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H. J. [Signature]
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D. R. 4150 PAGE 1461
THIS INSTRUMENT WAS PREPARED BY
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RETURN TO:

Mar 22 10 15 AM '74

DECLARATION OF CONDOMINIUM OF
PEPPERTREE LAKE
CONDOMINIUM APARTMENTS
A CONDOMINIUM, PINELLAS COUNTY, FLORIDA

MADE the day last appearing in the body of this Declaration of Leisure Communities, Inc., a Florida corporation, for itself, its successors, grantees and assigns, herein called "Developer".

WHEREIN, the Developer makes the following declarations:

I. PURPOSE. The purpose of this Declaration is to submit the lands described and improvements described and to be constructed thereon to the condominium form of ownership and use in the manner provided in Chapter 711 of the Florida Statutes, as Amended, herein called the "Condominium Act".

A. Name. The name by which this condominium is to be identified is PEPPERTREE LAKE CONDOMINIUM APARTMENTS.

B. Property Submitted to Condominium Form of Ownership. The following property is hereby submitted to the condominium form of ownership:

1. The Land. The lands, owned by the Developer, lying and being situate in Pinellas County, Florida, as more particularly set forth in "Exhibit A" attached hereto, which lands are herein called the "land".

II. DEFINITIONS. The terms used herein and in the Bylaws shall have the meaning stated in the Condominium Act and as follows, unless the context otherwise requires:

A. Suite. Suite means an apartment as defined by the Condominium Act.

B. Apartment. Apartment means unit as defined by the Condominium Act.

C. Apartment Owner. Apartment Owner means unit owner as defined by the Condominium Act.

D. The Association. The Association means Peppertree Lake Condominium Association, Inc.

E. Common Elements. Common Elements shall include; (a) the condominium property not included in the apartments; (b) tangible personal property required for the maintenance and operation of the Common Elements even though owned by the Association; and (c) other items as stated in the Condominium Act.

F. Common Expenses. Common Expenses include: (a) expenses of administration and management of the condominium property; (b) expenses of maintenance, operation, repair or replacement of common elements; (c) expense under community facility; (d) expenses declared common expenses by the provision of this Declaration or Bylaws; and (e) any valid charge against the condominium as a whole.

G. Community Facilities. Community Facilities means and includes the facilities provided under the community facilities as set forth herein.

"CONDOMINIUM PLATS PERTAINING
HERETO ARE RECORDED IN CONDOMINIUM PLAT
BOOK 17 PAGES 66, 67, 68, 69, 70."

H. Condominium Property. Condominium Property means and includes the land and all improvements thereon and all assessments and rights of way appurtenant thereto intended for use in connection with the condominium.

I. Reasonable Attorneys Fees. Reasonable attorneys fees means and includes reasonable fees for the services of attorneys at law whether or not judicial or administrative proceedings are involved and if judicial or administrative proceedings are involved, then of all appellate or administrative review of the same.

J. Singular, Plural, Gender. Whenever the context so permits, the use of the singular shall include the plural and the plural genders.

K. Utility Services. Utility services as used in the Condominium Act and construed with reference to this condominium and as used in the Declaration and Bylaws shall include, but not be limited to electric power, water and sewage disposal.

III. DEVELOPMENT PLAN. The Condominium is described and established, as follows:

A. Plat Plans and Floor Plans. A survey of the land showing the same, the private roads, certain easements, the apartment buildings and other improvements placed thereon, entitled "plat plan" is attached hereto with the identification "Exhibit B".

B. Easements. Each of the following easements is a covenant running with the land of the Condominium, and notwithstanding any of the other provisions of this Declaration, may not be amended or revoked and shall survive the termination of the Condominium and the exclusion of any of the lands of the Condominium from the Condominium:

1. Utilities. As may be required for utility services in order to adequately serve the Condominium and to adequately serve the Condominium property; provided, however, easements through an apartment shall only be according to the plans and specifications for the building containing the apartment or as the building is actually constructed, unless approved, in writing, by the apartment owner.

2. Pedestrian and Vehicular Traffic. For pedestrian traffic over, through and across sidewalks, paths, walks and lanes, as the same may from time to time exist, upon the common elements; and for the vehicular traffic over, through and across such portions of the common elements as may be from time to time paved and intended for such purposes, but the same shall not give or create in any person the right to park upon any portions of the Condominium property, except as otherwise provided.

3. Access by Private Road. Ingress and egress to the land shall be by private road. The share of the Condominium in the expense of maintenance and repair of such private road is a common expense.

C. Management Agreement. Simultaneously with the execution of the Declaration and the adoption of the Bylaws, the Association by and through its original Board of Directors and Officers has entered into an agreement with

Leisure Communities, Inc., entitled "Management Agreement". A signed original copy of said Management Agreement is attached hereto as "Exhibit C". Amendment or revision of such Management Agreement shall not require the procedure for an amendment or change to the Declaration or to the Bylaws and may be accomplished by expression thereof executed by the Board of Directors of the Association and the Manager with the formality required for deed and duly filed among the Public Records of Pinellas County, Florida. Each apartment owner, his heirs, successors and assigns, shall be bound by said Management Agreement to the same extent and effect as if he had executed said Management Agreement for the purposes herein expressed, including but not limited to (a) adopting, ratifying, confirming and consenting to the execution of said Management Agreement by the Association; (b) covenanting and promising to perform each and every of the covenants, promises and undertakings to be performed by apartment owners in the cases provided therefor in said Management Agreement; (c) ratifying, confirming and approving each and every provision of said Management Agreement and acknowledging that all the terms and provisions thereof, including manager's fee, are reasonable; and (d) agreeing that the persons acting as directors and officers of the Association entering into such agreement have not breached any of their duties or obligations to the Association. It is specifically recognized that some or all persons comprising the original Board of Directors and the Officers of the Association are owners of some or all the stock of Leisure Communities, Inc., and that such circumstance shall not and cannot be construed or considered as a breach of their duties and obligations to the Association, nor as possible grounds to invalidate the Management Agreement in whole or in part. The Management Agreement, each and every provision thereof and the acts of the Board of Directors and Officers of the Association entering into such agreement be and the same are hereby ratified, confirmed, approved and adopted.

D. Apartment Buildings. The Condominium includes apartment buildings which are designated Peppertree Lake Condominium Apartments.

E. Other Improvements. The Condominium includes automobile parking areas and landscaping areas located substantially as indicated upon said plot plan survey and which are a part of the common elements.

F. Common Elements. Common elements shall include everything contained within the definition thereof set forth in Section II, paragraph D hereof.

G. Apartments - Boundaries. Each apartment shall include that part of the apartment building containing the apartment which lies within the boundary of the apartment, which boundaries are the interior surfaces of its perimeter walls, bearing walls, floors, ceilings, windows, window frames, doors and door frames and trimming. Where there is a balcony serving only the apartment being bounded, such boundaries shall go to the surfaces of the walls, floor and overhead forming the interior of such balcony.

H. Easement for Unintentional and Non-Negligent Encroachments. If an apartment shall encroach upon any common element or upon any other apartment by reason of original construction, or by the unintended or non-negligent act of the apartment owner, then an easement appurtenant to such common element, to the extent of such encroachment, shall exist so long as such encroachment shall exist.

I. Amendment of Plans and Completion of Improvements.

1. Alteration of Plans. Notwithstanding any other provision of this Declaration, as to units which the Developer may own, the Developer shall have the right to change the location and exterior design and arrangement of all such units and to alter the boundaries between units. If the Developer shall make any changes so authorized, such changes shall be reflected by an amendment to this Declaration. No such change shall increase the number of apartments nor alter the boundaries of the common elements without amendment of this Declaration by approval of the Association apartment owners and owners of mortgages in the manner elsewhere provided.

2. Amendment of Declaration. An amendment of this Declaration by Developer need be executed and acknowledged only by the Developer and mortgagees who may be affected by such change, and need not be approved by the Association, apartment owners, or other lienors or any other person whomsoever.

IV. THE APARTMENT BUILDINGS.

A. Plans. The Condominium shall consist of nine buildings.

1. Buildings numbered 16, 18, 19, 20, 21, 22 and 24 contain eight units each of two bedroom condominium apartments or suites.

2. Buildings numbered 17 and 23 contain twelve units each of one bedroom apartments or suites.

B. Apartments. The apartments in the buildings are identified and briefly described in "Exhibit D" attached hereto. The locations and boundaries of each apartment in each apartment building are more particularly described therein.

C. Appurtenances to Each Apartment. The owner of each apartment shall own a share and certain interests in the Condominium property which are appurtenant to his apartment, which include but are not limited to the following items which are appurtenant to the several apartments, as indicated:

1. Common Elements. The undivided share in the land and other common elements which is appurtenant to each apartment, as set forth in "Exhibit D" attached.

2. Association. The membership of each apartment owner in the Association and the interest of each apartment owner in the funds and assets held by the Association.

3. Common Community Facility. The right to use, occupy and enjoy common facilities designated.

D. Liability for Common Expenses and Share of Common Surplus. Each apartment owner shall be liable for a proportionate share of the common expense and shall be entitled to a share of the common surplus, as set forth in "Exhibit D", attached. The foregoing right to a share of the common surplus does not include the right to withdraw or require payment or distribution of the same.

V. MAINTENANCE, ALTERATION AND IMPROVEMENT. Responsibility for the maintenance of the Condominium property and

restrictions upon the alteration and improvement thereof shall be as follows:

A. Common Elements.

1. By the Association. The maintenance and operation of the common elements shall be the responsibility of the Association and a common expense.

2. Alteration and Improvement. After the completion of the apartment buildings and the common elements thereof which are described in this Declaration, there shall be no alteration or further improvement of the common elements without prior approval, in writing, by the record owners of all apartments; provided, however, that any alteration or improvement bearing the approval in writing of record owners of not less than 75% of the common elements, may be done if the owners who do not oppose are not assessed the cost thereof as a common expense. The share of any cost not as assessed shall be assessed to the approving owners of other apartments in the proportion which their shares in the common elements bear to each other. There shall be no change in the shares or rights of an apartment owner in the common elements which are altered or further improved, whether or not the apartment owner contributed to the cost thereof.

B. Apartments.

1. By Association. The Association shall maintain, repair and replace as a common expense of the apartment buildings containing an apartment:

a. All portions of the apartment contributing to the support of the apartment building, which portions shall include but not be limited to the outside walls of the apartment building and all fixtures on the exterior thereof, boundary walls of an apartment, floors and ceiling slabs, loadbearing columns and loadbearing walls, but shall not include screening, windows, exterior doors, glass and interior surfaces of walls, ceilings and floors.

b. All conduits, rough plumbing (but not fixtures), wiring and other facilities for the furnishing of utility services which are contained in an apartment, but which service all or parts of the building other than the apartment within which contained.

c. All incidental damage caused to an apartment by such work shall be promptly repaired by the Association.

2. By the Apartment Owner. The responsibility of the apartment owner shall include:

a. To maintain, repair and replace at his sole and personal expense, all doors, windows, glass, screens, electric panels, electric wiring, electric outlets and fixtures, air-conditioners, heaters, hot water heaters, refrigerators, dishwashers, other appliances, drains, plumbing fixtures and connections, interior surfaces of all walls, including boundary and exterior walls, floors and ceilings, and all other portions of his apartment except the portions specifically to be maintained, repaired and replaced by the Association.

b. Not to enclose, paint or otherwise decorate or change the appearance of any portion of the exterior of the apartment buildings.

c. To promptly report to the Association any defect or need for repairs, the responsibility for the remedying of which is that of the Association according to this Declaration.

3. Alteration and Improvement. Subject to the other provisions of paragraph B of this Section V and which in all cases shall supersede and have priority over the provisions of this subparagraph when in conflict therewith, an apartment owner may make such alteration or improvement to his apartment at his sole and personal cost as he may be advised, provided all work shall be done without disturbing the rights of other apartment owners and further provided, that an apartment owner shall make no changes or alterations to any interior boundary wall, exterior wall, balcony or patio, screening, exterior door, windows, structural or loadbearing member, electrical service or plumbing service, without first obtaining approval in writing of owners of all other apartments in such apartment building and the approval of the board of directors of the Association.

C. Alterations and Improvements - General. Except as elsewhere reserved to the Developer, neither an apartment owner nor the Association shall make any alteration in the portions of an apartment or the apartment building which are to be maintained by the Association or remove any portion thereof or make any additions thereto to do anything which would jeopardize the safety or soundness of the apartment buildings or impair any easement without first obtaining approval in writing of owners of all other apartments in the apartment buildings and the approval of the Board of Directors of the Association. A copy of plans for all such work prepared by an architect licensed to practice in Florida shall be filed with the Association prior to the granting of such approval and the start of the work.

VI, ASSESSMENTS. The making and collection of assessments against apartment owners for common expenses shall be pursuant to the Bylaws and subject to the following provisions:

A. Share of Common Expenses. Each apartment owner shall be liable for a proportionate share of the common expenses and shall share in the common surplus, as set forth in "Exhibit E", but the same shall not vest or create in any apartment owner the right to withdraw or receive distribution of his share of the common surplus.

B. Payments. Assessments and installments thereon paid on or before five days after the day when the same shall become due, shall not bear interest, but all sums not paid on or before five days when due shall bear a late charge of ten percent (10%), or such other sum as may from time to time be fixed and determined by the Board of Directors. All payments on account shall be first applied to late charges and then to the assessment payment first due. If any installment of an assessment be not paid on or before 30 days after the same shall become due, the Board of Directors may declare the entire assessment as to the delinquent owner then due and payable in full as if so originally assessed.

C. Lien for Assessments. The Association shall have a lien on each apartment for any unpaid assessments and for interest thereon against the owner thereof, which lien shall also secure reasonable attorneys' fees incurred by the

Association incident to the collection of such assessment or enforcement of such lien. Said lien shall be effective from and after the time of recording in the Public Records of Pinellas County, Florida, a claim of lien stating the description of the apartment, the name of the record owner thereof, the amount due and the date when due, and the lien shall continue in effect until all sums secured by the lien shall have been fully paid. Such claims of lien shall be signed and verified by an officer of the Association or by the Managing Agent of the Association. Upon full payment the party making payment shall be entitled to a recordable satisfaction of lien. Such liens shall be subordinate to the lien of any mortgage or other liens recorded prior to the date of recording the claim of lien. Liens for assessment may be foreclosed by suit brought in the name of the Association in like manner as a foreclosure of a mortgage on real property. In any such foreclosure, the owner of the apartment shall be required to pay a reasonable rental for the apartment and the Association shall be entitled as a matter of law, to the appointment of a receiver to collect the same. The Association may also sue to recover a money judgment for unpaid assessments without waiving the lien securing the same. Where the mortgagee of a first mortgage of record or other purchaser of an apartment obtains title to the apartment as a result of the foreclosure of the first mortgage, or where a mortgagee of a first mortgage of record obtains title to the apartment as a result of a conveyance in lieu of foreclosure of the first mortgage, such acquirer of title, its successors and assigns, shall not be liable for the share of the common expense or assessments by the Association pertaining to such apartment or chargeable to the former owner of such apartment which became due prior to acquisition of title in the manner above provided. Such unpaid share of common expenses or assessments shall be deemed to be expenses collectible from all the apartment owners including such acquirer, its successors and assigns.

VII. ASSOCIATION. The operation of the Condominium shall be by Peppertree Lake Condominium Association, Inc., a non-profit corporation, organized pursuant to Section 711.12, Florida Statutes, as Amended, and Chapter 617, Florida Statutes. A copy of its Articles of Incorporation is attached as "Exhibit E", and made a part hereof.

A. Powers. The Association shall have all the powers and duties reasonably necessary to operate the Condominium, as set forth in this Declaration, the Bylaws and the Articles of Incorporation of the Association, and as the same may be amended. It shall also have all the powers and duties of an association as set forth in the Condominium Act; the power to acquire and enter into agreements whereby it acquires leaseholds, memberships and other possessory or use interest in lands or facilities, whether or not contiguous to the lands of the Condominium, intended to provide for the enjoyment, recreation or other use or benefit of apartment owners and to declare the expenses of rental, membership fees, operations, replacements and other undertakings in connection therewith to be common expenses and may make covenants and restrictions concerning the use of the same by apartment owners and such other provisions not inconsistent with the Condominium Act as may be desired; and the power to contract for the management of the Condominium and to delegate to the contractor all the powers and duties of the Association, except such as are specifically required by this Declaration or by the Bylaws to have the approval of the Board of Directors or the Membership of the Association.

B. Bylaws. The Bylaws of the Association are as set forth in attached "Exhibit F", and made a part hereof.

C. Limitation Upon Liability of Association. Notwithstanding the duty of the Association to maintain and repair parts of the Condominium property, the Association shall not be liable for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the Association, or caused by the elements or other owners or persons.

VIII. INSURANCE. Insurance, other than title insurance, which shall be carried upon the Condominium property and the property of the apartment owners, shall be covered by the following provisions:

A. Authority to Purchase. All insurance policies upon the Condominium property shall be purchased by the Association for the benefit of the Association, and in the case of insurance covering damage to the apartment building and its appurtenances, also for the benefit of apartment owners and their mortgagees as their interest may appear, and provisions shall be made for the issuance of certificates of mortgagee endorsements to the mortgages of apartment owners. In the case of insurance policies covering damage to apartment buildings and their appurtenances, the kind of such policies shall be subject to the approval of the bank, life insurance company or savings and loan association holding the greatest dollar amount of first mortgages against apartments in the Condominium. Such policies and endorsements thereon shall be deposited with the Insurance Trustee. It shall not be the responsibility or duty of the Association to obtain insurance coverage upon the personal property or living expenses of any apartment owner, but the apartment owner may obtain such insurance at his own expense, provided such insurance may not be of a nature to affect policies purchased by the Association. Apartment owners shall furnish the Association with copies of all insurance policies obtained by them.

B. Coverage.

1. Casualty. All buildings and improvements upon the land and all personal property included in the common elements shall be insured in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, as determined by the Board of Directors of the Association. Such coverage shall afford protection against:

a. Loss or damage by fire and other hazards covered by a standard extended coverage; and

b. Such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use as the buildings on the land, including but not limited to vandalism and malicious mischief.

2. Public Liability. In such amounts and such coverage as may be required by the Board of Directors of the Association and with cross liability endorsement to cover liabilities of the apartment owners as a group to an apartment owner.

3. Workmen's Compensation Policy. To meet the requirements of law.

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

C. Premiums. Premiums for insurance shall be a common expense. Premiums shall be paid by the Association.

D. Insurance Trustee Share of Proceeds. All property casualty insurance policies purchased by the Association shall be for the benefit of the Association and the apartment owners and their mortgagees as their interests may appear and shall provide that all proceeds covering property losses shall be paid to an Insurance Trustee, being an institution having offices in Pinellas County, Florida, and possessing trust powers, as may from time to time be approved by the Board of Directors of the Association, which Trustee is herein referred to as "Insurance Trustee"; provided, however, that the foregoing right of the Board of Directors to select the Insurance Trustee shall be subject to the approval of the bank, insurance company or savings and loan association holding the greatest dollar amount of first mortgages against apartments in the Condominium. The duty of the Insurance Trustee shall be to receive such proceeds as are paid and hold the same in Trust for the purposes elsewhere stated herein, and for the benefit of the apartment owners and their mortgagees in the following shares, but which shares need not be set forth on the records of the Insurance Trustee:

1. Common Elements. Proceeds on account of damage to common elements - an undivided share for each apartment owner of the Condominium, such share being the same as the undivided share in the common elements appurtenant to his apartment.

2. Apartments. Proceeds on account of damage to apartments shall be held in the following undivided shares:

a. When the apartment building is to be restored for the owners of damaged apartments in proportion to the cost of repairing the damage suffered by each apartment owner, which cost shall be determined by the Board of Directors of the Association.

b. When the apartment building is not to be restored - for the owners of apartments in such building in undivided shares being the same as their respective shares in the common elements.

3. Mortgages. In the event a mortgagee endorsement has been issued as to an apartment, the share of an apartment owner shall be held in Trust for the mortgagee and the apartment owner as their interests may appear; provided, however, that the mortgagee shall have the right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired.

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

1. Expense of Trust. All expenses of the Insurance Trustee shall be first paid or provisions made therefor.

2. Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to apartment owners and mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of an apartment and may be enforced by such mortgagee.

3. Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided, that the damage for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners, remittances to apartment owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of an apartment and may be enforced by such mortgagee.

4. Certificate. In making distribution to apartment owners and their mortgagees, the Insurance Trustee may rely upon a Certificate of the Association made by its President and Secretary, or by the Association's Managing Agent as to the names of apartment owners and their respective shares of the distribution.

F. Association as Agent. The Association is hereby irrevocably appointed agent, with full power of substitution, for each apartment owner and for each owner of any other insured interest in the condominium property to adjust all claims arising under insurance policies purchased by the Association, to bring suit thereon in the name of the Association and/or other insureds and deliver releases upon payments of claims, and to otherwise exercise all of the rights, powers and privileges of the Association and each owner of any other insured interest in the condominium property as an insured under such insurance policies.

IX. RECONSTRUCTION OR REPAIR AFTER CASUALTY.

A. Determination to Reconstruct or Repair. If any part of the condominium property shall be damaged by casualty, whether it shall be reconstructed or repaired or not, shall be determined in the following manner:

1. Common Elements. If the damaged improvement is a common element, the same shall be reconstructed or repaired unless the damages to an apartment building containing such common element extend to apartments contained within such building, in which case the provisions relative to reconstruction and repair of an apartment building, as elsewhere herein provided, shall pertain.

2. Apartment Building,

a. Partial destruction. If the damaged improvement is an apartment building and less than 90 percent of the amount of insurance applicable to such apartment building is forthcoming by reason of such casualty, then the apartment building shall be reconstructed and repaired unless 75 percent of the owners of the apartments contained within such building and all

mortgagees, being banks, savings and loan associations, and insurance companies, holding first mortgages upon apartments contained within such building shall within 60 days after casualty agree, in writing, that the same shall not be reconstructed or repaired.

b. Total destruction. If the damaged improvement is an apartment building and 90 percent or more of the amount of casualty insurance applicable to such apartment building is forthcoming by reason of such casualty, the apartment building shall not be reconstructed or repaired unless within 60 days after casualty 51 percent of the owners of the apartments contained within such building and all mortgagees, being banks, savings and loan associations, and insurance companies, holding first mortgages, upon apartments contained within such building shall within 60 days after casualty agree, in writing, that the same shall be reconstructed or repaired.

3. Certificate. The Insurance Trustee may rely upon a certificate of the Association made by its president and secretary or managing agent to determine whether or not the apartment owners, where so provided, have made a decision whether or not to reconstruct or repair.

B. Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications of the original building and improvements; or if not, then according to plans and specifications approved by the board of directors of the Association and if the damaged property is an apartment building, by the owners of all damaged apartments therein, which approvals shall not be unreasonably withheld.

C. Responsibility. If the damage is only to those parts of apartments for which the responsibility of maintenance and repair is that of apartment owners, then the apartment owners shall be responsible for reconstruction and repair after casualty. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Association.

D. Estimate of Costs. When the Association shall have the responsibility of reconstruction or repair, prior to the commencement of reconstruction and repair the Association shall obtain reliable and detailed estimates of the cost to repair and rebuild.

E. Assessments for Reconstruction and Repair.

1. Common Elements. Assessments shall be made against all apartment owners in amounts sufficient to provide funds for the payment of the cost of reconstruction and repair of common elements. Such assessments shall be in proportion to each apartment owner's share in the common elements.

2. Apartments. Assessments shall be made against the apartment owners who own the damaged apartments in sufficient amounts to provide for the payment of such costs of reconstruction and repair. Such assessments against apartment owners for damage to apartments shall be in proportion to the cost of reconstruction and repair of their respective apartments.

F. Construction Funds. The funds for the payment of costs for reconstruction and repair after casualty, which shall consist of the proceeds of insurance held by the Insurance Trustee and funds collected by the Association from assessments against apartment owners shall be disbursed in payment of such costs in the following manner:

1. By Whom Held. If the total of assessments made by the Association in order to provide funds for the payment of reconstruction and repair which is the responsibility of the Association is more than \$10,000.00, then the sums paid upon such assessments shall be deposited by the Association with the Insurance Trustee. In all other cases the Association shall hold the sums paid upon such assessments and shall disburse the same in payment of the costs of reconstruction and repair.

2. Insurance Trustee. The proceeds of insurance collected on account of a casualty and the sums deposited with the Insurance Trustee by the Association from collection of assessments against apartment owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner:

a. Apartment owner. The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with an apartment owner, shall be paid by the Insurance Trustee to the apartment owner or if there is a mortgagee endorsement as to such apartment, then to the apartment owner and the mortgagee jointly, who may use such proceeds as they may be advised.

b. Association - lesser damage. If the amount of the estimated cost of reconstruction and repair which is the responsibility of the Association is less than \$10,000.00, then the construction fund shall be disbursed in payment of such costs upon the order of the Association.

c. Association - major damage. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is more than \$10,000.00, then the construction fund shall be disbursed in payment of such costs in the manner required by the Board of Directors of the Association and upon approval of an architect qualified to practice in Florida and employed by the Association to supervise the work.

d. Certificate. Notwithstanding the provisions herein, the Insurance Trustee shall not be required to determine whether or not sums paid by apartment owners upon assessments shall be deposited by the Association with the Insurance Trustee, nor to determine whether the disbursements from the construction fund are to be upon the order of the Association or upon approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund, nor to determine whether surplus funds to be distributed are less than the assessments paid by owners, nor to determine any other fact or matter relating to its duties hereunder. Instead, the Insurance Trustee may rely upon a certificate of the Association made by its president and secretary or the Association's managing agent as to any or all of such matters and stating that the sums to be paid are due and properly payable and stating the name of the payee and the amount to be paid; provided that when a mortgagee is herein required to

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be named as payee, the Insurance Trustee shall also name the mortgagee as payee; and further provided that when the Association, or a mortgagee which is the beneficiary of an insurance policy the proceeds of which are included in the construction fund, so required, the approval of an architect named by the Association shall be first obtained by the Association.

X. RESTRICTIONS. The use of the condominium property shall be in accordance with the following provisions:

A. Residential Use. The lands of the condominium and all improvements constructed thereon shall be for residential use only and no portion of such lands or improvements shall be used for business or commercial purposes. No structures shall be constructed upon the lands other than apartment buildings or other structures intended for residential use and appurtenances thereto. Each apartment or other residential living unit shall be occupied only by a single family, its servants and guests, as a residence, and for no other purpose whatever. Except as reserved to the Developer, no apartment may be divided or subdivided into a small unit or any portion thereof sold or otherwise transferred without first amending this Declaration in accordance with the provisions of Sections X and XIV to show the changes in the apartment or residential living unit to be affected thereby.

B. Age Limitation of Permanent Residents. In recognition of the fact that the development of the property contemplated by the Declaration of Condominium has been specially designed, created and constructed, and will be operated and maintained throughout the life of the Condominium for the comfort, convenience and accommodation of adult persons, and the use of any of the condominium property, and especially the occupancy of any of the units thereof, is hereby limited to permanent residents of responsible age, to be determined by the Association. The foregoing provisions of this paragraph entitled "Age Limitation of Permanent Residents" shall not apply to a transfer to or purchase by a bank, life insurance company or savings and loan association which acquired its title as the result of acquiring a mortgage upon the apartment concerned, and this shall be so whether the title is acquired by deed from the mortgagor or his successor in title or through foreclosure proceedings; nor shall such provisions apply to a transfer, sale or lease by a bank, life insurance company or savings and loan association which so acquires its title; nor shall such provisions apply to a transfer to or purchase by the Developer, or a transfer, sale or lease by the Developer.

C. Pets. No animals, fish, reptiles, amphibians or other pets of any nature and description shall be raised, bred, or kept in any apartment or the common elements, except as may from time to time be authorized by the Board of Directors.

D. Nuisances. No nuisances shall be allowed upon the condominium property nor any use or practice which is the source of nuisances to residents or which interfere with the peaceful possession and proper use of the property by its residents. All parts of the condominium property shall be kept in a clean and sanitary condition and no rubbish, refuse, nor garbage allowed to accumulate nor any fire hazard allowed to exist. No apartment owner shall permit any use of

his apartment or make any use of the common elements or limited common elements which will increase the rate of insurance upon any part of the condominium property.

E. Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the condominium property or any part thereof, and all valid laws, zoning ordinances and regulations of all government bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of government bodies having jurisdiction thereof shall be observed.

F. Signs. No "For Sale" or "For Rent" signs or other displays or advertising shall be maintained or permitted in any part of the common elements or apartments. The right is reserved to the Developer to place "For Sale" or "For Rent" signs in connection with any unsold or unoccupied apartments it may from time to time own. The same right is reserved to any institutional first mortgagee or owner or holder of a mortgage originally given to an institutional first mortgagee which may become the owner of an apartment and to the Association as to any apartment which it may own.

G. Exterior Appearance. No clothes, sheets, blankets, laundry of any kind, or other articles shall be hung out or exposed from any apartment or common element. The common elements shall be kept free and clear of rubbish, debris and other unsightly material. There shall be no keeping by apartment owners of any chairs, tables, benches or other articles upon any common element. Nothing shall be hung or displayed on the outside walls of an apartment building and no awning, canopy, shade, window guard, ventilator, fan, air-conditioning device, radio or television antenna may be affixed to or placed upon the exterior walls or roof or any part thereof without the prior consent of the Association. All permanent exterior doors (as distinguished from the screen doors) from apartments to the common elements shall be kept completely closed except when in use for ingress and egress.

H. Leasing. After approval of the Association elsewhere required, the entire apartment may be rented provided the occupancy is only by one lessee and members of his immediate family, of responsible age, his servants and guests and the term of the lease is not less than 6 months. No rooms may be rented and no transient tenants may be accommodated. No lease of an apartment shall release or discharge the owner thereof of compliance with this Section X or any of his other duties as an apartment owner. ~~_____~~

I. Regulations. Reasonable regulations concerning the use of the condominium property may be made and amended from time to time by the Board of Directors of the Association. The initial regulations which shall be deemed effective until amended are annexed to the By-Laws.

J. Proviso. Provided, however, that until the Developer has completed and sold all of the apartments of the condominium, neither the apartment owners nor the Association nor their use of the condominium shall interfere with the completion of the contemplated improvements and the sale of the apartments. The Developer may make such use of the unsold units and the common elements as may facilitate such completion and sale, including but not limited to the maintenance of a sales office for the showing of the property and the display of signs.

XI. MAINTENANCE OF COMMUNITY INTERESTS. In order to maintain a community of congenial residents and thus protect the value of the apartments and in order to assure the financial ability of each apartment owner to pay assessments made against him, the transfer of apartments by any owner other than the Developer shall be subject to the following provisions so long as the condominium exists, which provisions each owner covenants to observe.

A. Transfers Subject to Approval.

1. Sale. No apartment owner may dispose of an apartment or any interest therein by sale without approval of the Association, except to a unit owner.

2. Lease. No apartment owner may dispose of an apartment or any interest therein by lease without approval of the Association, except to a unit owner.

3. Gift. If any apartment owner shall acquire his title by gift, the continuance of his ownership of his apartment shall be subject to the approval of the Association.

4. Devise or Inheritance. If any apartment owner shall acquire his title by devise or inheritance, the continuance of his ownership of his apartment shall be subject to the approval of the Association.

B. Approval by Association. The approval of the Association which is required for the transfer or ownership of apartments shall be obtained in the following manner:

1. Notice to Association.

a. Sale. An apartment owner intending to make a bona fide sale of his apartment or any interest therein shall give to the Association notice, in writing, of such intention, together with the name and address of the intended purchaser and such other information concerning the intended purchaser as the Association may reasonably require. Such notice at the apartment owner's option may include a demand by the apartment owner that the Association furnish a purchaser, if the proposed purchaser is not approved; and if such demand is made, the notice shall be accompanied by an executed copy of the proposed contract to sell.

b. Lease. An apartment owner intending to make a bona fide lease of his apartment or any interest therein shall give to the Association notice, in writing, of such intention, together with the name and address of the intended lessee, such other information concerning the intended lessee as the Association may reasonably require, and an executed copy of the proposed lease.

c. Gift; devise or inheritance; other transfers. An apartment owner who has obtained his title by gift, devise or inheritance, or by any other manner not heretofore considered, shall give to the Association notice, in writing, of the acquiring of his title, together with such information concerning the apartment owner as the Association may reasonably require, and a certified copy of the instrument evidencing the owner's title.

d. Failure to give notice. If the notice to the Association herein required is not given, then at any time after receiving knowledge of a transaction or event transferring ownership or possession of an apartment, the Association at its election and without notice may approve or disapprove the transaction or ownership, the Association shall proceed as if it had received the required notice on the date of such disapproval.

2. Certificate of Approval:

a. Sale. If the proposed transaction is a sale, then within 30 days after receipt of such notice and information the Association must either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate executed by the president and secretary or managing agent of the Association in recordable form and shall be delivered to the seller.

b. Lease. If the proposed transaction is a lease, then within 30 days after receipt of such notice and information the Association must either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate executed by the president and secretary or managing agent of the Association in recordable form and shall be delivered to the lessor.

c. Gift; devise or inheritance; other transfers. If the apartment owner giving notice has acquired his title by gift, devise or inheritance or in any other manner, then within 30 days after receipt of such notice and information the Association must either approve or disapprove the continuance of the apartment owner's ownership of his apartment. If approved, the approval shall be stated in a certificate executed by the president and secretary or managing agent of the Association in recordable form and shall be delivered to the apartment owner.

d. Approval of corporate owner or purchaser. Inasmuch as the condominium may be used only for residential purposes and a corporation cannot occupy an apartment for such use, if the apartment owner or purchaser of an apartment is a corporation, the approval of ownership by the corporation may be conditioned by requiring that all persons occupying the apartment be also approved by the Association.

C. Disapproval by Association. If the Association shall disapprove a transfer of ownership of an apartment, the matter should be disposed in the following manner:

1. Sale. If the proposed transaction is a sale and if the notice of sale given by the apartment owner shall so demand, then within 30 days after receipt of such notice and information, the Association shall deliver or mail by certified or registered mail to the apartment owner an agreement to purchase by a purchaser, being either the Association or a person approved by the Association, who will purchase and to whom the apartment owner must sell the apartment upon the following terms:

a. At the option of the purchaser to be stated in the agreement, the price to be paid shall be that stated in the disapproved contract to sell or shall be the fair market value determined by arbitration in accordance

d. Failure to give notice. If the notice to the Association herein required is not given, then at any time after receiving knowledge of a transaction or event transferring ownership or possession of an apartment, the Association at its election and without notice may approve or disapprove the transaction or ownership, the Association shall proceed as if it had received the required notice on the date of such disapproval.

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a. At the option of the purchaser to be stated in the agreement, the price to be paid shall be that stated in the disapproved contract to sell or shall be the fair market value determined by arbitration in accordance

with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the apartment; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

b. If the purchaser shall elect to purchase at the price stated in the agreement, the purchase price shall be paid in the manner and subject to the conditions of such agreement; if the purchaser shall elect to purchase at the fair market value determined by arbitration, the purchase price shall be paid in cash.

c. The sale shall be closed within 30 days after the delivery or mailing of said agreement to purchase, or within 30 days after the determination of the sale price if such is by arbitration, whichever is the later.

d. If the Association shall fail to purchase or provide a purchaser upon the demand of the apartment owner in the manner provided, or if a purchaser furnished by the Association shall default in his agreement to purchase, the proposed transaction shall be deemed to have been approved and the Association shall furnish a certificate of approval as elsewhere provided.

2. Lease. If the proposed transaction is a lease, the apartment owner shall be advised of the disapproval in writing, and the lease shall not be made.

3. Gift, Devise or Inheritance; Other Transfers. If the apartment owner giving notice has acquired his title by gift, devise or inheritance, or in any other manner, then within 30 days after receipt from the apartment owner of the notice and information required to be furnished, the Association shall deliver or mail by certified or registered mail to the apartment owner an agreement to purchase by a purchaser, being either the Association or a person who will purchase and to whom the apartment owner must sell the apartment upon the following terms:

a. The sale price shall be the fair market value determined by agreement between the seller and purchaser within 30 days from the delivery or mailing of such agreement, and in the absence of agreement as to price, it shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the apartment; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

b. The purchase price shall be paid in cash.

c. The sale shall be closed within 10 days following the determination of the sale price.

d. If the Association shall fail to purchase or provide a purchaser as herein required or if a purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding the disapproval, such ownership shall be deemed to have been approved, and the Association shall furnish a certificate of approval as elsewhere provided.

D. Mortgage. No apartment owner may mortgage his apartment nor any interest therein without the approval of the Association except to a bank, life insurance company, or a federal savings and loan association. The approval of any other mortgages may be upon conditions determined by the Association or may be arbitrarily withheld.

E. Exceptions. The foregoing provisions of this Section XI entitled "Maintenance of Community Interests" shall not apply to a transfer to or purchase by a bank, life insurance company or savings and loan association which acquired its title as the result of owning a mortgage upon the apartment concerned, and this shall be so whether the title is acquired by deed from the mortgagor or his successor in title or through foreclosure proceedings; nor shall such provisions apply to a transfer, sale or lease by a bank, life insurance company or savings and loan association which so acquires its title; nor shall such provisions apply to a transfer to or a purchase by the Developer or a transfer, sale or lease by the Developer; nor shall such provisions require the approval of a purchaser who acquires the title to an apartment at a duly advertised public sale with open bidding which is provided by law, such as but not limited to execution sale, foreclosure sale, judicial sale or tax sale.

F. Separation of Interests. A sale of an apartment shall include all of its appurtenances and appurtenances may not be sold separate from an apartment. A lease of an apartment shall include the parking space. A lease of an apartment need not include the rights appurtenant to it to use the community facilities, provided, that such rights not so leased must be specifically retained by the lessor and may not be separately leased or assigned.

G. Unauthorized Transactions. Any sale, mortgage or lease which is not authorized pursuant to the terms of this Declaration shall be void unless subsequently approved by the Association.

H. Notice of Lien or Suit.

1. Notice of Lien. An apartment owner shall give notice, in writing, to the Association of every lien upon his apartment other than for permitted mortgages, taxes and special assessments within 5 days after the attaching of the lien.

2. Notice of Suit. An apartment owner shall give notice, in writing, to the Association of every suit or other proceeding which may affect the title to his apartment, such notice to be given within 5 days after the apartment owner received knowledge thereof.

3. Failure to Comply. Failure to comply with this subparagraph concerning liens will not affect the validity of any judicial sale.

XII. PURCHASE OF APARTMENTS BY ASSOCIATION. The Association shall have the power to purchase apartments, subject to the following provisions:

A. Decision. The decision of the Association to purchase an apartment shall be made by its directors, without approval of its membership except as elsewhere provided in this section.

B. Limitation. If at any one time the Association be the owner or agreed purchaser of 3 or more apartments, it may not purchase any additional apartments without the prior written approval of 75 percent of members eligible to vote thereon. A member whose apartment is the subject matter of the proposed purchase shall be ineligible to vote thereon. Provided, however, that the foregoing limitation shall not apply to apartments to be purchased at public sale resulting from a foreclosure of the Association's lien for delinquent assessments where the bid of the Association does not exceed the amount found due the Association, or to be acquired by the Association in lieu of foreclosure of such lien if the consideration therefor does not exceed the cancellation of such lien.

C. Rights of Developer. Notwithstanding anything herein to the contrary, until the completion and sale of all apartments, in each case where the Association shall have the right to purchase an apartment or find a purchaser by reason of its refusal to approve a sale or other transfer, the Developer shall have the right of first refusal to purchase such apartment for itself upon the same terms and conditions available to the Association.

XIII. COMPLIANCE AND DEFAULT. Each apartment owner shall be governed by and shall comply with the terms of this Declaration, the By-Laws and the rules and regulations adopted pursuant thereto, management agreement, and said documents and rules and regulations as they may be amended from time to time. Failure of the apartment owner to comply therewith shall entitle the Association or other apartment owners to the following relief in addition to other remedies provided in this Declaration and the Condominium Act.

A. Enforcement. The Association and manager are hereby empowered to enforce this Declaration and the By-Laws and rules and regulations of the Association by entry to any apartment at any reasonable time to make inspection, correction or compliance.

B. Negligence. An apartment owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness or by that of any member of his family, his lessees, or his or their guests, invitees, employees, or agents, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of an apartment or its appurtenances, or of the common elements or of the limited common elements.

C. Costs and Attorneys' Fees. In any proceeding arising because of an alleged failure of an apartment owner to comply with the terms of the Declaration, By-Laws, and rules and regulations adopted pursuant thereto, management

agreement, and said documents and rules and regulations as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees as may be awarded by the court.

D. No Waiver of Rights. The failure of the Developer or the Association or any apartment owner to enforce any covenant, restriction or other provisions of the Condominium Act, this Declaration, the By-Laws, or the rules and regulations adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter.

XIV. AMENDMENTS. Subject to the other provisions of the Declaration relative to amendment, this Declaration and the Articles of Incorporation and By-Laws of the Association may be amended in the following manner:

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

B. Resolution. An amendment may be proposed by either the Board of Directors or by 75 percent of the members of the Association. A resolution adopting a proposed amendment must bear the approval of not less than 75 percent of the entire membership of the Board of Directors and 75 percent of the members of the Association, or by not less than 80 percent of the votes of the entire membership of the Association. Directors and members not present at the meetings considering the amendment may express their approval, in writing, given before such meetings.

C. Agreement. In the alternative, an amendment may be made by an Agreement signed and acknowledged by all of the record owners of apartments in the condominium in the manner required for the execution of a deed, and such amendment shall be effective when recorded in the public records of Pinellas County, Florida.

D. Proviso. Provided, however, that no amendment shall discriminate against any apartment owner nor against any apartment or class or group of apartment owners of apartments unless the apartment owners so affected and such of their first mortgagees which are banks, savings and loan associations, and insurance companies shall consent; and no amendment shall change any apartment nor the share in the common elements, and other of its appurtenances nor increase the owner's share of the common expenses unless the owner of the apartment concerned and all of such mortgagees as first above recited shall join in the execution of the amendment. Neither shall an amendment of this Declaration make any change in Sections VIII or IX unless the record owners of all mortgages upon apartments in the condominium shall join in the execution of the amendment, nor shall an amendment of this Declaration make any changes in Section II, paragraph D; Section II, paragraph E; Section II, paragraph F; Section II, paragraph G; Section III, paragraph C; Section VII, paragraph A; or any other provisions of this Declaration or related provisions of the By-Laws in any way dealing with or relating to the community facility lease unless the Lessor under the said community facility lease shall join in the execution of the amendment; nor shall any amendment of this Declaration make any change which would in any way effect the rights, privileges, powers and options of the Developer unless the Developer shall join in the execution of such amendment.

E. Execution and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted, which certificate shall be executed by the officers of the Association with formalities of a deed. The amendment shall be effective when such certificate and copy of the amendment are recorded in the public records of Pinellas County, Florida.

XV. TERMINATION. The Condominium may be terminated in the following manner, in addition to the manner provided by the Condominium Act:

A. Destruction. In the event it is determined in the manner elsewhere provided that the condominium property shall not be reconstructed because of major damage, the condominium plan of ownership will be thereby terminated without agreement.

B. Agreement. The Condominium may be terminated by the approval in writing of all the owners of the units therein, and by all record owners and holders of mortgages thereon. If the proposed termination is submitted to a meeting of the Members of the Association, and if the approval of the owners of not less than 75 percent of the common elements, and of the record owners of all mortgages upon the units are obtained in writing not later than 30 days from the date of such meeting, then the approving owners shall have an option to buy all the units of the other owners for the period ending on the 60th day 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. Such option shall be upon the following terms:

1. Exercise of Option. The option shall be exercised by delivery or mailing by Certified Mail to each of the record owners of the units to be purchased, of an agreement to purchase signed by the record owners of units who will participate in the purchase. Such agreement shall indicate which units will be purchased by each participating owner and shall agree to purchase all the units owned by owners not approving the termination, but the agreement shall be effected by a separate contract between each seller and his purchaser.

2. The sale price for each unit shall be the fair market value determined by agreement between the seller and purchaser within 30 days from the delivery or mailing of such agreement, and in the absence of agreement as to price it shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the Arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the unit; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

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

4. Closing. The sale shall be closed within 10 days following the determination of the sale price.

C. Certificate. The termination of the Condominium in either of the foregoing manners shall be evidenced by a Certificate of the Association executed by the President or Vice President and Secretary or Assistant Secretary certifying as to facts effecting the termination, which Certificate shall become effective upon being recorded in the Public Records of Pinellas County, Florida.

D. Shares of Owners after Termination. After termination of the Condominium the unit owners shall own the condominium property and all assets of the Association as tenants in common in undivided shares, and their respective mortgagees shall hold such rights and interests upon the respective shares of the unit owners. Such undivided shares of the unit owners shall be the same as the undivided shares in the common elements appurtenant to the owners' units prior to the termination.

E. Amendment. This section concerning termination cannot be amended without consent of all unit owners and all record owners and holders of mortgages upon units.

XVI. SEVERABILITY. The invalidity in whole or in part of any covenant or restriction, or any section, subsection, sentence, clause, phrase or word, or other provisions of this Declaration of Condominium and the Articles of Incorporation, By-Laws and regulations of the Association shall not affect the validity of the remaining portions thereof.

XVII. OTHER AMENDMENTS, CHANGES AND ALTERATIONS BY DEVELOPER. Anything to the contrary hereinabove contained, notwithstanding, Developer reserves for and unto it, its successors and assigns, the right to make such changes and amendments to this Declaration of Condominium, including all of its Exhibits, and to make such changes and/or alterations in the building plans attached hereto as Exhibit "B" as it may desire or determine expedient, at any time prior to the actual recording of this Declaration of Condominium and its Exhibits in the public records of Pinellas County, Florida. Such rights, except for those elsewhere enumerated or provided for, shall cease and terminate as of the date of said recording.

IN WITNESS WHEREOF, the Developer has executed this Declaration this 14th day of March, A.D., 1974.

LEISURE COMMUNITIES, INC.

Attest:

By

Secretary

By

President

(SEAL)

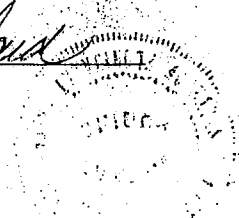
(Corporate Seal)

Witnesses:

Judith A. Paul
Charles B. Stone

STATE OF FLORIDA)
COUNTY OF PINELLAS)

The foregoing instrument was acknowledged before me this 19th day of March, 1974, by James J. [Signature] and A. J. [Signature], the President and Secretary, respectively, of LEISURE COMMUNITIES, INC., on behalf of the corporation.

Judith A. [Signature]
Notary Public


My Commission Expires:
2/14/77

EXHIBIT "A"

PEPPERTREE LAKE CONDOMINIUM
A Condominium, Pinellas County, Florida

LEGAL DESCRIPTION

A parcel of land lying in a portion of Leisure Communities Sub-division as recorded in Plat Book 69, Pages 85 and 86 of the public records of Pinellas County, Florida, lying in a portion of the North 1/2 of the Northwest 1/4 of Section 18, Township 30 South, Range 17 East, City of St. Petersburg, Pinellas County, Florida and being more particularly described as follows:

Commencing at the Southwest corner of said Leisure Communities Subdivision, said point being the intersection of the Easterly right of way line of Ninth Street North, with the South line of the Northwest 1/4 of the Northwest 1/4 of said Section 18; run thence S 89°-47'46" E., 745.49 feet along the South line of the Northwest 1/4 of the Northwest 1/4 of Section 18, said line also being the South line of a 30.00 foot wide utility easement to the POINT OF BEGINNING (P.O.B.); run thence along said South line of the Northwest 1/4 of the Northwest 1/4 of Section 18, S 89°-47'-46" E., 475.00 feet to a point on the East boundary line of Lot 1, Block A of said Leisure Communities Subdivision; run thence along said East boundary line, N 00°-12'-23" E., 632.51 feet to a point lying on the Southerly right of way line of 116th Avenue North; run thence along said Southerly right of way line of 116th Avenue North, N 89°-49'-43" W., 295.01 feet to the P. C. of a curve; run thence along said Southerly right of way line of 116th Avenue North along a curve to the left having a radius of 717.54 feet; a central angle of 23°-06'-06", an arc distance of 289.31 feet; a chord distance of 287.36 feet and a chord bearing of S 78°-37'-14" W.; run thence S 23°-26'-37" E., 299.28 feet; run thence S 66°-33'-23" W., 9.68 feet; run thence S 23°-26'-37" E., 106.25 feet to a point on the South line of a 20.00 foot wide maintenance easement; run thence S 65°-17'-58" W., 57.64 feet along said South line of a 20.00 foot wide maintenance easement to a point on the East line of a 20.00 foot wide maintenance easement; run thence along said East line of a 20.00 foot wide maintenance easement S 00°-12'-23" W., 175.00 feet to the POINT OF BEGINNING.

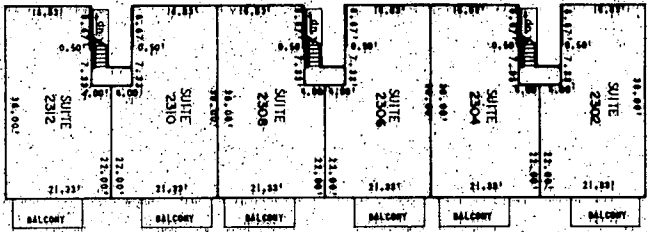
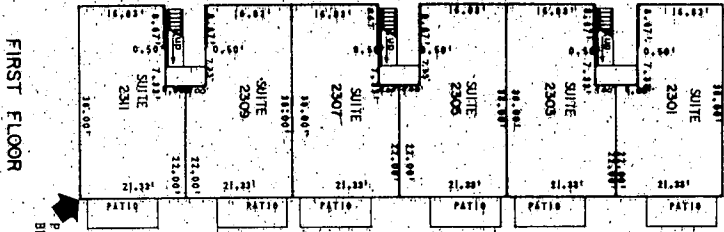
Said parcel containing 7.08 Acres M. O. L.

Said parcel subject to any and all easements of record.

PEPPERTREE LAKE CONDOMINIUM

Section 18, Township 30 South, Range 17 East, City of St. Petersburg, Pinellas County, Florida

BUILDING
TYPE: I



CERTIFICATE

I HEREBY CERTIFY THAT ON February 26, 1974, I COMPLETED A SURVEY OF PEPPERTREE LAKE CONDOMINIUM, BUILDING 23, IN ACCORDANCE WITH THIS MAP. ALL DIMENSIONS REFER TO: INSIDE DIMENSIONS OF EACH APARTMENT. ALL BOUNDARY WALLS ARE COMMON ELEMENTS. ELEVATIONS OF FLOORS AND CEILINGS ARE SHOWN.

FROM THE POINT OF BEGINNING OF THE ABOVE DESCRIBED LAND RUN N. 00° 12' 14.6" E., 179.00 FEET; THENCE RUN N. 65° 17' 58"E., 154.36 FEET; THENCE RUN S. 79° 40' E., 225.00 FEET; THENCE RUN N. 00° 12' 23.9" E., 95.28 FEET; THENCE RUN S. 74° 14' 41.82" E., 82.90 FEET TO THE POINT OF BEGINNING (P.O.B.) OF BUILDING NO. 23.

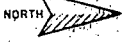
SHIELDS E. CLARK
FLA. SURVEYOR'S REG. NO. 1433



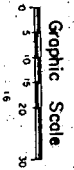
ELEVATIONS

FIRST FLOOR CEILING ELEV.	113.28
FLOOR ELEV.	108.78
SECOND FLOOR CEILING ELEV.	121.28
FLOOR ELEV.	116.78

ALL ELEVATIONS ARE ST. PETERSBURG DATA
MEAN SEA LEVEL - 85.00



BUILDING 23

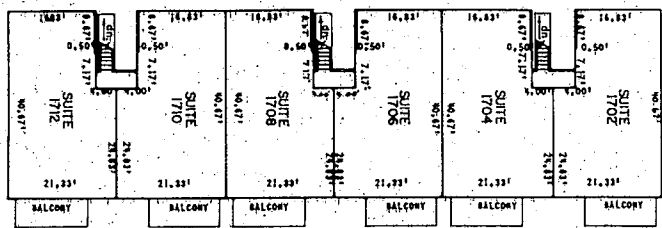
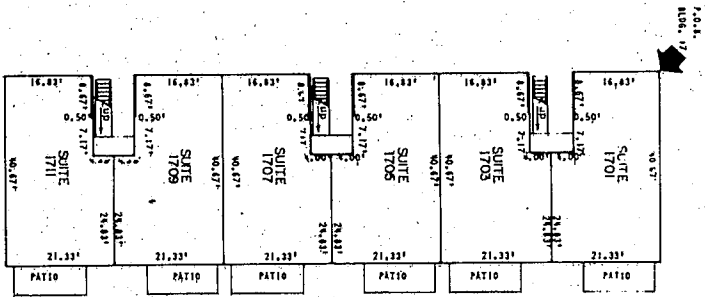


PREPARED BY:
WEST COAST ENGINEERING CORP.
2001 VIA STREET, SUITE 415, PETERSBURG, FLORIDA
PHONENOS: 941-724-8845 FAX: 941-724-8845

EXHIBIT "B"
W.C.E. FILE NO 2577

PEPPERTREE LAKE CONDOMINIUM
 Section 18, Township 30 South, Range 17 East, City of St. Petersburg, Pinellas County, Florida

BUILDING
 TYPE I-A

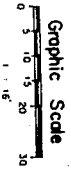


FIRST FLOOR

SECOND FLOOR



BUILDING 17



WEST COAST ENGINEERING CORP.
 7001 131st Avenue, Suite 100, St. Petersburg, Florida 34714
 PINELLAS COUNTY
 ENGINEER-PLANNING ENGINEER-ARCHITECT

CERTIFICATE

I HEREBY CERTIFY THAT ON September 26, 1974, I COMPLETED A SURVEY OF PEPPERTREE LAKE CONDOMINIUM, SECTION 18, IN ACCORDANCE WITH THE PROVISIONS OF CHAPTER 718, F.S., AND THE DIMENSIONS REFERRED TO IN THESE DIMENSIONS OF EACH APARTMENT. ALL APARTMENT WALLS ARE COMMON ELEMENTS. ELEVATIONS OF FLOOR, AND CEILING ARE SHOWN.

FROM THE POINT OF BEGINNING OF THE ABOVE DESCRIBED LAND, RUN N. 00° 12' 37" E., 175.00 FEET; THENCE RUN N. 65° 17' 54" E., 37.48 FEET; THENCE RUN N. 23° 28' 37" W., 101.35 FEET; THENCE RUN S. 64° 31' 23" E., 54.68 FEET; THENCE RUN N. 23° 28' 37" W., 37.29 FEET; THENCE RUN N. 65° 12' 25" E., 111.52 FEET TO THE POINT OF BEGINNING (7-0-21) OF BUILDING 17.

Opal E. Clark
 SURVEYOR
 FLA. SURVEYORS REG. NO. 1932



ELEVATIONS

BUILD. 17
 FIRST FLOOR CEILING ELEV. 112.27
 FLOOR ELEV. 106.25
 SECOND FLOOR CEILING ELEV. 121.45
 FLOOR ELEV. 115.43
 ALL ELEVATIONS ARE TO MEANS SEA LEVEL - 97.28

EXHIBIT B
 P.L.C.E. FILE NO. 2577

PEPPERTREE LAKE CONDOMINIUM
 Section 18, Township 30 South, Range 17 East, City of St. Petersburg, Pinellas County, Florida

LEGAL DESCRIPTION

A PARCEL OF LAND LYING IN A PORTION OF LEISURE COMMUNITIES SUBDIVISION AS RECORDED IN PLAT BOOK 69, PAGES 85 AND 86 OF THE PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA, LYING IN A PORTION OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF SECTION 18, TOWNSHIP 30 SOUTH, RANGE 17 EAST, CITY OF ST. PETERSBURG, PINELLAS COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID LEISURE COMMUNITIES SUBDIVISION, SAID POINT BEING THE INTERSECTION OF THE EASTERLY RIGHT-OF-WAY LINE OF NINTH STREET NORTH, WITH THE SOUTH LINE OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 18, RUN THENCE S 89°47'46" E 745.49 FEET ALONG THE SOUTH LINE OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 18, SAID LINE ALSO BEING THE SOUTH LINE OF ROAD THENCE WIDE UTILITY EASEMENT TO THE POINT OF BEGINNING, N 03°11'14" E 174.00 FEET ALONG SAID SOUTH LINE OF THE NORTHWEST 1/4 OF SECTION 18, S 89°47'46" E 579.00 FEET ALONG SAID SOUTH LINE OF SECTION 18, S 89°47'46" E OF SAID LEISURE COMMUNITIES SUBDIVISION; RUN THENCE ALONG SAID BOUNDARY LINE N 00°12'22" E 632.51 FEET TO A POINT LYING ON THE SOUTHERLY RIGHT OF WAY LINE OF 116TH AVENUE NORTH; RUN THENCE ALONG SAID SOUTHERLY RIGHT OF WAY LINE OF 116TH AVENUE NORTH 295.01 FEET TO THE P.C. OF A CURVE; RUN THENCE ALONG SAID SOUTHERLY RIGHT OF WAY LINE OF 116TH AVENUE NORTH ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 717.54 FEET, A CENTRAL ANGLE OF 23°06'08", AN ARC DISTANCE OF 289.31 FEET, A CHORD DISTANCE OF 287.26 FEET, AND A CHORD BEARING OF S 78°37'14" W; RUN THENCE S 25°28'37" E 299.28 FEET TO A POINT ON THE SOUTH LINE OF A 20.00 FOOT WIDE MAINTENANCE EASEMENT; RUN THENCE S 65°17'58" W 57.64 FEET ALONG SAID SOUTH LINE OF 20.00 FOOT WIDE MAINTENANCE EASEMENT TO A POINT ON THE EAST LINE OF A 20.00 FOOT WIDE MAINTENANCE EASEMENT; RUN THENCE N 00°12'22" W 175.00 FEET TO THE POINT-OF-BEGINNING.

SAID PARCEL CONTAINING 7.08 ACRES MORE OR LESS AND SUBJECT TO ANY AND ALL EASEMENTS OF RECORD.

DEDICATION

KNOW ALL MEN BY THESE PRESENTS, THAT WE, JOHN L. CARBHEAN, PRESIDENT, LEISURE COMMUNITIES, INC., GENERAL PARTNER, AND H. T. COX, JR., GENERAL PARTNER, A REGISTERED PARTNERSHIP, AS OWNERS HAVE CAUSED THE LAND EMBRACED IN THIS PLAT TO BE SURVEYED, LAID OUT, AND PLATTED AS "PEPPERTREE LAKE CONDOMINIUM", AND THAT THE DRIVEWAYS INDICATED ON SAID PLAT HEREIN SHALL BE FOR THE COMMON USE FOR THE CONDOMINIUM SUITES OF "PEPPERTREE LAKE CONDOMINIUM". EASEMENTS THAT MAY BE NOTED WHICH ARE DEDICATED FOR THE USE OF UTILITIES, TELEPHONE, POWER, GAS AND CABLE T.V. COMPANIES AS THEY MAY REQUIRE.

OWNER: LEISURE COMMUNITIES, INC.

John L. Carbhean JOHN L. CARBHEAN, PRESIDENT (GENERAL PARTNER)
 WITNESS *H. T. Cox, Jr.* H. T. COX, JR. (GENERAL PARTNER)

ACKNOWLEDGEMENT

State of Florida }
 County of Pinellas } s.s.
 I HEREBY CERTIFY THAT ON THIS 19th DAY OF MARCH 1974, A.D., BEFORE ME, A NOTARY PUBLIC IN AND FOR SAID COUNTY, PERSONALLY APPEARED JOHN L. CARBHEAN, PRESIDENT, LEISURE COMMUNITIES, INC., GENERAL PARTNER, AND H. T. COX, JR., GENERAL PARTNER, A REGISTERED PARTNERSHIP, UNDER THE LAWS OF THE STATE OF FLORIDA, TO ME KNOWN TO BE THE PERSONS DESCRIBED IN AND WHO EXECUTED THE FOREGOING DEDICATION AND ACKNOWLEDGED THE EXECUTION THEREOF TO BE THEIR OWN FREE ACT AND DEED.

WITNESS MY HAND AND OFFICIAL SEAL.
 MY COMMISSION EXPIRES March 1976 NOTARY PUBLIC, STATE OF FLORIDA
 AT LARGE

CERTIFICATE

I HEREBY CERTIFY THAT ON 19th 1974, A.D., I COMPLETED A SURVEY OF "PEPPERTREE LAKE CONDOMINIUM" IN ACCORDANCE WITH THIS MAP AND DESCRIPTION CONTAINED HEREIN.

Shirley E. Clark
 SHIRLEY E. CLARK
 FLA. SURVEYOR'S REG. NO. 1433

Prepared by:
WEST COAST ENGINEERING CORP.
 2041 4th Street North, St. Petersburg, Florida
 Engineers-Land Planners-Surveyors
 F.L.P. No. 2377



MANAGEMENT AGREEMENT

THIS AGREEMENT, made this 14th day of March, 1974, by and between PEPPERTREE LAKE CONDOMINIUM ASSOCIATION, INC., a Florida Corporation, which has executed this Agreement as Association, herein called "Association", and LEISURE COMMUNITIES, INC., a Florida Corporation, herein called "Manager",

W I T N E S S E T H :

WHEREAS, Peppertree Lake Condominium Association, Inc., is the Association of a Condominium, herein called the "Condominium", and by its Declaration of Condominium and Bylaws is vested with certain powers and charged with certain duties relative to the operation of the Condominium; and

WHEREAS, the lands of the Condominium and the apartment buildings and other improvements thereon, as described in such Declaration of Condominium, are a part of a contemplated communal multi-apartment house complex development which will contain numerous apartment buildings and private recreational facilities; and

WHEREAS, the extent of the lands and the improvements of the Condominium and the complexity and burden of the duties and responsibilities of the Association require the employment of a manager; and

WHEREAS, the orderly and uniform administration, maintenance, appearance, upkeep and management of all of the Condominium, as an entity, is necessary and essential for the promotion and preservation of the communal nature of the Condominium and the protection of property values therein, including the value of apartments in the Condominium; it is

NOW, THEREFORE, in consideration of the foregoing premises and the promises and covenants herein made, agreed by and between the parties, as follows:

I. DEFINITIONS. The terms used herein shall have the meanings set forth in the Association's Declaration of Condominium, unless the context otherwise requires.

II. EMPLOYMENT. The Association does hereby employ the Manager as the exclusive manager of the Condominium property and the Manager hereby accepts employment.

III. TERM. Unless sooner terminated, as elsewhere herein provided, this Agreement shall be in effect from the first day of April, 1974, through the thirty-first day of March, 1984, and thereafter shall continue to renew itself for ten (10) year periods, unless a party hereto shall give the other written notice of termination not less than six (6) months prior to the date of renewal. Termination of the Association and/or the Condominium shall not terminate this Agreement, but shall so operate to make each apartment owner a signatory to it in place and in stead of the Association.

IV. POWERS AND DUTIES OF MANAGER. The Manager, to the exclusion of all persons, including the Association and its members, shall have all the powers and duties of the Association as set forth in its Declaration of Condominium and its Bylaws (except such thereof as are specifically required to be exercised by its directors or members). Amongst such powers and by way of illustration and not of limitation, the Manager shall:

A. Confer. Confer freely and fully with the Association's directors when so requested by them in connection with the performance of its duties. The Association shall give sufficient notice of, and invite the Manager to attend all the Association's directors', members' and committee meetings.

B. Employees. Select, employ, supervise, direct and discharge, in its absolute discretion, in its name and/or in the name of the Association, as the Manager shall determine, such persons as it may require to fulfill its duties hereunder.

C. Collect Assessments. Collect all regular and special assessments from the Association's members. The Association hereby authorizes the Manager to request, demand, collect, receive and receipt for any and all assessments and charges which may be due the Association, and to take such action in the name of the Association by way of making, recording, satisfying, foreclosing the Association's lien therefor, or by way of other legal process or otherwise, as may be required for the collection of such assessments. As a standard practice the Manager shall furnish the Association with an itemized list of all delinquent accounts immediately following the fifteenth (15th) day of each month.

D. Repairs and Maintenance. Cause the grounds, lands, appurtenances and those portions of the common elements and limited common elements of the Condominium to be maintained and repaired by the Association as set forth in the Declaration to be maintained and repaired, including landscaping, re-landscaping, pool maintenance and repair, elevator maintenance, painting, roofing, cleaning and such other normal maintenance and repair work as may be necessary. For any one item of repair, replacement or refurbishing, the expense incurred shall not exceed the sum of \$5,000.00 per building, excepting, however, that emergency repairs involving manifest danger to persons or property, or immediately necessary for the preservation and safety of the property, or for the safety of persons, or required to avoid suspension of any necessary service to the Condominium, may be made by the Manager irrespective of the above cost limitation. Notwithstanding this authority as to emergency repairs, it is understood that the Manager will, if at all possible, confer immediately with the Association regarding emergency expenditures.

E. Laws. Take such action as may be necessary to comply with all laws, statutes, ordinances, rules and of all appropriate governmental authority, and the rules and regulations of the National Board of Fire Underwriters, or in the event it shall terminate its present functions, those of any other body exercising similar functions, subject to the limitations set forth in IV (D). The Manager, however, shall not take any action so long as the Association is contesting or has affirmed its intention to contest any such law, statute, ordinance, rule, regulation, or order or requirement pursuant thereto.

OUT
A-100
2000

F. Purchase. Purchase equipment, tools, vehicles, appliances, goods, supplies and materials as shall be reasonably necessary to perform its duties, including the maintenance, upkeep, repair, replacement, refurbishing and preservation of the Condominium, as aforesaid. Purchases shall be made in the name of the Manager, or in its discretion, in the name of the Association. When making purchases, the Manager shall make reasonable effort to obtain the best price available, all factors considered, and shall disclose to the Association all discounts, commissions or rebates.

G. Insurance. Cause to be placed or kept in force all insurance required or permitted in the Declaration of Condominium to be kept or placed by the Association; to act as agent for the Association, each apartment owner and for each owner of any other insured interest to adjust all claims arising under insurance policies purchased by the Association; to bring suit thereon in the name of the Association and/or other insureds and deliver releases upon payment of claims; to otherwise exercise all the rights, powers and privileges of the Association, and each owner of any other insured interest in the Condominium property as an insured under such insurance policies; to receive, in behalf of the Association, all insurance proceeds under minor losses, payable to the Association under its Declaration of Condominium.

H. Association's Records. Maintain the Association's minute books, membership lists, give notice of membership and directors' meetings, and maintain all financial record books, accounts and other records required to be kept by the Association, by the Condominium Act, its Declaration of Condominium, or its Bylaws; issue certificates of account to members, their mortgagees and lienors without liability for errors. Such records shall be kept at the office of the Manager and shall be available for inspection at all reasonable times by the Association's directors, but not its membership generally. As a standard procedure, the Manager shall render to the Association a statement of its receipts and accounts for each calendar year no later than the April 1st next thereafter. The Manager shall perform a continual internal audit of the Association's financial records for the purpose of verifying the same, but no independent or external audit shall be required of it. The Association shall have the right to an external independent audit, provided the costs for the same and the employment of such auditor be by the Association directly and not through the Manager, and the external auditor is acceptable to the Manager, whose acceptance may not be unreasonably withheld. Such independent audit shall be at the office of the Manager.

I. Manager's Records. Maintain records sufficient to describe its services hereunder and such financial books and records sufficient in accordance with prevailing accounting standards, to identify the source of all funds collected by it in its capacity as Manager, and the disbursement thereof. Such records shall be kept at the office of the Manager and shall be available for inspection by the Association's directors not more frequently than once a calendar year. The Manager shall perform a continual internal audit of the Manager's financial records relative to its services as Manager of Peppertree Lake Condominium for the purpose of verifying the same, but no independent or external audit shall be required of it. The Association shall have the right to an annual external independent audit, provided the costs thereof and the employment of such auditor be by the Association directly and not

through the Manager, and the external auditor is acceptable to the Manager, whose acceptance may not be unreasonably withheld. Such independent audit shall be at the office of the Manager.

J. Reserves. Establish reserves, both funded and unfunded, for the payment of any and all costs and expenses of the Association to be disbursed by the Manager hereunder. Should the Association itself decide to fund special reserve accounts, the Manager shall collect and account for such funds and disburse the same on the directions of the Association.

K. Funds. Deposit all funds collected from the Association's members or otherwise accruing to the Association, in a special bank account or accounts of the Manager, in banks and/or savings and loan associations in Pinellas County, Florida, with suitable designation indicating their source, separate from or comingled with similar funds collected by the Manager on behalf of other parcels in Peppertree Ltd., Number One, as the Manager shall determine.

L. Weighting. Weight charges with regard to "costs and expenses", defined in VI (D) amongst the common elements and limited common elements, if any, of the Condominium, and between the Association and other parcels in Peppertree Ltd., Number One, managed by the Manager. Such weighting shall be determined by the Manager in the exercise of its reasonable discretion, taking into consideration the relative size of apartment buildings and the number of apartments contained therein. The parties recognize that the Manager will be performing services similar to the services performed under this Agreement for extensive properties in Peppertree Ltd., Number One, other than the Condominiums, and to require the Manager to cost account with regard to each apartment building in the Condominium and between the Association and persons in interest as to other properties in Peppertree Ltd., Number One, managed by the Manager would substantially increase the costs of administration hereunder, the burden of which is the Association's, in part. Accordingly, such costs and expenses as are general to all properties managed by the Manager may, within the Manager's discretion, be averaged and each parcel managed by the Manager, and each apartment building of the Condominium be charged on a weighted basis.

IMPORTANT

M. Budget. Prepare, with the assistance of an accountant, an operating budget setting forth an itemized statement of the anticipated receipts and disbursements for the new year based upon the then current schedule of monthly assessments and taking into account the general condition of the Association and Condominium, which budget shall comply to the requirements of the Bylaws, together with a statement from the Manager outlining a plan of operation and justifying the estimates made in every important particular. Such budget shall be submitted to the Association in final draft at least forty-five (45) days prior to the commitment of the new year for which it has been made. The budget shall serve as a supporting document for the schedule of monthly assessments proposed for the new year. It shall also constitute a major control under which the Manager shall operate and there will be no substantial variances therefrom, except as may be sanctioned by the Association, or for emergencies as elsewhere herein provided. By this is meant that no expenses may be incurred or commitments made by the Manager in connection with maintenance and operation of the Condominium, in excess of the amounts allocated to the various classifications of

expense in the approved budget without prior consent of the Association, except if necessary because of a lack of sufficient time to obtain such prior consent, that an overrun may be experienced provided it is brought promptly to the attention of the Association in writing.

N. Experts. Retain and employ attorneys at law, tax consultants, certified public accountants, health consultants, and such other experts and professionals whose services the Manager may reasonably require to effectively perform its duties and exercise its powers hereunder. The Manager shall retain an attorney at law and a certified accountant on an annual and special fee basis and shall retain such other professionals and experts on its own account as it may desire, but the employment of the same by the Association shall in no way affect the Manager's right to employ and continue the employment of the professionals and experts which it has or will employ, nor shall the same in any way relieve the Association of its obligations to pay its share of the costs of professionals and experts retained by the Manager, as elsewhere herein provided. The Manager has and will continue to retain certified public accountants for the purpose of supervising and auditing its books and records and the accounts and records of the Association, the preparation of budgets, and for such other work for which the services of a certified public accountant are necessary or advisable.

O. Vending Machines. Install upon the premises of the Condominium and upon the premises of any other properties in Peppertree Lake Condominium managed by it, pay telephones and coin vending machines or coin operated equipment either owned or rented by the Manager for the use of the occupants of Peppertree Lake Condominium. The cost of all electricity, gas, water and other utilities in connection with the operation of such vending machines shall be the expense of the Association. The profits, if any, from the operation of such machines, shall belong to the Manager.

P. Approval of Transfers and Leases. Investigate all applications for approval in connection with transfers or leases of apartments and report the findings of such investigations.

Q. Access. Access to the common elements and limited elements, if any, of the Condominium at all times and, further, access to each apartment unit, during reasonable hours as may be necessary for the maintenance, repair or replacement of any common element or limited common element, if any, contained therein or accessible therefrom, or for the making of emergency repairs therein necessary to prevent damage to the common elements, limited common elements, or any other apartment unit or units.

V. ASSESSMENTS. Until the Association shall change the same, the monthly assessments of apartment owners shall be as set forth in Exhibit A, attached. The Association agrees that it will not reduce such assessments so that the amounts produced thereby are less than the amounts necessary to pay all items set forth in VI. It is specifically understood that the Manager does not undertake to pay the same from its own funds and shall only be required to perform its services and make disbursements to the extent that, and so long as payments received from assessments or other revenue, if any, of the Association shall be sufficient to pay the costs and expenses

of such services and the amounts of such disbursements. If it shall appear to the Manager that the assessments and other revenue, if any, of the Association is insufficient to pay the same and to adequately fund reserves, the Manager shall so notify the Association in detail of that fact and request the Association to increase the monthly assessments. Failure on the part of the Association to do so within a reasonable time may, at the option of the Manager, be construed as a breach of this Agreement.

VI. APPLICATION OF COLLECTION. All assessments and other revenues, if any, of the Association, which the Manager shall collect shall be applied, as follows:

A. Insurance. First, to the payment of premiums on insurance policies carried by the Association and the Manager.

B. Manager. Next, to the payments of the Manager of its fees, as hereinafter set forth in VII.

C. Utilities. Next, to the payment of utilities to the Condominium as a whole, but not the bills of individual apartments.

D. Balance. The balance shall be utilized, applied, disbursed and otherwise expended or reserved by the Manager to pay the costs and expenses of the services rendered by the Manager under this Agreement. "Costs and expenses of services", as herein used is defined to include any and all cost or expense incurred by the Manager in the performance of any of its duties or the exercise of any of its powers. By way of illustration and not limitation, said costs and expenses of services shall include:

1. Private Streets. The Association's pro rata share of the cost of maintenance and upkeep, including repaving, landscaping and relandscaping of the private streets and planting areas.

2. Condominium Lands and Buildings. Costs attributable to the maintenance, repair and upkeep of the Condominium's lands, apartment buildings and appurtenances.

3. Materials and Supplies. The Association's pro rata share of all office machinery, motor vehicles, tools, equipment, goods, wares, materials and supplies of every nature and description required by the Manager in and about the performance of its services.

4. Manager's Overhead and Expense. The Association's pro rata share of all the Manager's overhead expense, including but not limited to insurance, personnel costs, transportation and fees of attorneys at law, certified public accountants and other professionals and experts employed by the Manager hereunder.

The pro rata share of the Association referred to in 1, 3, and 4 above, shall be that share of the same as the number of apartment units upon the lands of the Condominium bears to the total number of units in Peppertree Lake Condominium managed by the Manager.

VII. MANAGER'S COMPENSATION. It is specifically understood and agreed that the Manager shall perform all the services required of it hereunder at no cost or expense whatever to itself, but solely at the cost and expense of the Association and/or others, as elsewhere herein provided. As compensation, fee or profit for its services hereunder, the Manager shall receive a fixed fee, free of all charges and expenses, of _____ per month for each one-bedroom apartment, and _____ per month for each two-bedroom apartment, which sum shall be paid by the individual owners of the apartments in the same manner and subject to the same rules and regulations as for other assessments under the terms of the Condominium documents.

On the first day of January, 1975, and on the first day of January of each year thereafter during the term hereof, the minimum fee required hereunder shall be adjusted, provided that the same would result in an increase of the minimum fee, so that the minimum fee paid hereunder from time to time shall have the equivalent purchasing power that the minimum fee hereunder has on the beginning date of the term of this Agreement. For purposes of calculating the additional fee due hereunder, if any, reference is made to the index number of retail commodity prices designated "Consumer Prices Index - All Items" (1956-59 equals 100) prepared by the Bureau of Labor Statistics of the U. S. Department of Labor, and any publication by either said U. S. Department of Labor or the U. S. Department of Commerce in which such index numbers are published, hereinafter referred to as the "Index". Said index numbers, as published, shall be admissible in evidence in any proof of authenticity, and in the event that the U. S. Department of Labor or Department of Commerce ceased to prepare and publish such Index, the adjustment of fee thereafter shall be according to the most comparable commodity index, as determined by agreement of the parties hereto; and in the absence of such agreement, then by arbitration in accordance with rules of the American Arbitration Association. In the event of any delay in establishing the additional fee, the Association shall continue to pay the fees as established by the last price adjustment until such time as the new adjustment is determined, if any, at which time an accounting will be made retroactive to the beginning of the adjustment period in question.

VIII. APARTMENTS. This Agreement does not contemplate, nor is the Manager responsible for or required to perform the upkeep and repair of the property of the Condominium, the responsibility for which, under its Declaration, is that of an apartment owner. However, the Manager may, in its absolute discretion, perform such maintenance and repair services of an apartment as are required by an apartment owner as an accommodation to the Association or to such apartment owner, and charge such apartment owner who shall have requested said service of the Manager, a reasonable charge therefor.

IX. OFFICES AND FACILITIES. So long as the Manager shall manage any properties in Peppertree Lake Condominium, notwithstanding the prior termination of this Agreement by expiration of time or otherwise, the Association has and does hereby give and grant unto the Manager the right to occupy, to the exclusion of the Association and all persons claiming through it, such portions of the Peppertree Lake Condominium facilities as the Manager may from time to time reasonably require to provide offices and related facilities for the Manager's personnel, conduct of its business, and for storage of the Manager's materials and supplies, all without charge or expense of any nature or description to the Manager.

X. INTERFERENCE. The Association shall not interfere, nor permit, allow or cause any of its officers, directors or members to interfere with the Manager in the performance of its duties or the exercise of any of its powers hereunder.

XI. DEFAULT.

A. By the Association. If the Association or its members shall interfere with the Manager in the performance of its duties and exercise of its powers hereunder, or if the Association shall fail to promptly do any of the things required of it hereunder, including but not limited to the assessment of its members in amounts sufficient to defray in full the Manager's costs and expenses as herein defined, and to otherwise pay all the sums mentioned in VI, then the Manager, 30 days after having given written notice to the Association of said default, by delivering said notice to any officer of the Association, or in their absence to any member of the Association, may declare this Agreement in default, unless such default be cured by the Association within 30 days after such notice. Upon default the Manager may, in addition to any other remedy given it by agreement or in law or in equity, bring an action against the Association for damages and/or specific performance and/or such other rights and remedies as it may have. All such rights of the Manager upon default shall be cumulative and the exercise of one or more of the remedies shall not be deemed to exclude or constitute a waiver of any other or additional remedy.

B. By the Manager. Failure by the Manager to substantially perform its duties and obligations under this Agreement for a continuous period of 60 days after written notice of default from the Association, specifying the default complained of, shall be grounds for the Association's cancellation of this Agreement.

XII. TERMINATION OF CONDOMINIUM. If the Condominium shall be terminated in whole or if there shall be an exclusion of lands from the Condominium, then each of the apartment owners who shall thereby become a tenant in common or in some other capacity shall, as to his separate interest, be a party to this Agreement and bound by the provisions hereof as if he were an original signatory to it, and the Manager shall manage such interest pursuant to the provisions of this Agreement as the nature of such interest and the context of this Agreement shall permit.

XIII. SEVERABILITY. If any section, subsection, sentence, clause, phrase or word of this Agreement shall be and is for any reason held or declared to be inoperative or void, such holding will not affect the remaining portions of this Agreement, and it shall be construed to have been the intent of the parties hereto to agree without such inoperative or invalid part therein, and the remainder of this Agreement after the exclusion of such parts shall be deemed and held to be valid as if such excluded parts had never been included therein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers and their corporate seals affixed this day as first above written.

Witnesses:

Charles R. Stone
J. P. E.

PEPPERTREE LAKE CONDOMINIUM
ASSOCIATION, INC.

By John L. Carman
President

Attest:

By Judith A. Ward
Secretary

"ASSOCIATION"

Judith A. Ward
Charles R. Stone

LEISURE COMMUNITIES, INC.

By John L. Carman
President

Attest:

By [Signature]
Secretary

"MANAGER"

EXHIBIT A ATTACHED TO
MAINTENANCE AGREEMENT -
PEPPERTREE LAKE CONDOMINIUM ASSOCIATION, INC.
AND
LEISURE COMMUNITIES, INC.

EXHIBIT A

The monthly assessments of apartment owners shall be as follows:

1. THIRTY-EIGHT (\$38.00) DOLLARS per month
for each one bedroom apartment.
2. FORTY-EIGHT (\$48.00) DOLLARS per month
for each two bedroom apartment.

EXHIBIT "D"
 PEPPERTREE LAKE CONDOMINIUM
 Share of Common Elements and Common Surplus

<u>Suite</u>	<u>Percent</u>
1601	1.37468
1602	1.37468
1603	1.37468
1604	1.37468
1605	1.37468
1606	1.37468
1607	1.37468
1608	1.37468
1701	0.99491
1702 ¹⁰	0.99491
1703	0.99491
1704	0.99491
1705	0.99491
1706	0.99491
1707	0.99491
1708	0.99491
1709	0.99491
1710	0.99491
1711	0.99491
1712 ¹⁰	0.99491
1801	1.37468
1802	1.37468
1803	1.37468
1804	1.37468
1805	1.37468
1806	1.37468
1807	1.37468
1808	1.37468
1901	1.37468
1902 ³⁰	1.37468
1903	1.37468
1904	1.37468
1905	1.37468
1906	1.37468
1907	1.37468
1908	1.37468
2001	1.37468
2002	1.37468
2003	1.37468
2004 ⁴⁰	1.37468
2005	1.37468
2006	1.37468
2007	1.37468
2008	1.37468
2101	1.37468
2102	1.37468
2103	1.37468
2104	1.37468
2105	1.37468
2106 ⁵⁰	1.37468
2107	1.37468
2108	1.37468
2201	1.37468
2202	1.37468
2203	1.37468
2204	1.37468
2205	1.37468
2206	1.37468
2207	1.37468
2208 ⁶⁰	1.37468

<u>Suite</u>	<u>Percent</u>
2301.	0.92325
2302.	0.92325
2303.	0.92325
2304.	0.92325
2305.	0.92325
2306.	0.92325
2307.	0.92325
2308.	0.92325
2309.	0.92325
2310. 70	0.92325
2311.	0.92325
2312.	0.92325
2401.	1.37468
2402.	1.37468
2403.	1.37468
2404.	1.37468
2405.	1.37468
2406.	1.37468
2407.	1.37468
2408. 80	1.37468

80 UNITS
 80 VOTES
 ———— 45 ————