PROSPECTUS
FOR
THE FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM NO. THREE

THIS PROSPECTUS 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 AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.

(Part 1)

This instrument prepared by, or under the supervision of (and after recording, return to):

Gary A. Saul, Esq.
Greenberg Traurig,P.A.
1221 Brickell Avenue
Miami, FL 33131

(Reserved for Clerk of Court)

EXHIBIT "A"

DECLARATION
OF
THE FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM NO. THREE

THE FOUNTAINS OF FONTAINBLEAU, LTD., a Florida limited partnership, hereby declares:

1. Introduction and Submission.

1.1 The Land. The Developer owns the fee title to certain land located in Miami-Dade County, Florida, as more particularly described in **Exhibit "1"** annexed hereto (the "Land").

1.2 Submission Statement. The Developer hereby submits the Land and all improvements erected or to be erected thereon and all other property, real, personal or mixed, now or hereafter situated on or within the Land - but excluding all public or private (e.g. cable television and/or other receiving or transmitting lines, antennae or equipment) utility installations therein or thereon - to the condominium form of ownership and use in the manner provided for in the Florida Condominium Act as it exists on the date hereof and as it may be hereafter renumbered. Without limiting any of the foregoing, no property, real, personal or mixed, not located within or upon the Land as aforesaid shall for any purposes be deemed part of the Condominium or be subject to the jurisdiction of the Association, the operation and effect of the Florida Condominium Act or any rules or regulations promulgated pursuant thereto, unless expressly provided.

1.3 Name. The name by which this condominium is to be identified is **THE FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM NO.** (hereinafter called the "Condominium").

2. Definitions. The following terms when used in this Declaration and in its exhibits, and as it and they may hereafter be amended, shall have the respective meanings ascribed to them in this Section, except where the context clearly indicates a different meaning:

2.1 "Act" means the Florida Condominium Act (Chapter 718 of the Florida Statutes) as it exists on the date hereof and as it may be hereafter renumbered.

2.2 "Articles" or "Articles of Incorporation" mean the Articles of Incorporation of the Association, as amended from time to time.

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

2.4 "Association" or "Condominium Association" means **THE FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM NO. THREE ASSOCIATION, INC., a Florida corporation not for profit**, the sole entity responsible for the operation of the Condominium.

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

2.6 "Board" or "Board of Directors" means the board of directors, from time to time, of the Association.

2.7 "Building" means the structure(s) in which the Units and the Common Elements are located, regardless of the number of such structures, which are located on the Condominium Property.

2.8 "By-Laws" mean the By-Laws of the Association, as amended from time to time.

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

2.10 "Common Elements" mean and include:

(a) The portions of the Condominium Property which are not included within the Units.

(b) Easements through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility and other services to Units and the Common Elements.

(c) An easement of support in every portion of a Unit which contributes to the support of the Building.

(d) The property and installations required for the furnishing of utilities and other services to more than one Unit or to the Common Elements.

(e) Any other parts of the Condominium Property designated as Common Elements in this Declaration.

2.11 "Common Expenses" mean all expenses incurred by the Association for the operation, maintenance, repair, replacement or protection of the Common Elements and Association Property, the costs of carrying out the powers and duties of the Association, and any other expense, whether or not included in the foregoing, designated as a "Common Expense" by the Act, the Declaration, the Articles or the Bylaws. For all purposes of this Declaration, "Common Expenses" shall also include, without limitation: (a) all reserves required by the Act or otherwise established by the Association, regardless of when reserve funds are expended; (b) the cost of a master antenna television system or duly franchised cable television service obtained pursuant to a bulk contract; (c) if applicable, costs relating to reasonable transportation services, insurance for directors and officers, road maintenance and operation expenses, in-house and/or interactive communications and surveillance systems; (d) the real property taxes, Assessments and other maintenance expenses attributable to any Units acquired by the Association or any Association Property; (e) all expense of installation, repair, and maintenance of hurricane shutters by the Board (provided, however, that a Unit Owner who has already installed hurricane shutters (or other acceptable hurricane protection) shall receive a credit equal to the pro rata portion of the assessed installation cost assigned to each Unit, but shall not be excused from any portion of expenses related to maintenance, repair, replacement or operation of same), and (f) any unpaid share of Common Expenses or Assessments extinguished by foreclosure of a superior lien or by deed in lieu of foreclosure. Common Expenses shall not include any separate obligations of individual Unit Owners, any assessments or obligations to the Homeowners' Association, or any costs or expenses related to any portions of the Common Elements or Association which are now or hereafter declared Common Properties of and under the Homeowners Covenants, to the extent that the costs and expenses are included with the budget of, and incurred by, the Homeowners' Association.

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

2.13 "Condominium Parcel" means a Unit together with the undivided share in the Common Elements which is appurtenant to said Unit; and when the context permits, the term includes all other appurtenances to the Unit.

2.14 "Condominium Property" means the Land, Improvements and other property described in Section 1.2 hereof, subject to the limitations thereof and exclusions therefrom.

2.15 "County" means the County of Miami-Dade, State of Florida.

2.16 "Declaration" or "Declaration of Condominium" means this instrument and all exhibits attached hereto, as same may be amended from time to time.

any portion of the Common Elements; (iii) any Improvements encroach upon Common Properties or "condominium property" of any other condominium created within The Fountains at Fontainebleau; (iv) any Common Properties or "improvements" of another condominium created within The Fountains at Fontainebleau encroach upon the Condominium Property; or (v) any encroachment shall hereafter occur as a result of (A) construction of the Improvements; (B) settling or shifting of the Improvements; (C) any alteration or repair to the Common Elements made by or with the consent of the Association or Developer, as appropriate, or (D) any repair or restoration of the Improvements (or any portion thereof) or any Unit after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of same so long as the Improvements, the affected Common Properties or the relevant "improvements" of another condominium within The Fountains at Fontainebleau shall stand.

(d) Ingress and Egress. A non-exclusive easement in favor of each Unit Owner and resident, their guests and invitees, and for each member of the Association and Homeowners' Association shall exist for pedestrian traffic over, through and across sidewalks, streets, paths, walks, and other portions of the Common Elements and Association Property as from time to time may be intended and designated for such purpose and use by the Board; and for vehicular and pedestrian traffic over, through and across, and parking on, such portions of the Common Elements and Association Property as from time to time may be paved and intended for such purposes. None of the easements specified in this subparagraph 3.4(d) shall be encumbered by any leasehold or lien other than those on the Condominium Parcels. Any such lien encumbering such easements (other than those on Condominium Parcels) automatically shall be subordinate to the rights of Unit Owners and the Association with respect to such easements.

(e) Construction; Maintenance. The Developer (including its affiliates and its or their designees, contractors, successors and assigns) shall have the right, in its (and their) sole discretion from time to time, to enter the Condominium Property and take all other action necessary or convenient for the purpose of undertaking and completing the construction of the Condominium Property or any improvements to be located within The Fountains at Fontainebleau, or any part thereof, or any improvements or units located or to be located thereon, and/or any improvements to be located adjacent thereto and for repair, replacement and maintenance or warranty purposes or where the Developer, in its sole discretion, determines that it is required or desires to do so.

(f) Sales Activity. For as long as the Developer retains any ownership interest in any portion of The Fountains at Fontainebleau (including any Future Development Property), the Developer, its designees, successors and assigns, shall have the right to use any such Units and parts of the Common Elements or Association Property for guest accommodations, model apartments and sales and construction offices, to show model Units and the Common Elements to prospective purchasers and tenants of Units or any other portions of The Fountains at Fontainebleau, and to erect on the Condominium Property and Association Property signs and other promotional material to advertise Units or other portions of The Fountains at Fontainebleau (including any Future Development Property) for sale or lease.

(g) Homeowners' Association Easements. The Homeowners' Association and its agents, employees, contractors and assigns shall have an easement to enter onto the Condominium Property for the purpose of performing such functions as are permitted or required to be performed by such Association by the Homeowners' Covenants, including, but not limited to, safety and maintenance activities, enforcement of architectural control restrictions and regulation of parking. Notwithstanding anything herein contained to the contrary, in order to provide for the orderly distribution and regulation of parking facilities within The Fountains at Fontainebleau, to the extent that any portion of the Condominium Property is necessary or desirable (in the sole determination of the Homeowners' Association) for maximizing and easing traffic flow through the parking areas adjacent to the Condominium Property, then, all such portions shall be maintained and operated by the Homeowners' Association as Common Properties of and under the Homeowners' Declaration, and the maintenance, operation and regulation of same shall be vested in the Homeowners' Association. An that year, if such debt is incurred to perform the above-stated purposes, regardless of whether the repayment of any part of that debt is required to be made beyond that year. All additions, alterations and improvements proposed to be made by the Association may also be subject to the specific action and veto rights of the Homeowners' Association as provided in the Homeowners' Covenants.

9. Additions, Alterations or Improvements by Unit Owner.

9.1 Consent of the Board of Directors. No Unit Owner shall make any addition, alteration or improvement in or to the Common Elements or the Association Property, nor any structural addition, alteration or improvement in or to his Unit or any Limited Common Element, nor any addition, alteration or improvement to his Unit or any Limited Common Element which is visible from any other Unit, the Common Elements or the Common Properties, without, in each instance, the prior written consent of the Board. The Board shall have the obligation to answer, in writing, any written request by a Unit Owner for approval of such an addition, alteration or improvement within thirty (30) days after such request and all additional information requested is received, and the failure to do so within the stipulated time shall constitute the Board's consent. The Board may condition the approval in any manner, including, without limitation, retaining approval rights of the contractor to perform the work. The proposed additions, alterations and improvements by the Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction, and with any conditions imposed by the Association with respect to design, structural integrity, aesthetic appeal, construction details, lien protection or otherwise. Once approved by the Board of Directors, such approval may not be revoked. A Unit Owner making or causing to be made any such additions, alterations or improvements agrees, and shall be deemed to have agreed, for such Owner, and his heirs, personal representatives, successors and assigns, as appropriate, to hold the Association, the Developer and all other Unit Owners harmless from and to indemnify them for any liability or damage to the Condominium and/or Association Property and expenses arising therefrom, and shall be solely responsible for the maintenance, repair and insurance thereof from and after that date of installation or construction thereof as may be required by the Association. The Association's rights of review and approval of plans and other submissions under this Declaration are intended solely for the benefit of the Association. Neither the Developer, the Association nor any of its officers, directors, employees, agents, contractors, consultants or attorneys shall be liable to any Owner or any other person by reason of mistake in judgment, failure to point out or correct deficiencies in any plans or other submissions, negligence, or any other misfeasance, malfeasance or non-feasance arising out of or in connection with the approval or disapproval of any plans or submissions. Anyone submitting plans hereunder, by the submission of same, and any Owner, by acquiring title to same, agrees not to seek damages from the developer and/or the Association arising out of the Association's review of any plans hereunder. Without limiting the generality of the foregoing, the Association shall not be responsible for reviewing, nor shall its review of any plans be deemed approval of, any plans from the standpoint of structural safety, soundness, workmanship, materials, usefulness, conformity with building or other codes or industry standards, or compliance with governmental requirements. Further, each Owner (including the successors and assigns) agrees to indemnify and hold the Developer and the Association harmless from and against any and all costs, claims (whether rightfully or wrongfully asserted), damages, expenses or liabilities whatsoever (including, without limitation, reasonable attorneys' fees and court costs at all trial and appellate levels), arising out of any review of plans by the Association hereunder.

All additions, alterations and improvements proposed to be made by any Owner shall be subject to, and restricted by, the terms and conditions of the Homeowners' Covenants and may also require the prior approval of the Homeowners' Association.

9.2 Improvements, Additions or Alterations by Developer. Anything to the contrary notwithstanding, the foregoing restrictions of this Section 9 shall not apply to Developer-owned Units. The Developer shall have the additional right, without the consent or approval of the Board of Directors or other Unit Owners, to (a) make alterations, additions or improvements, structural and non-structural, interior and exterior, ordinary and extraordinary, in, to and upon any Unit owned by it and Limited Common Elements appurtenant thereto (including, without limitation, the removal of walls, floors, ceilings and other structural portions of the Improvements), and (b) expand, alter or add to all or any part of the recreational facilities. Any amendment to this Declaration required by a change made by the Developer pursuant to this Section 9.2 shall be adopted in accordance with Section 6 and Section 10 of this Declaration.

10. Changes in Developer-Owned Units. Without limiting the generality of the provisions of paragraph 9.2 above, and anything to the contrary notwithstanding, the Developer shall have the right, without the vote or consent of the Association or Unit Owners, to (i) make alterations, additions or improvements in, to and upon Units owned by the Developer, whether structural or non-structural, interior or exterior, ordinary or extraordinary; (ii) change the layout or number of rooms in any Developer-owned Units; (iii) change the size of Developer-owned Units by combining separate Developer-owned Units into a single apartment (although being kept as two separate legal Units), or otherwise; and (iv) reapportion among the Developer-owned Units affected by such change in size pursuant to the preceding clause, their appurtenant interests in the Common Elements and share of the Common Surplus and Common Expenses; provided, however, that the percentage interest in the Common Elements and share of the Common Surplus and Common Expenses of any Units (other than the affected Developer-owned Units) shall not be changed by reason thereof unless the Owners of such Units shall consent thereto and, provided further, that Developer shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction in so doing. In making the above alterations, additions and improvements, the Developer may relocate and alter Common Elements adjacent to or near such Units, incorporate portions of the Common Elements into adjacent Units and incorporate Units into adjacent Common Elements, provided that such relocation and alteration does not materially adversely affect the market value or ordinary use of Units owned by Unit Owners other than the Developer. Any amendments to this Declaration required by changes of the Developer made pursuant to this Section 10, shall be effected by the Developer alone pursuant to Section 6.4, without the vote or consent of the Association or Unit Owners (or their mortgagees) required, except to the extent that any of same constitutes a Material Amendment, in which event, the amendment must be approved as set forth in Section 6.2 above. Without limiting the generality of Section 6.4 hereof, the provisions of this Section may not be added to, amended or deleted without the prior written consent of the Developer.

11. Operation of the Condominium by the Association; Powers and Duties.

11.1 Powers and Duties. The Association shall be the entity responsible for the operation of the Condominium and the Association Property. The powers and duties of the Association shall include those set forth in the By-Laws and Articles of Incorporation of the Association (respectively, **Exhibits "4" and "5"** annexed hereto), as amended from time to time. In addition, the Association shall have all the powers and duties set forth in the Act, as well as all powers and duties granted to or imposed upon it by this Declaration, including, without limitation:

(a) The irrevocable right to have access to each Unit from time to time during reasonable hours as may bė necessary for pest control purposes and for the maintenance, repair or replacement of any Common Elements or any portion of a Unit, if any, to be maintained by the Association, or at any time and by force, if necessary, to prevent damage to the Common Elements, the Association Property or to a Unit or Units, including, without limitation, (but without obligation or duty) to close hurricane shutters in the event of the issuance of a storm watch or storm warning.

(b) The power to make and collect Assessments and other charges against Unit Owners and to lease, maintain, repair and replace the Common Elements and Association Property.

(c) The duty to maintain accounting records according to good accounting practices, which shall be open to inspection by Unit Owners or their authorized representatives at reasonable times upon prior request.

(d) The power to contract for the management and maintenance of the Condominium Property and to authorize a management agent (who may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of Common Elements with such funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted in the Condominium documents and the Condominium Act, including, but not limited to, the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association.

(e) The power to borrow money, execute promissory notes and other evidences of indebtedness and to give as security therefor mortgages and security interests in property owned by the Association, if any, provided that such actions are approved by a majority of the entire membership of the Board of Directors and a majority of the Units represented at a meeting at which a quorum has been attained, or by such greater percentage of the Board or Unit Owners as may be specified in the By-Laws with respect to certain borrowing.

(f) The power to adopt and amend rules and regulations concerning the details of the operation and use of the Condominium and Association Property.

(g) The power to acquire, convey, lease and encumber real and personal property. Personal property shall be acquired, conveyed, leased or encumbered upon a majority vote of the Board of Directors, subject to Section 8 hereof. Real property (including, without limitation, any of the Units) shall be acquired, conveyed, leased or encumbered upon a majority vote of the Board of Directors alone; provided that the requirements of Section 8 pertaining to the Unit Owners' approval of costs in excess of the threshold amount stated therein (including the proviso regarding the debt incurred) shall also apply to the acquisition of real property; provided, further, however, that the acquisition of any Unit as a result of a foreclosure of the lien for Assessments (or by deed in lieu of foreclosure) shall be made upon the majority vote of the Board, regardless of the price for same and the Association, through its Board, has the power to hold, lease, mortgage or convey the acquired Unit(s) without requiring the consent of Unit Owners. The expenses of ownership (including the expense of making and carrying any mortgage related to such ownership), rental, membership fees, taxes, Assessments, operation, replacements and other expenses and undertakings in connection therewith shall be Common Expenses.

(h) The power to act as the collection agent on behalf, and at the request, of the Homeowners' Association for assessments due same from Unit Owners; provided, however, that any assessments so collected shall not be deemed Assessments or Common Expenses hereunder.

(i) The power to execute all documents or consents, on behalf of all Unit Owners (and their mortgagees), required by all governmental and/or quasi-governmental agencies in connection with land use and development matters (including, without limitation, plats, waivers of plat, unities of title, covenants in lieu thereof, etc.), and in that regard, each Owner, by acceptance of the deed to such Owner's Unit, and each mortgagee of a Unit Owner by acceptance of a lien on said Unit, appoints and designates the President of the Association, as such Owner's agent and attorney-in-fact to execute any and all such documents or consents.

(j) All of the powers which a corporation not for profit in the State of Florida may exercise pursuant to this Declaration, the Articles of Incorporation, the Bylaws, Chapters 607 and 617, Florida Statutes and the Act, in all cases except as expressly limited or restricted in the Act.

In the event of conflict among the powers and duties of the Association or the terms and provisions of this Declaration, exhibits attached hereto and the Homeowners' Covenants, or otherwise, the Homeowners' Covenants shall take precedence over this Declaration; this Declaration shall take precedence over the Articles of Incorporation, By-Laws and applicable rules and regulations; the Articles of Incorporation shall take precedence over the By-Laws and applicable rules and regulations; and the By-Laws shall take precedence over applicable rules and regulations, all as amended from time to time. Notwithstanding anything in this Declaration or its exhibits to the contrary, the Association shall at all times be the entity having ultimate control over the Condominium, consistent with the Act.

11.2 Limitation Upon Liability of Association. Notwithstanding the duty of the Association to maintain and repair parts of the Condominium Property, the Association shall not be liable to Unit Owners for injury or damage, other than for the cost of maintenance and repair, caused by any latent condition of the Condominium Property. Further, the Association shall not be liable for any such injury or damage caused by defects in design or workmanship or any other reason connected with any additions, alterations or improvements or other activities done by or on behalf of any Unit Owners regardless of whether or not same shall have been approved by the Association pursuant to Section 9 hereof. The Association also shall not be liable to any Unit Owner or lessee or to any other person or entity for any property damage, personal injury, death or other liability on the grounds that the Association did not obtain or maintain insurance (or carried insurance with any particular deductible amount) for any particular matter where: (i) such insurance is not required hereby; or (ii) the Association could not obtain such insurance at reasonable costs or upon reasonable terms.

11.3 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 an appurtenance to his Unit.

11.4 Approval or Disapproval of Matters. Whenever the decision of a Unit Owner is required upon any matter, whether or not the subject of an Association meeting, that decision shall be expressed by the same person who would cast the vote for that Unit if at an Association meeting, unless the joinder of all record Owners of the Unit is specifically required by this Declaration or by law.

11.5 Acts of the Association. Unless the approval or action of Unit Owners, and/or a certain specific percentage of the Board of Directors of the Association, is specifically required in this Declaration, the Articles of Incorporation or By-Laws of the Association, applicable rules and regulations or applicable law, all approvals or actions required or permitted to be given or taken by the Association shall be given or taken by the Board of Directors, without the consent of Unit Owners, and the Board may so approve and act through the proper officers of the Association without a specific resolution. When an approval or action of the Association is permitted to be given or taken hereunder or thereunder, such action or approval may be conditioned in any manner the Association deems appropriate or the Association may refuse to take or give such action or approval without the necessity of establishing the reasonableness of such conditions or refusal.

11.6 Effect on Developer. If the Developer holds a Unit for sale in the ordinary course of business, none of the following actions may be taken without the prior written approval of the Developer:

(a) Assessment of the Developer as a Unit Owner for capital improvements;

(b) Any action by the Association that would be detrimental to the sales of Units by the Developer or the assignment of Limited Common Element by the Developer for consideration; provided, however, that an increase in Assessments for Common Expenses without discrimination against the Developer shall not be deemed to be detrimental to the sales of Units.

12. Determination of Common Expenses and Fixing of Assessments Therefor. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Condominium and the Association, determine the amount of Assessments payable by the Unit Owners to meet the Common Expenses of the Condominium and allocate and assess such expenses among the Unit Owners in accordance with the provisions of this Declaration and the By-Laws. The Board of Directors shall advise all Unit Owners promptly in writing of the amount of the Assessments payable by each of them as determined by the Board of Directors as aforesaid and shall furnish copies of the budget, on which such Assessments are based, to all Unit Owners and (if requested in writing) to their respective mortgagees. The Common Expenses shall include the expenses of and reserves for (if required by, and not waived in accordance with, applicable law) the operation, maintenance, repair and replacement of the Common Elements and Association Property, costs of carrying out the powers and duties of the Association and any other expenses designated as Common Expenses by the Act, this Declaration, the Articles or By-Laws of the Association, applicable rules and regulations or by the Association. Incidental income to the Association, if any, may be used to pay regular or extraordinary Association expenses and liabilities, to fund reserve accounts, or otherwise as the Board shall determine from time to time, and need not be restricted or accumulated. Any Budget adopted shall be subject to change to cover actual expenses at any time. Any such change shall be adopted consistent with the provisions of this Declaration and the By-Laws.

13. Collection of Assessments.

13.1 Liability for Assessments. A Unit Owner, regardless of how title is acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure shall be liable for all Assessments coming due while he is the Unit Owner. Additionally, a Unit Owner shall be jointly and severally liable with the previous Owner for all unpaid Assessments that came due up to the time of the conveyance, without prejudice to any right the Owner may have to recover from the previous Owner the amounts paid by the grantee Owner. The liability for Assessments may not be avoided by waiver of the use or enjoyment of any Common

Elements or by the abandonment of the Unit for which the Assessments are made or otherwise.

13.2 Special and Capital Improvement Assessments. In addition to Assessments levied by the Association to meet the Common Expenses of the Condominium and the Association, the Board of Directors may levy "Special Assessments" and "Capital Improvement Assessments" upon the following terms and conditions:

(a) "Special Assessments" shall mean and refer to a charge against each Owner and his Unit, representing a portion of the costs incurred by the Association for specific purposes of a nonrecurring nature which are not in the nature of capital improvements.

(b) "Capital Improvement Assessments" shall mean and refer to a charge against each Owner and his Unit, representing a portion of the costs incurred by the Association for the acquisition, installation, construction or replacement (as distinguished from repairs and maintenance) of any capital improvements located or to be located within the Common Elements or Association Property.

(c) Special Assessments and Capital Improvement Assessments may be levied by the Board and shall be payable in lump sums or installments, in the discretion of the Board; provided that, if such Special Assessments or Capital Improvement Assessments, in the aggregate in any year, exceed $125,000.00 or cause the total Assessments levied to exceed 115% of Assessments for the preceding calendar year, the Board must obtain approval of a majority of the Units represented at a meeting at which a quorum is attained.

13.3 Default in Payment of Assessments for Common Expenses. Assessments and installments thereof not paid within ten (10) days from the date when they are due shall bear interest at fifteen percent (15%) per annum from the date due until paid and shall be subject to an administrative late fee in an amount not to exceed the greater of $25.00 or five percent (5%) of each delinquent installment. The Association has a lien on each Condominium Parcel to secure the payment of Assessments. Except as set forth below, the lien is effective from, and shall relate back to, the date of the recording of this Declaration. However, as to first mortgages of record, the lien is effective from and after recording of a claim of lien. The lien shall be evidenced by the recording of a claim of lien in the Public Records of the County. To be valid, the claim of lien must state the description of the Condominium Parcel, the name of the record Owner, the name and address of the Association, the amount due and the due dates, and the claim of lien must be executed and acknowledged by an officer or authorized officer of the Association. The claim of lien shall not be released until all sums secured by it (or such other amount as to which the Association shall agree by way of settlement) have been fully paid or until it is barred by law. No such lien shall be effective longer than one (1) year after the claim of lien has been recorded unless, within that one (1) year period, an action to enforce the lien is commenced. The one (1) year period shall automatically be extended for any length of time during which the Association is prevented from filing a foreclosure action by an automatic stay resulting from a bankruptcy petition filed by the Owner or any other person claiming an interest in the Unit. The claim of lien shall secure (whether or not stated therein) all unpaid Assessments, which are due and which may accrue subsequent to the recording of the claim of lien and prior to the entry of a certificate of title, as well as interest and all reasonable costs and attorneys' fees incurred by the Association incident to the collection process. Upon payment in full, the person making the payment is entitled to a satisfaction of the lien in recordable form. The Association may bring an action in its name to foreclose a lien for unpaid Assessments in the manner a mortgage of real property is foreclosed and may also bring an action at law to recover a money judgment for the unpaid Assessments without waiving any claim of lien. The Association is entitled to recover its reasonable attorneys' fees incurred either in a lien foreclosure action or an action to recover a money judgment for unpaid Assessments.

Additionally, each Owner of any Unit by acceptance of a deed therefor or other conveyance thereof, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to have assigned all rents, issues and profits (the "Collateral Assignment of Rents") on each such Unit to the Association, which Collateral Assignment of Rents shall become absolute upon default of such Unit Owner hereunder.

As an additional right and remedy of the Association, upon default in the payment of Assessments as aforesaid and after thirty (30) days' prior written notice to the applicable Unit Owner and the recording of a claim of lien, the Association may declare the next twelve (12) months' of Assessment installments to be accelerated and immediately due and payable. In the event that the amount of such installments changes during the twelve (12) month period, the Unit Owner or the Association, as appropriate, shall be obligated to pay or reimburse to the other the amount of increase or decrease within ten (10) days of same taking effect.

13.4 Notice of Intention to Foreclose Lien. No foreclosure judgment may be entered until at least thirty (30) days after the Association gives written notice to the Unit Owner of its intention to foreclose its lien to collect the unpaid Assessments. If this notice is not given at least thirty (30) days before the foreclosure action is filed, and if the unpaid Assessments, including those coming due after the claim of lien is recorded, are paid before the entry of a final judgment of foreclosure, the Association shall not recover attorney's fees or costs. The notice must be given by delivery of a copy of it to the Unit Owner or by certified or registered mail, return receipt requested, addressed to the Unit Owner at the last known address, and upon such mailing, the notice shall be deemed to have been given. If after diligent search and inquiry the Association cannot find the Unit Owner or a mailing address at which the Unit Owner will receive the notice, the court may proceed with the foreclosure action and may award attorney's fees and costs as permitted by law. The notice requirements of this subsection are satisfied if the Unit Owner records a Notice of Contest of Lien as provided in the Act.

13.5 Appointment of Receiver to Collect Rental. If the Unit Owner remains in possession of the Unit after a foreclosure judgment has been entered, the court in its discretion may require the Unit Owner to pay a reasonable rental for the Unit. If the Unit is rented or leased during the pendency of the foreclosure action, the Association is entitled to the appointment of a receiver to collect the rent. The expenses of such receiver shall be paid by the party which does not prevail in the foreclosure action.

13.6 Institutional First Mortgagee. The liability of an Institutional First Mortgagee, or its successor or assignees, who acquire title to a Unit by foreclosure or by deed in lieu of foreclosure for the unpaid Assessments (or installments thereof) that became due prior to the Institutional First Mortgagee's acquisition of title is limited to the lesser of:

(a) The Unit's unpaid Common Expenses and regular periodic Assessments which accrued or came due during the six (6) months immediately preceding the acquisition of title and for which payment in full has not been received by the Association; or

(b) One percent (1%) of the original mortgage debt.

As to a Unit acquired by foreclosure, the limitations set forth in clauses (a) and (b) above shall not apply unless the Institutional First Mortgagee joined the Association as a defendant in the foreclosure action. Joinder of the Association, however, is not required if, on the date the complaint is filed, the Association was dissolved or did not maintain an office or agent for service of process at a location which was known to or reasonably discoverable by the mortgagee.

An Institutional First Mortgagee acquiring title to a Unit as a result of foreclosure or deed in lieu thereof may not, during the period of its ownership of such Unit, whether or not such Unit is unoccupied, be excused from the payment of some or all of the Common Expenses coming due during the period of such ownership.

13.7 Developer's Liability for Assessments. During the period from the date of the recording of this Declaration until the earlier of the following dates (the "Guarantee Expiration Date"): (a) the last day of the twelfth (12th) full calendar month following the recording of this Declaration, (b) the occurrence of an "Extraordinary Financial Event" (as hereinafter defined), or (c) the date that control of the Association is transferred to Unit Owners other than the Developer as provided in the By-Laws and the Act, the Developer shall not be obligated to pay the share of Common Expenses and Assessments attributable to the Units owned by the Developer, provided: (i) that the regular Assessments for Common Expenses imposed on each Unit Owner other than the Developer prior to the Guarantee Expiration Date shall not increase during such period over the applicable amount set forth below:

Unit No./Type	Monthly Condo	Annual Condo
A	$ 95.98	$ 1,151.78
B	$ 71.70	$ 860.41
C	$ 71.70	$ 860.41
D	$ 84.74	$ 1,016.85

E	$ 138.19	$ 1,658.25

(*for a listing of Units by Unit Type, see Exhibit "3" to this Declaration)

and (ii) that the Developer shall be obligated to pay any amount of Common Expenses actually incurred during such period and not produced by the Assessments at the guaranteed levels receivable from other Unit Owners and/or from income of the Association. After the Guarantee Expiration Date, the Developer shall have the option of extending the guarantee for one or more additional periods, or paying the share of Common Expenses and Assessments attributable to Units it then owns. As used in this subsection, an "Extraordinary Financial Event" shall mean a casualty loss affecting the Condominium resulting from a natural disaster or Act of God, which is not covered by insurance proceeds from the insurance maintained by the Association as required by Section 718.111(11)(a) of the Act. In the event of an Extraordinary Financial Event, the costs necessary to effect restoration shall be assessed against all Unit Owners owning units on the date of such natural disaster or Act of God, and their successors and assigns, including the Developer (with respect to Units owned by the Developer).

13.8 Estoppel Statement. Within fifteen (15) days after receiving a written request therefor from a purchaser, Unit Owner or mortgagee of a Unit, the Association shall provide a certificate, signed by an officer or agent of the Association, stating all Assessments and other moneys owed to the Association by the Unit Owner with respect to his Unit. Any person other than the Unit Owner who relies upon such certificate shall be protected thereby.

13.9 Installments. Regular Assessments shall be collected monthly or quarterly, in advance, at the option of the Association. Initially, assessments will be collected monthly.

13.10 Application of Payments. Any payments received by the Association from a delinquent Unit Owner shall be applied first to any interest accrued on the delinquent installment(s) as aforesaid, then to any administrative late fees, then to any costs and reasonable attorneys' fees incurred in collection and then to the delinquent and any accelerated Assessments. The foregoing shall be applicable notwithstanding any restrictive endorsement, designation or instruction placed on or accompanying a payment.

14. Insurance. Insurance covering the Condominium Property and the Association Property shall be governed by the following provisions:

14.1 Purchase, Custody and Payment.

(a) Purchase. All insurance policies described herein covering portions of the Condominium and Association Property shall be purchased by the Association and shall be issued by an insurance company authorized to do business in Florida.

(b) Approval. Each insurance policy, the agency and company issuing the policy and the Insurance Trustee (if appointed) hereinafter described shall be subject to the approval of the Primary Institutional First Mortgagee in the first instance, if requested thereby.

(c) Named Insured. The named insured shall be the Association, individually, and as agent for Owners of Units covered by the policy, without naming them, and as agent for their mortgagees, without naming them. The Unit Owners and their mortgagees shall be deemed additional insureds.

(d) Custody of Policies and Payment of Proceeds. All policies shall provide that payments for losses made by the insurer shall be paid to the Insurance Trustee (if appointed), and all policies and endorsements thereto shall be deposited with the Insurance Trustee (if appointed).

(e) Copies to Mortgagees. One copy of each insurance policy, or a certificate evidencing such policy, and all endorsements thereto, shall be furnished by the Association upon request to each Institutional First Mortgagee who holds a mortgage upon a Unit covered by the policy. Copies or certificates shall be furnished not less than ten (10) days prior to the beginning of the term of the policy, or not less than ten (10) days prior to the expiration of each preceding policy that is being renewed or replaced, as appropriate.

agreement will be recognized, that the insurance provided shall not be prejudiced by any act or omissions of individual Unit Owners that are not under the control of the Association, and that the policy shall be primary, even if a Unit Owner has other insurance that covers the same loss.

Every casualty insurance policy obtained by the Association, if required by FNMA/FHLMC, shall have the following endorsements: (i) agreed amount and inflation guard and (ii) steam boiler coverage (providing at least $50,000 coverage for each accident at each location), if applicable.

14.3 Additional Provisions. All policies of insurance shall provide that such policies may not be canceled or substantially modified without at least thirty (30) days' prior written notice to all of the named insureds, including all mortgagees of Units. Prior to obtaining any policy of casualty insurance or any renewal thereof, the Board of Directors may (or if required by FNMA/FHLMC, shall) obtain an appraisal from a fire insurance company, or other competent appraiser, of the full insurable replacement value of the Insured Property (exclusive of foundations), without deduction for depreciation, for the purpose of determining the amount of insurance to be effected pursuant to this Section.

14.4 Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense, except that the costs of fidelity bonding for any management company employee may be paid by such company pursuant to its contract with the Association. Premiums may be financed in such manner as the Board of Directors deems appropriate.

14.5 Insurance Trustee; Share of Proceeds. All insurance policies obtained by or on behalf of the Association shall be for the benefit of the Association, the Unit Owners and their mortgagees, as their respective interests may appear, and shall provide that all proceeds covering property losses shall be paid to the Insurance Trustee which may be designated by the Board of Directors as provided in Section 14.10 below, and which, if so appointed, shall be a bank or trust company in Florida with trust powers, with its principal place of business in the State of Florida. The Insurance Trustee shall not be liable for payment of premiums, nor for the renewal or the sufficiency of policies, nor for the failure to collect any insurance proceeds. The duty of the Insurance Trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purposes elsewhere stated herein, and for the benefit of the Unit Owners and their respective mortgagees in the following shares, but shares need not be set forth on the records of the Insurance Trustee:

(a) Insured Property. Proceeds on account of damage to the Insured Property shall be held in undivided shares for each Unit Owner, such shares being the same as the undivided shares in the Common Elements appurtenant to each Unit, provided that if the Insured Property so damaged includes property lying within the boundaries of specific Units, that portion of the proceeds allocable to such property shall be held as if that portion of the Insured Property were Optional Property as described in paragraph (b) below.

(b) Optional Property. Proceeds on account of damage solely to Units and/or certain portions or all of the contents thereof not included in the Insured Property (all as determined by the Association in its sole discretion) (collectively the "Optional Property"), if any is collected by reason of optional insurance which the Association elects to carry thereon (as contemplated herein), shall be held for the benefit of Owners of Units or other portions of the Optional Property damaged in proportion to the cost of repairing the damage suffered by each such affected Owner, which cost and allocation shall be determined in the sole discretion of the Association.

(c) Mortgagees. No mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds, except for actual distributions thereof made to the Unit Owner and mortgagee pursuant to the provisions of this Declaration.

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

may be distributed to Owners of the Optional Property who have the responsibility for reconstruction and repair thereof. The distribution shall be in the 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 affected Unit Owners, as determined by the Board; provided, however, that no Unit Owner shall be paid an amount in excess of the estimated costs of repair for his portion of the Optional Property. All proceeds must be used to effect repairs to the Optional Property, and if insufficient to complete such repairs, the Owners shall pay the deficit with respect to their portion of the Optional Property and promptly effect the repairs. Any balance remaining after such repairs have been effected shall be distributed to the affected Unit Owners and their mortgagees jointly as elsewhere herein contemplated.

(iv) 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 relating to the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated; except, however, that part of a distribution to an Owner which is not in excess of Assessments paid by such Owner into the construction fund shall not be made payable jointly to any mortgagee.

(v) 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 made upon the order of the Association alone or upon the additional approval of an architect, engineer 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 the payees nor the amounts to be paid. The Insurance Trustee may rely upon a certificate of the Association, made by its President and Secretary, as to any or all of such matters and stating that the sums to be paid are due and properly payable, and stating the names of the payees and the amounts to be paid.

15.4 Assessments. If the proceeds of the insurance are not sufficient to defray the estimated costs of reconstruction and repair to be effected by the Association, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs of reconstruction and repair are insufficient, Assessments shall be made against the Unit Owners in sufficient amounts to provide funds for the payment of such costs. Such Assessments on account of damage to the Insured Property shall be in proportion to all of the Owners' respective shares in the Common Elements, and on account of damage to the Optional Property, the Association shall charge the Owner (but shall not levy an Assessment) in proportion to the cost of repairing the damage suffered by each Owner thereof, as determined by the Association.

15.5 Benefit of Mortgagees. Certain provisions in this Section 15 are for the benefit of mortgagees of Units and may be enforced by any of them.

16. Condemnation.

16.1 Deposit of Awards with Insurance Trustee. The taking of portions of the Condominium Property or Association Property by the exercise of the power of eminent domain shall be deemed to be a casualty, and the awards for that taking shall be deemed to be proceeds from insurance on account of the casualty and shall be deposited with the Insurance Trustee. Even though the awards may be payable to Unit Owners, the Unit Owners shall deposit the awards with the Insurance Trustee; and in the event of failure to do so, in the discretion of the Board of Directors of the Association, a charge shall be made against a defaulting Unit Owner in the amount of his award, or the amount of that award shall be set off against the sums hereafter made payable to that Owner.

16.2 Determination Whether to Continue Condominium. Whether the Condominium will be continued after condemnation will be determined in the manner provided for determining whether damaged property will be reconstructed and repaired after casualty. For this purpose, the taking by eminent domain also shall be deemed to be a casualty.

16.3 Disbursement of Funds. If the Condominium is terminated after condemnation, the proceeds of the awards and special Assessments will be deemed to be insurance proceeds and shall be owned and distributed in the manner provided with respect to the ownership and distribution of insurance proceeds if the Condominium is terminated after a casualty. If the Condominium is not terminated after condemnation, the size of the Condominium will be reduced and the property damaged by the taking will be made usable in the manner provided below. The proceeds of the awards and special Assessments shall be used for these purposes and shall be disbursed in the manner provided for disbursement of funds by the Insurance Trustee (if appointed) after a casualty, or as elsewhere in this Section 16 specifically provided.

16.4 Unit Reduced but Habitable. If the taking reduces the size of a Unit and the remaining portion of the Unit can be made habitable (in the sole opinion of the Association), the award for the taking of a portion of the Unit shall be used for the following purposes in the order stated and the following changes shall be made to the Condominium:

(a) Restoration of Unit. The Unit shall be made habitable. If the cost of the restoration exceeds the amount of the award, the additional funds required shall be charged to and paid by the Owner of the Unit.

(b) Distribution of Surplus. The balance of the award in respect of the Unit, if any, shall be distributed to the Owner of the Unit and to each mortgagee of the Unit, the remittance being made payable jointly to the Owner and such mortgagees.

(c) Adjustment of Shares in Common Elements. If the floor area of the Unit is reduced by the taking, the percentage representing the share in the Common Elements and of the Common Expenses and Common Surplus appurtenant to the Unit shall be reduced by multiplying the percentage of the applicable Unit prior to reduction by a fraction, the numerator of which shall be the area in square feet of the Unit after the taking and the denominator of which shall be the area in square feet of the Unit before the taking. The shares of all Unit Owners in the Common Elements, Common Expenses and Common Surplus shall then be restated as follows:

(i) add the total of all percentages of all Units after reduction as aforesaid (the "Remaining Percentage Balance"); and

(ii) divide each percentage for each Unit after reduction as aforesaid by the Remaining Percentage Balance.

The result of such division for each Unit shall be the adjusted percentage for such Unit.

16.5 Unit Made Uninhabitable. If the taking is of the entire Unit or so reduces the size of a Unit that it cannot be made habitable (in the sole opinion of the Association), the award for the taking of the Unit shall be used for the following purposes in the order stated and the following changes shall be made to the Condominium:

(a) Payment of Award. The awards shall be paid first to the applicable Institutional First Mortgagees in amounts sufficient to pay off their mortgages in connection with each Unit which is not so habitable; second, to the Association for any due and unpaid Assessments; third, jointly to the affected Unit Owners and other mortgagees of their Units. In no event shall the total of such distributions in respect of a specific Unit exceed the market value of such Unit immediately prior to the taking. The balance, if any, shall be applied to repairing and replacing the Common Elements.

(b) Addition to Common Elements. The remaining portion of the Unit, if any, shall become part of the Common Elements and shall be placed in a condition allowing, to the extent possible, for use by all of the Unit Owners in the manner approved by the Board of Directors of the Association; provided that if the cost of the work therefor shall exceed the balance of the fund from the award for the taking, such work shall be approved in the manner elsewhere required for capital improvements to the Common Elements.

(c) Adjustment of Shares. The shares in the Common Elements, Common Expenses and Common Surplus appurtenant to the Units that continue as part of the Condominium shall be adjusted to distribute the shares in the Common Elements, Common Expenses and Common Surplus among the reduced number of Unit Owners (and among reduced Units). This shall be effected by restating the shares of continuing Unit Owners as follows:

(i) add the total of all percentages of all Units of continuing Owners prior to this adjustment, but after any adjustments made necessary by subsection 16.4(c) hereof (the "Percentage Balance"); and

(ii) divide the percentage of each Unit of a continuing Owner prior to this adjustment, but after any adjustments made necessary by subsection 16.4(c) hereof, by the Percentage Balance.

The result of such division for each Unit shall be the adjusted percentage for such Unit.

(d) Assessments. If the balance of the award (after payments to the Unit Owner and such Owner's mortgagees as above provided) for the taking is not sufficient to alter the remaining portion of the Unit for use as a part of the Common Elements, the additional funds required for such purposes shall be raised by Assessments against all of the Unit Owners who will continue as Owners of Units after the changes in the Condominium effected by the taking. The Assessments shall be made in proportion to the applicable percentage shares of those Owners after all adjustments to such shares effected pursuant hereto by reason of the taking.

(e) Arbitration. If the market value of a Unit prior to the taking cannot be determined by agreement between the Unit Owner and mortgagees of the Unit and the Association within 30 days after notice of a dispute by any affected party, such value shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit. A judgment upon the decision rendered by the arbitrators may be entered in any court of competent jurisdiction in accordance with the Florida Arbitration Code. The cost of arbitration proceedings shall be assessed against all Units Owners, including Owners who will not continue after the taking, in proportion to the applicable percentage shares of such Owners as they exist prior to the adjustments to such shares effected pursuant hereto by reason of the taking.

16.6 Taking of Common Elements. Awards for the taking of Common Elements shall be used to render the remaining portion of the Common Elements usable in the manner approved by the Board of Directors of the Association; provided, that if the cost of such work shall exceed the balance of the funds from the awards for the taking, the work shall be approved in the manner elsewhere required for capital improvements to the Common Elements. The balance of the awards for the taking of Common Elements, if any, shall be distributed to the Unit Owners in the shares in which they own the Common Elements after adjustments to these shares effected pursuant hereto by reason of the taking. If there is a mortgage on a Unit, the distribution shall be paid jointly to the Owner and the mortgagees of the Unit.

16.7 Amendment of Declaration. The changes in Units, in the Common Elements and in the ownership of the Common Elements and share in the Common Expenses and Common Surplus that are effected by the taking shall be evidenced by an amendment to this Declaration of Condominium that is only required to be approved by, and executed upon the direction of, a majority of all Directors of the Association.

17. Occupancy and Use Restrictions. In order to provide for congenial occupancy of the Condominium and Association Property and for the protection of the values of the Units, the use of the Condominium Property shall be restricted to and shall be in accordance with the following provisions:

17.1 Occupancy. Each Unit shall be used as a residence only, except as otherwise herein expressly provided. The provisions of this subsection 17.1 shall not be applicable to Units used by the Developer for model apartments, sales offices or management services.

17.2 Children. Children shall be permitted to be occupants of Units.

THIS CONDOMINIUM WILL BE CREATED AND UNITS WILL BE SOLD IN FEE SIMPLE INTERESTS.

RECREATIONAL FACILITIES MAY BE EXPANDED OR ADDED WITHOUT CONSENT OF UNIT OWNERS, THE CONDOMINIUM ASSOCIATION OR THE HOMEOWNERS' ASSOCIATION.

For further information with respect to the Condominium, see Section 9.2 of the Declaration of Condominium attached hereto as Exhibit A; and with respect to the Common Properties (as defined in the Homeowners' Covenants) see the Declaration of Covenants, Restrictions and Easements for Fountains at Fontainebleau (the "Homeowners' Covenants") set forth in Part 2 hereof (hereinafter referred to as "Part 2") entitled "Homeowners' Association Documents."

THE UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.

For further information, see the subsection hereof entitled "Leasing of Developer - Owned Units", and Section 17.8 of the Declaration of Condominium attached hereto as Exhibit A.

THERE IS TO BE A CONTRACT FOR THE MANAGEMENT OF THE CONDOMINIUM PROPERTY

For further information, see the subsection hereof entitled "Management of the Condominium and Common Properties."

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

For further information with respect to the Condominium Association, see Section 718.301, Florida Statutes, and Section 4.15 of the By-Laws of the Condominium Association, a copy of which By-Laws is set forth as Exhibit "4" to the Declaration of Condominium attached hereto as Exhibit A; and with respect to The Fountains at Fontainebleau Homeowners' Association, Inc. (the "Homeowners' Association"), see the Homeowners' Covenants.

THE SALE, LEASE OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED.

For further information, see Sections 17.8 and 18 of the Declaration of Condominium attached hereto as Exhibit A in Part 1 hereof.

THERE IS A HOMEOWNERS' ASSOCIATION MEMBERSHIP ASSOCIATED WITH THIS CONDOMINIUM. MEMBERSHIP IN THE HOMEOWNERS' ASSOCIATION IS MANDATORY FOR UNIT OWNERS. THERE IS NO RECREATION LEASE OR LAND LEASE ASSOCIATED WITH THIS CONDOMINIUM; HOWEVER, EACH UNIT WILL BE ASSESSED FOR A SHARE OF THE EXPENSES RELATING TO THE OPERATION, MAINTENANCE, UPKEEP AND REPAIR OF THE COMMON PROPERTIES OF THE HOMEOWNERS' ASSOCIATION AND ANY FACILITIES CONSTRUCTED THEREON. THERE IS A LIEN RIGHT AGAINST EACH UNIT TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING DUE FOR THE MAINTENANCE, OPERATION, UPKEEP AND REPAIR OF THE HOMEOWNERS' COMMON PROPERTIES AND ANY SUCH COMMON FACILITIES. THE UNIT OWNERS' FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN.

See the Homeowners' Covenants. **Because the Homeowners' Association is an on-going entity operating independently from the Condominium Association, the purchaser is advised that the budget of, and Assessments payable to, such Homeowners' Association may increase (based upon actual operating expenses and projections thereof), both before and after the closing under the purchaser's agreement for sale.**

INDEX

SUMMARY OF CERTAIN ASPECTS OF THE OFFERING
(Part 1)

EXHIBITS TO THE PROSPECTUS
(Part 1)

HOMEOWNERS' ASSOCIATION DOCUMENTS
(Part 2)

PART 1

SUMMARY OF CERTAIN ASPECTS OF THE OFFERING

Description of Condominium

The name of the condominium is **THE FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM NO. THREE** (the "Condominium"). The Condominium is located or to be located at 9320 Fontainebleau Boulevard, Miami, Florida. The Fountains of Fontainbleau Ltd., a Florida limited partnership (the "Developer"), is the owner of the unsold Units in the Condominium which are being offered for sale pursuant to this Prospectus. The Condominium will contain one (1) building having a total of eighty-seven (87) Units. The number of bedrooms and bathrooms in each Unit in the Condominium is set forth on Schedule "A" attached hereto. Exhibit "2" to the Declaration of Condominium (attached hereto as Exhibit "A") consists of a survey of the Realty, a graphic description of the Improvements located thereon, including, but not limited to, the Building in which the Units are located, and a plot plan thereof. Said Exhibit "2", together with the Declaration, is sufficient in detail to identify the Common Elements and each Unit and their relative locations and dimensions.

The Condominium will consist only of the Units described herein, the Common Elements described in the Declaration of Condominium attached hereto as Exhibit "A" and the recreational facilities described in the section hereof entitled "Recreational and Certain Other Commonly Used Facilities Intended to be Constructed Within the Condominium Property". All other recreational and other commonly used facilities will be part of the Common Properties of The Fountains at Fontainebleau (as defined in the Homeowners' Covenants), all as more particularly described in this Prospectus.

The Condominium is being created by conversion of previously existing improvements which were completed in 1975 and used as a residential apartment complex. Accordingly, the Improvements have been previously occupied. The construction, finishing and equipping of the Condominium is complete.

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

THE FOUNTAINS AT FONTAINEBLEAU

The Condominium is part of a community known as **THE FOUNTAINS AT FONTAINEBLEAU**. In addition to the Condominium, The Fountains at Fontainebleau is intended to include three additional residential structures, as well as certain recreational facilities, open spaces, parking areas, roadway and other accessory facilities and/or structures serving all of same. In order to provide for the orderly distribution and regulation of parking facilities within The Fountains at Fontainebleau, same shall be governed exclusively by the Homeowners' Association. To the extent that any portion of the Condominium Property is necessary or desirable (in the sole determination of the Homeowners' Association) for maximizing and easing traffic flow through the parking areas adjacent to the Condominium Property, then, all such portions shall be maintained and operated by the Homeowners' Association as Common Properties of and under the Homeowners' Covenants, and the maintenance, operation and regulation of same shall be vested in the Homeowners' Association.

The purchaser is cautioned that (i) no party has any obligation to develop the balance of The Fountains at Fontainebleau at all or in any particular manner, order or timing, if at all, and (ii) construction and development activity may continue within The Fountains at Fontainebleau well after the completion of the Condominium.

Recreational and Certain Other Commonly Used Facilities Intended to be Constructed Within the Condominium Property

The Developer does not intend to construct any facilities within the Condominium Property to be used exclusively by Owners of Units in the Condominium, and their guests, tenants and invitees.

Recreational and Certain Other Commonly Used Facilities Intended to be Constructed Within the Common Properties of The Fountains at Fontainebleau

The following facilities are intended to be constructed within the Common Properties of The Fountains at Fontainebleau and are to be used, except as provided herein or in the Declaration to the contrary, exclusively by the members of the Homeowners' Association, and their guests, tenants and invitees.

The facilities are currently intended to include the following (all to be located on designated portions of the Homeowners' Association's Common Properties):

FACILITY AND ITS LOCATION	APPROXIMATE SIZE	APPROXIMATE CAPACITY
Heated Swimming Pool [9330 building]	5500 sq. ft.	30 persons
Recreational Building [9330 building]	5200sq. ft.	199 persons
Two Tennis Courts [between 9310 and 9320 and between 9350 and 9360]	7200 sq. ft.	8 persons

The facilities described above are intended to be constructed. The design, commencement and progress of any such construction, however, will be in the sole discretion of the Declarant. The maximum number of Units which may be located within the Common Properties at the time any of the above-described Facilities may be constructed will not exceed five hundred and twenty eight (528). The Developer intends to expend approximately $1,000.00 to provide certain personal property in and around these facilities (to be selected in the sole discretion of Developer).

The Homeowners' Association

THERE IS A HOMEOWNERS' ASSOCIATION MEMBERSHIP ASSOCIATED WITH THIS CONDOMINIUM. MEMBERSHIP IN THE HOMEOWNERS' ASSOCIATION IS MANDATORY FOR UNIT OWNERS. THERE IS NO RECREATION LEASE OR LAND LEASE ASSOCIATED WITH THIS CONDOMINIUM; HOWEVER, EACH UNIT WILL BE ASSESSED FOR A SHARE OF THE EXPENSES RELATING TO THE OPERATION, MAINTENANCE, UPKEEP AND REPAIR OF THE COMMON PROPERTIES OF THE HOMEOWNERS' ASSOCIATION AND ANY FACILITIES CONSTRUCTED THEREON. THERE IS A LIEN RIGHT AGAINST EACH UNIT TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING DUE FOR THE MAINTENANCE, OPERATION, UPKEEP AND REPAIR OF THE HOMEOWNERS' COMMON PROPERTIES AND ANY SUCH COMMON FACILITIES. THE UNIT OWNERS' FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN.

See the Homeowners' Covenants.

Each Owner (as defined in the Homeowners' Covenants) will be a member of the Homeowners' Association, as will certain others. The Homeowners' Association is responsible for operating and maintaining the Common Properties of The Fountains at Fontainebleau. The Homeowners' Common Properties consist of all of the property described as Common Properties in the Homeowners' Covenants, all other Common Properties which may from time to time be made subject to the Homeowners' Covenants and all facilities which may be constructed thereon. The Homeowners' Association has the power to assess Unit Owners (and other members of the Homeowners' Association) for a share of the expenses of such operation and maintenance, and for management fees, and to impose and foreclose liens in the event such assessments are not paid when due. Reference should be made to the Homeowners' Covenants, as well as the Articles of Incorporation and By-Laws of the Homeowners' Association set forth in Part 2 of this Prospectus, for a complete explanation of the powers and responsibilities of the Homeowners' Association. See also the subsection hereof entitled "Estimated Operating Budgets".

Expansion of Recreational Facilities

RECREATIONAL FACILITIES MAY BE EXPANDED OR ADDED WITHOUT CONSENT OF UNIT OWNERS, THE ASSOCIATION OR THE HOMEOWNERS' ASSOCIATION.

With respect to the Condominium, see Section 9.2 of the Declaration of Condominium for further details, and with respect to the Common Properties, see the Homeowners' Covenants.

The Developer reserves the right at any time to provide or expand any of the above-described recreational facilities as the Developer deems appropriate. The consent of the Unit Owners, the Condominium Association or the Homeowners' Association shall not be required for any such construction or expansion. The cost of such construction or expansion shall be borne exclusively by the Developer. The Developer is not obligated, however, to so expand the facilities or provide additional facilities.

Leasing of Developer-Owned Units

THE UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.

See Section 17.8 of the Declaration of Condominium for further details.

The Developer intends to engage in a program of renting or leasing unsold Units upon such terms as Developer shall approve and as permitted by the Act and the rules promulgated thereunder. In the event any Unit is sold prior to the expiration of the term of a lease (which may occur during an indefinite period), title to such Unit (or Units) will be conveyed subject to the lease (or leases) and purchasers will succeed to the interests of the applicable lessor. If any Unit is sold subject to a lease, a copy of the executed lease will be attached to the Agreement for Sale in accordance with the terms of Florida Statutes, Section 718.503(1)(a)(4). If a Unit has been previously occupied, the Developer will so advise a prospective purchaser, in writing, prior to the time that the purchaser is requested to execute an Agreement for Sale, if required by law.

Management of the Condominium and Common Properties

There is not presently a contract for the management of the condominium property, however, it is anticipated that, prior to the creation of the Condominium, the Association may enter into an agreement with a manager to serve the Condominium. Any such management agreement, in addition to the means of termination which may be provided in the agreement, may be canceled by unit owners pursuant to the Condominium Act, Florida Statutes, Section 718.302. Section 718.302(1)(a), Florida Statutes, provides in relevant part that:

> If . . . unit owners other than the developer have assumed control of the association, or if unit owners other than the developer own not less than 75 percent of the units in the condominium, the cancellation shall be by concurrence of the owners of not less than 75 percent of the units other than the units owned by the developer. If a grant, reservation or contract is so canceled and the unit owners other than the developer have not assumed control of the association, the association shall make a new contract or otherwise provide for maintenance, management or operation in lieu of the canceled obligation, at the direction of the owners of not less than a majority of the units in the condominium other than the units owned by the developer.

Any fees which may be payable by the Association to the Manager shall be part of the Common Expenses of the Condominium that are included in the Assessments payable by Unit Owners.

There is not presently an agreement for the management of the Homeowners' Association.

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

Transfer of Control of the Associations

The initial officers and directors of the Condominium Association are or will all be designees of the Developer.

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

See Section 718.301, Florida Statutes, and Section 4.15 of the By-Laws of the Association, a copy of which By-Laws is set forth as Exhibit "4" to the Declaration of Condominium.

The Directors of the Condominium Association designated by the Developer will be replaced by Directors elected by Unit Owners other than the Developer in accordance with the applicable provisions of the Florida Condominium Act, Section 718.301, Florida Statutes, and Section 4.15 of the By-Laws.

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

See the Homeowners' Covenants and the Articles of Incorporation of the Homeowners' Association for details.

Restrictions on Use of Units and Common Elements and Alienability. The following is a summary of certain of the restrictions which affect the Units. To the extent permitted by the Act, the, **the Developer and certain related parties are exempt from these restrictions.**

Occupancy. Each Unit shall be used as a residence only.

Children. Children shall be permitted to be occupants of Units, but are restricted in certain activities. See the Rules and Regulations attached to the By-Laws (Exhibit "4" to the Declaration of Condominium) as Schedule A thereto.

Pet Restrictions. Domesticated dogs and/or cats may be maintained in a Unit provided such pets are: (i) permitted to be so kept by applicable laws and regulations, (ii) not left unattended on balconies or in lanai areas, (iii) generally, not a nuisance to residents of other Units, and (iv) not a pit bull or other breed considered to be dangerous by the Board of Directors; provided that neither the Board nor the Association shall be liable for any personal injury, death or property damage resulting from a violation of the foregoing and any occupant of a Unit committing such a violation shall fully indemnify and hold harmless the Board of Directors, the Developer, each Unit Owner and the Association in such regard.

Alterations. No Unit Owner shall cause or allow improvements or physical or structural changes to any Unit, Limited Common Elements appurtenant thereto, Common Elements or Association Property, including, but not limited to, installing or altering any electrical wiring or plumbing systems, installing television antenna, machinery, or in any manner changing the appearance of any portion of the Building, without obtaining the prior written consent of the Association. Curtains, blinds, shutters, levelors, or drapes (or linings thereof) which face the exterior windows or glass doors of Units shall be white or off-white in color and shall be subject to disapproval by the Association, in which case they shall be removed and replaced with acceptable items.

Use of Common Elements and Association Property. The Common Elements and Association Property shall be used only for furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of Units. In that regard, each purchaser understands and agrees that it is the intention of the Developer that the stairwells of the Building are intended for ingress and egress in the event of emergency only, and as such are constructed and left unfinished solely as to be functional for said purpose, without regard to the aesthetic appearance of said stairwells. The foregoing is not intended to prohibit the use of the stairwells for any other proper purpose.

Nuisances. No nuisances shall be allowed on the Condominium or Association Property, nor shall any use or practice be allowed which is a source of annoyance to occupants of Units or which interferes with the peaceful possession or proper use of the Condominium and/or Association Property by its residents, occupants or members. No activity specifically permitted by the Declaration shall be deemed a nuisance. No improper, offensive, hazardous or unlawful use shall be made of the Condominium or Association Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereover shall be observed. See Sections 17.6 and 17.7 of the Declaration and the Rules and Regulations set forth as Schedule A to the By-Laws of the Association.

Leases. Leasing of Units or portions thereof shall be subject to the prior written approval of the Association, and each lease shall be in writing and shall specifically provide (or, if it does not, shall be automatically deemed to provide) that a material condition of the lease shall be the tenant's full compliance with the covenants, terms, conditions and restrictions of the Declaration (and all Exhibits thereto), the Homeowners' Covenants (and all exhibits thereto) and with any and all rules and regulations adopted by the Associations from time to time. The Unit Owner will be jointly and severally liable with the tenant to the Association for any amount which is required by the Association to repair any damage to the Common Elements resulting from acts or omissions of tenants (as determined in the sole discretion of the Association) and to pay any claim for injury or damage to property caused by the negligence of the tenant. All leases are made subordinate to any lien filed by the Condominium Association, whether prior or subsequent to such lease. The Association may charge a fee in connection with the approval of any lease, sublease, or other transfer of a Unit requiring approval, provided, however that such fee may not exceed $100 per applicant other than husband/wife or parent/dependent child, which are considered one applicant, and provided further, that if the lease or sublease is a renewal of a lease or sublease with the same lessee or sublessee, no charge shall be made. If so required by the Association, Unit Owners wishing to lease their Units shall be required to place in escrow with the Association a reasonable sum, not to exceed the equivalent of one month's rental, which may be used by the Association to repair any damage to the Common Elements and/or Association Property resulting from acts or omissions of tenants (as determined in the sole discretion of the Association). Payment of interest, claims against the deposit, refunds and disputes regarding the disposition of the deposit shall be handled in the same fashion as provided in Part II of Chapter 83, Florida Statutes. No lease of a Unit shall be for a period of less than six (6) months and no Unit may be leased more than two (2) times in any calendar year (to be determined by review of the commencement date(s) of the applicable lease and/or renewal -- i.e., no more than two (2) leases of a Unit may commence in the same calendar year).

Weight and Sound Restriction. Hard and/or heavy surface floor coverings, such as tile, marble, wood, and the like will be permitted only in foyers, kitchens and bathrooms. All other areas are to receive sound absorbent, less dense floor coverings, such as carpeting. Use of a hard and/or heavy surface floor covering in any other location must be submitted to and approved by the Board of Directors and also meet applicable structural requirements. Also, the installation of any improvement or heavy object must be submitted to and approved by the Board, and be compatible with the overall structural design of the building. The Board of Directors may require a structural engineer to review certain of the proposed improvements, with such review to be at the Owner's sole expense. The Board will have the right to specify the exact material to be used on balconies. Any use guidelines set forth by the Association shall be consistent with good design practices for the waterproofing and overall structural design of the Building. Owners will be held strictly liable for violations of these restrictions and for all damages resulting therefrom and the Association has the right to require immediate removal of violations. **Applicable warranties of the Developer, if any, shall be voided by violations of these restrictions and requirements. Each Owner agrees that sound transmission in a high-rise building such as the Condominium is very difficult to control, and that noises from adjoining or nearby Units and or mechanical equipment can often be heard in another Unit. The Developer does not make any representation or warranty as to the level of sound transmission between and among Units and the other portions of the Condominium Property, and each Owner shall be deemed to waive and expressly release any such warranty and claim for loss or damages resulting from sound transmission.**

Hurricane Shutters. The Board of Directors shall, from time to time, establish hurricane shutter specifications which comply with the applicable building code, and establish permitted colors, styles and materials for hurricane shutters. The Association shall approve the installation or replacement of hurricane shutters conforming with the Board's specifications. The Board may, with the approval of a majority of voting interests in the Condominium, install hurricane shutters, and may (without requiring approval of the membership) maintain, repair or replace such approved shutters, whether on or within Common Elements, Limited Common Elements, Units or Association Property; provided, however, that if laminated glass, in accordance with all applicable building codes and standards, architecturally designed to serve as hurricane protection, is installed, the Board may not install hurricane shutters in accordance with this provision. All shutters shall remain open unless and until a storm watch or storm warning is announced by the National Weather Center or other recognized weather forecaster. A Unit Owner or occupant who plans to be absent during the hurricane season must prepare his Unit prior to his departure by designating a responsible firm or individual to care for his Unit should a hurricane threaten the Unit or should the Unit suffer hurricane damage, and furnishing the Association with the name(s) of such firm or individual. Such firm or individual shall be subject to the approval of the Association.

For these and other restrictions upon the use of Units and Common Elements, reference should be made to all Exhibits contained in this Prospectus (particularly Sections 9 and 17 of the Declaration, the Rules and Regulations attached to the By-Laws as Schedule A, and the Homeowners' Covenants) in addition to the specific references noted.

THE SALE, LEASE, OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED.

Utilities and Certain Services

Utilities and certain other services will be furnished to the Condominium as follows:

Electricity	Florida Power & Light
Telephone	Bell South
Water	Miami-Dade Water & Sewer Dept.
Gas	N/A
Sanitary Sewage And Waste Disposal	Miami-Dade Water & Sewer Dept.
Solid Waste Removal	Private company to be determined
Storm Drainage	Private system of natural and artificial percolation and run-off.

Apportionment of Common Expenses and Ownership of the Common Elements

The Owner(s) of each Unit will own an undivided interest in the Common Elements of the Condominium and Common Surplus of the Condominium Association and shall be obligated for a proportionate share of the Common Expenses. Generally speaking, the Common Elements consist of all parts of the Condominium Property not included in the Units. The Common Expenses include all expenses and assessments properly incurred by the Association for the Condominium which are to be shared by the Unit Owners, including, without limitation, (i) the costs of maintaining, operating and insuring the Common Elements of the Condominium, (ii) the cost of a master antenna television system or duly franchised cable television service obtained pursuant to a bulk contract; (iii) if applicable, costs relating to reasonable transportation services, insurance for directors and officers, road maintenance and operation expenses, in-house and/or interactive communications and surveillance systems; (iv) the real property taxes, Assessments and other maintenance expenses attributable to any Units acquired by the Association; and (v) all expense of installation, repair, and maintenance of hurricane shutters by the Board. Each Unit's percentage interest in the Common Elements and Common Surplus and percentage share of the Common Expenses will be as set forth in Exhibit "3" to the Declaration, same having been computed based upon the total square footage of the unit in uniform relationship to the total square footage of each other residential unit.

In addition to the assessments payable to the Condominium Association, each owner shall be liable for the assessments payable to the Homeowners' Association.

Closing Expenses; The Agreement for Sale; Escrow Deposits

At the time of closing of title, the purchaser will pay a closing charge equal to one and a half percent (1.5%) of the purchase price of the applicable Unit. From this charge, the Developer will pay the documentary stamp taxes on, and the cost of recording, the Special Warranty Deed and the premium for the owner's title insurance policy for the Unit to be issued by Seller and delivered to purchaser in connection with closing at the minimum promulgated risk rates promulgated by the Florida Insurance Commissioner.. The purchaser's closing charge will be subject to increase or decrease to the extent that any of such specifically mentioned costs (but no others) increase or decrease.

At the time of closing of title, the purchaser will also make a contribution to the funds of the Condominium Association and to the Homeowners' Association, said contribution to be in an amount equal to twice the monthly assessment amount payable to the Condominium Association and Homeowners' Association (which contributions are not to be credited against regular assessments). This sum shall be deposited in the Associations' accounts for the intended purpose of establishing initial operating funds and working capital and for initial, non-recurring expenses. Notwithstanding the foregoing intent, however, all contributions may be used by the Associations for any purpose (including, but not limited to, the reimbursement of the Developer for certain expenses as more particularly described in the subsection hereof entitled "Contracts to be Assigned by Developer").

Expenses relating to the purchaser's Unit (for example, taxes and governmental assessments and current maintenance assessments due the Condominium Association and Homeowners Association) will be apportioned between the Developer and the purchaser as of closing. However, payments or credits for tax prorations will not be made until the actual tax bill is received by the Buyer.

Purchasers shall also be required to pay, at closing: (i) a reimbursement to Seller for any utility, cable or interactive communication deposits or hook-up fees which Seller may have advanced prior to closing for the Unit, (ii) any charge for any options or upgrading of standard items included, or to be included, in the Unit, (iii) a charge of $150.00 for a computer update and recertification of title to the Unit, (iv) a reimbursement for charges incurred in connection with coordinating closing with purchaser or purchaser's lender, and (v) late charges, if applicable, all as provided in the Agreement.

If the Developer permits a closing to be rescheduled from the originally scheduled closing date at the request of a purchaser, such purchaser shall pay to the Developer, at the time of rescheduling, a late closing charge determined in the manner set forth in the Purchase Agreement. In addition, all closing prorations shall be made as of the originally scheduled closing date. Developer is not obligated to consent to any such delay.

All purchasers obtaining a mortgage also will pay any "points", origination fees, appraisal fees, prepaid interest due, lender's title insurance premiums, and all other charges the lender may charge at closing, and if required, an amount to be determined by the lender to establish an escrow for payment of real estate taxes and other charges relating to the Unit and any private mortgage insurance premiums, if applicable. Any purchaser obtaining a mortgage must also pay to Seller, in addition to the other sums described in this Agreement, the sum of $250.00 to reimburse Seller for the additional costs it will incur in connection with Seller's coordination of closing with Buyer's lender. Notwithstanding any of the references in this paragraph to coordinating closing with any lender that Buyer may elect to obtain, nothing herein shall be deemed to make this Agreement, or Buyer's obligations under this Agreement, conditional or contingent in any manner on Buyer obtaining a loan to finance any portion of the Purchase Price; it being the agreement of Buyer that Buyer shall be obligated to close "all cash".

The Developer is not obligated to provide a purchaser with a title opinion or an abstract of title. A policy of owner's title insurance, however, will be provided to a purchaser at the Developer's expense (paid for from the closing charge described above) after closing.

In the event that any closing expense described above is not fixed as to the dollar amount thereof, such dollar amount is, as of the effective date of this Prospectus, unknown.

The form of Purchase Agreement set forth as Exhibit "C" hereto may be modified in any manner in any particular case or cases without the consent of any other purchaser or Unit Owner. The modification of any such Agreement or Agreements shall not vest any purchaser or Unit Owner whose Agreement was not so modified with any rights of any sort.

Sales Commissions

The Developer will pay the sales commissions, if any, of the on-premises sales representatives retained by Developer in connection with the sale of the Units. The purchaser will be responsible for the commission of any other broker or salesman with whom purchaser may have dealt, unless Developer otherwise agrees in writing.

Identity of Developer

The Fountains of Fontainbleau Ltd., a Florida limited partnership, is the Developer of the Condominium. Being a relatively newly formed partnership created to develop The Fountains at Fontainebleau, the Developer does not have prior experience in developing condominium projects. However, Antonio J. Cabrera, Jr. is associated with the Developer as the principal directing the creation and sale of the Condominium and has approximately eighteen (18) years' experience in the field of real estate development, including, without limitation, the development of various commercial and residential projects throughout Florida and the renovations of condominiums. Mr. Cabrera has no prior experience as the developer of a condominium in Florida.

The information provided above as to Mr. Cabrera is given solely for the purpose of complying with Section 718.504(22), Florida Statutes, and is not intended to create or suggest any personal liability on the part of Mr. Cabrera.

Contracts to be Assigned by Developer

Upon or before closing of title to the first Unit, Developer shall assign to the appropriate Association all of Developer's right, title and interest in and to all contracts relating to the provision of utility, insurance and other services to the Condominium and/or Common Properties, and from and after such date, all benefits and burdens thereunder shall accrue and apply to the applicable Association. The Developer shall be entitled to be reimbursed for all deposits, prepaid premiums, rentals and other consideration paid by the Developer to such insurers, contractors and utility companies, pro-rated as of the date of closing for each Unit, except that utility deposits will be reimbursed in full without proration.

Estimated Operating Budgets

Attached hereto as Exhibit "B" is the Estimated Operating Budget for the Condominium Association. Buyer understands that the Estimated Operating Budget provides only an estimate of what it will cost to run the Association during the period of time stated in the Budget and the Budget is not guaranteed to accurately predict actual expenditures. It is intended that the Developer, as the sole Unit Owner upon the formation of the Condominium, will elect not to provide any reserves for the initial year of the Association. Thereafter, on an annual basis, a majority of the Association's total voting interests may vote to continue not to provide any reserves. If an election is in fact made to waive reserves, the assessments per unit will be as set forth in the Estimated Operating Budget as "Assessments per Unit - Without Reserves". If no such election is made, the assessments per Unit will be as set forth in the Estimated Operating Budget as "Assessments per Unit - With Reserves".

The Estimated Operating Budgets for the Homeowners Association is also set forth as part of Exhibit "B" hereto. **Because the Homeowners' Association is an on-going entity operating independently from the Condominium Association, the purchaser is advised that the budget of, and assessments payable to, the Homeowners' Association may increase (based upon actual operating expenses and projections thereof), both before and after the closing under the purchaser's purchase agreement.**

Easements Located or to be Located on the Condominium Property

In addition to the various easements to be provided for in the Declaration of Condominium attached hereto as Exhibit "A", the Condominium Property may be made subject to easements in favor of various public or private utilities. Any easement in favor of a public or private utility or similar company or authority may be granted by the Developer or the Association on a "blanket" basis or by use of a specific legal description. See the Section hereof entitled "Utilities and Certain Services" for the names of the suppliers of certain utilities to the Condominium.

Additionally the Condominium Property and, the Properties, as defined in the Homeowners' Covenants, are presently subject to the terms of that certain Laundry Space Lease dated August 27, 1997 by and between Developer and Cleanco, Inc. (the "Lease"), a copy of which is attached hereto as Exhibit "H". Each purchaser understands and agrees that the Units and the Properties shall be subject to the terms, conditions and obligations of the Lease. Developer may, but shall not be obligated to, assign all of the duties and obligations under the Lease to either the Association or the Homeowners' Association, in which event the assignee shall assume all of the duties and obligations thereunder and indemnify Developer from any further obligations thereunder. Any such assignment may be made by Developer alone, without requiring the consent of any Unit Owner. Further, Developer reserves the right to cause the Lease to be modified in any manner that Developer reasonably believes does not adversely affect the rights of the Unit Owners as presently set forth in the Lease if the Developer so desires.

For more details, refer to the Declaration of Condominium. The easements provided for in the Declaration of Condominium and the Florida Condominium Act are not summarized here.

In addition to the easements provided for in the Declaration of Condominium and those described above, the Homeowners' Covenants create certain easements in favor of the Homeowners' Association and its members. Some or all of these are "blanket" easements which are not limited to specifically described portions of the Condominium Property.

For more details, refer to the Homeowners' Covenants.

State Disclosure

Under the laws of the State of Florida, each prospective purchaser is hereby advised that radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit. The foregoing notice is provided in order to comply with state law and is for informational purposes only. Developer does not conduct radon testing with respect to the Condominium and specifically disclaims any and all representations or warranties as to the absence of radon gas or radon producing conditions in connection with the Condominium.

Evidence of Ownership

Developer is the fee simple title holder of the property which is intended to be developed as the Condominium. Attached as Exhibit "D" to this Prospectus is evidence of the Developer's ownership interest in the Condominium Property.

Conversion

The Condominium has been created by converting a previously existing apartment complex, and, accordingly, the Improvements have been previously occupied. As such, the improvements have received a certificate of occupancy which is on file with applicable governmental authorities. In connection with the conversion, please refer to and review the following:

(i) a copy of an inspection report prepared by Sackman[2], dated July 7, 1998, which discloses the condition of the condominium improvements, which report is attached hereto as Exhibit "E";

(ii) a copy of a termite inspection report prepared by a Florida licensed pest operator, which report is attached hereto as Exhibit "F";

(iii) copy of letter from Dade-County stating that improvements were constructed in compliance with all applicable codes, which is attached hereto as Exhibit "G".

In lieu of funding conversion reserves, the Developer shall warrant the improvements in the manner, and as limited by, Section 718.618, F.S. Except for the foregoing warranties, Developer

hereby disclaims any and all express or implied warranties as to design, construction, sound transmission, furnishing and equipping of the Condominium Property, and any implied warranties of habitability, fitness for a particular purpose or merchantability. As to such warranties which cannot be disclaimed, and to other claims, if any, which can be made as to the aforesaid matters, all incidental and consequential damages arising therefrom are hereby disclaimed. All Unit Owners, by virtue of their acceptance of title to their respective Units (whether from the Developer or another party) shall be deemed to have automatically waived all of the aforesaid disclaimed warranties and incidental and consequential damages. The foregoing shall also apply to any party claiming by, through or under a Unit Owner, including a tenant thereof.

<u>General</u>

The foregoing is not intended to present a complete summary of all of the provisions of the various documents referred to herein, but does contain a fair summary of certain provisions of said documents. Statements made as to the provisions of such documents are qualified in all respects by the content of such documents.

<u>Definitions</u>

The definitions set forth in the Declaration of Condominium shall be applicable to this Prospectus, unless otherwise specifically stated or unless the context would prohibit.

<u>Effective Date</u>

This Prospectus is effective September 15, 1998.

SCHEDULE "A" TO PROSPECTUS

Unit No./Type	Bedrooms	Bathrooms
A	2	2
B	1	1
C	1	1
D	2	2
E	3	3

Units by Unit Type

Unit Type	Units
A	106, 110, 205, 206, 210, 211, 305, 306, 310, 311, 405, 406, 410, 411, 505, 506, 510, 511, 605, 606, 610, 611
B	104, 107, 109, 112, 203, 204, 207, 209, 212, 213, 303, 304, 307, 309, 312, 313, 403, 404, 407, 409, 412, 413, 503, 504, 507, 509, 512, 513, 603, 604, 607, 609, 612, 613
C	208, 308, 408, 508, 608
D	101, 102, 114, 115, 201, 202, 214, 215, 301, 302, 314, 315, 401, 402, 414, 415, 501, 502, 514, 515, 601, 602, 614, 615
E	105, 111

17.3 Pet Restrictions. Domesticated dogs and/or cats may be maintained in a Unit provided such pets are: (a) permitted to be so kept by applicable laws and regulations, (b) not left unattended on balconies or in lanai areas, (c) generally, not a nuisance to residents of other Units or of neighboring buildings and (d) not a pit bull or other breed considered to be dangerous by the Board of Directors; provided that neither the Board nor the Association shall be liable for any personal injury, death or property damage resulting from a violation of the foregoing and any occupant of a Unit committing such a violation shall fully indemnify and hold harmless the Board of Directors, the Developer, each Unit Owner and the Association in such regard. Without limiting the generality of Section 18 hereof, a violation of the provisions of this paragraph shall entitle the Association to all of its rights and remedies, including, but not limited to, the right to fine Unit Owners (as provided in the By-Laws and any applicable rules and regulations) and/or to require any pet to be permanently removed from the Condominium Property.

17.4 Alterations. Without limiting the generality of Section 9.1 hereof, but subject to Section 11 hereof, no Unit Owner shall cause or allow improvements or changes to any Unit, Limited Common Elements appurtenant thereto, Common Elements or Association Property, including, but not limited to, painting or other decorating of any nature, installing any electrical wiring, television antenna, machinery, or air-conditioning units, which in any manner change the appearance of any portion of the Building, without obtaining the prior written consent of the Association (in the manner specified in section 9.1 hereof). Curtains, blinds, shutters, levelors, or drapes (or linings thereof) which face the exterior windows or glass doors of Units shall be white or off-white in color and shall be subject to disapproval by the Association, in which case they shall be removed and replaced with acceptable items.

17.5 Use of Common Elements and Association Property. The Common Elements and Association Property shall be used only for furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of Units. In that regard, each Unit Owner, by acceptance of a deed for a Unit, thereby covenants and agrees that it is the intention of the Developer that the stairwells of the Building are intended for ingress and egress in the event of emergency only, and as such are constructed and left unfinished solely as to be functional for said purpose, without regard to the aesthetic appearance of said stairwells. The foregoing is not intended to prohibit the use of the stairwells for any other proper purpose.

17.6 Nuisances. No nuisances (as defined by the Association) shall be allowed on the Condominium or Association Property, nor shall any use or practice be allowed which is a source of annoyance to occupants of Units or which interferes with the peaceful possession or proper use of the Condominium and/or Association Property by its residents, occupants or members. No activity specifically permitted by this Declaration shall be deemed a nuisance.

17.7 No Improper Uses. No improper, offensive, hazardous or unlawful use shall be made of the Condominium or Association Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereover shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereover, relating to any portion of the Condominium and/or Association Property, shall be corrected by, and at the sole expense of, the party obligated to maintain or repair such portion of the Condominium Property, as elsewhere herein set forth. Notwithstanding the foregoing and any provisions of this Declaration, the Articles of Incorporation or By-Laws, the Association shall not be liable to any person(s) for its failure to enforce the provisions of this Section 17.7. No activity specifically permitted by this Declaration shall be deemed to be a violation of this Section.

17.8 Leases. Each lease for a Unit or a portion thereof shall specifically provide (or, if it does not, shall be automatically deemed to provide) that a material condition of the lease shall be the tenant's full compliance with the covenants, terms, conditions and restrictions of this Declaration (and all Exhibits hereto), the Homeowners' Covenants, and with any and all rules and regulations adopted by the Association and/or the Homeowners' Association from time to time (before or after the execution of the lease). The Unit Owner will be jointly and severally liable with the tenant to the Association for any amount which is required by the Association to repair any damage to the Common Elements resulting from acts or omissions of tenants (as determined in the sole discretion of the Association) and to pay any claim for injury or damage to property caused by the negligence of the tenant. All leases are hereby made subordinate to any lien filed by the Condominium Association, whether prior or subsequent to such lease. If so required by the Association, Unit Owners wishing to lease their Units shall be required to place in escrow with the Association a reasonable sum, not to exceed the equivalent of one month's rental, which may be used by the Association to repair any damage to the Common Elements and/or Association Property resulting from acts or omissions of tenants (as determined in the sole discretion of the Association). Payment of interest, claims against the deposit, refunds and disputes regarding the disposition of the deposit shall be handled in the same fashion as provided in Part II of Chapter 83, Florida Statutes. No lease of a Unit shall be for a period of less than six (6) months and no Unit may be leased more than two (2) times in any calendar year (to be determined by review of the commencement dates of the applicable lease -- i.e., no more than two (2) leases of a Unit may commence in the same calendar year).

When a Unit is leased, a tenant shall have all use rights in Association Property and those Common Elements otherwise readily available for use generally by Unit Owners, and the Owner of the leased Unit shall not have such rights, except as a guest, unless such rights are waived in writing by the tenant. Nothing herein shall interfere with the access rights of the Unit Owner as a landlord pursuant to Chapter 83, Florida Statutes. The Association shall have the right to adopt rules to prohibit dual usage by a Unit Owner and a tenant of Association Property and Common Elements otherwise readily available for use generally by Owners.

17.9 Weight and Sound Restriction. Hard and/or heavy surface floor coverings, such as tile, marble, wood, and the like must be submitted to and approved by the Board of Directors and also meet applicable structural and Sound insulation requirements of the Board. Also, the installation of any improvement or heavy object must be submitted to and approved by the Board of Directors, and be compatible with the overall structural design of the building. The Board of Directors may require a structural engineer to review certain of the proposed improvements, with such review to be at the Owner's sole expense. The Board will have the right to specify the exact material to be used on balconies. Any use guidelines set forth by the Association shall be consistent with good design practices for the waterproofing and overall structural design of the Building. Owners will be held strictly liable for violations of these restrictions and for all damages resulting therefrom and the Association has the right to require immediate removal of violations. **Each Owner, by acceptance of a deed or other conveyance of their Unit, hereby acknowledges and agrees that sound transmission in a high-rise building such as the Condominium is very difficult to control, and that noises from adjoining or nearby Units and or mechanical equipment can often be heard in another Unit. The Developer does not make any representation or warranty as to the level of sound transmission between and among Units and the other portions of the Condominium Property, and each Unit Owner hereby waives and expressly releases any such warranty and claim for loss or damages resulting from sound transmission.**

17.10 Exterior Improvements. Without limiting the generality of Sections 9.1 or 17.4 hereof, but subject to any provision of this Declaration specifically permitting same, no Unit Owner shall cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies or windows of the Building (including, but not limited to, awnings, signs, storm shutters, screens, window tinting, furniture, fixtures and equipment), without the prior written consent of the Association.

17.11 Association Access to Units. In order to facilitate access to Units by the Association for the purposes enumerated in Section 11.1(a) hereof, it shall be the responsibility of all Unit Owners to deliver a set of keys to their respective Units to the Association to use in the performance of its functions. No Unit Owner shall change the locks to his Unit without so notifying the Association and delivering to the Association a new set of keys to such Unit.

17.12 Hurricane Shutters. The Board of Directors shall, from time to time, establish hurricane shutter specifications which comply with the applicable building code, and establish permitted colors, styles and materials for hurricane shutters. Subject to the provisions of Section 9.1 above, the Association shall approve the installation or replacement of hurricane shutters conforming with the Board's specifications. The Board may, with the approval of a majority of voting interests in the Condominium, install hurricane shutters, and may (without requiring approval of the membership) maintain, repair or replace such approved shutters, whether on or within Common Elements, Limited Common Elements, Units or Association Property; provided, however, that if laminated glass, in accordance with all applicable building codes and standards, architecturally designed to serve as hurricane protection, is installed, the Board may not install hurricane shutters in accordance with this provision. All shutters shall remain open unless and until a storm watch or storm warning is announced by the National Weather Center or other recognized weather forecaster. A Unit Owner or occupant who plans to be absent during all or any portion of the hurricane season must prepare his Unit prior to his departure by designating a responsible firm or individual to care for his Unit should a hurricane threaten the Unit or should the Unit suffer hurricane damage, and furnishing the Association with the name(s) of such firm or individual. Such firm or individual shall be subject to the approval of the Association.

17.13 Relief by Association. The Association shall have the power (but not the obligation) to grant relief in particular circumstances from the provisions of specific restrictions contained in this Section 17 for good cause shown.

17.14 Effect on Developer. Subject to the following exceptions, the restrictions and limitations set forth in this Section 17 shall not apply to the Developer nor to Units owned by the Developer. The Developer shall not be exempt from the restrictions, if any, relating to requirements that leases or lessees be approved by the Association, pet restrictions, occupancy of Units based on age and vehicular restrictions, except as such vehicular restrictions relate to the Developer's construction, maintenance and marketing activities.

17.15 Cumulative with Restrictions of Homeowners' Covenants: The foregoing restrictions shall be in addition to, cumulative with, and not in derogation of those set forth in the Homeowners' Covenants.

17.16 No Severance of Ownership. No part of the Common Elements may be sold, conveyed or otherwise disposed of, except as an appurtenance to the Unit in connection with a sale, conveyance or other disposition of the Unit to which such interest is appurtenant, and any sale, conveyance or other disposition of a Unit shall be deemed to include that Unit's appurtenant interest in the Common Elements whether or not explicitly stated.

17.17 Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his Unit by gift, to devise his Unit by will, or to have his Unit pass by intestacy, without restriction.

17.18 Mortgage of Units. Each Unit Owner shall have the right to mortgage his Unit without restriction.

18. Compliance and Default. The Association, each Unit Owner, occupant of a Unit, tenant and other invitee of a Unit Owner shall be governed by and shall comply with the terms of this Declaration and all exhibits annexed hereto, the Homeowners Covenants, and the rules and regulations adopted pursuant to those documents, as the same may be amended from time to time and the provisions of all of such documents shall be deemed incorporated into any lease of a Unit whether or not expressly stated in such lease. The Association (and Unit Owners, if appropriate) shall be entitled to the following relief in addition to the remedies provided by the Act:

18.1 Mandatory Nonbinding Arbitration of Disputes. Prior to the institution of court litigation, the parties to a Dispute shall petition the Division for nonbinding arbitration. The arbitration shall be conducted according to rules promulgated by the Division and before arbitrators employed by the Division. The filing of a petition for arbitration shall toll the applicable statute of limitation for the applicable Dispute, until the arbitration proceedings are completed. Any arbitration decision shall be presented to the parties in writing, and shall be deemed final if a complaint for trial de novo is not filed in a court of competent jurisdiction in which the Condominium is located within thirty (30) days following the issuance of the arbitration decision. The prevailing party in the arbitration proceeding shall be awarded the costs of the arbitration, and attorneys' fees and costs incurred in connection with the proceedings. The party who files a complaint for a trial de novo shall be charged the other party's arbitration costs, courts costs and other reasonable costs, including, without limitation, attorneys' fees, investigation expenses and expenses for expert or other testimony or evidence incurred after the arbitration decision, if the judgment upon the trial de novo is not more favorable than the arbitration decision. If the judgment is more favorable, the party who filed a complaint for trial de novo shall be awarded reasonable court costs and attorneys' fees. Any party to an arbitration proceeding may enforce an arbitration award by filing a petition in a court of competent jurisdiction in which the Condominium is located. A petition may not be granted unless the time for appeal by the filing of a complaint for a trial de novo has expired. If a complaint for a trial de novo has been filed, a petition may not be granted with respect to an arbitration award that has been stayed. If the petition is granted, the petitioner may recover reasonable attorneys' fees and costs incurred in enforcing the arbitration award.

18.2 Negligence and Compliance. A Unit Owner and/or tenant of a Unit shall be liable for the expense of any maintenance, repair or replacement made necessary by his negligence or by that of any member of his family or his or their guests, employees, agents or lessees, but only to the extent such expense is not met by the proceeds of insurance actually collected in respect of such negligence by the Association. In the event a Unit Owner, tenant or occupant fails to maintain a Unit or fails to cause such Unit to be maintained, or fails to observe and perform all of the provisions of the Declaration, the By-Laws, the Articles of Incorporation of the Association, applicable rules and regulations, or any other agreement, document or instrument affecting the Condominium Property or administered by the Association, in the manner required, the Association shall have the right to proceed in equity to require performance and/or compliance, to impose any applicable fines, to sue at law for damages, and to charge the Unit Owner for the sums necessary to do whatever work is required to put the Unit Owner or Unit in compliance, provided, however, that nothing contained in this Section 18.2 shall authorize the Association to enter a Unit to enforce compliance. In any proceeding arising because of an alleged failure of a Unit Owner, a tenant or the Association to comply with the requirements of the Act, this Declaration, the exhibits annexed hereto, or the rules and regulations adopted pursuant to said documents, as the same may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees (including appellate attorneys' fees). A Unit Owner prevailing in an action with the Association, in addition to recovering his reasonable attorneys' fees, may recover additional amounts as determined by the court to be necessary to reimburse the Unit Owner for his share of Assessments levied by the Association to fund its expenses of the litigation.

19. Termination of Condominium. The Condominium shall continue until (a) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in this Declaration, or (b) such time as withdrawal of the Condominium Property from the provisions of the Act is authorized by a vote of Owners owning at least 80% of the applicable interests in the Common Elements and by the Institutional First Mortgagees of Units to which at least sixty-seven percent (67%) of the voting interests of Units subject to mortgages held by Institutional First Mortgagees are appurtenant. In the event such withdrawal is authorized as aforesaid, the Condominium Property shall be subject to an action for partition by any Unit Owner, mortgagee or lienor as if owned in ... in which event the net proceeds of the partition sale shall be divided among all Unit ...portion to their respective interests in the Common Elements, provided, however, ... be made to a Unit Owner until there has first been paid off out of his share ...rtgages and liens on his Unit in the order of their priority. The ...as aforesaid, shall be evidenced by a certificate of the ... Secretary, certifying as to the basis of the termination ...ublic records of the County. This Section may ... Institutional First Mortgagee and the

Dear Customer(s):

Thank you for choosing Interamerican Financial Services, Inc. as your mortgage company. Your file was assigned to me for processing. I am the person you should contact for all your questions and concerns.

... order to process your mortgage loan application, the following items are needed:

1. Copy of a recent pay stubs from all borrowers.
2. Copy of driver's license and social security cards from all borrowers.
3. Copy of the deed to your property. (For Refinances only)
4. Copy of your last three months bank statements from all your bank accounts.
Complete copy of your bankruptcy papers including discharge papers and all schedules.
...opies of your last two years income tax returns (self employed or commissioned ...rrowers only).
...mplete copy of the sales contract for the property you are buying, singed by all ...ies.

... d ... all ... (b) ...unt, ... maintei... ...s for ... (d) responsib... ...perty; ... Elements (including ... ...ommon ... Unit boundaries; (g) conve... ...nition of ... into Units; (h) expansion or co... Elements ... insurance requirements; (j) imposition of ... or fidelity ... restrictions on the selling or transferring of title ... ...position of ... Condominium after a casualty or partial condemnation, ... repair of the Condominium after casualty or condemnation; and (n) any ... terminate the ... that expressly benefits mortgage holders, insurers or guarantors as a class.

20.3 Notices. Any holder, insurer or guarantor of a mortgage on a Unit shall have, if first requested in writing from the Association, the right to timely written notice of:

(a) any condemnation or casualty loss affecting a material portion of the Condominium and/or Association Property or the affected mortgaged Unit;

(b) a sixty (60) day delinquency in the payment of the Assessments on a mortgaged Unit;

(c) the occurrence of a lapse, cancellation or material modification of any insurance policy maintained by the Association;

(d) any proposed action which requires the consent of a specified number of mortgage holders.

20.4 Additional Rights. Institutional First Mortgagees shall have the right, upon written request to the Association, to: (a) receive a copy of an audited financial statement of the Association for the immediately preceding fiscal year if such statements were prepared; and (b) receive notices of and attend Association meetings.

21. Covenant Running With the Land. All provisions of this Declaration, the Articles, By-Laws and applicable rules and regulations of the Association, as well as those of the Homeowners' Covenants, shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the Developer and subsequent owner(s) of the Land or any part thereof, or interest therein, and their respective heirs, personal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future Unit Owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the Articles, By-Laws and applicable rules and regulations, as well as those of the Homeowners' Covenants, all as they may be amended from time to time. The acceptance of a deed or conveyance, or the entering into of a lease, or the entering into occupancy of any Unit, shall constitute an adoption and ratification of the provisions of this Declaration, and the Articles, By-Laws and applicable rules and regulations of the Association and the Homeowners' Covenants, all as they may be amended from time to time, including, but not limited to, a ratification of any appointments of attorneys-in-fact contained herein.

22. The Homeowners' Association. The Condominium is part of a Community known as The Fountains at Fontainebleau (the "Community"). The Common Properties of the Community are governed by the Homeowners' Association pursuant to the Homeowners' Covenants. The Homeowners' Covenants also contain certain rules, regulations and restrictions relating to the use of such Common Properties as well as the Condominium Property (including Units). Each Unit Owner will be a member of the Homeowners' Association and will be subject to all of the terms and conditions of the Homeowners' Covenants, as amended and supplemented from time to time. Among the powers of the Homeowners' Association are the power to assess Unit Owners (and other members of the Homeowners' Association) for a pro-rata share of the expenses of the operation and maintenance (including the management fees relating to) of such Common Properties and to impose and foreclose liens in the event such assessments are not paid when due. Except for those instances where the use is limited pursuant to the Homeowners' Covenants, the Unit Owners shall be entitled to use all of said Common Properties in accordance with and subject to the terms of the Homeowners' Covenants. The Homeowners' Association may impose certain obligations on the Association including, but not limited to, obligating the Association to collect Assessments due the Homeowners' Association despite the fact that such Assessments are not Common Expenses of the Condominium.

23. Disclaimer of Warranties. **In lieu of funding conversion reserves, the Developer shall warrant the improvements in the manner, and as limited by, Section 718.618, F.S. Except for the foregoing warranty, Developer hereby disclaims any and all express or implied warranties as to design, construction, sound transmission, furnishing and equipping of the Condominium Property, and any implied warranties of habitability, fitness for a particular purpose or merchantability. As to such warranties which cannot be disclaimed, and to other claims, if any, which can be made as to the aforesaid matters, all incidental and consequential damages arising therefrom are hereby disclaimed.**

All Unit Owners, by virtue of their acceptance of title to their respective Units (whether from the Developer or another party) shall be deemed to have automatically waived all of the aforesaid disclaimed warranties and incidental and consequential damages. The foregoing shall also apply to any party claiming by, through or under a Unit Owner, including a tenant thereof.

24. Additional Provisions.

24.1 Notices. All notices to the Association required or desired hereunder or under the By-Laws of the Association shall be sent by certified mail (return receipt requested) to the Association in care of its office at the Condominium, or to such other address as the Association may hereafter designate from time to time by notice in writing to all Unit Owners. Except as provided specifically in the Act, all notices to any Unit Owner shall be sent by first class mail to the Condominium address of such Unit Owner, or such other address as may have been designated by him from time to time, in writing, to the Association. All notices to mortgagees of Units shall be sent by first class mail to their respective addresses, or such other address as may be designated by them from time to time, in writing to the Association. All notices shall be deemed to have been given when mailed in a postage prepaid sealed wrapper, except notices of a change of address, which shall be deemed to have been given when received, or 5 business days after proper mailing, whichever shall first occur.

24.2 Interpretation. The Board of Directors of the Association shall be responsible for interpreting the provisions hereof and of any of the Exhibits attached hereto. Such interpretation shall be binding upon all parties unless wholly unreasonable. An opinion of legal counsel that any interpretation adopted by the Association is not unreasonable shall conclusively establish the validity of such interpretation.

24.3 Mortgagees. Anything herein to the contrary notwithstanding, the Association shall not be responsible to any mortgagee or lienor of any Unit hereunder, and may assume the Unit is free of any such mortgages or liens, unless written notice of the existence of such mortgage or lien is received by the Association.

24.4 Exhibits. There is hereby incorporated in this Declaration all materials contained in the Exhibits annexed hereto, except that as to such Exhibits, any conflicting provisions set forth therein as to their amendment, modification, enforcement and other matters shall control over those hereof.

24.5 Signature of President and Secretary. Wherever the signature of the President of the Association is required hereunder, the signature of a vice-president may be substituted therefor, and wherever the signature of the Secretary of the Association is required hereunder, the signature of an assistant secretary may be substituted therefor, provided that the same person may not execute any single instrument on behalf of the Association in two separate capacities.

24.6 Governing Law. Should any dispute or litigation arise between any of the parties whose rights or duties are affected or determined by this Declaration, the Exhibits annexed hereto or applicable rules and regulations adopted pursuant to such documents, as the same may be amended from time to time, said dispute or litigation shall be governed by the laws of the State of Florida.

24.7 Severability. The invalidity in whole or in part of any covenant or restriction, or any section, subsection, sentence, paragraph, clause, phrase or word, or other provision of this Declaration, the Exhibits annexed hereto, or applicable rules and regulations adopted pursuant to such documents, as the same may be amended from time to time, shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.

24.8 Waiver. The failure of the Association or any Unit Owner to enforce any covenant, restriction or other provision of the Act, this Declaration, the exhibits annexed hereto, or the rules and regulations adopted pursuant to said documents, as the same may be amended from time to time, shall not constitute a waiver of their right to do so thereafter.

24.9 Ratification. Each Unit Owner, by reason of having acquired ownership (whether by purchase, gift, operation of law or otherwise), and each occupant of a Unit, by reason of his occupancy, shall be deemed to have acknowledged and agreed that all of the provisions of this Declaration, and the Articles and By-Laws of the Association, and applicable rules and regulations, are fair and reasonable in all material respects.

24.10 Execution of Documents; Attorney-in-Fact. Without limiting the generality of other Sections of this Declaration and without such other Sections limiting the generality hereof, each Owner, by reason of the acceptance of a deed to such Owner's Unit, hereby agrees to execute, at the request of the Developer, all documents or consents which may be required by all governmental agencies to allow the Developer and its affiliates to complete the plan of development of the Condominium as such plan may be hereafter amended, and each such Owner further appoints hereby and thereby the Developer as such Owner's agent and attorney-in-fact to execute, on behalf and in the name of such Owners, any and all of such documents or consents. This Power of attorney is irrevocable and coupled with an interest. The provisions of this Section may not be amended without the consent of the Developer.

24.11 Gender; Plurality. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all or no genders.

24.12 Captions. The captions herein and in the Exhibits annexed hereto are inserted only as a matter of convenience and for ease of reference and in no way define or limit the scope of the particular document or any provision thereof.

24.13 Liability. Notwithstanding anything contained herein or in the Articles of Incorporation, By-laws, any rules or regulations of the Association or any other document governing or binding the association (collectively, the "Association Documents"), the Association, except to the extent specifically provided to the contrary herein, shall not be liable or responsible for, or in any manner a guarantor or insurer of, the health, safety or welfare of any Owner, occupant or user of any portion of the Condominium and/or Association Property including, without limitation, Owners and their guests, invitees, agents, servants, contractors or subcontractors or for any property of any such persons. Without limiting the generality of the foregoing:

(a) it is the express intent of the Association Documents that the various provisions thereof which are enforceable by the Association and which govern or regulate the uses of the properties have been written, and are to be interpreted and enforced, for the sole purpose of enhancing and maintaining the enjoyment of the properties and the value thereof;

(b) the Association is not empowered, and has not been created, to act as an entity which enforces or ensures the compliance with the laws of the United States, State of Florida, County and/or any other jurisdiction or the prevention of tortious activities; and

(c) the provisions of the Association Documents setting forth the uses of assessments which relate to health, safety and/or welfare shall be interpreted and applied only as limitations on the uses of assessment funds and not as creating a duty of the Association to protect or further the health, safety or welfare of any person(s), even if assessment funds are chosen to be used for any such reason.

Each Owner (by virtue of his acceptance of title to his Unit) and each other person having an interest in or lien upon, or making use of, any portion of the properties (by virtue of accepting such interest or lien or making such use) shall be bound by this provision and shall be deemed to have automatically waived any and all rights, claims, demands and causes of action against the Association arising from or connected with any matter for which the liability of the Association has been disclaimed hereby. As used herein, "Association" shall include within its meaning all of Association's directors, officers, committee and board members, employees, agents, contractors (including management companies), subcontractors, successors and assigns. The provisions hereof shall also inure to the benefit of Developer, which shall be fully protected hereby.

IN WITNESS WHEREOF, the Developer has caused this Declaration to be duly executed and its corporate seal to be hereunto affixed as of the ____ day of ______________, 199__.

Signed in the presence of:	**THE FOUNTAINS OF FONTAINBLEAU, LTD.,** **a Florida limited partnership**
______________________ Name: ______________	By: ______________________
______________________ Name: ______________	[CORPORATE SEAL]
	Address:

STATE OF FLORIDA)
) SS:
COUNTY OF DADE)

The foregoing Declaration was acknowledged before me, this ____ day of ________________, 199__, by ____________________, as President of ________________, general partner of The Fountains of Fontainbleau, Ltd., a Florida limited partnership, on behalf of said corporation and partnership. He is personally known to me or has produced ________________ as identification.

	______________________ Name: ______________
My Commission Expires: ______________	Notary Public, State of Florida Commission No.: ______________ (Notarial Seal)

JOINDER

THE FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM NO. TWO ASSOCIATION, INC., a Florida corporation not for profit, hereby agrees to accept all the benefits and all of the duties, responsibilities, obligations and burdens imposed upon it by the provisions of this Declaration and Exhibits attached hereto.

IN WITNESS WHEREOF, THE FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM NO. THREE ASSOCIATION, INC. has caused these presents to be signed in its name by its proper officer and its corporate seal to be affixed this ______ day of ________________________, 199__.

Witnessed by:

THE FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM NO. THREE .SSOCIATION, INC, a Florida corporation not for profit

____
Name: ____________________________

By: ______________________________, President

____
Name: ____________________________

[CORPORATE SEAL]

STATE OF FLORIDA)
) SS:
COUNTY OF DADE)

The foregoing joinder was acknowledged before me this _____ day of ________________, 199__, by ____________________, as ____________ President of **THE FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM NO. THREE ASSOCIATION, INC**, on behalf of said corporation. He/she is personally known to me or has produced ________________ as identification.

____
Name: ____________________________

Notary Public, State of Florida
Commission No.: __________________

My Commission Expires:

(Notarial Seal)

____

FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM No. THREE

LEGAL DESCRIPTION:

A portion of Tract "C ", PARKWOODS SUBDIVISION, according to the plat thereof, recorded in Plat Book 94, at Page 45 of the Public Records of Dade County, Florida, being more particularly described as follows:

Commence at the Northeast corner of said Tract "C", thence S05°12'52"W for 448.13 feet; thence S28°52'52"W for 143.00, last mentioned two courses being coincident with the Easterly boundary line of of said Tract "C"; thence S87°21'53"W for 239.25 feet; thence N57°56'57"W for 122.89 feet, last mentioned two courses being coincident with the Southerly boundary line of said Tract "C"; thence N32°03'03"E for 36.04 feet to the POINT OF BEGINNING of the following described parcel; thence N65°01'49"W for 84.00 feet; thence N24°58'11"E for 102.50 feet; thence N65°01'49"W for 6.00 feet; thence N24°58'11"E for 29.71 feet; thence S65°01'49"E for 6.00 feet; thence N24°58'11"E for 102.44 feet; thence S65°01'49"E for 84.00 feet; thence S24°58'11"W for 234.65 feet to the POINT OF BEGINNING.

All of the above lying and being in Section 4, Township 54 South, Range, 40 East, Dade County, Florida and containing 0.457 Acres more or less.

LICENSED BUSINESS No. 6787

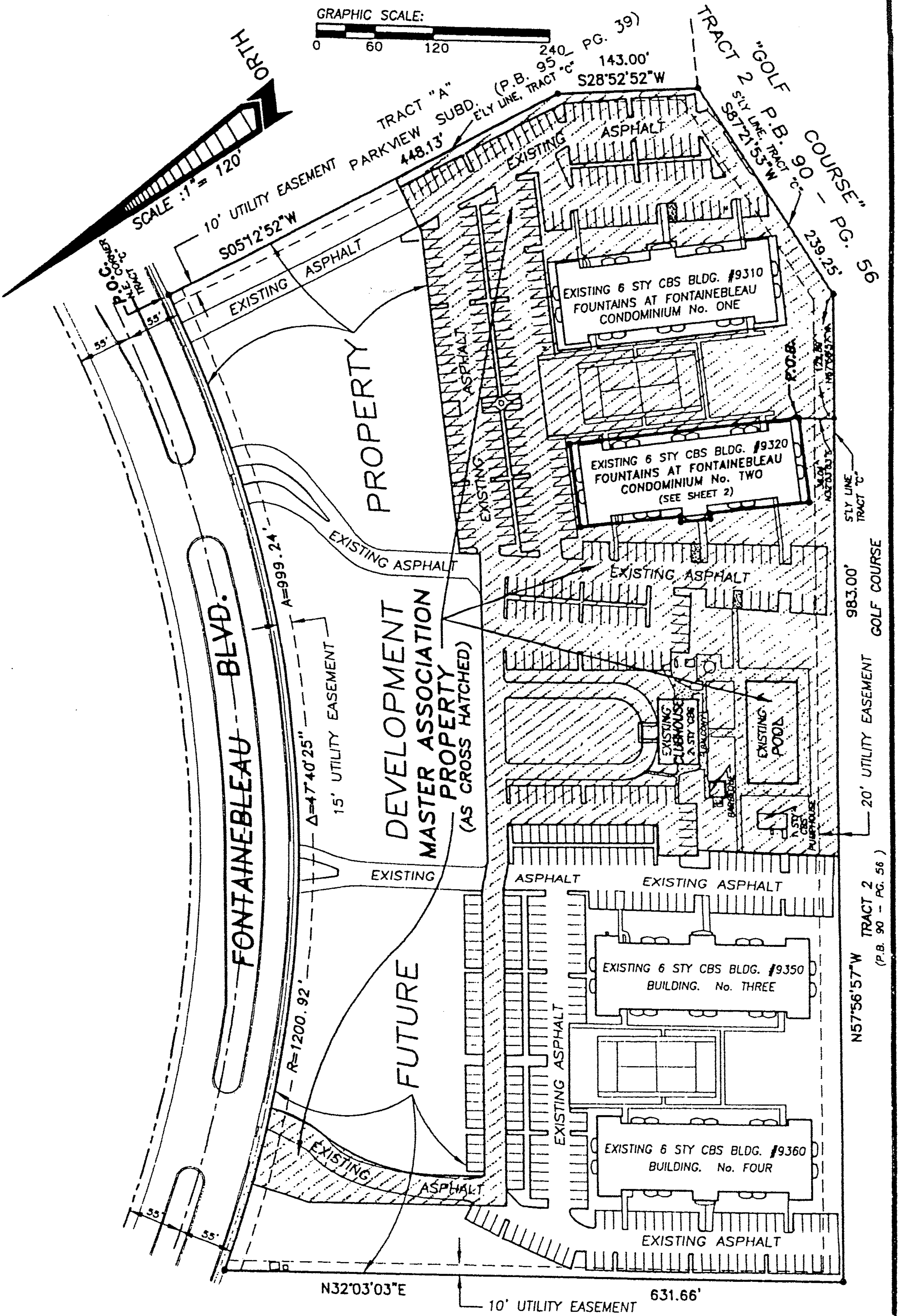
LEITER, PEREZ & ASSOCIATES, INC.
LAND DEVELOPMENT CONSULTANTS
CIVIL ENGINEERS-LAND SURVEYORS LB#6787
LAND PLANNERS-ENVIRONMENTAL
160 N.W. 176TH ST., SUITE 403, MIAMI, FLORIDA 33169
PHONE: DADE (305) 652-5133 BROWARD (954) ...

C:\PROJECT\INCOMING\FOUNTAIN\FontBsur.DWG

REVISION:

EXHIBIT "1"

FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM No. THREE



LOCATION SKETCH

Tract "C", PARKWOODS SUBDIVISION", according to the plat thereof as recorded In Plat Book 94, Page 45 of the Public Records of Dade County, Florida.

LICENSED BUSINESS No. 6787

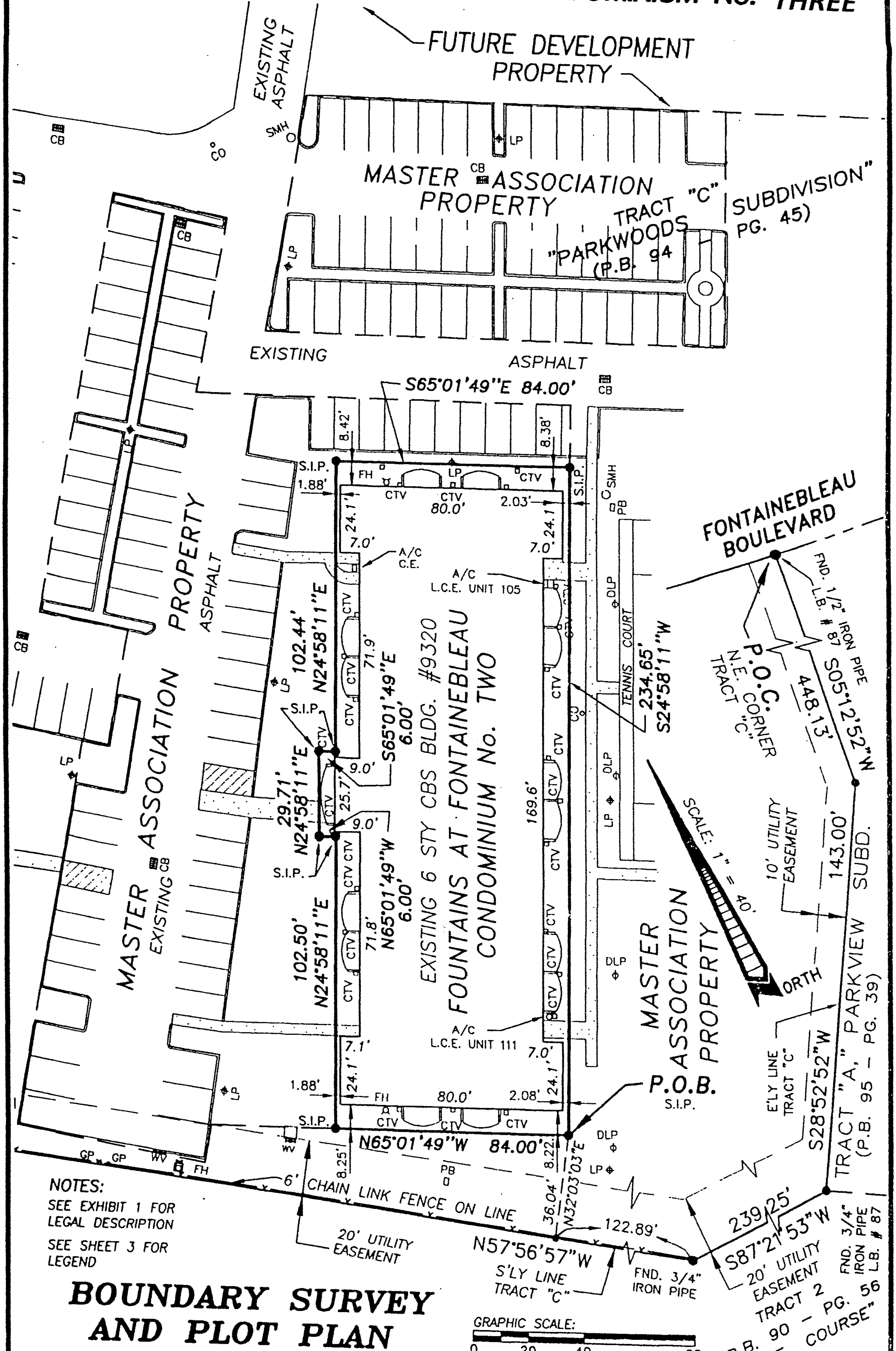
C:\PROJECT\INCOMING\FOUNTAIN\MASTLEG2.DWG

REVISION:

LEITER, PEREZ & ASSOCIATES, INC.
LAND DEVELOPMENT CONSULTANTS
CIVIL ENGINEERS-LAND SURVEYORS LB#6787
LAND PLANNERS-ENVIRONMENTAL
160 N.W. 176TH ST., SUITE 403, MIAMI, FLORIDA 33169
PHONE: DADE (305) 652-5133 BROWARD (954) 524-

EXHIBIT "2"

FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM No. THREE



BOUNDARY SURVEY AND PLOT PLAN

GRAPHIC SCALE: 0 20 40 80

LICENSED BUSINESS No. 6787

C:\PROJECT\INCOMING\FOUNTAIN\FontBsur.DWG

REVISION:

LEITER, PEREZ & ASSOCIATES, INC.
LAND DEVELOPMENT CONSULTANTS
CIVIL ENGINEERS-LAND SURVEYORS LB#6787
LAND PLANNERS-ENVIRONMENTAL
160 N.W. 176TH ST., SUITE 403, MIAMI, FLORIDA 33169
PHONE: DADE (305) 652-5133 BROWARD (954) 524-2202

EXHIBIT "2"

FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM No. THREE

SURVEYOR'S NOTES:

1) ELEVATIONS SHOWN HEREON REFER TO THE NATIONAL GEODETIC VERTICAL DATUM OF 1929 AND ARE EXPRESSED IN FEET.

2) BEARINGS ARE BASED UPON THE PLAT OF "PARKWOODS SUBDIVISION", RECORDED IN PLAT BOOK 94, PG. 45 OF THE PUBLIC RECORDS OF DADE COUNTY, FLORIDA.

3) THE BOUNDARY OF EACH UNIT IS THE INTERIOR UNDECORATED FINISHED SURFACE OF THE PERIMETER WALLS.

4) DIMENSIONS SHOWN WITHIN EACH UNIT ARE TO THE INTERIOR UNDECORATED FINISHED SURFACE OF THE PERIMETER WALLS.

5) ELEVATIONS SHOWN ARE TO THE INTERIOR UNDECORATED FINISHED SURFACE OF THE FLOORS AND CEILINGS.

6) THE TERRACES ADJACENT TO A UNIT ARE LIMITED COMMON ELEMENTS APPURTENANT TO SAID UNIT.

7) ALL LANDS AND ALL PORTIONS OF IMPROVEMENTS, EXCEPT THOSE DESIGNED AS A UNIT, LIMITED COMMON ELEMENT OR COMMON ELEMENTS, WITHIN THE CONDOMINIUM BOUNDARY LIMITS ARE AND SHALL PERMANENTLY REMAIN AS PART OF THE COMMON ELEMENTS.

8) AREAS CONTAINING CONDUITS, WIRING, DUCTS, PLUMBING, AND OTHER FACILITIES FURNISHING UTILITY SERVICES TO UNITS, COMMON ELEMENTS, LIMITED COMMON ELEMENTS AND/OR CONDOMINIUM PROPERTY AND THE INSTALLATIONS REQUIRED FOR THE PROVIDING OF SAID UTILITIES AND OTHER SOURCES ARE COMMON ELEMENTS REGARDLESS OF THEIR LOCATIONS. BEARING WALLS, CEILINGS AND ROOFS ARE ALSO COMMON ELEMENTS. EACH UNIT SHALL PROVIDE AN ACCESS, MAINTENANCE AND UTILITY EASEMENT APPURTENANT TO SAID COMMON ELEMENTS. SOME OF THESE COMMON ELEMENTS HAVE BEEN OMITTED FROM THIS EXHIBIT FOR PURPOSES OF CLARITY.

9) REFER TO THE DECLARATION OF CONDOMINIUM OF "FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM No. TWO" FOR DETAILED DEFINITIONS AND EXPLANATIONS OF THE VARIOUS PARTS OF SAID CONDOMINIUM.

LEGEND: (Applies to Sheet 2)

A/C	– Air Conditioner Unit.	L.P.	– Light Pole.
C.B.	– Catch Basin.	P.B.	– Plat Book
C.B.S.	– Concrete Block Structure	P.O.B.	– Point of Beginning
C.E.	– Common Element	P.O.C.	– Point of Commencement
CONC.	– Concrete	S.I.P.	– Set Iron Pipe
C.O.	– Clean Out	S. MH.	– Sanitary Manhole
C.TV.	– Cable Television Box	Sty.	– Story
F.H.	– Fire Hydrant	REC.	– Record.
FND.	– Found	SUBD.	– Subdivision
L.B.	– Licensed Business	W.M.	– Water Meter
L.C.E.	– Limited Common Element.	W.V.	– Water Valve

SURVEYOR'S CERTIFICATE:

THE UNDERSIGNED A PROFESSIONAL SURVEYOR AND MAPPER DULY AUTHORIZED TO PRACTICE UNDER THE LAWS OF THE STATE OF FLORIDA, HEREBY CERTIFIES THAT: THE CONSTRUCTION OF THE IMPROVEMENTS DETAILED HEREIN IS SUBSTANTIALLY COMPLETE SO THAT THIS EXHIBIT "2" SHEETS 1 THROUGH 11 INCLUSIVE, OF THE DECLARATION OF CONDOMINIUM OF "FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM No. TWO", TOGETHER WITH PROVISIONS OF THE AFORESAID DECLARATION OF CONDOMINIUM DESCRIBING THE CONDOMINIUM PROPERTY, AS IT RELATES TO TO MATTERS OF SURVEY, IS AN ACCURATE REPRESENTATION OF THE LOCATION AND DIMENSIONS OF THE IMPROVEMENTS AND FURTHER THAT THE IDENTIFICATION, LOCATION AND DIMENSIONS OF THE UNITS, COMMON ELEMENTS AND LIMITED COMMON ELEMENTS CAN BE DETERMINED FROM THESE MATERIALS.

LEITER, PEREZ & ASSOCIATES, INC.

BY: ______________________ DATE: JULY 8, 1998

STANLEY T. OLESIEWICZ, VICE PRESIDENT
PROFESSIONAL SURVEYOR AND MAPPER No. 1633
STATE OF FLORIDA

NOT VALID WITHOUT THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER

LICENSED BUSINESS No. 6787

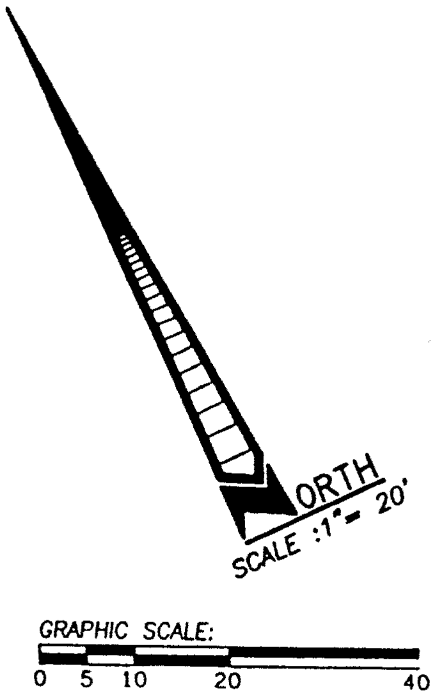
C:\PROJECT\INCOMING\FOUNTAIN\FontBsur.DWG

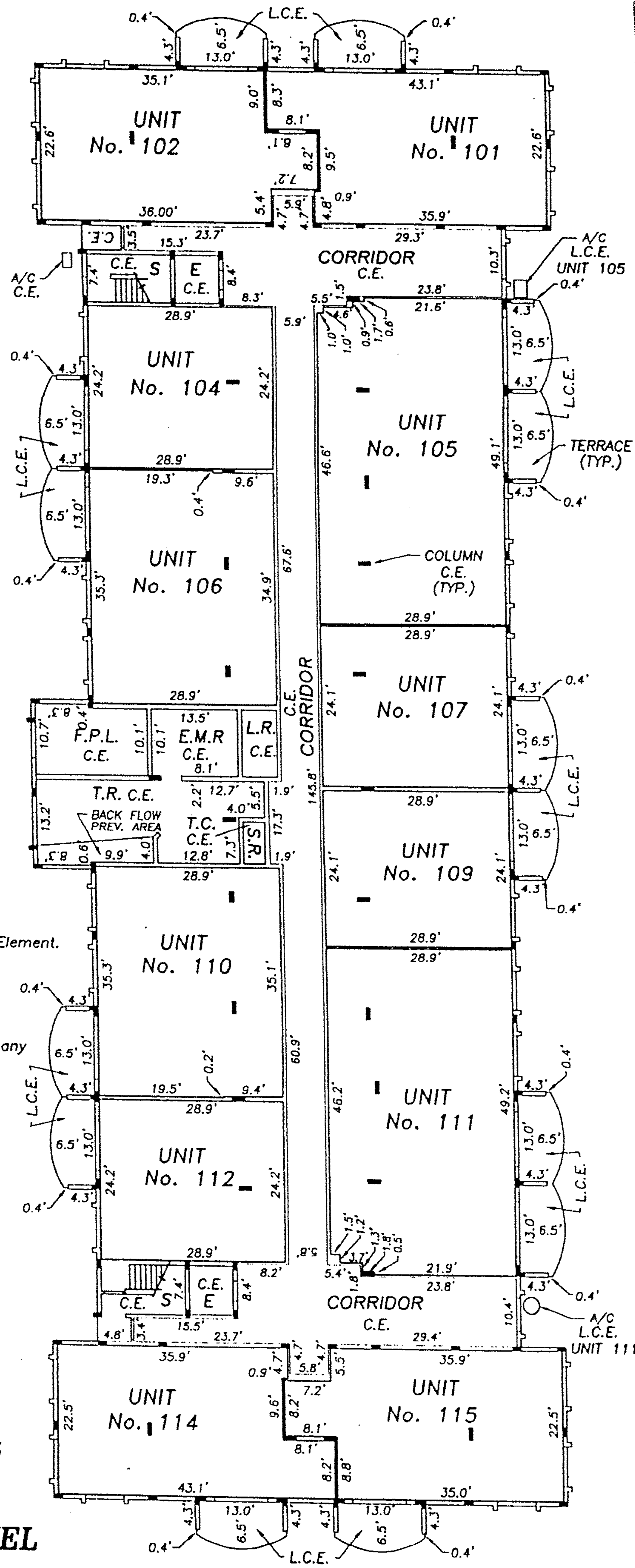
LEITER, PEREZ & ASSOCIATES, INC.
LAND DEVELOPMENT CONSULTANTS
CIVIL ENGINEERS–LAND SURVEYORS LB#6787
LAND PLANNERS–ENVIRONMENTAL
160 N.W. 176TH ST., SUITE 403, MIAMI, FLORIDA 33169
PHONE: DADE (305) 652-5133 BROWARD (954) 524-2202

REVISION:

EXHIBIT "2"

FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM No. THREE





SURVEYOR'S LEGEND:

A/C	–	Air Conditioner Unit.
▬	–	Indicates Column, Common Element.
C.E.	–	Common Element.
+ 5.25	–	Elevation, (N.G.V.D., 1929)
ELEV.	–	Elevation.
E	–	Elevator.
E.M.R.	–	Electric Meter Room
F.P.L.	–	Florida Power & Light Company
L.C.E.	–	Limited Common Element.
L.R.	–	Laundry Room
M.R.	–	Meter Room
S	–	Stairway.
S.R.	–	Storage Room
T.R.	–	Trash Room
T.C.	–	Trash Chute
TYP.	–	Typical

UPPER LIMIT ELEV. +15.93
LOWER LIMIT ELEV. +7.98

GROUND FLOOR LEVEL

LICENSED BUSINESS No. 6787

C:\PROJECT\INCOMING\FOUNTAIN\FOUNT--B.DWG

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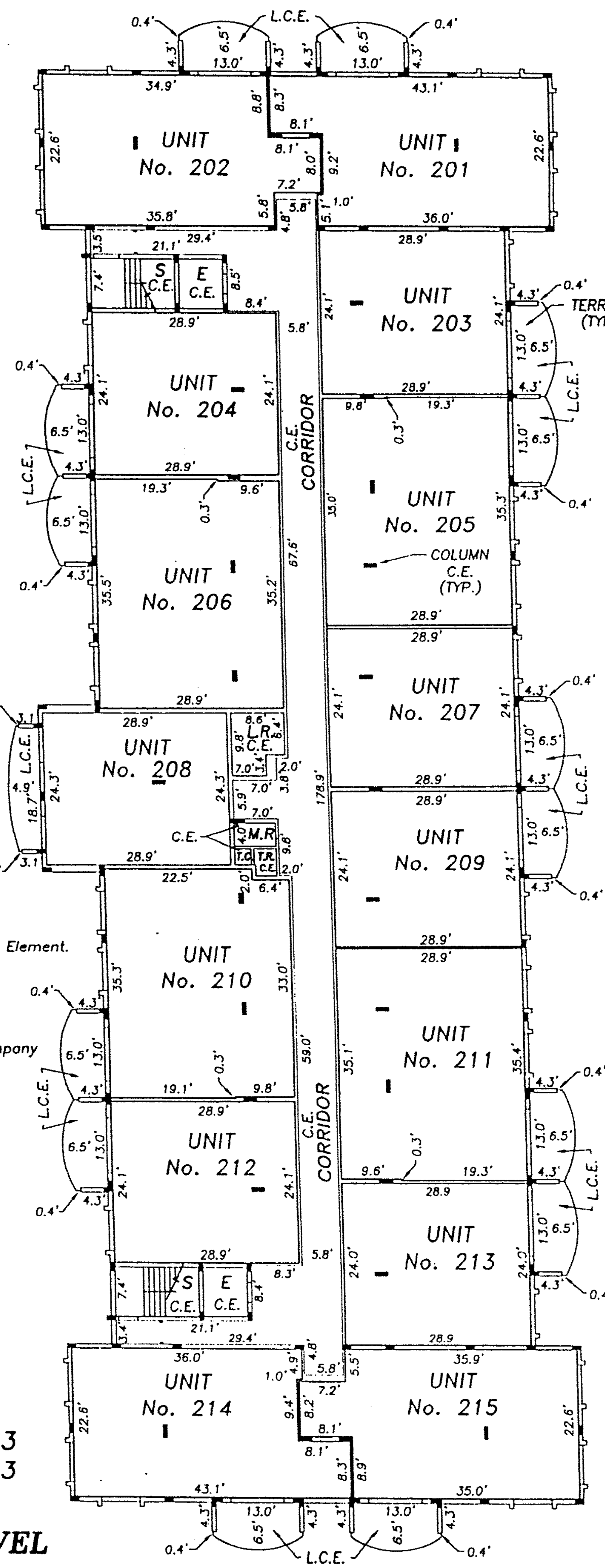
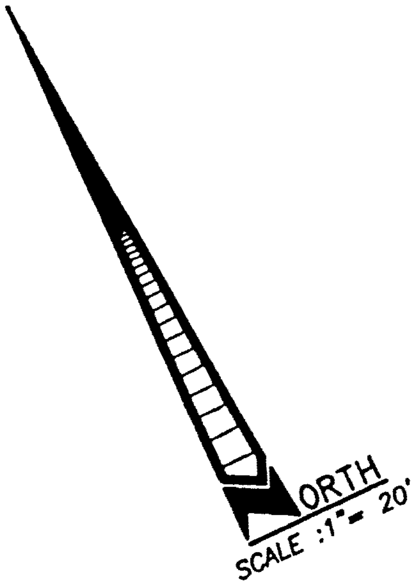
LAND DEVELOPMENT CONSULTANTS
CIVIL ENGINEERS–LAND SURVEYORS LB#6787
LAND PLANNERS–ENVIRONMENTAL

REVISION:

EXHIBIT "2"

FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM No. THREE





GRAPHIC SCALE:

0 5 10 20 40

SURVEYOR'S LEGEND:

A/C	– Air Conditioner Unit.
▬	– Indicates Column, Common Element.
C.E.	– Common Element.
+ 5.25	– Elevation, (N.G.V.D., 1929)
ELEV.	– Elevation.
E	– Elevator.
E.M.R.	– Electric Meter Room
F.P.L.	– Florida Power & Light Company
L.C.E.	– Limited Common Element.
L.R.	– Laundry Room
M.R.	– Meter Room
S	– Stairway.
S.R.	– Storage Room
T.R.	– Trash Room
T.C.	– Trash Chute
TYP.	– Typical

UPPER LIMIT ELEV. +24.63
LOWER LIMIT ELEV. +16.63

SECOND FLOOR LEVEL

LICENSED BUSINESS No. 6787

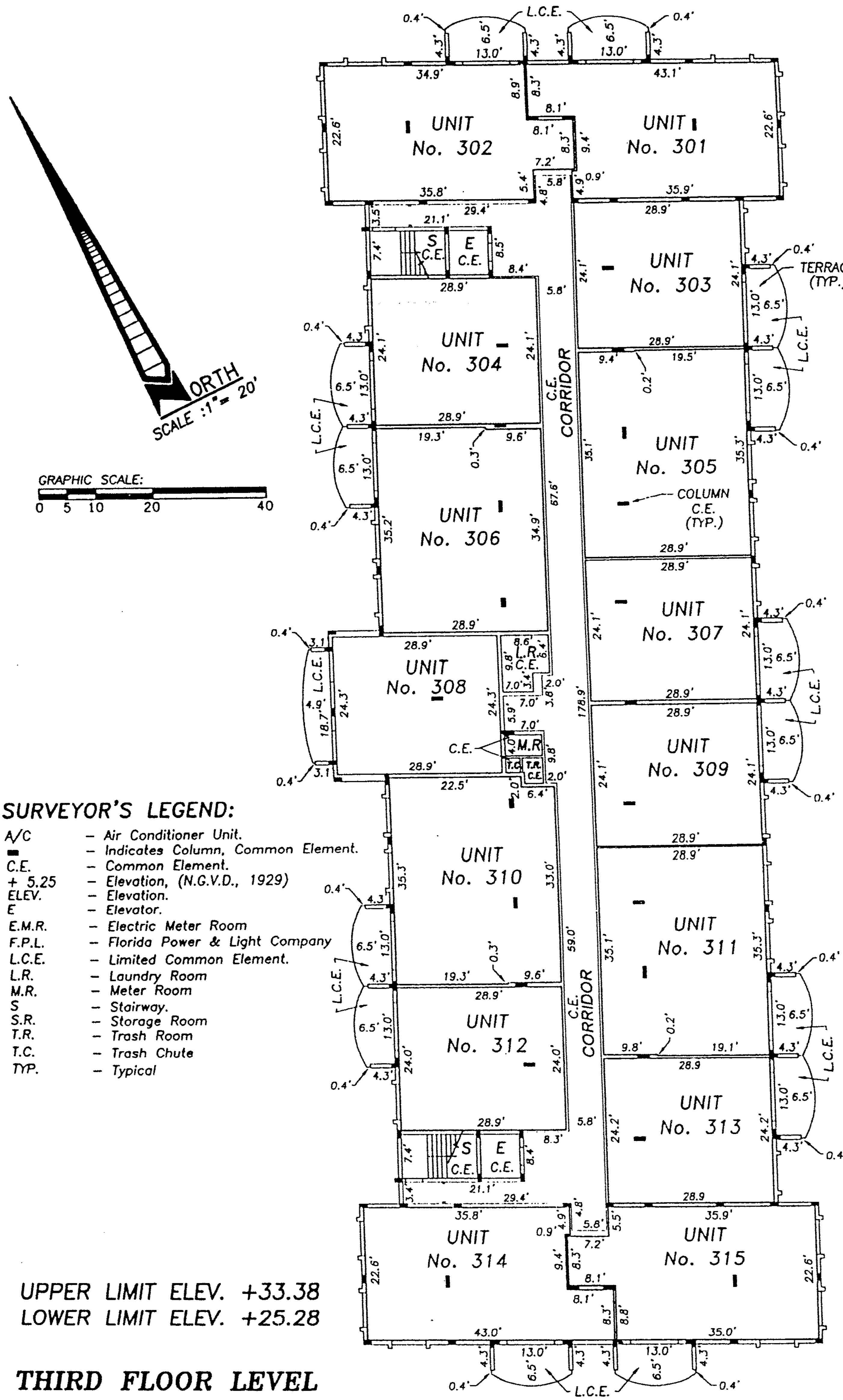
C:\PROJECT\INCOMING\FOUNTAIN\FOUNT-B.DWG

LEITER, PEREZ & ASSOCIATES, INC.
LAND DEVELOPMENT CONSULTANTS
CIVIL ENGINEERS–LAND SURVEYORS LB#6787
LAND PLANNERS–ENVIRONMENTAL

REVISION:

EXHIBIT "2"

FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM No. THREE



SURVEYOR'S LEGEND:

A/C	– Air Conditioner Unit.
▬	– Indicates Column, Common Element.
C.E.	– Common Element.
+ 5.25	– Elevation, (N.G.V.D., 1929)
ELEV.	– Elevation.
E	– Elevator.
E.M.R.	– Electric Meter Room
F.P.L.	– Florida Power & Light Company
L.C.E.	– Limited Common Element.
L.R.	– Laundry Room
M.R.	– Meter Room
S	– Stairway.
S.R.	– Storage Room
T.R.	– Trash Room
T.C.	– Trash Chute
TYP.	– Typical

UPPER LIMIT ELEV. +33.38
LOWER LIMIT ELEV. +25.28

THIRD FLOOR LEVEL

LICENSED BUSINESS No. 6787

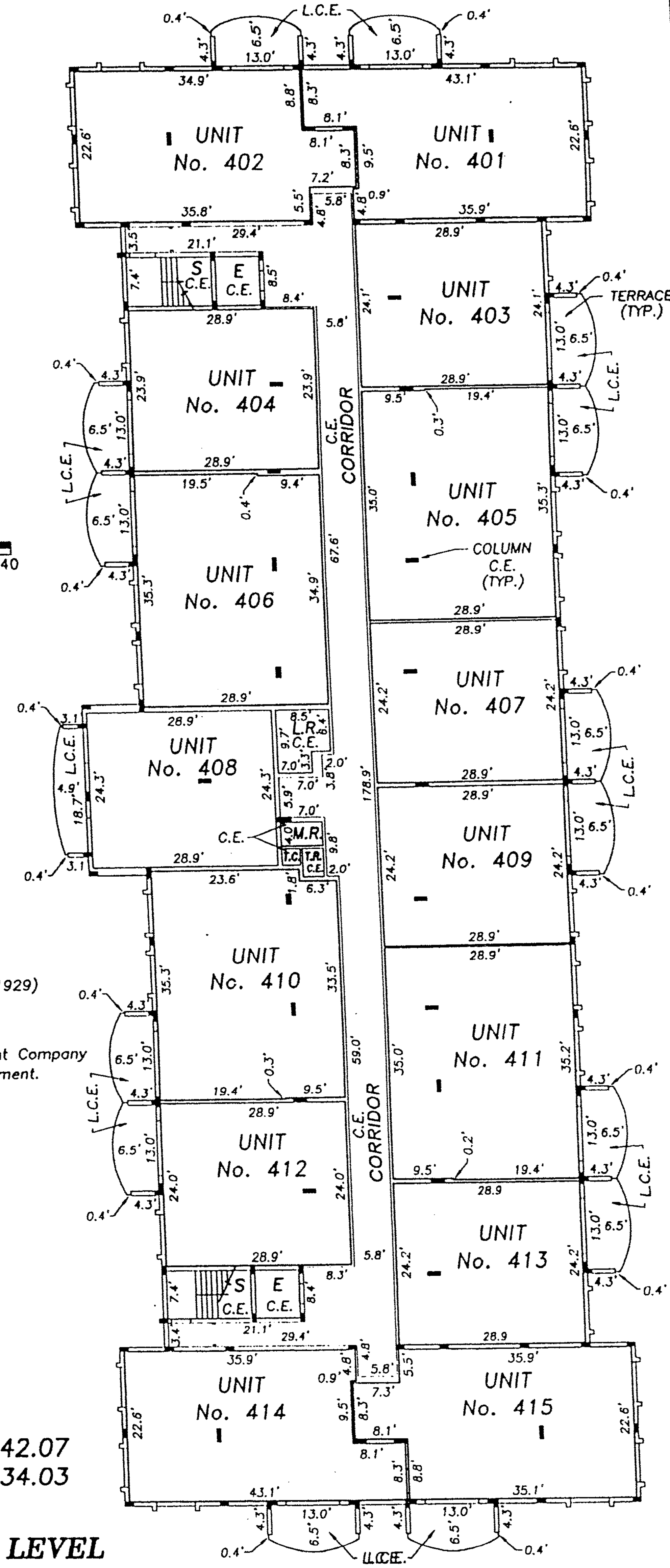
C:\PROJECT\INCOMING\FOUNTAIN\FOUNT-B.DWG

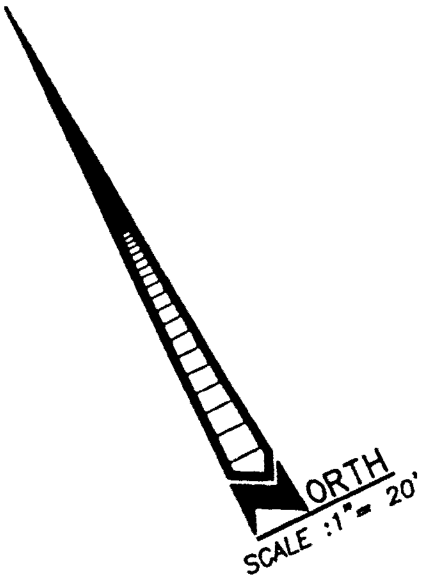
REVISION:

LEITER, PEREZ & ASSOCIATES, INC.
LAND DEVELOPMENT CONSULTANTS
CIVIL ENGINEERS-LAND SURVEYORS LB#6787
LAND PLANNERS-ENVIRONMENTAL
160 N.W. 176TH ST., SUITE 403, MIAMI, FLORIDA 33169

EXHIBIT "2"

'OUNTAINS AT FONTAINEBLEAU CONDOMINIUM No. THREE





GRAPHIC SCALE:
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SURVEYOR'S LEGEND:

A/C	– Air Conditioner Unit.
▬	
C.E.	– Common Element.
+ 5.25	– Elevation, (N.G.V.D., 1929)
ELEV.	– Elevation.
E	– Elevator.
E.M.R.	– Electric Meter Room
F.P.L.	– Florida Power & Light Company
L.C.E.	– Limited Common Element.
L.R.	– Laundry Room
M.R.	– Meter Room
S	– Stairway.
S.R.	– Storage Room
T.R.	– Trash Room
T.C.	– Trash Chute
TYP.	– Typical

UPPER LIMIT ELEV. +42.07
LOWER LIMIT ELEV. +34.03

FOURTH FLOOR LEVEL

C:\PROJECT\INCOMING\FOUNTAIN\FOUNT-B.DWG

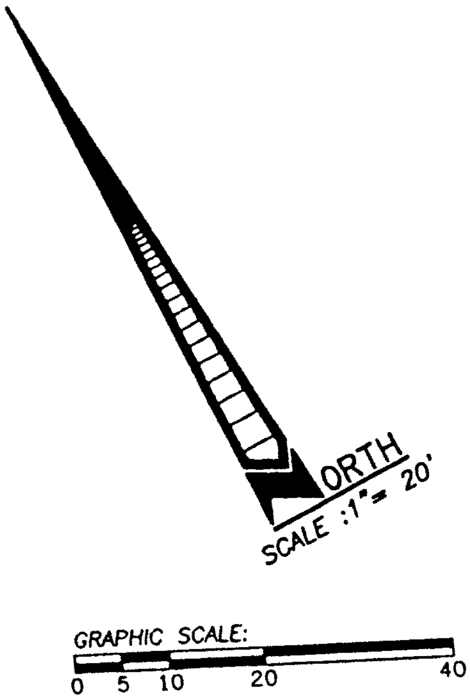
LICENSED BUSINESS No. 6787

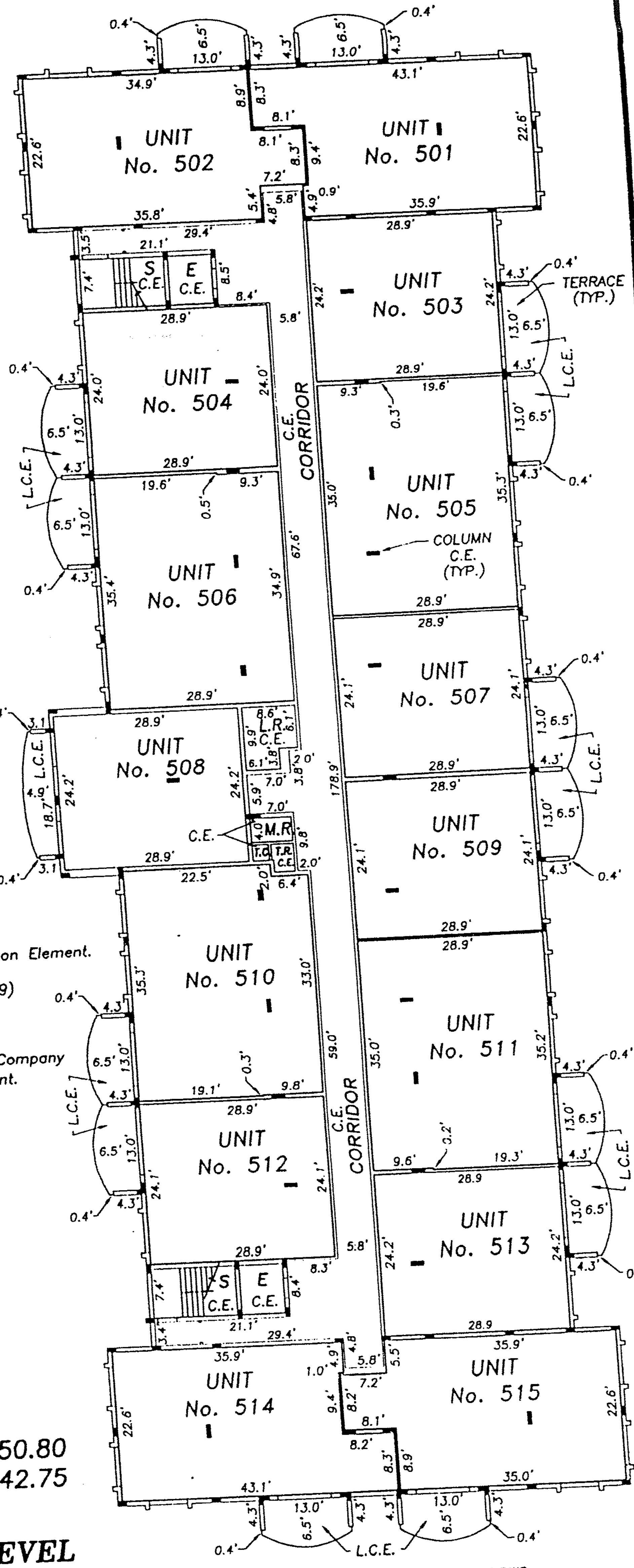
LEITER, PEREZ & ASSOCIATES, INC.
LAND DEVELOPMENT CONSULTANTS
CIVIL ENGINEERS-LAND SURVEYORS LB#6787
LAND PLANNERS-ENVIRONMENTAL

REVISION:

EXHIBIT "2"

FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM NO. THREE





SURVEYOR'S LEGEND:

A/C	– Air Conditioner Unit.
▬	– Indicates Column, Common Element.
C.E.	– Common Element.
+ 5.25	– Elevation, (N.G.V.D., 1929)
ELEV.	– Elevation.
E	– Elevator.
E.M.R.	– Electric Meter Room
F.P.L.	– Florida Power & Light Company
L.C.E.	– Limited Common Element.
L.R.	– Laundry Room
M.R.	– Meter Room
S	– Stairway.
S.R.	– Storage Room
T.R.	– Trash Room
T.C.	– Trash Chute
TYP.	– Typical

UPPER LIMIT ELEV. +50.80
LOWER LIMIT ELEV. +42.75

FIFTH FLOOR LEVEL

C:\PROJECT\INCOMING\FOUNTAIN\FOUNT-B.DWG

LICENSED BUSINESS No. 6787

REVISION:

LEITER, PEREZ & ASSOCIATES, INC.
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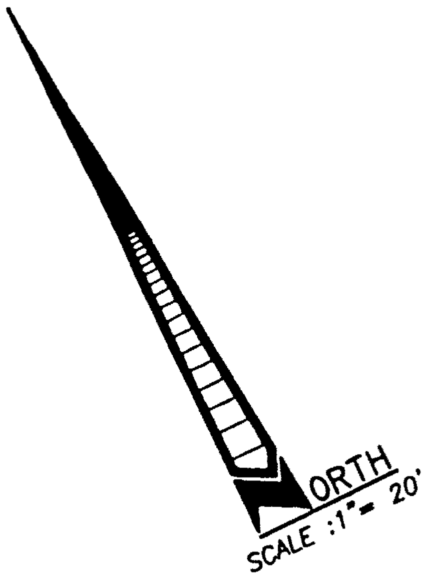
LAND PLANNERS–ENVIRONMENTAL

EXHIBIT "2"
SHEET 8 OF 11

FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM No. THREE



GRAPHIC SCALE:
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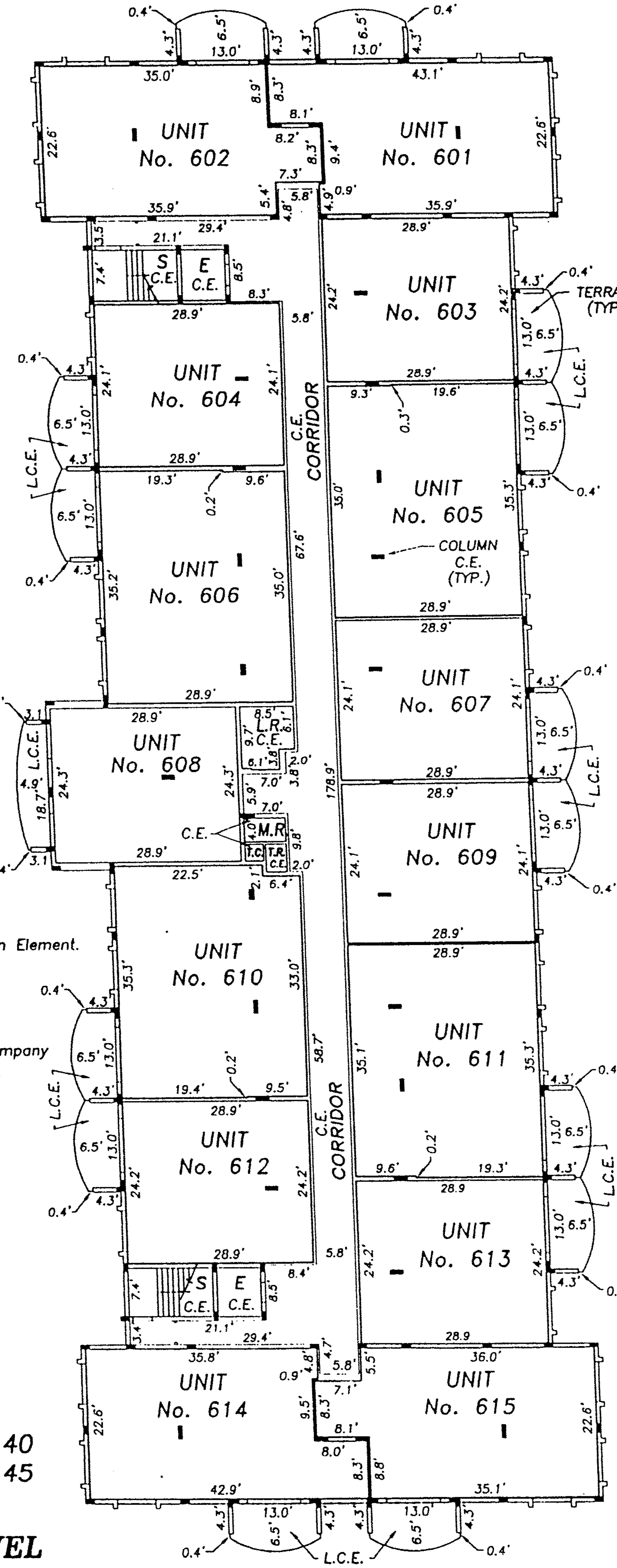


SURVEYOR'S LEGEND:

A/C	– Air Conditioner Unit.
▬	– Indicates Column, Common Element.
C.E.	– Common Element.
+ 5.25	– Elevation, (N.G.V.D., 1929)
ELEV.	– Elevation.
E	– Elevator.
E.M.R.	– Electric Meter Room
F.P.L.	– Florida Power & Light Company
L.C.E.	– Limited Common Element.
L.R.	– Laundry Room
M.R.	– Meter Room
S	– Stairway.
S.R.	– Storage Room
T.R.	– Trash Room
T.C.	– Trash Chute
TYP.	– Typical

UPPER LIMIT ELEV. +59.40
LOWER LIMIT ELEV. +51.45

SIXTH FLOOR LEVEL

LICENSED BUSINESS No. 6787

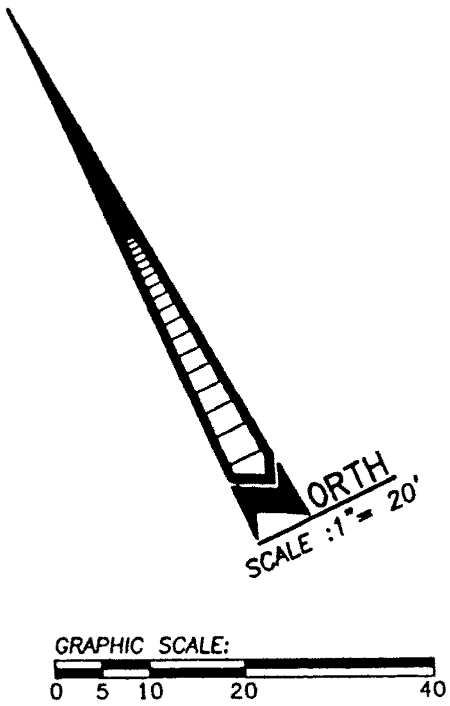
C:\PROJECT\INCOMING\FOUNTAIN\FOUNT-B.DWG

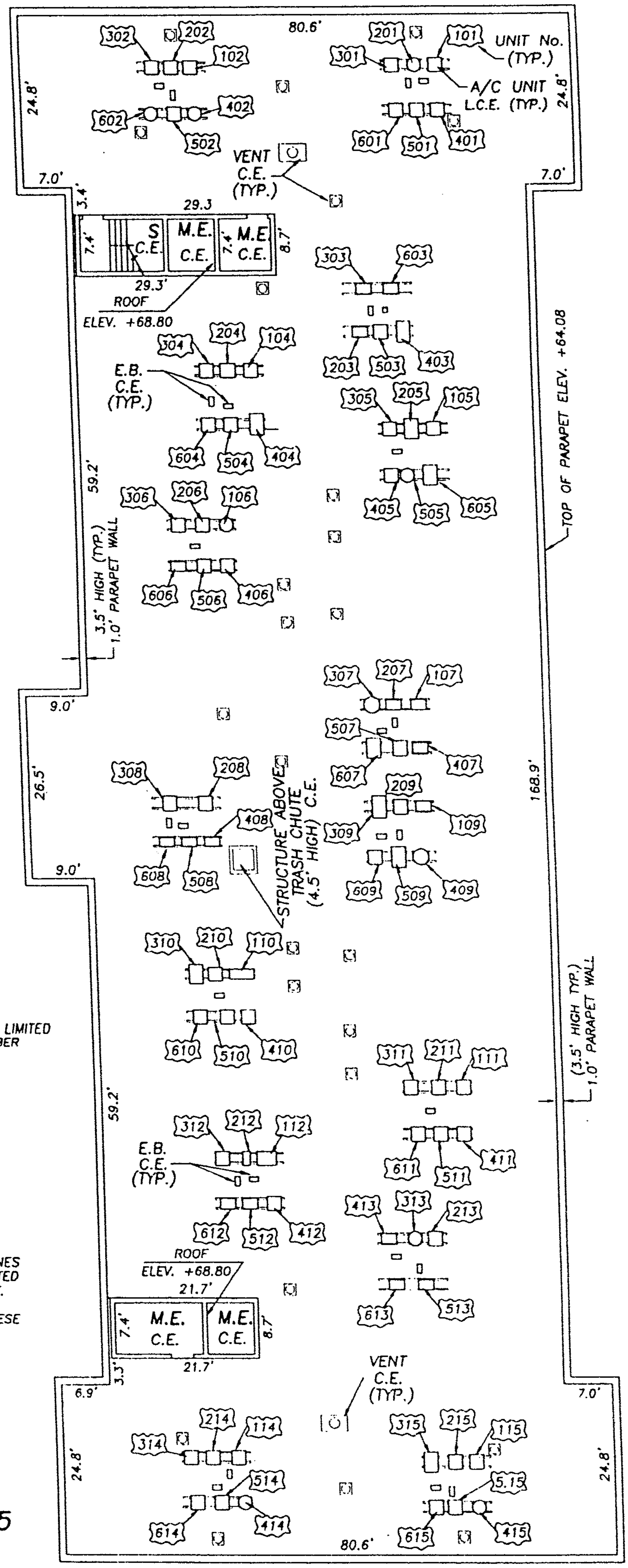
REVISION:

LEITER, PEREZ & ASSOCIATES, INC.
LAND DEVELOPMENT CONSULTANTS
CIVIL ENGINEERS–LAND SURVEYORS LB#6787
LAND PLANNERS–ENVIRONMENTAL
180 N.W. 176TH ST., SUITE 403, MIAMI, FLORIDA 33169

EXHIBIT "2"

FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM No. THREE





LEGEND:

C.E. -COMMON ELEMENT
L.C.E. -LIMITED COMMON ELEMENT
ELEV. -ELEVATION (N.G.V.D. 1929)
M.E. -MECHANICAL EQUIPMENT ROOM
S. -STAIRWAY
E.B. -ELECTRIC BOX
101 201 301 -INDICATES AIR CONDITIONING UNIT, LIMITED COMMON ELEMENT AND UNIT NUMBER

NOTES:

1) AIR CONDITIONING UNITS HAVE CONNECTING LINES AND CONDUITS ON THE ROOF WHICH ARE LIMITED COMMON ELEMENTS TO THEIR RESPECTIVE UNIT.

2) PLUMBING VENT STACKS ARE NOT SHOWN, THESE ARE COMMON ELEMENTS.

MAIN ROOF ELEV. +60.45

ROOF

LICENSED BUSINESS No. 6787

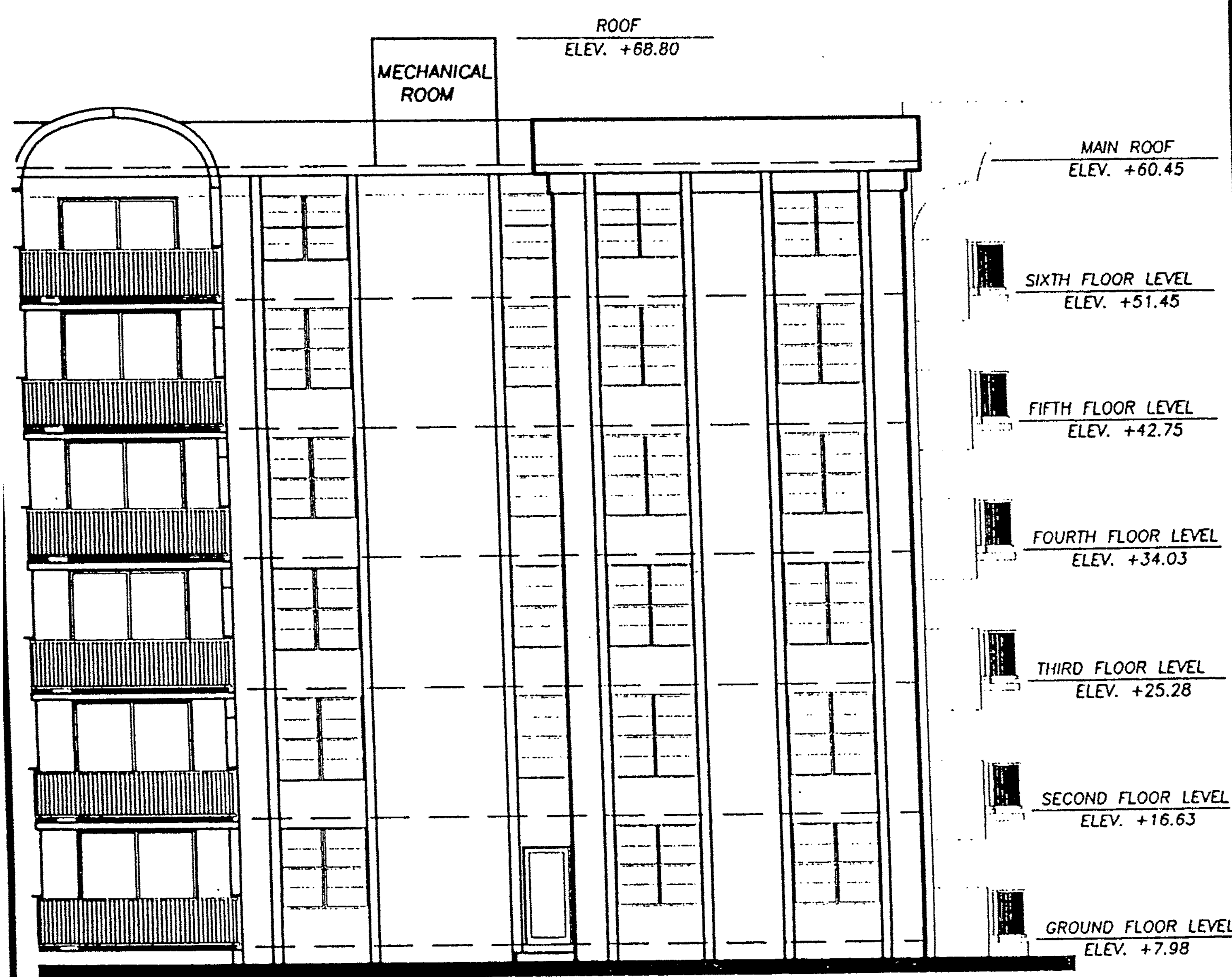
C:\PROJECT\INCOMING\FOUNTAIN\X-BOUNT-B.DWG

REVISION:

LEITER, PEREZ & ASSOCIATES, INC.
LAND DEVELOPMENT CONSULTANTS
CIVIL ENGINEERS-LAND SURVEYORS LB#6787
LAND PLANNERS-ENVIRONMENTAL
160 N.W. 176TH ST. SUITE 403 MIAMI FLORIDA 33169

EXHIBIT "2"

FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM No. THREE



ELEVATION SCHEMATIC

NOT TO SCALE

LICENSED BUSINESS No. 6787

C:\PROJECT\INCOMING\FOUNTAIN\FontBsur.DWG

LEITER, PEREZ & ASSOCIATES, INC.
LAND DEVELOPMENT CONSULTANTS
CIVIL ENGINEERS–LAND SURVEYORS LB#6787
LAND PLANNERS–ENVIRONMENTAL
160 N.W. 176TH ST. . SUITE 403. MIAMI, FLORIDA 33169

REVISION:

EXHIBIT "2"

EXHIBIT "3"

THE FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM NO. THREE

Percentage Shares of Ownership of Common Elements and Common Surplus and of Sharing of Common Expenses

Unit Type	% Share		No./Type		% Share/Type
A	0.0132976	x	22	=	29.25472
B	0.0099336	x	34	=	33.77424
C	0.0099336	x	5	=	4.96680
D	0.0117397	x	24	=	28.17528
E	0.0191448	x	2	=	3.82896
Total			87		100.00000000

Units by Unit Type

Unit Type	Units
A	106, 110, 205, 206, 210, 211, 305, 306, 310, 311, 405, 406, 410, 411, 505, 506, 510, 511, 605, 606, 610, 611
B	104, 107, 109, 112, 203, 204, 207, 209, 212, 213, 303, 304, 307, 309, 312, 313, 403, 404, 407, 409, 412, 413, 503, 504, 507, 509, 512, 513, 603, 604, 607, 609, 612, 613
C	208, 308, 408, 508, 608
D	101, 102, 114, 115, 201, 202, 214, 215, 301, 302, 314, 315, 401, 402, 414, 415, 501, 502, 514, 515, 601, 602, 614, 615
E	105, 111

Exhibit "4"

BY-LAWS
OF
THE FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM NO. TWO ASSOCIATION, INC.

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

1. Identity. These are the By-Laws of **THE FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM NO THREE ASSOCIATION, INC.** (the "Association"), a corporation not for profit incorporated under the laws of the State of Florida, and organized for the purposes set forth in its Articles of Incorporation.

1.1 Fiscal Year. The fiscal year of the Association shall be the twelve month period commencing January 1st and terminating December 31st of each year.

1.2 Seal. The seal of the Association shall bear the name of the corporation, the word "Florida", the words "Corporation Not for Profit", and the year of incorporation.

2. Definitions. For convenience, these By-Laws shall be referred to as the "By-Laws" and the Articles of Incorporation of the Association as the "Articles". The other terms used in these By-Laws shall have the same definitions and meanings as those set forth in The Declaration for The Fountains at Fontainebleau Condominium No. Two, unless herein provided to the contrary, or unless the context otherwise requires.

3. Members.

3.1 Annual Meeting. The annual members' meeting shall be held on the date, at the place and at the time determined by the Board of Directors from time to time, provided that there shall be an annual meeting every calendar year and, to the extent possible, no later than thirteen (13) months after the last preceding annual meeting. The purpose of the meeting shall be, except as provided herein to the contrary, to elect Directors, and to transact any other business authorized to be transacted by the members, or as stated in the notice of the meeting sent to Unit Owners in advance thereof. Unless changed by the Board of Directors, the first annual meeting shall be held in the month of October following the year in which the Declaration is filed.

3.2 Special Meetings. Special members' meetings shall be held at such places as provided herein for annual meetings, and may be called by the President or by a majority of the Board of Directors of the Association, and must be called by the President or Secretary upon receipt of a written request from a majority of the members of the Association. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting. Special meetings may also be called by Unit Owners in the manner provided for in the Act. Notwithstanding the foregoing: (i) as to special meetings regarding the adoption of the Condominium's estimated operating budget, reference should be made to Section 10.1 of these By-Laws; and (ii) as to special meetings regarding recall of Board members, reference should be made to Section 4.3 of these By-Laws.

3.3 Participation by Unit Owners. Subject to the following and such further reasonable restrictions as may be adopted from time to time by the Board, Unit Owners shall have the right to speak at the annual and special meetings of the Unit Owners, committee meetings and Board meetings with reference to all designated agenda items. A Unit Owner does not have the right to speak with respect to items not specifically designated on the agenda, provided, however, that the Board may permit an Unit Owner to speak on such items in its discretion. Every Unit Owner who desires to speak at a meeting, may do so, provided that the Unit Owner has filed a written request with the Secretary of the Association not less than 48 hours prior to the scheduled time for commencement By the meeting. Unless waived by the chairman of the meeting (which may be done in the chairman's sole and absolute discretion and without being deemed to constitute a waiver as to any other subsequent speakers), all Unit Owners speaking at a meeting shall be limited to a maximum of three (3) minutes per speaker. Any Unit Owner may tape record or videotape a meeting, subject to the following and such further reasonable restrictions as may be adopted from time to time by the Board:

(a) The only audio and video equipment and devices which Unit Owners are authorized to utilize at any such meeting is equipment which does not produce distracting sound or light emissions;

(b) Audio and video equipment shall be assembled and placed in position in advance of the commencement of the meeting.

(c) Anyone videotaping or recording a meeting shall not be permitted to move about the meeting room in order to facilitate the recording; and

(d) At least 48 hours prior written notice shall be given to the Secretary of the Association by any Unit Owner desiring to make an audio or video taping of the meeting.

3.4 Notice of Meeting; Waiver of Notice. Notice of a meeting of members (annual or special), stating the time and place and the purpose(s) for which the meeting is called, shall be given by the President or Secretary. A copy of the notice shall be posted at a conspicuous place on the Condominium Property. The notice of the annual meeting shall be hand delivered or sent by regular mail to each Unit Owner, unless the Unit Owner waives in writing the right to receive notice of the annual meeting by mail. The delivery or mailing shall be to the address of the member as it appears on the roster of members. Where a Unit is owned by more than one person, the Association shall provide notice, for meetings and all other purposes, to that one address initially identified for that purpose by the Developer and thereafter as one or more of the Owners of the Unit shall so advise the Association in writing, or if no address is given or if the Owners disagree, notice shall be sent to the address for the Owner as set forth on the deed of the Unit. The posting and mailing of the notice for either special or annual meetings, which notice shall incorporate an identification of agenda items, shall be effected not less than fourteen (14) continuous days, nor more than sixty (60) days, prior to the date of the meeting. The Board shall adopt by rule, and give notice to Unit Owners of, a specific location on the Condominium Property upon which all notices of members' meetings shall be posted.

Notice of specific meetings may be waived before or after the meeting and the attendance of any member (or person authorized to vote for such member), either in person or by proxy, shall constitute such member's waiver of notice of such meeting, and waiver of any and all objections to the place of the meeting, the time of the meeting or the manner in which it has been called or convened, except when his (or his authorized representative's) attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

An officer of the Association, or the manager or other person providing notice of the meeting shall provide an affidavit or United States Postal Service certificate of mailing, to be included in the official records of the Association, affirming that notices of meetings were posted and mailed or hand delivered in accordance with this Section and Section 718.112(2)(d) of the Act, to each Unit Owner at the appropriate address for such Unit Owner. No other proof of notice of a meeting shall be required.

3.5 Quorum. A quorum at members' meetings shall be attained by the presence, either in person or by proxy (limited or general), of persons entitled to cast in excess of 33 1/3% of the votes of members entitled to vote at the subject meeting.

3.6 Voting.

(a) Number of Votes. Except as provided in Section 3.11 hereof, in any meeting of members, the Owners of each Unit shall be entitled to cast one vote for each Unit owned. The vote of a Unit shall not be divisible.

(b) Majority Vote. The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum shall have been attained shall be binding upon all Unit Owners for all purposes, except where otherwise provided by law, the Declaration, the Articles or these By-Laws. As used in these By-Laws, the Articles or the Declaration, the terms "majority of the Unit Owners" and "majority of the members" shall mean a majority of the votes entitled to be cast by the members and not a majority of the members themselves and shall further mean more than 50% of the then total authorized votes present in person or by proxy and voting at any meeting of the Unit Owners at which a quorum shall have been attained. Similarly, if some greater percentage of members is required herein or in the Declaration or Articles, it shall mean such greater percentage of the votes of members and not of the members themselves.

(c) Voting Member. If a Unit is owned by one person, that person's right to vote shall be established by the roster of members. If a Unit is owned by more than one person, those persons (including husbands and wives) shall decide among themselves as to who shall cast the vote of the Unit. In the event that those persons cannot so decide, no vote shall be cast. A person casting a vote for a Unit shall be presumed to have the authority to do so unless the President or the Board of Directors is otherwise notified. If a Unit is owned by a corporation, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by an appropriate officer of the corporation and filed with the Secretary of the Association. Such person need not be a Unit Owner. Those certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Unit concerned. A certificate designating the person entitled to cast the vote for a Unit may be revoked by any record owner of an undivided interest in the Unit. If a certificate designating the person entitled to cast the vote for a Unit for which such certificate is required is not on file or has been revoked, the vote attributable to such Unit shall not be considered in determining whether a quorum is present, nor for any other purpose, and the total number of authorized votes in the Association shall be reduced accordingly until such certificate is filed.

3.7 Proxies. Votes to be cast at meetings of the Association membership may be cast in person or by proxy. Except as specifically provided herein, Unit Owners may not vote by general proxy, but may vote by limited proxies substantially conforming to the limited proxy form approved by the Division. Limited proxies shall be permitted for votes taken to: waive or reduce reserves; waive financial statements; amend the Declaration, Articles or By-Laws; or for any other matter requiring or permitting a vote of Unit Owners. No proxy, limited or general, shall be used in the election of Board members. General proxies may be used for other matters for which limited proxies are not required and may also be used in voting for nonsubstantive changes to items for which a limited proxy is required and given. A proxy may be made by any person entitled to vote, but shall only be valid for the specific meeting for which originally given and any lawful adjourned meetings thereof. In no event shall any proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the person executing it. A proxy must be in writing, signed by the person authorized to cast the vote for the Unit (as above described), name the person(s) voting by proxy and the person authorized to vote for such person(s) and filed with the Secretary before the appointed time of the meeting, or before the time to which the meeting is adjourned. Each proxy shall contain the date, time and place of the meeting for which it is given and, if a limited proxy, shall set forth the matters on which the proxy holder may vote and the manner in which the vote is to be cast. There shall be no limitation on the number of proxies which may be held by any person (including a designee of the Developer). If a proxy expressly provides, any proxy holder may appoint, in writing, a substitute to act in its place. If such provision is not made, substitution is not permitted.

3.8 Adjourned Meetings. If any proposed meeting cannot be organized because a quorum has not been attained, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, provided notice of the newly scheduled meeting is given in the manner required for the giving of notice of a meeting. Except as required above, proxies given for the adjourned meeting shall be valid for the newly scheduled meeting unless revoked for reasons other than the new date of the meeting.

3.9 Order of Business. If a quorum has been attained, the order of business at annual members' meetings, and, if applicable, at other members' meetings, shall be:

(a) Call to order by President;

(b) Appointment by the President of a chairman of the meeting (who need not be a member or a director);

(c) Appointment of inspectors of election;

(d) Counting of Ballots for Election of Directors;

(e) Proof of notice of the meeting or waiver of notice;

(f) Reading of minutes;

(g) Reports of officers;

(h) Reports of committees;

(i) Unfinished business;

(j) New business;

(k) Adjournment.

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

3.10 Minutes of Meeting. The minutes of all meetings of Unit Owners shall be kept in a book available for inspection by Unit Owners or their authorized representatives and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

3.11 Action Without A Meeting. Anything to the contrary herein notwithstanding, to the extent lawful, any action required or which may be taken at any annual or special meeting of members, may be taken without a meeting, without prior notice and without a vote if a consent in writing, setting forth the action so taken, shall be signed by the members (or persons authorized to cast the vote of any such members as elsewhere herein set forth) having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting of members at which all members (or authorized persons) entitled to vote thereon were present and voted. In order to be effective, the action must be evidenced by one or more written consents describing the action taken, dated and signed by approving members having the requisite number of votes and entitled to vote on such action, and delivered to the Secretary of the Association, or other authorized agent of the Association. Written consent shall not be effective to take the corporate action referred to in the consent unless signed by members having the requisite number of votes necessary to authorize the action within sixty (60) days of the date of the earliest dated consent and delivered to the Association as aforesaid. Any written consent may be revoked prior to the date the Association receives the required number of consents to authorize the proposed action. A revocation is not effective unless in writing and until received by the Secretary of the Association, or other authorized agent of the Association. Within ten (10) days after obtaining such authorization by written consent, notice must be given to members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action. A consent signed in accordance with the foregoing has the effect of a meeting vote and may be described as such in any document.

4. Directors.

4.1 Membership. The affairs of the Association shall be governed by a Board of not less than three (3) nor more than nine (9) directors, the exact number to be determined in the first instance in the Articles, and, thereafter, except as provided herein, from time to time upon majority vote of the membership. Directors must be natural persons who are 18 years of age or older. Any person who has been convicted of any felony by any court of record in the United States and who has not had his or her right to vote restored pursuant to law in the jurisdiction of his or her residence is not eligible for Board membership (provided, however, that the validity of any Board action is not affected if it is later determined that a member of the Board is ineligible for Board membership due to having been convicted of a felony). Directors may not vote at Board meetings by proxy or by secret ballot.

4.2 Election of Directors. Election of Directors shall be held at the annual members' meeting, except as herein provided to the contrary. Not less than sixty (60) days prior to a scheduled election, the Association shall mail or deliver to each Unit Owner entitled to vote, a first notice of the date of election. Any Unit Owner or other eligible person desiring to be a candidate for the Board shall give written notice to the Secretary of the Association not less than forty (40) days prior to the scheduled election. Together with the notice of meeting and agenda sent in accordance with Section 3.4 above, the Association shall then mail or deliver a second notice of the meeting to all Unit Owners entitled to vote therein, together with a ballot which shall list all candidates. Upon request of a candidate, the Association shall include an information sheet, no larger than 8-1/2 inches by 11 inches furnished by the candidate, which must be furnished by the candidate to the Association not less than thirty five (35) days before the election, to be included with the mailing of the ballot; with the costs of mailing or delivery and copying to be borne by the Association. The Association has no liability for the contents of the information sheets prepared by the candidates. In order to reduce costs, the Association may print or duplicate the information sheets on both sides of the paper.

The election of directors shall be by written ballot or voting machine. Proxies shall in no event be used in electing the Board at general elections or to fill vacancies caused by resignation or otherwise, provided, however, that limited proxies may be used to fill a vacancy resulting from the recall of a director, in the manner provided by the rules of the Division. Elections shall be decided by a plurality of those ballots and votes cast. There shall be no quorum requirement, however at least 20 percent of the eligible voters must cast a ballot in order to have a valid election of members of the Board. There shall be no cumulative voting.

Notwithstanding the provisions of this Section 4.2, an election and balloting are not required unless more candidates file notices of intent to run or are nominated than vacancies exist on the Board.

4.3 Vacancies and Removal.

(a) Except as to vacancies resulting from removal of Directors by members (as addressed in subsection (b) below), vacancies in the Board of Directors occurring between annual meetings of members shall be filled by a majority vote of the remaining Directors at any Board meeting (even if the remaining Directors constitute less than a quorum), provided that all vacancies in directorships to which Directors were appointed by the Developer pursuant to the provisions of paragraph 4.15 hereof shall be filled by the Developer without the necessity of any meeting.

(b) Any Director elected by the members (other than the Developer) may be removed by concurrence of a majority of the voting interests of the members at a special meeting of members called for that purpose or by written agreement signed by a majority of all voting interests. The vacancy in the Board of Directors so created shall be filled by the members at a special meeting of the members called for such purpose, or by the Board of Directors, in the case of removal by a written agreement unless said agreement also designates a new Director to take the place of the one removed. The conveyance of all Units owned by a Director in the Condominium (other than appointees of the Developer or Directors who were not Unit Owners) shall constitute the resignation of such Director.

(c) Anything to the contrary herein notwithstanding, until a majority of the Directors are elected by members other than the Developer of the Condominium, neither the first Directors of the Association, nor any Directors replacing them, nor any Directors named by the Developer, shall be subject to removal by members other than the Developer. The first Directors and Directors replacing them may be removed and replaced by the Developer without the necessity of any meeting.

(d) If a vacancy on the Board of Directors results in the inability to obtain a quorum of directors in accordance with these By-Laws, any Owner may apply to the Circuit Court within whose jurisdiction the Condominium lies for the appointment of a receiver to manage the affairs of the Association. At least thirty (30) days prior to applying to the Circuit Court, the Unit Owner shall mail to the Association and post in a conspicuous place on the Condominium Property a notice describing the intended action and giving the Association an opportunity to fill the vacancy(ies) in accordance with these By-Laws. If, during such time, the Association fails to fill the vacancy(ies), the Unit Owner may proceed with the petition. If a receiver is appointed, the Association shall be responsible for the salary of the receiver, court costs and attorneys' fees. The receiver shall have all powers and duties of a duly constituted Board of Directors, and shall serve until the Association fills the vacancy(ies) on the Board sufficient to constitute a quorum in accordance with these By-Laws.

4.4 Term. Except as provided herein to the contrary, the term of each Director's service shall extend until the next annual meeting of the members and subsequently until his successor is duly elected and has taken office, or until he is removed in the manner elsewhere provided. Notwithstanding the foregoing, any Director designated by the Developer shall serve at the pleasure of the Developer and may be removed and replaced by the Developer at any time.

4.5 Organizational Meeting. The organizational meeting of newly-elected or appointed Directors shall be held within ten (10) days of their election or appointment. The directors calling the organizational meeting shall give at least three (3) days advance notice thereof, stating the time and place of the meeting.

4.6 Meetings. Meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Meetings of the Board of Directors may be held by telephone conference, with those Directors attending by telephone counted toward the quorum requirement, provided that a telephone speaker must be used so that the conversation of those Directors attending by telephone may be heard by the Directors and any Unit Owners attending such meeting in person. Notice of meetings shall be given to each Director, personally or by mail, telephone or telegraph, and shall be transmitted at least three (3) days prior to the meeting. Meetings of the Board of Directors and any Committee thereof at which a quorum of the members of that Committee are present shall be open to all Unit Owners. Any Unit Owner may tape record or videotape meetings of the Board, in accordance with the rules of the Division. The right to attend such meetings includes the right to speak at such meetings with respect to all designated agenda items. The Association may adopt reasonable rules governing the frequency, duration and manner of Unit Owner statements. Adequate notice of such meetings, which notice shall specifically incorporate an identification of agenda items, shall be posted conspicuously on the Condominium Property at least forty-eight (48) continuous hours preceding the meeting, except in the event of an emergency.

Any item not included on the notice may be taken up on an emergency basis by at least a majority plus one of the members of the Board. Such emergency action shall be noticed and ratified at the next regular meeting of the Board. Notwithstanding the foregoing, written notice of any meeting of the Board at which nonemergency special assessments, or at which amendment to rules regarding unit use will be proposed, discussed or approved, shall be mailed or delivered to all Unit Owners and posted conspicuously on the Condominium property not less than fourteen (14) continuous days prior to the meeting. Evidence of compliance with this fourteen (14) continuous day notice shall be made by an affidavit executed by the Secretary of the Association and filed among the official records of the Association. The Board shall adopt by rule, and give notice to Unit Owners of, a specific location on the Condominium Property upon which all notices of Board and/or Committee meetings shall be posted. Special meetings of the Directors may be called by the President, and must be called by the President or Secretary at the written request of one-third (1/3) of the Directors or where required by the Act. A Director or member of a Committee of the Board of Directors may submit in writing his/her agreement or disagreement with any action taken at a meeting that such individual did not attend. This agreement or disagreement may not be used for the purposes of creating a quorum.

4.7 Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to the due receipt by said Director of notice. Attendance by any Director at a meeting shall constitute a waiver of notice of such meeting, and a waiver of any and all objections to the place of the meeting, to the time of the meeting or the manner in which it has been called or convened, except when a Director states at the beginning of the meeting, or promptly upon arrival at the meeting, any objection to the transaction of affairs because the meeting is not lawfully called or convened.

4.8 Quorum. A quorum at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is specifically required by the Declaration, the Articles or these By-Laws.

4.9 Adjourned Meetings. If, at any proposed meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present, provided notice of such newly scheduled meeting is given as required hereunder. At any newly scheduled meeting, any business that might have been transacted at the meeting as originally called may be transacted as long as notice of such business to be conducted at the rescheduled meeting is given, if required (e.g., with respect to budget adoption).

4.10 Joinder in Meeting by Approval of Minutes. The joinder of a Director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the approval of that Director of the business conducted at the meeting, but such joinder shall not allow the applicable Director to be counted as being present for purposes of quorum.

4.11 Presiding Officer. The presiding officer at the Directors' meetings shall be the President (who may, however, designate any other Unit Owner to preside).

4.12 Order of Business. If a quorum has been attained, the order of business at Directors' meetings shall be:

(a) Proof of due notice of meeting;

(b) Reading and disposal of any unapproved minutes;

(c) Reports of officers and committees;

(d) Election of officers;

(e) Unfinished business;

(f) New business;

(g) Adjournment.

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

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

4.14 <u>Committees</u>. The Board may by resolution also create Committees and appoint persons to such Committees and vest in such Committees such powers and responsibilities as the Board shall deem advisable.

4.15 <u>Proviso</u>. Notwithstanding anything to the contrary contained in this Section 4 or otherwise, the Board shall consist of three directors during the period that the Developer is entitled to appoint a majority of the Directors, as hereinafter provided. The Developer shall have the right to appoint all of the members of the Board of Directors until Unit Owners other than the Developer own fifteen (15%) percent or more of the Units in the Condominium. When Unit Owners other than the Developer own fifteen percent (15%) or more of the Units in the Condominium that will be operated ultimately by the Association, the Unit Owners other than the Developer shall be entitled to elect not less than one-third (1/3) of the members of the Board of Directors. Upon the election of such director(s), the Developer shall forward to the Division of Florida Land Sales, Condominiums and Mobile Homes the name and mailing address of the director(s) elected. Unit Owners other than the Developer are entitled to elect not less than a majority of the members of the Board of Directors: (a) three years after fifty (50%) percent of the Units that will be operated ultimately by the Association have been conveyed to purchasers; (b) three months after ninety (90%) percent of the Units that will be operated ultimately by the Association have been conveyed to purchasers; (c) when all of the Units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business; (d) when some of the Units have been conveyed to purchasers, and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or (e) seven (7) years after recordation of the Declaration, whichever occurs first. The Developer is entitled (but not obligated) to elect at least one (1) member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business five percent (5%) of the Units that will be operated ultimately by the Association.

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

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

At the time the Unit Owners other than the Developer elect a majority of the members of the Board of Directors of the Association, the Developer shall relinquish control of the Association and such Unit Owners shall accept control. At that time (except as to subparagraph (g), which may be ninety (90) days thereafter) Developer shall deliver to the Association, at Developer's expense, all property of the Unit Owners and of the Association held or controlled by the Developer, including, but not limited to, the following items, if applicable to the Condominium:

(a) The original or a photocopy of the recorded Declaration of Condominium, and all amendments thereto. If a photocopy is provided, the Developer must certify by affidavit that it is a complete copy of the actual recorded Declaration.

(b) A certified copy of the Articles of Incorporation of the Association.

(c) A copy of the By-Laws of the Association.

(d) The minute book, including all minutes, and other books and records of the Association.

(e) Any rules and regulations which have been adopted.

(f) Resignations of resigning officers and Board members who were appointed by the Developer.

(g) The financial records, including financial statements of the association, and source documents from the incorporation of the Association through the date of the turnover. The records shall be audited for the period from the incorporation of the Association or from the period covered by the last audit, if applicable, by an independent certified public accountant. All financial statements shall be prepared in accordance with generally accepted accounting principles and shall be audited in accordance with generally accepted auditing standards as prescribed by the Florida Board of Accountancy. The accountant performing the audit shall examine to the extent necessary supporting documents and records, including the cash disbursements and related paid invoices to determine if expenditures were for Association purposes, and billings, cash receipts and related records to determine that the Developer was charged and paid the proper amounts of Assessments.

(h) Association funds or the control thereof.

(i) All tangible personal property that is the property of the Association or is or was represented by the Developer to be part of the Common Elements or is ostensibly part of the Common Elements, and an inventory of such property.

(j) A copy of the plans and specifications utilized in the construction or remodeling of Improvements and the supplying of equipment, and for the construction and installation of all mechanical components serving the Improvements and the Condominium Property, with a certificate, in affidavit form, of an officer of the Developer or an architect or engineer authorized to practice in Florida, that such plans and specifications represent, to the best of their knowledge and belief, the actual plans and specifications utilized in the construction and improvement of the Condominium Property and the construction and installation of the mechanical components serving the Improvements and the Condominium Property.

(k) A list of the names and addresses of all contractors, subcontractors and suppliers, of which Developer had knowledge at any time in the development of the Condominium, utilized in the construction or remodeling of the improvements and the landscaping of the Condominium and/or Association Property.

(l) Insurance policies.

(m) Copies of any Certificates of Occupancy which may have been issued for the Condominium Property.

(n) Any other permits issued by governmental bodies applicable to the Condominium Property in force or issued within one (1) year prior to the date the Unit Owners take control of the Association.

(o) All written warranties of contractors, subcontractors, suppliers and manufacturers, if any, that are still effective.

(p) A roster of Unit Owners and their addresses and telephone numbers, if known, as shown on the Developer's records.

(q) Leases of the Common Elements and other leases to which the Association is a party, if applicable.

(r) Employment contracts or service contracts in which the Association is one of the contracting parties, or service contracts in which the Association or Unit Owners have an obligation or responsibility, directly or indirectly, to pay some or all of the fee or charge of the person or persons performing the service.

(s) All other contracts to which the Association is a party.

5. Authority of the Board.

5.1 Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Condominium and may take all acts, through the proper officers of the Association, in executing such powers, except such acts which by law, the Declaration, the Articles or these By-Laws may not be delegated to the Board of Directors by the Unit Owners. Such powers and duties of the Board of Directors shall include, without limitation (except as limited elsewhere herein), the following:

(a) Operating and maintaining all Common Elements and the Association Property.

(b) Determining the expenses required for the operation of the Association and the Condominium.

(c) Employing and dismissing the personnel necessary for the maintenance and operation of the Common Elements and the Association Property.

(d) Adopting and amending rules and regulations concerning the details of the operation and use of the Condominium and Association Property, subject to a right of the Unit Owners to overrule the Board as provided in Section 14 hereof.

(e) Maintaining bank accounts on behalf of the Association and designating the signatories required therefor.

(f) Purchasing, leasing or otherwise acquiring title to, or an interest in, property in the name of the Association, or its designee, for the use and benefit of its members. The power to acquire personal property shall be exercised by the Board and the power to acquire real property shall be exercised as described herein and in the Declaration.

(g) Purchasing, leasing or otherwise acquiring Units or other property, including, without limitation, Units at foreclosure or other judicial sales, all in the name of the Association, or its designee.

(h) Selling, leasing, mortgaging or otherwise dealing with Units acquired, and subleasing Units leased, by the Association, or its designee.

(i) Organizing corporations and appointing persons to act as designees of the Association in acquiring title to or leasing Units or other property.

(j) Obtaining and reviewing insurance for the Condominium and Association Property.

(k) Making repairs, additions and improvements to, or alterations of, Condominium Property and Association Property, and repairs to and restoration of Condominium and Association Property, in accordance with the provisions of the Declaration after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings or otherwise.

(l) Enforcing obligations of the Unit Owners, allocating profits and expenses and taking such other actions as shall be deemed necessary and proper for the sound management of the Condominium.

(m) Levying fines against appropriate Unit Owners for violations of the rules and regulations established by the Association to govern the conduct of such Unit Owners. No fine shall be levied except after giving reasonable notice and opportunity for a hearing to the affected Unit Owner and, if applicable, his tenant, licensee or invitee. The hearing must be held before a committee of other Unit Owners. If the committee does not agree with the fine, the fine may not be levied. No fine may exceed $100.00 per violation, however, a fine may be levied on the basis of each day of a continuing violation with a single notice and opportunity for hearing, provided however, that no such fine shall in the aggregate exceed $1,000.00. No fine shall become a lien upon a Unit.

(n) Purchasing or leasing Units for use by resident superintendents and other similar persons or for the general use and enjoyment of the Unit Owners.

(o) Borrowing money on behalf of the Association or the Condominium when required in connection with the operation, care, upkeep and maintenance of Common Elements (if the need for the funds is unanticipated) or the acquisition of real property, and granting mortgages on and/or security interests in Association owned property; provided, however, that the consent of the Owners of at least two-thirds (2/3rds) of the Units represented at a meeting at which a quorum has been attained in accordance with the provisions of these By-Laws shall be required for the borrowing of any sum which would cause the total outstanding indebtedness of the Association to exceed $10,000.00. If any sum borrowed by the Board of Directors on behalf of the Condominium pursuant to the authority contained in this subparagraph (o) is not repaid by the Association, a Unit Owner who pays to the creditor such portion thereof as his interest in his Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against, or which will affect, such Owner's Unit.

(p) Subject to the provisions of Section 5.2 below, contracting for the management and maintenance of the Condominium and Association Property and authorizing a management agent (who may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records

Elements and Association Property with such funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the Declaration, the Articles, these By-Laws and the Act, including, but not limited to, the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association.

(q) At its discretion, but within the parameters of the Act, authorizing Unit Owners or other persons to use portions of the Common Elements or Association Property for private parties and gatherings and imposing reasonable charges for such private use.

(r) Executing all documents or consents, on behalf of all Unit Owners (and their mortgagees), required by all governmental and/or quasi-governmental agencies in connection with land use and development matters (including, without limitation, plats, waivers of plat, unities of title, covenants in lieu thereof, etc.), and in that regard, each Owner, by acceptance of the deed to such Owner's Unit, and each mortgagee of a Unit Owner by acceptance of a lien on said Unit, appoints and designates the President of the Association as such Owner's agent and attorney-in-fact to execute any and all such documents or consents.

(s) The duty and obligation to comply with any requirements of any Federal, State or local rule, regulation, ordinance, code, project or agreement, relating to the installation, maintenance, repair, restoration, renourishing and/or replacing of the beach/dune system, any seawall, and any crosswalk/boardwalk to and from the beach now or hereafter located upon or adjacent to (even if beyond the legal boundaries of) the Condominium Property.

(t) Exercising (i) all powers specifically set forth in the Declaration, the Articles, these By-Laws and in the Act, (ii) all powers incidental thereto, and (iii) all other powers of a Florida corporation not for profit.

(u) Contracting with and creating or joining in the creation of special taxing districts, joint councils and the like.

5.2 Contracts. Any contract which is not to be fully performed within one (1) year from the making thereof, for the purchase, lease or renting of materials or equipment to be used by the Association in accomplishing its purposes, and all contracts for the provision of services, shall be in writing. Where a contract for purchase, lease or renting materials or equipment, or for the provision of services, requires payment by the Association on behalf of the Condominium in the aggregate exceeding $5,000.00, the Association shall obtain competitive bids for the materials, equipment or services. Nothing contained herein shall be construed to require the Association to accept the lowest bid. Notwithstanding the foregoing, contracts with employees of the Association and contracts for attorney, accountant, architect, community association manager, engineering and landscape architect services shall not be subject to the provisions hereof. Further, nothing contained herein is intended to limit the ability of the Association to obtain needed products and services in an emergency; nor shall the provisions hereof apply if the business entity with which the Association desires to contract is the only source of supply within the County.

6. Officers.

6.1 Executive Officers. The executive officers of the Association shall be a President, a Vice-President, a Treasurer and a Secretary (none of whom need be Directors), all of whom shall be elected by the Board of Directors and who may be peremptorily removed at any meeting by concurrence of a majority of all of the Directors. A person may hold more than one office, except that the President may not also be the Secretary. No person shall sign an instrument or perform an act in the capacity of more than one office. The Board of Directors from time to time shall elect such other officers and designate their powers and duties as the Board shall deem necessary or appropriate to manage the affairs of the Association. Officers, other than designees of the Developer, must be Unit Owners (or authorized representatives of corporate/partnership/trust Unit Owners).

6.2 President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties that are usually vested in the office of president of an association.

6.3 Vice-President. The Vice-President shall exercise the powers and perform the duties of the President in the absence or disability of the President. He also shall assist the President and exercise such other powers and perform such other duties as are incident to the office of the vice president of an association and as may be required by the Directors or the President.

6.4 Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the members. The Secretary shall attend to the giving of all notices to the members and Directors and other notices required by law. The Secretary shall have custody of the seal of the Association and shall affix it to instruments requiring the seal when duly signed. The Secretary shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the secretary of an association and as may be required by the Directors or the President.

6.5 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. The Treasurer shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. The Treasurer shall submit a treasurer's report to the Board of Directors at reasonable intervals and shall perform all other duties incident to the office of treasurer and as may be required by the Directors or the President. All monies and other valuable effects shall be kept for the benefit of the Association in such depositories as may be designated by a majority of the Board of Directors.

6.6 Developer Appointees. No officer appointed by the Developer may be removed except as provided in Section 4.15 hereof and by law.

7. Fiduciary Duty. The officers and directors of the Association, as well as any manager employed by the Association, have a fiduciary relationship to the Unit Owners. No officer, director or manager shall solicit, offer to accept, or accept any thing or service of value for which consideration has not been provided for his own benefit or that of his immediate family, from any person providing or proposing to provide goods or services to the Association. Any such officer, director or manager who knowingly so solicits, offers to accept or accepts any thing or service of a value exceeding $100.00 shall, in addition to all other rights and remedies of the Association and Unit Owners, be subject to a civil penalty in accordance with the Act. Notwithstanding the foregoing, this paragraph shall not prohibit an officer, director or manager from accepting services or items received in connection with trade fairs or education programs.

8. Compensation. Neither Directors nor officers shall receive compensation for their services as such, but this provision shall not preclude the Board of Directors from employing a Director or officer as an employee of the Association, nor preclude contracting with a Director or officer for the management of the Condominium or for any other service to be supplied by such Director or officer. Directors and officers shall be compensated for all actual and proper out of pocket expenses relating to the proper discharge of their respective duties.

9. Resignations. Any Director or officer may resign his post at any time by written resignation, delivered to the President or Secretary, which shall take effect upon its receipt unless a later date is specified in the resignation, in which event the resignation shall be effective from such date unless withdrawn. The acceptance of a resignation shall not be required to make it effective. The conveyance of all Units owned by any Director or officer (other than appointees of the Developer or officers who were not Unit Owners) shall constitute a written resignation of such Director or officer.

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

10.1 Budget.

(a) Adoption by Board; Items. The Board of Directors shall from time to time, and at least annually, prepare a budget for all Condominiums governed and operated by the Association (which shall detail all accounts and items of expense and contain at least all items set forth in Section 718.504(20) of the Act, if applicable), determine the amount of Assessments payable by the Unit Owners to meet the expenses of such Condominium(s) and allocate and assess such expenses among the Unit Owners in accordance with the provisions of the Declaration. In addition, if the Association maintains limited common elements with the cost to be shared only by those entitled to use the limited common elements, the budget or a schedule attached thereto shall show amounts budgeted therefor. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance (to the extent required by law). These accounts shall include, but not be limited to, roof replacement, building painting and pavement resurfacing regardless of the amount of deferred maintenance expense or replacement cost, and for any other item for which the deferred maintenance expense or replacement cost exceeds $10,000.00. The amount of reserves shall be computed by means of a formula which is based upon the estimated remaining useful life and the estimated replacement cost of each reserve item. The Association may adjust replacement and reserve assessments annually to take into account any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance. Reserves shall not be required if the members of the Association have, by a majority vote at a duly called meeting of members, determined for a specific fiscal year to provide no reserves or reserves less adequate than required hereby. Prior to transfer of control of the Association to Unit Owners other than the Developer, the Developer may vote to waive reserves or reduce the funding of reserves for the first two (2) years of operation of the Association, after which time, reserves may only be waived or reduced upon the vote of a majority of all non-Developer voting interests voting in person or by limited proxy at a duly called meeting of the Association. If a meeting of Unit Owners has been called to determine to provide no reserves or reserves less adequate than required, and such result is not attained or a quorum is not attained, the reserves, as included in the budget, shall go into effect. Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts, and shall be used only for authorized reserve expenditures, unless their use for any other purposes is approved in advance by a majority vote at a duly called meeting of the Association. Prior to transfer of control of the Association to Unit Owners other than the Developer, the Association shall not vote to use reserves for purposes other than that for which they were intended without the approval of a majority of all non-Developer voting interests, voting in person or by limited proxy at a duly called meeting of the Association.

The adoption of a budget for the Condominium shall comply with the requirements hereinafter set forth:

(i) Notice of Meeting. A copy of the proposed budget of Common Expenses shall be hand delivered to each Unit Owner or mailed to each Unit Owner (at the address last furnished to the Association) not less than fourteen (14) days prior to the meeting of the Board of Directors at which the budget will be considered, together with a notice of that meeting indicating the time and place of such meeting.

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

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

(iv) Proviso. As long as the Developer is in control of the Board of Directors of the Association, the Board shall not impose Assessments for a year greater than one hundred fifteen percent (115%) of the prior year's Assessments, as herein defined, without the approval of a majority of Unit Owners other than the Developer.

(b) Adoption by Membership. In the event that the Board of Directors shall be unable to adopt a budget for a fiscal year in accordance with the requirements of Subsection 10.1(a) above, the Board of Directors may call a special meeting of Unit Owners for the purpose of considering and adopting such budget, which meeting shall be called and held in the manner provided for such special meetings in said subsection, or propose a budget in writing to the members, and if such budget is adopted by the members, upon ratification by a majority of the Board of Directors, it shall become the budget for such year.

10.2 Assessments. Assessments against Unit Owners for their share of the items of the budget shall be made for the applicable fiscal year annually at least twenty (20) days preceding the year for which the Assessments are made. Such Assessments shall be due in equal installments, payable in advance on the first day of each month (or each quarter at the election of the Board) of the year for which the Assessments are made. If annual Assessments are not made as required, Assessments shall be presumed to have been made in the amount of the last prior Assessments, and monthly (or quarterly) installments on such Assessments shall be due upon each installment payment date until changed by amended Assessments. In the event the annual Assessments prove to be insufficient, the budget and Assessments may be amended at any time by the Board of Directors, subject to the provisions of Section 10.1 hereof, if applicable. Unpaid Assessments for the remaining portion of the fiscal year for which amended Assessments are made shall be payable in as many equal installments as there are full months (or quarters) of the fiscal year left as of the date of such amended Assessments, each such monthly (or quarterly) installment to be paid on the first day of the month (or quarter), commencing the first day of the next ensuing month (or quarter). If only a partial month (or quarter) remains, the amended Assessments shall be paid with the next regular installment in the following year, unless otherwise directed by the Board in its resolution.

10.3 Special Assessments and Assessments for Capital Improvements. Special Assessments and Capital Improvement Assessments (as defined in the Declaration) shall be levied as provided in the Declaration and shall be paid in such manner as the Board of Directors of the Association may require in the notice of such Assessments. The funds collected pursuant to a Special Assessment shall be used only for the specific purpose or purposes set forth in the notice of adoption of same. However, upon completion of such specific purpose or purposes, any excess funds will be considered Common Surplus, and may, at the discretion of the Board, either be returned to the Unit Owners or applied as a credit towards future assessments.

10.4 Depository. The depository of the Association shall be such bank or banks in the State of Florida as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from those accounts shall be made only by checks signed by such person or persons as are authorized by the Directors. All sums collected by the Association from Assessments or otherwise may be commingled in a single fund or divided into more than one fund, as determined by a majority of the Board of Directors. In addition, a separate reserve account should be established for the Association in such a depository for monies specifically designated as reserves for capital expenditures and/or deferred maintenance. Reserve and operating funds of the Association shall not be commingled unless combined for investment purposes, provided that the combined account balance of such commingled funds may not, at any time, be less than the amount identified as reserve funds in the combined account.

10.5 Acceleration of Installments Upon Default. If a Unit Owner shall be in default in the payment of an installment upon his Assessments, the Board of Directors or its agent may accelerate the balance of the current budget years' Assessments upon thirty (30) days' prior written notice to the Unit Owner and the filing of a claim of lien, and the then unpaid balance of the current budget years' Assessments shall be due upon the date stated in the notice, but not less than five (5) days after delivery of the notice to the Unit Owner, or not less than ten (10) days after the mailing of such notice to him by certified mail, whichever shall first occur.

10.6 Fidelity Insurance or Fidelity Bonds. Fidelity bonds shall be required by the Board of Directors for all persons who control or disburse Association funds, including must not limited to, those individuals authorized to sign Association checks and the president, secretary and treasurer of the Association in such amounts as shall be determined by a majority of the Board, but which must be sufficient to cover the maximum funds that will be in the custody of the Association or its management agent at any one time. The premiums on such bonds shall be paid by the Association as a Common Expense.

10.7 Accounting Records and Reports. The Association shall maintain accounting records in the State, according to accounting practices normally used by similar associations. The records shall be open to inspection by Unit Owners or their authorized representatives at reasonable times and written summaries of them shall be supplied at least annually. The records shall include, but not be limited to, (a) a record of all receipts and expenditures, and (b) an account for each Unit designating the name and current mailing address of the Unit Owner, the amount of Assessments, the dates and amounts in which the Assessments come due, the amount paid upon the account and the dates so paid, and the balance due. Written summaries of the records described in clause (a) above, in the form and manner specified below, shall be supplied to each Unit Owner annually.

Within sixty (60) days following the end of the fiscal year, the Board shall mail, or furnish by personal delivery, to each Unit Owner a complete financial report of actual receipts and expenditures for the previous twelve (12) months, or a complete set of financial statements for the preceding fiscal year prepared in accordance with generally accepted accounting principles. The report shall show the amount of receipts by accounts and receipt classifications and shall show the amount of expenses by accounts and expense classifications, including, if applicable, but not limited to, the following:

(a) Costs for security;

(b) Professional and management fees and expenses;

(c) Taxes;

(d) Costs for recreation facilities;

(e) Expenses for refuse collection and utility services;

(f) Expenses for lawn care;

(g) Costs for building maintenance and repair;

(h) Insurance costs;

(i) Administrative and salary expenses; and

(j) Reserves for capital expenditures, deferred maintenance and any other category for which the Association maintains a reserve account or accounts.

10.8 Application of Payment. All payments made by a Unit Owner shall be applied as provided in these By-Laws and in the Declaration or as otherwise determined by the Board.

10.9 Notice of Meetings. Notice of any meeting where Assessments against Unit Owners are to be considered for any reason shall specifically contain a statement that Assessments will be considered and the nature of any such Assessments.

11. Roster of Unit Owners. Each Unit Owner shall file with the Association a copy of the deed or other document showing his ownership. The Association shall maintain such information. The Association may rely upon the accuracy of such information for all purposes until notified in writing of changes therein as provided above. Only Unit Owners of record on the date notice of any meeting requiring their vote is given shall be entitled to notice of and to vote at such meeting, unless prior to such meeting other Owners shall produce adequate evidence, as provided above, of their interest and shall waive in writing notice of such meeting.

12. Parliamentary Rules. Except when specifically or impliedly waived by the chairman of a meeting (either of members or directors), Robert's Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Act, the Declaration, the Articles or these By-Laws; provided, however, that a strict or technical reading of said Robert's Rules shall not be made so as to frustrate the will of the persons properly participating in said meeting.

13. Amendments. Except as may be provided in the Declaration to the contrary, these By-Laws may be amended in the following manner:

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

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

(a) by not less than a majority of the votes of all members of the Association represented at a meeting at which a quorum has been attained and by not less than 66-2/3% of the entire Board of Directors; or

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

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

13.4 Execution and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of these By-Laws, which certificate shall be executed by the President or Vice-President and attested by the Secretary or Assistant Secretary of the Association with the formalities of a deed, or by the Developer alone if the amendment has been adopted consistent with the provisions of the Declaration allowing such action by the Developer. The amendment shall be effective when the certificate and a copy of the amendment is recorded in the Public Records of the County with an identification on the first page of the amendment of the Official Records Book and Page of said Public Records where the Declaration is recorded.

14. Rules and Regulations. Attached hereto as **Schedule "A"** and made a part hereof are initial rules and regulations concerning the use of portions of the Condominium and Association Property. The Board of Directors may, from time to time, modify, amend or add to such rules and regulations, except that subsequent to the date control of the Board is turned over by the Developer to Unit Owners other than the Developer, Owners of a majority of the Units may overrule the Board with respect to any such modifications, amendments or additions. Copies of such modified, amended or additional rules and regulations shall be furnished by the Board of Directors to each affected Unit Owner not less than thirty (30) days prior to the effective date thereof. At no time may any rule or regulation be adopted which would prejudice the rights reserved to the Developer.

15. Official Records. From the inception of the Association, the Association shall maintain for the condominium, a copy of each of the following, where applicable, which shall constitute the official records of the Association:

(a) The plans, permits, warranties, and other items provided by the Developer pursuant to Section 718.301(4) of the Act;

(b) A photocopy of the recorded Declaration of Condominium and all amendments thereto;

(c) A photocopy of the recorded By-Laws of the Association and all amendments thereto;

(d) A certified copy of the Articles of Incorporation of the Association or other documents creating the Association and all amendments thereto;

(e) A copy of the current Rules and Regulations of the Association;

(f) A book or books containing the minutes of all meetings of the Association, of the Board of Directors, and of Unit Owners, which minutes shall be retained for a period of not less than 7 years.

(g) A current roster of all Unit Owners, their mailing addresses, Unit identifications, voting certifications, and if known, telephone numbers;

(h) All current insurance policies of the Association and of all Condominiums operated by the Association;

(i) A current copy of any management agreement, lease, or other contract to which the Association is a party or under which the Association or the Unit Owners have an obligation or responsibility;

(j) Bills of Sale or transfer for all property owned by the Association;

(k) Accounting records for the Association and the accounting records for the Condominium, according to good accounting practices. All accounting records shall be maintained for a period of not less than 7 years. The accounting records shall include, but not be limited to:

(i) Accurate, itemized, and detailed records for all receipts and expenditures.

(ii) A current account and a monthly, bimonthly, or quarterly statement of the account for each Unit designating the name of the Unit Owner, the due date and amount of each Assessment, the amount paid upon the account, and the balance due.

(iii) All audits, reviews, accounting statements, and financial reports of the Association or Condominium.

(iv) All contracts for work to be performed. Bids for work to be performed shall also be considered official records and shall be maintained for a period of 1 year;

(l) Ballots, sign-in sheets, voting proxies and all other papers relating to elections which shall be maintained for a period of 1 year from the date of the meeting to which the document relates.

(m) All rental records where the Association is acting as agent for the rental of Units.

(n) A copy of the current Question and Answer Sheet, in the form promulgated by the Division, which shall be updated annually.

(o) All other records of the Association not specifically listed above which are related to the operation of the Association.

The official records of the Association shall be maintained in the County in which the Condominium is located, or if in another county, then within twenty five (25) miles of the Condominium.

The official records of the Association shall be open to inspection by any Association member or the authorized representative of such member at all reasonable times. The right to inspect the records includes the right to make or obtain copies, at a reasonable expense, if any, of the Association member. The Association may adopt reasonable rules regarding the time, location, notice and manner of record inspections and copying. The failure of an Association to provide official records to a Unit Owner or his authorized representative within five (5) working days after receipt of a written request therefor shall create a rebuttable presumption that the Association willfully failed to comply with this paragraph. Failure to permit inspection of the Association records as provided herein entitles any person prevailing in an enforcement action to recover reasonable attorneys' fees from the person in control of the records who, directly or indirectly, knowingly denies access to the records for inspection. The Association shall maintain on the Condominium Property an adequate number of copies of the Declaration, Articles, By-Laws and rules, and all amendments to the foregoing, as well as the Question and Answer Sheet, and year-end financial information required by the Act to ensure their availability to Unit Owners and prospective purchasers. The Association may charge its actual costs for preparing and furnishing these documents to those persons requesting same.

16. Certificate of Compliance. A certificate of compliance from a licensed electrical contractor or electrician may be accepted by the Association's Board as evidence of compliance of the Units to the applicable condominium fire and life safety code.

17. Construction. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all genders.

18. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define or limit the scope of these By-Laws or the intent of any provision hereof.

The foregoing was adopted as the By-Laws of **THE FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM NO. TWO ASSOCIATION, INC.**, a corporation not for profit under the laws of the State of Florida, as of the _____ day of ____________, 1998.

Approved:

____

____________________, President

____

____________________, Secretary

SCHEDULE "A"
TO
BY-LAWS

RULES AND REGULATIONS FOR THE FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM NO. THREE

1. The sidewalks, entrances, passages, lobbies and hallways and like portions of the Common Elements shall not be obstructed nor used for any purpose other than for ingress and egress to and from the Condominium Property or Common Properties; nor shall any carts, bicycles, carriages, chairs, tables or any other objects be stored therein, except in areas (if any) designated for such purposes.

2. The personal property of Unit Owners and occupants must be stored in their respective Units.

3. No articles other than patio-type furniture shall be placed on the balconies, patios or other Common Elements or Limited Common Elements. No linens, cloths, clothing, bathing suits or swimwear, curtains, rugs, mops, or laundry of any kind, or other articles, shall be shaken or hung from any of the windows, doors, balconies, terraces or other portions of the Condominium or Association Property.

4. No Unit Owner or occupant shall permit anything to fall from a window or door of the Condominium or Association Property, nor sweep or throw from the Condominium or Association Property any dirt or other substance onto any of the balconies or elsewhere in the Building or upon the Common Elements or Common Properties.

5. No garbage, refuse, trash or rubbish shall be deposited except as permitted by the Association. The requirements from time to time of the company or agency providing trash removal services for disposal or collection shall be complied with. All equipment for storage or disposal of such material shall be kept in a clean and sanitary condition.

6. Employees of the Association are not to be sent out by Unit Owners or occupants for personal errands. The Board of Directors shall be solely responsible for directing and supervising employees of the Association.

7. No Unit Owner or occupant shall make or permit any disturbing noises by himself or his family, servants, employees, pets, agents, visitors or licensees, nor permit any conduct by such persons or pets that will interfere with the rights, comforts or conveniences of other Unit Owners or occupants. No Unit Owner or occupant shall play or permit to be played any musical instrument, nor 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 residents. No Unit Owner or occupant shall conduct, nor permit to be conducted, vocal or instrumental instruction at any time which disturbs other residents.

8. No sign, advertisement, notice or other graphics or lettering shall be exhibited, displayed, inscribed, painted or affixed in, on or upon any part of the Condominium or Association Property, except signs used or approved by the Developer (for as long as the Developer owns any portion of The Fountains at Fontainebleau, and thereafter by the Board). Additionally, no awning, canopy, shutter or other projection shall be attached to or placed upon the outside walls or roof of the Building or on the Common Elements, without the prior written consent of the Board of Directors of the Association.

9. No flammable, combustible or explosive fluids, chemicals or substances shall be kept in any Unit or on the Common Elements.

10. A Unit Owner or occupant who plans to be absent during the hurricane season must prepare his Unit prior to his departure by designating a responsible firm or individual to care for his Unit should a hurricane threaten the Unit or should the Unit suffer hurricane damage, and furnishing the Association with the name(s) of such firm or individual. Such firm or individual shall be subject to the approval of the Association.

11. A Unit Owner or occupant shall not cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies or windows of the Building. Curtains and drapes (or linings thereof) which face on exterior windows or glass doors of Units shall be subject to disapproval by the Board, in which case they shall be removed and replaced with acceptable items.

12. Installation of satellite dishes shall be restricted in accordance with the following: (i) installation shall be limited solely to the Unit or any Limited Common Elements appurtenant thereto, and may not be on the Common Elements; (ii) the dish may be no greater than one meter in diameter, and (iii) to the extent that same may be accomplished without (a) impairing reception of an acceptable quality signal, (b) unreasonably preventing or delaying installation, maintenance or use of an antenna, or (c) unreasonably increasing the cost of installing, maintaining or using an antenna, the dish shall be placed in a location which minimizes its visibility from the Common Elements.

13. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted on, upon or in the Condominium or Association Property, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in the Condominium or Association Property. No derrick or other structure designed for use in boring for oil, natural gas or minerals shall be erected, maintained or permitted upon any portion of the Condominium or Association Property.

14. No window air-conditioning units may be installed by Unit Owners or occupants. No Unit shall have any aluminum foil placed in any window or glass door or any reflective or tinted substance placed on any glass, unless approved, in advance by the Board of Directors in writing. No unsightly materials may be placed on any window or glass door or be visible through such window or glass door.

15. Children will be the direct responsibility of their parents or legal guardians, including full supervision of them while within the Condominium Property and including full compliance by them with these Rules and Regulations and all other rules and regulations of the Association. Loud noises will not be tolerated. All children under twelve (12) years of age must be accompanied by a responsible adult when entering and/or utilizing the recreational facilities.

16. Pets, birds, fish and other animals, reptiles or wildlife shall neither be kept nor maintained in or about the Condominium Property except in accordance with the following, in addition to the applicable terms of the Declaration:

(a) Dogs and cats shall not be permitted outside of their owner's Unit unless attended by an adult and on a leash not more than six (6) feet long. Said dogs and cats shall only be walked or taken upon those portions of the Common Elements designated by the Association from time to time for such purposes. In no event shall said dog or cat ever be allowed to be walked or taken on or about any recreational facilities contained within The Fountains at Fontainebleau.

(b) Fish or caged domestic (household-type) birds may be kept in the Units, subject to the provisions of the Declaration.

(c) Unit owners shall pick up all solid wastes from their pets and dispose of same appropriately.

17. Every Owner and occupant shall comply with these Rules and Regulations as set forth herein, any and all rules and regulations which from time to time may be adopted, and the provisions of the Declaration, By-Laws and Articles of Incorporation of the Association, as amended from time to time. Failure of an Owner or occupant to so comply shall be grounds for action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. In addition to all other remedies, in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon an Owner for failure of an Owner, his family, guests, invitees, lessees or employees, to comply with any covenant, restriction, rule or regulation herein or in the Declaration, Articles of Incorporation or By-Laws, provided the following procedures are adhered to:

(a) <u>Notice</u>: The party against whom the fine is sought to be levied shall be afforded an opportunity for hearing after reasonable notice of not less than fourteen (14) days and said notice shall include: (i) a statement of the date, time and place of the hearing; (ii) a statement of the provisions of the declaration, association bylaws, or association rules which have allegedly been violated; and (iii) a short and plain statement of the matters asserted by the association.

(b) <u>Hearing</u>: The non-compliance shall be presented to a committee of other Unit Owners, who shall hear reasons why penalties should not be imposed. The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the committee. A written decision of the committee shall be submitted to the Owner or occupant by not later than twenty-one (21) days after the meeting.

(c) <u>Fines</u>: The Board of Directors may impose fines against the applicable Unit up to the maximum amount permitted by law from time to time.

(d) <u>Violations</u>: Each separate incident which is grounds for a fine shall be the basis of one separate fine. In the case of continuing violations, each continuation of same after a notice thereof is given shall be deemed a separate incident.

(e) <u>Payment of Fines</u>: Fines shall be paid not later than thirty (30) days after notice of the imposition thereof.

(f) Application of Fines: All monies received from fines shall be allocated as directed by the Board of Directors.

(g) Non-exclusive Remedy: These fines shall not be construed to be exclusive and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any penalty paid by the offending Owner or occupant shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner or occupant.

18. These rules and regulations shall be cumulative with the covenants, conditions and restrictions set forth in the Declaration of Condominium, provided that the provisions of same shall control over these rules and regulations in the event of a conflict or a doubt as to whether a specific practice or activity is or is not permitted. Anything to the contrary notwithstanding, these rules and regulations shall not apply to the Developer, nor its agents or employees and contractors, nor to the Units owned by the Developer, except:

(a) Requirements that leases or lessees be approved by the Association (if applicable); and

(b) Restrictions on the presence of pets; and

(c) Restrictions on occupancy of Units based upon age (if any); and

(d) Restrictions on the type of vehicles allowed to park on Condominium Property; however, the Developer or its designees shall be exempt from any such parking restriction if the vehicle is engaged in any activity relating to construction, maintenance, or marketing of Units.

All of these rules and regulations shall apply to all other Owners and occupants even if not specifically so stated in portions hereof. The Board of Directors shall be permitted (but not required) to grant relief to one or more Unit Owners from specific rules and regulations upon written request therefor and good cause shown in the sole opinion of the Board.

Exhibit "5"

ARTICLES OF INCORPORATION
FOR
THE FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM NO THREE ASSOCIATION, INC.

The undersigned incorporator, for the purpose of forming a corporation not for profit pursuant to the laws of the State of Florida, hereby adopts the following Articles of Incorporation:

ARTICLE 1
NAME

The name of the corporation shall be **THE FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM NO THREE ASSOCIATION, INC.** For convenience, the corporation shall be referred to in this instrument as the "Association", these Articles of Incorporation as the "Articles", and the By-Laws of the Association as the "By-Laws".

ARTICLE 2
OFFICE

The principal office and mailing address of the Association shall be Suite 555 LeJeune Center, 782 North LeJeune Road, Miami, Florida 33126 or at such other place as may be subsequently designated by the Board of Directors. All books and records of the Association shall be kept at its principal office or at such other place as may be permitted by the Act.

ARTICLE 3
PURPOSE

The purpose for which the Association is organized is to provide an entity pursuant to the Florida Condominium Act as it exists on the date hereof (the "Act") for the operation of that certain condominium located in Miami-Dade County, Florida, and known as **THE FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM NO. TWO** (the "Condominium").

ARTICLE 4
DEFINITIONS

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

ARTICLE 5
POWERS

Article

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

5.1 General. The Association shall have all of the common-law and statutory powers of a corporation not for profit under the Laws of Florida, except as expressly limited or restricted by the terms of these Articles, the Declaration, the By-Laws or the Act.

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

(a) To make and collect Assessments and other charges against members as Unit Owners (whether or not such sums are due and payable to the Association), and to use the proceeds thereof in the exercise of its powers and duties.

(b) To buy, accept, own, operate, lease, sell, trade and mortgage both real and personal property in accordance with the provisions of the Declaration.

(c) To maintain, repair, replace, reconstruct, add to and operate the Condominium Property and/or Association Property, and other property acquired or leased by the Association.

(d) To purchase insurance upon the Condominium Property and Association Property and insurance for the protection of the Association, its officers, directors and Unit Owners.

(e) To make and amend reasonable rules and regulations for the maintenance, conservation and use of the Condominium Property and Association Property and for the health, comfort, safety and welfare of the Unit Owners.

(f) To approve or disapprove the leasing, transfer, ownership and possession of Units as may be provided by the Declaration.

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

(h) To contract for the management and maintenance of the Condominium Property and/or Association Property and to authorize a management agent (which may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the Common Elements and Association Property with such funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the Condominium Act, including, but not limited to, the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association.

(i) To employ personnel to perform the services required for the proper operation of the Condominium and the Association Property.

(j) To execute all documents or consents, on behalf of all Unit Owners (and their mortgagees), required by all governmental and/or quasi-governmental agencies in connection with land use and development matters (including, without limitation, plats, waivers of plat, unities of title, covenants in lieu thereof, etc.), and in that regard, each Unit Owner, by acceptance of the deed to such Owner's Unit, and each mortgagee of a Unit owner by acceptance of a lien on said Unit, appoints and designates the President of the Association as such Unit Owner's and mortgagees agent and attorney-in-fact to execute, any and all such documents or consents.

5.3 Association Property. All funds and the title to all properties acquired by the Association and their proceeds shall be held for the benefit and use of the members in accordance with the provisions of the Declaration, these Articles and the By-Laws.

5.4 Distribution of Income; Dissolution. The Association shall not pay a dividend to its members and shall make no distribution of income to its members, directors or officers, and upon dissolution, all assets of the Association shall be transferred only to another non-profit corporation or a public agency or as otherwise authorized by the Florida Not For Profit Corporation Act (Chapter 617, Florida Statutes).

5.5 Limitation. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions hereof and of the Declaration, the By-Laws and the Act, provided that in the event of conflict, the provisions of the Act shall control over those of the Declaration and By-Laws.

ARTICLE 6
MEMBERS

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

6.2 Assignment. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the Unit for which that share is held.

6.3 Voting. On all matters upon which the membership shall be entitled to vote, there shall be only one vote for each Unit. All votes shall be exercised or cast in the manner provided by the Declaration and By-Laws. Any person or entity owning more than one Unit shall be entitled to cast the aggregate number of votes attributable to all Units owned.

6.4 Meetings. The By-Laws shall provide for an annual meeting of members, and may make provision for regular and special meetings of members other than the annual meeting.

ARTICLE 7
TERM OF EXISTENCE

The Association shall have perpetual existence.

ARTICLE 8
INCORPORATOR

The name and address of the Incorporator of this Corporation is:

NAME	ADDRESS
Antonio Cabrera, Jr.	Suite 555 LeJeune Center 782 North LeJeune Road Miami, Florida 33126

ARTICLE 9
OFFICERS

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

President:

Antonio Cabrera, Jr.	Suite 555 LeJeune Center 782 North LeJeune Road Miami, Florida 33126

Vice President/Treasurer/Secretary:

Juan T. O'Naghten	Suite 1100 Grand Bay Plaza 2665 South Bayshore Drive Miami, Florida 33131

ARTICLE 10
DIRECTORS

10.1 Number and Qualification. The property, business and affairs of the Association shall be managed by a board consisting of the number of directors determined in the manner provided by the By-Laws, but which shall consist of not less than three (3) directors. Directors need not be members of the Association.

10.2 Duties and Powers. All of the duties and powers of the Association existing under the Act, the Declaration, these Articles and the By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by Unit Owners when such approval is specifically required.

10.3 Election; Removal. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by and subject to the qualifications set forth in the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the By-Laws.

10.4 Term of Developer's Directors. The Developer of the Condominium shall appoint the members of the first Board of Directors and their replacements who shall hold office for the periods described in the By-Laws.

10.5 First Directors. The names and addresses of the members of the first Board of Directors who shall hold office until their successors are elected and have taken office, as provided in the By-Laws, are as follows:

NAME	ADDRESS
Antonio Cabrera, Jr.	Suite 555 LeJeune Center 782 North LeJeune Road Miami, Florida 33126
Juan T. O'Naghten	Suite 1100 Grand Bay Plaza 2665 South Bayshore Drive Miami, Florida 33131
Fernando Garcia Chacon	Suite 555 LeJeune Center 782 North LeJeune Road Miami, Florida 33126

10.6 Standards. A Director shall discharge his duties as a director, including any duties as a member of a Committee: in good faith; with the care an ordinary prudent person in a like position would exercise under similar circumstances; and in a manner reasonably believed to be in the best interests of the Association. Unless a Director has knowledge concerning a matter in question that makes reliance unwarranted, a Director, in discharging his duties, may rely on information, opinions, reports or statements, including financial statements and other data, if prepared or presented by: one or more officers or employees of the Association whom the Director reasonably believes to be reasonable and competent in the manners presented; legal counsel, public accountants or other persons as to matters the Director reasonably believes are within the persons' professional or expert competence; or a Committee of which the Director is not a member if the Director reasonably believes the Committee merits confidence. A Director is not liable for any action taken as a director, or any failure to take action, if he performed the duties of his office in compliance with the foregoing standards.

ARTICLE 11
INDEMNIFICATION

11.1 Indemnitees. The Association shall indemnify any person who was or is a party to any proceeding (other than an action by, or in the right of, the Association) by reason of the fact that he is or was a director, officer, employee or agent (each, an "Indemnitee") of the Association, against liability incurred in connection with such proceeding, including any appeal thereof, if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any proceeding by judgment, order, settlement, or conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in, or not opposed to, the best interests of the Association or, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

11.2 Indemnification. The Association shall indemnify any person, who was or is a party to any proceeding by or in the right of the Association to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee, or agent of the Association against expenses and amounts paid in settlement not exceeding, in the judgment of the board of directors, the estimated expense of litigating the proceeding to conclusion, actually and reasonably incurred in connection with the defense or settlement of such proceeding, including any appeal thereof. Such indemnification shall be authorized if such person acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association, except that no indemnification shall be made under this subsection in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable unless, and only to the extent that, the court in which such proceeding was brought, or any other court of competent jurisdiction, shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

11.3 Indemnification for Expenses. To the extent that a director, officer, employee, or agent of the Association has been successful on the merits or otherwise in defense of any proceeding referred to in subsection 11.1 or 11.2, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses actually and reasonably incurred by him in connection therewith.

11.4 Determination of Applicability. Any indemnification under subsection 11.1 or subsection 11.2, unless pursuant to a determination by a court, shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director, officer, employee, or agent is proper under the circumstances because he has met the applicable standard of conduct set forth in subsection 11.1 or subsection 11.2. Such determination shall be made:

(a) By the board of directors by a majority vote of a quorum consisting of directors who were not parties to such proceeding;

(b) If such a quorum is not obtainable or, even if obtainable, by majority vote of a Committee duly designated by the Board of Directors (in which directors who are parties may participate) consisting solely of two or more Directors not at the time parties to the proceeding;

(c) By independent legal counsel:

1. selected by the Board of Directors prescribed in paragraph 11.4(a) or the committee prescribed in paragraph 11.4(b); or

2. if a quorum of the Directors cannot be obtained for paragraph 11.4(a) and the Committee cannot be designated under paragraph 11.4(b), selected by majority vote of the full Board of Directors (in which Directors who are parties may participate); or

(d) By a majority of the voting interests of the members of the Association who were not parties to such proceeding.

11.5 Determination Regarding Expenses. Evaluation of the reasonableness of expenses and authorization of indemnification shall be made in the same manner as the determination that indemnification is permissible. However, if the determination of permissibility is made by independent legal counsel, persons specified by paragraph 11.4(c) shall evaluate the reasonableness of expenses and may authorize indemnification.

11.6 Advancing Expenses. Expenses incurred by an officer or director in defending a civil or criminal proceeding may be paid by the Association in advance of the final disposition of such proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if he is ultimately found not to be entitled to indemnification by the Association pursuant to this section. Expenses incurred by other employees and agents may be paid in advance upon such terms or conditions that the Board of Directors deems appropriate.

11.7 Exclusivity; Exclusions. The indemnification and advancement of expenses provided pursuant to this section are not exclusive, and the Association may make any other or further indemnification or advancement of expenses of any of its directors, officers, employees, or agents, under any bylaw, agreement, vote of shareholders or disinterested directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. However, indemnification or advancement of expenses shall not be made to or on behalf of any director, officer, employee, or agent if a judgment or other final adjudication establishes that his actions, or omissions to act, were material to the cause of action so adjudicated and constitute:

(a) A violation of the criminal law, unless the director, officer, employee, or agent had reasonable cause to believe his conduct was lawful or had no reasonable cause to believe his conduct was unlawful;

(b) A transaction from which the director, officer, employee, or agent derived an improper personal benefit; or

(c) Willful misconduct or a conscious disregard for the best interests of the Association in a proceeding by or in the right of the Association to procure a judgment in its favor or in a proceeding by or in the right of the members of the Association.

11.8 Continuing Effect. Indemnification and advancement of expenses as provided in this section shall continue as, unless otherwise provided when authorized or ratified, to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of such a person, unless otherwise provided when authorized or ratified.

11.9 Application to Court. Notwithstanding the failure of a Association to provide indemnification, and despite any contrary determination of the Board or of the members in the specific case, a director, officer, employee, or agent of the Association who is or was a party to a proceeding may apply for indemnification or advancement of expenses, or both, to the court conducting the proceeding, to the circuit court, or to another court of competent jurisdiction. On receipt of an application, the court, after giving any notice that it considers necessary, may order indemnification and advancement of expenses, including expenses incurred in seeking court-ordered indemnification or advancement of expenses, if it determines that:

(a) The director, officer, employee, or agent is entitled to mandatory indemnification under subsection 11.3, in which case the court shall also order the Association to pay the director reasonable expenses incurred in obtaining court-ordered indemnification or advancement of expenses;

(b) The director, officer, employee, or agent is entitled to indemnification or advancement of expenses, or both, by virtue of the exercise by the Association of its power pursuant to subsection 11.7; or

(c) The director, officer, employee, or agent is fairly and reasonably entitled to indemnification or advancement of expenses, or both, in view of all the relevant circumstances, regardless of whether such person met the standard of conduct set forth in subsection 11.1, subsection 11.2, or subsection 11.7. unless (a) a court of competent jurisdiction determines, after all available appeals have been exhausted or not pursued by the proposed indemnitee, that he did not act in good faith or acted in a manner he reasonably believed to be not in, or opposed to, the best interest of the Association, and, with respect to any criminal action or proceeding, that he had reasonable cause to believe his conduct was unlawful, and (b) such court further specifically determines that indemnification should be denied. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or did act in a manner which he reasonably believed to be not in, or opposed to, the best interest of the Association, and, with respect to any criminal action or proceeding, that he had reasonable cause to believe that his conduct was unlawful.

11.10 Definitions. For purposes of this Article 11, the term "expenses" shall be deemed to include attorneys' fees, including those for any appeals; the term "liability" shall be deemed to include obligations to pay a judgment, settlement, penalty, fine, and expenses actually and reasonably incurred with respect to a proceeding; the term "proceeding" shall be deemed to include any threatened, pending, or completed action, suit, or other type of proceeding, whether civil, criminal, administrative or investigative, and whether formal or informal; and the term "agent" shall be deemed to include a volunteer; the term "serving at the request of the Association" shall be deemed to include any service as a director, officer, employee or agent of the Association that imposes duties on such persons.

11.11 Amendment. Anything to the contrary herein notwithstanding, no amendment to the provisions of this Article 11 shall be applicable as to any party eligible for indemnification hereunder who has not given his prior written consent to such amendment.

ARTICLE 12
BY-LAWS

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

ARTICLE 13
AMENDMENTS

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

13.1 Notice. Notice of a proposed amendment shall be included in the notice of any meeting at which the proposed amendment is to be considered and shall be otherwise given in the time and manner provided in Chapter 617, Florida Statutes. Such notice shall contain the proposed amendment or a summary of the changes to be affected thereby.

13.2 Adoption. Amendments shall be proposed and adopted in the manner provided in Chapter 617, Florida Statutes and in the Act (the latter to control over the former to the extent provided for in the Act).

13.3 Limitation. No amendment shall make any changes in the qualifications for membership, nor in the voting rights or property rights of members, nor any changes in 5.3, 5.4 or 5.5, without the approval in writing of all members and the joinder of all record owners of mortgages upon Units. No amendment shall be made that is in conflict with the Act, the

Declaration or the By-Laws, nor shall any amendment make any changes which would in any way affect any of the rights, privileges, powers or options herein provided in favor of or reserved to the Developer and/or Institutional First Mortgagees, unless the Developer and/or the Institutional First Mortgagees, as applicable, shall join in the execution of the amendment. No amendment to this paragraph 13.3 shall be effective.

13.4 Developer Amendments. Notwithstanding anything herein contained to the contrary, to the extent lawful, the Developer may amend these Articles consistent with the provisions of the Declaration allowing certain amendments to be effected by the Developer alone.

13.5 Recording. A copy of each amendment shall be filed with the Secretary of State pursuant to the provisions of applicable Florida law, and a copy certified by the Secretary of State shall be recorded in the public records of Miami-Dade County, Florida with an identification on the first page thereof of the book and page of said public records where the Declaration was recorded which contains, as an exhibit, the initial recording of these Articles.

ARTICLE 14
INITIAL REGISTERED OFFICE;
ADDRESS AND NAME OF REGISTERED AGENT

The initial registered office of this corporation shall be at Suite 555 LeJeune Center, 782 North LeJeune Road, Miami, Florida, 33126, with the privilege of having its office and branch offices at other places within or without the State of Florida. The initial registered agent at that address shall be Antonio Cabrera, Jr.

IN WITNESS WHEREOF, the Incorporator has affixed his signature the day and year set forth below.

____

____

CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR THE SERVICE OF PROCESS WITHIN THIS STATE, NAMING AGENT UPON WHOM PROCESS MAY BE SERVED

In compliance with the laws of Florida, the following is submitted:

First -- That desiring to organize under the laws of the State of Florida with its principal office, as indicated in the foregoing articles of incorporation, in the County of Miami-Dade, State of Florida, the Association named in the said articles has named Antonio Cabrera, Jr., located at Suite 555 LeJeune Center, 782 North LeJeune Road, Miami, Florida, 33126, as its statutory registered agent.

Having been named the statutory agent of said Association at the place designated in this certificate, I am familiar with the obligations of that position, and hereby accept the same and agree to act in this capacity, and agree to comply with the provisions of Florida law relative to keeping the registered office open.

____

____

DATED this ______ day of _______________, 1998.

EXHIBIT "B"

The Fountains at Fontainebleau Condominium No THREE
9320 Fontainebleau Boulevard
Miami, Florida 33172
January 1, 1998 - December 31, 1998
87 Units

MAINTENANCE BUDGET	Monthly	Annual
Administration		
Accounting	$200	$2,400
Legal	$100	$1,200
Licenses, Fees, & Office Matters	$50	$600
Insurance/Taxes	$1,360	$16,320
Management Fees	N/A	N/A
Subtotal	$1,710	$20,520
Bldg. Maintenance		
Bldg. Common Area Cleaning	$600	$7,200
Elevators	$350	$4,200
Fire Alarm System	$65	$780
Trash	$1,100	$13,200
Utilities (electric)	$1,100	$13,200
Water & Sewer	$2,900	$34,800
Subtotal	$6,115	$73,380
Division Fees		
Fees to the Division ($4 per unit)	$28	$348
Miscellaneous		
Rent for Recreational and other commonly used facilities	N/A	N/A
Taxes on Leased Areas	N/A	N/A
Security	N/A	N/A
Operating Capital	$318	$3,828
Expenses for Unit Owner	N/A	N/A
Total	$8,173	$98,076
Reserves	Monthly	Annual
Condo One Bldg. Reserve (roof & paint)		
Roofing System in place		
Estimated replacement cost $40,080		
Anticipated useful life 15 years		
Anticipated remaining life 10 years		
Amount in RESERVE currently $0.00		
Roof Replacement in TEN YEARS	$334	$4,008
Complete Painting of Building		
Estimated replacement cost $28,080		
Anticipated useful life 10 years		
Anticipated remaining life 10 years (new)		
Amount in RESERVE currently $0.00		
Re-painting building in TEN YEARS	$234	$2,808
Pavement Resurfacing (in Homeowners' Association)	N/A	N/A
Subtotal	$568	$6,816
TOTAL	$8,741	$104,893
INCOME TO ASSOCIATION		
Laundry Facilities	$900	$10,800
Vending Machines	$55	$660
TOTAL INCOME	$955	$11,460
TOTAL (Expenses less Income)		
Without Reserves	$7,218	$86,616
With Reserves	$7,786	$93,433

The Fountains at Fontainebleau Homeowners' Association, Inc.
9330 Fountainebleau Blvd.
Miami, Florida 33172
January 1, 1998 - December 31, 1998
348 Units

Master Association Expense Allocation	Monthly	Annual
Common Landscaped Areas	$1,800	$21,600
Accounting	$800	$9,600
Legal	$400	$4,800
Insurance	$1,200	$14,400
Assoc. Administration & Management Fee	$4,400	$52,800
Pool Supplies & Maintenance	$1,600	$19,200
Security	$4,800	$57,600
Recreation Bldg. Maint. Including pest control	$800	$9,600
Licenses, Fees & Office Matris.	$300	$3,600
Water & Sewer	$1,600	$19,200
Utilities (electric)	$1,200	$14,400
Rent for recreational and other commonly used facilities	N/A	N/A
Taxes upon leased areas	N/A	N/A
Taxes upon association property	N/A	N/A
Other Expenses (telephone)	$136	$1,632
Operational Capital	N/A	N/A
Subtotal	$\boxed{\$19,036}$	$228,432

Reserves

Master Association Reserve Allocation		
Entry, Parking, Rec. Bldg. & Misc. (Allowance)		
Estimated replacement cost $120,000		
Anticipated useful life 10 years		
Anticipated remaining life 10 years (new)		
Amount in RESERVE currently $0.00		
Repainting building in TEN YEARS	$1,000	$12,000
Subtotal	$1,000	$12,000
TOTAL	$20,036	$240,432

NOTES TO ESTIMATED OPERATING BUDGET

1. The level of monthly assessments to the condominium association for each unit is guaranteed by the Developer in the amount set forth above as "Assessments per Unit - With Reserves" for the time period and under the conditions stated in the provisions of Section 13.7 of the Declaration of Condominium. Please note, however, that in addition to the amounts payable to the condominium association, each Unit Owner shall be obligated to pay assessments to the Homeowners' Association. The amount of the Homeowners' Association assessments is set forth in the estimated Homeowners' Association operating budget set forth hereinafter. The assessments payable to the Homeowners' Association are not guaranteed in any manner.

2. It is intended that the Developer, as the sole Unit Owner upon the formation of the Condominium, will elect to provide any reserves for the initial year of the Condominium Association. Thereafter, on an annual basis, a majority vote at a duly called meeting of the Condominium Association may vote to not to provide any reserves. If an election is in fact made to waive reserves, the assessments per unit payable to the Condominium Association will be as set forth in the Estimated Operating Budget as "Assessments per Unit - Without Reserves".

3. Assessments per Unit have been rounded.

4. The following is a description of units by unit type:

Unit Type	Units
A	106, 110, 205, 206, 210, 211, 305, 306, 310, 311, 405, 406, 410, 411, 505, 506, 510, 511, 605, 606, 610, 611
B	104, 107, 109, 112, 203, 204, 207, 209, 212, 213, 303, 304, 307, 309, 312, 313, 403, 404, 407, 409, 412, 413, 503, 504, 507, 509, 512, 513, 603, 604, 607, 609, 612, 613
C	208, 308, 408, 508, 608
D	101, 102, 114, 115, 201, 202, 214, 215, 301, 302, 314, 315, 401, 402, 414, 415, 501, 502, 514, 515, 601, 602, 614, 615
E	105, 111

5. The allocation of Assessments per Unit assumes that the Association will be receiving annual income from the operation of the laundry facilities in the amount of $10,800.00 and annual income from the operation of vending machines in the amount of $660.00.

UNIT: ____________________

PURCHASER: ____________________

DATE OF AGREEMENT: ____________________

EXHIBIT "C"

FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM No THREE
PURCHASE AGREEMENT

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

In this Agreement, the term "Buyer" means or refers to the buyer or buyers listed below who have signed this Agreement. The word "Seller" means or refers to **The Fountains of Fontainbleau Ltd., a Florida limited partnership.**

If the first letter of a word is capitalized in this Agreement, that word will have the meaning given to it in this Agreement or in the Declaration (as defined in paragraph 1 of this Agreement).

Buyer(s): ____________________

Address: ____________________

____

City: ____________ State: ____________

Country: ____________ Zip Code: ____________

Home Phone: ____________ Office Phone: ____________

Tax I.D. No.: ____________ Fax. No. ____________

1. Purchase and Sale. Buyer agrees to buy, and Seller agrees to sell (on the terms and conditions contained in this Agreement), Unit ____________, (the "Unit") in the proposed **FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM No THREE** (the "Condominium"). The Unit and the Condominium are described in greater detail in the proposed Declaration of Condominium (the "Declaration") included in the Prospectus and attached exhibits (the "Condominium Documents"). Buyer acknowledges receipt of the Condominium Documents and all documents required by Section 718.503, Florida Statutes, to be furnished by a developer to a Buyer, on or before the date of this Agreement.

The total purchase price for the Unit is $____________ (the "Purchase Price").

The Unit has been previously occupied. If the Unit is presently subject to a lease (the "Lease"), a copy of the Lease is attached hereto, and Buyer agrees that title to the Unit shall be subject to the rights of the Tenant under the Lease in addition to the other permitted exceptions set forth in paragraph 12 below.

2. Payment of the Purchase Price. Buyer agrees to make the following payments against the Purchase Price:

Payment	Due Date	Amount
Initial Deposit (if any)	Upon execution of this Agreement	$________
Balance of ____% of Purchase Price	Within 15 days following execution of Agreement	$________
Additional Deposit (___% of Purchase Price)	________	$________
________	________	$________
Balance	At Closing	$________
Total Purchase Price		$________

Deposits may be made by personal check (subject to clearance). **The balance due at closing must be paid by wire transfer of federal funds or cashier's check drawn and payable on a Florida banking institution.** All payments must be made in United States funds and all checks must be payable on a bank located in the Continental United States. If Buyer fails to pay any deposit on time, and Seller agrees to accept it on a later date (which Seller is not obligated to do), Buyer will pay a late funding charge equal to interest on such deposit at the then applicable highest lawful rate from the date due until the date received and cleared by Seller.

Buyer also agrees to pay all closing costs and other sums required to be paid by Buyer in this Agreement. At the present time, the closing costs for which dollar amounts can be computed are:

(a)	1.5% Closing Charge	-	$__________
(b)	Initial Contribution to the Condominium and Homeowners' Associations	-	$__________

These charges are subject to change as provided in paragraph 13 of this Agreement and are explained in more detail in that paragraph, as are other closing costs which cannot be computed at this time.

3. <u>How Buyer Pays</u>. Buyer understands and agrees that Buyer will be obligated to pay "all cash" at closing. This Agreement and Buyer's obligations under this Agreement to purchase the Unit will not depend on whether or not Buyer qualifies for or obtains a mortgage from any lender. Buyer will be solely responsible for making Buyer's own financial arrangements. Seller agrees, however, to cooperate with any lender Buyer chooses and to coordinate closing with such lender, if, but only if, such lender meets the Seller's closing schedule and pays Seller the proceeds of its mortgage at closing. Although Seller does not have to do so, if Seller agrees to delay closing until Buyer's lender is ready, or to wait for funding from Buyer's lender until after closing, or to accept a portion of the sums due at closing in the form of a personal check, Buyer agrees to pay Seller a late funding charge equal to interest, at the then highest applicable lawful rate on all funds due Seller which have not then been paid to Seller (and, with regard to personal checks, which have not then cleared) from the date Seller originally scheduled closing to the date of actual payment (and, with regard to personal checks, to the date of final clearance). This late funding charge may be estimated and charged by Seller at closing. Seller's estimate will be adjusted after closing based on actual funding and clearance dates upon either Seller's or Buyer's written request. In the event that Buyer's lender does not pay Seller all proceeds at closing, Buyer will not be allowed to take possession of the Unit until Seller actually receives the funds and they have cleared. The foregoing paragraph will survive (continue to be effective after) closing.

4. <u>Deposits</u>. Inasmuch as construction of the improvements has been substantially completed in accordance with the requirements of Section 718.202, Florida Statutes, Seller is not required to hold Buyer's deposits in escrow. Notwithstanding the foregoing, Seller has agreed that all of Buyer's deposits shall be held in escrow until such time as same are to be disbursed in accordance with the terms of this Agreement. Except where expressly provided herein to the contrary or otherwise required by law, all interest earned on Buyer's deposits shall accrue solely to the benefit of Seller and shall not be credited against the purchase price of the Unit at closing. At closing, all deposits not previously disbursed to Seller (and any interest actually earned) will be released to Seller, but Buyer will not be entitled to a credit against the purchase price for any interest earned. If Buyer defaults, Seller is entitled to retain all deposits (and any interest actually earned on them). If Buyer properly terminates this Agreement in the manner allowed in this Agreement or by applicable law, all deposits (and any interest actually earned on them, if any) will be returned to Buyer within fifteen (15) days after the effective date of Buyer's cancellation, or the date Buyer's deposit check(s) clears, if later. In the balance of this Agreement, whichever party is entitled to the deposit will also be entitled to any interest earned on it, provided that Buyer will not be entitled to a credit against the purchase price for the Unit for any interest earned. No interest will be assumed to be earned, however, under any circumstances if not actually earned. Buyer recognizes that if Seller uses all or any portion of the deposits, or if all or any portion of the deposits are retained in non-interest bearing accounts, no interest will be earned or be deemed to be earned (even if Seller indirectly benefits from any such use or retention). Furthermore, Seller may select the type of account in which to invest the deposits in its sole and absolute discretion, and nothing in this Agreement shall require Seller to place the deposits in an interest bearing account.

5. <u>Seller's Financing</u>. Seller may borrow money from lenders secured by the Condominium Property. Buyer agrees that any lender advancing funds for Seller's use in connection with the Condominium will have a prior mortgage on the Unit and the Condominium until closing. At that time, Seller shall cause the then applicable mortgages to be released as an encumbrance against the Unit and may use Buyer's closing proceeds for such purpose. Neither this Agreement, nor Buyer's payment of deposits, will give Buyer any lien or claim against the Unit or the Condominium. Without limiting the generality of the foregoing, Buyer's rights under this Agreement will be subordinate to all mortgages (and all modifications made to those mortgages) affecting the Unit or the Condominium even if those mortgages (or modifications) are made or recorded after the date of this Agreement.

6. Insulation; Energy Efficiency. Seller has advised Buyer, as required by the rules of the Federal Trade Commission, that, in connection with the Unit, the following insulation has been installed: batt insulation on the interior walls, board insulation on the exterior walls and slab insulation of varying widths and an average R-Value of R-19 on the roof. This R-value information is based solely on the information given by the appropriate manufacturers and Buyer agrees that Seller is not responsible for the manufacturers' errors.

To the extent required by applicable law, each purchaser may have the Condominium building's energy efficiency rating determined, at Buyer's sole cost and expense. To the extent required by law, Buyer has received an information brochure, prepared by the Department of Community Affairs, regarding energy efficiency ratings.

All insulation and energy efficiency rating information is subject to Seller's general right, under paragraphs 7, 28 and 30, to make changes in Seller's Plans and Specifications, and to applicable limitations of Seller's liability to Buyer

7. Inspection. [*Check One*]

____ Because the Unit and the Condominium are substantially complete as of the date Buyer signs this Agreement, Buyer acknowledges and agrees that Buyer has inspected the Unit and the Condominium and has had the opportunity to examine the plans and specifications (including all changes thereto to date) for the Unit and Condominium, all of which are located in Seller's offices and, by signing this Agreement, Buyer agrees to accept the Unit and the Condominium in their "AS IS, WHERE-IS" condition, subject to the provisions of paragraph 30 below. This means that Buyer has no claim against Seller for any matters Buyer discovered (or should have discovered) when Buyer inspected or had the opportunity to inspect) the Unit and Condominium (and the plans, specifications and changes therefor). Without limiting the generality of the foregoing, Buyer acknowledges that Seller has requested Buyer to inspect the condition of the Unit, generally, and at that time also to make Buyer's own specific determinations as to the area and dimensions of the Unit and its Limited Common Elements, if any. If any previous inspection did not include an examination of such general conditions or these areas and dimensions, Buyer agrees to make such inspection and examination within fifteen (15) days of the date Buyer signs this Agreement (that is, during the period in which Buyer may cancel this Agreement for any reason at all). If, within this time, Buyer conducts such inspection as permitted by the foregoing sentence, and does not cancel this Agreement, or if Buyer does not make this specific inspection at all, Buyer will be deemed to have accepted the Unit and its Limited Common Elements without reservations or claims as to their general condition, area, dimensions or otherwise.

____ Although the Unit is substantially complete, Seller has agreed to make certain improvements to the Unit prior to closing. Buyer will be given an opportunity prior to closing, on the date and at the time scheduled by Seller, to inspect the Unit with Seller's representative. At that time, Buyer will sign an inspection statement listing any defects in workmanship or materials (only within the boundaries of the Unit, itself) which Buyer discovers. If any item listed is actually defective in workmanship or materials in Seller's opinion (keeping in mind the construction standards applicable in Miami-Dade County, Florida for similar property), Seller will be obligated to correct those defects at its cost within a reasonable period of time after closing, but Seller's obligation to correct will not be grounds for deferring the closing, nor for imposing any condition on closing. **No escrows or holdbacks of closing funds will be permitted.** If Buyer fails to take advantage of the right to a pre-closing inspection on the date and time scheduled, Seller will not be obligated to reschedule an inspection prior to closing.

Buyer acknowledges that all matters pertaining to the initial construction of the Unit will be handled by Seller and Seller's representatives. Buyer agrees not to interfere with or interrupt any workmen at the site of the Unit. No personal inspections (other than the one pre-closing inspection) will be permitted. Buyer may not order any work on the Unit, other than prepaid options or extras that Seller agrees in writing to provide, until after closing. **Buyer recognizes that Seller is not obligated to agree to provide extras or options.** Buyer can examine Seller's Plans and Specifications at Seller's business office, located on site during regular business hours by making an appointment to do so in advance.

The provisions of this paragraph 7 will continue to be effective after (survive) closing.

8. Presale Contingency. **Notwithstanding any contrary provision of this Agreement, Seller shall have the right to cancel this Agreement and cause Buyer's deposits to be refunded in the event that Seller does not enter into binding contracts to sell at least fifty percent (50%) of the units in the Condominium.** Seller must, however, notify Buyer of such a termination within one hundred eighty (180) days from the date on which the first purchaser of a unit in the Condominium executes a binding purchase agreement for such unit, otherwise Seller will be required to proceed to perform its obligations under this Agreement. This paragraph shall not delay the effectiveness of this Agreement, which shall be immediate, but, rather, shall be deemed a "condition subsequent" to this Agreement. In the event of Seller's termination of this Agreement pursuant to this paragraph, upon such termination and the

return of Buyer's deposits, Seller and Buyer will be fully relieved and released from all obligations and liabilities under and in connection with this Agreement. Seller agrees to use its good efforts to meet the foregoing pre-sale requirement.

9. Conversion. Buyer understands and agrees that the Condominium is a conversion of a previously existing apartment complex. Buyer acknowledges having received a copy of the inspection report prepared by Sackman 2, Inc., dated July 7, 1998, which discloses the condition of various components of the Condominium. Additionally, Buyer has received a copy of a termite inspection report prepared by a Florida licensed pest operator showing that the Condominium is free from termite infestation. Buyer agrees that inasmuch as Seller was not the party responsible for the construction of the improvements constituting the Condominium, that Buyer is relying upon its own inspection of the Condominium and the foregoing inspection reports in making the determination to purchase the Unit, and Buyer has not relied upon any representations of Seller (nor has Seller made any representations) regarding the condition of the Unit or the Condominium improvements.

10. Completion. [*Check One*]

____ The Unit is substantially completed and a certificate of occupancy for the Unit has been issued by the applicable governmental authority.

____ The Unit is substantially complete, but Seller has agreed to make certain changes/upgrades to the Unit prior to Closing. Seller agrees to substantially complete such changes, in the manner specified in this paragraph, by a date no later than one hundred twenty (120) days from the date Buyer signs this Agreement, subject, however, only to delays caused by matters which are legally recognized as defenses to contract actions in the jurisdiction where the building is being erected.

Whenever this Agreement requires Seller to complete or substantially complete an item of construction, that item will be understood to be complete or substantially complete when so complete or substantially complete in Seller's opinion.

11. Closing Date. Seller estimates that the closing of the Unit will occur on or about ninety (90) days following execution of this Agreement, however, Buyer acknowledges and agrees, however, that this estimate is given to Buyer for convenience only and is subject to change from time to time for any reason and without creating any liability to Buyer. Buyer understands that Seller has the right to schedule the exact date, time and place for closing. Before Seller can require Buyer to close, however, Seller must obtain the acceptance of the filing for the Condominium from the Division of Florida Land Sales, Condominiums and Mobile Homes and must record the Declaration and related documents in the Miami-Dade County public records, if not yet recorded.

Buyer will be given at least ten (10) days' notice of the date, time and place of closing, except in the event that Buyer's lender, if any, requires closing to be held on less than ten (10) days' notice, in which event, Buyer shall close upon demand of Buyer's lender. Seller is authorized to postpone the closing for any reason and Buyer will close on the new date, time and place specified in a notice of postponement (as long as at least 3 days' notice of the new date, time and place is given). A change of time or place of closing only (one not involving a change of date) will not require any additional notice period. Any formal notice of closing, postponement or rescheduling may be given orally, by telephone, telegraph, telex, telecopy, mail or other reasonable means of communication at Seller's option. All of these notices will be sent or directed to the address, or given by use of the information specified on Page 1 of this Agreement unless Seller has received written notice from Buyer of any change prior to the date the notice is given. These notices will be effective on the date given or mailed (as appropriate). An affidavit of one of Seller's employees or agents stating that this notice was given or mailed will be conclusive.

After the notice is given or mailed, and if requested in writing by Buyer, Seller will send a written confirmation of the closing, together with a draft closing statement and other pertinent information and instructions. This written confirmation is given merely as a courtesy and is not the formal notice to close. Accordingly, it does not need to be received by any particular date prior to closing. Buyer agrees, however, to follow all instructions given in any formal notice and written confirmation.

If Buyer fails to receive any of these notices or the confirmation because Buyer failed to advise Seller of any change of address or phone, telecopy or telex number, because Buyer has failed to pick up a letter when he has been advised of an attempted delivery or because of any other reason, Buyer will not be relieved of his obligation to close on the scheduled date unless Seller agrees in writing to postpone the scheduled date.

If Seller agrees in writing to reschedule closing at Buyer's request, or if Buyer is a corporation and Buyer fails to produce the necessary corporate papers Seller requests and, as a result, closing is delayed, or if closing is delayed for any other reason (except for a delay desired, requested or caused by Seller), Buyer agrees to pay at closing a late funding charge equal to interest, at the then highest applicable lawful rate, on that portion of the purchase price not then paid to Seller (and cleared), from the date Seller originally scheduled closing to the date of actual closing. All prorations will be made as of the originally scheduled date. **Buyer understands that Seller is not required to reschedule or to permit a delay in closing.**

12. Closing. The term "closing" refers to the time when Seller delivers the deed to the Unit to Buyer and ownership changes hands. Buyer's ownership is referred to as "title". Seller promises that the title Buyer will receive at closing will be good, marketable and insurable (subject to the permitted exceptions listed or referred to below).

Buyer will receive two (2) documents at closing which Buyer agrees to accept as proof that Buyer's title is as represented above:

(a) A written commitment from a title insurance company licensed in Florida agreeing to issue a policy insuring title (American Land Title Association Owner's Policy, Standard Form B) or the policy itself. This commitment (or policy) will list any exceptions to title. Permitted exceptions (exceptions which Buyer agrees to take title subject to) are:

i Liability for all taxes or assessments affecting the Unit starting the year Buyer receives title and continuing thereafter;

ii All laws, and all restrictions, covenants, conditions, limitations, agreements, reservations and easements recorded in the public records. For example, zoning restrictions, property use limitations and obligations, easements (rights-of-way) and agreements relating to telephone lines, water and sewer lines and other utilities;

iii The restrictions, covenants, conditions, easements, terms and other provisions imposed by the documents contained or referred to in the Condominium Documents (and any other documents which Seller, in its sole discretion, believes to be necessary or appropriate) which are recorded, now or at any time after the date of this Agreement, in the public records;

iv The restrictions, covenants, terms and other provisions contained in the Declaration of Covenants, Restrictions and Easements for The Fountains at Fontainebleau recorded or to be recorded in the Public Records of Miami-Dade County, Florida, as amended and supplemented from time to time.

v Pending governmental liens for public purposes as of closing (Seller will be responsible, however, for certified governmental liens as of closing; provided, however, that to the extent that any such certified liens are payable in installments, Seller shall only be responsible for those installments due prior to closing, and Buyer hereby assumes all installments coming due after closing);

vi The rights of the lessee under that certain Laundry Space Lease dated August 27, 1997 by and between Seller and Cleanco, Inc;

vii Standard exceptions for water-front property and artificially filled-in property which once was in navigable waters and all other standard exceptions for similar property;

viii All standard printed exceptions contained in an ALTA Owner's title insurance policy issued in Miami-Dade County, Florida.

ix Any matters not listed above as long as affirmative title insurance is given for these matters.

Buyer understands, however, that no limitation on Buyer's title prohibits construction of the Unit, nor the use of it as a residence, subject to the Condominium Documents.

(b) A Special Warranty Deed. At closing, Seller promises to give Buyer a special warranty deed to the Unit. The special warranty deed will be subject to (that is, contain exceptions for) all of the matters described above and taxes as described below.

Buyer will also receive at closing a bill of sale for any appliances included in the Unit and Seller's form of owner's ("no lien") affidavit and FIRPTA (non-foreign) affidavit. When Buyer receives the special warranty deed at closing, Buyer will sign all papers that Seller deems necessary or appropriate.

If Seller cannot provide the quality of title described above, Seller will have a reasonable period of time (at least sixty (60) days) to correct any defects in title, but Seller is not obligated to do so. If Seller cannot or elects not to correct the title defects, Buyer will have two options:

a. Buyer can accept title in the condition Seller offers it (with defects) and pay the full purchase price for the Unit with exceptions for such title matters to be contained in the special warranty deed for the Unit. Buyer will not make any claims against Seller because of the defects; or

b. Buyer can cancel this Agreement and receive a full refund of Buyer's deposits. Seller will be relieved of all obligations under this Agreement (and otherwise) when Seller refunds the deposits to Buyer.

At the same time Buyer receives the special warranty deed, Buyer shall pay the balance of the purchase price and any additional amounts owed under this Agreement. Until all sums have been received and cleared, Seller will be entitled to a vendor's lien on the Unit (which Buyer will grant to Seller in writing at closing at Seller's request or thereafter).

13. <u>Closing Costs</u>. Buyer understands that, in addition to the purchase price for the Unit, Buyer must pay certain other fees or "closing costs" when the title is delivered to Buyer at closing. These include:

(a) A "closing charge" equal to one and a half percent (1.5%) of the Purchase Price (and of any charges for options or extras now or hereafter contracted for which are not included in the Purchase Price). This charge will be used, in part, to pay for the costs of officially recording the deed, for documentary stamp taxes, for the premium for the owner's title insurance policy and in reimbursement for certain of Seller's closing administration expenses and Seller's attorneys' fees in connection with closing (all of which costs will be paid for by Seller). The foregoing one and a half percent (1.5%) closing charge is based on the assumption that documentary stamp taxes on the special warranty deed will be, at closing, at the rate of $.60 for each $100.00 of Purchase Price and that no surtax is applicable to the subject transaction. In the event of changes in the foregoing, the imposition of any surtax or any new governmental tax or charge on deeds, appropriate additional charges (in the case of increases) or credits (in the case of decreases) will be paid by or credited to Buyer at closing.

(b) Loan fees, closing costs, escrows, appraisals, credit fees, lender's title insurance premiums, prepayments and all other expenses charged by any lender giving Buyer a mortgage, if applicable. Additionally, if Buyer obtains a loan and elects to have Seller's closing agent act as "loan" closing agent as well, Buyer agrees to pay, in addition to any other sums described in this Agreement, such closing agent an aggregate sum equal to $600.00, plus reimbursement of applicable costs, for the agent's title examination, title searching and closing services related to acting as "loan closing agent". The amount of all lender's charges is now unknown. Furthermore, if Buyer obtains a loan, Buyer shall pay to Seller, in addition to the other sums described in this Agreement, the sum of $250.00 to reimburse Seller for the additional costs it will incur in connection with Seller's coordination of closing with Buyer's lender. Notwithstanding any of the references in this paragraph to coordinating closing with any lender that Buyer may elect to obtain, nothing herein shall be deemed to make this Agreement, or Buyer's obligations under this Agreement, conditional or contingent in any manner on Buyer obtaining a loan to finance any portion of the Purchase Price; it being the agreement of Buyer that the provisions of paragraph 3 of this Agreement shall be paramount and that Buyer shall be obligated to close "all cash".

(c) A working capital contribution in an amount equal to twice the monthly maintenance charge owed to the Condominium and Homeowners' which charges are payable directly to the respective Associations to provide them with initial capital. These contributions will not be credited against regular assessments. Assuming no change in the current regular periodic assessments for the Unit, these charges will be in the amount shown in paragraph 2 of this Agreement. These charges may change, however, if the applicable monthly assessments change prior to closing (see paragraph 18).

(d) A charge of $250.00 for preparation of all documentation required to convey the Unit from Seller to Purchaser.

(e) A reimbursement to Seller for any utility, cable or interactive communication deposits or hook-up fees which Seller may have advanced prior to closing for the Unit. The amount of this charge is now unknown.

(f) Any charge for any options or upgrading of standard items included, or to be included, in the Unit as agreed to in writing by both Buyer and Seller.

(g) A charge of $195.00 for title examination and a computer update and recertification of title to the Unit.

(h) Reimbursement to Seller, and/or Seller's closing agents, for charges incurred in connection with coordinating closing with Buyer and/or Buyer's lender, including, without limitation, charges for messenger expenses, long distance telephone calls, photocopying expenses, telecopying charges and others. The amount of these charges is now unknown, but shall not exceed $100.00.

(i) The late funding charges provided for elsewhere in this Agreement. The amount of any such charges is now unknown.

Current expenses of the Unit (for example, taxes and governmental assessments, levies and/or use fees and current monthly assessments of the Condominium Association and Homeowners' Association) will be prorated between Buyer and Seller as of the date of closing. Additionally, at closing, Buyer shall be obligated to prepay the next periodic maintenance assessments to the Associations. If taxes for the year of closing are assessed on the Condominium as a whole, Buyer shall pay Seller, at closing, the Unit's allocable share of those taxes (as estimated by Seller and subject to reproration when the actual tax bill is available) for the Unit from the date of closing through the end of the applicable calendar year of closing. If taxes for the year of closing are assessed on a unit-by-unit basis, Buyer and Seller shall prorate taxes as of the closing date based upon the actual tax bill, if available, or an estimate by Seller, if not available, with Buyer responsible for paying the full amount of the tax bill and Seller reimbursing Buyer for Seller's prorated share of those taxes. Buyer agrees that Seller's prorated share of the taxes due as of closing need not be paid to Buyer, however, until the actual tax bill is presented to Seller, and any proration based on an estimate of the current year's taxes shall be subject to reproration upon request of either party. This subparagraph shall survive (continue to be effective after) closing.

14. Adjustments with the Associations. Buyer understands that Seller may advance money to either or both of the Associations to permit it or them to pay for certain of its expenses (for example, but without limitation, insurance premiums, common element utility and/or cable or other interactive communication charges and deposits, permit and license fees, charges for service contracts, salaries of employees of the Association and other similar expenses). Seller is entitled to be reimbursed by the appropriate Association for all of these sums advanced by Seller. The applicable Association(s) will reimburse Seller out of initial contributions and regular assessments paid by Buyer and other owners as those contributions and assessments are collected, or as otherwise requested by Seller. Seller also, at its election, may receive reimbursement for these payments by way of a credit against any sums it may become obligated to pay to the applicable Association(s). No initial contributions of purchasers to the Condominium Association may be used for such purposes, however, as long as any guaranty by Seller of such Association's assessments is in effect.

15. Default. If Buyer fails to perform any of Buyer's obligations under this Agreement (including making scheduled deposits and other payments) Buyer will be in "default". If Buyer is still in default ten (10) days after Seller sends Buyer notice thereof, Seller shall be entitled to the remedies provided herein. **If, however, Buyer's default is in failing to close on the scheduled date, then Seller can cancel this Agreement without giving Buyer any prior (or subsequent) notification or opportunity to close at a later date.**

Upon Buyer's default (and the expiration of any notice period, if applicable), all Buyer's rights under this Agreement will end and Seller can resell the Unit without any accounting to Buyer. Buyer understands that because Seller has taken the Unit off the market for Buyer, has spent money on sales, advertising and promotion and has incurred other costs incident to this sale, Buyer's default will damage Seller. As compensation for this damage, in the event Seller cancels this Agreement because of Buyer's default, Buyer authorizes Seller to keep (or if not then paid by Buyer, Buyer will pay to Seller) all deposits and other pre-closing advance payments (including, without limitation, those on options, extras, upgrades and the like) Buyer has then made (and which would have been required to have been made had Buyer not defaulted) and all interest which was, or would have been, earned on them, all as liquidated damages (and not as a penalty). Buyer and Seller agree to this because there is no other precise method of determining Seller's damages. Alternatively, Seller will have the right to specifically enforce this Agreement, but will not sue Buyer for any other damages. If Buyer defaults, Buyer promises not to sue for the return of any part of Buyer's deposits or other payments. Any damage or loss that occurs to the Property while Buyer is in default will not affect Seller's right to liquidated damages. The remedies afforded Seller in this paragraph as a result of a default by Buyer constitute Seller's sole and exclusive remedies.

If Seller defaults under this Agreement, Buyer will give Seller ten (10) days' notice of it and if Seller has not cured the default within such period, Buyer will have such rights as may be available in equity and/or under applicable law. Notwithstanding the foregoing, if the default alleged by Buyer is with respect to Seller's substantial completion obligation set forth in paragraph 10 above, Seller shall not be entitled to the curative period described above to the extent that same would be deemed to extend seller's completion obligation in a manner which would not be permitted if the exemption of this sale from the Interstate Land Sales Full Disclosure Act pursuant to 15 U.S.C. § 1702(a)(2) is to apply.

This paragraph will survive (continue to be effective after) closing.

16. Certain Items and Materials. Those certain items described on **Exhibit "A"** attached hereto are included in the sale of the Unit. Buyer understands and agrees that certain other items, which may include the following, which may be seen in models (if any) or in illustrations, are not included with the sale of the Unit: wall coverings (including paint other than base primer), accent light fixtures, wall ornaments, drapes, blinds, furniture, knickknacks and other decorator accessories, lamps, mirrors, graphics, pictures, plants, wall-hung shelves, wet bars, intercoms, sound systems, kitchen accessories, linens, window shades, certain built-in fixtures, carpets or other floor coverings and colors, wood trim, other upgraded items, balcony treatments (e.g., tile, brick, chattahoochee, scored concrete or wood trim), barbecues, planters, window screens, landscaping and any other items of this nature which may be added or deleted by Seller from time to time. This list of items (which is not all-inclusive) is provided as an illustration of the type of items built-in or placed upon the models (if any) or shown in illustrations strictly for the purpose of decoration and example only. Items such as these will not be included in the Unit unless specifically provided for in a Rider or Schedule to this Agreement signed by both Buyer and Seller. Certain of these items may not even be available. In the event that Seller does provide any of these or other items, however, Buyer agrees to accept them, although not requested by Buyer, as long as Buyer is not required to pay for such items. There is no obligation for Seller to provide models, but if so provided, the foregoing disclaimers will apply.

Buyer further understands and agrees that certain items, if included with the Unit, such as tile, marble, cabinets, wood, stain, grout, wall and ceiling textures and carpeting, are subject to size and color variations, grain and quality variations, and may vary in accordance with price, availability and changes by manufacturer from those shown in the models or in illustrations or included in Seller's Plans and Specifications or in the published list of standard items (if any). If circumstances arise which, in Seller's opinion, warrant changes of suppliers, manufacturers, brand names or items, Seller may substitute equipment, material, appliances, etc., with items which in Seller's opinion are of equal or better quality (regardless of cost). Buyer also understands and acknowledges that Seller has the right to substitute or change materials and/or stain colors utilized in wood decor (if any). Buyer recognizes that certain colors as shown in displays or in the models, including, but not limited to, carpeting and wood stain, will weather and fade and may not be duplicated precisely.

If Seller allows Buyer to select certain colors and/or materials in the Unit (which Seller is not obligated to do), Buyer understands and agrees that Buyer must submit his selections to Seller in writing within fourteen (14) days after the date the list of selections (if any) is made available to Buyer. If these selections (if any) are not delivered to Seller in writing within the time period stated above, then it is agreed and understood that the choices will be made by Seller in Seller's sole discretion.

The agreements and waivers of Buyer contained in this paragraph will survive (continue to be effective after) closing.

17. Litigation. In the event of any litigation between the parties under this Agreement, the prevailing party shall be entitled to reasonable attorney's fees and court costs at all trial and appellate levels. This paragraph will survive (continue to be effective after) any termination of this Agreement, but shall otherwise be deemed merged into the deed at closing.

18. Maintenance Fee. Buyer understands and agrees that the Estimated Operating Budgets for the Condominium Association and the Homeowners' Association contained in the Condominium Documents provide only an estimate of what it will cost to run the Associations during the period of time stated in the Budgets. The monthly assessments shown in the Condominium Association and Homeowners' Association Budgets for the Unit are guaranteed, if at all, in the manner stated in the Condominium Documents and the Homeowners' Covenants . The Budgets themselves however, as opposed to the levels of assessments payable to the Associations, are not guaranteed to accurately predict actual expenditures. Changes in the applicable Budgets may be made at any time to cover increases or decreases in actual expenses or in estimates. It is intended that the Seller, as the sole Unit Owner upon the formation of the Condominium, will elect not to provide any reserves for the initial year of the Condominium Association. Thereafter, on an annual basis, a majority of the Condominium Association's members may vote to continue not to provide any reserves. If an election is in fact made to waive reserves, the assessments per unit payable to the Condominium Association will be as set forth in the Estimated Operating Budget as "Assessments per Unit - Without Reserves". If no such election is made, the assessments per Unit payable to the Condominium Association will be as set forth in the Estimated Operating Budget as "Assessments per Unit - With Reserves".

19. Condominium and Homeowners' Associations. This Agreement is also Buyer's application for membership in the Condominium and Homeowners' Associations, which memberships shall automatically take effect at closing. At that time, Buyer agrees to accept the liabilities and obligations of membership.

20. Seller's Use of the Condominium Property. As long as Seller owns a unit or units, it and its agents can keep offices and model apartments within the Condominium Property, Association Property or Common Properties. Seller's salespeople can show these units, erect advertising signs and do whatever else is necessary in Seller's opinion to help sell or lease Units or develop and manage the Condominium Property, Association Property and/or Common Properties, but Seller's use of the

Condominium Property, Association Property and/or Common Properties must be reasonable, in Seller's opinion, and can't unreasonably interfere, in Seller's opinion, with Buyer's use and enjoyment of the Unit. This paragraph will survive (continue to be effective after) closing.

21. Sales Commissions. Seller will pay all sales commissions due to the sales persons retained by Seller, and the cooperating broker, if any, named on the last page of this Agreement within 30 days following closing. Seller has no responsibility to pay any sales commissions to any other broker or sales agent with whom Buyer has dealt. Buyer will be solely responsible to pay any such other brokers. Buyer represents and warrants to Seller that Buyer has not dealt with, nor the sale been procured by, any real estate broker, salesman or finder, other than those salesperson retained by Seller and the cooperating broker described on the last page of this Agreement. Buyer will indemnify Seller against all claims made against Seller by any other brokers or sales agents (and agrees also to pay all costs and attorneys' fees actually incurred by Seller because of these claims). Buyer understands and agrees that the salespersons retained by Seller are retained solely by Seller (and are not Buyer's agents and/or dual agents). This paragraph will survive (continue to be effective after) closing.

22. Notices. **Whenever Buyer is required or desires to give notice to Seller, the notice must be in writing and it must be sent certified mail, postage prepaid, with a return receipt requested to Seller at 9330 Fontainebleau Boulevard, Miami, Florida 33179, Attn., Sales Director, or such other address as Seller may otherwise direct.**

Unless this Agreement states other methods of giving notices, whenever Seller is required or desires to give notice to Buyer, the notice must be given either in person, by telephone or in writing and, if in writing, it must be sent either by: (i) certified mail, postage prepaid, with a return receipt requested (unless sent outside of the United States, in which event written notices to Buyer may be sent by regular air mail); (ii) facsimile transmission if Buyer has indicated a telecopy number on Page 1 of this Agreement; or (iii) a recognized overnight courier service (i.e., Federal Express, Express Mail, Emory, Purolator, United Parcel Service, etc.), to the address for Buyer set forth on Page 1 of the Agreement.

A change of address notice is effective when it is received. All other written notices are effective on the day they are properly given or mailed, whether or not received (and all permitted non-written notices to Buyer are effective on the date given by Seller) unless receipt is required specifically in portions of this Agreement.

23. Transfer or Assignment. Buyer shall not be entitled to assign this Agreement or its rights hereunder without the prior written consent of Seller, which may be withheld by Seller with or without cause (and even if Seller's refusal to grant consent is unreasonable). To the extent that Seller consents to any such assignment, said consent may be conditioned in any manner whatsoever, including, without limitation, charging an assignment or transfer fee. Any such assignee must fully assume all of the obligations of Buyer hereunder by written agreement for Seller's benefit, a counterpart original executed copy of which shall be delivered to Seller. If Buyer is a corporation, partnership, other business entity, trustee or nominee, a transfer of any stock, partnership interest, equity, beneficial or principal interest in Buyer will constitute an assignment of this Agreement requiring consent.

Seller may assign or transfer freely all of its rights and obligations under this Agreement (including its rights in and to Buyer's deposits and all other payments made by Buyer).

24. Others Bound by this Agreement. If Buyer dies or in any way loses legal control of his affairs, this Agreement will bind his heirs and personal representatives. If Buyer has received permission to assign or transfer Buyer's interest in this Agreement, this Agreement will bind anyone receiving such interest. If Buyer is a corporation or other business entity, this Agreement will bind any successor corporation or entity. If more than one person signs this Agreement as buyer, each will be equally liable, on a joint and several basis, for full performance of all Buyer's duties and obligations under it and Seller can enforce it against either as individuals or together.

25. Public Records. Buyer authorizes Seller to record the documents needed to establish and operate the Condominium, as well as all other documents which Seller deems necessary or appropriate, in the Public Records of Miami-Dade County, Florida. Neither this Agreement, nor any notice or memorandum hereof (nor any Lis Pendens), may be recorded.

26. Buyer's Right to Cancel.

THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER, AND RECEIPT BY BUYER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO HIM BY THE DEVELOPER UNDER SECTION 718.503, FLORIDA STATUTES. THIS AGREEMENT IS ALSO VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF RECEIPT FROM THE DEVELOPER OF ANY AMENDMENT WHICH MATERIALLY ALTERS OR MODIFIES THE OFFERING IN A MANNER THAT IS ADVERSE TO THE BUYER. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING

FOR A PERIOD OF NOT MORE THAN 15 DAYS AFTER THE BUYER HAS RECEIVED ALL OF THE ITEMS REQUIRED. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

If Buyer does not cancel this Agreement during this 15-day period, it means that Buyer ratifies this Agreement and the Condominium Documents and Buyer agrees that their provisions are fair and reasonable in Buyer's opinion.

27. Florida Law; Severability; Interstate Land Sales Exemption. Any disputes that develop under this Agreement will be settled according to Florida law. If any part of this Agreement violates a provision of applicable law, the applicable law will control. In such case, however, the rest of the Agreement (not in violation) will remain in force.

Without limiting the generality of the foregoing, it is Buyer's and Seller's mutual desire and intention that all provisions of this Agreement be given full effect and be enforceable strictly in accordance with their terms. If, however, any part of this Agreement is not enforceable in accordance with its terms or would render other parts of this Agreement or this Agreement, in its entirety, unenforceable, the unenforceable part or parts are to be judicially modified, if at all possible, to come as close as possible to the expressed intent of such part or parts (and still be enforceable without jeopardy to other parts of this Agreement, or this Agreement in its entirety), and then are to be enforced as so modified. If the unenforceable part or parts cannot be so modified, such part or parts will be unenforceable and considered null and void in order that the mutual paramount goal (that this Agreement is to be enforced to the maximum extent possible strictly in accordance with its terms) can be achieved..

Without limiting the generality of the foregoing, if the mere inclusion in this Agreement of language granting to Seller certain rights and powers, or waiving or limiting any of Buyer's rights or powers or Seller's obligations (which otherwise would be applicable in the absence of such language), results in a final conclusion (after giving effect to the above judicial modification, if possible) that Buyer has the right to cancel this Agreement and receive a refund of Buyer's deposits, such offending rights, powers, limitations and/or waivers shall be struck, canceled, rendered unenforceable, ineffective and null and void. Under no circumstances shall either Buyer or Seller have the right to cancel this Agreement solely by reason of the inclusion of certain language in this Agreement (other than language which is intended specifically to create such a cancellation right).

The following sentence will supersede and take precedence over anything else in this agreement which is in conflict with it: If any provisions serve to limit or qualify Seller's substantial completion obligation as stated in paragraph 10, Buyer's remedies in the event that such obligation is breached, or grant Seller an impermissible grace period, and such limitations or qualifications are not permitted if the exemption of this sale from the Interstate Land Sales Full Disclosure Act pursuant to 15 U.S.C. § 1702(a)(2) is to apply or this Agreement is to otherwise be fully enforceable, then all those provisions are hereby stricken and made null and void as if never a part of this Agreement. For purposes of this paragraph only, the words "this Agreement" include in their meaning the condominium documents.

28. Changes. Prior to the recordation of the Declaration in the Public Records, Seller may make changes in the Condominium Documents in its sole discretion (and thereafter, Seller may make such changes as are permitted to be made by Seller under the Declaration) by providing Buyer with all such amendments that are made, provided that, as to these changes, Buyer will have fifteen (15) days from the date of receipt of such changes from Seller which materially alter or modify the offering of the Condominium in a manner adverse to Buyer in which to cancel this Agreement (by delivering written notice to Seller of such cancellation) and receive a refund of any deposits with applicable interest. Seller will be relieved of all obligations under this Agreement when Seller refunds the deposits and interest. Buyer will not be permitted to prevent Seller from making any change it wishes in its sole discretion, nor to pursue any remedy other than the 15-day cancellation remedy described above (and then only for the kind of changes that materially alter or modify the offering in a manner that is adverse to Buyer). If Buyer has the right to cancel this Agreement by reason of a change which materially alters or modifies the offering of the Condominium in a manner adverse to Buyer, Buyer's failure to request cancellation in writing within the 15-day period will mean that Buyer accepts the change and waives irrevocably his right so to cancel. All rights of cancellation will terminate, if not sooner, then absolutely at closing. After closing, Buyer will have no remedy for any changes Seller may make or have made. Without limiting the generality of the foregoing and other provisions of this Agreement, Seller is specifically authorized to: (i) substitute the final legal descriptions and as-built surveys for the proposed legal descriptions and plot plans contained in the Condominium Documents even though changes occur in the permitting stage and during construction, and/or (ii) combine and/or subdivide units prior to the recordation of the Declaration (and incorporate divider wall common elements in any such combination units or add common element divider walls in any such subdivision), provided that the percentage share of ownership of common elements of any unit not affected in the combination or subdivision is not affected. Such substitution, combination and/or subdivision shall not be deemed to be either material or adverse. This paragraph will survive (continue to be effective after) closing.

29. Time of Essence. The performance of all obligations on the precise times stated in this Agreement is of absolute importance and failure to so perform on time is a default, time being of the essence.

30. Disclaimer of Implied Warranties. All manufacturers' warranties will be passed through to Buyer at closing and all items covered by manufacturers' warranties are expressly not warranted by Seller. At closing, Buyer will receive the statutory warranties imposed by the Florida Condominium Act.

In lieu of funding conversion reserves, Seller shall warrant the improvements in the manner, and as limited by, Section 718.618, F.S. Except for the foregoing warranties, Seller hereby disclaims any and all express or implied warranties as to design, construction, sound transmission, furnishing and equipping of the Condominium, any implied warranties of habitability, fitness for a particular purpose or merchantability all warranties imposed by statute (except only those imposed by Section 718.618, F.S. to the extent they cannot be disclaimed and to the extent they have not expired by their terms) and all other implied or express warranties of any kind or character are specifically disclaimed. As to such warranties which cannot be disclaimed, and to other claims, if any, which can be made as to the aforesaid matters, all incidental and consequential damages arising therefrom are hereby disclaimed. Buyer shall be deemed to have automatically waived all of the aforesaid disclaimed warranties and incidental and consequential damages.

This paragraph will survive (continue to be effective after) closing.

31. Return of Condominium Documents. If this Agreement is canceled for any reason, Buyer will, along with the written notification of cancellation to Seller, return to Seller all of the Condominium Documents delivered to Buyer in the same condition received, reasonable wear and tear excepted. If Buyer fails to return the Condominium Documents, Buyer agrees to pay Seller $50.00 to defray the costs of preparation, printing and delivery of same.

32. Survival. Only those provisions and disclaimers in this Agreement which specifically state that they shall have effect after closing will survive (continue to be effective after) closing and delivery of the deed. All other provisions shall be deemed merged into the deed.

33. Radon. Under the laws of the State of Florida, Buyer is hereby advised that **radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit. The foregoing notice is provided in order to comply with state law and is for informational purposes only.** Seller does not conduct radon testing with respect to the Units or the Condominium, and specifically disclaims any and all representations or warranties as to the absence of radon gas or radon producing conditions in connection with the Condominium.

34. Miscellaneous. The explanations, definitions, disclaimers and other provisions set forth in the Condominium Documents are incorporated into this Agreement as if repeated at length here. When the words "this Agreement" are used, they shall include in their meaning all modifications, riders and addenda to it signed by Buyer and Seller. Buyer acknowledges that the primary inducement for him to purchase under this Agreement is the Unit, itself, and not the recreational amenities and other Common Elements. Seller's waiver of any of its rights or remedies (which can only occur if Seller waives any right or remedy in writing) will not waive any other of Seller's rights or remedies or prevent Seller from later enforcing all of Seller's rights and remedies under other circumstances.

35. Entire Agreement. This Agreement is the entire contract for sale and purchase of the Unit and once it is signed, it can only be amended by a written instrument signed by the party against whom enforcement is sought which specifically states that it is amending this Agreement. **Any current or prior agreements, representations, understandings or oral statements of sales representatives or others, if not expressed in this Agreement, the Condominium Documents or in brochures for the Condominium, are void and have no effect. Buyer has not relied on them.**

NOTE: Before Buyer signs this Agreement, Buyer should read it and the Condominium Documents carefully. Buyer is advised that this Agreement contains references to certain closing costs (paragraphs 2 and 13), information regarding selling agents (paragraph 21), strict limitations on Buyer's rights upon Seller's default (paragraph 15), disclaimers of warranty liability (paragraph 30), and the right of Seller to make changes in the offer made to Buyer (paragraph 28). Buyer is further advised that the Condominium Documents contain other important information, including, but not limited to, information regarding the schedule and other details for the turnover of control of the condominium association to unit owners other than the developer and the right to cancel certain contracts affecting the condominium association before control is transferred to unit owners other than the developer. Seek professional advice.

Cooperating Broker (See paragraph 21 - if not filled-in, there is none): ______________________________

BUYER:

____

____

Date of Signature:______________________

SELLER:

THE FOUNTAINS OF FONTAINBLEAU LTD., a Florida limited partnership

By: ______________________________
Authorized Representative

Date of Signature:______________________

EXHIBIT "A"

Items included in sale of Unit

Refrigerator
Dishwasher
Range/Hood
Air Conditioning Unit
Water Heater (may be used)

EXHIBIT "D"

OFF. REC. 18037PG2520

TRUSTEE'S DEED

Folio # 30-4004-010-0030

98R140651 1998 MAR 27 14:48

THIS INDENTURE, made this 26th day of March, 1998 between CITY NATIONAL BANK OF FLORIDA, successor by merger to City National Bank of Miami, a United States Banking Corporation, as Trustee, under the provisions of a certain Trust Agreement, dated the 22nd day of September, 1983, known as Trust Number 5007325, party of the first part, and The Fountains of Fontainbleau Ltd., a Florida limited partnership, of the County of Miami-Dade, State of Florida, party of the second part, whose address is: c/o The Epoch Corp. 782 N.W. LeJeune Road, Miami, Fl 33126

WITNESSETH

DOCSTPDEE 90,000.00 SURTX 67,500.00
HARVEY RUVIN, CLERK DADE COUNTY, FL

That the said party of the first part, for and in consideration of the sum of ($10.00) Ten Dollars and no/100, and other valuable consideration in hand paid by said party of the second part, the receipt whereof is hereby acknowledged, hath remise, release, and quit claim unto the said party of the second part, and its successors and assigns forever, all the estate, right, title, lien, equity, interest, claim and demand which the said party of the first part hath in and to the following described lots, pieces, or parcels of land situate, lying and being in the County of Miami-Dade, State of Florida to wit:

See Exhibit "A" attached and made a part hereof.

TO HAVE AND TO HOLD the same together with all singular and appurtenances thereunto belonging or in anywise appertaining, and all the estate, right, title, lien, interest and claim whatsoever of the said party of the first part, with in law or equity, to the only proper use, benefit and behoof of the party of the second part, its successors and assigns forever.

IN WITNESS WHEREOF, the said party of the first part has caused these presents to be signed in its name by its Vice President and Trust Officer and its corporate seal to be affixed the day and year above written.

Witnesses:

sign: Anna Levy
print: ANNA LEVY
sign: Joy B. Spill
print: JOY B. SPILL

CITY NATIONAL BANK OF FLORIDA
successor by merger to City National Bank of Miami, as Trustee

By: Robert J. [illegible]
Vice President and Trust Officer
25 West Flagler Street
Miami, Florida 33130
A United States Banking Corporation, as Trustee under the provisions of a certain Trust Agreement known as Trust No. 5007325 and dated the 22nd day of September, 1983.

This document is prepared by:
Joy B. Spill, Esquire
Simon & Simon, P.A.
9100 S. Dadeland Blvd., Suite 504
Miami, Florida 33156
Telephone: (305) 670-6750

GREENBERG, TRAURIG, HOFFMAN, LIPOFF, ROSEN & QUENTEL, P.A.
1221 BRICKELL AVENUE
MIAMI, FLORIDA 33131

WSJ
Will call

OFF. REC. 18037 PG 2521

STATE OF FLORIDA)
: ss
COUNTY OF MIAMI-DADE)

This foregoing instrument was acknowledged before me this 26 day of MARCH, 1998 by ROBERT J. FORAN, as VICE PRES & TRUST OFFICER of CITY NATIONAL BANK OF FLORIDA, as Trustee, under Trust Agreement Dated September 22, 1983 and known as Trust N# 5007325 who is personally known to me and did take an oath that as an Officer of City National Bank of Florida he executed the same freely and voluntarily for the purpose therein expressed.

WITNESS my hand and official seal at Miami, Miami-Dade County, Florida, this 26 day of MARCH, 1998.

Joy B Spill
NOTARY PUBLIC, State of Florida
Number:________________
By:________________

J:\WORK\CLIENTS\SES\Fountains\Sale\Trustee.Deed.wpd
March 24, 1998

OFFICIAL NOTARY SEAL
JOY B SPILL
NOTARY PUBLIC STATE OF FLORIDA
COMMISSION NO. CC572661
MY COMMISSION EXP. JULY 28,2000

EXHIBIT "A"

Tract C, PARKWOODS SUBDIVISION, according to the Plat thereof as recorded in Plat Book 94, Page 45, Public Records of Dade County, Florida.

Together with all rights and benefits appurtenant to the above described property created or conveyed by the following instruments: Protective Covenants for Fontainebleau Park recorded in Official Records Book 7682, Page 601, on May 1, 1972, under Clerk's File No. 72R-73547, as amended by Corrective Protective Covenants for Fontainebleau Park, recorded in Official Records Book 7706, Page 154, on May 15, 1972, under Clerk's File No. 72R-104714; Supplemental Protective Covenants for Fontainebleau Park, recorded June 15, 1972, in Official Records Book 7757, Page 12, under Clerk's File No. 72R-135238, and re-recorded in Official Records Book 7860, Page 15, on August 23, 1972, under Clerk's File No. 72R-189009; Architectural Review Committee for Fontainebleau Park recorded in Official Records Book 15786, Page 1947, on January 21, 1993, under Clerk's File No. 93R-030424; and Disclaimer of Rights Under Protective Covenants recorded in Official Records Book 16973, Page 4949, on November 1, 1995, under Clerk's File No. 95R-446119.

EXHIBIT "D"

OFF. REC. 18037 PG 2520

TRUSTEE'S DEED

Folio # 30-4004-010-0030

98R140651 1998 MAR 27 14:48

THIS INDENTURE, made this 26th day of March, 1998 between CITY NATIONAL BANK OF FLORIDA, successor by merger to City National Bank of Miami, a United States Banking Corporation, as Trustee, under the provisions of a certain Trust Agreement, dated the 22nd day of September, 1983, known as Trust Number 5007325, party of the first part, and The Fountains of Fontainbleau Ltd., a Florida limited partnership, of the County of Miami-Dade, State of Florida, party of the second part, whose address is: c/o The Epoch Corp. 782 N.W. LeJeune Road, Miami, Fl 33126

DOCSTPDEE 70,000.00 SURTX 67,500.00
HARVEY RUVIN, CLERK DADE COUNTY, FL

WITNESSETH

That the said party of the first part, for and in consideration of the sum of ($10.00) Ten Dollars and no/100, and other valuable consideration in hand paid by said party of the second part, the receipt whereof is hereby acknowledged, hath remise, release, and quit claim unto the said party of the second part, and its successors and assigns forever, all the estate, right, title, lien, equity, interest, claim and demand which the said party of the first part hath in and to the following described lots, pieces, or parcels of land situate, lying and being in the County of Miami-Dade, State of Florida to wit:

See Exhibit "A" attached and made a part hereof.

TO HAVE AND TO HOLD the same together with all singular and appurtenances thereunto belonging or in anywise appertaining, and all the estate, right, title, lien, interest and claim whatsoever of the said party of the first part, with in law or equity, to the only proper use, benefit and behoof of the party of the second part, its successors and assigns forever.

IN WITNESS WHEREOF, the said party of the first part has caused these presents to be signed in its name by its Vice President and Trust Officer and its corporate seal to be affixed the day and year above written.

Witnesses:

sign: Anna Levy
print: ANNA LEVY
sign: Joy B. Spill
print: JOY B. SPILL

CITY NATIONAL BANK OF FLORIDA
successor by merger to City National Bank of Miami, as Trustee

By: Robert J. [illegible]
Vice President and Trust Officer
25 West Flagler Street
Miami, Florida 33130
A United States Banking Corporation, as Trustee under the provisions of a certain Trust Agreement known as Trust No. 5007325 and dated the 22nd day of September, 1983.

This document is prepared by:
Joy B. Spill, Esquire
Simon & Simon, P.A.
9100 S. Dadeland Blvd., Suite 504
Miami, Florida 33156
Telephone: (305) 670-6750

GREENBERG, TRAURIG, HOFFMAN, LIPOFF
ROSEN & QUENTEL, P.A.
1221 BRICKELL AVENUE
MIAMI, FLORIDA 33131

USTN will call

STATE OF FLORIDA) OFF. REC. 18037 PG 2521
: ss
COUNTY OF MIAMI-DADE)

This foregoing instrument was acknowledged before me this 26 day of MARCH, 1998 by ROBERT J. FORAN, as VICE PRES & TRUST OFFICER of CITY NATIONAL BANK OF FLORIDA, as Trustee, under Trust Agreement Dated September 22, 1983 and known as Trust N# 5007325 who is personally known to me and did take an oath that as an Officer of City National Bank of Florida he executed the same freely and voluntarily for the purpose therein expressed.

WITNESS my hand and official seal at Miami, Miami-Dade County, Florida, this 26 day of MARCH, 1998.

Joy B Spill
NOTARY PUBLIC, State of Florida
Number:__________________
By:__________________

J:\WORK\CLIENTS\SES\Fountains\Sale\Trustee.Deed.wpd
March 24, 1998

OFFICIAL NOTARY SEAL
JOY B SPILL
NOTARY PUBLIC STATE OF FLORIDA
COMMISSION NO. CC572661
MY COMMISSION EXP. JULY 28,2000

EXHIBIT "A"

Tract C, PARKWOODS SUBDIVISION, according to the Plat thereof as recorded in Plat Book 94, Page 45, Public Records of Dade County, Florida.

Together with all rights and benefits appurtenant to the above described property created or conveyed by the following instruments: Protective Covenants for Fontainebleau Park recorded in Official Records Book 7682, Page 601, on May 1, 1972, under Clerk's File No. 72R-73547, as amended by Corrective Protective Covenants for Fontainebleau Park, recorded in Official Records Book 7706, Page 154, on May 15, 1972, under Clerk's File No. 72R-104714; Supplemental Protective Covenants for Fontainebleau Park, recorded June 15, 1972, in Official Records Book 7757, Page 12, under Clerk's File No. 72R-135238, and re-recorded in Official Records Book 7860, Page 15, on August 23, 1972, under Clerk's File No. 72R-189009; Architectural Review Committee for Fontainebleau Park recorded in Official Records Book 15786, Page 1947, on January 21, 1993, under Clerk's File No. 93R-030424; and Disclaimer of Rights Under Protective Covenants recorded in Official Records Book 16973, Page 4949, on November 1, 1995, under Clerk's File No. 95R-446119.

Sackman 2 Inc.

EXHIBIT "E"

CERTIFICATE OF DISCLOSURE OF CONDITIONS OF BUILDING AND ESTIMATED REPLACEMENT COSTS (The Fountains at Fountainebleau Park, a Condominium)

Date: July 7, 1998

The undersigned, Donald Sackman, A.I.A., an Architect authorized to practice in the State of Florida, hereby certifies as follows:

1. The Fountains at Fountainebleau Park consists of four building as follows. Building 'A' has a street address of 9310 Fountainebleau Boulevard. Building 'B' has a street address of 9320 Fountainebleau Boulevard. Building 'C' has a street address of 9350 Fountainebleau Boulevard. Building 'D' has a street address of 9360 Fountainebleau Boulevard. All four buildings as well as the Clubhouse building were originally built and completed in 1975.

2. The proposed renovations and rehabilitation improvements will be designed to be in accordance with the <u>Miami Dade County Zoning Code</u> and the <u>South Florida Building Code</u> (Dade County Edition.) The type of construction is Type III (Protected) construction.

3. The prior use of the buildings has been as rental apartments.

4. The following information is provided for the components listed in Florida Statutes Section 718-616 (3) (a) that are applicable for the improvements existing in the Condominium Project. The improvements were inspected for the purposes of preparation of this statement on May 28, 1998.

ARCHITECTURE + PLANNING + INTERIOR DESIGN

2982 GRAND AVENUE • THIRD FLOOR • COCONUT GROVE, FLORIDA 33133

TELEPHONE: 305·461·1968 • FACSIMILE: 305·461·1961 • AA2275

email: s2arch@aol.com

2

THE FOUNTAINS AT FOUNTAINEBLEAU PARK - BUILDING 'A'

Component	Age:	Estimated Remaining Useful Life*:	Estimated Current Replacement Cost:	Structural & Functional Soundness:
Roof	7 yrs.	9 yrs.	$30,500.00	Good
Structure	1975	Indefinite	N/A	Good
Fireproofing& Fire Protection Systems	22 yrs.	20 yrs.	$1,500.00	Good
Elevators	22 yrs.	5 yrs.	$30,000.00	Fair
Heating & Cooling Systems	N/A	Varies	**	Fair
Plumbing	22 yrs.	20 yrs.	$37,675.00	Good
Electrical Systems	22 yrs.	20 yrs.	$32,175.00	Good

* Denotes the estimated remaining useful life based on each item receiving proper servicing and maintenance.
**Some A/C Units have been replaced since construction of property. Estimated life varies depending on apartment unit. Findings estimate an average life expectancy of approx. 6 years. An estimated cost of replacement per A/C unit is approx. $1,400.00 for both Air Handler and Condensing Unit.

2

THE FOUNTAINS AT FOUNTAINEBLEAU PARK - BUILDING 'B'

Component	Age:	Estimated Remaining Useful Life*:	Estimated Current Replacement Cost:	Structural & Functional Soundness:
Roof	7 yrs.	9 yrs.	$30,500.00	Good
Structure	1975	Indefinite	N/A	Good
Fireproofing& Fire Protection Systems	22 yrs.	20 yrs.	$1,500.00	Good
Elevators	22 yrs.	5 yrs.	$30,000.00	Fair
Heating & Cooling Systems	N/A	Varies	**	Fair
Plumbing	22 yrs.	20 yrs.	$37,675.00	Good
Electrical Systems	22 yrs.	20 yrs.	$32,175.00	Good

* Denotes the estimated remaining useful life based on each item receiving proper servicing and maintenance.
**Some A/C Units have been replaced since construction of property. Estimated life varies depending on apartment unit. Findings estimate an average life expectancy of approx. 6 years. An estimated cost of replacement per A/C unit is approx. $1,400.00 for both Air Handler and Condensing Unit.

2

THE FOUNTAINS AT FOUNTAINEBLEAU PARK - BUILDING 'D'

Component	Age:	Estimated Remaining Useful Life*:	Estimated Current Replacement Cost:	Structural & Functional Soundness:
Roof	7 yrs.	9 yrs.	$30,500.00	Good
Structure	1975	Indefinite	N/A	Good
Fireproofing& Fire Protection Systems	22 yrs.	20 yrs.	$1,500.00	Good
Elevators	22 yrs.	5 yrs.	$30,000.00	Fair
Heating & Cooling Systems	N/A	Varies	**	Fair
Plumbing	22 yrs.	20 yrs.	$37,675.00	Good
Electrical Systems	22 yrs.	20 yrs.	$32,175.00	Good

* Denotes the estimated remaining useful life based on each item receiving proper servicing and maintenance.

**Some A/C Units have been replaced since construction of property. Estimated life varies depending on apartment unit. Findings estimate an average life expectancy of approx. 6 years. An estimated cost of replacement per A/C unit is approx. $1,400.00 for both Air Handler and Condensing Unit.

2

THE FOUNTAINS AT FOUNTAINEBLEAU PARK - BUILDING 'C'

Component	Age:	Estimated Remaining Useful Life*:	Estimated Current Replacement Cost:	Structural & Functional Soundness:
Roof	7 yrs.	9 yrs.	$30,500.00	Good
Structure	1975	Indefinite	N/A	Good
Fireproofing& Fire Protection Systems	22 yrs.	20 yrs.	$1,500.00	Good
Elevators	22 yrs.	5 yrs.	$30,000.00	Fair
Heating & Cooling Systems	N/A	Varies	**	Fair
Plumbing	22 yrs.	20 yrs.	$37,675.00	Good
Electrical Systems	22 yrs.	20 yrs.	$32,175.00	Good

* Denotes the estimated remaining useful life based on each item receiving proper servicing and maintenance.
**Some A/C Units have been replaced since construction of property. Estimated life varies depending on apartment unit. Findings estimate an average life expectancy of approx. 6 years. An estimated cost of replacement per A/C unit is approx. $1,400.00 for both Air Handler and Condensing Unit.

2

THE FOUNTAINS AT FOUNTAINEBLEAU PARK - COMMON AREAS

Component	Age:	Estimated Remaining Useful Life*:	Estimated Current Replacement Cost:	Structural & Functional Soundness:
Seawall	N/A	N/A	N/A	N/A
Pool & Jacuzzi	22 yrs.	20 yrs.	$22,000.00	Good
Drainage Systems	New	20 yrs.	**	Good
Pavement & Parking Areas	22 yrs.	20 yrs.	$423,500.00	Good

* Denotes the estimated remaining useful life based on each item receiving proper servicing and maintenance.
**New drainage system was recently installed and found to be in proper condition.

5. All inspections required for preparation of this report were performed by Detailed Home Inspections, Inc. located at 8221 S.W. 138th Avenue, Miami, Florida, 33183, Telephone (305)380-7486 on May 28, 1998.

I certify that the foregoing is true and correct.

Donald Sackman, A.I.A.
Architect

License No. 5976
(seal)

DRAINAGE REPORT

PROPERTY LOCATION: 9330 Fountainebleu Blvd.
DATE OF INSPECTION: 7/7/98
INSPECTION CALLED BY: Tony Cabrera

Percolation (Soils ability to absorb water) and drainage were found adequate. New drainage system installed was in proper condition. Catch basins and drain inlets were found adequate. Outside perimeter of the foundation of each building at the above property location had uniform moisture levels. Grade sloped from 2" to 3" away from foundation.

Rudy Blanco

DETAILED HOME INSPECTIONS, INC. 8221 SW 138 Ave. Miami, Florida 33183 Tel. (305) 380-7486

SPECIALTY ITEM REPORT

PROPERTY LOCATION: 9330 Fountainebleu Blvd.
DATE OF INSPECTION: 7/7/98
INSPECTION CALLED FOR BY: Tony Cabrera

SWIMMING POOL:

Above Ground______ Below Ground__X___

ITEM DESCRIPTION:	GOOD	FAIR	POOR	REPLACE	N/A	NO ACCESS
Pump Condition:	GOOD	FAIR	POOR	REPLACE	N/A	NO ACCESS
Filter Condition:	GOOD	FAIR	POOR	REPLACE	N/A	NO ACCESS
Water Heater Condition:	GOOD	FAIR	POOR	REPLACE	N/A	NO ACCESS
Electrical:	GOOD	FAIR	POOR	REPLACE	N/A	NO ACCESS
Timer:	GOOD	FAIR	POOR	REPLACE	N/A	NO ACCESS
Guage:	GOOD	FAIR	POOR	REPLACE	N/A	NO ACCESS
Pool Light:	GOOD	FAIR	POOR	REPLACE	N/A	NO ACCESS
Returns:	GOOD	FAIR	POOR	REPLACE	N/A	NO ACCESS

COMMENTS: Adjacent jacuzzi is in good condition. Pool has approx. 20 yrs. life expectancy. Cost to replace is approx. $22,000.00

Rudy [signature]
Inspector

DETAILED HOME INSPECTIONS, INC. 8221 SW 138 Ave. Miami, Florida 33183 Tel. (305) 380 7486

FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM NO. ONE

Replacement Costs Per Unit

Unit No./Type	Roof	Structure	Fireproofing	Elevators	HVAC	Plumbing	Electrical	Pool	Seawalls	Paving/Parking	Drainage
	$ 30,500.00	N/A	$ 1,500.00	$ 30,000.00	$ 121,800.00	$ 37,675.00	$ 32,175.00	$ 22,000.00	N/A	$ 423,500.00	N/A
A	405.58	N/A	19.95	398.93	1,619.65	500.99	427.85	292.55	N/A	5,631.53	N/A
B	302.97	N/A	14.90	298.01	1,209.91	374.25	319.61	218.54	N/A	4,206.88	N/A
C	302.97	N/A	14.90	298.01	1,209.91	374.25	319.61	218.54	N/A	4,206.88	N/A
D	358.06	N/A	17.61	352.19	1,429.90	442.29	377.72	258.27	N/A	4,971.76	N/A
E	583.92	N/A	28.72	574.34	2,331.84	721.28	615.98	421.19	N/A	8,107.82	N/A

FOUNTAINS AT FONTAINEBLEAU CONDOMINIUM NO. TWO

Replacement Costs Per Unit

	$ 40,080.00	$ 8,500.00	$ 1,500.00	$ 15,000.00	$ 121,800.00	$ 15,000.00	$ 20,000.00	$ 20,000.00	N/A	$ 40,000.00	N/A
Unit No./Type	Roof	Structure	Fireproofing	Elevators	HVAC*	Plumbing	Electrical	Pool	Seawalls	Paving/Parking	Drainage
A	532.97	113.0296	19.95	199.46	1,619.65	199.46	265.95	265.95	N/A	531.90	N/A
B	398.14	84.4356	14.90	149.00	1,209.91	149.00	198.67	198.67	N/A	397.34	N/A
C	398.14	84.4356	14.90	149.00	1,209.91	149.00	198.67	198.67	N/A	397.34	N/A
D	470.53	99.78745	17.61	176.10	1,429.90	176.10	234.79	234.79	N/A	469.59	N/A
E	767.32	162.7308	28.72	287.17	2,331.84	287.17	382.90	382.90	N/A	765.79	N/A

*Not an Association Cost

EXHIBIT "F"

WOOD-DESTROYING ORGANISM INSPECTION REPORT
Section 482.226, Florida Statutes

WALTON PEST CONTROL SERV., INC.
W.P.C.
P.O. Box 83-2315
Miami, Florida 33283
Dade: (305) 273-9021
Monroe: (305) 451-5747
Broward: (954) 763-7180
Fax: (305) 273-1331

Property Inspected 9320 Fountainbleau Blvd. Building B, Miami, Fl 33172

Seller

XXXX Owner: The Fountains at Fountainbleau XXXX Park

THIS IS YOUR INVOICE

Roof Inspection	$ —
Termite Inspection	$ 375.00
	$ 24.30
Total Home Inspection	$
Total Amount Due	$ Paid

Licensee name Walton Pest Control Services, Inc. License number 3124

Licensee address P.O. Box 83-2315, Miami, FL 33283-2315

Inspector Chuck Walton, Jr. Inspection date 9/11/98 Identification Card No. 45884

Requested by Tony Cabrera (name) (address)

Property inspected 9320 Fountainbleau Blvd., Building B (address)

Specific structures inspected 78 Unit Condo Building

Structures on property NOT XXXX Inspected: 57 Units (Condo Conversion)

Areas of structure(s) NOT inspected (1) Carpet Tack Boards X Portions of: (2) Attic N/A (3) Closets, Cabinets, Drawers & Storage Areas X (4) Baseboards X

Reason NOT inspecting (1) Carpet & Furnishings X (2) Insulation, A/C Ducts, Low Areas & Internal Bracing N/A (3) Stored Items X (4) Carpet, Furnishings & Stored Items X

SCOPE OF INSPECTION

"Wood destroying organism" means arthropod or plant life which damages and can reinfest seasoned wood in a structure, namely termites, powder post beetles, oldhouse borers, and wood decaying fungi.

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

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

REPORT OF FINDINGS

(1) Visible evidence of wood-destroying organisms observed: No X Yes ☐ (Common name of organisms)

Locations:

(2) Live wood-destroying organisms observed: No X Yes ☐ (Common name of organisms)

Locations:

(3) Visible damage observed: No X Yes ☐ (Common name of organisms causing damage)

Locations:

(4) Visible evidence of previous treatment observed: No X Yes ☐

Explain:

(5) This company has treated the structure(s) at time of inspection: No X Yes ☐ If YES: copy of the contract is attached.

(Organisms treated) (Pesticide used)

(6) This company has treated the structure(s): No X Yes ☐ If YES: Date of treatment:

(Common name of organisms) (Common name of Pesticide)

(7) A notice of this inspection X and/or treatment ☐ has been affixed to the structure(s): No ☐ Yes ☐ If YES: Date of treatment:

☐ Attic/Door ☐ Electric Panel/box ☐ Air-Conditioner Air Handler (Location of notice(s))

COMMENTS: Units Inspected: 102,106,112,201,202,205,207,210,302,312,315,404,409,410,502,309,310,501,509,511,515,601,602,603,605,608,609,610,613, and 614. Note: This Structure is concrete slab and block construction with interior metal studs and exterior metal doors.

Neither the licensee nor the inspector has any financial interest in the property inspected or is associated in any way in the transaction with any party to the transaction other than for inspection purposes. SEND REPORT TO PERSON WHO REQUESTED THIS INSPECTION AND TO:

Signature of Licensee or Agent Charles H. Walton President Date 9/11/98

CPO #3124 130645 (1145)

COMMENTS: ☐ BUILDING VACANT X OCCUPIED

EXHIBIT "G"

METROPOLITAN **DADE** COUNTY, FLORIDA

METRO-DADE

STEPHEN P. CLARK CENTER

DEPARTMENT OF PLANNING, DEVELOPMENT AND REGULATION
111 NW 1ST STREET
SUITE 1110
MIAMI FLORIDA 33128-1974
(305) 375-2500
FAX (305) 375-2795

July 29, 1998

Mr. Michael A. Freire
Greenberg Traurig
1221 Brickell Avenue
Miami, Florida 33131

RE: Folio 30-4004-010-0030
9310 Fountainbleau Boulevard
Tract "C', PARKWOODS SUB., PB. 94-45

Dear Mr. Freire:

In response to your zoning verification, please note that the above referenced property is zoned RU-4, High Density Apartment House District.

There is no zoning restriction that would prohibit the conversion of the existing improvements to a condominium form of ownership that does not result in the subdivision of the referenced tract. Any interior alterations or building improvements will be subject to review and approval through the building permit application process.

Should you need additional zoning information, please contact this office at (305) 375-1808.

Sincerely,

Deena G. Mullininx

Deena G. Mullininx, Supervisor
Zoning Information Section

Exhibit "H"

LAUNDRY SPACE LEASE

RESIDENT COMPLEX: The Fountains

DATE: July 3, 1997 — NUMBER OF LAUNDRY ROOMS: 24

APPROX. ROOM SIZES: 8' x 8' — NUMBER OF RENTAL UNITS: 356

Cleanco, Inc. its successor and assigns, hereinafter called Lessee does hereby agree with SES Group Fountainbleau Limited Partnership d/b/a The Fountains its heirs, successors, administrators and assigns, hereinafter called the Lessor, at the residential complex known as The Fountains, 9330 Fountainbleau Boulevard, Miami, Florida 33172 as follows:

In consideration of mutual covenants contained herein, Lessor agrees to Lease all existing and additional space designated for laundry equipment in the residential complex, on an exclusive basis, to Lessee commencing on the date of the executed Lease and ending ten years after laundry equipment installation is completed, but no later than July 31, 2007.

Lessee agrees to install in the residential complex forty-eight brand new Whirlpool (with Smart Card) commercial clothes washers and forty-eight brand new Whirlpool (with Smart Card) commercial clothes dryers. Title to said equipment shall remain with Lessee at all times and vending price whether by coin, token, or any other method, shall be determined by the Lessee. Lessor agrees that Lessee shall have the right of quiet enjoyment of the residential complex, including unobstructed access to and from. Lessee shall be responsible for the installation of the "Add Value" station at the management office.

Lessee agrees to service and keep the equipment in good repair, at its own cost, and to make periodic inspections, no less frequently than once a month. Lessor will supply and maintain at its expense all necessary facilities in the residential complex for the operation of said laundry equipment including electricity, gas, if required, hot and cold water, water disposal, ducts, painting, security, flooring, fluorescent lighting and provide daily janitorial service, clean, dry and safe flooring and lint disposal.

Service Guarantee - If Lessor experiences continuous problems with any specific washer or dryer and the problem is not corrected by Lessee within five business days of notification, Lessee will then replace that specific washer or dryer with a brand new machine or this agreement may be voided by Lessor.

Six Hour Service - Lessee agrees to pay Lessor the cash equivalent of two cycles per day, per inoperative machine if the specific washer or dryer is not operative within six working hours of notification.

Lessee will pay as rental 50% of the gross receipts less any and all applicable local, state and/or federal taxes and/or license fees attributable to or assessed against the equipment or services rendered in relation to the equipment. Said rental will be paid by the 15th of the succeeding month by check to the office of Lessor, provided, however, that Lessee shall always be entitled to receive as minimum compensation for each day of the rental period, the cash equivalent of the price of one and one half washing cycles per washer and one and one half drying cycles per dryer, and the rental due shall be adjusted accordingly.
In addition, Lessee shall pay Lessor a one-time fee of $50,000.00 for leasehold improvements, to be paid within fifteen days of this agreement and receipt of subordination/non-disturbance agreement. Should this lease be cancelled, a prorated portion of this leasehold improvement fee shall be returned to Lessee by Lessor. If payment for leasehold improvements is not received within said 15 days, the lease shall be null and void.

Notification - All notices required under this Lease shall be by certified mail, to the address of Lessor and Lessee described herein.

Non-Competition Clause - Lessor covenants and agrees, as a material inducement for Lessee to enter into this Lease, that during the term of this Lease and all extensions hereof, Lessor shall not, directly or indirectly, furnish, provide, lease, rent, or in any manner cause or permit to be installed, or enter into any agreement with anyone other than Lessee to furnish, provide, lease, rent, or in any manner cause to be installed, washers and/or dryers (whether coin operated or otherwise) in any of the rental units and/or common laundry or other facilities on the property. Lessor further covenants and agrees that, during the term of this Lease and all extensions hereof, washer and/or dryer connections will not be added or provided in any existing rental units.

Service, under this Lease, does not cover damages caused by obvious misuse, unnecessary calls for service or interruption in the supply of water, gas, or electricity. Lessee may require Lessor to take reasonable measures to insure that the laundry rooms are secure. The Lessee shall not be responsible for property damage or personal injury due to lack of or inadequacy of a floor drain in the leased premises. Lessee shall have the option to terminate this Lease upon written notice to Lessor, if vandalism, theft or attempted theft at the premises becomes excessive.

Lessee is hereby given a right of first refusal to meet any bona fide bid by matching the economic terms of such offer to provide laundry service and/or equipment by leasing space, leasing equipment or purchase and/or service. If the gross receipts are less than two uses per day, per machine, in any three-month period, Lessee may reduce equipment and/or cancel this lease upon thirty days prior written notice.

Lessee shall never be deemed to be in default under this Lease until thirty days after receipt of written notice of any such alleged violation for Lessee to cure said alleged violation. Failure of Lessee to enforce any provisions herein shall not constitute a waiver of its future right to do so.

In the event of a breach of default by Lessor of any of the terms, conditions or other provisions of this Lease, Lessee shall be entitled to exercise any and all rights and remedies available at law or in equity, including, but not limited, to the right to seek specific performance. In the event of litigation between the parties arising out of or in connection with this Lease, the prevailing party in any such action shall be entitled to recover its reasonable attorneys' fees, appellate attorneys' fees and costs. This Lease should be binding upon and shall inure to the benefit of the heirs, administrators, successors and assigns of Lessor and Lessee.

Initials: ________ Lessor's ________ Lessee's

Miscellaneous - The Lessor shall not move or remove, disconnect or tamper with the Lessee's machines for any reason whatsoever. The Lessor shall promptly report any machine malfunction to the Lessee. This Lease shall be freely assignable by Lessee and shall be binding upon and inure to the benefit of the parties, their heirs, executors, administrators, successors and assigns. In the event Lessor's property is transferred, Lessor will notify Lessee at least five days before the transfer and the transferee shall be notified of the existence of this Lease. Failure of Lessor to secure an assumption of this Lease by the transferee shall not serve to relieve the transferee of its obligation hereunder. This Lease shall survive any sale, assignment, or other transfer of the residential Complex. Lessor agrees to execute a subordination, non-disturbance agreement in form supplied by Lessee or pro-rate monthly anyone time leasehold monies and provide the Lessee with a copy of the legal description of the property. This Lease is entered into by Lessor/owner or through its duly authorized agent with full knowledge of the contents hereof and acquiescent thereto by the owner of the demised premises.

This Laundry Space Lease shall supercede and make null and void any previous Laundry Space Lease and/or addendum signed on behalf of The Fountains or Cleanco, Inc.

This agreement shall be interpreted under, and governed by, the Laws of the State of Florida. This agreement is to be interpreted neutrally without regard to events of authorship. The parties hereto agree that any action relating to this contract shall be instituted and prosecuted in the courts of the County of Dade, State of Florida, and each party hereto waives the right to change of venue or trial by jury. This Lease contains the entire agreement between the parties hereto and may not be modified except in writing, signed by duly authorized representative of both parties. If any provision hereof is held invalid by a court of competent jurisdiction, it shall be automatically deleted and all remaining provisions shall remain in full force and effect.

Accepted Date: August 27, 1997

Lessor: **SES Group Fountainbleau Limited Partnership d/b/a**
The Fountains
9330 Fountainbleau Boulevard
Miami, Florida 33172

By: Robert C. Jones
Signature

Print Name/Title Robert C. Jones

I certify that I have the authority to execute this Lease as a corporate officer, partner or authorized agent.

Witness: Brenda S. Packett / Brenda S. Packett
Signature /Print Name

Witness: Cammy Pittman Cammy Pittman
Signature /Print Name

Lessee: Cleanco, Inc.
3466 North Miami Avenue
Miami, Florida 33127

By: [signature]
Signature

JAMES ELLISON
President

Print Name/Title [signature]

Witness: [signature] / ANA FUNDORA
Signature /Print Name

Witness: Ruth Palma / RUTH PALMA
Signature /Print Name

Lessor is ( ) Incorporated Federal I.D. #___-_____ or is ( ) Unincorporated Social Security #___-___-____

State of N.C. before me the undersigned authority, personally appeared Robert C. Jones as the authorized signatory of **LESSOR** who being over twenty-one (21) years and under oath, acknowledged before me that he executed the foregoing Lease for the use and purposes therein expressed and that the contents thereof are true and correct.

My Commission Expires: 10-25-97

Katherine Boone
Notary Public

State of Florida before me the undersigned authority, personally appeared James Ellison as the authorized signatory of **LESSEE** who being over twenty-one (21) years and under oath, acknowledged before me that he executed the foregoing Lease for the use and purposes therein expressed and that the contents thereof are true and correct.

My Commission Expires:

Carmen A. Estrella
Notary Public

CARMEN A. ESTRELLA
MY COMMISSION # CC 497134
EXPIRES: September 20, 1999
Bonded Thru Notary Public Underwriters

FOR OFFICE USE ONLY:
A-B-C-G-L-N-O-P-Q

HOMEOWNERS' ASSOCIATION DOCUMENTS

(Part 2)

This instrument prepared by, or under the supervision of (and after recording, return to):

Gary A. Saul, Esq.
Greenberg, Traurig, Hoffman, Lipoff, Rosen & Quentel, P.A.
1221 Brickell Avenue
Miami, FL 33131

(Reserved for Clerk of Court)

DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS FOR THE FOUNTAINS AT FONTAINEBLEAU

THIS DECLARATION is made as of the _____ day of _______________, 19___, by **THE FOUNTAINS OF FONTAINBLEAU LTD., a Florida limited partnership**, which declares hereby that "The Properties" described in Article **2** of this Declaration are and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth.

ARTICLE 1

DEFINITIONS AND INTERPRETATION

1.1 . <u>Definitions</u>. The following words when used in this Declaration (unless the context shall prohibit) shall have the following meanings:

(a) "Architectural Control Committee" or "Committee" shall mean and refer to the committee of the Homeowners' Association responsible for performing the architectural review and approval functions set forth in Article **8** of this Declaration.

(b) "Articles" or "Articles of Incorporation" mean the Articles of Incorporation of the Association, as amended from time to time. A copy of the initial Articles of Incorporation of the Association is attached hereto as **Exhibit "A"**.

(c) "Assessments" shall mean and refer to the various forms of payment to the Association which are required to be made by Owners, as more particularly described in Section 7.1 of this Declaration.

(d) "Association" or "Homeowners' Association" shall mean and refer to THE FOUNTAINS AT FONTAINEBLEAU HOMEOWNERS' ASSOCIATION, INC., a Florida corporation not for profit, which is (or is to be) incorporated.

(e) "Board" or "Board of Directors" shall mean and refer to the duly constituted Board of Directors of the Association, from time to time.

(f) "By-Laws" mean the By-Laws of the Association, as amended from time to time. A copy of the initial By-Laws of the Association is attached hereto as **Exhibit "B"**.

(g) "City" shall mean and refer to the City of Miami, located within the County.

(h) "Common Properties" shall mean and refer to the property legally described in **Exhibit "C"** attached hereto and made a part hereof, plus all property designated as Common Properties in any future recorded supplemental declaration; together with the landscaping and any improvements thereon, including, without limitation all of the following if located thereon, all private roadways and pedestrian walkway areas, structures, recreational facilities, open space, walkways, sprinkler systems and street lights, if any, but excluding any public utility installations thereon, and all portions of any Community Systems (as defined below) not made Common Properties pursuant to Section 4.11 hereof, and any other property of Declarant not intended to be made Common Properties. Declarant will endeavor to specifically identify (by recorded legal description, signage, physical boundaries, site plans or other means) the Common Properties of The Properties, but such identification shall not be required in order for a portion of The Properties to be Common Properties hereunder. Without limiting the generality of Section 1.2, in the event that Declarant determines that a particular portion of The Properties is or is not Common Properties hereunder (in the manner provided in said Section 1.2), such determination shall be binding and conclusive. In the event that the Association accepts an easement or similar grant over, under or through any portion of The Properties or any property adjacent thereto or in the vicinity thereof, the area subject to such easement shall be deemed Common Properties for the purposes of, but only for the purposes of, the Association performing whatever duties or obligations are stated in, or implied by law with respect to such easement or other grant.

(i) "Community Systems" shall mean and refer to any and all cable television, telecommunication, alarm/monitoring or other lines, conduits, wires, amplifiers, towers, antennae, equipment, materials, installations and fixtures (including those based on, containing or serving future technological advances not now known) installed by Declarant or pursuant to any grant of easement or authority by Declarant within The Properties and serving more than one Lot/Unit.

(j) "County" shall mean and refer to Miami-Dade County, Florida.

(k) "Declarant" shall mean and refer to **THE FOUNTAINS OF FONTAINBLEAU LTD., a Florida limited partnership**, its successors and such of its assigns as to which the rights of Declarant hereunder are specifically assigned. Declarant may assign all or a portion of its rights hereunder, or all or a portion of such rights in connection with appropriate portions of The Properties or the Future Development Property (as hereinafter defined). In the event of such a partial assignment, the assignee shall not be deemed the Declarant, but may exercise such rights of Declarant specifically assigned to it. Any such assignment may be made on a nonexclusive basis. The rights of Declarant under this Declaration are independent of the Declarant's rights to control the Board of Directors of the Association, and, accordingly, shall not be deemed waived, transferred or assigned to the Owners, the Board or the Association upon the transfer of control of the Association.

(l) "Declaration" or "Homeowners' Covenants" means this instrument and all exhibits attached hereto, as same may be amended from time to time.

(m) "Future Development Property" shall mean and refer to the property described on **Exhibit "D"** attached hereto and made a part hereof, any or all of which may, but none of which shall be obligated to, be brought within The Properties. **NOTWITHSTANDING ANYTHING HEREIN CONTAINED TO THE CONTRARY, THE FUTURE DEVELOPMENT PROPERTY SHALL NOT BE DEEMED BURDENED BY THE TERMS AND CONDITIONS OF THIS DECLARATION UNLESS AND UNTIL SAME (OR ANY PORTION THEREOF) IS BROUGHT HEREUNDER BY A SUPPLEMENTAL DECLARATION DULY EXECUTED AND RECORDED IN THE PUBLIC RECORDS OF THE COUNTY.**

(n) "Limited Common Properties" shall mean and refer to such portions of the Common Properties which are intended for the exclusive use (subject to the rights, if any, of the County, the City, the Association and the public) of the Owners of specific Lots, to the exclusion of others. Unless otherwise provided specifically to the contrary, reference to the Common Properties shall include the Limited Common Properties.

(o) "Lot" shall mean and refer to an individual parcel of land within The Properties which is shown as an individual lot on the various site plans (or similar plans) adopted by the Declarant from time to time and, after the conveyance thereof by Declarant to an Owner other than the Declarant, the lot legally described in the deed of such conveyance; provided, however, that no portion of any Community System shall be deemed to be part of a Lot unless and until same is made such pursuant to Section 4.11 hereof, if at all. In the case of a condominium made subject to this Declaration, the "Lots" therein shall be the individual condominium units thereof and not the parcel(s) of real property on which the condominium is constructed.

(p) "Member" shall mean and refer to all those Owners and others who are Members of the Homeowners' Association as hereinafter provided (including, without limitation, the Declarant).

(q) "Neighborhood Association" shall mean any association created or to be created to administer specific portions of The Properties and common areas or common elements lying within such portions pursuant to a declaration of condominium or declaration of covenants and restrictions affecting such portions.

(r) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot situated upon or within The Properties.

(s) "The Properties" or "The Fountains at Fonainebleau" shall mean and refer to all properties described in **Exhibit "E"** attached hereto and made a part hereof, and all additions thereto, now or hereafter made subject to this Declaration, except such as are withdrawn from the provisions hereof in accordance with the procedures set forth in this Declaration.

(t) "Supplemental Declaration" shall mean and refer to an instrument executed by the Declarant (or the Homeowners' Association, if permitted by Section 2.4 hereof) and recorded in the Public Records of the County, for the purpose of adding to The Properties, withdrawing any portion(s) thereof from the effect of this Declaration, designating a portion of The Properties as Common Properties hereunder or a common area/element of a Neighborhood Association or for such other purposes as are provided in this Declaration.

(u) "Unit" shall mean and refer to any dwelling unit constructed on a Lot or any condominium dwelling unit in any condominium building that may be erected on any parcel of land within The Properties, which land is designated by Declarant by recorded instrument to be subject to this Declaration (and to the extent Declarant is not the Owner thereof, then by Declarant joined by the Owner thereof); provided, however, that no portion of any Community System, even if installed in a Unit, shall be deemed to be a part of a Unit unless and until same is made such pursuant to Section 4.11 hereof, if at all.

1.2 Interpretation. The provisions of this Declaration as well as those of the Articles, By-Laws and any rules and regulations of the Association shall be interpreted by the Board of Directors. Any such interpretation of the Board which is rendered in good faith shall be final, binding and conclusive if the Board receives a written opinion of legal counsel to the Association, or the counsel having drafted this Declaration or other applicable document, that the interpretation is not unreasonable, which opinion may be rendered before or after the interpretation is adopted by the Board. Notwithstanding any rule of law to the contrary, the provisions of this Declaration and the Articles, By-Laws and the Rules and Regulations of the Association shall be liberally construed so as to effectuate the purposes herein expressed with respect to the efficient operation of the Association and The Properties, the preservation of the values of the Lots and Units and the protection of Declarant's rights, benefits and privileges herein contemplated.

ARTICLE 2.

PROPERTY SUBJECT TO THIS DECLARATION; ADDITIONS THERETO

2.1 Legal Description. The initial real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in the County, and is more particularly described in **Exhibit "E"** attached hereto and made a part hereof, all of which real property (and all improvements thereto), together with additions thereto, but less any withdrawals therefrom, is herein referred to collectively as "The Properties".

2.2 Supplements. Declarant may from time to time subject other land within the Future Development Property under the provisions of this Declaration by Supplemental Declarations (which shall not require the consent of then existing Owners, the Association or any mortgagee other than that, if any, of the land intended to be added to The Properties) and thereby add to The Properties. To the extent that such additional real property shall be made a part of The Properties, reference herein to The Properties shall be deemed to be reference to all of such additional property where such reference is intended to include property other than that legally described above. Nothing herein, however, shall obligate Declarant to add to the initial portion of The Properties, to develop any such future portions under a common scheme, nor to prohibit Declarant from rezoning and changing plans with respect to such future portions. All Owners, by acceptance of a deed to or other conveyance of their Lots, shall be deemed to have automatically consented to any such rezoning, replatting, covenant in lieu of unity of title, change, addition or deletion thereafter made by Declarant (or the applicable Declarant-affiliated Owner) and shall evidence such consent in writing if requested to do so by Declarant at any time (provided, however, that the refusal to give such written consent shall not obviate the general and automatic effect of this provision). A Supplemental Declaration may vary the terms of this Declaration by addition, deletion or modification so as to reflect any unique characteristics of a particular portion of The Properties identified therein; provided, however, that no such variance shall be directly contrary to the uniform scheme of development of The Properties.

2.3 Withdrawal. Declarant reserves the right to amend this Declaration unilaterally at any time, without prior notice and without the consent of any person or entity, for the purpose of removing certain portions of The Properties (including, without limitation, Lots, Common Properties and/or Limited Common Properties) then owned by the Declarant or its affiliates or the Association from the provisions of this Declaration to the extent included originally in error or as a result of any changes whatsoever in the plans for The Properties desired to be effected by the Declarant; provided, however, that such withdrawal is not unequivocally contrary to the overall, uniform scheme of development for The Properties.

2.4 Common Properties. In the event of any doubt, conflict or dispute as to whether any portion of The Properties is or is not Common Properties under this Declaration or a common area/element of a Neighborhood Association, the Declarant may, without the consent of the Homeowners' Association or then existing Owners, record in the public records of the County, a Supplemental Declaration resolving such issue and such Supplemental Declaration shall be dispositive and binding.

communications and other similar purposes deemed appropriate by the Association (to which such dedication or contract all Owners, by the acceptance of the deeds to their Lots, shall be deemed to have consented, no consent of any other party, except Declarant, being necessary).

(h) The rights of the Declarant to withdraw portions of the Common Properties as provided in Section 2.3 above.

WITH RESPECT TO THE USE OF THE COMMON PROPERTIES AND THE PROPERTIES GENERALLY, ALL PERSONS ARE REFERRED TO SECTION 16.13 AND ARTICLE 17 HEREOF, WHICH SHALL AT ALL TIMES APPLY THERETO.

4.2 Easements Appurtenant. The easements provided in Section 4.1 shall be appurtenant to and shall pass with the title to each Lot, but shall not be deemed to grant or convey any ownership interest in the Common Properties subject thereto.

4.3 Parking and Storage. Parking areas for the use of the Unit Owners and some storage lockers and spaces are located on the Common Properties. Declarant shall have, and hereby reserves, the exclusive right at any time, and from time to time, to grant to specific Units or to the Homeowners' Association or any Neighborhood Association the exclusive right to use one or more of such parking spaces and/or storage spaces and/or lockers. A grant with respect to parking or storage spaces shall be made by Declarant by written assignment (which shall not be recorded). Any such grant vests in the Unit Owner, the Homeowners' Association or such Neighborhood Association, as appropriate, the exclusive right to use (and not title to) such space(s) and/or locker(s), and, if to a Unit Owner, as an appurtenance to such Owner's Unit. Unless otherwise noted on the form of assignment with respect to certain parking and storage spaces, such exclusive right to use shall pass with title to such Unit, whether or not specifically assigned. All fees collected by Declarant for assigning spaces and/or lockers, if any, shall be retained by Declarant and shall not constitute income or revenue of the Homeowners' Association. Temporary guest or recreational parking shall be permitted only by valet parking, or as otherwise determined by Declarant, and only within spaces and areas clearly designated for this purpose. The Homeowners' Association, through its officers, committees and agents, is hereby empowered to establish parking regulations in all of the Common Properties and may make provision for the involuntary removal of any violating vehicle, provided however, that anything herein contained to the contrary, no such regulation may, directly or indirectly, impair, diminish or otherwise interfere with Declarant's exclusive right to assign parking spaces and/or storage lockers and/or to collect all fees resulting therefrom. The Homeowners' Association may suspend the Owner's right to use his parking space(s) during any period when Assessments are delinquent.

4.4 Maintenance. The Association shall at all times maintain in good repair and manage, operate and insure, and shall replace as often as necessary, the Common Properties and, to the extent not otherwise provided for, the paving, drainage structures, landscaping, improvements and other structures (except public utilities and Community Systems, to the extent same have not been made Common Properties and except those Limited Common Properties to be maintained by Owners) situated on the Common Properties, if any, all such work to be done as ordered by the Board of Directors of the Association. Without limiting the generality of the foregoing, the Association shall assume all of Declarant's and its affiliates' responsibilities to the County, the City, and its and their governmental and quasi-governmental subdivisions and similar entities of any kind with respect to the Common Properties and shall indemnify and hold Declarant and its affiliates harmless with respect thereto in the event of the Association's failure to fulfill those responsibilities. All work pursuant to this Section and all expenses incurred or allocated to the Association pursuant to this Declaration shall be paid for by the Association through assessments (either general or special) imposed in accordance herewith. The Homeowners' Association, on behalf of itself and/or all or appropriate Neighborhood Associations, shall have the power to incur, by way of contract or otherwise, expenses general to all or applicable portions of The Properties, or appropriate portions thereof, and the Homeowners' Association shall then have the power to allocate portions of such expenses among the Homeowners' Association and/or the Neighborhood Associations, based on such formula as may be adopted by the Homeowners' Association or as otherwise provided in this Declaration or any Supplemental Declaration. The portion so allocated to the Homeowners' Association or any Neighborhood Association shall be deemed a general expense thereof, collectible through its own assessments. No Owner may waive or otherwise escape liability for assessments by non-use (whether voluntary or involuntary) of the Common Properties or abandonment of the right to use the Common Properties.

4.5 Street Lights. The Homeowners' Association shall be responsible for the operation, maintenance, repair and replacement of all street lighting fixtures, installations and equipment serving the Common Properties (solely or primarily), even if same are located within the common areas/elements owned or administered by a Neighborhood Association (and said fixtures, installations and equipment shall be deemed Common Properties for the aforesaid purposes). In the event of doubt as to whether any particular street lighting serves the Common Properties solely or primarily, the decision of the Board of Directors in such regard shall be final and conclusive. Notwithstanding the foregoing, in the event that a Neighborhood Association requests the Homeowners' Association to maintain, repair or replace any street lighting fixtures, installations or equipment which would not otherwise fall under the Homeowners' Association's responsibilities, then the Homeowners' Association may do so as long as all costs and expenses thereof are paid by the requesting Neighborhood Association. Charges for electricity used by street lights shall be paid by the Homeowners' Association or Neighborhood Association, depending upon to which Association's account such electricity is metered (as originally established by Declarant or the applicable utility company).

4.6 Easements for Vehicular Traffic. In addition to the general easements for use of the Common Properties reserved herein, there shall be, and Declarant hereby reserves and covenants for itself and all future Owners of Lots/Units within The Properties, that each and every Owner, and Declarant, shall have a non-exclusive easement appurtenant for vehicular traffic over all private streets within the Common Properties, subject to the parking provisions set forth in Section 4.3 above.

4.7 Utility and Community Systems Easements. Use of the Common Properties for utilities, as well as use of the other utility easements as shown on relevant plats, shall be in accordance with the applicable provisions of this Declaration and said plats. Declarant and its affiliates and its and their designees shall have a perpetual easement over, upon and under the Common Properties and the unimproved portions of the Lots for the installation, operation, maintenance, repair, replacement, alteration and expansion of Community Systems and other utilities.

4.8 Public Easements. Fire, police, health and sanitation and other public service personnel and vehicles shall have a permanent and perpetual easement for ingress and egress over and across the Common Properties in the performance of their respective duties.

4.9 Drainage Easement. In addition to all other matters of record, the Properties are subject to that certain Drainage Easement recorded on November 9, 1994, in Official Records Book 8499, at Page 991, as amended by Amendment to Drainage Easement recorded on February 25, 1998 in Official Records Book 10247, at Page 1517, all of the Public Records of Miami-Dade County, Florida (and as same may be hereafter amended from time to time (the "Drainage Easement"). Upon recordation of this Declaration, the Association shall be deemed to have assumed and shall be obligated to timely perform any and all duties and obligations of the "Grantor" under the Drainage Easement and any expenses in connection therewith shall be payable through regular Assessments.

4.10 Ownership. The Common Properties are hereby dedicated non-exclusively to the joint and several use, in common, of Declarant, and the Owners of all Lots that may from time to time constitute part of The Properties, such Owners' guests, tenants and invitees and Declarant's tenants, guests and invitees, all as provided and regulated herein or otherwise by the Association, subject to Section 2.3 hereof. The Common Properties (or appropriate portions thereof) shall, upon the later of completion of the improvements thereon or the date when the last Lot within The Properties (and the Future Development Property if then contemplated to be added to The Properties by Declarant, in Declarant's sole and absolute opinion) has been conveyed to a purchaser (or at any time and from time to time sooner at the sole election of Declarant), be conveyed by quit claim deed to the Association, which shall be deemed to have automatically accepted such conveyance. Beginning from the date this Declaration is recorded, the Association shall be responsible for the maintenance, insurance and administration of such Common Properties (whether or not then conveyed or to be conveyed to the Association), all of which shall be performed in a continuous and satisfactory manner without cost to the general taxpayers of the County or the City. It is intended that any and all real estate taxes and assessments assessed against the Common Properties shall be (or have been, because the purchase prices of the Lots and Units have already taken into account their proportionate shares of the values of the Common Properties), proportionally assessed against and payable as part of the taxes of the applicable Lots within The Properties. However, in the event that, notwithstanding the foregoing, any such taxes are assessed directly against the Common Properties, the Association shall be responsible for the payment (subject to protest or appeal before or after payment) of same, including taxes on any improvements and any personal property located thereon, which taxes accrue from and after the date these Homeowners' Covenants are recorded, and such taxes shall be prorated between Declarant and the Association as of the date of such recordation.

Declarant and its affiliates shall have the right from time to time to enter upon the Common Properties and other portions of The Properties (including, without limitation, Lots) for the purpose of the installation, construction, reconstruction, repair, replacement, operation, expansion and/or alteration of any improvements or facilities on the Common Properties or elsewhere on The Properties that Declarant and its affiliates or designees elect to effect, and to use, without charge, the Common Properties and other portions of The Properties for sales, displays and signs or for any other purpose during the period of construction and sale of any portion thereof or of other portions of adjacent or nearby property. Without limiting the generality of the foregoing, Declarant and its affiliates shall have the specific right to maintain upon any portion of The Properties sales, administrative, construction or other offices and appropriate exclusive and non-exclusive easements of access and use are expressly reserved unto Declarant and its affiliates, and its and their successors, assigns, employees and contractors, for this purpose. Any obligation (which shall not be deemed to be created hereby) to complete portions of the Common Properties shall, at all times, be subject and subordinate to these rights and easements and to the above-referenced activities. Accordingly, Declarant shall not be liable for delays in such completion to the extent resulting from the need to complete any of the above-referenced activities prior to such completion.

4.11 Community Systems. Declarant shall have the right, but not the obligation, to convey, transfer, sell or assign all or any portion of the Community Systems located within The Properties, or all or any portion of the rights, duties or obligations with respect thereto to the Association or any other person or entity (including an Owner, as to any portion of a Community System located on/in his Lot/Unit). Without limiting the generality of Section hereof, if and when any of the aforesaid entities receives such a conveyance, sale, transfer or assignment, such entity shall automatically be deemed vested with such rights of Declarant with regard thereto as are assigned by Declarant in connection therewith; provided, however, that if the Association is the applicable entity, then any Community Systems or portions thereof shall be deemed Common Properties hereunder and the Association's rights, duties and obligations with respect thereto shall be the same as those applicable to other Common Properties unless otherwise provided by Declarant. Any conveyance, transfer, sale or assignment made by Declarant pursuant to this Section 4.11, (i) may be made with or without consideration, (ii) shall not require the consent or approval of the Association or any Owner and (iii) if made to the Association, shall be deemed to have been automatically accepted (with all rights, duties, obligations and liabilities with respect thereto being deemed to have been automatically assumed). In recognition of the intended increased effectiveness and potentially decreased installation and maintenance costs and user fees arising from the connection of all Units in The Properties to the applicable Community Systems, each Owner and occupant of a Unit shall by virtue of the acceptance of the deed or other right of occupancy thereof, be deemed to have consented to and ratified any and all agreements to which the Association is a party which is based upon (in terms of pricing structure or otherwise) a requirement that all Units be so connected. The foregoing shall not, however, prohibit the Association or Community Systems provider from making exceptions to any such 100% use requirement in its reasonable discretion. WITH RESPECT TO COMMUNITY SYSTEMS, ALL PERSONS ARE REFERRED TO SECTION 16.13 HEREOF, WHICH SHALL AT ALL TIMES APPLY TO THIS SECTION.

ARTICLE 5

MAINTENANCE OF UNITS AND LOTS

5.1 Exteriors of Units. The Owner of a Lot shall maintain all exterior surfaces and roofs, facias and soffits of the structures (including the Unit) and other improvements located on the Lot (including driveway and sidewalk surfaces) in a neat, orderly and attractive manner. The aforesaid maintenance shall include maintaining screens (including screen enclosures), windows and doors (including the wood and hardware of sliding glass doors). The minimum (though not sole) standard for the foregoing shall be consistency with the general appearance of The Properties as initially constructed and otherwise improved (taking into account, however, normal weathering and fading of exterior finishes, but not to the point of unsightliness). The Owner shall clean, repaint or restain, as appropriate, the exterior portions of each Unit (with the same colors as initially used on the Unit), as often as is necessary to comply with the foregoing standards.

5.2 Lots. The Owner shall maintain and irrigate the trees, shrubbery, grass and other landscaping on each Lot in a neat, orderly and attractive manner and consistent with the general appearance of The Properties as a whole. The minimum (though not sole) standard for the foregoing shall be the general appearance of The Properties as initially landscaped (such standard being subject to being raised by virtue of the natural and orderly growth and maturation of applicable landscaping, as properly trimmed and maintained).

5.3 Right of Entry. In addition to such other remedies as may be available under this Declaration, in the event that an Owner fails to maintain a Unit or Lot, the Association shall have the right to enter upon the Lot in question and perform such duties; provided, however, that such entry shall be during reasonable hours and only after five (5) days' prior written notice. The Owner having failed to perform its maintenance duties shall be liable to the Association for the costs of performing such remedial work and shall pay a surcharge of not more than thirty-five percent (35%) of the cost of the applicable remedial work, all such sums being payable upon demand and to be secured by the lien provided for in Article **7** hereof. No bids need be obtained for any of the work performed pursuant to this Article and the person(s) or company performing such work may be selected by the Association in its sole discretion. There is hereby created an easement in favor of the Association, and its applicable designees over each Lot for the purpose of entering onto the Lot in the performance of the work herein described, provided that the notice requirements of this Article are complied with.

ARTICLE 6.

CERTAIN USE RESTRICTIONS

6.1 Applicability. The provisions of this Article **6** shall be applicable to all of The Properties but shall not be applicable to Declarant or any of its designees or Lots, Units or other property owned by Declarant or its designees.

6.2 Uses of Lots and Units. All Lots and Units (and appurtenant Common Properties) shall be used for the general purposes for which they are designed and intended and at all times used, operated and maintained in accordance with applicable zoning and other requirements, conditions and restrictions applicable to same (including, without limitation, any contained in a deed or lease of the Lot/Unit from the Declarant, as same may be amended from time to time).

6.3 Easements. Easements for the installation and maintenance of utilities and Community Systems are reserved as shown on the recorded plats covering The Properties and/or as provided herein. The area of each Lot covered by an easement and all improvements in such area shall be maintained continuously by the Association to the extent provided herein, except for installations for which a public authority or utility company is responsible. The appropriate water and sewer authority, electric utility company, telephone company, the Association, and Declarant and its affiliates, and their respective successors and assigns, shall have a perpetual easement for the installation and maintenance, all underground, of water lines, sanitary sewers, storm drains, and electric, telephone and Community System lines, cables and conduits, under and through the utility easements as shown on the plats.

6.4 Nuisances. Nothing shall be done or maintained on any Lot which may be or become an annoyance or nuisance to the occupants of other Lots. Any activity on a Lot which interferes with television, cable or radio reception on another Lot shall be deemed a nuisance and a prohibited activity. In the event of a dispute or question as to what may be or become a nuisance, such dispute or question shall be submitted to the Board of Directors, which shall render a decision in writing, which decision shall be dispositive of such dispute or question.

6.5 Oil and Mining Operation. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in The Properties, nor on dedicated areas, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in The Properties. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any portion of the land subject to these restrictions.

6.6 Visibility at Intersections. No obstruction to visibility at street intersections or Common Area intersections shall be permitted; provided that the Association shall not be liable in any manner to any person or entity, including Owners and their guests, tenants and invitees, for any damages, injuries or deaths arising from any violation of this Section.

6.7 Parking and Vehicular Restrictions. Parking in or on the Common Properties shall be restricted to the parking areas therein designated for such purpose. No person shall park, store or keep on any portion of the Common Properties any large commercial type vehicle (for example, dump truck, motor home, trailer, cement mixer truck, oil or gas truck, delivery truck), nor may any person keep any other vehicle on the Common Properties which is deemed to be a nuisance by the Board. No trailer, camper, motor home or recreation vehicle shall be used as a residence, either temporarily or permanently, or parked on the Common Properties. No person shall conduct major repairs (except in an emergency) or major restorations of any motor vehicle, boat, trailer, or other vehicle upon any portion of the Improvements or Common Properties. All vehicles will be subject to height, width and length restrictions and other rules and regulations now or hereafter adopted. The decision of Declarant to assign specific parking spaces within the Common Properties to designated companies or persons, or for specified uses, shall be final, binding and conclusive.

6.8 Renewable Resource Devices. Nothing in this Declaration shall be deemed to prohibit the installation of energy devices based on renewable resources (e.g., solar collector panels); provided, however, that same shall be installed only in accordance with the reasonable standards adopted from time to time by the Architectural Control Committee and with such Board's approval. Such standards shall be reasonably calculated to maintain the aesthetic integrity of The Properties without making the cost of the aforesaid devices prohibitively expensive.

6.9 Signs. No sign, poster, display, billboard or other advertising device of any kind shall be displayed to the public view on any portion of the Common Properties without the prior written consent of the Architectural Control Committee, except signs, regardless of size, used by Declarant, its successors or assigns, for advertising during the construction, sale and leasing period.

6.10 Animal Restriction. No livestock, reptiles or poultry of any kind shall be raised, bred, or kept on or in any Common Properties. No dog, cat or other pet may run loose (unleashed) on Common Properties, and pets may be walked only in areas designated for such purpose by the Homeowners' Association, if any. Owners shall not be permitted to walk more than two (2) animals at any time on the Common Properties. Any animal permitted on the Common Properties pursuant to this section 6.10 must not be a nuisance to the occupants of any Lot.

6.11 Trash. No rubbish, trash, garbage or other waste material shall be kept or permitted on Common Properties except in containers located in appropriate areas, if any, and no odor shall be permitted to arise therefrom so as to render Common Properties or any portion thereof unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to its occupants. No lumber, grass, shrub or tree clippings or plant waste, metals, bulk material or scrap or refuse or trash shall be kept, except within an enclosed structure appropriately screened from view erected for that purpose, if any, and otherwise in accordance with the approval of the Committee.

6.12 Temporary Structures. Except as may be used or permitted by the Declarant during periods of construction or renovation, no structure of a temporary nature (including, without limitation, trailers, tents, shacks or mobile offices) shall be located or used within The Properties.

6.13 Variances. The Board of Directors of the Association shall have the right and power to grant variances from the provisions of this Article **6** and from the Association's rules and regulations for good cause shown, as determined in the reasonable discretion of the Board. No variance granted as aforesaid shall alter, waive or impair the operation or effect of the provisions of this Article **6** in any instance in which such variance is not granted.

6.14 Declarant Exemption. In order that the development of The Properties may be undertaken and The Properties established as a fully occupied community, no Owner, nor the Homeowners' Association, nor any Neighborhood Association shall do anything to interfere with Declarant's activities. Without limiting the generality of the foregoing, nothing in this Declaration shall be understood or construed to:

(a) Prevent Declarant, its successors or assigns, or its or their contractors or subcontractors, from doing on any property owned by them whatever they determine to be necessary or advisable in connection with the completion of the development of The Properties and the Future Development Property, including without limitation, the alteration of its construction plans and designs as Declarant deems advisable in the course of development (all models or sketches showing plans for future development of The Properties, as same may be expanded, may be modified by the Declarant at any time and from time to time, without notice); or

(b) Prevent Declarant, its successors or assigns, or its or their contractors, subcontractors or representatives, from erecting, constructing and maintaining on any property owned or controlled by Declarant, or its successors or assigns or its or their contractors or subcontractors, such structures as may be reasonably necessary for the conduct of its or their business of completing said development and establishing The Properties as a community and disposing of the same by sale, lease or otherwise; or

(c) Prevent Declarant, its successors or assigns, or its or their contractors or subcontractors, from conducting on any property owned or controlled by Declarant, or its successors or assigns, its or their business of developing, subdividing, grading and constructing improvements in The Properties and the Future Development Property and of disposing of Lots and/or Units therein by sale, lease or otherwise; or

(d) Prevent Declarant, its successors or assigns, from determining in its sole discretion the nature of any type of improvements to be initially constructed as part of The Properties; or

(e) Prevent Declarant, its successors or assigns or its or their contractors or subcontractors, from maintaining such sign or signs on any property owned or controlled by any of them as may be necessary in connection with the operation of any Lots owned by Declarant (its successors or assigns) or the sale, lease or other marketing of Lots and/or Units, or otherwise from taking such other actions deemed appropriate; or

(f) Prevent Declarant, or its successors or assigns from filing Supplemental Declarations which modify or amend this Declaration, or which add or withdraw additional property as otherwise provided in this Declaration; or

(g) Prevent Declarant from modifying, changing, re-configuring, removing or otherwise altering any improvements located on the Common Properties.

In general, the Declarant shall be exempt from all restrictions set forth in this Declaration to the extent such restrictions interfere in any matter with Declarant's plans for construction, development, use, sale or other disposition of The Properties and the Future Development Property, or any part thereof.

ARTICLE 7.

COVENANT FOR MAINTENANCE ASSESSMENTS

7.1 Creation of the Lien and Personal Obligation for Assessments. Except as provided elsewhere herein, Declarant (and each party joining in any supplemental declaration), for all Lots now or hereafter located within The Properties, hereby covenants and agrees, and each Owner of any Lot by acceptance of a deed therefor or other conveyance thereof, whether or not it shall be so expressed in such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association annual assessments and charges for the operation of, and for payment of expenses allocated or assessed to or through the Association, of and for the maintenance, management, operation and insurance of the Common Properties and the Homeowners' Association and any applicable Community Systems as provided elsewhere herein, including such reasonable reserves as the Association may deem necessary, capital improvement assessments, as provided in Section 7.5 hereof, special assessments as provided in Section 7.4 hereof and all other charges and assessments hereinafter referred to or lawfully imposed by or on the Association; all such assessments to be fixed, established and collected from time to time as herein provided. In addition, special assessments may be levied against particular Owners and Lots for fines, expenses incurred against particular Lots and/or Owners to the exclusion of others and other charges against specific Lots or Owners as contemplated in this Declaration. The annual, special and other assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with such interest thereon and costs of collection thereof as hereinafter provided, shall also be the personal obligation of the person who is the Owner of such property at the time when the assessment fell due and all subsequent Owners until paid, except as provided in Section 7.9 below. Reference herein to assessments shall be understood to include reference to any and all of said charges whether or not specifically mentioned.

7.2 Rates of Assessments. Assessments shall be made against each Lot at a rate based upon the number of units contained therein or thereon, all as more particularly set forth below. With respect to any Lot that is within a Condominium (a "Condominium Lot"), the assessments for such Condominium shall be the number of Condominium Lots contained therein in comparison to the aggregate number of Condominium Lots contained within all Lots then within The Properties). Once determining the assessments payable by the particular Condominium, the total proportionate assessments attributable to that Condominium shall be allocated among the Condominium Lots therein, with each Condominium Lot responsible for the portion of that aggregate assessment corresponding to the Condominium Lot's proportionate share of the common elements of the applicable condominium.

With respect to any Lot that is not a Condominium Lot (a "Non-Condominium Lot"), the assessments for such Non-Condominium Lot shall be determined in an equitable manner by the Declarant, with such allocation method to be set forth in the Supplemental Declaration submitting such Non-Condominium Lot to the terms of this Declaration.

By way of example only, if The Properties only consisted of two (2) condominium buildings, and Condominium 1 contained 125 units, and Condominium 2 contained 150 units, then Condominium 1 would be responsible for 45.45% (125/275) of the total expenses of the Association, and Condominium 2 would be responsible for 54.55% (150/275) of the total expenses of the Association. Each condominium unit in Condominium 1 would bear its proportionate share of the Condominium's 45.45% (such share being the percentage share of ownership of condominium common elements attributable to the applicable Unit as set forth in the condominium declaration), and each condominium unit in Condominium 2 would bear its proportionate share of the Condominium's 54.55%.

In the event of any dispute as to the allocation of assessments, the determination of the Board of the Association shall be binding and dispositive. Declarant may modify such formula with respect to future Lots/Units in the Supplemental Declaration bringing such Units under the provisions hereof in order to account for unforeseen changes in development plans and to maintain an equitable system of Assessment allocation, provided that no change may be made in the allocation of Assessments among residential condominium Units insofar as it is the intent hereof that each such Unit shall be required to bear a proportionate burden of Assessments (other than Special Assessments).

The Board of Directors shall budget and adopt assessments for the Association's general expenses and for those expense items associated with any Limited Common Properties (which may be declared hereby or in any Supplemental Declaration by the Declarant alone, and the expenses attributable to same shall be borne solely by those persons entitled to use of the Limited Common Properties, unless otherwise provided herein or in such Supplemental Declaration).

7.3 Purpose of Assessments. The regular assessments levied by the Association shall be used for the purposes expressed in Section 7.1 above and for such other purposes as the Association shall have within its powers and from time to time elect to undertake.

7.4 Special Assessments. In addition to the regular and capital improvement assessments which are or may be levied hereunder, the Association (through the Board of Directors) shall have the right to levy special assessments against an Owner(s) to the exclusion of other Owners (a) for the repair or replacement of damage to any portion of the Common Properties (including, without limitation, improvements and landscaping thereon) caused by the misuse, negligence or other action or inaction of an Owner or his guests, tenants or invitees, (b) for the costs of work performed by the Association in accordance with Article **5** of this Declaration (together with any surcharges collectible thereunder), (c) to obtain funds for a specific purpose(s) which is of a non-recurring nature, for which no reserve funds (or inadequate reserve funds) have been collected or allocated, and which is not the appropriate subject of a capital improvement assessment. Any such special assessment shall be subject to all of the applicable provisions of this Article including, without limitation, lien filing and foreclosure procedures and late charges and interest. Any special assessment levied hereunder shall be due within the time specified by the Board of Directors in the action imposing such assessment or may be of an ongoing nature, as provided in Article **5** hereof.

7.5 Capital Improvements. Funds which, in the aggregate, exceed the lesser of $150,000.00 or 10% of the total amount of the current operating budget of the Association in any one fiscal year which are necessary for the addition of capital improvements (as distinguished from repairs and maintenance, including repairs and replacement per Article **11** hereof) relating to the Common Properties and which have not previously been collected as reserves or are not otherwise available to the Association (other than by borrowing) shall be levied by the Association as assessments only upon approval of a majority of the Board of Directors of the Association and upon approval by two-thirds (2/3) favorable vote of the Members of the Association. The costs of any of the aforesaid work which are less than the above-specified threshold amount shall be collected as general or special assessments upon approval of a majority of the Association's Board of Directors.

7.6 Date of Commencement of Annual Assessments; Due Dates. The annual regular assessments provided for in this Article shall commence on the first day of the month next following the recordation of these covenants and shall be applicable through December 31 of such year. Each subsequent annual assessment shall be imposed for the year beginning January 1 and ending December 31. The annual assessments shall be payable in advance in monthly installments, or in annual, semi- or quarter-annual installments if so determined by the Board of Directors of the Association (absent which determination they shall be payable monthly). The assessment amount (and applicable installments) may be changed at any time by said Board from that originally stipulated or from any other assessment that is in the future adopted. The original assessment for any year shall be levied for the calendar year (to be reconsidered and amended, if necessary, at any appropriate time during the year), but the amount of any revised assessment to be levied during any period shorter than a full calendar year shall be in proportion to the number of months (or other appropriate installments) remaining in such calendar year. The due date of any special assessment or capital improvement assessment shall be fixed in the Board resolution authorizing such assessment.

7.7 Duties of the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against the Lots subject to the Association's jurisdiction for each assessment period, to the extent practicable, at least thirty (30) days in advance of such date or period, and shall, at that time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner. Written notice of the assessment shall thereupon be sent to every Owner subject thereto twenty (20) days prior to payment of the first installment thereof, except as to special assessments. In the event no such notice of the assessments for a new assessment period is given, the amount payable shall continue to be the same as the amount payable for the previous period, until changed in the manner provided for herein. The Association, through the action of its Board of Directors, shall have the power, but not the obligation, to enter into an agreement or agreements from time to time with one or more persons, firms or corporations (including affiliates of Declarant) for management services, including the administration of budgets and assessments as herein provided. The Association shall have all other powers provided in its Articles of Incorporation and By-Laws.

7.8 Effect of Non-Payment of Assessment; the Personal Obligation; the Lien; Remedies of the Association. If the assessments (or installments) provided for herein are not paid on the date(s) when due (being the date(s) specified herein or pursuant hereto), then such assessments (or installments) shall become delinquent and shall, together with late charges, interest and the cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the Lot which shall bind such property in the hands of the then Owner, his heirs, personal representatives, successors and assigns. Except as provided in Section 7.9 to the contrary, the personal obligation of an Owner to pay such assessment shall pass to his successors in title and recourse may be had against either or both. If any installment of an assessment is not paid within fifteen (15) days after the due date, at the option of the Association, a late charge not greater than the amount of such unpaid installment may be imposed (provided that only one late charge may be imposed on any one unpaid installment and if such installment is not paid thereafter, it and the late charge shall accrue interest as provided herein but shall not be subject to additional late charges; provided further, however, that each other installment thereafter coming due shall be subject to one late charge each as aforesaid) or the next twelve (12) months' worth of installments may be accelerated and become immediately due and payable in full and all such sums shall bear interest from the dates when due until paid at the highest lawful rate (or, if there is no highest lawful rate, 18% per annum) and the Association may bring an action at law against the Owner(s) personally obligated to pay the same, may record a claim of lien (as evidence of its lien rights as hereinabove provided for) against the Lot on which the assessments and late charges are unpaid, may foreclose the lien against the Lot on which the assessments and late charges are unpaid, or may pursue one or more of such remedies at the same time or successively, and attorneys' fees and costs actually incurred in preparing and filing the claim of lien and the complaint, if any, and prosecuting same, in such action shall be added to the amount of such assessments, late charges and interest secured by the lien, and in the event a judgment is obtained, such judgment shall include all such sums as above provided and attorneys' fees actually incurred together with the costs of the action, through all applicable appellate levels. In the case of an acceleration of the next twelve (12) months' of installments, each installment so accelerated shall be deemed, initially, equal to the amount of the then most current delinquent installment, provided that if any such installment so accelerated would have been greater in amount by reason of a subsequent increase in the applicable budget, the Owner of the Lot whose installments were so accelerated shall continue to be liable for the balance due by reason of such increase and special assessments against such Lot shall be levied by the Association for such purpose. In addition to the rights of collection of assessments stated in this Section, any and all persons acquiring title to or an interest in a Lot as to which the assessment is delinquent, including without limitation persons acquiring title by operation of law and by judicial sales, shall not be entitled to the occupancy of such Lot or the enjoyment of the Common Properties until such time as all unpaid and delinquent assessments due and owing from the selling Owner have been fully paid; provided, however, that the provisions of this sentence shall not be applicable to the mortgagees and purchasers contemplated by Section 7.9 below. All assessments, late charges, interest, penalties, fines, attorney's fees and other sums provided for herein shall accrue to the benefit of the Association.

Unless delegated to a Neighborhood Association by the Homeowners' Association, it shall be the legal duty and responsibility of the Homeowners' Association to enforce payment of the assessments hereunder. Failure of a collecting entity to send or deliver bills or notices of assessments shall not, however, relieve Owners from their obligations hereunder.

The Homeowners' Association shall have such other remedies for collection and enforcement of assessments as may be permitted by applicable law. All remedies are intended to be, and shall be, cumulative.

7.9 Subordination of the Lien. The lien of the assessments provided for in this Article shall be subordinate to real property tax liens and the lien of any first mortgage; provided, however, that any such mortgage lender when in possession or any receiver, and in the event of a foreclosure, any purchaser at a foreclosure sale, and any such mortgage lender acquiring a deed in lieu of foreclosure, and all persons claiming by, through or under such purchaser or mortgage lender, shall hold title subject to the liability and lien of any assessment coming due after such foreclosure (or conveyance in lieu of foreclosure). Any unpaid assessment which cannot be collected as a lien against any Lot by reason of the provisions of this Section shall be deemed to be an assessment divided equally among, payable by and a lien against all Lots subject to assessment by the Association, including the Lots as to which the foreclosure (or conveyance in lieu of foreclosure) took place.

7.10 Collection of Assessments. Assessments levied pursuant hereto shall be collected in the manner established pursuant to Section 9.4 of this Declaration. In the event that at any time said manner provides for collection of assessments levied pursuant hereto by an entity other than the Homeowners' Association, all references herein to collection (but not necessarily enforcement) by the Homeowners' Association shall be deemed to refer to the other entity performing such collection duties and the obligations of Owners to pay assessments shall be satisfied by making such payments to the applicable collecting entity.

7.11 Declarant's Assessments. During the period from the date of the recording of this Declaration until the earlier of the following dates (the "Guarantee Expiration Date"): (i) the last day of the twelfth (12th) complete calendar month after the applicable recording date, (ii) the occurrence of an "Extraordinary Financial Event" (as hereinafter defined), or (iii) the date that the Class B Membership in the Homeowners' Association is terminated as provided in the Articles, the Declarant shall not be obligated to pay the share of Homeowners' common expenses and Assessments attributable to the Units owned by the Declarant, provided: (i) that the regular Assessments imposed on each Owner other than the Declarant prior to the Guarantee Expiration Date shall not increase during such period over the amount set forth in the initial estimated operating budget of the Homeowners' Association contained in the offering circular delivered to the Owner who first contracted to purchase his Unit, and (ii) that the Declarant shall be obligated to pay any amount of Homeowners' common expenses actually incurred during such period and not produced by the Assessments at the guaranteed levels receivable from other Owners and/or from income of the Association. After the Guarantee Expiration Date, the Declarant shall have the option, but not the obligation, of extending the guarantee for not more than eight (8) additional six (6) month periods (provided, however, that any election to extend shall be with the understanding and agreement that the guaranteed Assessment level during the extension period shall be deemed to be 15% greater than the amount guaranteed during the previous guarantee period), or paying the share of Homeowners' common expenses and Assessments attributable to Lots it then owns. As used in this subsection, an "Extraordinary Financial Event" shall mean a casualty loss affecting The Properties and/or

Association Property which exceeds by more than $5,000.00 the insurance proceeds receivable by the Association as a result of the loss, or the entry of a judgment against the Association (or against a member or members of the Board of Directors if and to the extent those members are entitled to be indemnified by the Association as more particularly described in the Articles of Incorporation) that exceeds by more than $5,000.00 the insurance proceeds receivable by the Association as a result of the judgment, or an agreement by the Association (or said member or members of the Board of Directors to whom indemnification is owed) to pay an amount in settlement of a lawsuit against it (or against said Board members) that exceeds by more than $5,000.00 the insurance proceeds receivable by the Association as a result of the settlement agreement.

7.12 Association Funds. The portion of all regular assessments collected by the Association for reserves for future expenses, and the entire amount of all special and capital assessments, shall be held by the Association and may be invested in interest bearing accounts or in certificates of deposit or other like instruments or accounts available at banks or savings and loan institutions, the deposits of which are insured by an agency of the United States.

ARTICLE 8.

ARCHITECTURAL CONTROL; GENERAL POWERS

The following provisions of this Article **8** are subject to those of Article **9** hereof. Accordingly, this Article shall be operative only so long as the Homeowners' Association is performing (subject to later delegation) architectural control duties and powers in the manner provided in Article **9**.

8.1 Members of Committee. The Architectural Control Committee, sometimes referred to in this Declaration as the "Committee", shall consist of three (3) members. The initial members of the Committee shall consist of persons designated by Declarant. Each of the initial members shall hold office until all Lots and improvements planned for The Properties and the Future Development Property have been constructed and conveyed (if appropriate), or sooner at the option of Declarant. Thereafter, each new member of the Committee shall be appointed by the Board of Directors and shall hold office until such time as he has resigned or has been removed or his successor has been appointed, as provided herein. Members of the Committee (other than those appointed or designated by the Declarant) may be removed by the Board of Directors at any time without cause. Members of the Committee appointed or designated by the Declarant may only be removed by the Declarant.

8.2 Review of Proposed Construction. Subject to Section 8.9 below, no building, fence, wall or other structure or improvement (including, but not limited to, landscaping, hurricane protection, basketball hoops, birdhouses, other pet houses, swales, asphalting or other improvements or changes of any kind) shall be commenced, altered, painted, erected or maintained in The Properties, nor shall any addition, change or alteration (including paint or exterior finishing) visible from the exterior of any Unit be made, nor shall any awning, canopy or shutter be attached to or placed upon outside walls or roofs of buildings or other improvements, 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 by, the Committee. The Committee shall approve proposals or plans and specifications submitted for its approval only if it deems that the construction, alterations or additions contemplated thereby, in the locations indicated, will not be detrimental to the appearance of The Properties as a whole, and that the appearance of any structure affected thereby will be in harmony with the surrounding structures and landscaping and is otherwise desirable. If the proposed construction, alterations or additions are to common elements of a condominium, said approval shall also be subject to the prior approval of the applicable condominium association. The Committee may condition its approval of proposals and plans and specifications as it deems appropriate, and may require submission of additional plans and specifications or other information prior to approving or disapproving material submitted. The Committee may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitation, floor plans, site plans, drainage plans, elevation drawings and descriptions or samples of exterior materials and colors. Until receipt by the Committee of any required plans and specifications, the Committee may postpone review of any plans submitted for approval. The Committee shall have thirty (30) days after delivery of all required materials to approve or reject any such plans, and if not rejected within such 30 day period, said plans shall be deemed approved. All work done by a Member after receiving the approval of the Committee shall be subject to the inspection by, and final approval of, the Committee in accordance with its procedural rules adopted as herein provided.

All changes and alterations shall also be subject to all applicable permit requirements and to all applicable governmental laws, statutes, ordinances, rules, regulations, orders and decrees.

8.3 Meetings of the Committee. The Committee shall meet from time to time as necessary to perform its duties hereunder. The Committee may from time to time, by resolution unanimously adopted in writing, designate a Committee representative (who may, but need not, be one of its members) to take any action or perform any duties for and on behalf of the Committee, except the granting of variances pursuant to Section 8.8 hereof. In the absence of such designation, the vote of any two (2) members of the Committee shall constitute an act of the Committee.

8.4 No Waiver of Future Approvals. The approval of the Committee of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the Committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matters subsequently or additionally submitted for approval or consent.

8.5 Compensation of Members. The members of the Committee shall receive no compensation for services rendered, other than reimbursement for expenses incurred by them in the performance of their duties hereunder, or unless engaged by the Association in a professional capacity.

8.6 . Committee Rules. The Committee shall adopt reasonable rules of procedure and standards for the submission and review of any matter to be brought before it and the inspection and final approval of any completed work done pursuant to an approval of the Committee. Such rules shall be (i) subject to the prior approval of the Board of Directors, (ii) consistent with the covenants and restrictions set forth in this Declaration and (iii) published or otherwise made available to all Members and their contractors, subcontractors and other appropriate designees. All rules of the Committee shall be adopted and/or amended by a majority vote thereof, provided that no amendment shall be applicable to any matter submitted to the Committee prior to the making of such amendment.

8.7 Non-Liability of Committee Members. Neither the Homeowners' Association, the Board of Directors, the Committee nor any member thereof, nor any duly authorized representative of any of the foregoing, shall be liable to any Neighborhood Association or to any Owner or any other person or entity for any loss, damage or injury arising out of or in any way connected with the performance or non-performance of the Committee's duties hereunder. The Committee shall review and approve or disapprove all plans submitted to it for any proposed improvement, alteration or addition solely on the basis of aesthetic considerations and the benefit or detriment which would result to the immediate vicinity and to The Properties, generally. The Committee shall take into consideration the aesthetic aspects of the architectural designs, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features, but shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of, or warranty as to, any plan or design from the standpoint of structural safety or conformance with building or other codes. The approval of any proposed improvements or alterations by the Architectural Control Committee shall not constitute a warranty or approval as to, and neither the Homeowners' Association nor any member or representative of the Architectural Control Committee or the Board of Directors shall be liable for, the safety, soundness, workmanship, materials or usefulness for any purpose of any such improvement or alteration nor as to its compliance with governmental or industry codes or standards. By submitting a request for the approval of any improvement or alteration, the requesting Owner shall be deemed to have automatically agreed to hold harmless and indemnify the aforesaid members and representatives, and the Homeowners' Association generally, from and for any loss, claim or damages connected with the aforesaid aspects of the improvements or alterations.

8.8 Variance. The Committee may authorize variances from compliance with any of the architectural control provisions of this Declaration when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations require, but only in accordance with its duly adopted rules and regulations. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (i) be effective unless in writing, (ii) be contrary to the restrictions set forth in this Declaration, or (iii) estop the Committee from denying a variance in other circumstances.

8.9 Exemptions. Declarant and its affiliates shall be exempt from the provisions hereof with respect to alterations and additions desired to be effected by any of them and shall not be obligated to obtain Committee approval for any construction or changes which any of them may elect to make at any time.

8.10 General Powers of the Homeowners' Association. The Homeowners' Association (and the Committee, as appropriate) shall have the absolute power to veto any action taken or contemplated to be taken which is or would be governed by this Article **8**, and the Homeowners' Association shall have the absolute power to require specific action to be taken, by any Neighborhood Association in connection with applicable sections of The Properties in that regard. Without limiting the generality of the foregoing, the Homeowners' Association (and the Committee, as appropriate) may veto any decision of any Neighborhood Association (or architectural control board or other committee thereof) which is or would be governed by this Article **8**, and the Homeowners' Association may require specific maintenance or repairs or aesthetic changes to be effected, require that a proposed budget include certain items and that expenditures be made therefor, veto or cancel any contract providing for maintenance, repair or replacement of the property governed by such Neighborhood Association and otherwise require or veto any other action as the Homeowners' Association deems appropriate from time to time. Any action required by the Homeowners' Association in a written notice to be taken by a Neighborhood Association shall be taken within the time frame set by the Homeowners' Association in such written notice. If the Neighborhood Association fails to comply with the requirements set forth in such written notice, the Homeowners' Association shall have the right to effect such action on behalf of the Neighborhood Association and shall assess the Lots and Units governed by the Neighborhood Association for their pro-rata share of any expenses incurred by the Homeowners' Association in connection therewith, together with an administrative charge to be determined by the Homeowners' Association under the circumstances (to cover the Homeowners' Association's administrative expenses in connection with the foregoing and to discourage the Neighborhood Association from failing to comply with the requirements of the Homeowners' Association). Such assessments may be collected as special assessments hereunder and shall be subject to all lien rights provided for herein.

ARTICLE 9.

HOMEOWNERS' ASSOCIATION AND NEIGHBORHOOD ASSOCIATIONS

9.1 Preamble. In order to ensure the orderly development, operation and maintenance of The Properties, including the properties subject to the administration of the Neighborhood Associations as integrated parts of The Properties, this Article has been promulgated for the purposes of (a) giving the Homeowners' Association certain powers to effectuate such goal, (b) providing for intended (but not guaranteed) economies of scale and (c) establishing the framework of the mechanism through which the foregoing may be accomplished.

9.2 Cumulative Effect; Conflict. The covenants, restrictions and provisions of this Declaration shall be cumulative with those of the Neighborhood Associations and the Homeowners' Association may, but shall not be required to, enforce the latter; provided, however, that in the event of conflict between or among such covenants, restrictions and provisions, or any articles of incorporation, by-laws, rules and regulations, policies or practices adopted or carried out pursuant thereto, those of the Neighborhood Associations shall be subject and subordinate to this Declaration. The foregoing priorities shall apply, but not be limited to, the liens for assessments created in favor of the Homeowners' Association and the Neighborhood Associations as provided for herein. As to any Neighborhood Association which is a condominium association, no duties of same hereunder shall be performed or assumed by the Homeowners' Association if same are required by law to be performed by the Neighborhood Association.

9.3 Architectural Control, Maintenance and Use Restrictions. All architectural control, Lot and Unit maintenance requirements and use restrictions provided for in or pursuant to this Declaration shall, initially, be exercised and enforced by the Homeowners' Association. However, the Homeowners' Association may delegate to a Neighborhood Association(s) all or any part of such rights/duties, on an exclusive or non-exclusive basis, upon written notice recorded in the Public Records of the County.

As long as the Homeowners' Association performs architectural control functions, no Neighborhood Association shall do so unless such functions are specifically delegated to it by the Homeowners' Association; provided, however, that a Neighborhood Association for a condominium may perform such functions to the extent required by its Declaration of Condominium or by applicable law.

9.4 Collection of Assessments. The Neighborhood Associations shall, initially, collect all assessments and other sums due the Homeowners' Association and the applicable Neighborhood Association from the members thereof. The Neighborhood Association will remit the assessments so collected to the respective payees pursuant to such procedures as may be adopted by the Homeowners' Association. The sums so collected shall be applied first to the assessments of the Homeowners' Association and then to those of the collecting Neighborhood Association. No sums collected by a Neighborhood Association on behalf of the Homeowners' Association shall be deemed a common expense of the collecting Neighborhood Association.

Notwithstanding the priority of disbursements of collected lump sums as provided above, all capital improvement assessments, special assessments, personal assessments, interest, late charges, recovered costs of collection and other extraordinary impositions shall be remitted to the respective entity imposing same separate and apart from the priorities established above.

The Homeowners' Association shall notify the various Neighborhood Associations, by written notice given at least thirty (30) days in advance, of any changes in the amounts of the assessments due it or the frequency at which they are to be collected. The aforesaid notice period shall also apply to capital improvement assessments, but may be as short as five (5) days before the next due regular assessment installment in the case of special assessments of the Homeowners' Association.

The Neighborhood Associations shall not be required to record liens or take any other actions with regard to delinquencies in assessments payable to the Homeowners' Association unless the Homeowners' Association gives them written notice of its election to have them do so. In the event that the Homeowners' Association does, however, make such election, then all of the Homeowners' Association's rights of enforcement provided in this Declaration shall be deemed to have automatically vested in the applicable Neighborhood Association, but all costs and expenses of exercising such rights shall nevertheless be paid by the Homeowners' Association (which shall be entitled to receive payment of any such costs and expenses which are ultimately recovered).

The Homeowners' Association may, from time to time by ten (10) days' prior written notice to the affected Neighborhood Association(s), change the procedures set forth in this Section 9.4 in whole or in part. Such change may include, without limitation, the assumption by the Homeowners' Association of all or some of the collection functions (including those for a Neighborhood Association) provided for herein or in the declaration for a Neighborhood Association(s) (to which assumption the Neighborhood Association and its members shall be deemed to have automatically agreed).

All fidelity bonds and insurance maintained by a Neighborhood Association shall reflect any duties performed by it pursuant hereto and the amounts to be received and disbursed by it and shall name the Homeowners' Association as an obligee/insured party for so long as its assessments are being collected and remitted by the Neighborhood Association.

To the extent lawful, a Neighborhood Association may delegate, or contract for the performance of any duties performed by it pursuant hereto to/with a management company approved by the Homeowners' Association, provided that (a) the Neighborhood Association shall remain ultimately liable hereunder, (b) the management company, as well as the Neighborhood Association, shall comply with the requirements of the foregoing paragraph and (c) the approval of the management company may be withdrawn, with or without cause by the Homeowners' Association, at any time upon thirty (30) days' prior written notice. Any management agreement or similar contract entered into by the Neighborhood Association shall be subject to the provisions of this Section and shall not require the Neighborhood Association to pay fees for the performance of duties which would otherwise be delegated to the company in connection with this Section if such duties are performed by the Homeowners' Association as provided above.

In the event of any change in assessment collection procedures elected to be made by the Homeowners' Association, the relative priorities of assessment remittances and liens (i.e., the Homeowners' Association first and the applicable Neighborhood Association second) shall nevertheless still remain in effect, as shall the Homeowners' Association's ability to modify or revoke its election from time to time.

9.5 Delegation of Other Duties. The Homeowners' Association shall have the right to delegate to a Neighborhood Association, on an exclusive or non-exclusive basis, such additional duties not specifically described in this Section as the Homeowners' Association shall deem appropriate, provided that such duties have a reasonable relationship (by virtue of function or location) to the Neighborhood Association or its respective property. Such delegation shall be made by written notice to the Neighborhood Association, which shall be effective no earlier than thirty (30) days from the date it is given. Any delegation made pursuant hereto may be modified or revoked by the Homeowners' Association at any time.

9.6 Acceptance of Delegated Duties. Whenever the Homeowners' Association delegates any duty to a Neighborhood Association pursuant to this Section, the Neighborhood Association shall be deemed to have automatically accepted same and to have agreed to indemnify, defend and hold harmless the Homeowners' Association for all liabilities, losses, damages and expenses (including attorneys' fees actually incurred and court costs, through all appellate levels) arising from or connected with the Neighborhood Association's performance, non-performance or negligent performance thereof. All Neighborhood Associations shall be responsible to the Homeowners' Association for maintaining adequate liability and other insurance covering injuries, deaths, losses or damages arising from or connected with the Neighborhood Association's performance or nonperformance of its duties hereunder.

9.7 Expense Allocations. The Homeowners' Association may, by written notice given to the affected Neighborhood Association at least sixty (60) days prior to the end of the Neighborhood Association's fiscal year, allocate and assess to the Neighborhood Association a share of the expenses incurred by the Homeowners' Association which are reasonably allocable to the Neighborhood Association and/or the portion of The Properties within its jurisdiction (e.g., for utilities which are billed to the Homeowners' Association, but serve in certain instances, only a Neighborhood Association, and street lighting systems). In such event, the expenses so allocated shall thereafter be deemed common expenses of the Neighborhood Association payable by it (with assessments collected from its members) to the Homeowners' Association.

In the event of a failure of a Neighborhood Association to budget or assess its members for expenses allocated as aforesaid, the Homeowners' Association shall be entitled to pursue all available legal and equitable remedies against the Neighborhood Association or, without waiving its right to the foregoing, specially assess the members of the Neighborhood Association and their Lots for the sums due (such special assessments, as all others, to be secured by the lien provided for in this Declaration).

9.8 Non-Performance of Neighborhood Association Duties. In addition to the specific rights of the Homeowners' Association provided in Section 9.7 above, and subject to the limitations set forth in Section 9.2 of this Declaration, in the event that a Neighborhood Association fails to perform any duties delegated to, or required of, it under this Declaration or to otherwise be performed by it pursuant to its own declaration, articles of incorporation, by-laws or related documents, which failure continues for a period in excess of thirty (30) days after the Homeowners' Association's giving notice thereof, then the

Homeowners' Association may, but shall not be required to, assume such duties. In such event, the Neighborhood Association shall not perform such duties unless and until such time as the Homeowners' Association directs it to once again do so.

9.9 Conflict. In the event of conflict between this Article **9**, as amended from time to time, and any of the other covenants, restrictions or provisions of this Declaration or the Articles of Incorporation, By-Laws or rules and regulations of the Homeowners' Association all as amended from time to time, the provisions of this Article shall supersede and control.

ARTICLE 10.

RULES; ENFORCEMENT

10.1 Compliance by Owners. Every Owner and its guests, tenants and invitees shall comply with the restrictions and covenants set forth herein and any and all rules and regulations which from time to time may be adopted by the Board of Directors of the Association.

10.2 Enforcement. Failure of an Owner or his guests, tenants or invitees to comply with such restrictions, covenants or rules and regulations shall be grounds for immediate action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. The Association shall have the right to suspend the rights of use of Common Properties (except for legal access) of defaulting Owners. The offending Owner shall be responsible for all costs of enforcement including attorneys' fees actually incurred and court costs.

10.3 Fines. In addition to all other remedies, and to the maximum extent lawful, in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon an Owner for failure of an Owner or his guests, tenants or invitees to comply with any covenant, restriction, rule or regulation, provided the following procedures are adhered to:

(a) Notice: The Association shall notify the Owner of the alleged infraction or infractions. Included in the notice shall be the date and time of a special meeting of the Board of Directors at which time the Owner shall present reasons why a fine(s) should not be imposed. At least fourteen (14) days' notice of such meeting shall be given.

(b) Hearing: The alleged non-compliance shall be presented to an independent committee appointed by the Board of Directors (which committee shall not include officers, directors, or employees of the Association, or the spouse, parent, child, brother, or sister of an officer, director, or employee of the Association) at which the committee shall hear reasons why a fine(s) should not be imposed. A written decision of the committee shall be submitted to the Board and the Owner by not later than twenty-one (21) days after the committee meeting. The Owner shall have a right to be represented by counsel and to cross examine witnesses.

(c) Amounts: The Board of Directors (if its or such panel's findings are made against the Owner) may impose special assessments against the Lot owned by the Owner in the maximum amounts permitted by law from time to time.

(d) Payment of Fines: Fines shall be paid not later than five (5) days after notice of the imposition or assessment of the penalties.

(e) Collection of Fines: Fines shall be treated as an assessment subject to the provisions for the collection of assessments, and the lien securing same, as set forth herein.

(f) Application of Proceeds: All monies received from fines shall be allocated as directed by the Board of Directors.

(g) Non-exclusive Remedy: These fines shall not be construed to be exclusive, and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; provided, however, any penalty paid by the offending Owner shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner.

10.4 Initial Rules and Regulations. Attached to this Declaration as Schedule "A" are the initial rules and regulations of the Homeowners' Association which are incorporated into this Declaration by this reference and which may be modified, in whole or in part, at any time by the Board without the necessity of recording such new or modified rules and regulations in the public records, provided that the Board shall notify each Neighborhood Association and the owners of the Lots which are not within a Neighborhood Association of all modifications of rules and regulations as aforesaid. Receipt by a Neighborhood Association of such notice shall constitute notice to its members.

ARTICLE 11.

DAMAGE OR DESTRUCTION TO COMMON PROPERTIES

11.1 Damage or Destruction. Damage to or destruction of all or any portion of the Common Properties shall be addressed in the following manner, notwithstanding any provision in this Declaration to the contrary:

(a) In the event of damage to or destruction of the Common Properties, if the insurance proceeds are sufficient to effect total restoration, then the Association shall cause such portions of the Common Properties to be repaired and reconstructed substantially as it previously existed.

(b) If the insurance proceeds are within Five Hundred Thousand Dollars ($500,000.00) or less of being sufficient to effect total restoration of the Common Properties, then the Association shall cause such portions of the Common Properties to be repaired and reconstructed substantially as it previously existed and the difference between the insurance proceeds and the actual cost shall be levied as a capital special (and not capital improvement) assessment against each of the Owners in equal shares in accordance with the provisions of Article **7** of this Declaration.

(c) If the insurance proceeds are insufficient by more than Five Hundred Thousand Dollars ($500,000.00) to effect total restoration of the Common Properties, then by written consent or vote of a majority of each class of the Members, they shall determine, subject to Article **13** hereof, whether (1) to rebuild and restore the Common Properties in substantially the same manner as they existed prior to damage and to raise the necessary funds over the insurance proceeds by levying capital improvement assessments against all Members, (2) to rebuild and restore in a way which is less expensive than replacing the Common Properties in substantially the same manner as they existed prior to being damaged, or (3) subject to the approval of the Board, to not rebuild and to retain the available insurance proceeds.

(d) Each Member shall be liable to the Association for any damage to the Common Properties not fully covered by collected insurance which may be sustained by reason of the negligence or willful misconduct of any Member or his guests, tenants or invitees. Notwithstanding the foregoing, the Association reserves the right to charge such Member an assessment equal to the increase, if any, in the insurance premium directly attributable to the damage caused by such Member. In the case of joint ownership of a Unit, the liability of such Member shall be joint and several. The cost of correcting such damage shall be an assessment against the Member and may be collected as provided herein for the collection of assessments.

ARTICLE 12.

INSURANCE

12.1 Common Properties. The Association shall keep all improvements, facilities and fixtures located within the Common Properties insured against loss or damage by fire or other casualty for the full insurable replacement value thereof (with reasonable deductibles and normal exclusions for land, foundations, excavation costs and similar matters), and may obtain insurance against such other hazards and casualties as the Association may deem desirable. The Association may also insure any other property, whether real or personal, owned by the Association, against loss or damage by fire and such other hazards as the Association may deem desirable, with the Association as the owner and beneficiary of such insurance for and on behalf of itself and all Members. The insurance coverage with respect to the Common Properties shall be written in the name of, and the proceeds thereof shall be payable to, the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are common expenses included in the assessments made by the Association.

To the extent obtainable at reasonable rates, the insurance policy(ies) maintained by the Association shall contain provisions, or be accompanied by endorsements, for: agreed amount and inflation guard, demolition costs, contingent liability from operation of building laws and increased costs of construction.

All insurance policies shall contain standard mortgagee clauses, if applicable.

The Association shall also maintain flood insurance on the insurable improvements on the Common Properties in an amount equal to the lesser of 100% of the replacement costs of all insurable improvements (if any) within the Common Properties or the maximum amount of coverage available under the National Flood Insurance Program, in either case if the insured improvements are located within an "A" flood zone.

12.2 Replacement or Repair of Property. In the event of damage to or destruction of any portion of the Common Properties, the Association shall repair or replace the same from the insurance proceeds available, subject to the provisions of Article 11 of this Declaration.

12.3 Waiver of Subrogation. As to each policy of insurance maintained by the Association which will not be voided or impaired thereby, the Association hereby waives and releases all claims against the Board, the Members, Declarant and the agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by negligence of or breach of any agreement by said persons, but only to the extent that insurance proceeds are received in compensation for such loss.

12.4 Liability and Other Insurance. The Association shall have the power to and shall obtain comprehensive public liability insurance, including medical payments and malicious mischief, with coverage of at least $1,000,000.00 (if available at reasonable rates and upon reasonable terms) for any single occurrence, insuring against liability for bodily injury, death and property damage arising from the activities of the Association or with respect to property under its jurisdiction, including, if obtainable, a cross liability endorsement insuring each Member against liability to each other Member and to the Association and vice versa and coverage for legal liability resulting from lawsuits related to employment contracts shall also be maintained. The Association may also obtain Worker's Compensation insurance and other liability insurance as it may deem desirable, insuring each Member and the Association and its Board of Directors and officers, from liability in connection with the Common Properties, the premiums for which shall be Common Expenses and included in the assessments made against the Members. The Association may also obtain such other insurance as the Board deems appropriate. All insurance policies shall be reviewed at least annually by the Board of Directors and the limits increased in its discretion. The Board may also obtain such errors and omissions insurance, indemnity bonds, fidelity bonds and other insurance as it deems advisable, insuring the Board or any management company engaged by the Association against any liability for any act or omission in carrying out their obligations hereunder, or resulting from their membership on the Board or any committee thereof. At a minimum, however, there shall be blanket fidelity bonding of anyone (compensated or not) who handles or is responsible for funds held or administered by the Association, with the Association to be an obligee thereunder. Such bonding shall cover the maximum funds to be in the hands of the Association or management company during the time the bond is in force.

12.5 "Blanket" Insurance. The requirements of this Article may be met by way of the Association being an insured party under any coverage carried by the Declarant or under coverage obtained by the Association as long as such coverage is in accordance with the amounts and other standards dated in this Article.

ARTICLE 13.

MORTGAGEE PROTECTION

13.1 Mortgagee Protection. The following provisions are added hereto (and to the extent these added provisions conflict with any other provisions of the Declaration, these added provisions shall control):

(a) The Association shall be required to make available to all Owners and Mortgagees, and to insurers and guarantors of any first Mortgage, for inspection, upon request, during normal business hours or under other reasonable circumstances, current copies of this Declaration (with all amendments) and the Articles, By-Laws and rules and regulations and the books and records of the Association. Furthermore, such persons shall be entitled, upon written request, to (i) receive a copy of the Association's financial statement for the immediately preceding fiscal year, (ii) receive notices of and attend the Association meetings, (iii) receive notice from the Association of an alleged default by an Owner in the performance of such Owner's obligations under this Declaration, the Articles of Incorporation or the By-Laws of the Association, which default is not cured within thirty (30) days after the Association learns of such default, and (iv) receive notice of any substantial damage or loss to the Common Properties.

(b) Any holder, insurer or guarantor of a Mortgage on a Unit shall have, if first requested in writing, the right to timely written notice of (i) any condemnation or casualty loss affecting a material portion of the Common Properties, (ii) a sixty (60) day delinquency in the payment of the Assessments on a mortgaged Lot, (iii) the occurrence of a lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association, and (iv) any proposed action which requires the consent of a specified number of Mortgage holders.

(c) Any holder, insurer or guarantor of a Mortgage on a Unit shall have the right to pay, singly or jointly, taxes or other charges that are delinquent and have resulted or may result in a lien against any portion of the Common Properties and receive immediate reimbursement from the Association.

(d) Any holder, insurer or guarantor of a Mortgage on a Unit shall have the right to pay, singly or jointly, any overdue premiums on any hazard insurance policy covering the Common Properties or obtain, singly or jointly, new hazard insurance coverage on the Common Properties upon the lapse of a policy and, in either case, receive immediate reimbursement from the Association.

ARTICLE 14.

ENCROACHMENTS; EASEMENTS

14.1 Encroachment. If (a) any portion of the Common Properties (or improvements constructed thereon) encroaches upon any other portion of a Lot or upon any Unit; (b) any portion of a Lot (or improvements constructed thereon) encroaches upon the Common Properties; or (c) any encroachment shall hereafter occur as the result of (i) construction of any improvement; (ii) settling or shifting of a any improvement; (iii) any alternation or repair to the Common Properties (or improvements thereon) after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any improvement or portion of the Common Properties, then, in any such event, a valid easement is granted and shall exist for such encroachment and for the maintenance of the same so long as the structure causing said encroachment shall stand.

14.2 Pipes, Wires, Ducts, Cables, Conduits, Public Utility Lines, Etc. Each portion of the Lot and the Common Properties shall have an easement in common with all other portions thereof to use, maintain, repair, alter and replace all pipes, wires, ducts, vents, cables, conduits, utility lines, and similar or related facilities located in the Lots and Common Properties and serving such portion thereof. Each portion of the Lots and Common Properties shall be subject to an easement in favor of all other portions thereof to use, maintain, repair, alter and replace the pipes, wires, ducts, vents, cables, conduits, utility lines and other similar or related facilities located in such portion of the Lots and Common Properties and serving other portions thereof.

14.3 Easements of Support. Whenever any structure included in the Common Properties adjoins any structure included in any other portion of The Properties, each said structure shall have and be subject to an easement of support and necessity in favor of the other structure.

14.4 Construction and Sales. The Declarant (and its agents, employees, contractors, subcontractors and suppliers) shall have an easement of ingress and egress over and across the Common Properties for construction purposes and to erect, maintain, repair and replace, from time to time, one or more signs on the Common Properties for the purposes of advertising the sale or lease of Units.

ARTICLE 15.

SPECIAL COVENANTS

15.1 Preamble. In recognition of the fact that certain special types of platting and/or construction require special types of covenants to accurately reflect the maintenance and use of the affected Lots and Units, the following provisions of this Article **15** shall apply in those cases where the below-described types of improvements are constructed within The Properties, subject, however, to variance pursuant to Section 2.2 of this Declaration. However, nothing herein shall necessarily suggest that Declarant will or will not, in fact, construct such types of improvements nor shall anything herein contained be deemed an obligation to do so.

15.2 Condominiums and Cooperatives. In the event that any portion of The Properties is submitted to the condominium or cooperative form of ownership, then the following special provisions shall apply:

(a) The board of directors of the condominium or cooperative association shall constitute the Neighborhood Association for such condominium or cooperative.

(b) For the purposes of complying with and enforcing the standards of maintenance contained herein, the condominium/ cooperative building and any appurtenant facilities shall be treated as a Unit and any other portion of the condominium/ cooperative shall be treated as an unimproved portion of the Lot, with the condominium/cooperative association to have the maintenance duties of an Owner as set forth herein. The condominium/cooperative association shall also be jointly and severally liable with its members for any violation of the use restrictions set forth in this Declaration or of rules and regulations of the Association.

(c) As distinguished from maintenance duties, assessments hereunder shall be levied against, and shall be secured by lien upon, each individual condominium or cooperative unit and shall be the direct obligation of the Owner thereof.

(d) With respect to the Architectural Control Committee: (i) no condominium or cooperative association shall make any improvements or alterations on or to the property under its jurisdiction without first having secured the approval of the Architectural Control Committee as provided herein and (ii) in the event that an individual Owner of a condominium or cooperative unit(s) desires to make alterations to the exterior thereof, a request for the approval thereof shall be submitted to the Architectural Control Committee as required by this Declaration, but such request shall be accompanied by evidence that the condominium or cooperative association having jurisdiction thereover has already approved same, absent which approval the Architectural Control Committee shall not consider the submission and same shall be considered timely disapproved.

15.3 Rental Apartments. In the event that rental apartments are constructed on any portion of The Properties, then the following special provisions shall apply:

(a) The overall apartment project shall be deemed one Lot for purposes of the lien for assessments hereunder as well as architectural approvals, use restrictions and maintenance requirements as provided in this Declaration.

(b) Notwithstanding the foregoing, each individual apartment within an apartment project shall be deemed a Lot for purposes of assessments and voting hereunder; provided, however, that the supplemental declaration submitting the apartment project to this Declaration may provide for a reduced rate of assessment on each apartment unit.

(c) While an apartment project shall not have a Neighborhood Association, the Owner thereof shall designate a Voting Member to cast the votes attributable to the apartment project by written notice to the Association given before the meeting at which the votes are to be cast, and said Owner shall have all of the rights and obligations of a Neighborhood Association hereunder.

(d) The Owner of an apartment project shall be jointly and severally liable with its tenants for any violations of this Declaration or the rules and regulations of the Association.

15.4 Commercial Property. In the event that any portion of The Properties is developed for commercial uses, then the supplemental declaration submitting same to this Declaration shall provide for such voting rights, assessment obligations, use restrictions, maintenance standards and architectural control requirements as the Declarant shall determine and declare in the supplemental declaration.

ARTICLE 16.

GENERAL PROVISIONS

16.1 Duration. The covenants and restrictions of this Declaration shall run with and bind The Properties, and shall inure to the benefit of and be enforceable by the Association, the Architectural Control Committee, Declarant (at all times) and the Owner of any land subject to this Declaration, and their respective legal representatives, heirs, successors and assigns, for a term of ninety-nine (99) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by the then Owners of 75% of all the Lots subject hereto and of 100% of the mortgagees thereof has been recorded, agreeing to revoke said covenants and restrictions; provided, however, that no such agreement to revoke shall be effective unless made and recorded three (3) years in advance of the effective date of such revocation, and unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days in advance of any signatures being obtained.

16.2 Notice. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when personally delivered or mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

16.3 Enforcement. Without limiting the generality of Article 10, enforcement of these covenants and restrictions shall be accomplished by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the Lots to enforce any lien created by these covenants; and failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

16.4 Interpretation. The Article and Section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions and interpretation or construction.

Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular, and the masculine, feminine and neuter genders shall each include the others.

16.5 Severability. Invalidation of any one of these covenants or restrictions or any part, clause or word hereof, or the application thereof in specific circumstances, by judgment or court order shall not affect any other provisions or applications in other circumstances, all of which shall remain in full force and effect.

16.6 Effective Date. This Declaration shall become effective upon its recordation in the Public Records of the County.

16.7 Amendment. In addition, but subject, to any other manner herein provided for the amendment of this Declaration, the covenants, restrictions, easements, charges and liens of this Declaration may be amended, changed or added to at any time and from time to time upon the execution and recordation of an instrument executed by Declarant, for so long as it or its affiliate holds title to any Lot or Unit affected by this Declaration; or alternatively, by an instrument signed by the President of the Homeowners' Association, attested to by its Secretary and certifying that the amendment set forth in the instrument was adopted by a vote of at least 66-2/3% of the Members represented at a duly called meeting thereof, provided that so long as Declarant or its affiliates is the Owner of any Lot affected by this Declaration, Declarant's consent must be obtained if such amendment, in the sole opinion of Declarant, affects its interest.

16.8 Conflict. This Declaration shall take precedence over conflicting provisions in Schedule "A" hereto and in the Articles of Incorporation and By-Laws of the Association and said Articles shall take precedence over the By-Laws and the rules set forth on Schedule "A".

16.9 Standards for Consent, Approval and Other Actions. Whenever this Declaration shall require the consent, approval, completion, substantial completion, or other action by the Declarant or its affiliates, the Association or the Architectural Control Committee, such consent, approval or action may be withheld in the sole and unfettered discretion of the party requested to give such consent or approval or take such action, and all matters required to be completed or substantially completed by the Declarant or its affiliates or the Association shall be deemed so completed or substantially completed when such matters have been completed or substantially completed in the reasonable opinion of the Declarant or Association, as appropriate.

16.10 Easements. Should the intended creation of any easement provided for in this Declaration fail by reason of the fact that at the time of creation there may be no grantee in being having the capacity to take and hold such easement, then any such grant of easement deemed not to have been so created shall nevertheless be considered as having been granted directly to the Association as agent for such intended grantees for the purpose of allowing the original party or parties to whom the easements were originally intended to have been granted the benefit of such easement and the Owners designate hereby the Declarant and the Association (or either of them) as their lawful attorney-in-fact to execute any instrument on such Owners' behalf as may hereafter be required or deemed necessary for the purpose of later creating such easement as it was intended to have been created herein. Formal language of grant or reservation with respect to such easements, as appropriate, is hereby incorporated in the easement provisions hereof to the extent not so recited in some or all of such provisions.

16.11 No Public Right or Dedication. Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any part of the Common Properties to the public, or for any public use.

16.12 Constructive Notice and Acceptance. Every person who owns, occupies or acquires any right, title, estate or interest in or to any Lot and/or Unit or other property located on or within The Properties, shall be conclusively deemed to have consented and agreed to every limitation, restriction, easement, reservation, condition, lien and covenant contained herein, whether or not any reference hereto is contained in the instrument by which such person acquired an interest in such Lot, Unit or other property.

16.13 Notices and Disclaimers as to Community Systems. Declarant, the Association, or their successors, assigns or franchisees and any applicable cable telecommunications system operator (an "Operator"), may enter into contracts for the provision of security services through any Community Systems. DECLARANT, THE ASSOCIATION, OPERATORS AND THEIR FRANCHISEES, DO NOT GUARANTEE OR WARRANT, EXPRESSLY OR IMPLIEDLY, THE MERCHANTABILITY OR FITNESS FOR USE OF ANY SUCH SECURITY SYSTEM OR SERVICES, OR THAT ANY SYSTEM OR SERVICES WILL PREVENT INTRUSIONS, FIRES OR OTHER OCCURRENCES, OR THE CONSEQUENCES OF SUCH OCCURRENCES, REGARDLESS OF WHETHER OR NOT THE SYSTEM OR SERVICES ARE DESIGNED TO MONITOR SAME; AND EVERY OWNER OR OCCUPANT OF PROPERTY SERVICED BY THE COMMUNITY SYSTEMS ACKNOWLEDGES THAT DECLARANT, THE ASSOCIATION OR ANY SUCCESSOR, ASSIGN OR FRANCHISEE OF THE DECLARANT OR ANY OF THE OTHER AFORESAID ENTITIES AND ANY OPERATOR, ARE NOT INSURERS OF THE OWNER OR OCCUPANT'S PROPERTY OR OF THE PROPERTY OF OTHERS LOCATED ON THE PREMISES AND WILL NOT BE RESPONSIBLE OR LIABLE FOR LOSSES, INJURIES OR DEATHS RESULTING

FROM SUCH OCCURRENCES. It is extremely difficult and impractical to determine the actual damages, if any, which may proximately result from a failure on the part of a security service provider to perform any of its obligations with respect to security services and, therefore, every owner or occupant of property receiving security services through the Community Systems agrees that Declarant, the Association or any successor, assign or franchisee thereof and any Operator assumes no liability for loss or damage to property or for personal injury or death to persons due to any reason, including, without limitation, failure in transmission of an alarm, interruption of security service or failure to respond to an alarm because of (a) any failure of the Owner's security system, (b) any defective or damaged equipment, device, line or circuit, (c) negligence, active or otherwise, of the security service provider or its officers, agents or employees, or (d) fire, flood, riot, war, act of God or other similar causes which are beyond the control of the security service provider. Every owner or occupant of property obtaining security services through the Community Systems further agrees for himself, his grantees, tenants, guests, invitees, licensees, and family members that if any loss or damage should result from a failure of performance or operation, or from defective performance or operation, or from improper installation, monitoring or servicing of the system, or from negligence, active or otherwise, of the security service provider or its officers, agents, or employees, the liability, if any, of Declarant, the Association, any franchisee of the foregoing and the Operator or their successors or assigns, for loss, damage, injury or death sustained shall be limited to a sum not exceeding Two Hundred Fifty and No/100 ($250.00) U.S. Dollars, which limitation shall apply irrespective of the cause or origin of the loss or damage and notwithstanding that the loss or damage results directly or indirectly from negligent performance, active or otherwise, or non-performance by an officer, agent or employee of Declarant, the Association or any franchisee, successor or designee of any of same or any Operator. Further, in no event will Declarant, the Association, any Operator or any of their franchisees, successors or assigns, be liable for consequential damages, wrongful death, personal injury or commercial loss. In recognition of the fact that interruptions in cable television and other Community Systems services will occur from time to time, no person or entity described above shall in any manner be liable, and no user of any Community System shall be entitled to any refund, rebate, discount or offset in applicable fees, for any interruption in Community Systems services, regardless of whether or not same is caused by reasons within the control of the then-provider(s) of such services.

16.14 Certain Reserved Rights of Declarant with Respect to Community Systems. Without limiting the generality of any other applicable provisions of this Declaration, and without such provisions limiting the generality hereof, Declarant hereby reserves and retains to itself:

(a) the title to any Community Systems and a perpetual easement for the placement and location thereof;

(b) the right to connect, from time to time, the Community Systems to such receiving or intermediary transmission source(s) as Declarant may in its sole discretion deem appropriate including, without limitation, companies licensed to provide CATV service in the County, for which service Declarant shall have the right to charge any users a reasonable fee (which shall not exceed any maximum allowable charge provided for in the Ordinances of the County); and

(c) the right to offer from time to time monitoring/alarm services through the Community Systems.

Neither the Association nor any officer, director, employee, committee member or agent (including any management company) thereof shall be liable for any damage to property, personal injury or death arising from or connected with any act or omission of any of the foregoing during the course of performing any duty or exercising any right privilege (including, without limitation, performing maintenance work which is the duty of the Association or exercising any remedial maintenance or alteration rights under this Declaration) required or authorized to be done by the Association, or any of the other aforesaid parties, under this Declaration or otherwise as required or permitted by law.

Section 16.15 NO REPRESENTATIONS OR WARRANTIES. **NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, HAVE BEEN GIVEN OR MADE BY DECLARANT OR ITS AGENTS OR EMPLOYEES IN CONNECTION WITH ANY PORTION OF THE COMMON PROPERTIES, THEIR PHYSICAL CONDITION, ZONING, COMPLIANCE WITH APPLICABLE LAWS, MERCHANTABILITY, HABITABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR IN CONNECTION WITH THE SUBDIVISION, SALE, OPERATION, MAINTENANCE, COST OF MAINTENANCE, TAXES OR REGULATION THEREOF, EXCEPT (A) AS SPECIFICALLY AND EXPRESSLY SET FORTH IN THIS DECLARATION OR IN DOCUMENTS WHICH MAY BE FILED BY DECLARANT FROM TIME TO TIME WITH APPLICABLE REGULATORY AGENCIES, AND (B) AS OTHERWISE REQUIRED BY LAW. AS TO SUCH WARRANTIES WHICH CANNOT BE DISCLAIMED, AND TO OTHER CLAIMS, IF ANY, WHICH CAN BE MADE AS TO THE AFORESAID MATTERS, ALL INCIDENTAL AND CONSEQUENTIAL DAMAGES ARISING THEREFROM ARE HEREBY DISCLAIMED. ALL OWNERS, BY VIRTUE OF ACCEPTANCE OF TITLE TO THEIR RESPECTIVE LOTS AND/OR UNITS (WHETHER FROM THE DECLARANT OR ANOTHER PARTY) SHALL BE DEEMED TO HAVE AUTOMATICALLY WAIVED ALL OF THE AFORESAID DISCLAIMED WARRANTIES AND INCIDENTAL AND CONSEQUENTIAL DAMAGES.**

EXECUTED as of the date first above written.

Witnessed by:

____
Name: ________________________

____
Name: ________________________

THE FOUNTAINS OF FONTAINBLEAU LTD., a Florida limited partnership

By: ______________________________
Name: ______________________________
Title: ______________________________

(Corporate Seal)

Address: ______________________________
____
____

STATE OF FLORIDA)
) ss:
COUNTY OF ________)

The foregoing instrument was acknowledged before me this ___ day of ___________, 199__ by ___________________, as ____________ President of ___________________________________, a __________________ corporation, general partner of **THE FOUNTAINS OF FONTAINBLEAU LTD., a Florida limited partnership**, on behalf of said corporation and partnership. He/she is personally known to me or produced _________________________ as identification and did not take an oath.

____
Name: ______________________________

Notary Public, State of Florida
Commission No. ____________________

My commission expires:

____

SCHEDULE "A"
TO
DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS
FOR
THE FOUNTAINS AT FONTAINEBLEAU

1. The Common Properties and facilities, if any, shall not be obstructed nor used for any purpose other than the purposes intended therefor. No carts, bicycles, carriages, chairs, tables or any other similar objects shall be stored therein except in areas (if any) specifically designated for such purpose by the Board.

2. Employees of the Association are not to be sent out by Owners for personal errands. The Board of Directors shall be solely responsible for directing and supervising employees of the Association.

3. No motor vehicle which cannot operate on its own power shall remain on The Properties for more than twenty-four (24) hours, and no repair of such vehicles shall be made thereon except as is necessary. No portion of the Common Properties or private lawns may be used for parking purposes, except those portions specifically designed and intended therefor. Areas designated for guest parking shall be used only for this purpose and neither Owners nor occupants of Units shall be permitted to use these areas. Vehicles which are in violation of these rules and regulations shall be subject to being towed by the Association as provided in the Declaration, subject to applicable laws and ordinances.

4. No electronic equipment may be permitted in or on any Unit or Lot which interferes with the television or radio reception of another Unit.

5. An Owner who plans to be absent during the hurricane season must prepare his Unit and Lot prior to his departure by designating a responsible firm or individual to care for his Unit and Lot should the Unit suffer hurricane damage and furnishing the Association with the name(s) of such firm or individual. Such firm or individual shall be subject to the approval of the Association.

6. Children will be the direct responsibility of their parents or legal guardians, including full supervision of them while within The Properties and including full compliance by them with these Rules and Regulations and all other rules and regulations of the Association. Loud noises will not be tolerated. All children under twelve (12) years of age must be accompanied by a responsible adult when entering and/or utilizing recreation facilities (if any).

7. No hunting or use of firearms shall be permitted anywhere within The Properties.

No Owner may alter in any way any portion of the Common Properties, including, but not limited to, landscaping, without obtaining the prior written consent of the Architectural Control Committee.

8. No flammable, combustible or explosive fluids, chemicals or substances shall be kept in any Unit, on a Lot or on the Common Properties, **except as to gas cylinders permitted under the Homeowners covenants, if any**.

9. No hurricane shutters or similar installations shall be used on or for any Unit unless same is of the type approved by the Homeowners' Association and is installed in accordance with any guidelines established in such regard by the Homeowners' Association.

10. Every Owner and occupant shall comply with these rules and regulations as set forth herein, any and all rules and regulations which from time to time may be adopted, and the provisions of the Declaration, By-Laws and Articles of Incorporation of the Association, as amended from time to time. Failure of an Owner or occupant to so comply shall be grounds for action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. The Association shall have the right to suspend voting rights and use of recreation facilities, if any, in the event of failure to so comply. In addition to all other remedies, in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon an Owner for failure of an Owner, his tenants, family, guests, invitees or employees, to comply with any covenant, restriction, rule or regulation herein or in the Declaration, or Articles of Incorporation or By-Laws, as provided in the Declaration.

11. Notwithstanding anything herein contained to the contrary, these rules and regulations shall not apply to the Declarant, nor its affiliates, agents or employees and contractors (except in such contractors' capacity as Owners), nor property while owned by either the Declarant or its affiliates. All of these rules and regulations shall apply, however, to all other Owners and occupants even if not specifically so stated in portions hereof. The Board of Directors shall be permitted (but not required) to grant relief to one or more Owners from specific rules and regulations upon written request therefor and good cause shown in the sole opinion of the Board.

Exhibit "A"

ARTICLES OF INCORPORATION
FOR
THE FOUNTAINS AT FONTAINEBLEAU HOMEOWNERS' ASSOCIATION, INC.

The undersigned incorporator, for the purpose of forming a corporation not for profit pursuant to the laws of the State of Florida, hereby adopts the following Articles of Incorporation:

1
NAME

The name of the corporation shall be **FOUNTAINS AT FONTAINEBLEAU HOMEOWNERS' ASSOCIATION, INC.** For convenience, the corporation shall be referred to in this instrument as the "Association", these Articles of Incorporation as the "Articles", and the By-Laws of the Association as the "By-Laws".

2
OFFICE

The principal office and mailing address of the Association shall be at Suite 555 LeJeune Center, 782 North LeJeune Road, Miami, Florida 33126, or at such other place as may be subsequently designated by the Board of Directors. All books and records of the Association shall be kept at its principal office or at such other place as may be permitted by the Act.

3
PURPOSE

The objects and purposes of the Association are those objects and purposes as are authorized by the **Declaration of Covenants, Restrictions and Easements for The Fountains at Fontainebleau** , recorded (or to be recorded) in the Public Records of Miami-Dade County Florida, as hereafter amended and/or supplemented from time to time (the "Declaration" or "Homeowners' Covenants"). All of the definitions set forth in the Homeowners' Covenants are hereby incorporated herein by this reference. The further objects and purposes of the Association are to preserve the values and amenities in The Properties and to maintain the Common Properties thereof for the benefit of the Owners who become Members of the Association.

4
DEFINITIONS

The terms used in these Articles shall have the same definitions and meanings as those set forth in the Homeowners' Covenants, unless herein provided to the contrary, or unless the context otherwise requires.

5
POWERS

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

5.1 General. The Association shall have all of the common-law and statutory powers of a corporation not for profit under the Laws of Florida, except as expressly limited or restricted by applicable law, the terms of these Articles, the Homeowners' Covenants or the By-Laws.

5.2 Enumeration. In addition to the powers set forth in Section 5.1 above, the Association shall have all of the powers and duties reasonably necessary to operate The Properties pursuant to the Homeowners' Covenants and as more particularly described in the By-Laws, as they may be amended from time to time, including, but not limited to, the following:

(a) To make and collect Assessments and other charges against members as Owners (whether or not such sums are due and payable to the Association), and to use the proceeds thereof in the exercise of its powers and duties.

(b) To buy, accept, own, operate, lease, sell, trade and mortgage both real and personal property in accordance with the provisions of the Homeowners' Covenants.

(including fractional votes) equal to the percentage obligation from time to time of such owner for expenses of the Homeowners' Association. Notwithstanding the foregoing, Class A Members who are also members of a Neighborhood Association shall only vote through a Voting Member and said Class A Members shall be entitled to elect from among themselves, respectively, one Voting Member for each such respective Neighborhood Association, each such Voting Member to have and cast the number of votes (including fractional votes) equal to the aggregate percentage obligation of the Condominium Lots represented by the Neighborhood Association (as determined in the manner set forth in Section 7.2 of the Homeowners' Covenants). By way of example only, if The Properties only consisted of two (2) condominium buildings and one Non-Condominium Lot, and Condominium 1 contained 500,000 sellable square feet, Condominium 2 contained 750,000 sellable square feet, and the Non-Condominium Lot contained 50,000 sellable square feet, then the Voting Member representing the Neighborhood Association governing Condominium 1 would cast 37.03 votes (inasmuch as the owners of Condominium Lots in Condominium 1 would be responsible for 37.03% (500,000/1,350,000) of the total expenses of the Association), the Voting Member representing the Neighborhood Association governing Condominium 2 would cast 55.56 votes (inasmuch as the owners of Condominium Lots in Condominium 2 would be responsible for 55.56% (750,000/1,350,000) of the total expenses of the Association) and the Non-Condominium Lot Owner would cast 7.41 votes (inasmuch as the owner of Non-Condominium Lot would be responsible for 7.41% (100,000/1,350,000) of the total expenses of the Association). The first election of such Voting Member for a particular Neighborhood Association shall be conducted at or immediately following the meeting at which control of such Neighborhood Association is turned over to its members other than the developer/declarant (i.e., at which the non-developer/declarant members elect a majority of the board of directors) and prior to such time, the Voting Member for the members within the Neighborhood Association shall be the developer of the community governed by the Neighborhood Association. At such time, and at all times thereafter, the Neighborhood Association shall elect its Voting Member in the same manner as it elects its board of directors, subject to the same rules as those applicable to its directors as to the term of office, removal, replacement and other matters. In the event that the members of a Neighborhood Association do not elect a Voting Member, the President of such Association shall perform the duties of the Voting Member.

Class B Member. The Class B Voting Member shall be the Declarant, or a representative thereof, who shall have and cast one (1) vote in all Association matters, plus two (2) votes for each vote which may be cast, in the aggregate, by the Class A Members and/or Voting Members. Such Class B Voting Member may be removed and replaced by the Declarant in its sole discretion. The Class B membership shall cease and terminate at such time as the Declarant elects, but in no event later than the time period set forth in Section 6.5 below.

All votes shall be exercised or cast in the manner provided by the Homeowners' Covenants and By-Laws.

6.4 Meetings. The By-Laws shall provide for an annual meeting of members, and may make provision for regular and special meetings of members other than the annual meeting.

6.5 Proviso. Unless the Class B Voting Member elects to terminate the Class B Membership sooner, the Class B Membership shall cease and terminate three (3) months after ninety (90%) percent of the Lots that will be operated ultimately by the Association (including those which may be within the Future Development Property, unless Declarant has put of record a written certification relinquishing the right to submit the Future Development Property to The Properties) have been conveyed to purchasers (other than purchasers who are builders, contractors, or others who purchase a parcel for the purpose of constructing improvements thereon for resale). The Declarant is entitled (but not obligated) to elect at least one (1) member of the Board of Directors as long as the Declarant holds for sale in the ordinary course of business five percent (5%) of the Units that will be operated ultimately by the Association (including those which may be within the Future Development Property, unless Declarant has put of record a written certification relinquishing the right to submit the Future Development Property to The Properties).

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

7
INCORPORATOR

The name and address of the Incorporator of this Corporation is:

NAME	ADDRESS
Antonio Cabrera, Jr.	Suite 555 LeJeune Center 782 North LeJeune Road Miami, Florida 33126

8
TERM OF EXISTENCE

The Association shall have perpetual existence.

9
OFFICERS

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

President:

Antonio Cabrera, Jr.

Suite 555 LeJeune Center
782 North LeJeune Road
Miami, Florida 33126

Vice President/Treasurer/Secretary:

Juan T. O'Naghten

Suite 1100 Grand Bay Plaza
2665 South Bayshore Drive
Miami, Florida 33131

10
DIRECTORS

10.1 Number and Qualification. The property, business and affairs of the Association shall be managed by a board consisting of the number of directors determined in the manner provided by the By-Laws, but which shall consist of not less than three (3) directors. Directors need not be members of the Association.

10.2 Duties and Powers. All of the duties and powers of the Association existing under the Act, the Homeowners' Covenants, these Articles and the By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by Unit Owners through their Voting Members when such approval is specifically required.

10.3 Election; Removal. Directors of the Association shall be elected at the annual meeting of the Members in the manner determined by and subject to the qualifications set forth in the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the By-Laws.

10.4 Term of Developer's Directors. The Declarant shall appoint the members of the first Board of Directors and their replacements who shall hold office for the periods described in the By-Laws.

copy of the annual budget or a written notice advising that a copy of the budget is available upon request at no charge to the Member. The copy must be provided to the Member in accordance with the time limits set forth in Section 9.1 above.

9.5 The Association shall prepare an annual financial report within sixty (60) days following the close of each fiscal year of the Association. The financial report must consist of either, at the determination of the Board, (a) financial statements presented in conformity with generally accepted accounting principles, or (b) a financial report of actual receipts and expenditures, cash basis, showing, the amount of receipts and expenditures by classification and the beginning and ending cash balances of the Association. The Association shall provide each Member with a copy of the annual financial report or a written notice advising that a copy of the report is available upon request at no charge to the Member. The copy must be provided to the Member in accordance with the time limits set forth in Section 9.1 above.

WE HEREBY CERTIFY that the foregoing By-Laws of the above-named corporation were duly adopted by the Board of Directors of said Association on the ___ day of __________, 19___.

______________________________, President

______________________________, Secretary

A portion of Tract "", PARKWOODS SUBDIVISION, accor[illegible] to the plat thereof, recorded in Plat Book 94, at Page 45 of the Public Records of Dade County, Florida, being more particularly described as follows:

Commence at the Northeast corner of said Tract "C", thence S05°12'52"W for 260.67 feet to the POINT OF BEGINNING of the following described parcel; thence continue S05°12'52"W for 103.43 feet to a point hereinafter referred to as Point "A"; thence continue S05°12'52"W for 84.03 feet; thence S28°52'52"W for 143.00 feet, last mentioned four courses being coincident with the Easterly boundary lines of said Tract "C"; thence S87°21'53"W for 239.25 feet; thence N57°56'57"W for 122.89 feet, to a point hereinafter referred to as Point "B"; thence continue N57°56'57"W for 436.19 feet, last mentioned three courses being coincident with the Southerly boundary line of said Tract "C"; thence N33°33'47"E for 143.44 feet; thence N58°41'38"W for 5.08 feet; thence N30°16'57"E for 39.31 feet; thence S58°41'38"E for 30.76 feet; thence N31°18'22"E for 153.08 feet; thence N58°37'27"W for 40.48 feet; thence N46°21'13"W for 27.10 feet; thence N57°49'45"W for 315.86 feet; thence N32°03'03"E along a line parallel with the Westerly boundary line of said Tract "C", for 203.22 feet; thence N48°48'36"E, radial to the next described curve, for 59.39 feet; thence Southeasterly along a circular curve to the left, having a radius of 1200.92 feet and a central angle of 03°45'23" for an arc distance of 78.73 feet; to a point on a curve which bears S44°56'46""E from its radius point; thence Southwesterly along a circular curve to the right, having a radius of 130.00 feet and a central angle of 24°01'17" for an arc distance of 54.50 feet to a Point of Reverse Curvature; thence Southwesterly along a circular curve to the left, having a radius of 200.00 feet and a central angle of 37°01'28" for an arc distance of 129.24 feet to a Point of Tangency; thence S32°03'03"W for 48.47 feet; thence S57°49'45"E for 283.09 feet; thence S46°21'13"E for 31.98 feet; thence S58°37'27"E for 307.38 feet; thence S34°51'18"W for 61.47 feet; thence S64°46'27"E for 164.26 feet; thence N25°09'04"E for 81.50 feet; thence S64°46'27"E for 165.96 feet; thence S84°47'08"E for 58.67 feet; to the POINT OF BEGINNING.

LESS AND EXCEPT:
The following described parcel:

COMMENCE at the aforementioned Point "A"; thence S84°47'08"W for 139.17 feet to the POINT OF BEGINNING of the following described parcel; thence S24°58'11"W for 102.53 feet; thence S65°01'49"E for 6.00 feet; thence S24°58'11"W for 29.73 feet; thence N65°01'49"W for 6.00 feet; thence S24°58'11"W for 102.39 feet; thence N65°01'49"W for 87.00 feet; thence N24°58'11"E for 234.65 feet; thence S65°01'49"E for 87.00 feet to the POINT OF BEGINNING.

ALSO LESS AND EXCEPT:
The following described parcel:

COMMENCE at the aforementioned Point "B"; thence N32°03'03"E for 36.04 feet to the POINT OF BEGINNING of the following described parcel; thence N65°01'49"W for 128.14 feet; thence S34°44'02"W for 13.82 feet; thence N55°15'58"W for 68.42 feet; thence N34°44'02"E for 137.39 feet; thence S55°15'58"E for 9.39 feet; thence N34°44'02"E for 41.07 feet; thence N55°15'58"W for 32.17 feet; thence N34°44'02"E for 149.05 feet; thence S55°15'58"E for 41.55 feet; thence S34°51'18"W for 61.18 feet; thence S64°46'27"E for 134.39 feet; thence S24°58'11"W for 256.69 feet to the POINT OF BEGINNING.

All of the above lying and being in Section 4, Township 54 South, Range, 40 East, Dade County, Florida and containing 4.719 Acres more or less.

LESS AND EXCEPT:

A portion of Tract "C ", PARKWOODS SUBDIVISION, according to the plat thereof, recorded in Plat Book 94, at Page 45 of the Public Records of Dade County, Florida, being more particularly described as follows:

Commence at the Northeast corner of said Tract "C", thence S05° 12' 52"W along the Easterly boundary line of said Tract "C", for 364.10 feet; thence S84° 47' 08"W for 139.17 feet to the POINT OF BEGINNING of the following described parcel of land; thence S24° 58' 11"W for 102.53 feet; thence S65° 01' 49"E for 6.00 feet; thence S24° 58' 11"W for 29.73 feet; thence N65° 01' 49"W for 6.00 feet; thence S24° 58' 11"W for 102.39 feet; thence N65° 01' 49"W for 87.00 feet; thence N24° 58' 11"E for 234.65 feet; thence S65° 01' 49"E for 87.00 feet to the POINT OF BEGINNING.

All of the above lying and being in Section 4, Township 54 South, Range, 40 East, Dade County, Florida and containing 0.473 Acres more or less.

thereof as recorded in Plat Book 94, Pa 45, Public Records of Dade County, Florida.

Together with all rights and benefits appurtenant to the above described property created or conveyed by the following instruments: Protective Covenants for Fontainebleau Park recorded in Official Records Book 7682, Page 601, on May 1, 1972, under Clerk's File No. 72R-73547, as amended by Corrective Protective Covenants for Fontainebleau Park, recorded in Official Records Book 7706, Page 154, on May 15, 1972, under Clerk's File No. 72R-104714; Supplemental Protective Covenants for Fontainebleau Park, recorded June 15, 1972, in Official Records Book 7757, Page 12, under Clerk's File No. 72R-135238, and re-recorded in Official Records Book 7860, Page 15, on August 23, 1972, under Clerk's File No. 72R-189009; Architectural Review Committee for Fontainebleau Park recorded in Official Records Book 15786, Page 1947, on January 21, 1993, under Clerk's File No. 93R-030424; and Disclaimer of Rights Under Protective Covenants recorded in Official Records Book 16973, Page 4949, on November 1, 1995, under Clerk's File No. 95R-446119.

LESS AND EXCEPT:

A portion of Tract "C ", PARKWOODS SUBDIVISION, according to the plat thereof, recorded in Plat Book 94, at Page 45 of the Public Records of Dade County, Florida, being more particularly described as follows:

Commence at the Northeast corner of said Tract "C", thence S05°12'52"W for 260.67 feet to the POINT OF BEGINNING of the following described parcel; thence continue S05°12'52"W for 103.43 feet to a point hereinafter referred to as Point "A"; thence continue S05°12'52"W for 84.03 feet; thence S28°52'52"W for 143.00 feet, last mentioned four courses being coincident with the Easterly boundary lines of said Tract "C"; thence S87°21'53"W for 239.25 feet; thence N57°56'57"W for 122.89 feet, to a point hereinafter referred to as Point "B"; thence continue N57°56'57"W for 436.19 feet, last mentioned three courses being coincident with the Southerly boundary line of said Tract "C"; thence N33°33'47"E for 143.44 feet; thence N58°41'38"W for 5.08 feet; thence N30°16'57"E for 39.31 feet; thence S58°41'38"E for 30.76 feet; thence N31°18'22"E for 153.08 feet; thence N58°37'27"W for 40.48 feet; thence N46°21'13"W for 27.10 feet; thence N57°49'45"W for 315.86 feet; thence N32°03'03"E along a line parallel with the Westerly boundary line of said Tract "C", for 203.22 feet; thence N48°48'36"E, radial to the next described curve, for 59.39 feet; thence Southeasterly along a circular curve to the left, having a radius of 1200.92 feet and a central angle of 03°45'23" for an arc distance of 78.73 feet; to a point on a curve which bears S44°56'46""E from its radius point; thence Southwesterly along a circular curve to the right, having a radius of 130.00 feet and a central angle of 24°01'17" for an arc distance of 54.50 feet to a Point of Reverse Curvature; thence Southwesterly along a circular curve to the left, having a radius of 200.00 feet and a central angle of 37°01'28" for an arc distance of 129.24 feet to a Point of Tangency; thence S32°03'03"W for 48.47 feet; thence S57°49'45"E for 283.09 feet; thence S46°21'13"E for 31.98 feet; thence S58°37'27"E for 307.38 feet; thence S34°51'18"W for 61.47 feet; thence S64°46'27"E for 164.26 feet; thence N25°09'04"E for 81.50 feet; thence S64°46'27"E for 165.96 feet; thence S84°47'08"E for 58.67 feet; to the POINT OF BEGINNING.

LESS AND EXCEPT:
The following described parcel:

COMMENCE at the aforementioned Point "A"; thence S84°47'08"W for 139.17 feet to the POINT OF BEGINNING of the following described parcel; thence S24°58'11"W for 102.53 feet; thence S65°01'49"E for 6.00 feet; thence S24°58'11"W for 29.73 feet; thence N65°01'49"W for 6.00 feet; thence S24°58'11"W for 102.39 feet; thence N65°01'49"W for 87.00 feet; thence N24°58'11"E for 234.65 feet; thence S65°01'49"E for 87.00 feet to the POINT OF BEGINNING.

ALSO LESS AND EXCEPT:
The following described parcel:

COMMENCE at the aforementioned Point "B"; thence N32°03'03"E for 36.04 feet to the POINT OF BEGINNING of the following described parcel; thence N65°01'49"W for 128.14 feet; thence S34°44'02"W for 13.82 feet; thence N55°15'58"W for 68.42 feet; thence N34°44'02"E for 137.39 feet; thence S55°15'58"E for 9.39 feet; thence N34°44'02"E for 41.07 feet; thence N55°15'58"W for 32.17 feet; thence N34°44'02"E for 149.05 feet; thence S55°15'58"E for 41.55 feet; thence S34°51'18"W for 61.18 feet; thence S64°46'27"E for 134.39 feet; thence S24°58'11"W for 256.69 feet to the POINT OF BEGINNING.

All of the above lying and being in Section 4, Township 54 South, Range, 40 East, Dade County, Florida and containing 4.719 Acres more or less.

A portion of Tract "C", PARKWOODS SUBDIVISION, according to the plat thereof, recorded in Plat Book 94, at Page 45 of the Public Records of Dade County, Florida, being more particularly described as follows:

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