

OFFERING CIRCULAR
FOR

PARK PLACE OF BAL HARBOUR, A CONDOMINIUM

THIS OFFERING CIRCULAR CONTAINS IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING A CONDOMINIUM UNIT.

THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS, AND SALES MATERIALS.

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. REFER TO THIS OFFERING CIRCULAR AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.

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OFFERING CIRCULAR

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EXHIBITS TO OFFERING CIRCULAR

1. Declaration of Condominium of Park Place of Bal Harbour, a Condominium.

Exhibits to Declaration

- A. Legal Description of Condominium Property
 - B. Survey, Plot Plan, and Graphic Description of Improvements
 - C. Articles of Incorporation
 - D. Bylaws
2. Rules and Regulations
 3. Estimated Operating Budget (including schedule of unit owner expenses) for Condominium Association
 4. Form of Condominium Purchase Agreement
 5. Escrow Agreement
 6. Floor Plans
 7. Management Agreement
 8. Receipt for Condominium Documents

SUMMARY

- I. THE CONDOMINIUM WILL BE CREATED AND UNITS WILL BE SOLD AS FEE SIMPLE INTERESTS.
- II. THERE IS TO BE A CONTRACT FOR THE MANAGEMENT OF THE CONDOMINIUM PROPERTY WITH COMMODORE REALTY, INC. THE MANAGER IS AN AFFILIATE OF THE DEVELOPER.
- III. THE UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.
- IV. THE SALE, LEASE, OR TRANSFER OF UNITS IS NOT RESTRICTED OR CONTROLLED.
- V. THE DEVELOPER HAS THE RIGHT TO RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD.

OFFERING CIRCULAR

-for-

PARK PLACE OF BAL HARBOUR, A CONDOMINIUM

I. DESCRIPTION OF THE CONDOMINIUM.

A. The name of the condominium described herein is Park Place of Bal Harbour, a Condominium ("Condominium"). The Condominium is located at 90 Park Drive, Bal Harbour, Dade County, Florida. The Condominium is situated upon certain real property, the legal description of which is attached as Exhibit "A" to the Declaration of Condominium ("Declaration") of the Condominium which is attached to this Offering Circular as Exhibit "1".

B. Max D. Puyanic, as Trustee (the "Developer") is the owner of the unsold Units in the Condominium which are being offered for sale pursuant to this Offering Circular. The Condominium is a residential condominium containing one building, two stories in height, with six Units. All Units contain two bedrooms and two bathrooms. Floor plans of said Units are attached as Exhibit "6" to this Offering Circular. Dimensions set forth in said floor plans, however, are approximations only. The actual plans and specifications of the Condominium are available for inspection at the Developer's sales office upon request.

C. The Condominium contains a total of six Units.

D. The survey, plot plan, and graphic description of the Condominium, showing the location of the condominium building, is attached as Exhibit "B" to the Declaration, Exhibit 1 to this Offering Circular. The plans and specifications as originally prepared for all improvements are on file in Bal Harbour, Dade County, Florida, and may differ from the plans and specifications for said improvements that are on file with the Developer. Purchasers should only rely on said plans and specifications on file with the Developer. Purchasers should further be advised that there may be variations between the configuration of said improvements as set forth in the graphic description and survey and plot plan, or plans and specifications, and the improvements as actually constructed. However, said variations, if any, shall not adversely affect a Unit owner's percentage share in the common elements of the Condominium or any common surplus of the Condominium Association.

E. The building is complete.

II. SALE.

THE CONDOMINIUM WILL BE CREATED AND UNITS WILL BE SOLD AS FEE SIMPLE INTERESTS.

Title will be conveyed to Unit purchasers by Special Warranty Deed. Time-share estates will not be created with respect to any Unit in the Condominium.

III. RECREATIONAL AND OTHER COMMONLY USED FACILITIES.

The Condominium contains recreational and other commonly used facilities described below that shall be used only by owners of the Units in the Condominium. There are no recreational and other commonly used facilities that will be used in common with other condominiums, community associations or planned developments. The recreational and other facilities located on the Condominium Property shall be available to only the owners of Units in the Condominium, as well as family members, tenants and guests. The recreational facilities include an oval shaped, unheated swimming pool, approximately 15' x 20' for use by approximately ten people; a pool deck approximately 532 square feet for use by approximately 40 to 60 people; and two lounge chairs, eight regular chairs and five end tables. All locations, areas, capacities, numbers, amounts and sizes set forth above are approximations.

IV. SALE - LEASE.

As of July 1, 1992, Developer has five of the six Units under lease. The Developer's plan does not presently include a program of leasing Units in addition to selling them, or of leasing Units and selling them subject to such lease. In the event the Developer's present intent with respect to a "plan" or "program" of leasing changes, such plan or program will be disclosed as required by law. However, since random or isolated rentals may be created without a "plan" or "program" being in existence, purchasers are advised to inquire of Developer if any rentals exist in the Condominium at the time purchasers enter into contracts.

THE UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.

V. MANAGEMENT.

THERE IS TO BE A CONTRACT FOR THE MANAGEMENT OF THE CONDOMINIUM PROPERTY WITH COMMODORE REALTY, INC. THE MANAGER IS AN AFFILIATE OF THE DEVELOPER.

Please refer to the Condominium Management Agreement ("Condominium Management Agreement") attached as Exhibit "7" to this Offering Circular. The term of the Condominium Management Agreement shall be one year and is with Commodore Realty, Inc. ("Manager"). The Manager is paid a fee of \$200.00 monthly or

\$2,400.00 annually. For such compensation, the Manager shall hire employees, maintain the common elements, collect assessments, maintain records, arrange for the supply of all necessary services, assist the Association in supervising use of the Commons Elements prepare and submit annually to the Association a recommended operating budget, and perform other services more specifically set forth in the Management Agreement. The Manager is an affiliate of the Developer. The Developer reserves the right at any time prior to the execution of the Management Agreement, to name a new managing agent (which may be owned or controlled by the Developer) to replace Commodore Realty, Inc. as the Manager under the Condominium Management Agreement. The Association (Developer, if Developer is in control of the Association through its designees) reserves the right at any time after the commencement of the Condominium Management Agreement, to cancel the Condominium Management Agreement in accordance with its terms and name a new managing agent which may be owned or controlled by the Developer to replace the prior managing agent as the Manager under the Condominium Management Agreement.

There are currently no maintenance or service contracts having a non-cancelable term in excess of one year. The Association and Manager are empowered, however, at any time and from time to time, to enter into such maintenance and/or service contracts for valuable consideration and upon such terms and conditions as the Board of Directors of the Association shall approve without the consent of the Unit Owners. Such maintenance and/or service contracts may be subject to cancellation by the Association and by the unit Owners directly in accordance with Section 718.302, Florida Statutes.

VI. RESTRICTIONS.

A. Article 9.E.(6) of the Declaration authorizes the Association to adopt reasonable rules and regulations for the maintenance and conservation of the Condominium Property, and for the health, comfort, safety and welfare of the Unit Owners, all of whom shall be subject to such rules and regulations.

B. Article 11.D. of the Declaration provides that no fence, wall, gate or other structure, addition or improvement may be erected, installed, maintained or removed on the Condominium Property without the prior written consent of the Board of Administration of the Association.

C. Article 20.C. of the Declaration provides that no lease shall be for a period of less than six months.

D. The following is a summary of the more significant rules and regulations that have been adopted by the Board of Administration of the Association. For a complete text of all rules and regulations of the Association, please refer to exhibit

"2" to this Offering Circular. Parentheticals indicate the pages of the rules and regulations on which each of the following items appear:

The common elements shall be kept free and clear of rubbish, debris, and other unsightly material. (p.1) No antenna or aerial may be erected or installed on the roof or exterior walls of the Condominium Building without the written consent of the Board of Directors of the Association. (p. 2) In order to maintain an attractive appearance, no sign, advertisement, notice or other lettering shall be exhibited, displayed, inscribed, painted or affixed, in, on or upon any part of the Condominium Property without the written consent of the Board. (p. 2) Household pets will be allowed within the Condominium Property subject to size and certain other restrictions. (p. 3) No fences may be erected. (p. 3) No vehicles other than automobiles shall be permitted to park within the Condominium Property or Association Property, except for the purpose of making deliveries or providing repair services to a Unit. (p. 2) No vehicle which cannot operate on its own power shall remain within the Condominium Property or Association Property for more than twenty-four (24) hours. (p. 2) No vehicle shall be repaired within the Condominium Property or Association Property, except in emergencies. (p. 2)

VII. UTILITIES.

The following utility and other services will be supplied to the Condominium:

- A. Water supply and sewage disposal: Bal Harbour.
- B. Telephone Service: Southern Bell Telephone and Telegraph Company.
- C. Electrical Power: Florida Power & Light Company.
- D. Waste Disposal: Bal Harbour.
- E. Storm Drainage: Bal Harbour.
- F. Trash Disposal: Bal Harbour.
- G. Cable Television Service: Gold Coast Cable

VIII. APPORTIONMENT.

The responsibility for payment of common expenses and the shares of ownership in the common elements and common surplus of the Condominium are apportioned among individual Unit Owners based

upon the total square footage of each Unit in uniform relationship to the total square footage of each other Unit in the Condominium.

IX. BUDGET.

An estimated operating budget for the Condominium Association, and a schedule of Unit Owners' expenses are attached to this Offering Circular as Exhibit "3".

X. CLOSING EXPENSES.

The following is a schedule of estimated closing expenses to be paid by a purchaser of an individual Unit at the Condominium at or before closing:

- A. Condominium Association assessments against the Unit for common expenses prorated from the date of closing to the first day of the next succeeding assessment period, unless closing falls within fifteen (15) days of the next assessment period, in which case assessments for the remainder of the current period, plus all of the next period may be assessed.
- B. If a purchaser is utilizing mortgage financing in the acquisition of his Unit, he will be required by the mortgage lender to pay loan fees, closing costs of the mortgage loan and prepaid costs to the mortgage lender. These costs are determined in the sole discretion of the mortgage lender and the Developer has no means of ascertaining their amount.
- C. Attorney's fees for any attorney retained by the purchaser.
- D. A sum equal to one and one-half percent of the purchase price of the Unit, out of which the Developer will pay the documentary stamps to be affixed to and the recording of the statutory warranty deed and the cost of an owner's title insurance policy which will be available following closing.
- E. A sum equal to two months' assessments for common expenses of the Unit to the Condominium Association for the purpose of establishing working capital funds.
- F. Any utility connection fees paid by the Developer in order to obtain electrical or other service to the Unit.
- G. Real estate taxes and other expenses of the Unit shall be prorated as of the closing date. The Developer shall be responsible for that portion of the taxes from January 1 of the year of closing through the day prior to the closing date. The purchaser shall be responsible for that portion of the taxes from the closing date through December 31 of the year of closing. If

the current year's final tax bill is not available on the closing date, no proration shall be made until the final bill is available. When such final bill is available, the Developer shall pay to the purchaser the Developer's share of taxes for the year of closing.

H. Pending liens for any public improvements and all additional costs imposed by changes adopted by any governmental authority.

XI. DEVELOPER.

The Condominium is a development of Max D. Puyanik, as Trustee. Mr. Puyanik is responsible for directing the creation and sale of the Units. Mr. Puyanik has been active in the business of developing residential and commercial real estate for more than 15 years in Florida.

XII. PURCHASE AGREEMENT.

A specimen form of the agreement for the sale of a Unit in the Condominium is attached as Exhibit "4" to this Offering Circular, together with a copy of the agreement providing for the escrow of payments made to the Developer prior to closing, which is attached as Exhibit "5" to this Offering Circular.

XIII. CONTROL.

THE DEVELOPER HAS THE RIGHT TO RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD.

Please refer to the Bylaws of the Association, Exhibit "D" to the Declaration, attached to this Offering Circular, as Exhibit "1", for provisions relating to the transfer of control of the Association to individual Unit Owners.

XIV. RECEIPT.

Prospective purchasers will acknowledge receipt of all required condominium documents by executing a receipt for condominium documents. A copy of said receipt is attached as Exhibit 8" to this Offering Circular.

XV. CONDOMINIUM CREATED BY CONVERSION OF EXISTING IMPROVEMENTS.

This Condominium is created by the conversion of existing improvements.

(a) Date and type of construction: The construction of the condominium building was completed on or about March, 1956. The building foundation is comprised of grade beams on piling. Exterior walls are stuccoed concrete block. Floor slabs are

concrete; first floor is a concrete slab over crawl space; second floor is WD joists with plywood sheathing. The roof consists of wood trusses with 1 x 6 WD decking or equivalent plywood.

(b) Prior Use. The improvements have been previously used as a residential rental apartment building.

(c) Termite Damage or Infestation. The building was inspected for termite infestation and/or damage on June 12, 1992, by Vero Pest Control Co., and found to be free of any infestation of live termites or any other wood destroying insects.

(d) Condition of Components. Paul Pergakis Architect, Inc., AIA, examined and inspected the building and its components. He found the following:

(i) The roof of the building is in good to excellent condition.

(ii) The structural elements are in excellent condition.

(iii) The fireproofing and fire protection systems suggest a fire-safe building.

(iv) There are no elevators.

(v) The heating and cooling systems are central type with heat strips. The components are in excellent condition and in working order.

(vi) All segments of the plumbing, sanitary and water distribution system are in excellent functional condition.

(vii) All components of the electrical system are in excellent condition.

(viii) The swimming pool is in excellent condition.

(ix) There are no seawalls.

(x) The pavement and parking areas are in good to excellent condition.

(xi) There is no drainage system; the site run-off water is surface conducted to landscaped areas.

XVI. DEVELOPER WARRANTY.

The Developer has elected not to fund converter reserve accounts and instead grants to the purchaser, in accordance with the requirements of Florida Statutes Sec.718.618(7), an implied warranty of fitness and merchantability for the purposes or uses

intended, as to the roof and structural components of the improvements; as to fireproofing and fire protection systems; and as to mechanical, electrical and plumbing elements serving the improvements, except mechanical elements serving only one unit. The warranty shall be for a period beginning with the notice of intended conversion and continuing for three years thereafter, or one year after owners other than the Developer obtain control of the Association, whichever occurs last, but in no event more than five years. Developer's warranty is conditioned upon routine maintenance being performed, unless the maintenance is an obligation of the Developer or a Developer-controlled association. There are no express warranties of the Developer unless they are in writing.

XVII. FURTHER DISCLOSURE.

Prospective purchasers are advised that the Developer has reserved the right to utilize unsold Units for sales and marketing purposes, and certain unsold Units may be used as model units and a sales office.

XVIII. EASEMENTS.

There will be located within the common elements of the Condominium customary and usual easements for ingress and egress and utilities such as water, sewer, drainage, electricity, telephone and cable television.

XIX. GENERAL.

The foregoing is not intended to present a complete summary of all of the provisions of the various documents referred to herein, but does contain a fair summary of certain provisions of said documents. Statements made as to the provisions of such documents are qualified in all respects by the content of such documents. All statements and representations contained in the sales literature and brochures, including but not limited to a visual presentation, if any, are subject to the terms and provisions of this Offering Circular and exhibits thereto.

SCHEDULE 1

-to-

OFFERING CIRCULAR

BUILDING INSPECTION REPORT

PAUL PERGAKIS

ARCHITECT INC 41A

7870
MONTGOMERY DR
MIAMI FL 33156

(305) 255-2355

July 9, 1992

Mr. Max D. Puyanico, as Trustee
90 Park Drive
Village of Bal Harbour, Florida

I visually inspected the above-referenced apartment building on two separate occasions. The original inspection was made on July 18, 1990. An assessment of the building's condition was made at that time. Certain items noted in that report were specifically reinspected on June 17, 1992 resulting in this report. This report was prepared by me and represents the most current assessment of the premises.

All systems were operated by me and found in excellent operating condition. From all appearances, the Park Drive Apartments have been historically well maintained. Refurbishments, when they have occurred, have been executed in consistent fashion.

The building foundation is comprised of grade beams on piling; no evidence of settlement or displacement exists, and there is no reason to expect any to occur barring radical geological change. I have examined prints taken from the original construction documents and compared them to existing conditions. I also have examined records held in the files at the Village of Bal Harbour.

In accordance with Section 718.616 of the Florida Condominium Act "Disclosure of Condition of Building and Estimate Replacement Costs," I offer the following observations:

a. The date and type of construction:

Original drawings dated April 30, 1955
Carlos B. Schoeppl (Architect of Record)

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Permit date: April 30, 1955
Date of Completion: No official record for a date of occupancy is held by the Village of Bal Harbour. With a commencement of construct noted as April 1955, it is reasonable to assume that earliest completion is probably March 1956.

b. Prior use:

The original intended use was as apartment building. The building continues in that use until present day proposed conversion.

c. Termite damage or infestation:

No evidence of recent termite activity was observed. Refer to attached termite inspection by certified pest control operator.

d. Disclosure of condition, etc.:

1) Roof: The roof consists of wood trusses (site fabricated) at 2'-0" O.C. with 1x6 WD decking or equivalent plywood; tin tagged 30# felt; hot mopped with cement (flat type) tile.

1.1 The existing roof (moisture protection) was observed to have been recently serviced and historically well maintained.

1.2 Fascia: The fascia appears to be in excellent condition; no evidence of mildew or wood rot; drip, uniform and in good to excellent condition.

1.3 Soffit and Eaves Vent: The soffit area also appears to be in excellent condition with no evidence of decay; vent is continuous; screen in good to excellent condition.

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- 1.4 Insulation: Insulation was not observed by me on either visitation (roof access not found). Since the structure was built in the mid 50's insulation would not have been called for originally. Any subsequent installation would have added R.19, not much more. By today's standards R.30 would be more appropriate.

No evidence exists of insulation being placed in exterior walls. Two types are common, sprayed and rigid boards. In order to install this type of insulation all exterior walls would require refinishing. Externally applied insulation would also require extensive building refinishing. It is beyond the scope of the State Energy Code to enhance compliance in this manner. However, the most critical heat gain by this building is the roof and windows.

It is recommended that R.30 insulation be blown in the air space of the roof either by locating existing access panels or by partial removal of existing soffit. Additionally, a window tinting film should be applied to windows on the southwest and northwest exposures (\$3,000-\$4,000).

- 1.5 Laundry Room: The small roof area above the laundry room where the laundry room joins a second floor balcony and balcony access stair; there is evidence in the ceiling of the laundry room that a minor moisture problem is at work (original inspection). The cause appears to be a circumstance of design; i.e., run-off from the main building roof is conducted to a valley condition which in turn conducts collected roof run-off and pours it down on top (roof) of the laundry room.

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- 1.5.1 The apex of the laundry room roof may be simply fixed by painting, patching, and re-sealing the cement roof tiles in the acutely effected area and the entire laundry roof generally re-sealed. Cost (estimated): \$500-\$1,000

(The laundry room repairs were completed in 1990. In addition, the gutter system was modified to conduct water away from falling on the laundry room.)

- 1.5.2 Repair costs (completed 1990): \$1,500;
\$200/unit

- 1.6 Age of Roof
Permit History: Last recorded permit 10/9/75 for re-roofing. But roof appears to have been refinished within the last 5 years.

- 1.7 Remaining useful life, if the history of maintenance is continued, existing components could provide 15 years of usefulness. Annual inspections (moisture protection) are recommended and minimum 5 year, 10 year, and 15 year servicing sequence recommended.

- 1.8 Current replacement cost: \$20,000-\$25,000

- 1.9 \$3,333 to \$4,200/Unit

- 1.10 Structural soundness for the roof portion of the structure which has been in place 35 years (plus or minus) and appears in good to excellent condition; no evidence of sag.

- 1.11 Replacement cost for entire roof structure:
\$70,000-\$75,000

- 1.12 \$11,000-\$13,000/Unit

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- 2) Structure: No excavation was performed to determine more specifically the design of the foundation. Whatever is in fact there, has been uniformly successful. I have assumed a system of piling, caps, and grade beams. On this rests a concrete block and reinforced frame; first floor concrete slab over crawl space; second floor WD joists with plywood sheathing; roof trusses, deck or sheathing with cement tile.
- 2.1 The above grade portion of the building appears in excellent condition with no evidence of below grade failures. No settlement cracks of any kind were observed and no patches of any such conditions were observed.
- 2.2 No structural additions have been made to the original structure.
- 2.3 Moisture Protection (stucco and paint): Moisture protection is in excellent condition; stucco is uniform and uncracked; paint is recent (1 year) and free of rupture.
- 2.4 Screened vents and below slab access openings are in excellent condition. Area below first floor slab is clean and free of debris (existing); galvanized screens are in remarkable condition if original (and it appears they are!).
- 2.5 Structure is all original dating from circa 1955-1956.
- 2.6 35-year-old structure appears easily capable of enduring another 35 years and beyond; 5-year inspections are recommended.

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- 2.7 Replacement Costs
 - Piling and Foundations: \$80,000-\$100,000
 - Building Shell: \$180,000-\$200,000
- 2.8 \$30,000-\$35,000/Unit
- 3) Fireproofing and Fire Protection
 - 3.1 Life Safety Design: Occupant orientation is excellent and emergency egress is immediate and express. The master bedroom has a direct secondary means of escape to a balcony/porch, and second bedroom has sufficient window area for escape. Current code interpretations would not allow awning-type windows in new construction (but buildings of certain age are permitted continued acceptance as is the case with this one).
 - 3.2 Smoke detectors are in place and operable.
 - 3.2.1 Remaining useful life: 15 years
 - 3.2.2 Smoke detectors cost: \$100-\$150/Unit;
\$600-\$900
 - 3.3 Fire extinguishers are in place with current certification tags in appropriate locations.
 - 3.3.1 Fire extinguishers should be replaced in accordance with manufacturer's recommendations or as per State Fire Marshall's Office or 2 years maximum.
 - 3.4 Fire protection of structural elements is made in accordance with provisions of appropriate codes: plaster ceilings, walls (rock lath and plaster) are adequately firestopped. Overall conditions (physical) suggest a fire-safe building.

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- 4) Elevators (not applicable)
- 5) Heating and Cooling Systems
 - 5.1 Heating and cooling (central type with heat strips). Physical components in excellent condition with all components in working order. Compressors are located in rear yard, anchored to concrete slabs (appear to be 4 or 5 years--plus or minus--vintage). Operation: quiet and smooth. Air capacity as certified; ducts and registers clean and unblocked.
 - 5.2 Expected remaining useful life 5-10 years with regard to continued maintenance and service program. Compressors were replaced by permit 6/25/86.
 - 5.3 Cost of total system replacement: \$25,000-\$30,000; \$4,000-\$5,000/Unit
- 6) Plumbing: At the time of original construction, PVC piping for sanitary systems was not the common practice. Sanitary observed in the crawl space was black iron. Water distribution in coastal areas was generally all copper at the time of original construction; utility water supply (laundry and hose bibs) were galvanized steel.
 - 6.1 All segments of the plumbing sanitary and water distribution system are in excellent functional condition. Water pressure is good to excellent, and drainage is rapid and tight with little or no noise; no evidence of hammer or restriction.
 - 6.2 In the absence of water testing, mineral content is unknown. However, examination of generally tell-tale connections shows no signs of overt chemical activity or mineral build-up.

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- 6.3 Plumbing Repair History: Only minor repairs recorded.
 - 6.4 15-20 years of expected usefulness should easily be achieved; well beyond that even possible. Piping observed in crawl spaces appears in excellent material condition. Overall system should remain healthy indefinitely, although individual components may periodically need updating.
 - 6.5 The sanitary piping system and water distribution systems (not including fixtures and fittings) is worth \$25,000-\$30,000 in replacement cost (new construction). This also does not include costs for finishes and rough construction caused by the need to access existing systems.
 - 6.6 \$4,000-\$5,000/Unit
- 7) Electrical Systems
- 7.1 All components of the electrical system are in excellent condition. All fixtures were found in working condition and well maintained. Kitchen and bathroom fixtures have been upgraded since the original construction.
 - 7.2 Electrical Repair History

Permits: Only minor repairs recorded.
 - 7.3 15-20 years of expected usefulness should be easily achieved here as well. All installations have been carefully maintained. Overall system should remain healthy and useful indefinitely, although various individual components may require periodic updating.

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- 7.4 To replace entire electrical system (pull new wire; redistribute; install new panels, meters, etc.): \$40,000-\$45,000.
- 7.5 \$10,000-\$12,500/Unit
- 8) Swimming Pool: The swimming pool is gunite constructed reinforced concrete with marbledite finish.
 - 8.1 At the time of the original inspection the swimming pool was under construction. The installation included pumps, filters, jets, lighting and controls. Construction is now complete and in excellent condition.
 - 8.2 Cost of current installations: \$13,000
 - 8.3 \$3,250/Unit
- 9) Seawalls (not applicable)
- 10) Pavement and Parking Areas: Pavement for parking areas is asphalt concrete with painted striping; sidewalks - concrete; pool deck - concrete with cool topping.
 - 10.1 Pavement and parking areas are also in good to excellent condition. Age of pavement is probably 6-8 years with a useful expectancy of an additional 6-8 years. Regular maintenance and periodic blacktop could push useful life to 10 years before resurfacing.
 - 10.2 Replacement costs: \$1,000-\$2,000
 - 10.3 \$300/Unit

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11) Drainage Systems (not applicable)

11.1 Site run-off water is surface conducted to landscaped areas.

I hereby certify that I have performed the inspections and evaluations, and have prepared this report personally for the above project, and that it is true and correct to the best of my knowledge and belief.

Respectfully submitted,



Paul Pergakis, AIA

PP/aa

Attachments

SCHEDULE 2

-to-

OFFERING CIRCULAR

TERMITE INSPECTION REPORT

F.H.A. AND V.A. APPROVED

WOOD-DESTROYING ORGANISM INSPECTION REPORT

Section 482.226, Florida Statutes

Licensee name VERO PEST CONTROL, Co. License number 0001495
 Licensee address P.O. Box 681616, Miami, FL 33168
 Inspector Jesse Isidron Inspection date 6/12/92 FHA/VA Case No. _____
 Requested by Commodore Realty 51 SW 9 St
 (name) (address)
 Property inspected 90 Park Dr Bal Harbor
 (address)
 Specific structures inspected C.B.S Home 6 Apts Building
 Structures on property NOT inspected *****
 Areas of structure(s) NOT inspected *****
 Reason NOT inspecting *****

COMMENTS: BUILDING VACANT OCCUPIED
 CONTRACT IS ENCLOSED YES NO

SCOPE OF INSPECTION

"Wood-destroying organism" means arthropod or plant life which damages a structure, namely termites, powder post beetles, wood-boring beetles, wood-boring wasps, carpenter bees, and wood-decaying fungi.

THIS REPORT IS MADE ON THE BASIS OF WHAT WAS VISIBLE AND ACCESSIBLE AT THE TIME OF THE INSPECTION and is not an opinion covering areas such as, but not necessarily limited to, those that are enclosed or inaccessible, areas concealed by wall coverings, floor coverings, furniture, equipment stored articles, or any portion of the structure in which inspection would necessitate removing or defacing any part of the structure.

THIS IS NOT A STRUCTURAL DAMAGE REPORT. A wood-destroying organisms inspector is not ordinarily a construction or building trade expert and therefore is not expected to possess any special qualifications which would enable him to attest to the structural soundness of the property. IF VISIBLE DAMAGE OR OTHER EVIDENCE IS NOTED IN THIS REPORT (ITEM NUMBER (3) OF THIS REPORT), FURTHER INVESTIGATION BY QUALIFIED EXPERTS OF THE BUILDING TRADE SHOULD BE MADE TO DETERMINE THE STRUCTURAL SOUNDNESS OF THE PROPERTY.

THIS REPORT SHALL NOT BE CONSTRUED TO CONSTITUTE A GUARANTEE OF THE ABSENCE OF WOOD-DESTROYING ORGANISMS OR DAMAGE OR OTHER EVIDENCE UNLESS THIS REPORT SPECIFICALLY STATES HEREIN THE EXTENT OF SUCH GUARANTEE.

REPORT OF FINDINGS

- (1) Visible evidence of wood-destroying organisms observed: No Yes *****
 Locations: *****
 (Common name of organisms)
- (2) Live wood-destroying organisms observed: No Yes *****
 Locations: *****
 (Common name of organisms)
- (3) Visible damage observed: No Yes *****
 Locations: *****
 (Common name of organisms causing damage)
- (4) Visible evidence of previous treatment was observed: No Yes
 Explain: *****
- (5) This company has treated the structure(s) at time of inspection: No Yes If YES: copy of the contract is attached.

 (Organisms treated) (Pesticide used)
- (6) This company has treated the structure(s) No Yes If YES: Date of treatment: *****

 (Common name of organisms) (Common name of pesticide)
- (7) A notice of this inspection and/or treatment has been affixed to the structure(s)
ATTIC
 (Location of notice(s))

COMMENTS: _____

Neither the licensee nor in the inspector has any financial interest in the property inspected or is associated in any way in the transaction with any party to the transaction other than for inspection purposes.

SEND REPORT TO PERSON WHO REQUESTED THIS INSPECTION AND TO:

Signature of Licensee or Agent Jesse Isidron Date 6/12/92



Seller Buyer
 Total Amount Due \$ 100.00
 For Payment, Bill To: Commodore Realty
51 SW 9 St
Bal Harbor

SCHEDULE 3

-to-

OFFERING CIRCULAR

EVIDENCE OF DEVELOPER'S OWNERSHIP INTEREST

EVIDENCE OF DEVELOPER'S INTEREST IN THE
LAND UPON WHICH THE CONDOMINIUM IS TO BE DEVELOPED

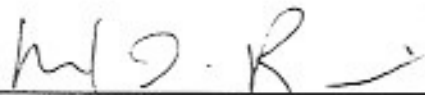
Affidavit Pursuant to Florida Statutes,
Section 718.504(27)

STATE OF FLORIDA

COUNTY OF DADE

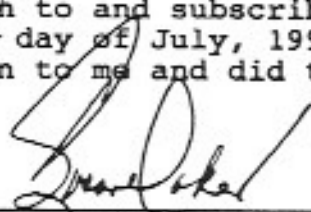
Before me the undersigned authority personally appeared MAX D. PUYANIC, as Trustee ("Developer"), who after being sworn, deposes and says:

1. That Developer is the fee simple owner of the real property described as Lot 6, Block 4, of RESIDENTIAL SECTION OF BAL HARBOUR, according to the plat thereof, recorded in Plat Book 44, at Page 98, of the Public Records of Dade County, Florida ("Real Property").
2. That Developer intends to create the Park Place of Bal Harbour, a Condominium, on the Real Property.
3. That on or about October 5, 1989, Developer acquired fee simple title to the Real Property.

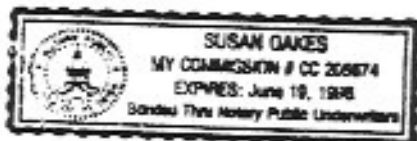


Max D. Puyanik, as Trustee

Sworn to and subscribed before me this 16th day of July, 1992. He is personally known to me and did take an oath.



Notary Public, State of Florida



FREQUENTLY ASKED QUESTIONS AND ANSWERS SHEET

PARK PLACE OF BAL HARBOUR CONDOMINIUM
ASSOCIATION, INC.

Name of Condominium Association

As of July, 1992
(date)

- Q: What are my voting rights in the condominium association?
A: One vote for each Unit.
- Q: What restrictions exist in the condominium documents on my right to use my unit?
A: Units may be used as single-family residences. For additional information, see Articles 2(G), 11(C) and (E) and 20(C) of the Declaration of Condominium and the Rules and Regulations - 2,4,8,9,10,11 and 15.
- Q: What restrictions exist in the condominium documents on the leasing of my unit?
A: The Condominium Association must approve in writing the lease and lessee. Proposed lessees are limited to two persons per bedroom unless lessee falls within definition of family. Subleases are prohibited. For additional information, see Article 20(B) and (C) of the Declaration of Condominium.
- Q: How much are my assessments to the condominium association for my unit type and when are they due?
A: Quarterly assessments for Units 1 and 4 in the amount of \$558.00 per unit; for Units 2 and 5 in the amount of 568.47 per Unit; and for Units 3 and 6 in the amount of \$617.28 per Unit, and are due and payable on the first day of each calendar quarter.
- Q: Do I have to be a member in any other association? If so, what is the name of the association and what are my voting rights in this association? Also, how much are my assessments?
A: No.
- Q: Am I required to pay rent or land use fees for recreational or other commonly used facilities? If so, how much am I obligated to pay annually?
A: No.
- Q: Is the condominium association or other mandatory membership association involved in any court cases in which it may face liability in excess of \$100,000? If so, identify each such case.
A: No.

NOTE: THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, EXHIBITS HERETO, THE SALES CONTRACT, AND THE CONDOMINIUM DOCUMENTS.

EXHIBIT 1

-to-

OFFERING CIRCULAR

DECLARATION OF CONDOMINIUM

DECLARATION OF CONDOMINIUM

-OF-

PARK PLACE OF BAL HARBOUR, A CONDOMINIUM

Prepared by:

Robert M. Haber, Esquire
MATZNER ZISKIND HERMELEE & JAFFEE, P.A.
100 S.E. 2nd Street, 28th Floor
Miami, Florida 33131

INDEX TO DECLARATION OF CONDOMINIUM

-OF-

PARK PLACE OF BAL HARBOUR, A CONDOMINIUM

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EXHIBITS TO DECLARATION

- A. Legal Description of Condominium Property
- B. Survey, Plot Plan, and Graphic Description of Improvements
- C. Articles of Incorporation
- D. Bylaws

DECLARATION OF CONDOMINIUM

-of-

PARK PLACE OF BAL HARBOUR, A CONDOMINIUM

MAX D. PUYANIC, AS TRUSTEE, ("Developer"), being the owner of the fee simple title to the property described in Exhibit "A" attached hereto, for himself, his successors, grantees and assigns, hereby submits said land and, except as otherwise provided herein, all improvements erected or to be erected thereon, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, to condominium ownership pursuant to Chapter 718 of the Florida Statutes, as in effect on the date of recordation hereof ("Condominium Act") less and except all public utility installations, and other personal property or equipment, if any, not owned by the Developer.

All the restrictions, reservations, covenants, conditions, easements and limitations of record contained herein shall constitute covenants running with the land or equitable servitudes upon the land, as the case may be, shall run perpetually unless terminated as provided herein, and shall be binding upon all Unit Owners as hereinafter defined. In consideration of receiving and by acceptance of a grant, devise or mortgage, all grantees, devisees or mortgagees, their heirs, personal representatives, successors and assigns, and all parties claiming by, through or under such persons, agree to be bound by the provisions hereof, the Articles of Incorporation and the Bylaws of the Association hereinafter defined. Both the benefits provided and the burdens imposed shall run with each Unit and the interests in Common Elements as defined herein.

1. DEFINITIONS.

As used in this Declaration, in the Articles of Incorporation and in the Bylaws attached hereto, and in all amendments thereto, unless the context requires otherwise:

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

B. "Association" or "Corporation" means Park Place of Bal Harbour Condominium Association, Inc., a Florida corporation not for profit, responsible for the operation of the Condominium.

C. "Association Property" means that property, real and personal, which is owned or leased by, or is dedicated by a recorded plat to the Association for the benefit of its members.

D. "Board of Administration" or "Board" means the board of directors or other representative body responsible for the administration of the Association.

E. "Articles" and "Bylaws" means the Articles of Incorporation and the Bylaws of the Association as they exist from time to time.

F. "Committee" means a group of Board members, Unit Owners, or Board members and Unit Owners appointed by the Board or a member of the Board to make recommendations to the Board regarding the Association budget or take action on behalf of the Board.

G. "Common Elements" means that portion of the Condominium Property not included in the Units. Common Elements shall include the items described in Article 4 hereof.

H. "Common Expenses" means the expenses of administration, maintenance, operation, repair, replacement, or protection of the Common Elements and Association Property, costs of carrying out the powers and duties of the Association and any other expense, whether or not included in the foregoing designated as common expense by the Condominium Act, or this Declaration, the Articles or the Bylaws.

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

J. "Condominium", "the Condominium", or "this Condominium" means Park Place of Bal Harbour, a Condominium.

K. "Condominium Building" means the structure which comprises that part of the Condominium Property within which the Units are located.

L. "Condominium Parcel" means a Unit together with the undivided share in the Common Elements which is appurtenant to the Unit.

M. "Condominium Property" means and includes all lands that are subjected hereunder to condominium ownership, whether or not contiguous, and all improvements thereon and all easements and other rights appurtenant thereto intended for use in connection with the Condominium.

N. "Declaration" or "Declaration of Condominium" means this instrument as it may from time to time be amended.

O. "Developer" means Max D. Puyanic, as Trustee, his successors and such of his assigns as to which the rights of Developer hereunder are specifically assigned. Developer may assign only a portion of his rights hereunder, or all or a portion of such rights in connection with appropriate portions of the Condominium. In the event of such partial assignment, the assignee shall not be deemed the Developer, but may exercise such rights of the Developer specifically assigned to it. Any such assignment may be made on a non-exclusive basis.

P. "Limited Common Elements" means and includes those Common Elements which are reserved for the use of a certain Unit or Units to the exclusion of other Units.

Q. "Mortgagee" means the Developer or a generally recognized and duly authorized institutional lender such as a bank, savings and loan association, insurance company, mortgage company, real estate or mortgage investment trust, which owns or holds a first mortgage encumbering a Condominium Parcel. "Mortgagee" also includes the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Veterans Administration and Federal Housing Administration or any other lender, or its loan correspondent or agency of the United States Government holding, guaranteeing or insuring a first mortgage on a Condominium Parcel.

R. "Operation" or "Operation of the Condominium" means and includes the administration and management of the Condominium Property.

S. "Special Assessment" means any assessment levied against Unit Owners other than the Assessment required by a budget adopted annually.

T. "Unit" means a part of the Condominium Property which is to be subject to private ownership, as designated in this Declaration, which shall consist of land and/or improvements.

U. "Unit Owner", or "Owner of a Unit" means a record owner of legal title to a Condominium Parcel as shown by the real estate records in the office of the Clerk of Dade County, Florida, whether such Owner be the Developer, one or more persons, firms, associations, corporations or other legal entities. "Owner" shall not mean or refer to the holder of a mortgage or security deed, its successors or assigns, unless and until such holder has acquired title pursuant to foreclosure or a proceeding or deed in lieu of foreclosure; nor shall the term "Owner" mean or refer to any lessee or tenant of an Owner.

V. "Utility Service" as used in the Condominium Act, construed with reference to this Condominium, and as used in this Declaration, the Articles and the Bylaws shall include, but not be limited to, electric power, gas, hot and cold water, trash and sewage disposal.

2. CONDOMINIUM NAME, CONDOMINIUM PARCELS, APPURTENANCES, POSSESSION AND ENJOYMENT.

A. The name of this Condominium is PARK PLACE OF BAL HARBOUR, A CONDOMINIUM.

B. There shall pass with each Unit as appurtenances thereto:

(1) An undivided share in the Common Elements.

(2) An exclusive easement for the use of the airspace occupied by the Unit as it exists at any particular time and as the Unit may lawfully be altered or reconstructed from time to time, which easement shall be terminated automatically in any air space which is vacated from time to time.

(3) An undivided share in the Common Surplus.

(4) Membership of the Unit Owner in the Association.

(5) The use of such parking space or spaces as may be assigned for the Unit Owner's exclusive use, as further described in Article 26.J. hereof.

C. Each Unit Owner is entitled to the exclusive possession of his Unit subject to the provisions of this Declaration. He shall be entitled to the use of the Common Elements, in accordance with the provisions of this Declaration and the purposes for which they are intended, but no such use shall hinder or encroach upon the lawful rights of other Unit Owners. There shall be a joint use of the Common Elements and a mutual easement for that purpose is hereby created.

D. When a Unit is leased, a tenant shall have all use rights in the Association Property and those Common Elements otherwise readily available for use generally by Unit Owners and the Unit Owner shall not have such rights except as a guest. The foregoing shall not interfere with the Unit Owner's rights of access as a landlord under the laws of Florida.

E. Each Unit is identified by a specific numerical designation as set forth in Exhibit "B" attached hereto. In horizontal dimension, each Unit consists of the area bounded by

the unfinished interior surfaces of the perimeter walls, doors and windows of each such Unit. In vertical dimension, each Unit consists of the space between the top of the unfinished concrete floor and the bottom of the unfinished ceiling of each such Unit. Each Unit Owner shall not own the undecorated or unfinished surfaces of the perimeter walls, floors, and ceilings surrounding his Unit, nor shall he own pipes, wires, conduits or other utility lines running through his Unit which are utilized for or serve more than one Unit, which items are hereby made a part of the Common Elements. Said Owner, however, shall own the walls and partitions which are contained within his Unit and inner decorated or finished surfaces of the perimeter walls, floors and ceilings, including plaster, paint and wallpaper.

F. Each Unit Owner shall own and be responsible for the maintenance, repair and replacement of all components for the individual air conditioning unit which services his Unit.

G. Subject to and except as provided by the provisions of Article 20.C. of this Declaration, Units shall only be used as single-family residences by the Owners thereof, their family members and guests in accordance with rules and regulations of the Association. Family shall mean and refer to (i) a group of natural persons related to each other by blood or legally related to each other by marriage or adoption, or (ii) a group of not more than four (4) persons not so related who maintain a common household in a Unit.

3. RESTRAINT UPON SEPARATION AND PARTITION OF COMMON ELEMENTS.

A. The undivided share in the Common Elements which is appurtenant to a Unit shall not be separated therefrom and shall pass with the title to the Unit, whether or not separately described.

B. A share in the Common Elements appurtenant to a Unit cannot be conveyed or encumbered except together with the Unit.

C. The shares in the Common Elements appurtenant to Units shall remain undivided, and no action for partition of the Common Elements shall lie, except as provided herein with respect to termination of the Condominium.

4. COMMON ELEMENTS.

A. Common Elements include the following:

(1) The land on which the improvements are located and any other land included in the Condominium Property, whether or not contiguous.

(2) Any portion of the Condominium Property which is not included within the Units.

(3) Easements through Units for conduits ducts, plumbing, wiring and other facilities for the furnishing of Utility Services to Units and the Common Elements.

(4) An easement of support which is hereby created in every portion of a Unit which contributes to the support of a Condominium Building.

(5) The property and installations required for the furnishing of Utility Services and other services to more than one Unit, the Common Elements or a Unit other than the Unit containing the installation.

B. The undivided share, expressed as a percentage, in the Common Elements, Common Expenses and Common Surplus appurtenant to each Unit is as follows:

Unit 1 - 16.0%	Unit 2 - 16.3%	Unit 3 - 17.7%
Unit 4 - 16.0%	Unit 5 - 16.3%	Unit 6 - 17.7%

5. LIMITED COMMON ELEMENTS.

A. There may be Limited Common Elements appurtenant to Units in this Condominium, as specified herein or reflected by the survey, plot plan, and graphic description of improvements, attached as Exhibit "B" hereto, which may include, but not be limited to, patios, balconies, air conditioning compressors or other components that serve a particular Unit, and parking spaces, which are specifically designated and delineated. Such Limited Common Elements shall only exist if and to the extent specifically shown as such on Exhibit "B" hereto, or expressly created as such herein. Such Limited Common Elements are reserved for the use of the Units to which they are appurtenant to the exclusion of other Units, and there shall pass with a Unit as an appurtenance thereto the exclusive right to use the Limited Common Elements so appurtenant or assigned.

B. The Association shall not be responsible for any expenses of maintenance, repair or replacement of any air conditioning compressor or other component that serves a particular Unit. However, any expenses of maintenance, repair or replacement of Limited Common Elements shall be treated and paid for as a part of the Common Expenses (except that any maintenance, repairs or replacements to any of the Limited Common Elements, including any air conditioning compressors or other components that serve a particular Unit, caused by an individual Unit Owner as a result of such Unit Owner's negligence or intentional misconduct, shall be charged to such individual Unit

Owner). Exterior surfaces of patios and balconies (including screening but not including any enclosure constructed by a Unit Owner) together with doors, windows, skylights and casings and framing therefor shall be Limited Common Elements appurtenant to the Unit which they adjoin.

6. DESCRIPTION OF PROPERTY SUBMITTED TO CONDOMINIUM OWNERSHIP.

A. The legal description of the land hereby submitted to condominium ownership is set forth in Exhibit "A" attached hereto and made a part hereof.

B. Exhibit "B" attached hereto and made a part hereof is a survey of said land, a graphic description of the improvements in which Units are located, and a plot plan thereof.

C. The identification, location and dimensions of each Unit and the Common Elements appear on Exhibit "B". Together with this Declaration, Exhibit "B" includes sufficient detail to identify the Common Elements and each Unit and provides accurate representations of their locations and dimensions.

7. AMENDMENTS TO PLANS.

A. The Developer shall have the right, without the vote or consent of the Association or Unit Owners, to (i) make alterations, additions or improvements in, to and upon Units owned by the Developer, whether structural or nonstructural, interior or exterior, ordinary or extraordinary (including, without limitation, the removal of walls, floors, ceilings and other structural portions of the improvements) and (ii) change the layout or number of rooms in any Developer owned Units as more particularly described in the Offering Circular. The Developer shall have the further right, without the consent or approval of the Board of Administration or other Unit Owners, to make such alterations in, to or upon any Developer owned Units and/or to recreational or other commonly used facilities in order to comply with design and construction guidelines adopted under applicable federal, state and local laws, ordinances, rules and regulations with respect to accessibility for handicapped persons. In making the above alterations, additions and improvements to the Units, the Developer may relocate or alter Common Elements adjacent to such Units, provided that such relocation or alteration does not materially adversely affect the market value or ordinary use of Units owned by Unit Owners other than the Developer. Additionally, the Developer, provided the Developer is the owner of all of the Units in the Condominium Building, shall have the right to change all or any part of the front, rear or side elevations of the Condominium Building. Developer's rights set forth in this Article 7.A. shall not

shall be solely responsible for the maintenance, repair and insurance from and after the date of installation or construction thereof as may be required by the Board of Administration. Unless expressly permitted in writing by the Board of Administration, the installation of any floor covering, other than padded carpeting or well padded vinyl tile, is prohibited. In any event, Unit Owners shall have the duty of causing there to be placed underneath such covering, so as to be between any such covering and the floor of the Unit, generally accepted and approved material for diminution of noise and sound, so that the floors shall be adequately soundproofed according to general architectural and engineering standards presently observed in the community.

8. AMENDMENT OF DECLARATION.

A. This Declaration may be amended at any regular or special meeting of Unit Owners called or convened in accordance with the Bylaws by the affirmative vote of Unit Owners owning not less than 80% of the Units represented at any meeting at which a quorum has been attained. All amendments shall be evidenced by a certificate executed as required by the Condominium Act and recorded among the Public Records of Dade County, Florida, provided, however, that except as otherwise provided in this Declaration:

(1) Subject to the provisions of Article 7 above, no amendment shall change the configuration or the size of any Unit in any material fashion, materially alter or modify the appurtenances to such Unit, nor change the proportional percentage by which a Unit Owner shares the Common Expenses and owns the Common Surplus unless the record owner of the Unit and all Mortgagees thereon shall join in the execution of such amendment;

(2) No amendment shall be passed which shall materially affect the rights or interests of any Mortgagee without the prior written consent of such Mortgagee;

(3) No amendment shall be passed which shall in any way affect any of the rights, privileges, powers or options of the Developer without the prior written consent of the Developer.

The consent or joinder of some or all Mortgagees of Units to or in amendments to this Declaration shall not be required unless the requirement is limited to amendments materially affecting the rights or interests of the Mortgagees, or as otherwise required by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation and unless the requirement provides that such consent may not be unreasonably withheld. Except as to amendments: (a) described in this Article 8A(1) above, (b)

required by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation and (c) amendments permitting the creation of time-share estates in any Unit of the Condominium, it shall be presumed that all other amendments to this Declaration do not materially affect the rights or interests of any Mortgagee.

The acquisition of property by the Association, and material alterations or substantial additions to such property or the Common Elements by the Association, in accordance with the provisions of the Act or Articles 9(E)(11) and 11 of this Declaration, shall not be deemed to constitute a material alteration or modification of the appurtenances to the Units.

B. Notwithstanding any provisions contained herein to the contrary, and to the extent permitted by law, the Developer may, without the consent of Unit Owners, record any of the following amendments to this Declaration and any Exhibits thereto:

(1) Any amendment to correct a scrivener's error, provided that the Developer is in control of the Association;

(2) Any amendment which may be required by any governmental authority having jurisdiction over the Condominium Property;

(3) Any amendment which may be required by a Mortgagee;

and any such amendment shall supersede any conflicting provisions contained in this Declaration or any Exhibit hereto.

The above described amendments by the Developer shall neither impair or prejudice the rights and interests of any Mortgagee without the prior written consent of such Mortgagee nor impair, prejudice or materially alter or modify the rights of any Unit Owner in a manner that is adverse to such Unit Owner without such Unit Owner's prior written consent. Any of the above described amendments shall be fair and reasonable and consistent with the terms and provisions of the Condominium Act and the applicable Rules of the Florida Department of Business Regulation. Any of such amendments need be executed and acknowledged only by the Developer and need not be approved by the Association, Unit Owners, lienors or Mortgagees, whether or not elsewhere required for amendments.

C. Invalidation of any part of this Declaration, any provision contained in any plat of the Condominium Property or in a conveyance of a Unit in the Condominium by judgment, court order or law shall not affect any of the other provisions hereof which shall remain in full force and effect.

impair, prejudice or materially alter or modify the rights of Unit Owners in a manner that is adverse to such Unit Owners, or impair or prejudice the rights or interests of any Mortgagee, and such rights shall be exercised by Developer in a fair and reasonable manner as not to destroy the general design and scheme of the Condominium Building.

B. The Amendment of this Declaration reflecting authorized alteration of plans by Developer as provided in Article 7.A. above need be signed and acknowledged only by the Developer, and need not be approved by the Association, Unit Owners, lienors or Mortgagees, whether or not their joinder is elsewhere required for other amendments. Without limiting the generality of Article 8 below, the provision of this Article 7 may not be added to, amended or deleted without prior written consent of the Developer.

C. No Unit Owner shall make any addition, alteration or improvement in or to the Common Elements or any Limited Common Elements without the prior written consent of the Board of Administration. The Board shall have the obligation to answer any written request by a Unit Owner for approval of such an addition, alteration or improvement to the Common Elements or Limited Common Elements within thirty (30) days after such request and all additional information requested is received, and the failure to do so within the stipulated time shall constitute the Board's consent. The proposed additions, alterations and improvements by the Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction and with any conditions imposed by the Board of Administration, with respect to design, structural integrity, aesthetic appeal, construction details, lien protection or otherwise.

The approval of the Board of Administration to any proposals or plans and specifications or drawings for any work done or proposed shall not be deemed to constitute a waiver of any right to withhold approval as to any similar proposals, plans and specifications or drawings subsequently or additionally submitted for approval. No member of the Board of Administration shall be liable to any Unit Owner or other person by reason of mistake in judgment, failure to point out deficiencies in proposals or plans and specifications or drawings or any other act or omission in connection with the approval of proposals or plans and specifications or drawings.

A Unit Owner making or causing to be made any such additions, alterations or improvements agrees, and shall be deemed to have agreed, for such Owner and his heirs, personal representatives, successors and assigns, as appropriate, to hold the Association and all other Unit Owners harmless from any liability or damage to the Condominium Property and expenses arising therefrom, and

9. THE ASSOCIATION, ITS POWERS AND RESPONSIBILITIES.

A. The operation of the Condominium shall be vested in the Association. The Association has been organized as a Florida corporation not for profit and a copy of its Articles of Incorporation are attached hereto and made a part hereof as Exhibit "C."

B. No Unit Owner, except an officer or director of the Association, shall have any authority to act for the Association.

C. All Unit Owners shall automatically be members of the Association, and a Unit Owner's membership shall terminate when he no longer owns his Unit.

D. Unit Owners shall be entitled to one (1) vote for each Unit owned in accordance with the voting privileges set forth in the Articles and Bylaws. Multiple owners of a Unit shall collectively be entitled to one (1) vote for said Unit in accordance with voting privileges set forth in the Articles and Bylaws. There shall be no cumulative voting.

E. The powers and duties of the Association shall include those set forth in the Articles, the Bylaws, the Condominium Act, the Florida General Corporation Act, the Florida Not For Profit Corporation Act, and this Declaration and shall include, but not be limited to, the following:

(1) The irrevocable right of access to each Unit at reasonable hours as may be necessary for the maintenance, repair or replacement of any Common Elements or of any portion of a Unit to be maintained by the Association pursuant to the terms of this Declaration or as necessary to prevent damage to the Common Elements or to a Unit or Units.

(2) The power to levy and collect Assessments from Unit Owners to pay Common Expenses and to lease, maintain, repair and replace the Common Elements.

(3) The power to levy and collect Special Assessments and other charges and surcharges from Unit Owners.

(4) The keeping of accounting records in accordance with good accounting practices and the Condominium Act which records shall be open to inspection by Unit Owners or their authorized representatives at reasonable times and written summaries of which shall be supplied at least annually to Unit Owners or their authorized representatives.

(5) The power to enter into contracts with others for the maintenance, management, operation, repair and servicing of the Condominium Property and administration of the Association. The service and maintenance contracts referred to herein may delegate the Association's duty to maintain, preserve, repair and replace the Common Elements, but shall not relieve each Unit Owner from his personal responsibility to maintain and preserve the interior surfaces of his Unit and to paint, clean, decorate, maintain and repair said Unit. Each Unit Owner, by his acceptance of the deed to his Unit, shall bind himself, his heirs, personal representatives, successors and assigns to any management contract, to the same extent and effect as if he had executed such contract for the purposes herein expressed including, but not limited to, adopting, ratifying, confirming and consenting to the execution of same by the Association, covenanting and promising to perform each and every of the covenants, promises and undertakings to be performed by Unit Owners as required under said contract, acknowledging that all of the terms and conditions thereof, including the manager's fee, are reasonable and agreeing that the persons acting as directors and officers of the Association entering into such a contract have not breached any of their duties or obligations to the Association by virtue of the execution of said contract. The management contract, if any, and the acts of the Board of Administration and Officers of the Association in entering into such agreement, are hereby ratified, confirmed, approved and adopted.

(6) The power to adopt reasonable rules and regulations: (a) for the maintenance and conservation of the Condominium Property, (b) for the health, comfort, safety and welfare of the Unit Owners, all of whom shall be subject to such rules and regulations, (c) regarding the frequency, time, location, notice and manner of inspections of records and the copying of such records and (d) to prohibit dual usage by a Unit Owner and a tenant of Association Property and Common Elements otherwise readily available for use generally by Unit Owners. However, no rule or regulation shall in any way affect any of the rights, privileges, powers or options of the Developer without the prior written consent of the Developer, so long as Developer is in control of the Association.

(7) The power to purchase Units in the Condominium and to acquire, hold, lease, mortgage and convey the same.

(8) The power to obtain and maintain adequate insurance to protect the Association and the Common Elements.

(9) The power to charge a use fee against a Unit Owner for the exclusive use of Common Elements or Association Property.

(10) The power to contract with a cable operator licensed in Dade County to provide cable television service on a bulk rate basis to Unit Owners.

(11) The power to acquire title to property or otherwise hold, convey, lease and mortgage Association Property for the use and benefit of the Unit Owners.

(12) The power to acquire hold, convey, lease or encumber personal property shall be exercised by the Board of Administration.

(13) The power to purchase any land or recreation lease upon the approval of Unit Owners owning not less than 80% of the Units represented at any meeting at which a quorum has been attained.

F. Except as provided by statute in case of condemnation or substantial loss to the Units and/or Common Elements, unless at least two-thirds of the Mortgagees (based upon one vote for each first mortgage owned), or Owners (other than the Developer) have given their prior written approval, the Association shall not be entitled to:

(1) By act or omission seek to abandon or terminate the Condominium;

(2) Change the pro rata interest or obligations of any individual Unit for the purpose of (a) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (b) determining the pro rata share of ownership of each Unit in the Common Elements;

(3) Partition or subdivide any Unit;

(4) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements. (The granting of easements for public utilities or for MATV and/or CATV services or for other purposes consistent with the intended use of the Common Elements by the Owners shall not be deemed a transfer within the meaning of this clause.);

(5) Use hazard insurance proceeds for losses to any portion of the Condominium for other than the repair, replacement or reconstruction of such portion.

10. BYLAWS.

The administration of the Association and the operation of the Condominium Property shall be governed by the Bylaws of the Association, a copy of which is attached hereto and made a part hereof as Exhibit "D." No modification of or amendment to these Bylaws shall be deemed valid unless duly adopted as provided in the Bylaws and set forth in or annexed to a duly recorded amendment to this Declaration executed in accordance with the provisions of the Condominium Act. Although an amendment to the Bylaws must be recorded as an amendment to this Declaration, as aforesaid, amendments to the Bylaws shall not require the approval otherwise required for amendment of this Declaration as set forth in Article 8 hereof. No amendment to said Bylaws shall be adopted which would affect or impair the validity or priority of any mortgage covering any Condominium Parcel.

11. MAINTENANCE: LIMITATION UPON IMPROVEMENT.

A. The maintenance of the Common Elements shall be the responsibility of the Association.

B. There shall be no material alteration or substantial addition to the Common Elements, Limited Common Elements or to real property which is Association Property except (i) pursuant to Article 7 or 8 of this Declaration, or (ii) the Board of Administration shall have the right to make alterations or additions to the Common Elements if such alterations or additions are recommended by the Board and approved by a majority of Owners in the Condominium present at a duly called meeting of Unit Owners at which a quorum is attained.

C. No Unit Owner shall do anything within his Unit or on the Common Elements which would adversely affect the safety or soundness of the Common Elements or any portion of the Association Property or Condominium Property which is to be maintained by the Association.

D. No fence, wall, gate or other structure, addition or improvement may be erected, installed, maintained or removed on the Condominium Property until the design, construction, specifications and a plan showing the location of the structure or improvement have been approved in writing by the Board of Administration (or an architectural review committee appointed by it) as to quality, design and materials, harmony with existing structures, and as to location with respect to topography and finished grade elevation. Such approval of the Board of Administration (or its designee) shall not be required in the event that the Board of Administration (or its designee) fails to give such approval within thirty (30) days after receipt of a written request for same. In no event will such approval be

unreasonably withheld nor will any charge be made therefor. Nothing contained in this paragraph shall be construed to lessen the obligation of any Unit Owner to make prompt application for and obtain all necessary governmental permits and other approvals with respect to any such structure. The provisions of this paragraph shall not apply to the Developer.

E. All maintenance, repairs and replacements of, in or to any Unit and Limited Common Elements appurtenant thereto, whether structural or nonstructural, ordinary or extraordinary, including without limitation, maintenance, repair and replacement of screens, windows, the interior side of the entrance door and all other doors within or affording access to a Unit, and the electrical, plumbing, heating and air-conditioning equipment, fixtures and outlets, if any, within the Unit or the Limited Common Elements or belonging to the Unit Owner, shall be performed by the Owner of such Unit at the Unit Owner's sole cost and expense, except as otherwise expressly provided to the contrary herein, and shall be in accordance with the original plans and specifications therefor or as otherwise directed by the Board of Administration. Additionally, each Unit Owner shall pay all charges for utility services metered directly to his Unit. The obligation to maintain and repair the following specific items shall be the responsibility of the Unit Owners, individually, and not the Association, without regard to whether such items are included within the boundaries of the Units or are Limited Common Elements: where a Limited Common Element consists of a terrace or balcony, the Unit Owner who has the right to the exclusive use of the terrace or balcony shall be responsible for the maintenance, care and preservation of the paint and surface of the interior parapet walls, including floor and ceiling, within said area, if any, storage closets, if any, and the fixed and/or sliding glass door(s) in the entrance way(s) or other portions of said area, if any, and the wiring, electrical outlet(s) and fixture(s) thereon, if any, and the replacement of light bulbs, if any.

F. If any of the Unit Owners fail to maintain the Limited Common Elements as provided in this Declaration, the Association shall have the power to provide for such maintenance and to charge such Unit Owners for the costs of same. If this Declaration is amended to provide for the Association to maintain certain Limited Common Elements at the expense of only those entitled to use the Limited Common Elements, such costs shall be apportioned equally among those Unit Owners entitled to use the Limited Common Elements; and in such event, the Association may use the provisions of Article 13 of this Declaration to enforce payment of such costs by those Unit Owners entitled to use the Limited Common Elements.

G. The Board shall adopt hurricane shutter specifications for the Building, which shall include color, style, and other factors deemed relevant by the Board. All specifications adopted by the Board shall comply with the applicable building code. Notwithstanding any provision to the contrary in this Declaration, if approval is required hereunder, the Board shall not refuse to approve the installation or replacement of hurricane shutters conforming to the specifications adopted by the Board. The installation, replacement, and maintenance of such shutters in accordance with the procedures set forth herein shall not be deemed a material alteration to the Common Elements.

12. COMMON EXPENSES AND COMMON SURPLUS.

A. Common Expenses shall include the expenses of the operation, maintenance, repair, replacement, or protection of the Common Elements and Association Property, the cost of a master antenna television system or duly franchised cable television service obtained pursuant to a bulk contract, costs of carrying out the powers and duties of the Association and any other expense whether or not included in the foregoing, designated as Common Expenses by the Condominium Act, this Declaration, the Articles, or the Bylaws.

B. Except as otherwise specifically provided herein, Common Expenses shall be assessed against Unit Owners in a proportion equal to those proportions of ownership in the Common Elements as provided in this Declaration.

C. If any unpaid share of common expenses or assessments is extinguished by foreclosure of a superior lien or by a deed in lieu of foreclosure thereof, the unpaid share of Common Expenses or Assessments are Common Expenses collectible from all of the Unit Owners.

D. Common Surplus, if any, shall be owned by Unit Owners in a proportion equal to those proportions of ownership in the Common Elements as provided in this Declaration.

13. ASSESSMENTS: LIABILITY, LIENS, PRIORITY, INTEREST AND COLLECTIONS.

A. The Association, through its Board of Administration, shall have the power to determine and fix the sums necessary to provide for the Common Expenses, including the expense allocable to services being rendered by a management company with whom the Association may contract. Unless specifically waived by the Association in the manner provided in the Bylaws, the Assessments shall include monies required for the payment of reserves for capital expenditures and deferred maintenance. The Assessment

shall initially be made for one year periods, but shall be payable in advance, in quarterly installments, on the first day of each calendar quarter; however, the Board of Administration shall have the power to establish other collection procedures. In addition, the Association shall have the power to levy Special Assessments against Units in their respective percentages if a deficit should develop in the payment of Common Expenses during any period that the level of Assessments has not been guaranteed by the Developer.

B. A Unit Owner, regardless of the manner in which he acquired title to his Unit including, without limitation, a purchaser at a judicial sale, shall be liable for all Assessments while he is the Owner of a Unit. In a voluntary conveyance of a Unit, the grantee shall be jointly and severally liable with the grantor for all unpaid Assessments against the latter for his share of the Common Expenses up to the time of such voluntary conveyance. The liability for Assessments or Special Assessments may not be avoided by waiver of the use or enjoyment of any Common Elements, services or recreation facilities, or by abandonment of the Unit against which the Assessment or Special Assessment was made. A Mortgagee who acquires title to a Unit by foreclosure or by deed in lieu of foreclosure is liable for the unpaid Assessments that became due prior to the Mortgagee's receipt of the deed. However, the Mortgagee's liability is limited to a period not exceeding six months, but in no event does the Mortgagee's liability exceed one percent of the original mortgage debt. The Mortgagee's liability for such expenses or Assessments does not commence until 30 days after the date the Mortgagee received the last payment of principal or interest. In no event shall the Mortgagee be liable for more than six months of the Unit's unpaid Common Expenses or Assessments accrued before the acquisition of title to the Unit by the Mortgagee or one percent of the original mortgage debt, whichever amount is less. If any unpaid share of Common Expenses or Assessments is extinguished by foreclosure of a superior lien or by a deed in lieu of foreclosure thereof, the unpaid share of Common Expenses or Assessments are Common Expenses collectible from all the Unit Owners.

C. Assessments and installments thereof not paid when due shall bear interest from the due date until paid at the maximum rate allowed under Florida law. The Association may charge an administrative late fee in addition to such interest, in an amount not to exceed the greater of \$25.00 or 5% of each installment of the Assessment (and Special Assessment to the extent allowed by law), for each delinquent installment that the payment is late. Any payment received by the Association shall be applied first to any interest accrued by the Association, then to any administrative late fee, then to any costs and reasonable attorney's fees incurred in collection, and then to the delinquent Assessment, (and/or Special Assessment, to the extent

allowed by law). The foregoing shall be applicable notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment. A late fee shall neither be subject to the provisions of Florida's interest and usury laws nor the provisions of the Condominium Act dealing with the levy of fines against a Unit.

D. The Association shall have a lien upon each Condominium Parcel to secure the personal obligation of each Unit Owner thereof for any unpaid Assessment and interest thereon. Such lien shall also secure reasonable attorney's fees and costs incurred by the Association incident to the collection of such Assessment or enforcement of such lien. Except as set forth below, the lien is effective from and shall relate back to the recording of this Declaration. However, as to any mortgage of record held by a Mortgagee, the lien is effective from and after recording of a claim of lien. The claim of lien shall be recorded among the Public Records of Dade County, Florida, in the manner provided by the Condominium Act. The Board of Administration may take such action as it deems necessary to collect Assessments by either an in personam action or lien foreclosure, or both, and may settle and compromise the same if in the best interest of the Association. Said liens shall have the priorities established by the Condominium Act.

E. Liens for Assessments may be foreclosed by suit brought in the name of the Association in like manner as a foreclosure of a mortgage on real property. The Association may also bring an action to recover a money judgment for unpaid Assessments without waiving any claim of lien. The Association shall be entitled to recover its reasonable attorneys' fees incurred in either a lien foreclosure action or an action to recover a money judgment for unpaid assessments. If a Unit Owner remains in possession of the Unit after a foreclosure judgment has been entered, the court, in its discretion, may require the Unit Owner to pay a reasonable rental for the Unit. If the Unit is rented or leased during the pendency of the foreclosure action, the Association is entitled to the appointment of a receiver to collect the rent. The expenses of the receiver shall be paid by the party which does not prevail in the foreclosure action. The Association may bid in the Condominium Parcel at foreclosure sale and apply as a cash credit against its bid all sums due the Association secured by the lien being enforced.

F. The Association may acquire and hold, lease, mortgage and convey any Condominium Parcel so acquired.

G. Nothing contained herein shall abridge or limit the rights or responsibilities of Mortgagees as set forth in the Condominium Act.

H. Except as provided in this Article 13.H., no Unit Owner other than the Developer as expressed below may be excused from the payment of his proportionate share of Common Expenses unless all Unit Owners are likewise proportionately excused from such payment. The Developer hereby guaranties to each Unit Owner that the Assessment for Common Expenses will not increase over \$186.00 for Units 1 and 4; \$189.49 for Units 2 and 5; and \$205.76 for Units 3 and 6, per month per Unit, during the period commencing on the recording of this Declaration and ending on the first day of the thirteenth calendar month following the month in which the closing of title to the first Unit occurs, or the date upon which the Developer shall cease to control the Association, whichever is sooner (the "First Guaranty Period"); which is the amount set forth in the estimated operating budget for the first year of operation delivered to each Unit Owner by the Developer when such Unit Owner contracted to purchase the Unit, if applicable. Additionally, the Developer hereby guaranties to each Unit Owner that the Assessment for Common Expenses will not increase over \$213.90 for Units 1 and 4; \$217.91 for Units 2 and 5; and \$236.62 for Units 3 and 6 per month per Unit during the period commencing on the second day of the thirteenth calendar month following the month in which the closing of title to the first Unit occurs for a period of one year, or the date upon which the Developer shall cease to control the Association, in accordance with Article 4.14 of the Bylaws, whichever is sooner (the "Second Guaranty Period". Accordingly, in accordance with the provisions of Section 718.116 of the Condominium Act, the Developer shall be excused from the payment of its share of the Common Expenses which would have been assessed against Units owned by the Developer during the Guaranty Periods. The Developer shall pay any amount of Common Expenses incurred during the Guaranty Periods and not produced by the Assessments at the guarantied level receivable from other Unit Owners (*i.e.*, during the Guaranty Periods, the Developer shall contribute an amount of money to the Association sufficient to eliminate any deficit between Assessments collectible from Unit Owners other than the Developer and the actual Common Expenses of the Condominium).

14. TERMINATION OF CONDOMINIUM.

A. Except as otherwise provided in Article 14.B. below, if all Unit Owners and the holders of all liens and mortgages upon all of the Condominium Parcels execute and duly record an instrument terminating the Condominium, or if "major damage" occurs as defined in and subject to Article 23.A.(2)(b) hereof, the Condominium Property shall be removed from the provisions of the Condominium Act and thereafter owned in common by the Unit Owners. The undivided interest in the Property owned in common by each Unit Owner shall then be the percentage of the undivided interest previously owned by such Unit Owner in the Common Elements, and any liens which encumbered any Condominium Parcel shall be transferred to said undivided interest of the Unit Owner in the Property. All easements provided in this Declaration shall survive the termination of the Condominium.

B. If the Unit Owners of at least 85% of the Common Elements elect to terminate, they shall have the option to buy the Units of the other Unit Owners for a period of sixty (60) days from the date of the meeting wherein the election to terminate was taken. The purchase price shall be the fair market value of the Units as of the date of said meeting as determined by arbitration under the rules of the American Arbitration Association. The price shall be paid in cash within thirty (30) days of the determination of the same.

15. EQUITABLE RELIEF.

In the event of "major damage" to or destruction of all or a substantial part of the Condominium Property and if the Property is not repaired, reconstructed or rebuilt within a reasonable period of time, any Unit Owner shall have the right to petition a court of competent jurisdiction for equitable relief which may, but need not, include termination of the Condominium and partition.

16. LIMITATION OF LIABILITY.

A. The liability of each Unit Owner for Common Expenses shall be limited to the amounts assessed against him from time to time in accordance with the Condominium Act, this Declaration, the Articles and the Bylaws.

B. A Unit Owner may be personally liable for any damages caused by the Association in connection with the use of the Common Elements, but only to the extent of his pro rata share of that liability in the same percentage as his interest in the Common Elements and in no event shall said liability exceed the value of his Unit. Each Unit Owner shall be liable for injuries or damages resulting from an accident in his own Unit to the same extent and degree that the owner of a house or any other property owner would be liable for such an occurrence.

C. In any legal action in which the Association may be exposed to liability in excess of insurance coverage protecting it and the Unit Owners, the Association shall give notice of the exposure within a reasonable time to all Unit Owners, and they shall have a right to intervene and defend.

17. LIENS.

A. Subsequent to the recording hereof and while the Condominium Property remains subject hereto, no liens of any nature shall be valid against the Condominium Property (as

distinguished from individual Units) without the unanimous consent of the Unit Owners.

B. Unless a Unit Owner has expressly requested or consented to work being performed or materials being furnished to his Unit, such labor or materials may not be the basis for the filing of a lien against same. No labor performed or materials furnished to the Common Elements shall be the basis for a lien thereon unless authorized by the Association, in which event, the same may be the basis for the filing of a lien against all Condominium Parcels in the proportions for which the Unit Owners thereof are liable for Common Expenses.

C. In the event a lien against two or more Condominium Parcels becomes effective, each owner thereof may release his Condominium Parcel from the lien by paying the proportionate amount attributable to his Condominium Parcel. Upon such payment, it shall be the duty of the lienor to release the lien of record from such Condominium Parcel.

18. REMEDIES FOR VIOLATION.

Each Unit Owner, his family, invitees and tenants, shall be governed by and conform to the provisions of the Condominium Act, this Declaration, the Articles, the Bylaws and the rules and regulations of the Association. Failure to do so shall entitle the Association or any other Unit Owner to recover damages or obtain injunctive relief or both, but such relief shall not be exclusive of other remedies provided by law.

19. EASEMENTS.

A. Owners of Units shall have, as an appurtenance to their Units, a perpetual easement for ingress and egress to and from their Units over and upon stairs, walks and other Common Elements intended for such purposes.

B. The Condominium Property shall be subject to perpetual easements for encroachments presently existing or which may hereafter be caused by settlement or movement of the Condominium Building or minor inaccuracies in construction, which easements shall continue until such encroachments no longer exist. If the Condominium Property is destroyed and then rebuilt, encroachments due to construction shall be permitted and a valid easement for said encroachments shall exist. If any portion of the Common Elements encroaches upon any Unit, or any Unit encroaches upon the Common Elements, as a result of the construction, reconstruction, repair, shifting, settlement or movement of any portion of the improvements contained in the Condominium Property, a valid easement for the encroachment and for the

maintenance of the same shall exist so long as the encroachment exists. The Association shall have an easement over all Condominium Property for the maintenance and repair of any Common Element, provided such activity does not materially adversely affect the substantial use of any Unit by its Owner.

C. The Condominium Property shall be subject to such easements for utilities as may be determined by the Developer or required to properly and adequately serve the Condominium Property as it exists from time to time. Each of said easements, whether heretofore or hereafter created, shall constitute covenants running with the Condominium Property and, notwithstanding any other provisions of this Declaration, may not be substantially amended or revoked in such a way as to unreasonably interfere with its proper and intended use and purpose and shall survive the termination of the Condominium. To the extent that the creation of any such utility easements require the joinder of Unit Owners, the Developer may, as the agent or the attorney-in-fact for the Unit Owners, execute, acknowledge and deliver such instruments and the Unit Owners, by the acceptance of deeds to their Units, irrevocably nominate, constitute and appoint the Developer, as their proper and legal attorneys-in-fact for such purpose. Said appointment is coupled with an interest and is therefore irrevocable. Any such instrument executed pursuant to this Article shall recite that it is made pursuant to this Article.

D. The Developer hereby reserves unto himself an easement over the Condominium Property exclusive of any Units not owned by him for any activity that Developer determines in his sole but reasonable discretion to be of a nature which does not materially adversely affect the substantial use of the Common Elements by Unit Owners, including, but not limited to, the right to operate and maintain a sales office, to maintain models, post signs, use employees in the models or permit use of the Common Elements for marketing purposes. Further, such activities are hereby expressly authorized and permitted. No charge shall be made to Developer for such use.

E. An easement shall exist for pedestrian traffic over, through and across that portion of the Common Elements improved with sidewalks, paths and walks (including grass covered open space) and for vehicular and pedestrian traffic over, through and across such portions of the Common Elements as may from time to time be paved and intended for such purposes. All of such easements shall be without charge and shall be for the use and benefit of all members of the Association, as well as the invitees of such members. Developer hereby grants to delivery, pick-up and fire protection services, police and other authorities of the law, United States carriers, representatives of electrical, telephone and other utilities authorized by Developer to service the Condominium and representatives of cable

television, and to such other persons as Developer from time-to-time may designate, the non-exclusive, perpetual right of ingress and egress over, through and across such portions of the Common Elements for the purposes of performing their authorized services and investigation. Such easements shall survive any termination of this Declaration.

F. In addition to the rights reserved to Developer in Article 19.D. above, and not by way of limitation, for as long as Developer is liable under the terms of his warranty in favor of the Unit Owners and the Association, the Developer, including his designees and contractors, shall have the right, in his and their sole discretion, from time to time, upon reasonable notice to the Unit Owners, to go upon the Condominium Property or the Condominium Building, for repair or replacement purposes and take all other action necessary or convenient for the purpose of fulfilling its obligations under the warranty.

G. The Developer and the Board of Administration, on their behalf and on behalf of the Association and all Unit Owners (each of whom hereby appoints the Developer and the Association as their attorney-in-fact for this purpose), each shall have the right to grant such additional electric, gas, water distribution or waste water collection or other utility or service or other easements, or relocate any existing easements or drainage facilities in any portion of the Condominium Property, and to grant access easements or relocate any existing access easements in any portion of the Condominium Property, as the Developer or the Association shall deem necessary or desirable for the proper operations and maintenance of the Condominium Building, or any portion thereof, or for the general health or welfare of the Unit Owners, or for the purpose of carrying out any provisions of this Declaration or otherwise, provided that such easements or the relocation of existing easements will not prevent or unreasonably interfere with the reasonable use of the Units for dwelling purposes. The Board of Administration, subject to the prior consent of the Developer, which consent shall be required until Developer has conveyed title to the last Unit, or such earlier time as may be determined in the sole discretion of Developer, has the authority without the joinder of any Unit Owners, to grant, modify or move any easement, subject to the provisions of the easement, if the easement constitutes part of or crosses the Common Elements or Association Property or serves the Condominium. The foregoing does not authorize the Board of Administration to modify, move or vacate any easement created in whole or in part for the use or benefit of anyone other than the Unit Owners, or crossing the property of anyone other than the Unit Owners without the consent or approval of those other persons having the use or benefit of the easement, as required by law or by the instrument creating the easement, but does authorize the Board of Administration to act for the Unit Owners with regard to any such easement.

20. SALE OR LEASE.

A. After the Developer has relinquished control of the Association, the Association shall have the option to purchase any Unit upon the same terms and conditions as are offered by the Unit Owner to any third person. Prior to the sale or transfer of any Unit to any person other than the transferor's spouse or member of his immediate family or wholly owned corporation, the Unit Owner shall notify the Association in writing of the name and address of the person to whom the proposed sale or transfer is to be made, the terms and conditions thereof together with a copy of the agreement for such sale or transfer and such other information as may reasonably be required by the Association. Failure to do so shall be deemed a breach hereof, and any sale or transfer in contravention of this Article shall be null and void and confer no right, title or interest to the intended purchaser or transferee. If the proposed sale is bona fide and the Association exercises its option with respect to same, the Association shall, within ten (10) days after its receipt of said notice and such supplemental information as it may reasonably require, deliver to the Unit Owner the deposit required under the terms of such agreement and shall then be obligated to close the sale of the Unit in accordance with the terms and conditions thereof. Election of the Association to exercise the said option shall be stated in a certificate executed by the Association, which shall be recorded in the Public Records of Dade County, Florida, by and at the expense of the proposed purchaser or transferee.

B. Notwithstanding anything herein or any rule or regulation of the Association to the contrary, the Developer as well as any person approved in writing by the Developer, shall be irrevocably empowered without any limitation at all times, whether for permanent or temporary occupancy, to sell or transfer Units owned by the Developer or such person, as the case may be, under any terms to any purchasers or transferees without the consent of any person including the Association being required. The Association shall not have the option to purchase or lease any Unit as provided in Sections A and C, respectively, of this Article 20 with respect to any lease, sale, or transfer of a Unit in connection with the foreclosure of a mortgage by a Mortgagee (or the acceptance of a deed in lieu of foreclosure) or with respect to any sale or transfer by a Mortgagee or other party who acquired the Unit in connection with such foreclosure or deed in lieu of foreclosure. The provisions of this section may not be amended without the consent of the Developer, so long as the Developer owns a Unit in the Condominium.

C. Except as provided below, Units shall not be leased without the prior written approval of the Association of both the lease and lessee. The Association has the right to require that

a substantially uniform form of lease be used. The provisions of the Condominium Act, this Declaration, the Articles, the Bylaws and the rules and regulations of the Association shall be deemed expressly incorporated into any lease of a Unit. No lease shall be for a period of less than six months, and the proposed lessees shall consist of not more than two persons per bedroom in the Unit to be leased, unless the proposed lessees fall within the definition of family, as family is defined in Article 2.G.i. of this Declaration. Subleases of Units are prohibited. Notwithstanding the lease of his Unit, the liability of the Unit Owner under this Declaration shall continue. The Association must either approve or disapprove a lease and lessee within ten (10) days after its receipt of a request for such approval, which request shall be accompanied by such information as the Board may reasonably require. One of the grounds for the Association's disapproval of a lease of a Unit may include a Unit Owner being delinquent in the payment of an Assessment (or Special Assessment, to the extent allowed by law) at the time approval is sought. If approved, a recordable Certificate of Approval shall be executed by the Association at the expense of the lessee. If the Association fails to give the Unit Owner written notice of its approval or disapproval of the proposed lease and lessee, the proposed lease and lessee shall be deemed approved. The Association shall have the option to require any lessee to post a deposit, not in excess of one month's rent, into an escrow account maintained by the Association as security for damage to the Common Elements or Association Property. Payment of interest, claims against the deposit, refunds, and disputes under this Article 20.C. shall be handled in the same fashion as provided in the Florida Residential Landlord and Tenant Act.

21. ENFORCEMENT OF MAINTENANCE.

In the event a Unit Owner or any guest, tenant or family member of a Unit Owner causes any damage to the Common Elements, Limited Common Elements, (or any improvements on any of them), the Association shall have the right to charge the Unit Owner and the Unit for the sums necessary to repair such damage.

22. INSURANCE.

A. Purchase of Insurance. The Association shall obtain fire and extended coverage insurance, vandalism and malicious mischief insurance insuring all of the insurable improvements within the Common Elements together with such other insurance as the Association deems necessary in an amount which shall be equal to the maximum insurable replacement value as determined annually. The premiums for such coverage and other expenses in connection with said insurance shall be assessed against the Unit Owners as part of the Common Expenses. The named insured shall

be the Association, individually and as agent for the Unit Owners, without naming them, and as agent for their Mortgagees.

(1) Provision shall be made for the issuance of Mortgagee endorsements and memoranda of insurance to Mortgagees. Such policies shall provide that payments for losses thereunder by the insurer shall be made to the Insurance Trustee to the extent hereinafter described.

(2) For purposes of this and the following Article, all buildings located on the Condominium Property, as described in Exhibits "A" and "B" attached hereto, shall collectively be deemed one Building and shall include any additional buildings as a part thereof which may hereafter become a part of this Condominium.

B. Coverage. The following coverage shall be required:

(1) Casualty. All buildings and improvements upon the Property described in Exhibit "A" attached hereto shall be insured in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, and all personal property included in the Common Elements shall be insured for its maximum insurable replacement value, said value to be determined annually by the Board of Administration. Such coverage shall afford protection against:

(a) Loss or damage by fire and other hazards covered by a standard extended coverage endorsement; and

(b) Such other risks as from time to time shall customarily be covered with respect to buildings similar in construction, location and use as the buildings described in this subparagraph B including, but not limited to, vandalism and malicious mischief.

(2) Public liability in such amounts and with such coverage as shall be required by the Board of Administration, including, but not limited to, hired automobile and nonowner automobile coverages, including a cross liability endorsement to cover liabilities of the Unit Owners as a group to a Unit Owner.

(3) Workers' compensation insurance meeting all the requirements of the laws of Florida.

(4) Directors and officers liability insurance, if available.

(5) Such other insurance as the Board of Administration shall determine from time to time to be desirable including, without limitation, insurance for the benefit of Association employees, flood insurance for Common Elements, Association

Property and the Units, and such insurance as may be required by any agency of the United States government which holds a first mortgage encumbering a Unit or insures to the holder thereof the payment of the same.

C. Premiums. Premiums upon insurance policies purchased by the Association shall be assessed by the Association against the Unit Owners as part of the Common Expenses.

D. Insurance Trustee; Shares of Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association, the Unit Owners and their Mortgagees, as their interests may appear. The Association shall have the option to appoint an "Insurance Trustee" which shall be a bank or other entity in Florida with trust powers with offices in Broward or Dade Counties. An Insurance Trustee shall be appointed, upon the written request of any Mortgagee, to receive any proceeds in excess of \$15,000.00. The Insurance Trustee shall not be liable for payment of premiums, the renewal or the sufficiency of policies or the failure to collect any insurance proceeds. The duty of the Insurance Trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purposes stated herein and for the benefit of the Unit Owners and their Mortgagees in the below described shares, which shares need not be set forth on the records of the Insurance Trustee. If the Association fails to appoint such Trustee, the Association shall perform all obligations imposed upon such Trustee by this Declaration.

(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 Unit.

(2) Units. Proceeds on account of damage to Units shall be held in the following undivided shares:

(a) When the Condominium 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.

(b) When the Condominium 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 Unit.

(3) Mortgages. In the event a mortgagee endorsement has been issued as to a Unit, the share of that 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, and no Mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except those proceeds paid 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 in the following manner:

(1) Expense of the Trustee. All expenses of the Insurance Trustee shall be paid first or provision made therefor.

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

(3) Failure to reconstruct or repair. If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners thereof, remittance to Unit Owners and their Mortgagee being payable jointly to them. This is a covenant for the benefit of any Mortgagee of any Unit and may be enforced by such Mortgagee.

(4) Certificate. In making distributions to Unit Owners and their Mortgagees, the Insurance Trustee may rely upon a certificate of the Association, executed by its President or Vice President and Secretary or Assistant Secretary, as to the names of the Unit Owners and their respective shares of the distribution.

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

G. Unit Owner's Obligation. Each Unit Owner shall have the obligation to purchase public liability insurance to protect himself against claims due to accidents within his Unit, and casualty insurance on the contents within said Unit. In addition, he should review the coverage of the Association to determine any additional insurance that may be advisable for him to purchase.

23. RECONSTRUCTION OR REPAIR AFTER CASUALTY.

A. Determination to Reconstruct or Repair. If any part of the Condominium Property is damaged by casualty, whether it shall be reconstructed or repaired shall be determined in the following manner:

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

(2) Condominium Building:

(a) Lesser damage. If the damaged improvement is the Condominium Building, and if Units to which 50% or more of the Common Elements are appurtenant are found by the Board of Administration to be tenantable, the damaged property shall be reconstructed or repaired unless within 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 the Condominium Building, and if Units to which more than 50% of the Common Elements are appurtenant are found by the Board of Administration to be untenable, the damaged property shall neither be reconstructed nor repaired and the Condominium shall be terminated without agreement as elsewhere provided unless, within 60 days after the casualty, the owners of 80% of the Common Elements agree in writing to such reconstruction or repair.

(3) Certificate. The Insurance Trustee may rely upon a certificate of the Association executed by its President or Vice President and Secretary or Assistant Secretary in determining whether the damaged property is to be reconstructed or repaired.

B. Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original Condominium Property; or, if not, then in accordance with plans and specifications approved by the Board of Administration and, if the damaged property is the Condominium Building, by the owners of not less than 80% of the Common Elements, including the owners of all damaged Units whose approval shall not be unreasonably withheld.

C. Responsibility. If the damage is only to those portions of a Unit or Units for which the responsibility of maintenance and repair is that of the Unit Owner(s), then the Unit Owner(s) shall be responsible for reconstruction and repair after casualty. In all other instances, it shall be the Association's responsibility to reconstruct and repair after casualty.

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

E. Charges and Special Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, or if at any time during reconstruction and repair, or upon completion of reconstruction or repair, the funds for the payment of the costs thereof are insufficient, charges shall be made against the Unit Owners who own the damaged Units and Special Assessments shall be made against all Unit Owners in the case of damage to Common Elements, in sufficient amounts to provide funds for the payment of such costs. Such charges against Unit Owners for damage to Units shall be in proportion to the cost of reconstruction and repair of their Units, and Special Assessments on account of damage to Common Elements shall be in proportion to the Unit Owners' share in the Common Elements.

F. Construction Funds. The funds for payment of costs of reconstruction and repair after casualty, which shall consist of insurance proceeds 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 Assessments made by the Association in order to provide funds for the payment of costs of reconstruction and repair which is the responsibility of the Association exceed \$5,000.00, the sums paid upon such Assessments shall be deposited by the Association with the Insurance Trustee. In all other cases, the Association shall hold the sums paid upon such

Assessments and disburse the same in payment of the costs of reconstruction and repair.

(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-Under \$5,000.00. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association 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 which is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner hereafter provided for the reconstruction and repair of major damage.

(b) Association-Over \$5,000.00. If the amount of estimated costs of reconstruction and repair which is the responsibility of the Association is \$5,000.00 or more, then the construction fund shall be disbursed in payment of such costs in the manner required by the Board of Administration upon approval of an architect qualified to practice in Florida 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 shall be paid by the Insurance Trustee to the Unit Owner and, if there is a Mortgagee endorsement as to such Unit, then to the Unit Owner and the Mortgagee jointly.

(d) Surplus. It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of 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 which represents Assessments paid by such owner into the construction fund shall not be made payable to any Mortgagee.

(e) Certificate. Notwithstanding the provisions herein, the Insurance Trustee shall not be required to determine whether or not sums paid by Unit Owners upon Assessments shall be deposited by the Association with the Insurance Trustee, whether the disbursements from the construction fund are to be upon the order of the Association or upon approval of an architect or otherwise, whether a disbursement is to be made from the construction fund, or whether surplus funds to be distributed are less than the assessments paid Owners. Instead, the Insurance Trustee may rely upon a certificate of the Association, executed by its President or Vice President and Secretary or Assistant Secretary, as to any or all of such matters stating that the sums to be paid are due and properly payable in the name of the designated payee and the amount to be paid; provided that when a Mortgagee is herein required to be named as payee, the Insurance Trustee shall also name the Mortgagee as payee of any distribution or insurance proceeds to a Unit Owner; and, further provided that when the Association or a Mortgagee which is the beneficiary of an insurance policy the proceeds of which are included in the construction fund so requires the approval of an architect named by the Association shall be first obtained by the Association prior to disbursements in payment of costs of reconstruction and repair.

24. EXECUTION OF DOCUMENTS REQUIRED BY GOVERNMENT.

The Developer's plan for the development of this Condominium may require from time to time the execution of certain documents required by the Town of Bal Harbour, Dade County, Florida, or some other governmental agency having jurisdiction over this Condominium. To the extent that said documents require the joinder of Unit Owners, the Developer by its duly authorized officers may, as the agent or the attorney-in-fact for the Unit Owners, execute acknowledge and deliver such documents and the Unit Owners, by virtue of their acceptance of deeds to their Units, irrevocably nominate, constitute and appoint the Developer, through its duly authorized officers, as their proper and legal attorneys-in-fact for such purpose. Said appointment is coupled with an interest and is therefore irrevocable.

25. EMINENT DOMAIN OR CONDEMNATION PROCEEDING.

If eminent domain or condemnation proceedings are successfully litigated against all or any part of the Condominium Property, the entire eminent domain or condemnation award is to be secured to the Association in accordance with the ratio of

ownership herein provided as it pertains to the Common Elements, and shall be disbursed to Unit Owners and their mortgagees as their interests appear of record. The Association shall give to each Mortgagee requesting same in writing, prompt written notice of any such eminent domain or condemnation proceedings.

26. GENERAL PROVISIONS.

A. If any provision of this Declaration, the Articles, the Bylaws or the Condominium Act, or any section, sentence, clause, phrase or word, or the application thereof, in any circumstances is held invalid, the validity of the remainder of this Declaration, the Articles, the Bylaws, or the Condominium Act, and the application of any such invalid provision, section, sentence, clause, phrase, or word in other circumstances shall not be affected thereby.

B. If the Developer holds Units for sale in the ordinary course of business, none of the following actions may be taken without the Developer's written approval:

(1) Assessment of the Developer as a Unit Owner for capital improvements, and

(2) Any action by the Association that would be detrimental to the Developer's sale of Units.

C. Notices to Unit Owners shall be sent by regular mail or hand delivery to their place of residence in the Condominium Building, unless the Unit Owner has, by written notice to the Association, specified a different address. Notices to the Association and the Developer shall be delivered by certified mail to 51 Southwest 9th Street, Miami, Florida 33130. All notices shall be deemed and considered sent when actually delivered or 2 business days following mailing, whichever occurs first. Any party may change his or its mailing address by written notice to the other party.

D. The failure of the Developer, or the Association, or any Unit Owner to enforce any covenant, restriction or other provision of the Condominium Act, this Declaration, the Articles of Incorporation of the Association, the Bylaws, or the Rules and Regulations adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter. The Association may levy against any Owner a fine in an amount provided for in the Bylaws, and any amendments thereto, for any single violation of the requirements of this Declaration, the Bylaws, or any rule or regulation promulgated thereunder, after having been notified by the Association of such violation, provided notice and opportunity to be heard is provided as required by Rules of the Department of Business Regulation, State of Florida.

E. The remedies for violations provided by the Condominium Act shall be in full force and effect. In addition thereto, should the Association find it necessary to institute legal proceedings, upon a finding by a court in favor of the Association, the defendant Unit Owner shall reimburse the Association for its costs of suit, including reasonable attorney's fees at both trial and appellate level, incurred by it in bringing such action.

F. Whenever the context so requires, the use of any gender shall be deemed to include all genders, the use of the plural shall include the singular and the singular shall include the plural.

G. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of the Condominium.

H. Except as provided by statute in case of condemnation or substantial loss to the Units and/or Common Elements, unless at least two-thirds of the Mortgagees (based upon one vote for each first mortgage owned), or Owners (other than the Developer) have given their prior written approval, the Association shall not be entitled to:

(1) By act or omission seek to abandon or terminate the Condominium;

(2) Change the pro rata interest or obligations of any individual Unit for the purpose of (a) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (b) determining the pro rata share of ownership of each Unit in the Common Elements;

(3) Partition or subdivide any Unit;

(4) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the Owners shall not be deemed a transfer within the meaning of this clause.);

(5) Use hazard insurance proceeds for losses to any portion of the Condominium for other than the repair, replacement or reconstruction of such portion.

I. So long as the Developer owns one or more Units, the Association shall take no action which, in the Developer's opinion, would adversely affect the Developer's marketing program with respect to Units or other residential dwelling units.

J. Parking for Unit Owners shall be located on the Condominium Property. The Developer so long as it owns any Units shall have the exclusive right to (i) assign parking spaces for the exclusive use of particular Units, (ii) change assignments so long as each Unit is assigned at least one space at all times and (iii) assign the exclusive use of all of the remaining parking spaces to Unit Owners and retain the proceeds therefrom for Developer's sole benefit. During this time, the Association shall have no rights to assign or modify the Developer's parking assignments. When the Developer no longer owns any Units, the Developer's rights as above set forth in this Article 26.J. shall terminate and the Board of Administration of the Association shall have the right to assign and modify the exclusive parking assignments; provided, however, at least one parking space is assigned for the exclusive use of each Unit at all times. Any damage to a parking space incurred during the time a space is assigned for the exclusive use of a Unit (e.g., pot holes caused by dripping fluids) shall be repaired by the Association but the cost of such repair shall be paid by and charged against the Unit to which such space was exclusively assigned.

K. The rights of the Developer under this Declaration, the Articles, or Bylaws may be assigned any number of times, in whole or in part. Any partial assignee shall not be deemed the Developer and shall have no rights other than those expressly assigned. No assignee shall have any liability for any acts of the Developer, or any prior developer, unless such assignee is assigned and agrees to assume such liability.

27. RIGHTS OF MORTGAGEES.

A. Upon written request to the Association by a Mortgagee, or the insurer or guarantor of any first mortgage encumbering a Unit, such Mortgagee, insurer or guarantor, if its request specifies the name, address and factual basis of entitlement of the requesting party, in addition to the right to examine the Association's books and records and to receive notice of and attend Association meetings, and any other rights provided herein, shall be entitled to prompt written notice of:

(1) any condemnation or casualty loss that affects either a material portion of the Condominium Property or any Unit encumbered by its Mortgage;

(2) any sixty (60) day delinquency in the payment of Assessments, Special Assessments or charges owed by the Unit Owner of any Unit on which it holds the Mortgage;

(3) a lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; and

(4) any proposed action which requires the consent of a specified percentage of Mortgagees.

B. Any Mortgagee, upon written request, shall be entitled to receive from the Association a financial report for the immediately preceding fiscal year.

C. Any Mortgagee who has registered its name with the Association shall be provided with written notice prior to the effective date of any proposed, material amendment to this Declaration, or the Articles or Bylaws.

D. In the event that any party which has financed the construction of the Condominium Property (the "Acquiring Party") acquires title to any Unit(s) owned by Developer (or on which Developer held a mortgage which was assigned to the Acquiring Party) as a result of the foreclosure of a mortgage(s) thereon or the giving of a deed in lieu of foreclosure or in satisfaction of debt, such party shall automatically succeed to all rights, benefits and privileges of Developer hereunder (and under the Articles of Incorporation, Bylaws and Rules and Regulations of the Association), except to the extent the Acquiring Party specifically disclaims any of such rights, benefits or privileges in a written notice to the Association. Notwithstanding the foregoing or anything to the contrary contained in this Declaration (or in the aforesaid Articles of Incorporation, Bylaws or Rules and Regulations), the Acquiring Party shall in no manner be obligated or liable for any duties, obligations, warranties, liabilities, acts or omissions of Developer (i) occurring or arising from facts existing (regardless of when same became known or should have become known) prior to the date the Acquiring Party succeeds to the rights, benefits and privileges of Developer or (ii) otherwise not directly attributable to the Acquiring Party solely in its own right. The foregoing shall be in addition to, and not in derogation of, the Acquiring Party's rights, benefits and privileges as same may exist elsewhere in, under or in connection with this Declaration (or the aforesaid Articles of Incorporation, Bylaws or Rules and Regulations).

E. This Declaration, including the Articles, Bylaws and Rules and Regulations, may be enforced by any Mortgagee and shall be subject to the following:

(1) Breach of any of the covenants contained in this Declaration or the Bylaws and the continuation of any such breach may be enjoined, abated or remedied by appropriate legal proceedings by any Mortgagee. Any judgment rendered in any action or proceeding to enforce this Declaration or the Bylaws shall include a sum for attorneys' fees, in such amount as the court may deem reasonable, as well as the amount of any delinquent payment, interest thereon, costs of collection and court costs.

(2) The result of every act or omission whereby any of the covenants contained in this Declaration or the Bylaws are violated in whole or in part is hereby declared to be and shall constitute a nuisance, and every remedy allowed at law or in equity with respect to nuisances, either public or private, shall be applicable and may be exercised by any Mortgagee.

(3) The remedies herein provided for breach of the covenants contained in this Declaration or in the Bylaws shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

(4) The failure of the any Mortgagee to enforce any of the covenants contained in this Declaration or in the Bylaws shall not constitute a waiver of the right to enforce any other covenants or the same covenant(s) thereafter.

IN WITNESS WHEREOF, this Declaration of Condominium has been duly executed on this _____ day of _____, 1992.

Signed and sealed
in the presence of:

Print Name: _____

Max D. Puyanik, as Trustee

Print Name: _____

STATE OF FLORIDA)
) ss:
COUNTY OF DADE)

The foregoing instrument was acknowledged before me this _____ day of _____, 1992, by Max D. Puyanik, who is personally known to me or has produced a Florida driver's license and who did not take an oath.

Notary Public, State of Florida
at Large

(Name of notary public stamped,
printed or typed)
Commission No.: _____

CONSENT

Park Place of Bal Harbour Condominium Association, Inc., a Florida corporation not for profit, hereby agrees to accept all the benefits and all of the duties, responsibilities, obligations and burdens imposed upon it by the provisions of the Declaration of Condominium and Exhibits attached thereto.

IN WITNESS WHEREOF, the undersigned has caused this Consent to be executed this _____ day of _____, 1992.

Signed, sealed and delivered in the presence of

PARK PLACE OF BAL HARBOUR CONDOMINIUM ASSOCIATION, INC.

Print Name: _____

By: _____, President

Print Name: _____

STATE OF FLORIDA)
) ss.
COUNTY OF DADE)

The foregoing Consent was acknowledged before me this _____ day of _____, 1992, by _____ who is personally known to me or has produced a Florida driver's license, as President of Park Place of Bal Harbour Condominium Association, Inc., a Florida corporation not for profit, on behalf of said corporation. He/She did not take an oath.

Notary Public, State of Florida
at Large

(Name of notary public stamped,
printed or typed)

Commission No.: _____

puyanic\declare

EXHIBIT A

-to-

DECLARATION OF CONDOMINIUM

LEGAL DESCRIPTION

LEGAL DESCRIPTION

Lot 6, Block 4, of Residential Section of BAL HARBOUR, according to the Plat thereof, recorded in Plat Book 44 at Page 98 of the Public Records of Dade County, Florida.

EXHIBIT B

-to-

DECLARATION OF CONDOMINIUM

SURVEY, PLOT PLAN AND GRAPHIC DESCRIPTION
OF IMPROVEMENTS

EXHIBIT C

-to-

DECLARATION OF CONDOMINIUM

ARTICLES OF INCORPORATION

- 1.001 - Note to Builders
- 1.002 - General Notes
- 1.003 - Foundation Plan
- 1.004 - Floor Plan
- 1.005 - Section
- 1.006 - Elevation
- 1.007 - Detail
- 1.008 - Schedule
- 1.009 - Schedule
- 1.010 - Schedule
- 1.011 - Schedule
- 1.012 - Schedule
- 1.013 - Schedule
- 1.014 - Schedule
- 1.015 - Schedule
- 1.016 - Schedule
- 1.017 - Schedule
- 1.018 - Schedule
- 1.019 - Schedule
- 1.020 - Schedule

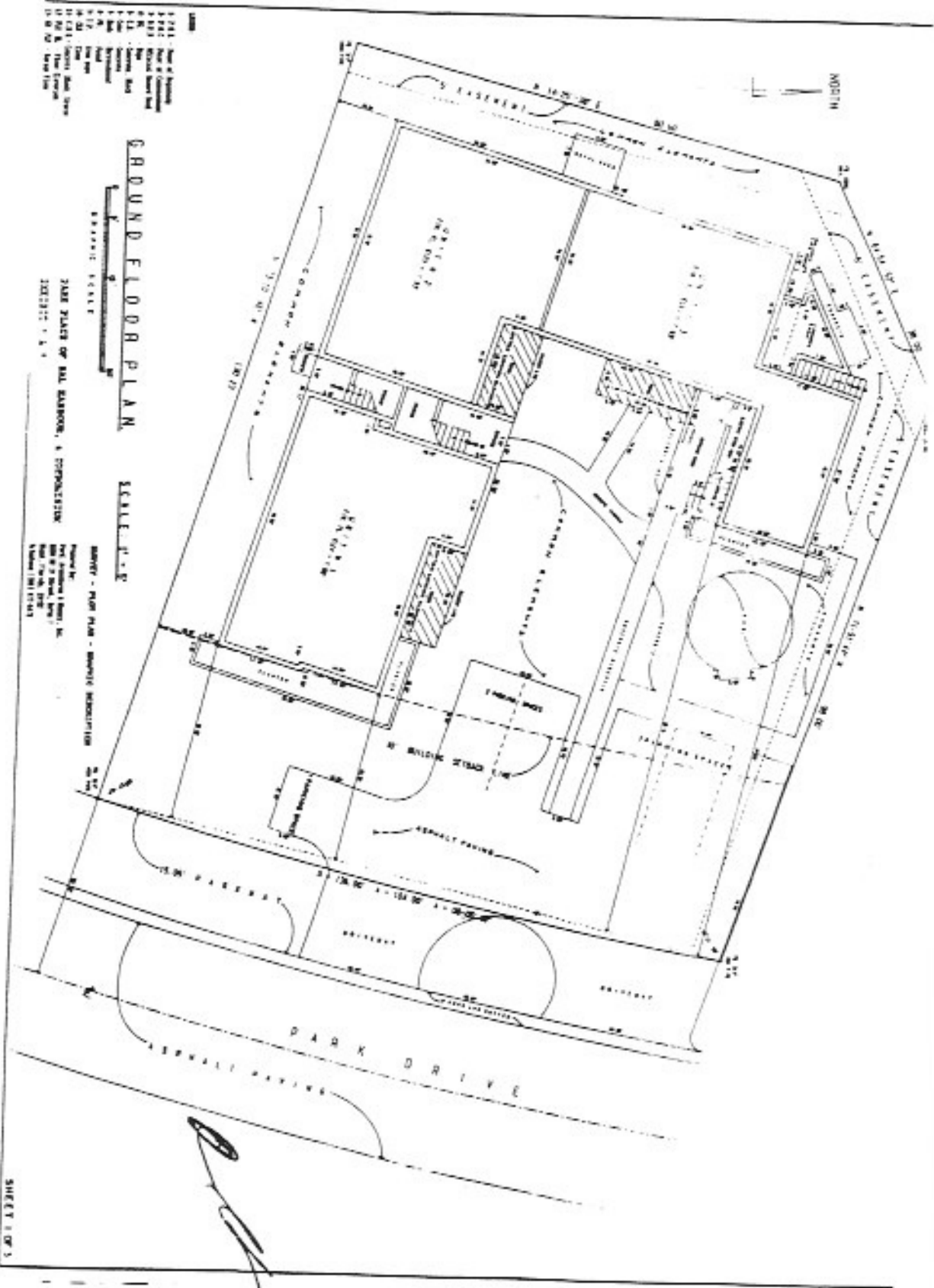
GROUND FLOOR PLAN

SCALE: 1/8" = 1'-0"

DATE: 10/15/54
 DRAWN BY: J. S. S.

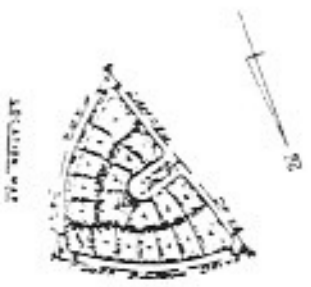
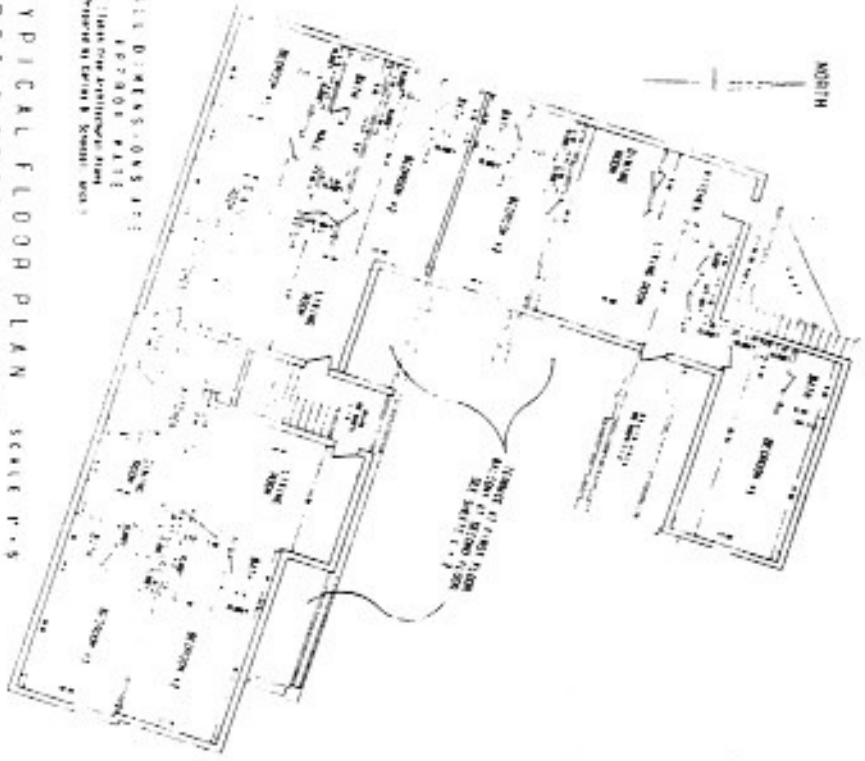
PROJECT - MAIN PLAN - GENERAL DESCRIPTION
 SHEET NO. 1 OF 1

SHEET 1 OF 1



TYPICAL FLOOR PLAN SCALE 1/8" = 1'-0"

ALL DIMENSIONS ARE IN FEET AND INCHES
 UNLESS OTHERWISE NOTED
 PROJECT NO. 100-100-100-100



NOTES:

1. See the notes on the first sheet of this set.
2. The building is to be constructed in accordance with the provisions of the Building Code of the City of New York.
3. The building is to be constructed in accordance with the provisions of the Building Code of the City of New York.
4. The building is to be constructed in accordance with the provisions of the Building Code of the City of New York.

DATE MADE BY: MRS. MARGARET A. CONNOR

DESIGNED BY: A. S.

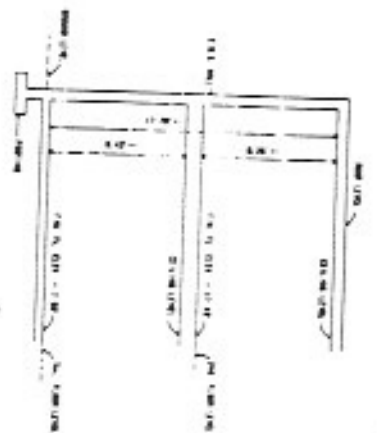
OWNER - JOHN J. CONNOR, 100-100-100-100

Prepared by:
 Mrs. Margaret A. Connor, Inc.
 100-100-100-100
 New York, N.Y.

SECOND FLOOR PLAN
 SECOND FLOOR
 STEEL DECK



VERTICAL SECTION



NOTES

1. See 1st floor plan for details of the first floor of this building. The second floor is shown in the plan above and is intended to be built on top of the first floor of the building shown in the plan above.

2. The second floor is to be built on top of the first floor of the building shown in the plan above. The second floor is to be built on top of the first floor of the building shown in the plan above.

3. The second floor is to be built on top of the first floor of the building shown in the plan above. The second floor is to be built on top of the first floor of the building shown in the plan above.

4. The second floor is to be built on top of the first floor of the building shown in the plan above. The second floor is to be built on top of the first floor of the building shown in the plan above.

DETAILS

1. Section on line A-A of the second floor of the building shown in the plan above. The second floor is to be built on top of the first floor of the building shown in the plan above.

2. Section on line B-B of the second floor of the building shown in the plan above. The second floor is to be built on top of the first floor of the building shown in the plan above.

3. Section on line C-C of the second floor of the building shown in the plan above. The second floor is to be built on top of the first floor of the building shown in the plan above.

PLAN TITLE OF ALL DRAWINGS - 4 - ARCHITECTURE

ENGINEER - A. J. ...

ARCHITECT - ...

1000 ...

FILED

1933 OCT 22 AM 3 40

ARTICLES OF INCORPORATION
FOR
PARK PLACE OF BAL HARBOUR CONDOMINIUM ASSOCIATION, INC.

A corporation not for profit organized
under the laws of the State of Florida

The undersigned, acting as incorporator of a non-profit corporation under Chapter 617 of the Florida Statutes, as amended, does hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE 1

NAME

The name of the corporation shall be PARK PLACE OF BAL HARBOUR CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit. For convenience, the corporation shall be referred to in this instrument as the "Association," these Articles of Incorporation as the "Articles" and the By-Laws of the Association as the "By-Laws".

ARTICLE 2

PURPOSE

The purpose for which the Association is organized is to provide an entity pursuant to the Florida Condominium Act (the "Act") as it exists on the date hereof for the operation of that certain condominium located in Dade County, Florida, and known as PARK PLACE OF BAL HARBOUR, A CONDOMINIUM (the "Condominium").

ARTICLE 3

DEFINITIONS

The terms used in these Articles shall have the same definitions and meaning as those set forth in the Declaration of the Condominium to be recorded in the Public Records of Dade County, Florida, unless herein provided to the contrary, or unless the context otherwise requires.

ARTICLE 4

POWERS

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

- 4.1 General. The Association shall have all of the common-law and statutory powers of a corporation not for profit

under the laws of Florida that are not in conflict with the provision of these Articles, the Declaration, the By-Laws or the Act.

4.2 Enumeration. The Association shall have all of the powers and duties set forth in the Act, except as limited by these Articles, the By-Laws and the Declaration, and all of the powers and duties reasonably necessary to operate the Condominium pursuant to the Declaration and as more particularly described in the By-Laws, as they may be amended from time to time, including, but not limited to, the following:

- (a) To make and collect Assessments and other charges against members as Unit Owners, and to use the proceeds thereof in the exercise of its powers and duties.
- (b) To buy, own, operate, lease, sell, trade and mortgage both real and personal property.
- (c) To maintain, repair, replace, reconstruct, add to and operate the Condominium Property, and other property acquired or leased by the Association.
- (d) To purchase insurance upon the Condominium Property and insurance for the protection of the Association, its officers, directors and Unit Owners.
- (e) To make and amend reasonable rules and regulations for the maintenance, conservation and use of the Condominium Property and for the health, comfort, safety and welfare of the Unit Owners.
- (f) To approve or disapprove the leasing, transfer, ownership and possession of Units as may be provided by the Declaration.
- (g) To enforce by legal means the provisions of the Act, the Declaration, these Articles, the By-Laws, and the rules and regulations for the use of the Condominium Property, subject however, to the limitation regarding assessing Units owned by the Developer for fees and expenses relating in any way to claims or potential claims against the Developer as set forth in the Declaration and/or By-Laws.

- (h) To contract for the management and maintenance of the Condominium Property and to authorize a management agent (who may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the Common Elements with such funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the Condominium Act, including, but not limited to, the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association.
- (i) To employ personnel to perform the services required for the proper operation of the Condominium.
- 4.3 Condominium Property. All funds and the title to all properties acquired by the Association and their proceeds shall be held for the benefit and use of the members in accordance with the provisions of the Declaration, these Articles and the By-Laws.
- 4.4 Distribution of Income; Dissolution. The Association shall make no distribution of income to its members, directors or officers, and upon dissolution, all assets of the Association shall be transferred only to another non-profit corporation or a public agency.
- 4.5 Limitation. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions hereof, the Declaration, the By-Laws and the Act.

ARTICLE 5

MEMBERS

- 5.1 Membership. The members of the Association shall consist of all of the record title owners of Residential Units in the Condominium from time to time, and after termination of the Condominium, shall also consist of those who were members at the time of such termination, and their successors and assigns.

- 5.2 Assignment. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the Unit for which that share is held.
- 5.3 Voting. On all matters upon which the membership shall be entitled to vote, there shall be only one vote for each Residential Unit, which vote shall be exercised or cast in the manner provided by the Declaration and By-Laws. Any person or entity owning more than one Residential Unit shall be entitled to one vote for each Residential Unit owned.
- 5.4 Meetings. The By-Laws shall provide for an annual meeting of members, and may make provision for regular and special meetings of members other than the annual meeting.

ARTICLE 6

TERM OF EXISTENCE

The Association shall have perpetual existence.

ARTICLE 7

INCORPORATOR

The name and address of the incorporator of the Association is as follows:

<u>NAME</u>	<u>ADDRESS</u>
Max D. Puyanac	59 SW 9 Street, Suite 5 Miami, Florida 33130

ARTICLE 8

OFFICERS

The affairs of the Association shall be administered by the officers holding the offices designated in the By-Laws. The officers shall be elected by the Board of Directors of the Association 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 By-Laws may provide for the removal of officers from office, the filling of vacancies and for the duties of the officers. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

President:

Max D. Puyanik

Address

59 SW 9 Street, Suite 5
Miami, Florida 33130

Vice President:

Secretary-Treasurer:

Lawrence J. Puyanik

59 SW 9 Street, Suite 5
Miami, Florida 33130

ARTICLE 9

DIRECTORS

- 9.1 Number and Qualification. The property, business and affairs of the Association shall be managed by a board consisting of the number of directors determined in the manner provided by the By-Laws, but which shall consist of not less than three (3) nor more than six (6) directors. Directors need not be members of the Association or residents of Units in the Condominium.
- 9.2 Duties and Powers. All of the duties and powers of the Association existing under the Act, the Declaration, these Articles and the By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by Unit Owners when such approval is specifically required.
- 9.3 Election; Removal. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by and subject to the qualifications set forth in the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the By-Laws.
- 9.4 Term of Developer's Directors. The Developer of the Condominium shall appoint the members of the first Board of Directors and their replacements who shall hold office for the periods described in the By-Laws.
- 9.5 First Directors. The names and addresses of the members of the first Board of Directors who shall hold office until their successors are elected and have taken office, as provided in the By-Laws, are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Max D. Puyanik	59 SW 9 Street, Suite 5 Miami, Florida 33130
Lawrence J. Puyanik	59 SW 9 Street, Suite 5 Miami, Florida 33130
Madeline Marquet	59 SW 9 Street, Suite 5 Miami, Florida 33130

ARTICLE 10

INDEMNIFICATION

- 10.1 Indemnity. The Association shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director, employee, officer or agent of the Association, against expenses (including attorneys' fees and appellate attorneys' fees, settlements, judgments, fines and amounts paid and reasonably incurred by him in connection with such action, suit or proceeding, unless (a) a court of competent jurisdiction determines, after all available appeals have been exhausted or not pursued by the proposed indemnitee, that he did not act in good faith, nor in a manner he reasonably believed to be in the best interest of the Association, and, with respect to any criminal action or proceeding, that he had reasonable cause to believe his conduct was unlawful, and (b) such court further specifically determines that indemnification should be denied. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in the best interest of the Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.
- 10.2 Expenses. To the extent that a director, officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 10.1 above, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonably incurred by him in connection therewith.

- 10.3 Advances. Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the affected director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article 10.
- 10.4 Miscellaneous. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by-law, agreement, vote of members or otherwise, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs and personal representatives of such person.
- 10.5 Insurance. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association, or is or was serving, at the request of the Association, as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article.
- 10.6 Amendment. Anything to the contrary herein notwithstanding, the provisions of this Article 10 may not be amended without the prior written consent of all persons whose interest would be adversely affected by such amendment.

ARTICLE 11

BY-LAWS

The first By-Laws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded in the manner provided in the By-Laws and the Declaration.

ARTICLE 12

AMENDMENTS

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

- 12.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which the proposed amendment is to be considered.
- 12.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors or by not less than one-third (1/3) of the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing the approval is delivered to the Secretary at or prior to the meeting. The approvals must be:
- (a) by not less than a majority of the votes of all of the members of the Association represented at a meeting at which a quorum thereof has been attained and by not less than 66-2/3% of the entire Board of Directors; or
 - (b) after control of the Association is turned over to Unit Owners other than the Developer, by not less than 80% of the votes of all of the members of the Association represented at a meeting at which a quorum has been attained; or
 - (c) by not less than 100% of the entire Board of Directors.
- 12.3 Limitation. No amendment shall make any changes in the qualifications for membership, nor in the voting rights or property rights of members, nor any changes in Sections 4.3, 4.4 or 4.5 of Article 4, entitled "Powers," without the approval in writing of all members and the joinder of all record owners of mortgages upon Units. No amendment shall be made that is in conflict with the Act, the Declaration or the By-laws, nor shall any amendment make any changes which would in any way affect any of the rights, privileges, powers or options herein provided in favor of or reserved to the Developer, or an affiliate of the Developer, unless the Developer shall join in the execution of the amendment. This paragraph 12.3 shall not be amended.

12.4 Amendments By Developer. The Developer may amend these Articles consistent with the provisions of the Declaration allowing certain amendments to be affected by the Developer alone.

12.5 Recording. A copy of each amendment shall be filed with the Secretary of State pursuant to the provisions of applicable Florida law, and a copy certified by the Secretary of State shall be recorded in the public records of Dade County, Florida.

ARTICLE 13

INITIAL REGISTERED OFFICE AND AGENT

The initial registered office of the Association shall be at 59 SW 9 Street, Suite 5, Miami, Florida 33130. The initial registered agent at that address shall be Max D. Puyanik.

IN WITNESS WHEREOF, the incorporator of the Association has affixed his signature this 16th day of OCTOBER, 1990.

Max D. Puyanik
Max D. Puyanik

STATE OF FLORIDA)
 SS:
COUNTY OF DADE)

The foregoing instrument was acknowledged before me this 16th day of OCTOBER, 1990, by MAX D. PUYANIK.

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP JUNE 19, 1992
BONDED THRU GENERAL INS. UND.

Susan Stokes
Notary Public, State of Florida



ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF

PARK PLACE OF BAL HARBOUR CONDOMINIUM ASSOCIATION, INC.
A Corporation Not for Profit

The undersigned officers do hereby make, subscribe, acknowledge and file with the Secretary of State these Articles of Amendment in accordance with the unanimous vote of the entire voting interests of the association at a duly called meeting of the members on _____, 1992, after unanimous adoption of a Resolution proposing said amendment by the Board of Administration.

The Articles of Incorporation of PARK PLACE OF BAL HARBOUR CONDOMINIUM ASSOCIATION, INC. are, and shall hereby be, amended as follows:

1. ARTICLE 4 - POWERS

Paragraph 4.2 (g) is deleted in its entirety and substituted by the following:

- (g) To enforce by legal means the provisions of the Act, the Declaration, these Articles, the Bylaws and the rules and regulations for the use of the Condominium Property.

2. Except as herein provided, all of the terms and provisions of the Articles of Incorporation shall be and remain in force and effect.

IN WITNESS WHEREOF, PARK PLACE OF BAL HARBOUR CONDOMINIUM ASSOCIATION, INC. has caused these Articles of Amendment to be executed in accordance with the authority hereinabove expressed this _____ day of _____, 1992.

(Corporate Seal)

PARK PLACE OF BAL HARBOUR
CONDOMINIUM ASSOCIATION, INC.

ATTEST:

, Secretary

By: _____
, President

STATE OF FLORIDA

COUNTY OF DADE

On this _____ day of _____, 1992, personally appeared _____, the Secretary and _____, the President of Park Place of Bal Harbour Condominium Association, Inc. and acknowledged the execution hereof for the purposes herein expressed.

NOTARY PUBLIC

(Name of Notary Public stamped,
typed or printed)

My Commission Expires:

puyanic\amendment

EXHIBIT D

-to-

DECLARATION OF CONDOMINIUM

BYLAWS

BYLAWS OF

PARK PLACE OF BAL HARBOUR
CONDOMINIUM ASSOCIATION, INC.

A corporation not for profit organized
under the laws of the State of Florida

1. Identity. These are the Bylaws of PARK PLACE OF BAL HARBOUR CONDOMINIUM ASSOCIATION, INC. (the "Association"), a corporation not for profit incorporated under the laws of the State of Florida, and organized for the purpose of administering the Park Place of Bal Harbour, a Condominium (the "Condominium") located in the Town of Bal Harbour, Dade County, Florida.
 - 1.1 Principal Office. The principal office of the Association shall be at 51 Southwest 9th Street, Miami, Florida 33130, or at such other place as may be subsequently designated by the Board of Administration. All books and records of the Association shall be kept at its principal office.
 - 1.2 Fiscal Year. The fiscal year of the Association shall be the calendar year.
 - 1.3 Seal. 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. Definitions. For convenience, these Bylaws shall be referred to as the "Bylaws" and the Articles of Incorporation of the Association as the "Articles". The other terms used in these Bylaws shall have the same definition and meaning as those set forth in the Articles or Declaration for the Condominium, unless herein provided to the contrary, or unless the context otherwise requires.
3. Members. The members of the Association ("Members") shall be as specified in the Articles.
 - 3.1 Annual Meeting. The annual Members' meeting shall be held on the date, at the place and at the time determined by the Board of Administration from time to time, provided that there shall be an annual meeting every calendar year. To the extent possible, the annual meeting shall be held during September, October, November or December and no later than twelve (12) months after the last preceding annual meeting. The purpose of the meeting shall be, except as provided

herein to the contrary, to elect Directors and to transact any other business authorized to be transacted by the Members, or as stated in the notice of the meeting sent to Unit Owners in advance thereof.

- 3.2 Special Meeting. Special Members' meetings shall be held at such places as provided herein for annual meetings, and may be called by the President or by a majority of the Board of Administration of the Association. A special meeting must be called by the President or Secretary upon receipt of a written request from a majority of the Members of the Association. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting. Additionally, special Members' meetings may be called by ten percent of the Members of the Association to recall a member or members of the Board of Administration or as provided for in Section 9.1(a)(ii) hereof.
- 3.3 Notice of Meeting; Waiver of Notice. Written notice of a meeting of Members stating the time and place and an agenda for which the meeting is called shall be given by the President or Secretary. A copy of the notice shall be mailed or delivered to each Unit Owner at least 14 days prior to the annual meeting and shall be posted in a conspicuous place on the Condominium Property of each Condominium or Association Property at least 14 continuous days preceding the annual meeting. Upon notice to the Unit Owners, the Board shall by duly adopted rule designate a specific location on the Condominium Property or the Association Property upon which all notices of Unit Owner meetings shall be posted. The notice of the annual meeting shall be hand delivered or sent by mail to each Unit Owner, unless the Unit Owner waives in writing the right to receive notice of the annual meeting by mail. The delivery or mailing shall be to the address of the Member as it appears on the roster of Members described in Section 10 hereof.

Notice of specific meetings may be waived before or after the meeting. The attendance of any Member (or person authorized to vote for such Member) shall constitute such Member's waiver of notice of such meeting, except when his (or his authorized representative's) attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

- 3.4 Members' Participation in Meetings. Members shall have the right to participate in meetings of Members with reference to all designated agenda items. However, the Association may adopt reasonable rules governing the frequency, duration and manner of Member participation. Any Member may tape record or video tape a meeting of Members subject to reasonable rules adopted by the Division of Florida Land Sales, Condominiums and Mobile Homes (the "Division").
- 3.5 Quorum. Except as otherwise herein provided and in paragraph 4.2 of these Bylaws, a quorum at Members' meetings shall be attained by the presence, either in person or by proxy, of persons entitled to cast one-third (33 1/3%) of the votes of Members. There shall be no quorum requirement or minimum number of votes necessary for the election of Directors; however at least 20% of the eligible voters must cast a ballot in order to have a valid election of members of the Board of Administration.
- 3.6 Voting.
- (a) Number of Votes. In any meeting of Members, the Owners of Units shall be entitled to cast one vote for each Unit owned. The vote of a Unit shall not be divisible.
- (b) Majority Vote. The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum shall have been attained shall be binding upon all Unit Owners for all purposes except where otherwise provided by law, the Declaration, the Articles or these Bylaws. As used in these Bylaws, the Articles or the Declaration, the terms "majority of the Unit Owners" and "majority of the Members" shall mean a majority of the votes of Members and not a majority of the Members themselves and shall further mean more than 50% of the then total authorized votes present in person or by proxy and voting at any meeting of the Unit Owners at which a quorum shall have been attained. Similarly, if some greater percentage of Members is required herein or in the Declaration or Articles, it shall mean such greater percentage of the votes of Members and not of the Members themselves.
- (c) Voting Member. If a Unit is owned by one person, his right to vote shall be established by the roster of Members. If a Unit is owned by more than one person, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by all of the record owners of the Unit according to the roster of Unit Owners and filed with the Secretary of the Association.

If a Unit is owned by a corporation, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by an appropriate officer of the corporation and filed with the Secretary of the Association. Those certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Unit concerned. A certificate designating the person entitled to cast the vote for a Unit may be revoked by any record owner of an undivided interest in the Unit. If a certificate designating the person entitled to cast the vote for a Unit is not on file or has been revoked, the vote of the Owner(s) of such Unit shall not be considered in determining whether a quorum is present, nor for any other purpose, and the total number of authorized votes in the Association shall be reduced accordingly until such certificate is filed, except if the Unit is owned jointly by a husband and wife. If a Unit is owned jointly by a husband and wife, they may, without being required to do so, designate a voting Member in the manner provided above. In the event a husband and wife do not designate a voting member, the following provisions shall apply:

- (i) If both are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting, and their vote shall not be considered in determining whether a quorum is present on that subject at the meeting (and the total number of authorized votes in the Association shall be reduced accordingly for such subject only).
- (ii) If only one is present at a meeting, the person present shall be counted for purposes of a quorum and may cast the Unit vote just as though he or she owned the Unit individually, and without establishing the concurrence of the absent person.
- (iii) If both are present at a meeting and concur, either one may cast the Unit vote.

3.7 Proxies. Members may not vote by general proxy, but may vote by limited proxies substantially conforming to a limited proxy form adopted by the Division. Limited proxies and general proxies may be used to establish a

quorum. Limited proxies shall be used for votes taken to (a) waive or reduce reserves (b) waive financial statement requirements (c) amend the Declaration (d) amend the Articles or Bylaws; and for any other matter for which the Condominium Act requires or permits a vote of the Unit Owners. No proxy, limited or general, shall be used in the election of the Board of Administration. General proxies may be used for other matters for which limited proxies are not required, and may also be used in voting for nonsubstantive changes to items for which a limited proxy is required and given. Notwithstanding the provisions of this subparagraph, Members may vote in person at Members' meetings. A proxy may be made by any person entitled to vote, but shall only be effective for the specific meeting for which originally given and any lawfully adjourned meetings thereof. In no event shall any proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the person executing it. A proxy must be filed in writing, signed by the person authorized to cast the vote for the Unit (as above described) and filed with the Secretary before the appointed time of the meeting, or before the time to which the meeting is adjourned. Holders of proxies need not be Unit Owners, but no person other than a designee of the Developer may hold more than 5 proxies.

- 3.8 Adjourned Meetings. If any proposed meeting, other than for the election of Directors, cannot be organized because a quorum has not been attained, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, provided notice of the newly scheduled meeting is given in the manner required for the giving of notice of a meeting. Except as provided by law, proxies given for the adjourned meeting shall be valid for the newly scheduled meeting unless revoked for reasons other than the new date of the meeting.
- 3.9 Order of Business. If a quorum has been attained, the order of business at annual Members' meetings, and, if applicable, at other Members' meetings, shall be:
- (a) Call to order by President;
 - (b) Appointment by the President of a chairman of the meeting (who need not be a Member or a Director);
 - (c) Proof of notice of the meeting or waiver of notice;
 - (d) Reading of minutes;

- (e) Reports of officers;
- (f) Reports of committees;
- (g) Appointment of inspectors of election;
- (h) Determination of number of Directors;
- (i) Election of Directors;
- (j) Unfinished business;
- (k) New business;
- (l) Adjournment.

Such order may be waived in whole or in part by direction of the chairman.

3.10 Minutes of Meeting. The minutes of all meetings of Unit Owners shall be kept in a book available for inspection by Unit Owners or their authorized representatives or Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven years.

3.11 Action Without A Meeting. Except for those approvals by Unit Owners required by the Condominium Act, the Declaration, or these Bylaws to be made at a duly noticed meeting of Unit Owners which shall be subject to all requirements of the Condominium Act, or the Declaration, Articles or these Bylaws relating to Unit Owner decision-making, any action which may be taken at any annual or special meeting of such Members, may be taken without a meeting, without prior notice and without a vote if a consent in writing, setting forth the action so taken shall be signed by the Members (or persons authorized to cast the vote of any such Member as elsewhere herein set forth) having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting of such Members at which a quorum of such Members (or authorized persons) entitled to vote thereon were present and voted.

Within 10 days after obtaining such authorization by written consent, notice must be given to Members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action.

Directors

4. 4.1. Membership. The affairs of the Association shall be managed and governed by a Board of not less than three, nor more than six Directors, the exact number initially to be as set forth in the Articles, and thereafter, except as provided herein, to be determined from time to time upon majority vote of the membership. Directors need not be Unit Owners.
- 4.2 Election of Directors. The Board of Administration shall be elected by written ballot or voting machine. Proxies shall in no event be used in electing the Board of Administration, either in general elections or elections to fill vacancies caused by recall, resignation, or otherwise, unless Unit Owners by a two-thirds vote, provide for a different voting and election procedure by amending these Bylaws. Not less than 60 days before a scheduled election, the Association shall mail or deliver, whether by separate Association mailing or included in another Association mailing or delivery including regularly published newsletters, to each Unit Owner entitled to vote, a first notice of the date of the election. The Board shall hold a meeting within five days after the deadline for a candidate to provide notice to the Association of intent to run. At this meeting, the Board shall accept additional nominations. Any Unit Owner or other eligible person may nominate himself or may nominate another Unit Owner or eligible person, if he has permission in writing to nominate the other person. Any Unit Owner or other eligible person desiring to be a candidate for the Board of Administration must give written notice to the Association not less than 40 days before a scheduled election. Not less than 30 days before the election, the Association shall mail or deliver a second notice of the election to all Unit Owners entitled to vote therein, together with a ballot which shall list all candidates. Upon request of a candidate, the Association shall include an information sheet, no larger than 8-1/2 inches by 11 inches which must be furnished by the candidate not less than 35 days before the election, to be included with the mailing of the ballot, with the costs of mailing and copying to be borne by the Association. However, the Association has no liability for the contents of the information sheets prepared by the candidates. Elections shall be decided by a plurality of those ballots cast. There shall be no quorum requirement; however, at least 20% of the eligible voters must cast a ballot in order to have a valid election of members of the Board of Administration. There shall be no cumulative voting.

No Unit Owner shall permit any other person to vote his ballot, and any such ballots improperly cast shall be deemed invalid. A Unit Owner who needs assistance in casting the ballot for reasons of blindness, disability or inability to read or write may obtain assistance in casting the ballot. Any Unit Owner violating this provision may be fined by the Association in accordance with the provisions of the Condominium Act and these Bylaws. The regular election shall occur on the date of the annual meeting. Notwithstanding the provisions in this paragraph 4.2, an election and balloting are not required unless more candidates file notices of intent to run or are nominated than vacancies exist on the Board.

4.3 Vacancies and Removal.

- (a) Except as to vacancies resulting from removal of Directors by Members, vacancies in the Board of Administration occurring between annual meetings of Members shall be filled by majority action of the remaining Directors, provided that all vacancies in directorships to which Directors were appointed by the Developer pursuant to the provisions of paragraph 4.14 hereof shall be filled by the Developer without the necessity of any meeting.
- (b) Any Director elected by the Members may be removed by concurrence of a majority of the votes of the Members present at a special meeting of Members called for that purpose at which a quorum has been attained. The vacancy in the Board of Administration so created shall be filled by the Members at the same meeting. The conveyance of all Units owned by a Director in the Condominium who owned one or more Units at the time he was elected or appointed (other than appointees of the Developer) shall constitute the resignation of such Director.
- (c) Until a majority of the Directors are elected by the Members other than the Developer of the Condominium, neither the first Directors of the Association, nor any Directors replacing them, nor any Directors named by the Developer, shall be subject to removal by Members other than the Developer. The first Directors and Directors replacing them may be removed and replaced by the Developer without the necessity of any meeting.

- (d) If a vacancy on the Board of Administration results in there being no incumbent Directors, any Unit Owner may apply to the Circuit Court within whose jurisdiction the Condominium lies for the appointment of a receiver to manage the affairs of the Association. At least 30 days prior to applying to the Circuit Court, the Unit Owner shall mail to the Association and post in a conspicuous place on the Condominium Property or Association Property a notice describing the intended action and giving the Association an opportunity to fill the vacancy(ies) in accordance with these Bylaws. If, during such time, the Association fails to fill the vacancy(ies), the Unit Owner may proceed with the petition. If a receiver is appointed, the Association shall be responsible for the salary of the receiver, court costs and attorneys' fees. The receiver shall have all powers and duties of a duly constituted Board of Administration, and shall serve until the Association fills the vacancy(ies) on the Board sufficient to constitute a quorum in accordance with these Bylaws.
- 4.4 Term. Except as provided herein to the contrary, 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.
- 4.5 Organizational Meeting. The organizational meeting of newly-elected or appointed members of the Board of Administration shall be held within ten days of their election or appointment at such place and time as shall be fixed by the Directors at the meeting at which they were elected or appointed.
- 4.6 Board Meetings. Meetings of the Board of Administration and any Committee thereof at which a quorum of the members of that Committee is present shall be open to all Unit Owners. Any Unit Owner may tape record or videotape meetings of the Board of Administration. The right to attend meetings includes the right to speak at such meetings with reference to all designated agenda items. The Association may adopt reasonable rules governing the frequency, duration, and manner of Unit Owner statements. Adequate notice of all meetings, which notice shall include an agenda, shall be posted conspicuously on the Condominium Property or Association Property at least 48 continuous hours preceding the meeting except in an emergency. Any item not included on the notice may be taken up on an emergency basis by at least a majority plus one of the members of the

Board. Such emergency action shall be noticed and ratified at the next regular meeting of the Board. However, written notice of any meeting at which non-emergency Special Assessments, or at which new rules, or amendments to existing rules regarding Unit use will be considered, shall be mailed or delivered to the Unit Owners and posted conspicuously on the Condominium Property or Association Property not less than 14 days prior to the meeting. Evidence of compliance with this 14-day notice requirement shall be made by an affidavit executed by the person providing the notice of the meeting and filed among the official records of the Association. Upon notice to the Unit Owners, the Board shall by duly adopted rule designate a specific location on the Condominium Property or Association Property upon which all notices of Board meetings shall be posted. If there is no Condominium Property or Association Property upon which notices can be posted, notices of Board meetings shall be mailed or delivered at least 14 days before the meeting to each Unit Owner. Notice of any meeting in which Assessments against Unit Owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments. Directors may not vote by proxy or by secret ballot at Board meetings, except that officers may be elected by secret ballot.

- 4.7 Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to the due receipt by said Director of notice. Attendance by any Director at a meeting shall constitute a waiver of notice of such meeting, except when his attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.
- 4.8 Quorum. A quorum at Directors' meetings shall consist of a majority of the then incumbent 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 Administration, except when approval by a greater number of Directors is specifically required by the Declaration, the Articles or these Bylaws.
- 4.9 Adjourned Meetings. If, at any proposed meeting of the Board of Administration, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present, provided notice of such newly scheduled meeting is given as required hereunder. At any newly scheduled meeting,

any business that might have been transacted at the meeting as originally called may be transacted.

- 4.10 Presiding Officer. The presiding officer at the Directors' meetings shall be the President (who may, however, designate any other person to preside).
- 4.11 Order of Business. If a quorum has been attained, the order of business at Directors' meetings shall be:
- (a) Proof of due notice of meeting;
 - (b) Reading and disposal of any unapproved minutes;
 - (c) Reports of officers and committees;
 - (d) Election of officers;
 - (e) Unfinished business;
 - (f) New business;
 - (g) Adjournment.

Such order may be waived in whole or in part by direction of the presiding officer.

- 4.12 Minutes of Meetings. The minutes of all meetings of the Board of Administration shall be kept in a book available for inspection by Unit Owners, or their authorized representatives, and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven years.
- 4.13 Executive Committee; Other Committees. The Board of Administration may, by resolution duly adopted, appoint an Executive Committee to consist of three or more members of the Board of Administration. Such Executive Committee shall have and may exercise all of the powers of the Board of Administration in management of the business and affairs of the Condominium or Association during the period between the meetings of the Board of Administration insofar as may be permitted by law, except that the Executive Committee shall not have power (a) to determine the Common Expenses required for the affairs of the Condominium or Association, (b) to determine the Assessments payable by the Unit Owners to meet the Common Expenses of the Condominium or Association, (c) to adopt or amend any rules and regulations covering the details of the operation and use of the Condominium Property, or (d) to exercise any

of the powers set forth in paragraph (h) and (q) of Section 5 below.

The Board may by resolution also create other committees and appoint persons to such committees and invest in such committees such powers and responsibilities as the Board shall deem advisable.

4.14 Proviso. Notwithstanding anything to the contrary contained in this Section 4 or otherwise, the Board shall consist of three Directors during the period that the Developer is entitled to appoint a majority of the Directors, as hereinafter provided. The Developer shall have the right to appoint all of the members of the Board of Administration until Unit Owners other than the Developer own 15 percent or more of the Units in a Condominium that will be operated ultimately by the Association. When Unit Owners other than the Developer own 15 percent or more of the Units in a Condominium that will be operated ultimately by the Association, the Unit Owners other than the Developer shall be entitled to elect not less than one-third of the members of the Board of Administration. Unit Owners other than the Developer are entitled to elect not less than a majority of the members of the Board of Administration (a) three years after 50 percent of the Units that will be operated ultimately by the Association have been conveyed to purchasers; (b) three months after 90 percent of the Units that will be operated ultimately by the Association have been conveyed to purchasers; (c) when all of the Units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business; or (d) when some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or (e) seven years after recordation of the Declaration, whichever occurs first. The Developer is entitled (but not obligated) to elect at least one member of the Board of Administration as long as the Developer holds for sale in the ordinary course of business 5 percent of the Units that will be operated ultimately by the Association. Upon election of the first Unit Owner by Members other than the Developer to the Board of Administration, the Developer shall forward to the Division the name and mailing address of the Unit Owner Member so elected.

The Developer can turn over control of the Association to Unit Owners other than the Developer prior to such

dates in its sole discretion by causing all of its appointed Directors to resign, whereupon it shall be the affirmative obligation of Unit Owners other than the Developer to elect Directors and assume control of the Association. Provided at least 30 days' notice of Developer's decision to cause its appointees to resign is given to Unit Owners, neither the Developer, nor such appointees, shall be liable in any manner in connection with such resignations even if the Unit Owners other than the Developer refuse or fail to assume control.

Within 75 days after the Unit Owners other than the Developer are entitled to elect a member or members of the Board of Administration, or earlier if the Developer has elected to accelerate such event as aforesaid, the Association shall call, and give not less than 60 days' notice of an election for the members of the Board of Administration. The notice may be given by any Unit Owner if the Association fails to do so.

At the time that Unit Owners other than the Developer elect a majority of the members of the Board of Administration of the Association, the Developer shall relinquish control of the Association and the Unit Owners shall accept control. Simultaneously, or for the purposes of subparagraph (g) below, not more than 90 days thereafter, the Developer shall deliver to the Association, at the Developer's expense, all property of the Unit Owners and of the Association held or controlled by the Developer, including, but not limited to, the following items, if applicable:

- (a) The original or a photocopy of the recorded Declaration of Condominium, and all amendments thereto. If a photocopy is provided, the Developer, or an officer or agent of the Developer shall certify by affidavit that it is a complete copy of the actual recorded Declaration;
- (b) A certified copy of the Articles of Incorporation for the Association;
- (c) A copy of the Bylaws of the Association;
- (d) The minute books, including all minutes, and other books and records of the Association, if any;
- (e) Any rules and regulations which have been adopted;
- (f) Resignations of resigning officers and Board members who were appointed by the Developer;

- (g) The financial records, including financial statements of the Association, and source documents from the incorporation of the Association through the date of turnover. The records shall be audited for the period from the incorporation of the Association or from the period covered by the last audit, if an audit has been performed for each fiscal year since incorporation, by an independent certified public accountant. All financial statements shall be prepared in accordance with generally accepted accounting principles and shall be audited in accordance with generally accepted auditing standards, as prescribed by the Florida Board of Accountancy, pursuant to Florida Statutes, Chapter 473. The accountant performing the audit shall examine, to the extent necessary, supporting documents and records, including the cash disbursements and related paid invoices, to determine if expenditures were for Association purposes, and billings, cash receipts and related records to determine that the Developer was charged and paid the proper amounts of Assessments and Special Assessments, if any;
- (h) Association funds or the control thereof;
- (i) All tangible personal property that is the property of the Association or is or was represented by the Developer in writing to be part of the Common Elements or is ostensibly part of the Common Elements, and an inventory of such property;
- (j) A copy of the plans and specifications utilized in the construction or remodeling of the improvements and the supplying of equipment, and for the construction and installation of all mechanical components servicing the improvements and the Condominium Property, with a certificate, in affidavit form, of an officer of the Developer or an architect or engineer authorized to practice in Florida, that such plans and specifications represent, to the best of his knowledge and belief, the actual plans and specifications utilized in the construction and improvement of the Condominium Property and the construction and installation of the mechanical components serving the improvements and the Condominium Property;
- (k) Insurance policies;
- (l) Copies of any Certificates of Occupancy which may have been issued for the Condominium Property;

- (m) Any other permits issued by governmental bodies applicable to the Condominium Property in force or issued within one year prior to the date the Unit Owners take control of the Association;
 - (n) All written warranties of contractors, sub-contractors, suppliers and manufacturers, if any, that are still effective;
 - (o) A roster of Unit Owners and their addresses and telephone numbers, if known, as shown on the Developer's records;
 - (p) Leases of the Common Elements and other leases to which the Association is a party, if applicable;
 - (q) Employment contracts or service contracts in which the Association is one of the contracting parties, or service contracts in which the Association or Unit Owners have an obligation or responsibility, directly or indirectly, to pay some or all of the fee or charge of the person or persons performing the service; and,
 - (r) All other contracts to which the Association is a party.
5. Powers and Duties. The Board of Administration shall have the powers and duties necessary for the management and administration of the affairs of the Condominium and may take all acts, through the proper officers of the Association, in executing such powers, except such acts which by law, the Declaration, the Articles or these Bylaws may not be delegated to the Board of Administration by the Unit Owners. Such powers and duties of the Board of Administration shall include, without limitation (except as limited elsewhere herein), the following:
- (a) Operating and maintaining the Common Elements of the Condominium and Association Property.
 - (b) Determining the expenses required for the operation of the Condominium and the Association.
 - (c) Collecting the Assessments for Common Expenses of the Condominium and Association from Unit Owners.
 - (d) Collecting Special Assessments from Unit Owners.
 - (e) Employing and dismissing the personnel necessary for the maintenance and operation of the Common Elements of the Condominium and Association Property.

- (f) Adopting and amending rules and regulations concerning the details of the operation and use of the Condominium Property and Association Property, subject to a right of the Unit Owners to overrule the Board as provided in Section 13 hereof.
- (g) Maintaining bank accounts on behalf of the Association and designating the signatories required therefor.
- (h) Purchasing, leasing or otherwise acquiring Units or other property in the name of the Association, or its designee.
- (i) Purchasing Units at foreclosure or other judicial sales, in the name of the Association, or its designee.
- (j) Selling, leasing, mortgaging or otherwise dealing with Units acquired by, and subleasing Units leased by, the Association, or its designee.
- (k) Organizing corporations and appointing persons to act as designees of the Association in acquiring title to or leasing Units or other property.
- (l) Obtaining, maintaining and reviewing insurance for the Condominium Property and Association Property.
- (m) Making repairs, additions and improvements to, or alterations of, the Condominium Property, and repairs to and restoration of the Condominium Property, in accordance with the provisions of the Declaration after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings or otherwise.
- (n) Enforcing obligations of the Unit Owners, allocating profits and expenses and taking such other actions as shall be deemed necessary and proper for the sound management of the Condominium.
- (o) Levying fines against appropriate Unit Owners for violations of the rules and regulations established by the Association to govern the conduct of such Unit Owners.
- (p) Borrowing money on behalf of the Condominium when required in connection with the acquisition of property, and granting mortgages on and/or security interests in Association Property; provided, however, that the consent of the Owners of a least two-thirds (2/3rds) of the Units represented at a meeting at which a quorum has been attained in accordance with the provisions of these

Bylaws shall be required for the borrowing of any sum in excess of \$50,000.00. If any sum borrowed by the Board of Administration on behalf of the Association pursuant to the authority contained in this subparagraph (p) is not repaid by the Association, a Unit Owner who pays to the creditor such portion thereof as his interest in the Common Elements or in the Association Property bears to the interest of all the Unit Owners in the Common Elements or in Association Property shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against, or which will affect, such Unit Owner's Unit.

- (q) Contracting for the management and maintenance of the Condominium Property or Association Property and authorizing a management agent (who may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, Special Assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the Common Elements or Association Property with funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the condominium documents and the Condominium Act, including, but not limited to, the making of Assessments, Special Assessments, promulgation of rules and execution of contracts on behalf of the Association.
- (r) At its discretion, authorizing Unit Owners or other persons to use portions of the Common Elements or Association Property for private parties and gatherings and imposing reasonable charges for such private use.
- (s) Exercising (i) all powers specifically set forth in the Declaration, the Articles, these Bylaws, and in the Florida Condominium Act, and (ii) all powers incidental thereto, and all other powers of a Florida corporation not for profit.
- (t) Imposing a lawful fee in connection with the approval of the sale, mortgage, lease, sublease or other transfer of Units, not to exceed the maximum amount permitted by law in any one case.
- (u) Contracting with and creating special taxing districts.

- (v) Bringing, settling or compromising any claims or lawsuits involving matters in which all Unit Owners have a common interest.
- (w) Contracting with a cable operator licensed in Dade County to provide cable television service on a bulk rate basis to Unit Owners.

6. Officers.

- 6.1 Executive Officers. The executive officers of the Association shall be a President, Vice-President, a Treasurer and a Secretary (none of whom need be Directors), all of whom shall be elected by the Board of Administration and who may be peremptorily removed at any meeting at which a quorum of Directors is attained by concurrence of a majority of all of the present Directors. A person may hold more than one office, except that the President may not also be the Secretary. No person shall sign an instrument or perform an act in the capacity of more than one office. The Board of Administration from time to time shall elect such other officers and designate their powers and duties as the Board shall deem necessary or appropriate to manage the affairs of the Association. Officers need not be Unit Owners.
- 6.2 President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties that are usually vested in the office of president of an association.
- 6.3 Vice-President. The Vice-President shall exercise the powers and perform the duties of the President in the absence or disability of the President. He also shall assist the President and exercise such other powers and perform such other duties as are incident to the office of the vice president of an association and as shall otherwise be prescribed by the Directors.
- 6.4 Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the Members. He shall attend to the giving 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 shall affix it to instruments requiring the 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 the secretary of an association and as may be required by the Directors or the President.

- 6.5 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors at reasonable intervals and shall perform all other duties incident to the office of treasurer. All monies and other valuable effects shall be kept for the benefit of the Association in such depositories as may be designated by a majority of the Board of Administration.
- 6.6 Developer Appointees. No officer appointed by the Developer may be removed except as provided in Section 4.14 hereof and by law.
7. Compensation. Neither Directors nor officers shall receive compensation for their services.
8. Resignations. Any Director or officer may resign his post at any time by written resignation, delivered to the President or Secretary, which shall take effect upon its receipt unless a later date is specified in the resignation, in which event the resignation shall be effective from such later date unless withdrawn. The acceptance of a resignation shall not be required to make it effective. The conveyance of all Units owned by any Director or officer (other than appointees of the Developer or other Directors or officers who are not Unit Owners) shall constitute a written resignation of such Director or officer.
9. Fiscal Management. The provisions for fiscal management of the Association set forth in the Declaration and Articles shall be supplemented by the following provisions:
- 9.1 Budget.
- (a) Adoption by Board; Items. The Board of Administration shall from time to time, and at least annually, prepare a budget for the Condominium and a budget for the Association itself (which shall detail all accounts and items of expenses and contain at least all items set forth in Section 718.504(20) of the Act, if applicable), determine the amount of Assessments payable by the Unit Owners to meet the expenses of the Condominium and the Association and allocate and assess such expenses among the Unit Owners as follows: (i) with respect to expenses of the Condominium, allocations shall be in accordance with the provisions of the Declaration; and (ii) with respect to expenses of

the Association applicable to the Condominium, allocations shall be made equally among all Units in the Condominium. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but are not limited to, roof replacement, building painting and pavement resurfacing regardless of the amount of deferred maintenance expense or replacement cost, and for any other item for which the deferred maintenance expense or replacement cost exceeds \$10,000. The amount of reserves shall be computed by means of a formula which is based upon estimated life and estimated replacement cost or deferred maintenance expense of each reserve item. Reserves shall not be required for the Association or for the Condominium if the Members of the Association, have, by a majority vote at a duly called meeting of Members, determined for a specific fiscal year to provide no reserves or reserves less adequate than required hereby. No waiver shall be effective for more than one fiscal year. No waiver is effective unless conducted at a meeting at which a majority of the voting interests are present, in person or by proxy, and a majority of those present in person or by proxy vote to waive or reduce reserves. If a meeting of the Unit Owners has been called to determine to provide no reserves or reserves less adequate than required, and such result is not attained or a quorum is not attained, the reserves as included in the budget shall go into effect.

Reserve funds and any interest accruing thereon shall remain in the reserve account and shall not be used for other purposes, except payment of income taxes on the interest earned and other direct expenses of maintaining reserve accounts, unless their use for other purposes is approved in advance by a vote of the majority of the Members present at a duly called meeting of the Association.

The adoption of a budget for the Condominium and Association by the Board of Administration shall comply with the requirements hereinafter set forth:

- (i) Notice of Meeting. A copy of the proposed budget shall be mailed to each Unit Owner not less than fourteen (14) days prior to the meeting of the Board of Administration at which the budget will be considered,

together with a notice of that meeting indicating the time and place of such meeting. The meeting shall be open to the Unit Owners.

(ii)

Special Membership Meeting. If a budget is adopted by the Board of Administration which requires Assessments against Unit Owners in the Condominium in any year exceeding one hundred fifteen percent (115%) of such Assessments for the preceding year, as hereinafter defined, upon written application of ten percent (10%) of the Unit Owners a special meeting of the Unit Owners shall be held within thirty (30) days of delivery of such application to the Board of Administration. Each Unit Owner shall be given at least ten (10) days' notice of said meeting. At the special meeting, Unit Owners shall consider and adopt a budget. The adoption of said budget shall require a vote of Unit Owners of not less than a majority of all the Units (including Units owned by the Developer) which are present at such meeting (in person or by proxy) at which a quorum is attained.

(iii)

Determination of Budget Amount. In determining whether a budget requires Assessments against Unit Owners in any year exceeding one hundred fifteen percent (115%) of Assessments for the preceding year, there shall be excluded in the computations any authorized provisions for reasonable reserves made by the Board of Administration in respect of repair or replacement of the Condominium Property or Association Property or in respect of anticipated expenses of the Association which are not anticipated to be incurred on a regular or annual basis, and there shall be excluded from such computation Assessments for improvements to the Condominium Property or Association Property and all Special Assessments (including surcharges against specific Unit Owner(s)).

(iv)

Proviso. As long as the Developer is in control of the Board of Administration of the Association, the Board shall not impose Assessments for a year greater than one hundred fifteen percent (115%) of the prior

year's Assessments, as herein defined, without the approval of Unit Owners owning a majority of the Units (including Units owned by the Developer) in the Condominium.

(b) Adoption by Membership. In the event that the Board of Administration shall be unable to adopt a budget in accordance with the requirements of Subsection 9.1(a) above, the Board of Administration may call a special meeting of Unit Owners for the purpose of considering and adopting such budget, which meeting shall be called and held in the manner provided for such special meetings in said subsection. Alternatively, the Board of Administration may propose a budget in writing to all Members of the Association. If either such budget is adopted by the Members present at such meeting, or receiving such written budget, upon ratification by a majority of the Board of Administration, it shall become the budget for such year.

9.2 Assessments. Assessments against the Unit Owners for their share of the items of the budget shall be made for the applicable fiscal year annually, if possible at least ten (10) days preceding the year for which the Assessments are made. Such Assessments shall be due in equal installments, payable in advance on the first day of each quarter (or each month at the election of the Board) 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 quarterly (or monthly) installments on such Assessment shall be due upon each installment payment 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 Administration, subject to the provisions of Section 9.1 hereof, if applicable. Unpaid Assessments for the remaining portion of the fiscal year for which an amended Assessment is made shall be payable in as many equal installments as there are full quarters (or months) of the fiscal year left as of the date of such amended Assessment. Each such quarterly (or monthly) installment shall be paid on the first day of the next quarter (or month), commencing the first day of the ensuing quarter (or month). If only a partial quarter (or month) remains, the amended Assessment shall be paid with the next regular installment in the following year, unless otherwise directed by the Board in its resolution.

- 9.3 Charges. Charges by the Association against Members for other than Common Expenses of the Condominium or the Association shall be payable in advance. These charges shall be collected separately from Assessments for Common Expenses. Charges for other than Common Expenses may be made only after approval of a Member or when expressly provided for in the Declaration or the exhibits annexed thereto, as the same may be amended from time to time, which charges may include, without limitation, charges for the exclusive use of portions of the Condominium Property or other Association Property, maintenance services furnished at the expense of an Owner, other services furnished for the benefit of an Owner and fines and damages and other sums due from such Owner.
- 9.4 Special Assessments for Emergencies. Assessments for Common Expenses for emergencies that cannot be paid from the annual Assessments for Common Expenses shall be due immediately upon notice given to the Unit Owners concerned, and shall be paid in such manner as the Board of Administration of the Association may require in the notice of Special Assessment.
- 9.5 Depository. The depository of the Association shall be such bank(s) or savings and loan association(s) in the State as may be required by the provisions of the Condominium Act and as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from those accounts shall be made only by checks signed by such person or persons as are authorized by the Directors. All funds of the Association shall be maintained separately in accounts in the Association's name. After being received by the Association, reserve funds shall be maintained separately from operating funds. No manager, agent, employee, officer, or Director of the Association shall commingle any Association funds with his funds or with the funds of any other person.
- 9.6 Acceleration of Assessment or Special Assessment Installments upon Default. If a Unit Owner shall be in default in the payment of an installment upon an Assessment or Special Assessment, the Board of Administration or its agent may accelerate the remaining installments of the annual Assessment or Special Assessment, so long as such acceleration is made in connection with foreclosure of the lien for Assessments or Special Assessments or both, as the case may be.

- 9.7. Fidelity Bonds. The Association shall obtain and maintain adequate fidelity bonding of all persons who control or disburse funds of the Association in the principal sum of not less than \$10,000 for each such person. The Association shall bear the cost of bonding.
- 9.8 Accounting Records and Reports. The Association shall maintain accounting records for the Association and for the Condominium within the State, according to good accounting practices normally used by similar associations or the manager under any applicable management contract. The records shall be open to inspection by Unit Owners or their authorized representatives at reasonable times and written summaries of them shall be supplied at least annually. The records shall include, but not be limited to, (a) a record of all receipts and expenditures, and (b) an account for each Unit designating the name and current mailing address of the Unit Owner, the amount of each Assessment, the dates and amounts in which the Assessments come due, the amount paid upon the account and the dates so paid, and the balance due. Written summaries of the records described in clause (a) above, in the form and manner specified below, shall be supplied to each Unit Owner annually.

Within sixty (60) days following the end of the fiscal year, the Board shall mail, or furnish by personal delivery, to each Unit Owner and to the Division of Florida Land Sales, Condominiums and Mobile Homes of the Department of Business Regulation, a complete financial report of actual receipts and expenditures for the previous twelve (12) months. The report shall show the amounts of receipts by accounts and receipt classifications and shall show the amounts of expenses by accounts and expense classifications, including, if applicable, but not limited to, the following:

- (a) Cost for security;
- (b) Professional and management fees and expenses;
- (c) Taxes;
- (d) Cost for recreation facilities;
- (e) Expenses for refuse collection and utility services;
- (f) Expenses for lawn care;
- (g) Cost for building maintenance and repair;

- (h) Insurance costs;
- (i) Administrative and salary expenses; and
- (j) General reserves, maintenance reserves and depreciation reserves.

9.9 Application of Payment. All payments made by a Unit Owner shall be applied as provided in these Bylaws and in the Declaration or as determined by the Board.

9.10 Percentage of Association Common Expenses. In addition to the separate expenses of each Condominium, the Association itself will have Common Expenses applicable to all Condominium which it operates, including administrative costs and costs of maintaining and operating property owned by the Association ("Association Expenses"). Association Expenses shall be apportioned among all Units operated by the Association as provided in the Declaration of Condominium.

10. Official Records and Roster of Unit Owners. The official records of the Association as required under the provisions of the Condominium Act, when applicable, shall be maintained within the State. The records of the Association shall be made available to a Unit Owner within five working days after receipt of written request by the Board or its designee. This requirement may be complied with by having a copy of the official records of the Association available for inspection or copying on the Condominium Property or Association Property.

The official records of the Association are open to inspection by any Association member or the authorized representative of such member at all reasonable times. The right to inspect the records includes the right to make or obtain copies, at the reasonable expense, if any, of the Association member. The Association may adopt reasonable rules regarding the frequency, time, location, notice, and manner of record inspections and copying. The failure of the Association to provide the records within ten working days after receipt of a written request shall create a rebuttable presumption that the Association willfully failed to comply with this paragraph. A Unit Owner who is denied access to official records is entitled to the actual damages or minimum damages for the Association's willful failure to comply with this paragraph. The minimum damages shall be \$50 per calendar day up to ten days, the calculation to begin on the 11th working day after receipt of the written request. The failure to permit inspection of the Association records as provided herein entitles any person prevailing in an enforcement action to recover reasonable attorney's fees from

the person in control of the records who, directly or indirectly, knowingly denied access to the records for inspection. The Association shall maintain an adequate number of copies of the Declaration, Articles, these Bylaws, and rules, and all amendments to each of the foregoing, as well as the question and answer sheet, on the Condominium Property to ensure their availability to Unit Owners and prospective purchasers. The Association may charge its actual costs for preparing and furnishing these documents to those requesting same. Notwithstanding the provisions of this paragraph, the following records shall not be accessible to Unit Owners:

- (a) A record which was prepared by an Association attorney or prepared at the attorney's express direction, which reflects a mental impression, conclusion, litigation strategy, or legal theory of the attorney or the Association, and which was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings, or which was prepared in anticipation of imminent civil or criminal litigation or imminent adversarial administrative proceedings until the conclusion of the litigation or adversarial administrative proceedings.
- (b) Information obtained by the Association in connection with the approval of the lease, sale, or other transfer of a Unit.
- (c) Medical records of Unit Owners.

The Association shall maintain current information regarding the title holders of all Units. Such information shall be obtained by engaging the services of a qualified title company, or if the Board so elects, by requiring each Unit Owner to file with the Association a copy of the deed or other document showing his ownership. The Association may rely upon the accuracy of any such information for all purposes until notified in writing of changes therein. Only Unit Owners of record on the date notice of any meeting requiring their vote is given shall be entitled to notice of and to vote at such meeting, unless prior to such meeting other Owners shall produce adequate evidence, as provided above, of their interest and shall waive in writing notice of such meeting.

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

12. Amendments. Except as in the Declaration provided otherwise, these Bylaws may be amended in the following manner:

12.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of a meeting at which a proposed amendment is to be considered and shall comply with the provisions of Section 718.112(2)(h), Florida Statutes.

12.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Administration or by not less than one-third (1/3) of the Members of the Association. Directors who are absent from the Board meeting and Members not present in person or by limited proxy at the Members' meeting considering the amendment, may express their approval in writing, provided that such approval is delivered to the Secretary at or prior to the meeting. The approval must be:

(a) at any time, by not less than a majority of the votes of all Members of the Association represented at a meeting at which a quorum has been attained and by not less than 66 2/3% of the entire Board of Administration; or

(b) after control of the Association is turned over to Unit Owners other than the Developer, by not less than 80% of the votes of the Members of the Association represented at a meeting at which a quorum has been attained; or

(c) After control of the Association is turned over to Unit Owners other than the Developer, by not less than 100% of the entire Board of Administration; or

(d) before control of the Association is turned over to Unit Owners other than the Developer, by not less than 66 2/3% of the entire Board of Administration.

12.3 Proviso. No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Developer or mortgagees of Units without the consent of said Developer or mortgagees in each instance. No amendment shall be made that is in conflict with the Articles or Declaration. No amendment to this Section shall be valid.

- 12.4 Execution and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of the Declaration and Bylaws, which certificate shall be executed by the President or Vice-President and attested by the Secretary or Assistant Secretary of the Association with the formalities of a deed, or by the Developer alone if the amendment has been adopted consistent with the provisions of the Declaration allowing such action by the Developer. The amendment shall be effective when the certificate and a copy of the amendment is recorded in the Public Records of Dade County, Florida.
13. Rules and Regulations. Attached hereto as Schedule A and made a part hereof are rules and regulations concerning the use of portions of the Condominium and other Association Property. The Board of Administration may, from time to time, modify, amend or add to such rules and regulations, except that subsequent to the date control of the Board is turned over by the Developer to Unit Owners other than the Developer, Owners of a majority of the Units represented at a meeting at which a quorum is present may overrule the Board with respect to any such modifications, amendments or additions. Copies of such modified, amended or additional rules and regulations shall be furnished by the Board of Administration to each affected Unit Owner not less than thirty (30) days prior to the effective date thereof. At no time may any rule or regulation be adopted which would prejudice the rights reserved to the Developer.
14. Construction. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all genders. If any portion hereof shall be found by competent judicial authority to be unenforceable, then only that portion shall be deemed deleted and the remainder shall be given its nearest permissible meaning and effect.
15. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define or limit the scope of these Bylaws or the intent of any provision hereof.
16. Arbitration. In the event of any internal dispute arising from the operation of the Condominium among the Unit Owners, the Developer, or the Association, the parties to such dispute may submit the dispute to mandatory non-binding arbitration in accordance with Florida Statutes, Section 718.112.

17. Conflicts. In the event of any irreconcilable conflict, the provisions of the Declaration shall be superior to the provisions of the Articles, which shall be superior to the provisions of these Bylaws.
18. Notice and Hearing For Fines. Prior to imposition of any fine by the Association on any Owner, occupant, licensee or invitee for violating any provision of the Declaration, Articles, Bylaws, or rules and regulations of the Association, such person shall be given reasonable notice and opportunity to be heard. The party sought to be fined shall be given at least 14 days prior notice of a hearing, which notice shall include (i) a statement of the date, time and place of the hearing, (ii) a statement of the provision of the Declaration, Articles, Bylaws, or rules claimed to have been violated, and (iii) a short and plain statement of the matters asserted by the Association. The party sought to be fined shall have an opportunity to respond, present evidence, provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Association. No fine shall become a lien against a Unit. No fine may exceed \$100 per violation. However, a fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing, provided that no such fine shall in the aggregate exceed \$1,000. No fine may be levied except after giving reasonable notice and opportunity for a hearing to the Unit Owner and, if applicable, its licensee or invitee. The hearing must be held before a committee of other Unit Owners. If the committee does not agree with the fine, the fine may not be levied. The provisions of this Section 18 do not apply to unoccupied Units.

The foregoing was adopted as the Bylaws of PARK PLACE OF BAL HARBOUR CONDOMINIUM ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, at its first meeting of the Board of Administration on the _____ day of _____, 1992.

Approved:

President

Secretary

EXHIBIT 2

-to-

OFFERING CIRCULAR

RULES AND REGULATIONS

SCHEDULE "A" TO BYLAWS

RULES AND REGULATIONS

-of-

PARK PLACE OF BAL HARBOUR CONDOMINIUM ASSOCIATION, INC.

In addition to the provisions of the Declaration of Condominium of the PARK PLACE OF BAL HARBOUR, A CONDOMINIUM (the "Declaration"), and the Articles of Incorporation ("Articles") and Bylaws ("Bylaws") of Park Place of Bal Harbour Condominium Association, Inc., the following rules and regulations, together with such additional rules and regulations as may be adopted hereafter by the Board of Administration, shall govern the use of Units, Common Elements and other property owned by the Association or subject to use rights held by the Association ("Association Property"), and the conduct of all Unit residents, whether Unit Owners, approved lessees, or the guests of Unit Owners or lessees. All defined terms herein shall have the same meaning as in the Declaration, Articles and Bylaws.

(1) In order to enhance the beauty of the buildings and for safety purposes, the sidewalks, entrances, passages, vestibules, stairways, corridors, halls, and all similar Common Elements and other Association Property, must not be obstructed or encumbered or used for any purpose other than ingress and egress to and from the premises; nor shall any carts, carriages, chairs, tables, or any other similar objects be stored therein. Bicycles may be stored only in Units or in other specifically designated areas.

(2) Unit Owners shall store personal property within their respective Units and designated storage areas.

(3) No garbage cans, supplies, milk bottles, or other articles shall be placed on balconies, nor shall any linens, cloths, clothing, curtains, rugs, mops, or laundry of any kind, or other articles, be shaken or hung from any such balconies or patios or part of the Common Elements or Association Property. To provide a healthy environment and in order to eliminate odors and vermin, all garbage must be placed in plastic bags and deposited with all refuse ONLY in the areas so designated. The Common Elements and Association Property shall be kept free and clear of rubbish, debris, and other unsightly material.

(4) So as to maintain the cleanliness of the Condominium Property, no Unit Owner shall allow anything whatsoever to fall from the window, balcony, or doors of his Unit, nor shall he sweep or throw therefrom any dirt or other substances upon the grounds.

(5) No vehicles other than automobiles shall be permitted to park within the Condominium Property or Association Property, except for the purpose of making deliveries or providing repair

services to a Unit. For purposes of this rule, "automobile" does not include any type of van, camper, truck, etc. No vehicle which cannot operate on its own power shall remain within the Condominium Property or Association Property for more than 24 hours. No vehicles shall be repaired within the Condominium Property or Association Property, except in emergencies.

(6) In order that labor costs may be kept to a minimum, employees of the Association may not be sent out of the Condominium Property by any Unit Owner at any time for any purpose. No Unit Owner or resident may direct, supervise, or in any manner attempt to assert control over the employees or agents of the Association.

(7) Servants and domestic help of the Unit Owners may not gather or lounge in the Common Elements or Association Property.

(8) In order that all Unit Owners may have the quiet enjoyment of their property, no Unit Owner shall make or permit any disturbing noises on the Condominium Property or Association Property by himself, his family, servants, employees, agents, visitors, and licensees, nor do or permit anything by such persons that will interfere with the reasonable rights, comforts or conveniences of the Unit Owners. No Unit Owner shall unreasonably play or suffer to be played upon any musical instrument or operate or suffer to be operated, a phonograph, television, radio or sound amplifier, in his Unit in such a manner as to disturb or annoy other Unit Owners. No Unit Owner shall conduct or permit to be conducted, vocal or instrumental instruction at any time.

(9) No radio or television installation may be permitted in a Unit which interferes with the television or radio reception of another Unit. No antenna or aerial may be erected or installed on the roof or exterior walls of the Condominium Building without the written consent of the Board of Administration of the Association, except that this prohibition shall not be applicable to television or radio installations permitted or contemplated by the Declaration.

(10) In order to maintain an attractive appearance, no sign, advertisement, notice or other lettering shall be exhibited, displayed, inscribed, painted or affixed, in, on or upon any part of the Condominium Property or Association Property without the written consent of the Board.

(11) In order to protect the Condominium Property, each Unit Owner who plans to be absent from his Unit during the hurricane season must prepare his Unit prior to his departure by:

(a) Removing all furniture, plants and other objects from his porch, terrace, or balcony, where applicable; and

(b) Designating a responsible firm or individual to care for his Unit should same suffer hurricane damage, and furnishing the Board of Administration with the name of such firm or individual. Such firm or individual shall contact the Board for clearance to install or remove hurricane shutters, and such party shall be subject to the approval of the Board.

(12) In order that the Building may maintain an attractive and uniform appearance, no Unit Owner shall cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies, windows or roof, nor shall an Unit Owner place anything other than porch furniture or plants on the porch or balcony except with the prior written consent of the Board.

(13) No fences may be erected upon the Condominium Property or Association Property.

(14) Pets belonging to Unit Owners who have signed a pet permission agreement (as formulated from time to time by the Board) and which pets have been approved by the Board will be allowed within the Condominium Property and Association Property subject to the following restrictions:

- (a) No animal other than household, domestic animals (dogs, cats, small birds) shall be permitted upon the Condominium Property or Association Property at any time.
- (b) No animal may be kept, bred or maintained for any commercial purpose.
- (c) Each Unit shall be allowed to house not more than 2 dogs or 2 cats or any combination thereof, but not more than 2. Tenants will not be permitted to have any dogs or cats without express approval of the Board of Administration.
- (d) Each animal brought or kept upon the Condominium Property or Association Property shall be at all times under the control of its Unit Owner.
- (e) Each Unit Owner shall promptly remove and properly dispose of all waste matter deposited by his animal upon the Condominium Property or Association Property.
- (f) No animal shall be allowed to constitute a nuisance.
- (g) Each Unit Owner owning a pet shall assume full responsibility for personal injuries or property damage caused by his pet, and each Unit Owner

hereby agrees to indemnify the Association and all other Unit Owners and hold them harmless against any loss, claim or liability of any kind whatsoever arising from or growing out of any harm, injury, or damage caused by such Unit Owner's pet. A violation of the provisions of this Rule shall entitle the Association to all of its rights and remedies, including, but not limited to, the right to fine Unit Owners and/or to require any pet to be permanently removed from the Condominium Property upon three (3) days' notice.

- (i) The Board shall the right to promulgate Rules further restricting the keeping of pets.

(15) In case of any emergency originating in, or threatening any Unit, the Board or any other person authorized by it shall have the immediate right to enter such Unit for the purpose of remedying or abating the cause of such emergency, notwithstanding that the Unit Owner of such Unit is present at the time of such emergency. To facilitate entry in the event of any such emergency, the Board shall have a master key to fit the door locks to all Units. If an Unit Owner wants to change a lock or to have a second lock installed as additional security, said Unit Owner shall deposit with the Board (at such Unit Owner's expense) a duplicate key for each such lock.

(16) No one other than persons authorized by the Board shall be permitted at any time on the roof of the Condominium Building.

(17) There shall be no solicitation by any person anywhere in the Building for any cause, charity, or any purpose whatsoever, unless specifically authorized by the Board.

EXHIBIT 3

-to-

OFFERING CIRCULAR

ESTIMATED OPERATING BUDGET

PARK PLACE OF BAL HARBOUR
 CONDOMINIUM ASSOCIATION, INC. (Note 1)
 ESTIMATED OPERATING BUDGET
 FOR THE FIRST TWELVE MONTHS OF OPERATION
 6 Units (Note 2)

	<u>Monthly</u>	<u>Annually</u>
<u>Association Expenses:</u>		
Office Supplies and Postage	\$ 5.00	\$ 60.00
Accounting Fees/Federal and State Tax Preparation	45.83	550.00
Fees Payable to the Division	2.00	24.00
Annual Corporate Report	5.17	62.00
Licenses and Permits	19.50	234.00
<u>Contracted Services (Note 6)</u>		
Management Fees (Note 3)	200.00	2,400.00
Maintenance Supplies	5.00	60.00
Maintenance Exterminator	65.00	780.00
(Pest Control inside & out)	30.00	360.00
Lawn Service	180.00	2,160.00
Pool Service	105.00	1,260.00
<u>Rent for Recreational and Other Commonly Used Facilities</u> (Notes 5 and 10)		
	N/A	N/A
<u>Taxes Upon Association Property</u> (Note 10)		
	N/A	N/A
<u>Taxes Upon Leased Areas</u> (Note 10)		
	N/A	N/A
<u>Insurance</u>		
Multi-Peril Liability, Fidelity Bond (Note 4)	244.50	2,934.00
<u>Security Provisions (Note 9)</u>	37.50	450.00
<u>Other Expenses (Note 10)</u>	N/A	N/A
<u>Operating Capital (Note 10)</u>	N/A	N/A
<u>Utility Expenses</u>		
Electricity	118.00	1,416.00
Water	100.00	1,200.00

Reserves For Capital Expenditures And Deferred Maintenance: (Note 7)	Estimated Life	Estimated Replace- ment Cost	Estimated Remaining Useful Life	Monthly	Annually
Roof Replace- ment	20	22,500	15 yrs.	125.00	1,500.00
Laundry Equip- ment and Heater	10	1,600	8 yrs.	16.66	200.00
Building Painting	8	4,500	7 yrs.	53.57	642.85
Pavement Re- sealing	8	1,500	7 yrs.	17.86	214.28
Total Reserves				\$ 213.09	\$ 2,557.08
TOTAL				\$1,375.59	\$ 16,507.08
LESS AMOUNT FOR RESERVES TO BE WAIVED FOR THE FIRST TWELVE MONTHS OF OPERATION				\$ 213.09	\$ 2,557.08
				\$1,162.50	\$13,950.00

Distribution of Assessments for
all Units in the Condominium (Note 8)

<u>Units</u>	<u>Percentage Interest for Each Unit</u>	<u>Monthly</u>	<u>Annually</u>
1	16.0	\$ 186.00	\$2,232.00
2	16.3	\$ 189.49	\$2,273.88
3	17.7	\$ 205.76	\$2,469.12
4	16.0	\$ 186.00	\$2,232.00
5	16.3	\$ 189.49	\$2,273.88
6	17.7	\$ 205.76	\$2,469.12

NOTES TO BUDGET

- NOTE 1 The Condominium Association is the entity that is responsible for operating the Units in the Condominium.
- NOTE 2 This budget has been prepared on the basis of estimated costs of operations as if the 6 Condominium Units in the Condominium were conveyed to purchasers and the experience of the Developer. It does not necessarily reflect the actual cost of the particular item of expense for the year.
- NOTE 3 In preparing the budget, provision has been made for the Condominium Association entering into a Management Contract with a property management company to manage the Condominium. The management company will provide the administration, fiscal management, and other management necessary to operate the Condominium Association in an orderly and efficient manner.
- NOTE 4 The Board of Directors of the Condominium Association shall purchase public liability, property damage insurance, director's and officer's liability insurance, and flood insurance on the structure, if required, for the condominium building (the "Building"). The insurance coverage for the Building does not include unit floor coverings, wall coverings or ceiling coverings and, as to contracts entered into after July 1, 1992, does not include the following equipment if it is located within a Unit and the Unit Owner is required to repair or replace such equipment; electrical fixtures, appliances, air conditioner or heating equipment, water heaters, or built-in cabinets. Each Unit Owner shall be responsible for purchasing liability insurance for accidents occurring in his Unit and for insurance for all of his personal property, including flood insurance. The insurance policy issued to individual Unit Owners must provide that the coverage afforded by such policy (or policies) is excess over the amount recoverable under any other policy covering the same property without rights of subrogation against the Condominium Association. See Florida Statutes, Section 718.111(11). In addition, the Condominium Act provides: "The owner of a unit may be personally liable for the acts or omissions of the association in relation to the use of the common elements, but only to the extent of his pro rata share of that liability in the same percentage as his interest in the common elements, and then in no case shall that liability exceed the value of his unit." Accordingly, each Unit Owner should consider the benefits of obtaining an insurance policy to indemnify himself in such situations.

NOTE 5 There is no Recreation Lease and no Recreational Areas.

NOTE 6 The maintenance provides for the daily care and maintenance of the property which the Condominium Association is responsible to maintain.

NOTE 7 In accordance with Florida Statutes, Section 718.112(2)(f)(2), this budget originally included specific "reserve funds" for painting of the Building and roof replacement and pavement resurfacing. These reserves are intended to cover major replacements and repairs which do not occur on a year to year basis, but which, due to the passage of time, would result in a significant cost in the year in which the replacement or major repair is necessary. The replacement cost for the "built-up" portion of the roof of the Building (based upon a 15-year remaining useful life, the age of the roof is approximately 5 years), the repainting of the Building (based upon a 7-year remaining useful life) and the pavement resurfacing (based upon a 7 year remaining useful life) has been determined on an item by item basis based upon current prices by reputable contractors to replace each includable item. However, any cost increases due to inflation may be partially offset by an interest earned on the reserve funds in an interest earned savings account, non-market certificates or other non-risk earnings accounts. Any interest earned may be subject to Federal Income taxation. The Section further provides that the members of the Condominium Association by a majority of voting interests of the members present at a duly called meeting of the Condominium Association may eliminate or reduce said reserve funds from the budget for that fiscal year only. If a meeting of the members has been called to determine to provide no reserves or reserves less adequate than required, and such result is not attained or a quorum is not attained, the reserves as included in the budget, shall go into effect. Additionally, prior to turnover of control of the Condominium Association by the Developer to the Unit Owners other than the Developer, the Developer may vote to waive the reserves for the first two years of the operation of the Condominium Association. The estimated replacement costs set forth in the budget are based on the straight line contribution method. The estimated replacement cost is simply divided by the estimated remaining useful life or the estimated life of the item, as the case may be, to obtain equal annual contributions to the reserve fund. The estimated remaining useful life for the "built-up" portion of the roof, the repainting of the Building, and the pavement resurfacing, as of the

date the budget was prepared, is 15 years, 7 years and 7 years, respectively. As of the date the budget was prepared the Condominium was not created. Accordingly, there is no balance in the reserve accounts. However, prior to closing of title to any Units, Developer as the sole member of the Association, at a special meeting of the membership, will vote to waive reserves for the first twelve months of operation. The vote to waive reserves must be taken annually. The effect of waiving reserves is to reduce the amount of the Unit Owner's Assessment for Common Expenses to the Association for Units 1 and 4 by \$34.09 per month or \$409.08 per annum per Unit; for Units 2 and 5 by \$34.74 per month or \$416.88 per annum per Unit; and for Units 3 and 6 by \$37.72 per month or \$452.64 per annum per Unit.

NOTE 8

The Developer hereby guaranties to each Unit Owner that the Assessment for Common Expenses will not increase over \$186.00 for Units 1 and 4; \$189.49 for Units 2 and 5; and \$205.76 for Units 3 and 6, per month per Unit, during the period commencing on the recording of this Declaration and ending on the first day of the thirteenth calendar month following the month in which the closing of title to the first Unit occurs, or the date upon which the Developer shall cease to control the Association, whichever is sooner (the "First Guaranty Period"); which is the amount set forth in the estimated operating budget for the first year of operation delivered to each Unit Owner by the Developer when such Unit Owner contracted to purchase the Unit, if applicable. Additionally, the Developer hereby guaranties to each Unit Owner that the Assessment for Common Expenses will not increase over \$213.90 for Units 1 and 4; \$217.91 for Units 2 and 5; and \$236.62 for Units 3 and 6 per month per Unit during the period commencing on the second day of the thirteenth calendar month following the month in which the closing of title to the first Unit occurs for a period of one year, or the date upon which the Developer shall cease to control the Association, in accordance with Article 4.14 of the Bylaws, whichever is sooner (the "Second Guaranty Period". Accordingly, in accordance with the provisions of Section 718.116 of the Condominium Act, the Developer shall be excused from the payment of its share of the Common Expenses which would have been assessed against Units owned by the Developer during the Guaranty Periods. The Developer shall pay any amount of Common Expenses incurred during the Guaranty Periods and not produced by the Assessments at the guaranteed level receivable from other Unit Owners (i.e., during the Guaranty Periods, the Developer shall contribute an amount of money to the Association sufficient to eliminate any deficit between

Assessments collectible from Unit Owners other than the Developer and the actual Common Expenses of the Condominium).

This guaranty is set forth in paragraph 13.H of the Declaration.

NOTE 9 There is provision in this budget for manned security services to be provided by a private security company.

NOTE 10 The following expenses are not applicable:

- Rent for Recreation and Other Commonly Used Facilities (See Note 5)
- Taxes upon Association Property
- Taxes upon Leased Areas
- Other Expenses
- Operating Capital

The expenses shown in the foregoing budget are Association expenses collectible by Assessments. There are no Unit Owner expenses which are defined in the Condominium Act as (a) rent for the Unit, if subject to a lease, and (b) rent payable by the Unit Owner directly to the lessor or agent under any recreational lease or lease for the use of commonly used facilities.

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EXHIBIT 4

-to-

OFFERING CIRCULAR

FORM OF CONDOMINIUM PURCHASE AGREEMENT

PARK PLACE OF BAL HARBOUR, A CONDOMINIUM
AGREEMENT FOR SALE

Date: _____, 19__

Purchaser(s) Name (as to appear on Deed) _____

Street Address _____ City _____ State _____ Zip _____

Marital Status _____ Home Telephone _____ Office Telephone _____ Soc. Sec. # _____

Local address and telephone number, if different _____

Type of purchase: [] cash [] mortgage Lender _____

In this Agreement the words "I", "me", "my", and "mine" mean the purchaser(s) listed below who have signed this Agreement. The words "you" and "your" mean Max D. Puyanik, as Trustee. "We" and "our" mean all parties to this Agreement.

This Agreement contains our respective legal rights and obligations concerning the sale by you and purchase by me of the condominium unit identified below. I understand that this Agreement is intended to be legally enforceable and binding upon each of us.

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

1. Purchase and Sale

I agree to buy and you agree to sell to me (on terms contained below) Unit No. _____, and Parking Space No. _____, Address: 90 Park Drive, Bal Harbour, Florida 33154 of the proposed Condominium to be known as Park Place of Bal Harbour, a Condominium in Dade County, Florida, (including the appliances, carpeting, light fixtures, and window coverings, all of which are in used condition, now in my unit). My unit has been previously occupied. The unit and the Condominium are described in greater detail in the proposed Declaration establishing the Condominium. A copy of the

Declaration is included in the Offering Circular and attached exhibits (the "Condominium Documents") I have received.

The total purchase price for the unit and for the exclusive use of the parking space exclusive of any closing costs as described in paragraph 10 will be \$_____.

I agree to make the following payments:

Payment	Amount
Initial Deposit received this date	\$ _____
Additional Deposit due	\$ _____
Amount of mortgage loan (if a mortgage purchase)	\$ _____
Balance Due at closing of title ("Closing") subject to prorations and adjustments set forth in this Agreement.	\$ _____
TOTAL	\$ _____

Deposits may be made in cash or by check subject to collection. The balance payable at Closing must be paid by local cashier's check or by wire transfer of U.S. funds to an account designated by you.

2. Mortgage Provisions

The following provisions will only apply if this is a mortgage purchase as indicated on page 1:

a. Within 5 days after the date of this Agreement I will make a good-faith application for a mortgage loan with the lender named above or another lender approved by you in writing. I will completely and truthfully supply all information and documents required in connection with my application, and within 5 days after request for any reason I will provide any further information or documents to the lender. I will notify you within 2 working days after my application is approved or rejected.

b. The mortgage I apply for will be in the amount indicated above, and will provide for an interest rate, payment terms, and other terms and conditions of the lender prevailing on the date of Closing, or otherwise established or agreed to by the lender. I understand any interest rates or mortgage terms disclosed to me are merely informational and may change at the Closing, and you are not bound by any such disclosures unless set forth in this Agreement.

c. If I comply with all the above requirements and my application is rejected or not unconditionally approved within 30 days, at any time thereafter you may request me to apply for a mortgage with up to 2 additional lenders selected or approved by you, and I will do so within 5 days after your request and all of the provisions of this paragraph will apply to my reapplications. If you do not request me to reapply with another lender, or if my reapplications are rejected, you may either (i) give me a mortgage at generally prevailing rates and terms, or (ii) refund my deposits to me and terminate this Agreement, unless we agree in writing this will be a cash sale. However, if I do not get mortgage approval because I failed to complete any form or supply any information, or because my application contained untrue, inaccurate, or unverifiable information, or because I failed to comply with any of the requirements of this Paragraph 2, I will not be entitled to terminate this Agreement and this Agreement will be deemed a cash sale, or at your option you may declare me in default. If I am unable to obtain mortgage approval due to an adverse change in my personal or financial condition occurring after I first apply for a mortgage, or if the lender withdraws my approval after approving me, I will not be entitled to terminate this Agreement and this will be deemed a cash sale, or at your option you may terminate this Agreement and refund my deposits to me. If my approval is subject to a condition or contingency you may, in your sole discretion, reject the approval by written notice to me and then my approval will be deemed rejected; otherwise I will be required to satisfy the condition or contingency prior to the Closing.

d. If I am approved for a mortgage which is less than the amount indicated above I will accept the mortgage and pay the difference at the Closing; except if the difference exceeds \$1,000.00 I may reject the mortgage by written notice delivered to you within 5 days after I am notified of such approval. In such event my application will be deemed rejected unless you agree to give me a second mortgage equal to the difference on the same terms and conditions as the mortgage I am approved for.

e. If (i) I am married, my spouse will join in my application and will execute all mortgage documents; (ii) I am a corporation, partnership or other entity, my principals and their spouses will join in my application and execute or guarantee all mortgage documents; and (iii) I am approved for a loan with a co-signer, the co-signer will execute all mortgage documents, if required by my lender, even though these persons may not have executed this Agreement, and in the event they fail to do so I will be deemed in default.

f. Prior to the Closing, I will satisfy any liens or judgments against me that might take priority over my mortgage or that are required to be satisfied by my lender, and if I fail to do so I will be deemed in default.

3. Completion Date

The unit is complete.

4. Use of My Advances

I acknowledge that you are not required to hold my deposit in escrow because the construction, furnishing and landscaping of the Condominium is complete. However, you agree to escrow my deposit, in accordance with the terms of the Escrow Agreement contained in the Offering Circular, with Matzner Ziskind Hermelee & Jaffee, P.A. (the "Escrow Agent"), whose address is 100 S.E. 2nd Street, 28th Floor, Miami, Florida 33131.

Any and all interest earned on escrowed funds or other deposits under this Agreement shall be paid to you and shall be deemed your sole property, except if the deposit is refunded to me I shall also receive from you interest earned on the deposit.

I shall be entitled to a receipt for my deposit from the Escrow Agent upon request.

5. Financing

At Closing you may use my purchase money to release my unit from any mortgage. Because of this, my rights under this Agreement will be subordinate to those of anyone holding a mortgage, including any amendments, modifications, renewals, consolidations and extensions of the mortgage made prior to or after the date of this Agreement.

6. Condominium Construction Specifications

I acknowledge that I have had a reasonable opportunity to inspect my Unit. I agree to accept my Unit (including all equipment, appliances, etc.) in the condition in which they presently exist.

I understand and agree that, unless I am currently a tenant, I am not permitted to enter upon the unit, except for models and sales offices, until I have closed, and I will indemnify and hold you harmless, including attorneys' fees and costs at all tribunal levels, from any injury I (or any of my guests, family or others accompanying me) may sustain by entering the unit.

I acknowledge that all extras, changes, optional items, materials, equipment and fixtures are not offered separately from the unit being conveyed hereunder, and that no part of this Agreement is intended as or shall be deemed to be a consumer transaction.

7. Damage Before Closing

If my unit is damaged by fire or other casualty after this Agreement takes effect but before Closing, you will have the option of repairing the damage or canceling this Agreement.

If you decide to repair the damage, you will have a reasonable time to complete repairs. The work will be judged by the same standards used to evaluate new construction. I will have no right to any reduction in the purchase price nor any claim against you and I agree to accept title on the scheduled closing date providing the repairs are finished by the Closing date. Any money you receive in settlement of the damage (insurance, etc.) will belong to you. If I receive any money in connection with the damage, I will turn it over to you.

If you or the Condominium Association decide not to repair the damage, this Agreement will be cancelled. In that case you agree to refund all my deposits, provided I am not in default. This will end any right or responsibilities we have to each other.

8. Closing Date

Closing shall occur within ten days after I have been approved by a mortgage lender in accordance with the provisions of Paragraph 2 of this Agreement, or if this transaction is not a mortgage purchase, closing shall occur within 30 days after execution of this Agreement by me.

I will receive at least seven days' notice of the Closing date, time and place. You are authorized to postpone the Closing if any problems arise. But if you do, you must give me at least seven days' notice of the new date. I understand that time is of the essence under this Agreement.

If I fail to close in accordance with this Agreement you may elect to hold me in default or reschedule the Closing, in which event I shall pay you interest at the highest rate allowed by law on the full purchase price calculated from the originally scheduled Closing date to the date on which I actually close.

9. Closing of Title

Title to the unit, which will be conveyed by Special Warranty Deed, will be good, marketable, and insurable subject to the following permitted limitations (the "Permitted Exceptions"):

a. Liability for all taxes and assessments on my unit for the year I receive title and for all subsequent years.

b. Any restrictions, covenants, conditions, limitations or easements recorded in the public records. For example, property use limitations, maintenance assessments or rights-of-way for utilities or other services.

c. Zoning or other restrictions or prohibitions imposed by governmental authority.

d. The restrictions, covenants, conditions, terms and other provisions imposed by the recorded Declaration and Exhibits thereto.

e. Liens for public improvements.

f. Any mortgage executed or assumed by me that encumbers my unit.

g. The standard exclusions and exceptions contained in the American Land Title Association, ALTA Form "B" Owner's Title Insurance Policy form in the county in which the Condominium is located and the exceptions set forth above.

I understand that no limitation on my title can prohibit the use of my unit as a residence.

If you cannot provide title as described above, you will have a reasonable time (at least 60 days) to correct any defects in title. But you are not obligated to do so. If you cannot or will not correct the title defects, I have two options:

1. I may accept the title in the condition you offer it (with defects) and pay the full purchase price for my unit. If I elect this option, I will not make, and will not have, any claims against you because of the defects.

2. I may cancel this Agreement and receive a full refund of all my deposits. If my deposits are refunded, I agree to accept them as full payment of your liability to me. I will not make, and will not have any, additional claims against you.

Notwithstanding anything herein to the contrary, title to the unit shall conclusively be deemed good and marketable if you are able to deliver ALTA Form "B" Owner's Title Insurance Policy with respect to the unit subject to the Permitted Exceptions.

10. Closing Costs

I understand that in addition to the purchase price of my unit and the costs associated with my mortgage, I must pay certain other fees and "closing costs" when I accept ownership at the Closing. Those extra charges include:

- a. A closing charge of 1.5% of the total purchase price (out of which you will pay the documentary stamps and recording costs for my deed, and the cost of my Owner's Title Insurance Policy plus any abstracting or title update charges).
- b. All additional costs due to or arising out of charges imposed by any governmental authority.
- c. Utility deposits, installation charges or other charges advanced by you on my behalf.
- d. If this is a mortgage purchase, any amounts for principal, interest, taxes, insurance, or private mortgage insurance required by my lender to be paid, prepaid, or escrowed at the Closing, and any other mortgage loan closing costs of any kind or nature whatsoever imposed by my lender.
- e. The cost of any obligations I have incurred not provided for in this Agreement.
- f. Pending liens for any public improvements.
- g. Expenses of my unit (for example, taxes and assessments, condominium association maintenance charges), will be prorated between us at Closing.
- h. Working capital contribution equal to two months of the Unit's assessments for common expenses to the condominium association.

Within a reasonable time after the Closing, you will have an Owner's Title Insurance Policy issued to me in the amount of the total purchase price. You will not be required to provide me with an abstract of title for my unit. At my request, you will inform me which company will issue my Owner's Title Insurance Policy. If I desire a different company I will notify you in writing within 30 days after the date of this Agreement or 30 business days prior to the Closing, whichever occurs first. You may then either decide not to provide a policy to me in which event my closing charge will be reduced by the then minimum promulgated rate established by the State of Florida, or you may have the company I desire issue my policy, in which event my closing charge will be increased by my increased cost incurred by you, if any, in providing a policy issued by the company selected by me.

11. Other Duties

I shall have no right to take possession of the unit until I have paid the balance of the purchase price and other expenses stated in this Agreement, have signed all papers necessary to close title and, if applicable, to close my mortgage loan.

12. Default

If I fail to honor my promises or to perform my duties under this Agreement (including making scheduled deposits and Closing when required) I will be in "default." If I am still in default 72 hours after you notify me of it, you may cancel this Agreement. At this time all my rights will end and you may resell my unit without any accounting to me.

I understand that since you have taken my unit off the market and spent money on sales, advertising and promotion, my default will damage you. As compensation for this damage I authorize you to keep any deposits I have made as well as any money for options or extras (such as customized work, optional items or nonspecified materials). This is because there is no other precise method of determining your damage. You agree not to take any other action against me because of my default.

Any damage or loss that occurs to my unit while I am in default will not affect your right to retain my deposits as damages.

In the event you fail to honor your promises or to perform your duties under this Agreement, I shall have the right to receive the refund of my deposits (in which event this Agreement will be cancelled and neither party shall have any further right or obligation with respect to the other), or I may affirm the Agreement and seek specific performance, damages, and any other remedies available under applicable law.

13. Litigation

If you are successful in connection with any litigation concerning this Agreement, I will be obligated to pay reasonable attorney's fees and costs incurred by you in connection with such litigation through and including all appellate litigation. In the event of litigation in which I claim a right to cancel this Agreement, pursuant to Paragraph 15(g) below, the prevailing party shall be entitled to recover reasonable attorney's fees.

14. Your Use of the Condominium Property

As long as you own a unit or units in the Condominium, you and your agents may maintain sales offices and models to assist you in selling units in the Condominium.

15. Miscellaneous Provisions

a. Agreement Not to be Recorded. I will not record this Agreement nor any notice or memorandum thereof, in the Public Records of the county in which the Condominium is located. If I do, I shall be in default hereunder. I acknowledge that I have not

acquired any right, title, interest, or lien right in the unit prior to Closing and I agree not to file a lis pendens, claims of lien or any other document concerning any dispute which I may subsequently have with you concerning or arising out of this Agreement.

b. Sales Commissions. You will pay all sales commissions of your sales personnel. I agree to indemnify and hold you harmless from the claims of any other person(s) claiming a real estate commission.

c. Notices. Any time we are required to notify each other, the notice must be in writing. It must be sent by registered or certified mail, postage prepaid, with a return receipt requested. You will send my notices to the address I have given you on page 1. I will send any notices to you at 51 S.W. 9th Street, Miami, Florida 33130. But either of us can change our address for notices.

A change of address notice is effective when it is received. All other notices are effective on the day they are mailed.

d. Transfer or Assignment. I have no right to assign, sell or transfer my interest in this Agreement without your written consent, which consent may be arbitrarily withheld. If I attempt to so assign this Agreement, such assignment shall be null and void and of no effect.

If you decide to sell all or any part of this Condominium, you may assign or transfer your interest in this Agreement and in the Escrow Agreement referred to under "Use of My Advances" and my consent will not be required. If the buyer of all or any part of the condominium property assumes your obligations contained in this Agreement and the Escrow Agreement you will not be liable to me for any acts, omissions or defaults by the buyer.

e. Others Bound by this Agreement. If I die or in any way lose legal control of my affairs, this Agreement will bind my heirs and legal representatives. If I have received your written permission to assign or transfer this Agreement it will bind anyone receiving my interest.

f. Public Records. I authorize you to record any documents necessary to establish and operate the Condominium. You will file them in the Public Records of the county in which this Condominium is located.

g. . My Right to Cancel.

THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER, AND RECEIPT BY

BUYER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO HIM BY THE DEVELOPER UNDER SECTION 718.503, FLORIDA STATUTES. THIS AGREEMENT IS ALSO VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF RECEIPT FROM THE DEVELOPER OF ANY AMENDMENT WHICH MATERIALLY ALTERS OR MODIFIES THE OFFERING IN A MANNER THAT IS ADVERSE TO THE BUYER. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15 DAYS AFTER THE BUYER HAS RECEIVED ALL OF THE ITEMS REQUIRED. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

h. Florida Law. Any disputes that develop under this Agreement will be settled according to Florida law, without giving effect to principles of conflict of laws, except as specifically preempted by federal law. If any part of this Agreement violates a provision of Florida law, the law will control. In that event, however, the remainder of the Agreement will remain in force and effect.

i. Pre-Sales Requirements. I understand that your mortgage lenders may require that a certain number of unit sales be made before you may close on the title to any units. You will not be liable if you cannot close on my unit because of this requirement. In that event, I will receive a full refund of my deposit(s).

j. Entire Agreement. This Agreement contains the entire understanding between us concerning the sale and purchase of the unit and can only be amended in writing, executed by both of us. Prior agreements, representations, understandings and oral statements not reflected in this Agreement and the Condominium Documents are void and have no effect. I have not relied on them. I have fully reviewed this Agreement and sought all legal and other advice which I deem necessary and agree that no provision hereof shall be more strictly construed against either of us than the other.

k. Changes. I agree that the Condominium Documents delivered to me may be amended by the Condominium Association in any manner whatsoever.

l. All Parties Liable. If more than one person signs this Agreement as purchaser, each will be equally liable, jointly and severally, for full performance of all duties and obligations under it and you can enforce it against each of the purchasers, or all of them collectively.

m. Warranty. You elected not to fund converter reserve accounts and instead grant to me, in accordance with the requirements of Section 718.618(7), Florida Statutes, an implied warranty of fitness and merchantability for the purposes or uses intended, as to the roof and structural components of the

improvements; as to fireproofing and fire protection systems; and as to mechanical, electrical and plumbing elements serving the improvements, except mechanical elements serving only one unit. You will not be liable for damages or injury to any of my personal property resulting from any such defect. Furthermore, in no event will you be liable to me for any consequential damages including, but not limited to, inability to possess my unit, inconvenience, or loss of time, due to any of the aforementioned defects. Any implied warranties that my unit or the condominium property was constructed in accordance with the plans and specifications on file with any governmental authority are hereby excluded. The warranty shall be for a period beginning with the notice of intended conversion and continuing for three years thereafter, or one year after owners other than you obtain control of the Condominium Association, which ever occurs last, but in no event more than five years. Your warranty is conditioned upon routine maintenance being performed, unless the maintenance is your obligation or the Condominium Association's obligation while under your control.

n. Features Included. The purchase price of my unit includes only the items included in the features list. I understand any other appliance, furnishings or decorations contained in your models are for display purposes only.

o. Time is of the Essence. I understand that time is of the essence under this Agreement.

p. Financial Information. At your option, within seven days from the date I execute this Agreement, I shall submit to you such financial information, including a personal financial statement, as you may deem necessary, together with verification of my employment. You shall have a period of 30 days from the date of this Agreement to determine in your sole opinion, whether I am financially able to perform my obligations under this Agreement. In the event you make an adverse determination regarding my financial ability to perform hereunder, you will have the option of canceling this Agreement and refunding my deposit.

q. Administrative Fee. In the event this Agreement is terminated by either of us, I agree to pay a \$50.00 charge to you if I do not return the Offering Circular and all other related Condominium Documents to you in good condition.

r. FIRPTA. The parties agree to comply with the Foreign Investment Real Property Tax Act, as amended, and agree that there will be no withholding at Closing on account of such Act.

s. Radon Disclosure. In accordance with the provisions of Florida Statutes, Section 404.056(8), you are required to and do hereby make the following disclosure: "RADON GAS: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to

persons who are exposed to it over time. Levels of Radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit." I further acknowledge that you make no representation or warranty concerning geological or environmental matters such as radon gas. I understand that if I require more information concerning this potential risk, the U.S. Environmental Protection Agency and state and local authorities are best equipped to render advice.

t. Inducement. I acknowledge that the primary inducement to purchase under this Agreement is the unit.

u. Condominium Documents. I acknowledge receipt of an Offering Circular for the Condominium which includes various documents required by Florida Statutes. I agree this Agreement is subject to all of the terms, conditions and disclosures set forth in the Condominium Documents. The terms used in this Agreement shall have the same definitions and meanings as those set forth in the Condominium Documents, unless herein provided to the contrary, or unless the context otherwise requires.

v. Insulation. The information regarding the insulation for the roof and exterior walls of the building are set forth in the building inspection report, Schedule 1 of the Offering Circular.

w. Existing Lease. If Closing to my unit occurs prior to the termination of a lease, I acknowledge that title to my unit will be conveyed subject to the lease and this provision will apply. I acknowledge receipt of a copy of the lease for my unit which is attached hereto as Exhibit "A." I shall be obligated to close hereunder even if the lease is not in existence at the time of the Closing.

THE UNIT IS SUBJECT TO A LEASE (OR SUBLEASE).

The undersigned have executed this Agreement this ____ day of _____, 19____.

Signed, sealed and delivered
in the presence of:

As to Purchaser

Purchaser

Purchaser

SELLER

By: _____
Max D. Puyanic, as Trustee

As to Seller

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EXHIBIT 5

-to-

OFFERING CIRCULAR

ESCROW AGREEMENT

ESCROW AGREEMENT

THIS AGREEMENT is made this 22nd day of July, 1992, by and between MATZNER ZISKIND HERMELEE & JAFFEE, P.A., with a mailing address of 100 S.E. 2nd Street, Suite 2800, Miami, Florida 33131, (the "Escrow Agent") and MAX D. PUYANIC, as Trustee, having an office at 51 S.W. 9th Street, Miami, Florida 33130 (the "Developer").

WITNESSETH:

A. Developer is presently developing the condominium to be known as the Park Place of Bal Harbour, a Condominium located in the Town of Bal Harbour, Dade County, Florida (the "Condominium").

B. Developer intends to enter into agreements for the sale and purchase of condominium units in the Condominium, each of which is hereafter called the "Purchase Agreement".

C. Developer desires to make arrangements to escrow deposits to be paid pursuant to the Purchase Agreements in accordance with the provisions of the Florida Condominium Act (Section 718.202(1), Florida Statutes).

D. Escrow Agent has agreed to hold and disburse the deposits it receives pursuant to the terms and provisions hereof.

NOW, THEREFORE, the Escrow Agent and the Developer agree as follows:

1. From time to time, Developer will deliver checks payable to or endorsed to Escrow Agent which will represent all of the deposit monies paid pursuant to the Purchase Agreements, together with a copy of each executed Purchase Agreement between the Developer and the buyer. Escrow Agent shall provide Developer with a receipt for each deposit, delineating thereon the name of the buyer, the condominium unit number, and the amount of the deposit. Escrow Agent shall also give the buyer named in the Purchase Agreement a similar receipt for any deposit monies of the buyer, upon request of the buyer.

2. The Escrow Agent shall disburse the buyer's deposit escrowed hereunder and a prorata portion of any interest earned thereon, determined as hereinafter provided, in accordance with the following:

a. To the buyer within 10 days after the receipt of the Developer's written certification that the buyer has properly terminated his Purchase Agreement.

b. To the Developer within 10 days after the receipt of the Developer's written certification that the buyer's Purchase Agreement has been terminated by reason of the buyer's failure to cure a default in performance of buyer's obligations thereunder, provided, however, in the event of a closing and the failure of Escrow Agent to receive instructions and/or the notice contemplated in sub-paragraph 2.c. below, then Escrow Agent shall disburse the deposit monies with respect to the Purchase Agreement for which a closing has occurred to Developer upon the expiration of 6 months after such closing, unless prior to the expiration of such 6 month period Escrow Agent has received from the buyer under such Purchase Agreement written notice of a dispute between such buyer and Developer.

c. If the deposit of a buyer, together with any interest earned thereon has not been previously disbursed in accordance with the provisions of sub-paragraphs 2.a and 2.b. above, the same shall be disbursed to the Developer upon receipt from the Developer of a closing statement or other verification signed by the buyer or his attorney or authorized agent, reflecting that the transaction for the sale and purchase of the subject condominium unit has been closed and consummated; provided, however, that no disbursement shall be made under this paragraph 2.c. if prior to the disbursement the Escrow Agent receives from buyer written notice of a dispute between the buyer and the Developer and Escrow Agent may then proceed in accordance with the other provisions of this Agreement.

d. The Escrow Agent shall, at any time, make distribution of the buyer's deposit and interest earned thereon upon written direction duly executed by the Developer and buyer.

3. All funds will be invested only in securities of the United States or an agency thereof, or in accounts in institutions the deposits of which are insured by an agency of the United States.

4. The Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine, may assume the validity and accuracy of any statements or assertion contained in such writing or instrument, and may assume that any person purporting to give any writing, notice, advice or instruction in connection with the provisions hereof has been duly authorized to do so. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner of execution, or validity of any written instructions delivered to it; the sufficiency of the title to the property to be conveyed; nor as to the identity, authority, or rights of any person executing same. The duties of the Escrow Agent shall be limited to the safekeeping of the deposits and to disbursements of same in accordance with the written instructions described above. The Escrow Agent undertakes to perform only such duties as are expressly set forth herein, and

no implied duties or obligations shall be read into this Agreement against the Escrow Agent. Upon the Escrow Agent's disbursing the deposit of a buyer in accordance with the provisions hereof, the escrow shall terminate as regards said buyer's deposit, the Escrow Agent shall thereafter be released of all liability hereunder in connection therewith.

5. The Escrow Agent may consult with counsel of its own choice and shall have full and complete authorization and protection for any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel. The Escrow Agent shall otherwise not be liable for any mistakes of fact or error of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct or gross negligence, and the Developer agrees to indemnify and hold the Escrow Agent harmless from any claims, demands, causes of action, liability, damages or judgments, including the cost of defending any action against it, together with any reasonable attorney's fees incurred therewith, in connection with Escrow Agent's undertaking pursuant to the terms and conditions of this Agreement, unless such act or omission is a result of the willful misconduct or gross negligence of the Escrow Agent.

6. In the event of disagreement about the interpretation of this Agreement, or about the rights and obligations or the propriety of any action contemplated by the Escrow Agent hereunder, Escrow Agent may, at its sole discretion, file an action in interpleader to resolve the said disagreement. Escrow Agent shall be indemnified by Developer for all costs, including reasonable attorney's fees, in connection with the aforesaid interpleader action.

7. The Escrow Agent may resign at any time upon the giving of 30 days' written notice to Developer. Within said 30 day period, Developer shall have the sole right to appoint a successor escrow agent upon notice to the Escrow Agent and the buyers. Thereupon, all funds shall be transferred from the Escrow Agent to the successor escrow agent, providing the successor escrow agent executes an escrow agreement in substantially the same form and substance as this Agreement. A successor escrow agent shall be either a bank, a savings and loan association, an attorney who is a member of the Florida Bar, a real estate broker registered under Chapter 475 of Florida Statutes, or a title insurance company authorized to do business in the State of Florida, acting through either its employees or a title insurance agent licensed under Chapter 626 of Florida Statutes, or any financial lending institution having a net worth in excess of \$5,000,000. If a successor escrow agent is not appointed by the Developer within 30 days after notice of resignation, the Escrow Agent may petition any court of competent jurisdiction to name a successor escrow agent; and the Escrow Agent herein shall be fully relieved of all liability under this Agreement to any and all parties, upon the

transfer of and due account for the escrow deposits to the successor escrow agent either designated by the Developer or appointed by the court.

8. In the event Escrow Agent is joined as a party to a lawsuit by virtue of the fact that it is holding a buyer's deposit, Escrow Agent shall, at its option, either tender said deposit to the registry of the court or disburse same in accordance with the court's ultimate disposition of the cause and Escrow Agent shall be entitled to its reasonable attorney's fees and court costs in accordance with the Purchase Agreement.

9. This Agreement shall be construed and enforced according to the laws of the State of Florida and this Agreement shall be made a part, in its entirety, of any prospectus (required by Section 718.503-505, Florida Statutes) distributed to the buyer or prospective buyers of condominium units in the Condominium.

10. This Agreement shall be expressly incorporated by reference in all Purchase Agreements between Developer and buyers.

11. This Agreement represents the entire agreement between the parties with respect to the subject matter hereof and shall be binding upon the parties, their respective successors and assigns.

12. Developer acknowledges that any willful failure to comply with the escrow provisions of Section 718.202, Florida Statutes, constitutes a criminal offense pursuant to Section 718.202(7), Florida Statutes.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

Signed, sealed and delivered
in the presence of:

Elizabeth Ortiz
[Signature]
[Signature]
[Signature]

MATZNER ZISKIND HERMELEE &
JAFEE, P.A.

By: [Signature]
"Escrow Agent"

By: [Signature]
Max D. Puyanik, as Trustee
"Developer"

EXHIBIT 6
-to-
OFFERING CIRCULAR
FLOOR PLANS



AERIAL MAP



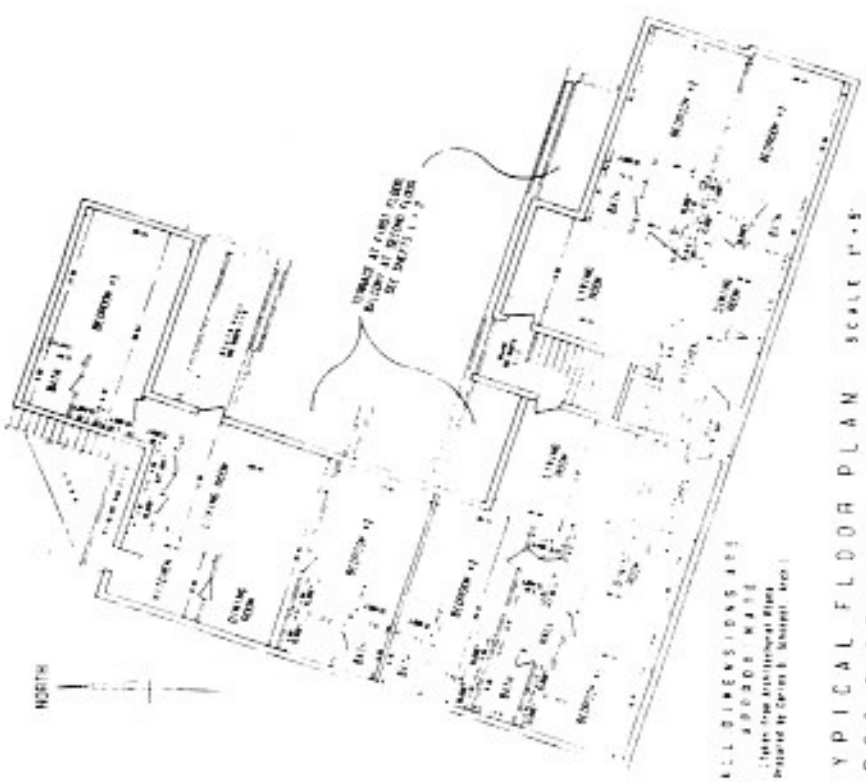
NOTES

- 1. Construction based on field notes, Survey 1961.
- 2. See Schedule of Conditions for further details.
- 3. See Notes and General Notes.
- 4. All dimensions are in feet and inches.
- 5. All dimensions are to the center of the member.

BASE PLANS OF ALL BUILDINGS, A. CORROGATED METAL ROOF

REVISIONS - PLAN FILE - SOURCE INFORMATION

Prepared by:
 Mr. J. H. Smith, Jr.
 Mr. J. H. Smith, Jr.
 Mr. J. H. Smith, Jr.
 Mr. J. H. Smith, Jr.



ALL DIMENSIONS ARE
 TO THE CENTER UNLESS NOTED
 OTHERWISE

TYPICAL FLOOR PLAN SCALE 1" = 8'
FIRST & SECOND FLOORS

EXHIBIT 7

-to-

OFFERING CIRCULAR

MANAGEMENT AGREEMENT

CONDOMINIUM MANAGEMENT AGREEMENT

THIS AGREEMENT made this ___ day of _____, 1992, by and between PARK PLACE OF BAL HARBOUR CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit (hereinafter referred to as the "Association"), and COMMODORE REALTY, INC. (hereinafter referred to as "Manager").

W I T N E S S E T H:

WHEREAS, the Association is the governing body for the condominium known as Park Place of Bal Harbour, a Condominium ("Condominium") located in the Town of Bal Harbour, Dade County, Florida; and

WHEREAS, the Association desires to designate a managing agent for the Condominium; and

WHEREAS, the Manager is willing to act as managing agent for the Condominium upon the terms and conditions set forth hereinafter.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and such other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Appointment: The Association hereby appoints the Manager and Manager hereby accepts the appointment upon the terms and conditions provided for in this Agreement.
2. Management. The management provided for herein shall be exclusively performed by the Manager subject to review, direction, control and supervision of the Association.
3. Term: The term of this Agreement shall be one year, commencing on the date of the closing of the first Unit in the Condominium; and thereafter for one year periods unless on or before 60 days prior to the expiration of the original term, or on or before 30 days prior to the expiration of any renewal term, either party shall notify the other, in writing, of its intention to terminate this Agreement. Notwithstanding anything contained herein to the contrary, the Association shall have the right to terminate this Agreement pursuant to provisions contained in Chapter 718, Florida Statutes, and the Manager shall have the right to terminate this Agreement at any time upon 30 days prior notice to the Association.

file lawsuits in connection with the duties set forth in this paragraph.

F. To maintain all records on behalf of the Association incident to management of the Condominium Property by Manager. Such records shall be sufficient to describe all expenses and receipts incident to management of the Condominium Property and the source thereof, which records need not be audited.

G. To specify duties and arrange for preparation of work schedules as may be necessary to direct the activities of the persons employed to work at the property and to provide such supervision as may be reasonably necessary in Manager's opinion to verify the adequacy with which such duties and the work is being performed.

H. To arrange for the supply of all necessary services to the Condominium, including but not limited to, landscape maintenance, utility services, ordinary repairs and disposal of waste. Notwithstanding anything contained herein to the contrary, Manager shall not be responsible for arranging the supply of any service necessary to an individual unit or units.

I. To assist the Association in maintaining, managing, supervising and directing the commonly used facilities, if any, operated by the Association for the use of its members; to enforce rules and regulations concerning the use thereof; and generally to do all things necessary and appropriate for the beneficial use of such facilities, subject to the direction of the Association.

J. To prepare and submit annually to the Association a recommended operating budget setting forth the anticipated income and expenses of the Condominium and the Association for the ensuing year, and to notify unit owners of the annual assessments of common expenses as determined by the Board of Directors of the Association as more particularly set forth in the Bylaws of the Association. Manager shall submit one or more supplemental budgets upon request of the Association, or whenever in the opinion of Manager, any change from the expenditures forecast in the annual budget makes it desirable to do so.

K. To solicit, analyze and compare bids and negotiate contracts for execution by the Association for the services of contractors for garbage and trash removal, vermin extermination and other services; assist the Association in purchasing all tools, equipment and supplies which shall be necessary to properly maintain and operate the Condominium; and make all other contracts and purchases in furtherance of the duties of Manager as set forth herein.

L. To assist the Association in arranging for insurance coverages and any appraisals in connection therewith as may be required by the Declaration and Bylaws; provided, however, that Manager shall not be liable for any claim which is due for the failure to maintain adequate insurance. The Association shall authorize Manager to arrange for comprehensive liability insurance on the Condominium Property with limits established by the Board of Directors, and further agrees that Manager shall be named as an insured party along with the Association as their interests may appear in any such policy or policies which shall also provide protection against any claims for personal injury, death, or property damage or loss for which either the Association or the Manager might be held liable as a result of their respective obligations. The Association further agrees, if so requested by Manager, to provide the Manager with a certificate of insurance concerning any policy which shall include an undertaking that the insurer will provide the Manager with at least ten days prior written notice of cancellation or any material change in the provisions of any such policy.

M. To take whatever action may be directed by the Board of Directors to enforce the terms of the Act or the Declaration or the Bylaws or any rules and regulations or amendments to any of the foregoing which may be enforced from time to time; to assist the Association in retaining the employment of attorneys, accountants, and such other experts and professionals whose services the Manager may reasonably require to effectively perform its duties hereunder.

N. To prepare monthly operating and cash position statements and statement of replacement reserve account. The Manager shall also analyze and compare operating receipts and disbursements against the currently adopted budget.

5. Attendance of Meetings by Manager: The Manager will cause a representative of its organization to attend, if so requested, a meeting of the Board once a month provided such attendance is of reasonable duration at any such meeting held upon not less than five working days' advance notice on a weekday or evening excepting statutory holidays. Manager's representative will also attend the annual meeting of the unit owners and, if so requested, arrange at the expense of the Association for the reproduction and distribution of notices and all other information relevant to any such meetings. A representative of the Manager shall, upon not less than 24 hours' notice, attend any other meetings of the Association as requested, provided that the Association shall pay the Manager \$35.00 per hour for the representative's attendance at each meeting, except in an emergency situation determined to be such by both the Association and the Manager.

6. Instructions to Manager: The parties acknowledge that the Manager is responsible to the entire Association and the Board of Directors in the performance of its duties. The parties further acknowledge that the Manager will more effectively be able to perform its duties as set forth herein and best serve the Association if a single individual is designated by the Board to act as spokesperson on behalf of the Board with Manager on any matter relating to management of the Condominium. In this regard, it is agreed that in the absence of any other designation by the Board, the Manager may rely exclusively upon the directions or instructions by the President to Manager and that such directions or instructions shall be conclusively presumed to be in furtherance of a decision of the Board of Directors, made at a duly called or constituted meeting.

7. Capital Improvements and Major Repairs: In the event the Association wishes to engage the Manager as supervisor for any capital improvements or major repairs, the compensation to Manager for such supervisory services shall be determined at the time such services are sought, based on the extent of such services required for the capital improvement or major repair.

8. Payment of Expenses by Manager: The Manager shall, without prior notice to or authorization from the Association, pay all expenses and fees incident to the operation and management of the Association and the Condominium from such funds held by the Manager on behalf of the Association. In the event there are insufficient funds held by Manager with which to pay any expenditure, the Manager may, but not be required to, advance its own funds to cover such deficit, in which case the Association shall be required to repay such amount together with interest at the highest rate permitted by law. However, since the costs incurred by Manager in performance of its duties are anticipated to be paid out of Association funds, no routine reimbursement is contemplated; reimbursement for non-routine expenditures shall be as above set forth.

9. Management Fees: The Association agrees to pay to the Manager as compensation for the management services to be rendered hereunder the sum of \$2,400.00 per annum, or \$200.00 per month, in advance, on the first day of each month until the expiration or termination of this Agreement. The Manager's fee is in addition to any expenses incurred by Manager in the performance of its services hereunder, and the Association shall reimburse Manager for such expenses immediately upon demand of Manager.

10. Association Expenses: The Association authorizes the Manager to perform any act or do anything necessary or desirable to carry out its duties hereunder and everything done by the Manager hereunder shall be done as Manager of the Association; and, all obligations and expenses incurred thereunder shall be

for the account, on behalf, and at the expense of the Association. Such expenses may include, but not be limited to necessary insurance coverages, accountants' fees, attorneys' fees, fees for other professionals, mailing of notices, and all other general, administrative, and management expenses incurred pursuant to this Agreement. Notwithstanding anything contained herein to the contrary, the Manager shall incur no expense other than as provided for in the budget or approved by the Association, except in the event of an emergency. Any contracts or agreements made by Manager pertaining to the affairs of the Association shall be the obligation of the Association, not Manager, and the Association agrees to indemnify and hold Manager harmless from same.

11. Manager Not Responsible for Repairs to Individual Units: It is acknowledged that Manager has no authority or responsibility for the maintenance or repair of any individual condominium units. Such maintenance and repair shall be the sole responsibility of the unit owner. Each individual unit owner, however, may contract with the Manager on an individual basis for the provision of certain maintenance and other related services which will be paid for in accordance with the agreement between the Manager and the individual unit owner. This shall not be considered a conflict of interest or otherwise obligate the Manager to take any action except as it may agree to with an individual unit owner.

12. Manager to Exercise Independent Judgment: It is acknowledged that Manager, in the course of exercising its duties pursuant to this Agreement, must use its independent judgment and at all times act in the best interests of the Association and its members. In this regard, it is further acknowledged that Manager may refuse to perform any act requested by the Association when, in the sole discretion of Manager, it deems the performance of such act to be contrary to the provisions of any local, state, or federal law or regulation, the Constitution of the State of Florida or of the United States, or the Declarations of Condominium, Bylaws, Articles of Incorporation, or rules and regulations of the Condominium. The refusal by Manager to perform such act shall not be a ground for termination under this Agreement.

13. Compliance with the Law: The Manager has no responsibility for the compliance of the Condominium or any of its equipment with the requirements of any ordinances, laws, regulations (including those relating to the disposal of solid, liquid, and gaseous wastes) of the city, county, state, or federal government, or any public authority or official thereof having jurisdiction over it, except to notify the Board promptly of, or forward to the Board promptly, any complaints, warnings, notices, or summonses received by it relating to such matters. The Association represents that to the best of its knowledge the

Condominium complies with all such requirements, and authorizes the Manager to disclose the ownership of the Condominium to any such officials, and agrees to indemnify and hold harmless the Manager, its representatives, servants and employees, of and from all loss, cost, expense, and liability whatsoever which may be imposed on them or any of them by reason of any present or future violation or alleged violation of such laws, ordinances, rules or regulations.

14. Further Disclosure: Manager is related to the developer of the Condominium. The developer has a financial and ownership interest in Commodore Realty, Inc. and owns 3,967 shares of its common stock which represents a 56.67% ownership interest.

15. Notices: Any notice required or permitted to be served hereunder may be served by registered or certified mail or in person as follows:

A. If to the Manager: 51 S.W. 9th Street, Miami, Florida 33130.

B. If to the Board, to the President of the Board at his or her home address.

Either party may change the address for notice by notice to the other party. Notice served by mail shall be deemed to have been served when deposited in the mails.

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

17. Benefit: This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Manager and the successors and assigns of the Association.

18. Frequency of Performance: The services to be performed by Manager set forth in paragraphs 4D, E, F, J and N shall be performed as needed in accordance with generally accepted accounting principles and procedures or as more frequently required by any applicable law, rule or provision of condominium documents. The services described in paragraphs 4A, B, C, G, H, I, K, L, M, and paragraph 5 are "Administrative Services" which shall be performed as reasonably needed, or as more frequently

required by any applicable law, rule, or provision of condominium documents. Manager shall provide its services on a routine basis during normal business hours Monday through Friday.

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

Signed, sealed and delivered
in the presence of:

PARK PLACE OF BAL HARBOUR
CONDOMINIUM ASSOCIATION, INC.

By: _____

COMMODORE REALTY, INC.

By: _____

psyanic\cma

EXHIBIT 8

-to-

OFFERING CIRCULAR

RECEIPT FOR CONDOMINIUM DOCUMENTS

RECEIPT FOR CONDOMINIUM DOCUMENTS

The undersigned acknowledges that the documents checked below have been received or, as to plans and specifications, made available for inspection.

Name of Condominium: Park Place of Bal Harbour, a Condominium

Address of Condominium: 90 Park Drive, Bal Harbour, Florida

Place a check in the column by each document received or, for the plans and specifications, made available for inspection. If an item does not apply, place "N/A" in the column.

<u>DOCUMENT</u>	<u>RECEIVED</u>
<u>Prospectus</u>	<u>✓</u>
<u>Declaration of Condominium</u>	<u>✓</u>
<u>Articles of Incorporation</u>	<u>✓</u>
<u>Bylaws</u>	<u>✓</u>
<u>Estimated Operating Budget</u>	<u>✓</u>
<u>Form of Agreement for Sale or Lease</u>	<u>✓</u>
<u>Rules and Regulations</u>	<u>✓</u>
<u>Covenants and Restrictions</u>	<u>✓</u>
<u>Ground Lease</u>	<u>N/A</u>
<u>Management and Maintenance Contracts for More Than One Year</u>	<u>N/A</u>
<u>Renewable Management Contracts</u>	<u>N/A</u>
<u>Lease of Recreational and Other Facilities to be Used Exclusively by Unit Owners of Subject Condominiums</u>	<u>N/A</u>
<u>Form of Unit Lease if a Leasehold</u>	<u>N/A</u>
<u>Declaration of Servitude</u>	<u>N/A</u>
<u>Sales Brochures</u>	<u>✓</u>
<u>Phase Development Description (See 718.503(2)(k) and 504(14))</u>	<u>N/A</u>