

THE VILLAS AT SOMERSET CONDOMINIUM

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

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

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

SUMMARY

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

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

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

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

THIS CONDOMINIUM IS CREATED AND IS SOLD AS FEE SIMPLE INTEREST.

MEMBERSHIP IN A CONDOMINIUM ASSOCIATION IS REQUIRED OF UNIT OWNERS BY VIRTUE OF A DECLARATION OF RESTRICTIONS RECORDED IN OFFICIAL RECORDS BOOK _____, PAGES _____ THROUGH _____ INCLUSIVE, AND ANY AMENDMENTS THERETO, PUBLIC RECORDS OF OSCEOLA COUNTY, FLORIDA.

UNIT OWNERS ARE REQUIRED TO PAY THEIR SHARE OF THE COSTS AND EXPENSES OF OPERATION, MAINTENANCE, MANAGEMENT, UPKEEP, REPAIR AND REPLACEMENT OF THE COMMONLY USED FACILITIES IN ACCORDANCE WITH THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS.

THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING DUE FOR THE USE, MAINTENANCE, MANAGEMENT, UPKEEP, REPAIR OR REPLACEMENT OF THE COMMONLY USED FACILITIES. THE UNIT OWNER'S FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN.

THERE IS A CONTRACT FOR THE MANAGEMENT OF THE CONDOMINIUM PROPERTY WITH COMPLETE INTERIORS, INC.

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

THE DEVELOPER'S PRINCIPAL PLAN IS TO SELL UNITS AND TO TRANSFER FEE SIMPLE TITLE TO THE PURCHASERS THEREOF; HOWEVER, THE DEVELOPER RESERVES THE RIGHT TO LEASE UNITS.

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

THE STATEMENTS SET FORTH ABOVE ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES AS WELL AS THE ENTIRE SET OF DISCLOSURE MATERIALS AND HIS CONTRACT OR PURCHASE AGREEMENT. ALL DISCLOSURE MATERIALS CONTRACT DOCUMENTS AND BROCHURE MATERIALS ARE IMPORTANT LEGAL DOCUMENTS AND IF NOT UNDERSTOOD, PROSPECTIVE PURCHASER SHOULD SEEK LEGAL ADVICE.

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OF
THE VILLAS AT SOMERSET CONDOMINIUM

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IN/PA/E

THE VILLAS AT SOMERSET
General Information

A. Name and Location.

The name of the Condominium is The Villas at Somerset Condominium. The location of the Condominium is fully set forth in the legal description contained in Exhibit "A" to the Declaration of Condominium and which the street location shall be Poinciana Boulevard in Osceola County, Florida.

B. Description of Condominium, Buildings and Units.

1. Generally. The Villas at Somerset Condominium, when completed, will consist of one hundred ninety (190) Units in aggregate. The Condominium shall contain nineteen (19) buildings two (2) of which shall contain fourteen (14) Units, six (6) of which shall contain twelve (12) Units, three (3) of which shall contain ten (10) Units, seven (7) of which shall contain eight (8) Units, and one (1) of which shall contain four (4) Units. One hundred seventy (170) Units will contain three (3) bedrooms and two (2) bathrooms. Twenty (20) Units will contain two (2) bedrooms and two (2) bathrooms. The condominium shall be developed in one (1) phase. The Developer shall furnish one (1) stove in each of the one hundred ninety (190) units to be included in the purchase price. No personal property shall be provided by the Developer in any common areas.

2. Location of survey. The units are identified by letters and the buildings are identified by numbers shown in squares on the survey Exhibit, said Exhibit being Exhibit "B".

3. Completion Date. It is estimated by the Developer that the latest date of completion for the sale and closing of the one hundred ninety (190) Condominium Units in the Condominium is December of 1991.

C. Interest Conveyed.

INTEREST THE CONDOMINIUM IS CREATED AND BEING SOLD AS FEE SIMPLE

D. Condominium Association Recreation Facilities.

1. Assessments. All assessments made against Unit Owners in the Condominium are common expenses of the Condominium and will be assessed by the Condominium Association against the Unit Owners in proportion to their ownership of common elements and common expenses as set forth in the Declaration. The Condominium Association has lien rights against the Units in the Condominium in the event of non-payment of assessments made by the Condominium Association.

2. Description of Facilities Which are to be Built. The facilities which are to be built are as follows:

(a) Swimming pool and Spa The pool is not heated. It shall contain approximately 30,000 gallons of water with a 75 person capacity. The spa is heated and shall contain approximately 700 gallons of water with a 9 person capacity. The pool will vary in depth from 3' to 7 1/2'. The deck area will be approximately 3,000 square feet with a 80 person capacity.

(b) Recreation building There will be a recreation building that will contain approximately 2159 square feet.

(c) Tennis court There will be a double tennis court of approximately 7200 square feet with the dimensions of 60' x 120'.

(d) Irrigation Facilities. The irrigation facilities will provide irrigation service to selected common area of the Condominium.

(e) Roadway. The access road for this condominium is privately owned and maintained by the condominium association.

UNIT OWNERS ARE REQUIRED TO PAY THEIR SHARE OF THE COSTS AND EXPENSES OF OPERATION, MAINTENANCE, MANAGEMENT, UPKEEP, REPAIR AND REPLACEMENT OF THE COMMONLY USED FACILITIES IN ACCORDANCE WITH THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

4. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING DUE FOR THE USE, MAINTENANCE, MANAGEMENT, UPKEEP, REPAIR OR REPLACEMENT OF THE COMMONLY USED FACILITIES. THE UNIT OWNER'S FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN.

E. Lease of units.

THE DEVELOPER'S PRINCIPAL PLAN IS TO SELL UNITS AND TO TRANSFER FEE SIMPLE TITLE TO THE PURCHASERS THEREOF; HOWEVER, THE DEVELOPER RESERVES THE RIGHT TO LEASE UNITS.

F. Management of the Association and Maintenance and Operation of the Condominium.

Developer has entered into a Management Agreement with Complete Interiors, Inc., whereby the Management Company will have the exclusive right to manage the Condominium pursuant to the Declaration of Condominium and other applicable documents contained in this Prospectus. Pursuant to that Agreement, the Management Company will assume the ministerial functions of the management and operational duties of the Association and will hire and supervise all persons necessary to maintain and operate the Condominium, repair and maintain the property, enter into contracts for services, maintain the Association's financial books, records and accounts and take all action that may be necessary to comply with the laws and regulations of the appropriate governmental authorities. The Management Agreement is for an initial term of one (1) year. The Management Agreement may be terminated by either party upon thirty (30) days written notice. The services shall be the customary services rendered by a condominium management company. As compensation for its services, the Management Company will receive a fee of \$6.00 per month for each completed unit. \$89.00 will initially be assessed monthly to each Unit Owner. The Developer will pay the "Deficiency" as described in Paragraph 4.3 of the Declaration of Condominium.

G. Developer Control.

THE DEVELOPER HAS THE RIGHT TO RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD. The provisions relating to such control of the Developer may be found in Article VII of the Articles of Incorporation.

H. Utilities.

1. Water. Water is provided to the Condominium by the Kissimmee Utility Authority.

2. Sanitary Sewer Service Sanitary sewer service is provided to the Condominium by Kissimmee Utility Authority.

3. Electricity. Electricity is provided to the Condominium by Kissimmee Utility Authority.

4. Telephone. Telephone service is provided to the Condominium by United Telephone Corporation.

5. Garbage and Trash Removal. Garbage and trash removal will be provided to the Condominium by Dump All, Inc.

6. Storm Drainage. Storm drainage is provided by an on-site system.

I. Common Expenses and Common Elements.

Each Unit is obligated to pay a percentage of the common expenses. Reference should be made to Sections 2.3, 2.4 and 2.5 of the Declaration of Condominium contained herein, for information concerning the common expenses, common surplus and ownership of the common elements of the Condominium. The fractional amount per Unit was arrived at by the Developer by using the number one (1) as the numerator and the number one hundred ninety (190), the total number of Units in the Condominium, as the denominator.

J. Estimated Operating Budget.

1. The estimated operating budget for the Condominium is contained in Exhibit "G" of this Prospectus. Because actual budget expenditures may differ from year to year, the attached budget should not be considered as a representation that the budget for any period of operation will not vary from the amounts stated or that the Association will not incur additional expenses or provide for additional working capital for reserves or other sums not reflected in said budget. The common expenses reflected in the budget will not include any charges for utilities that are individually metered to the Units.

2. The Association shall collect the funds required to pay the expenses set forth in the estimated budget from the Unit Owners by assessments and said assessments shall be assessed against each Unit Owner. Based on the foregoing estimated budget, each Unit Owner will be assessed by the Association in the amount of \$89.00 per month. Developer has guaranteed the assessment amount to a specific period of time. See Paragraph 4.3 of the Declaration of Condominium.

3. DEVELOPER MAY RETAIN CONTROL OF THE BOARD OF ADMINISTRATION OF THE CONDOMINIUM DURING THE PERIOD OF OPERATION FOR WHICH THIS BUDGET HAS BEEN RENDERED.

K. Estimated Closing Expenses; Title Insurance.

The actual closing costs to be paid by each purchaser of a Unit in the Condominium will depend on the purchase price of the Unit and upon other factors, including whether a purchase is financed by a mortgage. If said purchase is financed by a mortgage, the purchaser will be obligated to pay all expenses of his Unit. At closing, the Seller will pay the Florida documentary stamps for the Deed at the rate of Fifty-Five (55) cents for each One Hundred Dollars (\$100.00) of the purchase price, and the Purchaser shall be obligated to pay the costs of recording the Deed at the rate of Seven Dollars (\$7.00) for the first page and Four Dollars and Fifty Cents (\$4.50) for each page other than the first page, unless modified by the governmental authority collecting same. Upon closing of the title to a Unit, the Purchaser will become obligated for the payment of the common

6. DECLARATION CONTROLS

In the event of any inconsistency or conflict between these Rules and Regulations, or any amendments thereof or additions thereto, and the Declaration, the Declaration shall control.

7. VIOLATIONS

In the event a unit owner or occupant of the unit is in violation of the Rules and Regulations from time to time adopted by the Board of Directors of the Association, and after notification by the Board of Directors, continues to violate such Rules and Regulations, such unit owner shall pay a fine not to exceed \$50.00 plus the costs and expenses, including reasonable attorney's fees and court costs of legal proceedings brought to enforce the violated Rules and Regulations; provided that the party seeking to enforce the Rules and Regulations has been successful in the litigation.

8. ADDITIONAL RULES AND REGULATIONS

The Board of Directors of the Association reserves the right to make additional Rules and Regulations as may be required from time to time, and to amend, modify and rescind the present Rules and Regulations, all without the consent of the Association members. Such amendments or modifications shall be as binding as all other Rules and Regulations previously adopted.

RETURN TO:
THIS INSTRUMENT PREPARED BY:
ROBERT F. HOOGLAND, ESO.
HOOGLAND & DURKET, P.A.
405 DOUGLAS AVENUE, SUITE 2605
ALTAMONTE SPRINGS, FL 32714

THE PLATS OF THIS CONDOMINIUM
ARE RECORDED IN CONDOMINIUM
BOOK 2, AT PAGE 143
PUBLIC RECORDS OF OSCEOLA
COUNTY, FLORIDA.

DECLARATION OF CONDOMINIUM
OF
THE VILLAS AT SOMERSET CONDOMINIUM

MADE THIS 10th day of October, A. D., 1984,
by COMPLETE INTERIORS, INC., its successors and assigns, herein
called the "Developer".

WHEREIN, the Developer makes the following
declarations:

(1) PURPOSE: The purpose of this Declaration is to
submit the lands and improvements described and to be constructed
thereon to the condominium form of ownership and use in the
manner provided in Chapter 718 of the Florida Statutes, herein
called the "Condominium Act" and in accordance with the terms and
conditions of this Declaration.

(1.1) NAME AND ADDRESS: The name by which this
condominium shall be identified is THE VILLAS AT SOMERSET
CONDOMINIUM and its address is Poinciana Boulevard, Osceola
County, Florida.

(1.2) THE LAND: The land owned by Developer, which by
this instrument are submitted to the condominium form of
ownership are the following described lands lying in Osceola
County, Florida:

see attached Exhibit "A"

The Developer hereby submits the fee simple interest in
the land to the condominium form of ownership.

(2) DEFINITIONS: The terms used in this Declaration and
the Exhibits hereto shall have the meaning stated in the
Condominium Act and as follows unless the context otherwise
requires:

(2.1) ASSESSMENT: The Assessment means a share of the
funds required for the payment of the common expenses incurred in
the operation of the Condominium and the common elements, and
other expenses incurred, as defined herein, and such assessment
shall be borne by the Unit Owner.

(2.2) THE ASSOCIATION: The Association means THE VILLAS
AT SOMERSET CONDOMINIUM ASSOCIATION, INC., and its successors.

(2.3) COMMON ELEMENTS: Common elements shall include:
(a) the condominium property not included in the units; and (b)
all of those items stated in the Condominium Act.

(2.4) COMMON EXPENSES: Common expenses include: (a)
expenses of administration and management of the condominium
property; (b) expenses of maintenance, operation, repair or
replacement of common elements, and of the portions of units to
be maintained by the Association; (c) expenses declared common
expenses by the provisions of this Declaration or the By-Laws;
(d) any valid charge against the condominium as a whole; (e) and
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.

(2.5) COMMON SURPLUS: Common surplus means the amount by which the receipts of the Association including but not limited to, assessments, rents, profits and revenues 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 for management of the condominium property, the portion of receipts of the Association representing fees contracted for and to be collected by said management corporation, shall not be considered as part of the common surplus.

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

(2.7) CONDOMINIUM PARCEL: Condominium parcel means a unit, together with the undivided share in the common elements which is appurtenant to the unit.

(2.8) INSTITUTIONAL MORTGAGE OR INSTITUTIONAL FIRST MORTGAGE: An Institutional Mortgage or Institutional First Mortgage shall include, but not be limited to a mortgage held by a bank, life insurance company, union pension fund authorized to do business in the State of Florida, savings and loan associations, mortgage companies, mortgage brokerage companies, 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. When an institutional first mortgage by some circumstance fails to be a first mortgage, it shall nevertheless for the purposes of this Declaration and the Exhibits annexed hereto, 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.

(2.9) LEASE: A lease shall mean the grant, either oral or in writing, by a unit owner of a temporary right of use of said owner's unit for a valuable consideration.

(2.10) LIMITED COMMON ELEMENTS: Limited common elements means those common elements which are reserved for the use of a certain unit or units to the exclusion of other units, including but not limited to, any structure attached to the exterior main walls of the building that serves only the 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.

(2.11) OPERATION: Operation or operations of the condominium include the administration and management of the condominium property.

(2.12) REASONABLE ATTORNEY'S FEES: Reasonable attorney's 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 of review of the same by appeal or otherwise.

(2.13) 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.

(2.14) UNIT: Unit means a part of the condominium property which is subject to exclusive ownership.

(2.15) UNIT OWNER: Unit owner means the owner of a condominium parcel.

(2.16) UTILITY SERVICES: Utility services as used in the condominium Act and construed with references to this condominium and as used in the Declaration and By-Laws shall include but not be limited to electric power, water, gas, heating, air conditioning, cable television, garbage and sewage disposal.

(3) DEVELOPMENT PLAN: The Condominium is described and established as follows:

(3.1) PLOT PLANS, SURVEY, AND FLOOR PLANS: Attached hereto as Exhibit "A" is a surveyor's certificate by R. Blair Kitner, that the description of improvements as shown in the "Condominium Plot Plans", (hereinafter referred to as "Plot Plans") a copy of which is attached hereto as Exhibit "B", which shall be recorded in the Public records of Osceola County, Florida, together with the provisions of the Declaration describing the condominium property, is an accurate representation of the location and dimensions of the improvements, and that the identification, location and dimensions of the common elements and of each unit can be determined from these materials.

(3.2) AMENDMENT OF PLANS: Developer reserves the right to change the design and arrangement of all units so long as Developer owns the units so changed and altered, without necessity of amendment thereto.

(3.2a) ALTERATION OF BOUNDARIES AND UNIT DIMENSIONS: Developer reserves the right to alter the boundaries between units, so long as Developer owns the units so altered; to increase or decrease the number of units and to alter the boundaries of the common elements, so long as the Developer owns the units abutting the common elements where the boundaries are being altered, provided no such change shall partition or subdivide any condominium unit set out herein and no such change shall be made without amendment of this Declaration, and provided further, that an amendment for such purpose need be signed and acknowledged only by the Developer and approved by the holders of the institutional mortgages of units affected, and such amendment shall not require the approval of unit owners, unit purchasers, or the Association.

(3.3) 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.

(3.3a) UTILITIES: Easements are reserved to the Developer, Association or such utility companies to which the Developer or Association may assign its easements 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 Cable Television System lines, mains and such other equipment as may be required throughout the condominium project, it being expressly agreed that Developer, Association 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 a unit, shall only be according to the plans and specifications for the building containing the unit or as the building is actually constructed, unless approved in writing by the unit owner.

In addition, easements are reserved to the Developer, Association or such utility companies to which the Developer or Association may assign its easements 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.

(3.3b) ENCROACHMENTS: In the event that any unit shall encroach upon any of the common elements or upon any other unit for any reason other than the intentional or negligent act of the unit owner, or in the event any common element shall encroach upon any unit, then an easement shall exist to the extent of that encroachment for so long as the encroachment shall exist.

(3.3c) PEDESTRIAN AND VEHICULAR TRAFFIC: An easement shall exist for pedestrian traffic over, through and across sidewalks, paths, walks, lanes and other portions of the common elements necessary to provide reasonable access to the public ways 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 necessary to provide reasonable access to the public ways 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 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 upon any portion of the condominium property except to the extent that space may be specifically designated or assigned for parking purposes.

(3.3d) DEVELOPER: Until such time as the Developer has completed all of the contemplated improvements and sold all of the 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 completion of the contemplated improvements and sale of said units. Neither the unit owner nor the Association, nor the use of the condominium property shall interfere in any way with such completion and sale.

(3.1) IMPROVEMENTS - GENERAL DESCRIPTION:

(3.4a) BUILDING: The condominium shall be comprised of one hundred ninety (190) units of two or three bedrooms per unit, contained in eighteen (18) buildings, one of which shall contain sixteen (16) units, nine (9) of which shall contain twelve (12) units, three (3) of which shall contain ten (10) units, four of

which shall contain eight (8) units and one (1) of which shall contain four (4) units.

(3.4b) PHASE DEVELOPMENT: This condominium is being developed as The Villas at Somerset Condominium with the following legal description:

See attached Exhibit "A"

The units created in this condominium shall be comparable in equal footage and shall range from 1000 to 1500 square footage. Each unit in this condominium shall own a portion of the common elements based upon the following formula: the numerator shall be 1 and the denominator shall be the total number of developed units, that number being 190. Said fraction shall represent the share of ownership as well as the share of common expenses and common surplus. The recreational areas described in Section D.2 of the General Information shall be recreational areas owned as common elements by all unit owners of this condominium. Membership votes shall equal one (1) vote for each developed unit in this condominium. Developer shall not create time share units within any units of this condominium.

(3.4c) OTHER IMPROVEMENTS: The condominium includes landscaping, automobile parking areas, and other facilities which are a part of the common elements described in the Plot Plans incorporated herein as Exhibit "B".

(3.5) UNIT BOUNDARIES: Each unit shall include that part of the building containing the unit that lies within the boundaries of the unit, which boundaries are as follows:

(3.5a) UPPER & LOWER BOUNDARIES: The upper and lower boundaries of the unit shall be the following boundaries extended to an intersection with the perimetrical boundaries:

- (1) Upper Boundary - The horizontal plane of the highest point on the undecorated finished ceiling.
- (2) Lower Boundary - The horizontal plane of the lowest point on the undecorated finished floor.

(3.5b) PERIMETRICAL BOUNDARIES: The perimetrical boundaries of the unit shall be the vertical planes of the undecorated finished interior of the walls bounding the unit extended to intersections with each other and with the upper and lower boundaries. The boundary between abutting units which have been combined shall be the vertical plane perpendicular to the lower boundary and passing through the line of demarcation shown on the Plot Plans attached hereto as Exhibit "B".

(3.5c) LIMITED COMMON ELEMENTS: Any structure attached to the exterior main walls of the building that serve only the unit adjacent to such structure, shall be a limited common element for the benefit of that particular unit only. Such limited common elements are shown graphically on the Condominium Plot Plans attached hereto as Exhibit "B".

(3.6) COMMON ELEMENTS: The common elements include the land and all the parts of the Condominium not within the units as defined in Section 2.3.

(4) THE BUILDING:

(4.1) UNITS: The units in the condominium building are identified and briefly described in the "Plot Plans" attached

hereto as Exhibit "B".

(4.2) APPURTENANCES TO EACH UNIT: The owner of each unit shall own a certain interest in the condominium property which is appurtenant to his unit including, but not limited to, the following items:

(4.2a) AUTOMOBILE PARKING SPACE: The right to use for automobile parking only, the parking space or spaces which may from time-to-time be designated or assigned by the Board of Directors of the Association to or for a unit, which designation shall not be recorded among the public records. The Board of Directors may from time-to-time, should they determine there be a need, change the parking space or spaces designated for a unit, provided that each unit always has an equal number of assigned parking spaces as any other unit unless otherwise agreed. This provision is made in contemplation of the fact that one or more unit owners may develop a physical disability which would require the designation of a parking space more convenient to their units and to give the Association the power and flexibility to deal with such situations. The Association shall also have the flexibility of not having assigned parking spaces. No Owner or other person shall keep, park, store or leave boats, trailers, campers, recreation vehicles, inoperable motor vehicles or the like in any parking space or on the Property at any time unless the Owner has obtained written permission from the directors of the Condominium Association.

(4.2b) COMMON ELEMENTS: The undivided share in the land and other common elements which is appurtenant to each unit, is shown more particularly in the schedule attached hereto as Exhibit "C".

(4.2c) ASSOCIATION: Each unit owner shall hold membership in the Association and an interest in the funds and assets held by the Association. Each unit shall be entitled cast one (1) vote as set out in the Articles of Incorporation and By-Laws of the Association attached hereto as Exhibits "D" and "E" respectively.

(4.3) LIABILITY FOR COMMON EXPENSES AND SHARE IN COMMON SURPLUS: Each unit owner shall share the common expense and common surplus to the same extent as he shares in the common elements (Section 6 and Exhibit "C", 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 units offered for sale and owned by the Developer. The assessment for common expenses of the condominium imposed upon the unit owners will not increase beyond \$89.00 during the twelve month period of time commencing with the issuance of the first certificate of occupancy and terminating twelve months thereafter. However, the Developer shall pay the portion of the common expenses incurred which exceed the amount assessed against other unit owners, herein called the "Deficiency". The period of time that the Developer shall be responsible for the "Deficiency" shall be for a twelve month period of time commencing with the issuance of the first certificate of occupancy and terminating twelve months thereafter.

(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:

(5.1a) 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 unit owner in Section 5.2b hereof. The Declarant has organized the Association in order to insure that the Common Areas and those portions of the roadway which have been dedicated to condominium ownership pursuant to the Condominium Act will continue to be maintained in a manner that will contribute to the comfort and enjoyment of the Owners and provide for other matters of concern to them. The purpose of the Association shall be to (a) operate, maintain and repair the access road, parking areas and landscaping; (b) maintain all recreation areas; (c) operate and maintain the streetlights; (d) operate, maintain and repair the irrigation facilities including the pumps and equipment, and the sprinkler system servicing the properties; and (e) take such other action as the Association is authorized to take with regard to the Properties pursuant to its Articles of Incorporation and By-Laws.

(5.1b) IRRIGATION FACILITIES: The Declarant shall improve the land with irrigation facilities to adequately handle the water requirements for all Common Area landscaping. The irrigation facilities shall be designed to work sporadically throughout the day in order to utilize the water conservation method of irrigation with reclaimed water. The pump and irrigation equipment is or from time to time will be attached to underground sprinkler lines and equipment designed to irrigate: (i) landscaped and grassed portions of the common Area; (ii) landscaped and grassed portions of any portion of the property now or hereafter declared condominium property, as defined in Section 718.103 of the Condominium Act; (iii) landscaped and grassed portions of any land brought within the jurisdiction of the Association or made subject to this declaration. Such well site, pumps, irrigation equipment and sprinkler lines and equipment, and all further additions thereto, extensions or replacements thereof are herein called the "Irrigation Facilities".

(5.1c) 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 the common elements without prior approval in writing by the owners of not less than seventy-five percent (75%) of the common elements, except as provided by the By-Laws. This paragraph shall have no application to the right vested in the Developer pursuant to the provisions of paragraphs 3.2 and 3.2a hereof.

(5.2) UNITS:

(5.2a) BY ASSOCIATION: The association shall maintain, repair and replace as a common expense:

(1) With the exception of interior surfaces, all portions of a unit, contributing to the support of the building in which the unit is located, which portions shall include but not be limited to load-bearing columns and load-bearing walls.

(2) All conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services contained in the portions of a unit maintained by the Association; and all such facilities contained within a unit that services part or parts of the condominium other than the 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 unit buildings, and intended for the purposes of furnishing such

utility services only to an individual unit.

(3) All incidental damage caused by a 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.

(5.2b) BY THE UNIT OWNER: The responsibility of the unit owner shall include, but not be limited to:

(1) To maintain, repair and replace at his sole and personal expense, those items which serve only his unit, including but not limited to: all doors, windows, glass, screens, electric panels, electric wiring, electric outlets and fixtures, air handlers, air conditioners, including air conditioning compressors and other related outside utility facilities referred to in Section 5.2a(2), hereby designated as limited common elements, heaters and heating systems, hot water heaters, refrigerators, dishwashers, other appliances whether or not these items are built-in equipment, drains, plumbing fixtures and connections, interior surfaces of all walls, floors and ceilings, floor coverings and all other portions of his unit, except the portions specifically stated to be maintained, repaired and replaced by the Association. This shall be done without disturbing the rights of the unit owners.

(2) Not to enclose, paint or otherwise decorate or change the appearance of any portion of the exterior of the building in which the unit is located.

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

(5.2c) ALTERATION AND IMPROVEMENT: Subject to the other provisions of Paragraph (5) which in all cases shall supersede and have priority over the provisions of this section when in conflict therewith, a unit owner may make such alterations or improvements to his unit, at his sole and personal cost, as he may be advised, provided all work shall be done without disturbing the rights of other unit owners, and further provided that a unit owner shall make no changes or alterations to any 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 from the "Architectural Review Board" who is appointed by the Board of Directors of the Association. All alterations and improvements must be in compliance with all existing building codes. Provided, no such 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.

With the permission of the Board of Directors of the Association or of the Developer, abutting units may be physically combined, but they shall nevertheless, for all other pertinent purposes including but not limited to assessments, attribution of common elements and voting, be deemed separate units. Units which have been or are combined may be severed into their component units (separate units) at any time the owner of the combined units so desires. Any construction or modification of the interior of such units as may be required to effectuate the severance of the combined units into separate units shall be

subject to the approval of the Board of Directors of the Association, which approval shall not be unreasonably withheld. Such modifications for the combining or severing of combined units shall in any and all events be accomplished at the sole expense of the unit owner or owners of the combined units and not at the expense of the Association. Nothing herein shall be deemed to require the Association or the Developer to approve any structural modification which involves the weakening, movement or significant modification of any load bearing element. Furthermore, nothing herein shall be deemed to require the Association or the Developer to approve any modification which will alter the exterior appearance of the building in which the units are located.

(5.3) LIMITED COMMON ELEMENTS: The maintenance, repair and/or replacement of the limited common elements appurtenant to each unit shall be the responsibility of the Association, as provided hereinabove, in Section (5.2a). Provided, the unit owner shall be responsible for day-to-day maintenance and cleaning of such limited common elements; and provided further, the maintenance, repair or replacement of such limited common elements which shall be necessary or as a result of the unit owner making use of said areas were intended shall be the responsibility and expense of the unit owner.

(6) ASSESSMENTS: Each Owner agrees to pay to the Association: (1) monthly assessment or charges; and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and specific assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a lien upon the property against which each assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. A unit owner, regardless of how his title has been acquired, including a purchaser at a judicial sale, is liable for all assessments which come due while he is the unit owner except as provided for in Section (6.4) of this Declaration, the Grant. He is jointly and severally liable with the Grantor for all unpaid assessments against the Grantor for his share of the common expenses up to the time of transfer of title, without prejudice to any right the Grantee may have to recover from the Grantor the amounts paid by the Grantee. The making and collection of assessments against unit owners for common expenses, and for reserves as may from time-to-time be established by the Association shall be pursuant to the By-Laws and subject to the following provisions:

(6.1) PURPOSE OF ASSESSMENTS: The assessments levied by the Association shall be used exclusively to promote the health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the facilities and carrying out the responsibilities of the Association.

(6.2) SHARE OF COMMON EXPENSES: Each unit owner shall be liable for a proportionate share of the common expenses and shall share in the common surplus, in the same proportion as his undivided interest in the common elements, as set forth in Exhibit "C" hereof, but such right shall not vest or create in any unit owner the right to withdraw or receive distribution of his share of the common surplus.

(6.3) PAYMENTS: Assessments in installments thereon paid on or before ten (10) days after the day when the same shall become due, shall not bear interest but all sums not so paid on or before ten (10) 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 any assessment remains unpaid thirty (30) days after the same shall become due, and a claim of lien has been filed, 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. The Board of Directors reserves the right, and does hereby indicate that an Initial Fee shall be collected upon the closing of each condominium unit, which said fee shall equal two months assessments. This amount shall be in addition to the regular monthly assessment which shall remain collectible.

(6.4) LIEN FOR ASSESSMENTS: The Association shall have a lien on each unit for any unpaid assessments and for interest thereon against the owner thereof, which lien shall also secure costs of collection by the Association including, without limitation, reasonable attorney's 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 Osceola County, Florida, a claim of lien stating the description of the 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, or one year, whichever shall come first. Such claims of lien shall be signed and verified by an officer of the Association or by a managing 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 matter as a foreclosure of a mortgage on real property. If the unit owner remains in possession of the unit and the claim of lien is foreclosed, the court, in its discretion, may require the unit owner to pay a reasonable rental for the unit, and the association is entitled to the appointment of a receiver to collect the rent. The Association may also sue to recover a money judgment for unpaid assessments without waiving the lien security of the same. When the mortgagee of a first mortgage of record, or other purchaser, of a condominium unit obtains title to the condominium parcel by a purchase at the public sale resulting from the first mortgagee's foreclosure judgment in a foreclosure suit in which the association has been properly named as a defendant junior lien-holder, or, as a result of a deed given in lieu of foreclosure, such acquirer of title and his successors and assigns is not liable for the share of common expenses or assessments attributable to the condominium parcel or chargeable to the former unit owner of the parcel which became due prior to acquisition of title as a result of the foreclosure, unless the share is secured by a claim of lien for assessments that was recorded prior to the recording of the foreclosed mortgage. The unpaid share of common expenses or assessments are common expenses collectible from all of the unit owners, including such acquirer and his successors and assigns. A first mortgagee acquiring title to a condominium parcel as a result of foreclosure, or a deed in lieu of foreclosure, may not, during the period of its ownership of such parcel, whether or not such parcel is unoccupied, be excused from the payment of some or all of the common expenses coming due during the period of such ownership.

(6.5) ASSESSMENTS NOT PAID BY THE DEVELOPER: The Developer shall be excused from the payment of its share of the common expenses based on \$89.00 per completed unit, in respect to the units offered for sale and owned by the Developer, however, the Developer shall pay the portion of the common expenses incurred which exceed the amount assessed against other unit owners, herein called the "Deficiency" until such time as the Developer begins paying annual assessments. The period of time the Developer shall be responsible for the "Deficiency" shall be for a twelve month period of time commencing with the issuance of the first certificate of occupancy and terminating twelve months thereafter.

(6.6) MAXIMUM ANNUAL ASSESSMENT: Until January 1 of the year immediately following the conveyance of the first Unit to an Owner, the maximum annual assessment shall be Eighty Nine Dollars (\$89.00) per month, per Unit. From and after January 1 of the year immediately following the conveyance of the first Unit to an owner, the maximum annual assessment may be increased each year not more than fifteen (15) percent above the maximum assessment for the previous year without a vote of the membership. The maximum assessment may be increased above the fifteen percent increase by a vote of the majority of the members who are voting in person or by proxy, at a meeting duly called for this purpose. The Board of Directors may fix the annual assessment to an amount not in excess of the maximum.

(6.7) SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS: In addition to monthly assessments, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each of the members who are voting in person or by proxy at a meeting duly called for this purpose.

(6.8) NOTICE OF MEETING AND QUORUM: Written notice of any meeting called for the purpose of taking any action authorized under 6.6 or 6.7 above shall be sent to all members not less than ten (10) days nor more than thirty (30) days in advance of the meeting. At such meeting, the presence of members or of proxies entitled to cast a majority of all the votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be the presence of members or of proxies entitled to cast one-third (1/3) of all the votes. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

(6.9) DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS: The annual assessments provided for herein shall commence as to all Units subject thereto on the first day following the recording of the Declaration of Condominium in the public records of Osceola County, Florida. The first annual assessment against any Unit shall be adjusted and prorated according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Unit at least 30 days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. Unless otherwise established by the Board of Directors,

annual assessments shall be collected on a monthly basis. The due date for special assessments shall be as established by the Board of Directors. The Association shall within 15 days of any request by either a unit owner or unit mortgagee, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Unit have been paid. A properly executed certificate of the Association as to the status of assessments on a Unit shall be binding upon the Association as of the date of issuance.

(6.10) EFFECT OF NONPAYMENT OF ASSESSMENTS; REMEDIES OF THE ASSOCIATION: Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the highest rate allowed by law or established by the Board of Directors. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Unit. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the facilities or any other part of the Common Area, or abandonment of his Unit.

(6.11) FORECLOSURE: The lien for sums assessed pursuant to this Declaration may be enforced by judicial foreclosure by the Association in the same manner in which mortgages on real property may be foreclosed in Florida. In any such foreclosure the Owner shall be required to pay all costs and expenses of foreclosure, including reasonable attorney's fees. All such costs and expenses shall be secured by the lien being foreclosed. The Owner shall also be required to pay to the Association any assessments against the Unit which shall become due during the period of foreclosure, and the same shall be secured by the lien foreclosed and accounted for as of the date the Owner's title is divested by foreclosure. The Association shall have the right and power to bid at the foreclosure or other legal sale to acquire the Unit foreclosed, and thereafter to hold, convey, lease, use and otherwise deal with the same as the Owner thereof. In the event the foreclosure sale results in a deficiency, the Court ordering the same may, in its discretion, enter a personal judgement against the prior Owner thereof for such deficiency, in the same manner as is provided for foreclosure of Mortgages in the State of Florida. Any Unit acquired by the Association pursuant to this Section shall be resold by it as soon as practicable.

(6.12) HOMESTEAD: By acceptance of a deed thereto, the Owner of each Unit shall be deemed to acknowledge conclusively that the obligations evidenced by the assessments provided for in this Declaration are for the improving and maintenance of any homestead maintained by such Owner on such Owner's Unit, and has been consensually granted. This paragraph is not intended to obligate the Association to expend assessment funds to improve or maintain any individual unit which may be homestead property, but only to waive any exemption from foreclosure of assessment or other liens created by this Declaration by reason of any homestead exemption provisions of Florida law.

(6.13) SUBORDINATION OF THE LIEN TO MORTGAGES: The sale or transfer of any Unit shall not affect the assessment lien. However, the sale or transfer of any Unit pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Unit from liability for any assessments thereafter becoming due or from the lien thereof. The Association shall, upon written request, report to any First Mortgagee of a Unit any assessment remaining unpaid for a period longer than thirty (30) days after the same shall have become due, and shall give such First

Mortgagee a period of thirty (30) days in which to cure such delinquency before instituting foreclosure proceedings against the Unit; provided however, that such First Mortgagee first shall have furnished to the Association written notice of the existence of its Mortgage, which notice shall designate the Unit encumbered by a property legal description and shall state the address to which notices pursuant to this Section are to be given. Any First Mortgagee holding a lien on a Unit may pay, but not be required to pay, any amounts by the lien created by this paragraph.

(7) ASSOCIATION: The operation of the Condominium shall be by THE VILLAS AT SOMERSET 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) ARCHITECTURAL CONTROL: No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an Architectural Review Board composed of three (3) or more representatives appointed by the Board. In the event said Architectural Review Board (ARB), fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it in writing, approval will not be required and this Article will be deemed to have been fully complied with subject to proof of submittal. Any ARB decision may be overridden by a 2/3 majority vote of the Board of Directors.

(7.2) ARTICLES OF INCORPORATION: A copy of the Articles of Incorporation of the Association is attached as Exhibit "D". Article III of the Articles of Incorporation sets out membership of unit owners in the Association.

(7.3) BY-LAWS: A copy of the By-Laws of the Association is attached as Exhibit "E". Section IV of the By-Laws sets out membership and voting rights of unit owners in the Association.

(7.4) MAINTENANCE RESPONSIBILITY OF ASSOCIATION: Maintenance of the common elements is the responsibility of the association.

(7.5) MANAGEMENT: The Association may contract 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, preparation of records, enforcement 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.

(7.6) NOTICE TO FIRST MORTGAGE: An institutional mortgagee or first mortgagee shall be entitled to written notification from the Association of any default in the performance by the owner of the unit encumbered by its mortgage,

of any obligation under this Declaration, the Association Articles of Incorporation and By-Laws and any amendments thereto, which default is not cured within thirty (30) days.

(7.7) BOOKS AND RECORDS: The holders of the first mortgages shall have the right to examine the books and records of the Association during normal business hours and to require financial statements of the Association within ninety (90) days following the end of the fiscal year of the Association. Such first 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.

(7.8) RESTRAINT UPON ASSIGNMENT OF SHARES IN ASSETS: The share of a unit owner in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as in appurtenance to the unit.

(8) INSURANCE: Insurance, other than title insurance, which shall be carried upon the condominium property and the property of the unit owners, shall be covered by the following provisions.

(8.1) AUTHORITY TO PURCHASE: All insurance policies upon the condominium property shall be purchased by the Association for the benefit of the Association, and in the case of insurance covering damage to the buildings and their appurtenances, all for the benefit of unit owners and their mortgagees as their interests may appear and provisions shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of unit owners. Such policies and endorsements thereon shall be deposited with the Insurance Trustee, if one has been designated. It shall be the responsibility of the unit owners and not the Association to obtain insurance coverage at their own expense upon their personal property and fixtures and in addition to obtain comprehensive personal liability insurance which shall include covering liability for damage to person or property of others located within the unit owner's unit, or in another unit, or upon the common elements resulting from the negligence of the insured unit owner in such amounts as shall from time-to-time be determined by the Board of Directors, but in no case, less than \$100,000.00 for each occurrence. Unit owners shall furnish the Association with copies of all insurance policies obtained by them. All unit owner and Association property and liability insurance shall contain the waivers provided in subsection 8.2a(3)i through 8.2a(3)iii, unless such coverage cannot be obtained.

(8.2) COVERAGE:

(8.2A) CASUALTY: All buildings and improvements upon the land, except coverings on unit floors, walls, and ceilings, shall be insured in an amount equal to the full replacement cost, excluding foundation and excavation costs, as determined by the Board of Directors of the Association, on not less than one hundred percent (100%) of the replacement value. Values of insured property shall be determined annually by the Board of Directors of the Association. Such coverage shall afford protection against:

- (1) Loss or damage by fire or other hazard covered by a standard extended coverage; 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, windstorm and water damage.

(3) Unless such coverage cannot be obtained, the policies shall waive the insurer's right to:

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

(ii) The prorata clause that reserves to the insurer the right to pay only a fraction of the 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 of the Board of Directors of the Association or by one or more unit Owners.

(4) Such policies may provide that they may not be cancelled or substantially modified without thirty (30) days prior written notice thereof to each of the insureds.

(8.2b) PUBLIC LIABILITY: In such amounts and such coverage as may be required by the Board of Directors of the Association and with cross liability endorsement to cover liabilities of the unit owners individually and as a group to a unit owner. Under no circumstances, however, shall liability insurance for bodily injury and property damage be less than \$1,000,000.00 per occurrence.

(8.2c) WORKMEN'S COMPENSATION POLICY: To meet the requirements of law.

(8.2d) FIDELITY BONDS: Fidelity Bonds shall be maintained providing coverage against dishonest acts by the Association's officer, directors, trustees and employees, and all others who are responsible for handling funds of the Association. Said bond shall be in an amount not less than a sum equalling three months assessments plus reserves.

(8.2e) OTHER: Such other insurance as the Board of Directors of the Association shall determine from time-to-time to be desirable.

(8.3) PREMIUMS: Premiums for insurance policies purchased by the Association shall be a common expense and such premiums shall be paid by the Association.

(8.4) INSURANCE TRUSTEE SHARE OF PROCEEDS: All insurance policies purchased by the Association shall be for the benefit of the Association and the unit owners and their mortgagees 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 Osceola 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 the 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 unit owners and their mortgagees in the following shares but which shares need not be set forth on the records of the Insurance Trustee.

(8.4a) COMMON ELEMENTS: Proceeds on account of damage to common elements shall be held in undivided shares for each unit owner of the condominium, each owner's share being the same as his undivided share in the common elements appurtenant to his unit.

(8.4b) UNITS: Proceeds on account of damage to units shall be held in the following undivided shares:

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

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

(8.4c) MORTGAGES: In the event a mortgagee endorsement has been issued as to a unit, the share of a unit owner shall be held in trust for the mortgagee and the unit owner as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired except as provided in 9.1b(1) and 9.1b(2). 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 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 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.

(8.5) 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 unit owners in the following manner:

(8.5a) EXPENSE OF TRUST: All expenses of the Insurance Trustee shall be first paid or provisions made therefor.

(8.5b) 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 owners, remittances to unit owners and mortgagees being payable jointly to them.

(8.5c) 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 re-constructed or repaired, the remaining proceeds shall be distributed to the owners, remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by such mortgagee.

(8.5d) CERTIFICATE: In making distribution to unit owners and their mortgagees, the Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary or by the Association's managing agent as to the names of unit owners and their respective shares of the distribution.

(8.6) ASSOCIATION AS AGENT: The Association is hereby irrevocably appointed Agent for each 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 each unit owner upon payment of a claim.

(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:

(9.1a) COMMON ELEMENTS: If the damages improvement is a common element, the same shall be reconstructed or repaired unless the damages to such common element extend to units, in which case the provisions relative to reconstruction and repair of units and common elements, as elsewhere provided, shall pertain.

(9.1b) UNITS AND COMMON ELEMENTS:

(1) Partial Destruction - If the damaged improvement is a unit and common elements and less than ninety percent (90%) of the amount of insurance applicable to such improvement is forthcoming by reason of such casualty then the improvement shall be reconstructed and repaired unless seventy-five percent (75%) of the owners of all units and all owners of damaged units, and sixty-seven percent (67%) of all mortgagees, being banks, savings and loan associations and insurance companies, and institutional mortgagees holding first mortgages upon units shall within sixty (60) days after casualty agree, in writing, that the same shall not be reconstructed or repaired.

(2) Total Destruction - If the damaged improvement includes a unit and common elements and ninety percent (90%) or more of the amount of casualty insurance applicable to such improvement is forthcoming by reason of such casualty, the improvements shall not be reconstructed or repaired if seventy-five percent (75%) of the owners of all units and all owners of damaged units and sixty-seven percent (67%) of all mortgagees, being banks, savings and loan associations, and insurance companies, and institutional mortgagees, holding first mortgages, upon units shall within sixty (60) days after casualty agree, in writing, that the same shall not be reconstructed or repaired.

(9.1c) CERTIFICATE: The Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary or managing agent to determine whether or not the unit owners, where so provided have made a decision whether or not to reconstruct or repair.

(9.1d) TIME: If the determination is made as set out herein to reconstruct or repair, said reconstruction or repair shall begin in a reasonable period of time from the date the insurance proceeds are available for distribution whether held by the Insurance Trustee, if any, or the Association, or unit owner.

(9.2) PLANS AND SPECIFICATIONS: Any reconstruction or repair must be substantially in accordance with the plans and specifications of the original improvements; or if not, then 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 building containing units, by the owners of all damaged units therein, which approval shall not be unreasonably withheld.

(9.3) RESPONSIBILITY: If the damage is only to those parts of units for which the responsibility of maintenance and repair is that of unit owners, then the 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, assessment shall be made against all 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 unit owners shall be disbursed in payment of such costs in the following manner:

(9.6a) 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.

(9.6b) DISBURSEMENTS: The proceeds of insurance collected on account of a casualty and the sums received by the Association from collection of assessments against unit owners on account of such casualty shall constitute a construction fund

which shall be disbursed in payment of the costs of reconstruction and repair in the following manner:

(1) Unit Owner - The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with a unit owner, shall be paid by the Association or the Insurance Trustee to the unit owner or if there is a mortgage endorsement as to such unit, then to the unit owner and the mortgagee jointly. The distribution shall be in a proportion that the estimated cost of reconstruction and repair of such damage to each affected unit owner bears to the total of such estimated costs to all effected unit owners as determined by the Board of Directors. No owner shall be paid an amount in excess of the cost of repair of such damage. All proceeds shall be used to effect repairs for such damage, and if insufficient to complete such repairs, the unit owner shall pay the deficit with respect to such damage and promptly effect the repairs.

(2) Association - Lesser Damage - If the amount of 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 \$10,000.00, 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 the 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 unit owners and their mortgagees, jointly, in proportion to the owner's share in the common elements, but reduced by the amount of any unpaid assessments against such unit owners.

(5) Certificate - Notwithstanding the provisions herein, the Insurance Trustee shall not be required to determine whether or not sums paid by unit owners upon assessments shall be deposited by the Association with the Insurance Trustee, nor to determine whether the disbursements from the construction fund are to be upon the order of the Association or upon approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund, nor to determine 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 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 units within the condominium of any substantial damage to any 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) ACTION TO CONTEST CONDEMNATION: The Board of Directors of the Association shall have the exclusive right to contest any condemnation or eminent domain proceeding which is directed at taking any portion of the common elements or which touches upon, concerns or affects the use of the common elements. No unit owner or tenant of a unit shall impair or prejudice the action of the Board of Directors in contesting such condemnation. Such restriction or prohibition shall not preclude a unit owner or tenant of a unit from contesting the taking in such condemnation or eminent domain proceeding of the unit owned or rented by such unit owner or tenant or of any trade fixtures or other equipment installed or located in the unit so owned or rented. In any action contesting a taking by condemnation or eminent domain proceeding, the Board of Directors of the Association shall request the Court to set forth the allocation of the condemnation award among the unit owners affected, taking into account the respective percentage interests in the common elements, the effect of taking on each unit affected thereby and any other relevant factors.

(9.9) TERMINATION OF CONDOMINIUM AFTER PRETRIAL TAKING BY CONDEMNATION: If any condemnation or eminent domain proceeding results in the taking of:

(9.9a) Two-thirds (2/3) or more of the land comprising the condominium or one-half (1/2) or more of the building containing the units, and owners of units having seventy-five percent (75%) of the interest in the common elements resolve to terminate the Condominium; or

(9.9b) Less than two-thirds (2/3) of the land comprising the Condominium, but such taking substantially effects the use of the Condominium, or less than one-half (1/2) of the building containing the units, and owners of units having fifty percent (50%) of the interest in the common elements resolve to terminate the Condominium; the Condominium shall be terminated and the net proceeds of the award from the condemnation or eminent domain shall be considered one fund and shall be divided among all the unit owners in proportion to their respective common interests, provided however, that no payment shall be made to a unit owner until there has first been paid off out of such owner's share all liens on such owner's unit.

(9.10) DISTRIBUTION OF CONDEMNATION AWARDS: Except as provided in Section 9.9 above, and any award obtained by a unit owner for the unit or for any trade fixtures or other equipment as further provided in section 9.8 above, in the event all or part of the common elements are taken in condemnation or eminent domain proceedings, the award from such proceedings shall be paid to the Insurance Trustee, if one has been designated, if the

award is more than \$50,000.00, and to the Board of Directors if there is no Insurance Trustee or if the award is \$50,000.00 or less. The Board of Directors shall arrange for the repair, restoration or replacement of such common elements to the extent reasonably possible, and the Board of Directors or the Insurance Trustee, as the case may be, shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments.

If there shall be a surplus of such proceeds or if the Board of Directors cannot reasonably repair, restore or replace the common elements taken, the proceeds shall be distributed among the unit owners as directed by the Court, taking into account the respective percentage interests in the common elements of the units affected thereby and any other relevant factors.

(9.11) CONDEMNATION PROVISIONS SUBJECT TO EXISTING LAW: All provisions of Sections 9.8 through 9.10 are subject to interpretation in accordance with the law in effect at the time of any condemnation or eminent domain proceeding. Should all or any portion of the provisions of Sections 9.10 be deemed illegal at such time, the distribution of proceeds, shall be as a Court of law shall determine.

(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 building in useful condition exists upon the land.

(10.1) PERMITTED USES OF UNITS: All units on the condominium shall be used for no purpose other than single family residential purposes, except for the common elements on which there may be placed landscaping, parking areas and recreational facilities. No part of the condominium shall ever be used or caused to be used or allowed or authorized to be used in any way, directly or indirectly, for any non-residential purpose. Occupants within the unit may not cause or produce a nuisance to other portions of the condominium, such as but not limited to, vibration, sound, electro-mechanical disturbance and radiation, electromagnetic disturbance, radiation, air or water pollution, dust or emission of odors, toxic or non-toxic matter.

(10.2) PROHIBITED USES: No unit may be used for any purpose which would violate the zoning regulations for the condominium property or any other agreement pertaining to the condominium property. No unit may be used for any non-residential purpose.

(10.3) 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 enjoyment of the unit.

(10.4) NUISANCES: No nuisances or noxious or offensive activity shall be allowed to exist upon the condominium property, nor shall use or practice which is the source of annoyance to unit owners or which interferes with the peaceful possession and proper use of the property by its unit owners be allowed.

A nuisance shall include without limitation, any of the following conditions:

(10.4a) Emission of dust, sweepings, dirt, cinders, fumes, odors gases, vapors, acids or other substances into the atmosphere, that may adversely affect the use or intended use of

any unit or may adversely affect the health, safety, or comfort of persons in the condominium;

(10.4b) Discharge of waste or any substance or material of any kind into any public or Association maintained sewer serving the condominium, or any part thereof, in violation of any law, rule or regulation of any public body having jurisdiction hereof,

(10.4c) The perception, at any point outside the boundaries of a unit of noise or vibrations from any activity, machine, device, or combination thereof located in that unit that unreasonably interferes with the use or enjoyment of any other unit will not 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. No unit owner shall permit any use of his unit or make any use of the common elements that will increase the cost of insurance upon the condominium property above that required when the unit is used for the approved purposes.

(10.5) **LAWFUL USE:** No immoral, improper, offensive or unlawful use shall be made of the condominium property nor any part of it.

(10.6) **ANIMALS:** No animals shall be permitted on or in the Common Area at any time, unless they are leashed.

(10.7) **DELEGATION OF USE:** Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and Facilities to the members of his family, his tenants, or contract purchasers provided the foregoing actually reside at the Owner's Unit.

(10.8) **ANTENNAS:** No exterior antennas of any type shall be permitted or used upon the condominium property, unless and until the same shall have been approved by the Association.

(10.9) **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 By-Laws. Copies of such regulations and amendments thereto shall be furnished by the Association to all unit owners of the condominium. The Association may levy fines against a unit for the failure of the owner of the unit, or its occupant, licensee, or invitee, to comply with any provision of the declaration, the association bylaws, or reasonable rules of the association, not to exceed \$50.00, as further addressed in the Rules and Regulations.

(10.10) **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 units contained within the condominium property, neither the 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 units. The Developer may make such use of the unsold units and the common elements as may facilitate such completion and sale, including, but not limited to, maintenance of a sales office, display of sales signs, leasing said units and showing the units for sale to prospective purchasers. Until completion and sale of all the units by the Developer, no "For Sale" or "Lease" sign may be displayed upon the condominium property without the consent of the Developer.

(10.11) **SIGNS:** No sign, poster, billboard or other advertising of any kind shall be permitted on any portion of the condominium property, except such signs as are approved by the Association or the Developer. The size, design, color, style,

location and illumination of any such sign, poster, billboard, or other advertising are subject to the approval of the Association.

(11) MAINTENANCE OF CONDOMINIUM ASSOCIATION RECORDS: In order to maintain accurate records of current ownership and occupants of the community, the sale or lease of units by any owner other than the Developer shall be subject to the following provisions so long as the condominium exists, which provisions each owner covenants to observe.

(11.1) SALE: A unit owner intending to make a bona fide sale of his unit shall give the Association notice, in writing, of such intention, together with the name and address of the intended purchaser and an executed copy of the proposed contract to sell.

(11.2) LEASE: A unit owner intending to make a bona fide lease of his unit or any interest therein shall give to the Association notice, in writing, of such intention, together with the name and address of the intended lessee, and such other information concerning the intended lessee as the Association may reasonably require, and an executed copy of the proposed lease.

(12) PURCHASE OF UNITS BY ASSOCIATION: The Association shall have the power to purchase units, subject to the following provisions:

(12.1) DECISION: The decision of the Association to purchase a unit shall be made by its Directors, without approval of its membership except as elsewhere provided in this section.

(12.2) LIMITATION: If at any one time the Association becomes the owner or agreed purchaser of two (2) or more units, it may not purchase any additional units without the prior written approval of two-thirds (2/3) of the members eligible to vote thereon. A member whose 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 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.

(13) COMPLIANCE AND DEFAULT: Each unit owner shall be governed by and shall comply with the terms of this Declaration, the Articles of Incorporation, and By-Laws 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 unit owner to comply therewith shall entitle the Association or other unit owners to the following relief in addition to the other remedies provided in this Declaration and the Condominium Act.

(13.1) ENFORCEMENT: The association has the irrevocable right of access to each unit during reasonable hours, when necessary for the maintenance, repair, or replacement of any common elements or for making emergency repairs which are necessary to prevent damage to the common elements or to another unit or units.

(13.2) NEGLIGENCE: A unit owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by its act, neglect or carelessness or by that of any principals, employees, 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 a unit or its appurtenances, or of the common elements or of the limited common elements.

(13.3) COSTS AND ATTORNEY'S FEES: In any proceeding arising because of an alleged failure of a unit owner to comply with the terms of the Declaration, Articles of Incorporation, By-Laws, 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 costs of the proceeding and such reasonable attorney's fees as may be awarded by the Court, including costs and attorney's fees for any applicable proceedings.

(13.4) NO WAIVER OF RIGHTS: The failure of the Developer, or the Association, or any unit owner to enforce any covenant, restriction or other provisions of the Condominium Act, this Declaration, the Articles of Incorporation, the By-Laws, or the Rules and Regulations adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter.

(14) AMENDMENTS: Subject to the other provisions of the Declaration relative to amendment, this Declaration and the Articles of Incorporation and By-Laws of the Association may be amended in the following manner:

(14.1) 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.

(14.2) RESOLUTION: An amendment may be proposed by either the Board of Directors or by one-third (1/3) 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 two-thirds (2/3) 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.

(14.3) AGREEMENT: In the alternative, an amendment may be made by an agreement signed and acknowledged by a majority of the record owners of units in the condominium in the manner required for the execution of a deed, and such amendments shall be effective when recorded in the Public Records of Osceola County, Florida.

(14.4) EXCEPTION: Anything herein to the contrary notwithstanding, for so long as the Developer shall hold fee simple title to any unit, the Developer may amend this Declaration of Condominium, including but not limited to, an amendment that will combine two or more 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 units, by recording such amendment in the Public Records of Osceola County, Florida, and such amendment shall be effective without the necessity of a meeting of the unit owners or the approval and joinder of any unit owner, or the joinder of the owner and holder of any lien thereon. Provided, such amendment shall not alter the common elements beyond the extent provided for under the provisions of Section 3.2a hereof, nor shall such amendment adversely affect the lien or priority of any institutional first mortgage recorded prior to the amendment.

(14.5) **PROVISO:** Provided however, that no amendment shall discriminate against any unit owner now against any unit or class or group of unit owners or units unless the unit owners so affected and their institutional first mortgagees shall consent. Any amendment which shall change any 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 two-thirds (2/3) of the unit owners other than the Developer and shall further require written approval by the owner of the unit concerned and written approval of all of the first mortgages and the institutional first mortgagees of the units affected, said approval to be evidenced by joinder in the execution of the amendment. Unless all of the mortgagees, and two-thirds (2/3) 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, 3.2a, 3.3a, 3.3d, 4.3, 5.2c, 6.4, 10.8, 10.9, 11, 13.4, 14.4, 14.5) without Developer's written consent and joinder in the execution of said amendment.

(14.6) **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 Osceola County, Florida.

(15) **TERMINATION:** The Condominium may be terminated or abandoned in the following manner:

(15.1) **AGREEMENT:** The Condominium may be terminated or abandoned at any time by approval, in writing, of all of the owners of the Condominium, all record owners of mortgages upon the units therein, and the Veterans Administration, provided that VA approval for the project has been sought and obtained.

(15.2) **TOTAL DESTRUCTION OF THE BUILDING OR PARTIAL TAKING BY CONDEMNATION:** If all the building, as a result of common casualty, be damaged within the meaning of Section 9 and it not be decided as therein provided that such building shall be reconstructed or repaired; or if after partial taking by condemnation the unit owners resolve to terminate the Condominium as provided within Section 15, 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.

(15.3) **GENERAL PROVISIONS:** Upon termination of the Condominium, the mortgagee and lienor of a unit owner 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 he may receive by reason of such termination or exclusion. 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 Osceola County, Florida.

(15.4) AMENDMENT: This section concerning termination cannot be amended without consent of all unit owners and of all record owners of mortgages upon the condominiums.

(16) SEVERABILITY: The invalidity in whole or in part of any covenant or restriction or any section, subsection, sentence, clause or phrase or word or other provision of this Declaration, the Articles of Incorporation, the By-Laws, the Rules and Regulations of the Association, and any Exhibits attached hereto, shall not affect the remaining portions thereof.

(17) NOTICE: Upon written request to the Condominium Association, identifying the name and address of the holder, insurer or guarantor and the unit number or address any mortgage holder, insurer, or guarantor will be entitled to timely written notice of:

(17.1) Any condemnation or casualty loss that affects either a material portion of the project or the unit securing its mortgage.

(17.2) Any 60-day delinquency in the payment of assessments or charges owed by the owner of any unit on which it holds the mortgage.

(17.3) A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the owners' association.

(17.4) Any proposed action that requires the consent of a specified percentage of mortgage holders.

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

Signed, sealed and delivered in the presence of:

COMPLETE INTERIORS, INC.

Cindy Arva
Donna M. [unclear]

Linda C. Clark
Linda C. Clark, President



STATE OF FLORIDA:
COUNTY OF SEMINOLE :

I HEREBY CERTIFY that on this day, before me, personally appeared Linda C. Clark, well known to me and known to be the President of Complete Interiors, Inc., and that she acknowledged executing this Declaration in the presence of two subscribing witnesses, freely and voluntarily under authority duly vested in her by said corporation.

IN witness whereof, I have hereunto set my hand and official seal at said County and State this 10 day of Oct A.D., 1984.

Donna S. [unclear]
Notary Public (SEAL)

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COM. EXPIRES OCT. 29, 1992
DON. E. TAYLOR, AGENT'S NOTARY PROXIMATE

THE VILLAS AT SOMERSET A CONDOMINIUM LEGAL DESCRIPTION

Commence at the Southeast Corner of the West 1/2 of the NW 1/4 of Section 11, Township 25 South, Range 28 East, Osceola County, Florida, thence run N.00°41'01"W. along the East Line of said West 1/2, a distance of 50.00 feet for a POINT OF BEGINNING; thence continue N.00°41'01"W., along said East Line, 767.15 feet; thence run S.89°40'55"W. 257.39 feet; thence run S.74°27'23"W. 126.11 feet; thence run N.61°28'08"W. 140.76 feet; thence run S.89°21'51"W. 136.32 feet to a point on the East Right-of-Way Line of Poinciana Boulevard; thence run S.00°08'39"E., along said East Right-of-Way Line, 213.28 feet to the Point of Curvature of a Curve concave Westerly and having a radius of 540.00 feet; thence run Southwesterly, along the arc of said curve, 233.02 feet through a central angle of 24°43'30" to the Point of Tangency; thence run S.24°05'21"W., continuing along said East Right-of-Way Line, 159.76 feet; thence run S.72°25'06"E. 29.71 feet; thence run S.17°49'10"E. 91.99 feet; thence run S.31°34'52"W. 36.76 feet; thence run N.66°02'59"W. 85.62 feet to a Point on said East Right-of-Way Line of Poinciana Boulevard, said Point being on a curve concave Easterly, having a radius of 460.00 feet and a tangent bearing of S.21°37'13"W. at said Point; thence run Southwesterly, along the arc of said curve, 128.81 feet through a central angle of 16°02'36" to a Point 50.00 feet North of the South Line of the NW 1/4 of said Section 11; thence run N.89°36'36"E. 829.13 feet to the Point of Beginning. Said parcel contains 13.3 acres, more or less.

COPY

SURVEYOR'S CERTIFICATE

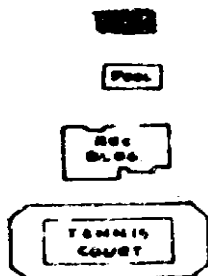
The undersigned, being a Registered Land Surveyor authorized to practice in the State of Florida, pursuant to Section 71.104 (4) (c), of the Florida Statutes, hereby certifies that he has made a Boundary Survey of the above described property and that the plat hereto attached and labeled Sheet 2 of 27 is an accurate representation of the same. I further certify that this EXHIBIT "A", consisting of Sheets 1 through 27, together with the provisions of the declaration of condominium, is an accurate representation of the proposed condominium plan, that the identification, location, and dimensions of the condominium units can be located from same.

R. Blair Hysler
R. BLAIR HYSLER - P.L.S. No. 3882
P. O. Box 823 - Sanford, Florida 32771
(407) 322-2000

Boundary Survey Date: 6 February 1984



THE VILLAS AT SOMERSET A CONDOMINIUM



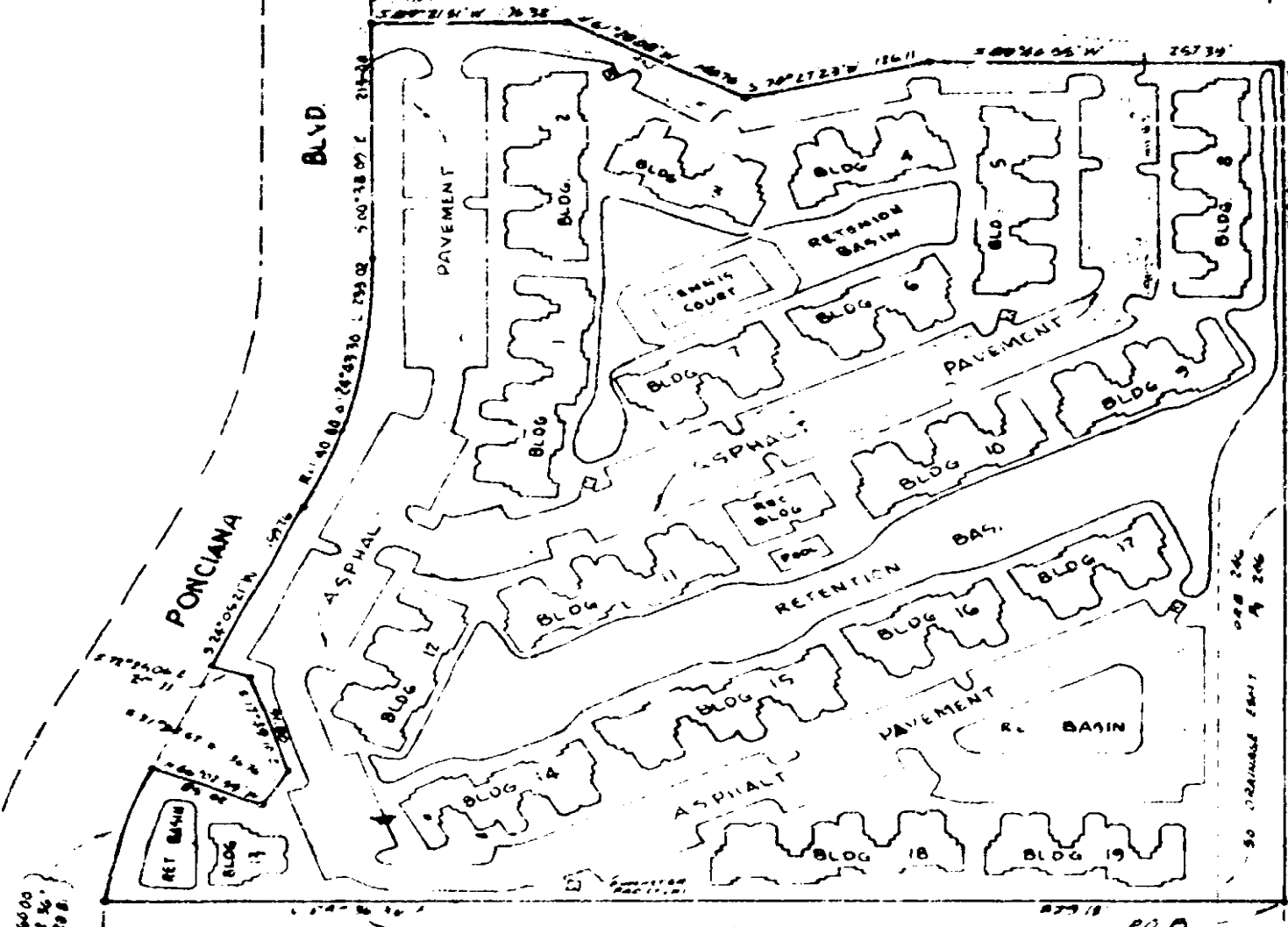
There are 360 parking spaces provided at the perimeter of the shaded areas.

The pool contains approximately 30,000 gallons of water and has a 15 person capacity.

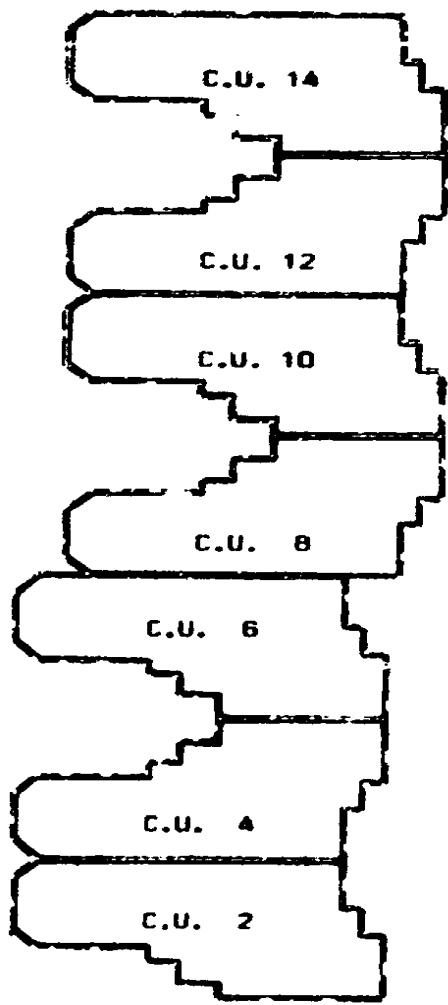
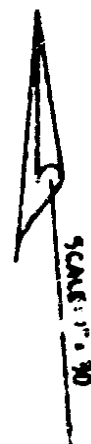
The recreation building is 67'x33' and is 18' high. It has 2,159 square feet.

The tennis court is 60 x 120' and is a double court.

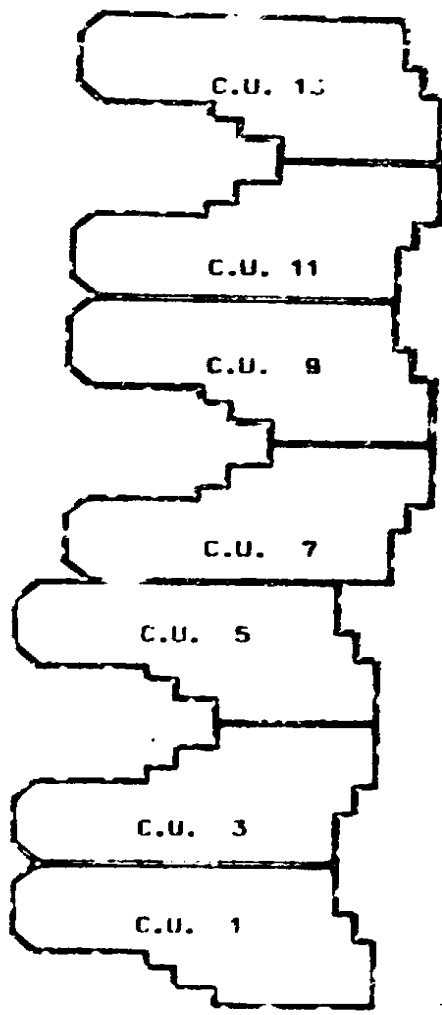
SCALE: 1" = 120'



THE VILLAS AT SOMERSET A CONDOMINIUM BUILDING I DETAIL



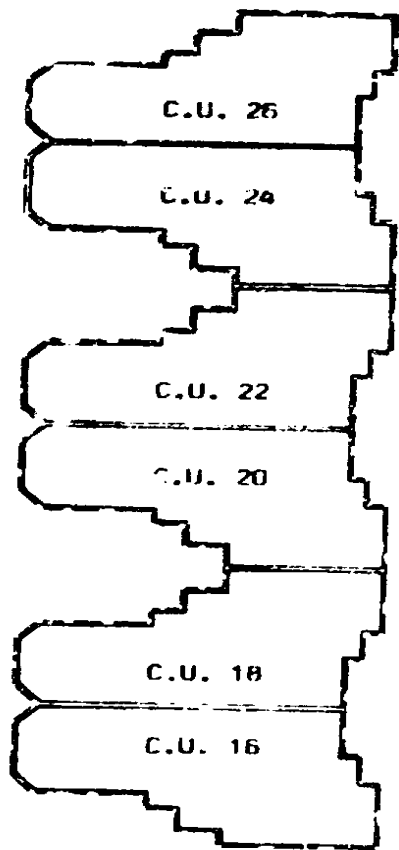
SECOND FLOOR
Floor Elevation = 86.37 Ceiling elevation = 94.37



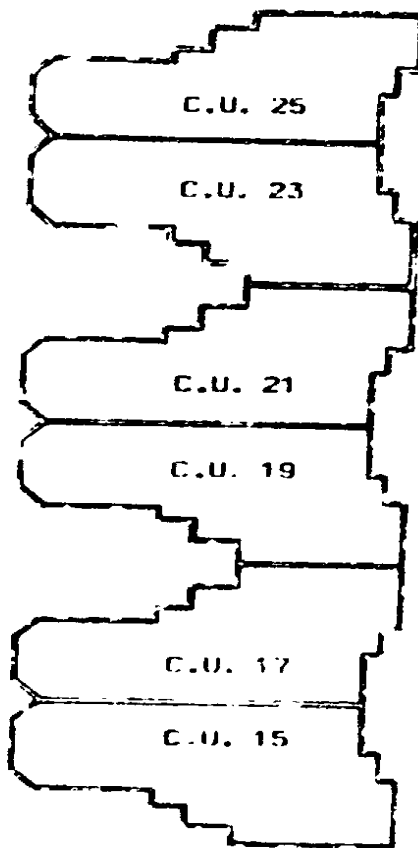
FIRST FLOOR
Floor Elevation = 77.37 Ceiling Elevation = 85.37

NOTE: SEE SHEET 36 FOR BUILDING AND UNIT DIMENSIONS.

THE VILLAS AT SOMERSET A CONDOMINIUM BUILDING 2 DETAIL



SECOND FLOOR
Floor Elevation = 87.25
Ceiling elevation = 95.25



FIRST FLOOR
Floor Elevation = 78.25
Ceiling Elevation 86.25

NOTE: ALL DIMENSIONS ARE IN FEET

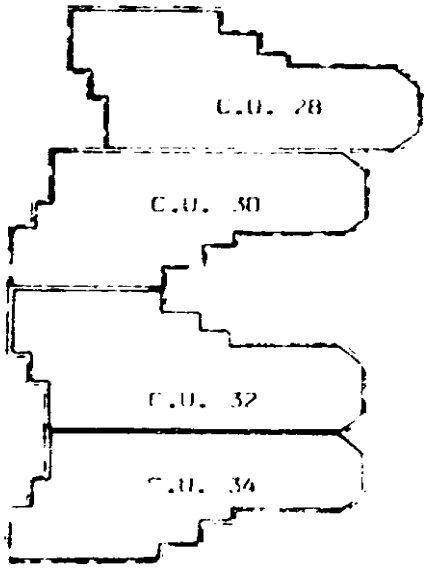
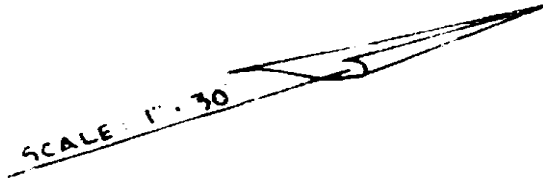
36 BUILDING AND UNIT DIMENSIONS.

36

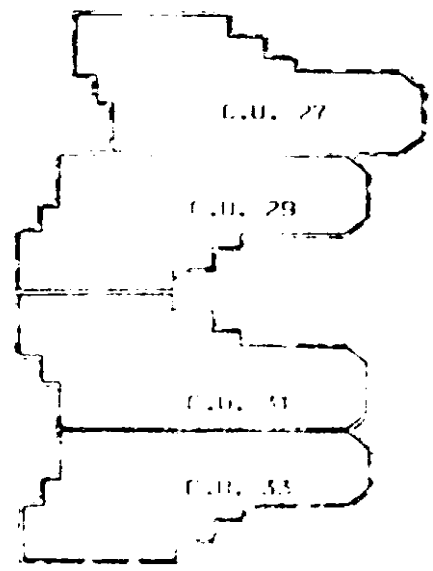
THE VILLAS AT SOMERSET

A CONDOMINIUM

BUILDING 3 DETAIL



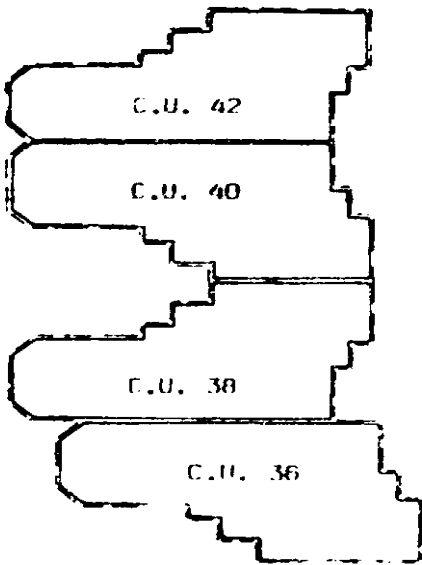
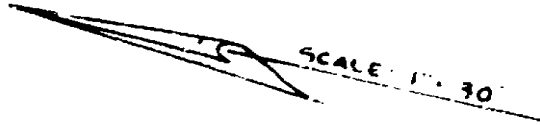
SECOND FLOOR
Floor Elevation = 88.44
Ceiling Elevation = 96.44



FIRST FLOOR
Floor Elevation = 79.44
Ceiling Elevation = 87.44

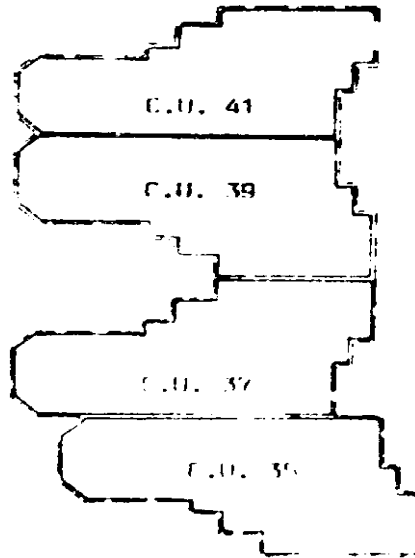
NOTE: SEE SHEET 36 FOR BUILDING AND UNIT DIMENSIONS.

THE VILLAS AT SOMERSET A CONDOMINIUM BUILDING 4 DETAIL



SECOND FLOOR

Floor Elevation = 88.65
Ceiling elevation = 96.65



FIRST FLOOR

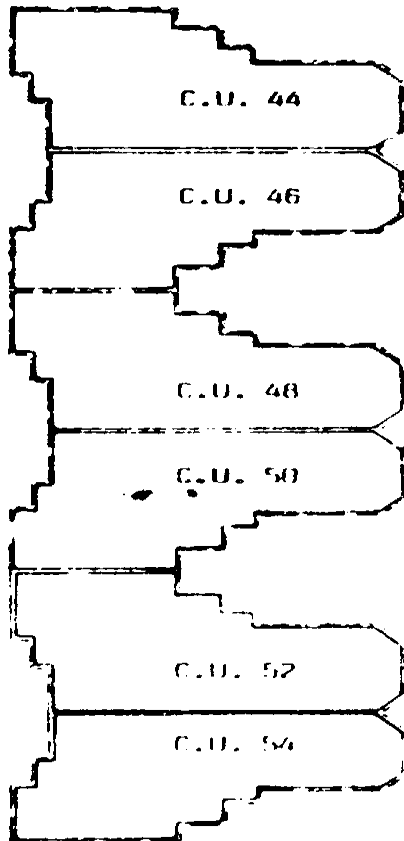
Floor Elevation = 79.65
Ceiling elevation = 87.65

NOTE: SEE SHEET 14 FOR BUILDING AND UNIT DIMENSIONS.

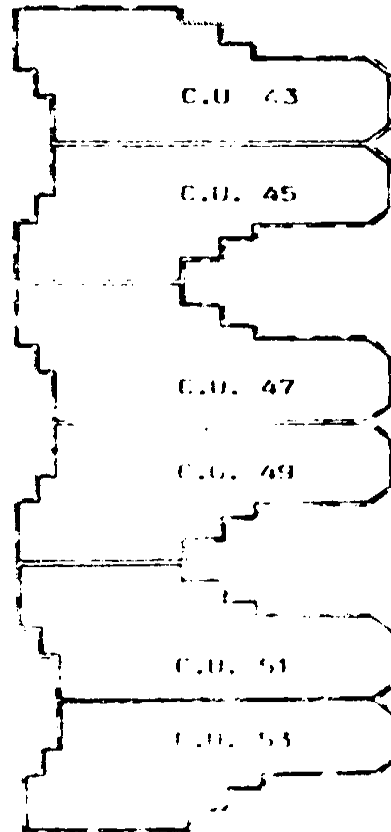
THE VILLAS AT SOMERSET

A CONDOMINIUM

BUILDING 5 DETAIL



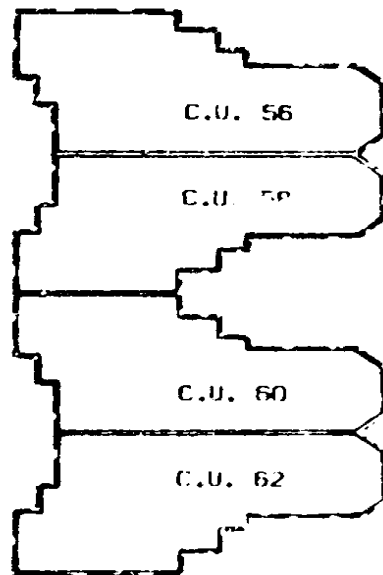
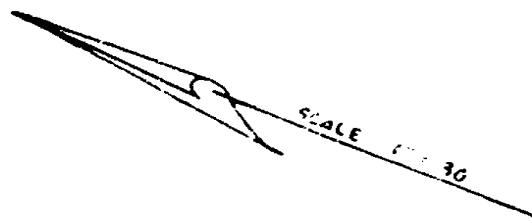
SECOND FLOOR
Floor Elevation = 87.80
Ceiling elevation = 95.80



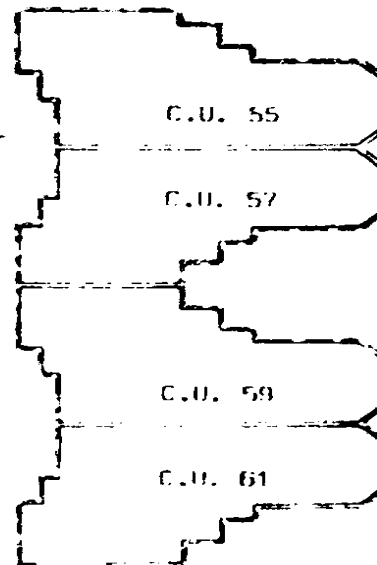
FIRST FLOOR
Floor Elevation = 78.80
Ceiling elevation = 86.80

NOTE: SEE SHEET 26 FOR BUILDING AND UNIT DIMENSIONS.

THE VILLAS AT SOMERSET A CONDOMINIUM BUILDING 6 DETAIL



SECOND FLOOR
Floor Elevation = 46.57
Ceiling elevation = 47.50



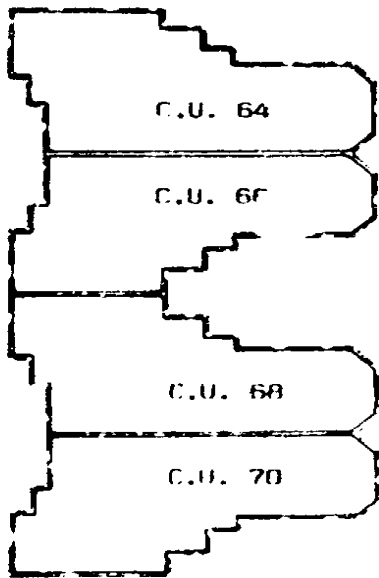
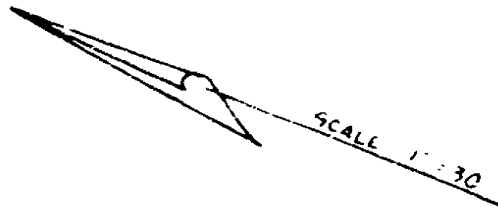
FIRST FLOOR
Floor Elevation = 45.50
Ceiling Elevation = 46.50

NOTE: SEE SHEET 30 FOR BUILDING AND UNIT DIMENSIONS.

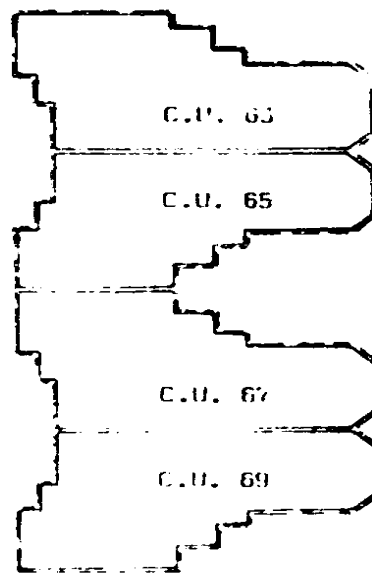
THE VILLAS AT SOMERSET

A CONDOMINIUM

BUILDING 7 DETAIL



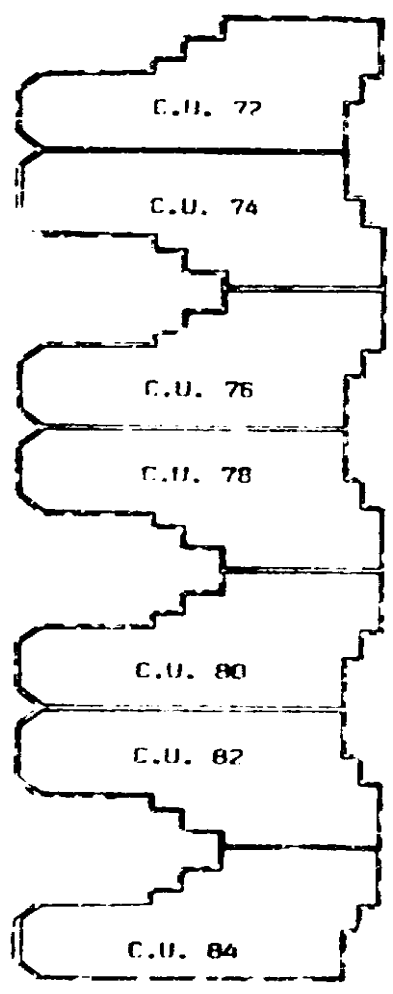
SECOND FLOOR
Floor Elevation = 77.31'
Ceiling Elevation = 85.11'



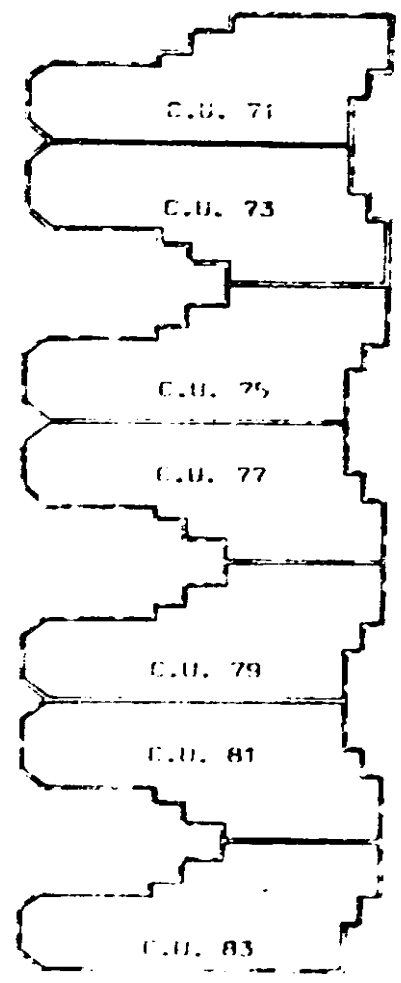
FIRST FLOOR
Floor Elevation = 77.31'
Ceiling Elevation = 85.11'

NOTE: SEE SHEET 39 FOR BUILDING AND UNIT DIMENSIONS.

THE VILLAS AT SOMERSET A CONDOMINIUM BUILDING 8 DETAIL



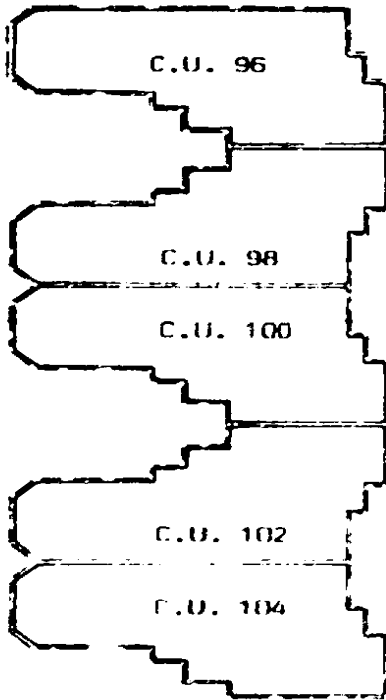
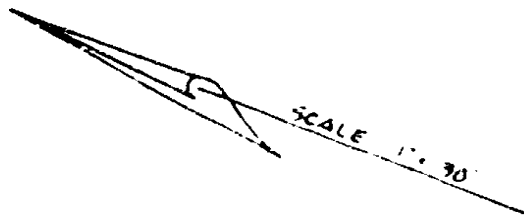
SECOND FLOOR
 Floor Elevation = 28.00'
 Ceiling Elevation = 33.00'



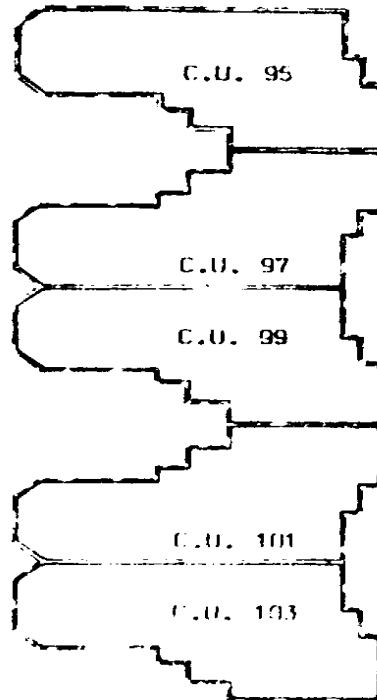
FIRST FLOOR
 Floor Elevation = 26.00'
 Ceiling Elevation = 31.00'

NOTE: SEE SHEET 24 FOR BUILDING AND UNIT DIMENSIONS.

THE VILLAS AT SOMERSET A CONDOMINIUM BUILDING 10 DETAIL



SECOND FLOOR
Floor Elevation = 44.50'
Ceiling Elevation = 46.00'



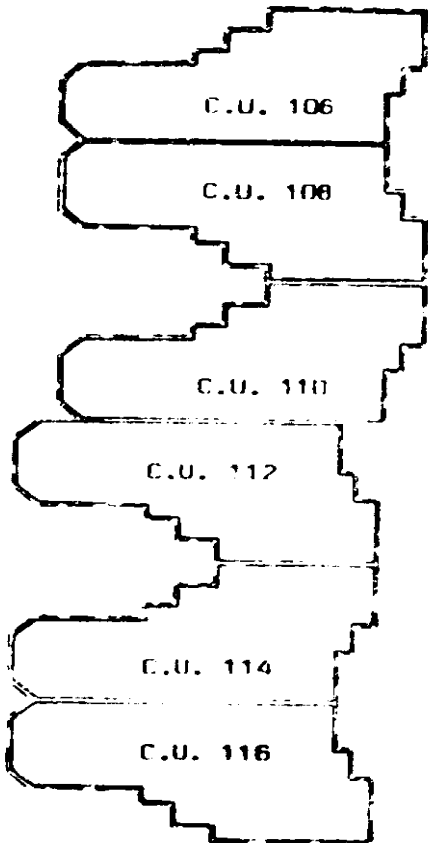
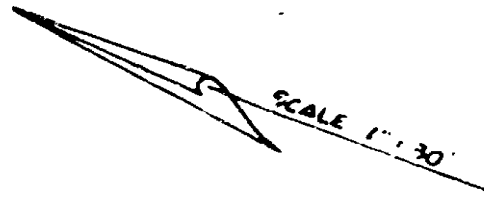
FIRST FLOOR
Floor Elevation = 43.50'
Ceiling Elevation = 45.00'

NOTE: SEE SHEET 10 FOR BUILDING AND UNIT DIMENSIONS.

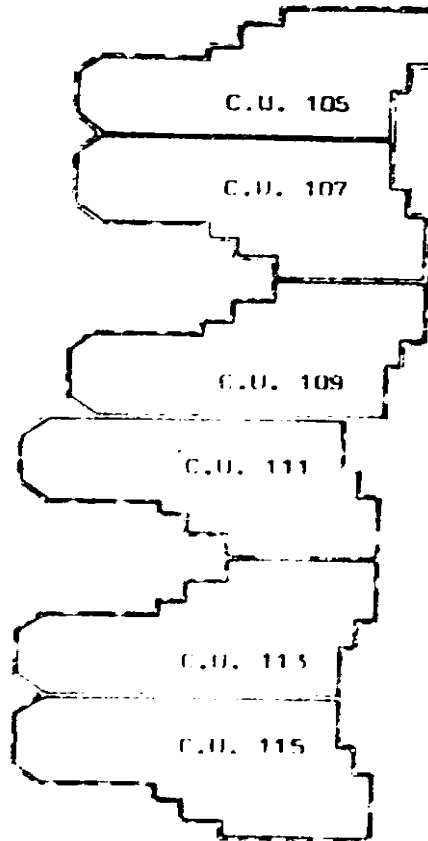
THE VILLAS AT SOMERSET

A CONDOMINIUM

BUILDING II DETAIL



SECOND FLOOR
Floor Elevation = 85.00'
Ceiling Elevation = 85.00'



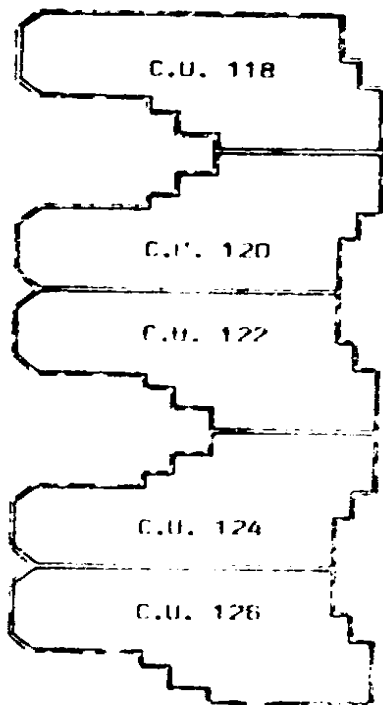
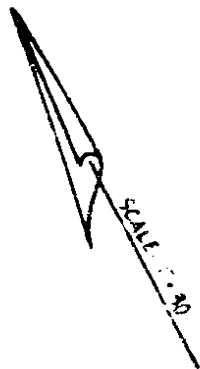
FIRST FLOOR
Floor Elevation = 84.00'
Ceiling Elevation = 85.00'

NOTE: SEE SHEET FOR BUILDING AND UNIT DIMENSIONS.

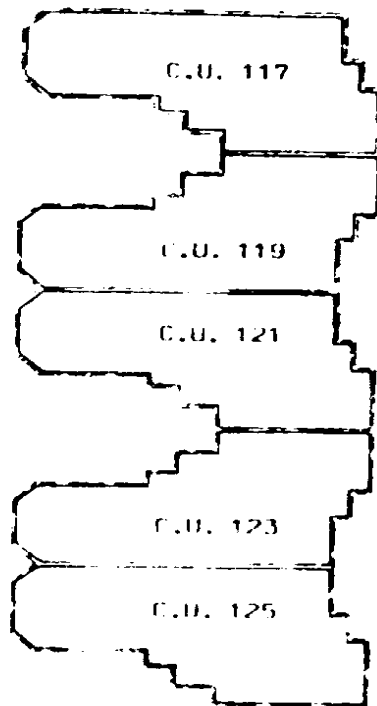
THE VILAS AT SOMERSET

A CONDOMINIUM

BUILDING 12 DETAIL



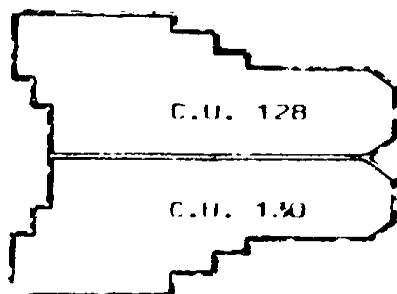
SECOND FLOOR
Floor Elevation = 85.17
Ceiling Elevation = 86.17



FIRST FLOOR
Floor Elevation = 84.17
Ceiling Elevation = 85.17

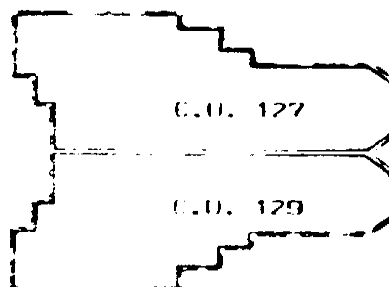
NOTE: SEE SHEET 10 FOR BUILDING AND UNIT DIMENSIONS.

THE VILLAS AT SOMERSET A CONDOMINIUM BUILDING 13 DETAIL



SECOND FLOOR

Floor Elevation = 10.00
Ceiling Elevation = 10.00



FIRST FLOOR

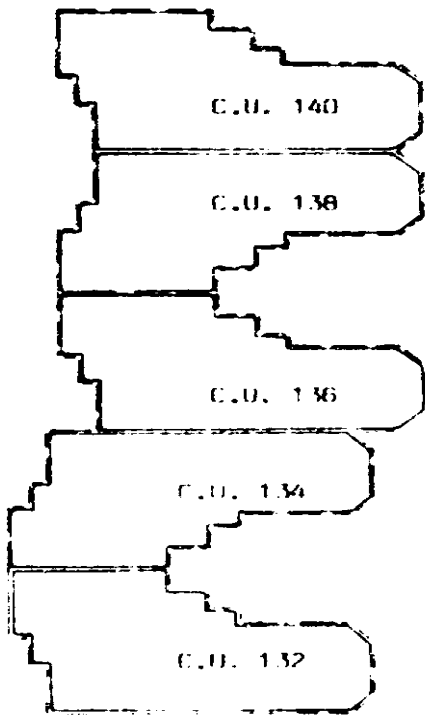
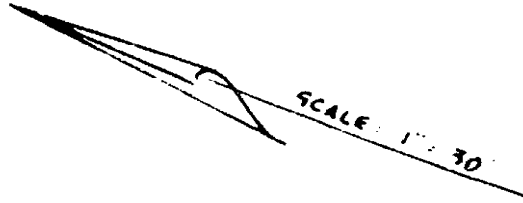
Floor Elevation = 9.00
Ceiling Elevation = 9.00

NOTE: SEE SHEET 13 FOR BUILDING AND UNIT DIMENSIONS.

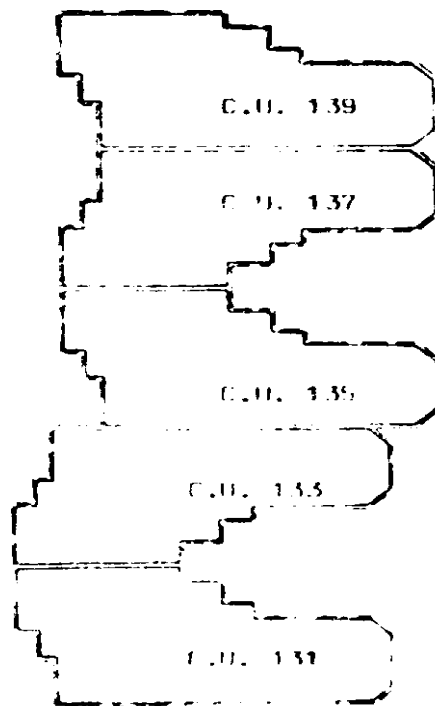
THE VILLAS AT SOMERSET

A CONDOMINIUM

BUILDING 14 DETAIL



SECOND FLOOR
Floor Elevation = 22.00
Ceiling Elevation = 22.00



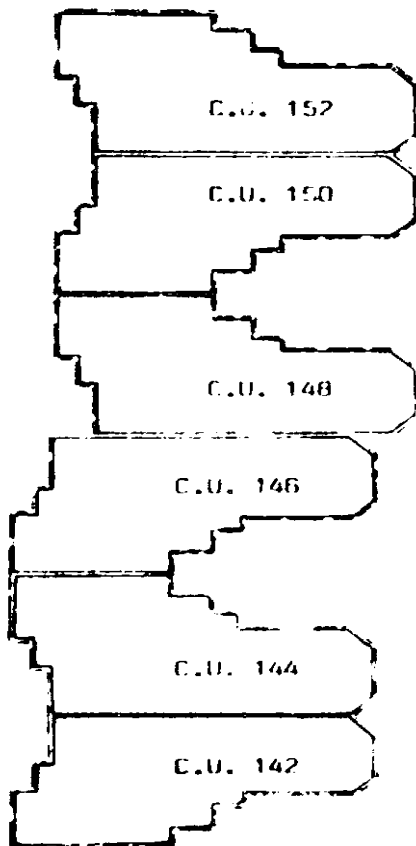
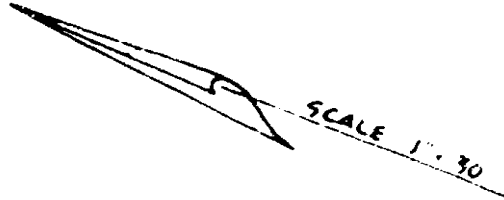
FIRST FLOOR
Floor Elevation = 21.00
Ceiling Elevation = 21.00

NOTE: SEE SHEET 36 FOR BUILDING AND UNIT DIMENSIONS.

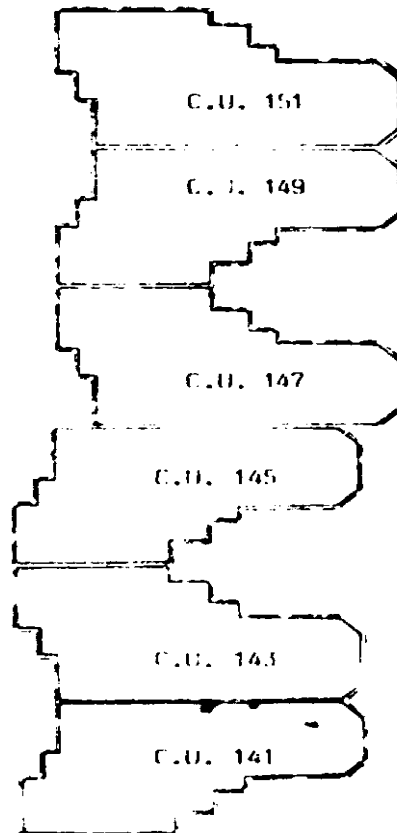
THE VILLAS AT SOMERSET

A CONDOMINIUM

BUILDING 15 DETAIL



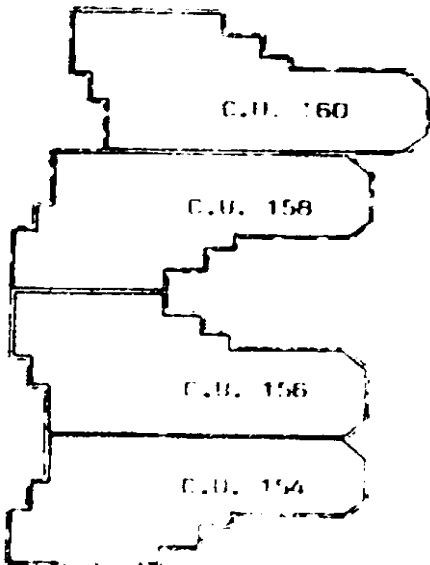
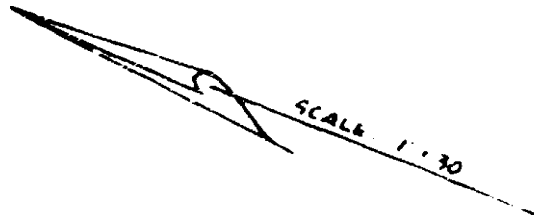
SECOND FLOOR
Floor Elevation = 27.50'
Ceiling Elevation = 35.00'



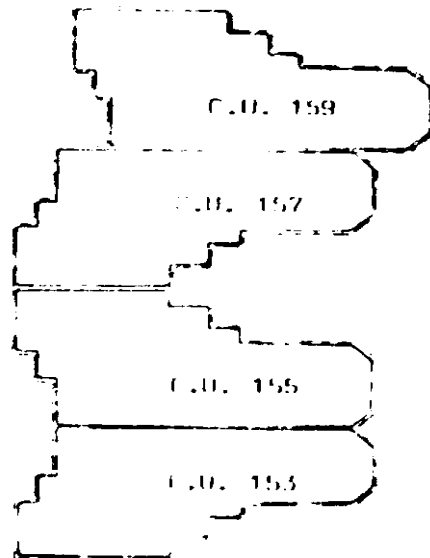
FIRST FLOOR
Floor Elevation = 27.50'
Ceiling Elevation = 35.00'

NOTE: SEE SHEET 15 FOR BUILDING AND UNIT DIMENSIONS.

THE VILLAS AT SOMERSET A CONDOMINIUM BUILDING 16 DETAIL



SECOND FLOOR
Floor Elevation = 152.00
Ceiling Elevation = 154.00



FIRST FLOOR
Floor Elevation = 151.00
Ceiling Elevation = 153.00

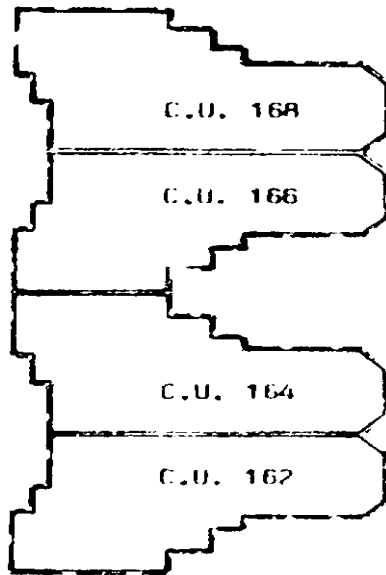
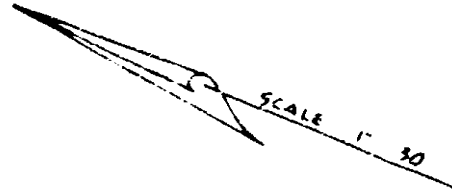
NOTE: SEE SHEET

FOR BUILDING AND UNIT DIMENSIONS.

THE VILLAS AT SOMERSET

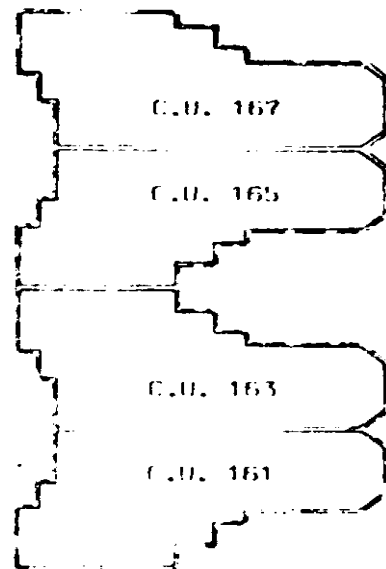
A CONDOMINIUM

BUILDING 17 DETAIL



SECOND FLOOR

Floor Elevation = 75.00
Ceiling Elevation = 85.00



FIRST FLOOR

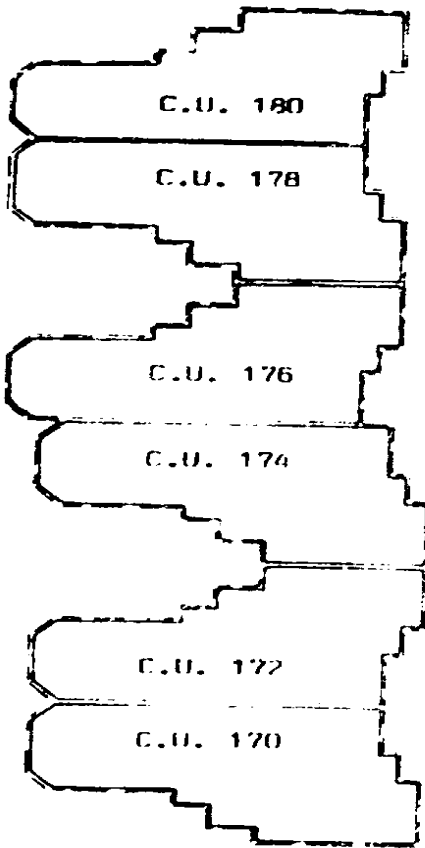
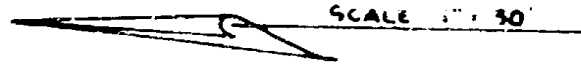
Floor Elevation = 70.00
Ceiling Elevation = 85.00

NOTE: SEE SHEET 17-01 FOR BUILDING AND UNIT DIMENSIONS.

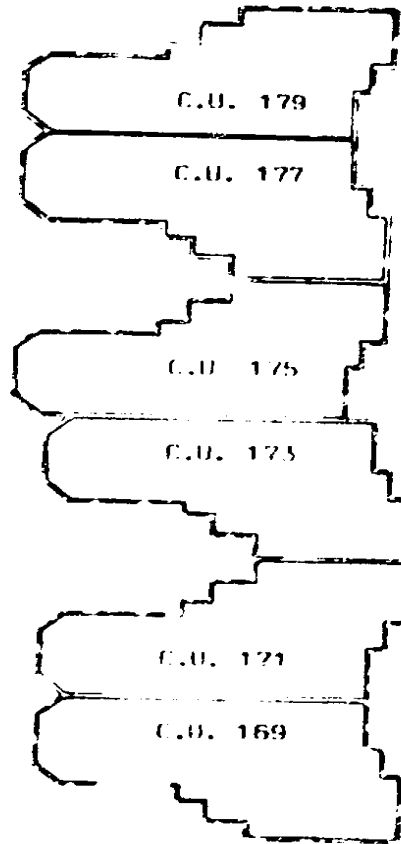
THE VILLAS AT SOMERSET

A CONDOMINIUM

BUILDING 18 DETAIL



SECOND FLOOR
Floor Elevation = 10.00'
Ceiling Elevation = 11.00'



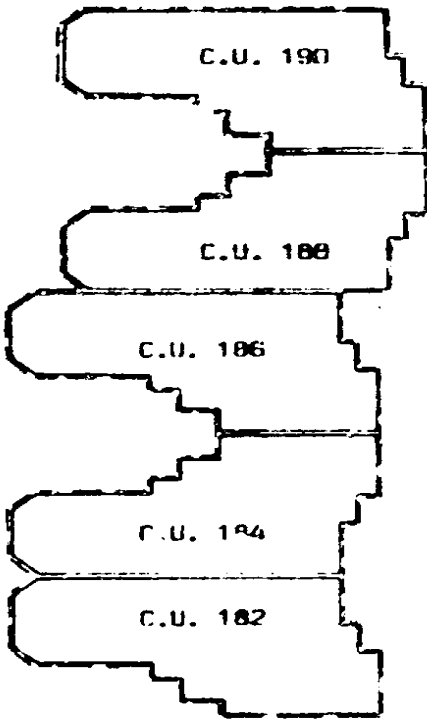
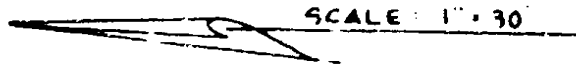
FIRST FLOOR
Floor Elevation = 9.00'
Ceiling Elevation = 10.00'

NOTE: SEE SHEET 18 FOR BUILDING AND UNIT DIMENSIONS.

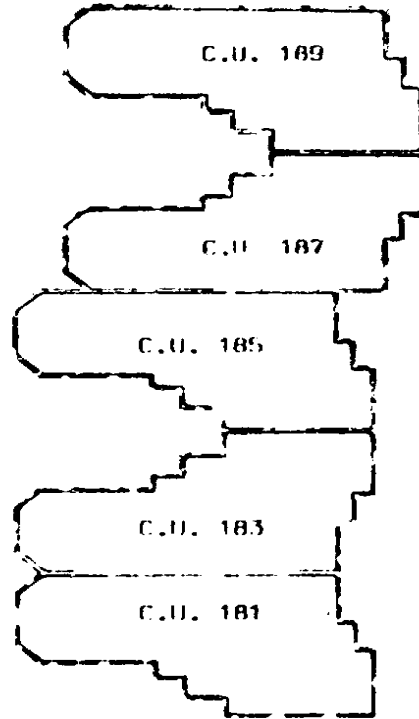
THE VILLAS AT SOMERSET

A CONDOMINIUM

BUILDING 19 DETAIL



SECOND FLOOR
Floor Elevation = 28.10
Ceiling elevation = 30.00



FIRST FLOOR
Floor Elevation = 26.10
Ceiling elevation = 28.00

NOTE: SEE SHEET 19 FOR BUILDING AND UNIT DIMENSIONS.

SCHEDULE OF
SHARE IN THE COMMON ELEMENTS
AND
SHARE IN THE COMMON EXPENSES
AND COMMON SURPLUS

1/190

Exhib. "C"

EXC:E

State of Florida



Department of State

I certify that the attached is a true and correct copy of the Articles of Incorporation of THE VILLAS AT SOMERSET CONDOMINIUM ASSOCIATION, INC., a corporation organized under the Laws of the State of Florida, filed on March 2, 1989, as shown by the records of this office.

The document number of this corporation is N30965.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
2nd day of March, 1989.



Jim Smith
Jim Smith
Secretary of State

CR2E022 (8-87)

ARTICLES OF INCORPORATION
OF

THE VILLAS AT SOMERSET CONDOMINIUM
ASSOCIATION, INC.

A Florida corporation not for profit

FILED
MAR -2 1983
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

In compliance with the requirements of Chapter 617, Florida Statutes (1983), the undersigned, being a resident of the State of Florida and being of full age, has this day voluntarily formed a corporation not for profit and does hereby certify:

ARTICLE I

NAME

The name of the corporation is THE VILLAS AT SOMERSET CONDOMINIUM ASSOCIATION, INC., a corporation not for profit, and is hereinafter called the "Association."

ARTICLE II

PURPOSE AND POWERS OF THE ASSOCIATION

A. The Association is organized as a corporation not for profit under the provisions of Chapter 617, Florida Statutes, and is a Condominium Association, as referred to and authorized by Section 718.111, Florida Statutes. The purpose for which the Association is organized is to provide an entity responsible for the operation of a condominium in Osceola County, Florida, known as The Villas at Somerset Condominium, and to transact any or all lawful business. Said condominium is herein called "Condominium" and the Declaration of Condominium whereby same has or will be created is herein called "Declaration". A description of the lands of the Condominium is set forth in the Declaration. This Association may also operate other condominiums which may be created on the lands described in Exhibit "A" to these "Articles of Incorporation, and if so, the word "Condominium" as used herein shall mean all such condominiums.

B. The Association shall have all of the following powers:

1. All the powers set forth and described in Chapter 617, Florida Statutes, as amended.
2. All the powers of an association as set forth in Chapter 718, Florida Statutes (1983).
3. Make and collect assessment against members as unit owners to defray the costs, expenses and losses of the Condominium and other matters declared by the Declaration to be a common expense of the Condominium.
4. Use the proceeds of assessments in the exercise of its powers and duties.
5. Maintain, repair, replace and operate the Condominium Property.

6. Purchase insurance upon the Condominium Property and insurance for the protection of the Association and its members as Unit Owners, as well as liability insurance for the protection of Officers and Directors of the Association.
7. Reconstruct improvements after casualty and/or further improve the Condominium Property.
8. Make, modify, amend and rescind reasonable rules and regulations respecting the use of the Condominium Property, herein called the "Rules and Regulations".
9. Enforce by legal, equitable and administrative means the provisions of the Declaration, these Articles, the By-Laws and the Rules and Regulations.
10. Contract for the management and maintenance of the Condominium Property and to authorize a management agent to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of assessments, preparation of records, enforcement of Rules and Regulations and the maintenance, repair and replacement of the common elements with funds as shall be made available by the Association for such purposes. The Association, its Directors and its officers shall, however, retain at all times the powers and duties granted by the Declaration and Chapter 718, Florida Statutes, including, but not limited to, the making of assessments, promulgation of Rules and Regulations and the execution of contracts on behalf of the Association.
11. Employ personnel for reasonable compensation to perform the services required for proper administration of the purposes of the Association.
12. Pay taxes and assessments which are liens against any part of the condominium other than individual Units and the appurtenances thereto, and to assess the same against the Units and the appurtenances thereto, and to assess the same against the Units as common expense of the Condominium.
13. Pay the cost of all utility services rendered to the Condominium and not billed individually to Owners of individual Units.
14. Purchase one (1) or more Units in the Condominium and to hold, lease, mortgage and convey such Units.
15. All Powers necessary for the purpose for which the Association is organized.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

The general members of the Association shall constitute all the record Owners of the Condominium Units of the Condominium. Declarant (Developer) shall be considered owner of all those units which remain unsold. The voting members of the Association shall consist of: One (1) Owner of each Unit of the Condominium, who shall be designated as provided in the By-Laws of the Association. After receiving the approval of the Corporation, as required under the Declaration, change of membership in this Association shall be established by recording in the public records of Osceola County, Florida, a deed or other instrument establishing record title to a Condominium Unit by delivering to the Association a certified copy of said

David M. Meadows 435 Douglas Avenue
 Altamonte Springs, FL 32714

Sandra M. Weld 435 Douglas Avenue
 Altamonte Springs, FL 32714

Cindy L. Arvai 435 Douglas Avenue
 Altamonte Springs, FL 32714

When the Developer has conveyed Fifteen Percent (15%) or more of the units in the Condominium or at such earlier time as the Developer in its discretion may determine, the unit owners other than the Developer shall be entitled to elect One-third (1/3) of the members of the Board of Directors and the Board of Directors shall call a special members' meeting for the election.

Unit owners other than the Developer shall be entitled to elect not less than a majority of the members of the Board of Directors:

(a) Three (3) years after the Developer has conveyed Fifty Percent (50%) of the units that will ultimately be operated by the Association to individual purchasers; or

(b) Three (3) months after the Developer has conveyed Ninety Percent (90%) of the units that will ultimately be operated by the Association to individual purchasers; or

(c) When all of the units in the Condominium have been completed and some of the units have been sold, and none of the remaining units are being offered for sale by the Developer in the ordinary course of business; whichever shall first occur, or at such earlier time as the Developer in its discretion may determine. The Board of Directors shall call a special members' meeting for the election.

(d) When some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business, whichever occurs first. The Developer is entitled to elect at least one member of the board of administration of an association as long as the Developer holds for sale in the ordinary course of business at least Five Percent (5%) of the units in a condominium operated by the association.

The Developer is entitled to elect at least one (1) member of the Board of Directors of the Association as long as the Developer holds for sale in the ordinary course of business at least Five Percent (5%) of the units in THE VILLAS AT SOMERSET, a condominium.

ARTICLE VIII

BY-LAWS

The initial By-Laws of the Association shall be adopted by the original Board of Directors and thereafter the By-Laws of the Association shall be made, altered or rescinded by the members of the Association in the manner set forth in the By-Laws.

IN WITNESS WHEREOF the undersigned does set her hand and seal and has acknowledged and filed the foregoing Articles of Incorporation under the laws of the State of Florida this 15th day of February, 1989.

Sandra M. Weld
Sandra M. Weld
Vice President

STATE OF FLORIDA
COUNTY OF SEMINOLE

Before me personally appeared Sandra M. Weld, to me well known and known to me to be the individual described in and who executed the foregoing Articles of Incorporation and acknowledged before me that she executed the same for the purposes therein expressed.

WITNESS my hand and official seal in the County and State aforesaid this 15 day of February, 1989.

SEAL

Donna J. Adams
Notary Public
My Commission Expires:

NOTARY PUBLIC, STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES OCT. 20, 1992
SC DEC THRU AGENT'S NOTARY BRK 1989

REGISTERED AGENT CERTIFICATE
OF

THE VILLAS AT SOMERSET
CONDOMINIUM ASSOCIATION, INC.

In pursuance of Chapter 48.091, Florida Statutes,
the following is submitted, in compliance with said Act:

That the above named corporation desiring to
organize under the laws of the State of Florida with its
principal office as indicated in the Articles of
Incorporation and shown below has named the undersigned,
SANDRA M. WELD, as its agent to accept service of process
within this state at the address set forth below.

THE VILLAS AT SOMERSET
CONDOMINIUM ASSOCIATION, INC.

By: Sandra M. Weld
Sandra M. Weld, Preside.
435 Douglas Avenue
Altamonte Springs, Florida 32714

ACCEPTANCE:

Having been named to accept service of process for
the above stated corporation, at place designated in this
certificate, I hereby accept to act in this capacity, and
agree to comply with the provision of said act relative to
keeping open said office.

By: Sandra M. Weld
Sandra M. Weld

BY-LAWS

OF

THE VILLAS AT SOMERSET
 CONDOMINIUM ASSOCIATION, INC.

A Florida Corporation not for profit

ARTICLE I

GENERAL

A. Name. The name of the Corporation shall be THE VILLAS AT SOMERSET CONDOMINIUM ASSOCIATION, INC.

B. Principal Office. The principal office of the corporation shall be 435 Douglas Avenue, Altamonte Springs, Florida 32714, or may be such other place as may be subsequently designated, from time to time, by the Board of Directors.

C. Definition. As used herein, the term "Association" shall mean this corporation and the Association as defined in any Declaration of Condominium to which these By-Laws are attached (the "Declaration") and all other words as used herein shall have the same definitions as attributed to them in said Declaration. The Association has been organized for the purpose of administering (but not exclusively unless so provided in the Corporation's Articles of Incorporation) the Condominium created by the Declaration to which these By-Laws are attached.

ARTICLE II

DIRECTORS

A. Number and Term. The number of Directors who shall constitute the whole Board shall be not less than three (3). The initial Board shall consist of three (3) Directors. Until succeeded by Directors elected at the first annual meeting of members, Directors need not be members; thereafter, all Directors shall be members; provided, however, that no Director elected by the Developer as provided in the Declaration, these By-Laws or Chapter 718, Florida Statutes, shall be required to be a member of the Association. Within the limits above specified, the number of Directors shall be determined by the voting members at the annual meeting. The Directors shall be elected at the annual meeting of the members, and each Director shall be elected to serve for the term of one (1) year or until his successor shall be elected and shall qualify.

B. Vacancy and Replacement. If the office of any Director or Directors becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining Directors, through less than a quorum, at a special meeting of Directors duly called for this purpose, shall choose a successor or successors, who shall hold office for the unexpired term in respect to which such vacancy occurred.

C. Removal. Directors may be removed with or without cause by an affirmative vote of a majority of the members. No Director, other than the initial Director or Directors elected by the Developer as set forth in Section A hereof, shall continue to serve on the Board if during his term of office his membership in the Association shall be terminated for any reason whatsoever.

EXHIBIT "E"

D. Resignation. Any Director may resign his office at any time, such resignation to be made in writing, and to take effect from the time of its receipt by the Association, unless some future time be fixed in the resignation, and then from that date. The acceptance of a resignation shall not be required to make it effective.

E. First Board of Directors. The first Board of Directors shall consist of the persons so named in the Articles of Incorporation who shall hold office and exercise all powers of the Board of Directors until the first membership meeting, anything to the contrary notwithstanding; provided, any or all said Directors shall be subject to replacement in the event of resignation or death, as provided in Section C of this Article II.

F. Powers. The property and business of the Association shall be managed by the Board of Directors, who may exercise all corporate powers not specifically prohibited by statutes, the Articles of Incorporation or the Declaration. The powers of the Board of Directors shall specifically include, but not be limited to, the following items:

1. To make and collect assessments and establish the time within which payment of same are due.

2. To use and expend the assessments collected; to maintain, care for and preserve the units, Condominium Property and Association property, except those portions thereof which are required to be maintained, cared for and preserved by the unit owners.

3. To purchase the necessary equipment and tools required for the maintenance, care and preservation of the property, referred to in Sub-section F.2 above.

4. To enter upon the units when necessary and with as little inconvenience to the owner as possible in connection with such maintenance, care and preservation.

5. To insure and keep insured said Condominium Property and Association Property in the manner set forth in the Declaration against loss from fire and/or other casualty, and the unit owners against public liability, and to purchase such other insurance as the Board of Directors may deem advisable.

6. To collect delinquent assessments by suit or otherwise, abate nuisances and enjoin or seek damages from the unit owners for violations of these By-Laws and the terms and conditions of the Declaration.

7. To employ and/or contract with, if deemed desirable, a maintenance service contractor and/or a manager who shall maintain, service and/or manage the Condominium Property, Association Property and related facilities, and to delegate to such Contractor or manager such duties as may be necessary in connection with the operation of properties and facilities, to employ workmen, janitors and gardeners and to purchase supplies and equipment and to enter into contracts in connection with any of the foregoing items or for other services deemed desirable.

8. To make reasonable rules and regulations for the use and occupancy of the Condominium Property and the Association Property.

G. Meetings. Meetings of the Board of Directors shall be had as follows:

1. The first meeting of each Board newly-elected by the members shall be held immediately upon adjournment of the meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board of Directors shall be held at the same place as the general members' meeting, and immediately after the adjournment of same.

2. The Board of Directors may establish a schedule of regular meetings to be held at such time and place as the Board of Directors may designate. Notice of such regular meeting shall, nevertheless, be given to each Director personally, by first-class mail, or by telegram, and must be given at least two (2) days prior to the day named for the meeting. In addition, except in the case of emergency, notice must also be posted conspicuously on the condominium property at least 48 hours in advance of the meeting.

3. Special meetings of the Board of Directors may be called by the President on three (3) days' notice of each Director. Special meetings shall be called by the President or secretary in a like manner and on like notice on the written request of two (2) Directors.

4. At all meetings of the Board, a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute or by the Articles of Incorporation or by these By-Laws. If a quorum shall not be present in any meeting of Directors, the Directors present thereat may adjourn the meeting, and may reconvene the meeting only after notice of the reconvened meeting has been posted conspicuously on the condominium property at least 48 hours in advance of said reconvened meeting.

H. Order of Business. The order of business at all meetings of the Board of Directors shall be as follows:

1. Roll call.
2. Reading of minutes of last meeting.
3. Consideration of communications.
4. Resignations and elections.
5. Report of officers and employees.
6. Reports of committees.
7. Unfinished business.
8. Original resolutions and new business.
9. Adjournment.

I. Annual Statement. The Board will present, not less often than at the annual meeting, and when called for by a vote of the members, at any special meeting of the members, a full and clear statement of the business and condition of the Association.

ARTICLE III

OFFICERS

A. Executive Officers. The executive officers of the Association shall be President, Vice President, Secretary and Treasurer, all of whom shall be elected annually by the Board of

Directors. If the Board so determines, there may be more than one (1) Vice President.

B. Appointive Officers. The Board of Directors may appoint such other officers and agents as it may deem necessary, who shall hold office in the sole discretion of the Board of Directors and who shall have such authority and perform such duties as from time to time may be prescribed by the Board of Directors.

C. Election. The Board of Directors at its first meeting after each annual meeting of general members shall elect a President, a Vice President, a Secretary and a Treasurer, none of whom need be a member of the Board of Directors.

D. Term. The officers of the Association shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed for cause, at any time by the affirmative vote of a majority of the whole Board of Directors.

E. The President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the unit owners and of the Board of Directors. He shall have executive powers and general supervision over the affairs of the Association and other officers. He shall sign all written contracts to perform all of the duties incident to this office and which may be delegated to him from time to time by the Board of Directors.

F. The Vice President. The Vice President shall perform all of the duties of the President in his absence, and such other duties as may be required of him from time to time by the Board of Directors.

G. The Secretary. The Secretary shall issue notices of all Board of Directors' meetings and all meetings of the members; shall attend and keep the minutes of such meetings; and, shall have charge of all of the Association's books, records and papers, except those kept by the Treasurer. The Assistant Secretary, if any, shall perform those duties of the Secretary when the Secretary is absent.

H. The Treasurer.

1. The Treasurer shall have custody of the Association's funds and securities, except the funds payable to the Manager as provided in the Management Agreement attached to the Declaration or any other applicable Management Agreement and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name of and to the credit of the Association in such depositories as may be designated from time to time by the Board of Directors. The books shall reflect an account for each unit in the manner required by law.

2. The Treasurer shall disburse the funds of the Association as may be ordered by the Board of Directors in accordance with these By-Laws, making proper vouchers for such disbursements, and shall render to the President and Board of Directors at the regular meetings of the Board of Directors, or whenever they may require it, an account of all of his transactions as the Treasurer and of the financial condition of the Association.

3. The Treasurer shall collect the assessments and shall promptly report the status of collections and of all delinquencies to the Board of Directors.

4. The Treasurer shall give status reports to potential transferees on which reports the transferees may rely.

5. The Assistant Treasurer, if any, shall perform the duties of the Treasurer when the Treasurer is absent.

I. Vacancies. If the office of the President, Vice President, Secretary or Treasurer becomes vacant by reason of death, resignation, disqualification or otherwise, the Board of Directors, by a majority vote of the whole Board of Directors, may choose a successor or successors who shall hold office for the unexpired term.

J. Resignation. Any Officer may resign his office at any time, such resignation to be made in writing, and to take effect from the time of its receipt by the Association, unless some future time be fixed in the resignation, and then from that date. The acceptance of a resignation shall not be required to make it effective.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

Every Owner of a Unit which is subject to assessment shall be a member of the Association. An Owner of more than one (1) Unit shall be entitled to one (1) membership for each Unit owned by him. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment, but shall be automatically transferred by conveyance of that Unit. The Declarant shall also be a member so long as it owns one or more Units or Parcels.

A. Generally. There shall be no stock certificates issued by this Association. There shall be no more than one hundred ninety (190) voting members of the Association.

B. Transfer of Membership. Transfer of membership shall be made only on the books of the Association, and notice of acceptance of such transferee as a member of the Association shall be given in writing to such transferee by the President and Secretary of the Association. Transferor, in such instance, shall automatically no longer be a member of the Association. Membership in the Association may be transferred only as an incident to the transfer of a Condominium parcel, and shall be subject to the procedures set forth in the Declaration.

C. Voting; Certificates; Voting Member. The members of this Association shall be entitled to cast one (1) vote for each Condominium unit owned by them. The person entitled to cast the vote for the Condominium unit shall be designated by a certificate signed by all of the record owners of the Condominium unit and filed with the Secretary of the Association. If a Condominium unit is at any time owned by a corporation, the person entitled to cast the vote for the Condominium unit shall be designated by a certificate signed by the President or Vice President of the corporation and filed with the Secretary of the Association. If a Condominium unit is owned by the Developer ("Developer"), as defined in the Declaration, the certificate designating the voting member for such unit may be executed by any President or Vice President or Developer. If Developer owns

more than one (1) unit in the Condominium, the Developer may designate more than one (1) of those units it owns as one (1) certificate designating the voting member for such units. The person named and designated in such voting certificate as the person who shall cast the vote for such Condominium unit shall be referred to as the "Voting Member". Any such voting certificate must be filed with the Secretary prior to the commencement of any meeting at which the vote represented by such certificate, including any proxy therefor, is to be cast or used to calculate a quorum. Each such certificate shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Condominium unit represented by such certificate. A certificate designating the person entitled to cast the vote of a Condominium unit may be revoked by any owner of the unit represented by such certificate. If such a certificate is not on file, or if such has been revoked, the vote of such owner and such unit shall not be considered in determining the requirement for a quorum or for any other purpose.

ARTICLE V

MEETINGS OF MEMBERSHIP

A. Place. All meetings of the members of the Association shall be held at the property of the Association or such other place as may be stated in the notice.

B. Annual Meeting. Members shall meet at least once in each calendar year, and such meeting shall be the annual meeting. The first annual meeting shall be held within one (1) year after the first certificate of occupancy is issued on a unit in a Condominium which this Association operates. Regular annual meetings which are subsequent to the first meeting shall be held on the first day of February of each succeeding year, if not a legal holiday, and if a legal holiday, then on the next secular day following.

C. Special Meetings. Special meetings of the members for any purpose or purposes, unless otherwise prescribed by statute or by the Articles of Incorporation, may be called by the President, and shall be called by the President or Secretary at the request, in writing, of a majority of the Board of Directors, or at the request, in writing, of ten (10%) percent of the voting members. Such request shall state the purpose or purposes of the proposed meeting. Business transacted at all special meetings shall be confined to the subjects stated in the notice thereof of the special meetings.

D. Right to Vote; Proxies. At any meeting of the members, every voting member having the right to vote shall be entitled to vote in person or by proxy. Such proxy shall only be valid for such meeting, or subsequent adjourned meetings thereof provided that such adjourned meetings are held within ninety (90) days of the date of the original meeting. All proxies shall be in writing and signed by the voting member.

E. Vote Required to Transact Business. When a quorum is present at any meeting, the majority vote of the voting members present at such meeting, in person or represented by written proxy, shall decide any questions brought before the meeting, unless the question is one upon which, by express provision of the Florida Statutes, the Declaration, the Articles of Incorporation, or of these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question.

F. Statutory Reference Whenever in Chapter 718 Florida Statutes, the term "member", "members", "unit owner", "unit owners", "owner", "owners", or similar term is used with reference to percentages or fractions necessary for a quorum or for voting upon, passing or defeating any particular issue or matter, such term shall be and be construed to mean voting member as defined in these By-Laws, unless otherwise specifically provided to the contrary in express language by Chapter 718, Florida Statutes or current ruling case law on point, or the Declaration.

G. Quorum. Forty percent (40%) of the total number of duly qualified voting members of the Association present in person or represented by written proxy, shall be requisite to and shall constitute a quorum at all meetings of the members for the transaction of business, except as otherwise provided by the Florida Statutes, the Declaration, the Articles of Incorporation, or by the By-Laws. If, however, such quorum shall not be present or represented at any meeting of the members, the meeting shall not be considered to have officially taken place, and shall be rescheduled with proper notice until such time as a quorum is present.

H. Waiver and Consent. Whenever the vote of members at a meeting is required or permitted by any provision of the Florida Statutes, the Articles of Incorporation, the Declaration, or these By-Laws to be taken in connection with any action of the Association, the meeting and vote of members may be dispensed with if a majority of the voting members who would have been entitled to vote upon the action of such meeting if such meeting were held, shall consent in writing to such action being taken. This paragraph, however, does not apply to the mandatory annual meeting of the unit owners.

I. Order of Business. The order of business at all meetings of the Members shall be as follows:

1. Roll call.
2. Reading of minutes of last meeting.
3. Consideration of communications.
4. Resignations and elections.
5. Report of officers and employees.
6. Reports of committees.
7. Unfinished business.
8. Original resolutions and new business.
9. Adjournment.

J. Membership List. At least ten (10) days before every annual meeting of the members, a complete list of members entitled to vote at said meeting, arranged numerically or alpha-numerically by units, shall be produced and kept for said ten (10) days at the office of the Association, and such list shall be open to examination by any member throughout such time.

ARTICLE I

NOTICES

A. Service. Whenever, under the provisions of the Florida Statutes, the Articles of Incorporation, the Declaration or of these By-Laws, notice is required to be given to any Director or member, it shall not be construed to mean personal

notice; but such notice may be given in writing by first class mail; by sealed wrapper addressed to the person to whom notice is to be given at their address as it appears on the books of the Association. Except in the case of emergency special meetings, notice shall also be posted at a conspicuous place on the Condominium Property at least fourteen (14) days in advance of any annual or special meeting of the members of the Association.

B. Waiver. Whenever any notice is required to be given under the provisions of the Florida Statutes, the Declaration, the Articles of Incorporation or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed sufficient.

C. Time. Except in the case of emergency special meetings, notices of all annual and special meetings of members of the Association shall be given at least fourteen (14) days in advance of the meeting.

ARTICLE VII

FINANCES

A. Fiscal Year. The fiscal year shall be the calendar year. The Board of Directors is expressly authorized to change this fiscal year at any time for the convenience of the Association.

B. Checks, Etc. All checks or demands for money and notes of the Association shall be signed by any two (2) of the following officers: President, Vice President, Secretary or Treasurer, or by such officer or officers, or such other person or persons as the Board of Directors, may from time to time designate.

ARTICLE VIII

SEAL

The seal of the Association shall have inscribed thereon the name of the Association, the year of its organization, and the words "State of Florida" and "corporation not for profit". Said seal may be used by causing it or a facsimile thereof to be impressed, affixed, printed, drawn, or otherwise produced.

ARTICLE IX

ASSESSMENTS

A. Determination of Assessments:

1. Generally The Board of Directors shall fix and determine from time to time the sum or sums necessary and adequate for the common expenses of the Condominium. Common expenses shall include expenses for the operation, maintenance, repair or replacement of the common elements and the limited common elements, Association Property, costs of carrying out the powers and duties of the Association, all insurance premiums and expenses relating thereto, including fire insurance and extended coverage, and any other expenses designated as common expenses from time to time by the Declaration to be a common expense. The Board of Directors is specifically empowered on behalf of the Association to make and collect assessments, to lease, maintain, repair and replace the common elements and limited common

elements of the Condominium and Association Property, and to establish reserves or assessments for the betterment of the common elements shall be assessed against the unit owners in the proportions or percentages of sharing common expenses, as provided in the Declaration. Said assessments shall be payable monthly in advance and shall be due on the first day of each month, in advance, unless otherwise ordered by the Board of Directors. Special assessments, should such be required by the Board of Directors, shall be levied in the same manner as hereinabove provided for regular assessments; and shall be payable in the manner determined by the Board of Directors. The foregoing powers and duties of the Association have been or may be delegated to the Management Firm, as provided in the Management Agreement attached to the Declaration to which these By-Laws are attached, or any other applicable Management Agreement.

2. Notice; Payment. When the Board of Directors has determined the amount of any assessment, the Treasurer of the Association shall mail or present to each unit owner a statement of said unit owner's assessment. All assessments shall be payable to the Treasurer of the Association and, upon request, said Treasurer shall give a receipt for each payment made to him.

3. Effect of Management Agreement. The Board of Directors has delegated the ministerial duties of collecting assessments to the Management Firm, as long as the Management Agreement remains in effect, and as provided in the Management Agreement. The Board of Directors retains the exclusive duty to make assessments as to the following:

(a) Special assessments.

(b) Acquisition of units, as provided in these By-Laws and pursuant to the Declaration to which these By-Laws are attached, subject to the written approval of such parties as are specified therein.

B. Application of Payments and Co-Mingling of Funds. All sums collected by the Association from assessments may be co-mingled in a single fund or divided into more than one (1) fund as determined by the Management Firm, as long as the Management Agreement remains in effect, and thereafter, by the Board of Directors of the Association. All assessment payments by a unit owner shall be applied first as to interest, delinquencies, costs and attorney's fees, other charges, expenses and advances, as provided herein and in the Declaration, and then to general or special assessments, in such manner and amounts as the Board of Directors determines. The Management Firm may co-mingle the Association's funds with the funds of others for whom it is acting as Manager, provided proper accountings are kept.

C. Acceleration of Assessment Installments Upon Default. If a unit owner shall be in default in the payment of an installment upon any assessment, the Board of Directors may accelerate the remaining monthly installments for the fiscal year not to exceed three (3) months, upon notice thereof to the unit owner and, thereupon, the unpaid balance of the assessment shall become due upon the date stated in the Notice, but not less than fifteen (15) days after delivery of or the mailing of such Notice to the unit owner.

D. Audit. During the term of the Management Agreement, the Management Firm shall render to the Association a statement for each fiscal year in the manner and time set forth in the Management Agreement. The Management Firm shall perform a

continual internal audit of the Association's financial records for the purpose of verifying the same but no independent or external audit shall be required of it. During the term of the Management Agreement, the Association may conduct an external review of an independent auditor acceptable to the Management Firm at such reasonable time as the Management Firm shall agree to, provided, however, said request for inspection is not made more than once in any calendar month and provided that the cost and expense of same is borne by the Association. Upon the termination of the Management Agreement, an audit of the accounts of the Association shall be made annually. Such review shall be prepared by such Certified Public Accountant as the Board of Directors determines and a copy of said report shall be available to the members of the Association in the office of said Association and with the Treasurer of the Association. Such report shall be available not later than three (3) months after the end of the year for which the report is made. The provisions of a Management Agreement applicable thereto shall supersede the foregoing. The consent of the Management Firm as to an independent auditor who may be employed to conduct an external audit, as hereinabove set forth in this Section, shall not be unreasonably withheld.

E. Budget. The annual budget shall be prepared by the Board of Directors with the assistance of the Management Firm, as long as the Management Agreement remains in effect, and by the Board of Directors thereafter. The proposed annual budget of common expenses shall be mailed to the unit owners not less than fourteen (14) days prior to the meeting at which the budget will be considered, together with a notice of that meeting. At such times as the budget shall be prepared and adopted by the Board of Directors as provided in these By-Laws, then the unit owners shall be given written notice of the time and place at which such meeting of the Board of Directors to consider the budget shall be held, and such meeting shall be open to the unit owners. If a budget is adopted by the Board of Directors which requires assessments against the unit owners in any fiscal or calendar year, exceeding one hundred fifteen (115%) percent of such assessments for the preceding year, upon written application of ten (10%) percent of the unit owners, a special meeting of the unit owners shall be held upon not less than ten (10) days written notice to each unit owner, but within thirty (30) days of the delivery of such application to the Board of Directors or any member thereof, at which special meeting unit owners may consider and enact a revision of the budget or recall any and all members of the Board of Directors and elect their successors. The revision of the budget or the recall of any and all members of the Board of Directors shall require a vote of not less than a majority of the whole number of votes of all unit owners. The Board of Directors may, in any event, propose a budget to the unit owners at a meeting of members or by writing, and if such budget or proposed budget be approved by the unit owners at the meeting or by a majority of their whole number by writing, such budget shall not thereafter be re-examined by the unit owners in the manner hereinabove set forth nor shall the Board of Directors be recalled under the terms of this section. In determining whether assessments exceed one hundred fifteen (115%) percent of similar assessments in prior years, there shall be excluded from the computation any provision for reasonable reserves made by the Board of Directors in respect of repair or replacement of the Condominium Property or in respect of anticipated expenses by the Condominium Association which are not anticipated to be incurred on a regular or annual basis; and there shall be excluded from such computation, assessment for betterments to the Condominium Property, so long as these By-Laws so provide or allow the establishment of reserves or assessments for betterments to be

imposed by the Board of Directors. However, so long as the Developer, as defined in the Declaration, is in control of the Board of Directors, the Board shall not impose an assessment for any year greater than one hundred fifteen (115%) percent of the prior fiscal or calendar year's assessment without approval of the majority of the unit owners.

P. Special assessment limitations. Pursuant to the authority granted to them by the Declaration, the Articles of Incorporation and these By-Laws, the Board of Directors has the power and authority to make, levy and collect special assessments for specified purposes; provided, however, that if any special assessments shall total in the aggregate Five Thousand Dollars (\$5,000.00) for a single purpose or a series of related purposes, then such assessment must be approved by the members of the Association at a special meeting called for that purpose. Any assessment requiring the approval of the voting members of the Association must be approved by a majority of a quorum of voting members present in person or by proxy at such meeting.

ARTICLE X

MISCELLANEOUS RULES

In addition to the other provisions of these By Laws, the following rules and regulations, together with such additional rules and regulations as may hereafter be adopted by the Board of Directors, shall govern the use of the Condominium units and the conduct of all occupants thereof:

1. Condominium units shall be used only for residential purposes.
2. Owners or their guests, invitees, servants or lessees shall not use or permit the use of their premises in any manner which would be disturbing or be a nuisance to other owners, or in such a way as to be injurious to the reputation of the property.
3. Use of the Condominium units shall be consistent with existing laws, these rules and regulations and so long as such use does not constitute a nuisance.
4. Condominium units may not be used for business use, or for any commercial use whatsoever; provided, however, Developer, as defined in the Declaration shall have the continuing rights as long as it owns one (1) or more units to:
 - (a) transact any business necessary to consummate sales or rentals of units or portions thereof, including but not limited to the right to continue construction of the Condominium and any subsequent Condominiums developed by Developer, maintain models, have signs, use the common elements and show units; and
 - (b) to maintain sales offices, signs and all items pertaining to sales, which items shall not be considered common elements and shall remain the property of the Developer.
5. Common elements shall not be obstructed, lettered, defaced or misused in any manner.
6. No structural changes or alterations shall be made in any unit, except upon approval of the Board of Directors.

ARTICLE XI

DEFAULT

A. Foreclosure of Lien; Damages Claim. In the event an owner of a Condominium Parcel does not pay any sum, charge or assessment required to be paid to the Association within thirty (30) days from the due date, the Association, acting on its own behalf or through its Board of Directors or Management Firm acting on behalf of the Association, may foreclose the lien encumbering the Condominium parcel created by non-payment of the required money in the same fashion as mortgage liens are foreclosed. The Association shall be entitled to the appointment of a Receiver if it so requests. The Association shall have the right to bid on the Condominium parcel at a foreclosure sale and to acquire, hold, mortgage and convey the same. In lieu of foreclosing its lien, the Association may, through its Board of Directors, or Management Firm Association, bring suit to recover a money judgment for sums, charges or assessments required to be paid to the Association, without waiving its lien securing same. In any action either to foreclose its lien or to recover a money judgment brought by or on behalf of the Association against a Condominium parcel owner, the prevailing party shall be entitled to recover court costs and attorney's fees.

B. Loss of Membership. If an action of foreclosure is brought against the owner of a Condominium parcel for the non-payment of money due to the Association, and as a result thereof the interest of the said owner in and to the Condominium parcel is sold, then, at the same time of such sale, the Condominium parcel owner's membership shall be cancelled and membership shall be issued to the purchaser at the foreclosure sale.

C. Reimbursement Upon Sale. If the Association becomes the owner of a Condominium parcel by reason of foreclosure, it shall offer said unit for sale and at such time as a sale is consummated, it shall deduct from the proceeds all sums of money due it for monthly assessments and charges, all costs incurred in the bringing of the foreclosure suit, including reasonable attorney's fees, and any and all expenses incurred in the re-sale of the Condominium parcel, which shall include, but not be limited to, advertising expenses, real estate brokerage fees and expenses necessary for the repairing and refurbishing of the Condominium parcel in question. All monies remaining after deducting the foregoing items of expenses shall be returned to the former owner of the Condominium parcel in question.

D. Violations and Other Defaults. In the event of violation of the provisions of the Declaration, Articles of Incorporation or these By-Laws, as the same are now or may hereafter be constituted, the Association, on its own behalf, may bring appropriate action to enjoin such violation or to enforce the provisions of the documents just hereinabove enumerated, or sue for damages, or take all such courses of action at the same time, or for such other legal remedy it may deem appropriate.

E. Attorney's Fees. In the event of such legal action brought against a Condominium owner, the losing defendant shall pay to the plaintiff reasonable attorney's fees and court costs, including reasonable attorney's fees and court costs incurred on appeal.

F. Equitable Remedies. Each owner of a Condominium parcel, for himself, his heirs, successors and assigns, agrees to the foregoing provisions relating to default and abatement of

nuisance, regardless of the harshness of the remedy available to the Association, and regardless of the availability of the other equally adequate legal procedures. It is the intent of all owner of Condominium parcels to give to the Association a method and procedure which will enable it at all times to operate on a businesslike basis, to collect those monies due and owing it from owners of Condominium parcels and to preserve each other unit owner's right to enjoy his Condominium unit free from unreasonable restraint and nuisance.

Surrender. In the event of the legal termination of a membership and of the occupancy rights thereunder through any procedure set forth in this Article, the member or any other person or persons in possession by or through the right of the member, shall promptly quit and surrender the owned unit to the Association in good repair, ordinary wear and tear and damage by fire or other casualty excepted, and the Association shall have the right to enter and to possess the owned unit. The member, otherwise, hereby waives any and all notice and demand for possession, if such be required by the laws of the County in which the Condominium is located, the State of Florida and the United States of America.

ARTICLE XII

ARBITRATION

Voluntary Binding Arbitration shall be employed in the event of an internal dispute arising from the operation of the condominium. The Division of Florida Land Sales employs full time arbitrators to conduct binding arbitration hearings based on the rules of procedure promulgated by the Department of Business Regulation. The decision of the arbitrator shall be final. Any party may seek enforcement of the final decision of an arbitrator in a court of competent jurisdiction.

ARTICLE XIII

REGISTERS

The Secretary of the Association shall maintain a register in the corporate office showing the names and addresses of members.

ARTICLE XIV

PARLIAMENTARY RULES

Roberts' Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Declaration or these By-Laws.

ARTICLE XV

RULES AND REGULATIONS

The Board of Directors shall have the exclusive authority to adopt, and from time to time amend, modify or rescind the Rules and Regulations governing the details of the operation, use, maintenance, management and control of the units, the Condominium Property, Association Property and any facilities or services available to the unit owners. A copy of the Rules and Regulations adopted from time to time as herein provided shall from time to time be posted in a conspicuous place and a copy thereof shall also be furnished each unit owner.

ARTICLE XVI

AMENDMENT OF BY-LAWS

The By-Laws of the Association may be altered, amended or repealed, unless specifically prohibited herein, at any regular or special meeting of the members by a seventy-five (75%) percent vote of all duly qualified voting members of the Association, unless a contrary vote is required pursuant to the Articles of Incorporation, and provided that notice of said membership meeting has been given in accordance with these By-Laws. No modification or amendment to the By-Laws shall be valid unless set forth or annexed to a duly recorded amendment to the Declaration.

ARTICLE XVII

CONSTRUCTION

A. Generally. Wherever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter, singular or plural, whenever the context so requires. Should any Article, Section, sentence, phrase or word of these By-Laws be deemed to be invalid, void or be or become unenforceable at law, or in equity, the remaining provisions of these By-Laws shall, nevertheless, be and remain in full force and effect.

B. Conflict. In the event of any conflict between the Rules and Regulations adopted, or from time to time amended or modified and the Declaration, the Articles, these By-Laws or the Condominium Act, the latter shall prevail. If any unreconciled interpretation of these By-Laws and the Declaration, the provisions of the Declaration shall prevail.

THE BOARD OF DIRECTORS OF
THE VILLAS AT SOMERSET
CONDOMINIUM ASSOCIATION, INC.

By: [Signature]
DIRECTOR

By: [Signature]
DIRECTOR

By: [Signature]
DIRECTOR

THE VILLAS AT SOMERSET CONDOMINIUM ASSOCIATION, INC.
INITIAL RULES AND REGULATIONS

The Rules and Regulations hereinafter enumerated as to the Condominium Property, shall be deemed in effect until amended, modified or rescinded by the Board of Directors of the Association, and shall apply to and be binding upon all unit owners and occupants. The unit owners shall, at all times, obey such Rules and Regulations and shall use their best efforts to see that they are faithfully observed by their families, guests, invitees, permitted lessees and persons over whom they exercise control and supervision. The Initial Rules and Regulations are as follows:

1. BUILDING APPEARANCE AND MAINTENANCE

a. All sidewalks, walkways, hallways, stairwells and entrances which are part of the common elements must not be obstructed or used for any purpose other than ingress and egress. No personal property may be left or stored in any such areas, either on a temporary or permanent basis. Unit owners may store their personal property only within their respective units.

b. No clothing, bedding, linens, beach towels, curtains, laundry or other articles shall be dried, aired or hung in any outdoor area, including the balcony or patios, where such may be seen from outside the unit.

c. Nothing may be shaken or hung from doors, windows, balconies or patios, or any of the common elements, nor shall any personal property, other than plants or patio furniture, be stored or kept in any patio area which can be seen from outside the unit.

d. None of the common elements shall be decorated or furnished by any unit owner or person without the prior written approval of the Board of Directors of the Association.

e. All garbage or trash shall be properly placed in plastic bags and placed in appropriate dumpsters to be picked up by Dump-All, Inc.

f. All unit owners shall keep and maintain the interior of their respective units in good condition and repair, and shall promptly pay for all utilities which are separately metered to the unit.

g. No unit owner shall make or permit any disturbing noises by himself, his family, or other occupants of his unit nor do or permit anything to be done by such persons that will unreasonably or unnecessarily interfere with the rights, comforts or convenience of other unit owners. No unit owner shall play or permit to be played any musical instrument, or operate or permit to be operated, a phonograph, television, radio or sound amplifier in his unit, in such a manner as to disturb or annoy other occupants of the Condominium. All parties shall lower the volume as to the going from 10:00 P.M. to 9:00 A.M. each day.

h. No sign, advertisement, notice or other lettering shall be exhibited, displayed, inscribed, painted or affixed, in or upon any part of the common elements or any part of a unit which is visible from the exterior of the building by any unit owner or occupant without written permission of the Board of Directors of the Association. This provision, however, shall not apply to the Developer.

EXHIBIT "F"

1. No inflammable, combustible, or explosive fluid, chemical or substance, shall be kept in any unit or limited common element except such as are required for normal household use.

j. Unit owners and persons in the building with their consent, permission or approval, express or implied, shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof or the utility or telephone rooms of the building, if any. Such areas shall be restricted to those persons specifically authorized by the association or management agent in connection with maintenance, repair or operation of the building.

2. PARKING

All automobile parking spaces shall be used solely and exclusively for that purpose. No barbeque or picnic activities shall take place in the parking areas without the written "special event" permission of the Board of Directors. Parking shall be generally open. No unit owner or other person shall keep, park, store or leave boats, trailers, campers, recreation vehicles, inoperable motor vehicles or the like in any parking spaces or on the Condominium Property at any time, without the written permission of the Board of Directors of the Association.

3. OCCUPANTS OF UNITS

a. Each unit is restricted to residential use by the owners, or permitted lessees thereof, their immediate families and guests. No unit shall be occupied by more than two persons for each bedroom in the unit.

b. The unit owner must furnish at least 48 hour written notice to the Association's management agent, or if none, the Board of Directors of the Association, of the names of persons who will occupy their unit and a copy of the lease agreement in acceptable form.

4. MANAGEMENT AND ASSESSMENTS

a. No unit owner or occupant shall direct, supervise, or in any manner attempt to assert any control over the employees of the Association or of any management agent employed by the Association. Complaints regarding the service of the condominium shall be made in writing to the management agent, as long as the Management Agreement remains in effect, and thereafter, to the Board of Directors of the Association.

b. Payment of assessments and maintenance fees shall be made at the office of the management agent, as designated from time to time. Payments made in the form of checks shall be made to the order of such party as the management agent shall designate.

5. ALTERATION OF CONDOMINIUM

Unit owners are specifically cautioned that their right to make any addition, change, alteration, or decoration to the exterior appearance of any portion of the buildings or other Condominium Property is subject to the provisions of the Declaration of Condominium.

6. DECLARATION CONTROLS

In the event of any inconsistency or conflict between these Rules and Regulations, or any amendments thereof or additions thereto, and the Declaration, the Declaration shall control.

7. VIOLATIONS

In the event a unit owner or occupant of the unit is in violation of the Rules and Regulations from time to time adopted by the Board of Directors of the Association, and after notification by the Board of Directors, continues to violate such Rules and Regulations, such unit owner shall pay a fine not to exceed \$50.00 plus the costs and expenses, including reasonable attorney's fees and court costs of legal proceedings brought to enforce the violated Rules and Regulations; provided that the party seeking to enforce the Rules and Regulations has been successful in the litigation.

8. ADDITIONAL RULES AND REGULATIONS

The Board of Directors of the Association reserves the right to make additional Rules and Regulations as may be required from time to time, and to amend, modify and rescind the present Rules and Regulations, all without the consent of the Association members. Such amendments or modifications shall be as binding as all other Rules and Regulations previously adopted.

IRR/PA/G

THE VILLAS AT SOMERSET
ESTIMATED ANNUAL CONDOMINIUM BUDGET

January 1, 1990

190 Units

<u>COMMON EXPENSES FOR THE ASSOCIATION AND CONDOMINIUM</u>	<u>Monthly</u>	<u>Annually</u>
A. <u>Administration of the Association</u>		
Telephone	\$37	\$444
Postage	25	300
Supplies and Printing	12	144
Bank Charges	6	72
Licenses and Fees	12	144
Legal Fees	34	408
Accounting Fees	<u>110</u>	<u>1,320</u>
Subtotal	\$236	\$2,832
B. Management Fees	1,140	13,680
C. <u>Maintenance and Repairs</u>		
Repairs and Replacement	727	8,724
Pool Supplies, Maintenance and Repairs	320	3,840
Grounds Maintenance and Lawn Care	3,970	47,640
Subtotal	5,017	60,204
D. <u>Utilities</u>		
Electric	540	6,480
Water and Sewer	4,545	54,540
Water - Irrigation	400	4,800
Refuse Service	<u>510</u>	<u>6,120</u>
Subtotal	5,995	71,940
E. Taxes upon Association Property (N/A)	0	0
F. Taxes upon Leased Areas (N/A)	0	0
G. <u>Insurance</u>		
Property and Liability	2,126	25,512
Errors & Omissions	140	1,680
H. Security Provision	0	0
I. Other Expenses (Miscellaneous)	0	0
J. Operating Capital	0	0
K. <u>Reserves</u>		
Building painting	1,500	18,000
Roof replacement	417	5,004
Pavement resurfacing	100	1,200
Pool, Spa & Deck	100	1,200
Tennis Court	<u>73</u>	<u>876</u>
Subtotal	2,240	26,880
L. Fees payable to the Division	16	190
M. Expenses for a Unit Owner (N/A)	0	0
N. Rent for the Unit (N/A)	0	0
O. Rent for Recreational Lease (N/A)	0	0
TOTAL	16,910	202,918

TYPE	190 UNITS	EACH	MONTHLY FEE	ANNUAL FEE
First Floor	95 UNITS	\$89.00	\$8,455	\$101,020
Second Floor	95 UNITS	\$89.00	\$8,455	\$101,020
TOTAL	190 UNITS		\$16,910	\$202,920

Each unit will have an identical percentage in common expenses.

As respects the reserve accounts reflected in the above budget, the Declarant states as follows:

RESERVE	ESTIMATED LIFE	ESTIMATED REPLACEMENT COST	ESTIMATED REMAINING LIFE	CURRENT ACCOUNT BALANCE
Bldg Painting	5 years	\$90,000	5 years	
Roof Replacement	18 years	\$90,000	18 years	
Pavement				
Resurfacing	20 years	\$36,000	20 years	
Pool, Spa, Deck	25 years	\$30,000	25 years	
Tennis Court	3 years	\$ 2,625	3 years	

GENERAL NOTES REGARDING THE PROPOSED BUDGET

- 1) The budget and common expenses assessment schedule are estimated for the period beginning January 1989.
- 2) Any excess collected for Condominium Fees shall be applied to the Operating Capital.
- 3) The Developer shall not be obligated to commence paying any common expense assessments to the Association with respect to the units offered for sale and owned by the Developer. The assessment for common expenses of the condominium imposed upon the unit owners will not increase beyond Eighty Nine Dollars (\$89.00) during the twelve month period of time commencing with the issuance of the first certificate of occupancy and terminating twelve months thereafter. However, the Developer shall pay the portion of the common expenses incurred which exceed the amount assessed against other unit owners, herein called the "Deficiency". The period of time that the Developer shall be responsible for the "Deficiency" shall be for a twelve month period of time commencing with the issuance of the first certificate of occupancy and terminate twelve months thereafter.
- 4) The Budget figures are estimates and are subject to change due to general cost of living increases, additional services required by owners, etc. No provision has been made to determine cost escalation due to inflation or otherwise.
- 5) Members of the Condominium Association may, by a vote of the majority of the members present at a duly called meeting of the Association, determine for the fiscal year to provide no reserves or reserves less adequate than required by Florida Statutes, Section 718.112(2)(k).
- 6) Electrical power and telephone are individually metered and are the responsibility of the individual unit owners. Water and sewer will be on a master meter and are included in item D of the budget.

MANAGEMENT AGREEMENT

April THIS AGREEMENT, made and entered into this 14th day of April, 1954, by and between The Villas at Somerset Condominium Association, Inc., a Florida not-for-profit corporation (hereinafter referred to as the Association), and Complete Interiors, Inc., a Florida corporation, hereinafter referred to as "Agent". Agent is also the Developer (Declarant) of The Villas at Somerset.

WITNESSETH:

WHEREAS, there has been submitted to condominium ownership, in accordance with the Condominium Act of the State of Florida, certain property known as The Villas at Somerset; and

WHEREAS, under the provisions of the By-Law of the Association and the Declaration of Condominium with regard to such property, the membership of the Association consists of all of the unit owners of the property; and

WHEREAS, the Association has been formed to act on behalf of its members collectively as their governing body; and

WHEREAS, the Association desires to employ the Agent and the Agent desires to become employed by the Association exclusively to manage the Condominium property upon the terms hereinafter set forth;

NOW, THEREFORE, BE IT AGREED AS FOLLOWS:

1. Commencing the date of the first closing, the Association employs the Agent as its exclusive managing agent to manage the Condominium property upon the terms hereinafter set forth. Such employment shall continue for a period of one (1) year, subject to cancellation as hereafter provided. Agent shall employ a minimum of one person to service this account.

2. In the name of and on behalf of the Association, the Agent shall render services and perform duties as follows:

(a) Collect all monthly assessments and other charges due to the Association from its members. The Association hereby authorizes the Agent to request, demand, collect, and receive any and all assessments and charges which may at any time be or become due to the Association and to take such action as directed by the Board of Directors as authorized under the Declaration of Condominium. The Agent shall furnish to the Board of Directors of the Association an itemized list of all delinquent accounts and a monthly statement of receipts and expenditures between the tenth (10th) and twentieth (20th) day of each month for the preceding month.

(b) Enter into such agreements as are necessary to cause the Condominium buildings, appurtenances and other common elements of the property which the Association is responsible to maintain to be maintained according to standards acceptable to the Board of Directors, including cleaning, and such maintenance and repair work as may be necessary, subject to any limitation imposed by the Board of Directors and to those contained herein. The Agent shall not incur any expense for any single item of repair or replacement which exceeds the sum of Five Hundred Dollars (\$500.00) unless specifically authorized by the Board of Directors, except however for such emergency repairs as may involve a danger to life or property or are immediately necessary

for the preservation and safety of the members and occupants, or that may be required to avoid the suspension of any necessary service to the property. Except for such emergency repairs, the Agent may not incur any expense not provided for in the Association budget or by prior special assessment unless approved or authorized by the Board of Directors.

(c) Enter into agreements on behalf of the Association as authorized by the Board of Directors for water, electricity, gas, telephone and vermin extermination, the company and agreement to be approved by the Board of Directors, and such other services as may be necessary or as the Board of Directors may determine advisable. The agent shall also purchase on behalf for the Association such materials and supplies as are necessary for the proper maintenance of the property, subject to the approval of the Board of Directors. All such purchases and contracts shall be in the name of the Association. Notwithstanding, the Association shall retain its power to make and enter contracts.

(d) Supervise and, where authorized by the Board of Directors in writing, cause to be placed and kept in force all insurance necessary to protect the Association, including but not limited to public liability insurance, fire and extended coverage insurance, but excluding those coverages which are the responsibility of the individual unit owner. All hazard policies shall comply with the Condominium Act. Agent shall also obtain for Association officers and directors all fidelity bonding required by the Condominium Act. The Agent shall investigate and report to the Board of Directors with respect to all accidents or claims for damages relating to the ownership, operation and maintenance of the common elements of the property including any damage or destruction thereto, and shall cooperate with and make such reports as are required by the insurance company in connection therewith. Insurance obtained by Agent will be at a competitive price, and from companies approved by the Board of Directors.

(e) From the funds of the Association, where applicable, cause to be paid regularly and punctually:

- (1) All taxes required to be paid by the Association.
- (2) Such sums which become due and payable for expenses or other obligations incurred by the Agent on behalf of the Association; and
- (3) Such other amounts or charges as may be authorized by the Board of Directors of the Association.

(f) Prepare for execution and filing by the Association all forms and reports and returns required by law in connection with annual corporate reporting requirements, federal and state income tax, unemployment insurance, workmen's compensation insurance, disability benefits, social security, withholding taxes and other similar taxes now in effect or hereafter imposed; and such other requirements as may relate to the Association, the operation of the property and the employment of personnel.

(g) Maintain a system of office records, books and accounts in accordance with acceptable accounting principles and practices. Such records will be subject to examination when requested by the Directors of the Association and any members of the Association during normal business hours.

(h) By and with the approval of the Board of Directors,

investigate, hire, supervise and discharge the personnel necessary in order to properly maintain and operate the property in accordance with a work schedule, jointly approved by the Board of Directors and the Agent. Such personnel shall in every instance be deemed employees of the Agent, but all expenses directly associated with, and allocable to The Villas at Somerset Condominium Association, Inc. shall be considered an operating expense of the Association and reimbursable to the Agent.

(i) The Agent shall endeavor to secure full compliance by the members or other occupants with the Declaration of Condominium, Articles of Incorporation and By-Laws of the Association and such rules and regulations as may be established by the Association, and on behalf of the Board of Directors shall employ the services of an attorney, at the discretion of and with the approval of the Board, to assist in securing compliance of same, when needed.

(j) In addition to the foregoing responsibilities, the Agent shall:

(1) Serve as the Association's representative in obtaining satisfactory corrective work and repairs with respect to property which the Association is responsible to maintain;

(2) Maintain bank accounts as directed by the Board of Directors in and with banking institutions acceptable to the Board of Directors and maintain such bank accounts in accordance with accepted accounting practices;

(3) Attend, upon request, meetings of the Board of Directors and members;

(4) Assist the Board of Directors in preparing annually a proposed budget; and

(5) Undertake regular inspection of all facilities and grounds for which the Association is responsible for maintenance.

(k) All acts performed by the Agent pursuant to the provisions of the Agreement shall be performed as Agent on behalf of the Association and all obligations or expenses shall be on behalf of and at the expense of the Association. The Agent shall not be obligated to make any advance to or for the account of the Association, or to pay any sum except out of funds of the Association held or provided as aforesaid, nor shall the Agent be obligated to incur any liability or obligation on behalf of the Association unless the necessary funds for the discharge of the same are provided.

3. In addition to such other duties and obligations which may be set forth herein, the duties and responsibilities of the Association shall be as follows:

(a) The Association shall carry, at its expense, all necessary liability insurance adequate to protect the interests of the Association and the Agent in the same manner and to the same extent as the Association, except for any misconduct or negligent acts of the Agent.

(b) The management fee of \$6.00 per unit per month will be billed monthly and paid from the Association's funds; provided, however that such fee will be based only on those units in buildings for which the laying of sod has been completed.

(c) The Association shall indemnify Agent from

liability incurred on behalf of the Association except misconduct or negligent acts of the Agent.

(d) The Association shall establish and maintain a cash flow for monthly assessments sufficient to support the services and maintenance functions as voted on and approved by the Association's Board of Directors.

4. In addition to such other duties and obligations which may be set forth herein, the duties and responsibilities of the Agent shall be as follows:

(a) Administrative Services (to be performed daily)

(1) Maintain the records of the Association including all correspondence by and between the Board of Directors, Unit Owners, and the Agent.

(2) Maintain copies of Board minutes and member's meetings and assist in the typing and dissemination of same if requested.

(3) Prepare and disseminate all Board communiques to unit Owners (postage and copy expense charged on cost only basis).

(4) Act as agent for the Board of Directors in carrying out each and every program it deems necessary regarding the common activity of the Association.

(5) Solicit bids for special programs and implement and supervise the completion of such programs; reporting the progress of same to the Board as required.

(6) When requested, assist in typing Board and member's minutes, reports and correspondence, etc.

(7) Receive, advise and process service requests by the Board per guidelines laid out by the Board of Directors.

(8) Attend upon request, the annual meeting of the Condominium Association and meetings of the Board of Directors.

(b) Accounting & Bookkeeping Services (to be performed monthly)

(1) Prepare and submit to the Board of Directors a proposed annual operating budget and assist in the preparation and establishment of the final budget.

(2) Maintain a corporate ledger which includes all receipt and disbursement information. Such ledger shall be available for inspection upon request.

(3) Review billings for accuracy and goods received and make out checks for approved invoices as well as payroll. Maintain a check register and payable journal and perform regular bank reconciliation.

(4) In connection with Association employees, prepare all payroll tax reports and disburse payment tax reports and disburse payment of same. Maintain an employee file.

(5) Arrange bank deposit procedure and control receipt activity. Maintain receivable information as to the account

status of each unit.

(6) If required by the Board of Directors, secure the printing and mailing of coupon payment booklets to all unit owners.

(7) Upon each request, provide unit owners with the status of their individual account, and coordinate the solution of any discrepancies that may occur between the official record and a unit Owner's record.

(8) Prepare monthly financial activity analysis indicating income expense on a cash basis.

(9) Prepare the annual financial report and, if directed, disseminate it to each unit owner at the expense of the Association.

(10) File the annual income tax return for the Association.

(11) Assist and cooperate with any outside auditing firm that may be retained by the Board of Directors.

(12) Maintain a comprehensive "bills paid" file that shall be open to inspection.

(13) Provide the Board of Directors with monthly statements of delinquent accounts and a statement of receipts and expenditures.

(14) Assist Association legal counsel in whatever respect required.

(15) Generate and mail out the correspondence necessary to bring delinquent accounts up to date. Where unsuccessful, recommend the appropriate legal action to the Board.

(c) Supervisory Service (to be performed daily or as needed)

Make arrangements for and supervise all maintenance activities as shall be deemed necessary by the Board of Directors.

(d) Consultant Services (to be performed daily or as needed)

(1) Provide input to the Board of Directors as to changes in Florida Condominium Laws or rules.

(2) Prescribe long range maintenance programs and provide input to the Board of Directors as to alternative programs for solutions to specific problems.

(3) Perform ongoing budget analysis and continually monitor cost trends in the area to avail the Association of the most economical operational practices.

(4) Prepare and file on behalf of the Association, all legal reports required under Federal and State law. Also, on behalf of the Association, secure all necessary permits for operation of condominium facilities.

(5) Compile and implement and from time to time revise a comprehensive maintenance schedule which shall encompass both

the day to day maintenance activities as well as incorporate long range preventative maintenance programming.

(6) On behalf of the Board of Directors and at their direction, attempt to secure compliance with the Association's Rules and Regulations by all owners, guests and lessees.

(7) At the direction of the Board, obtain premium quotations for such insurance as shall be deemed necessary by the Board.

(8) If requested, on behalf of the Board, procure information as to any proposed purchasers or lessee of a unit and process the necessary forms pursuant to Board approval of such.

(9) Maintain and continually update the official record of ownership, including the correct mailing addresses, seasonal or otherwise of each unit owner.

(10) If required, formulate, implement, and supervise a security program in accordance with input from the Association. Maintain all records and reports associated with this program.

(11) Assist the Board of Directors in dealing with the unit owner's affairs and provide input as to the prudent courses of action.

(12) Upon request, furnish Board members with the latest in community association operational information.

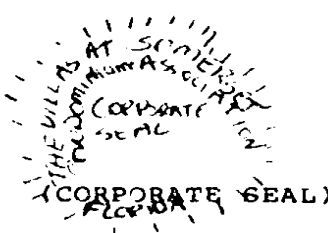
(13) If requested, host the Board discussions or workshop sessions at the Agent's office.

5. Notwithstanding the one (1) year stated term of this Agreement, it may be terminated at any time without cause upon thirty (30) days written notice of one party to the other.

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

"Association"

THE VILLAS AT SOMERSET
CONDOMINIUM ASSOCIATION, INC.,
A Florida not-for-profit corporation



By Sandra M. Weld
Sandra M. Weld, President

Attest: Carole M. Warmington
Carole M. Warmington, Secretary

"Agent"

COMPLETE INTERIORS, INC.,
A Florida corporation

By Linda C. Clark
Linda C. Clark, President

CORPORATE SEAL

Attest: Carole M. Warmington
Carole M. Warmington, Secretary

THE VILLAS AT SOMERSET
a Condominium
RESERVATION DEPOSIT FORM

RECEIPT IS HEREWITH ACKNOWLEDGED by Complete Interiors, Inc., a Florida corporation, hereinafter referred to as Developer, from _____, City of _____, State of _____ Phone Number: (_____) _____, hereinafter called the Prospective Purchaser of the sum of _____ Dollars (\$_____), as Reservation Deposit for subsequent purchase of Unit # _____, THE VILLAS AT SOMERSET, a proposed Condominium for a total purchase price of _____ Dollars, (\$_____), this deposit to be held in an escrow account with Howard A. Speigel, Attorney at Law, pursuant to Escrow Agreement attached hereto as Attachment "A".

Developer states to the Prospective Purchaser that:

(1) Developer is in the process of, and must file condominium documents required under Chapter 718, Florida Statutes, and Rule 7D-17.01, with the Division of Florida Land Sales and Condominiums prior to entering into a binding purchase agreement with Prospective Purchaser who is entitled to receive from Developer all such condominium documents.

(2) Prospective Purchaser has the right to an immediate unqualified refund of the Reservation Deposit monies upon written request to the Escrow Agent by Developer or by Prospective Purchaser who shall simultaneously deliver to Developer copy of such written request made to Escrow Agent.

(3) The Escrow Agent is Howard A. Speigel, Attorney at Law, 455 Douglas Avenue, Altamonte Springs, FL 32714; the deposit must be payable only to the Escrow Agent and Escrow Agent must provide a receipt to the Prospective Purchaser.

(4) No assurance is given by the Developer as to the actual expenses to be stated within the purchase agreement.

(5) Upon delivery to and receipt by Prospective Purchaser of all condominium documents from Developer, Prospective Purchaser shall have 15 days thereafter to deliver an executed purchase agreement to Developer, which shall credit this Reservation Deposit toward the payment of the earnest money deposit. Said earnest money deposit shall be Ten (10%) Percent of purchase price. Upon expiration of the aforesaid 15 day period, Developer may refund to Prospective Purchaser, the Reservation Deposit monies held in escrow and the Prospective Purchaser shall thereafter have no further rights to purchase the within described condominium unit.

(6) Developer has the unconditional right to refund to Prospective Purchaser the Reservation Deposit monies at any time prior to the execution of purchase agreement and the Prospective Purchaser shall thereafter have no further rights to purchase the within described condominium unit.

DATE : _____ COMPLETE INTERIORS, INC.

BY: _____

Authorized Corporate Representative

Prospective Purchaser herewith acknowledges receipt from Developer of a copy of this Reservation Deposit Form and his understanding and agreement with the statements therein.

Purchaser _____ Purchaser _____

Salesperson: _____ DATED: _____

EXHIBIT "A"

THE VILLAS AT SOMERSET

ESCROW AGREEMENT

THIS ESCROW AGREEMENT, entered into by and between Complete Interiors, Inc., herein called the Developer, and Howard A Speigel, Attorney at Law, 455 Douglas Avenue, Suite 1355, Altamonte Springs, FL 32714, herein called the Escrowee.

WITNESSETH:

WHEREAS, Developer is developing and offering for sale The Villas at Somerset, a Condominium, and;

WHEREAS, the construction, furnishing and landscaping of those 190 condominium units has not been substantially completed in accordance with the plans and specifications, and;

WHEREAS, Section 18.202 of the Florida Statute requires that Developer enter into an escrow agreement for the purpose of escrowing certain deposits on contracts of sale prior to substantial completion of the condominium units.

NOW, THEREFORE, in consideration of the premises, the parties mutually agree as follows:

(1) Developer shall deposit with Escrowee all payments made by Purchasers towards the purchase price of a Unit which Developer receives. "Unit" shall mean any of the 190 Units presently being constructed by Developer in The Villas at Somerset, a Condominium.

(2) Escrowee shall give to Purchaser a receipt for any such deposit upon request by Purchaser.

(3) Escrowee shall deposit said funds in an escrow account with Howard A. Speigel.

(4) Escrowee shall release funds from escrow as follows:

a. If a Purchaser properly terminates his contract pursuant to its terms or pursuant to Florida Statutes, Chapter 718, the funds shall be paid to the Purchaser.

b. If the Purchaser defaults in the performance of his obligations under the contract of purchase and sale, the funds shall be paid to the Developer.

c. If the funds of a Purchaser have not been previously disbursed in accordance with the provisions of this subsection, they may be disbursed to the Developer by the Escrowee at the closing of the transaction, unless prior to the disbursement the Escrowee receives from the Purchaser written notice of a dispute between the Purchaser and Developer.

IN WITNESS WHEREOF, the parties have hereunto affixed their hands and seals this 6th day of February, A.D. 1989.

Signed, sealed and delivered in the presence of:

"DEVELOPER"
COMPLETE INTERIORS, INC.

[Signature]

By: *[Signature]*
David M. Meadows,
General Manager
(Contractor # CGCA 01647)

[Signature]

"ESCROWEE"
BY: *[Signature]*

[Signature]
[Signature]

THE VILLAS AT SOMERSET
a Condominium

RESERVATION DEPOSIT ESCROW AGREEMENT

THIS ESCROW AGREEMENT, made and entered into this 6th day of February A.D., 1989, by and between Complete Interiors, Inc., herein called the Developer and Howard A. Speigel, Attorney at Law, herein called the Escrow Agent.

WITNESSETH:

WHEREAS, Developer is located at 435 Douglas Avenue, Altamonte Springs, FL 32714, and intends to construct and sell 190 proposed condominium units within The Villas at Somerset, a Condominium, County of Osceola and State of Florida, and intends both prior to commencement and during and prior to completion of construction of these condominium units to accept reservation deposit monies from prospective purchasers in an amount deemed appropriate by Developer;

WHEREAS, Developer desires to comply with F.S.A. 718.202 and 718.502(2) (1981) by the creation of an escrow account for deposit of the aforesaid reservation deposit monies paid by prospective purchasers under separate reservation deposit forms;

WHEREAS, Escrow Agent agrees to act as the Escrow Agent and to administer the escrow account and to disburse the reservation deposit monies in escrow as required under the Reservation Deposit Form, a copy attached hereto as Exhibit "1";

NOW THEREFORE, in consideration of the mutual covenants and conditions herein contained, the parties do hereby agree as follows:

(1) CREATION OF ESCROW ACCOUNT: There is hereby created and there shall be hereafter known The Howard A. Speigel, Esq. Reservation Deposits Escrow Account at NCNB, Trust #601077957 for the express, sole purpose of receiving into escrow by the Escrow Agent reservation deposit monies paid by prospective purchasers to Escrow Agent for proposed condominium units at The Villas at Somerset, a condominium, and for subsequently disbursing said reservation deposit monies, as required under the Reservation Deposit form, Exhibit "1" hereto, which terms and conditions thereof are fully incorporated herein.

(2) DEPOSITS BY DEVELOPER INTO ESCROW ACCOUNT: All reservation deposits shall be payable to Escrow Agent, and Developer shall deliver for deposit by Escrow Agent all reservation deposit monies received by it from prospective purchasers; Escrow Agent shall deliver to the prospective purchaser a receipt for the deposit acknowledging that the deposit is being held pursuant to the requirements of subsection 718.202(6), F.S.(1981) and who shall upon written request of the prospective purchaser or the Developer immediately refund and without qualification the reservation deposit monies and accrued interest thereon to the prospective purchaser.

(3) TRANSFER OF DEPOSIT MONIES TO THE VILLAS ... SOMERSET SALES DEPOSIT ESCROW ACCOUNT: If the Prospective Purchaser shall contract with Developer for purchase of the condominium unit described within the Reservation Deposit Form by formal execution of a purchase agreement with Developer, the monies deposited into escrow pursuant to this Escrow Agreement shall be transferred by Escrow Agent into The Villas at Somerset Sales Deposit Escrow Account and shall be distributed pursuant to the written Escrow Agreement establishing said Sales Deposit Escrow Account. The transfer by Escrow Agent shall be made upon its receipt from Developer of a copy of an executed purchase agreement and balance of the monies in payment of up to Ten (10%) Percent of the sales price. Other than as hereinabove provided, reservation deposits shall not be released directly to the Developer.

(4) INDEMNIFICATION OF ESCROW AGENT: Howard A. Speigel, Attorney at Law, herein referred to as Escrow Agent, is acting hereunder solely as a depository and is not a party to or bound by any agreement or undertaking which may be evidenced by or arise out of any items deposited with it hereunder and is not responsible or liable in any manner whatsoever for the sufficiency, correctness, genuineness, or validity of any of the items and undertakes no responsibility or liability whatsoever for the form of execution of such items or the identity, authority, title or rights of any person executing or depositing any of the items referred to in the Reservation Deposit Form or this Escrow Agreement. Further, notwithstanding anything to the contrary herein, Escrow Agent shall have no duty to determine the performance or non-performance of any term or condition of any contract or agreement now or hereafter entered into between the parties hereto, and the duties and the responsibilities of the Escrow Agent are limited solely to those specifically stated within this agreement. In the acceptance of any funds or documents delivered hereunder, the Escrow Agent shall not be required to construe any contract or instrument, term or provision therein deposited herewith.

Escrow Agent shall not be liable for any error of judgment or for any act done or omitted by it in good faith, or for anything which it may in good faith do or refrain from doing in connection herewith. No liability will be incurred by Escrow Agent, if, in the event of any dispute or question as to the construction of the performance of its duties and responsibilities assigned herein, it acts in accordance with the opinion of its legal counsel.

(5) BINDING EFFECT: This Agreement shall be binding upon the successors and assigns of the respective parties hereto.

(6) ENTIRE AGREEMENT: This Agreement supersedes any and all understandings and agreements between the parties hereto and this agreement represents the entire agreement between the parties hereto. No representations or inducements made prior hereto which are not included and embodied within this agreement shall be of any force or effect.

IN WITNESS WHEREOF, Developer and Escrow Agent have caused these presents to be executed the day and year first above written.

Signed, sealed and delivered in the presence of:

Debra Adams
Betty Simpson
Karen A. Palmer
Andy Avon

COMPLETE INTERIORS, INC.

By: David M. Meadows
David M. Meadows,
General Manager
(Contractors # CGCA 10647)

By: Howard A. Speigel
Howard A. Speigel
Attorney at Law

STATE OF FLORIDA
COUNTY OF SEMINOLE

BEFORE ME, personally appeared David M. Meadows, to me known to be the person described in and who executed the foregoing, acknowledged before me that he executed same under authority duly vested in by said corporation for the purposes therein expressed.

WITNESS my hand and official seal this 6th day of February, A.D., 1989.

NOTARY PUBLIC
STATE OF FLORIDA

Sandra H. Wood
Notary Public (SEAL)
My Commission Expires:

STATE OF FLORIDA
COUNTY OF SEMINOLE

BEFORE ME, personally appeared Howard A. Speigel, to me known to be the person described in and who executed the foregoing, acknowledged before me that he executed same under authority duly vested in by said corporation for the purposes therein expressed.

WITNESS my hand and official seal this 6th day of February, A.D., 1989.

Karen A. Palmer
Notary Public
My Commission Expires:

SOME: e

PURCHASE AGREEMENT

Date: _____
Source: _____

ONE REPRESENTATIVE OFFICE IS HELD UPON AS COMPLETELY SUBJECT TO THE DEVELOPER. FOR COMPLETE REPRESENTATION REFERENCE SHOULD BE MADE TO THE CONTRACT AND THE DOCUMENTS INCURRED BY SECTION 712.02, FLORIDA STATUTES, TO BE... AGREED BY THE DEVELOPER TO THE PURCHASER WITH THIS CONTRACT.

COMPLETE OVERSEAS, INC. 4/A CONFIDENTIAL 475 Douglas Avenue, Altamonte Springs, Florida 32714, (909) 863-3203 (SELLER) and
THE BUYER (PURCHASER), Address: _____
SELLER'S ATTORNEY: _____
PURCHASER'S ATTORNEY: _____
TITLE AT CLOSING: _____
MOR: No Grand 3

THE PURCHASER, with the execution of this instrument, has paid the sum of One Thousand Dollars (\$1,000.00) to Margaret S. Barber, P. A., Realtor, referred to as the "Escrowee", and hereby authorizes Escrowee to deposit said funds in an account at First Union Bank, to be held and disbursed pursuant to the terms of the Sales Agreement delivered to PURCHASER hereon, as an earnest money deposit to evidence the good faith of PURCHASER (PURCHASER may obtain a receipt for his deposit from the Escrowee upon request), and by this instrument agrees to purchase from the SELLER the property in Osceola County, Florida described above.

PURCHASE PRICE
MORTGAGE AT TIME OF CLOSING WILL BE AT PREVALUED INTEREST RATE
DOWN PAYMENT
TOTAL PRICE
DEPOSIT RECEIVED
BALANCE OF DEPOSIT OF \$2,000.00 DUE ON JOB START
BALANCE DUE UPON QUALIFIED FOR LOAN
BALANCE OF DOWN PAYMENT DUE AT CLOSING

Table with 2 columns: Description, Amount. Rows include PURCHASE PRICE, MORTGAGE AT TIME OF CLOSING, DOWN PAYMENT, TOTAL PRICE, DEPOSIT RECEIVED, BALANCE OF DEPOSIT OF \$2,000.00 DUE ON JOB START, BALANCE DUE UPON QUALIFIED FOR LOAN, BALANCE OF DOWN PAYMENT DUE AT CLOSING.

SUPPOSED FROM: _____ DUE AT CLOSING (see provisions, interest charge after closing, loan terms).

- 1. PURCHASER shall, within four days of signing this contract, apply for a loan at a lender acceptable to Confidential Source in the sum of \$...- 2. PURCHASER certifies that they have available all monies called for under the terms of this contract and that failure to have the money will constitute a default...- 3. Loan disburse and closing costs to be paid by... unless awarded by Addendum F or Paragraph 4 below...- 4. In the event the SELLER is to pay the loan discounts and closing costs...- 5. SELLER...- 6. If the PURCHASER is financing through FHA...- 7. If the PURCHASER is financing through VA...- 8. In the event the loan application is rejected or corrected either by PURVA...- 9. If proposed structure...- 10. SELLER warrants that these plans will be according to the building plans on file with the local building officials...- 11. The SELLER reserves the right to modify or change any of the contractual documents...- 12. SELLER anticipates completion of construction by April, 1990...- 13. PURCHASER'S work shall be constructed substantially in accordance with the Plans and Specifications...- 14. Any changes required by building codes...- 15. Color Selections SELLER has made or selections...- 16. Risk of loss prior to... shall be borne by the SELLER.

- 60. THE PURCHASER has seen a list of options and standard features and is aware of which items are optional on this plan.
- 61. The sales representation signed below regarding the sale of the real property is the agent of the SELLER of the real property, and the person preparing the sale will be paid by the SELLER upon completion of the sale.
- 62. Addendums (A), (B), and (C) are hereby attached and made a part of this contract.
- 63. This contract does not become binding until the Sales Manager of CONFIDENTIAL HOMES has signed or accepted it.
- 64. This Agreement is subject to SELLER'S final closing on above described property.
- 65. OVER _____

 PURCHASER

 SELLER

 SELLER

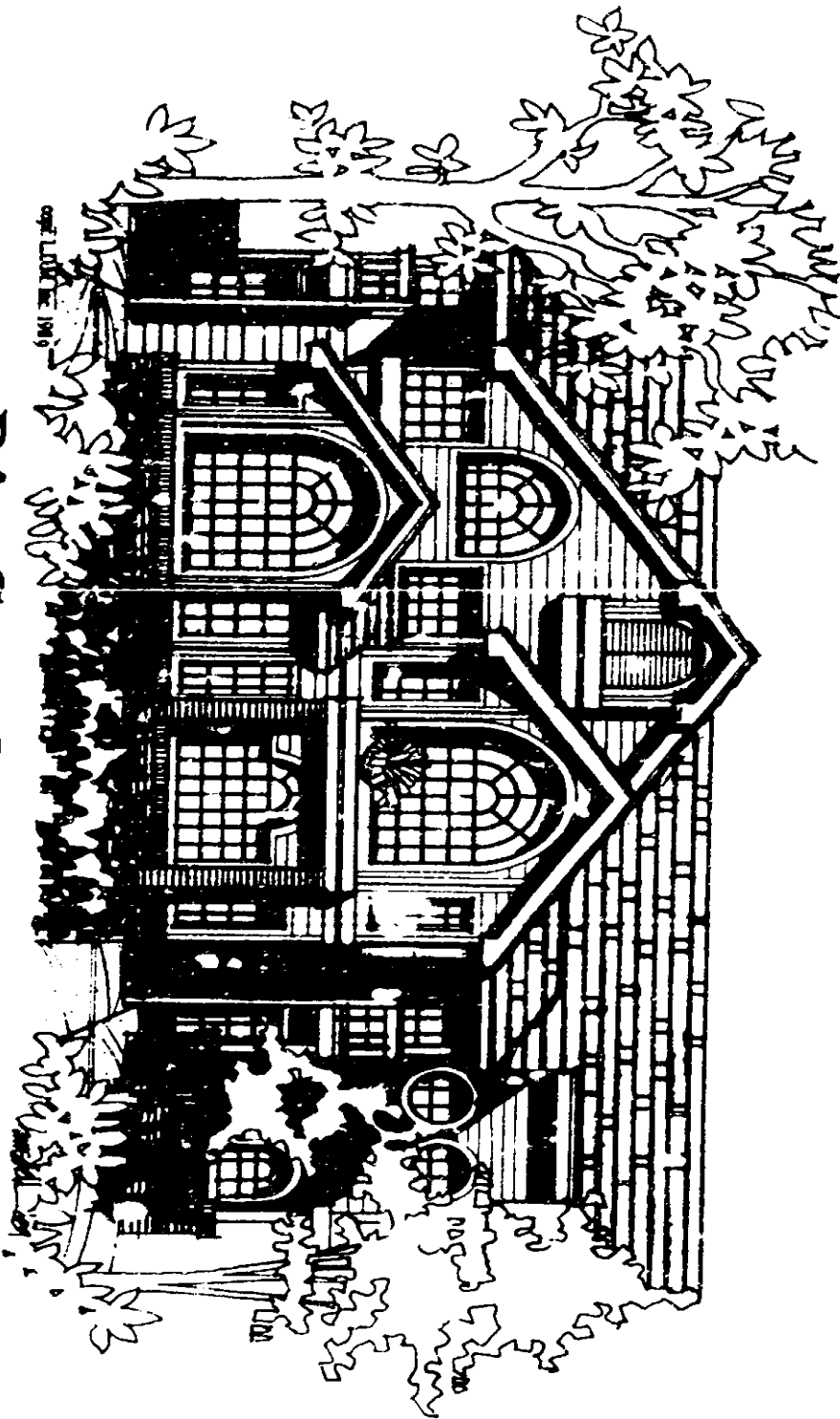
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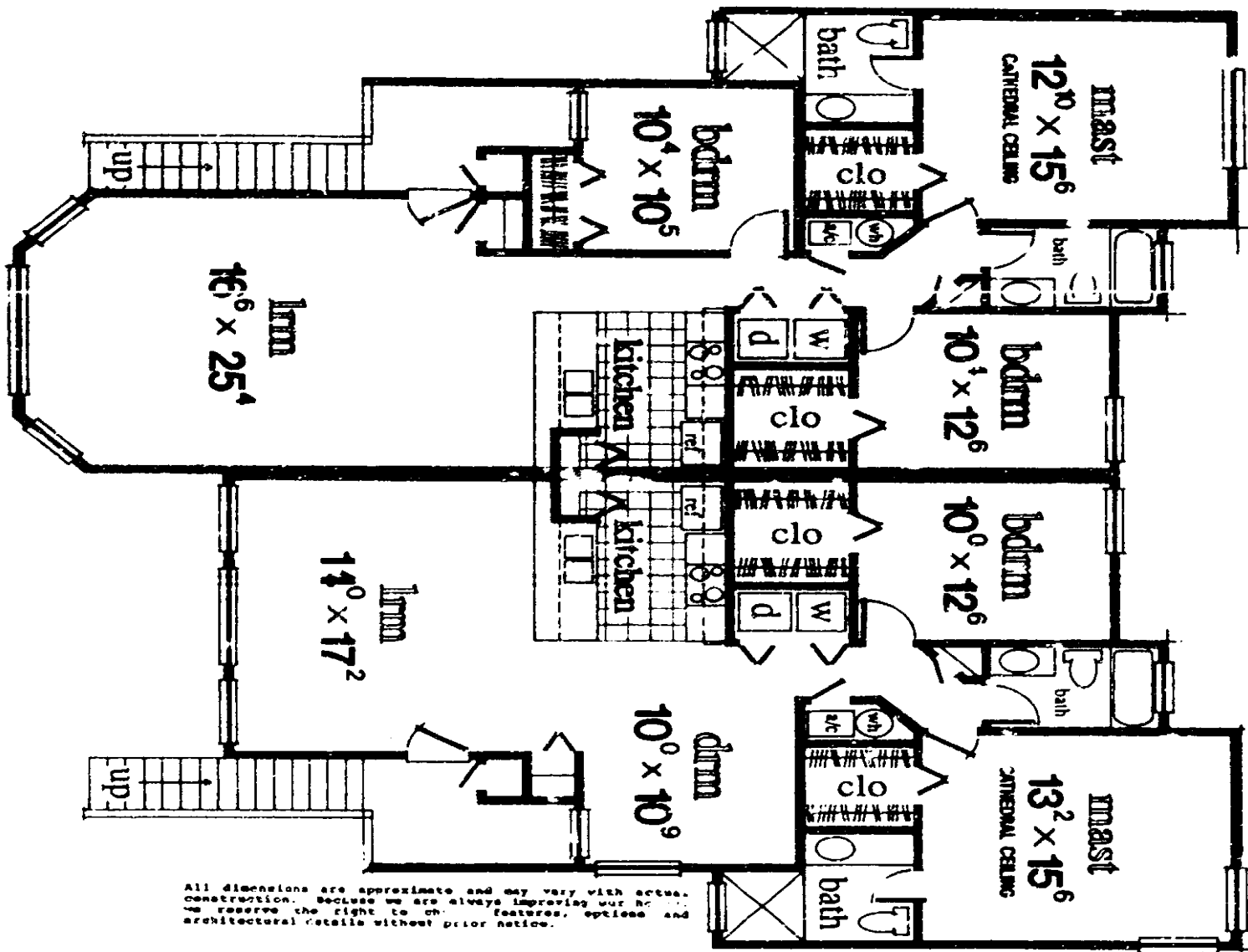
DATE: _____
 DATE: _____
 DATE: _____

Rio Grande S



This represents one-half of the building. The other half will be a mirror image.

EXHIBIT "M"



This represents one-half of the building. The other half will be a mirror image.

QUADS 5-9-69

For accurate register of carbon copies, form may be separated along above fold. Steps completed sheets together in original order.

DESCRIPTION OF MATERIALS

No. (To be inserted by HUD, VA or FmHA)

- Proposed Construction
Under Construction

Property address City State

Mortgagor or Sponsor (Name) (Address)

Contractor or Builder Complete Interiors, Inc. 435 Douglas Ave. Altamonte Springs FL 32714

INSTRUCTIONS

1. For additional information on how this form is to be submitted, number of copies, etc., see the instructions applicable to the HUD Application for Mortgage Insurance, VA Request for Determination of Reasonable Value, or FmHA Property Information and Appraisal Report as the case may be.
2. Describe all materials and equipment to be used, where, or not shown on the drawing, by marking an X in each appropriate check-box and entering the information called for each space. If space is inadequate, enter "See misc." and describe under item 27 or on an attached sheet. THE USE OF PAINT CONTAINING MORE THAN THE PERCENTAGE OF LEAD BY WEIGHT PERMITTED BY LAW IS PROHIBITED.
3. Work not specifically described or shown will not be considered unless

required, then the minimum acceptable will be assumed. Work exceeding minimum requirements cannot be considered unless specifically described.
4. Include no alternates, "or equal" phrases, or contradictory items. (Consideration of a request for acceptance of substitute materials or equipment is not thereby precluded.)
5. Include signatures required at the end of this form.
6. The construction shall be completed in compliance with the related drawings and specifications, as amended during processing. The specifications include this Description of Materials and the applicable Minimum Property Standards.

1. EXCAVATION:

Bearing soil, type Clean Fill Dirt

2. FOUNDATIONS:

Footings: concrete mix Monolithic; strength psi 2,500 Reinforcing 2 #5 Rebar
Foundation wall: material Concrete
Interior foundation wall: material Concrete
Columns: material and size
Sill: material
Basement entrance airway
Waterproofing 6 mill visqueen
Termites protection Soil Poisoning by Bonded Exterminating Company
Special foundations
Additional information:

3. CHIMNEYS: (where applicable)

Material Steel Prefab. sized (make and size) see attached specifications if any
Flue lining: material Heater Rue size Fireplace flue size
Vents (material and size): gas or oil heater; water heater
Additional information:

4. FIREPLACES: (where applicable)

Type: solid fuel; gas-burning; circulator (make and size) Superior 32" Ash dump and clean-out
Fireplace: facing steel; lining refractory; hearth tile; mantel
Additional information:

5. EXTERIOR WALLS:

Wood frame: wood grade, and species 2 x 4 #2 Spruce Corner bracing. Building paper or felt 4 Mil Poly or 15# felt
Sheathing: thickness 1/2"; width 4'0"; solid; spaced o. c.; diagonal:
Siding ICP Waterwood; grade #1; type lap; size 1"x8"; exposure 7"; fastening galv. nails
Shingles: grade; type; size; exposure; fastening
Succo thickness 5/8"; Lath 2.5 painted wire; weight 2.5 lb.
Masonry: solid; faced; stuccoed; total wall thickness; facing thickness; facing material
Backup material; thickness; bonding
Door sills; Window sills; Lintels; Base flashing
Interior surfaces: dampproofing; coats of; furring
Additional information:
Exterior painting: material latex; number of coats

6. FLOOR FRAMING:

Joists: wood, grade, and species #2 S.Y. Pine; other sound proofing; bridging; anchors
Concrete slab: basement floor; first floor; ground supported; self-supporting; mix 2,500 PSI; thickness 3 1/2"
Reinforcing; insulation; membrane 6 mill visqueen
Fill under slab: material Sand; thickness 3"; Additional information:

7. SUBFLOORING: (Describe underflooring for special floors under item 21.)

Material: grade and species 1/2" CDX 4 Ply; size 4 x 8; type Plywood
Laid: first floor; second floor; attic sq. ft.; diagonal; right angle. Additional information:
1/2" CDX over 4 Mil Poly over 1" 3000 P.S.I. Concrete Reinforced with Fiber

8. FINISH FLOORING: (Wood only. Describe other finish flooring under item 21.)

Table with columns: LOCATION, ROOMS, GRAIN, SPECIES, THICKNESS, WIDTH, BLDG. PAPER, FINISH. Rows for First floor, Second floor, Attic floor.

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unsuccessful

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21. SPECIAL FLOORS AND WAINSCOT: Describe Carpet as listed in Certified Products Directory

Location	MATERIAL, COLOR, BORDER, SIZE, GAGE, ETC.	THRESHOLD MATERIAL	WALL BASE MATERIAL	UNDERFLOOR MATERIAL
Kitchen	Sheet vinyl	Alum	Wood	Concrete
Bath	Sheet vinyl	Alum	Wood	Concrete
	FBA approved carpeting	Alum	Wood	Concrete
LOCATION	MATERIAL, COLOR, BORDER, G.P. SIZE, GAGE, ETC.	HEIGHT	HEIGHT OVER TUB	HEIGHT IN SLEEPERS (FROM FLOOR)
Bath	Around tub Ceramic 4" tile	6'0"	4'8"	6'0"

Bathroom accessories: Recessed, material Ceramic; number 4; Attached; material _____; number _____
 Additional information: _____

22. PLUMBING:

Fixture	Number	Location	Make	Man's Fixture Identification No.	Size	Owner	
Sink	1	Kitchen	Briggs or equal		33 x 22	S.S.	
Lavatory	2	Bath	Briggs or equal		19	Brass	
Water closet	2	Bath	Briggs or equal			Brass	
Barhtub	1	Bath	Briggs or equal		5'	Brass	
Shower over tub	2	Bath	Briggs or equal				
Wall shower							
Laundry trays							
		Shower in lieu of tub (optional)					
		Recessed laundry connections					
		Ice maker line to refrigerator					

Curtains red Door Shower pan material concrete or vinyl
 Water supply: public; community system; individual (private) system.
 Sewage disposal: public; community system; individual (private) system.
 *Show and describe individual system in complete detail in separate drawings and specifications according to requirements.
 House drains (inside): cast iron; tile; other PVC House sewer (outside): cast iron; tile; other PVC
 Water piping: varnished steel; copper tubing; other _____ Sill cocks, number 2
 Domestic water heater: type electric; make and model RUID PE-40-2 or equal; heating capacity see attached
see attached gph. 100' rise. Storage tank: material glass-lined; capacity _____ gallons.
 Gas service: utility company; liq. pet. gas; other _____ Gas piping: cooking; house heating.
 Feeling drains connected to: storm sewer; sanitary sewer; dry well. Sump pump; make and model _____; capacity _____; discharges into _____

23. HEATING:

Hot water. Steam. Vapor. One-pipe system. Two-pipe system.
 Radiators. Convectors. Baseboard radiation. Make and model _____
 Radiant panel: floor; wall; ceiling. Panel coil: material _____
 Circulator. Return pump. Make and model _____; capacity _____ gpm.
 Boiler: make and model _____ Output _____ Btu/h; net rating _____ Btu/h.
 Additional information: _____
 Warm air: Gravity. Forced. Type of system Electric
 Duct material: supply Fiberglass; return Fiberglass Insulation duct bd, thickness 1" Outside air intake.
 Furnace: make and model Trane or equal Input 100,000 Btu/h; output 80,000 Btu/h.
 Additional information: _____
 Space heater; floor furnace; wall heater. Input _____ Btu/h; output _____ Btu/h; number units _____
 Make, model _____ Additional information: _____
 Controls: make and types Honeywell or equal
 Additional information: _____
 Fuel: Coal; oil; gas; liq. pet. gas; electric; other _____; storage capacity _____
 Additional information: _____
 Firing equipment furnished separately: Gas burner, conversion type. Stoker. Hopper load bin load
 Oil burner: pressure atomizing; vaporizing _____
 Make and model _____ Control _____
 Additional information: _____
 Electric heating system: type forced air Input 10,000 watts; @ 220 volts; output 34,000 Btu/h.
 Additional information: Heat pump
 Ventilating equipment: attic fan, make and model _____; capacity _____ cfm.
 kitchen exhaust fan, make and model _____
 Other heating, ventilating, or cooling equipment _____

24. ELECTRIC WIRING:

Service: overhead; underground. Panel: fuse box; circuit-breaker; make G.E. AMP's 150 No. circuits 12
 Wiring: conduit; armored cable; nonmetallic cable; knob and tube; other _____
 Special outlets: range; water heater; other dryer
 Doorbell. Chimes. Push-button locations front door Additional information: TV, telephone outlets

25. LIGHTING FIXTURES:

Total number of fixtures 20 Total allowance for fixtures, typical installation, \$ 250.00
 Nontypical installation _____
 Additional information: _____

26. INSULATION:

Location	Thickness	Material, Type, and Method of Installation	Vapor Barrier
Roof	6 3/4"	Blown Fiberglass R-19 (R-30 optional)	
Ceiling	3 1/2"	Fiberglass R-11 Batt	Paper
Wall		Sound proofing	
Floor			

27. MISCELLANEOUS: (Describe any main dwelling materials, equipment, or construction items not shown elsewhere; or use to provide additional information where the space provided was inadequate. Always reference by item number to correspond to numbering used on this form.)

- Smoke Detectors
- S4S Siding fascia, soffit and trim
- Continuous ridge venting and ext. soffit vents
- Double shelves in walk-in closets
- Wood bi-folds
- Vinyl clad metal shelving
- Mirror bi-folds in bedrooms only

HARDWARE: (make, material, and finish) Kwikset Lido Bright Brass

SPECIAL EQUIPMENT: (State material or make, model and quantity. Include only equipment and appliances which are accessible by local law, custom and applicable FHA standards. Do not include items which, by established custom, are supplied by occupant and removed when he vacates premises... chattels prohibited by law from becoming equity.)

- Whirlpool Range & Oven RP310PXP - or equal
- Whirlpool Dishwasher D27200 - or equal
- Microwave, Refrigerator, Washer/Dryer
- Special - Racer I - or equal

POOLS:

TERRACES:

Concrete patio, see plans - Entrance foyer 7 1/2" or cedar deck-see plans

GRADES:

WALKS AND DRIVEWAYS:

Driveway: width see attached; base material Fill Dirt; thickness 3 1/2"; 5 1/2' as apron; surfacing concrete thickness 3 1/2"
 Front walk: width 3'; material concrete; thickness 3 1/2". Service walk: width 3'; material concrete thickness 3 1/2"
 Steps: material Concrete; treads "; risers ". Curb walls "

OTHER ONSITE IMPROVEMENTS:

(Specify all exterior onsite improvements not described elsewhere, including items such as unusual grading, drainage structures, retaining walls, fences, railings, and accessory structures.)

Construction Detail B, as per attached drawing and similar to specifications on main house.

LANDSCAPING, PLANTING, AND FINISH GRADING:

Topsoil 6" thick: front yard; side yards; rear yard to Shrub only feet behind main building.
 Lawns (sodded, sodded, or sprigged): front yard sodded; side yards sodded; rear yard sodded
 Planting: as specified and shown on drawings; as follows:
8 Shade trees, deciduous, 1 1/2" caliper. 2-3 Evergreen trees, 6' to 8', B & B;
5 Low flowering trees, deciduous, 2' to 3'. 20 Evergreen shrubs, 1' to 3', B & B.
30 High-growing shrubs, deciduous, 1 1/2' to 2 1/2'. Vines, 7-year
20 Medium-growing shrubs, deciduous, 6" to 1'. 7,600 sq. ft. bahia per lot
20 Low-growing shrubs, deciduous, 1' to 2'. All outside planting areas fully irrigated

IDENTIFICATION.—This exhibit shall be identified by the signature of the builder, or sponsor, and/or the proposed mortgagee if the latter is known at the time of application.

Date _____ Signature _____
 Date _____ Signature _____
 Date May 9, 1982 Signature General Manager

RECEIPT FOR CONDOMINIUM DOCUMENTS

The UNDERSIGNED acknowledges receipt of the items checked below as required by the Condomin. Act, relating to THE VILLAS AT SCHL...CT, a condominium, physically located on the east side of PoINCIANA Boulevard in Osceola County, Florida.

Place a check in the column by each item received. If an item does not apply, place "N/A" in the column:

	received
Prospectus Text	YES
Declaration Of Condominium	YES
Articles Of Incorporation	YES
By-Laws	YES
Estimated Operating Budget	YES
Form Of Agreement For Sale Or Lease	YES
Rules And Regulations	YES
Covenants And Restrictions	YES
Ground Lease	YES
Management And Maintenance Contracts For More Than One Year	N/A
Renewable Management Contracts	YES
Lease Of Recreational And Other Facilities To Be Used Exclusively By Unit Owners Of Subject Condominiums	N/A
Form Of Unit Lease If .. Leasehold	N/A
Declaration Of Servitude	N/A
Sales Brochures	YES
Phase Development Description	YES
Lease Of Recreational And Other Facilities To Be Used By Unit Owners With Other Condominiums	N/A
Description of Management For Single Management Of Multiple Condominiums	N/A
Conversion Inspection Report	N/A
Conversion Termite Inspection Report	N/A
Site Plan	YES
Floor Plan	YES
Survey Of Land And Graphic Description Of Improvements	YES
Executed Escrow Agreement	YES
Plans And Specifications	Made Available
	YES

890061774

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FILED, RECORDED AND RECORD VERIFIED
MAY WILLS, JR. CLERK OF CT.
OSCEOLA COUNTY

By _____

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

Executed on this _____ day of _____ 19____

Purchaser _____ Purchaser _____