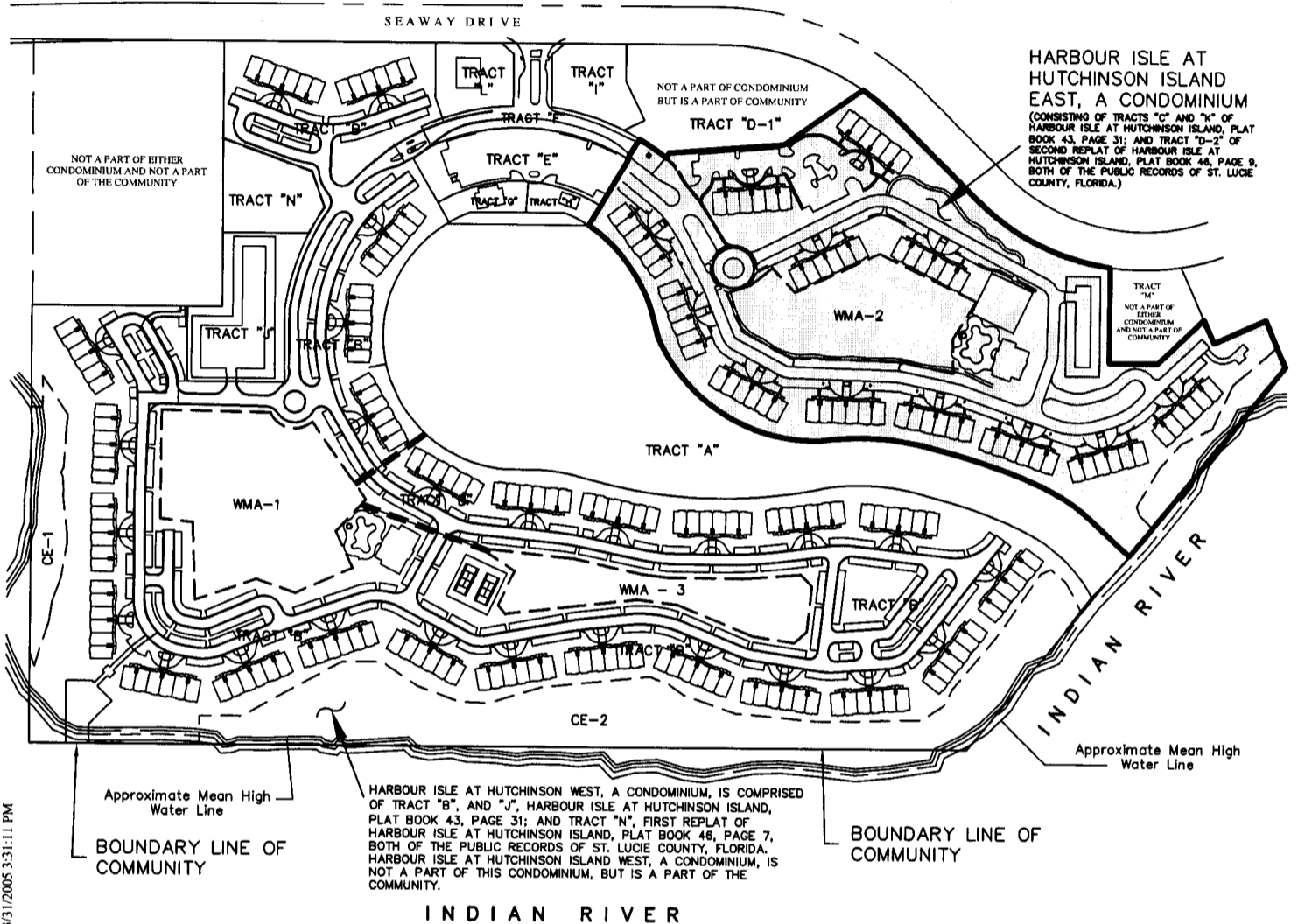
NOTE: TRACTS "C" AND "K" ARE PORTIONS OF HARBOUR ISLE AT HUTCHINSON ISLAND, AS RECORDED IN PLAT BOOK 43, PAGE 31, OF THE PUBLIC RECORDS OF ST. LUCIE COUNTY, FLORIDA.

Exhibit "A"
Sheet 6 of 7

HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM, OVERALL PLAN

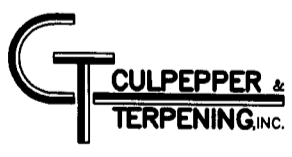


TRACTS "A", "E", "F", "G", "H", "I", AND "L", HARBOUR ISLE AT HUTCHINSON ISLAND, PLAT BOOK 43, PAGE 31, PUBLIC RECORDS OF ST. LUCIE COUNTY, FLORIDA, ARE NOT A PART OF THIS CONDOMINIUM, BUT ARE PART OF THE COMMUNITY. TRACT "F" WAS DEDICATED ON THE PLAT OF HARBOUR ISLE AT HUTCHINSON ISLAND TO THE HARBOUR ISLE AT HUTCHINSON ISLAND PROPERTY MAINTENANCE ASSOCIATION, INC., FOR THE CONSTRUCTION, INSTALLATION, MAINTENANCE AND OPERATION OF UTILITIES AND AS AN ACCESS WAY FOR PRIVATE AND PUBLIC INGRESS AND EGRESS BETWEEN SEAWAY DRIVE (S.R. A1A) AND TRACTS "A", "B", "C", "D", "E", "G", "H", "I", "J", "K", "L", AND "M".



- LEGEND**
- WMA DENOTES WATER MANAGEMENT AREA
 - CE DENOTES CONSERVATION EASEMENT
 - DENOTES PROPERTY COMPRISING THE HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM
 - ▣ DENOTES PROPOSED APARTMENT BUILDING WITH A HEIGHT OF 53'-10"

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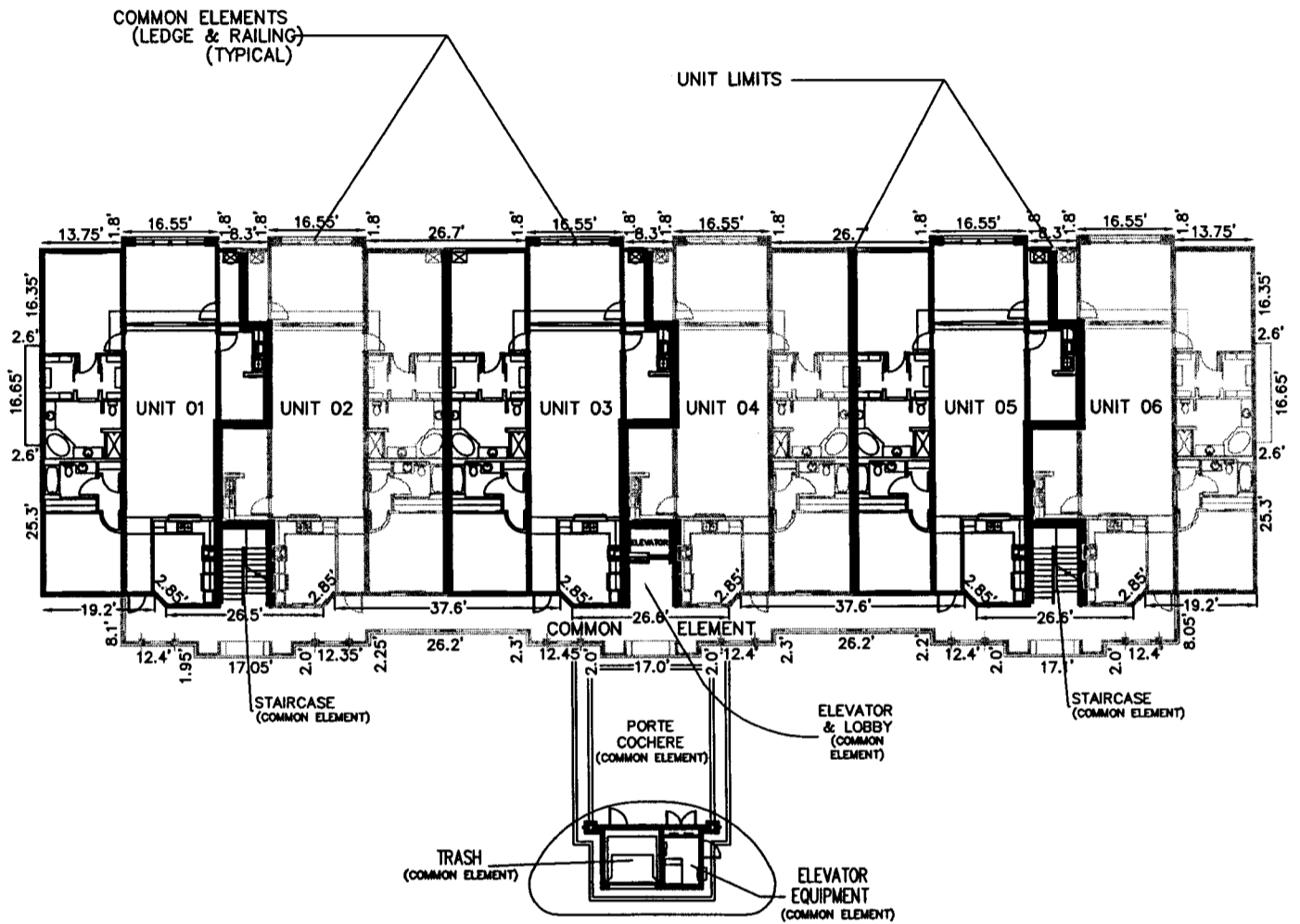
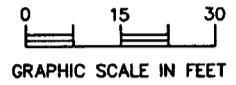
Exhibit "A"
Sheet 7 of 7

DECLARATION OF CONDOMINIUM
of
Harbour Isle at Hutchinson Island East, a Condominium

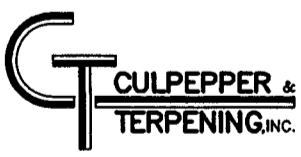
Exhibit "B"

Survey Exhibits, Plot Plan and Certificate of Surveyor

HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM, AS-BUILT BUILDING LAYOUT – BUILDING 1 (EXISTING)



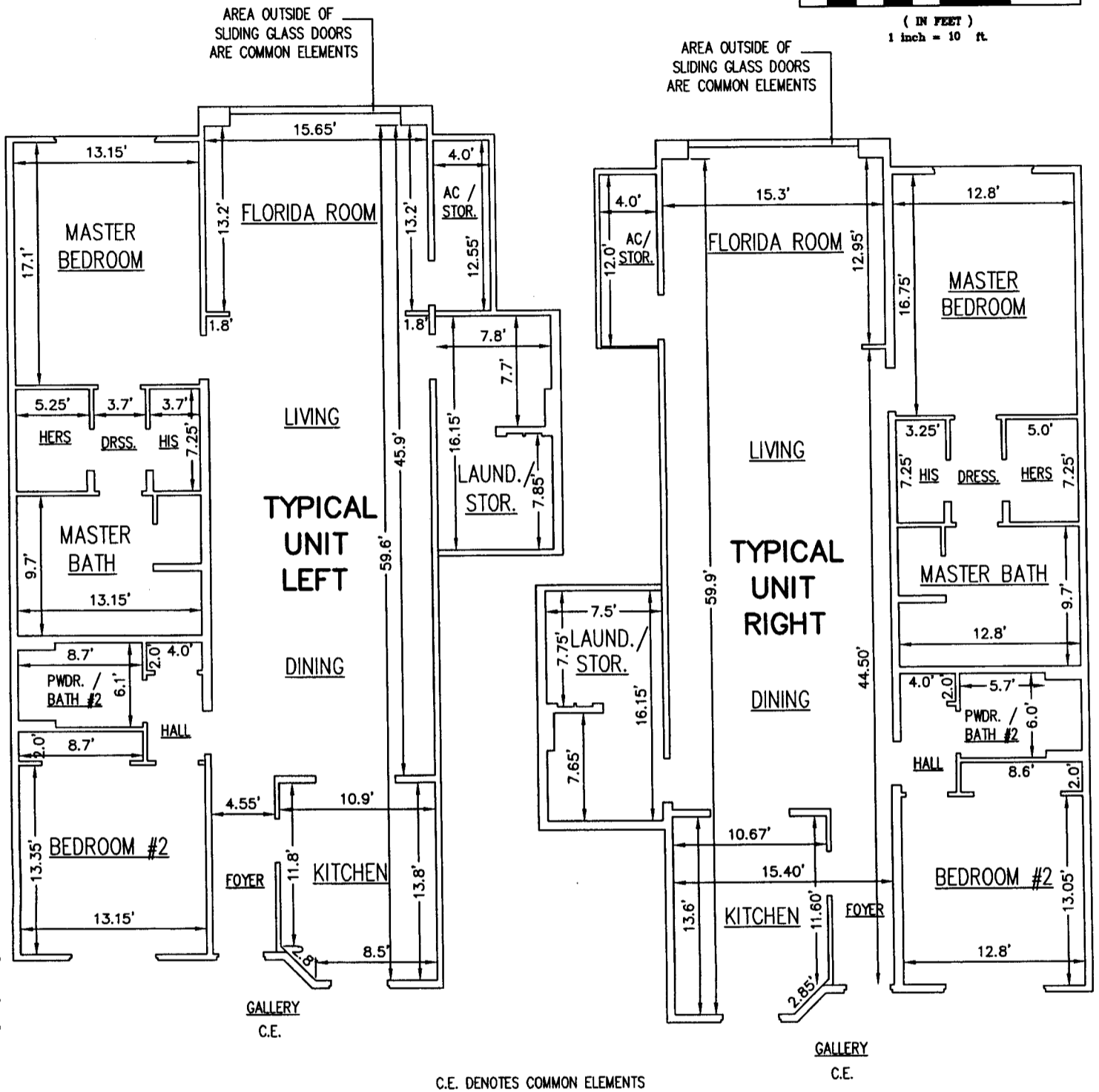
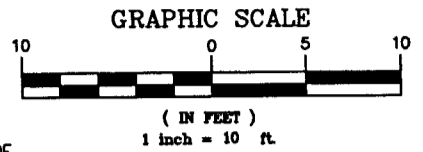
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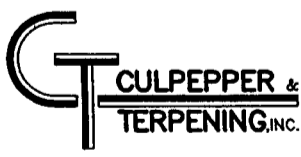
Exhibit "B"
Sheet 1 of 13

HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM, "AS-BUILT" UNITS - BUILDING 1 (EXISTING)



C.E. DENOTES COMMON ELEMENTS

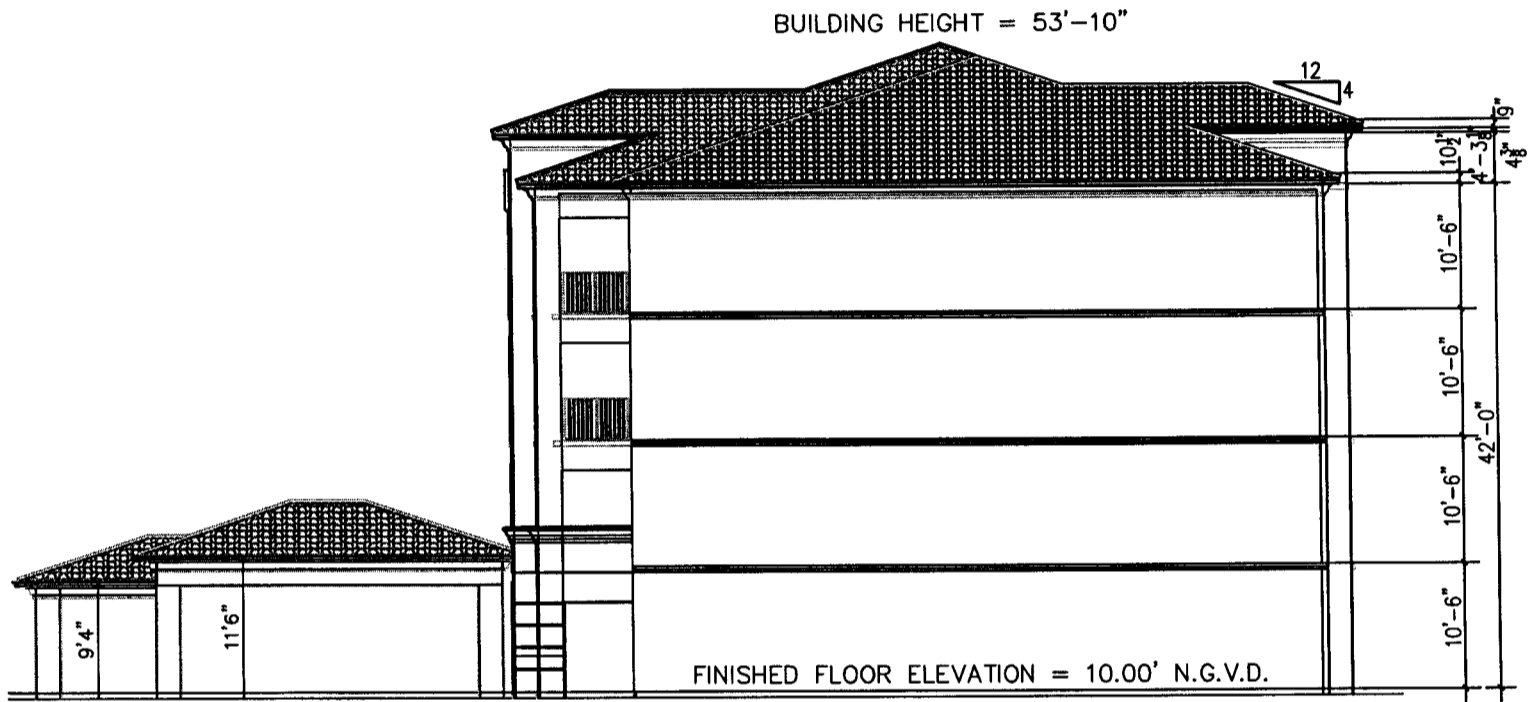
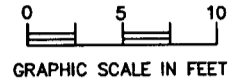
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Exhibit "B"
Sheet 2 of 13

HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM, "AS-BUILT" ELEVATION - BUILDING 1 (EXISTING)



LEGEND

N.G.V.D. = NATIONAL GEODETIC VERTICAL DATUM OF 1929

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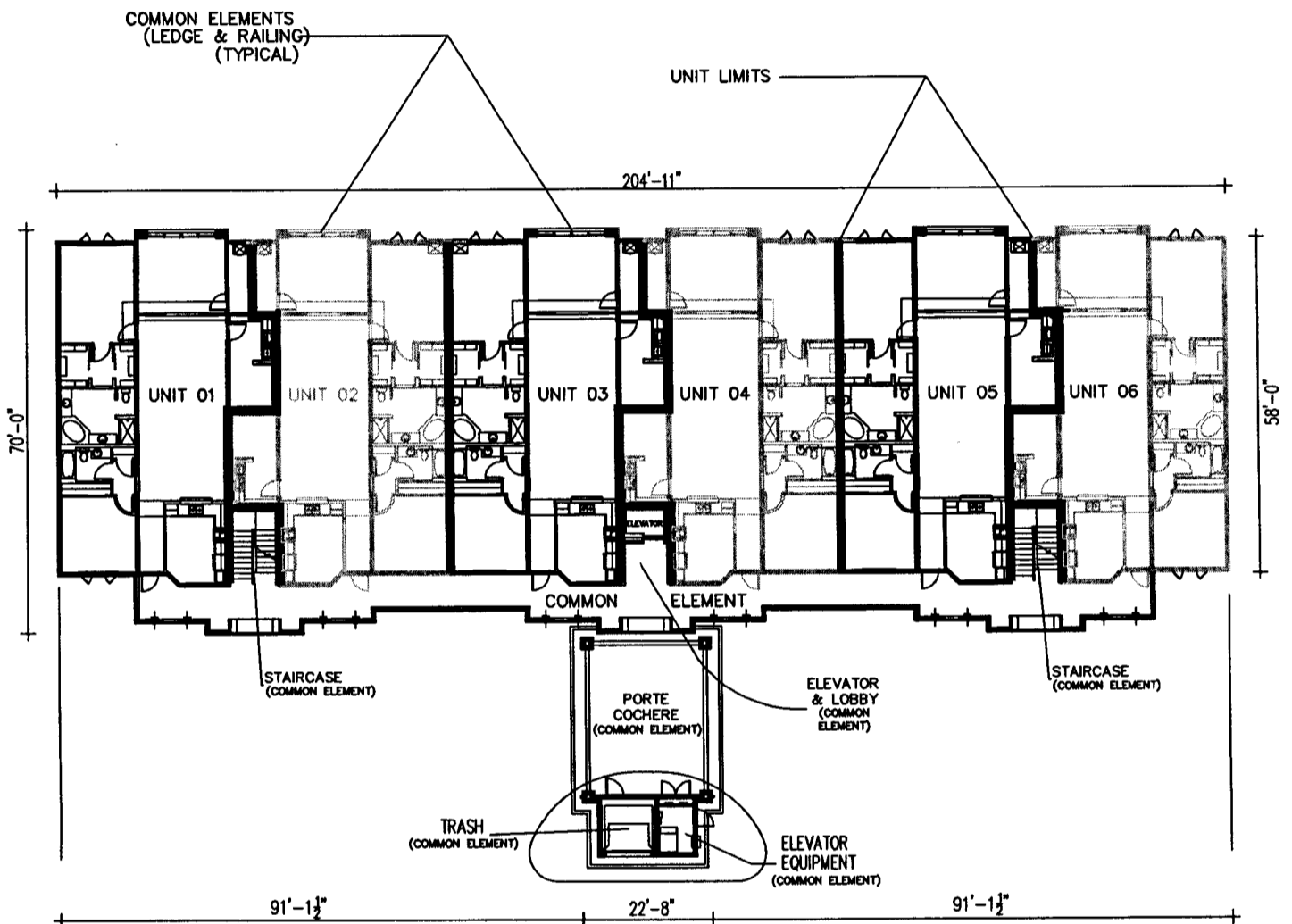
8-16-04
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LAND SURVEYORS
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FORT PIERCE, FLORIDA 34981
(772) 464-3537

Exhibit "B"
Sheet 3 of 13

HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM, TYPICAL BUILDING LAYOUT

BUILDINGS 2 THROUGH 10, INCLUSIVE, AND BUILDINGS 37 AND 38
(EXISTING, BUT NOT "AS-BUILT")

(UPON COMPLETION OF CONSTRUCTION OF EACH BUILDING, A REVISED
"AS-BUILT" BUILDING LAYOUT WILL BE RECORDED AS AN AMENDMENT TO THE
DECLARATION OF CONDOMINIUM)



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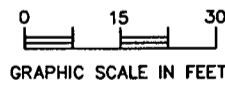
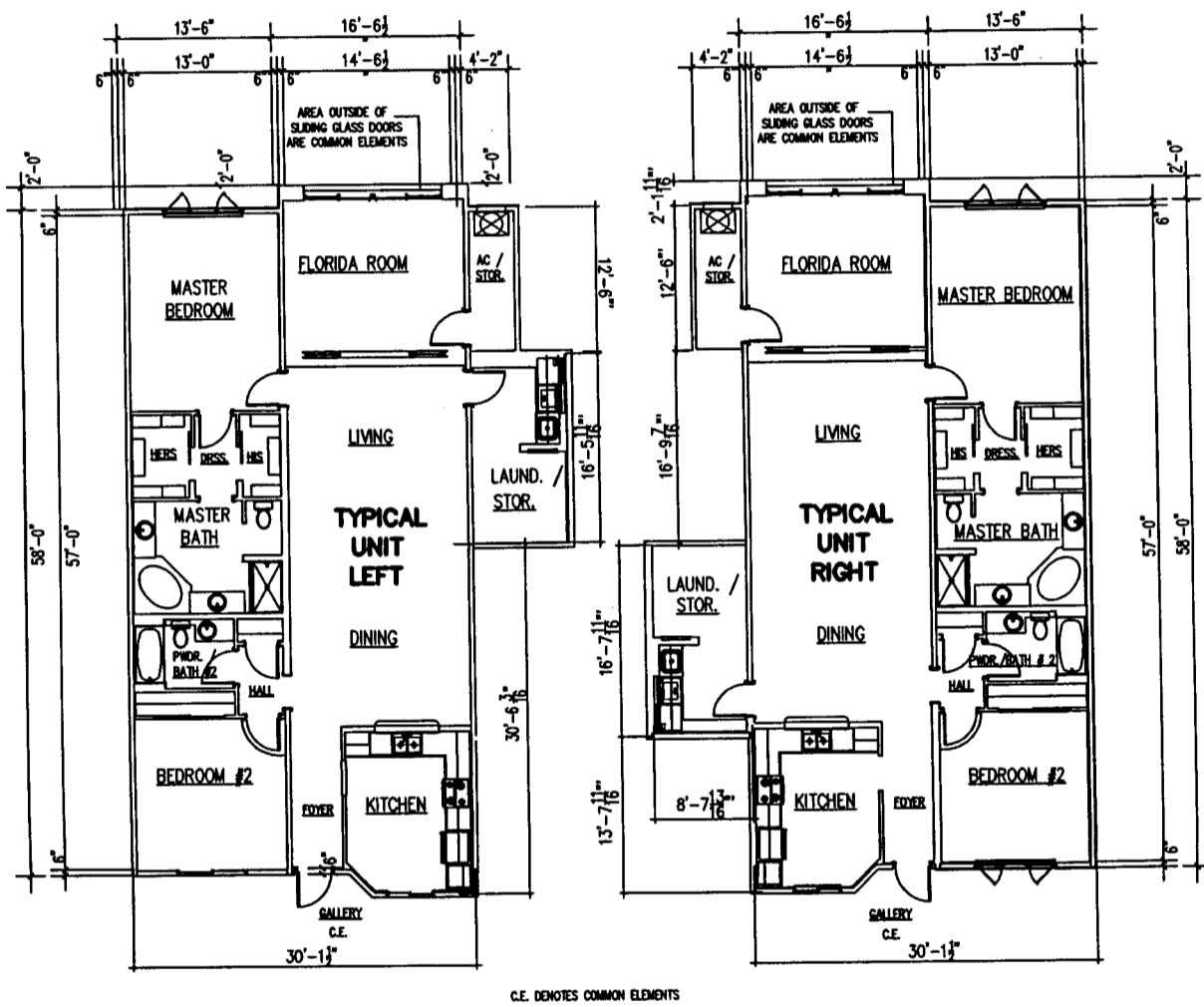


Exhibit "B"
Sheet 4 of 13

HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM, TYPICAL UNIT

BUILDINGS 2 THROUGH 10, INCLUSIVE, AND BUILDINGS 37 AND 38
(EXISTING, BUT NOT "AS-BUILT")

(UPON COMPLETION OF CONSTRUCTION OF EACH BUILDING, A REVISED
"AS-BUILT" UNIT WILL BE RECORDED AS AN AMENDMENT TO THE DECLARATION
OF CONDOMINIUM)



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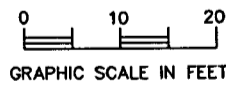
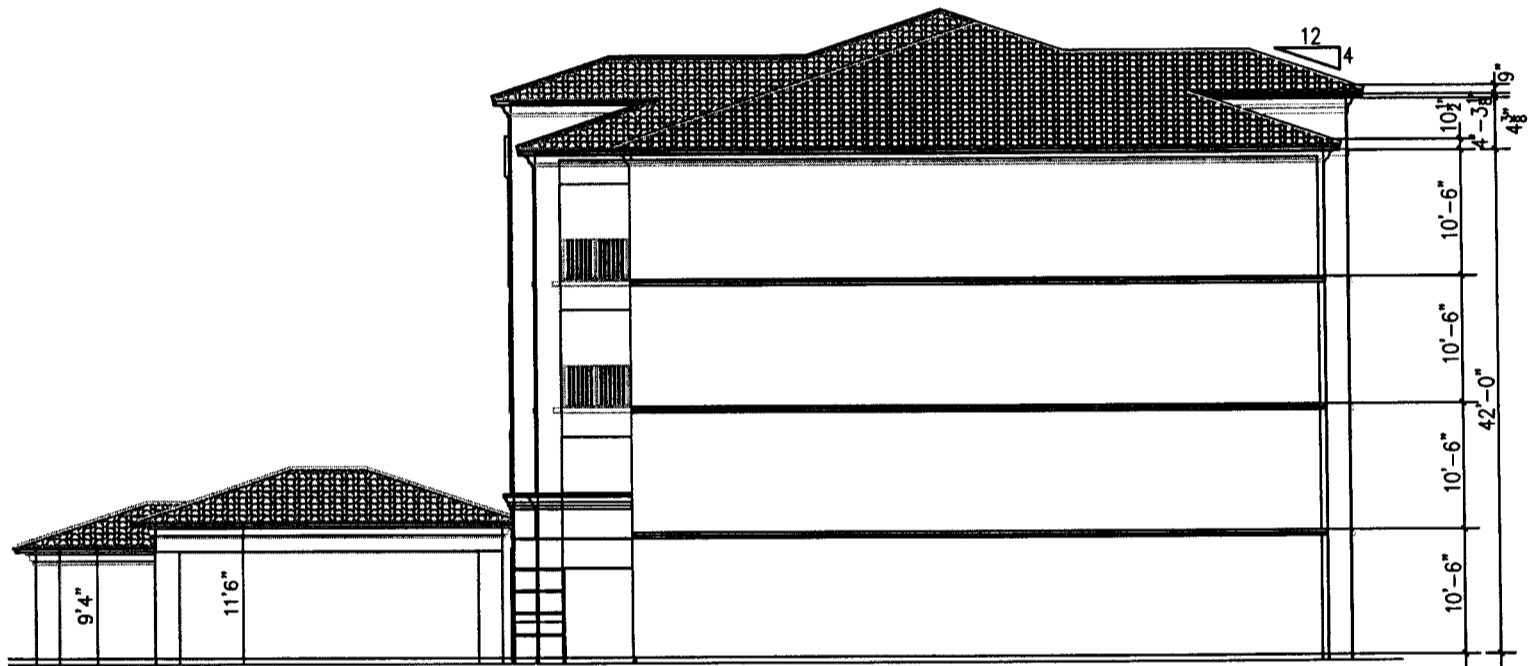


Exhibit "B"
Sheet 5 of 13

HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM, ELEVATION

BUILDINGS 2 THROUGH 10, INCLUSIVE, AND BUILDINGS 37 AND 38
EXISTING BUT NOT "AS-BUILT" (UPON COMPLETION OF CONSTRUCTION OF EACH
BUILDING, A REVISED "AS-BUILT" ELEVATION WILL BE RECORDED AS AN
AMENDMENT TO THE DECLARATION OF CONDOMINIUM).



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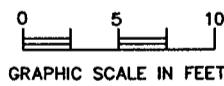


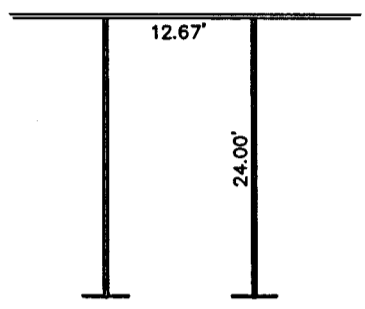
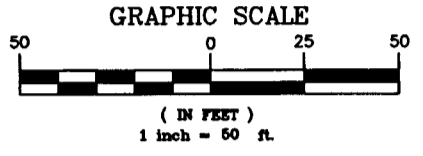
Exhibit "B"
Sheet 6 of 13

HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM, EXISTING STORAGE BUILDING

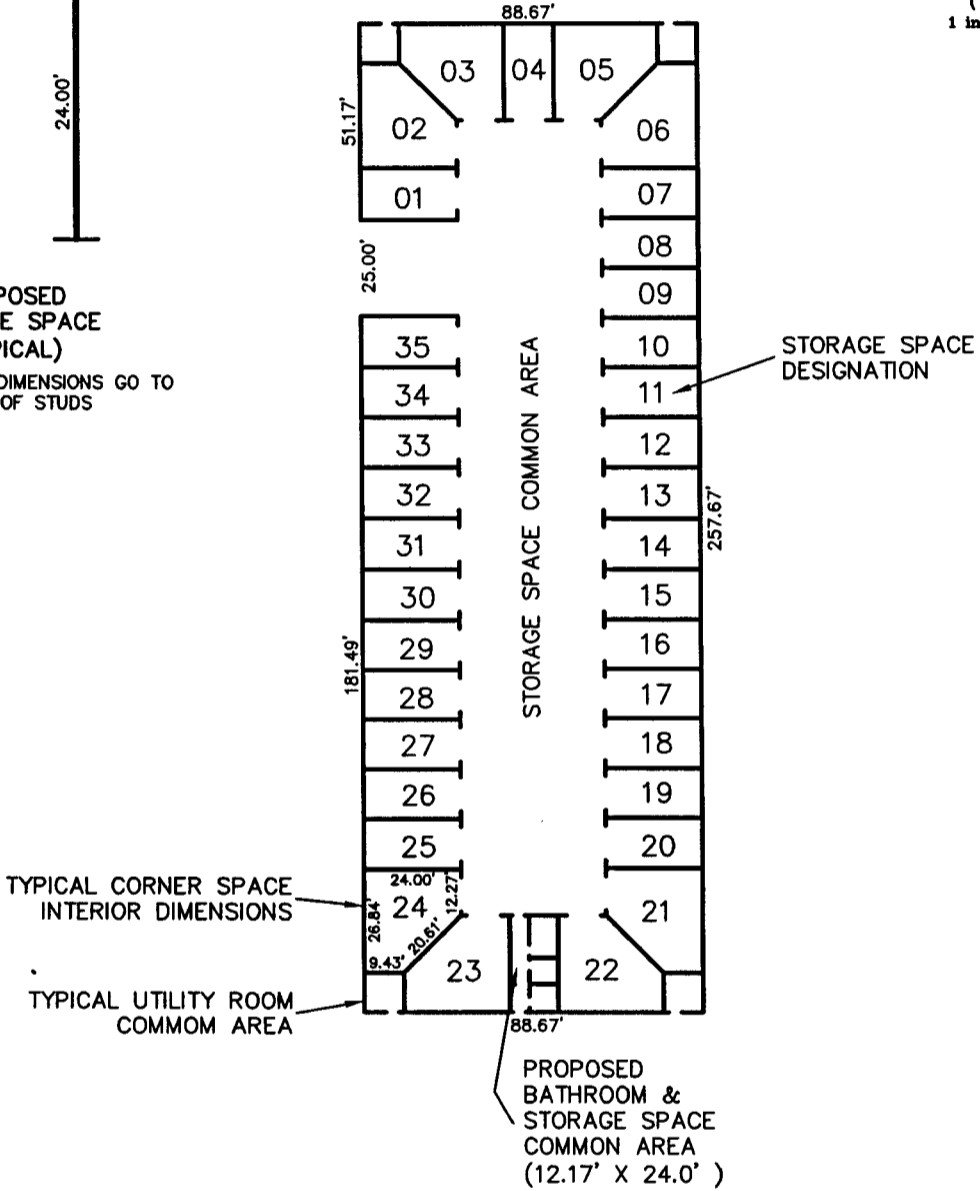
(EXISTING, BUT NOT "AS-BUILT")

(UPON COMPLETION OF CONSTRUCTION, A REVISED "AS-BUILT" STORAGE BUILDING WILL BE RECORDED AS AN AMENDMENT TO THE DECLARATION OF CONDOMINIUM)

(ALL LIMITED COMMON ELEMENTS)



PROPOSED STORAGE SPACE (TYPICAL)
ALL INTERIOR DIMENSIONS GO TO FACE OF STUDS



ALL STORAGE SPACES ARE LIMITED COMMON ELEMENTS



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Exhibit "B"
Sheet 7 of 13

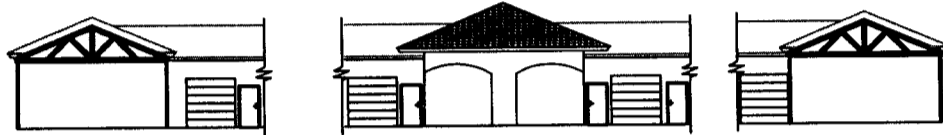
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HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM, ELEVATION OF STORAGE BUILDING

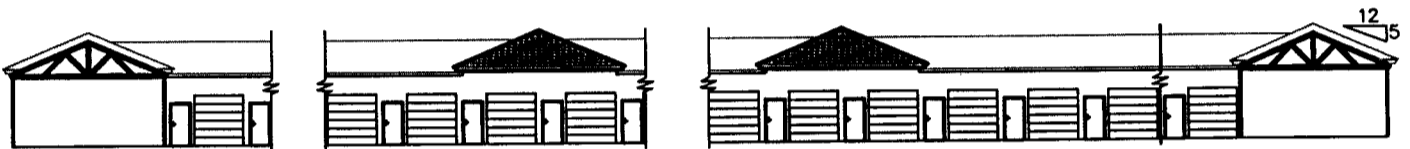
(EXISTING, BUT NOT "AS-BUILT")

(UPON COMPLETION OF CONSTRUCTION, A REVISED "AS-BUILT" ELEVATION OF
THE STORAGE BUILDING WILL BE RECORDED AS AN AMENDMENT TO THE
DECLARATION OF CONDOMINIUM)

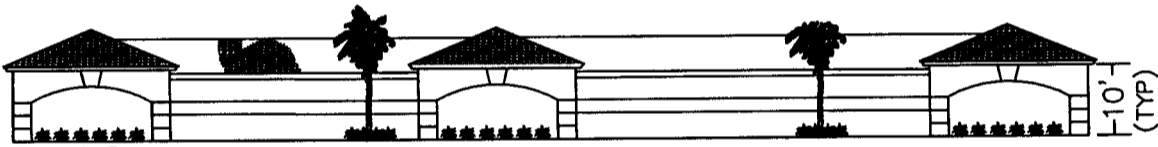
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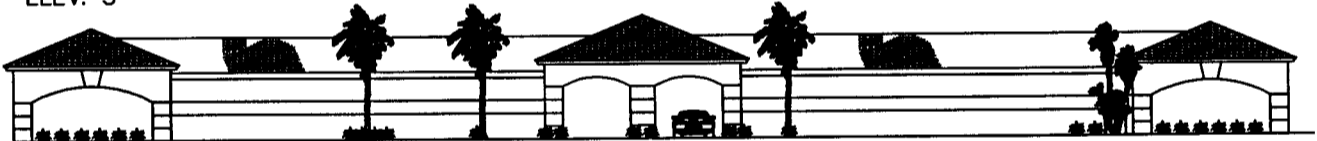
ELEV. 1



ELEV. 3



ELEV. 5



ELEV. 6

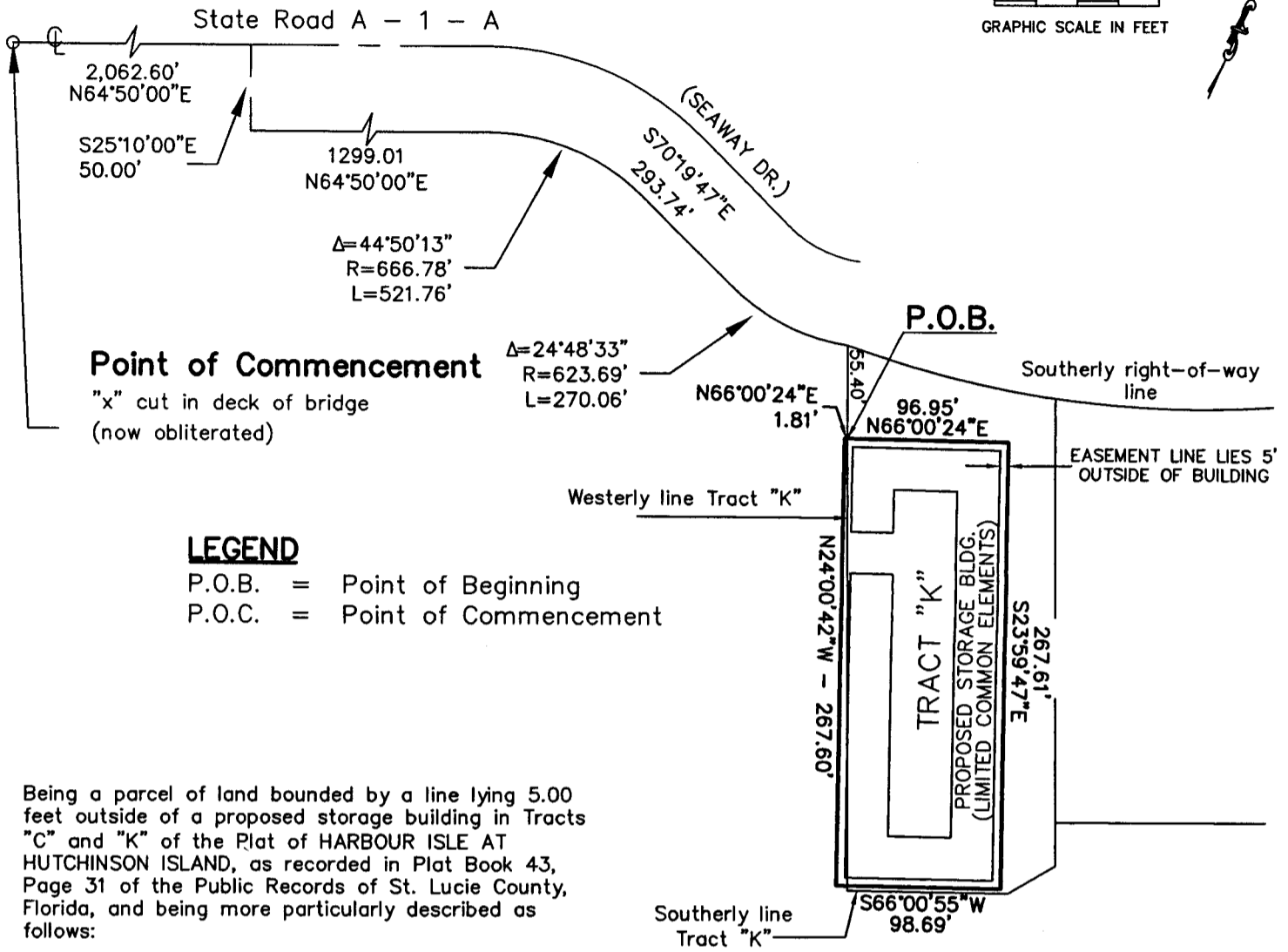
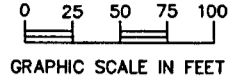
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Exhibit "B"
Sheet 8 of 13

HARBOUR ISLE AT HUTCHINSON ISLAND EAST A CONDOMINIUM



Point of Commencement
"x" cut in deck of bridge
(now obliterated)

P.O.B.

LEGEND

- P.O.B. = Point of Beginning
- P.O.C. = Point of Commencement

Being a parcel of land bounded by a line lying 5.00 feet outside of a proposed storage building in Tracts "C" and "K" of the Plat of HARBOUR ISLE AT HUTCHINSON ISLAND, as recorded in Plat Book 43, Page 31 of the Public Records of St. Lucie County, Florida, and being more particularly described as follows:

Commence from a reference point on the East end of the Southerly bridge at Seaway Drive (S.R. A1A) and the Intercoastal Waterway, said reference point being a cross in the deck of said bridge (now obliterated), run North 64°50'00" East (reference bearing) along the centerline of said Seaway Drive a distance of 2,062.60 feet to a point on the centerline (said point being South 64°50'00" West a distance of 1594.72 feet from an iron pipe found at the point of intersection of 08°00'00" curve concave to the Southeast in the centerline of said Seaway Drive, as shown on a right-of-way map A1A, as recorded in Plat Book 22, Page 14, of the Public Record of St. Lucie County, Florida); then, leaving said centerline of Seaway Drive, run South 25°10'00" East a distance of 50.00 feet to a point on the Southerly right-of-way line of said Seaway Drive, as described in Florida Department of Transportation Map 94050-2509; then, North 64°50'00" East along said Southerly right-of-way line of Seaway Drive a distance of 1299.01 feet; to a point of a curvature of a curve concave to the South having a radius of 666.78 feet and a central angle of 44°50'13"; then, Easterly along the arc of said curve an arc distance of 521.76 feet; then South 70°19'47" East a distance of 293.74 feet; to a point of a curvature of a curve concave to the North having a radius of 623.69 feet and a central angle of 24°48'33"; then, Easterly along the arc of said curve an arc distance of 270.06 feet, to a point on the westerly line of said Tract "K"; then South 24°59'58" East along the westerly line of Tract "K" a distance of 55.40 feet to the Point of Beginning.

Then North 66°00'24" East a distance of 96.95 feet; Then South 23°59'47" East a distance of 267.61 feet; Then South 66°00'55" West a distance of 98.69 feet; Then North 24°00'42" West a distance of 276.60 feet; Then North 66°00'24" East a distance of 1.81 feet returning to the point and place of beginning

containing 0.61 acre more or less.

STORAGE AREA EASEMENT

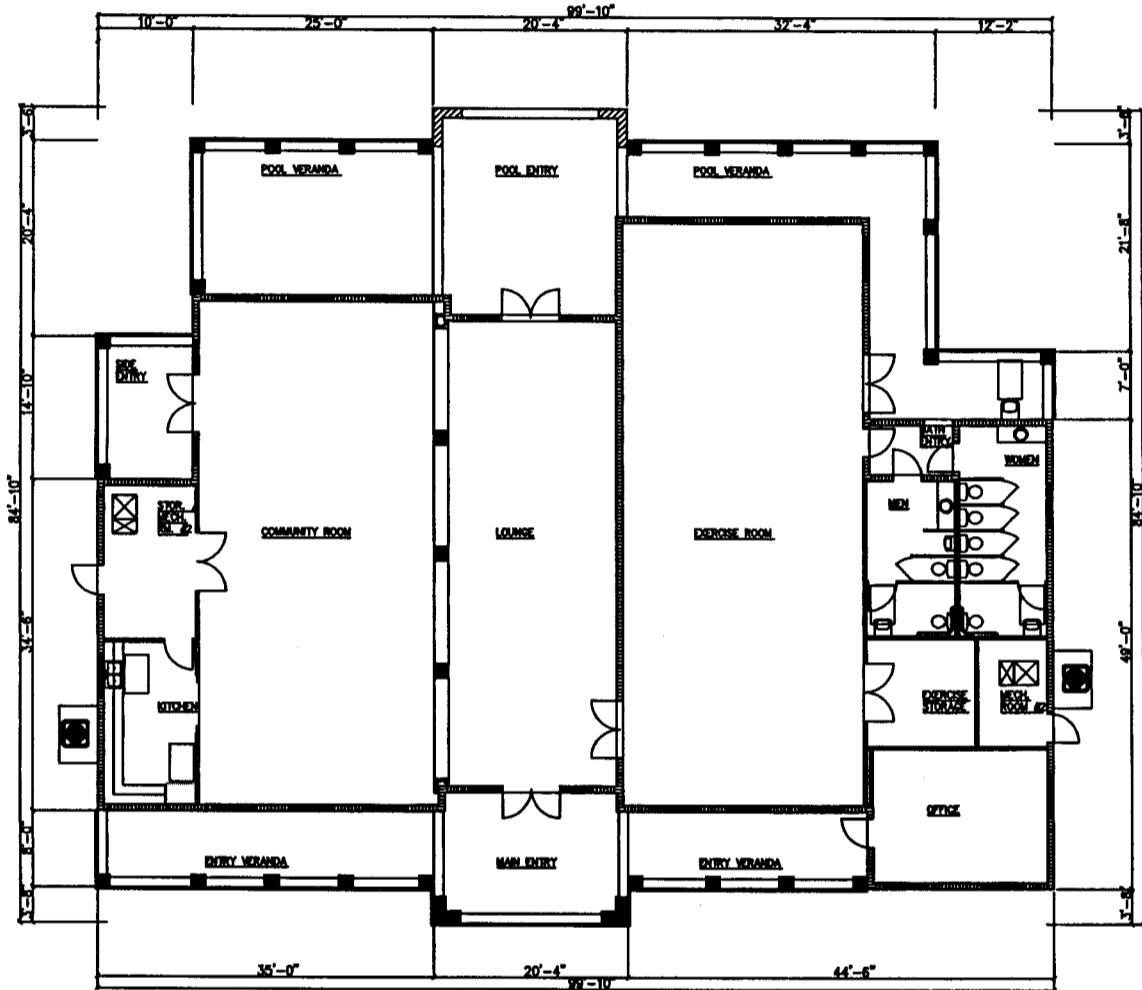
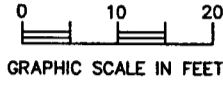


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Exhibit "B"
Sheet 9 of 13

HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM, EXISTING CLUB HOUSE

EXISTING, BUT NOT "AS-BUILT" (UPON COMPLETION OF CONSTRUCTION, A REVISED "AS-BUILT" CLUB HOUSE WILL BE RECORDED AS AN AMENDMENT TO THE DECLARATION OF CONDOMINIUM).



(ALL COMMON ELEMENTS)
14' CEILING HEIGHT
5:12 ROOF PITCH

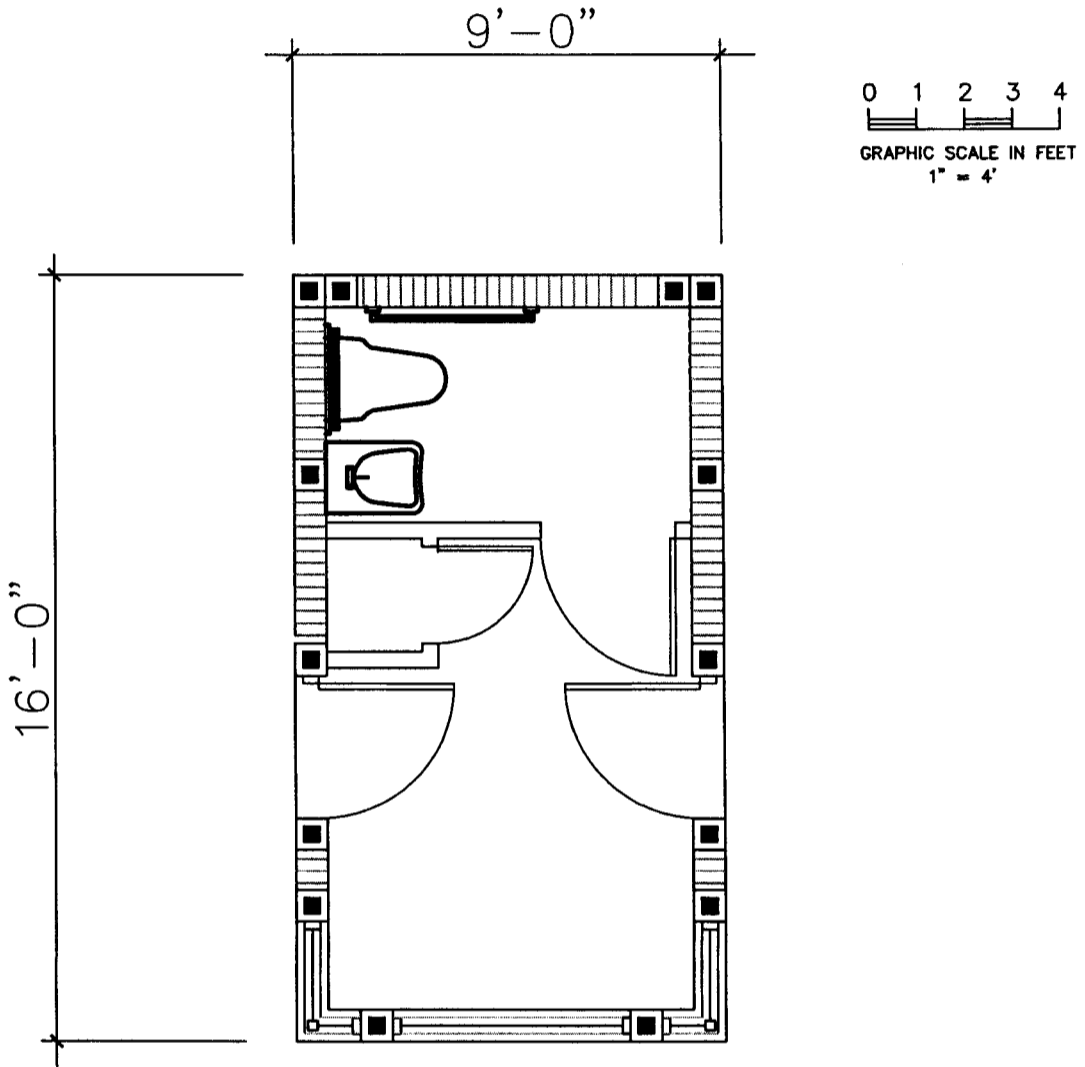
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Exhibit "B"
Sheet 10 of 13

HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM, EXISTING GUARD HOUSE

EXISTING, BUT NOT "AS-BUILT" (UPON COMPLETION OF CONSTRUCTION, A REVISED "AS-BUILT" GUARD HOUSE WILL BE RECORDED AS AN AMENDMENT TO THE DECLARATION OF CONDOMINIUM).



(ALL COMMON ELEMENTS)
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Exhibit "B"
Sheet 11 of 13

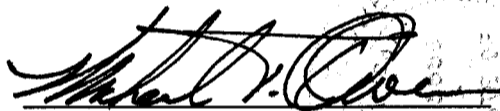
HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM, SURVEYOR'S CERTIFICATE

Before me, the undersigned authority duly authorized to administer oaths and take acknowledgments, personally appeared Michael T. Owen, who after first being duly cautioned and sworn deposes and says as follows:

The undersigned being a registered land surveyor authorized to practice in the State of Florida under Certificate Number 5556, hereby certifies that:

(1) The construction of the improvements, including all planned improvements, including, but not limited to, landscaping, utility services and access to the Units, Common Elements and Limited Common Elements comprising and associated with Building 1 of Harbour Isle at Hutchinson Island East, a Condominium, are substantially complete. (2) The construction of the improvements, including all planned improvements, including, but not limited to, landscaping, utility services and access to the Units, Common Elements and Limited Common Elements comprising and associated with Buildings 2 through 10, inclusive, and Buildings 37 and 38, of Harbour Isle at Hutchinson Island East, a Condominium, are in the process of construction, currently existing, but not yet complete ("As Built"). (3) The attached Legal Description, Sketch of Boundary Survey, Sketch of Description and Plot Plan and Overall Plan set forth on Exhibit "A", Sheets 1 through 7, inclusive, and the "As Built" Building Layout - Building 1, "As Built" Units - Building 1, "As Built" Elevation - Building 1, and the Typical Building Layout - Buildings 2 through 10, inclusive, and Building 37 and 38, Typical Unit - Buildings 2 through 10, inclusive, and Buildings 37 and 38, and Elevation - Buildings 2 through 10, inclusive, and Buildings 37 and 38, Storage Building, Elevation of Storage Building, Storage Area Easement, Existing Club House, and Existing Guard House set forth on Exhibit "B", Sheets 1 through 11, inclusive, together with the provisions of the Declaration of Condominium describing the condominium property, is an accurate representation of the location and descriptions of the improvements, as "As Built" for Building 1, and with regard to Buildings 2 through 10, inclusive, and Buildings 37 and 38, which are in the process of construction, currently existing, but not yet complete ("As Built"). (3) The identification of each Unit in "As Built" Building 1, and Buildings 2 through 10, inclusive, and Buildings 37 and 38, together with the location and dimensions of each Unit, the Common Elements and the Limited Common Elements for each Building shown on said plot plans and floor plans in Exhibit "B" can be determined from these materials.

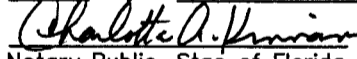
I further certify that the sketch of boundary survey, and the plot plans and floor plans mentioned above are true and correct to the best of my knowledge and belief, and that the procedures used for preparation of this material comply with the minimum technical standards as set forth by Florida Board of Professional Surveyors in Chapter 61G17-6, Florida Administrative Code.



Michael T. Owen, PSM Florida
Certificate No. 5556

Date: 3-25-2005
Prepared by the firm of Culpepper and
Terpening, Inc. 2980 South 25th. Street
Fort Pierce, Florida

SWORN TO and subscribed before me this
25th day of March, 2005.


Notary Public, State of Florida
My Commission Expires: 8/26/2007

Charlotte A. Kinnaman
MY COMMISSION # DD239609 EXPIRES
August 26, 2007
BONDED THRU TROY FARM INSURANCE, INC.

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Exhibit "B"
Sheet 12 of 13

HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM, SURVEYOR'S NOTES

SEE EXHIBIT "A" FOR LEGAL DESCRIPTION, SKETCH OF BOUNDARY SURVEY, SKETCH OF DESCRIPTION AND PLOT PLAN AND OVERALL PLAN OF HARBOUR ISLE AT HUTCHINSON ISLAND EAST, A CONDOMINIUM.

SEE EXHIBIT "B" FOR "AS BUILT" BUILDING LAYOUT - BUILDING 1, "AS BUILT" UNITS - BUILDING 1, "AS BUILT" ELEVATION - BUILDING 1, TYPICAL BUILDING LAYOUT - BUILDINGS 2 THROUGH 10, INCLUSIVE, AND BUILDINGS 37 AND 38, TYPICAL UNIT - BUILDINGS 2 THROUGH 10, INCLUSIVE, AND BUILDINGS 37 AND 38, ELEVATION - BUILDINGS 2 THROUGH 10, INCLUSIVE, AND BUILDINGS 37 AND 38, STORAGE BUILDING, ELEVATION OF STORAGE BUILDING, STORAGE AREA EASEMENT, EXISTING CLUB HOUSE, EXISTING GUARD HOUSE, AND SURVEYOR'S CERTIFICATE.

WITH REGARD TO BUILDINGS 2 THROUGH 10, INCLUSIVE, AND BUILDINGS 37 AND 38, THE PLOT PLANS ARE PRELIMINARY. ALL IMPROVEMENTS ARE EITHER EXISTING, BUT NOT "AS BUILT" OR PROPOSED, AS STATED ON EACH SHEET.

THE INTERIOR SIDE OF THE EXTERIOR SURFACE OF THE PERIPHERAL WALLS OF THE UNIT DEFINES THE LIMITS OF THE RESPECTIVE UNIT, EXCEPT AS OTHERWISE DESCRIBED IN THE DECLARATION.

GALLERY, ELEVATORS, ROOFS, AND ROOMS SERVING MORE THAN ONE UNIT ARE DESIGNATED AS COMMON ELEMENTS FOR THE USE AND BENEFIT OF ALL UNIT OWNERS. THE MAINTENANCE, REPAIR AND REPLACEMENT OF SAID COMMON ELEMENTS SHALL BE THE RESPONSIBILITY OF THE UNIT OWNERS.

UPON THE COMPLETION OF EACH BUILDING AND IMPROVEMENT, AN UPDATED SURVEYOR'S CERTIFICATE WILL BE ATTACHED TO EACH "AS BUILT" DRAWING INCLUDED IN AMENDMENTS TO THE DECLARATION OF CONDOMINIUM.

THE WATER MANAGEMENT AREA LAKE (WMA-2), BEING A PORTION OF THE COMMON ELEMENTS, IS INTENDED FOR THE USE AND BENEFIT OF ALL UNIT OWNERS AND OTHER PROPERTY OWNERS OF LANDS IN THE HARBOUR ISLE AT HUTCHINSON ISLAND COMMUNITY. PURSUANT TO THE TERMS OF THE DECLARATION OF CONDOMINIUM, THE MAINTENANCE, REPAIR AND REPLACEMENT OF WMA-2 SHALL BE THE PRIMARY RESPONSIBILITY OF THE HARBOUR ISLE AT HUTCHINSON ISLAND PROPERTY MAINTENANCE ASSOCIATION, INC.

LEGEND:

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

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SURVEYORS NOTES

Exhibit "B"
Sheet 13 of 13

DECLARATION OF CONDOMINIUM
of
Harbour Isle at Hutchinson Island East, a Condominium

Exhibit "C"

ARTICLES OF INCORPORATION
of
Harbour Isle at Hutchinson Island East Condominium Association, Inc.
(A Florida Corporation Not for Profit)

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JECK HARRIS & JONES

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SECRETARY OF STATE
TALLAHASSEE FL 32399

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**ARTICLES OF INCORPORATION
OF
HARBOUR ISLE AT HUTCHINSON ISLAND EAST CONDOMINIUM ASSOCIATION, INC.
(A Florida Corporation Not for Profit)**

In order to form a corporation not for profit, under and in accordance with Chapter 617 of the Florida Statutes, I, the undersigned, hereby incorporate this corporation not for profit, for the purposes and with the powers hereinafter set forth and to that end, I do, by these Articles of Incorporation, certify as follows:

The terms with initial capital letters contained in these "Articles" are defined in the Declaration or by the Condominium Act, as amended through the date of recording the Declaration amongst the Public Records, and shall have the meaning of such terms set forth in such Declaration and Condominium Act, and as set forth below:

- A. "Declaration" means that certain Declaration of Condominium of Harbour Isle at Hutchinson Island East, a Condominium, executed near or at the time of the filing of these Articles.
- B. "Director" means a member of the Board.
- C. "Voting Certificate" means "voting certificate" as defined in the Condominium Act and is the document which designates one (1) of the record title Owners, or Entity representative who is authorized to vote on behalf of a Unit owned by more than one (1) Owner or by any Entity Owner.

**ARTICLE I
NAME**

The name of this Association shall be Harbour Isle at Hutchinson Island East Condominium Association, Inc., whose principal address and mailing address is 801 Seaway Drive, Hutchinson Island, Florida 34949.

**ARTICLE II
PLAN OF DEVELOPMENT AND
PURPOSE OF ASSOCIATION**

- A. Developer intends to develop the Condominium on property Developer owns within the Community.
- B. All or any portion of Community not included in the Condominium may be developed as commercial property, as another separate condominium or as Developer determines in Developer's sole discretion.
- C. 1. The Association shall be the condominium association responsible for the operation of the Condominium, subject to the terms and restrictions of the Condominium Documents. Each Owner shall be a Member of the Association as provided in these Articles.
2. The Association shall be a Member of the Corporation (as defined in the Declaration) as described in the Articles of Incorporation of the Corporation. The Corporation

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has been organized for the purpose of administering the covenants and obligations relating to the Corporation Property, the use of which is shared by all owners in the Community as set forth in the Master Declaration. All Members of the Association acquire the benefits as to use of the Corporation Property and the obligation to pay assessments as set forth in the Master Declaration, which are collected as set forth in the Condominium Documents.

3. The purpose for which this Association is organized is to maintain, operate and manage the Condominium, including the Condominium Property; to own portions of, operate, lease, sell, trade and otherwise deal with the Condominium Property and certain of the improvements located therein now or in the future; all in accordance with the plan set forth in the Condominium Documents and all other lawful purposes.

ARTICLE III POWERS

The Association shall have the following powers which shall be governed by the following provisions:

A. The Association shall have all of the common law and statutory powers of a corporation not for profit, which are not in conflict with the terms of the Condominium Documents or the Condominium Act.

B. The Association shall have all of the powers of a condominium association under the Condominium Act and shall have all of the powers reasonably necessary to implement the purposes of the Association including, but not limited to, the following:

1. To make, establish and enforce reasonable Rules governing the use of the Condominium Property (including the Units, the Limited Common Elements and the Common Elements), and any other portions of the Condominium;

2. To make, levy, collect and enforce Assessments and Charges and any other costs and/or fees as provided in the Condominium Documents against Owners, in order to provide funds to pay for the expenses of the Association and the Corporation, the maintenance, operation and management of the Condominium and the payment of Common Expenses and other expenses in the manner provided in the Condominium Document and the Condominium Act and to use and expend the proceeds of such Assessments and Charges in the exercise of the powers and duties of the Association;

3. To maintain, repair, replace and operate the Condominium, the Condominium Property, including the surface water management system permitted in South Florida Water Management Permit Number 56-01689-P, and any other portions of the Condominium in accordance with the Declaration and the Condominium Act;

4. To reconstruct improvements of the Condominium, the Condominium Property, or any other portions of the Condominium in the event of casualty or other loss;

5. To enforce by legal means the provisions of the Condominium Documents and the Condominium Act;

6. To employ personnel, retain independent contractors and professional personnel;

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7. To enter into service contracts to provide for the maintenance, operation and management of the Condominium, the Condominium Property and any other portions of the Condominium;

8. To enter into any other agreements consistent with the purposes of the Association including, but not limited to: (i) agreements as to the management of the Condominium, the Condominium Property and any other portions of the Condominium; and (ii) agreements to acquire possessory or use interests in real property and to provide therein that the expenses of said real property and any improvements thereon, including taxes, insurance, utility expenses, maintenance and repairs shall be Common Expenses of the Condominium; and (iii) agreements with regard to the installation, maintenance and operation of a "master" television antenna system and a cable television, internet, communications and monitored alarm system;

9. To ensure its Members become and continue to be Members in accordance with the Corporation and other Condominium Documents and that they perform the functions and discharge the duties incumbent upon such membership, including, but not limited to, collecting and transmitting to the Corporation any assessments duly levied thereby; and

10. To purchase: (i) Unit(s) upon which the Association has chosen to exercise any rights of first refusal the Association may have or upon a foreclosure of a lien for Assessments and to obtain such financing as is necessary to effectuate the same; and (ii) other real and/or personal property as determined by the Association in compliance with the Condominium Documents.

ARTICLE IV MEMBERS

The qualification of Members of the Association, the manner of their admission to membership, the manner of the termination of such membership, and the manner of voting by Members shall be as follows:

A. Until such time as the Condominium is submitted to condominium ownership by the recordation of the Declaration, the membership of this Association shall be comprised solely of the members of the "First Board" (as defined in Article IX hereof).

B. Once the Condominium is submitted to condominium ownership by the recordation of a Declaration, the Owners, which shall mean in the first instance Developer, as the Owner of all the Units, shall be entitled to exercise all of the rights and privileges of Members.

C. Except as set forth above, membership in the Association shall be established by the acquisition of ownership of fee title to a Unit as evidenced by the recording of a deed or other instrument of conveyance amongst the Public Records whereupon the membership of the prior Owner shall terminate as to that Unit. Where title to a Unit is acquired from a party other than Developer, the person, persons or Entity thereby acquiring such Unit, shall not be a Member unless and until such acquisition is in compliance with the provisions of the Declaration. New Members shall deliver to the Association a certified copy of the deed of conveyance or other instrument of acquisition of title to the Unit in accordance with the Declaration, together with certificate of approval.

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D. No Member may assign, hypothecate or transfer in any manner his membership or his share in the funds and assets of the Association except as an appurtenance to his Unit.

E. With respect to voting, the following provisions shall apply:

1. Each Unit, including each Unit owned by the Developer, shall be entitled to only one (1) vote, which vote shall be exercised and cast in accordance with the Declaration and the Condominium Documents. In the event there is more than one (1) Owner with respect to a Unit as a result of the fee interest in such Unit being held by more than one (1) person or Entity, such Owners collectively shall be entitled to only one (1) vote in the manner determined by the Declaration.

2. In matters that require a vote, voting shall take place as follows: All such matters shall be voted on by the Membership and shall be determined by a vote of the majority (unless another percentage is required in the Condominium Documents) of the Membership in attendance at any meeting having a quorum (as determined in accordance with the Bylaws).

3. The membership shall be entitled to elect the Board as provided in Article IX of these Articles.

**ARTICLE V
TERM**

The term for which this Association is to exist shall be perpetual.

**ARTICLE VI
INCORPORATOR**

The name and address of the Incorporator of these Articles are as follows:

R. Mason Simpson
801 Seaway Drive
Hutchinson Island, Florida 34949

**ARTICLE VII
OFFICERS**

A. The affairs of the Association shall be managed by a President, one (1) or several Vice Presidents, a Secretary and a Treasurer and, if elected by the Board, one (1) or several Assistant Secretaries and one (1) or several Assistant Treasurers, which officers shall be subject to the directions of the Board. The Board may employ a managing agent and/or such other managerial and supervisory personnel or entities as the Board deems necessary to administer or assist in the administration of the operation or management of the Association and Developer shall have the right to be reimbursed for expenses incurred by Developer on behalf of the Association in managing the Association.

B. The Board shall elect the President, the Vice President, the Secretary, and the Treasurer, and as many other Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board shall from time to time determine appropriate. Such officers shall be elected annually by the Board at the first meeting of the Board following the "Annual Members' Meeting"

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(as described in Section 3.2 of the Bylaws); provided, however, such officers may be removed by such Board and other persons may be elected by the Board in the manner provided in the Bylaws. The President shall be a Director of the Association, but no other officer need be a Director. The same person may hold two (2) offices, the duties on which are not incompatible; provided, however, the offices of President and Vice President shall not be held by the same person, nor shall the same person hold the office of President who holds the office of Secretary or Assistant Secretary.

**ARTICLE VIII
FIRST OFFICERS**

The names of the officers who are to serve until the first election of officers by the Board are as follows:

President	R. Mason Simpson
Vice President	David Martin
Secretary	David Martin
Treasurer	R. Mason Simpson

**ARTICLE IX
BOARD OF DIRECTORS**

A. The number of Directors on the first Board of Directors ("First Board"), the "Initial Elected Board" (as hereinafter defined) and all Boards elected prior to the Annual Members' Meeting following the "Developer's Resignation Event" (as hereinafter defined) shall be three (3). The number of Directors elected by the Members subsequent to the Developer's Resignation Event shall be as provided in Paragraph K of this Article IX. Except for Developer-appointed Directors, Directors must be Members or the spouses, parents or children of Members.

B. The names and addresses of the persons who are to serve as the First Board are as follows:

<u>Name</u>	<u>Address</u>
R. Mason Simpson	801 Seaway Drive, Hutchinson Island, FL 34949
David Martin	801 Seaway Drive, Hutchinson Island, FL 34949
Barbara Buhr	801 Seaway Drive, Hutchinson Island, FL 34949

Developer reserves the right to designate successor Directors to serve on the First Board for so long as the First Board is to serve, as hereinafter provided. Developer reserves the right to remove any Director from the First Board and the right to remove any Director designated by Developer in accordance with these Articles.

C. Upon the conveyance by Developer to Owners, other than Developer ("Purchaser Members"), of fifteen percent (15%) or more of the "Total Units" (as hereinafter defined) (as evidenced by the recordation of deeds), the Purchaser Members shall be entitled to elect one-third (1/3) of the Board, which election shall take place at duly called meeting (the "Initial Election Meeting") by the Developer. Developer shall designate the remaining Directors

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on the Board at the Initial Election Meeting. The Director to be so elected by the Purchaser Members and the remaining Directors to be designated by Developer are hereinafter collectively referred to as the "Initial Elected Board" and shall succeed the First Board upon their election and qualification. The Directors shall continue to be so designated and elected at each subsequent Annual Members' Meeting until such time as the Purchaser Members are entitled to elect not less than a majority of the Directors on the Board. Developer reserves the right, until such time as the Purchaser Members are entitled to elect not less than a majority of the Directors on the Board, to designate successor Directors to fill any vacancies caused by the resignation or removal of Directors designated by Developer pursuant to this Paragraph IX.C.

D. Purchaser Members are entitled to elect not less than a majority of the Board upon the happening of any of the following events, whichever shall first occur:

1. Three (3) years after sales by Developer of fifty percent (50%) of the sum of the Total Units in the Condominium have been "Closed" (as hereinafter defined); or

2. Three (3) months after sales by Developer of ninety percent (90%) of the Total Units in the Condominium have been Closed; or

3. When all of the Total Units in the Condominium have been completed (as evidenced by the issuance of Certificates of Occupancy for all of same) and some have been sold to Purchaser Members and none of the others are being offered for sale by Developer in the ordinary course of business; or

4. When some of the Total Units in the Condominium have been conveyed to Purchaser Members and none of the others are being constructed or offered for sale by Developer in the ordinary course of business; or

5. Seven (7) years after the recordation of the Declaration; or

6. When Developer, as Developer has the right to do at any time upon written notice to the Association, relinquishes Developer's right to designate a majority of the Board.

The term "Closed" shall mean the recording of a deed or other instrument of conveyance to a Purchaser Member amongst the Public Records.

E. A majority of Directors shall be elected by the Purchaser Members other than Developer at a meeting of the membership to be called by the Board for such purpose ("Majority Election Meeting").

F. At the Majority Election Meeting, the Purchaser Members shall elect the number of Directors necessary to elect a majority of the Directors (taking into account the fact that the Purchaser Members may have already elected one (1) Director) and Developer, until Developer holds for sale less than five percent (5%) of the Units operated by the Association or the Developer's Resignation Event, whichever first occurs, shall be entitled to designate one (1) Director. Developer reserves the right, until Developer holds for sale less than five percent (5%) of the Units operated by the Association or the Developer's Resignation Event, whichever first occurs, to name the successor, if any, to any Director Developer has so designated; provided, however, Developer shall in any event be entitled to exercise any right Developer may have to representation on the Board as granted by law, notwithstanding the occurrence of the Developer's Resignation Event.

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G. At the first Annual Members' Meeting held after the Majority Election Meeting, a "staggered" term of office of the Board shall be created as follows:

1. A number equal to fifty percent (50%) of the total number of Directors rounded to the nearest whole number is the number of Directors whose term of office shall be established at two (2) years and the Directors serving for a two (2)-year term will be the Directors receiving the most votes at the meeting; and

2. The remaining Directors' terms of office shall be established at one (1) year.

At each Annual Members' Meeting thereafter, as many Directors of the Association shall be elected as there are Directors whose regular term of office expires at such time, and the term of office of the Directors so elected shall be for two (2) years expiring when their successors are duly elected and qualified.

H. The Board shall continue to be elected by the Members subject to Developer's right to appoint a member to the Board as specified in the Condominium Act at each subsequent Annual Members' Meeting, until Developer is no longer entitled to appoint a member to the Board.

I. The Initial Election Meeting and the Majority Election Meeting shall be called by the Association, through its Board, within seventy-five (75) days after the Purchaser Members are entitled to elect a Director or the majority of Directors, as the case may be. A notice of the election shall be forwarded to all Members in accordance with the Bylaws; provided, however, that the Members shall be given at least sixty (60)-days' notice of such election. The notice shall also specify the number of Directors that shall be elected by the Purchaser Members and the remaining number of Directors designated by Developer.

J. Developer shall cause all of Developer's designated Directors to resign when Developer no longer holds at least five percent (5%) of the sum of the Units operated by the Association for sale in the ordinary course of business. In addition, Developer may at any time, in Developer's sole discretion, cause the voluntary resignation, without replacement of all of the Directors designated by Developer. The happening of either such event is herein referred to as the "Developer's Resignation Event". Within seventy-five (75) days after Developer's Resignation Event, the Association shall call, and give not less than sixty (60)-days' notice of an election for the Board; provided, however, nothing herein contained shall be deemed to waive any right to representation on the Board which Developer may have pursuant to the Condominium Act. Developer specifically reserves the right to assert any right to representation on the Board that Developer may have pursuant to the Condominium Act, notwithstanding that the Developer's Resignation Event may have previously occurred.

K. At each Annual Members' Meeting held subsequent to the year in which the Developer's Resignation Event occurs, the number of Directors to be elected shall be determined by the Board from time to time, but there shall not be less than three (3) Directors.

L. The following provisions shall govern the right of each Director to vote and the manner of exercising such right:

1. There shall be only one (1) vote for each Director.

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2. All of the Directors of the Board shall vote thereon as one (1) body on matters which pertain to this Association or the Condominium.

3. In the determination of whether a quorum exists or whether the Board has duly acted with respect to any matter, such determination shall be made with respect to the number of all Directors.

**ARTICLE X
POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

All of the powers and duties of the Association shall be exercised by the Board in accordance with the provisions of the Act and the Condominium Documents, where applicable, and shall include, but not limited to, the following:

A. Making and collecting Assessments against Members to defray the costs of the Common Expenses of the Condominium; making and collecting Storage Space Area Assessments against those Members to which a Storage Space has been assigned as an appurtenance to their Unit, collecting that portion of Operating Expenses attributable to Owners as determined in accordance with the Master Declaration; and collecting charges for cable and monitored alarm expenses as determined in accordance with the cable television agreement, if any, internet access, if any, and the monitored alarm system agreement, if any, as such assessments are described in the applicable Declaration or Master Declaration.

B. Using the proceeds of Assessments in the exercise of the powers and duties of the Association and the Board.

C. Maintaining, repairing and operating the improvements within the Condominiums and the Condominium Property, if any.

D. Reconstructing improvements after casualties and losses and making further authorized improvements within the Condominium and the Condominium Property, if any.

E. Making and amending Rules with respect to the Condominium and for the Condominium Property, if any.

F. Enforcing by legal means the provisions of the Condominium Documents.

G. Contracting for the management and maintenance of the Condominium Property and other portions of the Condominium and authorizing a management agent to assist the Association in carrying out the Association's powers and duties by performing such functions as the submission of proposals, collection of Assessments, collection of Storage Space Area Assessments, preparation of records, enforcement of Rules, and maintenance, repair and replacement of improvements or portions thereof for which the Association has such responsibility and other services with funds that shall be made available by the Association for such purposes and terminating such contracts and authorizations. The Association and the Association's officers shall, however, retain at all times the powers and duties granted by the Condominium Documents and the Condominium Act including, but not limited to, the making of Assessments, the making of Storage Space Area Assessments, promulgation of Rules and execution of contracts on behalf of the Association.

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H. Paying taxes and assessments which are or may become liens against the *Common Elements of the Condominium and Condominium Property* and assessing the same against Units, the Owners of which are responsible for the payment thereof.

I. Purchasing and carrying insurance for the protection of Members and the Association against casualty and liability in accordance with the Condominium Act and the Condominium Documents and acquiring one (1) insurance policy to insure the Condominium Property and to allocate the premiums in a fair and equitable manner.

J. Paying costs of all power, water, sewer and other utility services rendered to the Condominium Property and other portions of the Condominium and not billed directly to Owners of the individual Units.

K. Hiring and retaining such employees as are necessary to administer and carry out the services required for the proper administration and purposes of this Association and paying all salaries therefor.

L. Approving or disapproving of proposed purchasers of Units by gift, devise, or inheritance and other transferees and approving or disapproving of proposed lessees of Units in accordance with the provisions set forth in the Condominium Documents and the Condominium Act and collecting the highest fee allowed by the Condominium Act therefor.

M. Engaging in mandatory nonbinding arbitration as provided for in Section 718.112(2)(k) of the Condominium Act, for the settlement of internal disputes arising regarding the operation of the Condominium among Developer, Members, the Association, their agents and assigns, and the provisions of Section 718.1255 are incorporated by reference herein.

N. Preparing a questions and answers sheet, if and as required by the Act and the rules promulgated in the Florida Administrative Code by the Division of Florida Land Sales, Condominiums and Mobile Homes, and updating the questions and answers sheet at least annually.

O. Maintaining an adequate number of copies of the Condominium Documents, as well as the questions and answers sheet referred to in Paragraph N. above, on the Condominium Property to ensure their availability to Unit Owners and prospective purchasers. The Association may charge the Association's actual costs for preparing and furnishing the foregoing to those requesting same.

P. Ensuring that the following contracts shall be in writing:

1. Any contract for the purchase, lease or renting of materials or equipment which is not to be fully performed within one (1) year from the date of execution of the contract.

2. Any contract, regardless of term, for the provision of services; other than contracts with employees of the Association, and contracts for attorneys and accountant services, and any other service contracts exempted from the foregoing requirement by the Condominium Act or rules set forth in the Florida Administrative Code as they relate to condominiums, as the Condominium Act and such rules may be amended from time to time.

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Q. Obtaining competitive bids for materials, equipment and services where required by the Condominium Act and rules set forth in the Florida Administrative Code as they relate to condominiums.

R. All other powers and duties reasonably necessary to operate and maintain the Condominium and Condominium Property in compliance with the Condominium Documents and the Condominium Act.

ARTICLE XI INDEMNIFICATION

Every Director and every officer of the Association (and the Directors and/or officers as a group) (hereinafter individually as "Indemnitee" and collectively as "Indemnitees") shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, paralegal charges and court costs (at all trial and appellate levels) reasonably incurred by or imposed upon Indemnitees in connection with any proceeding, litigation or settlement in which Indemnitees may become involved by reason of Indemnitees being or having been a Director and/or officer of the Association. The foregoing provisions for indemnification shall apply whether or not Indemnitees are Directors and/or officers at the time such expenses and/or liabilities are incurred. Notwithstanding the above, in the event of a settlement, the indemnification provisions herein shall not be automatic and shall apply only when the Board approves such settlement and authorizes reimbursement for the costs and expenses of the settlement as in the best interest of the Association. In instances where an Indemnitee admits or is adjudged to have engaged in willful misfeasance or malfeasance in the performance of such Indemnitee's duties, the indemnification provisions of these Articles shall not apply. Otherwise, the foregoing rights to indemnification shall be in addition to and not exclusive of any and all rights of indemnification to which Indemnitees may be entitled whether by statute or common law. The indemnification hereby afforded to Indemnitees shall also extend to any entity other than the Association found responsible or liable for the actions of such individuals in their capacity as Directors and/or officers, including, but not limited to Developer.

ARTICLE XII BYLAWS

The Association's Bylaws shall be adopted by the First Board and thereafter may be altered, amended or rescinded by the affirmative vote of not less than a majority of the Members present at an Annual Members' Meeting or special meeting of the membership and the affirmative approval of the majority of the Board at a regular or special meeting of the Board. In the event of a conflict between these Articles and the Bylaws, the provisions of these Articles shall control.

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ARTICLE XIII AMENDMENTS

A. Prior to the recording of a Declaration amongst the Public Records, these Articles may be amended by an instrument in writing signed by the President (or a Vice President) and the Secretary (or an Assistant Secretary) and filed in the Office of the Secretary of State of Florida. The instrument amending these Articles shall identify the particular Article or Articles being amended, give the exact language of such amendment and give the date of adoption of the amendment by the Board. A certified copy of each such amendment shall always be attached to any certified copy of these Articles or a certified copy of the Articles as restated to include such Amendments and shall be an exhibit to each Declaration upon the recording of each Declaration. This Article XIII is intended to comply with Chapter 617, Florida Statutes.

B. After the recording of the first Declaration amongst the Public Records, these Articles may be amended in the following manner:

1. The Board shall adopt a resolution setting forth the proposed amendment and directing that the proposed amendment be submitted to a vote at a meeting of Members, which may be either the Annual Members' Meeting or a special meeting. Any number of amendments may be submitted to the Members and voted upon by them at one (1) meeting;

2. Written notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each Member of record entitled to vote within the time and in the manner provided in the Bylaws for the giving of notice of Meetings of Members ("Required Notice");

3. At such meeting a vote of the Members shall be taken on the proposed amendments. The proposed amendment shall be adopted upon receiving the affirmative vote of a majority of the votes of all Members entitled to vote thereon; or

4. An amendment may be adopted by a written statement signed by all Directors and written consent of Members representing the Voting Interests sufficient to pass the amendment at a meeting where all members are present and setting forth their intention that an amendment to the Articles be adopted. Where an amendment is passed by written consent in lieu of meeting, those Members not submitting written consents shall be notified in writing of the passage thereof.

C. So long as Developer holds title to a Unit, Developer shall be entitled to vote on all amendments made pursuant to Paragraph XIII.B. above.

D. No amendment may be made to the Articles which shall in any manner reduce, amend, affect or modify the terms, conditions, provisions, rights and obligations set forth in the Declaration.

E. A copy of each amendment shall be certified by the Secretary of State of the State of Florida and, after the recordation of the Declaration, recorded amongst the Public Records as an amendment to the Declaration.

F. Notwithstanding the foregoing provisions of this Article XIII, there shall be no amendment to these Articles which shall abridge, amend or alter the rights of Developer,

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including the right to designate and select the Directors as provided in Article IX hereof, without the prior written consent thereto by Developer nor shall there be any amendment to these Articles which shall abridge, alter or modify the rights of the holder, guarantor or insurer of a first mortgage on any Unit or of any Institutional Mortgagee without such Institutional Mortgagee's prior written consent.

ARTICLE XIV EMERGENCY POWERS

The following shall apply to the extent not viewed to be in conflict with the Condominium Act:

A. During any emergency defined in Paragraph XIV.E below or in anticipation of such emergency, the Board may:

1. Modify lines of succession to accommodate the incapacity of any Director, officer, agent or employee of the Association; and

2. Relocate the principal office of the Association or designate alternate principal offices or authorize officers to do so.

B. During any emergency defined in Paragraph XIV.E below:

1. One (1) or more officers of the Association present at a meeting of the Board may be deemed to be Directors for the meeting, in order of rank and within the same order of rank in order of seniority, as necessary to achieve a quorum; and

2. The Director or Directors in attendance at a meeting shall constitute a quorum.

C. Corporate action taken in good faith during an emergency under this Article XIV to further the ordinary affairs of the Association:

1. Binds the Association; and

2. May not be used to impose liability on a Director, officer, employee or agent of the Association.

D. A Director, officer or employee of the Association acting in accordance with any emergency bylaws is only liable for willful misconduct.

E. An emergency exists for the purposes of this Article XIV if a quorum of the Directors cannot readily assemble because of a catastrophic event.

ARTICLE XV REGISTERED OFFICE AND REGISTERED AGENT

The street address of the initial registered office of the Association is 4500 PGA Boulevard, Suite 207, Palm Beach Gardens, Florida 33418 and the initial registered agent of the Association at that address shall be Phillip Brandt.

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PAGE 15/15

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STATE OF FLORIDA)
)SS:
COUNTY OF INDIAN RIVER)

The foregoing instrument was acknowledged before me this 6th day of December, 2004, by Phillip Brandt as Registered Agent, who is personally known to me or who has produced _____ as identification.

(SEAL)



Debbie Powell
My Commission 00250766
Expires December 13, 2007

Debbie Powell
Notary Public, State of Florida
Print name: _____
Commission No.: _____
My Commission Expires: _____

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DECLARATION OF CONDOMINIUM
of
Harbour Isle at Hutchinson Island East, a Condominium

Exhibit "D"

BYLAWS,
RULES AND REGULATIONS
of
Harbour Isle at Hutchinson Island East Condominium Association, Inc.

**BYLAWS
OF
HARBOUR ISLE AT HUTCHINSON ISLAND EAST CONDOMINIUM ASSOCIATION, INC.**

Section 1. Identification of Association

These are the Bylaws of HARBOUR ISLE AT HUTCHINSON ISLAND EAST CONDOMINIUM ASSOCIATION, INC. ("Association"), as duly adopted by its Board of Directors ("Board"). The Association is a Florida corporation not for profit, organized pursuant to Chapter 617, Florida Statutes, for the purpose of managing, operating, and administering the condominium known as Harbour Isle at Hutchinson Island East, a Condominium ("Condominium"), as more particularly set forth in the Articles of Incorporation of the Association ("Articles").

1.1 The office of the Association shall be for the present at 801 Seaway Drive, Hutchinson Island, Florida 34949, and thereafter may be located at any place designated by the Board.

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

1.3 The seal of the corporation shall bear the name of the corporation, the word "Florida" and the words "Corporation Not For Profit."

Section 2. Definitions

2.1 All terms shall have the meanings set forth in the Condominium Act, Chapter 718, Florida Statutes, 2004 ("Act"), as amended through the date of recording the Declaration amongst the Public Records of St. Lucie County, Florida ("County") and, for clarification, certain terms shall have the meanings ascribed to them in the Articles. All terms defined in the Articles shall appear with initial capital letters each time such term appears in these Bylaws.

2.2 Notwithstanding anything to the contrary, references to any of the documents shall be deemed to include any amendment to such document as set forth therein.

Section 3. Membership; Members' Meetings; Voting and Proxies

3.1 The qualification of Members, the manner of their admission to Membership and the termination of such Membership shall be as set forth in Article IV of the Articles.

3.2 The Members shall meet annually at the office of the Association or at such other place in the County, at such time as determined by the Board and as designated in the notice of such meeting ("Annual Members' Meeting"), commencing with the year following the year in which the Articles are filed with the Secretary of State. The purpose of the Annual Members' Meeting shall be to hear reports of the officers, elect members of the board (subject to the provisions of Article IX of the Articles) and transact any other business authorized to be transacted by the Members.

3.3 Special meetings of the Members shall be held at any place within the State of Florida whenever called by the President or Vice President of the Association or by a majority of the Board. A special meeting must be called by such President or Vice President upon receipt

of a written request from one-third (1/3) of the Members except as otherwise provided in Sections 4.5(a) and 7.3 hereof.

3.4 Except as otherwise provided herein, written notice of a meeting (whether the Annual Members' Meeting or a special meeting of the Members) shall be mailed, delivered or electronically transmitted to each Member at his last known address or electronic address as such address appears on the books of the Association. Proof of such mailing, delivery or electronic transmittal shall be given by affidavit of the person who transmitted such notice and also by such other method as may be required by the Act. The notice shall state the time and place of such meeting and the purpose for which the meeting is called. Unless a Member waives in writing the right to receive notice of the meeting, written notice of Annual Members' Meetings and special meetings of the Members shall be mailed, delivered or electronically transmitted to each Member in the manner required by the Act, not less than fourteen (14) days prior to the date of the meeting. Notice of the Annual Members' Meeting or special meeting of the Members shall be posted at a conspicuous place on the Association Property at least fourteen (14) continuous days prior to the meeting. In lieu of or in addition to the physical posting of notice of any meeting of the Members, the Association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving the Association. However, if broadcast notice is used in lieu of a notice posted physically on the Condominium Property, the notice and agenda must be broadcast at least four (4) times every broadcast hour of each day that a posted notice is otherwise required by the Condominium Act. When broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of the notice and agenda. If a meeting of the Members, either a special meeting or an Annual Members' Meeting, is one which, by express provision of the Act or documents relating to the Condominium (collectively, the "Condominium Documents") (provided the express provision of the Condominium Documents are in accordance with the requirements of the Act) there is permitted or required a greater or lesser amount of time for the mailing, delivery, electronic transmittal or posting of notice than is required or permitted by the provisions of this Paragraph 3.4, then such express provision shall govern.

3.5 The Members may waive notice of special meetings and at the discretion of the Board, act by written agreement in lieu of a meeting. Written notice of the matter or matters to be considered by written agreement in lieu of a meeting shall be given to the Members at the addresses and within the time periods set forth in Section 3.4 hereof or duly waived in accordance with such Section. The notice shall set forth a time period during which time a response must be made by a Member or "Proxy" (as hereinafter defined). The decision of a majority of a quorum of the Voting Interests (as evidenced by written response to be solicited in the notice) shall be binding on the Members provided a quorum of the Members submits a response. However, if the question is one upon which, by express provisions of the Act or the Condominium Documents (provided the express provisions of the Condominium Documents are in accordance with the requirements of the Act), requires a vote of other than a majority vote of a quorum, then such express provision shall govern and control the required vote on the decision of such question.

3.6 A quorum of the Members shall consist of persons entitled to cast votes on behalf of a majority of the entire Membership. When a quorum is present at any meeting and a question which raises the jurisdiction of such meeting is presented, the holders of a majority of the Voting Interests present in person or represented by written Proxy shall be required to decide the question. However, if the question is one which, by express provision of the Act or the Condominium Documents (provided the express provision of the Condominium Documents

is in accordance with the requirements of the Act), requires a vote other than the majority vote of a quorum, then such express provision shall govern and control the required vote on the decision of such question.

3.7 If any meeting of Members cannot be properly held because a quorum is not in attendance, the Members who are present, either in person or by Proxy, may adjourn the meeting from time to time until a quorum is present. A quorum is not required for an election to occur; however, at least twenty percent (20%) of the eligible voters must cast a ballot in order to have a valid election of Directors. In the case of the meeting being adjourned, the notice provisions for the adjournment shall, subject to the Act, be as determined by the Board.

3.8 At any Annual Members' Meeting at which elections of Directors are to occur Directors shall be elected by written ballot or voting machine. In no event shall Proxies be used in electing the Board, either in general elections or elections to fill vacancies caused by resignation, recall, or otherwise, unless otherwise provided in the Act. The procedures for the nomination of candidates and voting in elections shall be as provided in Section 718.112(2)(d)(3) of the Act.

3.9 If a quorum is not in attendance at a meeting, the Members entitled to vote who are present, either in person or by Proxy, may adjourn the meeting from time to time until a quorum is present with no further notice of such meeting being required unless otherwise determined by the Board. In the event any meeting is adjourned or postponed to be continued at another time because a quorum is not present at such meeting, then and in that event, the quorum requirements provided herein shall be reduced to the presence in person or by Proxy of one-third (1/3) of the Voting Interests of Members of the Association at the adjourned meeting. Actions approved by a majority of the Voting Interests of Members present in person or by Proxy at such adjourned meeting at which such reduced quorum exists shall be binding upon all Members and for all purposes except where otherwise provided by law, in any Declaration, in the Articles, or in these Bylaws. This reduction of the quorum requirements shall apply only if the Board sends notice of the adjourned or postponed meeting to the Members as elsewhere provided, which notice must specifically provide that quorum requirements will be reduced at the adjourned or postponed meeting.

3.10 Minutes of all meetings shall be kept in a business-like manner and available for inspection by the Members and Directors at all reasonable times. The Association shall retain minutes for at least seven (7) years subsequent to the date of the meeting the minutes report.

3.11 All Members shall vote in the manner stated in Article IV of the Articles. Voting rights of Members shall be as stated in the Declaration and the Articles. Such votes may be cast in person or by Proxy. "Proxy" is defined to mean an instrument in writing, signed by a Member, appointing a person to whom the Member delegates the Member's right to cast a vote or votes in the Member's place and stead. Proxies shall be valid only for the particular meeting designated therein and any lawful adjournments thereof; provided, however, that no Proxy shall be valid for a period longer than ninety (90) days after the date of the first meeting for which such Proxy was given, provided, this express provision is not inconsistent with the requirements of the Act, in which case the Act shall govern and control. Each Proxy shall contain the date, time and place of the meeting for which the Proxy is given. A limited Proxy shall set forth those items which the Proxy holder may vote and the manner in which the vote is cast. Members shall not vote by general Proxy, except as provided in Section 718.112(2)(b)(2) of the Act, but may vote by limited Proxy. A Proxy must be filed with the Secretary of the Association before the appointed time of the meeting in order to be effective. Any Proxy may be revoked prior to the time a vote is cast by virtue of such Proxy.

3.12 Upon demand of any Member at any time prior to a vote upon any matter at a meeting of the Members, any Member may demand voting on such matter shall be by secret ballot. The chairman of the meeting shall call for nominations for inspectors of election to collect and tally written ballots upon the completion of balloting upon the subject matter. Notwithstanding the terms set forth above, pursuant to Section 718.112(2)(d)(3) of the Act, the Board shall be elected by written ballot or voting machine.

3.13 Members shall have the right to participate in meetings with reference to all designated agenda items in accordance with the rules established by the Board. In addition, any Member may tape record or videotape a meeting in accordance with the rules established by the Board.

Section 4. Board of Directors; Directors' Meetings

4.1 The form of administration of the Association shall be by a Board of not less than three (3) Directors. At each Annual Members' Meeting held subsequent to the year in which the Developer's Resignation Event occurs, the number of Directors (which must be an odd number) shall be determined by the Board from time to time. Except for Developer-appointed Directors, Directors must be Association Members or the spouses, parents or children of Members.

4.2 The Articles' provisions setting forth the selection, designation, election and removal of Directors are hereby incorporated herein by reference. Directors elected by the Members in accordance with Article IX of the Articles shall be elected by a plurality of votes cast by the Members present in person or by Proxy and entitled to vote at a properly held Annual Members' Meeting or special meeting of the Members. Fifteen percent (15%) of the total voting interests in the Association, or six (6) Owners, whichever is greater, may petition the ombudsman established by Florida Statutes Section 718.5011 to appoint an election monitor to attend the Member's Meeting and conduct the election of Directors. The ombudsman shall appoint a division employee, a person or persons specializing in condominium election monitoring, or an attorney licensed to practice in this State as the election monitor. All costs associated with the election monitoring process shall be paid by the Association.

4.3 Subject to Section 4.5 below and Developer's rights set forth in the Articles and as set forth in Section 4.5(b) below, Board vacancies shall be filled by person(s) elected by the affirmative vote of a majority of the remaining Directors. Such person shall be a Director and have all the rights, privileges, duties and obligations as a Director elected at the Annual Members' Meeting. A Director elected by the Board to fill a vacancy shall hold office only until the next election of Directors by the Members.

4.4 The term of each Director's service, except as provided in Section 4.3 of these Bylaws, shall extend until the next Annual Members' Meeting and thereafter, until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided herein.

4.5 (a) Any member of the Board elected by Purchaser Members as provided in the Articles may be recalled and removed from office with or without cause by a vote or agreement in writing by a majority of all the voting interests of all Purchaser Members. A special meeting of the Purchaser Members to recall a member or members of the Board may be called by ten percent (10%) of the Purchaser Members giving notice of the meeting as required for a meeting of Members and the notice shall state the purpose of the meeting. Any such recall shall be effected and a recall election shall be held, if applicable, as provided in Section 718.112(2)(j), of

the Act., as such Section may be amended from time to time. Electronic transmittal may not be used as a method of giving notice of a meeting called in whole or in part for this purpose.

(b) A Director on the First Board or designated by Developer as provided in the Articles may be removed by Developer pursuant to the following rules and limitations established by Rule 61B-23.0026, F.A.C.: (i) only Units owned by Developer shall be counted to establish a quorum for a meeting to recall and replace a member of the Board who was elected or appointed by Developer; (ii) the percentage of voting interests required to recall a member of the Board who was elected or appointed by Developer is a majority of the total Units owned by Developer; (iii) a member of the Board who is elected or appointed by Developer may be recalled only by Developer; and (iv) only Developer may vote, in person or by limited proxy, to fill vacancy on the Board previously occupied by a member of the Board elected or appointed by Developer.

4.6 Notice to Members of the Annual Members' Meeting at which the Board is elected shall specify that the organizational meeting of the newly elected Board shall be held immediately following the Annual Members' Meeting. In the event the newly elected Board announces at the Annual Members' Meeting that the Board will not have its organizational meeting immediately after the Annual Members' Meeting, the Members shall be properly noticed as provided for in these Bylaws. No further notice of the organizational meeting shall be necessary, providing that a quorum shall be present at such organizational meeting.

4.7 The Board's regular meetings may be held at such time and place as shall be determined from time to time by a majority of Directors. The Board's special meetings may be called at the discretion of the President or the Vice President of the Association. Special meetings must be called by the Secretary at the written request of one-third (1/3) of the Directors.

4.8 Notice of the time, agenda and place of Board regular and special meetings, or adjournments thereof, shall be given to each Director personally or by mail, hand delivery, telephone, telegraph or electronic transmittal at least three (3) days prior to the day specified for such meeting. Except in an emergency, notice of a Board meeting shall be posted conspicuously on the Association Property at least forty-eight (48) continuous hours in advance for the attention of Members. In lieu of or in addition to the physical posting of notice of any meeting of the Board, the Association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving the Association. However, if broadcast notice is used in lieu of a notice posted physically on the Condominium Property, the notice and agenda must be broadcast at least four (4) times every broadcast hour of each day that a posted notice is otherwise required by the Condominium Act. When broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of the notice and agenda. Notice of any meeting where regular Assessments against Members are to be considered for any reason shall specifically contain a statement that Assessments will be considered and the nature of any such Assessments. Notice of a meeting where non-emergency Special Assessments or amendments to rules regarding Unit use will be considered, shall be mailed, delivered or electronically transmitted to the Owners and posted conspicuously on the Association Property not less than fourteen (14) days prior to the meeting. In lieu of or in addition to the physical posting of notice of any meeting of the Board, the Association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving the Association. However, if broadcast notice is used in lieu of a notice posted physically on the Condominium

Property, the notice and agenda must be broadcast at least four (4) times every broadcast hour of each day that a posted notice is otherwise required by the Condominium Act. When broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of the notice and agenda. Proof of such transmittal shall be given by affidavit executed by the person providing the notice and filed among the official records of the Association. Any Director may waive notice of the meeting before, during or after a meeting and such waiver shall be deemed equivalent to the receipt of notice by such Director.

4.9 For matters to be considered by the Board, a quorum of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. Matters approved by a majority of the Directors present at a meeting at which a quorum is present shall constitute the official acts of the Board, except as specifically provided elsewhere herein or in any of the Condominium Documents. A Director who is present at a Board meeting at which action on any corporate matter is taken shall be presumed to have assented to the action taken, unless he votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest. A vote or abstention for each Director present shall be recorded in the minutes. If at any Board meetings there shall be less than a quorum present, the majority of those present entitled to vote may adjourn the meeting from time to time until a quorum is present. When a quorum is present after adjournment of a meeting, any business that might have been transacted at the meeting as originally called may be transacted. In the case of a meeting adjournment, the notice provisions for the adjournment shall, subject to the Act, be as determined by the Board.

4.10 The presiding officer at Board meetings shall be the President. In the President's absence, the Directors present shall designate any one (1) of their number to preside.

4.11 Directors shall not receive any compensation for their services.

4.12 The Board shall have the power to appoint executive committees of the Board consisting of not less than two (2) Directors. Executive committees shall have and exercise such powers of the Board as may be delegated to such executive committee by the Board.

4.13 Board meetings shall be open to all Members. Members shall have the right to participate in meetings with reference to all designated agenda items in accordance with the rules established by the Board. In addition, any Member may tape record or videotape a meeting in accordance with the rules established by the Board.

Section 5. Fining Procedure for Enforcement of the Condominium Documents; Fees

5.1 The Association may levy reasonable fines against a Unit for the failure of the Owner of the Unit or its occupant, licensee, or invitee, to comply with any provision of the Declaration, the Bylaws or the applicable rules established by the Board. No fine will become a lien against a Unit. No fine may exceed the amounts set forth in Section 718.303(3) of the Act. However, a fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing, provided that such fine shall not exceed the amounts established by Section 718.303(3) of the Act. No fine may be levied except after giving reasonable notice and opportunity for a hearing to the Unit Owner and, if applicable, the Unit Owner's licensee or invitee. The hearing must be held before a committee of other Unit Owners. If the committee of said Unit Owners does not agree with the fine, the fine may not be levied. The provisions hereof do not apply to unoccupied Units.

5.2 (a) Any Owner may appear before the Association to seek an exemption from or variance in the applicability of any given rule or regulation as it relates to said Owner on grounds of undue hardship or other special circumstances.

(b) Where the Association levies fines, such fines shall be levied pursuant to the procedures set forth in the rules established by the Board so long as said rules comply with Section 718.303 (3) of the Act.

5.3 The Association shall charge an Owner who fails to timely pay any Assessment a late charge for such late Assessment in an amount not to exceed the maximum amount permitted by the Act. Owners shall be responsible to pay all attorneys' fees, paralegal charges and court costs, if any, incurred in connection with the collection of late Assessments whether or not an action at law to collect said Assessment and foreclosure of the Association's lien has been commenced. The Association may charge an administrative fee in addition to any interest charged in accordance with the Declaration in an amount not to exceed the greater of \$25.00 or five percent (5%) of each installment that is late. Any payment received by the Association shall be applied in the following order: (i) to any interest accrued by the Association; (ii) to any administrative late fee; (iii) to attorney's fees, paralegal charges and court costs incurred in collection; and (iv) to the delinquent Assessment.

5.4 (a) The existence of the Association's right to fine as herein provided shall not preclude nor limit the Association's right to seek any other enforcement method or remedy established: (i) by the Condominium Documents; (ii) at law; or (iii) in equity.

(b) The Board, in the Board's sole discretion, may increase the amount of the fines as set forth herein; provided, however, any such increase shall conform to the Act's applicable requirements as to the maximum dollar amount of such fines as such maximum dollar amount may be increased by Act amendments from time to time.

5.5 Written inquiries by Owners to the Board shall be handled in accordance with Section 718.112(2)(a)2 of the Act, as it may be amended from time to time.

5.6 The Board may charge a fee in an amount determined by the Board in compliance with the provisions of the Act for the approving or disapproving of proposed purchasers of Units.

Section 6. Officers of the Association

6.1 The Association's executive officers shall be the President, who shall be a Director, one (1) or more Vice Presidents, a Treasurer, a Secretary and, if the Board so determines, one (1) or more Assistant Secretaries and one (1) or more Assistant Treasurers, all of whom the Board shall elect annually. Any officer may be removed from office without cause by vote of the Directors at any meeting of the Board. The Board shall, from time to time, elect and designate the powers and duties of such other officers and assistant officers as the Board shall find to be required to manage the Association's affairs.

6.2 The President, who shall be a Director, shall: (i) be the Association's chief executive officer; (ii) have all of the powers and duties which are usually vested in the office of the President of a condominium association including, but not limited to, the power to appoint committees from among the Members at such times as the President may, in the President's

discretion, determine appropriate to assist in conducting the Association's affairs; and (iii) preside at all Board meetings.

6.3 The Vice President(s) shall: (i) in the absence or disability of the President, exercise the powers and perform the duties of the President; (ii) generally assist the President; (iii) exercise such other powers and perform such other duties as the Board shall prescribe. In the event the Board elects more than one (1) Vice President, then each subsequently-elected Vice President shall be designated "First," "Second," etc., and shall be called upon in such order to exercise the powers and perform the duties of the President if the President is absent or incapacitated.

6.4 The Secretary shall: (i) keep the minutes of all proceedings of the Board and Members' meetings, which minutes shall be recorded in a business-like manner and shall be available for inspection by Members and Directors at all reasonable times; (ii) have custody of the Association's seal and shall affix the Association's seal to instruments requiring a seal when duly signed; (iii) keep the Association's records, except those of the Treasurer; and (iv) perform all of the duties incident to the office of Secretary of the Association as may be required by the Board or the President. The Assistant Secretary, if any, shall assist the Secretary and shall perform the duties of the Secretary when the Secretary is absent.

6.5 The Treasurer shall: (i) have custody of all the Association's property, including funds, securities and evidences of indebtedness; (ii) keep the Members' assessment rolls and accounts; (iii) keep the Association's books in accordance with good accounting practices; and (iv) perform all the duties incident to the office of Treasurer. The Assistant Treasurer, if any, shall assist the Treasurer and shall perform the duties of the Treasurer whenever the Treasurer is absent.

6.6 Officers shall not receive compensation for their services. The Board shall fix the compensation, if any, of all other Association employees. This provision shall not preclude the Board from employing a Director or an officer as an employee of the Association nor preclude the contracting with a Director or an officer for the management of all or any portion of the Condominium.

Section 7. Accounting Records; Fiscal Management

7.1 (a) The Association shall maintain the Association's official records in accordance with Section 718.111(12) of the Act, which records shall be open to inspection by prospective purchasers, Members and owners of first mortgages on Units or their authorized representatives at reasonable times. The Association or its authorized agent may charge prospective purchasers, Owners, owners of first mortgages on Units or their authorized representatives for providing good faith responses to requests for information, other than that required by law, if the fee does not exceed \$150.00 plus the Association's actual costs for preparing and furnishing copies of documents including, but not limited to, the Declaration, Articles, Bylaws, applicable rules and regulations established by the Board, questions and answers sheet and any amendment to the foregoing to those requesting same. Authorization of a representative of a Member must be in writing, signed by the Member giving the authorization and dated within ten (10) working days before the date of the inspection. The official records shall include accounting records for the Association maintained according to good accounting practices. Such accounting records shall be maintained for a period of not less than seven (7) years. Accounting records so maintained by the Association shall include, but are not limited to: (i) accurate, itemized and detailed records of all receipts and expenditures of the Association; (ii) for each Unit, the following information: (a) a current account, and a quarterly statement of

the account (or for any other interval required by the Act, as amended from time to time); (b) the name of the Owner; (c) the due date of each Assessment and Special Assessment, if any; (d) the amount of each Assessment and Special Assessment, if any; (e) the amount paid upon the account; and (f) the balance due; (iii) all audits reviews, accounting statements and financial reports of the Association; and (iv) all contracts for work to be performed; and (v) bids received by the Association for work by or for the Association. Sub-item (v) above shall be considered official records and maintained by the Association for a period of one (1) year.

(b) An accountant or Certified Public Accountant shall prepare a report of the Association's actual receipts and expenditures for the previous twelve (12) months ("Report"). Such individual shall also prepare financial statements to comply with the requirements of Rule 61B-22.006, F.A.C., and Section 718.111(13) of the Act, unless this requirement is waived pursuant to Rule 61B-22.006(11), F.A.C. and Section 718.111(13) of the Act. The Report shall be prepared consistent with the requirements of Rule 61B-22.006, F.A.C., and Section 718.111(13) of the Act and a copy of such report shall be furnished in accordance with the Act to each member not later than the first day of April of the year following the year for which the Report is made. The Report will include account classifications designated in the Act, if applicable, and accounts otherwise included at the Board's discretion. The Report shall be deemed to be furnished to the Member upon its delivery, mailing or electronic transmittal to the Member at the last known address shown on the Association's books and records. In the event the requirements of Rule 61B-22.006, F.A.C., and Section 718.111(13) of the Act are properly waived, then the Report shall be prepared and furnished complying with Rule 61B-22.006, F.A.C., and Section 718.111(13) of the Act.

7.2 (a) The Board shall adopt a Budget for the Common Expenses of the Condominium ("Budget") for each forthcoming fiscal year ("Budget Year") at a special meeting of the Board ("Budget Meeting") called for that purpose in October or November prior to the applicable Budget Year. Prior to the Budget Meeting a proposed Budget for the Condominium shall be prepared by or on behalf of the Board, which Budget(s) shall include, but not be limited to, the following items of expense applicable to the Condominium:

- (1) Administration of the Association;
- (2) Utilities;
- (3) Management Fees;
- (4) Maintenance;
- (5) Rent for recreational and other commonly-used facilities;
- (6) Taxes upon Association property;
- (7) Taxes upon leased areas, if any;
- (8) Insurance;
- (9) Security provisions including monitored alarm expenses, if any;
- (10) Other expenses;
- (11) Operating capital;
- (12) Reserves for Capital Expenditures and Deferred Maintenance;
- (13) Fees payable to the Division of Florida Land Sales, Condominiums and Mobile Homes;
- (14) Corporation Assessments and fees;
- (15) Cable television expenses, if any; and
- (16) Security expenses, if any

(b) The Budget for the Condominium constitutes an estimate of the expenses to be incurred by the Association for and on behalf of the Condominium. The procedure for the

allocation of the expenses attributable to the Condominium, which are the Common Expenses of the Condominium, shall be as follows:

(1) The Board shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of Condominium Property. The Budget for the Condominium shall include, on an annual basis, the establishment of reserve accounts for capital expenditures and deferred maintenance of the Condominium Property. The reserve accounts shall include, but not be limited to: (i) roof replacement; (ii) building exterior repainting; (iii) pavement resurfacing (with regard to roof replacement, building exterior repainting or pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement cost); (iv) seawall replacement and repair; and (v) for any other items for which the deferred maintenance expense or replacement cost exceeds Ten Thousand Dollars (\$10,000). The amount to be reserved shall be computed by means of a formula that is based upon estimated remaining useful life and estimated replacement cost of each reserve item. Notwithstanding any other provisions to the contrary contained herein, in the event that, by a majority vote of either Members at a duly called meeting of the Association, elect to have less than a full reserve or no reserve for deferred maintenance and replacement, then the applicable Budget shall be based on such lesser reserves or no reserves, as the case may be.

DEVELOPER HEREBY ACKNOWLEDGES DEVELOPER'S INTENTION TO VOTE DEVELOPER'S UNITS TO WAIVE RESERVES FOR THE FIRST TWO (2) FISCAL YEARS OF THE ASSOCIATION BEGINNING WITH THE YEAR IN WHICH THE DECLARATION IS RECORDED.

(c) Copies of the applicable proposed Budget and notice of the exact time and place of the Budget Meeting shall be mailed, delivered or electronically transmitted to each Member at the Member's last known address, as reflected on the books and records of the Association, not less than fourteen (14) days prior to said Budget Meeting, and the Budget Meeting shall be open to the Members. Failure to timely adopt a Budget for the Condominium shall not alter or abrogate the obligation to pay Common Expenses.

(d) In administering Association finances, the following procedures shall govern: (i) the fiscal year shall be the calendar year; (ii) any income received by the Association in any calendar year may be used by the Association to pay expenses incurred by the Association in the same calendar year; (iii) there shall be apportioned between calendar years on a pro rata basis any expenses which are prepaid in any one (1) calendar year for Common Expenses which cover more than such calendar year; (iv) Assessments shall be made not less frequently than quarterly in amounts not less than are required to provide funds in advance for payment of all of the anticipated current expenses and for all unpaid expenses previously incurred; and (v) expenses incurred in a calendar year shall be charged against income for the same calendar year regardless of when the bill for such expenses is received. Notwithstanding the foregoing, Assessments shall be of sufficient magnitude to insure an adequacy and availability of cash to meet all budgeted expenses and anticipated cash needs in any calendar year as such expenses are incurred in accordance with the cash-basis method of accounting. The cash-basis method of accounting shall conform to generally-accepted accounting standards and principles.

(e) The Board shall not be required to anticipate revenue from Assessments or expend funds to pay for Common Expenses, Operating Expenses or cable and monitored alarm expenses, if any, not included in a Budget or which shall exceed budgeted items, and the Board shall not be required to engage in deficit spending. Should there exist any deficiency which results from expenses being greater than income from Assessments, then such deficits shall be carried into the applicable Budget for the next succeeding year as a deficiency or shall be the

subject of a Special Assessment to be levied by the Board as otherwise provided in the Declaration.

(f) The Board may also include in the proposed Budget a sum of money as an Assessment for the making of betterments to Condominium Property and for anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis.

(g) Pursuant to Section 8.1.3.4 of the Declaration, the Board shall prepare a special budget consisting of Storage Space Area Expenses and Storage Space Area Assessments, which special budget shall be applicable only to those Owners who own Units to which a Storage Space has been assigned as an appurtenance.

7.3 The following provisions shall be applicable to the adoption of the Budget:

(a) The Board may propose a Budget to the Members at a meeting of the Members or in writing. Notice of any Budget meeting, together with a copy of the proposed Budget of common expenses, shall be hand delivered, mailed or electronically transmitted to each Member at the address last furnished to the Association not less than fourteen (14) days prior to the meeting at which the proposed Budget will be considered. Evidence of compliance with the fourteen (14)-day notice provision must be made by an affidavit executed by an officer of the Association or the manager or other person providing notice of the Budget meeting, and such affidavit shall be filed among the official records of the Association. If the proposed Budget is approved by the Members at a meeting of the Members by a majority of all the voting interests of Members, or in writing by a majority of the voting interests of Members, the Budget is adopted. If an adopted Budget requires assessments against Members which exceed one hundred fifteen percent (115%) of the Assessments for the immediately preceding year, the Board shall conduct a special meeting of the Members to consider a substitute Budget if the Board receives, within 21 days after adoption of the Budget, a written request for a special meeting from at least ten percent (10%) of the voting interests of Members. The special meeting shall be conducted within sixty (60) days after adoption of the Budget. At least fourteen (14) days prior to such special meeting, the Board shall hand deliver, mail or electronically transmit to each Member at the address last furnished to the Association, a notice of the meeting. An officer or manager of the association, or other person providing notice of such meeting, shall execute an affidavit evidencing compliance with this notice requirement. At the special meeting, the Members shall consider and enact a substitute Budget. Said substitute Budget must be approved by a vote of not less than a majority vote of all the voting interests at such special meeting. If a special meeting of the Members has been called and a quorum is not attained or a substitute Budget is not adopted by the Members, then the Budget previously adopted by the Board shall go into effect as scheduled. This sub-item (a) shall only be required when the Board is not controlled by the Developer.

(b) For so long as the Developer is in control of the Board, the Budget may be adopted by the Board at a meeting of the Members without the requirement of approval of the Budget by a majority of all the voting interests of Members, so long as the Budget adopted by the Board at the Budget Meeting establishes Assessments for common expenses in an amount which is less than or equal to one hundred fifteen percent (115%) of such Assessments for common expenses for the immediately preceding year. Notice of the Budget meeting, together with copies of the proposed Budget, shall be hand delivered, mailed or electronically transmitted to each Member at the address last furnished to the Association not less than fourteen (14) days prior to the meeting of the Board at which the proposed Budget will be considered. Evidence of compliance with the fourteen (14)-day notice provision must be made by an affidavit

executed by an officer of the Association or manager or other person providing notice of the Budget meeting, and such affidavit shall be filed among the official records of the Association.

(c) For so long as the Developer is in control of the Board, the Board may not impose Assessments for any year which are greater than one hundred fifteen percent (115%) of the Assessments for the immediately preceding year without the approval of a majority of all of the voting interests of Members at a meeting at which the proposed Budget is considered. Notice of the Budget meeting, together with a copy of the proposed Budget of common expenses, shall be hand delivered, mailed or electronically transmitted to each Member at the address last furnished to the Association not less than fourteen (14) days prior to the meeting at which the proposed Budget will be considered.

(d) In determining whether Assessments exceed one hundred fifteen percent (115%) of similar Assessments for the immediately preceding year, the following items of expense shall be excluded:

- (1) Reserves for repair or replacement of any portion of the Condominium Property;
- (2) Expenses of the Association that are not anticipated to be incurred on a regular or annual basis; and
- (3) Assessments for betterments to the Condominium Property;

(e) The provisions of this Section 7.3 concerning Members' approval of a Budget requiring Assessments greater than one hundred fifteen percent (115%) of such Assessments in the immediately preceding year shall continue in full force and effect, unless the applicable provisions of Section 718.112(2)(e) of the Act: (i) are declared invalid by the courts; or (ii) amended by the Florida Legislature (however, if such an amendment merely substitutes another amount for one hundred fifteen percent (115%), then such new amount shall be substituted for one hundred fifteen percent (115%) each time it is set forth in this Section 7.3).

7.4. The Common Expenses shall be apportioned to each Owner based upon each Owner's share of the Common Expenses, as provided in the Declaration.

(a) Notwithstanding the allocation to each Unit of its share of Common Expenses, the Owner of each Unit shall also be liable for any Special Assessments levied by the Board against his Unit as provided in the Condominium Documents. The funds collected pursuant to a Special Assessment shall be used only for the specific purpose or purposes set forth in such notice, or returned to the Owners; provided, however, that upon completion of such specific purpose or purposes, any excess funds shall be considered Common Surplus. The Association shall collect Assessments and Special Assessments for Common Expenses from each Owner in the manner set forth in the Condominium Documents.

(b) To the extent that the Association at any time has either a Common Surplus or Common Expense in regard to the operation of the Condominium, then such Common Surplus or Common Expense shall be prorated equally based on the number of Units within the Condominium and thereafter be deemed a Common Expense or Common Surplus of the Condominium as set forth in the Declaration.

7.5 The Board from time to time shall designate as the Association's depository such bank or banks in which the Association's monies shall be deposited. Withdrawal of monies from

such account shall be only by checks signed by such persons as the Board authorizes. Notwithstanding the foregoing, the President and/or the Treasurer of the Association shall be authorized to sign checks on the Association's behalf, unless otherwise specified by the Board.

Section 8. Rules

8.1 The Board may adopt Rules or amend or rescind existing Rules for the operation and use of the Condominium at any Board meeting; provided such Rules are not inconsistent with the Condominium Documents nor detrimental to sales of Units by Developer. Copies of any Rules promulgated, amended or rescinded shall be mailed, delivered or electronically transmitted to all Owners at the last known address as shown on the Association's books and records and shall not take effect until forty-eight (48) hours after such mailing, delivery or electronic transmittal. The initial Rules are as set forth on Schedule A to these By-Laws.

Section 9. Parliamentary Rules

9.1 The then latest edition of Robert's Rules or Order shall govern the conduct of Association meetings when not in conflict with the Condominium Documents or the Act. In the event of a conflict, the provisions of the Condominium Documents and the Act shall govern.

Section 10. Amendments to the Bylaws

10.1 These Bylaws may be amended by the affirmative vote of not less than a majority of the votes of Members entitled to vote thereon, represented in person or by Proxy at a properly held Annual Members' Meeting or special meeting of the Membership and the approval of a majority of the Board at a regular or special meeting of the Board. A copy of the proposed amendment shall be sent to each Member along with notice of the Annual Members' Meeting or special meeting. An amendment may be approved at the same meeting of the Board and/or Members at which such amendment is proposed.

10.2 An amendment may be proposed by either the Board or by the Members, and after being proposed and approved by one of such bodies, must be approved by the other as set forth above in order to become enacted as an amendment.

10.3 No modification or amendment to these Bylaws shall be adopted which would affect or impair the priority of any holder, insurer or guarantor of a first mortgage on any Unit in the Condominium, the validity of such mortgage or any of Developer's rights.

Section 11. Fidelity Bonding

11.1 The Association shall obtain and maintain adequate fidelity bonding of all persons who control or disburse Association funds in accordance with Section 718.111(11)(d) of the Act.

Section 12. Condemnation of Common Elements

12.1 The Association has a limited power to convey a portion of the common elements to a condemning authority for the purpose of providing utility easements, right-of-way expansion or other public purposes, whether negotiated or as a result of eminent domain proceedings.

Section 13. Mandatory Non-Binding Arbitration

13.1 In the event of a dispute, as defined below, the parties involved shall submit such dispute to non-binding arbitration pursuant to Section 718.1255 of the Act.

13.2 The term "dispute" means any disagreement between two (2) or more parties that involves: (i) the authority of the Board under Chapter 718 or the Condominium Documents to: (a) require any Owner to take any action, or not to take any action, involving that Owner's Unit or the appurtenances thereto; or (b) alter or add to the Common Elements; or (ii) the Association's failure, when required by Chapter 718 or the Condominium Documents to: (a) properly conduct elections; (b) provide adequate notice of meetings; or (c) allow the inspection of books and records by a Unit Owner.

13.3 A "dispute" does not include: (i) any disagreement that primarily involves title to any Unit or Common Element; (ii) the interpretation or enforcement of any warranty; (iii) the levy of a fee, fine or assessment; (iv) the collection of an assessment levied against an Owner; (v) the eviction or removal of a tenant from a Unit; (vi) alleged breaches of fiduciary duty by one (1) or more directors; or (vii) claims for damage to a Unit based upon the Association's alleged failure to maintain Common Elements or Condominium Property.

Section 14. Compliance with Fire and Life Safety Code.

14.1 The Board may accept a certificate of compliance from a licensed electrical contractor or electrician as evidence of compliance by the Units to appropriate fire and life safety codes. Notwithstanding the provisions of Chapter 633, Florida Statutes, or other code, statute, ordinance, administrative rule, or regulation, or any interpretation of the foregoing, the Association or Owner is not obligated to retrofit the common elements or Units of the Condominium with a fire sprinkler system or other engineered life-safety system in a building that has been certified for occupancy by the applicable governmental entity, if the Owners have voted to forego such retrofitting and engineered life-safety system by the affirmative vote of two-thirds (2/3) of all voting interest in the Condominium. However, the Association may not vote to forego the retrofitting with a fire sprinkler system of common areas in a high-rise building. For purposes of this Section 14.1, the term "high-rise building" means a building that is greater than 75 feet in height where the building height is measured from the lowest level of first department access to the floor of the highest occupiable story. For purposes of this Section 14.1, the term "common areas" means any enclosed hallway, corridor, lobby, stairwell, or entryway. In no event shall the local authority having jurisdiction require completion of retrofitting of common areas with a sprinkler system before the end of 2014. A vote to forego retrofitting may be obtained by limited proxy, but shall be obtained by a ballot personally cast at a duly called membership meeting, or by execution of a written consent by the Members, and shall be effective upon recording of a certificate attesting to such vote in the Public Records. The Association shall mail, deliver or electronically transmit to each Owner written notice at least fourteen (14) days prior to such meeting in which the vote to forego retrofitting of the required sprinkler system is to take place. Within thirty (30) days after the Association's opt-out vote, notice of the results shall be mailed, delivered or electronically transmitted to all Owners. Evidence of this thirty (30)-day notice shall be made by an affidavit executed by the person providing the notice and filed among the official records of the Association. After such notice is provided to each Owner, a copy of such notice shall be provided by the current Owner to a new Owner prior to closing and shall be provided by the Owner to a renter prior to signing a lease.

HARBOUR ISLE AT HUTCHINSON ISLAND EAST
CONDOMINIUM ASSOCIATION, INC., a Florida
corporation not for profit

By: M. Mason Simpson, Pres
R. MASON SIMPSON, President

Date: 3-31-05

SCHEDULE A TO BY-LAWS
RULES AND REGULATIONS
FOR
HARBOUR ISLE AT HUTCHINSON ISLAND EAST CONDOMINIUM ASSOCIATION, INC.

It is the purpose of the Harbour Isle at Hutchinson Island East Condominium Association, Inc. (the "Association") to maintain luxurious and economically well-managed Association and it is believed that these rules and regulations ("Rules") will aid in this purpose. Your Board will welcome the assistance of all Owners in the enforcement of the Rules. For purposes of interpretation, all terms within the Rules having initial capital letters shall have the meaning stated in the Declaration of Condominium of Harbour Isle at Hutchinson Island East, a Condominium.

Violations of the Rules should be reported in writing to the Association. Violations will then be called to the attention of the violating Owner and any appropriate committee. All disagreements will be presented to the Board, which will take appropriate action. Owners are responsible for compliance of their tenants, Guests, invitees, and Occupants.

A. GENERAL

1. The sidewalks, entrances, roadways, passages, patios, stairways, corridors, vestibules, elevators, lobbies, halls and like portions of the Common Elements and the property of the Association (collectively, the "Association Property") shall not be obstructed nor used for any purpose other than for ingress and egress to and from Units within the Condominium and to and from Association Property.

2. The Board shall be solely responsible for directing and supervising employees of the Association.

3. No disturbing noises shall be permitted on the Association Property, nor shall any person's conduct interfere with the rights, comforts or conveniences of Owners, tenants, guests, invitees and Occupants.

4. No flammable, combustible or explosive fluids, chemicals or substances shall be kept in any Unit or on Association Property, except as the Board may designate for such use by appropriate Rules.

5. No exterior antennae, other than satellite dishes (and any accessories thereto) that are wholly located within the Unit and not in excess of two (2) feet in any dimension, and then only if such satellite dish is screened from view, shall be permitted, provided that Developer shall have the right (but not the obligation) to install and maintain Condominium antennae and radio and television lines, and temporary communications systems.

6. To maintain a uniform and acceptable appearance of the exterior of Buildings and Improvements, no awnings, screens, glass enclosures or projections shall be attached to the outside walls, doors, verandas, windows, roofs or other portions of Buildings and Improvements, except for storm shutters required by Developer, if any, or other items approved by Developer prior to the sale of a Unit to which such item may be attached. No clothing may be hung so that they can be seen from the exterior of any Unit.

7. Owners shall be liable for all damage to Buildings and Improvements caused by receiving deliveries, or moving or removing furniture or other articles, to or from Units and Buildings and Improvements. Service people are required to check in and check out with the security guard at the main entrance to the Condominium.

8. No Owner shall: (i) use any of the Total Property, or permit the same to be used, in any manner which is unreasonably disturbing, detrimental or a nuisance to any occupant of any other Unit(s) or adjoining Commercial Property owner; (ii) take any action which would be inconsistent with the maintenance of the highest standards for a residential development; (iii) permit the Total Property to be used in a disorderly or unlawful way; nor (iv) take any action which will produce an insurance risk for the Corporation, the Association, any other association or other Owners, tenants, Guests, invitees or Occupants. The use of each Unit shall be consistent with existing ordinances and laws and the Condominium Documents, as amended from time to time, and Owners, tenants, Guests, invitees and Occupants shall at all times conduct themselves in a peaceful and orderly manner.

9. Every Owner, tenant, and Occupant shall comply with the Rules, any and all further Rules that from time to time may be adopted, and the provisions of the Condominium Documents, as amended from time to time. Failure of an Owner, tenant or Occupant to so comply shall be grounds for action that may include, without limitation, an action against the applicable Owner to recover sums due for damages, injunctive relief, or any combination thereof. The Association shall have the right to suspend voting rights in the event of failure to so comply as stated in such Rules and Condominium Documents.

10. No solicitation shall be permitted on the Total Property or the Association Property, or on any other part of the Condominium.

11. Anything to the contrary herein notwithstanding, the Rules (other than those Rules governing pets) shall not apply to Developer, Developer's agents, employees, or contractors, nor to Units owned by Developer. All of the Rules shall apply, however, to all other Owners, tenants, Guest, invitees and Occupants even if not specifically so stated in portions hereof. The Board shall be permitted (but not required) to grant relief to one (1) or more Owners from specific Rules upon written request for such relief and good cause shown in the sole opinion of the Board.

B. RECREATION AREAS

1. Recreation areas shall be used in such a manner as to respect the rights of others, and the Board may regulate duration, scheduling, use, maintenance, and the opening and closing of the recreation areas. The Board may further establish specific rules regulating use of tennis courts, swimming pools, sundecks, the clubhouse, and any other recreation areas governed by the Board.

C. PETS

Only domestic pets ("Pets") shall be permitted within the Condominium, subject to the following rules and conditions:

1. While outside a Unit and while on Association Property or the Total Property, all Pets must be restrained by a collar and leash, and must be accompanied by a mature, responsible individual ("Attendant"). No Pets shall be permitted to run outside a Dwelling Unit without restraint and without being accompanied by an Attendant.
2. The Attendant for each Pet walking a Pet on Association Property or the Total Property shall remove and properly dispose of any solid waste produced by said Pet.
3. The Attendant and Owner of any Pet shall be strictly liable for damages caused to Association Property or the Total Property by said Pet.
4. Any right of the Owner to keep a Pet in a Unit shall have such right revoked if the Pet shall create or become a nuisance as may be determined in the sole discretion of the Board.

D. VEHICLES AND PARKING

The following restrictions apply irrespective of whether the Properties in question lie within areas owned by or dedicated to a governmental entity:

THIS SECTION DESCRIBES CERTAIN VEHICLES THAT ARE PROHIBITED FROM ENTERING ASSOCIATION PROPERTY AND THAT ARE NOT ENTITLED TO PARK ANYWHERE ON ASSOCIATION PROPERTY. HOWEVER, IF A VEHICLE IS LISTED IN RULE 3D (EXCEPTIONS) BELOW, THEN SUCH VEHICLE SHALL BE ALLOWED TO PARK ON DESIGNATED PARKING AREAS OF THE ASSOCIATION PROPERTY DURING THE TIMES INDICATED, IRRESPECTIVE OF WHAT IS STATED IN THE RULES. NO PARKING OR DRIVING SHALL BE PERMITTED ON ANY GRASS OR LANDSCAPED AREAS AT ANY TIME, WHETHER SPECIFICALLY SET FORTH BELOW OR NOT. FOR THE PURPOSES OF THIS RULE D, THE PARKING RESTRICTIONS ESTABLISHED HEREBY SHALL NOT BE APPLICABLE TO PRIVATE, ASSIGNED GARAGE PARKING SPACES.

1. Prohibited Vehicles. No commercial vehicle, trailer, boat, camper, van or truck (other than passenger pick-up trucks, sport-utility vehicles, family-style vans, and other passenger vehicles used for personal transportation and which do not exceed the size of one (1) parking space) shall be permitted to park on any portion of the Association Property, except as the Board may designate for such use by appropriate Rules. The Board may adopt further Rules from time to time regulating and limiting the size, weight, type, place and manner of operation of vehicles on Association Property.

2. Exceptions. The following vehicles shall not be subject to the parking restrictions contained above, and shall be entitled to park within designated areas for parking in the Association Property, subject to restrictions and provisions contained in Rules D through D6 below:

a. Moving Vans. Moving vans shall be permitted to park on paved areas of the Association Property for the purpose of loading and/or unloading, but only for the time period

during which said loading and/or unloading is taking place. At no time shall moving vans be permitted on Association Property during the hours of 8:00 p.m. to 8:00 a.m.

b. Maintenance Vehicles. Maintenance vehicles, regardless of classification, necessary for the maintenance, care or protection of property within the Condominium, shall be permitted on Association Property during regular business hours, but only for the time period during which such maintenance, care or protection is being provided.

c. Service and Delivery Vehicles. Service and delivery vehicles, regardless of classification, are permitted on Association Property during regular business hours, but only for that period of time to render the service or delivery in question.

d. Vehicles for Handicapped Persons. Vehicles for handicapped persons are permitted on Association Property at any time. For the purposes of this sub-item, the term "handicapped" is defined by any fair housing law.

e. Other Permitted Vans. Subject to the provisions above, a two (2) axle van as described hereinafter is permitted to be parked on Association Property so long as such vehicle: (i) does not contain any exterior commercial identification markings; (ii) does not exceed the manufacturer's standard height, width and length for the vehicle; and (iii) complies with the following window limitations: the vehicle must contain windows on: (a) the rear of the vehicle; (b) on both sides of the vehicle adjacent to the first row of seating; and (c) at least one (1) set of windows on each side of the vehicle beyond the windows adjacent to the first row of seating.

f. Vehicles Owner or Controlled by Developer. Vehicles used in connection with Developer's construction, marketing, sale or leasing activities are permitted on the Association Property at any time.

g. Police and Fire Safety Vehicles. Police and fire safety vehicles are permitted on Association Property at any time.

3. Classifications and Definitions. The following classifications and definitions shall govern the above rules:

a. The most current edition of the N.A.D.A. Official Used Car Guide ("Guide") shall determine the classification of whether a vehicle is a truck or van, or whether it is a passenger automobile. If the Guide does not contain reference to a particular vehicle, then the manufacturer's classification shall control. If publication of the Guide shall be discontinued, an equivalent publication shall be selected by the Board to be used to determine vehicle classifications hereunder. Except as otherwise provided as to certain vans under Rule D2(d) above, a State registration or title classification shall have no bearing on determination of the classifications under the Rules.

b. A "commercial vehicle" shall mean any motor vehicle which has an outward appearance of being used in connection with business, such as: the vehicle displays work equipment to view and/or is commercially lettered or contains a commercial or business logo. Actual use of the vehicle shall not be considered; only its outward appearance shall be considered.

c. A "truck" shall mean any motor vehicle classified as a truck in accordance with Rule D3(a) above.

d. A "van" shall mean any motor vehicle classified as a van in accordance with Rule D3(a) above and recognized by the manufacturer to be a type of a van, and which has two (2) axles.

4. Restrictions on Use. The following restrictions also apply:

a. No repair (including changing of oil) of a vehicle shall be made on Association Property except for minor repairs necessary to permit removal of a vehicle, unless they are made in a Unit's garage with the garage door closed. However, washing, detailing or waxing of a vehicle is permitted on designated areas of the Association Property. Notwithstanding the foregoing, activities associated with boat use and maintenance within designated areas shall be permitted as the Board shall determine from time to time.

b. No motor vehicle, including moving vans, shall be parked at any time on the grass or landscaped areas of the Association Property (except for landscaping equipment at the direction of the Board).

5. Removal of Vehicles. There will be times where vehicles must be removed from the parking areas to accommodate maintenance, repairs or replacement of the parking areas on Association Property. Upon reasonable notice from the Association that the foregoing will occur, each Owner, Occupant, Guest and invitee shall remove their vehicle for the time period requested, or be in violation of this provision.

6. Alternative/Concurrent Remedies. Whether or not the Association exercises the Association's right to have a vehicle in violation of these Rules towed, the Association shall nonetheless have the right to seek compliance with the Rules by injunctive and other relief through the courts, and/or any other remedy conferred upon the Association by law or by the Condominium Documents. The Association's right to tow shall in no way be a condition precedent to any other remedies available to the Association incident to the enforcement of the Rules.

DECLARATION OF CONDOMINIUM
of
Harbour Isle at Hutchinson Island East, a Condominium

Exhibit "E"

PARKING SPACE ASSIGNMENT

Pursuant to the provisions of Section 8.1.4 of the Declaration of Condominium of HARBOUR ISLE AT HUTCHINSON ISLAND EAST, a Condominium, the Developer hereby assigns parking space No. ____ to Condominium Unit No. ____, Building _____. Upon the Developer's execution of this Assignment, said parking number shall become a limited common element appurtenant to said Condominium Unit. This Parking Space Assignment is not to be recorded.

DATED this ____ day of _____, 200__.

DEVELOPER:

HARBOUR ISLE DEVELOPMENT EAST, LLC
Aa Florida limited liability company

By: _____
R. Mason Simpson, President

DECLARATION OF CONDOMINIUM
of
Harbour Isle at Hutchinson Island East, a Condominium

Exhibit "F"

Prepared by and Return to:

STORAGE SPACE ASSIGNMENT

Pursuant to the provisions of Section 8.1.3 of the Declaration of Condominium of HARBOUR ISLE AT HUTCHINSON ISLAND EAST, a Condominium ("Declaration"), _____ ("Assignor"), as the holder of an assignment of Storage Space No. _____ ("Storage Space") hereby assigns the Storage Space to _____, as Owner of Condominium Unit No. ____, Building No. ____ ("Unit"), as a Limited Common Element and appurtenance to the Unit, the Storage Space.

DATED this ____ day of _____, 200__.

WITNESSES:

ASSIGNOR:

Print Name: _____

Print Name: _____

State of Florida
County of Indian River

The foregoing document was acknowledged before me this ____ day of _____, 200__ by _____. He or She [] is personally known or [] has produced a driver's license as identification.

Notary Public, State of Florida
My Commission expires:

DECLARATION OF CONDOMINIUM
of
Harbour Isle at Hutchinson Island East, a Condominium

Exhibit "G"

SOUTH FLORIDA WATER MANAGEMENT DISTRICT PERMIT



**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
ENVIRONMENTAL RESOURCE PERMIT NO. 56-01689-P
DATE ISSUED: JUNE 12, 2003**

FORM #0148
Rev. 02/95

PERMITTEE: CAUSEWAY ISLAND TRUST
(HARBOUR ISLE DEVELOPMENT PROJECT)
4500 PGA BLVD STE 207,
PALM BEACH GARDENS, FL 33410

PROJECT DESCRIPTION: CONCEPTUAL APPROVAL OF A 102.3 ACRE RESIDENTIAL/COMMERCIAL DEVELOPMENT. CONSTRUCTION/OPERATION AUTHORIZATION OF A SWM SYSTEM TO SERVE 80.52 ACRES OF RESIDENTIAL/MARINA DEVELOPMENT. AUTHORIZATION OF PRIVATE EASEMENTS TOTALING APPROX 0.79 ACRES OVER STATE-OWNED SOVEREIGNTY SUBMERGED LANDS, INCLUDING REMOVAL OF APPROX 5722 CUBIC YARDS OF SOVEREIGNTY MATERIAL. CONSENT OF USE AUTHORIZATION OVER 1.6 ACRES OF STATE-OWNED SOVEREIGN SUBMERGED LANDS TO CONDUCT, MAINTAIN AND MONITOR SEAGRASS MITIGATION.

PROJECT LOCATION: ST LUCIE COUNTY, SECTION 2 TWP 35S RGE 40E

PERMIT DURATION: See Special Condition No:1. See attached Rule 40E-4.321, Florida Administrative Code.

This Permit is issued pursuant to Application No. 011210-7, dated October 30, 2001. Permittee agrees to hold and save the South Florida Water Management District and its successors harmless from any and all damages, claims or liabilities which may arise by reason of the construction, operation, maintenance or use of activities authorized by this Permit. This Permit is issued under the provisions of Chapter 373, Part IV Florida Statutes (F.S.), and the Operating Agreement Concerning Regulation Under Part IV, Chapter 373 F.S., between South Florida Water Management District and the Department of Environmental Protection. Issuance of this Permit constitutes certification of compliance with state water quality standards where necessary pursuant to Section 401, Public Law 92-500, 33 USC Section 1341, unless this Permit is issued pursuant to the net improvement provisions of Subsections 373.414(1)(b), F.S., or as otherwise stated herein.

This Permit may be transferred pursuant to the appropriate provisions of Chapter 373, F.S. and Sections 40E-1.6107(1) and (2), and 40E-4.351(1), (2), and (4), Florida Administrative Code (F.A.C.). This Permit may be revoked, suspended, or modified at any time pursuant to the appropriate provisions of Chapter 373, F.S. and Sections 40E-4.351(1), (2), and (4), F.A.C.

This Permit shall be subject to the General Conditions set forth in Rule 40E-4.381, F.A.C., unless waived or modified by the Governing Board. The Application, and the Environmental Resource Permit Staff Review Summary of the Application, including all conditions, and all plans and specifications incorporated by reference, are a part of this Permit. All activities authorized by this Permit shall be implemented as set forth in the plans, specifications, and performance criteria as set forth and incorporated in the Environmental Resource Permit Staff Review Summary. Within 30 days after completion of construction of the permitted activity, the Permittee shall submit a written statement of completion and certification by a registered professional engineer or other appropriate individual, pursuant to the appropriate provisions of Chapter 373, F.S. and Sections 40E-4.361 and 40E-4.381, F.A.C.

In the event the property is sold or otherwise conveyed, the Permittee will remain liable for compliance with this Permit until transfer is approved by the District pursuant to Rule 40E-1.6107, F.A.C.

SPECIAL AND GENERAL CONDITIONS ARE AS FOLLOWS:

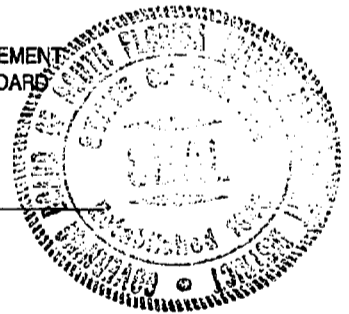
- SEE PAGES 2 - 7 OF 10 (36 SPECIAL CONDITIONS).
- SEE PAGES 8 - 10 OF 10 (19 GENERAL CONDITIONS).

FILED WITH THE CLERK OF THE SOUTH
FLORIDA WATER MANAGEMENT DISTRICT

ON 13-June-2003
BY Edizaveta Veguilla
DEPUTY CLERK

SOUTH FLORIDA WATER MANAGEMENT
DISTRICT, BY ITS GOVERNING BOARD


ASSISTANT SECRETARY



06-17-03 12:37pm From-DIVOSTA INVESTMENTS INC

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T-749 P.03/18 F-345

PERMIT NO: 56-01689-P

PAGE 2 OF 10

SPECIAL CONDITIONS

1. The conceptual phase of this permit shall expire on June 12, 2005.
The construction phase of this permit shall expire on June 12, 2008.
2. All barge activity shall occur in areas where a minimum one-foot bottom clearance is maintained at all times, including mean low water.
3. Mangrove trimming is limited to activities detailed in the plan attached as Exhibit 14. All mangrove trimming activities shall be accomplished by a certified professional mangrove trimmer and in accordance with the Mangrove Trimming and Preservation Act (Sections 403.9321-403.9333 Florida Statutes).
4. Prior to the commencement of construction, the permittee shall conduct a pre-construction meeting with field representatives, contractors and District staff. The purpose of the meeting will be to discuss construction methods and sequencing, type and location of turbidity and erosion controls to be implemented during construction, mobilization and staging of contractor equipment, construction dewatering, ownership documentation for construction and maintenance of the flushing culvert, wetland/buffer protection methods, and manatee protection with the permittee and contractors. The permittee shall contact Environmental Resource Compliance staff in the District's Martin/St. Lucie Service Center (Toll Free number, (800) 250-4100) to schedule the pre-construction meeting.
5. Operation of the surface water management system shall be the responsibility of HARBOUR ISLE AT HUTCHINSON ISLAND COMMUNITY. Within one year of permit issuance or concurrent with the engineering certification of construction completion, whichever comes first, the permittee shall submit a copy of the recorded deed restrictions (or declaration of condominium, if applicable), a copy of the recorded plat, a copy of the filed articles of incorporation, and a copy of the certificate of incorporation for the association.
6. The permittee shall instruct all personnel associated with the project of the potential presence of manatees and the need to avoid collision with manatees. All construction personnel are responsible for observing water-related activities for the presence of manatee(s).

The permittee shall advise all construction personnel that there are civil and criminal penalties for harming, harassing, or killing manatees which are protected under the Marine Mammal Protection Act of 1972, the Endangered Species Act of 1973, and the Florida Manatee Sanctuary Act.

Siltation barriers shall be made of material in which manatees cannot become entangled, are properly secured, and are regularly monitored to avoid manatee entrapment. Barriers must not block manatee entry to or exit from essential habitat.

All vessels associated with the construction project shall operate at "no wake/idle" speeds at all times while in the construction area and while in water where the draft of the vessel provides less than four-foot clearance from the bottom. All construction vessels shall follow routes of deep water whenever possible.

If manatees are seen within 100 yards of the active daily construction/dredging operation or vessel movement, all appropriate precautions shall be implemented to ensure protection of the manatees. These precautions shall include the operation of all moving equipment no closer than 50 feet of a manatee. Operation of any equipment closer than 50 feet to a manatee shall necessitate immediate shutdown of that equipment. Activities will not resume until the manatee has departed the project area of its own volition.

Any collision with and/or injury to a manatee shall be reported immediately to the Florida Marine Patrol at 1-800-dial-fmp (1-800-342 5367). Collision and/or injury should also be reported to the U.S. Fish and Wildlife Service in Vero Beach (1-407-

06-17-03 12:37pm From-DIVOSTA INVESTMENTS INC

5616221851

T-749 P.04/18 F-345

PERMIT NO: 56-01689-P
PAGE 3 OF 10

562-3909).

Temporary signs concerning manatees shall be posted prior to and during all construction/dredging activities. All signs are to be removed by the permittee upon completion of the project. A sign measuring at least three (3) feet by four (4) feet which reads "Caution: Manatee Area" will be posted in a location prominently visible to water related construction crews. A second sign should be posted if vessels are associated with the construction, and should be placed visible to the vessel operator. The second sign should be at least 8 1/2 inches by 11 inches and should read "Caution: Manatee Habitat". Idle speed is required if operating a vessel in the construction area. All equipment must be shutdown if a manatee comes within 50 feet of operation. Any collision with and/or injury to a manatee shall be reported immediately to the Florida Marine Patrol at 1-800-dial-fmp (1-800-342-5367). The U.S. Fish and Wildlife Service should also be contacted in Vero Beach (1-561-562-3909)."

7. The District reserves the right to require remedial measures to be taken by the permittee if monitoring or other information demonstrates that adverse impacts to onsite or offsite wetlands, upland conservation areas or buffers, or other surface waters have occurred due to project related activities.
8. Silt screens, hay bales, turbidity screens/barriers or other such sediment control measures shall be utilized during construction. The selected sediment control measure shall be installed landward of the upland buffer zones around all protected wetlands and shall be properly "trenched" etc, in accordance with Exhibit No. 2. All areas shall be stabilized and vegetated immediately after construction to prevent erosion into the wetlands and upland buffer zones.
9. In order to provide protection to manatees during the operation of docking facilities, permanent manatee information and awareness signs (Caution: Manatee Area signs) shall be installed and maintained to increase boater awareness of the presence of manatees, and of the need to minimize the threat of boats to these animals. The signs shall be installed prior to the facility opening and beginning operations. The signs shall be replaced in the event the signs fade or become damaged, and shall be maintained for the life of the facility in a manner acceptable to the District. The number, type and procedure for sign installation shall be in accordance with the Florida Fish and Wildlife Conservation Commission's Bureau of Protected Species Management document entitled "Permanent Manatee Signs", with the exception that information and awareness signs will also be required for this project.
10. Discharge Facilities:

Basin: BASIN A, Structure: A1

1-3" dia. CIRCULAR ORIFICE with invert at elev. 1.5' NGVD.

Receiving body : Indian River/Intracoastal Waterway
Control elev : 1.5 feet NGVD.

Basin: BASIN A, Structure: A2

1-3.5" WIDE SHARP CRESTED weir with crest at elev. 3.43' NGVD.

Receiving body : Indian River/Intracoastal Waterway
Control elev : 1.5 feet NGVD.

Basin: BASIN B, Structure: B1

1-3" dia. CIRCULAR ORIFICE with invert at elev. 1.5' NGVD.

Receiving body : Indian River/Intracoastal Waterway
Control elev : 1.5 feet NGVD.

06-17-03 12:38pm From-DIVOSTA INVESTMENTS INC

5616221851

T-749 P.05/18 F-345

PERMIT NO: 56-01689-P

PAGE 4 OF 10

Basin: BASIN B, Structure: B2

1-3.5" WIDE SHARP CRESTED weir with crest at elev. 3.04' NGVD.

Receiving body : Indian River/Intracoastal Waterway
Control elev : 1.5 feet NGVD.

11. A turbidity control plan shall be implemented in accordance with Exhibit Nos. 6 and 7 for construction of the marina, flushing culvert and jetties, and in accordance with Exhibits 12B, 12C, and 13E for the seagrass mitigation. Prior to the commencement of construction in the Indian River Lagoon, floating turbidity curtains with weighted skirts that extend to the bottom of the Indian River Lagoon shall be properly installed to isolate adjacent waters from the work area. The floating turbidity curtains shall be maintained and shall remain in place until all construction is complete and turbidity levels in the project area are within 29 NTUs of background levels. The permittee shall be responsible for ensuring that turbidity control devices are inspected daily and maintained in good working order so that there are no violations of state water quality standards outside of the turbidity screens.
12. Manatee exclusion grates shall be placed across the openings of existing or proposed culverts or pipes that are greater than eighteen inches but smaller than six feet in diameter in accordance with Exhibit No. 4K. The installation of grates applies to any submerged or partially submerged pipes and culverts accessible to manatees during any tidal phase. Permittee shall keep all grates free and clear of debris.
13. The permittee shall be responsible for the correction of any erosion, shoaling or water quality problems that result from the construction or operation of the surface water management system.
14. A water quality monitoring program shall be implemented as outlined below:

Turbidity is expressed in nephelometric turbidity units (NTU). Background samples shall be taken 300 feet upstream and compliance samples shall be taken 300 feet downstream of any construction activity within adjacent surface waters. The location of compliance and background sampling locations will be based on the direction of tidal flow during each sampling event (Exhibit 7). For each location, samples shall be taken twice daily, with at least a four-hour interval between samples, during all work authorized by this permit.

Monitoring shall begin on the first day of construction for all activities within or adjacent to surface waters. The monitoring data must demonstrate that turbidity levels 300 feet downstream and 300 feet upstream of all proposed activities is less than or equal to 29 NTU's above natural background turbidity levels. If monitoring shows such levels to be exceeded, construction shall cease and District compliance staff shall be notified immediately or within 24 hours. Work shall not resume until District staff is satisfied that adequate corrective measures have been taken and turbidity has returned to acceptable levels. Upon completion of construction activities, monitoring shall continue until turbidity levels are shown to be less than or equal to 29 NTU's above natural background turbidity for 7 consecutive days.

All monitoring data shall be maintained on site and be available to District staff during regular business hours. The content of the data shall include:

1) permit and application number; (2) dates of sampling and analysis; (3) statement describing the methods used in collection, handling, storage and analysis of the samples; (4) a map indicating the sampling locations and (5) a statement by the individual responsible for implementation of the sampling program concerning the authenticity, precision, limits of detection and accuracy of the data.

Monitoring reports shall also include the following information for each sample that

06-17-03 12:39pm From-DIVOSTA INVESTMENTS INC

5616221851

T-749 P.06/18 F-345

PERMIT NO: 56-01689-P

PAGE 5 OF 10

is taken:

- (a) time of day samples taken;
 - (b) depth of water body;
 - (c) depth of samples;
 - (d) antecedent weather conditions;
 - (e) wind direction and velocity;
 - (f) direction of tidal flow.
15. Measures shall be taken during construction to insure that sedimentation and/or turbidity violations do not occur in the receiving water.
 16. The District reserves the right to require that additional water quality treatment methods be incorporated into the drainage system if such measures are shown to be necessary.
 17. Lake side slopes shall be no steeper than 4:1 (horizontal:vertical) to a depth of two feet below the control elevation. Side slopes shall be nurtured or planted from 2 feet below to 1 foot above control elevation to insure vegetative growth, unless shown on the plans.
 18. Facilities other than those stated herein shall not be constructed without an approved modification of this permit.
 19. A stable, permanent and accessible elevation reference shall be established on or within one hundred (100) feet of all permitted discharge structures no later than the submission of the certification report. The location of the elevation reference must be noted on or with the certification report.
 20. The permittee shall provide routine maintenance of all of the components of the surface water management system in order to remove all trapped sediments/debris. All materials shall be properly disposed of as required by law. Failure to properly maintain the system may result in adverse flooding conditions.
 21. Minimum building floor elevation: BASIN: BASIN A - 7.50 feet NGVD.
BASIN: BASIN B - 7.50 feet NGVD.
 22. Minimum road crown elevation: Basin: BASIN A - 5.44 feet NGVD.
Basin: BASIN B - 5.00 feet NGVD.
 23. All commercial/industrial parcels shall provide a minimum dry pre-treatment volume of 1/2 inch of runoff prior to discharge into the master surface water management system.
 24. The sequence and methodology of marina and jetty construction shall be performed in a manner that will minimize the potential for water quality violations, in accordance with Exhibit 6.
 25. A maintenance program shall be implemented in accordance with Exhibit No. 12 for the preserved, enhanced and created wetland areas on a regular basis to ensure the integrity and viability of those areas as permitted. Maintenance shall be conducted by the Harbour Isle at Hutchinson Island Community Association in perpetuity to ensure that the conservation area is maintained free from Category 1 exotic vegetation (as defined by the Florida Exotic Pest Plant Council at the time of permit issuance) immediately following a maintenance activity. Coverage of exotic and nuisance plant species shall not exceed 5% of total cover between maintenance activities. In addition, the permittee shall manage the conservation areas such that exotic/nuisance plant species do not dominate any one section of those areas.
 26. Success of the seagrass mitigation activities proposed herein is heavily dependent on proper grading to achieve the design ground elevations necessary to successfully plant, recruit and sustain the expected seagrass community. Transplanting of the seagrasses and commencement of authorized seagrass impacts must occur prior to

06-17-03 12:40pm From-DIVOSTA INVESTMENTS INC

5616221851

T-749 P.07/18 F-345

PERMIT NO: 56-01689-P

PAGE 6 OF 10

excavation of the proposed access channel and only after District approval of as-built survey (to verify bathymetry) of settled fill in accordance with Exhibit 13F.

27. A monitoring program for the mitigation areas shall be implemented in accordance with Exhibit No. 12F. Quarterly monitoring shall be performed in the first year, and semi-annual monitoring thereafter, with annual reports submitted to District Environmental Resource Compliance staff. Monitoring shall occur for a minimum of five years, or longer if required to determine that success has been achieved.

Success criteria for vegetative coverage for the mitigation area is identified in Exhibit 12. If planting is determined to be unsuccessful at the end of Year 1, the applicant must submit a remedial plan for corrective action (e.g., additional transplanting, and/or planting of Cuban shoal grass cuttings) to District staff within 30 days of notification of such conditions.

28. A mitigation program for Harbour Isle shall be implemented in accordance with Exhibit Nos. 10 through 13. The permittee shall restore 1.6 acres of seagrass, create 3.37 acres of saltmarsh, preserve and enhance 4.63 acres of mangroves and saltmarsh, and preserve an additional 0.37 acre mangrove.
29. Activities associated with the implementation of the mitigation, monitoring and maintenance plan(s) shall be completed in accordance with the work schedule attached as Exhibit No. 12F. Any deviation from these time frames will require prior approval from the District's Environmental Resource Compliance staff. Such requests must be made in writing and shall include (1) reason for the change, (2) proposed start/finish and/or completion dates; and (3) progress report on the status of the project development or mitigation effort.
30. Prior to the commencement of construction resulting in wetland impacts and in accordance with Exhibit No. 12F, the permittee shall submit two certified copies of the recorded conservation easement for the mitigation area and associated buffers. The data should also be supplied in a digital CAD (.dxf) or GIS (ESRI Coverage) format. The files should be in the Florida State Plane coordinate system, East Zone (3601) with a data datum of NAD83, HARN with the map units in feet. This data should reside on a CD or floppy disk and be submitted to the District's Environmental Resource Compliance Division in the service area office where the application was submitted.

The recorded easement shall be in substantial conformance with Exhibit 18. Any proposed modifications to the approved form must receive prior written consent from the District. The easement must be free of encumbrances or interests in the easement which the District determines are contrary to the intent of the easement. In the event it is later determined that there are encumbrances or interests in the easement which the District determines are contrary to the intent of the easement, the permittee shall be required to provide release or subordination of such encumbrances or interests.

31. The permittee shall obtain an easement or other equivalent legal authorization from the land owners (Florida Department of Transportation and St. Lucie County) to construct and maintain the flushing culvert underneath State Road A1A and the adjacent St. Lucie County Park prior to initiating construction of this project site. This permit does not eliminate the need to obtain any and all necessary easements and rights of way, including from St. Lucie County and/or the Florida Department of Transportation for installation of the flushing culvert, prior to the start of any activity approved herein. This permit does not convey to the permittee, or create for the permittee, any property right, or any interest in real property; nor does it authorize any entrance upon, or activities on, property which is not owned or controlled by the permittee; or convey any rights or privileges other than those specified in the permit and Chapter 40E-4 or Chapter 40E-40, F.A.C.
32. Prior to the commencement of construction and in accordance with the schedule attached as Exhibit 12F, the permittee shall provide an original performance bond in the amount of \$512,600 to ensure the permittee's financial ability and commitment

06-17-03 12:41pm From-DIVOSTA INVESTMENTS INC

5616221851

T-749 P.08/18 F-345

PERMIT NO: 56-01689-P

PAGE 7 OF 10

to complete the proposed mitigation, monitoring and maintenance plan as shown on Exhibit Nos. 10 through 13. The letter of credit/bond shall be in substantial conformance with Exhibit No. 19. The permittee shall also establish a standby trust fund for deposit of all payments under bond. The bond shall remain in effect for the entire period of the mitigation and monitoring program. Notification of the District by the financial institution that the bond will not be renewed or is no longer in effect shall constitute non-compliance with the permit.

33. No construction associated with the proposed jetties, entrance channel, or flushing culvert facilities described by this permit may commence until a sovereign submerged lands easement, which is authorized by the Governing Board, has been fully executed by the Florida Department of Environmental Protection and applicant has paid the requisite easement and dredged materials fees. Construction of other facilities may commence upon issuance of this permit by the District.

34. The following exhibit for the permit is incorporated by reference herein and is located in the permit file:

Exhibit No. 20 Association Documents

35. A permanent sign shall be installed at the facility entrance to notify boat owners of boat size restrictions.

Boat mooring at the docking facilities shall be limited to no more than a total of 63 vessels and shall be limited to vessels no more than 110 feet in length and with drafts that provide clearance of at least 1 foot above the submerged bottom at all times while mooring at the docking facility.

36. The permittee shall maintain the flushing culvert in order to continue to provide a marina flushing time of less than four days.

GENERAL CONDITIONS

1. All activities authorized by this permit shall be implemented as set forth in the plans, specifications and performance criteria as approved by this permit. Any deviation from the permitted activity and the conditions for undertaking that activity shall constitute a violation of this permit and Part IV, Chapter 373, F.S.
2. This permit or a copy thereof, complete with all conditions, attachments, exhibits, and modifications shall be kept at the work site of the permitted activity. The complete permit shall be available for review at the work site upon request by District staff. The permittee shall require the contractor to review the complete permit prior to commencement of the activity authorized by this permit.
3. Activities approved by this permit shall be conducted in a manner which does not cause violations of State water quality standards. The permittee shall implement best management practices for erosion and pollution control to prevent violation of State water quality standards. Temporary erosion control shall be implemented prior to and during construction, and permanent control measures shall be completed within 7 days of any construction activity. Turbidity barriers shall be installed and maintained at all locations where the possibility of transferring suspended solids into the receiving waterbody exists due to the permitted work. Turbidity barriers shall remain in place at all locations until construction is completed and soils are stabilized and vegetation has been established. All practices shall be in accordance with the guidelines and specifications described in Chapter 6 of the Florida Land Development Manual; A Guide to Sound Land and Water Management (Department of Environmental Regulation, 1988), incorporated by reference in Rule 40E-4.091, F.A.C. unless a project-specific erosion and sediment control plan is approved as part of the permit. Thereafter the permittee shall be responsible for the removal of the barriers. The permittee shall correct any erosion or shoaling that causes adverse impacts to the water resources.
4. The permittee shall notify the District of the anticipated construction start date within 30 days of the date that this permit is issued. At least 48 hours prior to commencement of activity authorized by this permit, the permittee shall submit to the District an Environmental Resource Permit Construction Commencement Notice Form Number 0960 indicating the actual start date and the expected construction completion date.
5. When the duration of construction will exceed one year, the permittee shall submit construction status reports to the District on an annual basis utilizing an annual status report form. Status report forms shall be submitted the following June of each year.
6. Within 30 days after completion of construction of the permitted activity, the permittee shall submit a written statement of completion and certification by a registered professional engineer or other appropriate individual as authorized by law, utilizing the supplied Environmental Resource Permit Construction Completion/Certification Form Number 0881. The statement of completion and certification shall be based on onsite observation of construction or review of as-built drawings for the purpose of determining if the work was completed in compliance with permitted plans and specifications. This submittal shall serve to notify the District that the system is ready for inspection. Additionally, if deviation from the approved drawings is discovered during the certification process, the certification must be accompanied by a copy of the approved permit drawings with deviations noted. Both the original and revised specifications must be clearly shown. The plans must be clearly labeled as "As-built" or "Record" drawing. All surveyed dimensions and elevations shall be certified by a registered surveyor.
7. The operation phase of this permit shall not become effective: until the permittee has complied with the requirements of condition (6) above, and submitted a request for conversion of Environmental Resource Permit from Construction Phase to Operation Phase, Form No. 0920; the District determines the system to be in compliance with the permitted plans and specifications; and the entity approved by the District in

06-17-03 12:42pm From-DIVOSTA INVESTMENTS INC

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T-749 P.10/18 F-345

PERMIT NO: 56-01689-P
PAGE 9 OF 10

accordance with Sections 9.0 and 10.0 of the Basis of Review for Environmental Resource Permit Applications within the South-Florida-Water-Management-District, accepts responsibility for operation and maintenance of the system. The permit shall not be transferred to such approved operation and maintenance entity until the operation phase of the permit becomes effective. Following inspection and approval of the permitted system by the District, the permittee shall initiate transfer of the permit to the approved responsible operating entity if different from the permittee. Until the permit is transferred pursuant to Section 40E-1.6107, F.A.C., the permittee shall be liable for compliance with the terms of the permit.

8. Each phase or independent portion of the permitted system must be completed in accordance with the permitted plans and permit conditions prior to the initiation of the permitted use of site infrastructure located within the area served by that portion or phase of the system. Each phase or independent portion of the system must be completed in accordance with the permitted plans and permit conditions prior to transfer of responsibility for operation and maintenance of the phase or portion of the system to a local government or other responsible entity.
9. For those systems that will be operated or maintained by an entity that will require an easement or deed restriction in order to enable that entity to operate or maintain the system in conformance with this permit, such easement or deed restriction must be recorded in the public records and submitted to the District along with any other final operation and maintenance documents required by Sections 9.0 and 10.0 of the Basis of Review for Environmental Resource Permit applications within the South Florida Water Management District, prior to lot or units sales or prior to the completion of the system, whichever comes first. Other documents concerning the establishment and authority of the operating entity must be filed with the Secretary of State, county or municipal entities. Final operation and maintenance documents must be received by the District when maintenance and operation of the system is accepted by the local government entity. Failure to submit the appropriate final documents will result in the permittee remaining liable for carrying out maintenance and operation of the permitted system and any other permit conditions.
10. Should any other regulatory agency require changes to the permitted system, the permittee shall notify the District in writing of the changes prior to implementation so that a determination can be made whether a permit modification is required.
11. This permit does not eliminate the necessity to obtain any required federal, state, local and special district authorizations prior to the start of any activity approved by this permit. This permit does not convey to the permittee or create in the permittee any property right, or any interest in real property, nor does it authorize any entrance upon or activities on property which is not owned or controlled by the permittee, or convey any rights or privileges other than those specified in the permit and Chapter 40E-4 or Chapter 40E-40, F.A.C..
12. The permittee is hereby advised that Section 253.77, F.S. states that a person may not commence any excavation, construction, or other activity involving the use of sovereign or other lands of the State, the title to which is vested in the Board of Trustees of the Internal Improvement Trust Fund without obtaining the required lease, license, easement, or other form of consent authorizing the proposed use. Therefore, the permittee is responsible for obtaining any necessary authorizations from the Board of Trustees prior to commencing activity on sovereignty lands or other state-owned lands.
13. The permittee must obtain a Water Use permit prior to construction dewatering, unless the work qualifies for a general permit pursuant to Subsection 40E-20.302(4), F.A.C., also known as the "No Notice" Rule.
14. The permittee shall hold and save the District harmless from any and all damages, claims, or liabilities which may arise by reason of the construction, alteration, operation, maintenance, removal, abandonment or use of any system authorized by the permit.
15. Any delineation of the extent of a wetland or other surface water submitted as part

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PERMIT NO: 56-01689-P

PAGE 10 OF 10

of the permit application, including plans or other supporting documentation, shall not be considered binding, unless a specific condition of this permit or a formal determination under Section 373.421(2), F.S., provides otherwise.

16. The permittee shall notify the District in writing within 30 days of any sale, conveyance, or other transfer of ownership or control of a permitted system or the real property on which the permitted system is located. All transfers of ownership or transfers of a permit are subject to the requirements of Rules 40E-1.6105 and 40E-1.6107, F.A.C.. The permittee transferring the permit shall remain liable for corrective actions that may be required as a result of any violations prior to the sale, conveyance or other transfer of the system.
17. Upon reasonable notice to the permittee, District authorized staff with proper identification shall have permission to enter, inspect, sample and test the system to insure conformity with the plans and specifications approved by the permit.
18. If historical or archaeological artifacts are discovered at any time on the project site, the permittee shall immediately notify the appropriate District service center.
19. The permittee shall immediately notify the District in writing of any previously submitted information that is later discovered to be inaccurate.

DECLARATION OF CONDOMINIUM
of
Harbour Isle at Hutchinson Island East, a Condominium

Exhibit "H"

ARMY CORPS OF ENGINEERS PERMIT

DEPARTMENT OF THE ARMY PERMIT

Permittee: HARBOUR ISLE DEVELOPMENT COMPANY

Permit No. 200106166 (IP-TKW)

Issuing Office: U.S. Army Engineer District, Jacksonville

NOTE: The term "you" and its derivatives, as used in this permit, means the permittee or any future transferee. The term "this office" refers to the appropriate district or division office of the Corps of Engineers having jurisdiction over the permitted activity or the appropriate official of that office acting under the authority of the commanding officer.

You are authorized to perform work in accordance with the terms and conditions specified below.

Project Description: The project includes placement of 15,000 cubic yards of fill over 4.67 acres of freshwater herbaceous wetlands for construction of a residential marina development. Additional work includes dredging of a marina access channel, installation of a 4,347 linear foot vertical seawall, installation of two sheet pile jetties, construction of 12,165 square feet of finger piers ranging from 20 feet to 50 feet in length and 5 feet to 6 feet in length and installation of a flushing culvert resulting in 0.4 acre of seagrass impacts. The mitigation plan includes filling 1.6 acres of a dredge hole to create seagrass habitat, creation of 3.4 acres of saltmarsh habitat, enhancement of 3.9 acres of mangroves, and preservation of 10.1 acres of land. The project is as shown and described on the attached plans numbered 200106166 (IP-TKW) in 20 sheets, dated July 8, 2003.

Project Location: The project is located in waters of the United States including adjacent wetlands in Section 02, Township 35 south, Range 40 east, St. Lucie County, Florida.

Latitude - 26°19'08.26" North Longitude - 79°31'56.53" West

Permit Conditions:

General Conditions:

1. The time limit for completing the work authorized ends on

PERMIT NUMBER: 200106166(IP-TKW)
PERMITTEE: HARBOUR ISLE DEVELOPMENT COMPANY
PAGE 2 of 8

31 July 2008. If you find that you need more time to complete the authorized activity, submit your request for a time extension to this office for consideration at least one month before the above date is reached.

2. You must maintain the activity authorized by this permit in good condition and in conformance with the terms and conditions of this permit. You are not relieved of this requirement if you abandon the permitted activity, although you may make a good faith transfer to a third party in compliance with General Condition 4 below. Should you wish to cease to maintain the authorized activity or should you desire to abandon it without a good faith transfer, you must obtain a modification of this permit from this office, which may require restoration of the area.
3. If you discover any previously unknown historic or archeological remains while accomplishing the activity authorized by this permit, you must immediately notify this office of what you have found. We will initiate the Federal and state coordination required to determine if the remains warrant a recovery effort or if the site is eligible for listing in the National Register of Historic Places.
4. If you sell the property associated with this permit, you must obtain the signature and mailing address of the new owner in the space provided and forward a copy of the permit to this office to validate the transfer of this authorization.
5. If a conditioned water certification has been issued for your project, you must comply with the conditions specified in the certification as special conditions to this permit. For your convenience, a copy of the certification is attached if it contains such conditions.
6. You must allow representatives from this office to inspect the authorized activity at any time deemed necessary to ensure that it is being or has been accomplished in accordance with the terms and conditions of your permit.

Special Conditions:

1. The permittee shall comply with the attached Standard Manatee Construction Conditions.

PERMIT NUMBER: 200106166(IP-TKW)
PERMITTEE: HARBOUR ISLE DEVELOPMENT COMPANY
PAGE 3 of 8

2. The permittee shall comply with the facility siting, facility construction, manatee education, and facility operation portions of the attached Standard Manatee Conditions for Multi-slip Watercraft Access Facilities.
3. Prior to utilization of the marina channel, the permittee shall purchase, install, and maintain manatee education and manatee awareness signs and distribute a manatee educational package to each slip user, owner, renter, or lessee at the facility.
4. All in-water construction shall occur outside of the "no in-water construction" window that prohibits in-water construction activities between November 15 and March 31.
5. Prior to utilization of the marina channel, the permittee shall install a seagrass/shoaling sign on the waterward edge of the seagrass beds in the vicinity of the shoal supporting *Halophilia johnsonii* to advise boaters of existing resources and shallowness.
6. Within 1 year of the date of permit issuance, the permittee shall restore 1.6 acres of seagrass habitat, create 3.4 acres of saltmarsh wetlands, enhance 3.9 acres of mangrove shoreline, and preserve 10.1 acres in perpetuity as mitigation for the project impacts. The mitigation shall be performed and monitored in accordance with the attached Mitigation Plan. In addition, the permittee shall comply with the attached Shoreline Conservation Plan.
7. The permittee shall adhere to the attached Jetty and Construction Methodology.
8. Copies of all monitoring reports shall be submitted to the U.S. Army Corps of Engineers Stuart Regulatory Office, 218 Atlanta Avenue, Stuart, Florida 34994 and the Jacksonville District Enforcement Branch, Post Office 4970, Jacksonville, Florida 32232-0019.
9. Fill material used with this project shall be limited to suitable, clean fill material, which excludes material such as trash, debris, car bodies, asphalt, construction materials, concrete block with exposed reinforcement bars, and any soils contaminated with any toxic substance in toxic amounts (see Section 307 of the Clean Water Act).

PERMIT NUMBER: 200106166(IP-TKW)
PERMITTEE: HARBOUR ISLE DEVELOPMENT COMPANY
PAGE 4 of 8

10. Turbidity screens shall be installed to completely surround and isolated the work from adjacent waters until turbidity has settled. All turbidity screening and siltation fencing will be installed prior to any filling. The permittee shall adhere to the attached Turbidity Monitoring Plan.

11. This permit acknowledges that all saltmarsh and mangrove mitigation areas, including the upland preserve areas, as shown on the attached permit drawings shall be placed under a conservation easement. Within 60 days of the date of this permit the permittee will provide the Jacksonville District, Enforcement Branch with a copy of the draft document. The permittee will ensure that the areas to be preserved will not be disturbed by any dredging, filling, land clearing, agricultural activities, or any other construction work whatsoever except for that which is necessary to complete the mitigation. Upon completion of the mitigation sites and at the cessation of the five-year monitoring period, the preserved areas shall not be disturbed by any of the above activities except for the removal of exotic vegetation, which shall be performed in perpetuity. The permittee agrees that the only future utilization of the subject preserved areas will be as a purely natural area. A copy of the recorded conservation easement should be submitted to the Jacksonville District, Enforcement Branch within 30 days of its recording.

12. Within 60 days of the authorized work and completion of the mitigation, the attached Self-Certification Statement of Compliance must be completed and submitted to the Corps. Mail the completed form to the Jacksonville District, Enforcement Branch, Post Office 4970, Jacksonville, Florida 32232-0019.

Further Information:

1. Congressional Authorities: You have been authorized to undertake the activity described above pursuant to:

(X) Section 10 of the Rivers and Harbors Act of 1899 (33 U.S.C. 403).

(X) Section 404 of the Clean Water Act (33 U.S.C. 1344).

() Section 103 of the Marine Protection, Research and Sanctuaries Act of 1972 (33 U.S.C. 1413).

PERMIT NUMBER: 200106166(IP-TKW)
PERMITTEE: HARBOUR ISLE DEVELOPMENT COMPANY
PAGE 5 of 8

2. Limits of this authorization.

a. This permit does not obviate the need to obtain other Federal, state, or local authorizations required by law.

b. This permit does not grant any property rights or exclusive privileges.

c. This permit does not authorize any injury to the property or rights of others.

d. This permit does not authorize interference with any existing or proposed Federal projects.

3. Limits of Federal Liability. In issuing this permit, the Federal Government does not assume any liability for the following:

a. Damages to the permitted project or uses thereof as a result of other permitted or unpermitted activities or from natural causes.

b. Damages to the permitted project or uses thereof as a result of current or future activities undertaken by or on behalf of the United States in the public interest.

c. Damages to persons, property, or to other permitted or unpermitted activities or structures caused by the activity authorized by this permit.

d. Design or construction deficiencies associated with the permitted work.

e. Damage claims associated with any future modification, suspension, or revocation of this permit.

4. Reliance on Applicant's Data: The determination of this office that issuance of this permit is not contrary to the public interest was made in reliance on the information you provided.

5. Reevaluation of Permit Decision. This office may reevaluate its decision on this permit at any time the circumstances warrant. Circumstances that could require a reevaluation include, but are not limited to, the following:

PERMIT NUMBER: 200106166(IP-TKW)
PERMITTEE: HARBOUR ISLE DEVELOPMENT COMPANY
PAGE 6 of 8

- a. You fail to comply with the terms and conditions of this permit.
- b. The information provided by you in support of your permit application proves to have been false, incomplete, or inaccurate (see 4 above).
- c. Significant new information surfaces which this office did not consider in reaching the original public interest decision.

Such a reevaluation may result in a determination that it is appropriate to use the suspension, modification, and revocation procedures contained in 33 CFR 325.7 or enforcement procedures such as those contained in 33 CFR 326.4 and 326.5. The referenced enforcement procedures provide for the issuance of an administrative order requiring you comply with the terms and conditions of your permit and for the initiation of legal action where appropriate. You will be required to pay for any corrective measures ordered by this office, and if you fail to comply with such directive, this office may in certain situations (such as those specified in 33 CFR 209.170) accomplish the corrective measures by contract or otherwise and bill you for the cost.

6. Extensions. General condition 1 establishes a time limit for the completion of the activity authorized by this permit. Unless there are circumstances requiring either a prompt completion of the authorized activity or a reevaluation of the public interest decision, the Corps will normally give favorable consideration to a request for an extension of this time limit.

PERMIT NUMBER: 200106166(IP-TKW)
PERMITTEE: HARBOUR ISLE DEVELOPMENT COMPANY
PAGE 7 of 8

Your signature below, as permittee, indicates that you accept and agree to comply with the terms and conditions of this permit.

M. A. Pius
(HARBOUR ISLE DEVELOPMENT COMPANY)

8/4/03
(DATE)

This permit becomes effective when the Federal official, designated to act for the Secretary of the Army, has signed below.

John K. White
(DISTRICT ENGINEER)
Robert M. Carpenter
Colonel, U.S. Army

8/12/03
(DATE)

When the structures or work authorized by this permit are still in existence at the time the property is transferred, the terms and conditions of this permit will continue to be binding on the new owner(s) of the property. To validate the transfer of this permit and the associated liabilities associated with compliance with its terms and conditions, have the transferee sign and date below.

(TRANSFEREE-SIGNATURE)

(DATE)

(NAME-PRINTED)

(ADDRESS)

(CITY, STATE, AND ZIP CODE)

PERMIT NUMBER: 200106166(IP-TKW)
PERMITTEE: HARBOUR ISLE DEVELOPMENT COMPANY
PAGE 8 of 8

DEPARTMENT OF THE ARMY PERMIT

Attachments to Department of the Army Permit Number 200106166(IP-TKW)

1. PERMIT DRAWINGS: 20 pages, dated July 8, 2003.
2. WATER QUALITY CERTIFICATION: In accordance with General Condition number 5 on page 2 of this DA permit, the South Florida Water Management District Certificate Specific Conditions consist of 6 pages.
3. STANDARD MANATEE CONSTRUCTION CONDITIONS: 2 pages, dated June 2001.
4. STANDARD MANATEE CONDITIONS FOR MULTI-SLIP WATERCRAFT ACCESS FACILITIES: 4 pages, dated August 8, 2001.
5. DOCK CONSTRUCTION GUIDELINES FOR FLORIDA: 3 pages, dated August 2001.
6. MITIGATION PLAN: 7 pages, dated May 28, 2003.
7. SHORELINE CONSERVATION PLAN: 2 pages, dated September 16, 2002.
8. JETTY AND CULVERT CONSTRUCTION METHODOOGY: 2 pages, dated May 28, 2003
9. TURBIDITY MONITORING PLAN: 2 pages, dated May 28, 2003

DECLARATION OF CONDOMINIUM
of
Harbour Isle at Hutchinson Island East, a Condominium

Exhibit "I"

PRIMARY OCCUPANT DESIGNATION CERTIFICATE

Declaration of Condominium
of
Harbour Isle at Hutchinson Island East, a Condominium
Exhibit "I"

PRIMARY OCCUPANT DESIGNATION CERTIFICATE

This Primary Occupant Designation Certificate is executed by or on behalf of the owner(s) of Building _____, Unit _____, Harbour Isle At Hutchinson Island East, a Condominium (the "Unit").

By execution hereof, the undersigned designates the following natural person: _____, as the Primary Occupant of the Unit.

All references to Owner or Member in the Condominium Documents as to use and occupancy of and voting and other membership rights with respect to the Unit owned by the Entity shall mean and refer to the Primary Occupant; this shall not, however, relieve the Entity of any of the Entity's responsibilities and obligations under the Condominium Documents or Rules.

The Condominium Documents place personal responsibility and liability upon the Primary Occupant; such personal responsibility and liability exists notwithstanding any provision to the contrary contained in the articles of incorporation or bylaws of the corporate Owner, contained in any partnership agreement of the partnership, or in the regulations of the limited liability company.

Any change in the Primary Occupant shall be treated as a transfer of ownership by the Entity subject to the provisions of Section 14.2 of the Declaration of Condominium of Harbour Isle at Hutchinson Island East, a Condominium.

Any term that is not specifically defined in this Primary Occupant Designation Certificate retains the definition provided in the Declaration of Condominium of Harbour Isle at Hutchinson Island East, a Condominium.

This Primary Occupant Designation Certificate shall continue in full force and effect until a new Primary Occupant Designation Certificate is executed by or on behalf of the owner(s) of the Unit and the transfer is approved by the Harbour Isle at Hutchinson Island East Condominium Association, Inc. as provided for in the Condominium Documents.

Executed this _____ day of _____, _____.

(provide the corporate, partnership or limited liability name)

By: _____
Print Name: _____
Individually and as _____
(provide title of person signing)