

DECLARATION OF CONDOMINIUM OWNERSHIP

OF

TEAKWOOD VILLAS, A CONDOMINIUM

WHEREAS, Teakwood Villas, Inc., a Florida corporation, qualified to do business in the State of Florida, hereinafter referred to as "Developer" owns in fee simple certain real property described in Exhibit "A" attached hereto and incorporated herein by reference; and desires to submit the said property to the condominium form of ownership;

NOW, THEREFORE, in order to create a condominium project consisting of the property described in Exhibit "A" and the improvements constructed to be known as Teakwood Villas, a condominium, the Developer, for itself, its successors, grantees and assigns, hereby submits the said property and all of its interest therein to the Florida Condominium Act (Chapter 718, Florida Statutes, as amended) and in furtherance thereof makes the following declarations as to divisions, limitations, restrictions, covenants and conditions, and hereby declares and agrees that the said property is held and shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied and improved subject to this Declaration, which Declaration is intended to create covenants running with the land and shall be binding upon and be for the benefit of the owners and lessees of all or any part of the Condominium Property and their respective successors, heirs, executors, administrators and assigns.

SECTION 1. CONDOMINIUM PROPERTY.

1.01. The property described in Exhibit "A" attached hereto, and all improvements constructed and to be constructed thereon and all easements and rights appurtenant thereto intended for and granted for use in connection with said property is hereby submitted to condominium ownership.

SECTION 2. NAME OF CONDOMINIUM.

2.01. The Condominium shall be known as Teakwood Villas, a condominium.

SECTION 3. DEFINITIONS.

3.01. Assessment: a share of the funds required for the payment of common expenses, which from time to time is assessed against the unit owner.

3.02. Association: the corporate entity responsible for the operation of a condominium.

3.03. Board of Administration: the board of directors or other representative body responsible for administration of the association.

3.04. By-Laws: the by-laws of the association existing from time to time.

3.05. Common Elements: the portions of the condominium property not included in the units.

3.06. Common Expenses: all expenses and assessments properly incurred by the association for the condominium.

3.07. Common Surplus: the excess of all receipts of the association - including, but not limited to, assessments, rents, profits, and revenues on account of the common elements - over the common expenses.

3.08. Condominium: that form of ownership of real property which is created pursuant to the provisions of this chapter and which is comprised of units that may be owned by one or more persons, and there is, appurtenant to each unit, an undivided share in common elements.

3.09. Condominium Parcel: a unit, together with the undivided share in the common elements which is appurtenant to the unit.

3.10. Condominium Property: the lands, leaseholds, and personal property that are subjected to condominium ownership, whether or not contiguous, and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection with the condominium.

3.11. Declaration, or Declaration of Condominium: the instrument or instruments by which a condominium is created, as they are from time to time amended.

3.12. Developer: a person who creates a condominium or offers condominium parcels for sale or lease in the ordinary course of business, but does not include an owner or lessee of a unit who has acquired his unit for his own occupancy.

3.13. Limited Common Elements: those common elements which are reserved for the use of a certain condominium unit or units to the exclusion of other units, as specified in the declaration of condominium.

3.14. Operation of the Condominium: includes the administration and management of the condominium property.

3.15. Unit: a part of the condominium property which is subject to exclusive ownership. A unit may be in improvements, land, or land and improvements together, as specified in the declaration.

3.16. Unit Owner or Owner of a Unit: the owner of a condominium parcel.

3.17. Residential Condominium: a condominium consisting of condominium units, any of which are intended for use as a private temporary or permanent residence, except that a condominium is not a residential condominium if the use for

which the units are intended is primarily commercial or industrial and not more than three units are intended to be used for private residence, and are intended to be used as housing for maintenance, managerial, janitorial, or other operational staff of the condominium. If a condominium is a residential condominium but contains units intended to be used for commercial or industrial purposes, then, with respect to those units which are not intended for or used as private residences, the condominium is not a residential condominium.

3.18. Institutional Mortgagee: a bank, savings and loan association, insurance company, or union pension fund authorized to do business in the United States of America, an agency of the United States Government, a real estate investment trust, mortgage company, title insurance company, or other lender generally recognized in the community as an institutional type lender.

3.19. Maintenance Agreement:

3.20. Management Company:

3.21. Member, or Association Member. Owner of a Condominium Parcel.

3.22. Occupant: the person or persons, other than the Unit Owner, in possession of a Unit.

3.23. Recreational Unit.

3.24. Unit Owner: the Owner of a Condominium Parcel.

3.25. Voting Member: that Unit Owner designated by the Owner or Owners of a majority interest in a single Condominium Parcel to cast the vote appurtenant to such Parcel. A Voting Member must be designated by a statement filed with the Secretary of the Association, in writing, signed under oath, by the owners of a majority interest in a Condominium Parcel as the person entitled to cast the vote for all such owners. The designation may be revoked and a substitute Voting Member designated at any time at least five (5) days prior to a meeting. If such statement is not filed with the Secretary at least five (5) days prior to any meeting, no vote shall be cast at such meeting by or for said Unit Owner(s).

3.26. Unless the context otherwise requires, all other terms used in this Declaration shall have the meaning attributed to said term by Section 718.103 of the Condominium Act.

#### SECTION 4. IDENTIFICATION.

4.01. The Condominium Property is described in Exhibits attached hereto and made a part hereof.

4.02. Each Condominium Unit is described in Exhibit "B" in such manner that there can be determined therefrom the identification, location, dimensions and size of each Unit as well as the Common Elements appurtenant thereto.

4.03. Each Condominium Unit is identified by a number as shown on the Site Plans and Floor Plans in Exhibit "B", so that no Unit bears the same designation as does any other Unit.

SECTION 5. CHANGES IN PLANS AND SPECIFICATIONS AND AMENDMENT OF DECLARATION BY DEVELOPER.

5.01. Amendment of Condominium Plans. Developer reserves the right to change the interior design and arrangement of all Units, and to alter the boundaries between Units so long as Developer owns the Units so altered. If Developer makes any changes in Units, such changes shall be reflected by an amendment of this Declaration. The percentage interest of Unit Owners in the Common Elements shall be as set forth in Exhibit C as "Percentage of Ownership of Common Elements" attached hereto and incorporated herein by reference.

5.02. Amendment of Declaration by Developer. An amendment of this Declaration reflecting authorized alteration of Unit Plans by Developer as provided in Section 5.01 above need be signed and acknowledged only by the Developer and need not be approved by the Association, Unit Owners, Lienors or mortgagees of the Condominium Parcels, whether or not elsewhere required for an amendment of this Declaration.

5.03. Amendment of Declaration by Owners. This Declaration may be amended at any regular or special meeting of the Association called or convened in accordance with the By-Laws, by the affirmative vote of the Voting Members casting not less than three-fourths (3/4) of the total vote of the Members of the Association. Each amendment shall be certified by the President and Secretary of the Association as having been duly adopted and shall be effective when recorded in the public records of Duval County, Florida. No such amendment shall change the proportionate ownership of the Common Elements appurtenant to any Unit, nor the proportionate share of the Common Expenses of Common Surplus, nor the voting rights appurtenant to any Unit, unless the record owner(s) thereof, and all record owners of mortgages or other liens which have been voluntarily placed on a Unit, shall join in the execution of the amendment. No amendment shall be effective which shall impair or prejudice the rights or priorities of any mortgages, or change the provisions of this Declaration with respect to Institutional Mortgagees of record. No amendment shall be effective which shall impair the rights or priorities of any lessor or lessee under any lease with any Unit Owner or the Association without the consent of such lessor or lessee.

SECTION 6. RESTRICTIONS, RIGHTS AND EASEMENTS.

6.01. The Developer is irrevocably empowered to sell, lease or rent Condominium Parcels to any person or persons without restriction. Developer shall have the right to transact on

the Condominium Property any business necessary to consummate sale of Condominium Parcels, including, but not limited to, the right to maintain models, have signs, employees in the office, use the Common Elements and to show Units to prospective purchasers and lessees. The sales office, signs and other items used in connection with the sale or leasing of Condominium Parcels shall not be considered a part of the Common Elements and shall remain the property of Developer. Except as provided in this Section, the Developer shall be subject to the same restrictions and entitled to enjoy the same privileges as any other Unit Owner with respect to each Parcel owned by Developer.

6.02. Developer hereby reserves for its own benefit, and for the benefit of its successors and assigns the following:

(a) An easement in common with others for ingress and egress, by vehicle or on foot, in, to, upon, over and under the passageways located on the Condominium Property.

(b) An easement for the placement and maintenance of utilities including sewer, gas, electricity, and telephone under, upon, over, in and through the Condominium Property, including right of access thereto.

(c) An easement for general recreational purpose over, under, upon and across the lands described in Exhibit "A" as an "Easement for Recreational Purposes". No improvements shall be placed on the property subject to this easement without the written consent of Developer.

(d) The right to grant easements described in Section 5.01 to others without approval of the Association. Developer agrees that it will not use or grant to others the right to use the same in such manner as to unreasonably interfere with the enjoyment of the Condominium Property by the Unit Owners.

#### SECTION 7. COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

7.01. Common Elements. The Common Elements shall include and mean, in addition to the items listed in the Florida Condominium Act, Section 718.103, the following items:

(a) the real Property described in Exhibit "A", attached hereto and made a part hereof, but excluding the individual condominium parcels specifically referred to thereon;

(b) the foundations, bearing walls, perimeter walls, main walls, roofs, attic spaces, halls, columns, girders, beams, supports, corridors, stairways, and common entrance and exit or communication ways; and

(c) roofs, yards, streets, parking areas not designated as Limited Common Elements, and recreational facilities which are not a part of the Limited Common Elements appurtenant to the Recreational Unit, and gardens, except as otherwise provided; and

(d) the compartments or installations of central services such as power, light, hot and cold water, central heating and air conditioning designed to serve the Common Elements, water storage tanks, pumps, and the like, including but not limited to, all pipes, flues, ducts, chutes, conduits, cables and wire outlets and other utility lines; and

(e) the recreational facilities, and in general, all devices or installations existing for common use; and

(f) the premises designated for lodging of custodial or managerial personnel; and

(g) all other elements of the Condominium Property designed for common use or necessary to its existence, upkeep and safety.

7.02. Limited Common Elements. The Limited Common Elements include those designated as such on the Site Plan and Floor Plans, attached hereto as Exhibit "B", and such others as are agreed upon by the Association to be reserved for the exclusive use of one or a certain number of Condominium Units such as special corridors, stairways, sanitary services common to a particular Unit or Units of a particular building, and the like. All areas which are presently designated as Limited Common Elements, or which are so designated in the future, are reserved for the exclusive use of the Owners of the Unit to which they are adjacent or to which they are declared to be appurtenant.

#### SECTION 8. OWNERSHIP OF COMMON ELEMENTS.

8.01. Each of the Unit Owners shall own an undivided interest in the Common Elements; and the undivided interest, stated as percentages or fractions of such ownership in said Common Elements and Limited Common Elements, is set forth in Exhibit "C" as "Percentage of Ownership of Common Elements", which is annexed to this Declaration and made a part hereof.

8.02. Any attempts to separate the title to a Condominium Unit from the Common Elements appurtenant to such Unit shall be null and void.

#### SECTION 9. UNIT BOUNDARIES.

9.01. Each Unit shall include that part of the building containing the Unit which lies within the boundaries of the Unit, which boundaries are as follows:

(A) The upper and the lower boundaries extended to an intersection with the perimetrical boundaries, the upper boundaries being the horizontal plane of the undecorated finished ceiling and the lower boundaries being the horizontal plane of the undecorated finished floor.

(B) The perimetrical boundaries of the Unit shall be the following boundaries extended to an intersection with the upper and lower boundaries:

(1) The exterior boundary walls are the vertical planes of the undecorated finished interior of the walls bounding the Unit extended to intersections with each other and with the upper and lower boundaries.

SECTION 10. THE OPERATING ENTITY.

10.01. The Association shall be responsible for the operation of the Condominium Property. The Association shall have all the powers and duties set forth in the Condominium Act, as well as all the powers and duties granted to or imposed upon it by this Declaration, the By-Laws of the Association (which are annexed hereto as Exhibit "g") and its Articles of Incorporation (which are annexed hereto as Exhibit "E") as they may be amended from time to time. No modification of or amendment to the By-Laws or the Articles of Incorporation of said Association, shall be valid unless set forth in or annexed to a duly recorded amendment to this Declaration. The By-Laws and the Articles of Incorporation may be amended in the manner provided for therein, but no amendment thereto shall be adopted which would affect or impair the validity or priority of any mortgagee covering any Condominium Parcel(s), or which would change the provisions thereof with respect to institutional mortgages, without written approval of all Institutional Mortgages of record. No such amendment shall change the rights and privileges of the Developer without the Developer's written approval.

10.02. Every Unit Owner, whether he has acquired his ownership by purchase, gift, conveyance or transfer by operation of law, or otherwise, shall be bound by the Condominium Documents.

SECTION 11. ASSESSMENTS.

11.01. The Association has the power to fix and determine from time to time the sum or sums necessary and adequate to provide for the Common Expenses and such other sums as are specifically provided for in the Condominium Documents. The Association shall have the power to fix and determine from time to time Assessments as provided for in the Condominium Documents and to delegate such power to a Management Company. The procedures for the determination of Assessments shall be as set forth in the Condominium Documents.

11.02. The Common Expenses shall be assessed against each Unit Owner and Condominium Parcel as provided for in Section 12 of this Declaration.

11.03. Assessments that are unpaid for over ten (10) days after due date shall bear interest at the rate of ten percent (10%) per annum from due date until paid. At the sole discretion of the Association, a late charge penalty of Twenty-five Dollars (\$25.00) may be assessed for each payment which is delinquent for ten days or more.

11.04. The Association shall have a lien on each Condominium Parcel for unpaid Assessments and late charges, together with interest thereon, and shall also have a lien on all tangible

personal property located within said Unit, except that such lien shall be subordinate to prior bona fide recorded liens of record. Reasonable attorneys' fees incurred by the Association incident to the collection of such Assessments or the enforcement of such lien, together with all sums advanced and paid by the Association for taxes and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien, shall be payable by the Unit Owner and secured by such lien. The Association may take such action against the record owner of the Condominium Parcel against which such Assessment has been made, or by enforcing and foreclosing said lien, or by exercising both of such remedies. The Association may settle and compromise any Assessment if it is deemed to be in its best interest to do so. The lien of an Assessment shall be effective as and in the manner provided for by the Condominium Act and shall have the priorities established by said Act. The Association shall be entitled to bid at any sale held in connection with the foreclosure of an Assessment lien, and may apply as a cash credit against its bid all sums secured by the lien enforced.

11.05. If the holder of an Institutional First Mortgage, or a purchaser of a Condominium Parcel at foreclosure sale, obtains title to a Condominium Parcel as a result of foreclosure of the Institutional First Mortgage, or if the holder of an Institutional First Mortgage accepts a deed to said Condominium Parcel in lieu of foreclosure, such acquirer of title, its successors and assigns, shall not be liable for any Assessment/<sup>which</sup> shall be deemed to be a Common Expense and shall be collectible from all of the Unit Owners, including such acquirer, its successors and assigns.

11.06. Except as provided in Section 11.05 above, no person who acquires an interest in a Parcel, including persons acquiring title by operation of law and purchasers at judicial sales, shall be entitled to occupy the Unit or use the Common Elements until all unpaid Assessments due and owing by the former Unit Owner(s) have been paid. The Association shall have the right to assign its claim and lien rights for the recovery of any unpaid Assessments to the Developer, Management Company, Unit Owner(s), or any third party.

#### SECTION 12. COMMON EXPENSES AND COMMON SURPLUS.

12.01. Common Expenses. The Common Expenses of the Condominium shall be shared by the Unit Owners as specified and set forth in Exhibit "C" as "Assessment of Common Expenses". It is understood that Common Expenses shall include all taxes, Assessments, insurance, and all other expenditures for which the Association shall be responsible, including those expenditures contracted for in any Maintenance Agreement.



12.02. Common Surplus. Any Common Surplus shall be owned by each of the Unit Owners in the same proportion as their percentage of ownership interest in the Common Elements. The Common Surplus is the excess of all receipts of the Association including, but not limited to, Assessments, rents, profits, and revenue on account of the Common Elements of this Condominium, over the Common Expenses.

SECTION 13. MAINTENANCE AND ALTERATIONS.

13.01. The Association may enter into a contract with any firm, person, or corporation, or may join with other Condominium Associations and entities in contracting for the maintenance and repair of the Condominium Property or Properties and other type properties, and may contract for or may join with other Condominium Associations in contracting for the management of the Condominium Property or Properties and other type properties, and may delegate to the contractor or manager all of the powers and duties of the Association, except such as are specifically required by this Declaration, or by the By-Laws to have the approval of the membership of the Association. The Association has not entered into a Maintenance Agreement.

13.02. Each Unit Owner agrees as follows:

(a) To be bound by all agreements and determinations lawfully made by the Association in accordance with the voting percentages enumerated in Schedule "C" and established in the By-Laws hereto attached shall be deemed to be binding on all owners of units, their successors, assigns or others having an interest in the property or the privilege of possession and enjoyment of any part of the Property.

(b) To maintain his Unit and the entire interior thereof in good and tenantable condition, to maintain, repair and, if necessary, replace the fixtures and equipment therein including, but not limited to, the following when applicable: air conditioning and heating units, any and all appurtenances thereto wherever situated including, but not limited to, any exterior parts thereof; refrigerator, stove, fans, dishwasher, and all other appliances; drains, plumbing fixtures and connections, sinks, plumbing within the Unit; electric panels, wiring, outlets, and electric fixtures within the Unit; interior doors, windows, screening and glass; all exterior doors, except the painting of the exterior faces of the exterior doors which shall be a responsibility of the Association; and pay for all of his utilities, including electricity, water, gas, sewerage and telephone. The cost of maintaining and replacing the appliances and carpeting in a Unit shall be borne by its Owner.

(c) to pay for all of his utilities, including electricity, gas, sewage and telephone used within his Unit and all taxes levied against his Parcel.

(d) Not to make, or cause to be made, any repairs to any plumbing or electrical wiring unit within a Unit except by licensed plumbers or electricians authorized to do such work by the Association or its delegate. Plumbing and electrical repairs within a Unit shall be paid for by the Owner(s) of the Unit.

(e) Not to make, or cause to make, any addition or alteration to his Unit, to the Limited Common Elements, or Common Elements specifically including, but not limited to, screening or enclosing private balconies or affixing outside shutters to windows, to remove any additions, improvements, or fixtures from the building, or do any act that would impair the structural soundness of the building. Structural alterations within a Unit may be made with the written consent of the Association and any Institutional First Mortgagee holding a mortgage on said Unit.

(f) To make no alterations, decorations, repair, replacement or change of the Common Elements, Limited Common Elements, or to any outside or exterior portion of the building, without the prior written consent of the Association. If consent is granted, the Unit Owner shall use only a contractor or subcontractor approved by the Association, who shall comply with all Rules and Regulations with respect to the work which may be adopted by the Association. The Unit Owner shall be liable for all damages to another Unit and to the Common Elements caused by any contractor employed by such Unit Owner or by the subcontractor or employees of such contractor, whether said damages are caused by negligence, accident or otherwise.

(g) To allow the Association, its delegates, agents, or employees at all reasonable times to enter into any Unit for the purpose of maintaining, inspecting, repairing, or replacing the improvements within the Unit(s), Limited Common Elements, or the Common Elements; to determine in case of emergency, circumstances threatening Units, Limited Common Elements or the Common Elements and to correct the same, or, to determine compliance with the provisions of the Condominium Documents.

(h) To promptly report to the Association any defects or needed repairs for which the Association is responsible.

13.03. In the event the Unit Owner fails to maintain the Unit as required herein, or otherwise violates or threatens to violate the provisions hereof, the Association shall have the right to proceed in a Court of equity for an injunction to seek compliance with the provisions hereof. In lieu thereof, or in addition thereto, the Association shall have the right to levy an Assessment against the Unit Owner in violation, and the unit

in violation for such necessary sums to remove any unauthorized addition or person, and to restore the property to good condition and repair.

13.04. The failure of the Association or any unit owner to enforce any covenant or provision of the Act, Declaration, By-Laws or regulations affecting the Condominium shall not constitute a waiver of the right to do so thereafter.

13.05. The Association shall determine the exterior color scheme of the buildings, and shall be responsible for the maintenance thereof, and no Owner shall paint any exterior surface, or add or replace anything thereon or affixed thereto, without written consent of the Association.

13.06. The Association shall be responsible for the maintenance, repair and replacement of the Common Elements and Limited Common Elements, provided that if any repairs or replacements are made necessary because of abuse or negligent use thereof by a Unit Owner the cost of such repair or replacement may be assessed against such Unit Owner. Any assessment made pursuant to this Section or pursuant to Section 11 shall be enforceable in the same manner as provided for the enforcement of Assessments in Section 11.04 thereof.

#### SECTION 14. INSURANCE.

The insurance, other than Title Insurance, which shall be carried upon the Condominium Property shall be governed by the following provisions:

14.01. Authority to Purchase. All insurance policies upon the Condominium Property or operations of the Association and its agents in connection therewith (except as provided in Section 14.02) shall be acquired, maintained, and paid for as a Common Expense by the Association. To assist in purchase and administration of such policies of insurance, the Association is empowered to employ the services of independent appraisers, insurance analysis, consultants or brokers, the expenses of which shall be a Common Expense

#### 14.02. Insurance Specifications.

(A) Primary Insurance. The Condominium Property, including personal property incident to ownership, maintenance and use of the Condominium Property, shall be insured in the name of the Association, the Unit Owners and their mortgagees, as their interests may appear under a blanket policy or policies against loss by fire, lightning, the perils of the broad form extended coverage endorsement as now or hereafter constituted, and vandalism and malicious mischief for 100% of the full replacement cost thereof without deduction for physical depreciation and against such other prills and in such other manner as presently or at any time in the future may commonly be insured against by informed, prudent management of property of like size and character in Jacksonville, Florida, and as may from time to time be required by the mortgagee of any Condominium parcel.

Such blanket policy or policies shall provide:

(1) For settlement of loss thereunder as to buildings and all insured improvements in accordance with the Replacement Cost Endorsement, or its equivalent, which shall be part of such policy or policies.

(2) For insuring the interest of any mortgagee in accordance with the standard non-contributory mortgagee clause in use in Florida, or its equivalent, in form satisfactory to such mortgagee. The aforesaid mortgagee clause, however, shall be modified by the following language which shall be added to the policy or policies by endorsement:

"Named Mortgagee(s): Subject in all other respects to the provisions of the mortgagee clause in this policy, any loss to buildings, and all improvements thereto, including personal property used in connection therewith, covered under this policy, which normally would be payable to the named insured(s) and named mortgagee(s) shall be payable only to \_\_\_\_\_ as Insurance Trustee."

(3) That coverage is primary insurance and shall not be affected or diminished by reason of any other insurance coverage maintained by any individual Unit Owner.

(4) For a waiver of subrogation against individual Unit Owners and their agents, servants and employees.

(5) For written notice to each Unit Owner and his mortgagee, if any, at least thirty (30) days prior to the effective date of cancellation or of any change affecting coverage whether initiated by the insurer or any insured thereunder.

(6) That the conduct of any Unit Owner will not result in the avoidance of the insurer's liability.

(7) An agreement by the insurer to abide by the decision of the Association and the Unit Owners regarding restoration and a waiver of its option to restore the property if the Association and the Unit Owners elect to dispose of the same.

All of the foregoing items shall at all times be part of such blanket policy or policies to the extent obtainable from the insurers.

For purposes hereof, "full replacement cost" shall mean the actual cost without deduction for depreciation, or reconstructing the Condominium Property including architects' and engineers' supervisory fees, and shall include replacement of insurable personal property used in connection with the Condominium Property, all as described in the applicable policy or policies of insurance. "Full replacement cost" shall be determined by a recognized appraisal firm every three (3) years beginning with completion of construction operations and installation of all improvements of Unit Owners and their lessees, if any. Each Unit Owner, or his lessee if any, shall promptly supply such data as may be required for the purposes hereof by the appraisal

firm whose fee shall be a Common Expense. The original appraisal and all plans and specifications required for reconstruction of buildings and all insured improvements and betterments shall be deposited with the Insurance Trustee as provided in Section 14.

(B) Comprehensive General-Automobile Liability Insurance shall at all times be maintained in the name of the Association for the mutual benefit of its agents and all Unit Owners against liability for injuries to persons or damage to property of members of the public, other Unit Owners and any Management Company or their invitees, guests, agents, servants and employees, or persons claiming under them, arising out of any "occurrence" incident to operation of the Condominium Property or taking place in, on or about the Condominium Property, individual Condominium Units, Common Elements, Limited Common Elements, or any elevators or any escalators therein and in, on or about the adjoining sidewalks, streets and passageways; such insurance shall include, but not be limited to, coverage against liability:

(1) under common law or applicable statute, ordinance or regulation relating to sale or distribution of alcoholic beverages on the Condominium Property; (2) for operations of independent contractors, as may be assumed under contract; and (3) for bodily injury or damage to property arising out of the use by or on behalf of any insured thereunder of owned, non-owned, hired or leased automotive equipment, if any, and not otherwise insured, in furthering the business of the Association.

Such insurance (other than automobile liability insurance) shall cover "occurrences" and "personal injuries" including but not limited to bodily injuries, and death and damage to property. The amount of such insurance (including automobile, bodily injury, and property damage liability insurance) shall be maintained at a combined single limit of \$1,000,000.00 or at such lesser amount as when combined with excess (umbrella) Liability Insurance Policies shall produce total liability coverage not less than a combined single limit of \$1,000,000.00 which limit shall be reviewed annually by the Association and revised in amount at the discretion of the Association.

The insurance policies specified herein shall contain the additional policy provisions specified in items (3), (4), (5) and (6) of Section 14.02(A).

(C) Excess (Umbrella) Liability Insurance in the name of the Association for the mutual benefit of its agents and all Unit Owners shall at all times be maintained under a policy or policies (or policies issued in layers) which shall follow all terms and conditions of, and be no less comprehensive as to coverage than, the primary insurance specified herein; such policy or policies shall, when combined with the aforesaid primary policy produce a total single limit of liability not less than \$1,000,000.00.

This coverage, to the extent obtainable from the insurer, shall contain the additional provisions specified in items (3), (4), and (5) of Section 14.02(A).

(D) Condominium Parcel Owners' Insurance. Each Unit Owner may obtain and keep in force such additional insurance as he may desire to cover his Condominium Unit, any improvements therein and thereto, and any personal property, including liability coverages; such insurance shall be carried for the sole protection and at the sole expense of the Unit Owner and shall not be contributory with any insurance maintained by the Association or Unit Owners in accordance with Section 14.02 hereof. Copies of all such policies shall be filed with the Association for review and approval.

(E) Other Insurance. Such other insurance shall be carried for such amounts and coverage as the Association now or at any time in the future considers necessary for preservation of the Condominium Property and protection of all interests in connection therewith or as may be required by any mortgagee of a Condominium Parcel.

14.03. General Insurance Conditions.

(A) Each Unit Owner, his mortgagee, and any Management Company shall be supplied with certified copies of all policies of insurance maintained in accordance with Section 14.02 hereof.

(B) Compliance with Regulations. All Unit Owners, lessees, the Association and its agents shall promptly comply with all rules, regulations and requirements of any national or local rate-making bodies and of the insurers to the extent necessary to assure full effectiveness of all insurance on the Condominium Property at all times and at rates appropriate to the size and character of the property and to supply proper and adequate security, safety, and loss prevention practices as required by any applicable national, state or municipal laws and regulations.

(C) Crime Losses. The Crime Insurance specified in Section 14.02(E) shall provide that loss thereunder shall be adjusted with the insurer by, and be payable to, the Association which shall apply the proceeds of any loss recovery to the account or accounts affected by the loss.

(D) Insurance Trustee. Policies of insurance specified in Section 14.02(A), (D), and (E) shall provide that all proceeds covering property losses shall be paid to 1st City National Bank as Trustee, or to such other national banking association in Florida with trust powers as may be designated as Insurance Trustee by the Association. The Insurance Trustee shall not be liable for payment of premiums nor for the renewal or the sufficiency of policies, nor for the failure to collect any insurance proceeds. The duty of the Insurance Trustee shall be to receive such proceeds as are paid and hold the proceeds

in trust for the purposes elsewhere stated in this instrument and for the benefit of the Unit Owners and their mortgagees in the following shares, but which shares need not be set forth on the records of the Insurance Trustee:

(1) Common Elements: Proceeds on account of damage to Common Elements, an undivided share for each Unit Owner such share being the same as the undivided share in the Common Elements appurtenant to his Condominium Unit.

(2) Condominium Unit: Proceeds on account of damage to Condominium Units and Recreational Unit shall be held in the following undivided shares:

(a) When the building is to be restored, for the Owners of damaged Units in proportion to the cost of repairing the damage suffered by each Unit Owner, which cost shall be determined by the Association in the manner herein provided.

(b) When the building is not to be restored, an undivided share for each Unit Owner, such share being the same as the undivided share in the Common Elements appurtenant to his Condominium Unit.

(3) Mortgages: In the event a mortgagee clause is effective as to a Condominium Parcel, the share of the Unit Owner shall be held in trust for the mortgagee and the Unit Owner, as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired except as set forth herein, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distributions of such proceeds made to the Unit Owner and mortgagee pursuant to the provisions of this Declaration.

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

(1) Expense of the Trust: All expenses of the Insurance Trustee shall be paid first or provision made for such payment.

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

(3) Failure to Reconstruct or Repair: If it is determined in the manner elsewhere provided that the damage for which proceeds are paid shall not be reconstructed or repaired, the

remaining proceeds shall be distributed to the beneficial owners, remittances to Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Condominium Parcel and may be enforced by such mortgagee.

(4) Certificate: In making distribution to Unit Owners and their mortgagees, the Insurance Trustee may rely upon a certificate of the Association made by its president and secretary as to the names of the Unit Owners and their respective shares of the Distribution.

(F) Association as Agent. The Association is hereby appointed agent for each Unit Owner to adjust all claims arising under insurance policies purchased by the Association, subject to the approval of any mortgagee of the premises damaged if Major Damage occurs, and upon having such approval to execute and deliver releases upon the payment of claims.

(G) Reconstruction or Repair After Casualty. If any part of the Condominium Property shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined in the following manner:

(1) Common Elements: If the damaged improvement is a Common Element, the damaged property shall be reconstructed or repaired unless it is determined in the manner elsewhere provided that the Condominium shall be terminated.

(2) Building:

(a) Lesser Damage: If the damaged improvement is a building(s), and in Condominium Units to which fifty percent (50%) of the Common Elements are appurtenant are found by the Association to be tenantable, the damaged property shall be reconstructed or repaired, unless within sixty (60) days after the casualty it is determined by agreement in the manner elsewhere provided that the Condominium shall be terminated.

(b) Major Damage: If the damaged improvement is a building(s), and if Condominium Units to which more than fifty percent (50%) of the Common Elements are appurtenant are found by the Association to be not tenantable, then the damaged property will not be reconstructed or repaired and the Condominium will be terminated without agreement as elsewhere provided, unless within sixty (60) days after the casualty Unit Owners owning seventy-five percent (75%) of the Common Elements and the mortgagees of the damaged property agree in writing to such reconstruction or repair.

(3) Certificate: The Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary to determine whether or not the damaged property is to be reconstructed or repaired.



(H) Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original building(s), which are attached as exhibits hereto; or if not, then according to plans and specifications approved by the Association and any mortgagee of the damaged property, and if the damaged property is a building(s), by Unit Owners owning not less than seventy-five percent (75%) of the Common Elements, including the owners of all damaged Units, which approval shall not be unreasonably withheld.

(I) Responsibility. If the damage is only to those parts of one Condominium Unit for which the responsibility of maintenance and repair is that of the Unit Owner, then the Unit Owner shall be responsible for reconstruction and repair after casualty. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Association.

(J) Estimates of Costs. Immediately after a determination is made to rebuild or repair damage to property for which the Association has the responsibility of reconstruction and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair prepared and certified by a reputable architect who is a member in good standing of the AIA.

(K) Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair, or if at any time during reconstruction and repair or upon completion of reconstruction and repair, the funds for the payment of the costs of reconstruction and repair are insufficient, assessments shall be made against the Unit Owner(s) who own the damaged Units and against all Unit Owners in the case of damage to Common Elements, in sufficient amount to provide funds for the payment of such costs. Such assessments against Unit Owners shall be in proportion to the cost of reconstruction and repair of their respective Units. Such assessment on account of damage to Common Elements shall be in proportion to the Owner's share in the Common Elements.

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

(1) Association: If the total of assessments made by the Association in order to provide funds for payment of costs of reconstruction and repair that is the responsibility of the Association is more than \$5,000.00, then the sums paid upon such assessments shall be deposited by the Association with the

Insurance Trustee. In all other cases the Association shall hold the sums paid upon such assessments and disburse them in payment of the costs of reconstruction and repair.

(2) Insurance Trustee: The proceeds of insurance collected on account of a casualty, and the sums deposited with the Insurance Trustee by the Association from collections of assessments against Unit Owners on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner and order:

(a) Association-Lesser Damage. If the amount of the estimated costs of reconstruction and repair is less than \$5,000.00, 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 that is a beneficiary of an insurance policy the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner provided for the reconstruction and repair of Major Damage.

(b) Association-Major Damage. If the amount of the estimated costs of reconstruction and repair is more than \$5,000.00, then the construction fund shall be disbursed pursuant to a definitive fixed price construction agreement approved on behalf of the Association by the holder of the oldest recorded institutional mortgage on the damaged property and entered into between the Association and a general contractor approved by such mortgagee (with the Insurance Trustee approving same), and such construction agreement shall require a performance bond of the general contractor and provide for progress payments upon approval of a reputable architect who is qualified to practice in Florida and is a member in good standing of the AIA, and employed by the Association to supervise the work.

(c) Unit Owner. The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with a Unit Owner may be paid by the Insurance Trustee to such Unit Owner for use as specified above in Section 14 if amount is less than \$5,000.00, or if in excess of such amount and there is a mortgagee clause as to the Condominium Parcel, then to the Condominium Parcel Owner and the mortgagee jointly, who may use such proceeds as specified above in Section

(d) Surplus. It shall be presumed that the first moneys disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs 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 stated; except, however, that the part of a distribution

to a beneficial owner that 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 of this instrument, the Insurance Trustee shall not be required to determine whether or not sums paid by the 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 disbursement is to be made from the construction fund nor to determine the payee nor the amount to be paid. 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 and stating that the sums to be paid are due and properly payable and stating the name of the payee and the amount to be paid; provided that when a mortgagee is required in this Instrument to be named as payee, the Insurance Trustee shall also name the mortgagee as a payee of any distribution of insurance proceeds to a Unit Owner; and further provided that when the Association, or a mortgagee that is the beneficiary of an insurance policy whose proceeds are included in the construction fund, so requires, the approval of an architect named by the Association shall be first obtained by the Association upon disbursements in payment of costs of reconstruction and repair.

(M) Beneficial Owners. For purposes hereof, a beneficial owner(s) shall mean the person(s) entitled to the profit, benefit or advantage resulting from the ownership of a Condominium Parcel subject hereto.

(N) Termination. The condominium may be terminated in the following manner:

(1) Agreement: The termination of the Condominium may be effected by unanimous agreement of the Unit Owners and their mortgagees which agreement shall be evidenced by written instrument executed in the manner required for conveyances of land. The termination shall be effective when such instrument is recorded in the public records of Duval County, Florida.

(2) Any unpaid sums due the Association; any Management Company, shall survive any termination of the Condominiums and shall continue to be an obligation of the Association and the Unit Owners or either of them and shall continue to be a lien against the Condominium Parcel until paid.

(3) 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. Each Unit Owner's share shall be the same as the percentage of Common Elements appurtenant to his Condominium Unit prior to the termination.

SECTION 15. CONVEYANCE, SALE, RENTAL, LEASE AND TRANSFER.

15.01. Sales and Leases; Right of First Refusal. In order to assure a community of congenial owners and thus protect the value of the units, the sale or leasing of a unit by any owner other than the Developer shall be subject to the following provisions:

(a) Notice to Association. An owner intending to sell or lease his unit shall give notice in writing to the Board of Directors of such intention, stating the name and address of the intended purchaser or lessee, the terms of the proposed transaction and such other information as the Board may reasonably require ("owner's notice").

(b) Alternatives of Association. Within 30 days after receipt of owner's notice, the Board of Directors shall notify such owner in writing ("Board's notice") that: (i) the transaction is approved; (ii) the Association will furnish a purchaser or lessee approved by the Board of Directors who will purchase or lease the unit upon terms as favorable to the owner as the terms stated in the owner's notice, except that the Board's purchaser or lessee shall have 30 days subsequent to the date of the Board's notice in which to close the transaction; or (iii) the Association will purchase or lease the unit upon the terms and conditions contained within the owner's notice, provided that the Association may obtain an appraisal of the value of the unit for purchase or lease, as the case may be, and if such appraised value is less than the amount at which the owner intends to sell or lease, then the purchase or lease price to the Association shall be determined by the appraisal. Should the Board of Directors fail to respond to owner's notice within 30 days, the transaction shall be deemed approved.

(c) No waiver. Approval by the Association's Board of Directors of any sale or lease shall not constitute a waiver of the right of approval of any other conveyance or lease or to any assignment or subletting of any previously approved leasing. The approval by the Board shall be in recordable form and shall be delivered to the purchaser or lessee who shall record same.

(d) Sale by Mortgagee. Should the holder of a first mortgage on any unit become the fee simple owner of such unit through the foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such mortgage or desire to sell under the power of sale contained in its mortgage, the sale of such fee simple interest or any lease or disposition of any interest in the unit by such mortgagee pursuant to the satisfaction of the indebtedness secured thereby may be accomplished without regard to the restrictions contained in this

section provided, however, that the purchaser or lessee of such unit from such mortgagee shall take subject to this Declaration and the Act.

15.02. Application. The right of first refusal provided for in Section 15.01 shall not apply to transfers made by the Developer, or any affiliate or subsidiary of the Developer, or to transfers made solely for the purpose of securing the performance of an obligation, transfers involving a foreclosure sale or other judicial sale or any transfer to a mortgagee in lieu of foreclosure, any transfer by a mortgagee following foreclosure or any proceeding or arrangement in lieu thereof, the transfer of one joint tenant's interest to another, by operation of law or otherwise, or transfers by will or interstate distribution, or to transfer by gift to direct descendants or ascendants of the transferor.

15.03. Certificate of Termination. The Association shall upon request at any time furnish to any Member, or other party legitimately interested in the same, a certificate in writing executed by an officer of the Association in recordable form stating that the requirements of Section 15.01 have been complied with, or duly waived by the Association, and that the rights of the Association thereunder have terminated. Such certificate shall be conclusive evidence of compliance with the requirements of Section 15.01, for all persons who rely thereon in good faith.

15.04. Rental or Lease. A Condominium Parcel shall not be leased or rented without the prior written approval of the Association, and the terms and conditions of said lease are subject to the approval of the Association. The Association shall have the right to require that a substantially uniform form of lease be used. In the event the Association approves a rental or lease, such approval of a lease or rental shall not release the Member from any obligation under this Declaration.

15.05. Occupants. The Association shall have the right to prohibit occupancy of any Unit by any person other than a Unit Owner, or a purchaser or lessee who has acquired his interest after compliance with Section 15.01 or 15.04, as the case may be.

15.06. Voidability. Any purported sale or lease of a Unit where the Unit Owner or lessor has failed to comply with the provisions of this Section, shall be voidable at the election of the Association, provided, however, that such voidability shall exist for a period no longer than ninety (90) days from the consummation of such transaction, such consummation to be evidenced by occupancy of the Unit or by furnishing the Association with a true copy of the recorded deed of conveyance thereto; and, provided, further, that the Association commence an action within such ninety (90) day period to have the same declared void.

15.07. Exception. Any Institutional First Mortgagee making a mortgage loan for the purpose of financing the purchase of a Unit shall not be required to inquire whether or not its mortgagor's grantor complied with the provisions of this Section, and any failure of such mortgagor's grantor to so comply will not operate to affect the validity or priority of such mortgage.

SECTION 16. OBLIGATIONS OF UNIT OWNERS.

16.01. In addition to the other obligations and duties heretofore set out in this Declaration, no Unit Owner shall:

(a) Use or permit the use of his Unit for any purpose other than as a single family residence.

(b) Permit or suffer anything to be done or kept in his Unit which will increase the insurance rates on his Unit or the Common Elements, or which will obstruct or interfere with the right of other Members, or commit, permit or suffer any nuisance or illegal act in his Unit or on the Common Elements.

(c) Fail to conform to and abide by the By-Laws and non-discriminatory rules and regulations in regard to the use of the Condominium Property which may be adopted in writing from time to time by the Association, and to see that all persons using Unit Owner's property by, through or under him do likewise.

(d) Attempt to exempt himself from liability for his contribution toward the Common Expenses by waiver of the use and enjoyment of any of the Common Elements, or by the abandonment of his Condominium Unit.

SECTION 17. MAINTENANCE AGREEMENT.

17.01. The Association has not entered into a Maintenance Agreement.

SECTION 18. NOTICES.

18.01. Unit Owners. Whenever notices are required to be sent hereunder to Unit Owners, such notices may be delivered either personally or by mail, addressed to such Unit Owner's Unit address, unless the Unit Owner has, by written notice duly receipted for, specified a different address. Proof of such mailing or personal delivery by the Association or Management Company shall be given by the affidavit of the person mailing or personally delivering said notices.

18.02. Association. Notices to the Association shall be delivered by mail to the Secretary of the Association at the Secretary's Unit or, in the event of the Secretary's absence, then to the President of the Association at his Unit, and, in his absence, any member of the Board of Directors of the Association.

18.03. Developer. Notices to the Developer shall be delivered by registered or certified mail at:

5545 Arlington Road, Office H  
Jacksonville, FL 32211

18.04. All notices shall be deemed and considered to have been given when deposited in the United States mail, postage prepaid, and addressed as aforesaid. Any party may change his or its mailing address by written notice duly received for. Notices required to be given the personal representatives of a deceased Owner or devisee, when there is no personal representative, may be delivered either personally or by mail, to such party at his or its address appearing in the records of the Court wherein the estate of such deceased Owner is being administered.

SECTION 19. ESCROW ACCOUNT.

19.01. The Association shall have the right to establish and maintain in a national or state bank or a Federal savings and loan association, interest bearing savings accounts for such purposes as it may see fit to establish from time to time.

SECTION 20. MISCELLANEOUS PROVISIONS.

20.01. Provisions of Declaration - Binding Effect. All provisions of the Condominium Documents are intended to be and shall be construed as covenants running with the land and of every part thereof and therein, including, but not limited to, every Unit and the appurtenances thereto, and every Unit Owner and claimant of the property, or any part thereof, or of any interest therein, and his heirs, executors, administrators, successors and assigns, shall be bound by all of the provisions of the Condominium Documents.

20.02. Combining Units. Nothing set forth in this Declaration shall be construed to prohibit the Developer or the Association from authorizing the removal of or removing any party wall between any Condominium Units in order that the said Units might be used together as one integral Unit. If the joinder of two or more Units into a single Unit is permitted, all Assessments, voting right, and the share of the Common Elements shall be calculated as if such Units were maintained as originally designated on the Exhibits attached to this Declaration, notwithstanding the fact that several Units are used as one. The Unit Owner of such combined Units shall be treated as the Unit Owner of as many Units as have been so combined.

20.03. Attorney's Fees. In addition to the remedies provided in Section 718.111, Florida Statutes, should the Association or the Management Company, on behalf of the Association, or on its own behalf, find it necessary to employ an attorney at law to enforce any obligation of a Unit Owner under the Condominium Documents, the offending Unit Owner shall reimburse the Association for reasonable attorney's fees incurred by it in connection with such default.

20.04. Gender. Whenever the context so requires, the use of any gender shall be deemed to include all genders, and the use of the singular shall include the plural, and the plural shall include the singular. The provisions of the Declaration shall be liberally construed to effectuate its purpose of

creating a uniform plan for the operation of a Condominium.

20.05. Captions. The captions used in the Condominium Documents are inserted solely as a matter of convenience and shall not be relied upon and/or used in construing the effect or meaning of any of the text of the Condominium Documents.

20.06. Institutional First Mortgages. Where an Institutional First Mortgage, by some circumstance, fails to be a first mortgage but is evident that it is intended to be a first mortgage, it shall nevertheless for the purpose of the Condominium Documents, be deemed to be an Institutional First Mortgage.

20.07. Severability of Provisions. If any term, covenant, provision, phrase or other element of the Condominium Documents is held invalid or unenforceable for any reason whatsoever, such holding shall not be deemed to affect, alter, modify or impair in any manner whatsoever any other term, provision, covenant or element of said Documents or of the Condominium Act.

20.08. Warranties. The Developer specifically disclaims any intent to have made any warranty or representation in connection with the property or the Condominium Documents except as specifically set forth therein, and no person shall have the right to rely upon any warranty or representation not so specifically made therein. Any estimates of Common Expenses, taxes or other charges are made in good faith and Developer believes the same to be accurate, but no warranty or guaranty as to their accuracy is made or intended, nor may one be relied upon except where the same is specifically warranted or guaranteed.

The Developer shall not be responsible for conditions resulting from condensation or an expansion or contraction of materials, paint over walls, either interior or exterior, loss or injury caused in any way by the elements, the water tightness of windows and doors, defects which are the result of characteristics common to the materials used, and damage due to ordinary wear and tear or abusive use, collection of water within the buildings or on any other portion of the Condominium Property, nor anything of any type or nature except such items as are specifically delineated and agreed to in writing between the Developer and the individual Unit Owner, and it is understood and agreed that the Developer shall have no responsibility whatsoever as to the matters provided in this Section 20.08 to the Association. Guaranties or warranties given by Developer's contractor and by any subcontractors, and warranties obtained from the manufacturers of appliances and equipment as specified by said manufacturers, contractors and subcontractors, will be assigned by Developer to the Association and may be enforced by



either the Association or the Unit Owner. The foregoing warranty is expressly in lieu of all other warranties, express or implied by law or otherwise, and no warranty of merchantability or fitness of any fixtures, equipment, appliances, personal property, and real property and improvements thereon is made by Developer.

20.09. Acceptance by Association. The Association, by its execution of this Declaration of Condominium, approves the foregoing and all of the covenants, terms and conditions, duties and obligations of this Declaration and Exhibits attached hereto. The Unit Owners, by virtue of their acceptance of the Deed of Conveyance as to their Condominium parcel, and other parties, by virtue of their occupancy of Units, hereby approve the foregoing and all of the terms and conditions, duties and obligations set forth in the Condominium Documents.

20.10. Partition. No Unit Owner shall bring, or have any right to bring, any action for partition or division of the Condominium Property.

20.11. If any provision of the Condominium Act of the State of Florida or section, sentence, clause, phrase or word or the application thereof in any circumstance of said statute or of this Declaration, the By-Laws or the Articles of Incorporation of the Association, is held invalid, the validity of the remainder of said statute or instrument and/or of the application of any such provision, section, sentence, clause, phrase or word in other circumstances of said statute or of this Declaration or of the By-Laws or Articles of Incorporation of the Association shall not be affected thereby.

IN WITNESS WHEREOF, Developer has executed this Declaration of Condominium, this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_.

Signed, sealed and delivered in the presence of: TEAKWOOD VILLAS, INC.

\_\_\_\_\_  
By \_\_\_\_\_  
Its \_\_\_\_\_  
Attest \_\_\_\_\_  
Its \_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF DUVAL

BEFORE ME, personally appeared \_\_\_\_\_  
and \_\_\_\_\_ to be well known to be the  
\_\_\_\_\_ and \_\_\_\_\_, respectively of Teakwood  
Villas, Inc. and they acknowledged that they executed the foregoing  
Declaration of Condominium on behalf of said corporation this  
\_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

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

TEAKWOOD VILLAS, A CONDOMINIUM

EXHIBIT A

LEGAL DESCRIPTION

Lots 4, 5, 6, 7 and 8, Block 11, ARLINGTON HEIGHTS SECOND SUBDIVISION, recorded in Plat Book 5, Page 83, of the current public records of Duval County, Florida, together with Lot 1, Block 1, MONTEREY, UNIT ONE, recorded in Plat Book 25, Pages 27 and 27A, of the current public records of Duval County, Florida together with the undivided interest in the common elements designated in the Condominium Declaration to be appurtenant to such Unit.

Condominium Parcels - 1	18
2	19
3	20
4	21
5	22
6	23
7	24
8	25
9	26
10	27
11	28
12	29
13	30
14	31
15	32
16	33
17	

TEAKWOOD VILLAS, A CONDOMINIUM

EXHIBIT C

PERCENT OF OWNERSHIP OF COMMON ELEMENTS

ASSESSMENT OF COMMON EXPENSES

(1)	3.0303	(12)	3.0303	(23)	3.0303
(2)	3.0303	(13)	3.0303	(24)	3.0303
(3)	3.0303	(14)	3.0303	(25)	3.0303
(4)	3.0303	(15)	3.0303	(26)	3.0303
(5)	3.0303	(16)	3.0303	(27)	3.0303
(6)	3.0303	(17)	3.0303	(28)	3.0303
(7)	3.0303	(18)	3.0303	(29)	3.0303
(8)	3.0303	(19)	3.0303	(30)	3.0303
(9)	3.0303	(20)	3.0303	(31)	3.0303
(10)	3.0303	(21)	3.0303	(32)	3.0303
(11)	3.0303	(22)	3.0303	(33)	3.0303

EXHIBIT D

BY-LAWS

OF

TEAKWOOD VILLAS ASSOCIATION, INC.

A Florida Non-Profit Corporation

A Membership Corporation

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1. Identity. These are the By-Laws of TEAKWOOD VILLAS ASSOCIATION, INC., hereinafter called the "Association", a corporation not for profit under the laws of the State of Florida, organized pursuant to the provisions of Chapter 617 and 718, Florida Statutes, hereinafter referred to as the "Condominium Act", said Condominium being identified by the name of TEAKWOOD VILLAS, hereinafter referred to as the "Condominium".

1.1. The office of the Association shall be at:

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

1.3. The seal of the Association shall bear the name of the corporation, the word "Florida", the words "corporation not for profit", and the year of incorporation.

2. Members' meetings.

2.1. The annual members' meeting shall be held at the office of the corporation at \_\_\_\_\_ O'Clock, \_\_\_\_\_ .M., Eastern Standard Time, on the \_\_\_\_\_ in \_\_\_\_\_ of each year for the purpose of electing directors and transacting any other business authorized to be transacted by the members; provided, however, if that day is a legal holiday, the meeting shall be held at the same hour on the next day that is not a holiday.

2.2. Special members' meetings 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 entitled to cast

two-thirds of the votes of the entire membership.

2.3. Notice of all members' meetings stating the time and place and the object for which the meeting is called shall be given by the President or Vice-President or Secretary. Such notice shall be in writing, sent to each member at his address as it appears on the books of the Association and shall be mailed not less than ten (10) nor more than forty-five (45) days prior to the date of the meeting. Additionally, a notice shall be posted at the Recreation Building at least ten (10) days in advance of the meeting date. Notice of meeting may be waived before, at, or after meetings.

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

2.5. Voting.

(a) In any meeting of members, the owners of condominium units shall be entitled to cast as many votes as they have undivided interests in the common elements pursuant to Schedule C of the Declaration of Condominium so that the total number of votes shall equal 100.

(b) If a condominium unit is owned by one person, his right to vote shall be established by the record title to his unit. If any condominium unit is owned by more than one person, the person entitled to cast the vote for the condominium unit shall be designated by a certificate signed by all of the record owners of the condominium unit and filed with the Secretary of the Association. If a condominium unit is owned by a corporation, the natural person entitled to cast the vote for the condominium unit shall be designated by a certificate signed by the President and attested by the Secretary or Assistant Secretary of the corporation and filed with the Secretary of the Association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the condominium unit concerned. A certificate designating the person entitled to cast the vote of a condominium unit may be revoked by any owner of that condominium unit. If such a certificate is not on file, the vote of such owners shall not be considered in determining the requirement for a quorum nor for any other purpose.

2.6. Proxies. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote and shall be valid only for the particular meeting designated in the proxy and must be filed with the Secretary before the appointed time of the meeting or any adjournment of the meeting. No person and his spouse may hold more than three (3) proxies.

2.7. Adjourned meetings. If any meeting of the members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

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

- (a) Calling of the roll and certifying of proxies.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading and disposal of any unapproved minutes.
- (d) Reports of officers.
- (e) Reports of committees.
- (f) Appointment of inspectors of election.
- (g) Election of directors.
- (h) Unfinished business.
- (i) New business.
- (j) Adjournment.

2.9. Proviso. Provided, however, that until the Developer of the condominium has completed all of the contemplated improvements and closed the sales of all of the units of the condominium, or until May 1, 1979, or until the Developer elects to terminate its control of the condominium, whichever shall first occur, the proceedings of all meetings of members of the Association shall have no effect unless approved by the board of directors.

### 3. Directors.

3.1. Membership. The affairs of the Association shall be managed by a board of not less than three nor more than 11 directors, the exact number to be determined at the time of election.

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

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

b. A nominating committee of five (5) members shall be appointed by the board of directors not less than 30 days prior to the annual members' meeting. The committee shall nominate one person for each director then serving. Nominations for additional directorships created at the meeting shall be made from the floor, and other nominations may be made from the floor.

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

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

e. Any director may be removed by concurrence of two-thirds of the votes of the entire membership at a special meeting of the members called for that purpose. The vacancy in the board of directors so created shall be filled by the members of the Association at the same meeting.

f. Provided, however, that until the Developer of the condominium has completed all of the contemplated improvements and closed the sales of all of the units of the condominium, or until May 1, 1979, or until Developer elects to terminate its control of the condominium, whichever shall first occur, the first directors of the Association shall serve, and in the event of vacancies the remaining directors shall fill the vacancies, and if there are no remaining directors the vacancies shall be filled by the Developer.

3.3. The term of each director's service shall extend until the next annual meeting of the members and subsequently until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

3.4. The organization meeting of a newly-elected board of directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the directors at the meeting at which they were elected, and no further notice of the organization meeting shall be necessary.

3.5. Regular meetings of the board of directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director, personally or by mail, telephone or telegraph, at least three days prior to the day named for such meeting.

3.6. Special meetings of the directors may be called by the President and must be called by the Secretary at the written request of one-third of the directors. Not less than three days' notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

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

3.8. A quorum at directors' meeting shall consist of a majority of the entire board of directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the board of directors, except when approval by a greater number of directors is required by the Declaration of Condominium, the Articles of Incorporation or these Bylaws.

3.9. Adjourned meetings. If at any meeting of the board of directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business that might have been transacted at the meeting as originally called may be transacted without further notice.

3.10. Joinder in meeting by approval of minutes. The joinder of a director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of such director of the purpose of determining a quorum.

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

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

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

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

4. Powers and duties of the Board of Directors. All of the powers and duties of the Association existing under the Condominium Act, Declaration of Condominium, Articles of Incorporation and these Bylaws shall be exercised exclusively by the board of directors, its agents, contractors or employees, subject only to approval by unit owners when such is specifically required.



5. Officers.

5.1. The executive officers of the Association shall be a President, who shall be a director, a Vice President, who shall be a director, a Treasurer, a Secretary and an Assistant Secretary, all of whom shall be elected annually by the board of directors and who may be peremptorily removed by vote of the directors at any meeting. Any person may hold two or more offices except that the President shall not be also the Secretary or an Assistant Secretary. The board of directors from time to time shall elect such other officers and designate their powers and duties as the board shall find to be required to manage the affairs of the Association.

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

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

5.4. The Secretary shall keep the minutes of all proceedings of the directors and the members. He shall attend to the giving and serving of all notices to the members and directors and other notices required by law. He shall have custody of the seal of the Association and affix it 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 an association and as may be required by the directors or the President. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

5.5. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. 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.

5.6. The compensation of all officers and employees of the Association shall be fixed by the directors. The provision that directors' fees shall be determined by members shall not preclude the Board of Directors from employing a director as an employee of the Association nor preclude the contracting with a director for the management of the condominium.

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

6.1. Accounts. The receipts and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses.

a. Current expense, which shall include all receipts and expenditures within the year for which the budget is made including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, to additional improvements or to operations. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expense for the succeeding year.

b. Reserve for deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually.

c. Reserve for replacement, which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.

d. Betterments, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the common elements, the amount for which shall not exceed \$ 100.00 , provided, however, that in the expenditure of this fund no sum in excess of \$ 5,000.00 shall be expended for a single item or purpose without approval of the members of the Association.

e. Operations, the amount of which may be to provide a working fund or to meet losses.

f. Provided, however, that the amount for each budgeted item may be increased over the foregoing limitations when approved by unit owners entitled to cast not less than 75% of the votes of the entire membership of the Association; and further provided, however, that until the Developer of the condominium has completed all of the contemplated improvements and closed the sales of all units of the condominium, or until May 1 , 19 79 , or until Developer elects to terminate its control of the condominium, whichever shall first occur, the board of directors may omit from the budget all allowances for contingencies and reserves.

g. Copies of the budget and proposed assessments shall be transmitted to each member on or before December 1 preceding the year for which the budget is made. If the budget is amended subsequently, a copy of the amended budget shall be furnished to each member.

6.3. Assessments. Assessments against the unit owners for their shares of the items of the budget shall be made for the calendar year annually in advance on or before December 20 preceding the year for which the assessments are made. Such assessments shall be due in two equal installments on the first days of January and July of the year for which the assessments are made. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment and semi-annual installments on such assessment shall be due upon each installment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the board of directors if the accounts of the amended budget do not exceed the limitations for that year. Any account that does exceed such limitation shall be subject to the approval of the membership of the Association as previously required in these Bylaws. The unpaid assessment for the remaining portion of the calendar year for which the amended assessment is made shall be due upon the date of the assessment if made on or after July 1; and if made prior to July 1, one-half of the increase shall be due upon the date of the assessment and the balance of the assessment upon the next July 1. The first assessment shall be determined by the board of directors of the Association.

6.4. Acceleration of assessment installments upon default. If a unit owner shall be in default in the payment of an installment upon an assessment, the board of directors may accelerate the remaining installments of the assessment upon notice to the apartment owner, and then the unpaid balance of the assessment shall come due upon the date stated in the notice, but not less than ten (10) days after delivery of the notice to the apartment owner, or not less than twenty(20) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur.

6.5. Assessments for emergencies. Assessments for common expenses of emergencies that cannot be paid from the annual assessments for common expenses shall be made only after notice of the need for such is given to the unit owners concerned. After such notice and upon approval in writing by persons entitled to cast more than one-half of the votes of the unit owners concerned, the assessment shall become effective, and it shall be due after 30 days' notice in such manner as the board of directors of the Association may require in the notice of assessment.

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

6.7. An audit of the accounts of the Association shall be made annually by a certified public accountant, and a copy of the audit report shall be furnished to each member not later than April 1 of the year following the year for which the audit is made.

6.8. Fidelity bonds shall be required by the board of directors from all persons handling or responsible for Association funds. The amount of such bonds shall be determined by the directors, but shall be not less than one-half of the amount of the total annual assessments against members for common expenses. The premiums on such bonds shall be paid by the Association.

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

8. Amendments. These Bylaws may be amended in the following manner:

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

8.2. A resolution adopting a proposed amendment may be proposed by either the board of directors of the Association or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be either by:

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

b. by not less than 80% of the votes of the entire membership of the Association; or

c. until the first election of directors, by all of the directors.

The foregoing were adopted as the Bylaws of Teakwood Villas Association, Inc., a corporation not for profit under the laws of the State of Florida, at the first meeting of the Board of Directors on \_\_\_\_\_, 19\_\_\_\_.

Approved:

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary

EXHIBIT E

ARTICLES OF INCORPORATION

OF

TEAKWOOD VILLAS ASSOCIATION, INC.

In order to form a non-profit corporation under and in accordance with Florida Statutes, the undersigned associate themselves for the purpose and with the powers hereinafter mentioned:

ARTICLE I

NAME

The name of the corporation shall be:

TEAKWOOD VILLAS ASSOCIATION, INC.

(hereinafter referred to as "Association.")

ARTICLE II

PURPOSE

The purpose of this corporation is the operation and management of a condominium known as TEAKWOOD VILLAS (hereinafter referred to as the "Condominium"), as the same may now or hereafter be constituted, and to undertake the performance of, and to carry out the acts and duties incident to the administration of the operation and management of said condominium in accordance with the terms, provisions and authorizations contained herein and the Declaration of Condominium which will be recorded among the Public Records of Duval County, Florida; and to own, operate, lease, sell, trade and otherwise deal with such property, whether real or personal, as may be necessary or convenient in the administration of said condominium.

ARTICLE III

POWERS

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

3.1. The Association shall have all of the common-law and statutory powers of a corporation not for profit not in conflict with the terms of these Articles.

3.2. The Association shall have all of the powers and duties set forth in the Condominium Act except as limited by these Articles and the Declaration of Condominium, and all of the powers and duties reasonably necessary to operate the condominium pursuant to the Declaration and as it may be amended from time to time, including but not limited to the following:

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

b. To use the proceeds of assessments in the exercise of its powers and duties.

c. The maintenance, repair, replacement and operation of the condominium property.

d. The purchase of insurance upon the condominium property and insurance for the protection of the Association and its members as unit owners.

e. The reconstruction of improvements after casualty and the further improvement of the property.

f. To make and amend reasonable regulations respecting the use of the property in the condominium; provided, however, that all such regulations and their amendments shall be approved by not less than 75% of the votes of the entire membership of the Association before such shall become effective.

g. To approve or disapprove the transfer, mortgage and ownership of units as may be provided by the Declaration of Condominium and the Bylaws.

h. To enforce by legal means the provisions of the Condominium Act, the Declaration of Condominium, these Articles, the Bylaws of the Association and the Regulations for the use of the property in the condominium.

i. To contract for the management of the condominium and to delegate to such contractor all powers and duties of the Association except such as are specifically required by the Declaration of Condominium to have approval of the Board of Directors or the membership of the Association.

j. To contract for the management or operation of portions of the common elements susceptible to separate management or operation, and to lease such portions.

k. To employ personnel to perform the services required for proper operation of the condominium.

3.3. The Association shall not have the power to purchase an apartment of the condominium except at sales in foreclosure of liens for assessments for common expenses, at which sales the Association shall bid no more than the amount secured by its lien. This provision shall not be changed without unanimous approval of the members and the joinder of all record owners of mortgages upon the condominium.

3.4. All funds and the titles of all properties acquired by the Association and their proceeds shall be held in trust for the members in accordance with the provisions of the Declaration of Condominium, these Articles of Incorporation and the Bylaws.

3.5. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declaration of Condominium and the Bylaws.

## ARTICLE IV

### MEMBERS

4.1. The members of the Association shall consist of all of the record owners of units in the condominium; and after termination of the condominium shall consist of those who are members at the time of such termination and their successors and assigns.

4.2. After receiving approval of the Association required by the Declaration of Condominium, change of membership in the Association shall be established by recording in the public records of Duval County, Florida, a deed or other instrument establishing a record title to an apartment in the condominium and the delivery to the Association of a certified copy of such instrument. The owner designated by such instrument thus becomes a member of the Association and the membership of the prior owner is terminated.

4.3. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his unit.

4.4. The owner of each unit shall be entitled to at least one vote as a member of the Association. The exact number of votes to be cast by owners of a unit and the manner of exercising voting rights shall be determined by the Bylaws of the Association.

## ARTICLE V

### DIRECTORS

5.1. The affairs of the Association will be managed by a board consisting of the number of directors determined by the Bylaws, but not less than three directors, and in the absence of such determination shall consist of three directors. Directors need not be members of the Association.

5.2. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by the Bylaws. Directors may be removed and vacancies on the board of directors shall be filled in the manner provided by the Bylaws.

5.3. The first election of directors shall not be held until after the developer has closed the sales of all of the units of the condominium, or until developer elects to terminate its control of the condominium, or until after May 1, 19 79, whichever occurs first. The directors named in these Articles shall serve until the first election of directors, and any vacancies in their number occurring before the first election shall be filled by the remaining directors.

5.4. The names and addresses of the members of the first board of directors who shall hold office until their successors are elected and have qualified or until removed are as follows:

ARTICLE VI

OFFICERS

The affairs of the Association shall be administered by the officers designated in the Bylaws. The officers shall be elected by the board of directors at its first meeting following the annual meeting of the members of the Association and shall serve at the pleasure of the board of directors. The names and addresses of the officers who shall serve until their successors are designated by the board of directors are as follows:

President:

Vice President and Assistant Secretary:

Secretary-Treasurer:

ARTICLE VII

INDEMNIFICATION

Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding or any settlement of 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 when the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification shall apply only when the board of directors approves such settlement and reimbursement as being for 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.

ARTICLE VIII

BYLAWS

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



ARTICLE IX  
AMENDMENTS

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

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

9.2. A resolution for the adoption of a proposed amendment may be proposed either by the board of directors or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the secretary at or prior to the meeting. Except as elsewhere provided:

a. such approvals must be by not less than 75% of the entire membership of the board of directors and by not less than 75% of the votes of the entire membership of the Association; or

b. by not less than 80% of the votes of the entire membership of the Association.

9.3. Provided, however, that no amendment shall make any changes in the qualifications for membership nor the voting rights of members, nor any change in Section 3.3 of Article 3, without approval in writing by all members and the joinder of all record owners of mortgages upon the condominium. No amendment shall be made that is in conflict with the Condominium Act or the Declaration of Condominium.

9.4. A copy of each amendment shall be certified by the Secretary of State and be recorded in the public records of Duval County, Florida.

ARTICLE X  
TERM

The term of the association shall be perpetual.

ARTICLE XI  
SUBSCRIBERS

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

IN WITNESS WHEREOF, the subscribers have affixed their signatures this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF DUVAL

Before me, the undersigned authority, personally appeared

\_\_\_\_\_  
\_\_\_\_\_

and \_\_\_\_\_,

who, after being duly sworn, acknowledged that they executed the foregoing Articles of Incorporation for the purposes expressed in such Articles, this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

\_\_\_\_\_  
Notary Public  
My commission expires:

EXHIBIT F

CERTIFICATION

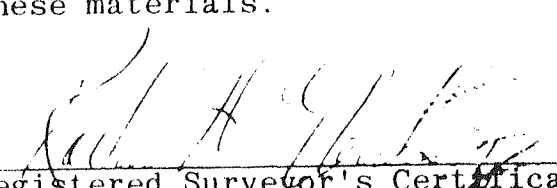
State of Florida

County of Duval


I HEREBY CERTIFY that on this day before me, the under-  
signed authority, personally appeared Rollin H. Eberling

who, after being duly sworn as required by law, deposes and says:

The undersigned, a surveyor authorized to practice in the  
State of Florida, does hereby certify that I prepared that  
certain survey dated June 8, 1978  
being Job No. 52831. I further certify that the construction  
of the improvements shown on the survey and graphic description  
of Teakwood Villas Condominium is as attached to and made a  
part of that certain Declaration of Condominium of Teakwood  
Villas Condominium to which this Certification is attached is  
substantially complete so that the material, together with the  
provisions of the Declaration of Condominium describing the  
condominium property, is an accurate representation of the  
location and dimensions of the improvements and that the identi-  
fication, location and dimensions of the common elements and of  
each unit can be determined from these materials.

  
Registered Surveyor's Certificate # 708

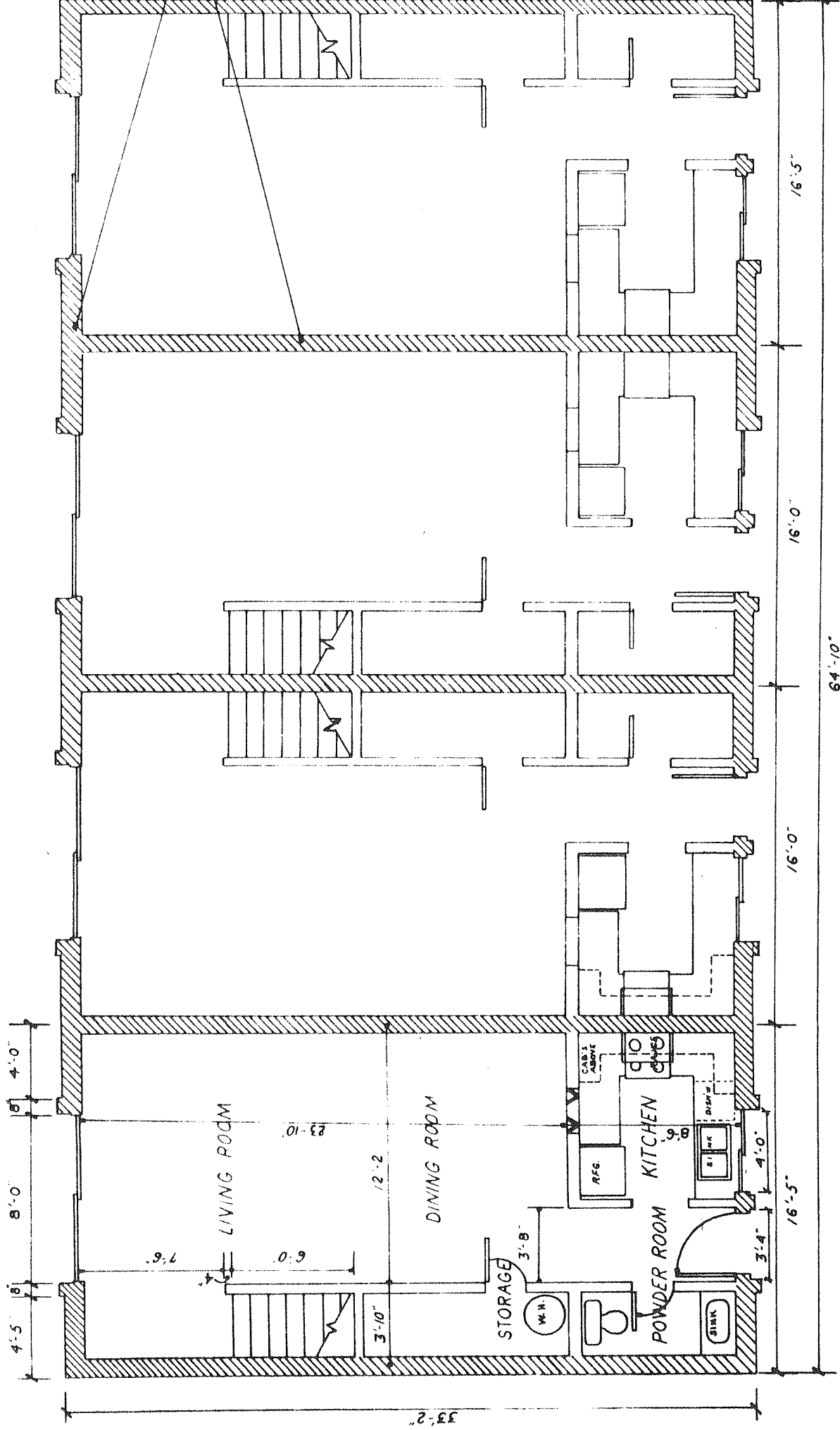
Sworn to and subscribed before me  
this 14 day of June, 1978.

  
Notary Public, State of Florida  
at Large

My Commission Expires:

NOTARY PUBLIC, State of Florida at Large  
My Commission Expires March 23, 1981  
Licensed by AUTO OWNERS INSURANCE CO.





COMMON ELEMENTS  
 BEARING WALLS  
 STRUCTURAL SLABS  
 TELEPHONE - ELECTRICAL CONDUITS  
 MECHANICAL CHASEWAYS

INDICATES COMMON ELEMENTS DIMENSIONS AND LOCATIONS ARE SUBJECT TO CONSTRUCTION VARIATIONS AND TOLERANCES

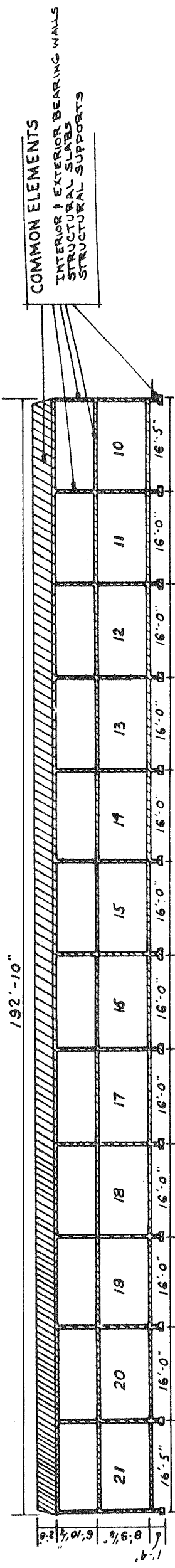
# TYPICAL 1<sup>ST</sup> FLOOR PLAN BLDG. E - F

1/4" = 1'-0"

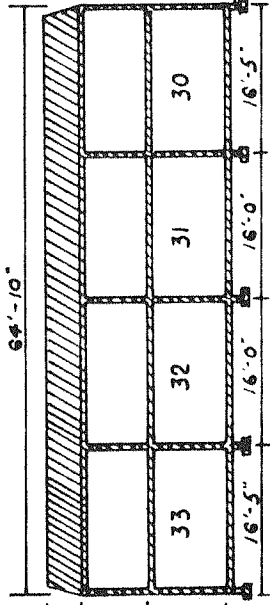
EXHIBIT B

2

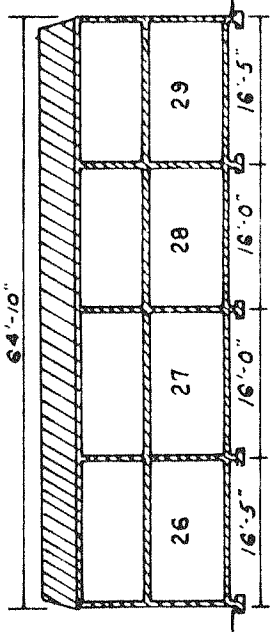




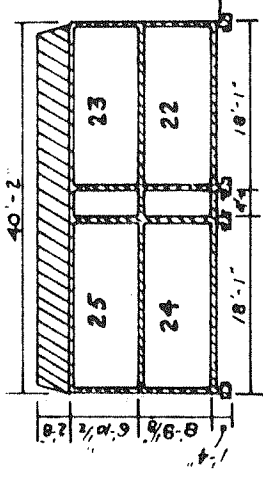
BUILDING "A" SECTION LOOKING WEST



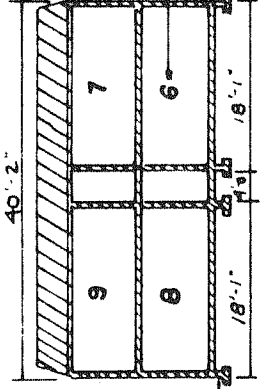
BUILDING "B" SECTION LOOKING NORTH



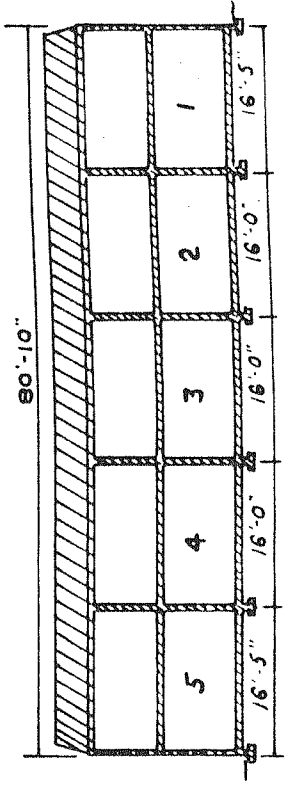
BUILDING "C" SECTION LOOKING SOUTH



BUILDING "D" SECTION LOOKING SOUTH



BUILDING "E" SECTION LOOKING NORTH



BUILDING "F" SECTION LOOKING WEST

INDICATES COMMON ELEMENTS DIMENSIONS AND LOCATIONS ARE SUBJECT TO CONSTRUCTION VARIATIONS AND TOLERANCES

# BUILDING SECTIONS

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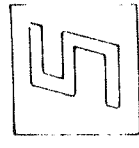
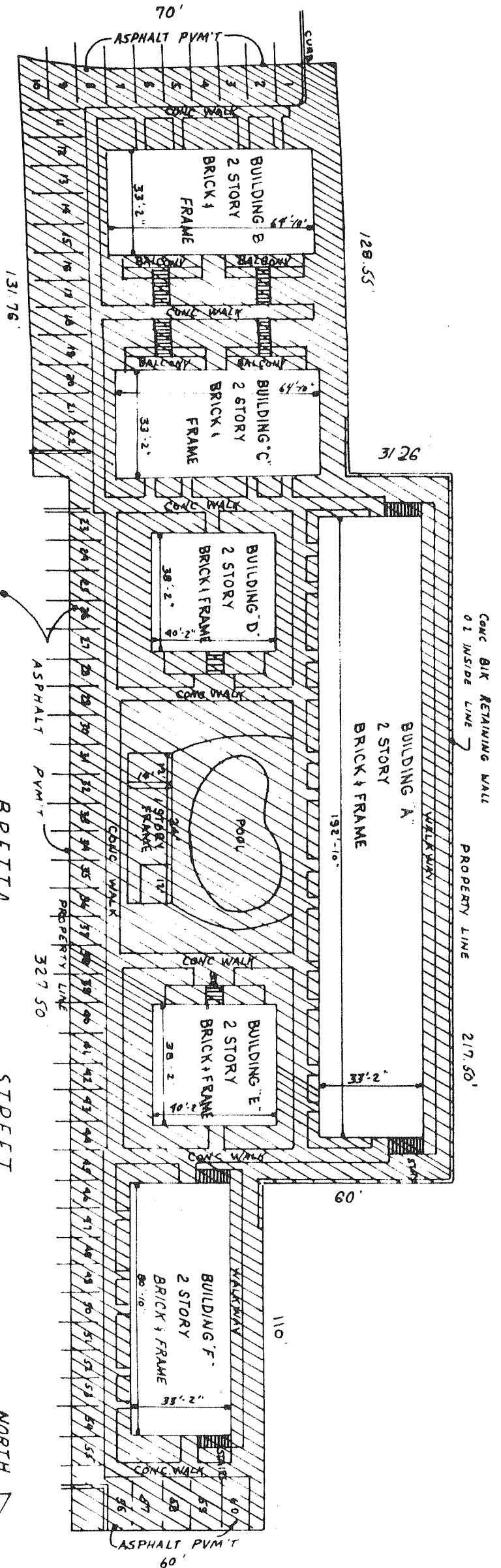


EXHIBIT B

SANTA ROSA WAY



ARLINGTON ROAD

LOTS 4, 5, 6, 7 & 8 BLOCK 11 ARLINGTON HEIGHTS  
 SECOND SUBDIVISION, RECORDED IN PLAT BOOK 5 PAGE 83 OF  
 CURRENT RECORDS OF DUVAL COUNTY FLORIDA  
 ARCO DRIVE



INDICATES COMMON ELEMENTS DIMENSIONS AND LOCATIONS ARE SUBJECT TO CONSTRUCTION VARIATIONS AND TOLERANCES

# SITE PLAN

1-30

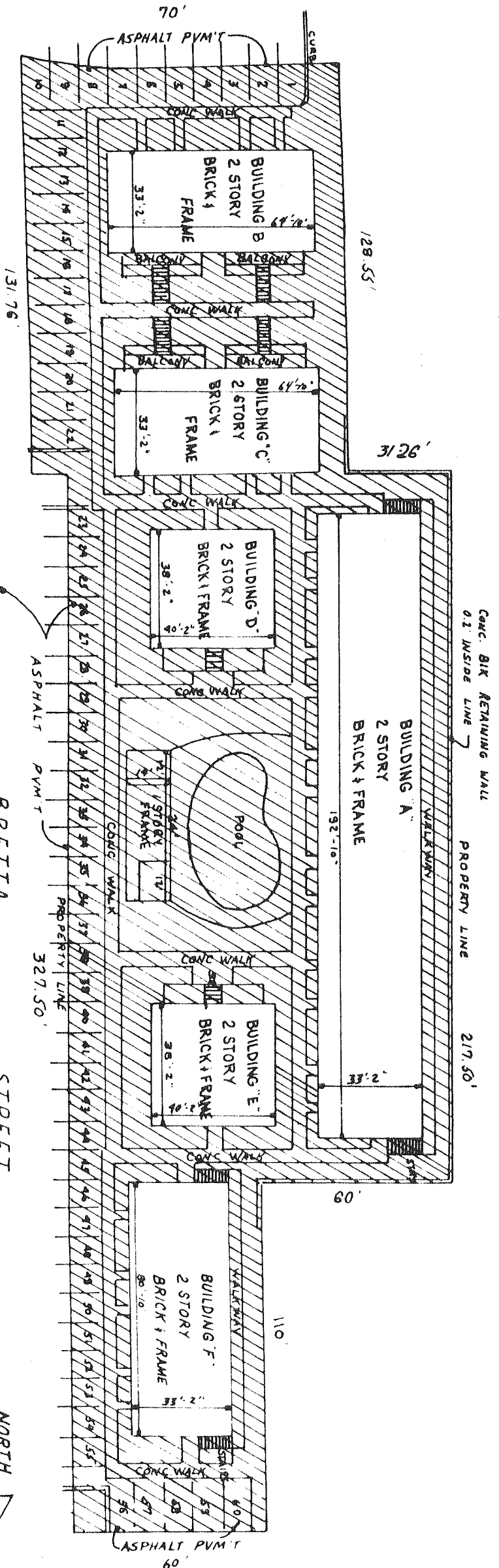
5 SHEETS  
**1**

EXHIBIT B

# DECLARATION OF COMMON ELEMENTS



SANTA ROSA WAY



LOTS 4,5,6,7 & 8 BLOCK 11 ARLINGTON HEIGHTS  
 SECOND SUBDIVISION, RECORDED IN PLAT BOOK 5 PAGE 83 OF  
 CURRENT RECORDS OF DUVAL COUNTY FLORIDA  
 ARCO DRIVE

INDICATES COMMON ELEMENTS DIMENSIONS AND LOCATIONS ARE SUBJECT TO CONSTRUCTION VARIATIONS AND TOLERANCES

# SITE PLAN

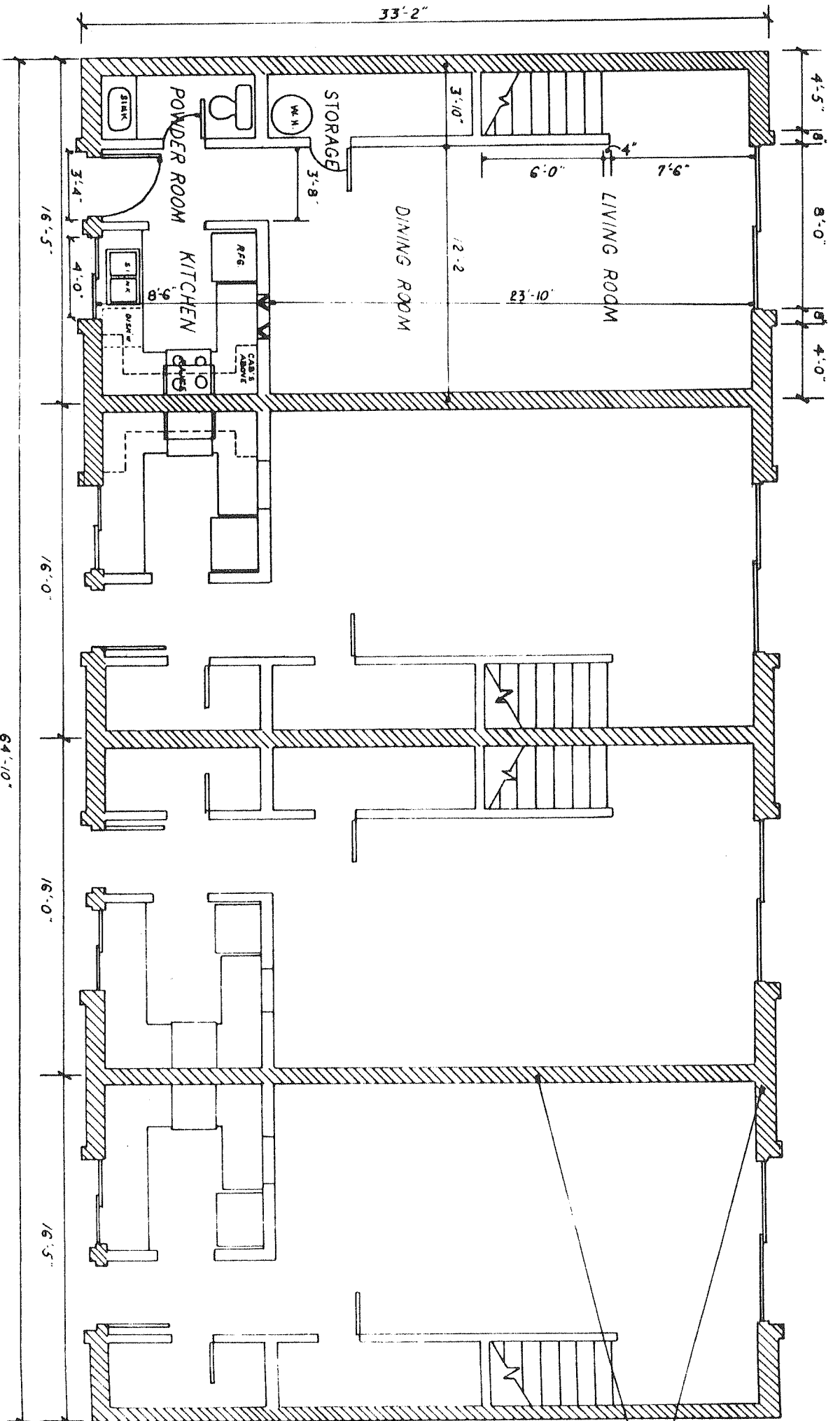
1-30

5 SHEETS  
**1**

EXHIBIT I-B

# DECLARATION OF COMMON ELEMENTS

ARLING ON ROAD



INDICATES COMMON ELEMENTS DIMENSIONS AND LOCATIONS ARE SUBJECT TO CONSTRUCTION VARIATIONS AND TOLERANCES

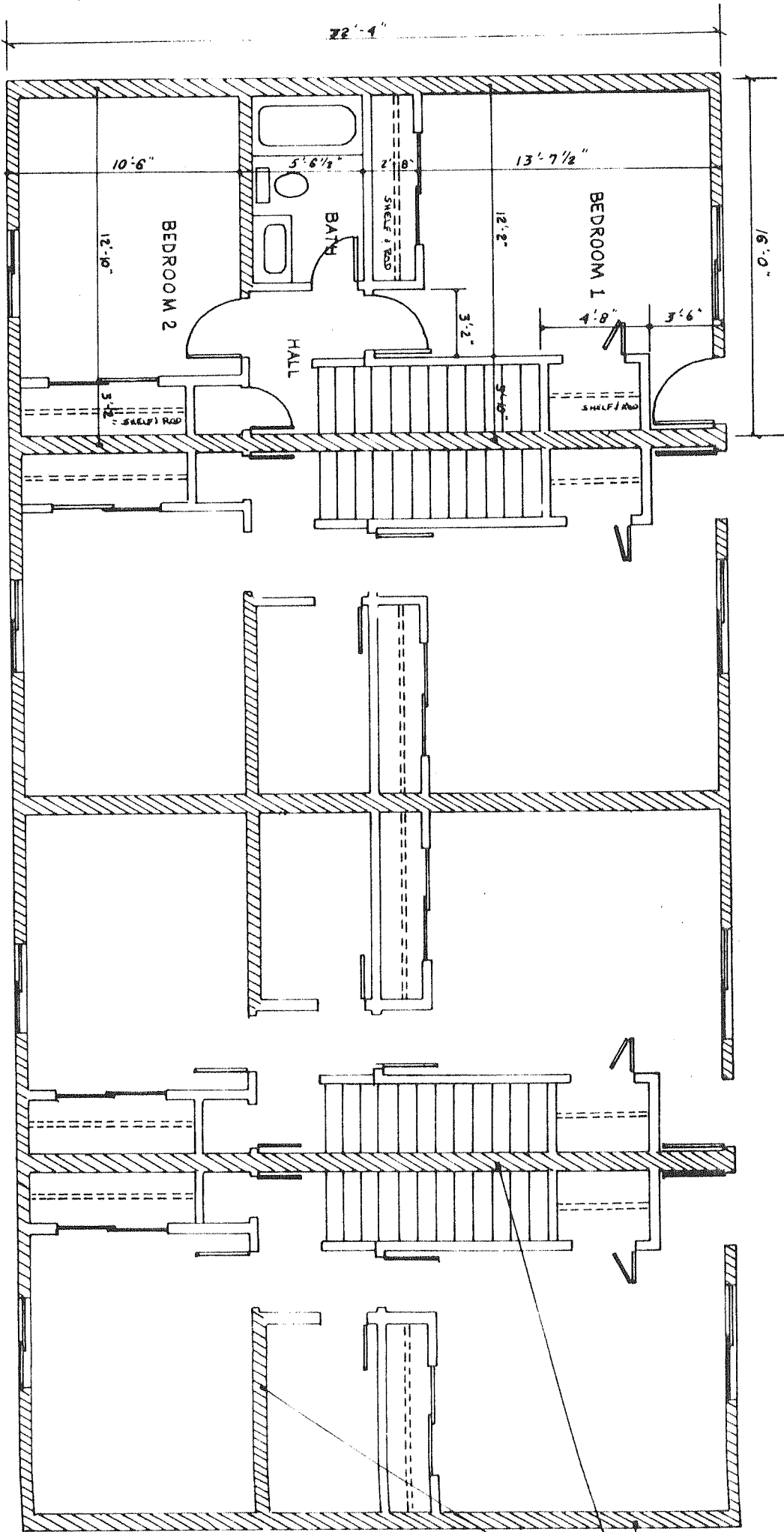
COMMON ELEMENTS  
 BEARING WALLS  
 STRUCTURAL SLABS  
 TELEPHONE & ELECTRICAL CONDUITS  
 MECHANICAL CHASEWAYS

# TYPICAL 1<sup>ST</sup> FLOOR PLAN BLDG. - A - B

1/4" = 1'-0"

2

Exhibit I-B



INDICATES COMMON ELEMENTS DIMENSIONS AND LOCATIONS ARE SUBJECT TO CONSTRUCTION VARIATIONS AND TOLERANCES

COMMON ELEMENTS  
 BEARING WALLS  
 STRUCTURAL STAIRS  
 ELECTRICAL CONDUITS  
 MECHANICAL CHASSEWAYS  
 PLUMBING WALLS

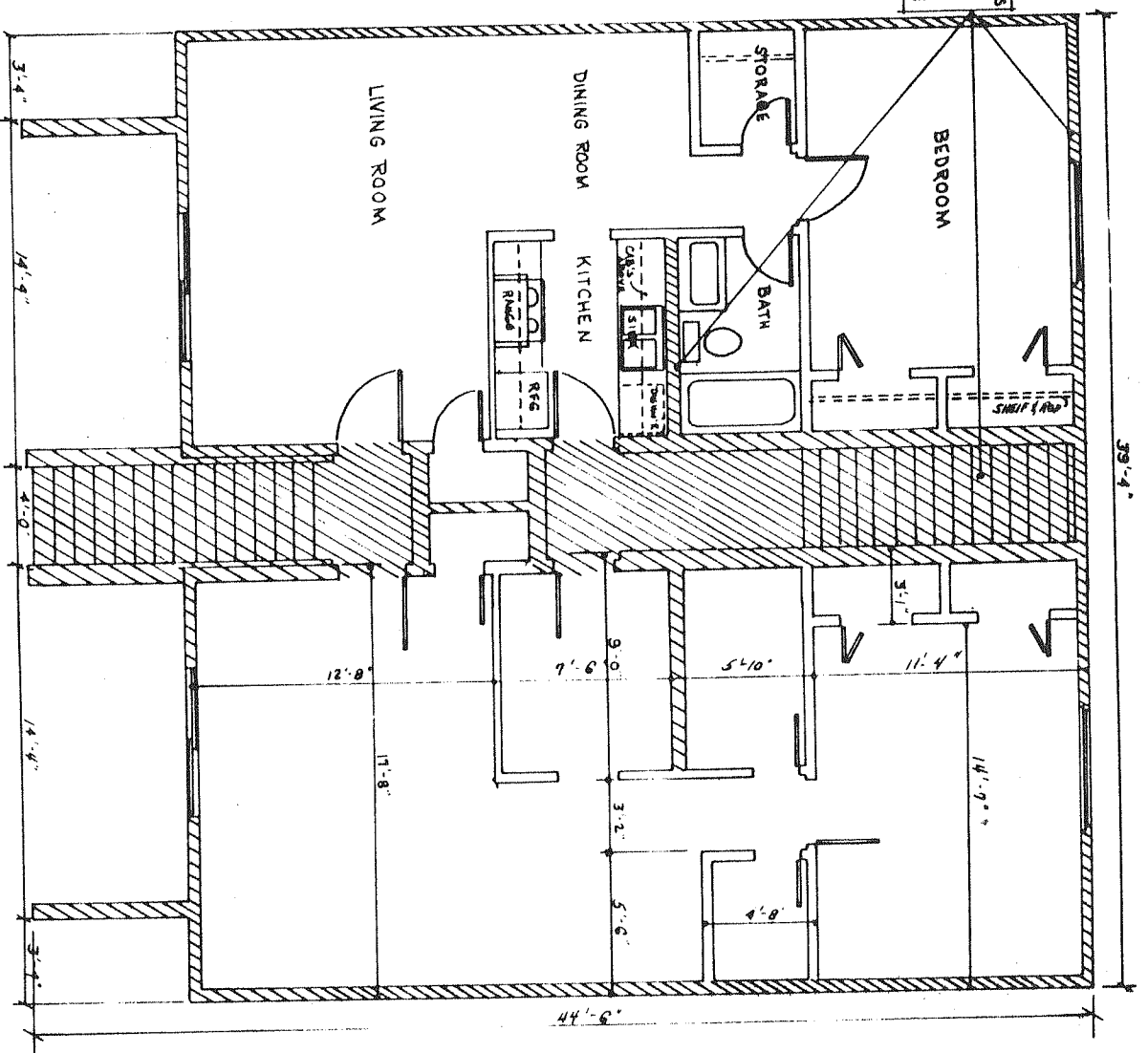
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1/4" = 1'-0"

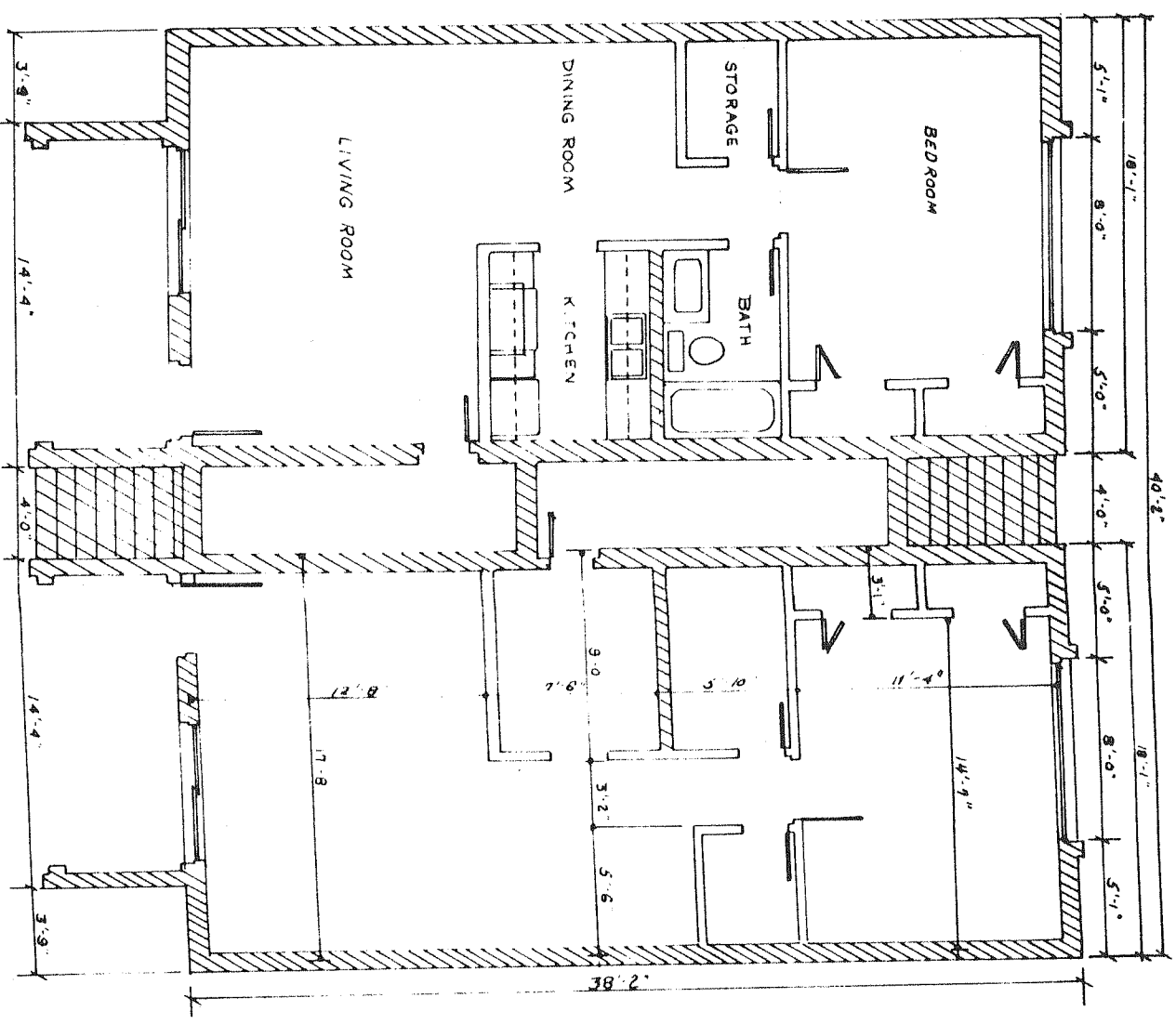
3

EXHIBIT I-B

COMMON ELEMENTS  
 BEARING WALLS  
 STRUCTURAL SLABS  
 PARTITION WALLS  
 TILE & ELECT. CHASES  
 MECHANICAL CHASES



INDICATES COMMON ELEMENTS DIMENSIONS AND LOCATIONS ARE SUBJECT TO CONSTRUCTION VARIATIONS AND TOLERANCES



Typ 2<sup>ND</sup> FLOOR PLAN

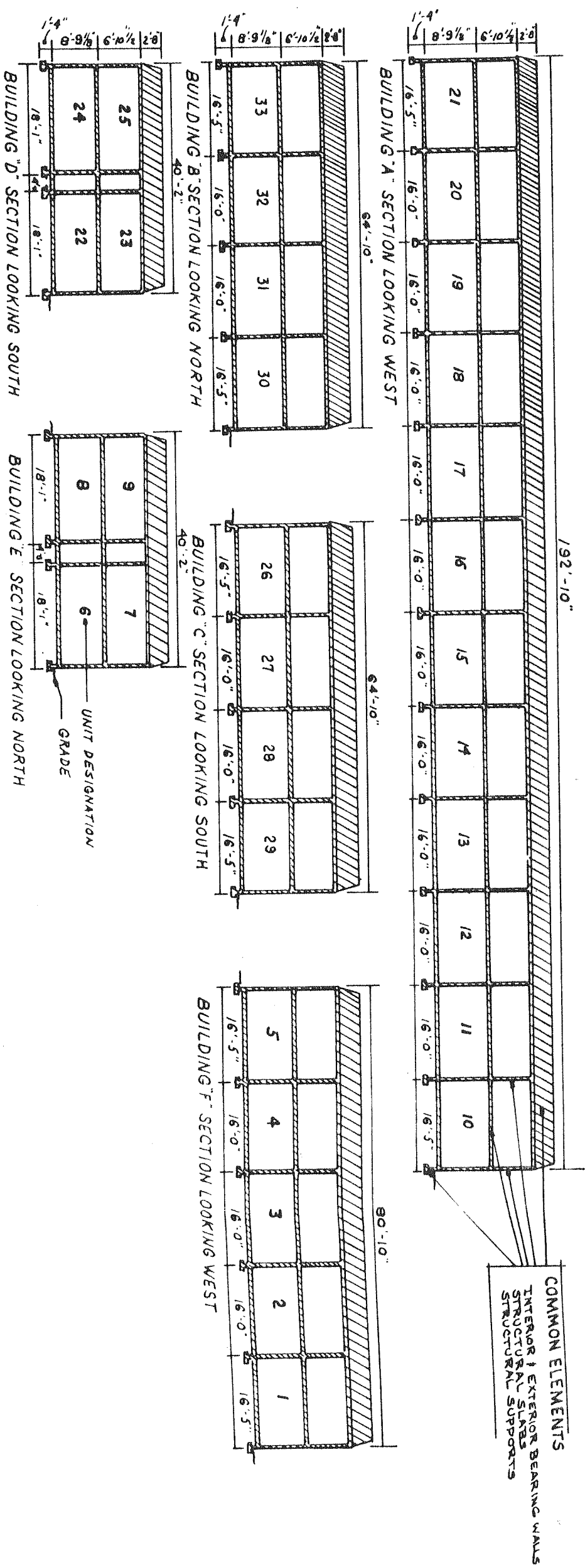
Typ 1<sup>ST</sup> FLOOR PLAN

BLOG E-E

BLOG E-E

4

EXHIBIT I-B

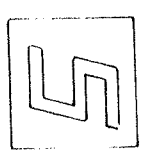


INDICATES COMMON ELEMENTS DIMENSIONS AND LOCATIONS ARE SUBJECT TO CONSTRUCTION VARIATIONS AND TOLERANCES

# BUILDING SECTIONS

1/16" = 1'-0"

EXHIBIT I-B



TEAKWOOD VILLAS ASSOCIATION, INC.

PROJECTED OPERATING BUDGET

EXHIBIT G

	Monthly	Annually
Water	\$150.00	\$1,800.00
Sewage	\$566.00	\$6,799.00
Garbage	\$ 78.00	\$ 936.00
Pool Maintenance	\$ 21.00	\$ 250.00
Electricity	\$200.00	\$2,400.00
Insurance	\$167.00	\$2,000.00
Repair & Maintenance	\$138.00	\$1,655.00
<b>TOTAL</b>	<b>\$1,320.00</b>	<b>\$15,840.00</b>

Type	Number	% (Common Ownership	Fee/Month	Total
1 BR - 1 BA Flat	8	3.0303	\$40.00	\$1,320
1 BR - 1½ BA Townhouse	1	3.0303	\$40.00	\$1,320
2 BR - 1½ BA Townhouse	23	3.0303	\$40.00	\$1,320
3 BR - 1½ BA Townhouse	1	3.0303	\$40.00	\$1,320
<b>Total</b>				<b>\$15,840</b>

SELLER MAY BE IN CONTROL OF THE BOARD OF DIRECTORS OF THE CONDOMINIUM DURING THE PERIOD OF OPERATION FOR WHICH THIS BUDGET HAS BEEN RENDERED.

I. BRIEF DESCRIPTION OF THE TEAKWOOD VILLAS CONDOMINIUM.

A. NAME AND LOCATION. The condominium units offered for sale by this prospectus are known as the Teakwood Villas Condominium. The Teakwood Villas Condominium is located on 1220 Bretta Street in the City of Jacksonville, Duval County, Florida. These units have been submitted to the condominium form of ownership by that certain Declaration of Condominium attached hereto as Exhibit I and will be recorded in the public records of Duval County, Florida. The property on which the condominium is located is more particularly described in Exhibit I-A to this Prospectus.

B. MAXIMUM NUMBER OF UNITS USING FACILITIES IN COMMON. A reference to the Declaration of Condominium (Exhibit I attached hereto) shows that the total number of all condominium units constructed is thirty-three (33). These thirty-three (33) condominium units are contained in six (6) two-story buildings, twenty-five (25) townhouses and eight (8) flats, and will share the common swimming pool and laundry facilities, as shown on the survey and plot plan attached hereto as Exhibit I-B

II. SALE AND LEASING BY SELLER

THE TEAKWOOD VILLAS CONDOMINIUM IS CREATED ON FEE INTERESTS AND EACH CONDOMINIUM UNIT SHALL BE CONVEYED IN FEE SIMPLE TO THE BUYER. THE DECLARATION OF CONDOMINIUM ALLOWS THE SELLER TO LEASE CONDOMINIUM UNITS RATHER THAN SELL THEM

III. DESCRIPTION OF THE TEAKWOOD VILLAS CONDOMINIUM

The Teakwood Villas Condominium buildings, the subject of this prospectus, are shown on the survey and plot plan attached hereto and identified as Buildings (A) through (E) inclusive, each of which buildings and the condominium units contained respectively therein, is the subject of the Declaration of Condominium. The condominium buildings contain the following units:

The table below sets forth (1) the building number and street address of each unit, (2) the type of each unit, and (3) the percentage interest in the common elements, share of common surplus, liability for common expenses, and voting weight which are appurtenant to each of the units, as shown under the column headed "Percentage Interest". The typical floor plans are attached hereto as Exhibit I-B.

<u>Bldg.</u>	<u>Unit #</u>	<u>Street Address</u>	<u>Unit Type</u>	<u>Percentage Interest</u>
A	10	1220 Bretta Street	2BR-1 $\frac{1}{2}$ BA-TH	3.0303
A	11	1220 Bretta Street	2BR-1 $\frac{1}{2}$ BA-TH	3.0303
A	12	1220 Bretta Street	2BR-1 $\frac{1}{2}$ BA-TH	3.0303
A	13	1220 Bretta Street	2BR-1 $\frac{1}{2}$ BA-TH	3.0303
A	14	1220 Bretta Street	3BR-1 $\frac{1}{2}$ BA-TH	3.0303
A	15	1220 Bretta Street	1BR-1 $\frac{1}{2}$ BA-TH	3.0303

<u>Bldg.</u>	<u>Unit #</u>	<u>Street Address</u>	<u>Unit Type</u>	<u>Percentage Interest</u>
A	16	1220 Bretta Street	2BR-1½BA-TH	3.0303
A	17	1220 Bretta Street	2BR-1½BA-TH	3.0303
A	18	1220 Bretta Street	2BR-1½BA-TH	3.0303
A	19	1220 Bretta Street	2BR-1½BA-TH	3.0303
A	20	1220 Bretta Street	2BR-1½BA-TH	3.0303
A	21	1220 Bretta Street	2BR-1½BA-TH	3.0303
B	30	1220 Bretta Street	2BR-1½BA-TH	3.0303
B	31	1220 Bretta Street	2BR-1½BA-TH	3.0303
B	32	1220 Bretta Street	2BR-1½BA-TH	3.0303
B	33	1220 Bretta Street	2BR-1½BA-TH	3.0303
C	26	1220 Bretta Street	2BR-1½BA-TH	3.0303
C	27	1220 Bretta Street	2BR-1½BA-TH	3.0303
C	28	1220 Bretta Street	2BR-1½BA-TH	3.0303
C	29	1220 Bretta Street	2BR-1½BA-TH	3.0303
D	22	1220 Bretta Street	1BR-1 BA-FL	3.0303
D	23	1220 Bretta Street	1BR-1 BA-FL	3.0303
D	24	1220 Bretta Street	1BR-1 BA-FL	3.0303
D	25	1220 Bretta Street	1BR-1 BA-FL	3.0303
E	6	1220 Bretta Street	1BR-1 BA-FL	3.0303
E	7	1220 Bretta Street	1BR-1 BA-FL	3.0303
E	8	1220 Bretta Street	1BR-1 BA-FL	3.0303
E	9	1220 Bretta Street	1BR-1 BA-FL	3.0303
F	1	1220 Bretta Street	2BR-1½BA-TH	3.0303
F	2	1220 Bretta Street	2BR-1½BA-TH	3.0303
F	3	1220 Bretta Street	2BR-1½BA-TH	3.0303
F	4	1220 Bretta Street	2BR-1½BA-TH	3.0303
F	5	1220 Bretta Street	2BR-1½BA-TH	3.0303

Exhibit I-B to this Prospectus is a survey and plot plan of the condominium buildings the subject of this Prospectus and of the common facilities which will serve the units.

The condominium buildings and all of the common facilities the subject of this Prospectus are now complete and will be ready for occupancy and use by August 15, 1978.

#### IV. THE CONDOMINIUM IS CREATED BY CONVERSION.

A. The Teakwood Villas Condominium, subject of this prospectus, is created by conversion of the existing rental apartment complex known as the Teakwood Apartments. The Teakwood Apartments were completed in 1969. The construction is frame and brick veneer.

B. The condition of the roof and the mechanical, electrical, plumbing and structural elements have all been inspected by companies that provide these services in Jacksonville. Attached is Exhibit V with statements of inspection by these contractors showing the condition of the improvements and also Exhibit VI, a statement of a registered architect substantiating the statements of the improvements.

C. There is no termite damage, a copy of the inspection report being certified by a pest control representative, attached hereto as Exhibit VII.



D. There shall pass no warranties or guarantees whatsoever on any real or personal property, including but not limited to appliances, air conditioning, carpet, furniture, fixtures, etc. All equipment to be in working condition and not in need of repairs as of the closing date including but not limited to air conditioner and heating unit, all appliances, electric switch and outlets, all plumbing in bathrooms, kitchen.

V. COMMITTED RECREATION FACILITIES.

All of the condominium buildings hereinabove described, together with the swimming pool and other facilities have been completed and are shown and located on the survey and plot plan attached as Exhibit I-B to this Prospectus. The payment of maintenance and expenses of such recreation facilities is a mandatory condition of the unit ownership and is included in the monthly unit assessment breakdown as shown on the proposed Operating Budget attached hereto as Exhibit I-C. All of the commonly used facilities (i.e. swimming pool) are part of the common areas and each unit owner will own a share of these common areas, which share is listed under the column labelled "Percentage Interest" in the table made part of Section III of this Prospectus. The condominium Association will be responsible for the maintenance and regulation of these areas. The seller has no plans or obligations to provide additional recreational facilities.

The swimming pool is approximately 20 feet in width by 40 feet in length, has a minimum depth of 3 feet and a maximum depth of 8.5 feet, is unheated, has an approximate surface area of 800 square feet and has an approximate capacity of 60 people. The deck surrounding the pool contains approximately (2,350) square feet and has an approximate capacity of 40 people. Located on the pool deck is one umbrella table.

Located immediately east of the swimming pool and adjacent to the pool deck is a laundry facility, 14 feet in width by 24 feet in length. The laundry has three washing machines and two dryers that are under a leasing contract.

VI. CONTROL BY OTHERS THAN UNIT OWNERS.

Article 5, Section 3.2 of the Articles of Incorporation of The Teakwood Villas Condominium Association, Inc., which Articles of Incorporation are Exhibit I-B to this Prospectus, provides the manner in which unit owners other than the Developer may be elected to the Board of Directors of the Association. The manner of such election of the unit owners as set forth in the Articles of Incorporation is as prescribed by the Florida Condominium Act.

THE SELLER HAS THE RIGHT TO RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE UNITS HAS BEEN SOLD. SEE ARTICLE 5 SECTION 5.3, OF THE ARTICLES OF INCORPORATION OF THE TEAKWOOD VILLAS CONDOMINIUM ASSOCIATION, INC., WHICH IS EXHIBIT I-E TO THIS PROSPECTUS.

#### VII. SUMMARY OF USE RESTRICTIONS.

Restrictions concerning the use of the condominium units are found in Article 16 of the Declaration of Condominium (Exhibit I to this Prospectus) Paragraph 4 of the Bylaws, (Exhibit I-D to this Prospectus) provides that the Board of Directors may propose reasonable regulations concerning the use of the condominium property. The rules and regulations adopted by the first Board of Directors are attached hereto as Exhibit III.

Restrictions concerning the use of the condominium units as set forth in the Declaration of Condominium may be summarized as follows:

(a) Each of the condominium units shall be occupied only by an individual, a family, and his or its tenants and guests, as a residence and for no other purpose.

(b) There are general provisions against the alteration in any manner of the exterior surfaces of the condominium buildings without the written consent of at least eighty percent (80%) of all other owners and such lenders as may have title or interest in any unit of the condominium.

(c) The developer reserves certain rights incident to the completion and sale of unsold units in the condominium, including the right to lease or rent unsold units. See Section 6.01 and 6.02 of Article 6 of the Declaration of Condominium (Exhibit I to this Prospectus).

THE SALE, LEASE OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED. SEE ARTICLE 15 OF THE DECLARATION OF CONDOMINIUM, EXHIBIT I TO THIS PROSPECTUS.

#### VIII. UTILITIES AND OTHER SERVICES

The utilities for the condominium and the recreation facilities will be furnished as follows:

Waste Disposal	All-tax Solid Waste Removal
Electricity	Jacksonville Electric Authority
Telephone	Southern Bell Telephone & Telegraph Co.
Water Supply	City of Jacksonville
Sewage	Jacksonville Suburban Utilities Co.

IX. MANAGEMENT, MAINTENANCE & OPERATION OF THE ASSOCIATION AND THE CONDOMINIUM PROPERTY.

There are no contracts for the management of the Association or for the maintenance and operation of the condominium and other property that will serve the unit owners, nor are any intended to be entered into. It is not the intention of the Seller to seek for itself, or any person or entity under its ownership, control or direction, any extended term contracts for the operation, maintenance, or management of the condominium.

The Association will provide personnel for required management, maintenance and operational services, the cost thereof to be a part of the common expenses, as more particularly set forth in the estimated operating budget for the condominium and the Association (Exhibit I-G to this Prospectus).

X. APPORTIONMENT OF COMMON EXPENSES & OWNERSHIP OF COMMON ELEMENTS.

The percentage of ownership of the common elements and the apportionment of common expenses which is set forth in Exhibit I-C to the Declaration of Condominium, and in the last column labelled "Percentage Interest" of the table set forth in Article 3 of this prospectus, has been determined by dividing the number of units in the condominium (33) into 100.

XI. ESTIMATED OPERATING BUDGET

There is attached to this Prospectus as Exhibit I-C an estimated operating budget for the condominium and the Association. That exhibit also shows thereon the estimated monthly and annual expenses of each condominium unit. Excluded from the estimated operating budget are such items of expense that are personal to unit owners or which are not uniformly incurred by all unit owners or which are not provided for nor contemplated by the condominium documents.

SELLER MAY BE IN CONTROL OF THE BOARD OF DIRECTORS OF THE CONDOMINIUM DURING THE PERIOD OF OPERATION FOR WHICH THIS BUDGET HAS BEEN RENDERED.

XII. ESTIMATED CLOSING EXPENSES.

The Deposit Receipt and Purchase and Sale Agreement (which agreement is Exhibit II to this Prospectus) designates which party will pay certain items of closing costs. A title insurance policy is available to the buyer at the seller's expense.

XIII. INFORMATION CONCERNING THE DEVELOPER.

The seller is Teak, Inc., a Florida Corporation.

The seller has employed Rod McIntyre Real Estate and Development Company to act as the Broker and Developer in the conversion of the Teakwood Apartments. The principal operating

individual is Rod McIntyre. The Company has been involved in developing, owning and managing various types of residential and income producing properties. Mr. McIntyre has served as a President of a condominium association for three years.

TABLE OF CONTENTS

PROSPECTUS  
EXHIBIT NO.

I	Declaration of Condominium
I-A	Legal Description (Exhibit A to Declaration of Condominium)
I-B	Survey and Plot Plan & Typical Floor and Building Plans (Exhibit B to Declaration of Condominium)
I-C	Percent of Ownership of Common Elements, Assessment of Common Expenses (Exhibit C to Declaration of Condominium)
I-D	By Laws of Condominium Association (Exhibit D to Declaration of Condominium)
I-E	Articles of Incorporation of Condominium Association (Exhibit E to Declaration of Condominium)
I-F	Certificate of Survey (Exhibit F to Declaration of Condominium)
I-G	Operating Budget (Exhibit G to Declaration of Condominium)
II	Purchase and Sale Agreement
III	Initial Rules and Regulations
IV	Closing Costs
V.	Statement of the Contractors
VI.	Certificate of Architect
VII.	Statement of Pest Control

TEAKWOOD VILLAS, A CONDOMINIUM

EXHIBIT 1-A

LEGAL DESCRIPTION

Lots 4, 5, 6, 7 and 8, Block 11, ARLINGTON HEIGHTS SECOND SUBDIVISION, recorded in Plat Book 5, Page 83, of the current public records of Duval County, Florida, together with Lot 1, Block 1, MONTEREY, UNIT ONE, recorded in Plat Book 25, Pages 27 and 27A, of the current public records of Duval County, Florida together with the undivided interest in the common elements designated in the Condominium Declaration to be appurtenant to such Unit.

Condominium Parcels - 1	18
2	19
3	20
4	21
5	22
6	23
7	24
8	25
9	26
10	27
11	28
12	29
13	30
14	31
15	32
16	33
17	

TEAKWOOD VILLAS, A CONDOMINIUM

EXHIBIT 1-C

PERCENT OF OWNERSHIP OF COMMON ELEMENTS

ASSESSMENT OF COMMON EXPENSES

(1)	3.0303	(12)	3.0303	(23)	3.0303
(2)	3.0303	(13)	3.0303	(24)	3.0303
(3)	3.0303	(14)	3.0303	(25)	3.0303
(4)	3.0303	(15)	3.0303	(26)	3.0303
(5)	3.0303	(16)	3.0303	(27)	3.0303
(6)	3.0303	(17)	3.0303	(28)	3.0303
(7)	3.0303	(18)	3.0303	(29)	3.0303
(8)	3.0303	(19)	3.0303	(30)	3.0303
(9)	3.0303	(20)	3.0303	(31)	3.0303
(10)	3.0303	(21)	3.0303	(32)	3.0303
(11)	3.0303	(22)	3.0303	(33)	3.0303

EXHIBIT I-D

BY-LAWS

OF

TEAKWOOD VILLAS ASSOCIATION, INC.

A Florida Non-Profit Corporation

A Membership Corporation

---

1. Identity. These are the By-Laws of TEAKWOOD VILLAS ASSOCIATION, INC., hereinafter called the "Association", a corporation not for profit under the laws of the State of Florida, organized pursuant to the provisions of Chapter 617 and 718, Florida Statutes, hereinafter referred to as the "Condominium Act", said Condominium being identified by the name of TEAKWOOD VILLAS, hereinafter referred to as the "Condominium".

1.1. The office of the Association shall be at:

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

1.3. The seal of the Association shall bear the name of the corporation, the word "Florida", the words "corporation not for profit", and the year of incorporation.

2. Members' meetings.

2.1. The annual members' meeting shall be held at the office of the corporation at \_\_\_\_ O'Clock, \_\_\_\_ .M., Eastern Standard Time, on the \_\_\_\_\_ in \_\_\_\_\_ of each year for the purpose of electing directors and transacting any other business authorized to be transacted by the members; provided, however, if that day is a legal holiday, the meeting shall be held at the same hour on the next day that is not a holiday.

2.2. Special members' meetings 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 entitled to cast



two-thirds of the votes of the entire membership.

2.3. Notice of all members' meetings stating the time and place and the object for which the meeting is called shall be given by the President or Vice-President or Secretary. Such notice shall be in writing, sent to each member at his address as it appears on the books of the Association and shall be mailed not less than ten (10) nor more than forty-five (45) days prior to the date of the meeting. Additionally, a notice shall be posted at the Recreation Building at least ten (10) days in advance of the meeting date. Notice of meeting may be waived before, at, or after meetings.

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

2.5. Voting.

(a) In any meeting of members, the owners of condominium units shall be entitled to cast as many votes as they have undivided interests in the common elements pursuant to Schedule C of the Declaration of Condominium so that the total number of votes shall equal 100.

(b) If a condominium unit is owned by one person, his right to vote shall be established by the record title to his unit. If any condominium unit is owned by more than one person, the person entitled to cast the vote for the condominium unit shall be designated by a certificate signed by all of the record owners of the condominium unit and filed with the Secretary of the Association. If a condominium unit is owned by a corporation, the natural person entitled to cast the vote for the condominium unit shall be designated by a certificate signed by the President and attested by the Secretary or Assistant Secretary of the corporation and filed with the Secretary of the Association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the condominium unit concerned. A certificate designating the person entitled to cast the vote of a condominium unit may be revoked by any owner of that condominium unit. If such a certificate is not on file, the vote of such owners shall not be considered in determining the requirement for a quorum nor for any other purpose.

2.6. Proxies. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote and shall be valid only for the particular meeting designated in the proxy and must be filed with the Secretary before the appointed time of the meeting or any adjournment of the meeting. No person and his spouse may hold more than three (3) proxies.

2.7. Adjourned meetings. If any meeting of the members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

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

- (a) Calling of the roll and certifying of proxies.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading and disposal of any unapproved minutes.
- (d) Reports of officers.
- (e) Reports of committees.
- (f) Appointment of inspectors of election.
- (g) Election of directors.
- (h) Unfinished business.
- (i) New business.
- (j) Adjournment.

2.9. Proviso. Provided, however, that until the Developer of the condominium has completed all of the contemplated improvements and closed the sales of all of the units of the condominium, or until May 1, 1979, or until the Developer elects to terminate its control of the condominium, whichever shall first occur, the proceedings of all meetings of members of the Association shall have no effect unless approved by the board of directors.

### 3. Directors.

3.1. Membership. The affairs of the Association shall be managed by a board of not less than three nor more than 11 directors, the exact number to be determined at the time of election.

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

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

b. A nominating committee of five (5) members shall be appointed by the board of directors not less than 30 days prior to the annual members' meeting. The committee shall nominate one person for each director then serving. Nominations for additional directorships created at the meeting shall be made from the floor, and other nominations may be made from the floor.

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

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

e. Any director may be removed by concurrence of two-thirds of the votes of the entire membership at a special meeting of the members called for that purpose. The vacancy in the board of directors so created shall be filled by the members of the Association at the same meeting.

f. Provided, however, that until the Developer of the condominium has completed all of the contemplated improvements and closed the sales of all of the units of the condominium, or until May 1, 1979, or until Developer elects to terminate its control of the condominium, whichever shall first occur, the first directors of the Association shall serve, and in the event of vacancies the remaining directors shall fill the vacancies, and if there are no remaining directors the vacancies shall be filled by the Developer.

3.3. The term of each director's service shall extend until the next annual meeting of the members and subsequently until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

3.4. The organization meeting of a newly-elected board of directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the directors at the meeting at which they were elected, and no further notice of the organization meeting shall be necessary.

3.5. Regular meetings of the board of directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director, personally or by mail, telephone or telegraph, at least three days prior to the day named for such meeting.

3.6. Special meetings of the directors may be called by the President and must be called by the Secretary at the written request of one-third of the directors. Not less than three days' notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

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

3.8. A quorum at directors' meeting shall consist of a majority of the entire board of directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the board of directors, except when approval by a greater number of directors is required by the Declaration of Condominium, the Articles of Incorporation or these Bylaws.

3.9. Adjourned meetings. If at any meeting of the board of directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business that might have been transacted at the meeting as originally called may be transacted without further notice.

3.10. Joinder in meeting by approval of minutes. The joinder of a director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of such director of the purpose of determining a quorum.

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

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

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

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

4. Powers and duties of the Board of Directors. All of the powers and duties of the Association existing under the Condominium Act, Declaration of Condominium, Articles of Incorporation and these Bylaws shall be exercised exclusively by the board of directors, its agents, contractors or employees, subject only to approval by unit owners when such is specifically required.

5. Officers.

5.1. The executive officers of the Association shall be a President, who shall be a director, a Vice President, who shall be a director, a Treasurer, a Secretary and an Assistant Secretary, all of whom shall be elected annually by the board of directors and who may be peremptorily removed by vote of the directors at any meeting. Any person may hold two or more offices except that the President shall not be also the Secretary or an Assistant Secretary. The board of directors from time to time shall elect such other officers and designate their powers and duties as the board shall find to be required to manage the affairs of the Association.

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

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

5.4. The Secretary shall keep the minutes of all proceedings of the directors and the members. He shall attend to the giving and serving of all notices to the members and directors and other notices required by law. He shall have custody of the seal of the Association and affix it 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 an association and as may be required by the directors or the President. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

5.5. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. 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.

5.6. The compensation of all officers and employees of the Association shall be fixed by the directors. The provision that directors' fees shall be determined by members shall not preclude the Board of Directors from employing a director as an employee of the Association nor preclude the contracting with a director for the management of the condominium.

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

6.1. Accounts. The receipts and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses:

a. Current expense, which shall include all receipts and expenditures within the year for which the budget is made including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, to additional improvements or to operations. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expense for the succeeding year.

b. Reserve for deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually.

c. Reserve for replacement, which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.

d. Betterments, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the common elements, the amount for which shall not exceed \$ 100.00 , provided, however, that in the expenditure of this fund no sum in excess of \$ 5,000.00 shall be expended for a single item or purpose without approval of the members of the Association.

e. Operations, the amount of which may be to provide a working fund or to meet losses.

f. Provided, however, that the amount for each budgeted item may be increased over the foregoing limitations when approved by unit owners entitled to cast not less than 75% of the votes of the entire membership of the Association; and further provided, however, that until the Developer of the condominium has completed all of the contemplated improvements and closed the sales of all units of the condominium, or until May 1 , 19 79 , or until Developer elects to terminate its control of the condominium, whichever shall first occur, the board of directors may omit from the budget all allowances for contingencies and reserves.

g. Copies of the budget and proposed assessments shall be transmitted to each member on or before December 1 preceding the year for which the budget is made. If the budget is amended subsequently, a copy of the amended budget shall be furnished to each member.

6.3. Assessments. Assessments against the unit owners for their shares of the items of the budget shall be made for the calendar year annually in advance on or before December 20 preceding the year for which the assessments are made. Such assessments shall be due in two equal installments on the first days of January and July of the year for which the assessments are made. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment and semi-annual installments on such assessment shall be due upon each installment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the board of directors if the accounts of the amended budget do not exceed the limitations for that year. Any account that does exceed such limitation shall be subject to the approval of the membership of the Association as previously required in these Bylaws. The unpaid assessment for the remaining portion of the calendar year for which the amended assessment is made shall be due upon the date of the assessment if made on or after July 1; and if made prior to July 1, one-half of the increase shall be due upon the date of the assessment and the balance of the assessment upon the next July 1. The first assessment shall be determined by the board of directors of the Association.

6.4. Acceleration of assessment installments upon default. If a unit owner shall be in default in the payment of an installment upon an assessment, the board of directors may accelerate the remaining installments of the assessment upon notice to the apartment owner, and then the unpaid balance of the assessment shall come due upon the date stated in the notice, but not less than ten (10) days after delivery of the notice to the apartment owner, or not less than twenty(20) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur.

6.5. Assessments for emergencies. Assessments for common expenses of emergencies that cannot be paid from the annual assessments for common expenses shall be made only after notice of the need for such is given to the unit owners concerned. After such notice and upon approval in writing by persons entitled to cast more than one-half of the votes of the unit owners concerned, the assessment shall become effective, and it shall be due after 30 days' notice in such manner as the board of directors of the Association may require in the notice of assessment.

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

6.7. An audit of the accounts of the Association shall be made annually by a certified public accountant, and a copy of the audit report shall be furnished to each member not later than April 1 of the year following the year for which the audit is made.

6.8. Fidelity bonds shall be required by the board of directors from all persons handling or responsible for Association funds. The amount of such bonds shall be determined by the directors, but shall be not less than one-half of the amount of the total annual assessments against members for common expenses. The premiums on such bonds shall be paid by the Association.

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

8. Amendments. These Bylaws may be amended in the following manner:

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

8.2. A resolution adopting a proposed amendment may be proposed by either the board of directors of the Association or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be either by:

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

b. by not less than 80% of the votes of the entire membership of the Association; or

c. until the first election of directors, by all of the directors.

The foregoing were adopted as the Bylaws of Teakwood Villas Association, Inc., a corporation not for profit under the laws of the State of Florida, at the first meeting of the Board of Directors on \_\_\_\_\_, 19\_\_\_\_.

Approved:

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary



EXHIBIT I-E

ARTICLES OF INCORPORATION  
OF  
TEAKWOOD VILLAS ASSOCIATION, INC.

In order to form a non-profit corporation under and in accordance with Florida Statutes, the undersigned associate themselves for the purpose and with the powers hereinafter mentioned:

ARTICLE I

NAME

The name of the corporation shall be:

TEAKWOOD VILLAS ASSOCIATION, INC.

(hereinafter referred to as "Association.")

ARTICLE II

PURPOSE

The purpose of this corporation is the operation and management of a condominium known as TEAKWOOD VILLAS (hereinafter referred to as the "Condominium"), as the same may now or hereafter be constituted, and to undertake the performance of, and to carry out the acts and duties incident to the administration of the operation and management of said condominium in accordance with the terms, provisions and authorizations contained herein and the Declaration of Condominium which will be recorded among the Public Records of Duval County, Florida; and to own, operate, lease, sell, trade and otherwise deal with such property, whether real or personal, as may be necessary or convenient in the administration of said condominium.

ARTICLE III

POWERS

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

3.1. The Association shall have all of the common-law and statutory powers of a corporation not for profit not in conflict with the terms of these Articles.

3.2. The Association shall have all of the powers and duties set forth in the Condominium Act except as limited by these Articles and the Declaration of Condominium, and all of the powers and duties reasonably necessary to operate the condominium pursuant to the Declaration and as it may be amended from time to time, including but not limited to the following:

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

b. To use the proceeds of assessments in the exercise of its powers and duties.

c. The maintenance, repair, replacement and operation of the condominium property.

d. The purchase of insurance upon the condominium property and insurance for the protection of the Association and its members as unit owners.

e. The reconstruction of improvements after casualty and the further improvement of the property.

f. To make and amend reasonable regulations respecting the use of the property in the condominium, provided, however, that all such regulations and their amendments shall be approved by not less than 75% of the votes of the entire membership of the Association before such shall become effective.

g. To approve or disapprove the transfer, mortgage and ownership of units as may be provided by the Declaration of Condominium and the Bylaws.

h. To enforce by legal means the provisions of the Condominium Act, the Declaration of Condominium, these Articles, the Bylaws of the Association and the Regulations for the use of the property in the condominium.

i. To contract for the management of the condominium and to delegate to such contractor all powers and duties of the Association except such as are specifically required by the Declaration of Condominium to have approval of the Board of Directors or the membership of the Association.

j. To contract for the management or operation of portions of the common elements susceptible to separate management or operation, and to lease such portions.

k. To employ personnel to perform the services required for proper operation of the condominium.

3.3. The Association shall not have the power to purchase an apartment of the condominium except at sales in foreclosure of liens for assessments for common expenses, at which sales the Association shall bid no more than the amount secured by its lien. This provision shall not be changed without unanimous approval of the members and the joinder of all record owners of mortgages upon the condominium.

3.4. All funds and the titles of all properties acquired by the Association and their proceeds shall be held in trust for the members in accordance with the provisions of the Declaration of Condominium, these Articles of Incorporation and the Bylaws.

3.5. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declaration of Condominium and the Bylaws.

ARTICLE IV

MEMBERS

4.1. The members of the Association shall consist of all of the record owners of units in the condominium; and after termination of the condominium shall consist of those who are members at the time of such termination and their successors and assigns.

4.2. After receiving approval of the Association required by the Declaration of Condominium, change of membership in the Association shall be established by recording in the public records of Duval County, Florida, a deed or other instrument establishing a record title to an apartment in the condominium and the delivery to the Association of a certified copy of such instrument. The owner designated by such instrument thus becomes a member of the Association and the membership of the prior owner is terminated.

4.3. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his unit.

4.4. The owner of each unit shall be entitled to at least one vote as a member of the Association. The exact number of votes to be cast by owners of a unit and the manner of exercising voting rights shall be determined by the Bylaws of the Association.

ARTICLE V

DIRECTORS

5.1. The affairs of the Association will be managed by a board consisting of the number of directors determined by the Bylaws, but not less than three directors, and in the absence of such determination shall consist of three directors. Directors need not be members of the Association.

5.2. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by the Bylaws. Directors may be removed and vacancies on the board of directors shall be filled in the manner provided by the Bylaws.

5.3. The first election of directors shall not be held until after the developer has closed the sales of all of the units of the condominium, or until developer elects to terminate its control of the condominium, or until after May 1, 19 79, whichever occurs first. The directors named in these Articles shall serve until the first election of directors, and any vacancies in their number occurring before the first election shall be filled by the remaining directors.

5.4. The names and addresses of the members of the first board of directors who shall hold office until their successors are elected and have qualified or until removed are as follows:

ARTICLE VI

OFFICERS

The affairs of the Association shall be administered by the officers designated in the Bylaws. The officers shall be elected by the board of directors at its first meeting following the annual meeting of the members of the Association and shall serve at the pleasure of the board of directors. The names and addresses of the officers who shall serve until their successors are designated by the board of directors are as follows:

President:

Vice President and Assistant Secretary:

Secretary-Treasurer:

ARTICLE VII

INDEMNIFICATION

Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding or any settlement of 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 when the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification shall apply only when the board of directors approves such settlement and reimbursement as being for 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.

ARTICLE VIII

BYLAWS

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

ARTICLE IX

AMENDMENTS

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

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

9.2. A resolution for the adoption of a proposed amendment may be proposed either by the board of directors or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the secretary at or prior to the meeting. Except as elsewhere provided:

a. such approvals must be by not less than 75% of the entire membership of the board of directors and by not less than 75% of the votes of the entire membership of the Association; or

b. by not less than 80% of the votes of the entire membership of the Association.

9.3. Provided, however, that no amendment shall make any changes in the qualifications for membership nor the voting rights of members, nor any change in Section 3.3 of Article 3, without approval in writing by all members and the joinder of all record owners of mortgages upon the condominium. No amendment shall be made that is in conflict with the Condominium Act or the Declaration of Condominium.

9.4. A copy of each amendment shall be certified by the Secretary of State and be recorded in the public records of Duval County, Florida.

ARTICLE X

TERM

The term of the association shall be perpetual.

ARTICLE XI

SUBSCRIBERS

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

IN WITNESS WHEREOF, the subscribers have affixed their signatures this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF DUVAL

Before me, the undersigned authority, personally appeared

\_\_\_\_\_  
\_\_\_\_\_

and \_\_\_\_\_,  
who, after being duly sworn, acknowledged that they executed the foregoing Articles of Incorporation for the purposes expressed in such Articles, this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_.

\_\_\_\_\_  
Notary Public  
My commission expires: