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DECLARATION OF CONDOMINIUM OWNERSHIP OF SEVILLE CONDOMINIUM 4

This is a Declaration of Condominium made this 23rd day of December, 1970, by CLEARWATER DEVELOPMENT CORPORATION, a Florida corporation, hereinafter called "Developer", for itself and its successors, grantees and assigns and the fee simple owner, Clearwater Seville, Ltd., a Florida limited partnership, hereinafter referred to as "Fee Simple Owner".

WHEREAS, the Fee Simple Owner owns certain real estate hereinafter described, and said real estate is subject to a 100-year lease with the Developer, as lessee, and the Developer and the Fee Simple Owner, desire to submit said real estate, together with the improvements located thereon, to Condominium ownership, in accordance with Chapter 711 (1967), Florida Statutes, as amended, hereinafter referred to as The Condominium Act in accordance with the terms and conditions of this Declaration.

WHEREAS, the Developer, collectively and jointly with the Fee Simple Owner make the following declarations:

1. Property Placed in Condominium Ownership. The following described property, hereinafter referred to as Condominium Property, is submitted to Condominium ownership:

1.1 Real Property. That certain real property, the legal description of which is attached hereto, and by reference made a part hereof as Exhibit

1.2 Improvements Located Thereon. All improvements erected or installed on said land, including a building containing Apartments, together with related facilities. The Developer is responsible for the construction of said improvements.

2. Name. The Condominium is to be identified by the name of Seville Condominium 4, with the address of 1012 Pearce Drive, Clearwater, Florida.

3. Name of Condominium Association. The name of the Condominium Association is Seville Condominium 4, Inc., a Florida non-profit corporation, hereinafter referred to as "Association". The Articles of Incorporation and By-Laws of Association, are attached hereto as Exhibit

4. Definitions. The terms used herein, in the By-Laws, Articles of Incorporation, Management Contract, and Long-Term Lease shall have the meaning stated in The Condominium Act and as follows:

4.1 Apartment means unit as defined by The Condominium Act. Apartment should be construed as Condominium Parcel whenever the context so implies.

4.2 Common Elements. That portion of the Condominium Property not included in the Apartments, and all personal property as may be owned by Association from time to time.

CONDOMINIUM PLATS PERTAINING HERETO ARE RECORDED IN PLAT BOOK 7, PAGES 55 - 59 inc.

THIS INSTRUMENT PREPARED BY: DENNIS R. DeLOACH, JR., of FISHER, SAULS, ADCOCK & KEOUGH, 7843 Seminole Boulevard Seminole, Florida

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4.3 Condominium Parcel. The Apartment, together with an undivided interest in the common elements appurtenant thereto.

4.4 Owner. That person or entity owning an Apartment in fee simple.

4.5 Condominium. This means all of the Condominium Property as a whole when the context so permits.

4.6 SEVILLE. A residential development of which this Condominium is a part.

4.7 Member. A member of Association.

4.8 Leasehold-Owner. The legal owner of a Leasehold interest in a Condominium Parcel in accordance with the terms herein.

4.9 Common Expense. Common Expenses shall include:

A. Administration. Expenses of administration of Association, expenses of maintenance, operation, repair or replacement of any or all of the common elements, and of the portions of Apartments to be maintained by Association.

B. Declared Common Expense. Expenses declared common expenses by provisions of this Declaration, By-Laws, the Management Contract, and the Recreation Lease.

C. Others. Any valid charge against the Condominium Property as a whole.

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

4.11 Apartment interest. This term refers to the primary interest owned in an Apartment at any given time. The term shall always refer to the interest of a Leasehold-Owner so long as or while a Leasehold interest exists as to a specific Apartment, and shall be deemed the primary interest while in existence, and if said Leasehold interest is cancelled or terminated for any reason, then said term shall refer to the interest of an Owner. The term Apartment interest shall not refer to both types of interest unless both interests are owned by the same owner.

4.12 Leasehold interest. The term Leasehold interest as used herein, refers to the interest in an Apartment initially owned by the Developer and conveyed to a Leasehold Owner. If a Leasehold interest is owned by a Leasehold Owner, said interest shall be deemed the Leasehold Owner's Apartment interest in and to his specific Apartment.

5. Development Plan. The Condominium Property is described as follows:

5.1 Survey and Plot Plan. A survey of the land showing the Apartment building placed thereon is attached as Exhibit B 2

5.2 Improvements. Improvements upon the land include and will be limited to the following:

A. Apartment Buildings. The Condominium Property includes one (1) Apartment building as mentioned above.

B. Other Improvements. The Condominium Property includes an automobile parking area, sidewalks and landscaping located substantially on the survey as mentioned above, and which are part of the common elements.

5.3 Apartment Boundaries. Each Apartment shall include that part of the building containing the Apartment that lies within the following boundaries:

A. Upper and Lower Boundaries. The upper and lower boundaries of an Apartment shall be the following boundaries extended to an intersection with the perimetrical boundaries:

(1) Upper Boundary. The horizontal plane of the undecorated finished ceiling.

(2) Lower Boundary. The horizontal plane of the undecorated finished floor.

B. Perimetrical Boundaries. The perimetrical boundaries of the Apartment shall be the vertical planes of the undecorated finished interior of the walls bounding the Apartment extended to intersections with each other and with the upper and lower boundaries.

5.4 Amendment of Plans and Completion of Improvements.

A. Alteration of Apartment Plans. Developer reserves the right to change the interior design and arrangement of all Apartments, and to alter the boundaries between Apartments, so long as the interest of the Developer has not been sold. No such change shall increase the number of Apartments nor alter the boundaries of the common elements nor the boundaries of any Apartments in which the interest of the Developer has been sold, without amendment of this Declaration in the manner required herein. If Developer shall make any dimensional changes in the size of the rooms in the Apartments, such change shall be reflected by an amendment to this Declaration. If more than one (1) Apartment is concerned, the Developer shall apportion between the Apartments the share in the common elements which are appurtenant to the Apartments concerned.

B. Amendment of Declaration. An amendment of this Declaration reflecting such alteration of Apartment plans by Developer need be signed and acknowledged only by Developer and the Fee Simple Owner, and need not be approved by the Association, Members of the Association, Lienors or Mortgagees, whether or not elsewhere required.

5.5 Easements are reserved through the Condominium Property as may be required for utility services in order to serve the occupants of the Apartments; provided, however, such easements through an Apartment shall be only according to the plans and specifications for the Apartment Building, unless approved in writing by the Apartment Owner. Easements are reserved as may be required for utility services in order to adequately serve the Condominium, and to adequately serve other lands in SEVILLE, whether adjacent to the Condominium Property or not. Easements are also reserved for pedestrian traffic over and across sidewalks, paths, walks, lanes, as the same may exist now, and from time to time hereafter existing, for other residents of SEVILLE, and for vehicular traffic over and across such portions of the common elements as may be from time to time paved and used for that purpose.

6. Reservation of Leasehold Interest. The Developer and the Fee Simple Owner have heretofore entered into a 100-year lease as mentioned above, and said lease is dated the 1st day of May, 1970, and recorded in O.R. Book 3317, page 225, Public Records of Pinellas County, Florida, which lease began on the 1st day of May, 1970, and which will terminate on the 30th day of April, 2070, herein referred to as the Long Term Lease, and it is specifically stated and understood, that the Leasehold interest of the Developer, in and to the Condominium Property is not destroyed by this Declaration of Condominium, and by virtue of this Declaration, the Developer retains its leasehold estate in each of the Condominium Parcels in this Condominium, and therefore, the fee simple ownership of a Condominium Parcel is held by the Fee Simple Owner, and subject to the Leasehold interest of the Developer as set forth herein with the Leasehold interest being governed by the terms of this Declaration, and the terms of the aforesaid Long Term Lease.

6.1 Right to Sell. The Developer does hereby have the right to sell all of its right, title and interest in and to the Leasehold interest in each Condominium Parcel in this Condominium, and each purchaser of said Leasehold interest shall, by the acceptance of said transfer, assume and agree to pay, subject to the terms of this Declaration, the proportionate share of the rentals due under the Long Term Lease, based on the percentage of common expense attributable to each Apartment as set forth in paragraph 7.2 A hereof, and the purchaser of said Leasehold interest from the Developer shall, by the acceptance of the Leasehold deed, agree to abide by all of the terms and conditions of this Declaration. The transferee of the Leasehold interest from the Developer shall be referred to herein as the Leasehold-Owner, and the Developer is deemed a Leasehold-Owner until the interest as to a particular Apartment is transferred. The copy of the proposed Leasehold deed which will be used by the Developer to transfer its Apartment interest in a specific Apartment is attached hereto and by reference made a part hereof as Exhibit No. A-3. If the Developer sells all of its right, title and interest in its Leasehold interest for the remaining term as to a specific Condominium Parcel in the manner set forth above, then said sale shall be conclusively deemed an absolute Assignment of said Leasehold interest, and not a sub-lease, and the Developer shall be released of all liabilities thereafter attributable to said Leasehold interest in the particular Condominium Parcel.

7. Condominium Building.

7.1 Plans. The Apartment building consists of 3 floors all of which are more particularly described upon the following exhibits which are attached hereto and which is a correct representation of matters therein contained:

A. Exhibits B-3, B-4, B-5, showing first, second and third floor plans and elevations.

B. Exhibit B-1, certificate of engineer.

7.2 Appurtenances to Apartments. The Owner of each Apartment shall own a share and certain interest in the Condominium Property which are appurtenant to his Apartment, including but not limited to the following items which are appurtenant to the several Apartments as indicated:

A. Common Elements and Common Surplus. The undivided share in the land and other common elements and any common surplus which is appurtenant to each Apartment

is shown on the schedule attached hereto as Exhibit No. A-4. If a common surplus exists, then as between an Owner and a Leasehold-Owner, if a Leasehold interest exists as to the particular Apartment, then the share of said common surplus shall be deemed to be owned by the Leasehold-Owner and not by the Owner. A Leasehold-Owner shall be entitled to use of the common elements in the same manner as if he was an Owner.

B. Limited Common Elements.

(1) Automobile Parking Area. Each Apartment shall have appurtenant to it a permanently assigned automobile parking area which shall be considered a limited common element subject only to the right of pedestrians' use from time to time while the space is not in use. A diagram showing the parking spaces is attached hereto as Exhibit B-2. Each Apartment shall have appurtenant to it at least one (1) such space, and may have as many as two (2) spaces appurtenant to it, and the actual assignment of a space or spaces shall take place when the Developer makes the initial conveyance to the first Leasehold Owner of each Apartment in the Condominium. Thereafter, when an Apartment interest is transferred, the parking spaces initially conveyed appurtenant to an Apartment shall automatically be transferred whether or not said space is specifically mentioned in the transferring instrument or not. After the initial conveyance, a parking space may be covered only with the approval of the Management Contractor, and said space may be used only for the parking of an automobile or other motor vehicle unless written approval for another use is granted by the Management Contractor, or unless another use is allowed pursuant to the house rules as said rules may exist from time to time.

(2) Patio and Balcony. Each Apartment on the first floor of the Apartment building shall have a patio garden area enclosed by wall or fence and this area shall be referred to herein as the "Patio area", and each Apartment on the remaining floors shall have a balcony, with said area herein referred to as the "balcony area". It is intended that the patio area and the balcony area shall be a limited common element, and that the Owner (Leasehold-Owner) owning the Apartment interest in the adjacent Apartment shall be entitled to the exclusive use of said area, and the other Owners (Leasehold-Owners) in the Condominium shall not be entitled to use such space for any purpose whatsoever, and each Owner (Leasehold-Owner) entitled to use said patio area or balcony area shall be responsible for the upkeep and maintenance and care of any vegetation initially growing therein.

8. Maintenance, Alteration and Improvement. Responsibility for the maintenance of the Condominium Property, and restrictions upon the alteration and improvement thereof shall be as follows:

8.1 Apartments.

A. By the Association. The Association shall maintain, repair and replace at the Association's expense:

(1) All portions of an Apartment, except interior surfaces, contributing to the support of the Apartment building, which portions shall include but not be limited to load-bearing columns and load-bearing walls, including all conduits, ducts, plumbing; wiring and other facilities for the furnishing of utility services (i.e. gas, electric power, cold water and sewer disposal) which are contained in the portion of the Apartment building maintained by the

Association; and all such facilities contained within an Apartment which service part or parts of the Condominium Property other than the Apartment within which contained.

(2) All incidental damage caused to an Apartment by such work shall be promptly repaired at the expense of the Association.

B. By the Owner (Leasehold-Owner). The responsibility of the Owner (Leasehold-Owner) shall be as follows:

(1) To maintain, repair and replace at his expense all portions of his Apartment except the portions to be maintained, repaired and replaced by the Association, including all screens and glass, kitchen equipment, and all air flow ducts, heating and air conditioning equipment, whether contained inside or outside of an Apartment, hot water heater, carpeting, and any other contents of the Apartment including all non-supporting walls and partitions, and doors and door frames.

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

(3) To promptly report to the Association any defects or need for repairs if the responsibility for the remedying is that of the Association.

C. Alteration and Improvement. Except as elsewhere reserved to Developer, neither an Owner (Leasehold-Owner) nor the Association shall make any alterations in the portions of an Apartment or Apartment building which are to be maintained by the Association, or remove any portion thereof, or make any additions thereto, or do anything which would jeopardize the safety or soundness of the Apartment building, any easement, without first obtaining approval in writing of Owners (Leasehold-Owners) of all other Apartments and the approval of the Board of Directors of the Association. A copy of plans for all of such work prepared by an architect licensed to practice in this State shall be filed with the Association and with the Management Contractor.

8.2 Common Elements.

A. By Association. The maintenance and operation of the common elements shall be the responsibility and the expense of Association.

B. Alteration and Improvement. After the completion of the initial improvements included in the common elements which are contemplated by this Declaration, there shall be no alteration nor further improvements of common elements without prior approval in writing by the record Owners (Leasehold-Owners) of all the Apartments, except as provided for herein; provided, however, that alteration or improvement of the common elements may be made if the approval in writing of not less than 75% of the Owners (Leasehold-Owners) is obtained, provided the improvements do not interfere with the rights of Owners (Leasehold-Owners) not giving their consent, and if the non-approving Owners (Leasehold-Owners) are relieved of the cost thereof. The cost of any improvement made pursuant to the above provisions shall be paid in full by the approving Owners (Leasehold-Owners) as between themselves in proportion to their ownership percentage. There shall be no change in the shares and rights of an Owner (Leasehold-Owner)

in the common elements which are altered or further improved, whether or not the Owner (Leasehold-Owner) contributes to the cost thereof. This paragraph shall not apply to any repairs, replacement or reconstruction made to the common elements caused by casualty, an act of God, or ordinary wear and tear. Any increase in the common expenses caused by alterations or improvements as contemplated by this paragraph shall be borne only by the approving Owners (Leasehold-Owners) and not by the non-approving Owners (Leasehold-Owners).

9. Assessments. The making and collection of assessments against Owners (Leasehold-Owners) for common expenses shall be pursuant to the By-Laws and subject to the following provisions:

9.1 Share of Common Expense. Each Owner (Leasehold-Owner) shall be liable for a proportionate share of the common expenses, and shall share in the common surplus, (subject to the limitation as set forth in paragraph 7.2 A) with such shares being the same as the undivided share in the common elements which is appurtenant to the Apartment interest owned by him, as set forth above in Paragraph 7.2A. If a Leasehold-Owner owns an Apartment interest, then he shall be responsible for said payments attributable to his respective Apartment. If a Leasehold interest does not exist as to a particular apartment, then the Owner shall be responsible for said payments.

9.2 Responsibility for Assessments by Developer. Prior to the time when the Developer sells and transfers all its right, title and interest in and to the Apartments in this Condominium, and after any of the Leasehold-Owners have moved in and have begun occupying their Apartments, and have begun paying their share of common expenses, the Developer shall continue to make payments of its share of the common expenses attributable to its interest in the Apartments which have not been sold.

9.3 Interest; Application of Payments. Assessments and installments thereon paid on or before ten (10) days after the date when due shall not bear interest, but all sums not paid on or before ten (10) days after the date when due shall bear interest at the rate of nine (9%) percent per from the date when due until paid. All payments on account shall be first applied to interest and then to the assessment payment first due.

9.4 Lien for Assessments. The Association shall have a lien on each Apartment interest, either Leasehold interest or the interest of an Owner as the case may be, for any unpaid assessments by the person or entity responsible therefor, or any part thereof, and for interest thereon against the Owner or the Leasehold-Owner, as the case may be, which lien shall also secure reasonable attorneys fees incurred by the Association incident to the collection of such assessments or the enforcement of such lien. Said lien shall be effective from and after the time of the recording in the Public Records of Pinellas County, Florida, a claim of lien stating the description of the Apartment interest, the name of the owner of said interest, the amount due and the date when due, and the lien shall continue in effect until all sums secured by the lien shall have been fully paid. Such claims of lien shall be signed and verified by an officer of the Association or by the Management Contractor. Such liens shall be subordinate to the lien of a mortgage or other liens recorded prior to the date of recording of

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the claim of lien. Liens for assessments may be foreclosed by suit brought in the name of the Association in like manner as a foreclosure of a mortgage on real property. In any such foreclosure, the owner of the Apartment interest being foreclosed on shall be required to pay a reasonable rental for the Apartment and the Association shall be entitled, as a matter of law, to the appointment of a receiver to collect the same. The Association may also sue to recover a money judgment on unpaid assessments without waiving the lien to secure same. The aforementioned lien may be foreclosed by the Management Contractor, in order to secure monies due it, or other monies due as a portion of the Owner's (Leasehold-Owner's) portion of common expense, in the event the Association does not institute foreclosure proceedings within thirty days after written notice of request to do so by the Management Contractor. In the event the amounts due giving rise to the claim of lien are due from a Leasehold-Owner, then said lien shall not affect the interest of an Owner as to the specific Apartment in question, and shall affect only the interest of the Leasehold-Owner.

10. Sales Promotion on Premises. Developer may designate an agent, or agents, and shall have the right to sell or sub-lease its Leasehold interest in and to the Apartments, to any person or corporation approved by it and for any lawful purpose, and it shall have the right to conduct on the Condominium property any and all business necessary to consummate the sale of its interest in each respective Apartment, including, but not limited to, the right to maintain models, have signs, employees in the office, use of common elements, and the right to show Apartments to prospective purchasers. A sales office, sign and all items pertaining to sales shall not be considered common elements and shall remain the property of the Developer or its sales agent. In the event the Developer is not able to sell all of its Leasehold interest in and to the Apartments, the Developer shall retain its right in and to each unsold Apartment, under the same terms and conditions as other owners of similar interests in the Condominium, and shall pay its proportionate share of expenses due and owing by virtue of said ownership, and said ownership shall be owned under the same terms and conditions as other Leasehold-Owners save for the right to sell, or sub-lease its Apartment interest as contained in this paragraph.

11. Members of Association.

11.1 Qualification. The Members of the Association shall consist of all of the record Owners (Leasehold-Owners) of Apartments, as the case may be. If there be a Leasehold-Owner as to a particular Apartment, then he shall be the Member, and the Owner of the specific Apartment in which said Leasehold interest exists shall not be a Member unless the Leasehold interest is terminated. If the Leasehold interest is terminated, then the Owner shall be the Member.

11.2 Change of Membership. Change of membership in the Association shall be established by recording in the Public Records of Pinellas County, Florida, a deed or other instrument establishing a transfer of the interest of a Member and the delivery to the Management Contractor of a certified copy of such instrument. The Owner (Leasehold-Owner) designated by such instrument thereby shall become a Member of the Association, and the membership of the prior Owner (Leasehold-Owner) shall be terminated. Notwithstanding the above, the membership shall not be changed nor shall the new Owner (Leasehold-Owner) be entitled to vote until the new Owner (Leasehold-Owner) is approved as set forth herein.

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11.3 Voting Rights. Members of the Association shall be entitled to cast one (1) vote for each Apartment interest owned by them. (Subject to the below paragraph)

11.4 Designation of Voting Representative. If an Apartment interest is owned by one (1) person, (Owner or Leasehold-Owner) his right to vote shall be established by the record title to his Apartment interest. If an Apartment interest is owned by more than one (1) person, (Owner or Leasehold-Owner) or is under short-term lease, the person entitled to cast the vote for the Apartment shall be designated by a certificate signed by all of the record Owners (Leasehold-Owners) of the Apartment interest and filed with the Association and the Management Contractor. If an Apartment interest is owned by a corporation, trust, or association, the person entitled to cast the vote for the Apartment shall be designated by a certificate signed by the President or Vice President and attested by the Secretary or Assistant Secretary of the corporation or association or by the Trustee, if owned by a Trust. If an Apartment interest is owned by a Limited Partnership, then any General Partner or Partners, as the case may be, shall be entitled to vote, and any General Partner may file the certificate as required. This certificate should be filed with the Association and the Management Contractor. Such certificate shall be valid until revoked or until superseded by subsequent certificate, or until a change in ownership of the Apartment interest concerned is properly completed. A certificate designating the person entitled to cast the vote of an Apartment may be revoked by the Owner (Leasehold-Owner) thereof at any time. The above requirements as to corporations shall not apply to Developer, or the Management Contractor and any representative of said corporations shall be entitled to vote Apartment interests owned by either of said corporations as designated by its President.

11.5 Restraint Upon Assignment of Shares and Assets. The share of a Member in the funds and assets of the Association or the right to use a parking space(s) cannot be assigned, hypothecated or transferred in any manner except as an appurtenance of his Apartment interest.

11.6 Class Representation. The Members of the Association shall be represented by the Officers of Association (after the first election) in all matters concerning the Members as a class.

12. Taxes. Real property taxes shall be assessed and collected on the Apartments, and not on the Condominium Property as a whole. In the event a real property tax is assessed against any of the Condominium Property, the said tax shall be deemed as part of the common expense. A Leasehold-Owner shall be responsible for the taxes as to his particular Apartment so long as his Leasehold interest exists, and upon termination of said interest, the Owner shall be responsible for the taxes as to a specific Apartment.

13. Management Contractor. In order that this Condominium may be managed in the same or similar manner as other Condominiums in the development of SEVILLE, the Association has entered into a long-term management contract with Clearwater Management Corporation, a Florida Corporation, herein referred to as Management Contractor. In order to facilitate the management of the Condominium, the Association may delegate to the Management Contractor certain of its powers and duties as contained herein and contained in the By-Laws of the Association. Specifically,

the Association is authorized to delegate to the Management Contractor the power to approve the transfers of Apartment interests as set forth in Paragraph (15) hereof. The Management Contractor's fee as set forth in the Management Contract shall be considered part of the common expense. A copy of said Management Contract is attached hereto as Exhibit No. A-5. Amendment or revision of such Management Contract shall not require the procedures for amendment or change to the Declaration, and may be accomplished by said amendment being executed and approved by the Board of Directors of the Association, and the Management Contractor, with the formality required for a deed and filed among the Public Records of Pinellas County, Florida.

13.1 Acceptance of said contract. Each Owner or Leasehold-Owner, as the case may be, his heirs, successors and assigns, shall be bound by the Management Contract to the same extent and effect as if he had executed said Management Contract for the purposes herein expressed, including but not limited to (a) adopting, ratifying, confirming and consenting to the execution of said Management Contract by the Association; (b) covenanting and promising to perform each and every of the covenants, promises and undertakings to be performed by Owners (Leasehold-Owners) in the cases provided therefor in said contract; (c) ratifying, confirming and approving each and every provision of said Management Contract and acknowledging that all of the terms and provisions thereof, including escalation clauses are reasonable; and (d) agreeing that the persons acting as Directors and Officers of the Association entering into such agreement have not breached any of their duties, responsibilities or obligations to Association by the entering into of said agreement.

13.2 Original Board of Directors. It is specifically recognized that some or all of the persons comprising the original Board of Directors and the Officers of Association are owners of some or all of the stock of the Management Contractor and that such circumstance shall not and can not be construed or considered as a breach of their duties and obligations to the Association, nor as possible grounds to invalidate the Management Contract in whole or in part.

13.3 Ratification. The Management Contract, each and every provision thereof and the acts of the Board of Directors and Officers of Association entering into such agreement be and the same are hereby ratified, confirmed, approved and adopted.

13.4 Recreation Lease. The Management Contractor has a leasehold interest in certain recreation lands in the development of SEVILLE, on which it has constructed or shall construct recreation facilities, and the Management Contractor has, by a specific instrument sub-leased said recreation facilities to Association in accordance with the terms of the Recreation Lease, a copy of which is attached hereto and by reference made a part hereof as Exhibit A-6. Certain compensation is owed from the Association to the Management Contractor as set forth in said Lease, and said sum shall be considered to be a part of the fee which is due the Management Contractor under the terms of the above mentioned Management Contract, so long as said contract is in existence, and in the event said contract is terminated or cancelled for any reason, then the aforementioned sums as required to be paid from the Association to the Management Contractor under the Recreation Lease shall be an obligation and liability of the Association, and shall be considered a common expense. The aforementioned Recreation Lease was established pursuant to authority which the Association has and pursuant to the statutory authority of the laws of the State of Florida.

A. Acceptance of said lease. Each Owner or Leasehold-Owner, as the case may be, his heirs, successors and assigns, shall be bound by the Recreation Lease to the same extent and effect as if he had executed said Recreation Lease for the purposes herein expressed, including but not limited to (a) adopting, ratifying, confirming and consenting to the execution of said Recreation Lease by the Association; (b) covenanting and promising to perform each and every of the covenants, promises and undertakings to be performed by Owners (Leasehold-Owners) in the cases provided therefor in said contract; (c) ratifying, confirming and approving each and every provision of said Recreation Lease and acknowledging that all of the terms and provision thereof, including escalation clauses are reasonable; and (d) agreeing that the persons acting as Directors and Officers of the Association entering into such agreement have not breached any of their duties, responsibilities or obligations to Association by the entering into of said agreement.

B. Original Board of Directors. It is specifically recognized that some or all of the persons comprising the original Board of Directors and the Officers of Association are owners of some or all of the stock of the Management Contractor and that such circumstance shall not and can not be construed or considered as a breach of their duties and obligations to the Association, nor as possible grounds to invalidate the Recreation Lease in whole or in part.

C. Ratification. The Recreation Lease, each and every provision thereof and the acts of the Board of Directors and Officers of Association entering into such agreement be and the same are hereby ratified, confirmed, approved and adopted.

D. Lien to Secure Recreation Lease Fee. The Management Contractor shall have a lien to secure payment and performance under the Recreation Lease as set forth therein.

14. Use Restrictions. The use of the Condominium Property shall be in accordance with the following provisions so long as the Condominium exists and so long as the Apartment building exists in a useful condition on the land.

14.1 Apartments. Each of the Apartments shall be occupied only by a single family, and guests, as a residence and for no other purpose. Except as reserved to Developer before sale, no Apartment may be divided or sub-divided into a smaller unit, nor any portion thereof sold or otherwise transferred, without first properly amending this Declaration to show the changes in the Apartments to be effected thereby.

14.2 Common Elements. The common elements shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of the Apartments.

14.3 Nuisances. No nuisances shall be allowed upon the Condominium Property, nor any use or practice which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents. All parts of the property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate nor any fire hazard allowed to exist. No Owner (Leasehold-Owner) shall permit any use of his Apartment or make any use of the common elements which will increase the rate of insurance upon the Condominium Property.

14.4 Lawful use. No immoral, improper, offensive or unlawful use shall be made of the Condominium Property

nor any part thereof; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies which require maintenance, modification or repair of the Condominium Property shall be the same as the responsibility for the maintenance and repair of the specific property concerned.

14.5 Leasing. After approval by the Management Contractor elsewhere required, entire Apartments may be rented provided the occupancy is only by the lessee and his family or guests. No rooms may be rented except as part of the leasing of an entire Apartment, and no transient tenants may be accommodated. Leases shall not be for periods longer than three (3) years. Leasing of an Apartment for a short period of time is not to be confused with sale of an Leasehold interest in a Condominium Parcel. A lease for a period of less than 3 years is referred to herein as a short term lease.

14.6 Regulations. Reasonable regulations concerning the use of the Condominium Property may be made and amended from time to time by the Board of Directors of the Association, provided said regulations do not conflict with this Declaration or the By-Laws. Copies of such regulations and amendments thereto shall be furnished by the Association to all Owners (Leasehold-Owners) and residents of the Condominium upon request. The Management Contractor shall also have the authority to establish rules and regulations not inconsistent with the rules and regulations established by the Board of Directors.

14.7 Additional construction. No structures shall be constructed upon the lands mentioned above unless said construction is approved by the Management Contractor, the Developer if SEVILLE is being developed and the Fee Simple Owner.

15. Maintenance of Community Interest. The Developer is attempting to create a community of congenial residents in this Condominium, and prospective purchasers of the Apartment interest shall be screened by the Developer with such purpose in view. The purpose of this is to organize and maintain a community of residents who are financially responsible, thus protecting the value of the Apartment interests. The transfer of the Apartment interest by any Owner (Leasehold-Owner) other than the Developer or the Fee Simple Owner shall be subject to the following provisions as long as the Condominium exists and the Apartment building is in useful condition exists upon the land, which provisions each Owner (Leasehold-Owner) covenants to observe:

15.1 Transfers Subject to Approval.

A. Sale. No Owner (Leasehold-Owner) may dispose of an Apartment interest by sale without approval except as provided for herein.

B. Lease. No Owner (Leasehold-Owner) may dispose of an Apartment interest by lease without approval except as provided for herein.

C. Gift. If any Owner (Leasehold-Owner) shall acquire his title by gift, the continuance of his ownership of his Apartment interest shall be subject to approval as provided for herein.

D. Devise of Inheritance. If any Owner (Leasehold-Owner) shall acquire his title by devise or inheritance, the continuance of his ownership of his Apartment interest shall be subject to approval as provided for herein.

E. Other Transfers. If any Owner (Leasehold-Owner) shall acquire his title by any manner not considered in the foregoing sub-sections, the continuance of his ownership of his Apartment interest shall be subject to approval as provided for herein.

F. Approval. The approval required hereunder shall be made by the Management Contractor as long as the Management Contract is in full force and effect or until this Declaration is amended as provided for in Paragraph 18, and the Association shall be relieved of this responsibility, and the Association shall have said responsibility and duty to approve only by request of the Management Contractor, or in the event the Management Contractor refuses to act. The purpose of placing this provision herein is to relieve the individual Owners (Leasehold-Owners) of Apartments who would probably be officers and directors of Association of the details of handling said approval, and to have said matters handled in a professional and uniform method for this Condominium, as well as for the other condominium associations in SEVILLE. In the event the Management Contract has been terminated for any reason whatsoever, then the Association would have the responsibility, duty and authority to make any approval required hereunder.

15.2 Approval for Transfer. The approval that is required for the transfer of ownership of Apartment interests shall be obtained in the following manner:

A. Notice to Management Contractor.

(1) Sale. An Owner (Leasehold-Owner) intending to make a bona fide sale of his Apartment interest shall give to the Management Contractor notice of such intention, together with the name and address of the intended purchaser and such other information concerning the intended purchaser as the Management Contractor may reasonably require, together with an executed copy of the proposed contract of sale.

(2) Lease. An Owner (Leasehold-Owner) intending to make a bona fide lease of his Apartment interest shall give to the Management Contractor notice of such intention, together with the name and address of the intended lessee and such other information concerning the intended lessee as the Management Contractor may reasonably require together with an executed copy of the proposed lease. Lease as used herein does not contemplate a sale of a leasehold interest, but contemplates a short-term lease (less than 3 years).

(3) Gift; Devise or Inheritance; other Transfers. An Owner (Leasehold-Owner) who has obtained his title by gift, devise or inheritance or by any other manner not previously considered, shall give to the Management Contractor notice of the acquiring of his title, together with such information concerning the Owner (Leasehold-Owner) as the Management Contractor may reasonably require, and a certified copy of the instrument evidencing the Owner's (Leasehold-Owner's) title.

(4) Failure to Give Notice. If the above-required notice to the Management Contractor is not given, then at any time after receiving knowledge of a transaction or event transferring Ownership or possession of an Apartment, the Management Contractor, at its election and after giving 30 days written notice, may approve or disapprove the transaction or ownership. If the Management Contractor disapproves the transaction or ownership, the Management Contractor shall proceed as if it had received the required notice on the date of such disapproval.

B. Certificate of Approval.

(1) Sale. If the proposed transaction is a sale, (either of a leasehold or fee ownership as the case may be) then within thirty (30) days after receipt of the notice and information referred to above, the Management Contractor must either approve or disapprove the proposed transaction. If approved, the Owner (Leasehold-Owner) shall be notified, and the approval shall be stated in a certificate executed by the Management Contractor in recordable form, which shall be recorded in the Public Records of Pinellas County, Florida, at the expense of the purchaser.

(2) Lease. If the proposed transaction is a lease, then within thirty (30) days after receipt of such notice and information, the Management Contractor must either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate executed by the Management Contractor, which shall be delivered to the lessee or shall be recorded in the Public Records of Pinellas County, Florida, at the expense of the lessee.

(3) Gift; Devise or Inheritance; Other Transfers. If the Owner (Leasehold-Owner) giving notice has acquired his title by gift, devise or inheritance or in any other manner, then within thirty (30) days after receipt of such notice and information, the Management Contractor must either approve or disapprove the continuance of the Owner's (Leasehold-Owner's) ownership of his Apartment interest. If approved, the approval shall be stated in a certificate executed by the Management Contractor, which shall be recorded in the Public Records of Pinellas County, Florida, at the expense of the approved party.

(4) Certificate. If the Management Contractor does not execute the certificate required herein for any reason, or if the Management Contractor is terminated, then the Association shall execute said certificate.

C. Approval of Corporate Owner or Purchaser. Inasmuch as the Condominium may be used only for residential purposes, and since a corporation cannot occupy an Apartment for such use, and if the Owner (Leasehold-Owner) or purchaser of an Apartment interest is a corporation, the approval of ownership by the corporation may be conditioned by requiring that all persons occupying the Apartment be approved as required above. This would also apply to ownership by a Trust.

15.3 Disapproval. If the Management Contractor disapproves a transfer of ownership of an Apartment interest, the matter shall be disposed of in the following manner:

A. Sale. In the event the proposed sale is disapproved, the selling Owner (Leasehold-Owner) shall be notified by certified mail, and if the selling Owner (Leasehold-Owner) still desires to consummate such sale, he shall thirty (30) days before the closing of such sale, give written notice to Management Contractor of his intention to sell on a certain date, together with the bonafide price and other terms thereof, and Management Contractor shall promptly notify the Members of Association of the date of the sale, the price and the terms.

(1) Option. Any Owner (Leasehold-Owner), after notification by the Management Contractor as above mentioned, shall have an option to purchase the Apartment interest at the price stated in the disapproved contract to sell, or for the Fair Market Value which shall be determined in accordance

with this agreement, whichever is the lesser amount. The purchasing Owner (Leasehold-Owner) shall exercise his option by giving written notice of said fact to the Management Contractor at least fifteen (15) days prior to the date of the intended sale or transfer, and after depositing with Management Contractor ten (10%) percent cash of the purchase price as a good faith deposit. Management Contractor shall immediately notify selling Owner (Leasehold-Owner) of these facts. This option shall also be available to the Management Contractor, the Developer, the Association, and the Fee Simple Owner.

(2) If Option Not Exercised. In the event the above option is not exercised by the persons or corporations mentioned, then the Management Contractor must either approve the transaction or furnish a purchaser approved by Association or by it who will accept the transaction according to the price and terms of the disapproved contract, or upon the Fair Market Value in accordance with the terms of this Declaration, provided Association, or Management Contractor, at least ten (10) days before the date of the closing of the intended sale, notifies the selling Owner (Leasehold-Owner) that a purchaser has been furnished and that the said purchaser has deposited ten (10%) percent of the purchase price as set forth above with the Management Contractor as a good faith deposit.

(3) If No Approval. In the event the selling Owner (Leasehold-Owner) giving notice to sell received no written notice from any entity entitled to exercise the above mentioned option accepting his price in terms of the proposed sale or accepting the sale at the Fair Market Value on or before ten (10) days prior to the sale date as given in the notice above, then the selling Owner (Leasehold-Owner) may complete the sale or transfer on the day and at the price and the terms given in his original notice to sell as mentioned in Paragraph 15.3(A) above, and if the selling Owner (Leasehold-Owner) completes his transaction as required hereunder, the Management Contractor shall furnish a Certificate of Approval as elsewhere provided herein, which shall be recorded in the Public Records of Pinellas County, Florida, at the expense of the purchaser.

(4) Terms of Sale. In the event the option is exercised and a purchase is made by an Owner (Leasehold-Owner) or by the corporations or entities referred to above, or by a purchaser obtained by the Association or the Management Contractor, the sale shall be made according to the following terms:

(a) The purchase price shall be paid in cash.

(b) The sale shall be closed within thirty (30) days after the delivery or mailing of the notice of purchase to the selling Owner (Leasehold-Owner), or within twenty (20) days after the determination of Fair Market Value, whichever is later. The Fair Market Value shall be determined within ten (10) days after receipt of the above mentioned notice.

(c) A Certificate of Management Contractor approving the purchase, shall be recorded in the Public Records of Pinellas County, Florida, at the expense of the purchaser.

(d) In the event the selling Owner (Leasehold-Owner) giving notice receives acceptances from more than one purchasing Owner (Leasehold-Owner), or from one of the corporations or entities having options hereunder, it shall be discretionary with the selling Owner (Leasehold-Owner) to consummate the sale with whichever of the accepting parties he chooses.

(e) The closing costs of said sale shall be borne by the respective parties in the customary manner.

B. Lease. If the proposed transaction is a lease, the Owner (Leasehold-Owner) shall be advised of the disapproval in writing and the lease shall not be made.

C. Gifts; Devise or Inheritance; Other Transfers. If the Owners (Leasehold-Owners) give notice under Paragraph 15.2(A)(3), then within thirty (30) days after receipt of the notice and information required to be furnished, the Management Contractor shall deliver or mail by registered mail to the Owner (Leasehold-Owner) an agreement to purchase the Apartment interest concerned by a purchaser approved by the Association or by it who will purchase the Apartment interest and to whom the Owner (Leasehold-Owner) must sell the Apartment interest upon the following terms:

(1) Sale Price. The Sale price shall be the price determined by agreement between the seller and purchaser within thirty (30) days from the delivery or mailing of such agreement. In the absence of agreement as to price, the price shall be the Fair Market Value determined in accordance with the terms of this Declaration.

(2) Terms. The purchase price shall be paid in cash.

(3) Time. The sale shall be closed within twenty days following determination of the sale price, or within such other period as agreed by the parties.

(4) Certificate. A Certificate of the Management Contractor approving the purchaser shall be recorded in the Public Records of Pinellas County, Florida, at the expense of the purchaser.

(5) Approval: If the Association or Management Contractor shall fail to provide a purchaser as required by this instrument, or if a purchaser furnished by the Association or Management Contractor shall default in his agreement to purchase, then notwithstanding the disapproval such ownership shall be deemed to have been approved and the Management Contractor shall furnish a Certificate of Approval as elsewhere provided, which shall be recorded in the Public Records of Pinellas County, Florida, at the expense of the Owner (Leasehold-Owner).

15.4 Mortgage. No Owner (Leasehold-Owner) may mortgage his Apartment interest without the approval of the Management Contractor except to a bank, life insurance company or a savings and loan association, or to a vendor to secure a portion or all of the purchase price. The Approval of any other mortgagee may be upon conditions determined by the Association or by the Management Contractor or may be arbitrarily withheld.

15.5 Notice of These Provisions. All Owners (Leasehold-Owners), prospective purchasers of Apartment interests, transferees or prospective lessees are given notice of these provisions concerning transfer of an Apartment interest, and of all other provisions of this Declaration, and the Management Contractor may declare a sale, transfer, mortgage or lease not authorized pursuant to the terms of this Declaration to be void unless subsequently approved by Association or Management Contractor, and if declared void, appropriate arrangements shall be made for the monies to be refunded, and the Apartment interest reconveyed. Any resolution passed by the Association or Management Contractor pursuant to this paragraph or a notice of non-compliance may be recorded in the Public Records of Pinellas County, Florida, to show non-compliance.

15.6 Procedure in Case of Death. The following procedure shall apply in the event of death:

A. Occupancy. In case of death of the Owner (Leasehold-Owner) of an Apartment interest, the surviving spouse, if any, and if no surviving spouse, the other member or members of such Owner's family residing with the Owner (Leasehold-Owner) at the time of his death, may continue to occupy the Apartment; and if such surviving spouse or other member or members of the decedent's family shall have succeeded to the ownership of the Apartment interest, the ownership thereof shall be transferred by legal process to such new owner.

B. Approval. In the event said decedent shall have devised the ownership of his Apartment interest to some designated person or persons other than the surviving spouse or members of his family, as aforescribed, or if some other person is designated by such decedent's legal representative to receive the ownership of the Apartment interest, or under the laws of descent and distribution of the State of Florida, the Apartment interest descends to some person or persons other than his surviving spouse or members of his family as aforescribed, Association or Management Contractor shall, within thirty (30) days of proper evidence of rightful designation served upon the Management Contractor, or within thirty (30) days from the date the Management Contractor is placed on actual notice of said devisee or descendant, express its refusal or acceptance of the individual or individuals so designated as owner.

C. Consent. If the Management Contractor shall consent, ownership of the Apartment interest may be transferred to the person or persons so designated in accordance with the provisions of paragraph B immediately above, and he shall thereupon become the owner of the Apartment interest, subject to the provisions of the Declaration, including all attachments.

D. Refusal of Consent. If the Management Contractor refuses to consent to said ownership, then the Members of Association, the Management Contractor, Developer, or the Fee Simple Owner, or the Association itself shall have an opportunity during thirty (30) days immediately following the above mentioned thirty (30) day period to purchase, for cash, the Apartment interest at the then Fair Market Value, or at a price agreed on between the parties.

E. Sale. In the event a sale takes place under this paragraph, the sale shall be closed within twenty (20) days following the determination of the sale price and a Certificate of the Management Contractor approving the purchasers shall be recorded in the Public Records of Pinellas County, Florida, at the expense of the purchasers and the costs of the same shall be prorated in the customary manner.

F. Results if Not Purchased. In the event the Apartment interest is not purchased pursuant to the terms of this paragraph, the person or persons so designated by the decedent, or the person having the right to receive the decedent's property, may then take title to the Apartment interest; or, such person or persons or the legal representative of the deceased Owner (Leasehold-Owner) may sell the Apartment interest, but such sale shall be subject in all other respects to the provisions of this Declaration of Condominium.

15.7 Exceptions. The foregoing provisions of this section entitled "Maintenance of Community Interests" shall not apply to a transfer to or purchase by a bank, life insurance company or savings and loan association that acquires its title as the result of owning a mortgage upon the Apartment interest

concerned, and this shall be so whether the title is acquired by deed from the mortgagor, his successors or assigns, or through foreclosure proceedings, nor shall such provisions apply to a transfer, sale or lease by a bank, life insurance company or savings and loan association that so acquires its title. Neither shall such provisions require the approval of a purchaser who acquires the title to an Apartment interest at a duly advertised public sale with open bidding provided by law, such as but not limited to execution sale, foreclosure sale, judicial sale or tax sale, and said provisions shall not apply to a sale, transfer or lease by the Fee Simple Owner, or by the Association, Developer, or Management Contractor.

15.8 Restraint Upon Separation and Partition. Any transfer of an Apartment interest shall include all elements thereof as afordescribed and appurtenances thereto, whether or not specifically described, including, but not limited to, the Owner's (Leasehold-Owner's) interest in the common elements, and his Association membership and his share of responsibility hereunder.

15.9 Effect of Sale on Member's Liability. When a conveyance, sale or transfer is made in accordance with the above provisions, the Owner (Leasehold-Owner) so assigning his interest shall be released of all liability arising under the herein mentioned Management Contract, if in existence, and Long Term Lease, if, at the time of closing of said transaction, the Owner (Leasehold-Owner) has paid all sums due from him as his portion of the common expense and sums due under the Long Term Lease, if any, together with a sum fixed by the Association or the Management Contractor to cover reasonable legal and other expenses in connection with the transfer. If a transfer is made without the Owner's (Leasehold-Owner's) portion of the common expenses and sums due under the Long Term Lease being paid, then the Owner (Leasehold-Owner) shall remain liable for said expense until said amount has been paid. The Statutory provisions as set forth in the Condominium Act concerning liability upon transfer shall remain in full force and effect, and in the event satisfactory arrangements are not made for the payment of sums due from a transferring Owner (Leasehold-Owner) for his common expenses or other sums due hereunder at the time of transfer, said sums may become a lien on the Apartment interest after transfer, if the Association or if the Management Contractor files a claim of lien on the Public Records of Pinellas County, Florida, and the Management Contractor or Association may refuse to approve any transfer hereunder until all liability as to the common expenses and all payments under the Long Term Lease have been made.

15.10 Attorney's Fee. The provisions set forth in this paragraph 15 are established for the benefit of the entire development of SEVILLE, and for the benefit of all of the Members of Association. In the event it becomes necessary for the Association or for the Management Contractor to enforce these provisions by legal action, or if it becomes necessary for either of said organizations to defend a law suit based on the provisions of this paragraph, then the reasonable legal expenses and court costs incurred shall be considered a common expense.

15.11 Waiver. Any failure of the Management Contractor or the Association to exercise the rights of approval granted hereunder in this paragraph, shall not in any event be deemed a waiver of its rights as herein granted.

16. Insurance. The insurance other than title insurance which shall be carried upon the Condominium Property and the property of the Owners (Leasehold-Owners) shall be governed by the following provisions:

16.1 Authority to Purchase. All insurance policies upon the Condominium Property shall be purchased by the Association for the benefit of the Association and the Owners (Leasehold-Owners) and their mortgagees as their interests may appear, and provision shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of Owners (Leasehold Owners). Such policies and endorsements thereon shall be deposited with the Insurance Trustee or with the Management Contractor. Owners (Leasehold-Owners) may obtain insurance coverage at their own expense upon their own personal property, and for the contents and portions of the Apartment for which they are responsible, and for their personal liability and living expense.

16.2 Coverage.

A. Casualty. All buildings and improvements upon the land and all personal property included in the common elements shall be insured in an amount equal to the maximum insurable replacement value with \$100 deductible per building, exclusive of foundation and excavation costs, as determined by the Board of Directors of the Association or the Management Contractor. Such coverage shall afford protection against

(1) Loss or Damage by Fire and other hazards covered by a standard extended coverage endorsement, and

(2) Such Other Risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use as the buildings on the land, including, but not limited to vandalism and malicious mischief.

B. Public Liability in such amounts and with such coverage as shall be required by the Board of Directors of the Association, including but not limited to hired automobile and non-owned automobile coverages, and with cross liability endorsement to cover liabilities of the Owners (Leasehold-Owners) as a group to an Owner (Leasehold-Owner) and with non-subrogation claims against individual Owners (Leasehold-Owners).

C. Workmen's Compensation policy to meet the requirements of law.

D. Such Other Insurance as the Board of Directors of the Association or Management Contractor shall determine from time to time to be desirable.

16.3 Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a common expense. Until the Management Contract is terminated, the payments to the Management Contractor shall cover this, and the Management Contractor shall pay this expense pursuant to the terms of its contract and so long as the Management Contract is in existence, the amount of insurance provided by said contract shall be deemed sufficient, and if the Board of Directors decides that additional amounts are necessary, assessments must be made for this additional expense.

16.4 Insurance Trustee; shares of proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the Owners (Leasehold-Owners) and their mortgagees as their interests may appear, and shall provide that all proceeds covering property losses shall be paid to any bank in Florida with trust powers as may be approved by the Board of Directors of the Association, which Trustee is herein referred to as the Insurance Trustee. The Insurance Trustee shall not be liable for payments of premiums nor for 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 hold the same in trust for the purposes elsewhere stated herein and for the benefit of the Owners (Leasehold-Owners) and their mortgagees as set forth below, but which shares need not be

set forth on the records of the Insurance Trustee.

A. Common Elements. Proceeds held by said Trustee due to damage to the common elements and to the Apartments shall be held for the Owners (Leasehold-Owners) in the percentage pertaining to each Apartment as set forth in paragraph 7 hereof. In the event the damage is to only the common elements, then the proceeds shall be held in the same manner.

B. Damage to Apartments Only. Proceeds held by said Trustee due to damage to the Apartments only (this would be within the Apartment only, and not to any of the common elements) would be held by the Trustee for the Owner (Leasehold-Owner) and the mortgagee, if any.

C. Mortgagees. In the event a mortgagee endorsement has been issued as to an Apartment, the share of the Owner (Leasehold-Owner) shall be held in trust for the mortgagee and the Owner (Leasehold-Owner) as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired and shall have no right to the proceeds used for repair.

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

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

B. Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds after said payment shall be distributed to the Owners (Leasehold-Owners), remittances to Owners (Leasehold-Owners) and their mortgagees being payable jointly to them. Said remittances to be made to the Owners (Leasehold-Owners) on the basis of his interest in the common elements. This is a covenant for the benefit of any mortgagee or Owner (Leasehold-Owner) of an Apartment interest and for the Association and may be enforced by any of said entities.

C. Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided (See Paragraphs 17.1(B)(2) and Paragraph 19) that the damage for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the Owners (Leasehold-Owners); and their mortgagees and to the Fee Simple Owner, with said amounts to be paid jointly to them if the Leasehold interest as to a particular Apartment is still in existence. Said remittance is to be based on the Owner's (Leasehold-Owner's) interest in the common elements. This is a covenant for the benefit of any mortgagee or Owner (Leasehold-Owner) of an Apartment interest and for the Association and the Fee Simple Owner, and may be enforced by either of said entities. If payments are made under this paragraph to the Leasehold-Owner and the Fee Simple Owner, said sums shall be divided after the mortgagee has been paid in full in accordance with the following: The Leasehold-Owner shall be entitled to receive the percent of the remaining fund which is twice the percent the Long Term Lease bears to whole term. For example, if 25% of the Long Term Lease has passed, then the Leasehold-Owner shall receive 50% of said proceeds and the Fee Simple Owner shall receive 50% of the proceeds. Notwithstanding the above, the Fee Simple Owner shall not receive less than 25% of the proceeds, and

the Leasehold-Owner shall not receive less than 25% of said proceeds. By making the election not to rebuild, the Leasehold-Owner shall be released of all responsibility under the Long Term Lease when the proceeds mentioned herein have been divided as herein set forth. As long as the proceeds are not divided as above set forth, the Leasehold-Owner shall remain liable for his share of the payments due under the Long Term Lease.

D. Certificate. In making distribution to Owners (Leasehold-Owners) and their mortgagees and to the Fee Simple Owner, the Insurance Trustee may rely upon a certificate of the Association or Management Contractor as to the names of said parties and their respective shares of the distribution.

16.6 Association As Agent. The Association is hereby irrevocably appointed agent for each Owner (Leasehold-Owner) and for each owner of a mortgage or other lien upon an Apartment interest and for each owner of any other interest in the Condominium Property to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims. The Association may delegate this responsibility to the Management Contractor in the event it deems it to be in the best interest of the Association for this to be done.

16.7 Owner or Leasehold-Owner. When the phrase "Owner (Leasehold-Owner) or beneficial owner or beneficial owners", is used in this paragraph 16 or in paragraph 17 below, said phrase shall apply to the Leasehold-Owner in the event a Leasehold interest exists as to a particular Apartment, and said phrase shall refer to an Owner only if a Leasehold interest does not exist as to a particular Apartment.

17. Reconstruction or Repair after Casualty.

17.1 Determination to Reconstruct or Repair. If any part of the Condominium Property shall be damaged by casualty, the decision as to whether or not it shall be reconstructed or repaired shall be determined in the following manner:

A. Common Element. If the damaged improvement is a common element, the damaged property shall be reconstructed or repaired, unless it is determined in the manner elsewhere provided (see Paragraph 19) that the Condominium shall be terminated.

B. Apartment Building. Damage to the Apartment building would necessarily include damage to portions of the common elements as well as to the Apartments.

(1) Partial Destruction. If the damaged improvement is the Apartment building, and if any Apartment in the Condominium is found by the Board of Directors of Association to be tenantable, the damaged property shall be reconstructed or repaired unless within sixty (60) days after the casualty it is determined by agreement in the manner elsewhere provided (see Paragraph 19) that the Condominium shall be terminated.

(2) Total Destruction. If the damaged improvement is the Apartment building, and if none of the Apartments in the Condominium are found by the Board of Directors of the Association to be tenantable, then the damaged property will not be reconstructed or repaired and the Condominium will be terminated without agreement as elsewhere provided (see Paragraph 19), unless within sixty (60) days after the casualty the Owners (Leasehold-Owners) of 75% of the Apartment interests agree in writing to such reconstruction or repair.

C. Certificate. The Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary to determine whether or not the damaged property is to be reconstructed or repaired.

17.2 Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original building, portions of which are attached hereto as exhibits; or if not, then according to plans and specifications approved by the Board of Directors of the Association, and if the damaged property is the Apartment building, by the Owners (Leasehold-Owners) or all damaged Apartments therein which approvals shall not be unreasonably withheld. In addition to the approvals set forth above, if the amount of square footage in an Apartment is to be increased by more than 10%, or if the number of Apartments to be constructed is to be more than the present number, then consent of the Fee Simple Owner must be obtained in order for any reconstruction or repairs to be made in accordance with this paragraph.

17.3 Responsibility for Damage to Apartment. If the damage is only to those parts of one Apartment for which the responsibility of maintenance and repair is that of the Owner (Leasehold-Owner), then the Owner (Leasehold-Owner) shall be responsible for reconstruction and repair after casualty. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Association. In the event the Owner (Leasehold-Owners) only is responsible, the proceeds of insurance held by the Insurance Trustee shall be delivered to the Owner (Leasehold-Owner) and the mortgagee, if there be one. The Owner (Leasehold-Owner) shall be responsible for the completion of repairs if the insurance is not sufficient to pay for the repair of the damage to the Apartment, and its contents.

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

17.5 Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made by the Board of Directors of Association against the Owners (Leasehold-Owners) who have the damaged Apartments, and against all Owners (Leasehold-Owners) in the case of damage to common elements, in sufficient amounts to provide funds for the payment of such costs, and the Owner (Leasehold-Owner) of a damaged Apartment shall bear the cost of all decorations to said Apartment, and the balance of the repairs to the Apartment not covered by the insurance. Failure to pay said assessments shall give rise to a lien on the respective Apartment interest as set forth in the Condominium Act.

17.6 Construction Funds. The funds for payment of costs of reconstruction and repair after casualty, which shall consist of proceeds of insurance held by the Insurance Trustee and funds collected by the Association from assessments against Owners (Leasehold-Owners) shall be disbursed in payment for such costs in the following manner::

A. Association. If the total of assessments made by the Association in order to provide funds for payment of costs of reconstruction and repair which is the responsibility of the Association is more than \$5,000, then the sums paid upon such assessments shall be deposited by the Association

with the Insurance Trustee. In all other cases the Association shall hold the sums paid upon such assessments and disburse the same in payment of the costs of reconstruction and repair.

B. Insurance Trustee. The proceeds of insurance collected on account of a casualty, and the sums deposited with the Insurance Trustee by the Association from collections of assessments against Owners (Leasehold-Owners) on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner:

(1) Owner (Leasehold-Owner). The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with an Owner (Leasehold-Owner) shall be paid by the Insurance Trustee to the Owner (Leasehold-Owner), or if there is a mortgagee endorsement as to such Apartment, then to the Owner (Leasehold-Owner) and the mortgagee jointly, who may use such proceeds as they may be advised.

(2) Association - Lesser Damage. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is less than \$5,000, then the construction fund shall be disbursed in payment of such costs upon the order of the Association; provided, however, that upon request to the Insurance Trustee by a mortgagee which is a beneficiary of an insurance policy the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner hereafter provided for the reconstruction and repair of major damage.

(3) Association - Major Damage. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is more than \$5,000, then the construction fund shall be disbursed by the Insurance Trustee in payment of such costs in the manner required by the Board of Directors of the Association and upon approval of an architect qualified to practice in Florida and employed by the Association to supervise the work.

(4) Surplus. It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated, except, however, that any mortgagee shall not receive any portion of assessments paid by any Owner (Leasehold-Owner).

(5) Certificate. Notwithstanding the provisions herein, the Insurance Trustee shall not be required to determine whether or not sums paid by Owners (Leasehold-Owners) upon assessments shall be deposited by the Association with the Insurance Trustee, nor to determine whether the disbursements from the construction fund are to be upon the order of the Association or upon approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund nor to determine the payee nor the amount to be paid, nor to determine whether surplus funds to be distributed are less than the assessments paid by the Owners (Leasehold-Owners). Instead, 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 name of the payee and the amount to be paid; provided that when a mortgagee is herein required to be named as payee, the Insurance Trustee shall also name the mortgagee as payee; and further provided that when the Association, or a mortgagee which is the beneficiary of an insurance policy the proceeds of which are included in the construction fund, so requires, the approval of an architect named by the Association shall be first obtained by the Association.

18. Amendments. This Declaration of Condominium and the By-Laws of this Association may be amended in the following manner as well as in the manner elsewhere provided:

18.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered. Notice of any proposed amendment to this Declaration of Condominium or to the By-laws of Association shall be given to the Management Contractor and to the Developer, if the Developer is in the process of building additional buildings and Apartments in the development of SEVILLE.

18.2 Resolution. A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by the Members of the Association. Directors and Members not present at the meetings considering the amendment may express their approval in writing. Except as elsewhere provided, such approvals must either be by not less than three (3) directors and by not less than 75% of the votes of the Members of the Association, provided the amendment does not increase the number of Apartments or alter the boundaries of the common elements.

18.3 Agreement. In the alternative, an amendment may be made by an agreement signed and acknowledged by all of the record Owners (Leasehold-Owners) of the Apartment interests in the Condominium in the manner required for the execution of a deed, and such amendment shall be effective when recorded in the Public Records of Pinellas County, Florida. The Association shall give notice of any agreement which has been signed under this clause to the Management Contractor and the Developer, if the Developer is building Apartments buildings or Apartments in SEVILLE at least ten (10) days prior to the time said amendment is recorded.

18.4 Proviso. Provided, however, that no amendment shall discriminate against any Owner (Leasehold-Owner) nor against any Apartment or class or group of Apartments unless the Owners and Leasehold-Owners so affected shall consent; and no amendment shall change any Apartment nor the share in the common elements appurtenant to it, nor increase the Owner's (Leasehold-Owner's) share of the common expenses, unless the record Owners and Leasehold-Owners of the Apartments ment concerned and all record owners of mortgages thereon shall join the execution of the amendment. Neither shall an amendment of this Declaration make any change in the section entitled "Insurance" unless the record owners of all mortgages upon Apartments in the Condominium shall join in the execution of the amendment. Notwithstanding any other clause contained in this Declaraton, no amendment to this Declaration of Condominium shall be made to the section concerning the Management Contract which is Paragraph 13, nor shall the section concerning the Long Term Lease which is contained in Paragraph 23 be amended unless the consent of the Lessor under the lease, or the Management Contractor under the Management Contract is obtained. After the initial recording of the Declaration, the parties executing the Declaration and the Association

may amend the Declaration without the consent of any other party in order to correct any typographical errors, or for any other purpose so long as the first sentence hereof is complied with.

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

18.6 Parties bound by Amendment. All Owners (Leasehold-Owners) and their successors, personal representatives and assigns shall be bound by all amendments to this Declaration made pursuant to this paragraph.

19. Termination. The Condominium may be terminated in the following manner in addition to the manner provided by The Condominium Act:

19.1 Agreement. The Condominium may be terminated at any time by the approval in writing of all of the Owners (Leasehold-Owners) of the Apartment interests, and by all record owners of mortgages upon Apartments therein owned by a bank, life insurance company or a federal savings and loan association, and other lien holders, and with the consent of the Fee Simple Owner.

19.2 Destruction. In the event it is determined in the manner elsewhere provided (See Paragraph 17.1 B(2) that the Apartment building shall not be reconstructed because of major damage, the Condominium plan of ownership will thereby be terminated without agreement in accordance with the following paragraph:

19.3 Certificate. The termination of the Condominium in either of the foregoing manners shall be evidenced by a certificate of the Association executed by its President and Secretary certifying as to facts effecting the termination, which certificate shall become effective upon being recorded in the Public Records of Pinellas County, Florida. The certificate shall also be signed by the parties required hereunder.

19.4 Shares of Owners after Termination. After termination of the Condominium the Owners (as distinguished from Leasehold-Owners) shall own the Condominium Property and all assets of the Association as tenants in common in undivided shares, and all Leasehold Owners shall have an undivided interest in the leasehold of the land and the improvements located thereon with the right to occupy their specific Apartment for the remainder of the leasehold term, if said Apartment is tenantable, and their respective mortgagees and lienors shall have mortgages and liens upon the respective undivided shares of the Owners. Unless the liability of the Leasehold-Owner is terminated as provided in 16.5 (C) above, any termination of this Condominium shall not affect the responsibility and liability of the Owners (Leasehold-Owners) under the terms of the Management Contract or the responsibility of the Leasehold-Owners under the provisions of the Long Term Lease, or the Recreation Lease, and the Management Contractor shall be entitled to continue to manage the Condominium Property in the same manner as if the Condominium had not been terminated. This Condominium shall not be terminated for the purpose of attempting to negate any responsibility of Association or the Members under the Management Contract and the liens available to the Management Contractor under the Management Contract, or under the Recreation Lease shall still be available to the Management Contractor in the event the Condominium

is terminated. The undivided shares of the Owner (Leasehold-Owner) shall be the same as the undivided shares of the common elements appurtenant to the Owner's (Leasehold-Owner's) Apartment prior to termination. Any foreclosure against the undivided interest by the Management Contractor shall entitle the purchaser at the foreclosure sale to occupy the Apartment owned by the Owner (Leasehold-Owner).

In the event the Condominium is terminated pursuant to paragraph 17.1 B(2) and if any entity owns an Apartment as an "Owner" as herein defined, with the exception of the Fee Simple Owner, the Fee Simple Owner shall have the option to purchase said interest for its Fair Market Value as defined herein, or for the value established by a M.A.I. appraiser selected by the Fee Simple Owner.

19.5 Amendment. The section concerning termination cannot be amended without consent of all parties required to terminate this Declaration as stated in Paragraph 19.2 hereof. Notwithstanding any provision contained in this Declaration, Paragraph 19.4 or 19.5 of this Declaration cannot be terminated or amended without the express written consent of the Management Contractor and the Fee Simple Owner.

20. Determination of Fair Market Value. Whenever the term "Fair Market Value" is used herein, it shall mean the reasonable value of an Apartment interest at the time of sale, taking into consideration the amount paid for said Apartment interest, the applicable portion of any outstanding mortgage encumbering the property, the condition of the market for such interest, and condition of the Apartment, and the equipment located therein, and any other facts which may have a bearing on said price. The Management Contractor shall have the responsibility of setting this price and this price shall be used when Fair Market Value is the guide. In the event the price set by the Management Contractor is not suitable or agreeable to the parties, the process of arbitration as set forth herein shall be used, and if said procedure is not used within the time limit set forth, the price determined by the Management Contractor shall prevail and shall be absolutely conclusive and binding on all parties. The appraisal of a M.A.I. appraiser shall be conclusive if the value set by the Management Contractor is not acceptable, and if the process of arbitration is not used and if the Management Contractor establishes the price upon request, or if the Management Contract is not in existence.

21. Arbitration.

21.1 When Arbitration is to be Used. The process of arbitration as herein set forth shall be used to determine Fair Market Value as herein mentioned, and when any controversy arises between Owners (Leasehold-Owners) and Developer, the Management Contractor, or the Fee Simple Owner, or which arises between the respective Owners (Leasehold-Owners) or prospective Owners (Leasehold-Owners) if the controversy or dispute arises as to the construction of any provisions of this Declaration, or compliance or non-compliance with any provisions of this Declaration, or any dispute which may arise due to the application of Paragraph 15 of this Declaration concerning approval, or the violation of any of the use restrictions of the Condominium Property, or any dispute which may arise under the insurance clause hereunder, or under any other specific item which may be designated by an amendment to this Declaration as this Declaration may be amended from time to time.

21.2 Procedure. Arbitration, where so provided for in this agreement, shall proceed in the following manner:

A. Who May Commence Arbitration. Either party to a controversy may institute arbitration proceedings upon written notice delivered to the other parties in person or by certified mail.

B. Notice. The notice referred to above shall reasonably identify the subject of controversy and the subject of arbitration.

C. Appointment of Arbitrators. Within ten (10) days from receipt of said notice, each party shall name and appoint one arbitrator. The time for said appointment may reasonably be extended upon request.

(1) Failure to Appoint. In the event any party has failed to make or appoint, the party having made his appointments shall appoint a second arbitrator. The two appointed arbitrators shall then appoint a third, and, upon their failure to appoint a third arbitrator within a reasonable time, application may be made to the circuit court by either party for such appointment.

D. Place for Hearing. The arbitrators shall select the time and place for hearing of the controversy, and shall notify the parties of said time and place by written notice in person or by certified mail at least five days prior to said hearing.

E. Hearing. The hearing shall be conducted by all of the arbitrators but a majority may determine any question and render a final decision and award. The arbitration shall be conducted according to the Florida Arbitration Code except where the above clause specifically overrides or contradicts the Statute.

F. Decision. The decisions and award of the arbitrators shall be in writing and signed by all of the arbitrators and delivered to the parties in person or by certified mail within a reasonable time after the final hearing day, except that a final date for the delivery of the decision and award may be established by the parties at which time the award must be presented. Reasonable extensions may be granted either before or after the expiration date upon written agreement of the parties.

G. Costs. The fees of the arbitrators and the costs and expenses incurred in said arbitration shall be divided and paid one-half (1/2) by each of the parties. Each party shall be responsible for paying the fee of his own counsel.

22. Mortgage Foreclosure. The following provisions shall control any foreclosure or attempted foreclosure of an Apartment interest:

22.1 Redemption. In the event proceedings are instituted to foreclose any mortgage on an Apartment interest, the Association, the Management Contractor, the Developer, or any one or more of the Owners (Leasehold-Owners) shall have the right to acquire from the mortgagee for the amount due and secured under said mortgage, or to its interest, or to purchase such Apartment interest at the foreclosure sale. The right to acquire by any of the above parties shall exist only if the Fee Simple Owner mortgagor refuses to redeem within 30 days after suit is filed.

22.2 Ownership by Mortgagee. Nothing herein contained shall preclude a mortgage institution, savings and loan association, insurance company, or other recognized lending institution from owning an Apartment interest, and such lending institution shall have an unrestricted, absolute right to accept title to the Apartment interest in settlement and satisfaction of said mortgage, or to foreclose the mortgage in accordance with the terms thereof, and in accordance with the laws of the State of Florida, and the right to bid upon said Apartment interest at the foreclosure sale; provided the mortgage has not been redeemed pursuant to paragraph 22.1 above.

22.3 Sale of Apartment interest by Mortgagee. If such default is not cured, as aforesaid and should the Association, the Management Contractor, the Developer, the Fee Simple Owner, or any Member of Association, fail to purchase such mortgage together with any cost incident thereto from the mortgagee, or fail to purchase said Apartment interest at the foreclosure sale, and in the event the mortgagee takes title to the Apartment interest by foreclosure, or by taking title in lieu of foreclosure, the said mortgagee may sell said Apartment interest, and the Association, any of its Members, the Developer, and the Management Contractor shall have option to purchase the Apartment interest at any time the mortgagee owns an Apartment for the Fair Market Value, or the amount of money the mortgagee "has in" the Apartment interest, whichever is higher. In said event, the approval procedure as set forth herein should not be followed.

22.4 Amounts due from a Mortgagee Owner. In the event a mortgagee takes title in lieu of foreclosure, the mortgagee shall be responsible for any portion of the common expenses which are assessed to the individual Apartment interest which are unpaid. If a savings and loan association, bank or insurance mortgagee acquires title hereunder, the said mortgagee shall be required to pay the amounts due, from time to time, under the Management Contract the same as any other Owner (Leasehold-Owner), or the portion the former Owner (Leasehold-Owner) was required to pay for maintenance and management in the event the Management Contract was not in existence, and the payments due under the Recreation Lease. It shall also be responsible for assessments which may be made from time to time against its Apartment interest.

22.5 Unpaid Common Expenses. In the event a mortgagee forecloses and there remains unpaid assessments or common expenses as to an individual Apartment interest, the said amounts shall be treated as a common expense, and the other Owners (Leasehold-Owners) shall be assessed for their respective share.

22.6 Lien for Curing Default. In the event the Association, the Management Contractor, the Developer, or any Member of Association cures a Member's mortgage during a default, said party shall have a lien against the Apartment interest for all sums expended in connection therewith, and shall have the right to collect said sums as in the case of past due assessments, together with interest thereon at the rate of nine (9%) percent per annum.

23. Long Term Lease. The interest of the Leasehold-Owner is governed by the term of the Long Term Lease mentioned in Paragraph hereof and said lease is made a part hereof by reference the same as if the complete lease was attached hereto, and the interest of the Leasehold-Owner is further governed by the terms of this Declaration. In addition to the terms contained in said lease, the following are provisions which control the liability and responsibility of a Leasehold-Owner, and the duties of the Fee Simple Owner, the Lessor under said lease:

23.1 Subject to Lease. Each Leasehold-Owner acknowledges that his Apartment interest is subject to the lien of the Fee Simple Owner, the Lessor under said lease as more specifically set forth therein.

23.2 Responsibility of Leasehold-Owner. Each Leasehold-Owner shall be responsible for the covenants and responsibilities as set forth in this Declaration applicable to a Leasehold-Owner as the context of the Declaration applies. In the event there is any question as to the extent of the liability of the Leasehold-Owner hereunder, his liability is intended to include all of the liability and responsibility of a unit owner under The Condominium Act if he has a Leasehold interest in an Apartment in this Condominium in addition to the liability as set forth herein.

A. Common Expense. In the event a Leasehold interest exists as to a particular Apartment, then the Leasehold-Owner shall be responsible for the portion of common expense attributable to the Apartment in which he owns the Leasehold interest and the percentage of responsibility which the Leasehold-Owner is responsible for is set forth in paragraph 7.2 A hereof, and the payments due hereunder include his share of the payment due under the Management Contract as a part of the common expense, and the Leasehold-Owner shall be responsible for his prorata share of the payments due under the terms of the Long Term Lease referred to herein, and shall be governed by the terms of said lease.

B. Example. If a Leasehold-Owner owns the Leasehold interest of Apartment No. 101, he shall be responsible for 4.064% of common expenses as herein defined including 4.064% of the payments due under the Management Contract, and said Leasehold-Owner is also responsible for 4.064% of the payments due under the Long Term Lease.

C. Limitation of Responsibility. It is specifically understood and agreed that the Leasehold-Owner shall be responsible for only his percentage of the payments due under the Long Term Lease and the default in the payment of sums due under the Long Term Lease by other Leasehold-Owners shall not affect, in any manner, the interest of the non-defaulting Leasehold-Owner.

23.3 Abandonment of Property. In the event that more than 50% of the Leasehold-Owners abandon the Condominium Property, then the Fee Simple Owner shall have the option to terminate the Long Term Lease and to purchase from the remaining Leasehold-Owners the remaining Leasehold interest at the Fair Market Value or a value as may be agreed on by the parties, or determined by the procedure of arbitration as set forth herein. An Apartment shall be deemed abandoned when the responsible party is in default 120 days in the payment of rent due thereon, under the terms of the Long Term Lease, or under the Management Contract. If the abandonment as to a particular Apartment interest is accepted by the Lessor under the Long Term Lease, then the liability of the Leasehold-Owner is terminated.

23.4 Subordination. The Fee Simple Owner recognizes that it is important for the Leasehold-Owner to be able to sell his Apartment interest in the future and that financing will probably be available in the event the Fee Simple Owner subordinates its interest in and to the Condominium Parcel to the lending institution, and the Fee Simple Owner agrees that it shall subordinate its interest for the purpose of obtaining future financing as to the Apartment in question in accordance with the terms of this Paragraph. The Fee Simple Owner agrees to subordinate its interest by execution of the mortgage in and to the Apartment

in question to a lending institution consisting of a bank, Federal savings and loan association or insurance company, in the event the loan does not exceed 70% of the Fair Market Value of the Apartment interest as established by the Management Contractor upon written request of the borrowing Leasehold-Owner, or 70% of the appraisal of an M.A.I. appraiser.

23.5 Merger of Interest. In the event title to the Leasehold interest and title to the fee simple ownership of a particular Apartment is owned by the same person, then, there shall be no merger of the two interests, unless the person holding said interest so intends, and the Owner of the Apartment may, at any future time, resell the Leasehold interest and retain the fee simple ownership of the Apartment with said Leasehold interest being resold under the same terms of the Leasehold interest as initially established, or as may be amended.

23.6 Change of Terms of Lease. The terms of the Long Term Lease as it applies to a particular Apartment may, at the option of the then Leasehold Owner and the Lessor under said lease, be amended or modified as it affects that particular Apartment without the consent of the other Lessees, and said amendment must be recorded on the public records of Pinellas County, Florida.

23.7 Lien of the Lessor for Rental Payments. The lien of the Lessor to secure payments due under the terms of the Long Term Lease shall be superior to any rights of the Association under The Condominium Act, or the rights of the Management Contractor to file a lien to secure payments due either of said entities.

23.8 Personal property in the Apartment. At the time of the transfer of the Leasehold interest by the Developer to the new Leasehold-Owner, the said Leasehold-Owner shall become the owner of the personal property located therein, including heating and air conditioning equipment, refrigerators, stoves, ranges, garbage disposals, dishwashers and carpets, etc., and the new Leasehold-Owner shall be able to "trade in" said items and replace same from time to time with like quality merchandise and in the event the Leasehold-Owner sells or assigns his Apartment interest, the aforementioned items must remain in the Apartment, unless the consent of the Management Contractor or the Fee Simple Owner is obtained for said items to be removed.

23.9 Cancellation of Leasehold Interest. If a Leasehold interest in a Condominium Parcel is cancelled, terminated, or release, an appropriate instrument setting forth said fact shall be recorded on the Public Records of Pinellas County, Florida.

23.10 Release of Liability of Leasehold-Owner. If any Leasehold-Owner sells his Leasehold interest for the remainder of the lease term, then said Leasehold-Owner shall be released of all liability hereunder if he was current with his obligations required hereunder at the time of said sale, and if the requirements hereunder regarding selling of an Apartment interest are complied with.

24. Construction of phrase "Owner (Leasehold-Owner)". Whenever the phrase "Owner (Leasehold-Owner)" is used herein, this phrase applies to either the Owner of a Condominium Parcel or a Leasehold-Owner as the actual case may be. If an Apartment interest is owned by a Leasehold-Owner, then the phrase when used herein, always means that the Leasehold-Owner is being referred to, and the Leasehold-Owner is obligated according

to the use of said phrase, if the phrase in question refers to a liability, debt, obligation or responsibility, or has the right granted by the use of said phrase. So long as the Leasehold interest is in existence as to a particular Apartment, the Leasehold-Owner shall have all the rights, privileges, duties and obligations of an Owner as set forth herein, without limitation, including membership and voting rights in the Association. Nothing herein shall be construed to give the Leasehold-Owner any of the rights of the Lessor, or the rights of the Fee Simple Owner, or the right to sell or transfer any interest of an Owner in an Apartment interest. On the other hand, if there is no Leasehold interest as to an Apartment and if the Apartment is owned entirely by an Owner, then when the aforementioned phrase, Leasehold-Owner, is used, the Owner shall be referred to and the Owner shall have the responsibilities or the rights granting, depending on the use of said phrase. Since it is the purpose of the Developer to transfer its Leasehold interest to Leasehold-Owners, and since the Owner will not have an interest which is primarily to the Leasehold-Owner, except in the event of a default by a Leasehold-Owner, or unless the Owner purchases the Leasehold interest from a Leasehold-Owner, then the phrase will normally refer to a Leasehold-Owner until a Leasehold interest as to a particular Apartment has been released, destroyed or terminated.

25. Purchase of Apartment interest by Association. The Association shall have the power to purchase an Apartment interest subject to the following provisions:

25.1 Decision. The decision of Association to purchase an Apartment interest shall be made by Directors, without approval of its membership except as elsewhere provided in this Section.

25.2 Limitation. If at any time the Association is the owner or agreed purchaser of more than three Apartment interests it may not purchase an additional Apartment interest without the prior written approval of 75% of the members eligible to vote thereon. A member whose Apartment interest is the subject matter of the proposed purchase shall be ineligible to vote thereon, provided, however, that the foregoing limitations shall not apply to Apartment interest to be purchased at public sale resulting from a foreclosure of Association's lien for delinquent assessments where the bid of the Association does not exceed the amount found due the Association, or to be acquired by the Association in lieu of foreclosure of such lien if the consideration therefor does not exceed the cancellation of such lien.

25.3 Common Expense. In the event the Association purchases an Apartment interest, and if said interest is a Leasehold interest, then the amount of money paid by the Association pursuant to the lease payments under said Leasehold interest shall be a common expense if said sums are not recovered due to rental of the Apartment, and the Association shall be responsible for all payments due hereunder as any other Owner (Leasehold-Owner).

26. Miscellaneous.

26.1 Who Shall Be Governed. The Apartment interest owner, his tenant, family, employee or guest, or any other person that may in any manner use the Condominium Property or any part of it are subject to the provisions of The Condominium Act, this Declaration and the By-laws of Association.

26.2 Unpaid Utilities. Association and/or the Management Contractor has the power to have an Owner's (Leasehold-Owner's) electricity and other utilities disconnected in the

event an Owner (Leasehold-Owner) refuses to pay his monthly assessment after ten (10) days after he receives notice of default by mail to his last known address or by personal delivery.

26.3 Compliance and Default. Each Owner (Leasehold-Owner) shall be governed by and shall comply with the terms of the Declaration of Condominium, By-laws and regulations adopted pursuant thereto and said documents and regulations as they may be amended from time to time. Failure of Owner (Leasehold-Owner) to comply therewith shall entitle the Association or other Apartment Owners to the relief provided under the Condominium Act, and to other relief legally available.

26.4 Enforcement. The Association, and or the Management Contractor are hereby given the power and authority to enforce the terms of this Declaration and all related documents.

26.5 Negligence. Any Owner (Leasehold-Owner) shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness or by that of any member of his family or his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of an Apartment interest or its appurtenances, or of the common elements.

26.6 Costs and Attorneys Fees. In any proceeding arising because of an alleged failure of Owner (Leasehold-Owner) to comply with the terms of the Declaration, By-laws or regulations adopted pursuant thereto, as said documents and regulations may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be awarded by the Court.

26.7 Pronouns. Any pronouns used in connection with this Declaration shall be construed to include the plural as well as the singular number, and the masculine, feminine and neuter gender, whenever and wherever the context omits or requires.

26.8 Successors. All the covenants, obligations, rights and privileges contained herein shall be binding on the heirs, successors and assigns of all of the parties to this Agreement, and all Owners and Leasehold-Owners in this Condominium.

26.9 Real Property. The Leasehold interests held pursuant to this Declaration of Condominium, shall be construed as an interest in real property for conveyance purposes, and a conveyance of the Leasehold interest herein shall be conveyed with the formality of a deed as required under the laws of the State of Florida and recorded on the Public Records of Pinellas County, Florida.

26.10 Lien Priority. In order to secure performance under the Long Term Lease, and under the Management Contract, and Recreation Lease, various lien rights have been established. The purpose of this paragraph is to set forth the priority of said liens in the event a question pertaining to this should arise in the future. The lien of the Lessor under the Long Term Lease shall be superior in dignity to the lien of the Management Contractor under the terms of the Recreation Lease, and Management

Contract, and the lien under the Recreation Lease shall be superior to any lien established under the provisions of the Management Contract, and all of said liens shall survive foreclosures of every type except that the lien held under the Long Term Lease shall not survive a regular mortgage foreclosure. In the event the Association files its lien hereunder as to a particular Apartment interest, said lien shall be inferior to the lien of the LESSOR under the Long Term Lease, and inferior to the lien of the Management Contractor under the Management Contract, and the Recreation Lease.

26.11 Association. In the event the Management Contract would be terminated for any reason, then the Condominium would be managed by the Association, as if the said Management Contract never existed.

26.12 No Waiver of Rights. The failure of the Association, Owner (Leasehold-Owner), Management Contractor, or Fee Simple Owner to enforce any covenant, restriction or other provisions of the Condominium Act, this Declaration, the By-laws, Management Contract, Long Term Lease, or the regulations adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter.

26.13 Severability. The invalidity in whole or in part of any covenant or restrictions, or any section, subsection, sentence, clause, phrase or word, or other provision of this Declaration, the By-laws and regulations of the Association, the Management Contract or the Long Term Lease shall not effect the validity of the remaining portions thereof. Specifically, the invalidity of any of the uses of arbitration as herein set forth shall not effect any of the remaining uses pertaining to arbitration.

IN WITNESS WHEREOF, the Developer has caused these presents to be executed and its corporate seal to be affixed thereto by its properly authorized officers, on the day and year first above written, and the Fee Simple Owner hereby executes this instrument for the purposes therein expressed.

Signed, sealed and delivered in the presence of:

CLEARWATER DEVELOPMENT CORPORATION

Grace R. Esberger
Janet M. Staff

By M. H. Vuncannon
President

Attest: Wallace W. Blackburn
Secretary

(corporate seal)



STATE OF FLORIDA
COUNTY OF PINELLAS

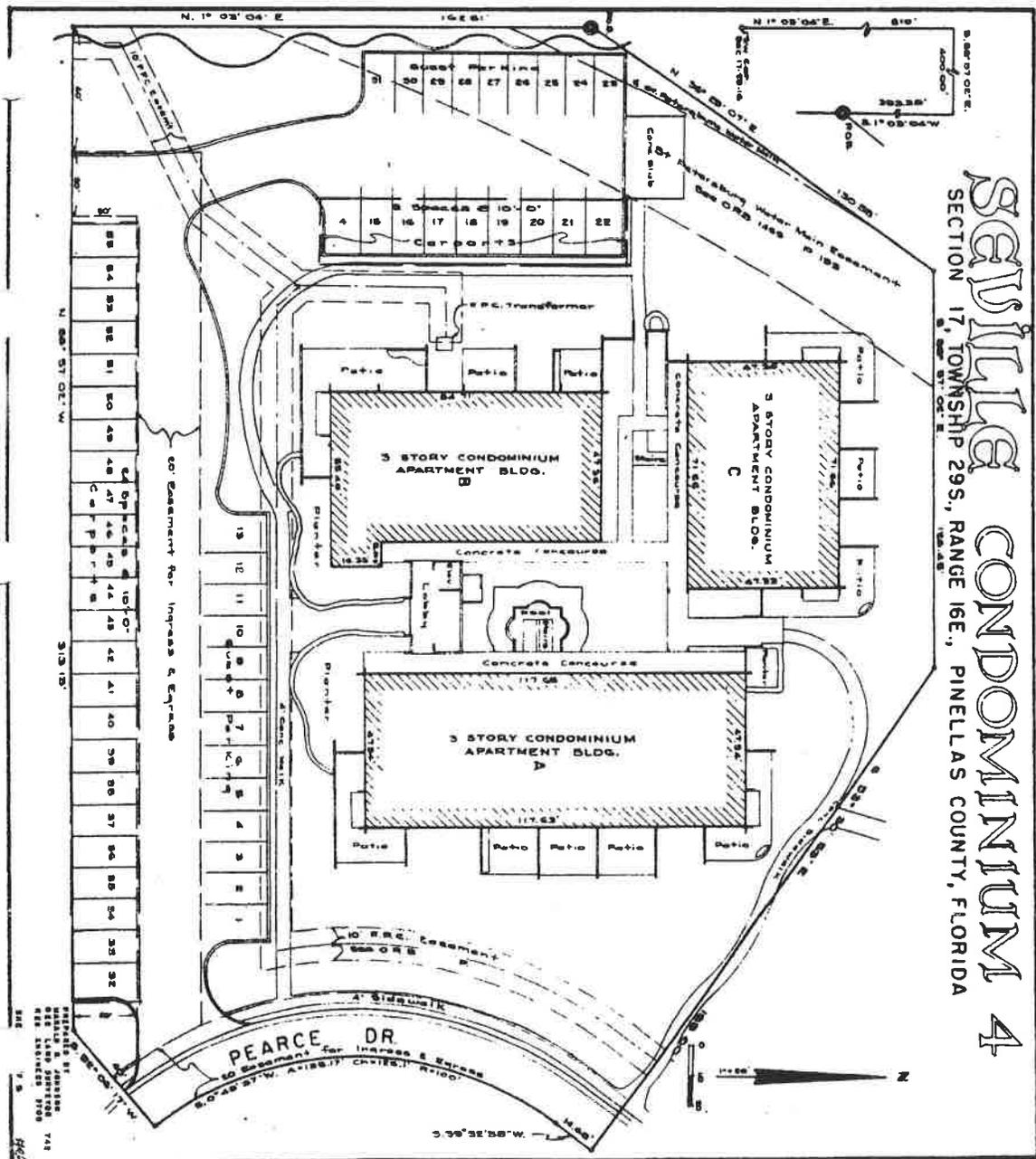
Before me, the undersigned authority, personally appeared S. H. VUNCANNON and WALLACE W. BLACKBURN, President and Secretary, respectively of CLEARWATER DEVELOPMENT CORPORATION, and they acknowledged before me that they are the duly authorized officers of said corporation and that they executed the foregoing instrument as such officer on behalf of said corporation for the uses and purposes therein expressed.

WITNESS my hand and official seal in the State and County last aforesaid this 23rd day of December, 1970.

Janet M. Staff
Notary Public - State of Florida
My commission expires:

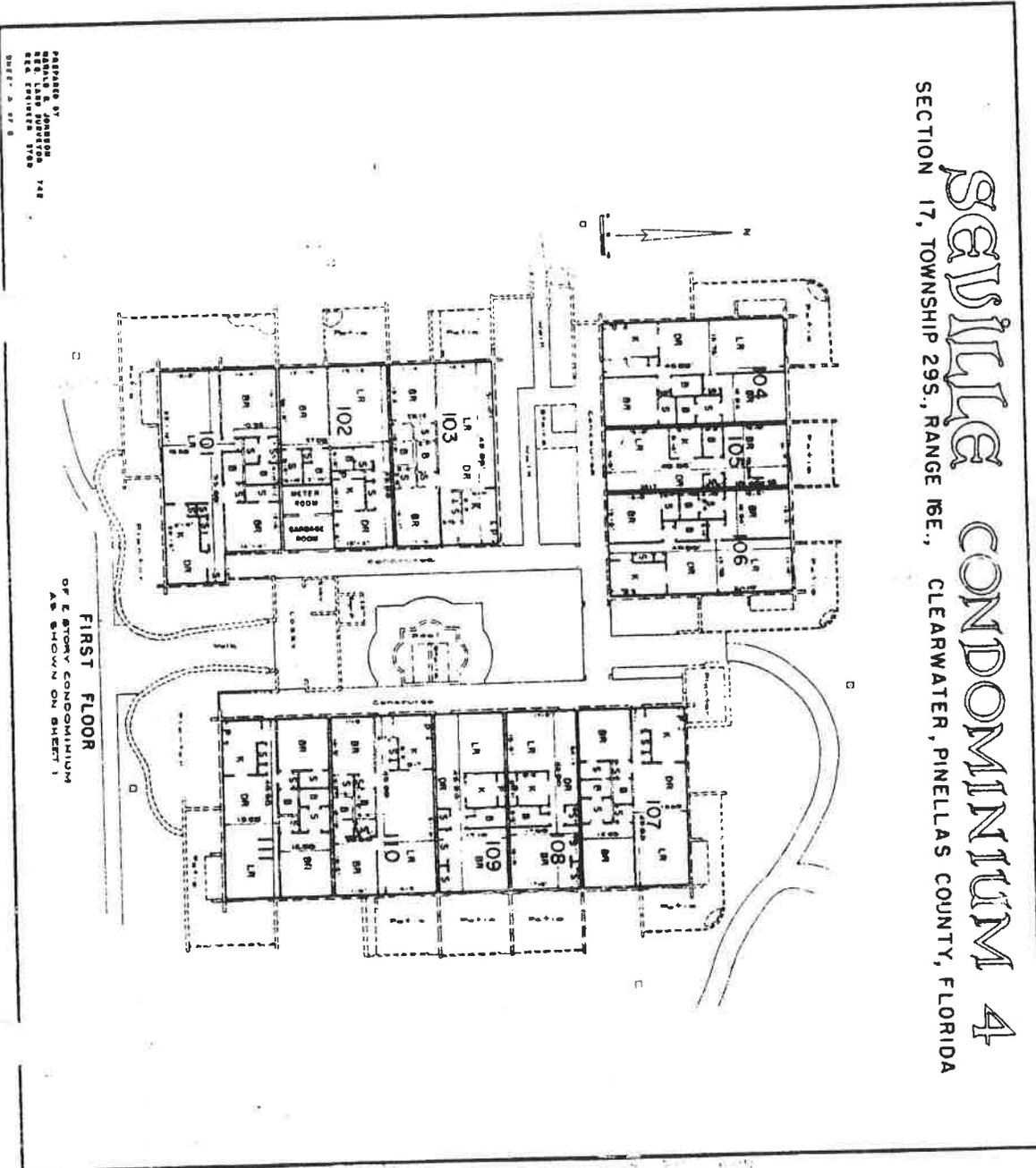
Notary Public, State of Florida at
My Commission Expires OCT. 15,





SEWILLE CONDOMINIUM 4
SECTION 17, TOWNSHIP 29S, RANGE 16E, PINELLAS COUNTY, FLORIDA

SEVILLE CONDOMINIUM 4
SECTION 17, TOWNSHIP 29S., RANGE 16E., CLEARWATER, PINELLAS COUNTY, FLORIDA

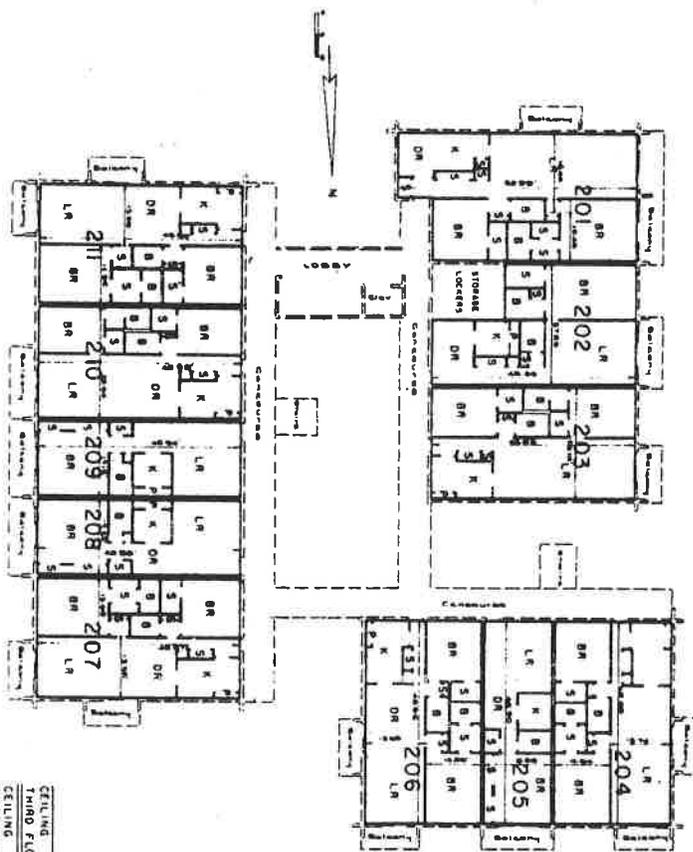


PREPARED BY
DANIEL S. JOHNSON
REG. LAND SURVEYOR
REG. LICENSE NO. 748
SHEET 2 OF 3

FIRST FLOOR
OF 5 STORY CONDOMINIUM
AS SHOWN ON SHEET 1

SEVILLE CONDOMINIUM 4

SECTION 17, TOWNSHIP 29S., RANGE 16E., CLEARWATER, PINELLAS COUNTY, FLORIDA



LEGEND
 LR - LIVING ROOM
 BR - BED ROOM
 K - KITCHEN
 B - BATH
 DR - DINING ROOM
 S - STORAGE
 --- CONDOMINIUM UNIT
 - - - INDICATES COMMON ELEMENT

SECOND FLOOR
 OF A THREE STORY CONDOMINIUM

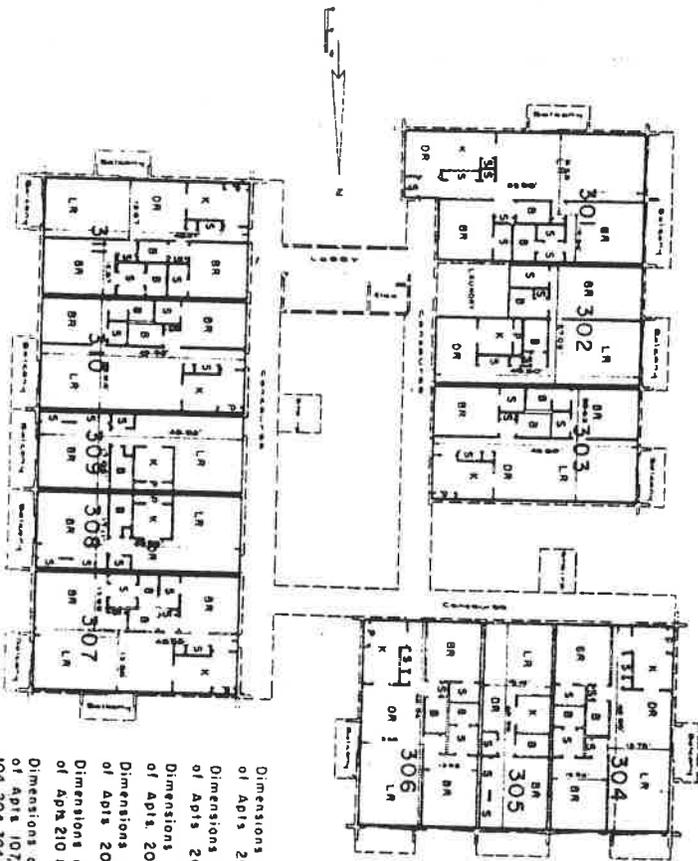
	"A"	"B"	"C"
CEILING	53.59	53.64	53.83
FLOOR	49.49	49.47	49.51
THIRD FLOOR	44.84	44.84	44.81
SECOND FLOOR	38.95	38.81	38.81
FIRST FLOOR	36.40	36.34	36.38
MEAN SEA LEVEL	28.30	28.35	28.34

MEAN SEA LEVEL 0.00
 CITY OF CLEARWATER USC & G DATUM

PREPARED BY
 MICHAEL A. JENNINGS
 REG. ENGINEER 3700
 SHEET 4 OF 8

EXHIBIT

SEVILLE CONDOMINIUM 4
 SECTION 17, TOWNSHIP 29S, RANGE 16E., CLEARWATER, PINELLAS COUNTY, FLORIDA



THIRD FLOOR
 OF A THREE STORY CONDOMINIUM

- Dimensions of Apartment 101 Typical of Apts 201 & 301
- Dimensions of Apartment 102 Typical of Apts 202 & 302
- Dimensions of Apartment 103 Typical of Apts 203 & 303
- Dimensions of Apartment 105 Typical of Apts 205 & 305
- Dimensions of Apartment 110 Typical of Apts 210 & 310.
- Dimensions of Apartment 106 Typical of Apts 107, 111, 206, 207, 211, 307, 311, 104, 204, 304 & 306
- Dimensions of Apartment 108 Typical of Apts 109, 208, 209, 308, 309.

PREPARED BY
 ARCHITECT
 1000 N. 10th Street
 ST. PETERSBURG, FLORIDA 33706
 SHEET 5 OF 5

EXHIBIT B

Signed, sealed and delivered
in the presence of:

Grace R. Eslinger
Janet M. Staff

CLEARWATER SEVILLE, LTD., Fee
Simple Owner:

By: Jack L. Vuncannon
Jack L. Vuncannon, General Partner
Wallace W. Blackburn
Wallace W. Blackburn, Gen. Partner
William B. Albrecht
William B. Albrecht, Gen. Partner

NOTE: The General Partners sign this Declaration of Condominium as attorneys-in-fact for the Limited Partners, pursuant to the terms of the Limited Partnership Agreement, recorded in O. R. Book 3336, Page 899, and in their capacities as General Partners.

100% of the Limited Partners in the Limited Partnership are as follows:

- S. H. Vuncannon
- Pearl Vuncannon

- Jack L. Vuncannon
- M. Lucille Vuncannon

- William B. Albrecht
- Barbara D. Albrecht

- William G. Blackburn
- Myldred L. Blackburn

- Wallace W. Blackburn
- Anne Elizabeth Blackburn

- Harald R. Johnson

STATE OF FLORIDA
COUNTY OF PINELLAS

Before me, the undersigned authority, personally appeared JACK L. VUNCANNON, WALLACE W. BLACKBURN and WILLIAM B. ALBRECHT, who acknowledge they are the three general partners of CLEARWATER SEVILLE, LTD., and are signing this Declaration of Condominium as said General Partners, and attorneys-in-fact for the Limited Partners, and they acknowledged before me that they executed the foregoing instrument freely and voluntarily and for the purposes and uses therein expressed.

WITNESS my hand and official seal in the State and County of Pinellas last aforesaid this 23rd day of December, 1970.

Janet M. Staff
Notary Public - State of Florida
My commission expires:
Notary Public, State of Florida at Large
My Commission Expires OCT. 15, 1974



JOINDER OF MANAGEMENT CONTRACTOR

Clearwater Management Corporation, herein referred to as Management Contractor, joins in the making of the foregoing Declaration of Condominium and approves the provisions contained therein.

Signed, sealed and delivered in the presence of:

CLEARWATER MANAGEMENT CORPORATION

Grace R. E. Burger

By M. W. Vancannon
Vice President

Janet M. Staff

Attest: Jack L. Vancannon
Secretary

(corporate seal)



STATE OF FLORIDA
COUNTY OF PINELLAS

Before me personally appeared Jack L. Vancannon President and Janet M. Staff Secretary, respectively, of CLEARWATER MANAGEMENT CORPORATION, and they acknowledged before me that they are the duly authorized officers of said corporation and that they executed the foregoing instrument for the uses and purposes therein expressed.

WITNESS my hand and official seal in the State and County last aforesaid this 23rd day of December, 1970.

Janet M. Staff
Notary Public - State of Florida
My commission expires:

Notary Public, State of Florida
My Commission Expires 02/28/1972



JOINDER OF MORTGAGEE

St. Petersburg Federal Savings and Loan Association of St. Petersburg, Florida, herein called the Mortgagee, the owner and holder of a mortgage upon the following lands in Pinellas County Florida:

See lands described in Exhibit No. A-1 attached hereto

which mortgage is dated April 24, 1970, and is recorded in O.R. Book 3317, page 241, Public Records of Pinellas County, Florida, joins in the making of the foregoing Declaration of Condominium, and the Mortgagee agrees that the lien of said mortgage shall hereafter be upon the following described property in Pinellas County, Florida:

All of the Apartments of Seville Condominium 4, a Condominium being Apartments number 1 - 33 inclusive, according to the plat made a part of this Declaration.

Signed, sealed and delivered in the presence of:

ST. PETERSBURG FEDERAL SAVINGS & LOAN ASSOCIATION

Carolyn B. Shultz

By Thomas E. Miller
President

Thelma K. Jones

Attest: Jean M. Giles
Secretary

(corporate seal)



STATE OF FLORIDA
COUNTY OF PINELLAS

Before me the undersigned authority, personally appeared Thomas E. McLean and Jean W. Giles, President and Secretary, respectively of St. Petersburg Federal Savings and Loan Association, and they acknowledged before me that they are the duly authorized officers of said corporation and that they executed the foregoing instrument for the uses and purposes therein expressed.

WITNESS my hand and official seal in the State and County last aforesaid this 5th day of March

[Signature]
Notary Public - State of Florida
My commission expires August 28, 1974
Notary Public, State of Florida at Large
My Commission Expires August 28, 1974
Bonded by American Fidelity & Guaranty Co.

JOINDER BY ASSOCIATION

Seville Condominium 4, Inc., herein referred to as the Association, hereby joins in and approves of the foregoing Declaration and consents to the terms and provisions contained therein.

Signed, sealed and delivered in the presence of:

SEVILLE CONDOMINIUM 4, INC.

Grace R. Esberger
Janet M. Staff
Attest: Wallace W. Blackburn
Secretary

By [Signature]
President
(corporate seal)

Seville Condominium 4, Inc.
Florida
Association
Notary Seal

STATE OF FLORIDA
COUNTY OF PINELLAS

Before me, the undersigned authority, personally appeared A.H. Vancannon and Wallace W. Blackburn, President and Secretary, respectively, of SEVILLE CONDOMINIUM 4, INC., and they acknowledged before me that they are the duly authorized officers of said corporation and that they executed the foregoing instrument for the uses and purposes therein expressed.

WITNESS my hand and official seal in the State and County last aforesaid this 23rd day of December, 1970.

Janet M. Staff
Notary Public - State of Florida
My commission expires:
Notary Public, State of Florida at Large
My Commission Expires OCT. 15, 1974

LEGAL DESCRIPTION

From the Southwest corner of Section 17, Township 29 South, Range 16 East, run North 01°03'04" East along the West line of said Section 17, 810 feet; thence run South 88°57'02" East parallel to the South line of said Section 17, 400 feet; thence run South 01°03'04" West 393.39 feet for a Point of Beginning; thence run North 36°29'07" East 130.58 feet; thence run South 88°57'02" East 126.45 feet; thence run South 53°30'53" East 185 feet; thence run South 39° 32'58" West 14.68 feet; thence run southerly along a curve to the left of a 100 feet radius (chord bearing South 00°49'37" West, chord distance 125.11 feet), 135.17 feet; thence run South 52°06'17" West 40 feet; thence run North 88°57'02" West 313.13 feet; thence run North 01°03'04" West 162.61 feet to the P.O.B.

Subject to easement for City of St. Petersburg Water transmission pipeline (See Deed Book 267, page 477, and Deed Book 1465, page 193, Public Records of Pinellas County, Florida.)

Subject to easement of ingress and egress over the easterly 20 feet thereof.

Subject to utility easements as may be required.

Containing 1.817 acres, more or less.

The above described easement for ingress and egress is established for the benefit of all people who reside or who may at any time hereafter reside in the development of SEVILLE. All people who may now or hereafter reside in SEVILLE shall have the right of ingress and egress over the sidewalks presently located on the above described property, or which may be located thereon in the future, for normal pedestrian use. The parking spaces located on the above described property shall not be subject to the right of normal pedestrian use. All people who reside on the above described property shall have the right to use all easements established from time to time in the development of SEVILLE for ingress or egress, recreation use, and for normal pedestrian use, except as may be limited from time to time.

Clearwater Development Corporation reserves the right to specifically give and grant additional non-exclusive perpetual easements over the above described easements prior to the time when adjacent and other lands in the development of SEVILLE are developed, or when said lands are placed into Condominium Ownership, or leased under Long Term Lease, and when required by mortgage lenders as the development of SEVILLE and adjacent lands, progresses.

All of the easements set forth above shall be permanent easements running with the land, and shall survive the termination of this Condominium.

The "Fee Simple Owner" hereby confirms and ratifies the grant of easement recorded in O.R. Book 3051, pages 586 and 587, Public Records of Pinellas County, Florida, the same as if the said "Fee Simple Owner" individually executed said instrument,

and further says that said easement for ingress and egress is established for the benefit of the Owners and Leasehold-Owners of this Condominium, and all occupants legally residing therein or thereon from time to time, and further states that Clearwater Development Corporation has the power and authority to grant additional non-exclusive easements over the land described in the easements referenced in this paragraph, and Clearwater Development Corporation specifically reserves the right to dedicate into public ownership any of the easements above mentioned in the event a municipality or governing authority assumes the maintenance of said easements so long as the use of said easements is limited to the intended use as set forth herein.

The developer also reserves the right to grant CATV (cable television) rights and franchises as to the above-described land and the right to grant easements for CATV use under, over, or on the above-described land or on the above-described easements.

Exhibit No. A-1
(See paragraph 1.1 of Declaration)
Page 2