The following pages are the covenants, conditions, restrictions, etc. for:

Granada Condominiums in Lake Wales, FL.

Building with 3001 Granada Court

These documents have been provided to us by the homeowner, the Homeowner's Association (HOA), and/or we have located them in Polk County Public Records.

This may not be all relevant documents in their entirety. In addition, these documents may be amended at any time without notice.

This information is being provided as a courtesy. However it is your responsibility as the tenant to contact the Homeowner's Association for any additional documents, information, and/or updates that may not be included here.

GRANADA CONDO. OWNERS INFORMATION SHEET

Each unit owner belongs to two Associations, their own building condominium association and the Granada Homeowners Association. Each association is governed by an elected Board of Directors. Each Association is governed by Florida Statute 718 and by pertinent individual Association documents. They all work together for the good of the community.

Granada Homeowner's Association is just one of the eight (8) Associations in the Granada Condo Complex. Its area of responsibility encompasses the Pool & Gazebo area, Shuffleboard area, the two entrance roads and the common areas around the complex. Each Association is required to hold an annual meeting. The Homeowner's Association holds it's Annual Meeting the third Saturday of February. A quorum is required to hold each meeting, if you are unable to attend please furnish a proxy as it will represent you at the meeting.

Here are some things both owners and renters should be aware of:

<u>Parking</u> - each building and unit has its own designated parking space. Do not use the space assigned to other unit owners in your building, nor a space of another building, without permission. Please inform your guests of the area in which they may park. If additional parking space is needed, please park on the side of the streets.

Rentals - To maintain and protect the private status of our pool, unit rentals, leases and sub leases for a period of less than 60 consecutive days are not permitted under any circumstances

<u>Animals</u> - must be leashed and under full control at all times. Please clean up after all animals. Please refer to your condominium by-laws as to size and number of pets permitted.

<u>Pool</u> - is heated and covered during the winter months from November to the end of March. NO GLASS IS ALLOWED IN THE POOL AREA. This is an unsupervised peol and IT MUST-CLOSE AT DUSK. Children under the age of thirteen (13) are not allowed in the pool area without adult supervision. If the cover has not been removed, feel free to uncover the pool when you wish to use it and please OBSERVE & FOLLOW the posted notice and directions

Trash ~ service is paid for by each building, your buildings designated bin is:

A, B & F share a bin near the mail boxes. C, D & E share a bin located on the west side of the complex, Buildings G & H share a bin on the east side located near the pond.

Trash removal is done twice a week by a private company.

PLEASE BREAK DOWN ALL BOXES. Hazard waste is not allowed to be put in the trash bins. Please take any hazard material to the Lk Wales hazard waste disposal station.

Adjoining Land - the surrounding areas around the condo complex is privately owned. Please observe the no trespassing signs

Insurance - each condo association maintains property and liability insurance for their building, the cost of this insurance is included as part of the monthly condominium maintenance fee. The property insurance covers the external portions and roof of the condominium building. All questions and any claims relating to the condominium property and liability insurance MUST be addressed to our insurance broker through your building representative. DO NOT CONTACT THE INSURANCE COMPANY DIRECTLY. This is the function and responsibility of our insurance broker.

The associations condominium Insurance does not cover the interior or contents of your unit. This is the responsibility of the condo unit owner. Under Florida State law you are required to carry insurance which covers the interior of your condo unit. This policy must name your building condo association as a "named insured" Your insurance agent can advise you how this is done.

Lawn care & pest control - We have an independent lawn care contractor who looks after the cutting of our grass. Each association pays an equal share towards the cost of the lawn care service. The areas are mowed once a week during the fast growing summer season and every other week during the winter; light hedge trimming is done as needed on request.

A pest control company sprays the grounds and building areas quarterly and the cost of this service is shared equally among the participating associations.

Termite control is done through each association's insurance or inspection contracts.

Permission - each unit owns an equal share of the association's common areas. If anyone wishes to make any changes or additions outside of their units please obtain permission from the appropriate association.

Bulletin Board - There are two bulletin boards One is located in the large gazebo, near the pool area and the other, our main bulletin board, is located next to the mail boxes. Please check often for updated information and notices from Granada Homeowner's Association's and various functions and information.

ASSOCIATION CONTACTS		3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3	E-g
Granada Homeowner's Association		Don Ferguson	514-3700
Granada Homeowner's Association	1	Jack Boddaert	696-1501
Granada Owner's Association	Bldg A -	Phil Goedken	696-7804
Granada II Owner's Association	Bldg B	Ray Abel	696-0236
Granada III Owner's Association	Bldg C -	Jackie Walters	696-9292
Granada IV Owner's Assoc.	Bldg D	Walter Heiler	937-5266
Granada V Owners Assoc	Bldg E	Pat Newman	696-1478
Granada VI Owner's Association	Bldg F -	Kathleen Leonard	696-2804
Granada VII Owner's Association	Bldg G -	Al.Torres	696-7512
Granada VIII Owner's Association	Bldg H	Ron Scott	521-5751

If you have any questions or need more information please contact the appropriate association representative

FREQUENTLY ASKED QUESTIONS AND ANSWER SHEET

GRANADA OWNERS' ASSOCIATION, INC. As of
Name of Condominium Association
 Q. What are my voting rights in the condominium association? A. Each condominium unit (six in all) is entitled to one (1) vote on all matters upon which unit owners are entitled to vote.
Q What restrictions exist in the condominium documents on my right to use my unit? A. Each unit can be used as a residence by only a single family, its servants and guests. Other use restrictions are set forth in Article XV of the Condominium Declaration and the association's Declaration, By-Laws, Articles of incorporation and the association's adopted Rules.
Q. What restrictions exist in the condominium documents on the leasing of my unit? A. No restrictions on the leasing of the condominium units, except that no unit can be leased for a period of less than sixty (60) days.
 Q. How much are my assessments to the condominium association for my unit and when are they due? A. \$ per month, payable quarterly beginning January 1 of each year.
Q. Do I have to be a member in any other association? If so, what is the name of the association and what are my voting rights in this association? Also, how much are my assessments? A. Yes, the master association, Granada Homeowners Association, Inc., which owns the pool, shuffleboard courts and the roads serving the Granada Condo complex. Each unit owner is entitled to one (1) vote on all association business. No additional assessment is payable, as the master association assessment of roughly \$ is included in the monthly assessment of the Granada Owners' Association, Inc. as specified above.
Q. Am I required to pay rent or land use fees for recreational or other commonly used facilities? If so, how much am I obligated to pay annually?A. No.
 Q. Is the condominium association or other mandatory membership association involved in any court cases in which it may face liability in excess of \$100,000? A. No.
NOTE: THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, EXHIBITS HERETO, THE SALES CONTRACT AND THE

CONDOMINIUM DOCUMENTS.

GRANADA POOL RULES

POOL USE FOR MEMBERS AND THEIR GUESTS ONLY.

SWIM AT YOUR OWN RISK. NO LIFE GUARD ON DUTY.

NO CHILDREN UNDER 14 PERMITTED WITHOUT ADULT SUPERVISION.

SHOWER BEFORE ENTERING POOL. NO SOAP OR SHAMPOO.

NO DIVING.

NO FOOD, DRINKS, GLASS, RADIOS OR ANIMALS ALLOWED.

NO RUNNING ON DECK.

DO NOT TOUCH ROCKS.

NO CLIMBING ON FENCE.

CLEAN UP AND LEAVE POOL AREA AS YOU FOUNF IT SO THAT

OTHERS MAY ENJOY IT.

MAXIMUM POOL LOAD 20.

POOL HOURS '9AM UNTIL DUSK.

THANK YOU,

GRANADA HOMEOWNERS ASSOCIATION

33

S

02

AMENDMENTS TO DECLARATION OF CONDOMINIUM

AT A MEETING HELD ON WEDNESDAY, FEBRUARY 2, 1994 OF

THE GRANADA HOMEOWNER'S ASSOCIATION, CONDOMINIUM BUILDING

"A", WEST LEISURE LANE, LAKE WALES, (NALCREST), FLORIDA

33856 THE FOLLOWING AMENDMENTS WERE PROPOSED AND ADOPTED

BY A MAJORITY OF THE UNIT OWNERS. THESE AMENDMENTS ARE TO

BE INCORPORATED INTO THE DOCUMENTS.

AMENDMENT NO. 1 - NO TENANT OR OWNER TO RESIDE IN THIS BUILDING UNDER THE AGE OF FIFTY (50) YEARS OLD.

AMENDMENT NO. 2 - GRANDCHILDREN VISITS ARE LIMITED TO FOURTEEN (14) DAYS PER YEAR.

DEPT 115 5.00 DEPT 291 1.00 CASH 6.00

A COPY OF THIS DOCUMENT WILL BE MAILED TO AIR THE OWNERS 7238ARIM IN THIS BUILDING.

Herbert W. Fowler, President

2

William Gragas, Secretary

February 14, 1994

FILED, RECORDED, AND
RECORD VERIFIED

E. D. "Bud" DIXON, CIk. Cir. Ct.
POLK COUNTY, FLA

BY D.C.

February 25,94

Who Hersert w. Jawler &

William guigas signed in

Physical Physican of Chicago -1

Carry H. Johnson

MOTARY PUBLIC, STATE OF FLORIDA AT LARGE MY COMMISSION EXPIRES FEBRUARY 24, 1993 BONDED THRU AGENTS NOTARY REQUIRED

Page 1 of 2

AMENDMENTS TO DECLARATION OF CONDOMINIUM

AT A MEETING HELD ON MONDAY, JANUARY 13, 1997, OF THE GRANADA

HOMEOWNER'S ASSOCIATION, CONDOMINIUM BUILDING "A", WEST LEISURE TO BE LAKE WALES (NALCREST), FLORIDA 33856 THE FOLLOWING LANE, LAKE WALES, (NALCREST), FLORIDA 33856 THE FOLLOWING AMENDMENT WAS PROPOSED AND ADOPTED BY A MAJORITY OF THE UNIT

AMENDMENT NO. 3 - NO TENANT OR OWNER IN THIS BUILDING SHALL HAVE PETS ON THE PREMISES.

DATED THIS DAY OF FEBRUARY 18, 1997

MARIE B. FORGET.

State of Florida) County of Polk)

OWNERS.

I hereby certify that on this day, before me, a duly authorized Notary Public, personally appeared Philip Goedken, President, and Marie B. Forget, Secretary, known to me to be the persons described in and who executed the foregoing instrument and who acknowledged before me that they executed the same as President and Secretary.

Print or Type Name of Notary Public Personally Known ZOr Producer (.f). Type and Number of LD. Produced

Print or Type Name of Notary Public Personally Known
Or Produced I.D.
Type and Number of I.D. Produced DN DRIVER'S LICENSE

THIS INSTRUMENT WAS PREPARED BY

Witness my hand and official seal in the County and State last MARLE aforesaid this 10th day of New York 1997.

RHETA J. CHATTOS

Notary Public, State of Florida My comm. expires May 29, 1999 Comm. No. CC461288

AMENDMENT TO DECLARATION

OF CONDOMINIUM

The undersigned, do hereby affirm their assent to and vote in favor of the following Amendment to Declaration of Condominium for Granada Condominium, dated February 4, 1983, and recorded on Official Records Book 2160, a page 359, of the Public Records of Polk County, Florida, which Amendment was passed and approved by the undersigned owners at the annual meeting held on February 13, 2003:

Declared null and void Amendment No. 3, passed and approved on January 13, 1997, which prohibited pets in said condominium building,

and the passage and approval of the following amendment relating to pets:

XV. Use G. Pets No animals of any kind shall be kept under any circumstances in any unit or allowed upon the condominium property, except that the owners of each unit may keep in their unit one small pet, weighing less than Twenty (20) pounds, so long as it does not create a nuisance (either noise, odor or litter) in the condominium property.

0	116 1011	
Unit #1	// fark// Delark Forte	
Unit #2	Francis / May David J. Ullrich Colay v Wherich	Eileen V. Ullrich
Unit #3	Month July Ronald Ziotkowski Fire Zwillsonde	ynne Ziotkowski
Unit #4	Lil Hoedlen Phil L. Goedkon Suran Breellens	usan D Goedken
Unit #5	Arthur Decker	Doris Decker
Unit #6	Milly Barker Let Barker	Rita Barker

INSTR # 2010021050
BK 08072 PG 0838 PG(s)1
RECORDED 02/09/2010 11:51:21 AM
RICHARD M WEISS, CLERK OF COURT
POLK COUNTY
RECORDING FEES 10.00
RECORDED BY X Than

PLEASE RETURN TO:
GRANADA HOMEOWNERS'ASS'N. INC.
2911 GRANADA COURT
LAKE WALES, FLORIDA 33898

GRANADA HOMEOWNERS' ASS'N. INC. LEISURE LANE WEST LAKE WALES, FLORIDA 33898

ADDITION TO GRANADA HOMEOWNERS' ASSOCIATION BY-LAWS

Granada Homeowners Association Inc. Documents according to that certain declaration dated October 21, 1985 in the official records book 2374 of the public records of Polk County Florida.

A special meeting was held by the BOARD of DIRECTORS on February 8, 2010. All four (4) board members were present and all agreed to add the following clause to our documents:

Under exemption provisions in Chapter 64E-9.0035 Florida Administration Code, section 514.0015 FS Granada Homeowners' Association does not permit rental, leases or sub-leases of any unit for a period of less than 60 consecutive days.

This addition certified by:

PRESIDENT, JACK BODDAERT

STATE-OF FLORIDA COUNTY OF POLK

I HEREBY CERTIFY that on this day, before me an office duly authorized in the State aforesaid and County aforesaid to take acknowledgements, personally appeared JACK BODDAERT, PRESIDENT, AND EULA M. ARNETT, SECRETARY to me known to be the subscribers of and who executed the ADDITION TO GRANADA HOMEOWNERS' ASSOCIATION DOCUMENTS, and they acknowledged before me that they executed the same.

WITNESS my hand and official seal in the County and State last aforesaid this 29 day of FERLARY, 2010.

Notary Public

My Commission Expires

JARED GONZALEZ Notary Public, State of Floride: My comm. expires Oct. 9, 2011. Comm. No. DD 723629 This document was prepared by:
Phil L. Goedken
3007 Granada Ct.
Lake Wales, FL 33898
(863) 696-7804

INSTR # 2010034500
BK 08087 PG 1669 PG(s)1
RECORDED 03/03/2010 12:54:55 PM
RICHARD M WEISS, CLERK OF COURT
POLK COUNTY
RECORDING FEES 10.00
RECORDED BY X Thao

AMENDMENT TO DECLARATION OF CONDOMINIUM

OF

GRANADA OWNERS' ASSOCIATION, INC.

The undersigned, Susan D. Goedken and Phil L. Goedken, being President and Secretary of Granada Owners' Association, Inc. a Florida non-profit corporation, do hereby certify that all of the six (6) unit owners of the above association, did consent to and adopt the following amendment to its Declaration of Condominium, which Declaration is recorded in Official Records Book 2160 at page 359, Public Records of Polk County, Florida, to-wit:

Declared as null and void the following two (2) Amendments which were adopted by Granada Owners' Association, Inc. and recorded on February 25, 1994 in Official Records Book 3353 at page 0028, Public Records of Polk County, Florida:

AMENDMENT NO. 1 - NO TENANT OR OWNER TO RESIDE IN THIS BUILDING -- UNDER THE AGE OF FIFTY (50) YEARS OLD.-

AMENDMENT NO-2 — GRANDCHILDREN VISITS ARE LIMITED TO FOURTEEN (14) — DAYS PER YEAR.

Dated this 157 day of March, 2010.

SUSAN DESIDENT

PHIL I. GOEDKEN, SECRETARY

STATE OF FLORIDA) ss:

COUNTY OF POLK

The foregoing instrument was acknowledged before me this \(\frac{12}{2} \) day of March, 2010 by SUSAN D. GOEDKEN, President and PHIL L. GOEDKEN, Secretary of Granada Owners' Association, Inc. who are personally known to me or who have produced their FL Drivers Lie as identification.

Florida Notary Public

ELIZABETH L. IEWELL-SANFORD
MY COMMISSION # DD743642
EXPIRES: Decumber 25, 2011
St. Navery Discrepant Assus: Co.

This document was prepared by: Phil L. Goedken 3007 Granada Ct. Lake Wales, FL 33898 863 696-7804 INSTR # 2009040188
BK 07832 PG 0129 PG(s)1
RECORDED 03/06/2009 03:15:11 PM
RICHARD M WEISS, CLERK OF COURT
POLK COUNTY
RECORDING FEES 10.00
RECORDED BY S Wetzel

AMENDMENT TO BY-LAWS OF

GRANADA OWNERS' ASSOCIATION, INC.

The undersigned, Susan D. Goedken and Phil L. Goedken, being President and Secretary of Granada Owners' Association, Inc., a Florida non-profit corporation, do hereby certify that at the annual unit owners' meeting of the corporation held on February 27, 2009 at 10 o'clock a.m. in Lake Wales, Fl, the following amendment to the By-Laws of the corporation as contained in the Declaration of Condominium, dated February 4, 1983 and recorded in Official Records Book 2160 at page 359, Public Records of Polk County, Florida was duly approved and adopted:

SEC IV, BOARD OF DIRECTORS

"A. The first Board of Directors shall consist of three (3) persons who shall be the subscribers to the Articles; succeeding Boards of Directors shall consist of three (3) persons six (6) persons, each of whom shall be an individual owner of each of the six (6) condominium units. At least the majority of each succeeding Board of Directors shall be Members of the Association, or shall be authorized representatives, officers or employees of a corporate member of the Association. (All subsequent provisions of this subsection A shall remain unchanged.)"

Dated the Hth day of March, 2009.

Augus D. Holelker

SUSAN D. GOEDKEN, President

PHILL GOEDKEN, Secretary

STATE OF FLORIDA) ss: COUNTY OF POLK)

The foregoing instrument was acknowledged before me this _____ day of March, 2009 by SUSAN D. GOEDKEN, President and PHIL L. GOEDKEN, Secretary of Granada Owners' Association, Inc., who are personally known to me or who have produced their ______ as identification.

Printed name Julie Ann Trammell
Florida Notary Public #DD591032



JULIE ANN TRAMMELL NOTARY PUBLIC - STATE OF FLORIC COMMISSION #DD591082 MY COMMISSION EXPIRES AUG:3172010

CONDOMINIUM GOVERNANCE FORM

DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION Division of Florida Condominiums, Timeshares, and Mobile Homes

1940 North Monroe Street Tallahassee, Florida 32399-1030 Telephone: (850) 488-1122

Facsimile: (850) 488-7149

Toll Free: (800) 226-9101 (in Florida only)

Web Address: www.MyFlorida.com/dbpr/



This publication is intended as an informal educational overview of condominium governance. In the event of a conflict, the provisions of chapter 718, Florida Statutes, rules adopted by the Division of Florida Condominiums, Timeshares, and Mobile Homes of the Department of Business and Professional Regulation, the provisions of the condominium documents, and reasonable rules adopted by the condominium association's board of administration prevail over the contents of this publication.

Role of the Board of Directors

General

- 1. The board of directors has a fiduciary duty to the unit owners and has the responsibility to act with the highest degree of good faith and to place the interests of the unit owners above the personal interests of the directors.
- 2. The board must abide by the condominium documents, the condominium laws and regulations and the rules of the association.
- 3. The board manages the day to day affairs of the association.
- 4. The board has the authority to levy assessments, and maintain, repair and replace the common elements or association property.
- 5. The board of directors may hire a property management firm subject to its own primary responsibility for such management.
- 6. Provide a substantive written response to an inquiry submitted to the board by certified mail. The response must be sent within 30 days, or within 60 days if the board requests a legal opinion, or within 10 days of receiving the division's advice, if the board requests advice from the division.
- 7. The association must make its records available for unit owner inspection within five working days after receiving a written request.

Meetings and Notices

- 1. Except in the case of valid emergencies, Associations must provide at least 48 hours' notice of board and committee meetings, posted conspicuously on the association property.
- 2. Notice of the annual meeting, the budget meeting, and any meetings at which the board will vote on a special assessment or changes to rules concerning unit use must be mailed, electronically transmitted or delivered to unit owners and posted on the condominium property at least 14 continuous days in advance of the meeting.
- 3. Written notification of any special assessment must state the specific purpose of the special assessment.
- 4. A copy of the proposed annual budget must be mailed, electronically transmitted or delivered to each unit owner.
- 5. The association must provide notice of any legal action by which the association may be exposed to liability in excess of insurance coverage so that unit owners may intervene and defend on their own behalf.
- 6. Board must allow unit owners or their designated representatives to speak at board and committee meetings subject to reasonable restrictions.
- 7. Associations must provide notification of a hearing before a committee of other unit owners before the board can levy a fine against a unit owner, if the documents provide that the association may impose a fine against a unit owner.

Elections

- 1. The association must provide by mail or personal delivery, a first notice of an election no less than 60 days prior to the election.
- 2. The association must provide a second notice of the election, along with a ballot, an inner envelope, an outer envelope, candidate certification form and copies of any timely submitted candidate information sheets, no less than 14 days prior to the election.

Association Finances

- 1. Unless the governing documents provide otherwise, the board of directors has the authority to levy assessments, including special assessments.
- 2. The board must prepare an annual budget of the revenues and expenses and hand deliver, electronically transmit or send a copy to the unit owners at least 14 days prior to the budget meeting. The budget must include all estimated revenues and expenses and reserves for certain deferred maintenance and capital expenditures projects.
- 3. Within 90 days after the end of the fiscal year, or annually on a date provided in the bylaws, the association must prepare a financial report for the preceding fiscal year. No later than 120 days after the end of the fiscal year or other date as provided in the bylaws, the association must mail to each unit owner at the address last furnished to the association by the unit owner, or hand deliver to each unit owner, a copy of the financial report or a notice that a copy of the financial report will be mailed or hand delivered to the unit owner, without charge, upon receipt of a written request from the unit owner. The report must be prepared as follows:
 - a. If the association consists of 75 units or fewer, or has revenues of less than \$100,000, it must prepare a financial report of actual receipts and expenditures.
 - b. If the association consists of more than 75 units and has revenues of at least \$100,000, it must prepare a compiled, reviewed or audited financial statements, prepared in accordance with generally accepted accounting principles.

Role of the Unit owners

General

- 1. Each unit owner who is offering the unit for sale must provide to each person who has entered into a contract for the purchase of the condominium unit a copy of this governance form, a current copy of the declaration of condominium, articles of incorporation, bylaws and rules of the association, a copy of the latest annual financial report, and the document entitled "Frequently Asked Questions and Answers" that may be obtained from the association.
- 2. Unit owners must abide by the condominium documents, the condominium laws and regulations and the rules of the association.
- 3. Unit owners must pay their share of the common expenses. Failure to do so may result in liens or possible foreclosure by the association.
- 4. Unit owners may use the common elements in a manner that will not hinder or infringe on the rights of the other unit owners.
- 5. Unit owner insurance policies must conform to the requirements of section 627.714, F.S.
- 6. Unit owners must provide the association access to their units during reasonable hours for the following purposes:
 - a. To maintain, repair or replace any common elements;
 - b. To prevent damage to the common elements or other units;
 - c. To maintain the unit as required by the declaration of condominium; or
 - d. To prevent damage to the common elements or to a unit or units.
- 7. Unit owners may not make any alterations to their units that would adversely affect the safety or soundness of the common elements or any portion of the association or condominium property the association maintains.

Unit Owners Rights

- Unit owners may attend and participate in board and committee meetings except for meetings between the board or a committee and the association's attorney with respect to proposed or pending litigation when the meeting is held for the purpose of seeking or rendering legal advice.
- 2. Petition the association board to address an item of business at the next regular or special meeting of the board, if 20% of the voting interests petition the board.
- 3. Unit owners may record board, committee or unit owner meetings subject to reasonable restrictions.
- 4. Exclusive ownership and possession of their condominium unit.
- 5. Membership in the association and full voting rights as provided in the declaration of condominium. However an association may also suspend the voting rights of a member due to nonpayment of any monetary obligation due the association which is more than 90 days delinquent. The suspension ends upon full payment of all obligations currently due or overdue the association.
- 6. Use the common elements and association property without paying a use fee unless provided for in the declaration of condominium, approved by a majority vote of the association, or unless the charges relate to expenses incurred by an owner having exclusive use of the common element or association property.
- 7. Use the condominium's common elements, common areas and recreation facilities together with their invited guests, in accordance with the condominium documents and properly adopted rules and regulations of the association. However, if a unit owner is delinquent for more than 90 days in paying a monetary obligation due to the association, the association may suspend the right of a unit owner or a unit owner's occupant, licensee, or invitee to use common elements, common facilities or any other association property until the monetary obligation is paid. This does not apply to limited common elements intended to be used only by that unit, common elements that must be used to access the unit, utility services provided to the unit, parking spaces or elevators.
- 8. Inspect the association's official records subject to the reasonable rules adopted by the association. Unit owners may make or obtain copies at the reasonable expense, if any, of the unit owner.
- 9. Attend and participate in unit owner meetings.
- 10. Vote on issues presented for a unit owner vote and elections. Bring any concerns or problems to the board of directors' attention.
- 11. Apply to the circuit court of the county in which the condominium is located for a receiver if the association fails to fill vacancies on the board sufficient to constitute a quorum.
- 12. Participate in the voluntary mediation or mandatory, non-binding arbitration processes to resolve certain disputes.
- 13. Vote to cancel any grant or reservation made by a declaration, lease, or other document, and any contract made by an association prior to turnover of control to the unit owners other than the developer.
- 14. Bring action for damages or injunctive relief or both against the association, another unit owner, a tenant or invitee.

Elections, Voting

- 1. Unit owners may submit a notice of their intent to be a candidate for election to the board no less than 40 days prior to the election.
- 2. Submit candidate information sheet no less than 35 days prior to the election.
- 3. Vote for the board by written, secret ballot or voting machine if there are more candidates than vacancies. Associations with 10 or fewer units may opt out of the statutory election procedures and hold elections as provided in their bylaws.

- 4. Unit owners may vote in person or by limited proxy for all matters (other than election of directors) in which the law provides that a vote of the unit owners must be taken. Examples of these issues include, but are not limited to: amending the governing documents, waiving reserves and altering the common elements.
- 5. Unit owners may vote at a meeting or by written agreement with a majority of all unit owners to recall any board member.

Association Budget

- 1. Unit owners may vote for an alternate budget if the developer controls the board and the adopted budget provides for assessment in excess of 115 percent of assessments for the prior fiscal year.
- 2. Petition the board for a special meeting of the owners to consider an alternate budget if a unit owner controlled board adopts a budget providing for assessments in excess of 115 percent of the previous year's assessments. Upon written application by 10 percent of the voting interests received within 21 days following the adoption of the budget the board the board shall call the special meeting of the association.

Suspension From Office and Abandonment of Office

- 1. A newly elected or appointed Director must file with the association a certification that he or she has read the condominium documents and that he or she shall faithfully discharge his or her fiduciary responsibility to the association members; failure to file the certification results in his or her suspension from the Board until the provision is complied with.
- 2. A director or officer more than 90 days delinquent in the payment of any monetary obligations due the association is deemed to have abandoned the office.

You should refer to the specific statutory section or rule for each cited provision. You may visit www.MyForida.com/dbpr/ or contact the Division at the address on this brochure to obtain a copy of the statute or the administrative rules.

- 11. If the development is to be built in phases or if the association is to manage more than one condominium, a description of the plan of phase development or the arrangements for the association to manage two or more condominiums.
- 12. If the condominium is a conversion of existing improvements, the statements and disclosure required by s. <u>718.616</u>.
 - 13. The form of agreement for sale or lease of units.
- 14. A copy of the floor plan of the unit and the plot plan showing the location of the residential buildings and the recreation and other common areas.
- 15. A copy of all covenants and restrictions which will affect the use of the property and which are not contained in the foregoing.
- 16. If the developer is required by state or local authorities to obtain acceptance or approval of any dock or marina facilities intended to serve the condominium, a copy of any such acceptance or approval acquired by the time of filing with the division under s. <u>718.502(1)</u>, or a statement that such acceptance or approval has not been acquired or received.
- 17. Evidence demonstrating that the developer has an ownership, leasehold, or contractual interest in the land upon which the condominium is to be developed.
- (c) Subsequent estimates; when provided.—If the closing on a contract occurs more than 12 months after the filing of the offering circular with the division, the developer shall provide a copy of the current estimated operating budget of the association to the buyer at closing, which shall not be considered an amendment that modifies the offering provided any changes to the association's budget from the budget given to the buyer at the time of contract signing were the result of matters beyond the developer's control. Changes in budgets of any master association, recreation association, or club and similar budgets for entities other than the association shall likewise not be considered amendments that modify the offering. It is the intent of this paragraph to clarify existing law.
 - (2) NONDEVELOPER DISCLOSURE.—
- (a) Each unit owner who is not a developer as defined by this chapter shall comply with the provisions of this subsection prior to the sale of his or her unit. Each prospective purchaser who has entered into a contract for the purchase of a condominium unit is entitled, at the seller's expense, to a current copy of the declaration of condominium, articles of incorporation of the association, bylaws and rules of the association, financial information required by s. <u>718.111</u>, and the document entitled "Frequently Asked Questions and Answers" required by s. <u>718.504</u>. On and after January 1, 2009, the prospective purchaser shall also be entitled to receive from the seller a copy of a governance form. Such form shall be provided by the division summarizing governance of condominium associations. In addition to such other information as the division considers helpful to a prospective purchaser in understanding 'association governance, the governance form shall address the following subjects:
- 1. The role of the board in conducting the day-to-day affairs of the association on behalf of, and in the best interests of, the owners.
 - 2. The board's responsibility to provide advance notice of board and membership meetings.
 - 3. The rights of owners to attend and speak at board and membership meetings.
- 4. The responsibility of the board and of owners with respect to maintenance of the condominium property.
- 5. The responsibility of the board and owners to abide by the condominium documents, this chapter, rules adopted by the division, and reasonable rules adopted by the board.
 - 6. Owners' rights to inspect and copy association records and the limitations on such rights.

- 7. Remedies available to owners with respect to actions by the board which may be abusive or beyond the board's power and authority.
- 8. The right of the board to hire a property management firm, subject to its own primary responsibility for such management.
- 9. The responsibility of owners with regard to payment of regular or special assessments necessary for the operation of the property and the potential consequences of failure to pay such assessments.
 - 10. The voting rights of owners.
- 11. Rights and obligations of the board in enforcement of rules in the condominium documents and rules adopted by the board.

The governance form shall also include the following statement in conspicuous type: "This publication is intended as an informal educational overview of condominium governance. In the event of a conflict, the provisions of chapter 718, Florida Statutes, rules adopted by the Division of Florida Condominiums, Timeshares, and Mobile Homes of the Department of Business and Professional Regulation, the provisions of the condominium documents, and reasonable rules adopted by the condominium association's board of administration prevail over the contents of this publication."

- (b) If a person licensed under part I of chapter 475 provides to or otherwise obtains for a prospective purchaser the documents described in this subsection, the person is not liable for any error or inaccuracy contained in the documents.
- (c) Each contract entered into after July 1, 1992, for the resale of a residential unit shall contain in conspicuous type either:
- 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE DECLARATION OF CONDOMINIUM, ARTICLES OF INCORPORATION OF THE ASSOCIATION, BYLAWS AND RULES OF THE ASSOCIATION, AND A COPY OF THE MOST RECENT YEAR-END FINANCIAL INFORMATION AND FREQUENTLY ASKED QUESTIONS AND ANSWERS DOCUMENT MORE THAN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO EXECUTION OF THIS CONTRACT; or
- 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE DECLARATION OF CONDOMINIUM, ARTICLES OF INCORPORATION, BYLAWS AND RULES OF THE ASSOCIATION, AND A COPY OF THE MOST RECENT YEAR-END FINANCIAL INFORMATION AND FREQUENTLY ASKED QUESTIONS AND ANSWERS DOCUMENT IF SO REQUESTED IN WRITING. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE BUYER RECEIVES THE DECLARATION, ARTICLES OF INCORPORATION, BYLAWS AND RULES OF THE ASSOCIATION, AND A COPY OF THE MOST RECENT YEAR-END FINANCIAL INFORMATION AND FREQUENTLY ASKED QUESTIONS AND ANSWERS DOCUMENT IF REQUESTED IN WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

A contract that does not conform to the requirements of this paragraph is voidable at the option of the purchaser prior to closing.

- (3) OTHER DISCLOSURE.-
- (a) If residential condominium parcels are offered for sale or lease prior to completion of construction of the units and of improvements to the common elements, or prior to completion of remodeling of previously occupied buildings, the developer shall make available to each prospective

Mento

DECLARATION OF CONDOMINIUM

FOR.

GRANADA CONDOMINIUM

MADE this day of tebruary 1983, by Walter J. Heiler, Jr., (the "Developer"), the owner of fee simple title to the land described herein, and in and by which the Developer makes the following declarations:

I. SUBMISSION TO CONDOMINIUM OWNERSHIP

Developer hereby submits to the condominium form of ownership and use the land described in Article III hereof, the improvements now and hereafter situated thereon, and the easements and rights appurtenant thereto (the "Condominium Property"), pursuant to Chapter 718, Florida Statutes, 1981, as amended to the date hereof (the "Condominium Act").

II. NAME AND ADDRESS

The name by which this condominium is to be identified is GRANADA CONDOMINIUM sometimes herein called the "Condominium". The street address is: Leisure Lane West, Lake Wales, Florida.

III. THE LAND

The land submitted to Condominium (the "Land") is situated in Polk County, Florida, and is described as follows:

Commence at the Northwest corner of Section 21, Township 30 South, Range 29 East, Polk County, Florida; thence run South 89°36'34" East, 2700.00'; thence South 1863.79' to a point on the south Right-of-Way line of Leisure Lane West, said point also being on a curve to the left having a radius of 2040.00', a central angle of 06°50'42" and whose cord bears North 72°00'59" East, thence Northeasterly along said curve and south Right-of-Way line, an arc distance of 243.72' to the Point of Beginning; continue Northeasterly along said curve and south Right-of-Way line through a central angle of 03°05'28" and whose chord bears North 67°02'54" East, on an arc distance of 110.05' thence South 21°24'22" East, 167.97'; thence South 68°35'38" West, 110.00'; thence North 21°24'22" West, 165.00' to the Point of Beginning; containing 0.42 acres more or less.

A survey of the Land and improvements thereon is annexed hereto and made a part hereof as Exhibit "A".

IV. DESCRIPTION OF CONDOMINIUM PROPERTY

The description of the improvements comprising part of the condominium property, consisting of apartment units numbered one (1) through six (6), inclusive, and located in one (1) building, including an

26 60

Page 1

identification of each "Unit" (as defined in the Condominium Act and herein) by number, constituting a graphic description of the building in which units are located, is annexed hereto and made a part hereof, as Exhibit "B". Units numbered one (1) through three (3) are on the first floor and units numbered four (4) through (6) are on the second floor. The floor plan of the first floor, shown in Exhibit "B", is identical to the second floor. Exhibit "A", consisting of the Land survey and Exhibit "B", consisting of a description of the improvements thereon, together with this Declaration, identify the "Common Elements", "Limited Common Elements", each Unit (as those terms are defined herein), and their relative locations and approximate dimensions. The improvements are further described as:

. A. Residential Building

The improvements include a two (2) story building containing two (2) residential floors having three (3) units on each floor. The building contains six (6) Units, and Common Elements and Limited Common Elements, as those terms are herein defined.

B. Other Improvements

In addition to the residential building situated thereon, the Condominium Property also includes landscaping and all underground structures and improvements which are not part of or located within the residential building, such as wires, cables, drains, pipes, ducts, conduits, valves and fittings.

C. Driveway Easement

The Developer owns fee simple title to that certain real property (the "Driveway") situated in Polk County, Florida, and more fully described as:

Commence at the N.W. corner of Section 21, Township 30 South Range 29 East, Polk County, Florida; thence run South 89°36'24" East, 2700.00'; thence South 1863.79' to the south right of way line of Leisure Lane West, said point also being on a curve to the left having a radius of 2040.00', a central angle of 09°56'10" and whose chord bears North 70°28'15" East; thence Northeasterly along said curve and south R/W line, an arc distance of 353.77' to the point of beginning; thence continue Northeasterly along said curve and south R/W line an arc distance of 50.10' through at central angle of 01°24'26"; thence South 21°24'22" East, 103.31'; thence South 68°35'38" East 50.00'; thence North 21°24'22" West 100.00', returning to the Point of Beginning.

The above-described Driveway is marked "DRIVEWAY" within the lines along the East side of the Land as shown on Exhibit A.

The Developer hereby grants and conveys to the Granada Owners' Association, Inc., a Florida non-profit corporation, and to the owner of each unit (as an appurtenance defined in Article VI, infra) an easement on and over the Driveway for the right of ingress and egress to the Condominium property. Said easement shall run with the Land. The Association shall pay one sixth (1/6) of all maintenance, repair or replacement costs pertaining to the paved road on the Driveway.

The Developer reserves the right to convey title to the Driveway or a similar easement in the Driveway, subject to the above easement, to the owner or owners of the contigious property. In the event of such conveyance, the owner(s) of said contigious properties shall contribute to the maintenance of the road on the Driveway.

V. <u>DEFINITION OF UNITS, COMMON ELEMENTS AND</u> LIMITED COMMON ELEMENTS

The Condominium will consist of "Units", "Common Elements" and "Limited Common Elements", as those terms are herein defined.

A. Units

The term "Units", as used herein, shall mean and comprise the separate dwelling in the Condominium which are located and individually described in Exhibit "B" hereto, excluding, however: (1) all spaces and improvements lying beneath the undecorated and/or unfinished inner surfaces of the perimeter walls and floors, and above the lowest horizontal plane of the upper structural element of each Unit; and (2) all spaces and improvements lying beneath the undecorated and/or unfinished inner surface of all interior columns, bearing walls and/or bearing partitions; and (3) all pipes, ducts, vents, wires, conduits and other facilities, equipment and/or fixtures running through any interior wall or horizontal or vertical partition of a Unit, for the furnishing of utility services, heating and cooling and/or ventilation to Units, Common Elements and/or Limited Common Elements. The exterior balconies, terraces or patios, if any, attached or contiguous to and exclusively serving a Unit, and all glass and other transparent or translucent material, insect screens and screening in windows and doors and the materials covering other

openings in the exterior of Units shall be construed to be within the boundaries or limits of Units exclusively served by such balconies, terraces, patios, windows, doors and other openings.

B. Common Elements

The term "Common Elements", as used herein, shall mean and comprise all of the real property of the Condominium except Units including, without limitation: (1) easements through Units or conduits, pipes, ducts, vents, plumbing, wiring and other facilities, equipment and/or fixtures for the furnishing of utility services, heating and cooling and/or ventilation to Units and Common Elements; and (2) easements of support in every portion of a Unit which contributes to the support of other Units and/or Common Elements; and (3) installations for the furnishing of utility services to more than one Unit or to the Common Elements or to a Unit other than the Unit containing the installation; and (4) the property and installation in connection therewith required for the furnishing of services to more than one Unit or to the Common Elements; and (5) fixtures owned or held for the common use, benefit and enjoyment of all owners of Units in the Condominium; and (6) the riparian and/or littoral right appertaining to the Land, if any.

C. Limited Common Elements

"Limited Common Elements", as the term is used herein, shall mean and comprise the Common Elements which are reserved herein, or assigned or granted separately herefrom, for the exclusive use of a certain Unit or Units to the exclusion of other Units, consisting of the following:

- (1) To each Unit in the Condominium, one ground floor automobile parking space or separate parking space assigned and reserved to the use of the Unit as shown on Exhibit B.
- (2) To all Units in the Condominium, for the common use and enjoyment of the owners and occupants of the Units, therein, and their invitees, the lobby, and stairways designated on Exhibit "B" hereto as an "LCE" for the Units served.

VI. APPURTENANCES TO UNITS

There shall be appurtenant, and pass with title, to each Unit the rights, shares, and interests provided by the Condominium Act which shall be deemed to include, without limitation, the following:

- A. An undivided share in the Common Elements and in the "Common Surplus" (as that term is elsewhere herein defined). The undivided share in the Common Elements and the Common Surplus of the Condominium appurtenant to each Unit is that proportion of the total set forth, as a fraction, in the schedule which is annexed hereto and made a part hereof as Exhibit "C", and
- B. The right to use exclusively, or in common with certain other Units where so specified, those portions of the Common Elements designed and/or reserved herein and/or granted elsewhere to a certain Unit or Units as Limited Common Elements, and
- C. An exclusive easement for the use of the air space occupied by the Unit as it exists at any particular time (as shown on Exhibit "B" hereto) and as it may lawfully be altered or reconstructed from time to time, which easement shall be terminated automatically in any air space which is permanently vacated from time to time; and
- D. Non-exclusive easements, to be sued and enjoyed in common with the owners of all Units in the Condominium, for use of those Common Elements not designated elsewhere herein as easements for:
- (1) The furnishing and maintenance of public utility services to all parts of the real property of the Condominium over, across, in and through the Land, buildings and other improvements, a the fixtures and equipment therefore now exists and/or may be modified or relocated; and
- (2) Vehicular and pedestrian access over, across, upon, in and through the drives, entries, gates, walks, grounds, and other portions, if any, of the Common Elements as are intended and/or provided for pedestrian and vehicular traffic throughout the Condominium.
- E. An exclusive easement for the unintentional and non-negligent encroachment by any Unit upon any other Unit or Common Element, or vice versa, for any reason not caused by or resulting from the willful or negligent act of Developer or any Unit owner or owners, including without limitation, encroachments caused by or resulting from the

original construction of improvements, which exclusive easement shall exist at all times during the continuance of such encroachment, as an easement appurtenant to the encroaching Unit or other improvement, to the extent of such encroachment; and

- F. An exclusive easement for the use of the area of Land and air space occupied by the air conditioning compressor, and the equipment and fixtures appurtenant thereto, situated in and/or on Common Elements of the Condominium but exclusively serving and individually owned by the owner of the Unit as the same exist in and on the building (as shown as Exhibit "B") the Land, which exclusive easement shall be terminated automatically in any air space which is permanently vacated by such air conditioning compressor, and the equipment and fixtures appurtenant thereto; provided that the removal of the same for repair and/or replacement shall not be construed to be a permanent vacation of the air space which it occupies; and
- G. The right to membership in the "Association" (elsewhere herein defined), upon the terms and conditions set forth elsewhere herein.

VII. COMMON EXPENSES AND COMMON SURPLUS

The term "Common Expenses", as used herein, shall mean all expenses for which all the owners or Units in the Condominium (except the Association) shall be liable to the Association. The term "Common Surplus", as used herein, shall mean the excess of all receipts of the Association, including, without limitation, assessments, rents, profits and revenues on account of the Common Elements, over the amount of the Common Expenses. All of the owners of Units (except the Association) shall share the Common Expenses and shall own the Common Surplus in the proportions or percentages set forth in the schedule annexed hereto and made a part hereof as Exhibit "C".

VIII. VOTING RIGHTS OF UNIT OWNERS

The owner or owners of each Unit shall become a member or members of the Association automatically upon and simultaneously with delivery of a deed of conveyance of fee title thereto from Developer or, in a conveyance by a grantee or a remote grantee of Developer, a deed which has been approved by the Association and otherwise complies with the terms and conditions of this Declaration, the Articles of Incorporation and

By-Laws of the Association. There shall be appurtenant, and pass with title, to each Unit one (1) vote as a member of the Association, which may be exercised by the owner(s), or duly constituted proxy of the owner(s), from time to time, of each Unit at all meetings of members and in connection with all matters upon which members of the Association are entitled to vote. The qualification of members of and manner of admission to membership in the Association, the termination of such membership and voting by members shall be as provided for in the Articles of Incorporation and By-Laws of the Association.

IX. NAME OF THE ASSOCIATION

The entity responsible for the operation of the Condominium shall be Granada Owners' Association, Inc., a Florida corporation not for profit (the "Association"), a copy of the Articles of Incorporation of which is annexed hereto and made a part hereof as Exhibit "D". Subject to the rights reserved to Developer herein and in the Condominium Act to administer and manage the Condominium Property initially, the Association shall administer and manage the Condominium Property; provided that, the Association may, to the extent permitted by the Condominium Act, by contract, partially or wholly delegate it maintenance, management and operational duties and obligations.

X. BY-LAWS OF ASSOCIATION

A copy of the By-Laws of the Association is annexed hereto and made a part hereof as Exhibit "E".

XI. AMENDMENT OF DECLARATION

The Developer reserves the absolute right to amend this Declaration. Said absolute right terminates upon the closing of the first units sale. Except for amendments which Developer is authorized and/or obligated elsewhere herein to make and except as may be elsewhere herein or in the Condominium Act otherwise specifically provided, this Declaration may be amended only in the following manner:

A. Notice

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

B. Proposal

Amendments to this Declaration may be proposed by the Board of Directors (the "Board") of the Association by resolution adopted by a majority vote of the Directors present at any regular or special meeting of the Board at which a quorum is present or, in the alternative, by a written instrument signed by a majority or the Board, or by the owners of a majority of the Units, whether by vote of such owners as members of the Association, at a special or regular meeting of the members or by written instrument signed by them.

C. Adoption

Any amendment to this Declaration so proposed by the Board or members of the Association, shall be transmitted to the President of the Association, or, in the absence of the President, to a Vice President or other acting chief executive officer, who shall thereupon call a special meeting of the members of the Association to consider and vote upon such proposed amendment; provided, that a proposed amondment may be considered and voted upon at an annual meeting of the members of the Association if the next such meeting is to be held within the time hereafter limited and if notice of the proposed amendment shall be included in the notice of such meeting. The special or annual meeting, as the case may be, of the members shall be held not sooner that thirty (30) days nor later than sixty (60) days from the date of receipt by the Association of the proposed amendment. Notice of the meeting shall be in the form and shall be delivered and the meeting shall be called and held as provided for in the By-Laws of the Association; provided, that any member may, in writing signed by such member, waive notice of such meeting in the manner provided for in the By-Laws of the Association and such waiver, when delivered to the Secretary of the Association for filing in its records, whether before, during or after such meeting shall be construed to be the equivalent of giving notice to such member. The proposed amendment may be adopted, and shall become effective, by and upon the affirmative vote at such meeting of members owning Units to which not less than sixty-six (66%) per cent of the Common Elements are appurtenant; provided, that any amendment so proposed may be adopted, without a formal meeting of the members, by an instrument executed and acknowledged with the formalities of a deed by members owning Units to

which not less than sixty-six per cent of the Common Elements are appurtenant. Notwithstanding the foregoing provisions for adoption of amendments to this Declaration or any other provisions for amendments in the Condominium Act, no amendment shall:

- (1) Change any "Condominium Parcel" (as defined in the Condominium Act) unless the record owner(s) thereof and all record owners of liens thereon shall join in the execution and acknowledgement of the amendment, or
- (2) Discriminate against any Unit owner or against any Unit or building comprising part of the Condominium Property, unless the record owners of all affected Units and record, owners of all liens thereon shall join in the execution and acknowledgment of the amendment, or
- (3) Change the share of Common Elements appurtenant to any Unit or Units or the share of any Unit owner in the Common Surplus, or
- (4) Increase the share of any Unit owner(s) in the Common Expenses, unless the record owners of all Units and the record owners of all liens thereon shall join in the execution and acknowledgement of such amendment, or
- (5) Make any substantial change in Article XIII hereof, entitled "Insurance", nor in Article XIV hereof, entitled "Reconstruction or Repair After Casualty", unless the record owners of all liens on Units shall join in the execution and acknowledgement of the amendment, or
- (6) Amend the provisions of Article XXII hereof without Developer's joinder and consent so long as it holds any Unit for sale in the ordinary course of business.
- (7) Adversely affect the priority or security of a prior recorded lien or mortgage without the license or mortgagor's written consent.
 - D. Secret Ballot.

Any vote to amend this Declaration relating to a change in percentage of ownership of the common elements or sharing of the common expenses shall be conducted by secret ballot.

E. Effective Date and Recording Evidence of Amendment.

As to members of the Association and persons having actual knowledge of the adoption of any amendment to this Declaration, such

amendment shall be effective as of the date of the adoption or otherwise as may be specified in the resolution or instrument creating the amendment. As to non-members of the Association without actual knowledge of an amendment to this Declaration, the same shall be effective at the time the affected person acquires actual knowledge thereof or at the time of filing the amendment or certificate of amendment in the Public Records of Polk County, Florida, whichever occurs first. The President of the Association, or, in the absence of the President, a Vice President or other acting chief executive officer of the Association shall cause to be filed in the Public Records of Polk County, Florida, the original amendment to the Declaration, if it is in the form of an instrument executed and acknowledged by Unit owners and the holders of liens thereon, or a certificate of amendment, if it is a certification by the proper officers of the Association at a meeting of the members. A true and correct copy of each such amendment or certificate of amendment shall be delivered, forthwith after adoption thereof, to the record owners of all Units and to the record owners of all liens on Units, by the President, Vice President, or other acting chief executive officer of the Association, but delivery of such copies shall not be a condition precedent to the effectiveness of any such amendment.

F. Amendment to Correct Omission or Error in Condominium Documents

Notwithstanding any provision to the contrary set forth in this Article XI or elsewhere, in and of this Declaration, or Articles or By-Laws of the Association, the affirmative vote of the owners of not less than fifty-one (51%) per cent of the Units in the Condominium shall be sufficient to adopt an amendment to this Declaration for the purpose of correcting a defect, error, or omission in or to this Declaration not materially or adversely affecting the rights of owners, lienors or mortgagees.

XII. MAINTENANCE, REPAIRS AND REPLACEMENTS

Responsibility for maintenance, repairs and replacements of Condominium Property and property of Unit owners located or situated within the Condominium shall be as follows:

A. Units

Each Unit, and the fixtures, equipment and appliances comprising a part thereof, located therein or exclusively serving the same (not including, however, Limited Common Elements), shall be maintained, kept in good repair and replaced by and at the expense of the owners thereof. All maintenance, repairs and/or replacements for which Unit owners are responsible and obligated to perform, which, if not performed or omitted, would affect other Units or Common Elements, shall be performed promptly as the need arises, and if Unit owners fails to promptly perform these, the Association shall have the right to perform these obligations and to assess the Unit owners for the charges therefore. Notwithstanding the obligation of Unit owners for maintenance, repair or replacement of and in Units, the proceeds of all insurance awards or payments under insurance carried by the Association for loss of or damage to or within Units shall be applied against repairs and replacements to the extent that such award or payments exceed the deductible provisions of such insurance.

B. Common Elements

The Association shall be responsible for, and shall assess against and collect from the owners of all Units in the Condominium, the costs of maintaining, repairing, replacing and keeping in clean and orderly condition, all of the Common Elements except certain of the Limited Common Elements specified below. The Association shall, at the expense of the owners of all Units in the Condominium, repair any and all incidental damage to Units resulting from maintenance, repairs and/or replacements of or to Common Elements.

C. Limited Common Elements

The Association shall be responsible for performing necessary maintenance, repairs and replacements, keeping in clean and orderly condition, all of those Common Elements designated elsewhere herein as Limited Common Elements; provided that, the cost of the same including utility service (except with respect to one covered automobile parking space appurtenant to a Unit) shall be borne by and assessed against the owners of the Units to which said Limited Common Elements are appurtenant. Provided, however, that the Association shall only be responsible for the exterior maintenance, all exterior and interior repairs

and replacements for the cabanas. Unit owners shall have the responsibility of maintaining the interior of the cabanas and keeping them in a clean and orderly condition. Upon the Unit owner's failure to maintain the interior of the cabana in a clean and orderly condition, the Association shall have the right to clean the cabana and assess the Unit owner for the cost thereof.

XIII. INSURANCE

Insurance shall be carried and kept in force at all times in accordance with the following provisions:

A. Duty and Authority to Obtain

The Association shall obtain and keep in force at all times the insurance coverage which it is required hereby to carry and may obtain and keep in force any or all of such other or additional insurance coverage as it is authorized hereby to carry. All insurance obtained by the Association shall be purchased for the benefit of the Association and the Unit owners and their mortgagees, provided that a certificate evidencing a mortgagee endorsement shall be issued to the mortgagee of each Unit. The owners of each Unit may, at the expense of the owners, obtain insurance coverage against damage to and loss of the contents of the Unit, personal liability for injury to and death of persons and damage to and loss of personal property of others, and against additional living expenses, provided, that such policy of such insurance purchased by a Unit owner shall, where such provision is available, provide that the insurer waives its right to subrogation as to any claim or claims against other Unit owners, the Association, and their respective employees, agents, guests and invitees.

B. Required Coverage

The Association shall purchase and carry insurance coverage as follows (however, such coverage shall only insure the condominium according to the original plans and specifications and coverage for any alterations, improvements or modification made by Unit owners shall be the responsibility of Unit owners:

(1) Casualty Insurance

Casualty insurance covering the building and other improvements of the Condominium, including, without limitations, Units and

Commons Elements (for purposes of this provision the Association shall be deemed to have an insurance interest in the foregoing), in an amount equal to the maximum insurance replacement value thereof, exclusive of excavation and foundation costs, as determined annually by the Board of Directors of the Association; such insurance to afford protection against:

- (a) Loss or damage by fire or other hazards covered by the standard extended coverage or other perils endorsement; and
- (b) Such other risks of a similar or dissimilar nature as are or shall be customarily covered with respect to a building and other improvements similar, in construction, location and use, to the building or other improvements of the Condominium, including, without limitation, vandalism, malicious mischief, windstorm, water damage and war risk insurance, if available; and
- (c) Public liability insurance, in such amounts, with such coverage and in such forms as shall be required by the Board of Directors of the Association to protect the Association and the owners of all Units, including, non-owned automobile, off-premises employee coverage, water damage and legal liability, with cross-liability, endorsements to cover liability of all Units owners as a group to each Unit owner; and
- (d) Workmen's compensation insurance to meet the requirements of law; and
- (e) Flood insurance, if the same shall be necessary under the laws of the United States for federally related mortgage lenders to make mortgage loans on Units.

C. Optional Coverage

The Association may purchase and carry such other insurance coverage, other than title insurance, as the Board of Directors of the Association, in its sole discretion, may determine from time to time to be in the best interests of the Association and Unit owners, or as an institutional lender may reasonably require while it holds a mortgage encumbering any Unit.

D. Premiums

Premiums for all insurance obtained and purchased by the Association shall be paid by the Association. The cost of insurance

premiums, and other incidental expenses, incurred by the Association in administering and carrying out the provisions of this Article, shall be assessed against and collected from Unit owners as Common Expenses. However, the proportionate costs of the insurance, which is to be determined by the Board of Directors of the Association, that related to Limited Common Elements shall be borne by the owners of Units to which said Limited Common Elements are appurtenant.

E. Assured

All policies of insurance obtained and purchased by the Association shall be for the benefit of the Association, the owners of Units and their mortgagees, as their interests may appear, and shall provide that all proceeds covering casualty losses shall be paid to the "Insurance Trustee", as herein identified, or to its successor, and the proceeds from insurance against any casualty loss shall be held for the use of the Association, Unit owners and their respective mortgagees, as their interests may appear, to be applied or distributed in the manner herein provided. The Association is hereby constituted and appointed agent for all Unit owners with authority to negotiate and settle the value and extent of any and all losses covered under any policy of casualty insurance, and the Association is granted full right and authority to execute, in favor of any insurer, a release of liability arising out of any occurrence covered by any policy or policies of casualty insurance and resulting in loss of or damage to insured property.

F. Insurer

All persons beneficially interested in the insurance coverage obtained, purchased and maintained by the Association shall be bound by the Association's selection of its insurers and the amount of insurance coverage carried and kept in force by the Association.

G. Insurance Trustee

The Association shall have the right, prior to or upon the occurrence of any event causing or resulting in the need for the same to designate the Insurance Trustee and all persons beneficially interested in such insurance coverage shall be bound by the Association's selection of the Insurance Trustee.

(1) The Insurance Trustee shall be a bank with trust powers doing business in the State of Florida. The Insurance Trustee shall not be liable for the payment of premiums, the renewal of any policy or policies of casualty insurance, the sufficiency of coverage, the form of content of policies, nor for the failure to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to receive such proceeds of casualty insurance as are paid and to hold the same in trust for the purposes herein stated, and for the benefit of the Association, Unit owners and their respective mortgagees, to be disbursed as herein provided. The Association shall pay a reasonable fee to the Insurance Trustee for services rendered hereunder and shall pay such costs and expenses as the Insurance Trustee may incur in the performance of its duties hereunder; such fees and costs to be assessed against and collected from fees and costs to be assessed against and collected from Unit owners as a Common Expense. The Insurance Trustee Unit shall be liably only for its willful misconduct, bad faith or gross negligence, and then only for such money as may come into the possession of the Insurance Trustee. If and when the Insurance Trustee is required to distribute insurance proceeds to Unit owners and their mortgages, as their respective interests may appear, the Insurance Trustee may rely upon a certificate of the President and Secretary of the Association executed under oath and provided to the Insurance Trustee upon request to the Association; such certificate to certify the name or names of the owners of each Unit, the mortgagees thereof, and the respective percentages of any distribution which is to be made to such owners and Mortgagees, as their respective interests may appear. If and when insurance proceeds are paid to the Insurance Trustee for any casualty lost, the holders of any mortgage or mortgages encumbering a Unit shall not have the right to determine or participate in the determination of repair or replacement of any loss or damage, and shall not have the right to elect to apply insurance proceeds to the reduction of indebtedness secured by such mortgages, unless the insurance proceeds represent a distribution to the owners of the Unit and the Mortgagees thereof, after such insurance proceeds have been first applied to the repair, replacement or reconstruction of any loss or damage, or unless such casualty insurance proceeds are authorized to be

distributed to the owners of the Unit and the mortgagees thereof by reason of loss of or damage to personal property constituting a part of the Common Elements and as to which a determination is made not to repair, replace or restore such personal property.

H. Application of Insurance Proceeds.

The proceeds of casualty insurance paid to the Insurance
Trustee by an insurer for loss or damage to real and/or personal property
upon which the Association carries insurance, shall be applied and paid as
follows:

(1) Common Elements Only

The proceeds paid to the Insurance Trustee for loss of or damage to real property constituting Common Elements only shall be applied to the repair, replacement or reconstruction of such loss or damage. If such insurance proceeds exceed the cost of the repair, replacement or reconstruction of such Common Elements, the excess shall be paid by the Insurance Trustees to the owners of all Units, and their respective mortgagees, as their interests may appear, in shares or proportions equal to the undivided interest appurtenant to each Unit in the Common Blements. If the insurance proceeds shall be insufficient to pay the cost of the repair, replacement or reconstruction of such Common Elements, the Association shall deposit with the Insurance Trustee, from any Association Reserve Fund which May have been established, the difference between the total cost of repairing, replacing or reconstructing such loss or damage and the amount of the insurance proceeds. If no such Association Reserve Fund has been established, or if any such Association Reserve Fund has been established and is insufficient to pay to the Insurance Trustee such difference, the Association shall assess the amount of the difference against, and collect it from, all Unit owners as a Common Expense.

(2) Units

The proceeds paid to the Insurance Trustee for loss of or damage to a building, constituting Common Elements and one or more Units thereof, shall be first applied to the repair, replacement or reconstruction of Common Elements, then to the repair, replacement or reconstruction of any Unit or Units in such building which have been

destroyed or damaged. If such insurance proceeds exceed the cost of the repair, replacement or reconstruction of such Common Elements and Units, the excess shall be paid by the Insurance Trustee to the owners of the damaged or destroyed Units and their respective mortgagees, as their interests may appear, in shares or proportions equal to the undivided interest appurtenant to each such Unit in the Common Elements. If the insurance proceeds shall be sufficient to pay for the repair, replacement or reconstruction of the Common Elements but shall be insufficient to pay the cost of the repair, replacement or reconstruction of the damaged or destroyed Unit or Units in such building, the Association destroyed Unit or Units in such building, the Association shall assess the amount of the difference against, and collect the same from, the owners of the Units damaged or destroyed, in the proportion that the amount of damage sustained to each such unit bears to the total deficit, and deposit such sum with the Insurance Trustee to be applied by the Insurance Trustee toward the total cost of repairing, or reconstructing all of such damaged or destroyed Common Elements and Units, If the insurance proceeds shall be insufficient to pay the cost of the repairs, replacements, or reconstruction of the Common Elements (to which the Insurance Trustee is required first to apply such proceeds before applying any part thereof to the repair, replacement or reconstruction of Units), the difference between the total cost of repairing, replacing or reconstructing the Common Elements and the amount of the insurance proceeds shall be assessed by the Association against, and collected from, all Unit owners, as a Common Expense, and, in such event, the cost of repairing, replacing or reconstructing the Unit or Units destroyed or damaged shall be assessed by the Association against, and collected from, the owners of such damaged or destroyed Units.

I. Deposits to Insurance Trustee After Damage

Within sixty (60) days after a loss of or damage to Condominium Property covered by casualty insurance, the Association shall obtain estimates of the cost of repairing, replacing or restoring the same, including the cost of professional fees and any construction bond which the Board of Directors may require. If, from such estimates, it shall appear that the insurance proceeds payable for such loss or damage will be

insufficient to pay the cost of such repair, replacements or reconstruction, the additional money required to pay the total cost thereof, whether it is to be paid by one or more Unit owners, shall be deposited with the insurance Trustee not later than thirty (30) days from the day on which the Insurance Trustee receives the insurance proceeds.

XIV. RECONSTRUCTION OR REPAIR AFTER CASUALTY

Whether, and the manner in which, any or all of the Condominium Property damaged or destroyed by casualty shall be repaired, reconstructed or replaced shall be determined as follows:

A. Residential Building

If the residential building shall be damaged or destroyed, repair or reconstruction thereof, or termination of the Condominium, shall be in accordance with the following:

(1) Total Destruction of the Building

If the residential building of the Condominium is totally destroyed or is so damaged that no Unit therein is habitable, neither the building nor any of the improvements comprising Common Elements shall be reconstructed, and the Condominium shall be terminated unless the owners of Units to which seventy-five (75%) per cent of the Common Elements are appurtenant agree in writing, within sixty (60) days after the date of such destruction, to reconstruct the same and unless the then applicable zoning and other regulatory laws and ordinances shall allow the same to be reconstructed, or unless any policy or policies of casualty insurance covering the same shall require reconstruction thereof as a condition precedent to the payments of proceeds thereunder.

(2) Damage to and Destruction of Part of the Building

If the residential building is damaged and/or destroyed and one or more of the Units remain habitable, the damage or destroyed Common Elements and/or Units shall be repaired or reconstructed, so that the building and/or Unit shall be restored to substantially the same condition as existed prior to such damage or destruction, unless within sixty (60) days after the casualty it is determined by agreement in the manner elsewhere herein provided that the Condominium shall be terminated.

B. Common Elements

Damaged or destroyed improvements constituting part of the Common Elements shall be repaired, reconstructed and/or replaced unless, in the event of total destruction of the Units, or, by agreement after partial destruction, the Condominium shall be terminated.

C. Certificate

The Insurance Trustee may rely upon a certificate executed by the President and Secretary of the Association to determine whether or not damage or destroyed Condominium Property shall be repaired or reconstructed.

D. Plans and Specifications

Repair or reconstruction of Condominium Property shall be substantially in accordance with the plans and specifications pursuant to which the same was originally constructed; provided, that the Board of Directors of the Association may authorize reasonable variations from the original plans and specifications as may appear to them to be necessary or desirable.

E. Responsibility

If the damage or destruction shall be limited only to one or more Units for which the responsibility of maintenance and repair is that of the affected Unit owners, then such Unit owners shall be responsible for carrying out the repair or reconstruction thereof. In all other instances of damage or destruction, the Association shall be responsible for carrying out the repair and reconstruction thereof.

F. Construction Funds

All funds for the payment of repair and reconstruction costs, consisting of insurance proceeds and/or funds collected by the Association from Unit owners, shall be disbursed toward payment of such costs in the following manner:

(1) Association

If the total funds assessed against and collected from Unit owners by the Association for payment of repair and reconstruction costs is more than Five Thousand (\$5,000.00) Dollars, then all such sums shall be deposited by the Association with and disbursed by the Insurance Trustee. In all other cases the Association shall hold such sums so

assessed and collected 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 assessed against and collected from Unit owners by the Association and deposited with the Insurance Trustee shall constitute a construction fund which shall be disbursed in payment of the costs of repair and reconstruction in the following manner:

(a) Unit Owner

The portion of insurance proceeds representing damage for which the responsibility of repair and reconstruction in upon one or more, but less than all, Unit owners, shall be paid by the Insurance Trustee to the affected Unit owners and, if any of such Units are mortgaged, to the affected Unit owners and their mortgagees jointly.

(b) Association - Lesser Damage

If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is less than Five Thousand (\$5,000.00) Dollars, then the construction fund shall be disbursed in payment of such costs upon the order of the Association; provided, however, that upon request to the Insurance Trustee by a mortgagee which is a beneficiary of an insurance policy the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner hereafter provided for the reconstruction and repair of major damage.

(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 Five Thousand (\$5,000.00) Dollars, 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 registered to practice in Florida and employed by the Association to supervise the work.

(d) Surplus

It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from

insurance proceeds. If there is a balance in the construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere herein stated; except, however, that the part of a distribution to a beneficial owner which is not in excess of assessments paid by such owner into the construction fund shall not be made payable to any mortgagee.

(e) Certificate

Notwithstanding the provisions herein, the Insurance Trustee shall not be required to determine whether or not sums paid by Unit owners upon assessments shall be deposited by the Association with the Insurance Trustee, nor to determine whether the disbursements from the construction fund are to be 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 the payee nor the amount to be paid, nor to determine whether surplus funds to be distributed are less than the assessments paid by owners. Instead, the Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary as to any or all of such matters 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 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 requires, the approval of an architect by the Association shall be first obtained by the Association.

XV. USE RESTRICTIONS

Use of the Condominium Property shall be in accordance with the following provisions so long as the Condominium exists:

A. Units

Each of the Units shall be occupied only by a single family, its servants and guests, (the total of which shall not exceed four persons, as a residence and for no other purpose. No Unit may be divided or

subdivided into a smaller unit, nor any portion thereof sold or otherwise transferred.

B. Antennae and Aerials

No exterior antennae or aerials may be erected except with 'the consent of the Association. In the event a central antennae system becomes available, no external antennae or aerials shall be allowed and existing antennae or aerials shall be immediately removed.

C. Common Elements

The Common Elements and Limited Common Elements shall be used only for the purposes for which they are intended in the furnishings of services and facilities for the enjoyment of the Units.

D. Nuisances

No nuisances shall be allowed upon the Condominium Property, nor any use or practice which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the Condominium Property by residents. All parts of the Condominium Property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage shall be allowed to accumulate nor shall any fire hazard be allowed to exist. No use shall be made of any Unit or of the Common Elements or Limited Common Elements which would increase the rate of insurance upon 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 governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies pertaining to maintenance, replacement, modification or repair of the Condominium Property shall be the same as is elsewhere herein specified.

F. Architectural Control

No structure, fence, wall, shrubbery hedge or garbage receptacle shall be constructed, erected or maintained upon any of the condominium property except upon the prior written approval of the Association.

G. Pets

No animals of any kind shall be kept under any circumstances in any unit or allowed upon the condominium property, except that the owners of each unit may keep in their unit one small pet, weighing less than twenty (20) pounds, so long as it does not create a nuisance (either noise, odor or litter) in the condominium property.

H. Regulations

Reasonable regulations concerning the use of the Condominium Property may be made and amended from time to time by the Board provided, however, that all such regulations and amendments thereto shall be approved by not less than three-fourths (3/4) of the members of the Association before the same shall become effective. Copies of such regulations and amendments thereto shall be furnished by the Association to all Unit owners and residents of the Condominium upon request.

I. Proviso

Provided, however, that until Developer has completed and sold all of the Units, neither Unit owners nor the Association nor the use of the Condominium Property shall interfere with the completion of the purpose improvements and the sale of the Units. Developer may make such use of the unsold Units and common areas as may facilitate such completion and sale, including, but not limited to, maintenance of a sales office, the showing of the Condominium Property and the display of signs.

XVI. COMPLIANCE AND DEFAULT

Each Unit owner shall be governed by and shall comply with the terms of the Declaration of Condominium, the Articles of Incorporation and By-Laws of the Association, and any and all regulations adopted pursuant thereto, as they may be amended from time to time. Failure to the Unit owner to comply therewith shall entitle the Association or other Unit owners to the following relief in addition to the remedies provided by the Condominium Act:

A. Negligence

A Unit 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 or his or their guests, employees, agents, lessees or other invitees, 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 a Unit or its appurtenances, or of the Common Elements.

B. Costs and Attorneys' Fees

If any proceeding arising because of an alleged failure of a Unit to comply with the terms of the Declaration, the Articles of Incorporation and By-Laws of the Association, and any and all regulations adopted pursuant thereto, 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 attorney's fees as may be awarded by the court.

C. No Waiver of Rights

The failure of the Association or any Unit owner to enforce any covenant, restriction or other provision of the Condominium Act, this Declaration, the Articles of Incorporation and By-Laws of the Association, or the regulations adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter.

XVII. ASSESSMENTS: LIABILITY, LIEN AND ENFORCEMENT

To provide the funds necessary for proper operation and management of the Condominium, the Association has been granted the right to make, levy and collect assessments against the owners of all Units and said Units. The following provisions shall govern the making, levying and collecting of such assessments and the payment of the costs and expenses of operating and managing the Condominium by the Association.

A. Determination of Assessments

Assessments by the Association against each owner of a Unit and his Unit shall be the fractional share of the total assessments to be made against all owners of Units and their Units as is set forth in the Schedule annexed hereto and made a part hereof as Exhibit "C". Should the Association become the owner of any Unit, the assessment which would otherwise be due and payable to the Association by the owner of such Unit, reduced by an amount of income which may be derived from the leasing of such Unit by the Association, shall be apportioned and the assessment therefor levied ratably among the owners of all Units which are not owned by the Association, based upon their proportionate interests in

the Common Elements exclusive of the interests therein appurtenant to any Unit or Units owned by the Association.

B. Time for Payment

The assessment levied against the owner of each Unit and his Unit shall be payable in annual, quarterly, monthly, or such other installments and at such time as shall from time to time be fixed by the Board.

C. Annual Budget

The Board shall, in accordance with the By-Laws of the Association, establish an Annual Budget in advance for each fiscal year, which shall correspond to the calendar year, which shall estimate all expenses for the forthcoming year required for the proper operating, management and maintenance of the Condominium, including, when deemed necessary or advisable by the Board, a reasonable allowance for contingencies and reserves and shall estimate all income to be collected during the year. Upon adoption of each annual budget by the Board, copies thereof shall be delivered to each Unit owner, and the assessment for the year shall be based upon such budget. Failure to deliver a copy of the Budget to a Unit owner shall, however, not affect the liability of such owner for such assessment. Should the Board at any time and from time to time determine, in the sole discretion of the Board, that the assessments levied are or may prove to be insufficient to pay the costs of operations and management of the Condominium, or in the event of emergencies, the Board shall have the authority to levy such additional assessment or assessments as it shall deem to be necessary.

D. Reserve Fund

The Board in establishing each annual budget shall collect and maintain the reserve required by Chapter 718, Florida Statutes, and may, when deemed necessary or desirable also include a sum to be collected and maintained as reserve funds for the replacement of Common Elements and personal property held for the joint use and benefit of the owners of all Units.

Developer, for those units which it owns and holds for sale shall be excused from the payment of the share of the common expenses and assessments related to those units for the time period from the

Declaration's recording through the first day of the fourth calendar month following the month in which the closing of the purchase and sale of the first condominium unit first occurs. However, the Developer must pay the portion of common expenses incurred during that period which exceed the amount assessed against other unit owners.

E. General Operating Reserve

The Board, when establishing each annual budget, may, when deemed necessary or desirable, include therein a sum to be collected and maintained as a general operating reserve to provide a measure of financial stability during periods of special stress when such sums may be used to meet deficiencies from time to time existing as a result of delinquent payment of assessments by owners of Units, as a result of emergencies or for other reasons placing financial stress upon the Association. The annual amount allocated to such operating reserve and collected therefor shall not exceed five (5%) per cent of the current annual assessment levied against the owners of all Units. Upon accrual in the operating reserve of an amount equal to twenty-five (25%) percent of the current annual assessment, no further payments shall be collected from the owners of Units as a contribution to such operating reserve, unless it shall be reduced below the twenty-five (25%) per cent level, in which event, the annual assessment against each owner and/or Unit shall be increased to restore the operating reserve to an amount which will equal twenty-five (25%) per cent of the current annual amount of said assessment.

F. Use of Associations Funds

All monies collected by the Association shall be treated as the separate property of the Association, and such monies may be applied by the Association to the payment of any expense of operating and managing the condominium, or to the proper undertaking of all acts and duties imposed upon it by virtue of this Declaration, the Articles, and By-Laws and as the monies for annual assessments are paid to Association by and any Unit owner, the same may be commingled with monies paid to the Association by the other owners of Units. Although all funds and other assets of the Association, and any increments thereto or profits derived therefrom or from the leasing or use of Common Elements,

including, without limitation, Common Surplus, shall be held for the benefit of the members of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest therein, except as an appurtenance to his unit.

G. Delinquency or Default

The payment of any assessment or installment thereof due to the Association shall be in default if not paid to the Association on or before the due date thereof. When in default, the delinquent assessments or installments thereof shall bear interest at the rate of twelve (12%) per cent per annum until the same, and all interest due thereon, has been paid in full.

H. Personal Liability of Unit Owner

The owner of each Unit shall be personally liable, jointly, and severally, as the case may be, to the Association for the payment of all assessments, regular or special, interest on such delinquent assessments or installments thereof as above provided, and for all costs of collecting the assessments and interest thereon, including a reasonable attorney's fee, whether suit be brought or not, levied or otherwise coming due while such person(s) or entity own(s) a Unit.

I. Liability Not Subject to Waiver

No owner of a Unit may exempt himself from liability for any assessment levied against such owner and his Unit by waiver of the use or enjoyment of any of the Common Elements, or by abandonment of the Unit, or in any other manner.

J. Lien for Assessment

The Association is hereby granted a lien upon each Unit and its appurtenant undivided interest in Common Elements and upon any Limited Common Elements appurtenant to any such Unit, which lien shall and does secure the monies due for all: (1) assessments levied against the Unit and the owner(s) thereof, (2) interest, if any, which may become due on delinquent assessments owing to the Association, and (3) costs and expenses, including a reasonable attorney's fee, which may be incurred by the Association in enforcing its lien upon the Unit and its appurtenances. The lien granted to the Association may be established and foreclosed in

the Circuit Court in and for Polk County, Florida, and in any suit for the foreclosure of said lien; the Association shall be entitled to rental from the owner of any Unit from the date on which the payment of any assessment or installment thereof became delinquent and shall be entitled to the appointment of a Receiver for said Unit. The rental required to be paid shall be equal to the rental charged on comparable type of Units in Polk County, Florida. The lien of the Association shall also secure all advance for taxes, and payments on account of superior mortgages, liens or encumbrances made by the Association to preserve and protect its lien, together with interest at the rate of twelve (12%) per cent per annum on all such advances made for such purposes.

K. Recording and Priority of Lien

The lien of the Association shall be effective from and after recording, in the Public Records of Polk County, Florida, a claim of lien stating the description of the Unit encumbered thereby, the name of the record owner, the amount and the date when due, and shall continue in effect until all sums secured thereby shall have been fully paid. Such claims of lien shall include only assessments which are due and payable when the claim of lien is recorded, plus interest, costs, attorney's fees, advances to pay taxes and prior encumbrances and interest thereon, all as above provided. Such claims of lien shall be signed and verified by an officer or agent of the Association. Upon full payment of all sums secured by such claims of lien, the same shall be satisfied of record. The lien of the Association shall be subordinate to the lien of any mortgage or any other lien recorded prior to the time of recording the Association's claim of lien, except that the lien of the Association for tax or special assessment advances made by the Association where any taxing authority having jurisdiction levies any tax or special assessment against the Condominium as an entirety instead of levying the same against each Unit and its appurtenant undivided interest in Common Elements, shall be prior in lien, right and dignity to the lien of all mortgages, liens and encumberances, whether or not recorded prior to the Association's claim of lien therefore and the Association's claim of lien for collection of such portion of any tax or special assessment shall specifically designate that the same secures an assessment levied pursuant to this Declaration.

L. Effect of Foreclosure or Judicial Sale

In the event that any person, firm or corporation shall acquire title to any Unit and its appurtenant undivided interest in Common Elements by virtue of any foreclosure or judicial sale, or by accepting a deed in lieu of foreclosure or judicial sale, such person, firm or corporation so acquiring title shall only be liable and obligated for the assessments as shall accrue and become due and payable for the Unit and its appurtenant undivided interest in Common Elements subsequent to the date of acquisition of such title, and shall not be liable for the payment of any assessments which were in default and delinquent at the time it acquired such title, except that such person, firm or corporation shall acquire such title subject to the lien of any assessment by the Association representing an apportionment of taxes or special assessments levied by tax authorities against the Condominium in its entirety. In the event of the acquisition of title to a Unit by foreclosure or judicial sale; any assessment or assessments as to which the party so acquiring title shall not be liable shall not be absorbed and paid by all owners of all Units as a part of the Common Expense, although nothing herein contained shall be construed as releasing the party personally liable for such delinquent assessment from the payment thereof or the enforcement of collection of such payment by means other than foreclosure.

M. Effect of Voluntary Transfer

When the owner of any Unit proposes to lease, sell or mortgage the same in compliance with other provisions of this Declaration, the Association, upon written request of the owner of such Unit, shall furnish to the proposed lessee, purchaser or mortgagee, a statement verifying the status of payment of any assessment which shall be due and payable to the Association by the owner of such Unit. Such statement shall be executed by any officer of the Association and any lessee, purchaser or mortgagee may rely upon such statement in concluding the proposed lease, purchase or mortgage transaction, and the Association shall be bound by such statement.

In the event that a Unit is to be leased, sold or mortgaged at the time when payment of any assessment against the owner of the Unit and Unit due to the Association shall be in default (whether or not a claim of

lien has been recorded by the Association) then the rent, proceeds of such sale or mortgage proceeds, as the case may be, shall be applied by the lessee, purchaser or mortgagee first to payment of any then delinquent assessments or installment therefor due to the Association before payment of the balance of such rent, proceeds of sale or mortgage to the owner of the Unit responsible for payment of such delinquent assessments.

In any voluntary conveyance of a Unit, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor made prior to the time of such voluntarily conveyances, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefore.

Institution of a suit at law to attempt to effect collection of the payment of any delinquent assessment shall not be deemed to be an election by the Association which shall prevent its thereafter seeking enforcement of the collection any sums remaining owing to it by foreclosure, nor shall proceeding by foreclosure to attempt to effect such collection be deemed to be an election precluding the institution of suit at law to attempt to effect collection of any sum then remaining owing to it.

XVIII. REGISTRY OF OWNERS AND MORTGAGEES

The Association shall at all times maintain a register of the names of the owners and mortgagees of all Units. Upon the transfer of title to any Unit, the transferee shall notify the Association in writing of his interest in such Unit together with recording information identifying the instrument by which such transferee acquired his interest in the Unit. The owner of each Unit encumbered by a mortgage shall notify the Association of the name and address of the mortgagee, the amount of such mortgage, or mortgages, and the recording information identifying the same. The holder of any mortgage encumbering a Unit may notify the Association of any such mortgage(s), and upon receipt of such notice, the Association shall register in its records all pertinent information pertaining to the same.

XIX. ALTERATIONS OF AND IMPROVEMENTS TO UNITS AND COMMON ELEMENTS.

Neither a Unit owner nor the Association shall make any

alterations, improvements or additions to Units or Common Elements, except in compliance with the following:

A. Unless the Unit owners shall first submit plans for such work to the Board, and the Board, by resolution unanimously adopted by the affirmative vote of all members thereof, shall approve and consent thereto, no alteration of or improvement or addition to a Unit, or to any Limited Common Element to which the owner has an exclusive right to use, shall be made, constructed, erected or installed which shall: (1) remove, in whole or part, replace, reroute, or otherwise affect any column, bearing wall or partition, pipe, duct, wire or conduit, or obstruct any easement herein provided for, or (2) remove, or change the style, pattern, material, texture or outside color of any door, window, screen, fixture, equipment or appliance in or on an exterior Unit or building wall, or (3) cover, from the inside or outside, the glass or other transparent and/or translucent material in any exterior door or window with, or apply or affix thereto, any material or substance which shall render the same opaque or change the exterior color thereof, except interior draperies, curtains, shades or shutters which are lined, backed, covered or painted on the side visible from the exterior with a neutral color material, or (4) affix to or over any exterior door or window, or otherwise install on the exterior, of any Unit or building, any storm or hurricane shutter or awning or any protective or decorative panel, panelling, trim, enclosure, fixture, or appliance, or (5) otherwise change, modify or alter the exterior of any Unit or building so that is thereby differs in appearance from any other Units.

There shall be no material alterations or substantial improvements or additions to the Common Elements except in the following manner: subject to the foregoing restrictions against changing the exterior appearance of Units and/or buildings, the Association shall have the right to make or cause to be made alterations, improvements and or additions to the Common Elements, except the acquisition of additional real property, which have been approved by the owner of Units to which seventy—five (75%) per cent of the Common Elements are appurtenant. The cost of such alterations, improvements and/or additions shall be assessed against and collected from the owners of all Units as Common Expenses.

- B. Notwithstanding any provision hereinabove set forth to the contrary, the Board of Directors of the Association may adopt a basic approved plan for screening balconies and for enclosing balconies in Units of the Condominium. Owners of Units in the Condominium may screen or enclose the balconies of their Units in accordance with said approved basic plan therefore without specific consent from the Board of Directors of the Association, provided that such screening or enclosure conforms in all respects to the approved basic plans therefore.
- C. Notwithstanding any provision set forth hereinabove to the contrary, the Board of Directors of the Association may adopt and approve a model, style and color of storm shutter as a standard storm shutter for use in the Condominium. Such storm shutter shall be of the type and design which is affixed directly over a door or window opening. No storm shutter except of the standard model, color style adopted by the Board of Directors shall be used in or upon the Condominium. The periods of use of storm shutters shall be subject to regulation by the Board of Directors of the Condominium.

XX. 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 herein provided that the improvements shall not be reconstructed because of total destruction or major damage, the Condominium plan of ownership will be thereby terminated without agreement.

B. Agreement.

The Condominium may be terminated at any time by the approval in writing of all of the owners of units in the Condominium, and by all record owners of mortgages upon Units therein owned by Institutional Lenders and other mortgagees approved by the Association. If the proposed termination is submitted to a meeting of the members of the Association, the notice of which meeting gives notice of the proposed termination, and if the approval of the owners of Units to which not less than seventy-five (75%) per cent of the Common Elements are appurtenant, and the record owners of all mortgages upon Units in the Condominium

owned by Institutional Lenders and other mortgagees approved by the Association, are obtained not later than thirty (30) days after the date of such meeting, then the approving owners shall have an option to buy all of the Units of the other owners for the period ending on the sixtieth (60th) day from the date of such meeting. 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 of the Units owned by owners not approving the termination, but the agreement shall effect a separate contract between each seller and his purchaser.

(2) Price.

The sale price for each Unit shall be the fair market value determination by agreement between the seller and purchaser within thirty (30) days from the delivery or mailing of such agreement, and in the absence of agreement as to price, it shall be determined by 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 Units; and a judgment of specific performances 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 ten (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 its President and Secretary certifying as to facts effecting the termination, which certificate shall become effective upon being recorded in the Public Records of Polk 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 mortgages and lienors shall have mortgages and liens upon the restrictive undivided share 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 owner's Units prior to the termination as set forth in Exhibit "C" hereto.

E. Amendment

This Article XX shall not be amended without consent of all Unit owners and of all owners of mortgages required to approve termination of agreement.

XXI. RIGHTS OF DEVELOPER TO SELL OR LEASE UNITS

So long as Developer, or any mortgagees succeeding Developer in title, shall own any Unit, it shall have the absolute right to lease or sell any such Unit to any Units in the Condominium, and person, firm or corporation, upon any terms and conditions as it shall deem to be in its own best interests, and as to the lease or sale of such unit, the right of first refusal and any right to redemption herein granted to the Association shall not be operative or effective in any manner.

XXII. MISCELLANEOUS

A. Severability.

The invalidity in whole or in part of any covenant or restriction, or any Article, subarticle, sentence, clause, phrase or work or other provision 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.

B. Applicability of Declaration of Condominium

All present or future owners, tenants, or any other person who might use the facilities of the condominium in any manner, are subject to the provisions of this Declaration, and the mere acquisition or

rental or any Unit, or the mere act of occupancy of any Unit, shall signify that the provisions of this Declaration of Condominium are accepted and ratified in all respects.

C. Construction

The provisions of this Declaration shall be liberally construed to effect its purpose of creating a uniform plan of condominium ownership. The Florida Condominium Act, as the same may be amended from time to time hereafter, is hereby adopted and made a part hereof. In the event of any conflict between the provisions of this Declaration and the Condominium Act, the provisions of the Condominium Act shall prevail.

D. Parties Bound

The restrictions and burdens imposed by this

Declaration of Condominium are intended to and shall constitute covenants
running with the land, and shall constitute an equitable servitude upon
each Unit and its appurtenant undivided interest in Common Element and
this Declaration shall be binding upon Developer, its successors and
assigns, and upon all parties who may subsequently become owners of
Units in the Condominiums, and their respective heirs, legal
representatives, successors and assigns.

IN WITNESS WHEREOF, Developer has caused the foregoing

Declaration of Condominium to be executed, and its corporate seal to be

affixed, by its undersigned, duly authorized officers on the date set forth

above.

Signed, sealed and delivered in our presence at witnesses:

mayia sti

STATE OF FLORIDA COUNTY OF HIGHLANDS

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared WALTER J. HEILER, JR., to me known to me to be the person described in and who executed the foregoing instrument and he acknowledged before me that he executed the same.

POLKREC 2160 PAGE 394

WITNESS my hand and official seal in the County and State last aforesaid this 4th day of Lebruary, A.D., 1983.

Notary Public

My Commission Expires:

Notary Public. State of Florida at Large
My Commission Expires Apr 5, 1985

DESCRIPTION:

POLKOFF 2160 PAGE 395

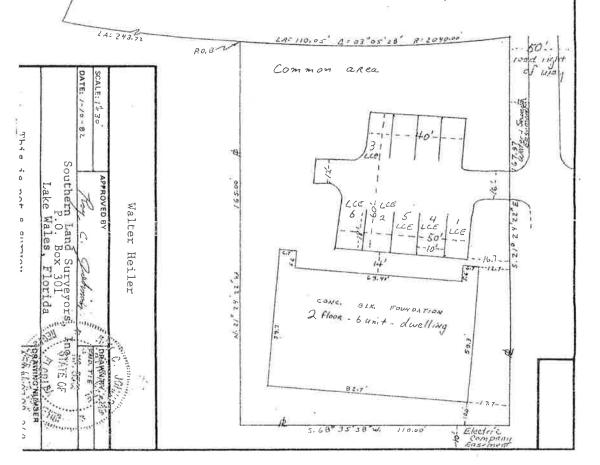
Commence at the N.W. corner of Sec. 21, T.30 S., R.29 E., Polk County, Florida; thence run S.89°36'34"E., 2700.00'; thence thence South 1863.79' to a point on the south Right-of-Way line of Leisure Lane West, said point also being on a curve to the left having a radius of 2040.00', a central angle of 06°50'42" and whose chord bears N.72°00'59"E., thence Northeasterly along said curve and south Right-of-Way line, an arc distance of 243.72' to the Point of Beginning; continue Northeasterly along said curve and south Right-of-Way line through a central angle of 03°05'28" and whose chord bears N.67°02'54"E., on an arc distance of 110.05'

and whose chord bears N.67°02'54"E., on an arc distance of 110.05' thence S.21°24'22"E., 167.97'; thence S.68°35'38'W., 110.00'; thence N.21°24'22"W., 165.00' to the Point of Beginning;

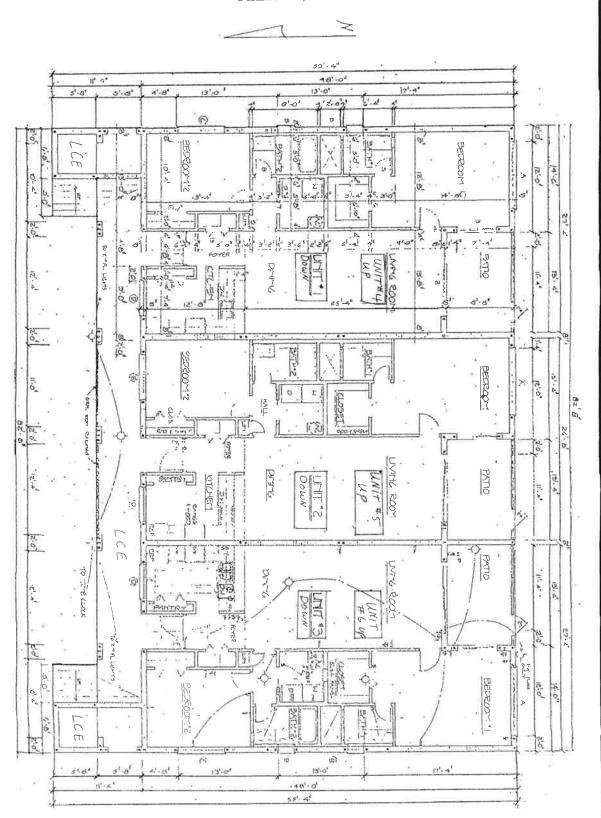
containing 0.42 acres more or less.

LEISURE LANE WEST

Pared County Road



GRANADA CONDOMINIUM SCALE: 1/4" = 1'-0"



EXMINIT C DECLARATION OF CONDOMINIUM GRANADA CONDOMINIUM

Upon completion of GRANADA CONDOMINIUM, each of the existing six (6) units shall have an undivided one-sixth (1/6) interest in the common elements, appurtenances, common surplus and common expenses:

Exhibit D

POLKREC 2160 PAGE 398

MAR 21 3 35 PM '83

SECRETARY OF STATE TALLAHASSEE, FLORIDA

ARTICLES OF INCORPORATION

OF

GRANADA OWNERS' ASSOCIATION, INC.

A Florida Non-Profit Corporation

In order to form a corporation under the Laws of Florida for the formation of corporations not for profit, we the undersigned, hereby associate ourselves into a corporation for the purposes and with the powers herein specified; and to that end we do, by this Articles of Incorporation, set forth:

I.

The name of the corporation shall be: GRANADA OWNERS' ASSOCIATION, INC.

TT

The purposes and objects of the Association shall be to administer the operation and management of Granada Condominium, (the "Condominium"), to be established as a condominium in accordance with the Florida Condominium Act (the "Act") upon land; situated in Polk County, Florida,

Commence at the Northwest corner of Section 21, Township 30 South, Range 29 East, Polk County, Florida; thence run South 89°36'34" East, 2700.00'; thence South 1863.79' to a point on the south Right-of-Way line of Leisure Lane West, said point also being on a curve to the left having a radius of 2040.00', a central angle of 06°50'42" and whose cord bears North 72°00'59" East, thence Northeasterly along said curve and south Right-of-Way line, an arc distance of 243.72' to the Point of Beginning; continue Northeasterly along said curve and south Right-of-Way line through a central angle of 03°05'28" and whose chord bears North 67°02'54" East, on an arc distance of 110.05' thence South 21°24'22" East, 167.97'; thence South 68°35'38" West, 110.00'; thence North 21°24'22" West, 165.00' to the Point of Beginning; containing 0.42 acres more or less.

and to perform the acts and duties incident to operation and management of the Condominium in accordance with the provisions of these Articles of Incorporation, the By-Laws of the Association which will be adopted (the "By-Laws"), and the Declaration of Condominium of the Condominium (the "Declaration"), which will be recorded in the Public Records of Polk County, Florida, when the land, and the improvements now and to be constructed thereon, are submitted to the condominium

form of ownership; and to own, operate, encumber, lease, manage, sell, convey, exchange and otherwise deal with the land, the improvements and such other property, real and/or personal, as may be or become part of the Condominium (the "Condominium Property") to the extent necessary or convenient in the administration of the Condominium. The Association shall be conducted as a non-profit organization for the benefit of its members.

III

The Association shall have the following powers:

- A. All of the powers and privileges granted to corporations not for profit under the law pursuant to which this Corporation is chartered.
- B. All of the powers reasonably necessary to implement and effectuate the purposes of the Association, including, without limitation, the power, authority and right to:
- Make and establish reasonable rules and regulations governing the use of the Units, Common Elements and Limited Common Elements in and of the Condominium, as such terms are defined in the Declaration.
- 2. Levy and collect assessments against members of the Association to defray the Common Expenses of the Condominium, as provided in the Declaration and the By-Law; including the right to levy and collect assessments for the purpose of acquiring, owning, holding, operating, leasing, encumbering, selling, conveying, exchanging, managing and otherwise dealing with the Condominium Property, including Units, which may be necessary or convenient in the operation and management of the Condominium and in accomplishing the purposes set forth in the Declaration.
- 3. Maintain, repair, replace, operate and manage the Condominium Property, including the right to reconstruct improvements after casualty and further to improve and add to the Condominium Property.
- 4. Contract for the management of the Condominium and, in connection therewith, to delegate any and/or all of the powers and duties of the Association to the extent and in the manner permitted by the Declaration, the By-Laws, and the Act.

- 5. Enforce the provisions of these Articles of Incorporation, the Declaration, the By-Laws, and all rules and regulations governing use of the Condominium which may from time to time be established.
- 6. Exercise, undertake and accomplish all of the rights, duties and obligations which may be granted to or imposed upon the Association in the Declaration and the Act.

IV.

The qualification of members, the manner of their admission to and the termination of membership, and voting by members be as follows:

- A. The record owners of all Units in the Condominium shall be members of the Association, and no other persons or entities shall be entitled to membership, except as provided for in Paragraph E, Article IV, hereof.
- B. Membership shall be established by the acquisition of fcc title to a Unit in the Condominium, or by acquisition of a fcc ownership interest therein, by voluntary conveyance or operation of law, and the membership of any person or entity shall be automatically terminated when such person or entity is divested of all title or his entire fcc ownership in such Unit; provided, that nothing herein contained shall be construed as terminating the membership of any person or entity owning fcc title to or a fcc ownership interest in two or more Units at any time while such person or entity shall retain fcc title to or a fcc ownership interest in any Unit.
- C. The interest of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner, except as an appurtenance to the Unit (s) owned by such member. The funds and assets of the Association shall be expended, held or used only for the benefit of the membership and for the purposes authorized herein, in the Declaration, and in the By-Laws.
- D. On all matters on which the membership shall be entitled to vote, there shall be one, and only one, vote for each Unit in the Condominium, which vote may be exercised or cast by the owner (s) of each Unit as will be provided for in the By-Laws. Should any member own more than one Unit, such member shall be entitled to exercise or cast one (1) vote for each such Unit, in the manner provided by the By-Laws.

E. Until such time as the Land, and the improvements now and to be constructed thereon, are submitted to the condominium form of ownership by recordation of the Declaration in the Public Records of Polk County, Florida, the membership of the Association shall be comprised of the subscribers to these Articles, each of whom shall be entitled to cast one vote on all matters on which the membership shall be entitled to vote.

V.

The Association shall have perpetual existence.

VI.

The principal office of the Association shall be located in Florida, but the Association may maintain offices and transact business in such places, within or without the State of Florida, as may from time to time be designated by the Board of Directors.

VII

The street address of the initial registered office of the corporation is 9319 Pinetree Drive, Lake Wales, Florida 33853, and the name of its initial registered agent at such address is Walter J. Heiler, Jr.

TIIV

The affairs of the Association shall be managed by the President of the Association assisted by the Vice Presidents, Secretary and Treasurer and, if any, the Assistant Secretaries and Assistant Treasurers, subject to the directions of the Board of Directors. The Board of Directors, or the President with the approval of the Board of Directors, may employ a managing agent, agency, and/or other managerial and supervisory personnel or entity to administer or assist in the administration of the operation and management of the Condominium and the affairs of the Association, and any and all such persons and/or entity or entities may be so employed without regard to whether any such person or entity is a member of the Association or a Director or officer of the Association, as the case may be.

The number of members of the first Board of Directors shall be three. The number of members of succeeding Boards of Directors shall be five, or as otherwise provided for from time to time by the By-Laws, and

they shall be elected by the members of the Association at the annual meetings of the membership as provided by the By-Laws. At least a majority of the members of all Boards of Directors shall be members of the Association or shall be authorized representatives, officers or employees of a corporate member of the Association.

When Unit owners other than Walter J. Helier, Jr., (the "Developer"), own fifteen (15%) per cent but less than fifty (50%) percent of the Units that ultimately will be operated by the Association, the Unit owners other than the Developer shall be entitled to elect, in a manner to be provided in the By-Laws, not less than one-third (1/3) of the members of the Board of Directors. Unit Owners other than the Developer shall be entitled to elect, in a manner to be provided in the By-Laws, not less than a majority of the members of the Board of Directors three years after sales by the Developer have been closed of fifty (50%) per cent, but less than ninety (90%) per cent, of the Units that will be operated ultimately by the Association, or three months after sales have been closed by the Developer of ninety (90%) per cent of the Units that ultimately will be operated by the Association, or when all of the Units that ultimately will be operated by the Association have been completed, and some have been sold and none of the others are being offered for sale by the Developer in the ordinary course of business, whichever shall first occur. The Developer shall have the right to elect, in the manner to be provided, in the By-Laws, all members of the Board of Directors which Unit owners other than Developer are not entitled to elect as long as the Developer holds for sale in the ordinary course of business any Units in the Condominium and the Developer shall be entitled to elect not less than one (1) member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business at least five per cent (5%) of the Units in the Condominium. Notwithstanding the foregoing, the Developer shall be entitled at any time to waive in writing its rights hereunder, and thereafter to vote in elections for members of the Board of Directors in the same manner as any other member of the Association. After Unit owners other than the Developer elect a majority of the members of the Board of Directors, the Developer shall, within a reasonable time and in a manner to be provided in the By-Laws, relinquish control of the Association and shall deliver to the Association all property of the Unit owners and of the Association held or controlled by the Developer.

Χ.

The Board of Directors shall elect a President, Secretary, Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant

Treasurers as the Board of Directors shall deem available from time to time. The President shall be elected from the membership of the Board of Directors, but no other officer need be a Director. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the office of President and Vice President shall not be hold by the same person, nor shall the office of President and Secretary or Assistant Secretary be held by the same person.

XI.

The names and residence addresses of the members of the first Board of Directors, who, subject to the provisions of the laws of Florida, these Articles of Incorporation and the By-Laws, shall hold office until the annual meeting of the Association in the year 1984, and thereafter until their successors are selected and have qualified, are as follows:

Walter J. Heiler, Jr.

9319 Pinetree Drive Lake Wales, FL 33853

Mary Heiler

9319 Pinetree Drive Lake Wales, FL 33853

Bert J. Harris, III

212 Interlake Boulevard Lake Placid, FL 33852

XII.

The Subscribers to these Articles of Incorporation are the persons herein named to act and serve as members of the first Board of Directors of the Association. The names of the subscribers, and their respective residence addresses, are set forth in Article X hereof.

XIII.

The officers of the Corporation, who shall hold office until their successors are elected pursuant to these Articles of Incorporation and the By-Laws, and have qualified, shall be following:

Walter J. Helier, Jr.

President

Bert J. Harris, III

Vice President

Mary Heiler

Secretary/Treasurer

XIV.

The original By-Laws of the Association shall be adopted by a majority vote of the Subscribers to these Articles of Incorporation at a meeting at which a majority of the Subscribers is present, and, thereafter, the By-Laws may be altered or rescinded only by affirmative vote of two-thirds (2/3) of the votes entitled to be cast by members of the Association.

XV.

Every Director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a Director or officer of the Association, whether or not he is a Director or officer at the time such expenses are incurred, except in such cases wherein the Director or officer is adjudged guilty or willful misfeasance or malfeasance in the performance of his duties; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the Director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors approves such settlement and reimbursement as being in the best interests of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled.

XVI.

An amendment or amendments to these Articles of Incorporation may be proposed by the Board of Directors of the Association acting upon a vote of the majority of the Directors, or by the members of the Association owning a majority of the Units in the Condominium, whether meeting as members or by instrument in writing signed by them. Upon any amendment or amendments to these Articles of Incorporation being proposed by the Board of Directors or members, such proposed amendment or amendments shall be transmitted to the President of the Association, or the acting chief

executive officer in the absence of the President, who shall thereupon call a special meeting of the members of the Association for a date not sooner than twenty (20) days or later than sixty (60) days from the receipt by him of the proposed amendment or amendments, and it shall be the duty of the Secretary to give each member written notice of such meeting stating the time and place of the meeting and reciting the proposed amendment or amendments in reasonably detailed form, which notice shall be mailed or presented personally to each member not less than ten (10) days nor more than thirty (30) days before the date set for such meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States mail, addressed to the member at his post office address as it appears on the records of the Association, with postage thereon prepaid. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver when filed in the records of the Association, whether before, during or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such member. At such meeting the amendment or amendments proposed must be approved by an affirmative vote of the members owning not less than three-fourths (3/4) of the Units in the Condominium in order for such amendment or amendments to become effective. Thereupon, such amendment or amendments of these Articles of Incorporation shall be transcribed and certified in such form as may be necessary to file the same in the office of the Secretary of State of the State of Florida. A certified copy of each such amendment of these Articles of Incorporation shall be recorded in the Public Records of Polk County, Florida, within thirty (30) days from the date on which the same is filed in the office of the Secretary of State. Notwithstanding the foregoing provisions of this Article XV, no amendment to these Articles of Incorporation which shall abridge, amend or alter the right of Developer to designate and select members of the Board of Directors of the Association, as provided in Article VIII hereof, may be adopted or become effective without the prior

written consent of Developer.

IN WITNESS WHEREOF, the undersigned have executed these Articles

of Incorporation as subscribers this 14th day of

STATE OF FLORIDA COUNTY OF HIGHLANDS

I HEREBY CERTIFY that on this day, before, me an officer duly authorized in the State aforesaid and County aforesaid to take acknowledgements, personally appeared WALTER J. HELIER, JR., BERT J. HARRIS, III, and MARY HELIER, to me known to be the subscribers of and who executed the Articles of Incorporation for GRANADA OWNERS' ASSOCIATION, INC., and they acknowledged before me that they executed the same.

WITNESS my hand and official seal in the County and State last aforesaid this Hoday of February 1983.

My Commission Expires:

3000a i 🗟 N (SEAL)

Notary Public, State of Florida at Large My Commission Expires Apr. 5, 1985

ACCEPTANCE OF REGISTERED AGENT

Having been named to accept service of process for Granada Owner's Association, Inc., at the place designated in the Articles of Incorporation, agrees to act in this capacity, and agrees to compare such office.

Walter J. Melier, Jr. agrees to act in this capacity, and agrees to comply with the provisions of

DATE: Feb. 4, 1983

Page 9



Bepartment of State

1 certify that the attached is a true and correct copy of the Articles of Incorporation of GRANADA OWNERS' ASSOCIATION, INC., a corporation organized under the Laws of the State of Florida, filed on March 21, 1983.

The charter number for this corporation is 767573.

Given under my hand and the Great Seal of the State of Florida, at Tallahassee, the Capital, this the

22nd dap of March, 1983.

George Firestone Secretary of State

Exhibit E

BY-LAWS
OF
GRANADA OWNERS' ASSOCIATION, INC.
A Corporation Not For Profit

I. IDENTIFY.

A. These are the By-Laws of GRANADA OWNERS'

ASSOCIATION, INC., (The "Association"), a Florida corporation not for profit, the Articles of Incorporation (the "Articles") of which were filed in the office of the Secretary of State of Florida on **Imarch*

1983

. The Association has been organized for the purpose of administering the operation and management of GRANADA

CONDOMINIUM (the "Condominium"), established or to be established in accordance with the Florida Condominium Act (the "Act") upon land, situated in Polk County, Florida, described as:

Commence at the Northwest corner of Section 21, Township 30 South, Range 29 East, Polk County, Florida; thence run South 89°36'34" East, 2700.00'; thence South 1863.79' to a point on the south Right-of-Way line of Leisure Lane West, said point also being on a curve to the left having a radius of 2040.00', a central angle of 06°50'42" and whose cord bears North 72°00'59" East, thence Northeasterly along said curve and south Right-of-Way line, an arc distance of 243.72' to the Point of Beginning; continue Northeasterly along said curve and south Right-of-Way line through a central angle of 03°05'28" and whose chord bears North 67°02'54" East, on an arc distance of 110.05' thence South 21°24'22" East, 167.97'; thence South 68°35'38" West, 110.00'; thence North 21°24'22" West, 165.00' to the Point of Beginning; containing 0.42 acres more or less.

- B. The provisions of these By-Laws are applicable to the Condominium and are subject to the provisions of the Articles. A copy of the Articles and a copy of these By-Laws will be annexed, as Exhibits, to the Declaration of Condominium of the Condominium (the "Declaration") which will be recorded in the Public Records of Polk County, Florida. The terms and provisions of the Articles and Declaration shall control wherever the same may conflict herewith.
- C. All members of the Association and their invitees, including, without limitation, all present or future owners and tenants of dwelling units in the Condominium ("Units") and other persons using the Condominium or any of the facilities thereof in any manner, are subject to these By-Laws, the Articles and the Declaration.

- D. The office of the Association shall be at Rt. 2, Box 110, Lake Placid, Florida, or at such other place as may be established by resolution of the Board of Directors.
- E. The fiscal year of the Association shall be the calendar year.
- F. The seal of the Association shall bear the name of the Association, the word "Florida", the words, "Corporation Not For Profit", and the year of the incorporation. An impression of the seal is as follows:



II. MEMBERSHIP, VOTING, QUORUM, AND PROXIES.

- A. The qualifications of members of the Association (the "Members"), the manner of their admission to membership and termination of such membership, and voting by Members, shall be as set forth in Article IV of the Articles, the provisions of which are incorporated herein by reference.
- B. A quorum at meetings of Members shall consist of persons entitled to cast a majority of the votes of the entire membership, either in person or by proxy.
- C. The vote of the owner(s) of a Unit owned by more than one natural person, as tenants in common, joint tenants (except a husband and wife as tenants by the entirety), a partnership, or any other association of natural persons, or by a corporation, a trust, or any other entity shall be case or otherwise exercised, at all meetings at which members of the Association are entitled to vote or otherwise act, by one natural person designated by the owner(s) of such Unit as the "Primary Occupant" thereof. In each instance where title to a Unit is proposed to be conveyed or is otherwise to become vested in more than one natural person (except a husband and wife as tenants by the entirety), a partnership, or any association of natural persons, or a corporation, a trust, or any other entity, the prospective owner(s) shall, by written instrument acceptable to

the Association, designate one natural person as the Primary Occupant. The instrument designating the primary Occupant shall be filed with the Association, and the person so designated shall be and remain the Primary Occupant of the Unit until such designation has been revoked by written instrument executed by the owner(s) of the Unit or by lawful conveyance of the Unit. The Primary Occupant of the Unit shall be the only person entitled to case or exercise, in person or by proxy, the vote of the owner(s) of such Unit at any meeting of members or in connection with any action concerning which members of the Association shall be required or allowed to vote or otherwise act.

- D. Evidence of the approval or disapproval of the owner(s) of a Unit upon any matter, whether or not the subject of an Association meeting, shall be given to the Association by the same person who would cast the vote of such owner if in an Association meeting.
- E. Except where otherwise required under the provisions of the Articles, these By-Laws or the Declaration, or whether the same may otherwise be required by law, the affirmative vote of the owners of a majority of the Units represented at any meeting of the Members duly called at which a quorum is present, shall be binding upon the members.

III. ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP.

- A. The annual meeting of Members shall be held, at the office of the Association or such other place in Lake Wales, Florida, as may be specified in the notice of the meeting, at Five O'Clock in the afternoon on the 1st day of March of each year for the purpose of electing Directors and of transacting any other business authorized to be transacted by the Members; provided, however, that if that day is a legal holiday, the meeting shall be held at the same hour on the next succeeding regular business day.
- B. Special meetings of Members shall be held whenever called by the President or Vice President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from Members owning a majority of the Units.
- C. Notice of all meetings of Members shall be given by the Secretary or, in the absence of the Secretary, another officer of the

Association, to each Member (unless waived in writing). Each notice shall be written or printed and shall state the time and place of and purpose for which the meeting is called. Each notice shall if possible be given to each Member not less than fourteen (14) days nor more than sixty (60) days prior to the date set for the meeting, and shall be mailed or delivered personally to each Member. If delivered personally, receipt of the notice shall be signed by the Member, indicating the date received. If mailed, such notice shall be deemed properly given when deposited in the United States Mail addressed to the Member at his Post Office Address as it appears on the records of the Association, with postage thereon prepaid. Proof of mailing shall be given by the affidavit of the person giving the notice. Any member may, in writing signed by such member, waive such notice, and such waiver, then filed in the records of the Association, whether before, at or after the holding of the meeting, shall be deemed equivalent to the filing of such notice to such Member. Each notice shall in addition be posted in a conspicuous place in the Condominium at least fourteen (14) days prior to said meeting. If any meeting of Members cannot be held because a Quorum is not present, or because a greater percentage of the membership is required to constitute a quorum for particular purposes is not present, whenever the latter percentages of attendance may be required as set forth in the Articles, the By-Laws or the Declaration, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum, or the required percentage of attendance if greater than a quorum, is present.

- D. At meetings of Members, the Chairman of the Board, or in his absence, the President, shall preside, or in the absence of both, the Members present shall select a chairman of the meeting.
- E. The order of business at annual meetings of Members, and, as far as practical, at other meetings of Members, shall be:
 - (1) Calling of the roll and certifying of proxies
 - (2) Proof of notice of meeting or waiver of notice
 - (3) Reading or waiver of reading of minutes of previous meeting of Members
 - (4) Reports of officers
 - (5) Reports of committees

- (6) Appointment by Chairman of Inspectors of Election
- (7) Election of Directors
- (8) Unfinished business
- (9) New Business
- (10) Adjournment

IV. BOARD OF DIRECTORS.

A. The first Board of Directors shall consist of three (3) persons who shall be the subscribers to the Articles; succeeding Boards of Directors shall consist of three (3) persons. At lease the majority of each succeeding Board of Directors shall be Members of the Association, or shall be authorized representatives, officers or employees of a corporate Member of the Association. When Unit owners other than Walter J. Heiler, Jr., (the "Developer"), own fifteen (15%) per cent but less than fifty (50%) per cent of the Units that ultimately will be operated by the Association, the Unit owners other than the Developer shall be entitled to elect, in the manner provided in Paragraph B, Article IV, of these By-Laws, not less than a majority of the members of the Board of Directors, three (3) years after sales by the Developer have been closed on fifty (50%) per cent but less than ninety (90%) per cent of the Units that ultimately will be operated by the Association, or three months after sales have been closed by the Developer of ninety (90%) per cent of the Units that ultimately will be operated by the Association or when all of the Units that ultimately will be operated by the Association have been completed and some have been sold and none of the others are being offered for sale by the Developer in the ordinary course of business, whichever shall first occur. The Developer shall have the right to elect in the manner provided in Paragraph B, Article IV, of these By-Laws the members of the Board of Directors which other Unit owners are not entitled to elect as long as the Developer holds for sale in the ordinary course of business any Units in the Condominium; and the Developer shall be entitled to elect not less than one (1) member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business at least five (5%) per cent of the Units in the Condominium. Notwithstanding the foregoing, the Developer shall be entitled at any time to waive its right hereunder, by

execution and delivery to the Association of a written waiver; and thereafter to vote in elections for members of the Board of Directors in the same manner as any other Unit owner.

- B. Directors shall be elected in the following manner:
- the Board comprised of the Subscribers of the Articles, Developer shall designate that number, and the identity, of the members of the Board which it shall be entitled to designate in accordance with the Articles and these By-Laws, and upon such designation by Developer, by written instrument presented to the meeting at which such election is held, the persons so designated by Developer shall be deemed and considered for all purposes Directors of the Association, and shall henceforth hold the offices and perform the duties of such Directors until their successors have been elected or designated. as the case may be, and qualified in accordance with the provisions of these By-Laws.
- (2) All members of the Board whom Developer shall not be entitled to designate under these By-Laws shall be elected, by a plurality of the votes case at the annual meeting of the members, immediately following their designation of the members of the Board whom Developer shall be entitled to designate.
- (3) Vacancies on the Board may be filled, to expire on the date of the next annual meeting, by the remaining Directors; except that, should any vacancy in the Board be created in any directorship previously filled by any person designated by Developer, such vacancy shall be filled by any person designated by Developer, by written instrument delivered to any officer of the Association, the successor Director, who shall fill the vacated directorship for the expired term thereof.
- (4) If, at the time of the first annual meeting of members, Unit owners other than the Developer, are entitled to elect some or all of the Directors, the terms of office of not more than three such Directors receiving the highest plurality of votes shall be two years, and the terms of office of the remaining Director or Directors elected by the next highest plurality of votes shall be one year. If, at the time of the first annual meeting of members, Developer is entitled to designate some of all

Directors, Developer shall have the right to designate for two year terms that number of Directors which, together with the Directors elect by other Unit owners, if any, total three Directors. The remaining Director or Directors designated by the Developer shall have terms of office of one (1) year; the intention being that terms of office of Directors be staggered after the first annual meeting, with up to three Directors elected by Unit owners other than the Developer to serve the initial two-year term. Thereafter, as many Directors shall be elected, or designated by the Developer as the case may be, for two-year terms, as there are regular terms of office for the terms to which elected or designated, and thereafter until their successors are duly elected, or designated by Developer, and qualified or until removed in the manner elsewhere herein provided or as provided by law.

- (5) In the election of Directors, there shall be appurtenant to each Unit as many votes for Directors as there are Directors to be elected; provided, however, that no member or owner of any Unit may cast more than one vote for any person nominated as a Director; it being the intent hereof that voting for Directors shall be non-cumulative.
- (6) In the event that Developer selects any person or persons to serve on any Board, Developer shall have the absolute right at any time, in its sole discretion, to replace any such person or persons with another person or other persons to serve on the Board. Replacement of any person or persons designated by Developer to serve on any Board shall be made by written instrument delivered to any officer of the Association, which instrument shall specify the name or names of the person or persons designated as successor or successors to the person so removed from the Board. The removal of any Director and designated of his successor shall be effective immediately upon delivery of such written instrument by Developer to any officer of the Association.
- C. The organizational meeting of a newly elected or designated Board shall be held within fifteen (15) days of their election or designation, at such time and place as shall be fixed at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary; provided, that a quorum shall be present.

- D. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors, and shall be open to all members of the Association. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegram, at least seven (7) days prior to the day named for such meeting, unless notice is waived; notice shall also be posted in a conspicuous place in the Condominium at least forty-eight (48) hours prior to said meeting.
- E. Special meetings of the Board may be called by the President, and must be called by the Secretary at the written request of one-third of the Directors. Not less than three (3) days' notice of a special meeting shall be given to each Director, personally or by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting. Such notice shall also be posted in a conspicuous place in each building of the Condominium at least forty-eight (48) hours prior to said meeting.
- F. Any Director may waive notice of a meeting before, at or after the meeting, and such waiver shall be deemed equivalent to giving of notice.
- G. A quorum at meetings of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as may be specifically otherwise provided in the Articles, these By-Laws or the Declaration. If any meeting of the Board cannot be held because a quorum is not present, or because the greater percentage of the Directors required to constitute a quorum for particular purposes is not present, wherever the latter percentage of attendance may be required as set forth in the Articles, these By-Laws or the Declaration, the Directors who are present may adjourn the meeting from time to time until a quorum or the required percentage of attendance if greater than a quorum, is present. At any adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

- H. The presiding officer of meetings of the Board shall be the Chairman of the Board, if such officer has been elected, or, if not, the President of the Association. In the absence of the presiding officer, the Directors present shall designate one of their number to preside.
- I. All of the powers and duties of the Association shall be exercised by the Board, including those existing under the law of Florida, the Articles, these By-Laws and the Declaration. Such powers and duties shall be exercised in accordance with the Articles, these By-Laws and the Declaration, and shall include, without limitation, the right, power and authority to:
- (1) Make, levy and collect assessments against Members and Members' Units to defray the costs of the Condominium, and to use the proceeds of assessments in the exercise of the powers and duties of the Association;
- (2) Maintain, repair, replace, operate and manage the Condominium wherever the same is required to be done and accomplished by the Association for the benefit of Members;
 - (3) Repair and reconstruct improvements after casualty;
- (4) Make and amend regulations governing the use of the property, real and personal, in the Condominium; provided that such regulations or amendments thereto shall not conflict with the restrictions and limitations which may be placed upon the use of such property under the terms of the Articles and Declaration;
- (5) Approve or disapprove proposed purchasers and lessees of Units and to exercise or waive the Association's right of first refusal or each proposed sale of a Unit in the manner specified in the Declaration. The President or Vice President of the Association are and shall be authorized to approve (but not disapprove) any proposed purchaser or lessee, or to waive (but not to exercise) the Association's right of first refusal, and to execute, on behalf of the Association, appropriate documents to evidence same;
- (6) Acquire, own, hold, operate, lease, encumber, convey, exchange, manage, and otherwise trade and deal with property, real and personal, including Units, of and in the Condominium, as may be

necessary or convenient in the operation and management of the Condominium, and in accomplishing the purposes set forth in the Declaration;

- (7) Contract for the management of all Condominium and in connection therewith to delegate all of the powers and duties of the Association, except those which may be required by the Declaration to have approval by the Board of Members of the Association;
- (8) Enforce by legal means the provisions of the Articles, these By-Laws, the Declaration and all regulations governing use of property of and in the Condominium hereafter adopted;
- (9) Pay all taxes and assessments which are liens against any part of the Condominium other than Units and the appurtenances thereto, and to assess the same against the members and their respective Units subject to such liens;
- (10) Carry insurance for the protection of the members and the Association against casualty and liability;
- (11) Pay all costs of power, water, sewer and other utility services rendered to the Condominium and not billed to the owners of the separate Units;
- (12) Employ personnel for reasonable compensation to perform the services required for proper administration of the purposes of the Association.
- J. The first Board of Directors of the Association shall be comprised of the three (3) subscribers to the Articles. Thereupon, Subscribers of the Articles, who shall serve until their successors are designated by Developer or elected at the annual meeting of the Members in the year 1983. Should any member of the first Board be unable to serve for any reason, the Developer shall have the right to select and designate a successor to act and serve for the unexpired term of the Director who is unable to serve.
- K. Directors may be removed from office in the manner provided by law for the removal of directors of Florida corporations not for profit.
 - V. ADDITIONAL PROVISIONS MEETINGS OF MEMBERS AND DIRECTORS

POLKREC 2160 PAGE 418

- A. Notwithstanding anything contained in these By-Laws to the contrary, any meeting of Members or the Board may be held at any place, within or without the State of Florida, designated in the notice of any such meeting, or notice of which is waived.
- B. To the extent now or from time to time hereafter permitted by the laws of Florida, the Board may take any action which they might take at a meeting of the Board without a meeting; provided, that a record of all such actions so taken, signed by each Director, shall be filed and retained in the minute book of the Association.

VI. OFFICERS

- A. The Board shall elect a President, Secretary, Treasurer, and as may Vice Presidents, Assistant Secretaries and Assistant

 Treasurers as the Board shall deem advisable from time to time. The President shall be elected from the membership of the Board, but no other officer need be a Director. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the office of President and Vice President shall not be held by the same person, not shall the office of President and Secretary or Assistant Secretary be held by the same person. The Board may from time to time elect such other officers, and designate their powers and duties, as the Board may deem necessary properly to manage the affairs of the Association. Officers may be removed from office by the Board.
- B. The president shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of President of a corporation not for profit, including but not limited to the power to appoint committees from among the Members from time to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the Association. He shall have such additional powers as the Board may designate.
- C. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board.

- D. The Secretary shall keep the minutes of all proceedings of the Board and the Members in a book available for inspection by Unit Owners or their authorized representatives, and board members, at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years. He shall attend to the giving and serving of all notices to the Members and Board, and such other notices as may be required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of a corporation not for profit and as may be required by the Board and the President. The Assistant Secretary shall perform the duties of Secretary when the Secretary is absent.
- E. The Treasurer shall have custody of all of the property of the Association, including funds, securities and evidence of indebtedness. He shall keep the assessment rolls and accounts of the members; he shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer.
- F. The compensation of all officers and employees of the Association shall be fixed by the Board. This provision shall not preclude the Board from employing a Director as an employee of the Association, not preclude contracting with a Director for the management of the Condominium.

VII. FISCAL MANAGEMENT.

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

A. The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each Unit. Such account shall designate the name and mailing address of the owner(s) and mortgagee(s) of each Unit, the amount of each assessment against the owner(s) of each Unit, the amount of each assessment and due date thereof, and all amounts paid, and the balance due upon each assessment.

- B. The Board shall adopt, for, and in advance of, each calendar year, a budget showing the estimated costs of performing all of the functions of the Association for the year. Each budget shall show the total estimated expenses of the Association for that year and shall contain an itemized breakdown of the Common Expenses, which shall include, without limitation, the costs of operating and maintaining the Common Elements and Limited Common Elements, wages and salaries of Association employees, management, legal and accounting fees, office supplies, public utility services not metered or charged separately to Units, premiums for insurance carried by the Association and any reserve accounts and/or funds which may be established from time to time by the Board. Each budget shall also show the proportionate share of the total estimated expenses to be assessed against and collected from the owner(s) of each Unit and the due date(s) and amounts of installments thereof. Copies of the proposed budget and proposed assessments shall be transmitted to each Member on or before November 1 of the year prior to the year for which the budget is made. If any budget is subsequently amended, a copy shall be furnished to each affected Member. Delivery of a copy of any budget or amended budget to a Member shall not affect the liability of any Member for any such assessment, nor shall delivery of a copy of such budget or amended budget be considered as a condition precedent to the effectiveness of the budget and assessments levied pursuant thereto. Nothing herein contained shall be construed as a limitation upon the additional assessment in the event that any budget originally adopted shall appear to be insufficient to pay costs and expenses of operation and management, or in the event of emergencies.
- C. A copy of the proposed annual budgets of the Association shall be mailed to the Unit owners not less than thirty (30) days prior to the meeting of the Board at which the budget will be considered, together with a notice of the time and place of the meeting. Such meeting of the Board shall be open to Unit owners. If a budget is adopted by the Board which requires assessment of the Unit owners in any budget year exceeding 115% of such assessments for the preceding budget year, upon written application of ten (10%) per cent of the Unit owners, a special

meeting of the Unit owners shall be held upon not less than ten (10) days' written notice of each Unit owner, but within thirty (30) days of delivery of such application of the Board or any member thereof, at which special meeting Unit owners may consider only and enact only a revision of the budget, or recall any and all members of the Board and elect their successors. Any such revision of the budget or recall of any and all members of the Board shall require a majority vote of the whole number of votes of all Unit owners. The Board in any event first propose a budget to the Unit owners at any such meeting of members or by writing, and if such budget or proposed budget be approved by a majority of the whole number of votes of all Unit owners, thereafter be reexamined by the Unit owners in the manner hereinabove set forth nor shall any and all members of the Board be recalled under the terms hereof.

- D. In determining whether assessments exceed 115% of similar assessments in the prior budget year, there shall be excluded in the computation for reasonable reserves made by the Board in respect for repair and replacement of Condominium or Association property, or in respect of anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis; and there shall be excluded from such computation, assessments or betterments to the Condominium property. Provided, however, that so long as Developer is in control of the Board of Directors the Board shall not impose an assessment for the budget year greater than 115% of the prior budget year's assessment without approval of a majority of the whole number of votes of all Unit members.
- E. Upon adoption of budgets, the Board shall cause, a written copy thereof to be delivered to each Unit owner. Assessments shall be made against Unit owners pursuant to procedures established by the Board, and in accordance with terms of the Declaration and the Articles. Unit owners shall be liable to pay assessments not less often than quarterly. Provided, however, that the lien or lien rights of the Association shall not be impaired by failure to comply with procedures established pursuant to these By-Laws.

- F. All sums collected by the Association from all assessments against all Units in the Condominium may be co-mingled in a single fund, or divided into more than one fund, as determined from time to time by the Board of Directors.
- G. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board, in which all monies of the Association shall be deposited. Withdrawal of monies from such bank(s) shall be only by check signed by such persons as are designated by the Board.
- H. An audit of the accounts of the Association shall be made annually by a Certified Public Accountant, and a copy of the report shall be furnished to each Member not later than April 1 of the year following the year for which the report is made.
- I. Fidelity bonds shall be required by the Board from all officers, employees and/or agents of the Association handling or responsible for Association funds. The amount of such bonds shall be determined by the Directors, but shall be at least the amount of the total annual assessments against Members for common expenses. The premiums on such bonds shall be paid by the Association. However, such bonds shall not be mandatory if the Florida Statutes subsequently do not require them.

VIII. PARLIAMENTARY RULES.

Roberts' Rules of Order (latest edition) shall govern the conduct of corporate proceedings when not in conflict with the Articles, these By-Laws or the laws of Florida.

IX. AMENDMENTS TO BY-LAWS.

 $\label{eq:Amendments} \mbox{ Amendments to these By-Laws shall be proposed and adopted in the following manner:}$

- A. Amendments to these By-Laws may be proposed by the Board, acting upon vote of a majority of the Directors, or by Members owning a majority of the Units in the Condominium, whether meeting as Members or by instrument in writing signed by them.
- B. Upon any amendment or amendments to these By-Laws being proposed by the Board or Members, such proposed amendment or

amendments shall be transmitted to the President of the Association, or acting chief executive officer in the absence of the President, who shall thereupon call a special meeting of the Members for a date not sooner than twenty (20) days or later than sixty (60) days from receipt by such officer of the proposed amendment or amendments, and it shall be the duty of the Secretary to give each member written or printed notice of such meeting in the same form and in the same manner as notice of the call of a special meeting of the members is required as herein set forth; provided, that proposed amendments to the By-Laws may be considered and voted upon at annual meetings of the members.

- c. In order for such amendment or amendments to become effective, the same must be approved by an affirmative vote of the owners of Units to which not less than seventy-five (75%) per cent of the Common Elements are appurtenant and a copy of such amendment or amendments to these By-Laws shall be transcribed, certified by the President and Secretary of the Association, and a copy thereof shall be recorded in the Public Records of Polk County, Florida, within fifteen (15) days from the date on which any amendment or amendments have been affirmatively approved by the Members.
- D. At any meeting held to consider such amendment or amendments to these By-Laws, the written vote of any Member shall be recognized if such Member is not present at such meeting in person or by proxy, provided such written vote is delivered to the Secretary at or prior to such meeting.
- E. Notwithstanding the foregoing provisions of this Article IX, no amendment to these By-Laws which shall abridge, amend or alter the right of Developer to designate members of each Board of Directors of the Association, as provided in Article IV hereof, may be adopted or become effective without the prior written consent of Developer.

The foregoing were adopted as By-Laws of GRANADA OWNERS'
ASSOCIATION, INC., A Florida corporation, a corporation not for profit
under the laws of the State of Florida, at the first meeting of the Board of
Directors on the 20th day of April 1983.

Dated:

MLX521797

FILED, RECORDED AND
RECORD VERIFIED

E.D. 'Bud' DIXON, CIk, CIr, Ck
POLK COUNTY, FLA.

BY QQ D D.C.

CONSENT

The undersigned, as owner and holder of that certain mortgage dated January 27, 1983, and recorded February 8, 1983 in Official Records Book 2132, Page 2187, given by Walter J. Heiler, Jr., and encumbering the following property in Polk County, Florida:

Commence at the N.W. corner of Section 21, T.30 S., R.29 E., Polk County, Florida; thence run S. 89°36'34"E., 2700.00'; thence South 1863.79' to a point on the south Right-of-Way line of Leisure Lane West, said point also being on a curve to the left having a radius of 2040.00', a central angle of 06°50'42" and whose cord bears N.72°00'59"E., thence Northeasterly along said curve and south Right-of-Way line, an arc distance of 243.72' to the Point of Beginning; continue Northeasterly along said curve and south Right-of-Way line through a central angle of 03°05'28" and whose chord bears N.67°02'54"E., on an arc distance of 110.05' thence S.21°24'22"E., 167.97'; thence S.68°35'38"W., 110.00'; thence N.21°24'22"W., 165.00' to the Point of Beginning; containing 0.42 acres more or less.

hereby consents to the Declaration of Condominium of Granada Condominium, recorded in Official Records Book 2169 Page 35%, of the Public Records of Polk County, Florida.

DATED this 14thay of February , 1983.

ATLANTIC NATIONAL BANK OF FLORIDA

By:

(SEAL)

Joe E. Vogel, Vice President

STATE OF FLORIDA COUNTY OF POLK

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgements, personally appeared J.D. Schutjer, Vice President

P.O. Box 548
Lake Placid, FL 3



and Joe E. Vogel, Vice Pres., respectively, to be known to be the persons described in and who executed the foregoing Consent and acknowledged before me that they executed the same.

WITNESS my hand and official seal in the County and State last aforesaid, this // day of flittuate, 1983.

Notary Public

My Commission Expires: Notary Public, State of Florida at Large

My Commission Expires Jan. 9, 1984

PUL 1521798

FILED, RECORDED AND
RECORD VERIFIED
E.D., 'Bud' DIXON, CIk. Cir. Ci.
POLK COUNTY, FLA.
BY D.C.

OGE

GRANADA CONDOMINIUM

		TOTAL ANNUAL	TOTAL MONTHLY	ANNUAL PER UNIT	MONTHLY PER UNIT
1.	Administration of the Association	\$360.00	30,00	60,00	5.00
2.	Management Fees	\$360.00	30.00	60.00	5,00
3.	Maintenance	\$144.00	12.00	24.00	2.00
4.	Rent for recreational and other commonly used facilities	n/a	n/a	ىن n/a	n/a
5.	Taxes upon associations property*	n/a	n/a	n/a	n/a
6.	Taxes upon leased areas	n/a	n/a	n/a	n/a
7.	!nsurance	\$648.00	54.00	108.00	9.00
8.	Security provisions	n/a	n/a	n/a	n/a
9.	Other expenses	\$252.00	21.00	42.00	3.50
10.	Operațing capital	\$504.00	42.00	84.00	7.00
11.	Reserves:	\$144.00	12.00	24.00	2.00
	a. Roof Replacement b. Exterior painting c. Parking lot resurfacing	\$108.00 \$108.00 \$108.00	9.00 9.00 9.00	18.00 18.00 18.00	1.50 1.50 1.50
12.	Fees payable to the Division	\$ 3.00	. 25	.50	.0416
13,	TOTAL	\$2,739.00	228,25	456,50	38.04

^{*} Taxes upon association property have been apportioned among the units and added directly to each unit owner's tax bill.

The Developer, for those units which it owns and holds for sale shall be excused from the payment of the share of the common expenses and assessments related to those units for the time period from the Declaration's recording through the first day of the fourth calendar month following the month in which the closing of the purchase and sale of the first condominium unit first occurs. However, the Developer must pay the portion of common expenses incurred during that period which exceed the amount assessed against other unit owners.

GRANADA CONDOMINIUM CONTRACT FOR SALE AND PURCHASE

THIS CONTRACT FOR SALE AND PURCHASE executed this of, 1983, between WALTER J. HEILER, JR. and MA	
HEILER, his wife, of 9319 Pinetree Drive, Lake Wales, FL 33853,	
hereinafter referred to as the Seller, and	of
, hereinafter referred to as t	
Purchaser(s)	

THIS AGREEMENT IS VOIDABLE BY PURCHASER BY DELIVERING WRITTEN NOTICE OF THE PURCHASER'S INTENTION TO CANCEL WITHIN FIFTEEN DAYS AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE PURCHASER, AND RECEIPT BY PURCHASER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO HIM BY THE SELLER/DEVELOPER UNDER SECTION 718.503, FLORIDA STATUTES. PURCHASER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN FIFTEEN DAYS AFTER THE PURCHASER HAS RECEIVED ALL OF THE ITEMS REQUIRED. THE PURCHASER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

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

THE ESCROW AGENT REQUIRED BY SECTION 718.202, FLORIDA STATUTES, SHALL BE DUNTY AND HARRIS, ATTORNEYS AT LAW, P. O. BOX 548, LAKE PLACID, FLORIDA 33852. THE PURCHASER(S) MAY OBTAIN A RECEIPT FOR HIS DEPOSIT FROM THE ESCROW AGENT UPON REQUEST.

FOR AND IN CONSIDERATION of the earnest money binder, shown in Paragraph 2.A., the receipt of which is acknowledged by the Seller, and other good and valuable consideration flowing mutually between Seller and Purchaser, including the mutual covenants and conditions herein contained, the Seller and the Purchaser hereby contract, covenant agree as follows:

1. LEGAL DESCRIPTION. The Seller shall convey to the Purchaser at closing by statutory warranty deed the following described property in Polk County, Florida:							
Unit Number of GRANADA CONDOMINIUM, Declaration of Condominium dated , and recorded on Official Records Book , at Page , of the Public Records of Polk County, Florida.							
Together with an undivided interest in the common elements appurtenant to each condominium unit as more fully described in said Declaration.							
All lying in and comprising a portion of the following described real property in Polk County, Florida to wit:							
Commence at the Northwest corner of Section 21, Township 30 South Range 29 East, Polk County, Florida; thence run South 89°36'34" East, 2700.00'; thence South 1863.79' to a point on the south Right-of-Way line of Leisure Lane West, said point also being on a curve to the left having a radius of 2040.00', a central angle of 06°50'42" and whose cord bears North 72°00'59" East, thence Northeasterly along said curve and south Right-of-Way line, an arc distance of 243.72' to the Point of Beginning; continue Northeasterly along said curve and south Right-of-Way line through a central ang of 03°05'28" and whose chord bears North 67°02'54" East, on an arc distance of 110.05' thence South 21°24'22" East, 167.97'; thence Sou 68°35'38" West, 110.00'; thence North 21°24'22" West, 165.00' to the Point of Beginning; containing 0.42 acres more or less.							
2. PURCHASE PRICE. The Purchaser shall deliver to the Seller to total price of							
A. Earnest money binder							
B. Balance of deposit within days of acceptance of contract							
Binder and deposit to be held in escrow by Dunty and Harris, Attorneys at Law, P.O. Box 548, 212 Interlake Boulevard, Lake Placid, Florida 33852.							
C. Other							
D. Cash balance to close subject to adjustments and prorations							
TOTAL							
O MINITO DIVIDINGE WHILE About 1900 June for the date of the							
3. TITLE EVIDENCE. Within thirty (30) days from the date of this							
Contract, the Seller shall, at his expense, deliver to the Purchaser an							
Abstract of Title certified to a current date, or a Title Insurance							
Commitment issued by qualified title insuror agreeing to issue to							
Purchaser, upon recording of the deed to Purchaser, an Owner's Policy of							
Title Insurance in the amount of the purchase price, insuring jitle of the							

Purchaser to the real property, subject tonly to the liens, encumbrances, and exceptions provided for in this Contract. The Purchaser shall have ten (10) days from the date of receiving the title evidence to examine it. If the title is found to be unmarketable, the Purchaser shall notify the Seller in writing of the specific defects, and the Seller shall have 120 days upon receipt of notice within which to remove the defects. If the Seller is unsuccessful in removing them within said time, the Purchaser shall have the option either of accepting title as is, or demanding a refund of all monies paid under this Contract.

- 4. PURCHASE MONEY MORTGAGE. The purchase money mortgage and note, if any, shall provide for a thirty (30) day grace period in the event of default, shall provide for the right of prepayment at any time without penalty, shall provide for acceleration in the event of resale of the property, and shall be otherwise in form and content required by the Seller's attorney.
- 5. DECLARATION OF CONDOMINIUM. The Purchaser shall take title subject to the Declaration of Condominium, utility easements, reservations of record, matters appearing on the plat or otherwise common to the subdivision, and the zoning and other regulations imposed by governmental authority.
- 6. CONDITION OF IMPROVEMENTS. The improvements are in good conditions and there is no evidence of termite damage or infestation.
- 7. NAME AND ADDRESS OF ESCROW AGENT. The name and address of the escrow agent required by Florida Statute 718.202 (1981) is Dunty and Harris, Attorneys at Law, Post Office Box 548, 212 Interlake Boulevard, Lake Placid, Florida 33852. The Purchaser may obtain a receipt from the escrow agent for this deposit upon request.
- 8. EXPENSES. The state documentary stamps and surtax to be affixed to the warranty deed, the intangible tax and recording of the purchase money mortgage, and the costs of recording corrective instruments shall be paid by the Seller. The documentary stamps to be affixed to the note secured by the purchase money mortgage, and the costs of recording the deed shall be paid by the Purchaser.
- 9. PRORATIONS. The real estate taxes, and other assessments or expenses, if any, shall be prorated as of the date of closing.

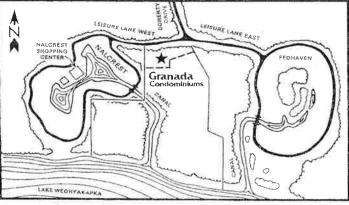
- 10. DEFAULT. If the Purchaser fails to perform under this Contract within the time specified, the deposits paid by the Purchaser may be retained by the Seller as liquidated damages as consideration for the execution of this Contract and in full settlement of all claims, whereupon all parties shall be relived of further obligations hereunder. If the Seller fails to perform this Contract for any reason other than his failure to render title marketable after diligent effort, the Purchaser may seek specific performance or elect to receive the return of his deposits in full settlement of any claims.
- 11. ATTORNEYS' FEES AND COSTS. In connection with any litigation, including appellate proceedings, arising out of the Contract, the Seller shall be entitled to recover reasonable attorneys' fees and costs.
- \cdot 12. NON-ASSIGNABILITY. The Purchaser may not assign this Contract.
- 13. CLOSING. The closing shall be held at the office of the attorney for the Seller, Dunty and Harris, 212 Interlake Boulevard, Lake Placid, Florida 330... on or before sixty (60) days from the date of this Contract.
- 14. OTHER AGREEMENTS. No prior or present agreements or representations shall be binding on any of the parties hereto unless incorporated into this Contract. No modification or change in this Contract shall be valid or binding upon the parties unless in writing, executed by the parties to be bound thereby.
 - 15. SPECIAL CLAUSES.

IN WITNESS WHEREOF the parties day and year first written above.	have set their hands and	seals	the
	Walter J. Heiler, Jr.	(LS)	
As to Sellers	Mary Heiler	_(LS)	
The second secon	<u> </u>		
As to Purchasers	***************************************		

GranadaCondominiums

2 BEDROOM/2 BATH
CONDOMINIUMS
OVERLOOKING BEAUTIFUL LAKE WEOHYAKAPKA





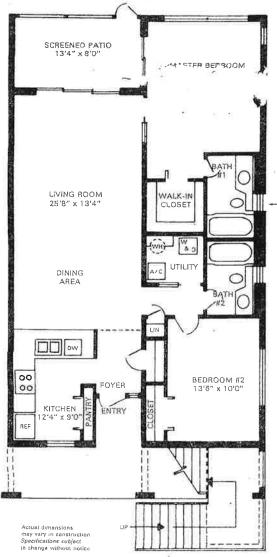
Granada Condominiums

Lake in the Woods

P.O. Box 6038 Nalcrest, Florida 33856

10131 808 1556

Condomi



2 BEDROOM/2 BATH CONDOMINIUMS OVERLOOKING LAKE WEOHYAKAPKA, NALCREST, FLORIDA

All these luxury features are included at no extra cost:

- Private swim and sun recreation area
- Your own screened patio or screened balcony offering a spectacular view.
- Individually controlled, central air conditioning and heating
- · Split bedroom design
- · Luxurious interiors with plush wall-to-wall carpeting plus decorator vinyl floors in the kitchen, foyer and baths
- windows . All electric, color coordinated kitchen with self cleaning on end units oven, hood and fan only
 - Deluxe dishwasher
 - · Convenient garbage disposal
 - · Luminous kitchen ceiling
 - · Beautiful mica kitchen cabinets with double sink
 - · Family sized pantry
 - Built-in breakfast bar
 - · Wallpaper in the kitchen, foyer and baths
 - Walk-in utility room with electrical and plumbing outlets for a washer and dryer
 - · Double element, quick recovery water heater
 - · Ceramic tiled baths & mica vanities
 - · Oversized master bedroom closet with mirrored bifold doors
 - Bronze anodized aluminum frames for windows and sliding glass doors
 - An ample number of electrical outlets
 - Silent light switches
 - · Television and telephone outlets
 - · Smoke and fire detector
 - · Rich marble window sills
 - Grounds that are fully sodded, professionally landscaped and well lighted
 - Sprinkler system
 - · Chattahoochee floors for the entry and patio
 - · Fully insulated outside walls
 - Highly efficient R-19 ceiling insulation
 - And much, much more

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING REPRESENTATIONS OF THE DEVELOPER. FOR CORRECT REPRESENTATIONS, MAKE REFERENCE TO THIS BROCHURE AND TO THE DOCUMENTS RE-QUIRED BY SECTION 718.503, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE.

GRANADA CONDOMINIUM

ESCROW AGREEMENT

THIS ESCROW AGREEMENT executed this the day of the vuary 1983, by and between Walter J. Helier, Jr., of Lake Wales, Florida, hereinafter referred to as the Declarant, and Bert J. Harris, III, Dunty and Harris, Post Office Box 548, Lake Placid, Florida 33852, hereinafter referred to as Escrow Agent.

For and in consideration of the sum of Ten (\$10.00) Dollars and other good and valuable consideration, the Declarant and the Escrow Agent hereby covenant, contract and agree as follows:

- 1. The Escrow Agent, Bert J. Harris, III, is an attorney in good standing, is a member of the Florida Bar and has a common escrow account for the handling of escrow funds as provided by the Code of Professional ago Camon. of Ethic
- 2. The Declarant has examined certain real property and improvements located in Polk County, Florida to the condominium form of ownership pursuant to the Florida Condominium Act, Florida Statute 718.101 (1981). The name of the condominium is GRANADA CONDOMINIUM.
- 3. If the Declarant shall contract to sell a condominium parcel which has not been substantially completed, the Declarant shall pay into the escrow account of the Escrow Agent all payments up to Ten (10%) percent of the sale price received by the Declarant from the Buyer. The escrowed fund shall be deposited in a common escrow account to be handled by the Escrow Agent.
- 4. The Escrow Agent shall handle, release, and disburse the escrowed funds strictly in compliance with the requirement set forth in Florida Statute 718.202 (1981).
- 5. The Contract for Sale of the condominium parcels shall not provide or allow the Declarant to use escrow funds in excess of Ten

(10%) percent of the purchase price for the construction of improvements.

6. Upon completion of construction and the issuance of a certificate of occupancy for the entire building, this Escrow Agreement shall be terminated and the Declarant and /Escrow Agent released from its provisions.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first above written.

Signed, sealed and delivered in our presence as witnesses:

Melani & Kelly Bert

DUNTY AND HARRIS

Bert J. Harris, III

County Of HIGHLANDS

The foregoing Escrow Agreement was acknowledged before me this day of +ebruary, 1983, by Walter J. Heiler, Jr. and Mary

Heiler, Declarants.

(ŚEAL)

STATE OF FLORIDA COUNTY OF HIGHLANDS

Notary Public, State of Florida at Large My Commission Expires Apr 5, 1985

Notary Public
My Commission Expires:

, The foregoing Escrow Agreement was acknowledged before me this

day of teloruary

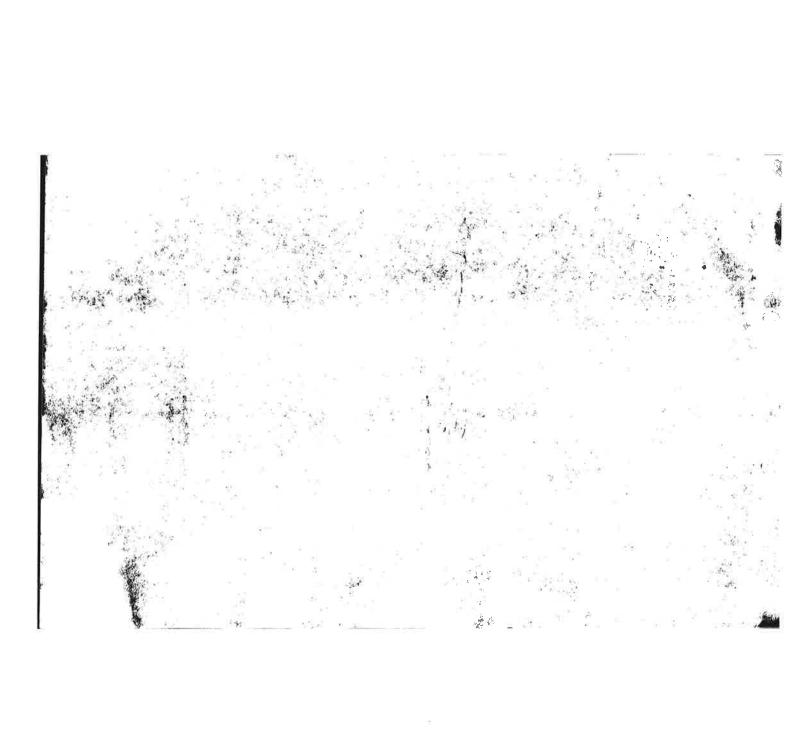
, 1983, by Bert J. Harris, III, Escrow

Agent.

(SEAL)

My Commission Expires:

Notary Public. State of Florida at Large My Commission Expires Apr 5, 1985



* 4