### DECLARATION OF CONDOMINIUM FOR SEAGROVE HIGHLANDS CONDOMINIUM

THIS DECLARATION OF CONDOMINIUM ("Declaration") is made, pursuant to Chapter 718, Florida Statutes (the "Condominium Act" or the "Act"), for the purpose of submitting the land herein described and improvements constructed thereon to a condominium form of Ownership to be known as Seagrove Highlands Condominium. This Declaration is made by The Highlands at Seagrove Beach, LLC (the "Developer") as of the date set forth on the signature page hereof.

### ARTICLE I. DEFINITION OF TERMS.

The terms used herein and within the Articles of Incorporation, Bylaws and Rules and Regulations of Seagrove Highlands Condominiums Owners Association, Inc., shall have the meaning stated in the Condominium Act in relation to this Condominium and as follows, unless the context otherwise requires. Where these definitions conflict with the Act, the definition expressly provided in the Act shall control in interpreting this Declaration.

- Additional Property: "Additional Property," as the term is used in these Condominium Documents, shall
  mean all or any portion of the real property described on Exhibit "B" attached hereto and the improvements now or
  hereafter constructed thereon, which property may be submitted in whole or in part in one or more phases to the
  Condominium.
- 2. <u>Association</u>: "Association," as the term is used in these Condominium Documents, refers to Seagrove Highlands Condominiums Owners Association, Inc., a Florida corporation not for profit, and its successors and assigns, as provided in the Condominium Act.
- 3. <u>Board of Directors or Board</u>: The Board of Directors for the Association elected pursuant to the Bylaws of the Association.
  - 4. Bylaws: The Bylaws of the Association specified above, as they exist from time to time.
- 5. <u>Common Elements</u>: "Common Elements" shall mean and comprise all the real property, improvements and facilities to Seagrove Highlands Condominium, including all parts of the buildings other than the Units as same are herein defined, and shall include easements through Units for conduits, pipes, ducts, plumbing, wiring and other facilities for the furnishing of utility service to Units and easements of support in every portion of the Units which contribute to the support of the improvements and shall further include all personal property held and maintained for the joint use and enjoyment of all of the Owners of all Units.
- 6. <u>Common Expense</u>: "Common Expense," as the term is used in these Condominium Documents, means the expense for which the Unit Owners are liable to the Association and shall include, but not be limited to, expenses of administration of Seagrove Highlands Condominium; expense of maintenance, operation and repair or replacement of the Common Elements; any valid charge against the Condominium as a whole; taxes imposed upon the Common Elements by governmental bodies having jurisdiction over Seagrove Highlands Condominium; and the expenses declared to be Common Expenses by the provisions of the Condominium Documents, as same may be amended, from time to time, in accordance with the provisions thereof
- 7. <u>Common Surplus:</u> "Common Surplus," as the term is used in these Condominium Documents, means the excess of all the receipts of the Association including, but not limited to, assessments, rents, profits and revenues over the amount of the Common Expense.
- 8. <u>Condominium</u>: "Condominium" as the term is used in these Condominium Documents refers to Seagrove Highlands Condominium.
- 9. <u>Condominium Documents</u>: "Condominium Documents" are comprised of this Declaration establishing Seagrove Highlands Condominium and all exhibits thereto.

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- 10. <u>Condominium Parcel</u>: "Condominium Parcel," as the term is used in these Condominium Documents, means a Unit together with an undivided share in the Common Elements which is appurtenant to the Unit.
- 11. <u>Condominium Property</u>: "Condominium Property," as the term is used in these Condominium Documents, is comprised of the land dedicated to condominium Ownership as defined in Exhibit "A" and all improvements located thereon intended for use in connection with the Condominium.
- 12. <u>Condominium Unit or Unit</u>: "Condominium Unit" or "Unit", as the term is used in these Condominium Documents, refers to the parts of the Condominium Property as set forth in the Plan intended for the exclusive Ownership and possession by a Unit Owner. The Unit is identified in a diagrammatic floor plan of the floor on which the Unit is situated as shown on the Plan and shall consist of the volumes or cubicles of space which lie between the lower, upper and lateral or perimetrical boundaries described as follows:

Upper and Lower Boundaries: The upper and lower boundaries extended to their planer intersections with the perimetrical boundaries as follows:

The upper boundary shall be the plane of the upper surface of the material which constitutes the ceiling;

The lower boundary shall be the plane of the upper surface of the subflooring material which serves as the Unit's floor. Any floor covering such as carpeting, vinyl, hardwood or ceramic tile is part of the Unit.

Perimetrical Boundaries: The perimetrical boundaries shall be the vertical planes of the exterior surfaces of the exterior windows and exterior doors, and the interior surfaces of the perimeter walls of the Unit. The windows and doors shall include all surrounding encasements, framing, thresholds, and wood supports.

Each Unit shall include all non-structural interior partition walls located within the boundaries of the Unit except such part as may comprise part of the Common Elements; the decorated surfaces of all boundary walls, ceilings and floors, including wallpaper, paint, interior brick surface, lathe, wallboard, plaster, carpeting, flooring and other finishing materials; all immediately visible fixtures, appliances, cabinets, and water and sewer pipes located within the boundaries of the Unit and serving only the Unit; and the mechanical systems and installations providing electrical power, gas, water, heating and air conditioning service to the Unit, including the individual compressor and meter even though such equipment may be located outside the boundaries of the Unit, provided that no pipes, wires, conduits, ducts, flues, shafts and other facilities situated within such Unit and forming a part of any system serving one or more other Units or the Common Elements shall be deemed to be a part of such Unit; and provided further that no bearing wall providing structural support and located within the boundaries of the Unit shall be deemed part of the Unit.

- 13. <u>Declaration of Condominium</u>: "Declaration of Condominium" or "Declaration" means this Declaration as it may, from time to time, be amended.
- 14. <u>Developer</u>: As used in the Condominium Documents, "Developer" means The Highlands at Seagrove Beach, LLC, a Florida limited liability company.
- 15. <u>Institutional Mortgagee or Mortgagee</u>: "Institutional Mortgagee" or "Mortgagee" means a bank, savings and loan association, insurance company, an agency of the United States Government, a real estate investment trust, or a lender generally recognized in a community as an institutional lender. Such term shall also include the Developer in the event Developer shall accept a purchase money mortgage in connection with the sale of a Unit or Units.
- 16. <u>Limited Common Elements</u>: "Limited Common Elements" means those Common Elements which are reserved for the use of a certain Condominium Unit or Units to the exclusion of other Units including any balconies, patios, or terraces.
- 17. <u>Unit Owner</u>: "Unit Owner", or "Owner of a Unit," or "Parcel Owner," means the Owner of a Condominium Parcel.

18. <u>Singular/Plural; Genders</u>: Whenever the context of the Condominium Documents so permits, the use of the plural shall include the singular, the singular the plural, and the use of any gender shall be deemed to include all genders.

### ARTICLE II. SUBMISSION OF PROPERTY AND IMPROVEMENTS TO CONDOMINIUM OWNERSHIP.

The Highlands at Seagrove Beach, LLC, a Florida limited liability company, is the Owner of fee simple property commonly referred to as Seagrove Highlands Condominium as described in Exhibit "A". Developer has acquired the property prior to the sale of Units, subject to a mortgage obligation to a construction lender for construction of the Condominium Property. The real property with the improvements thereon, which Developer submits to the condominium form of Ownership in accordance with Chapter 718, Florida Statutes, is described in Exhibit "A." SEAGROVE HIGHLANDS CONDOMINIUM shall be operated through that certain non-profit corporation known as SEAGROVE HIGHLANDS CONDOMINIUMS OWNERS ASSOCIATION, INC., and hereinafter referred to as the "ASSOCIATION."

On said real property there is constructed a project comprised of forty-one (41) Units in building 1000 and forty-one (41) Units in building 2000, for a total of eighty-two (82) Units, identified as:

Floor Plan	# of Bedrooms	# of Bath
A	3	2
В	3	2
c	Ī	1
D	1	1
E	2	1
F	2	1

### Floor Plan 'A' Units

Building 1000:	Building 2000:
1101, 1102, 1103, 1106	2101, 2102, 2103, 2106
1201, 1202, 1203, 1206, 1207	2201, 2202, 2203, 2206, 2207
1301, 1302, 1303, 1306, 1307	2301, 2302, 2303, 2306, 2307
1401, 1402, 1403, 1406, 1407	2401, 2402, 2403, 2406, 2407

### Floor Plan 'B' Units

Hullang 1000:	Huiding 2000:
1104, 1105, 1111	2104, 2105, 2111
1204, 1205, 1208, 1209, 1210	2204, 2205, 2208, 2209, 2210
1304, 1305, 1308, 1309, 1310	2304, 2305, 2308, 2309, 2310
1404, 1405, 1408, 1409, 1410	2404, 2405, 2408, 2409, 2410

### Floor Plan 'C' Units

<u>Building 1000:</u> 1109	<u>Building 2000:</u> 2109
Floor Plan 'D' Units	
Building 1000:	Building 2000:
1108	2108

Floor Plan 'E' Units

**Building 1000:** 

Building 2000:

1110

2110

Floor Plan 'F' Units

Building 1000:

Building 2000;

1107

2107

Developer does hereby submit the above-referenced real property and improvements to the condominium form of Ownership to be known and identified as, Seagrove Highlands Condominium which shall consist of Units and Common Elements, as said terms have been herein defined and described, which Units are further identified and designated in the site plan of this Condominium Property, a reduced copy of which is attached hereto and marked Exhibit "C." Timeshare estates may not be created with respect to Units.

Developer further reserves the right to add all or any portion of the Additional Property described on Exhibit "B" attached hereto, together with any improvements constructed thereon, which may eventually consist of as many as 100 additional Units, to the Condominium Property within seven (7) years from the conveyance of the first Unit in the Condominium in one or more additional phases. Any additional phase shall blend aesthetically with the other Condominium Property, but said style and size of building shall be within Developer's sole discretion. Any additional improvements to be constructed on any part of the real property described on Exhibit "B" shall be of substantially the same quality as the improvements in the initial phase of the Condominium. The submission of the Additional Property may be accomplished in one or more phases within the seven (7) year period, by filing an amendment to the Declaration, which amendment only needs to be signed by the Developer. If all or any portion of the real property described on Exhibit "B" is later submitted to the condominium form of Ownership by amendment to this Declaration, the Additional Property may only be added if developed in conjunction with the allocation of percentage Ownership of the Common Elements, the sharing of Common Expenses and the allocation of voting rights as set forth on Exhibit "E" attached hereto. Nothing contained herein shall obligate the Developer to submit the Additional Property to the Condominium; however, the Developer may submit all, part or none of the land described in Exhibit "B." Any part of the Additional Property described on Exhibit "B" not submitted to the Condominium Property may be developed or used by the Developer or Owner thereof in any manner it deems proper, including the development of another condominium project.

Should the Developer decide to develop the additional phases, the additional phases will contain a minimum of forty-one (41) Units and a maximum of one hundred (100) Units.

### ARTICLE III. IDENTIFICATION OF UNITS

- A. The Condominium Property consists of the land described in Exhibit "A" and all easements and rights appurtenant thereto, together with the buildings and other improvements constructed thereon, including the Units, Common Elements, and Limited Common Elements. Each Unit shall be conveyed and treated as individual property capable of independent use and Ownership, subject to the restrictions, rules, regulations and conditions contained in these Condominium Documents, and the Owner of each said Unit shall own, as an appurtenance to the Ownership of said Unit, an undivided interest appurtenant to each said Unit being that which is here specifically assigned in Exhibit "D" attached hereto. The percentage of undivided interest in Common Elements assigned to each Unit shall not be changed except with the unanimous consent of all of the Owners of all of the Units.
- B. The Unit is identified in a diagrammatic floor plan of the floor on which the Unit is situated as shown on the Plan and shall consist of the volumes or cubicles of space which lie between the lower, upper and lateral or perimetrical boundaries described as follows:

Upper and Lower Boundaries: The upper and lower boundaries extended to their planer intersections with the perimetrical boundaries as follows:

The upper boundary shall be the plane of the upper surface of the material which constitutes the ceiling;

The lower boundary shall be the plane of the upper surface of the subflooring material which serves as the Unit's floor. Any floor covering such as carpeting, vinyl, hardwood or ceramic tile is part of the Unit.

Perimetrical Boundaries: The perimetrical boundaries shall be the vertical planes of the exterior surfaces of the exterior windows and exterior doors, and the interior surfaces of the perimeter walls of the Unit. The windows and doors shall include all surrounding encasements, framing, thresholds, and wood supports.

Each Unit shall include all non-structural interior partition walls located within the boundaries of the Unit except such part as may comprise part of the Common Elements; the decorated surfaces of all boundary walls, ceilings and floors, including wallpaper, paint, interior brick surface, lathe, wallboard, plaster, carpeting, flooring and other finishing materials; all immediately visible fixtures, appliances, cabinets, and water and sewer pipes located within the boundaries of the Unit and serving only the Unit; and the mechanical systems and installations providing electrical power, gas, water, heating and air conditioning service to the Unit, including the individual compressor and meter even though such equipment may be located outside the boundaries of the Unit, provided that no pipes, wires, conduits, ducts, flues, shafts and other facilities situated within such Unit and forming a part of any system serving one or more other Units or the Common Elements shall be deemed to be a part of such Unit; and provided further that no bearing wall providing structural support and located within the boundaries of the Unit shall be deemed part of the Unit.

C. Each Condominium Parcel includes the undivided interest of each Unit Owner in the Common Elements. All conduits and wires up to their outlets and all other utility lines and pipes up to their outlets, regardless of location, are parts of the Common Elements. Each Condominium Parcel includes the Condominium Unit and the undivided share in both the Common Elements and Limited Common Elements that are or become appurtenant to that Unit.

### ARTICLE IV. OWNERSHIP OF CONDOMINIUM UNITS AND UNDIVIDED SHARES IN COMMON ELEMENTS; PROHIBITION AGAINST SEPARATE CONVEYANCE OF SAME.

- A. Each Unit shall have as an appurtenance an undivided share in the Common Elements as set forth in Exhibit "D "
- B. The Common Expenses and Common Surplus shall be borne or shared by the Condominium Unit Owners in the proportions of percentage of Ownership set forth for the Common Elements in Exhibit "D."
- C. The undivided interest in the Common Elements declared to be appurtenant to each Unit shall not be conveyed, devised, encumbered or otherwise dealt with separately from said Unit, and the undivided interest in Common Elements appurtenant to each Unit shall be deemed conveyed, devised, encumbered or otherwise included with the Unit even though such undivided interest is not expressly mentioned or described in the instrument conveying, devising, encumbering or otherwise dealing with such Unit. Any instrument which purports to effect the conveyance, devise or encumbrance or which purports to grant any right, interest, or lien into or upon a Unit shall be null and void and of no effect insofar as the same purports to affect any interest in any Unit and its appurtenant undivided interest in Common Elements, unless the same purports to convey, devise and encumber or otherwise trade or deal with the entire Unit. Except as conditioned above, any instrument conveying, devising, encumbering or otherwise dealing with any Unit which describes said Unit by Unit number, without limitation or exception, shall be deemed and construed to affect the entire Unit and its appurtenant undivided interest in the Common Elements. Nothing herein contained shall be construed as limiting or preventing Ownership of any Unit and its appurtenant undivided interest in the Common, joint tenants, or as tenants by the entirety.

### ARTICLE V. SEAGROVE HIGHLANDS CONDOMINIUMS OWNERS ASSOCIATION, INC.

Seagrove Highlands Condominiums Owners Association, Inc., a Florida corporation not for profit, shall maintain, manage and operate the Condominium Property.

All Unit Owners shall automatically become members of the Association after completion of closing of the purchase of a Unit in Seagrove Highlands Condominium and related transfer of title to the Unit.

The officers and directors of the Association shall have the powers set forth in this Declaration and the Association Bylaws, and shall, at all times, have a fiduciary relationship to the members of the Association and shall operate and manage the Association in the best interest of its members.

No person except in a capacity as an officer or a duly appointed agent of the Association shall have the authority to act for the Association.

The Association shall have the irrevocable right to have access to every Unit in Seagrove Highlands Condominium from time to time, during reasonable hours, as may be necessary for the maintenance, repair, or replacement of any Common Elements therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the Common Elements, Limited Common Elements, or to another Unit or Units.

The Association shall have the power to make and collect assessments, and to maintain, repair and replace the Common Elements.

The Association shall maintain records according to good accounting practices which 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. 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 a written request for records. The minimum damages shall be \$50 per calendar day up to 10 days, the calculation to begin on the 11<sup>th</sup> working day after receipt of the written request. Failure of the Association to permit inspection of its accounting records by Unit Owners or their authorized representatives shall entitle any person prevailing in an action for enforcement to recover reasonable attorney's fees from the Association. Such records shall include:

- 1. A record of all receipts and expenditures.
- An account for each Unit which shall designate the name and address of the Unit Owner, the amount
  of each assessment, the dates and amounts in which the assessments come due, the amounts paid upon
  the account and the balance due.

The Association shall have the power to purchase Units in the Condominium and to acquire and hold, lease, mortgage and convey the same.

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 who may be exposed to the liability and they shall have the right to intervene and defend.

A copy of each insurance policy obtained by the Association shall be made available for inspection by Unit Owners at reasonable times.

The Association shall have all powers granted by Chapters 718 and 617, Florida Statutes.

### ARTICLE VI. MEMBERSHIP IN THE ASSOCIATION; VOTING RIGHTS.

Membership in the Association shall be restricted to all of the record Owners of the Units in Seagrove Highlands Condominium. Purchasers shall become members of the Association automatically upon the completion of closing of the purchase of a Unit in Seagrove Highlands Condominium.

On all matters upon which the membership shall be entitled to vote, each member shall be entitled to one vote for each Unit owned in Seagrove Highlands Condominium which vote may be exercised or cast by the Owner of each Unit in the manner provided in the Bylaws (Exhibit "G") adopted by the Association and as amended, from time to time, and in accordance with applicable provisions of the <u>Florida Statutes</u>.

### ARTICLE VII. METHOD OF AMENDMENT OF DECLARATION OF CONDOMINIUM.

This Declaration and the Articles of Incorporation and Bylaws of the Association may be amended in the following manner:

- A. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.
- B. A resolution for the adoption of a proposed amendment may be proposed by either the Board of Directors of the Association or by the members of the Association. Directors not present in person or by proxy at the meeting considering the amendment may express their agreement or disagreement in writing, provided such agreement or disagreement is delivered to the secretary at or prior to the meeting, said agreement or disagreement may not be used as a vote for or against the action taken and may not be used for purposes of creating a quorum. A member of the Association may only vote in person or by proxy on any adoption of a proposed amendment at a meeting of the Unit Owners. Except as elsewhere provided, such approvals must be either by:
- 1. If an amendment is proposed by the Board, it must be approved for presentation for a membership vote by not less than sixty-six and two-thirds percent (66-3%) of the entire membership of the Board and subsequently approved by not less than sixty-six and two-thirds (66-3%) of the votes of the entire membership of the Association thereafter, or
- 2. If an amendment is proposed solely by the membership, it must be approved by not less than sixty-six and two-thirds percent (66-3/9/) of the votes of the entire membership of the Association.

In the alternative, an amendment may be made by an agreement signed and acknowledged by all Unit Owners in the manner required by law for the execution of a deed, and such amendment shall be effective when recorded in the Public Records of Walton County, Florida; provided, however:

- (i) That no amendment shall be made or be valid which will in any manner impair the security of any Mortgagee having a mortgage or other lien against any Condominium Parcel.
- (ii) Notwithstanding anything to the contrary contained in this Declaration, the Developer expressly reserves the right to amend this Declaration so as to correct any legal descriptions as contained herein which legal description or descriptions may have been incorrect by reason of a scrivener's or surveyor's error and the right to amend this Declaration from time to time to add to the Condominium all or a portion of the Additional Property. The Developer may amend this Declaration as aforesaid by filing an amended legal description or descriptions as an amendment to the Declaration among the Public Records of Walton County, Florida, which amendment or amendments shall expressly describe that legal description which is being corrected or added (by reference to the exhibit containing said legal description or otherwise), in addition to the correct legal description. Such amendments need to be executed and acknowledged only by the Developer and need not be approved by the Association, Unit Owners, lienors, or mortgagees of Units of the Condominium, whether or not elsewhere required for amendments. However, as part and parcel of any such amendment as provided for in this subparagraph, there shall be attached thereto an affidavit of the individual or individuals responsible for the original incorrect legal description, whether he be scrivener or surveyor, which affidavit shall set forth: (a) that said individual made an error in the legal description; (b) that the error is corrected by the description contained in the amendment, and (c) that it was the intent at the time of the incorrect legal description to make that description such as is contained in the new amendment. Developer reserves the right to correct such other defects by amendment to this Declaration, properly executed and acknowledged, without approval of the Association, Unit Owners, lienors or Mortgagees of Units provided such amendment does not materially affect the property rights of the above-named persons.

(iii) A copy of each amendment shall be certified by the president or a vice president and secretary or assistant secretary of the Association as having been duly adopted, and shall be effective when recorded in the Public Records of Walton County, Florida.

### ARTICLE VIII, BYLAWS AND ARTICLES OF INCORPORATION OF THE ASSOCIATION.

Seagrove Highlands Condominiums Owners Association, Inc., has been incorporated as a Florida corporation not for profit, and its Articles of Incorporation and Bylaws, are included within these Condominium Documents and attached hereto as Exhibits "F" and "G", respectively.

### ARTICLE IX. MAINTENANCE, REPAIR, ALTERATIONS AND IMPROVEMENTS OF CONDOMINIUM PROPERTY.

The responsibility for the maintenance of the Condominium Property and restrictions upon its alterations and improvements shall be as follows:

- 1. By the Association: The Association shall maintain, repair and replace as a Common Expense:
  - A. All Common Elements.
- B. All air conditioning and heating systems and equipment other than items providing service to an individual Unit.
- C. All portions of the Units (except interior wall surfaces) contributing to the support of the building, which portions shall include, but not be limited to, the outside walls of the building and load-bearing columns, but excluding interior non-bearing walls.
- D. All conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services which are contained in the portions of the Unit contributing to the support of the building or within interior boundary walls, and all such facilities contained within a Unit which service part or parts of the Condominium other than the Unit within which contained.
- E. All incidental damage caused to a Unit by such work shall be promptly repaired at the expense of the Association.
- 2. By the Condominium Parcel Owner: The responsibility of the Condominium Parcel Owner shall be as follows:
- A. To maintain, repair and replace at his expense, all portions of the Unit except the portions to be maintained, repaired and replaced by the Association. Included within this responsibility of the Unit Owner shall be windows, screens and doors opening into or onto his Unit, sliding glass doors and plate glass. All such maintenance, repairs and replacements shall be done without disturbing the rights of other Unit Owners.
- B. Within the Unit, to maintain, repair and replace at his expense, all fans and air conditioning and heating equipment, stove, refrigerator, or other appliances or equipment, electrical fixtures, water heaters, or built-in cabinets, including any fixtures and/or their connections required to provide water, light, power, telephone, sewer and sanitary service to his Unit. The Unit floors and interior walls and the floor and interior wall of any balcony attached to Units shall be maintained by the Unit Owner thereof at his own expense.
- C. Not to paint or otherwise decorate or change the appearance of any portion of the exterior of the building. However, any Unit Owner may display one portable, removable United States Flag in a respectful way and on Armed Forces Day, Memorial Day, Flag Day, Independence Day and Veterans Day may display in a respectful way portable, removable official flags, not larger than 4 ½ feet by 6 feet, that represent the United States Army, Navy, Air Force, Marine Corp or Coast Guard, regardless of any declaration, rules or requirements dealing with flags.

- D. To promptly report to the Association any defects or need for repairs, the responsibility for the remedy of which is that of the Association.
- E. No Unit Owner other than the Developer shall make any alterations in the portions of the building which are to be maintained by the Association or remove any portion thereof or make any addition thereto or do any work which would jeopardize the safety or soundness of the building or impair any easement without first obtaining approval from the Board of Directors.
- Alteration and Improvement: There shall be no material alterations or substantial additions to Common Elements, except as the same are authorized by the Board of Directors and ratified by the affirmative vote of voting members casting not less than sixty-six and 2/3 percent (66-2/3%) of the total votes of the members of the Association present at any regular or special meeting of the Unit Owners called for that purpose and approved by the Mortgagee holding the greatest dollar volume of mortgages on the Condominium. The cost of the foregoing shall be assessed as Common Expenses of the Condominium. Where any alterations or additions as aforesaid are exclusively or substantially exclusively for the benefit of the Unit Owner(s) requesting same, then, the cost of such alterations or additions shall be charged against and collected solely from the Unit Owners exclusively or substantially exclusively benefiting, and the charge shall be levied in such proportion as may be determined as fair and equitable by the Board of Directors of the Association. Where such alterations or additions exclusively or substantially benefit Unit Owners requesting same, said alterations or additions shall be made only when authorized by the Board of Directors and ratified by not less than sixty-six and 2/3 percent (66-2/3%) of the total votes of the Unit Owners exclusively or substantially exclusively benefiting therefrom and where said Unit Owners are ten or less, the approval of all but one shall be required. Alterations and improvements or repairs of an emergency nature may be made upon authorization by a vote of a majority of the Board of Directors available for consultation, if same is necessitated, and in the best interests of the Unit Owners.

### ARTICLE X. ENFORCEMENT OF MAINTENANCE.

In the event that a Unit Owner fails to maintain such Unit as required above, the Association, Developer, or any other Unit Owners shall have the right to seek compliance with the foregoing provisions and any and all remedies available by law.

### ARTICLE XI. PURCHASER'S CONDOMINIUM FUND.

At the time the Developer sells and closes a Condominium Unit to a purchaser, purchaser thereby becoming a Unit Owner to this Condominium, such purchaser shall deposit the equivalent of two (2) times the purchaser's estimated monthly Condominium assessment, whether said assessment is due in quarterly or monthly installments, as determined at the time of closing, which amounts shall be deposited to the Association to pay advance utility deposits, insurance trustee fees, advance premiums on casualty, workmen's compensation and liability policies and for the purpose of defraying such capital expenses as may arise during the initial period of Association operations. This deposit is not a regular contribution of, nor is it in lieu of, the standard assessment. The balance of such funds shall be used by the Association for future operating expenses.

### ARTICLE XII. USE RESTRICTIONS APPLICABLE TO CONDOMINIUM UNITS.

In order to provide for a congenial and compatible occupancy of the Condominium Property and to provide for the protection of the value of the Units, the use of the Condominium Property shall be restricted to and be in accordance with the following:

- 1. Each Unit is hereby restricted to residential or rental use by only the Owner thereof, his immediate family, guests, invitees or lessees. No Unit may be divided or subdivided into smaller Units nor any portion sold or otherwise transferred without first amending this Declaration to show the changes in the Unit to be affected. However, while the Developer is still selling Units, unsold Units may be used in the Developer's sales program as model Units, sales offices or for any purpose deemed appropriate by the Developer in his sales promotion efforts.
- 2. The use of Common Elements by the Owners or lessees of all Units and all other parties authorized to use same shall be at all times subject to such rules and regulations as may be prescribed and established in the

Condominium Documents governing such use or which may be hereafter prescribed and established in the Condominium Documents by the Association.

- 3. No immoral, improper, offensive or unlawful use shall be made of any Unit or of the Common Elements or of any part thereof, and all laws, zoning ordinances and regulations of all governmental authorities having jurisdiction over Seagrove Highlands Condominium shall be observed.
- 4. Nothing shall be done or kept in any Unit or in the Common Elements, which will increase the cost of insurance paid by the Association, without the prior written consent of the Association. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance in the Condominium Property or contents thereof, or which would be in violation of any law. No waste of Condominium Property will be permitted.
- 5. No nuisance shall be allowed upon the Condominium Property, nor shall any use or practice be allowed which is an unreasonable source of annoyance to Unit Owners or which interferes with the peaceful and proper use of the Condominium Property by any Unit Owner, including but not limited to, repairs made within a Unit before 9:00 a.m. or after 5:00 p.m.
- 6. Common household pets are permitted to be kept by Unit Owners but shall not be kept in such number as to be an annoyance to other Unit Owners. All pets must be held, or kept leashed and under the control of a responsible party at all times that they are in the Common Elements. All Owners of pets shall be held strictly responsible to immediately collect and properly dispose of the wastes and litter of their pets. Should a Unit Owner fail to clean up after his pet, the Association shall perform that service and bill the Unit Owner accordingly. The Association reserves the right to designate specific areas within the Common Elements, if any, where pets may be walked on leashes by their Owners. The Association further reserves the right to adopt and enforce additional pet regulations necessary to ensure that pets are not and do not become a nuisance, and demand that a member permanently remove any and all pets which create disturbances and annoyances within the Condominium Property.
- 7. In order to preserve the residential character of the Condominium, except as reserved to the Developer, no business, trade, or profession of any type whatsoever shall be conducted from within any Unit in the Condominium without the prior written consent of the Association. The Association shall possess the additional authority to promulgate reasonable rules and regulations governing the manner, method and to what degree said uses may be permitted, and further, shall have the power to revoke the granting of such permitted uses, when in the Association's reasonable discretion, the use in question has become excessive and/or violates the original character of the Condominium.
- 8. In order to preserve the aesthetic qualities of the Condominium, all fabric and materials used as draperies or other window treatment located within the interior of any Unit which can be viewed from the exterior of the Unit through the windows thereof from any heights or location must be white or lined, finished or otherwise covered with white drapery linings.
- 9. The Board of Directors, or any person authorized by it, or the building superintendent or managing agent, shall have the irrevocable right of access to enter each Unit during reasonable hours, when necessary for the purpose of maintenance, repair, or replacement of any Common Elements or of any portion of a Unit to be maintained by the Association pursuant to the Declaration or as necessary to prevent damage to the Common Elements or to a Unit or Units. To facilitate said access the Owner of each Unit, as required by the Association, shall deposit a key with the Association.
- 10. The Association has the irrevocable right of access to each Unit during reasonable hours, when necessary for maintenance, repair or replacement of any Common Elements or any portion of a Unit to be maintained by the Association pursuant to the Declaration or as necessary to prevent damage to the Common Elements or to a Unit or Units.

Whenever it shall be necessary to enter any Unit for the purpose of performing any maintenance, alteration, or repair to any portion of the Common Elements, the Owner of each Unit shall permit the duly constituted and

authorized agent of the Association, to enter such Unit for such purpose, provided that such entry shall be made only at reasonable times and with reasonable advance notice.

- 11. No Owner of a Unit shall permit any structural modification or alterations to be made within such Unit without first obtaining the written consent of the Association, which consent may be withheld in the event that a majority of the Board of Directors determines, in its sole discretion, that such structural modifications or alterations would affect or in any manner endanger the Condominium in part or in its entirety. If the modification or alteration desired by the Owner of any Unit involves the removal of any permanent interior partition, the Association shall have the right to permit such removal so long as the permanent interior partition to be removed is not a load-bearing partition and so long as the removal thereof would be in no manner an interference with the providing of utility services constituting Common Elements located therein.
- 12. The Association shall not have the right to make or cause to be made such alterations or improvements to the Common Elements which prejudice the rights of the Owner of any Unit in the use and enjoyment of his Unit, unless, in each instance, such Owner's written consent has been obtained. The making of such alterations and improvements must be approved by the Board of Directors of the Association, and the cost of such alterations or improvements shall be assessed as a Common Expense to be assessed and collected from all of the Owners of Units. However, where any alterations and improvements are exclusively or substantially exclusively for the benefit of the Owner of a Unit requesting the same, then the cost of such alterations and improvements shall be charged against and collected from the Unit Owners exclusively or substantially benefited. Such charge is to be levied in such proportion as may be determined by the Board of Directors.
- 13. The Common Elements shall be used only for the purposes for which they are intended in the furnishing of said services and facilities for the enjoyment of the Units. However, while the Developer is still selling Units, the Common Elements may be used by the Developer's marketing program in the manner Developer sees appropriate to use such Common Elements.

### ARTICLE XIII. INSURANCE.

- A. The Owner of each Unit may, at his expense, obtain insurance coverage for loss of or damage to any furniture, furnishings, personal effects and other personal property belonging to such Owner, and shall, at his expense, obtain insurance coverage in the amount of \$500,000 against personal liability for injury to the person or property of another while within such Owner's Unit or upon the Common Elements. All such insurance obtained by the Owner of each Unit shall, whenever such provisions be available, provide that the insurer waives its right of subrogation as to any claims against other Owners of Units, the Association or Developer, and their respective servants, agents and guests. Risk of loss or of damage to any furniture, furnishings and personal property (constituting a portion of the Common Elements) belonging to or carried on the person of the Owner of each Unit, or which may be stored in any Unit, or in, to, or upon Common Elements, shall be borne by the Owner of each Unit. All furniture, furnishings and personal property constituting a portion of the Common Elements and held for the joint use and benefit of the Unit Owners shall be covered by such insurance as shall be maintained in force and effect by the Association as hereafter provided. The Owner of a Unit shall be liable for injuries or damage resulting from an accident within his own Unit, to the same extent as for an accident occurring within his residence. Any and all insurance or reinsurance placed or contracted for by any Owners having an interest in any Unit must be so placed with an insurer licensed and authorized to do business in the State of Florida and maintaining a licensed agent in the State of Florida.
- B. The following insurance coverage shall be maintained in full force and effect by the Association covering the operation and management of the Condominium:
- 1. Casualty insurance covering all of the Condominium Property, in an amount equal to the maximum insurance replacement value thereof, exclusive of excavation and foundation costs, as determined annually by the insurance carriers; or, if approved by the Board of Directors, said casualty insurance may be carried on not less than 80% co-insurance basis; such coverage to afford protection against: (i) loss of damage by fire or other hazards, covered by the standard extended coverage or other perils endorsements, subject to such deductible provision as the Board of Directors may approve from time to time; and (ii) such other risks of a similar or dissimilar nature as are, or shall be, customarily covered with respect to buildings similar in construction, location and use to the Condominium,

including, but not limited to, vandalism, malicious mischief, windstorm, flood water damage and war risk insurance if available.

- 2. Public liability and property damage insurance in such amount and in such form as shall be required by the Association to protect said Association and the Owners of all Units, including but not limited to, water damage, legal liability, hired automobile, non-owned automobile and off-premises employee coverage.
  - Worker's compensation to meet the requirements of Florida law.
- 4. Employee Honesty Insurance and/or fidelity bonding for all persons who control or disburse funds of the Association in accordance with Section 718.111(11)(d) Florida Statute.
- 5. Such other insurance coverage the Board of Directors, in its sole discretion, may determine from time to time to be in the best interests of the Association and each Unit Owner individually.

All liability insurance maintained by the Association shall contain cross liability endorsements to cover liability by all Owners of Units as a group and each Unit Owner individually.

All insurance coverage authorized to be purchased shall be purchased by the Association for itself and for the benefit of all Owners of all Units. The cost of obtaining the insurance coverage authorized above is declared to be a Common Expense, as are any other fees and expenses incurred, which may be necessary or incidental to carrying out the provisions hereof.

All policies of fire and casualty insurance covering the Condominium shall provide for the insurance proceeds covering any loss to be payable to the insurance trustee hereinafter named, or to its successor, and the insurance proceeds from any fire and casualty loss shall be held for the use and benefit of the Association and all Owners of all Units and their respective mortgagees, as their interests may appear, and such insurance proceeds shall be applied or distributed in the manner herein provided. The Association is hereby declared to be and is appointed as authorized agent for all Owners of all Units for the purpose of filing such proof of loss as may be required under the policy of fire and casualty insurance and negotiating and agreeing to a settlement as to the value and extent of any loss which may be covered under any policy of casualty insurance, and is granted full right and authority to execute in favor of any insurer a release of liability arising out of any occurrence covered by any policy of casualty insurance and resulting in loss of or damage to insured property.

The Board of Directors shall have the right to select the insurance company or companies with whom insurance coverage may be placed and shall have the right to designate the insurance trustee, and all parties beneficially interested in such insurance coverage shall be bound by the selection so made from time to time, but the foregoing shall not be to the exclusion of the rights reserved unto Mortgagees herein.

The insurance trustee shall be a banking institution having trust powers and doing business in the State of Florida. The insurance trustee shall not be liable for the payment of premiums nor for the renewal of any policy of fire insurance and casualty insurance, nor for the sufficiency of coverage, nor for the form or content of the policies, nor for the failure to collect any insurance proceeds. The sole duty of the insurance trustee shall be to receive such proceeds of fire and casualty insurance as are paid and to hold the same in trust for the purposes herein stated for the benefit of the Association and the Owners of all Units and their respective mortgagees. Such insurance proceeds are to be disbursed and paid by the insurance trustee as herein provided. The Association, as a Common Expense, shall pay a reasonable fee to said insurance trustee for its services rendered hereunder, and shall pay such costs and expenses as said insurance trustee may incur in the performance of any duties and obligations imposed upon it hereunder. Said insurance trustee shall be liable only for its willful misconduct, bad faith or gross negligence, and then for only such money which comes into the possession of said insurance trustee. Whenever the insurance trustee may be required to make distribution of insurance proceeds to Owners of Units and their mortgagees, as their respective interests may appear, or to any other party for repair, replacement or reconstruction of property, the insurance trustee may rely upon a certificate of the president and secretary of the Association, executed under oath, which certificate will be provided to said insurance trustee upon request of said insurance trustee made to the Association. Such certificate is to certify unto said insurance trustee the name of the Owner of each Unit, the name of the Mortgagee who may hold a mortgage encumbering each Unit, and the respective percentages of any distribution which may be required to be made to the

Owner of any Unit, and his respective Mortgagee, as their respective interest may appear, or to certify the name of the party to whom payments are to be made for repair, replacement or reconstruction of property. In the event any insurance proceeds are paid to the insurance trustee for any fire or casualty loss, the holder of any mortgage encumbering a Unit shall not have the right to elect to apply insurance proceeds to the reduction of any mortgage, unless such insurance proceeds represent a distribution to the Owner of any Unit and his respective mortgagee, by reason of loss of or damage to personal property constituting a part of the Common Elements and as to which a determination is made not to repair, replace or restore such property.

In the event of the loss or damage to only Common Elements, real or personal, which loss or damage is covered by fire and casualty insurance, the proceeds paid to the insurance trustee to cover such loss or damage shall be applied to the repair, replacement or reconstruction of such loss or damage. If the insurance proceeds are in excess of the cost of the repair, replacement or reconstruction of such Common Elements, then such excess insurance proceeds paid to the Owner of each Unit and his mortgagee shall bear the same ratio to the total excess insurance proceeds as the undivided interest in Common Elements appurtenant to each Unit bears to the total undivided interest in Common Elements appurtenant to all Units. If it appears that the insurance proceeds covering the fire and casualty loss or damage payable to the insurance trustee are not sufficient to pay for the repair, replacement, or reconstruction of the loss or damage, or that the insurance proceeds when collected will not be so sufficient, then the Association shall deposit with the insurance trustee a sum which, together with the insurance proceeds received or to be received, will enable said insurance trustee to completely pay for the repair, replacement or reconstruction of any loss or damage, as the case may be. The monies to be deposited by the Association with the insurance trustee, in said latter event, may be paid by the Association from its reserve for replacement fund, and if the amount in such reserve for replacement fund is not sufficient, or if the Board of Directors determines not to use such fund for said purpose, then the Association shall levy and collect an assessment against the Owners of all Units in an amount which shall provide the funds required to pay for said repair, replacement or reconstruction.

In the event of the loss of or damage to Common Elements and any Unit, which loss or damage is covered by the fire and casualty insurance, the proceeds paid to the insurance trustee to cover such loss or damage shall be first applied to the repair, replacement or reconstruction of Common Elements, and then any remaining insurance proceeds shall be applied to the repair, replacement or reconstruction of any Unit which may have sustained any loss or damage so covered. If the insurance proceeds are in excess of the cost of the repair, replacement or reconstruction of the Common Elements and the Units sustaining any loss or damage, then such excess insurance proceeds shall be paid and distributed by the insurance trustee to the Owners of all Units, and to their Mortgagees, as their respective interest may appear. Such distributions are to be made in the manner and in the proportions as are provided herein.

If it appears that the insurance proceeds covering the fire and casualty loss or damage payable to the insurance trustee are not sufficient to pay for the repair, replacement or reconstruction of the loss or damage, or that the insurance proceeds when collected will not be sufficient, then the Board of Directors shall, based on reliable and detailed estimates obtained by it from competent and qualified parties, determine and allocate the cost of repair, replacement or reconstruction between the Common Elements and the Units sustaining any loss or damage. If the proceeds of said fire and casualty insurance are sufficient to pay for the repair, replacement or reconstruction of any loss of or damage to the Common Elements, but not be sufficient to repair, replace or reconstruct any loss of or damage to any Units, then the Association shall be entitled to charge and collect such amount from the Owner of the Unit sustaining any loss or damage, and the amount so collected from said Owner shall be deposited with said insurance trustee so that the sum on deposit with said insurance trustee shall be sufficient to completely pay for the repair, replacement or reconstruction of all Common Elements and Units. In said latter event, the amount to be charged and collected from the Owner of each Unit sustaining loss or damage shall be apportioned between such Owners in such a manner that the charge levied to each Owner of a Unit and his Unit shall bear the same proportion to the total charges levied against all of the said Owners of Units sustaining loss or damages as does the cost of repair, replacement, or reconstruction of each Owner's Unit bears to the cost applicable to all of said Units sustaining loss or damage.

If the fire and casualty insurance proceeds payable to the insurance trustee in the event of the loss of or damage to Common Elements and Units are not in an amount which will pay for the complete repair, replacement or reconstruction of the Common Elements, it being recognized that such insurance proceeds are to be first applied to payment for repair, replacement or reconstruction of Common Elements before being applied to the repair, replacement or reconstruction of a Unit, then the cost to repair, replace or reconstruct said Common Elements in

excess of available fire and casualty insurance proceeds shall be levied and collected as an assessment from all of the Owners of all Units in the same manner as would be levied and collected had the loss or damage sustained been solely to Common Elements and the fire and casualty insurance proceeds been not sufficient to cover the cost of repair, replacement or reconstruction. The cost of repair, replacement or reconstruction of each Unit sustaining loss or damage shall be charged and collected from the Owners of Units sustaining the loss or damage in the same manner as is above provided for the apportionment of such charges between the Owners of Units sustaining the loss or damage.

In the event of loss of or damage to property covered by such fire and casualty insurance, the Association shall, within 60 days after any such occurrence, obtain reliable and detailed estimates of the cost of restoring damaged property to a condition as good as that which prevailed before such loss or damage. Such estimates shall contain and include the cost of any professional fees and premiums for such bonds as the Board of Directors may deem to be in the best interests of the membership of the Association. Whenever it shall appear that the insurance proceeds payable for such loss or damage will not be sufficient to defray the cost of repair, replacement or reconstruction thereof, the additional monies required to completely pay for such repair, replacement or reconstruction of said loss or damage, whether to be paid by all of the Owners of Units or only by the Owners of Units sustaining loss or damage, or both, shall be deposited with said insurance trustee not later than 30 days from the date on which said insurance trustee shall receive monies payable under the policies of fire and casualty insurance.

In the event of the loss of or damage to personal property belonging to the Association, the insurance proceeds, when received by the insurance trustee, shall be paid to the Association. Should the Board of Directors determine not to replace lost or damaged property constituting a portion of the Common Elements, the insurance proceeds received by the insurance trustee shall be paid to Owners of Units and their respective Mortgagees, as their interest may appear, in the manner and in the proportions herein provided for the distribution of excess insurance proceeds.

Contracts for repair, replacement or reconstruction of loss or damage shall be let by the Board of Directors in the name of the Association and said Board of Directors shall authorize payments to be made thereunder by the insurance trustee. The Board of Directors may enter into such agreements with the insurance trustee as it may deem in the best interest of the Association for the purpose of effectuating the intent hereof.

Any and all of the above stated or any other insurance including re-insurance placed or contracted for by the Association must be placed with an insurer licensed and authorized to do business in the State of Florida, which maintains a licensed agent in the State of Florida.

### ARTICLE XIV. EASEMENTS

- A. The Units and Common Elements shall be, and the same are hereby declared to be subject to the restrictions, easements, conditions and covenants prescribed and established in the Condominium Documents governing the use of said Units and Common Elements and setting forth the obligations and responsibilities incident to Ownership of each Unit and its appurtenant undivided interest in the Common Elements described in detail in Article XIII. Said Units and Common Elements are further declared to be subject to the restrictions, easements, conditions and limitations now of record affecting the real property and improvements of the Condominium.
- B. Utility easements are reserved throughout the whole of the Condominium Property, including Units, as may be required for utility services in order to adequately serve the Condominium; provided, however, such easements through a Unit shall be only in accordance with the plans and specifications of the Condominium Property, or as the building is constructed, unless changes thereto are approved in writing by the Unit Owner.
- C. The Common Elements shall be, and the same is hereby declared to be, subject to the perpetual non-exclusive easements of way over all roads and walkways in favor of all Unit Owners, for all property and normal purposes and for the furnishing of services and facilities for which the same are reasonably intended for the enjoyment of said Unit Owners, subject to all restrictions in the Condominium Documents.
- D. In the event that any Unit shall encroach upon any Common Elements for any reason not caused by the purposeful or negligent act of the Unit Owner, or agents of such Owner, then an easement appurtenant to such Unit shall exist for the continuance of such encroachment upon the Common Elements, for so long as such encroachment shall naturally exist; and in the event that any portion of the Common Elements shall encroach upon any Unit then an

easement shall exist for the continuance of such encroachment of the Common Elements upon any Unit for so long as such encroachment shall naturally exist.

- E. Easements of ingress and egress are reserved over and upon all of the Common Elements of the Condominium for the Developer, its agents, guests, designees, successors and assigns for so long as Developer is constructing improvements on the Condominium Property or Developer owns a Unit, or Developer is developing any type of property or immediately contiguous parcel. Further, Developer reserves the right to maintain a sales trailer, sales office, rental office, model Units, construction trailer, portable potties, and construction offices on the Property to go on and over the Common Elements to conduct sales, rental nad construction activities and to construct and maintain signs and structures in connection therewith and to park vehicles on the paved surfaces of the Common Elements.
- F. There shall be a perpetual non-exclusive easement for vehicular and pedestrian ingress and egress over the driveways of the Property for the benefit of the Developer and the Owners of the Additional Property for all purposes incident to the development of the Additional Property. Further, there shall be a perpetual, non-exclusive easement for the benefit of the Developer and the Owners of the Additional Property for the maintenance and use of all sewage disposal, storm drainage and utility distribution systems and facilities as are presently located on the Property, and for the maintenance and use of such sewage disposal, storm drainage and utility distribution systems and facilities as may be constructed or installed on the Property in the future.
- G. Developer, its successors, assigns, agents, invitees and guests shall have in addition to all easements granted to Unit Owners, a perpetual easement throughout the Condominium Property and any office thereon for the purpose of engaging in resort operations and administration, real estate sales, rental management, and all similar and related activities, and for such other activities that do not unreasonably interfere with the use of the Condominium Property by the Owners. While such activities are anticipated to be generally related to the benefit of the Unit Owners and their guests, there is no requirement that they be so related. Specifically, and to avoid dispute, Developer and its successors, assigns, invitees and guests have a perpetual easement and right, for the purpose of maid service, laundry service (including the use of chutes, if any), food preparation and service, retailing and utility and telephone service, broadband information, communication and/or entertainment services, and any other purpose reasonably related to its permitted activities throughout the Condominium Property, whether or not the provision of said services utilizes any of the Common Elements.

Any easement retained by Developer will revert to the Seagrove Highlands Condominiums Owners Association, Inc. when Developer no longer holds Units for sale in the ordinary course of business.

### ARTICLE XV. TERMINATION.

Notwithstanding anything to the contrary contained in this Declaration, in the event of fire or other casualty or disaster which shall totally demolish the Condominium, or which shall destroy the Condominium so as to require more than two-thirds (2/3) of said buildings and improvements, as determined by the Board of Directors of the Association, to be reconstructed, then this Declaration and the plan of condominium Ownership established herein shall terminate, unless 70% of all Owners of Units agree that said Condominium be reconstructed, or unless any policy of casualty insurance which may cover the damage or destruction of said buildings requires the reconstruction thereof as a condition precedent to the payment of insurance proceeds under such policy, notwithstanding the fact that the Owners of 70% of all Units agree not to reconstruct the building. If such policy of casualty insurance requires the same to be reconstructed, this Declaration and the plan of condominium Ownership established herein shall be terminated if there exists any regulation or order of any governmental authority having jurisdiction of the property which may then prevent the reconstruction of said Condominium, although nothing herein contained shall be construed as releasing or in any manner changing any obligation which may be owed to the Association, for itself and for the benefit of the Owners of all Units, under any insurance policy then existing.

If, as above provided, this Declaration and the plan of condominium Ownership established herein is to be terminated, then a certificate of resolution of the Board of Directors to said effect, and notice of the cancellation and termination hereof, shall be executed by the president and secretary of the Association in recordable form and such instrument shall be recorded in the Public Records of Walton County, Florida. Upon termination of this Declaration and the plan of Condominium Ownership established herein, all of the Owners of Units shall be and become tenants in

common as to Ownership of the real property herein described, and any then remaining improvements thereon. The undivided interest in such Unit shall be the same as the undivided interest in Common Elements which was formerly appurtenant to such Unit, and the lien of any mortgage or other encumbrance upon each Unit shall attach to the percentage of undivided interest of the Owner of a Unit in the property and then remaining improvements as above provided. Upon termination of this Declaration and the plan of condominium Ownership established herein, the Owners of all Units still inhabitable shall, within sixty (60) days from the date of recording of said certificate of resolution, deliver possession of their respective Units to the Association. Upon such delivery of possession, the Owners of habitable Units and their respective Mortgagees as their interests may appear, shall become entitled to participate proportionately together with all Owners of uninhabitable Units in the distribution of the proceeds in the possession of the insurance trustee. Upon termination of this Declaration and the plan of condominium Ownership established herein, the insurance trustee shall distribute any insurance indemnity which may be due under any policy of casualty insurance to the Owners of the Units and their Mortgagees, as their respective interests may appear, such distribution to be made to the Owner of each Unit in accordance with his then undivided interest in the real property and remaining improvements as herein provided. The assets of the Association upon termination of the plan of Condominium Ownership created hereby shall then be distributed to the Owner of each Unit and his Mortgagee, as their respective interests may appear, in the same manner as was provided for the distribution of any final insurance indemnity.

Except in the event of this Declaration and the plan of condominium Ownership being terminated as herein provided, this Declaration and said plan of condominium Ownership may only be otherwise terminated by the unanimous consent of all Owners of all Units and all parties holding mortgages, liens, or other encumbrances against any of said Units, in which event, the termination of the Condominium shall be by such plans as may be then adopted by said Owners and parties holding any mortgages, liens or other encumbrances. Such election to terminate this Declaration and the plans of condominium Ownership established herein shall be executed in writing by all of the forenamed parties, and such instrument shall be recorded in the Public Records of Walton County, Florida.

The Board of Directors shall notify the Division of Florida Land Sales, Condominiums, and Mobile Homes within thirty (30) days and shall comply with the provisions of Section 718.117(1) <u>Florida Statutes</u> prior to any termination or merger of the Condominium or the Association

### ARTICLE XVI. PROHIBITION AGAINST SUBDIVIDING OF UNITS; PROHIBITION AGAINST PARTITION OF COMMON ELEMENTS.

- A. No Unit may be divided or subdivided into a smaller Unit, nor shall any Unit or portion thereof be added to or incorporated into any other Unit except by the vote of a majority of the entire membership of the Association.
- B. Recognizing the proper use of a Unit by an Owner is dependent upon the use and enjoyment of the Common Elements, and that it is in the interest of all Owners of the Units that the Ownership of the Common Elements be retained in common by the Owners of Units, it is declared that the percentage of the undivided interest in the Common Elements appurtenant to each Unit shall remain undivided and no Owner of any Unit shall bring or have any right to bring any action for partition or division thereof.

### ARTICLE XVII. ASSESSMENTS.

- A. <u>Liability, Lien and Enforcement</u>: The Association is given the authority to administer the operation and management of the Condominium, it being recognized that the delegation of such duties to one entity is in the best interest of the Owners of all Units. To properly administer the operation and management of the Condominium, the Association will incur costs and expenses for the mutual benefit of all of the Unit Owners, which will be continuing and/or recurring costs, as the case may be. To provide the funds necessary for such proper operation, the Association has heretofore been granted the right to make, levy and collect assessments against the Owners of all Units and said Units. In furtherance of said grant of authority to the Association to make, levy and collect assessments to pay the costs and expenses for the operation and management of the Condominium, the following provisions shall be effective and binding upon all Unit Owners:
- 1. All assessments levied against all the Unit Owners and said Units shall be in accordance with Exhibit "D" attached hereto and unless specifically otherwise provided for in this Declaration of Condominium, the

assessments made by the Association shall be in proportion so that the amount of assessment levied against each Unit Owner and his Unit shall bear the same ratio to the total assessment made against all Unit Owners and their Units as does the undivided interest in Common Elements appurtenant to all Units.

- 2. The assessment levied against each of the Unit Owners and his Unit shall be payable in quarterly installments, or in such other installments and at such times as may be determined by the Board of Directors.
- 3. The Board of Directors shall establish an annual budget, in advance, for each fiscal year which shall correspond to the calendar year, beginning January 1 and ending December 31, and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium, including a reasonable allowance for contingencies, reserves, insurance, etc. Said budget shall take into account any projected anticipated income which is to be applied in reduction of the amounts required to be collected as an assessment each year. Upon adoption of such annual budget by the Board of Directors, copies of said budget shall be delivered to each Unit Owner and the assessment for said year shall be established based upon such budget, although the failure to deliver a copy of said budget to each Unit Owner shall not affect the liability of any Unit Owner for such assessment. Should the Board of Directors at any time determine, in its sole discretion that assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium or in the event of emergencies, the Board of Directors shall have the authority to levy such additional assessments as it shall deem necessary in accordance with the applicable Condominium Document provisions.
- 4. All monies collected by the Association shall be treated as the separate property of said Association, and such monies may be applied by the Association to the payment of any expense of operating and managing the Condominium by virtue of this Declaration and exhibits attached hereto and as monies for any assessments that are paid to the Association by the Owner of a Unit, the same may be commingled with monies paid to said Association by the other Unit Owners. In accordance with the provisions of section 718.111(14), Florida Stantes, all funds shall be maintained separately in the association's name. Reserve and operating funds of the Association shall not be commingled unless combined for investment purposes. If commingled, reserve funds will be accounted for pursuant to section 718.111(14), Florida Statutes. Although all funds and Common Surplus, including other assets of the Association, and any increments thereto or profits derived therefrom, shall be held for the benefit of members of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest therein, except as an appurtenance to his Unit. When the Owner of a Unit shall cease to be a member of the Association by reason of the divestment or loss of his Ownership of such Unit, by whatever means, the Association shall not be required to account to such Owner for any share of the funds or assets of the Association, or which may have been paid to said Association by such Owner, as all monies which any Owner has paid to the Association shall be and constitute an asset of said Association which may be used in the operation and management of the Condominium.
- 5. The payment of any assessment or installment thereof due the Association shall be in default if such assessment or any installment thereof is not paid to the Association on or before the due date for such payment. When in default, the delinquent assessment or delinquent installment due to the Association shall bear interest at the maximum legal rate until such delinquent assessment or installment and all interest due thereon, has been paid in full. In addition, the Association shall charge an administrative late fee, in an amount of Twenty Five Dollars (\$25) or five percent (5%) of the assessment, whichever is greater, for each delinquent installment that the payment is late.
- 6. Each Unit Owner shall be personally liable to the Association, jointly and severally, as the case may be, for the payment of all assessments, regular and special, which may be levied by the Association against such party or parties as Owners of a Unit in this Condominium. In the event that any Unit Owner is in default in the payment of any assessment or installment owed to the Association, such Owner shall be personally liable, jointly and severally, for interest and late fees on such delinquent assessment or installment as above provided, and for all costs of collecting such assessment or installment and interest thereon, including a reasonable attorney's fee, whether suit be brought or not.
- 7. No Unit Owner may exempt himself from liability for any assessment levied against such Unit Owner and his Unit by waiver of the use of enjoyment of any of the Common Elements, or by abandonment of the Unit, or in any other way.

- 8. Recognizing the necessity for providing proper operation and management of the Condominium entails the continuing payment of costs and expenses therefore, which results in benefits to all the Unit Owners, and that the payment of such Common Expenses by the Association is necessary in order to preserve and protect the investment of the Owner and his appurtenant undivided interest in the Common Elements, the Association shall be entitled to a lien against Condominium Parcels for delinquent assessments. Said lien shall secure and does secure the monies due for all assessments now or hereafter levied against the Owner of each Condominium Parcel, which lien shall also secure interest, if any, which may be due on the amount of any delinquent assessments owing the Association. Said lien shall also secure all costs and expenses, including a reasonable attorney's fee incurred by the Association in enforcing this lien upon said Condominium Parcel and its appurtenant undivided interest in the Common Elements. The lien granted to the Association may be foreclosed in the same manner as real estate mortgages in the State of Florida. All persons, firms or corporations who shall acquire, by whatever means, any interest in the Ownership of any Condominium Parcel, or who may be given or acquired a mortgage, lien or other encumbrance thereon, are hereby placed on notice of the lien rights granted to the Association and shall acquire such interest in any Condominium Parcel expressly subject to lien.
- 9. The lien herein granted to the Association shall be effective from and after the time of recording in the Public Records of Walton County, Florida, a claim of lien stating the description of the Unit encumbered thereby, the name of the record Owner, the name and address of the Association, the amount due, and the date when due. Section 718.116 (5)(a), Florida Statutes also provides that the Association's lien may be effective from and relates back to the date when the Declaration is/was recorded. Such claims of lien shall include only assessments, interest, costs and attorney's fees, which are due, and which may accrue after the claim of lien has been recorded. Such claims of lien shall be signed by an officer or agent of the Association. No lien shall continue for a longer period than one year after recording, unless an action to enforce the lien is commenced. Upon full payment of all sums secured by such claim of lien, the same shall be satisfied of record at the Unit Owner's cost. The claim of lien filed by the Association shall be subordinate to the lien of any mortgage or any other lien recorded prior to the recording of the Association's claim of lien. The Association's claim of lien for collection of such portion of any tax or special assessment shall specifically designate that the same secures an assessment levied pursuant to this Article.
- 10. The liability of a first mortgagee who acquires title to the Unit by foreclosure or by deed in lieu of foreclosure for the share of Common Expenses or assessments attributable to the Condominium Parcel or chargeable to the former Unit Owner shall be only as specified in Section 718.116, Florida Statutes.

Whenever any purchaser of a Unit (other than a first mortgagee as set forth above) obtains title to the Unit, such acquirer of title and his successors and assigns shall be liable for unpaid assessments on the Unit that became due prior to receipt of title.

11. Whenever any Unit may be sold or mortgaged by the Owner thereof, which shall be concluded only upon compliance with other provisions of this Declaration, the Association upon written request of the Owner of such Unit shall furnish to the property purchaser or Mortgagee, a statement verifying the status of payment of any assessment which shall be due and payable to the Association by the Owner of such Unit. Such statement shall be executed by an officer of the Association. Any purchaser or Mortgagee may rely upon such statement in concluding the proposed lease, purchase or mortgage transaction and the Association shall be bound by such statement.

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

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

B. <u>Payment of Personal Property Taxes on Association Property</u>: All personal property taxes levied or assessed against personal property owned by the Association shall be paid by such Association and shall be included as a Common Expense in the annual budget of the Association.

### ARTICLE XVIII. REMEDIES IN EVENT OF DEFAULT.

Each Unit Owner shall be governed by and shall comply with the provisions of the Condominium Documents 222 any of the same are now constituted or as they may be amended from time to time. A default by any Unit Owner shall entitle the Association or other Unit Owners to the following relief:

- 1. Failure to comply with any of the terms of the Condominium Documents as they may be amended shall be grounds for relief which may include, without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of a lien, fines as permitted by Florida law, or, if appropriate, suit by an aggrieved Unit Owner. The procedure for fines is set forth in the Rules and Regulations.
- 2. Presently, termination of utility and similar services by the Association is not permitted under Florida law, however, if such action is permitted by Florida law in the future, failure of a Unit Owner to comply with any of the terms of this Declaration or its exhibits, as they may be amended shall permit the Association to terminate utility and similar services to the Unit(s) owned.
- 3. Each Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any member of his family or his or their guests, employees, agents or lessees, but only to the extent that such expenses are not met by the proceeds of insurance carried by the Association. However, nothing herein contained shall be construed to modify any waiver by insurance companies or rights of subrogation.
- 4. In any proceeding arising because of an alleged default by any Unit Owner, the prevailing party, shall be entitled to recover the costs of the proceeding, and such reasonable attorney's fees as may be determined by the court.
- 5. The failure of the Association or of the Unit Owner to enforce any right, provision, covenant or condition which may be granted by this Declaration or other above-mentioned documents shall not constitute a waiver of the right of the Association or of the Unit Owner to enforce such right, provisions, covenant or condition in the future.
- 6. All rights, remedies and privileges granted to the Association or a Unit Owner pursuant to any terms, provisions, covenants, or conditions of these Condominium Documents, shall be deemed to be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies, or privileges as may be available to such party at law or in equity.
- 7. The failure of the Developer and/or the Association to enforce any right, privilege, covenant or condition which may be granted to it by these Condominium Documents shall not constitute a waiver of this right to thereafter enforce such right, provisions, covenant or condition in the future.
- 8. The failure of a Mortgagee, as said term is defined herein, to enforce any right, provision, privilege, covenant or condition which may be granted or reserved to it by these Condominium Documents shall not constitute a waiver of the right of said party to thereafter enforce such right, privilege, covenant or condition in the future.

### ARTICLE XIX. NOTICE TO THIRD PARTIES.

All natural persons, corporations and other business associations who shall acquire, by whatever means, any interest in the Ownership of any Unit, or who may be given or acquire a mortgage, lien or other encumbrance thereof, are hereby placed on notice of all rights granted and/or reserved unto the Association and/or Seagrove Highlands Condominium and other rights and restrictions contained under the provisions of the Condominium Documents, and shall acquire such interest in any Unit expressly subject thereto.

ARTICLE XX. RIGHT OF UNIT OWNERS OTHER THAN DEVELOPER TO REPRESENTATION ON THE BOARD OF DIRECTORS OF THE ASSOCIATION.

- A. When Unit Owners other than the Developer own 15% or more of the Units within the Condomir will be operated ultimately by the Association, the Unit Owners other than the Developer shall be entitled to less than one-third of the members of the Board of Directors. Unit Owners other than the Developer shall be to elect not less than a majority of the members of the Board of Directors:
  - Three (3) years after 50% of the Units that will be operated ultimately by the Association have been conveyed to purchasers;
  - (2) Three (3) months after 90% of the Units that will be operated ultimately by the Association have been conveyed to purchasers;
  - (3) When all 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;
  - (4) 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
  - (5) Seven (7) years after recordation of the Declaration;

whichever occurs first. The Developer shall be entitled to elect at least one member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business at least 5% of the Units within the Condominium operated by the Association. Following the time the Developer relinquishes control of the Association, the Developer may exercise the right to vote any Developer-owned Units in the same manner as any other Unit Owner except for purposes of reacquiring control of the Association or selecting the majority members of the Board of Directors.

- B. Within seventy-five (75) days after the Owners other than the Developer are entitled to elect a member or members of the Board of Directors, the Association shall call and give not less than sixty (60) days notice of an election for this purpose. The notice may be given by any Unit Owner if the Association fails to do so.
- C. If the Developer holds Units for sale in the ordinary course of business, none of the following actions may be taken without approval in writing by the Developer:
  - 1. Assessment of the Developer as a Unit Owner for capital improvements.
- Any action taken by the Association that would be detrimental to the sales of Units by the Developer.
   However, an increase in assessments for Common Expenses without discrimination against the Developer shall not be deemed detrimental to the sales of Units.
- D. Whenever the Developer shall be entitled to designate and select any person to serve on any Board of Directors, the manner in which such person shall be designated shall be as provided in the Articles of Incorporation and/or Bylaws of the Association, and the Developer shall have the right to remove any person selected by it to act and serve on said Board of Directors and to replace such person with another person to act and serve in the place of any director so removed for the remainder of the unexpired term of any director so removed. Any director designated and selected by the Developer need not be a resident of Seagrove Highlands Condominium.

### ARTICLE XXI. SIGNS, SALES OFFICE, MODEL UNITS.

With the exception of the sign originally constructed to designate the Condominium and the activities to be conducted within such Condominium, no "sold" or "for sale" or "for rent" signs or other advertising shall be maintained or permitted on Common Elements or on or within Units in the Condominium. The Developer, its successors and assigns, may make such use of the unsold Units and Common Elements as may facilitate such completion and sale, including but not limited to, the maintenance of a sales office and model Units and display of signs on the premises and to advertise, sell, mortgage or otherwise deal with any Unit owned by it without the necessity of obtaining approval of the Board of Directors.

### ARTICLE XXII. SPECIAL AMENDMENT.

In addition to any other method of amending this Declaration provided for elsewhere herein, the Developer reserves the right and power to record a special amendment ("Special Amendment") to this Declaration at any time and from time to time which amends this Declaration: (i) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Association, the Veteran's Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities, (ii) to induce any of such agencies or entities to make, purchase, sell, insure, or guarantee first mortgages covering Units, (iii) to bring this Declaration into compliance with the Florida Condominium Act, or (iv) to add Additional Property to the Condominium, or (v) to correct clerical or typographical errors in this Declaration or any exhibit hereto or any supplement or amendment thereto. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Developer to make or consent to a Special Amendment on behalf of each Owner. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power to the Developer to make, execute and record Special Amendments. The reserved rights of the Developer under this Article shall terminate seven (7) years from the date of recording of the Declaration.

### ARTICLE XXIII. ACQUISITION OF TITLE TO REAL PROPERTY.

The Association may acquire title to real property, either in fee or as lessee upon the approval of the acquisition by not less than 66-3% of the votes of the entire membership of the Association.

SIGNATURES APPEAR ON THE FOLLOWING PAGE

IN WITNESS WHEREOF, the Developer has executed	this Declaration the day and year first above written.
Signed, sealed and delivered in the presence of:	
Type name: Snott MsManus	The Highlands at Seagrove Beach, LLC, a Florida limited liability company
Donna D. Lostalini	By: PKST
Type name: Donna B Spitaleri	P.K. Smartt  Managing Member
STATE OF FLORIDA COUNTY OF WALTON	
the company. He is personally known to me or produced	me this day of, 2006, by each, LLC, a Florida limited hability company, on behalf of as identification and did/did not
take an oath.	anna 1 hartalu:
	tary Public Commission Expires:
DONNA S. SPITALERI MY COMMISSION # DD 341756 EXPIRES: October 2, 2008 Bonded Thru Motery Public Underweiter	

### ADDENDUM TO DECLARATION

### JOINDER OF MORTGAGEE

Colonial Bank, hereinafter called "Lender", the Owner and holder of a mortgage encumbering the property described in Exhibit "A" of this Declaration of Condominium, which mortgage is that certain mortgage dated the <u>J</u> day of <u>MQU</u> , 2005 and recorded in Official Records Book <u>2672</u> . Page 1570, of the Public Records of Walton County, Florida, to the extent it is required to do so under the laws of the State of Florida, join in the making of the foregoing Declaration of Condominium and agree that the lien of said mortgage shall hereafter encumber each and every one of the Units as set forth in said Declaration, including, but not limited to, all of the undivided shares of the Common Elements.			
WITNESSES: /	COLONIAL BANK		
Marie Dilli	Por Doug 241.		
Print Name Mary E. Gillis	By. St. State		
Print Name Donna SUSpitaleri	By: Doug Hale  Its: Sr. Vice President		
STATE OF Florica ) COUNTY OF OKaloosa )  BEFORE ME, the undersigned authority, this day personally appeared Doug Hale ,			
as Sr. Vice Tresident, of Colonial Bank, who is personally know to me or who produced as proof of identification and who did not take oath, to be the person(s)			
described in the foregoing instrument, and he/she/they acknowledge the execution thereof to be his/her/their free act and deed for the uses and purposes therein expressed, on behalf of said corporation.			
WITNESS my hand and official seal this   day of   Dril   , 2006.			
(Affix Seal)  DONNA 9. SPITALERI MY COMMISSION # DD 341756 EXPIRES: October 2, 2008 Bonded Thru Notary Public Underwriters	NOTARY PUBLIC Print Name: My Commission Expires:		

### EXHIBIT "A"

### LEGAL DESCRIPTION OF PROPERTY

### LEGAL DESCRIPTION

A PARCEL OF LAND LYING IN SECTIONS 13 AND 14, TOWNSHIP 3 SOUTH, RANGE 19 WEST, WALTON COUNTY, FLORIDA, DESCRIBED AS COMMENCING AT A GENERAL LAND OFFICE MONUMENT MARKING THE SOUTHEAST CORNER OF SAID SECTION 14, ALSO BEING THE SOUTHWEST CORNER OF SAID SECTION 13; THENCE NORTH 00°02'32" EAST ALONG SECTION LINE, A DISTANCE OF 229.97 FEET TO A CONCRETE MONUMENT (#3724) FOR A POINT OF BEGINNING; THENCE NORTH 89°02'47" WEST, 99.99 FEET; THENCE NORTH 00°01'15" EAST, 99.89 FEET; THENCE NORTH 88°43'37" WEST, 100.14 FEET; THENCE SOUTH 00°00'13" WEST, 230.41 FEET; THENCE NORTH 89°00'23" WEST, 100.06 FEET; THENCE SOUTH 00°03'02" WEST, 99.99 FEET; THENCE NORTH 89°00'59" WEST, 155.05 FEET; THENCE NORTH 00°03'17" EAST, 513.50 FEET; THENCE NORTH 71°09'23" EAST, 82.18 FEET, THENCE NORTH 55°04'56" EAST, 18.82 FEET; THENCE NORTH 83°30'20" EAST, 60.05 FEET; THENCE NORTH 89°57'29" EAST, 33.51 FEET; THENCE SOUTH 00°01'57" WEST, 134.04 FEET; THENCE SOUTH 89°59'16" EAST, 203.43 FEET; SOUTH 50°24'18" EAST, 65.45 FEET; THENCE NORTH 89°58'29" EAST, 31.50 FEET; THENCE SOUTH 29°12'36" WEST, 28.43 FEET; THENCE SOUTH 60°47'24" EAST, 40.54 FEET TO A POINT ON A CURVE, CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 179.24 FEET; THENCE ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 10°48'19", A DISTANCE OF 33.80 FEET (CHORD BEARING SOUTH 23°35'55" WEST, 33.75 FEET); TO A POINT OF COMPOUND CURVATURE WITH A CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 249.60 FEET; THENCE ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 18°21'21", A DISTANCE OF 79.97 FEET, (CHORD BEARING SOUTH 09°59'36" WEST, 79.62 FEET), TO A POINT OF TANGENCY; THENCE SOUTH 01°16'41" WEST, 5.78 FEET, THENCE NORTH 89°30'02" WEST, A DISTANCE OF 11.00 FEET TO THE POINT OF BEGINNING. CONTAINING 3.5 ACRES, MORE OR LESS.

### EXHIBIT "B" LEGAL DESCRIPTION OF ADDITIONAL PROPERTY

A PARCEL OF LAND LYING IN SECTIONS 13 AND 14, TOWNSHIP 3 SOUTH, RANGE 19 WEST, WALTON COUNTY, FLORIDA, BEING MORE EXPLICITLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHWEST CORNER OF LOT 27, AMENDED PLAT OF PHASE ONE OF SOMERSET BRIDGE AT SEAGROVE, AS RECORDED IN PLAT BOOK 9, AT PAGE 49, OF THE PUBLIC RECORDS OF WALTON COUNTY, FLORIDA; THENCE PROCEED SOUTH 48 DEGREES 38 MINUTES 08 SECONDS WEST, A DISTANCE OF 45.87 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 208,10 FEET; THENCE PROCEED ALONG THE ARC OF SAID CURVE. THROUGH A CENTRAL ANGLE OF 11 DEGREES 31 MINUTES 46 SECONDS. AN ARC DISTANCE OF 41.88 FEET, (CHORD BEARING AND DISTANCE = SOUTH 42 DEGREES 52 MINUTES 15 SECONDS WEST, A DISTANCE OF 41.80 FEET), TO A POINT OF REVERSE CURVATURE WITH A CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 82.11 FEET; THENCE PROCEED ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 18 DEGREES 06 MINUTES 56 SECONDS, AN ARC DISTANCE OF 25.96 FEET, (CHORD BEARING AND DISTANCE = SOUTH 46 DEGREES 09 MINUTES 50 SECONDS WEST, A DISTANCE OF 25.85 FEET), TO A POINT OF REVERSE CURVATURE WITH A CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 179.24 FEET; THENCE PROCEED ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 11 DEGREES 38 MINUTES 48 SECONDS, AN ARC DISTANCE OF 36.43 FEET, (CHORD BEARING AND DISTANCE = SOUTH 49 DEGREES 23 MINUTES 54 SECONDS WEST, A DISTANCE OF 36.37 FEET), TO THE POINT OF TANGENCY OF SAID CURVE: THENCE PROCEED SOUTH 43 DEGREES 34 MINUTES 30 SECONDS WEST, A DISTANCE OF 54.45 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 193.46 FEET; THENCE PROCEED ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 24 DEGREES 25 MINUTES 13 SECONDS, AN ARC DISTANCE OF 82.46 FEET, (CHORD BEARING AND DISTANCE = SOUTH 31 DEGREES 21 MINUTES 54 SECONDS WEST, A DISTANCE OF 81.83 FEET), TO A POINT OF COMPOUND CURVATURE WITH A CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 249,60 FEET; THENCE PROCEED ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 18 DEGREES 19 MINUTES 41 SECONDS, AN ARC DISTANCE OF 79.84 FEET, (CHORD BEARING AND DISTANCE = SOUTH 09 DEGREES 59 MINUTES 27 SECONDS WEST, A DISTANCE OF 79,50 FEET), TO THE POINT OF TANGENCY OF SAID CURVE; THENCE PROCEED SOUTH 00 DEGREES 49 MINUTES 36 SECONDS WEST, A DISTANCE OF 5.77 FEET; THENCE PROCEED NORTH 89 DEGREES 57 MINUTES 11 SECONDS WEST, A DISTANCE OF 11.13 FEET; THENCE PROCEED NORTH 89 DEGREES 01 MINUTES 44 SECONDS WEST, A DISTANCE OF 100.00 FEET; THENCE PROCEED NORTH 00 DEGREES 02 MINUTES 49 SECONDS EAST, A DISTANCE OF 100.00 FEET; THENCE PROCEED NORTH 89 DEGREES 01 MINUTES 44 SECONDS WEST, A DISTANCE OF 100.00 FEET; THENCE PROCEED SOUTH 00 DEGREES 02 MINUTES 49 SECONDS WEST, A DISTANCE OF 230.00 FEET; THENCE PROCEED NORTH 89 DEGREES 01 MINUTES 44 SECONDS WEST, A DISTANCE OF 100.00 FEET; THENCE PROCEED SOUTH 00 DEGREES 02 MINUTES 49 SECONDS WEST, A DISTANCE OF 100.00 FEET; THENCE PROCEED NORTH 89 DEGREES 01 MINUTES 44 SECONDS WEST, A DISTANCE OF 155.00 FEET; THENCE PROCEED NORTH 00 DEGREES 04 MINUTES 03 SECONDS EAST, A DISTANCE OF 1303.34 FEET; THENCE PROCEED SOUTH 88 DEGREES 30 MINUTES 39 SECONDS EAST, A DISTANCE OF 454,54 FEET; THENCE PROCEED SOUTH 88 DEGREES 29 MINUTES 17 SECONDS EAST, A DISTANCE OF 286.77 FEET: THENCE PROCEED SOUTH 00 DEGREES 00 MINUTES 00 SECONDS EAST, A DISTANCE OF 82.86 FEET; THENCE PROCEED SOUTH 32 DEGREES 29 MINUTES 17 SECONDS EAST, A DISTANCE OF 97.58 FEET; THENCE PROCEED NORTH 86 DEGREES 36 MINUTES 26 SECONDS EAST, A DISTANCE OF 94.22 FEET; THENCE PROCEED SOUTH 83 DEGREES 42 MINUTES 14

SECONDS EAST, A DISTANCE OF 50.45 FEET; THENCE PROCEED SOUTH 72 DEGREES 00 MINUTES 16 SECONDS EAST, A DISTANCE OF 13.45 FEET; THENCE PROCEED SOUTH 10 DEGREES 31 MINUTES 30 SECONDS EAST, A DISTANCE OF 80.37 FEET; THENCE PROCEED SOUTH 06 DEGREES 59 MINUTES 09 SECONDS WEST, A DISTANCE OF 97.27 FEET; THENCE PROCEED SOUTH 15 DEGREES 31 MINUTES 57 SECONDS WEST, A DISTANCE OF 88.56 FEET; THENCE PROCEED SOUTH 40 DEGREES 09 MINUTES 38 SECONDS WEST, A DISTANCE OF 71.76 FEET; THENCE PROCEED SOUTH 67 DEGREES 30 MINUTES 10 SECONDS WEST, A DISTANCE OF 131.84 FEET; THENCE PROCEED SOUTH 60 DEGREES 50 MINUTES 34 SECONDS WEST A DISTANCE OF 136.71 FEET; THENCE PROCEED SOUTH 50 DEGREES 54 MINUTES 24 SECONDS WEST, A DISTANCE OF 61.69 FEET; THENCE PROCEED SOUTH 23 DEGREES 15 MINUTES 29 SECONDS EAST, A DISTANCE OF 80.69 FEET; THENCE PROCEED SOUTH 39 DEGREES 19 MINUTES 09 SECONDS EAST, A DISTANCE OF 65.48 FEET TO THE PROCEED SOUTH 39 DEGREES 19 MINUTES 09 SECONDS EAST, A DISTANCE OF 65.48 FEET TO THE POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED.

SAID PARCEL CONTAINING 18,84 ACRES. LESS AND EXCEPT THE FOLLOWING

### **DESCRIBED PARCELS:**

BEGIN AT THE SOUTHWEST CORNER OF LOT 27, AMENDED PLAT OF PHASE ONE OF SOMERSET BRIDGE AT SEAGROVE, AS RECORDED IN PLAT BOOK 8, AT PAGE 47, OF THE PUBLIC RECORDS OF WALTON COUNTY, FLORIDA; THENCE DEPARTING SAID SOUTHWEST CORNER OF LOT 27, PROCEED ALONG THE SOUTHWESTERLY LINE OF SAID AMENDED PLAT OF PHASE ONE OF SOMERSET BRIDGE AT SEAGROVE THE FOLLOWING SIX (6) CALLS; (1) THENCE PROCEED SOUTH 48 DEGREES 38 MINUTES 08 SECONDS WEST, A DISTANCE OF 45.87 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 208.10 FEET; (2) THENCE PROCEED ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 11 DEGREES 31 MINUTES 46 SECONDS. AN ARC DISTANCE OF 41.88 FEET (CHORD BEARING AND DISTANCE = SOUTH 42 DEGREES 52 MINUTES 15 SECONDS WEST, A DISTANCE OF 41.80 FEET TO A POINT OF REVERSE CURVATURE OF A CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 82.09 FEET; (3) THENCE PROCEED ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 18 DEGREES 06 MINUTES 56 SECONDS WEST, AN ARC DISTANCE OF 25.95 FEET (CHORD BEARING AND DISTANCE = SOUTH 46 DEGREES 09 MINUTES 50 SECONDS WEST, A DISTANCE OF 25.85 FEET) TO A POINT OF REVERSE CURVATURE OF A CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 179.24 FEET; (4) THENCE PROCEED ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 11 DEGREES 38 MINUTES 48 SECONDS WEST, AN ARC DISTANCE OF 36,43 FEET (CHORD BEARING AND DISTANCE = SOUTH 49 DEGREES 23 MINUTES 54 SECONDS WEST, A DISTANCE OF 36.37 FEET) TO THE POINT OF TANGENCY OF SAID CURVE; (5) THENCE PROCEED SOUTH 43 DEGREES 34 MINUTES 30 SECONDS WEST, A DISTANCE OF 54.45 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 193.46 FEET; (6) THENCE PROCEED ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 14 DEGREES 24 MINUTES 48 SECONDS, AN ARC DISTANCE OF 48.67 FEET (CHORD BEARING AND DISTANCE = SOUTH 36 DEGREES 22 MINUTES 06 SECONDS WEST, A DISTANCE OF 48.54 FEET; THENCE DEPARTING THE AFORESAID SOUTHWESTERLY LINE, PROCEED NORTH 60 DEGREES 47 MINUTES 24 SECONDS WEST, A DISTANCE OF 40.54 FEET; THENCE PROCEED NORTH 29 DEGREES 12 MINUTES 36 SECONDS EAST, A DISTANCE OF 97 FEET, MORE OR LESS, TO THE APPROXIMATE EDGE OF WATER OF AN EXISTING LAKE: THENCE PROCEED NORTHWESTERLY AND NORTHEASTERLY ALONG SAID EDGE OF WATER, A DISTANCE OF 293 FEET, MORE OR LESS; THENCE DEPARTING SAID EDGE OF WATER, PROCEED SOUTH 23 DEGREES 15 MINUTES 29 SECONDS EAST, ALONG THE WEST LINE OF THE AFORESAID LOT 27, A DISTANCE OF 83 FEET, MORE OR LESS; THENCE PROCEED SOUTH 39 DEGREES 19 MINUTES 09

SECONDS EAST, ALONG SAID WEST LINE, A DISTANCE OF 65.48 FEET TO THE **POINT OF BEGINNING** OF THE PARCEL HEREIN DESCRIBED.

SAID PARCEL CONTAINS 0.7 ACRES, MORE OR LESS.

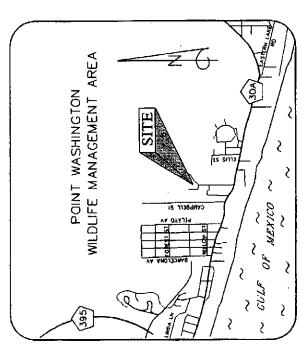
### AND LESS AND EXCEPT:

A PARCEL OF LAND LYING IN SECTIONS 13 AND 14, TOWNSHIP 3 SOUTH, RANGE 19 WEST, WALTON COUNTY, FLORIDA, DESCRIBED AS COMMENCING AT A GENERAL LAND OFFICE MONUMENT MARKING THE SOUTHEAST CORNER OF SAID SECTION 14, ALSO BEING THE SOUTHWEST CORNER OF SAID SECTION 13; THENCE NORTH 00°02'32" EAST ALONG SECTION LINE, A DISTANCE OF 229.97 FEET TO A CONCRETE MONUMENT (#3724) FOR A POINT OF BEGINNING; THENCE NORTH 89°02'47" WEST, 99.99 FEET; THENCE NORTH 00°01'15" EAST, 99.89 FEET; THENCE NORTH 88°43'37" WEST, 100.14 FEET; THENCE SOUTH 00°00'13" WEST, 230.41 FEET; THENCE NORTH 89°00'23" WEST, 100.06 FEET; THENCE SOUTH 00°03'02" WEST, 99.99 FEET; THENCE NORTH 89°00'59" WEST, 155.05 FEET; THENCE NORTH 00°03'17" EAST, 513.50 FEET; THENĆE NORTH 71°09'23" EAST, 82.18 FEET; THENĆE NORTH 55°04'56" EAST, 18.82 FEET, THENCE NORTH 83°30'20" EAST, 60.05 FEET, THENCE NORTH 89°57'29" EAST, 33.51 FEET; THENCE SOUTH 00°01'57" WEST, 134.04 FEET; THENCE SOUTH 89°59'16" EAST, 203.43 FEET; SOUTH 50°24'18" EAST, 65.45 FEET; THENCE NORTH 89°58'29" EAST, 31.50 FEET; THENCE SOUTH 29°12'36" WEST, 28.43 FEET, THENCE SOUTH 60°47'24" EAST, 40.54 FEET TO A POINT ON A CURVE, CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 179.24 FEET; THENCE ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 10°48'19", A DISTANCE OF 33,80 FEET (CHORD BEARING SOUTH 23°35'55" WEST, 33.75 FEET); TO A POINT OF COMPOUND CURVATURE WITH A CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 249.60 FEET; THENCE ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 18°21'21", A DISTANCE OF 79.97 FEET, (CHORD BEARING SOUTH 09°59'36" WEST, 79.62 FEET), TO A POINT OF TANGENCY; THENCE SOUTH 01°16'41" WEST, 5.78 FEET; THENCE NORTH 89°30'02" WEST, A DISTANCE OF 11.00 FEET TO THE POINT OF BEGINNING. CONTAINING 3.5 ACRES, MORE OR LESS.

### EXHIBIT "C" SITE PLAN AND GRAPHIC DESCRIPTION OF PROPERTY

# SEAGROVE HIGHLANDS CONDOMINIUM

in Sections 13 & 14, Township 3 South, Range 19 West, Walton County, Florida



## LECAL DESCRIPTION:

\*\* SEACROVE HIGHLANDS CONDOMINIUM, Phase P' A PARCE OF LUND LYNG IN SECTIONS 13 AND 14, TOWNSHP 3 SOUTH RANGE 19 WEST, WALTON COUNTY, FLORIDA, DESCRIBED AS COMMENCING AT A GENERAL UND OFFICE MONIMENT AND SECTION 14, ALSO BEING THE MONIMENT ALSO BEEN SECTION 14, ALSO BEING THE SOUTHWEST CORNER OF SAID SECTION 13, THENCE NORTH GOOD'32 EAST ALONG SECTION LINE, ALSO BEING THE SOUTHWEST CORNER OF 229.9 FEET TO A CONCRET MOUNDENT (191724) FOR A POINT OF BECHNING, THENCE NORTH BOO'32 WEST, 99.89 FEET; THENCE NORTH BOO'32 WEST, 99.89 FEET; THENCE NORTH BOO'32 WEST, 39.99 FEET; THENCE NORTH BOO'32 WEST, 30.49 FEET; THENCE NORTH BOO'32 WEST, 30.49 FEET; THENCE NORTH BOO'32 WEST, 31.40 FEET; THENCE NORTH BOO'32 WEST, 31.40 FEET; THENCE NORTH BOO'32 WEST, 31.40 FEET; THENCE SOUTH GOO'32 WEST,

### LOCATION MAP

CHOCTAW ENGINEERING INC.
CIVIL ENGINEERING - ENVIRONMENTAL: SURVETING - ILL TRUXTON AND LET # 1852
FORT WALTON BEACH, PL 28567
Felt 589/862-661) Fall 686-863-8038

ANNEXED TO AND EXPRESSLY NADE A PART OF THE DECLARATION OF CONDONINUM

SEACROVE HIGHLANDS CONDOMINIUM
03-329
sheet of - sheets

# SEAGROVE HIGHLANDS CONDOMINIUM

in Sections 13 & 14, Township 3 South, Range 19 West, Walton County, Florida

## DESCRIPTION OF CONDOMINIUM UNIT

"CONDOMINIUM UNIT IS IDENTIFED IN A CHAGRAMMATIC FLOOR PLAN OF THE FLAM AND SHALL CONSST OF THE WOLWES OR CHAGRES OF SPACE WHICH IN BETWEEN THE LOWER, UPPER AND LATERAL OR PERMETRICAL BOUNDARIES DESCRIBED AS FOLLOWS:

UPPER AND LOWER BOUNDARIES. THE UPPER AND LOWER BOUNDARIES EXTENDED TO THER PLANDER INTERSECTIONS. WITH THE PERMETRICAL BOUNDARIES AS FOLLOWS. THE UPPER BOUNDARY SIALL BE THE PLANE OF THE UPPER SURFACE OF THE MATERIAL, WHICH CONSTITUTES THE CEILING. THE LOWER BOUNDARY SHALL BE THE PRANE OF THE UPPER SURFACE OF THE SUBPLICATION OF BOUNDARY SHALL BE THE PLANE OF THE UNITS AS THE UNITS AS ONCORE. ANY PLOOR CONFINIO SUCH AS CARPETING, WHYL HARDWOOD. OR CERAMIC TILE IS PART OF THE UNIT.

PERMETRICAL BOUNDARIES. THE PERMETRICAL BOUNDARIES SHALL BE THE VERTICAL PLANES OF THE EXTEROR WINDOWS AND EXTERIOR DOORS, AND THE INTERIOR SHAKACES OF THE FERMETRE WALLS OF THE UNIT. THE WINDOWS AND DOORS SHALL WILLIAGE ALL SURROLINDING ENCASEMENTS, FRAMING, THRESHOLDS, AND WOOD SUPPORTS.

## DESCRIPTION OF LIMITED COMMON ELEMENTS

LINTED COMMON ELEMENTS SHALL MEAN AND COMPRISE THOSE COMMON ELEMENTS. WHICH ARE RESERVED FOR THE USE OF A CERTAIN CONDOMINUM UNIT OR UNITS TO THE EXCLUSION OF OTHER UNITS, AS SPECIFED IN THE DECLARATION OF CONDOMINIUM.

## DESCRIPTION OF COMMON ELEMENTS

COMMON BENENTS SHALL NEAN AND COMPRISE ALL THE REAL PROPERTY THEOPOWENEYS AND FACULTES TO "SCARROVE HIGHLANDS CONDOMNHUM", INCLUDING ALL PARTS OF THE CONDOMNHUM BUILDINGS OTHER THAN THE CONDOMINIUM UNITS AS SAME ARE HEREN DEFINED, AND STALL INCLUDE EASEMBLIS THROUGH CONDOMINIUM UNITS FOR CONDOMINIUM UNITS FOR CONDOMINION WHITS AND STALL SHOULD EASEMBLIS TO THE CONDOMINIUM UNITS AND EXCENDED TO THE CONDOMINIUM UNITS AND EXCENDED TO THE CONDOMINIUM UNITS AND EXCENDED TO THE IMPROVEMENTS AND STALL FURTHER CONTRIBUTES TO THE SUPPORT OF THE IMPROVEMENTS AND STALL FURTHER CONTRIBUTES TO THE SUPPORT OF THE IMPROVEMENTS AND STALL FURTHER CONTRIBUTES TO THE SUPPORT OF THE IMPROVEMENTS AND STALL FURTHER CONTRIBUTES TO THE SUPPORT OF THE IMPROVEMENTS AND STALL FURTHER EXCLUDE ALL DISCOMENTIAL FURTHER CONTRIBUTION UNITS AND STALL EXCLUDE ALL THE CONDOMINUM UNITS AND STALL SUCH CONDOMINUM UNITS.

### SURVEYOR'S CERTIFICATE

þ THE UNDERSORED, A REGISTERED LAND SURVEYOR DULY AUTHORIZED TO PRACTICE UNDER THE LANS OF THE STATE OF FLORIDA, HERBEN CERTIFIES THAT THIS IS A TRUE AND CORRECT SURVEY OF THE PROPERTY OESCRIBED HEREON, AND THAT THE CONSTRUCTION OF THE IMPROVABLENTS DEPOCITED AND DESCRIBED IN THIS EMHILL OF "SCACKIBED IN THIS EMHILL OF CONSTRUCTION OF THE LOBORATION TO SUBJECT AND THE DECLARATION OCCURDININIUM DESCRIBED THE DECLARATION OCCURDININIUM DESCRIBED THE DECLARATION OCCURDININIUM DESCRIBED THE OFFICE THE DECLARATION DEDIVINION DESCRIBED THE OFFICE THE DECLARATION OF THE LOBORATION AND DIRECTOR AND DIRECTOR

FLORIDA REGISTERED SURVEYOR

CHOCTAW ENGINEERING, INC. 112 TRUXTON AVENUE FORT WALTON BEACH, FLORIDA 32547

L9 #1532

JON A. PROHASKA, CERTIFICATE NO. 4450

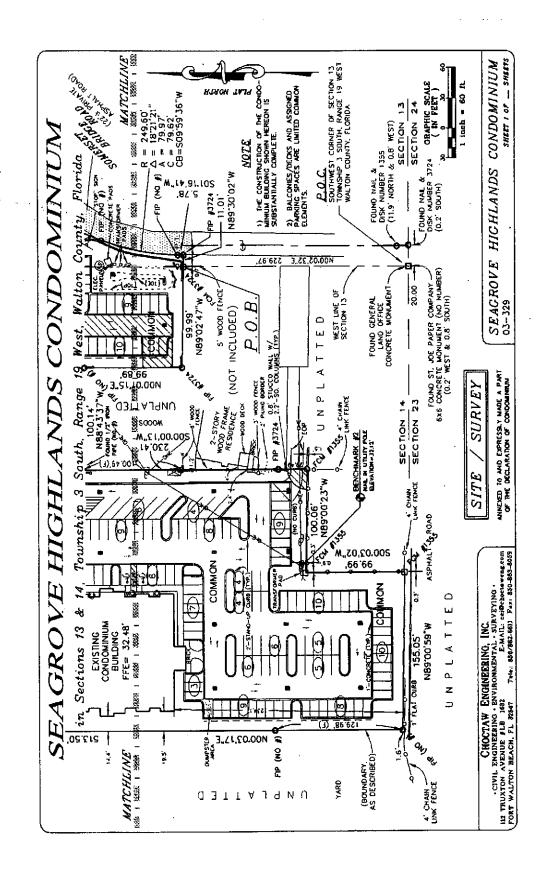
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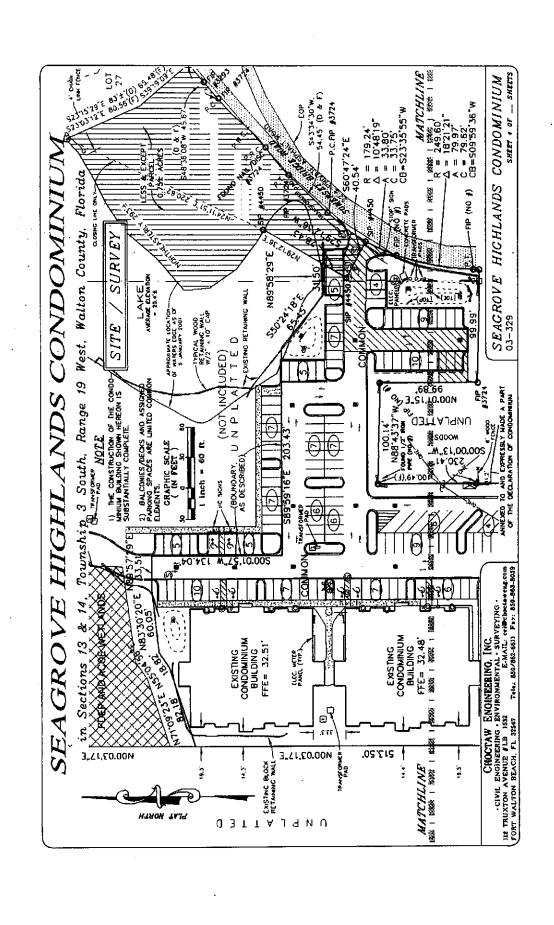
E-MAIL: cei@choctaweng.com Tele: \$30/862-563 Fax: \$50-868-8059 CHOCTAW ENGINEERING, INC.
OUVIL ENGINEERING - ERVIRONMENTAL - SUBYEYING 112 TRUXTON AVENUE FLB 1852 E-MAIL: GHIGGEDGEN
FORT WALTON BEACH, FL 23547 Teles. 850/862-861) Fax: 850-

ANNEXED TO AND EXPRESSLY MADE A PART OF THE DECLARATION OF CONDOMINIUM

SHEET 2 OF \_\_ SHEETS SEACROVE 03-329

HIGHLANDS CONDOMINIUM





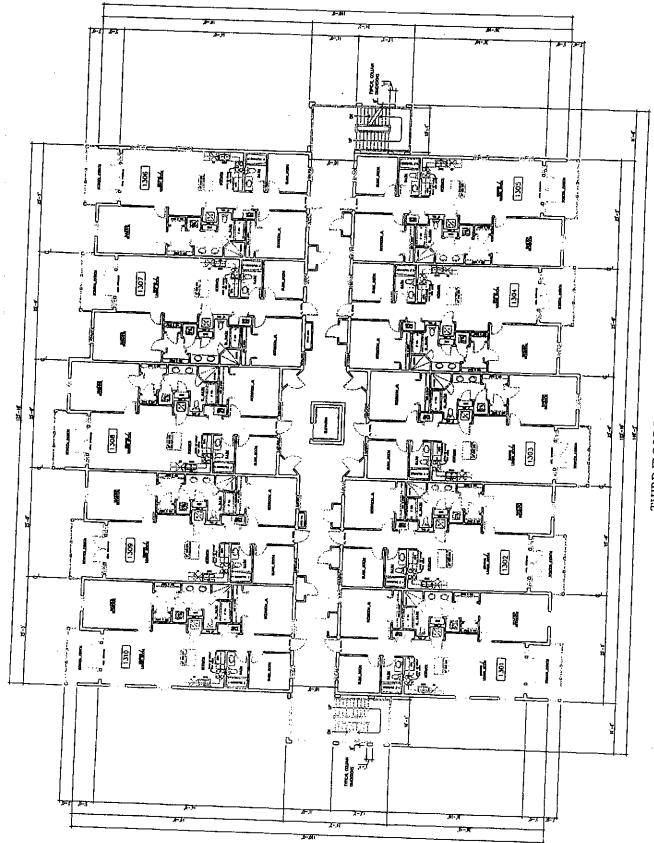
All unit numbers are identical for each of the four buildings with the first digit delineating the building number, the second digit the floor of the building, and the last two digits reflecting the actual unit.

### Example:

Unit 1111 is the unit located in building 1000, on the first floor, number 11. The same unit in building 2000 is 2111, and so forth.

FIRST FLOOR PLAN

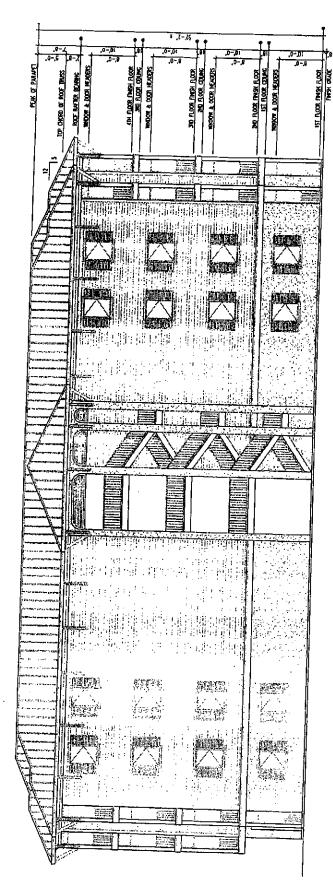
SECOND FLOOR PLAN



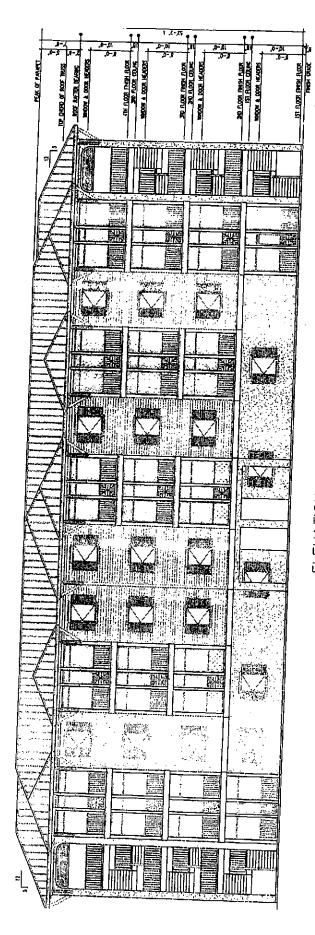
THIRD FLOOR PLAN

FOURTH FLOOR PLAN

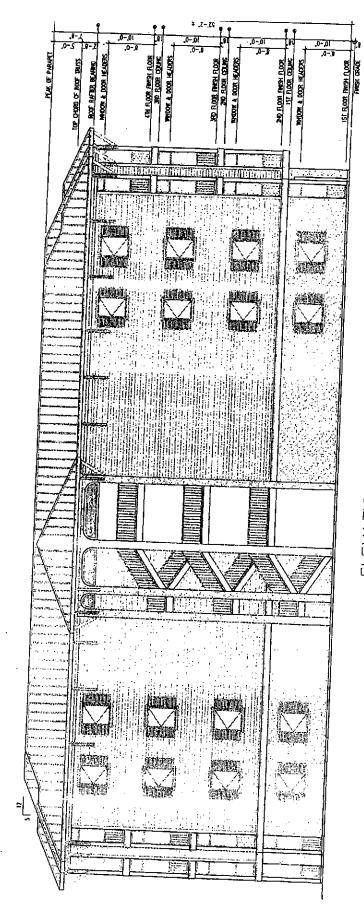
ELEVATION



ELEVATION



ELEVATION



ELEVATION