MERRITT ISLAND PROFESSIONAL CENTER, AN OFFICE CONDOMINIUM

RULES AND REGULATIONS

Each owner, lessee, invitee, relative, guest or otherwise, hereinafter referred to as occupant, of each and every office office condominium unit in Merritt Island Professional Center, shall be governed by the following Rules and Regulations:

(1) All automobiles shall be parked only in the parking spaces so designated for that purpose by the Developer, and/or the Association. Such designation may be by separate letter, or appropriate marking of the parking space or spaces by the office unit number. All campers, boats, boat trailers, motorbikes, motorcycles and scooters are specifically prohibited from any portion of the office condominium property except those areas, if any, that may be designated for parking of the described vehicles.

(2) Each occupant shall maintain his office unit in good condition and repair, including all internal surfaces within or surrounding his office unit, including windows, screens, doors, door frames and hardware; shall maintain and repair the fixtures therein as soon as possible; and shall promptly pay for all utilities which are metered separately to their office unit. Common areas such as landscaped and grassed areas, and facilities shall be used only for the purpose intended. No articles belonging to the occupants shall be kept in such area temporarily or otherwise.

(3) Each occupant shall maintain his office unit in a clean and sanitary condition. Balconies, terraces or porches shall not be used for hanging items or other objects.

(4) No animals may be raised, bred or kept for commercial purposes on the office condominium property.

(5) Occupants are reminded that the alteration and repair of the buildings and other common areas is the responsibility of the Association and that changes affecting the exterior appearance of the buildings may be made only by the Association.

(6) No occupant may make or permit any disturbing noises in the building or on the office office condominium property, whether made by the occupant or friends, guests or servants, nor do or permit anything to be done by such persons that would interfere with the rights, comforts, or other conveniences of other occupants. No occupant may play or suffer to be played any musical instrument, phonograph, radio or television set in their office unit or on or about the office condominium property if the same shall in any manner disturb or annoy the other occupants of the office office condominium.

(7) No radio or television antenna or antennas, or any wiring for any such purpose may be installed on the exterior of any building or upon the office condominium property by or for any occupant.

(8) With the exception of the identification signs described herein, no other signs, advertising or notices of any kind or type whatsoever, including, but not limited to, "For Rent" or "For Sale" signs shall be permitted or displayed on the exterior of any office unit; nor shall the same be posted or displayed in such a manner as to be visible from the exterior of any office unit without the prior written consent of the Association.

(9) All official notices of MERRITT ISLAND CONDOMINIUM ASSOCIATION, INC., shall bear the signature of the President or Vice President. No member or occupant shall make or permit to be made any written, typed or printed notices of any kind or type whatsoever or post the same on the bulletin boards, mail or otherwise circulate to other members which purports or represents to be an official act or notice of the Association. Notices of a social nature or purpose by an occupant to other occupants are permitted, provided that all such notices shall bear the signature of the occupant uttering such notices and such occupant shall be fully responsible for the contents thereof.

(10) Any breach or violation of the foregoing Rules and Regulations shall result in a $100 fine or special assessment to the violator in addition to all other legal remedies. Said fine may be assessed repeatedly upon failure of occupant to correct infraction or obey rules as well as other obligations imposed by Condominium documents, and shall be collected in the same manner as common expenses or maintenance charges.

(11) Any use of "Association" shall be interpreted to mean Management Company during the term of any management contract or renewal thereof.

(12) No article shall be stored or any use made of any part of the office condominium property that will constitute a fire hazard. Owners are reminded that they will be assessed for any increase in the cost of insurance over the cost for normal use that is caused by their use of the condominium property.

(13) An owner shall identify his unit by a name plate of a type and size approved by the Association and mounted in the place and manner approved by the Association. No other signs may be displayed in any manner except signs of the Developer pending sale of the office condominium units.

(14) Occupants are reminded of the restrictions upon the use of the condominium property that appear in the Declaration of Condominium. The restrictions require, among other things, that a unit may be used only as professional and administrative offices of all types but not including the sale or storage of merchandise except when the storage is related directly to the rendering of professional services, insurance offices, real estate offices, pharmacies, medical doctors, dentists, attorneys, accountants, or other services in which prior written consent is received by the Developer of the project or the Association. The Declaration further provides that no nuisances shall be allowed nor any practice followed that is the source of annoyance to other occupants.

(15) These rules and regulations may be modified, added to, or repealed at any time by the Association.

This instrument was prepared by:
Darrell C. Smith, Esq.
Anderson, Thorn, Grose & Quesada, P.A.
420 S. Garden Avenue
Clearwater, Florida 33516

RETURN TO:
Clow Title & Escrow Corp.
150 Fortenberry Road, Villa B
Merritt Island, Florida 32952

MERRITT ISLAND PROFESSIONAL CENTER

AN OFFICE CONDOMINIUM

DEVELOPER

MERRITT ISLAND PROFESSIONAL CENTER, INC.
Post Office Box 644
Crystal Beach, Florida 33523

REC FEE $ 3.99.06
DOC ST $
INT TAX $
SERVICE $
REFUND $
Clerk Circuit Court Brevard Co. Florida

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MERRITT ISLAND PROFESSIONAL CENTER, AN OFFICE CONDOMINIUM

MERRITT ISLAND, FLORIDA

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DECLARATION OF CONDOMINIUM

OF

MERRITT ISLAND PROFESSIONAL CENTER, AN OFFICE CONDOMINIUM

Made this 15th day of February, 1985, by MERRITT ISLAND PROFESSIONAL CENTER, INC., a Florida corporation, authorized to do business in Florida, whose address is Post Office Box 644, Crystal Beach, Florida 33523, its successors and assigns, herein called "Developer".

WHEREIN, the Developer makes the following declarations:

1. <u>Purpose</u>. The purpose of this Declaration is to submit the lands and improvements hereinafter described to the Condominium for ownership and use pursuant to Chapter 718 of the <u>Florida Statutes</u>, (1977), as amended to the date hereof, herein called the "Condominium Act".

1.1 <u>Name and Address</u>. The name by which this Condominium is to be identified is:

MERRITT ISLAND PROFESSIONAL CENTER, AN OFFICE CONDOMINIUM, located in Merritt Island, Brevard County, Florida.

1.2 <u>The Land</u>. The lands owned by Developer, which by this instrument are submitted to the condominium form of ownership, are the following described lands lying in Brevard County, Florida, as subject to a fifty-four year land lease described herein:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

2. <u>Definitions</u>. The terms used in this Declaration and the Exhibits hereto shall have the meaning stated in the Condominium Act (§718.103, <u>Florida Statutes</u>) as same presently exists and as follows unless the context otherwise requires:

2.1 <u>Assessment</u>. Assessment means a share of the funds required for the payment of the common expenses of the Condominium which from time to time is assessed against the office unit owner.

2.2 <u>The Association</u>. Merritt Island Condominium Association, Inc., a nonprofit Florida corporation, and its successors.

2.3 <u>Common Elements</u>. Common elements shall include: (a) the condominium property not included in the office units and ~~not part of the leased property;~~ (b) tangible personal property required for the maintenance and operation of the common elements even though owned by the Association; (c) all those items stated in the Condominium Act; and (d) the perpetual nonexclusive easement for ingress and egress described in Paragraph 1.2, <u>supra</u>.

2.4 <u>Common Expenses</u>. Common expenses include: (a) expenses of administration and management of the condominium property including, without limitation, any fee to be collected by and paid to a management agent for management of the Condominium property pursuant to any contract therefor; (b) expenses of maintenance, operation, repair or replacement of common elements, and of the portions of office units to be maintained by the Association; (c) expenses declared common expenses by the provisions of this Declaration or the Bylaws; and (d) any valid charge against the condominium as a whole; (e) reasonable reserves whether held in trust or by the Association for repair, replacement or addition to the common elements or any other real or personal property acquired or held by the Association; (f) expenses of administration, expenses of insurance, maintenance, operation, repair and betterment of leasehold property; and (g) rental for the leasehold property.

2.5 Common Surplus. Common surplus means the amount by which the receipts of the Association including, but not limited to, assessments received on account of common elements exceed the amount of common expenses. Provided, however, in the event that the Association contracts with a separate management corporation or person for management of the condominium property, the portion of receipts of the Association representing fees contracted for and to be collected by said manager, or any part thereof, shall not be considered as part of the common surplus.

2.6 Condominium. Condominium means all of the condominium property as a whole where the context so permits, including the land and all improvements thereon the leasehold property, and all easements and rights-of-way appurtenant thereto and intended for use in connection with the Condominium.

2.7 Limited Common Elements. Limited common elements means those common elements which are reserved for the use of a certain office unit or office units to the exclusion of other office units, including, but not limited to, designated parking spaces, stairwells, entryways, foyers, balconies, patios and storage areas, and any other such improvements attached to the exterior main walls of the building that serves only the office unit adjacent to such structure. Any reference made to common elements in the following provisions of this Declaration, or other condominium instruments, is meant to also include limited common elements unless the latter is excepted or dealt with separately.

2.8 Reasonable Attorney's Fees. Reasonable attorneys' fees means and includes reasonable fees for the services of attorneys at law whether or not judicial or administrative proceedings are involved, and if judicial or administrative proceedings are involved, then all review of the same by appeal or otherwise.

2.9 Singular, Plural Gender. Whenever the context so permits, the use of the singular shall include the plural and the plural the singular, and the use of any gender shall be deemed to include all genders.

2.10 Office Unit. Office unit means a part of the condominium property which is subject to exclusive ownership and leasehold interests.

2.11 Office Unit Owner. Unit owner or owner of an office unit means the owner of a condominium unit with leasehold interests.

2.12 Utility Services. Utility services as used in the Condominium Act and construed with reference to this Condominium and as used in the Declaration and Bylaws shall include, but not be limited to, electric power, water, gas, heating, air conditioning and garbage and sewage disposal.

2.13 Lease. A lease shall mean the grant, either oral or in writing, by an office unit owner of a temporary right to use of said owner's office unit for a valuable consideration.

2.14 Institutional Mortgagee or Institutional First Mortgagee. Institutional mortgagee or institutional first mortgagee shall include, but not be limited to, bank, life insurance company, union pension fund authorized to do business in the State of Florida, savings and loan association, mortgage

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company, mortgage brokerage company, the Developer, an agency of the United States Government, and the holder of any mortgage insured by any agency of the United States Government, such as Federal National Mortgage Association, FHLMC, Federal Housing Authority or the Veterans Administration. Where an institutional first mortgage by some circumstance fails to be a first mortgage but it is evident that it is intended to be a first mortgage, it shall nevertheless for the purposes of this Declaration and the Exhibits annexed thereto, be deemed an institutional first mortgage and the holder thereof shall be deemed an institutional first mortgagee. All references in this Declaration to a first mortgage shall be deemed to include an institutional first mortgage.

delete ~~2.15 Fifty-four Year Land Lease. Fifty-four year land lease means the Land Lease Agreement attached hereto and incorporated herein as Exhibit "B".~~

delete ~~2.16 Leasehold Interest. Leasehold interest shall mean a unit owner's interest as Lessee under the fifty-four year land lease.~~

delete ~~2.17 Leasehold Property. That property subject to the fifty-four year land lease.~~

3. Development Plan. The Condominium is described and established as follows:

3.1 Plot Plans. The Condominium is described and established by the plot plans recorded in Condominium Book N/A, at pages N/A of the public records of Brevard County, Florida, and made a part of this Declaration by reference herein called the plot plans, showing the land and the improvements located on it. The plot plans are attached hereto as Exhibit "C".

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

(a) Utilities. Easements are reserved as may be required for the entrance upon, construction, maintenance and operation of utility services to adequately serve the condominium project including, but not limited to, the installation of lines, mains and such other equipment as may be required throughout the condominium project, it being expressly agreed that Developer or the utility company making the entry shall restore the property as nearly as practicable to the condition which existed prior to commencement of construction of such utility; provided, however, easements herein reserved which necessitate entry through an office unit, shall only be according to the plans and specifications for the building containing the office unit or as the building is actually constructed, unless approved in writing by the office unit owner and his mortgagee.

In addition, easements are reserved to the Developer and Association for such further utility easements over and across the condominium property as may be required from time to time to service the condominium property. Provided, however, such further utility easements which shall be identified and located as the occasion shall arise shall not be over or through any part of the condominium property occupied by a condominium building. The Association shall have the right to grant permits, licenses and easements over the common areas for utilities, roads and other purposes reasonable necessary or useful for the proper maintenance and operation of the Condominium.

(b) Encroachments. In the event that, by virtue of construction, reconstruction, repair, shifting, settlement or movement of any portion of the improvements, any office unit shall encroach upon any of the common elements or upon any other office unit for any reason other than the intentional or negligent act of the office unit owner, or in the event any common element shall encroach upon any office unit, then an easement shall exist to the extent of that encroachment for so long as the encroachment shall exist.

(c) Pedestrian and Vehicular Traffic. A perpetual nonexclusive easement for ingress and egress shall exist for pedestrian traffic over, through and across sidewalks, paths, walks, lanes and other portions of the common elements as may be from time to time intended and designated for such purpose and use; and for the vehicular traffic over, through and across such portions of the common elements as may be from time to time paved and intended for such purposes, and such easement shall be for the use and benefit of the office unit owners and those claiming by, through or under the aforesaid; provided, however, nothing herein shall be construed to give or create in any person the right to park on any portion of the condominium property. Said easement of ingress and egress shall be appurtenant to each office unit.

(d) Developer. Until such time as the Developer has sold all of the office units contained within the condominium property, easements including, but not limited to, ingress and egress, are hereby reserved and shall exist through and over the condominium property as may be required by Developer for the sale of said office units. Neither the office unit owners nor the Association, nor the use of the condominium property shall interfere in any way with such sale.

(e) Blanket Easement. A perpetual blanket Deed of Easement of April 18, 1983, was granted to the Board of County Commissioners of Brevard County, Florida, as to property in which the condominium office buildings are situated, the same being located in the Official Records Book 2427, Page 1488, of Brevard County, Florida.

(f) Agreement. The land subject to an Agreement dated May 6, 1983, by and between Mira Loma Corporation and Sam Ackley, Daisey Ackley, Rodney S. Ackley and Eva F. Ackley as set forth in Brevard County, Florida, Public Records, Official Book 2430, Page 1614, which involves sale, easement and construction requirements of the property.

3.3 Improvements - General Description.

(a) Condominium Buildings. The Condominium will be comprised of two (2) buildings, which buildings shall contain twenty (20) office units. The number, location and size of each office unit is graphically shown on Exhibit "C", incorporated herein.

(b) Other Improvements. The Condominium includes landscaping, automobile parking areas and other facilities which are a part of the common elements described in the Plot Plan incorporated herein as Exhibit "C".

3.4 Unit Boundaries.

(a) Each office unit shall consist of the space enclosed and bounded by the horizontal and vertical planes which are reflected on the Plot Plans attached hereto and incorporated herein as Exhibit "C".

(b) Limited Common Elements. All balconies, patios, storage areas other than those included in any office unit, and carport roofs, and any such structure attached to the exterior main walls of the building that serve only the office unit adjacent to such structure, shall be a limited common element for the benefit of that particular office unit only. Such limited common elements are intended to be shown graphically on the Condominium Plot Plans attached hereto as Exhibit "C".

3.5 Common Elements. The common elements include the land and all the parts of the Condominium not within the office unit as defined in foregoing Section 3.4.

4. The Condominium Building.

4.1 Units. The office units in the condominium buildings are identified and briefly described in the plot plans attached hereto as Exhibit "C" and recorded in official records Book N/A, Pages N/A through N/A, Public Records of Brevard County, Florida.

4.2 Appurtenances to Each Unit. The owner of each office unit shall own a certain interest in the condominium property which is appurtenant to his office unit including, but not limited to, the following items:

(a) Automobile Parking Space. All parking spaces not conveyed by the Developer shall be considered part of the common elements of the Condominium.

(b) Common Elements. The undivided share in the land and other common elements which is appurtenant to each office unit, is shown more particularly in the schedule attached hereto as Exhibit "D".

(c) Association. Each office unit owner shall hold membership in the Association and an interest in the funds and assets held by the Association. Membership and voting rights of each office unit owner in the Association shall be acquired pursuant to the provisions of the Articles of Incorporation and Bylaws of the Association attached hereto as Exhibits "E" and "F" respectively.

(d) Leasehold Interest. Each office unit owner shall hold leasehold rights incident to condominium property described in the Land Lease Agreement attached hereto as Exhibit "B".

4.3 Liability for Common Expenses and Share of Common Surplus. Each office unit owner shall share the common expense and common surplus to the same extent as he shares in the common elements (Section 4.2(b) and Exhibit "D" attached hereto); however, this does not include the right to withdraw or require payment or distribution of the same. Provided, the Developer shall not be obligated to commence paying any common expense assessments to the Association with respect to the office units owned by the Developer for so long as Developer shall guarantee the level of assessments as more specifically set forth in Section 6.5 hereof.

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5. Maintenance, Alteration and Improvement. Responsibility for the maintenance of the condominium property and restrictions upon the alteration and improvement thereof shall be as follows:

5.1 Common Elements.

(a) By the Association. The maintenance and operation of the common elements shall be the responsibility of the Association and the expense associated therewith shall be designated as a common expense, other than those expenses specifically provided to be paid by the individual office unit owners in Section 5.2(b)(1) and 5.3 hereof.

(b) Alteration and Improvement. After the completion of the improvements, including the common elements contemplated by this Declaration, there shall be no alteration or further improvement of real property constituting the common elements without prior approval in writing by the owners of not less than sixty-six per cent (66%) of the common elements. Any such alteration or improvement shall not interfere with the rights of any office unit owners without their consent. The cost of such work shall not be assessed against a bank, life insurance company, savings and loan association, or other institutional first mortgagee that acquires its title as a result of owning a mortgage upon the office unit owned, unless such owner shall approve the alteration or improvement, and this shall be so whether the title is acquired by deed from the mortgagor or through foreclosure proceedings. The share of any cost not so assessed shall be assessed to other office unit owners in the proportion that their shares in the common elements bear to each other. There shall be no change in the shares and rights of office unit owners in the common elements altered or further improved, whether or not the office unit owner contributes to the cost of such alteration or improvements. This Paragraph shall have no application to the right vested in the Developer pursuant to the provisions of Paragraph 3.2 hereof.

5.2 Units.

(a) By Association. The Association shall maintain, repair and replace as a common expense:

(1) All portions of an office unit, except interior surfaces, contributing to the support of the condominium building.

(2) All conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services contained in the portions of an office unit maintained by the Association; and all such facilities contained within an office unit that services part or parts of the Condominium other than the office unit within which contained. This provision excludes from its coverage any air conditioning compressor facility and also any other facility for the furnishing of utility services now or hereafter installed outside any of the buildings and intended for the purpose of furnishing such utility services only to an individual office unit, which facility shall be maintained by and at the expense of the office unit owner.

(3) All incidental damage caused to an office unit by reason of the maintenance, repair and/or replacement which is the responsibility of the Association, and such damage shall be promptly repaired by the Association.

(b) By the Unit Owner. It shall be the responsibility of the office unit owner, but not be limited to:

(1) To maintain, repair and replace at his sole and personal expense, all doors, windows, glass, screens, front door, electric panels, electric wiring, electric outlets and fixtures, air conditioners, including air conditioning compressors and other related outside utility facilities referred to in Section 5.2(a)(2), heaters, hot water heaters, drains, plumbing fixtures and connections, interior surfaces of all walls, floors and ceilings, floor and wall coverings, intercoms, and all other portions of his office unit except the portions specifically to be maintained, repaired and replaced by the Association.

(2) Not to enclose, paint or otherwise decorate or change the appearance of any portion of the exterior of the condominium building.

(3) To promptly report to the Association any defect or need for repairs the responsibility for which is that of the Association.

(c) Alteration and Improvement. Subject to the other provisions of this Section 5.2 which in all cases shall supersede and have priority over the provisions of this subsection when in conflict therewith, an office unit owner may make such alterations or improvements to his office unit, at his sole and personal cost, as he may be advised, provided all work shall be done without disturbing the rights of other office unit owners, and further provided that an office unit owner shall make no changes or alterations to any interior boundary wall, exterior wall, balcony or patio, screening, exterior door, windows, structural or load bearing member, electrical service or plumbing service, without first obtaining approval in writing of owners of all other office units in such building and the approval of the Board of Directors of the Association. All alterations and improvements must be in compliance with all existing building codes. Provided, no alteration or improvement may be made without the written approval of the Board of Directors of the Association if such alteration or improvement may or would cause an increase in the cost of the insurance carried by the Association.

5.3 Limited Common Elements. The maintenance, repair and/or replacement of the limited common elements appurtenant to each office unit shall be the responsibility of the office unit owner. Furthermore, the office unit owner shall be responsible for day-to-day maintenance and cleaning of such limited common elements areas; provided, further, the maintenance, repair or replacement of such limited common elements which shall be necessary or as a result of the office unit owner making use of said areas in an abusive manner or in a manner other than that for which said areas were intended shall be the responsibility and expense of the office unit owner. If any owner fails to carry out or neglects the responsibilities set forth in this Article 5, the Association may fulfill the same and charge such owner therefor and such charge shall be a lien on the owner's office unit as provided below in Paragraph 6.3.

6. Assessments. The making and collection of assessments against office unit owners for common expenses and for reserves as may from time to time be established by the Association shall

be pursuant to the Bylaws and subject to the following provisions:

6.1 Share of Common Expenses. Each office unit owner shall be liable for a proportionate share of the common expense of the Association and shall share in the common surplus in the same proportion as his undivided interest in the common elements, as set forth in Section 4.2(b) hereof, but such right shall not vest or create in any office unit owner the right to withdraw or receive distribution of his share of the common surplus. Each assessment against an office unit together with interest, attorney's fees and costs of collection, shall be the personal obligation of the owner at the time the assessment fell due. Anything herein to the contrary notwithstanding, the Developer shall not be obligated to pay any common expense assessments to the Association notwithstanding the fact that the Developer is an owner of an office unit in a condominium during such period of time as Developer shall guarantee the level of assessments to be collected from other office unit owners, as provided in Section 6.5 hereof.

6.2 Payments. Assessments and installments thereon paid on or before three (3) days after the day when the same shall become due, shall not bear interest but all sums not so paid on or before three (3) days after the same is due shall bear interest until paid at the highest rate allowed by law. All payments on account shall be first applied to interest and then to the assessment payment first due. If any installment of an assessment remains unpaid fifteen (15) days after the same shall become due, the Board of Directors may declare the entire annual assessment, as to that delinquent owner, due and payable in full as if the entire amount was originally assessed.

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

6.4 Lessor's Lien on Condominium Parcel. The Lessor under the 54 year land lease shall have a lien on each condominium office unit for any unpaid portion of rent or other expenses in connection with the lease that is due from a unit owner whether or not the unit owner's share of the rent and other expenses has been assessed by the Association. The Association shall (and this is mandatory) make assessments for the purpose of permitting the Association to pay rental and taxes and other expenses in connection with the property covered by the 54 year land lease. The lien of the Lessor also shall secure a reasonable attorney's fee, which shall include fees for appellate representation incurred by the Lessor incident to the collection of the unpaid portion of the rent or other expenses or for the enforcement of the lien. Nothing need be recorded in the public records to perfect the Lessor's lien' provided, however, that the priority of the lien with reference only to the lien of a first mortgage held by an institutional lender (as defined in the lease) shall be effective only from and after the time of recording in the Public Records of Brevard County, Florida, of a claim of lien stating the description of the condominium parcel, the name of the record owner, the amount due and date when due. A Lessor's claim of lien shall include only the unpaid portion of the rent and expenses that are due and payable to the Lessor when the claim of lien is recorded. The Lessor's lien shall continue in effect until all sums secured by the lien shall have been fully paid. Upon full payment, the owner and the Association shall be entitled to a recordable satisfaction of the lien. All Lessor's liens shall be subordinate only to the lien of a first mortgage held by an institutional lender (as defined in the lease) recorded prior to the time of recording the claim of lien, and shall be superior to any other form of lien. If the holder of a prior institutional first mortgage shall accept and record a deed in lieu of foreclosure or obtain a certificate of title as the result of foreclosure, recording of the deed in lieu of foreclosure or certificate of title shall operate to release a subordinate claim of lien. The Lessor's liens may be foreclosed by an action brought in the name of the Lessor in like manner as a foreclosure of a mortgage on real property. In any such foreclosure, the unit owner shall be required to pay a reasonable rental for the entire condominium parcel and the Lessor shall be entitled to the appointment of a receiver to collect this rent. An action to recover a money judgment for the unpaid portion of rent and expenses due under the 54 year land lease may be maintained without waiving the Lessor's lien. The provisions of this subparagraph shall be construed as a covenant in favor of the Lessor, its successors and assigns, and may be enforced by it against the Association and each condominium parcel owner, their heirs, successors, representatives and assigns.

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6.5 Certain Mortgages Protected. Notwithstanding anything herein set forth to the contrary, any lien for an assessment set out in 6.4 above shall be junior, inferior and subordinate to any recorded mortgage held by an institutional first mortgagee regardless of when said assessment was due or notice thereof recorded, but not to any other mortgage recorded after the aforesaid notice of lien.

6.6 Assessments Not Paid by the Developer. The Developer shall be excused from the payment of its share of the common expenses in respect to the office units which it owns during the period of time that it shall guarantee the maximum level of assessments to be collected from other office unit owners. The Developer guarantees that the monthly installments upon the annual assessment for common expenses to be imposed upon office unit owners other than the Developer shall not increase over One Thousand Dollars ($1,000.00) until the Developer no longer holds any office units in the Condominium for sale in the ordinary course of business, or December 1, 1985, whichever occurs first. Developer hereby obligates itself to pay any amount of common expenses incurred during that period in excess of the amount collected as common expense assessments from other office unit owners. Developer reserves the right to extend this guarantee, at its option, subject to the approval of a majority of the office unit owners other than the Developer, beyond December 31, 1985. No expense called for or occasioned by an action or decision of the Board of Directors of the Association subsequent to the relinquishment of control of the Board by the Developer that is inconsistent with expenses preceding such relinquishment shall be covered by or included in this guarantee.

7. <u>Association</u>. The operation of the Condominium shall be by Merritt Island Condominium Association, Inc., a corporation not for profit under the laws of Florida, which shall fulfill its functions pursuant to the following provisions:

7.1 <u>Articles of Incorporation</u>. A copy of the Articles of Incorporation of the Association is attached as Exhibit "E". Article IV of the Articles of Incorporation sets out membership of office unit owners in the Association.

7.2 <u>Bylaws</u>. A copy of the Bylaws of the Association is attached as Exhibit "F". Section 2 of the Bylaws sets out membership and voting rights of office unit owners in the Association.

7.3 <u>Limitation upon Liability of Association</u>. Notwithstanding the duty of the Association to maintain and repair parts of the condominium property, the Association shall not be liable for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the Association, or caused by the elements or other owners or persons.

7.4 <u>Management</u>. The Association may contract with a professional management corporation or person for the management and maintenance of the Condominium and authorize the management agent to assist the Association in carrying out its powers and duties by performing such functions as the collection of assessments, leasing of units, preparation of records, enforcements of rules, and maintenance of the common elements. The Association shall, however, retain at all times the powers and duties granted them by the Condominium Act including, but not limited to, the making of assessments, promulgation of rules and execution of contracts on behalf of the Association.

7.5 <u>Notice to First Mortgagee</u>. A first mortgagee or an institutional mortgagee shall be entitled to written notification from the Association of any default in the performance by the office unit owner of the office unit encumbered by its mortgage of any obligation under this Declaration, the Association's Articles of Incorporation and Bylaws and any amendments thereto, which default is not cured within fifteen (15) days. A holder, insurer or guarantor of an institutional first mortgage, upon written request to the Association (such request to state the name and address of such holder, insurer or guarantor and the office unit number) will be entitled to timely written notice of:

(1) Any proposed amendment of the Condominium documents effecting a change in (i) the boundaries of any office unit or the exclusive easement rights appertaining thereto; (ii) the interests in the general or limited common elements appertaining to any office unit or the liability for common expense appertaining thereto; (iii) the number of votes in the Association appertaining to any office unit; (iv) the purposes to which any office unit or the common elements are restricted, or (v) those provisions relating to the matters described in Paragraphs 12.5(a) through (n);

(2) Any proposed termination of the Condominium regime;

(3) Any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects any office unit on which there is a first mortgage held, insured or guaranteed;

(4) Any delinquency in the payment of assessments or charges owed by an owner of an office unit subject to the mortgage of such holder, insurer or guarantor, where such delinquency has continued for a period of fifteen (15) days;

(5) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

7.6 <u>Books and Records</u>. The holders of first mortgages (including institutional first mortgagees, as defined in Paragraph 2.14 hereof) shall have the right to examine the books and records of the Association during normal business hours or under other reasonable circumstances and to require annual financial statements of the Association within ninety (90) days following the end of the fiscal year of the Association. Such mortgage holders shall also be entitled to, upon request, written notice of all Association meetings and shall be permitted to designate a representative to attend all such meetings. The Association shall, without charge and within a reasonable time, make available to office unit owners, prospective purchasers of an office unit, lenders and the holders, insurers and guarantors of the first mortgage on any office unit, current copies of this Declaration, the Bylaws and Articles of Incorporation of the Association, other rules governing the condominium and other books, records and financial statements of the Association, including audited an financial statement for the immediately preceding year if required by an institutional first mortgage.

7.7 <u>Restraint Upon Assignment of Shares in Assets</u>. The share of an office unit owner and the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the office unit.

8. <u>Insurance</u>. Insurance, other than title insurance which shall be carried upon the condominium property including but not limited to the leasehold property and the property of the office unit owners, shall be covered by the following provisions:

8.1 <u>Authority to Purchase</u>. The Association shall purchase insurance policies upon the condominium property ~~including but not limited to leasehold property~~ for the benefit of the Association, and in the case of insurance covering damage to the buildings and their appurtenances, also for the benefit of office unit owners and their mortgagees as their interests may appear and provisions shall be made for the issuance of certificates of insurance to office unit owners or purchasers and certificates of mortgagee endorsements to the mortgagees of office units. ~~Provided however, that policies covering the leasehold property will be payable and held in accordance with the provisions of the fifty-four year land lease. Furthermore, one copy of each insurance policy and of all endorsements on it covering the leasehold property shall be delivered to such lessor.~~ Such policies and endorsements thereon shall be deposited with the Insurance Trustee. The Association shall use generally acceptable insurance carriers. It shall not be the responsibility or duty of the Association to obtai[n] insurance coverage upon the personal liability, personal property or living expenses of any office unit owner but the office unit owner may obtain such insurance at his own expense provided such insurance may not be of a nature to affect policies purchased by the Association. Unit owners shall furnish the Association with copies of all insurance policies obtained by them. All such insurance purchased must be approved by the Lessor of the fifty-four year land lease as it relates to the leasehold property.

8.2 Coverage.

(a) Casualty. All buildings and improvements upon the land ~~and the leasehold property~~ and all personal property included in the common elements and leasehold property shall be insured in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, as determined by the Board of Directors of the Association. Such determination of replacement value shall be made annually by such means as the Board of Directors adopts and insurance increased accordingly. If obtainable, the policy of insurance shall provide that it may not be cancelled or substantially modified without at least ten (10) days' prior written notice to the Association and to each first mortgagee listed as a scheduled holder of a first mortgage in the policy. The policy must provide for recognition of any Insurance Trustee Agreement, and must include an "Agreed Amount Endorsement" and "Inflation Guard Endorsement", if available. Such coverage shall afford protection against:

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

(2) Such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use as the buildings on the land including, but not limited to, vandalism, malicious mischief, and perils covered by the standard "all risk" endorsement, if available.

(3) If appropriate and possible, the policies shall waive the insurer's right to:

(i) subrogation against the Association and against the office unit owners individually and as a group;

(ii) the pro rata clause that reserves to the insurers the right to pay only a fraction of any loss if other insurance carriers have issued coverage upon the same risk; and

(iii) avoid liability for a loss that is caused by an act or neglect of the Board of Directors of the Association, or by a member of the Board of Directors of the Association or by one or more office unit owner.

(b) Public Liability. Comprehensive general liability insurance shall be procured by the Association in such amounts and such coverage as may be required by the Board of Directors of the Association, covering all the common elements including the leasehold property; provided, however, such coverage shall be for at least $1,000,000 for bodily injury, including deaths of persons, and property damage arising out of a single occurrence. The policy or policies shall also contain a cross liability endorsement to cover liabilities of the office unit owners as a group to an office unit owner. Coverage shall include, without limitation, legal liability of the insureds for bodily injury and death of persons in connection with the operation, maintenance or use of the common elements, and legal liability arising out of lawsuits related to employment contracts of the Association. Such policies must provide that they may not be cancelled or substantially modified without at least ten (10) days' notice to the Association and each scheduled first mortgagee, if possible.

(c) Workmen's Compensation Policy. To meet the requirements of law.

(d) Fidelity Bonds. Fidelity Bonds in a principal sum of not less than $10,000 shall be maintained providing coverage against dishonest acts by the Association's officers, directors, trustees and employees, and all others who are responsible for handling funds of the Association.

(e) Flood Insurance. If necessary, in such amounts deemed appropriate by the Association but not less than the lesser of: (i) the maximum coverage available under the National Flood Insurance Program (NFIP) for all condominium buildings and other insurable condominium property within an area designated by the Secretary of Housing and Urban Development as having special flood hazards; or (ii) one hundred percent (100%) of current "replacement costs" of all such buildings and other insurable property within a special flood hazard area.

(f) Other. Such other insurance as the Board of Directors of the Association shall determine from time to time to be desirable or as required by applicable law.

8.3 Premiums. Premiums for insurance shall be a common expense. Premiums shall be paid by the Association, except that the amount of the increase in the premiums occasioned by misuse or abandonment of an office unit or its appurtenances or of the common elements by an office unit owner shall be assessed against and paid by that office unit owner.

8.4 Insurance Trustee Share of Proceeds. All insurance policies purchased by the Association shall be for the use and benefit of the Association and the office unit owners and their mortgagees ~~and the Lessor under the fifty-four year land lease~~ as their interests may appear and shall provide that all proceeds covering property losses shall be paid to the Association or to an Insurance Trustee, if one has been designated, being an institution having offices in Brevard County, Florida, or such other location as the Board of Directors might agree upon, and possessing trust powers as may from time to time be approved by the Board of Directors of the Association, which trustee is herein referred to as "Insurance Trustee". The duty of any Insurance Trustee shall be to receive such proceeds as are paid and hold the same in trust for the purposes elsewhere stated herein and for the benefit of the office unit owners and their mortgagees in the following shares but which shares need not be set forth on the records of the Insurance Trustee. ~~Provided, however, proceeds of insurance covering the leasehold~~

~~property shall be paid as provided in the fiftyfour year land lease.~~ If appointed, the Insurance Trustee shall have exclusive authority to negotiate losses under any policy providing property or liability insurance coverage and to perform such other functions as are necessary to accomplish this purpose, and as agent for the Association and the office unit owners.

(a) Common Elements. Proceeds on account of damage to common elements shall be held in undivided shares for each office unit owner of the Condominium, each owner's share being the same as his undivided share in the common elements appurtenant to his office unit.

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

(1) When the office units are to be restored, for the owners of damaged office units in proportion to the cost of repairing the damage suffered by each office unit owner, which cost shall be determined by the Board of Directors of the Association.

(2) When the office units are not to be restored, for the owners of such office units in undivided shares in proportion to the respective shares in the common elements appurtenant to such office units.

(c) Mortgagees. In the event a mortgagee endorsement has been issued as to an office unit, the share of an office unit owner shall be held in trust for the mortgagee and the office unit owner as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired except as provided in 9.1(b). No mortgagee shall have any right to apply or have applied to the reduction of the mortgage debt any insurance proceeds, except distribution of such proceeds made to the office unit owner and mortgagee pursuant to the provisions of this Declaration. Notwithstanding the foregoing, the mortgagee shall have the right to apply or have applied to the reduction of its mortgage debt any or all sums of insurance proceeds applicable to its mortgaged office unit in any of the following events:

(1) its mortgage is not in good standing and is in default.

(2) insurance proceeds are insufficient to restore or repair the building to the condition existing prior to the loss and if additional monies are not available for such purposes.

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

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

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

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

(d) Certificate. In making distribution to office unit owners and their mortgages, the Insurance Trustee may rely upon a Certificate of the Association made by its President and Secretary or by the Association's managing agent as to the names of office unit owners and their respective shares of the distribution.

8.6 Association as Agent. The Association is hereby irrevocably appointed Agent for each office unit owner and for each owner of any other interest in the condominium property, for the purpose of empowering the Association to negotiate and adjust all claims arising under the insurance policies purchased by the Association and to execute and deliver releases on behalf of such office unit owner upon payment of a claim.

8.7 Benefit of Mortgagees and Lessor. Certain provisions of this Section 8 entitled "Insurance" are for the benefit of mortgagees of condominium parcels and the ~~lessor~~ Association ~~under the fifty-four year land lease~~, and all those provisions are covenants for the benefit of any Mortgagee of a unit and the ~~lessee~~ association and may be enforced by a Mortgagee or the ~~Lessor~~ association.

9. Reconstruction or Repair After Casualty.

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

(a) Common Elements. If the damaged improvement is a common element, the same shall be reconstructed or repaired unless the damages to such common element extend to office units in which case the provisions relative to reconstruction, and repair of office units and common elements, as hereinbelow provided, shall pertain.

(b) Units and Common Elements. If the damaged improvement includes an office unit and common elements then the improvement shall be reconstructed and repaired unless seventy-five percent (75%) of the owners of all office units and all owners of damaged office units, and sixty-six percent (66%) of all institutional mortgagees upon office units shall within sixty (60) days after casualty agree, in writing, that the same shall not be reconstructed or repaired.

(c) Certificate. The Insurance Trustee may rely upon a Certificate of the Association made by its President and Secretary or authorized agent to determine whether or not the office unit owners and mortgages, where so provided, have made a decision whether or not to reconstruct or repair.

9.2 Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications of the original improvements unless the approval

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of institutional first mortgagees on office units to which at least fifty-one percent (51%) of the votes of office units subject to institutional first mortgages are allocated are obtained. If not to be so reconstructed or repaired, then the construction or repair shall be according to plans and specifications approved by the Board of Directors of the Association which shall be of similar kind and quality as the original plans and specifications, and if the damaged property is a condominium building, by the owners of all damaged office units therein and the mortgagees holding first mortgages on the damaged office units, which approval shall not be unreasonably withheld.

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

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

9.5 Assessments for Reconstruction and Repair. If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction and repair by the Association, or if at any time during reconstruction and repair or upon completion of reconstruction and repair, the funds for payment of the cost of reconstruction and repair are insufficient, assessments shall be made against all office unit owners in sufficient amounts to provide funds for the payment of such costs. Such assessments shall be in proportion to the owner's share in the common elements.

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

(a) Association. If the total of assessments made by the Association in order to provide funds for the payment of reconstruction and repair which is the responsibility of the Association is more than $10,000.00, then the sums paid upon such assessments shall be deposited by the Association with the Insurance Trustee, if one has been designated. In all other cases, the Association shall hold the sums paid upon such assessments and shall disburse the same in payment of the costs of reconstruction and repair.

(b) Disbursements. The proceeds of insurance collected on account of a casualty and the sums received by the Association from collection of assessments against office unit owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner:

(1) Unit Owner - The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with an office unit owner shall be paid by the Association or the Insurance Trustee to the office unit owner or, if there is a mortgage endorsement as to such office unit, then to the

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office unit owner and the mortgagee jointly, who may use such proceeds as they may be advised.

(2) Association - Lesser Damage - If the amount of the estimated cost of reconstruction and repair which is the responsibility of the Association is less than $10,000.00, then the construction fund shall be disbursed in payment of such costs upon the order of the Association.

(3) Association - Major Damage - If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is equal to or greater than $10,000, then the construction fund shall be disbursed in payment of such costs in the manner required by the Board of Directors of the Association and upon approval of an architect qualified to practice in Florida and employed by the Association to supervise the work.

(4) Surplus - It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the office unit owners in proportion to the owner's share in the common elements; but reduced by the amount of any unpaid assessments against such office unit owner.

(5) Certificate - Notwithstanding the provisions herein, an Insurance Trustee shall not be required to determine whether or not sums paid by office unit owners upon assessments shall be deposited by the Association with the Insurance Trustee, nor to determine whether the disbursements from the construction fund are to be upon the order of the Association or upon approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund, nor to determine whether surplus funds to be distributed are less than the assessments paid by owners, nor to determine any other fact or matter relating to its duties hereunder. Instead, the Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary or the Association's managing agent as to any or all of such matters and stating that the sums to be paid are due and properly payable and stating the name of the payee and the amount to be paid; provided that when a mortgagee is herein required to be named as payee, the Insurance Trustee shall also name the mortgagee as payee, and further provided that when the Association, or a mortgagee which is the beneficiary of an insurance policy the proceeds of which are included in the construction fund, so requires, the approval of an architect named by the Association shall be first obtained by the Association.

9.7 Notice to Mortgage Holders. The Association shall provide written notice to first mortgage holders on any office units within the Condominium of any substantial damage to any office units, buildings or common elements. This written notice shall be provided within fifteen (15) days from the date of discovery of such damage.

9.8 Condemnation. In the event that any office unit of the condominium or any portion thereof, or the common elements or any portion thereof, shall be made the subject of any condemnation or eminent domain proceeding or as otherwise sought to be acquired by condemning authority, then any holder of a first mortgage on an office unit will be entitled to a timely

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written notice of any such proceeding or proposed acquisition. The priority of the first mortgagee of the condominium office unit pursuant to its mortgage shall not be disturbed with respect to distribution of the proceeds of any award or settlement for losses to or taking of condominium office units and/or common elements.

The taking of condominium property by condemnation shall be deemed to be a casualty and the awards for that taking shall be deeded to be proceeds from insurance on account of the casualty and shall be deposited with the Insurance Trustee if there be one, otherwise with the Association. The issue of whether or not to reconstruct after condemnation shall be controlled by the provisions of Paragraph 9.1. Even though the awards may be payable to office unit owners, the office unit owners shall deposit the awards with the Insurance Trustee or Association and in the event of failure to do so, in the discretion of the Board of Directors of the Association, a special assessment may be made against the defaulting office unit owner in the amount of his award plus any costs and reasonable attorney's fees incurred by the Association.

The Association shall represent the office unit owners in the condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the common elements, or part thereof, by the condemning authority. Each office unit owner appoints the Association as its attorney-in-fact for the foregoing purposes.

10. Use Restrictions. The use of the condominium property shall be in accordance with the following provisions as long as the Condominium exists and the condominium buildings in useful condition exist upon the land.

10.1 Common Elements. The common elements shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the use by the office units.

10.2 Leasing. Units may not be leased for a term of less than one (1) month, unless said office unit is owned by the Developer, but in no event shall an office unit be leased by Developer for any other office unit owner for any period which is shorter than one (1) month. The lease of an office unit shall not discharge the owner thereof from compliance with any of his obligations and duties as an office unit owner. All of the provisions of this Declaration, the Articles of Incorporation and Bylaws, and the Rules and Regulations of the Association pertaining to use and occupancy shall be applicable and enforceable against any person or corporation occupying an office unit as a tenant to the same extent as against an office unit owner, and a covenant upon the part of each such tenant to abide by the Rules and Regulations of the Association, and the terms and provisions of the Declaration, Articles of Incorporation and Bylaws, and designating the Association as the office unit owner's agent for the purpose of and with the authority to terminate any such lease agreement in the event of violation by the tenant of such covenant shall be an essential element of any such lease or tenant agreement whether specifically expressed in such an agreement or not.

10.3 Nuisances. No nuisances shall be allowed to exist upon the condominium property, nor shall any use or practice which is the source of annoyance to office unit owners or which interferes with the peaceful possession and proper use of the property by its unit owners be allowed. All parts of the condominium property shall be kept in a clean and sanitary condition, and no rubbish, refuse, or garbage shall be allowed to accumulate, nor shall any fire hazard be allowed to exist.

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No office unit owner shall permit any use of his office unit or make any use of the common elements that will increase the cost of insurance upon the condominium property above that required when an office unit is used for the approved purposes. No immoral, improper, offensive or unlawful use shall be made of the condominium property nor any part of it.

10.4 Antennas. No exterior antennas of any type shall be permitted or used upon the condominium property except except without the prior written consent of the Association.

10.5 Regulations. Reasonable Regulations concerning the use of the condominium property may be made and amended from time to time by the Association in the manner provided by its Articles of Incorporation and Bylaws. Copies of such Regulations and amendments thereto shall be furnished by the Association to all office unit owners and residents of the Condominium.

10.6 Developers Use. As otherwise provided herein, until such time as the Developer has completed all of the contemplated improvements and has sold all of the office units contained within the condominium property, neither the office unit owners nor the Association, nor their use of the condominium property shall interfere with the completion of the contemplated improvements or sale of said office units. The Developer may make such use of the unsold office units and the common elements as may facilitate such completion and sale including, but not limited to, maintenance of a sales office in an unsold office unit or in a portion of the common elements, at the Developer's discretion, display of sales signs, leasing said office units and showing the office units for sale to prospective purchasers. Until completion and sale of all the office units by the Developer, no "For Sale" or "Lease" sign may be displayed upon the condominium property without the consent of the Developer.

See amended language

10.7 Professional Use Restriction. Each unit shall be occupied only for professional businesses as determined in the sole discretion of the Developer, until all units of the condominium are sold. After such time that all units are sold, the Association shall have such sole discretion as to what constitutes a professional business.

11. Purchase of Units by Association. The Association shall have the power to purchase office units, subject to the following provisions:

11.1 Decision. The decision of the Association to purchase an office unit shall be made by its Directors, without approval of its membership except as elsewhere provided in this section.

11.2 Limitation. If at any one time the Association be the owner or agreed purchaser of three (3) or more office units, it may not purchase any additional office units without the prior written approval of sixty-six percent (66%) of the members eligible to vote thereon. A member whose office unit is the subject matter of the proposed purchase shall be ineligible to vote thereon. Provided, however, that the foregoing limitation shall not apply to office units to be purchased at public sale resulting from a foreclosure of the Association's lien for delinquent assessments where the bid of the Association does not exceed the amount found due the Association, or to be acquired by the Association in lieu of foreclosure of such lien if the consideration therefor does not exceed the cancellation of such lien.

12. Compliance and Default. Each office unit owner shall be governed by and shall comply with the terms of this Declaration, the Bylaws and the Rules and Regulations adopted pursuant thereto, and Management Agreement, and said documents as they may be amended from time to time. Failure of the office unit owner to comply therewith shall entitle the Association or other office unit owners to the following relief in addition to other remedies provided in this Declaration and the Condominium Act:

12.1 Enforcement. The Association and Manager are hereby empowered to enforce this Declaration and the Rules and Regulations of the Association. The Association, and its agents or employees, are granted a right of entry thereupon to effect other repairs, improvements, replacements or maintenance as necessary.

12.2 Negligence. A office 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, his lessees, or his or their guests, invitees, employees, or agents, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of an office unit or its appurtenances, or of the common elements or of the limited common elements.

12.3 Action by Unit Owner. Any aggrieved office unit owner shall have and is hereby granted a right of action at law or in equity against the office unit owners and the Association for failure to comply with the provisions of this Declaration, the Bylaws, other condominium documents, or the decisions of the Association made pursuant to authority granted it by the condominium documents.

12.4 Costs and Attorneys' Fees. In any proceeding arising because of an alleged failure of an office unit owner to comply with the terms of the Declaration, Bylaws, Management Agreement and Rules and Regulations adopted pursuant thereto, and said documents as they may be amended from time to time, the prevailing party shall be entitled to recover the cost of the proceeding and such reasonable attorneys' fees as may be awarded by the court, including costs and attorneys' fees for any appellate proceeding; provided no attorneys' fees may be recovered against the Association in any such action.

12.5 No Waiver of Rights. The failure of the Developer, or the Association, or any office unit owner to enforce any covenant, restriction or other provisions of the Condominium Act, this Declaration, the Bylaws, or the Rules and Regulations adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter.

13. Amendments. Subject to the other provisions of the Declaration relative to amendment, this Declaration and the Articles of Incorporation and Bylaws of the Association may be amended in the following manner:

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

13.2 Resolution. An amendment may be proposed by either the Board of Directors or by fifty percent (50%) of the members of the Association. A resolution adopting a proposed amendment must bear the approval of not less than a majority of the Board of Directors and fifty percent (50%) of the members of the Association. Directors and members not present at the meetings considering the amendment may express their approval, in writing, delivered to the Secretary before such meetings. Such amendment shall be effective when recorded in the Public Records of Brevard County, Florida.

13.3 Agreement. In the alternative, an amendment may be made by an agreement signed and acknowledged by all of the record owners of office units in the condominium in the manner required for the execution of a deed, and such amendment shall be effective when recorded in the Public Records of Brevard County, Florida.

13.4 Exception. Anything herein to the contrary notwithstanding, for so long as the Developer shall hold fee simple title to any office unit, the Developer may amend this Declaration of Condominium including, but not limited to, an amendment that will combine two or more office units owned by Developer, or any amendment required by a governmental agency or an institutional mortgagee willing to make or purchase permanent mortgage loans secured by office units, by recording such amendment in the Public Records of Brevard County, Florida, and such amendment shall be effective without the necessity of a meeting of the office unit owners or the approval and joinder of any office unit owner, or the joinder of the owner and holder of any lien thereon. Provided, such amendment shall not increase the number of condominium office units nor alter the boundaries of the common elements, nor shall such amendment adversely affect the lien or priority of any institutional first mortgage recorded prior to the amendment.

13.5 Proviso. Provided, however, that no amendment shall discriminate against any office unit owner nor against any office unit or class or group of office unit owners or office units unless the office unit owners so affected and their first mortgagees shall consent. Any amendment which shall change or subdivide any office unit or the share in the common elements, and other of its appurtenances or increase the owner's share of the common expenses shall require approval in writing of sixty-six percent (66%) of the office unit owners other than the Developer and shall further require written approval by the owner of the office unit concerned and written approval of all of the first mortgagees of the office units affected, said approval to be evidenced by joinder in the execution of the amendment. An amendment of this Declaration shall not make any change in Sections 8 or 9 unless the record owners of all mortgages upon office units in the Condominium shall join in the execution of the amendment. Unless all of the mortgagees and sixty-six percent (66%) of the owners other than the Developer have given their prior written approval, the Association shall not by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the common elements. The granting of easements for public utilities or for other public purposes consistent with the intended use of the common elements by the Condominium shall not be deemed a transfer within the meaning of this clause. Further, no amendment shall make any change in any provision herein relating specifically to the Developer (including, but not limited to Sections 3.2(a) through (d), 4.3, 6.5, 12.4 and this Section) without Developer's written consent and joinder in the execution of said amendment. Anything in this Declaration to the contrary notwithstanding, the consent of sixty-six percent (51%) of the office unit owners and the approval of mortgagees of office units which have at least fifty-one percent (51%) of the votes of office units subject to institutional first mortgages shall be required to add or materially amend any provision of the Condominium documents which establish, govern or regulate:

(a) voting;

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(b) assessments, assessment liens or subordination of such liens;

(c) reserves for maintenance, repair and replacement of the common elements;

(d) leasing of office units;

(e) imposition of any right of first refusal or similar restriction on the right of the estate owner to sell, transfer, or otherwise convey his office unit;

(f) insurance or fidelity bonds;

(g) rights to use of the common elements;

(h) responsibility for maintenance and repair of the several portions of the condominium;

(i) expansion or contraction of the condominium regime or the addition, annexation or withdrawal of property to or from the regime;

(j) boundaries of any office unit;

(k) the interests in the general or limited common elements;

(l) convertibility of office units into common elements or of common elements into office units;

(m) establishment of self-management by the Association where professional management has been required by any insurer or guarantor of an institutional first mortgage; and

(n) any provisions which are for the express benefit of mortgage holders, or guarantors of first mortgages on office unit.

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

14. Termination. The Condominium may be terminated or abandoned in the following manner:

14.1 Agreement. The Condominium may be terminated or abandoned at any time by approval, in writing, of all of the owners of the Condominium and by all record owners of mortgages upon office units therein.

14.2 Total Destruction of the Condominium Building. If all the condominium buildings as a result of common casualty be damaged within the meaning of 9.1 and it not be decided as therein provided that such buildings shall be reconstructed or repaired, the condominium form of ownership will thereby terminate without agreement and the following shall be effective: The owners of the common elements shall thereupon be the owners, as tenants in common, of the condominium property and the assets of the Association. The shares of such tenants in common shall be the same as were their shares of the common elements.

14.3 General Provisions. Upon termination of the Condominium, the mortgagees and lienors of office unit owners who shall thereby become tenants in common, shall have a mortgage and lien solely and exclusively upon the undivided share of such tenancy in common in and to the lands and other properties and rights which they may receive by reason of such termination or exclusion as subject to the fifty-four year land lease. The termination of the Condominium shall be evidenced by a certificate of the Association executed by its President and Secretary certifying as to facts affecting the termination, which certificate shall become effective upon being recorded in the Public Records of Brevard County, Florida. Furthermore, no amendment shall be valid that shall attempt to change the obligations of the Association and units owners under the fifty-four year land lease or the provisions of this Declaration relative thereto unless the holder of the Lessor's interest under the fifty-four year land lease shall join in the execution of the amendment.

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

15. Covenants with Land. All provisions of the condominium documents are covenants running with the land and every part of and interest in it. Every unit owner of and claimant against the land or an interest in it and his heirs, personal representatives, successors and assigns is bound by the condominium documents.

16. Severability. The invalidity in whole or in part of any covenant or restriction or any section, subsection, sentence, clause, phrase or word or other provision of this Declaration, the Bylaws, the Rules and Regulations of the Association, and any exhibits attached hereto, shall not affect the remaining portions thereof.

?

17. Reservation of Leasehold Interest. The Developer and the fee simple owner have heretofore entered into a fifty-four year land lease as mentioned above, and said lease is dated the 15 day of FEBRUARY, 1985, and recorded in O.R. Book 1591, Page 1545, Public Records of Brevard County, Florida, which lease began on the 15 day of FEBRUARY, 1985, and which will terminate on the 14 day of FEBRUARY, 2039, herein referred to as the fifty-four year land lease or land lease, and it is specifically stated and understood, that the leasehold interest of the Developer, in and to the condominium property is not destroyed by this Declaration of Condominium, and by virtue of this Declaration, the Developer retains its leasehold estate in each of the condominium office units in this condominium, and therefore, the fee simple ownership of a condominium office unit is held by the office unit owner, and subject to the leasehold interest being governed by the terms of this Declaration, and the terms of the aforesaid land lease.

added

17.1 Right to Sell. The Developer does hereby have the right to sell all of its right, title and interest in and to the leasehold interest in each condominium office unit in this condominium, and each purchaser of said leasehold interest shall, by the acceptance of said transfer, assume and agree to pay, subject to the terms of this Declaration, the proportionate share of the rentals due under the land lease, based on the percentage of common expense attributable to each office unit and the purchaser of said leasehold interest from the Developer shall, by the acceptance of his interest, agree to abide by all of the terms and conditions of this Declaration.

delete

18. Acceptance of Land Lease. Each office unit owner, his heirs, successors and assigns, shall be bound by the fifty-four year land lease to the same extent and effect as if he had executed said Lease for the purposes herein expressed, including

but not limited to (a) adopting, ratifying, confirming and consenting to the execution of said fifty-four year land lease by the Association; (b) covenanting and promising to perform each and every of the covenants, promises and undertakings to be performed by the office unit owners in the cases provided thereof in said contract; (c) ratifying, confirming and approving each and every provision of said fifty-four year land lease and acknowledging that all of the terms and provisions thereof, are reasonable; and (d) agreeing that the persons acting as Directors and Officers of the Association entering into such agreement have not breached any of their duties, responsibilities or obligations to Association by the entering into of said agreement.

deleted

19. Original Board of Directors. It is specifically recognized that one or all of the persons comprising the original Board of Directors and the Officers of Association are owners of some or all of the stock of the Developer and that such circumstance shall not and can not be construed or considered as a breach of their duties and obligations to the Association, nor as possible grounds to invalidate the fifty-four year land lease in whole or in part.

deleted

20. Ratification. The long term land lease, each and every provision thereof and the acts of the Board of Directors and Officers of Association entering into such agreement be and the same are hereby ratified, confirmed, approved and adopted.

deleted

21. Subject to Lease. Each office unit owner acknowledges that his office unit interest is subject to the lien of the Lessor under the fifty-four year land lease.

deleted

22. Limitation of Responsibility. It is specifically understood and agreed that the office unit owner shall be responsible for only his percentage of the payments due under the fifty-four year land lease and the default in the payment of sums due under the same by other office unit owners shall not affect, in any manner, the interest of the nondefaulting office unit owner.

deleted

23. Lien Priority. In order to secure performance under the fifty-four year land lease, various lien rights have been established. The purpose of this paragraph is to set forth the priority of said liens in the event a question pertaining to this should arise in the future. The lien of the Lessor under the long term lease shall be superior in dignity to the lien of any lien the Association files hereunder as to a particular office unit interest.

deleted

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IN WITNESS WHEREOF, the Developer has executed this Declaration the day and year first above written.

Signed, Sealed and Delivered in the Presence of:

MERRITT ISLAND PROFESSIONAL CENTER, INC.

Wendy Bozat

By: Floyd L. Brandon
FLOYD BRANDON, President

Shirley Ingram

STATE OF FLORIDA
COUNTY OF BREVARD

BEFORE ME, the undersigned authority, personally appeared Floyd Brandon, President, MERRITT ISLAND PROFESSIONAL CENTER, INC., the Florida corporation named in the foregoing instrument, who executed same for the purposes therein intended.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 15 day of February 1985.

Commission Expires: 1/24/87

[illegible]
Notary Public
State of Florida at Large

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EXHIBIT "A"

A parcel of land lying in the Northwest ¼ of Section 14, Township 24 South, Range 36 East, Brevard County, Florida, being more particularly described as foll[illegible]:

Commence at the Northwest Corner of said Section 14, and run S. 00°03'29" E. along the West line of said Section 14, a distance of 542.26 feet; thence run N. 89°47'15" E., a distance of 350.00 feet; thence run S. 00°03'29" E., parallel with said West line of Section 14, a distance of 250.00 feet' thence run N. 89°47'15" E., a distance of 189.77 feet to the Point-of-Beginning; thence continue N. 89°47'15" E., a distance of 395.24 feet to a point on the Westerly Right-of-Way line of State Road No. 3(a 100 foot Right-of-Way as presently located); thence run S. 04°26'45" E., along said Westerly Right-of-Way line of State Road No. 3, a distance of 200.00 feet to an intersection with the North Right-of-Way of Venetian Way (a 75.00 foot Right-of-Way) as shown on the Plat of the Villas at Indian River, said plat recorded in Plat Book 24, pages 84 and 85 of the Public Records of Brevard County, Florida; thence run S. 89°47'15" W., along said North Right-of-Way line, a distance of 410.00 feet; thence run N. 00°12'45" W., a distance of 199.45 feet to the Point-of-Beginning.