

The GrandView Palace Condominium

SECTION II

DECLARATION OF CONDOMINIUM

The Grand View Palace Condominium

DECLARATION OF CONDOMINIUM

Establishing SUBMISSION STATEMENT

FIRST EQUITABLE REALTY III, LTD., a Florida limited partnership, hereinafter called the "Developer" for itself, its successors, grantees and assigns, being the holder of fee simple title to the real property described in Exhibit "A", Sheet 1, attached hereto and made a part hereof, hereby states and declares that said property is submitted to condominium ownership, less and except the Electronic Communications System as said system is defined in this Declaration, and all public utility installations, and other personal property or equipment, if any, not owned by the Developer, and excepting the rights reserved in Section XIII (4) Roof Top Area and XIII (5) North Building Roof Top, pursuant to the requirements of the statutes of the State of Florida, hereinafter sometimes referred to as the "Condominium Act," the provisions of which are hereby incorporated by reference as is fully set forth herein, and does hereby file for record this Declaration of Condominium.

All restrictions, reservations, covenants, conditions and easements contained herein shall constitute covenants running with the land or equitable servitudes upon the land as the case may be, and shall be non-exclusive and perpetual unless sooner terminated as upon all Unit Owners, as hereinafter defined, and their grantees, devisees or mortgagees, their heirs, personal representatives, successors and assigns and all parties claiming by, through or under such persons agree to be bound by the provisions hereof and the By-Laws of the Association. Both the burdens imposed and the benefits granted shall run with each Unit and the interests in the Common Elements.

I. Name

1.01 The name of the Condominium is: THE GRANDVIEW PALACE CONDOMINIUM.

1.02 The name of the Unit Owners Association is THE GRANDVIEW PALACE CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, hereinafter referred to as the "Association."

II. Land

The land comprising this condominium is described on Exhibit "A," Sheet 1, attached hereto and made a part hereof as if fully set forth herein.

III. Definitions

The terms used in this Declaration and in its Exhibits, including the By-Laws of the Association, shall be defined in accordance with the provisions of the Condominium Act, State of Florida and as follows unless the context otherwise requires:

3.01 "Unit" or "Apartment" - means a part of the Condominium Property which is subject to exclusive ownership. A Unit may be in improvements, land, or land and improvements together, as specified in this Declaration. The term "Unit" includes both Commercial Units and Residential Units as described in the Declaration unless herein provided to the contrary, or unless the context otherwise requires. (See Sections 15.01 (b) and XXV regarding Commercial Units sold without consent of the Association.)

3.02 "Unit Owner" or "Owner of a Unit" - means the individual, partner, or shareholder of a legal entity which has title to a Condominium Parcel.

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

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3.04 "Association" - means the corporate entity responsible for the operation of the Condominium.

3.05 "Bylaws" - means the Bylaws of the Association as they are amended from time to time.

3.06 "Common Elements" - means the portions of the Condominium Property not included in the Units.

3.07 "Common Expenses"- means all expenses and Assessments properly incurred by the Association for the Condominium.

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

3.09 "Condominium" - means that form of ownership of real property which is created pursuant to the provisions of the Florida Condominium Act and which is comprised of Units that may be owned by one or more persons, and there is appurtenant to each Unit an undivided share in the Common Elements.

3.10 "Condominium Parcel" - means a Unit together with the undivided share in the Common Elements which is appurtenant to the Unit.

3.11 "Declaration" or "Declaration of Condominium" - means the instrument or instruments by which a Condominium is created as they are from time to time amended.

3.12 "Limited Common Elements" - means those Common elements which are reserved for the use of a certain Condominium Unit or Units to the exclusion of other Units as specified in the Declaration of Condominium.

3.13 "Operation" or "Operation of the Condominium" - includes the administration and management of the Condominium Property.

3.14 "Developer" - means a person who creates a Condominium or offers Condominium Parcels for sale or lease in the ordinary course of business, but does not include an Owner or lessee of a unit who has acquired his Unit for his own occupancy. As used herein, the term "Developer" shall include assigns and successors in interest to the original Developer.

3.15 "Board of Administration" - means the Board of Directors of the Association or other representative body, responsible for administration of the Association.

3.16 "Condominium Property" - means the lands, leaseholds, and personal property that are subject to Condominium ownership, whether or not contiguous, all improvements thereon, and all easements and rights appurtenant hereto intended for use in connection with the Condominium.

3.17 "Mortgagee" or "Institutional First Mortgagee" - means a bank, Federal or State saving and loan association, insurance company, mortgage company, real estate investment or business trust, pension fund and agency of the United States government, any other lender generally recognized as an institutional type lender, or the Developer (including any nominee of Developer) owning and holding a mortgage encumbering a Condominium Unit.

3.18 "Institutional First Mortgage" - means a mortgage owned or held by an Institutional First Mortgagee.

3.19 "New Construction" - means such construction planned by the Developer including additional penthouse stories on the roof of Main Building, additional indoor garage space as an extension on the South Side of the main Building's garage, additional garage space and a

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narrow North Residential tower and landscaping above the North Garage Building (a.k.a. Garage Annex or North Garage; see Section XVI (5), and possible alterations of parking and expansions of commercial, storage, and recreational spaces in the main Building and North Garage). The intended improvements contemplated above the roof of the main Building and above the top floor of the North Garage Building will be constructed in air rights space above the Condominium and will not be a part of the Condominium. The Important Note to the Survey in Exhibit "A" refers to the New Construction.

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

IV. Description. The Condominium is described as follows:

4.01 A survey or the land submitted to condominium ownership is set forth on Exhibit "A" attached hereto. The Affidavit of Surveyor as to the Substantial Completion of the improvements is attached hereto and made a part hereof as Exhibit "A". A graphic description of the improvement or improvements in which units (including Commercial Units) are located and the identification of each Unit by letter, name or number, so that no Unit bears the same designation as any other Unit, and the plot plan thereof, all in sufficient detail to identify the Common Elements and each Unit and their respective locations and approximate dimensions is attached hereto as and made a part hereof as Exhibit "A."

4.02 The developer reserves the right to proceed with any part of the New Construction and/or change the interior or exterior design or arrangement of all Units as long as the Developer owns the Unit when so changed and altered. If such change reflects a material change to the exterior design or arrangement of one or more Units, it shall be reflected by an amendment of this Declaration; any amendment for such purpose need be signed and acknowledged only by the Developer and Mortgagee, if any, and need not be approved by any other person, including, but not limited to, the Association, and Unit Owners, anything herein to the contrary notwithstanding. Without limiting the generality of the foregoing, the rights reserved in this paragraph 4.02 shall permit the Developer, at its option prior to creating this Condominium and thereafter, to change the number or Units within the Condominium and/or the interests of the Unit Owners in the Common or Limited Common Elements. However, the aggregate of the undivided interest of the Unit Owners in the Common or Limited undivided interest of the Unit Owners in the Common Elements or Limited Common Elements of such Units so redesigned or changed may be different than as originally provided herein. To the extent that an amendment hereunder changes the configuration or size of any Unit in any material fashion, materially alters or modifies the appurtenances to the Unit or changes the proportion or percentage by which the Owner of the parcel shares the Common Expenses or owns the Common Surplus, such an amendment shall require a majority of total voting interests.

Without limiting the generality of the foregoing, within the Residential Units described on Exhibit "A" attached hereto, there are eighty-eight (88) portions of Units identified with the suffix "A", each such portion being hereinafter referred to as "the 'A' Portion". The affected Units are located on the fourth through the twenty-fourth floors, as well as Penthouse first floor and Penthouse second floor, and are identified with Unit Numbers ending in "01", "03", "04" and "19". The "A" Portion shall be designated by the Developer, in the manner hereinafter provided, to be appurtenant to one of the Units to which it is immediately adjacent, as follows: The "A" Portion labeled "01 A" will be designated as forming a part of the adjacent Unit ending in "01" or "11"; the "A" Portion labeled "03A" will be designated as forming a part of the adjacent Unit ending in "02" or "03"; the "A" Portion labeled "04A" will be designated as forming a part of the adjacent Unit ending in "04" or "05"; and the "A" Portion labeled "19A" will be designated as forming a part of the adjacent Unit ending in "18" or "19". Under no circumstances may an "A" Portion legally exist as a separate Unit. The "A" Portion of a Unit must be appurtenant to one

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of the adjacent Units identified above. A single exceptional "A" Portion is the South Portion of Unit PH201 which shall be labeled "A1" on the Survey, and which may be designated as forming a part of PH202. Each "A" portion must be sold, occupied, rented, mortgaged or transferred only as part of a Combined Unit and cannot be separated in any manner. The first Deed of conveyance from the Developer to a purchaser of any of the affected Units as described herein shall contain a provision declaring the "A" Portion to be either (i) appurtenant to the appropriate adjacent Unit designated in the Deed of conveyance, or (ii) excluded from the adjacent Unit designated in the Deed of conveyance. The Unit, to which the "A" Portion is designated to be appurtenant together with the appurtenant "A" Portion, shall be hereinafter referred to as a "Combined Unit". A Combined Unit shall be treated as a single Unit under this Declaration for all purposes, including, but not limited to, voting rights and lien rights in favor of the Association or other creditors. Other than the original Deed of conveyance from the Developer to a Unit Owner, no subsequent conveyance, mortgage or other transfer of a Combined Unit or the Unit from which the "A" Portion has been excluded shall require any designation or reference to the "A" Portion. The undivided interests as listed on Exhibit "B" attached hereto are separately listed for each "A" Portion and each adjacent Unit. When the "A" Portion is combined with an adjacent Unit to form a Combined Unit, the undivided interest for the Combined Unit shall be the sum of the undivided interests listed on Exhibit "B" attached hereto for each component of the Combined Unit. When the "A" Portion is excluded from the adjacent Unit, the undivided interest of that adjacent Unit shall be equal to the undivided interest for that Unit as referenced on Exhibit "B" attached hereto.

4.03 The following non-exclusive easements shall be covenants running with the land and are expressly granted and/or reserved in favor of the Unit Owners, occupants of any Unit, their guests and invitees, to wit:

(1) *Utilities:* Blanket non-exclusive easements are reserved throughout the Condominium Property as may be required for utility services in order to adequately serve the Condominium. In the event any Unit, recreation area, Common or Limited Common Element encroaches upon any utility easement either granted or reserved hereby, by plat or otherwise, such encroachment shall entitle the Owner or Owners of such encroaching property and their mortgagees, if any, to an automatic non-exclusive easement on said utility easement for as long as such encroachment shall continue.

(2) *Encroachments:* In the event that any Unit shall encroach upon any of the Common Elements or any other Unit for any reason other than the intentional act of the Unit Owner or in the event that any Common Element shall encroach upon any Unit, then an easement shall exist to the extent of such encroachments so long as the same shall continue.

(3) *Traffic:* An easement shall exist for pedestrian traffic over, through and across sidewalks, paths, walks, halls, lobbies, elevators, if any, and other portions of the Common Elements as may be from time to time intended and designated for such purpose and use; and for vehicular and pedestrian traffic over, through and across such portions of the Common Elements as may from time to time be paved and intended for such purposes, and such easements shall be for the use and benefit of the Unit Owners and those claiming by, through or under the aforesaid; provided, however, nothing herein shall be construed to give or create in any person the right to park upon any portion of the Condominium Property, except to the extent that the space may be specifically designated and assigned for parking purposes.

(4) *Access:* Each Unit Owner and any officer, agent, employee or designee of the Association or member of the Board of Administration of the Association shall have access across any Limited Common Elements for the purpose of ingress

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and egress.

(5) *Easement* A non-exclusive easement for ingress and egress over streets, walks and other rights-of-way serving the Units of this Condominium as part of the Common Elements necessary to provide reasonable access to the public ways.

4.04 The following easements shall be covenants running with the land. In addition to the foregoing easements and not by way of limitation, the following easements are hereby created (in addition to any easements created under the Act and any easements affecting the Condominium Property and recorded in the Public Records of Miami-Dade County):

(1) Support: Each Unit, the Main Building and Garage Annex shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units, the Common Elements, and any other structure or improvement which abuts any Unit, the Main Building or Garage Annex, including, without limitation, any New Construction.

(2) Utility and Other Services; Drainage. Easements are reserved under, through and over the Condominium Property as may be required from time to time for utility, cable television, communications and monitoring systems, life safety systems, digital or other satellite systems, broadband communications and other services and drainage in order to serve the Condominium and/or members of the Association and/or the improvements described as New Construction. A Unit Owner shall do nothing within or outside his Unit that interferes with or impairs, or may interfere with or impair, the provision of such utility, cable television, communications, monitoring systems, life safety systems, digital or other satellite systems, broadband communications or other service or drainage facilities or the use of these easements. The Association shall have an irrevocable right of access to each Unit to maintain, repair or replace the pipes, wires, ducts, vents, cables, conduits and other utility, cable television, communications, monitoring systems, life safety systems, digital or other satellite systems, broadband communications, and drainage facilities, and Common Elements contained in the Unit or elsewhere in the Condominium Property, and to remove any improvements interfering with or impairing such facilities or easements herein reserved, provided such right of access, except in the event of an emergency, shall not unreasonably interfere with the Unit Owner's permitted use of the Unit, and except in the event of an emergency, entry shall be made on not less than one day's notice, which notice shall not, however, be required if the Unit Owner is absent when the giving of notice is attempted.

(3) Encroachments. If any improvements encroach upon the property intended for improvements described as New Construction or (ii) the property intended for improvements described as New Construction encroach upon the Condominium Property; or (iii) any encroachment shall hereafter occur as a result of (A) construction of the improvements described as New Construction; (B) settling or shifting of the improvements described as New Construction; (C) any alteration or repair to the Common Elements and/or Association Property made by or with the consent of the Association or Developer, as appropriate, or (D) any repair or restoration of the Main Building and/or Garage Annex (or any portion thereof) or any Unit after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements and/or the Association Property, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of same so long as the Main Building and/or Garage Annex and

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the affected or the relevant improvements described as New Construction shall stand.

(4) Ingress and Egress. A non-exclusive easement in favor of each unit owner and resident, their guests and invitees, of the improvements described as New Construction shall exist for pedestrian traffic over, through and across sidewalks, streets, paths, walks, elevators, and other portions of the Common Elements and Association Property as from time to time may be intended and designated for such purpose and use, and to afford pedestrian access to and from any portion of the Condominium Property located within or surrounded by the Main Building and Garage Annex; and for vehicular and pedestrian traffic over, through and across, and parking on, such portions of the Common Elements and Association Property as from time to time may be paved and intended for such purposes. None of the easements specified in this subparagraph 4.03 (8) shall be encumbered by any leasehold or lien other than those on the Condominium Parcels. Any such lien encumbering such easement (other than those on Condominium Parcels) automatically shall be subordinate to the rights of unit owners and the Association with respect to such easements.

(5) Recreational Facilities Easement. It is intended that the recreational facilities located within the Common Elements, shall be made available to persons who are not Unit Owners or members of the Association (the "Recreational Facilities"). The exact number of outside users, and the fees, dues or other sums to be paid by them, if any, shall be determined by the Developer (for so long as it controls the Board of the Association), and thereafter by the Board. Any such fees, dues or other sums shall be deemed revenue of the Association. In order to accommodate the intended use and operation of the Recreational Facilities by such outside users/members, a non-exclusive easement is hereby reserved over and upon the Common Elements in favor of such permitted outside users and their guests, for pedestrian and vehicular traffic over, through and across sidewalks, streets, paths, walks, and other portions of the Common Elements in order to use and enjoy the designated Recreational Facilities.

(6) Construction; Maintenance. The Developer (including its affiliates and its or their designees, contractors, successors and assigns) shall have the right, in its (and their) sole discretion from time to time, to enter the Condominium Property and take all other action necessary or convenient for the purpose of undertaking and completing the construction of the improvements described as New Construction or any part thereof, or any improvements, structures, facilities or units located or to be located on the property for the New Construction, and/or any improvements to be located adjacent thereto and for repair, replacement and maintenance or warranty purposes or where the Developer, in its sole discretion, determines that it is required or desires to do so. The Association (and its designees, contractors, subcontractors, employees) shall have the right to have access to each Unit from time to time during reasonable hours as may be necessary for pest control purposes and for the maintenance, repair or replacement of any Common Elements or any portion of a Unit, if any, to be maintained by the Association, or at any time and by force, if necessary, to prevent damage to the Common Elements, the Association Property of to a Unit or Units.

(7) Exterior Building Maintenance. An easement is hereby reserved on, through and across each Unit and all limited Common Elements appurtenant thereto in order to afford access to the Association (and its contractors) to perform roof repairs and/or replacements, repairs, replace, maintain and/or alter rooftop mechanical equipment, to stage window washing equipment and to perform

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window washing and/or any other exterior maintenance and/or painting of the Main Building and Garage Annex.

(8) Sales and Leasing Activity. For as long as the Developer retains any ownership interest in any portion of the property or for the New Construction, the Developer, its designees, successors and assigns, shall have the right to use any such Units and parts of the Common Elements or Association Property for guest accommodations, model apartments and sales, leasing and construction offices, to show model Units and the Common Elements to prospective purchasers and tenants of Units and/or "units" or improvements described as New Construction (and/or the Kelly Lot Property), and/or to erect on the Condominium Property and Association Property signs and other promotional material to advertise Units or other portions of the New Construction for sale or lease.

(9) New Associations Easements. The New Association and their agents, employees, contractors and assigns shall have an easement to enter onto the Condominium Property for the purpose of performing such functions as are permitted or required to be performed by the New Associations by the declarations of condominium which govern the property for the New Construction, including, but not limited to, safety and maintenance activities and enforcement of architectural restrictions. An easement for such purposes is hereby granted and reserved to the New Associations and their members (and their guests tenants and invitees), and each Owner, by acceptance of a deed or other conveyance of a Unit, shall be deemed to have agreed to the grant a reservation of easement herein described and the rights herein vested in the New Associations. Notwithstanding anything herein contained to the contrary, in order to provide for the orderly distribution and regulation of parking facilities within the Condominium Property, to the extent that any portion of the Condominium Property is necessary or desirable (in the sole determination of the New Associations) for maximizing and easing traffic flow through the parking areas of and adjacent to the Condominium Property, then all such portions shall be maintained and operated by the New Associations as common elements of and under the declaration, or declarations of condominiums and the maintenance, operation and regulation of same shall be vested in the New Associations and their members (and their guests tenants and invitees), and each Owner, by acceptance of a deed or other conveyance of a Unit, shall be deemed to have agreed to the grant and reservation of easement herein described and the rights herein vested in the New Associations. All easements and rights provided for in the declarations of condominium in favor of the New Associations, their respective members and/or the Declarant thereunder, are hereby granted to said New Associations and their members and Declarant, and its assignees, designees and nominees.

(10) Support of Adjacent Structures. In the event that any structure(s) is constructed so as to be connected in any manner to the Main Building and/or the Garage Annex, then there shall be (and there is hereby declared) an easement of support for such structure(s) as well as for the installation, maintenance, repair and replacement of all utility lines and equipment serving the adjacent structure which are necessarily or conveniently located within the Condominium Property or Association Property (provided that the use of this easement shall not unreasonably interfere with the structure, operation or use of the Condominium Property, the Association Property or the Main Building or Garage Annex). All easements and rights provided for in the declarations of condominiums in favor of the New Association, its respective members and/or the Declarant thereunder are hereby granted to Associations and their

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respective members and respective Declarant, and its and their assignees, designees and nominees.

(11) Warranty. For as long as Developer remains liable under any warranty, whether statutory, express or implied, for act or omission of Developer in the development, construction, sale and marketing of the Condominium, then Developer and its contractors, agents and designees shall have the right, in Developer's sole discretion and from time to time and without requiring prior approval of the Association and/or any Unit Owner (provided, however, that absent an emergency situation, Developer shall provide reasonable advance notice), to enter the Condominium Property, including the Units, Common Elements and Limited Common elements, for the purpose of inspecting, testing and surveying same to determine the need for repairs, improvements and/or replacements, and effecting same, so that Developer can fulfill any of its warranty obligations. Nothing herein shall be deemed or construed as the Developer making or offering any warranty, all of which are disclaimed (except to the extent same may not be) as set forth in Article XXVII below.

(12) Additional Easements. The Association, through its Board, on the Association's behalf and on behalf of all Unit Owners (each of whom hereby appoints the Association as its attorney-in-fact for this purpose), shall have the right to grant such additional general ("blanket") and specific electric, gas or other utility, cable television, security systems, communications or service easements (and appropriate bills of sale for equipment, conduits, pipes, lines and similar installations pertaining thereto), or modify or relocate any such existing easements or drainage facilities, in any portion of the Condominium and/or Association Property, and to grant access easements or relocate any existing access easements in any portion of the Condominium and/or Association Property, as the Board shall deem necessary or desirable for the proper operation and maintenance of the Main Building and Garage Annex, or any portion hereof, or any improvements located on the property for New Construction, or for the general health or welfare of the Unit Owners and/or members of the Association, or for the purpose of carrying out any provisions of this Declaration or the declarations of condominium, provided that such easements or the relocation of existing easements will not prevent or unreasonably interfere with the reasonable use of the Units for dwelling purposes. All easements and rights provided for in the declarations of condominium in favor of the New Associations and their respective members or the Declarant are hereby granted to the New Associations and their respective members and the Declarant, its assignees, designees and nominees.

(13) Neighboring Marina - The Marina adjacent to Grandview Palace is owned by a not-for-profit corporation named The Grandview Palace Yacht Club. The Yacht Club is independent of the Condominium Association. The Yacht Club has its own corporate charter and Board of Directors. The Yacht Club owns commercial condominium number 12 at Grandview Palace, which serves as the lounge for the Yacht Club. While all condominiums have ownership interest in the lands of the Condominium in proportion to their condominium ownership, the Condominium cedes to the Yacht Club control of (for the expressed purpose of maintaining the submergible land lease with the State of Florida), but not ownership or the obligation to maintain, the riparian uplands adjacent to the marina and the riparian rights to operate the Marina. Furthermore, the Yacht Club shall have the exclusive right to establish rules and regulations for its members, and to collect money from its members to pay for the maintenance and operation of Marina Property. The Grandview Palace Condominium Association shall have no financial Obligation to maintain the

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Marina and shall not have liability for damage or injury that may occur on Marina property.

The Association grants to the Yacht Club and or independent fuel pier business easements for all utilities, machinery, underground fuel storage tanks and pipes, and other upland equipment on Condominium Association property used for the operation of the Marina and the fuel pier. For as long as the Yacht Club owns a commercial condominium at Grandview Palace, the Condominium Association grant the members of the Yacht Club, their guests, and invitees easement access for pedestrian and vehicular traffic to and from the Marina. By virtue of being partial owners of the commercial condominium known as the marina lounge, the Yacht Club owners shall be afforded access to Condominium Association amenities however, as stipulated in the Yacht Club membership agreement, tenants of Yacht Club members shall not be permitted to use Condominium amenities. When on Condominium Property, the Yacht Club Members, guests, tenants, and invitees shall be subject to rules and regulations of the Condominium Association.

V. Identification of Units, Limited Common Elements and Common Elements, Survey, Shares in Common Elements, Prorations of Common Expenses, Voting Rights

5.01 The Condominium Units and all other improvements constructed on the Condominium Property are set forth in detail in Exhibit "A" attached hereto. Each Condominium Unit is described in such a manner that there can be determined therefrom the identification, location and dimensions of such unit and the Common Elements appurtenant thereto.

Each Condominium Unit (including Commercial Units) is identified by a number, letter or name or combination thereof, so that no Unit bears the same designation as any other Unit. Areas designated as "LCE" or Limited Common Elements on Exhibit "AU attached hereto are Limited Common Elements in accordance with Article XIII hereof. All remaining areas are Common Elements.

5.02 Subject to any provisions of the By-Laws of the Association applicable thereto, a Unit Owner is entitled to one (1) vote for each Unit owned, provided, however, in the case of a subdivision or combination of one or more Commercial Units as provided herein, the voting rights appertaining to the subdivided or combined Commercial Unit will be proportionately adjusted (this is not a prohibited division of a vote as set forth below). If a Unit is owned by more than one person, the Owners of said Unit shall designate one (1) of them as the voting member, or, in the case of ownership by a corporation, an officer or an employee thereof shall be designated the voting member. The vote of a Unit shall not be divisible.

VI. Condominium Parcels. Appurtenances, Possession and Enjoyment

6.01 The Condominium Parcel is a separate parcel of real property owned in fee simple, or any other estate of real property recognizable by law.

6.02 There shall pass with a Unit as appurtenances thereto:

- (1) An undivided share in the Common Elements and Common Surplus.
- (2) The exclusive right to use the portion of the Common Elements as may be provided by the Declaration.
- (3) An exclusive easement for the use of the air spaces occupied by the Unit as it exists at any particular time and as the Unit may lawfully be altered or reconstructed from time to time. An easement in air space which is vacated shall be terminated automatically.

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(4) A Unit Owner is entitled to the exclusive possession of his Unit, subject to the irrevocable right of the Association to access to each Unit during reasonable hours when necessary for the maintenance, repair or replacement of any Common elements, or for making emergency repairs necessary to prevent damage to Common Elements or to another Unit or Units. A Unit Owner shall be entitled to use the Common Elements in accordance with the Rules and Regulations and the purpose for which they are intended, but no use may hinder or encroach upon the lawful rights of other Unit Owners.

VII. Restraint upon Separation and Partition of Common Elements

7.01 The undivided share in the Common Elements which is appurtenant to a Unit shall not be separated from it and shall pass with the title to the Unit whether or not separately described.

7.02 The share in the Common Elements appurtenant to a Unit cannot be conveyed or encumbered, except with the Unit.

7.03 The share in the Common Elements appurtenant to Units is undivided, and no action for partition of the Common Elements shall lie.

VIII. Common Elements

8.01 Common Elements include within their meaning the following items:

- (1) The Condominium Property which is not included within the Units.
- (2) Easements through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services to Unit and the Common Elements.
- (3) An easement of support in every portion of a Unit which contributes to the support of a building.
- (4) The property and installations required for the furnishing of utilities and other services to more than one Unit to the Common Elements.

8.02 Any person having any interest under mortgagee of record that encumber any portion of the Common Elements that are not satisfied prior to the recordation of this Declaration shall consent to the recordation of this Declaration; provided, however, in lieu of joining in the execution of this Declaration, any mortgagee may execute an appropriate consent or subordination agreement with the formalities required for deeds.

8.03 Recreational, storage, and parking facilities may be expanded, revised, or added by the Developer without the consent of the Unit Owners or the Association.

8.04 It is contemplated that the recreational facilities may be made available for use by persons who are not Unit Owners. Additional units built on this Property and neighboring lands by the Developer shall have the perpetual right to use certain Common Elements. The exact number of outside users, and the fees, dues, or other sums to be paid by them, if any, shall be determined by the Developer (for so long as the Developer controls the Board of the Association, and thereafter by the applicable Board. Such fees shall not be disproportionate to those paid by members of the Association. There is no obligation, however, for the Developer, or thereafter the applicable Board) to charge fees to such outside users. Any such fees, dues or other sums shall be deemed revenue of the Association.

8.05 The Developer reserves such easements as may be necessary to complete and maintain New Construction. Such easements will be granted without the consent of the

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Association. Upon completion of any new construction, lines, pipes, or equipment that requires permanent easements through Association property shall be reflected in an amendment to this Declaration.

8.06 The Banquet Hall and Lounge: These facilities may be leased out by the Association to both Association members and ~~non-members~~ for special events. The rate and terms for leasing the Banquet Hall and Lounge shall be established by the Board of Directors. The rate for all members of the Association (including commercial units) shall be the same. A special event" will be defined for the purposes of this paragraph as an event that excludes others from making use of the space at the same time. Alternatively, the Board may enter into a management agreement for the use and maintenance of this common area space.

IX. Amendment of Declaration

9.01 Unless otherwise provided herein, the Declaration may be amended by two thirds (2/3) of the Unit Owners executing a modification or amendment to this Declaration with the formalities of a deed and recording same in the Public Records of the County in which the Condominium is located; or in the alternative, this Declaration may be amended at any regular or special meeting of the Unit Owners called or convened in accordance with the By-Laws the affirmative vote of voting members casting not less than two thirds (2/3) of the total vote of the members of the Association and the execution by the Association of a certificate of the amendment with the formalities of a deed and recording same in the Public Records of the County in which the Condominium is located.

(1) Such an amendment may Change the configuration or size of any Unit in any material fashion, materially alter or modify the appurtenances to the Unit, or change the proportion or percentage by which the Owner of the Unit shares the Common Expenses and owns the Common Surplus provided the record Owner of the Unit and all record owners of liens on it join in the execution of the amendment, provided, however, this section shall not apply to the acquisition of a Unit by the Association.

(2) If it appears that through scrivener's error a Unit has not been designated as owning an appropriate undivided share of the Common Elements or does not bear an appropriate share of the Common Expenses or that all the Common Expenses or interest in the Common Surplus or all of the Common elements in that Condominium have not been distributed in this Declaration, so that the sum total of the shares of Common Elements which have been distributed or the sum total of the shares of the Common Expenses or ownership of Common Surplus tails to equal one hundred (100%) percent, or if it appears that more than one hundred (100%) percent of Common Elements or Common Expenses or ownership of Common Surplus have been distributed, the error may be corrected by filing an amendment to this Declaration approved by the Board of Administration or a majority of the Unit Owners. To be effective the amendment must be executed by the Association and the Owners of the Units and the owners of mortgages thereon affected by the modifications being made in the shares of Common Elements, Common Expenses or Common Surplus. No other Unit Owner is required to join in or execute the amendment.

(3) The Common Elements designated by this Declaration may be enlarged by an amendment in the Declaration. The amendment must describe the interest in the property and must submit the property to the terms of this Declaration. The amendment must be approved and executed as provided herein. The amendment shall vest title in the Unit Owners as part of the Common Elements, without naming them and without further conveyance, in the same proportion as the undivided shares in the Common Elements, which are appurtenant to the

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Unit owned by them.

(4) No amendment shall be passed which shall impair or prejudice the rights and priorities of Mortgagees. Notwithstanding the foregoing, the consent or joinder of owners of liens on a Unit shall only be required for amendments materially affecting the rights or interests of the lienholder or as otherwise required by the Federal National Mortgage Corporation or the Federal Home Loan Mortgage Corporation, provided that such a requirement provides that such consent may not be unreasonably withheld. This provision is subject to the provisions of Section 18.14 hereof.

9.02 Notwithstanding anything contained herein to the contrary, while the Developer is entitled to appoint a majority of the Board of Directors, the Declaration may be amended by a majority of the Board of Directors provided that such Amendment shall not increase the proportion of Common Expenses nor decrease the ownership of Common Elements borne by a Unit Owner or change a Unit Owner's voting rights without the consent of the affected Unit Owners. Without limiting the generality hereof, such an amendment may include the changing of a Common Element to a Limited Common Element. No amendment pursuant to this subsection may change the configuration or size of any Residential Unit in any material fashion, materially alter or modify the appurtenances to the Unit or change the proportion or percentage by which the Owner of the parcel shares the Common Expenses or owns the Common Surplus. Said amendment need only be executed and acknowledged by the Board of Directors, and the consent of the Unit Owners, the owner and holder of any lien encumbering a Unit in this Condominium, or any others, shall not be required.

X. Termination

10.01 The Condominium Property may be removed from the provisions of Florida Statutes Condominium Act only by consent of all of the Unit Owners evidenced by a recorded instrument to that effect, and upon the written consent by all of the holders of recorded liens affecting any of the Condominium parcels.

10.02 Upon removal of the Condominium Property from the provisions of the Condominium Act, the Condominium Property is owned in common by the Unit Owners in the same undivided shares as each Owner previously owned in the Common Elements. All liens shall be transferred to the undivided share in the Condominium Property attributable to the Unit originally encumbered by the lien in its same priority.

10.03 The termination of a Condominium does not bar the creation of another Condominium affecting all or any portion of the same property.

XI. Equitable Relief

In the event of substantial damage to or destruction of all or a substantial part of the Condominium Property, and if the property is not repaired, reconstructed, or rebuilt within a reasonable period of time, any Unit Owner may petition a court for equitable relief, which may include a termination of the Condominium and a partition.

XII. Enforcement of Maintenance

In the event the Owner of a Unit violates the provisions hereof, the Association or any other Unit Owner shall have the right to proceed in a court of equity to seek compliance with the provisions hereof; or the Association shall have the right to charge the Unit Owner for the necessary sums to correct the violation and to collect such charge. The Association has the irrevocable right of access to each unit during reasonable hours, when necessary for the maintenance, repair or replacement of any common elements or for making emergency repairs which are necessary to prevent damage to the common elements or to another unit or units.

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XIII. Limited Common Elements

In this Condominium there are Limited Common Elements appurtenant to some of the Units. There shall pass with a Unit, as appurtenant thereto, the exclusive right to use the Limited Common Elements so appurtenant as shown on Exhibit "A". Expense of maintenance and repair relating to these Limited Common Elements shall be considered Common Expenses for the purpose of cost of repair and maintenance, except that the Association shall not be responsible for the repair or replacement of any improvements to any of these Limited Common Elements whether in the course of maintenance of the Limited Common Elements or otherwise. Limited Common Elements may be reassigned and transferred to a different Unit or to the Association, which assignment the Association shall be obligated to accept. Limited Common Elements can be used in connection with the commercial use of the Commercial units to which the Limited Common Element is appurtenant.

(1) Automobile Parking Spaces - The parking areas of the Condominium are limited Common Elements of the Condominium and are set out in Exhibit "A" hereto. One or more parking spaces may be assigned to a Residential or Commercial Condominium Unit as a limited Common Element. Such parking spaces shall initially be assigned by the Developer, and the Developer may receive compensation from a purchaser in connection with the assignment of a particular parking space to a Unit. The Association may promulgate rules and regulations regarding the transfer of parking spaces among Unit Owners.

Unassigned parking spaces shall be used by the Developer for prospective Unit purchasers and such other parties as the Developer may reasonably determine, so long as the Developer has Units for sale. After the Developer has sold all Units, parking in all unassigned parking spaces shall be for the benefit of Owners who do not have assigned spaces and for guests. ~~The Developer or~~ Association shall have the right to establish a system of valet parking and to hire an outside company or individual for that purpose as a Common Expense as a Common Expense for any costs beyond valet revenue. In connection therewith, the Association shall have the right to designate any, or all unassigned spaces as valet spaces, except that the Developer shall continue to have the rights set forth above and each Owner shall have the right to self-park one automobile vehicle in an assigned ~~or unassigned~~ space. No parking space shall bare the same identifying number as any other.

(2) Balconies Initially, Balcony Limited Common Elements must be covered with a flooring material (including but not limited to paint or tile) approved by the Association ~~Developer~~. The Association may, when replacement of such material is necessary, choose a different color or style of material, provided that such choice must be consistent for all Units.

(3) Storage Area - The Storage Areas are Limited Common Elements of the Condominium, and are set out in Exhibit "A" hereto. One or more storage lockers or areas may be assigned to a Residential or Commercial Condominium Unit as a limited Common Element. Such lockers or areas shall initially be assigned by the Developer, and the Developer may receive compensation from a purchaser in connection with the assignment of a particular storage locker space to a Unit. There is no assurance that each Unit (whether Residential or Commercial) will be assigned a storage locker. The Association may promulgate rules and regulations regarding the transfer of lockers among Unit Owners.

(4) Main Building Roof Top Area - The Roof Top Area as shown on Exhibit "A" is a Limited Common Element, assigned to Unit 1709. The expense of maintenance and repair relating to this Limited Common Element shall be considered a

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Common Expense, except that the Association shall not be responsible for the repair or replacement of any improvements made by a Unit Owner to this Limited Common Element whether in the course of maintenance of the Limited Common Element or otherwise. The Owner (or the Association) to which this Limited Common Element has been assigned shall have the right to construct and maintain a communications antenna thereon without the consent of the Association. If there is a lease or other agreement with regard to the antenna at the time of assignment of this Limited Common Element to the Association, then the Association shall be obligated to assume the Assignor's Obligation under the Lease.

The Roof Top may be reassigned and transferred to a Unit (or to the Association, which assignment the Association shall be obligated to accept) by the Developer and the Developer may receive compensation in connection with such an assignment. The Limited Common Elements designated on Sheet 39 of Exhibit A attached hereto may also be used by the Unit Owner for any permissible use, including, but not limited to, television and/or radio transmission, telecommunications, passive and/or active transmission, a master antenna system, a closed circuit television system, a satellite/master antenna television system for the delivery of direct broadcast satellite multi-channel video, audio and data programming services, unlimited voice data and video, and related ancillary services to each and every of the foregoing uses; and in connection with the ancillary services and uses described in this Section XIII to give the providers of such services and/or uses a license and easement to such Limited Common Elements. Such ancillary services may include, by way of illustration and not limitation, security, medical, smoke and fire alert, and information retrieval. All of the foregoing uses and systems shall be in furtherance and not in limitation of the reserved rights of the Developer described in Section 4.03 of this Declaration. Moreover, the Developer, as the Owner of Condominium Unit No. 1709, with the right to the exclusive use of the aforescribed Limited Common Elements, (including its designees, contractors, and Developer's successors and assigns), shall have, in addition to the rights of a Unit Owner for ingress and egress set forth in Section 4.03, the right, from time to time, to enter the Condominium Property and take all action and do all things necessary for the maintenance, repair, replacement or enlargement of any and all of the equipment, apparatus, conduits, wires, cables, amplifiers, antennas and towers located in the aforescribed Limited Common Elements. No action may be taken which adversely affects the rights and interests of the Unit Owner to the use of the aforescribed Limited Common Elements without such Unit Owner's written consent. Unless otherwise expressly permitted herein or in any exhibits hereto, ~~all Unit Owners shall be prohibited from using the limited Common Elements designated on Sheets of Exhibit A attached hereto.~~

In addition, the Developer reserves the right to construct up to a three story penthouse addition on the Roof Top Area with up to 28 additional units, together with a new elevator and stairwells between the PH2 floor and the upper penthouse level(s) as part of New Construction. Should the Developer exercise this right, the Roof Top Area shall be assigned in the manner described above. The Roof Top Area shall include the right to connect to existing utilities, together with an easement for access and maintenance and repair thereof, and all necessary or convenient actions in connection with the construction of the improvements. The Developer's obligation for the maintenance and repair of the Limited Common Element Roof Top Area shall commence ~~60 days after~~ upon receipt of building permits for the Developer's intended improvements described in this paragraph 13 (4). Until such a time the Association will be responsible for maintenance and repair of the roof top area. These rights to construct and

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maintain additional Units on the roof do not require the consent of the members of the Association. Upon completion, the new units will be submitted to condominium and be subject to a separate condominium association. The Developer, future association, and its members are hereby granted all necessary easements and will lease from the Association usage rights to the Common Elements. The cost of the use right shall be proportional to the number of units in the future association. As a result, the Unit Owner's share in assessment for common expenses will be reduced.

(5) North Building Roof Top: The Developer reserves the right to construct an additional floor on the garage and a new residential tower with landscaping as part of the New Construction, with Association approval. The new narrow tower will be located near the center the center of the garage roof will not exceed 16 stories above the garage and will contain 92 residential units. The Developer shall also have the right to make structural reinforcement and additional floor plan modifications to other floors of the North Building garage levels in order to accommodate the new structure, with Association approval. These modifications may include reconfiguring commercial Units and relocating certain parking spaces. Any parking spaces eliminated and all necessary parking for new units will be accommodated within the New Construction. Should the Developer exercise this right, the North Building Roof Top Area shall be assigned in the manner described in Paragraph 13 (4). The Roof Top Area shall include the right to connect to existing utilities, together with an easement for access and maintenance and repair thereof, and all necessary or convenient actions in connection with the construction of the improvements. The Developer's obligation for the maintenance and repair of the Limited Common Element North Building Roof Top Area shall commence ~~60 days after~~ upon receipt of building permits for the Developer's intended improvements described in this paragraph 13 (5). Until such time the Association will be responsible for maintenance and repair of the North Building roof top area.

These rights to construct and maintain additional units and landscaping on the North Garage do not require the consent of the members of the Association. Upon completion, the new units will be submitted to condominium and be subject to a separate condominium association. That future association will receive necessary easements from the Association and will lease from the Association usage rights to the Common Elements. The cost of the use right shall be proportional to the number of Units in the future association. As a result, the Unit Owner's share in assessments for common expenses will be reduced.

(6) Commercial and Storage Space: Certain sections in Main Building and North Building Garage located (See Schedule A pages 5-11), to be specified in a future amendment to these documents, are Limited Common Elements, which may be assigned and transferred in the same manner as the Roof Top set forth above. The expense of maintenance and repair relating to these Limited Common Elements shall be considered a Common Expense, except that the Association shall not be responsible for the repair or replacement of any improvements made by the Developer or a new unit owner to this Limited Common Element area or areas whether in the course of maintenance of the Limited Common Elements or otherwise. ~~The Developer or Owner to which this Limited Common Element may be assigned shall have the right to construct and maintain additional commercial spaces as a part of the New Construction. Any parking spaces eliminated and all necessary parking for new Commercial Units will be restored within existing or new garage construction on the Land. These rights to construct and maintain additional commercial Units in the Main Building and~~

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~~North Garages do not require the consent of the members of the Association. The survey will be modified to show where the storage and commercial space will be located on the garage levels located herein.~~

(7) The offices off the lobby on the first floor and mezzanine levels presently occupied by leasing and property management (See Exhibit A pages 10 and 11) are also Limited Common Elements assigned to Unit 1709. The offices may be reassigned and transferred to a Unit (or to the Association, which assignment the Association shall be obligated to accept) by the Developer and the Developer may receive compensation in connection with such an assignment. The expense of maintenance and repair relating to these Limited Common Elements shall be considered a Common Expense, except that the Association shall not be responsible for the repair or replacement of any improvements made by the Developer or a new unit owner to this Limited Common Element area or areas whether in the course of maintenance of the Limited Common Elements or otherwise. The Unit Owner shall be authorized to lease these offices to Palace Properties, Inc. Palace Properties will provide leasing and resale services under private agreements with Units Owners. ~~Lease of this common element space to Palace Properties, Inc. shall not require Association consent.~~

(8) The Gym Facility: The Gym Facility located on the upper tier of the waterfront reception complex is a Limited Common Element (See Exhibit A, Page 7) also assigned to Unit 1709. The Gym Facility may be reassigned and transferred to a different Unit (or to the Association, which assignment the Association shall be obligated to accept) by the Developer and the Developer may receive compensation in connection with such an assignment. The expense of maintenance and repair relating to these Limited Common Elements shall be considered a Common Expense, except that the Association shall not be responsible for the repair or replacement of any improvements made by the Developer or a new Unit Owner to this Limited Common Element area or areas whether in the course of maintenance of the Limited Common Elements or otherwise. The Unit Owner shall be authorized to lease the Gym Facility to a management company and receive compensation therefrom. Terms required in the lease shall include that members of the Association will be eligible for a discounted membership fee. Additionally, from their revenues, the management company will be required to keep the gym and fitness equipment maintained and keep attendants and/or trainers on staff. Lease of Gym Facility shall not require consent of the members of the Association.

(9) Laundry Rooms: The Laundry Rooms located on the 4th through PH2 level as shown on Exhibit A are Limited Common Elements assigned to Unit 1709. The Laundry Rooms may be reassigned and transferred to a different Unit (or to the Association, which assignment the Association shall be obligated to accept) by the Developer and the Developer may receive compensation in connection with such an assignment. The expense of maintenance and repair relating to these Limited Common Elements shall be considered a Common Expense, except that the Association shall not be responsible for utility charges (gas, electricity), the repair or replacement of any improvements made by the Developer, or his vendors, or a new Unit Owner to this Limited Common Element area or areas whether in the course of maintenance of the Limited Common Elements or otherwise.

(10) The Party Room and Fountain Bar: The Party room located above the Cafe and the Fountain Bar Located on the Pool Deck as shown on Exhibit A are Limited Common Elements assigned to the restaurant (Commercial Space 21). ~~The Party Room and Fountain Bar may be reassigned and transferred to a~~

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~~different Unit (or to the Association, which assignment the Association shall be obligated to accept) by the Developer and the Developer may receive compensation in connection with such an assignment.~~ The expense of maintenance and repair relating to these Limited Common Elements shall not be considered a Common Expense ~~except that and~~ the Association shall not be responsible for the repair or replacement of any improvements made by the Developer or a new Unit Owner to this Limited Common Element area or areas whether in the course of maintenance of the Limited Common Elements or otherwise. The Unit Owner shall be authorized to lease the use of these facilities. Leases of these facilities shall ~~not~~ require consent of the members of the ~~Board of Directors.~~ Association. The Fountain Bar is for the exclusive use of the Grandview Palace residents and their guests.

(11) Additional Indoor Parking: The Developer reserves the right to build additional indoor parking as an extension to the existing levels of the Main Building garage. The extension would be to the South of the existing garage, and would be on Association Property. Such additional parking would be used to directly offset parking spaces in the North Building that are reassigned to future residents of the North Tower or to accommodate additional parking requirements for contemplated Penthouse Units. These rights to construct and maintain additional parking improvements do not require the consent of the members of the Association. ~~To the extent that the new parking facility adds spaces that may be allocated to the Association's Limited Common Elements, the Developer reserves the right to be compensated for exclusive assignment rights to those spaces.~~

XIV. Insurance and Condemnation Provision

The Association shall use its best efforts to obtain and maintain adequate insurance to protect the Association, the Association property and the Condominium Property required to be insured by the Association pursuant to paragraph 14.02 below. This may take the form of commercial insurance at the lowest rate available, an insurance pool of related companies or self-insurance if and when the Association qualifies under Florida Statute 624.460-.488. A copy of each policy of insurance in effect shall be made available for inspection by Unit Owners at reasonable times.

The insurance, other than title insurance, which shall be carried upon the Condominium Property and property of the Unit Owners, shall be governed by the following provisions:

14.01 Liability Insurance: The Board of Administration of the Association shall obtain public liability and property damage insurance covering all of the Common Elements of the condominium, and insuring the Association and the Unit Owners, as its and their interests appear, in such amount as the Board of Administration of the Association may determine from time to time, provided that the minimum amount of coverage shall be \$100,000/\$300,000/\$10,000. Said insurance shall include, but not be limited to, water damage, legal liability, hired automobile, non-owned automobile, and off-premises employee coverages. All liability insurance shall contain a cross-liability endorsement to cover liabilities of the Unit Owners as a group to a Unit Owner. Premiums for payment of such insurance shall be paid by the Association and charged as a Common Expense.

14.02 Casualty Insurance: Purchase of Insurance: The Association shall obtain fire and extended coverage insurance and vandalism and malicious mischief insurance, insuring all of the insurable improvements within the Condominium, including personal property owned by the Association, in and for the interest of the Association and all Unit Owners and their mortgagees, as their interests may appear, from a company acceptable to the Board of

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Administration of the Association, in an amount equal to 80% of the replacement value, as determined annually by the Board of Directors Administration ~~with a deductible of no more than \$5,000 per occurrence~~. All hazard policies issued to protect the Condominium buildings shall provide that the word "building" wherever used in the policy shall include, but shall not necessarily be limited to, fixtures, installations or additions comprising that part of the building within the unfinished interior surfaces of the perimeter walls, floors and ceilings of the individual Units initially installed, or replacements thereof like kind or quality, in accordance with the original plans and specifications, or as existed at the time the Unit was initially conveyed if the original specifications are not available. However, the word "building" shall not include floor coverings, wall coverings or ceiling coverings or any personal property of individual owners. The premiums for such coverage and other expenses in connection with said insurance shall be paid by the Association and shall be charged as a Common Expense. The company or companies, with which the Association shall place its insurance coverage, as herein provided must be good and responsible companies. Owners are advised to obtain casualty insurance for loss or damage to interior surfaces of their Units or personal property resulting from fire, water, theft, vandalism, or other casualties.

14.03 Loss Payable Provision - All policies purchased by the Association shall be for the benefit of the Association only. Such policies shall be deposited with the condominium management selected by the Association's Board of Directors.

14.04 Distribution of Proceeds: Proceeds of insurance policies received by the Condominium shall be distributed in the following manner:

(1) Reconstruction or Repair: If the damage, for which the proceeds were paid, is to be repaired and restored, the proceeds shall be paid to defray the cost thereof. Any proceeds remaining after defraying such costs shall be retained by the Association and placed in the appropriate Reserves Account, or pooled reserves. Once all Reserve Accounts are fully funded to date, the Board may allocate any remaining funds to pay any association loans or current shortfalls in the operating account or to fund physical plant repairs or improvements. Any funds not so allocated shall be credited against unit owner maintenance dues.

(2) Failure to Reconstruct or Repair. If it is determined, in the manner herein provided that the damage for which the proceeds are paid shall not be repaired and restored, the proceeds shall be disbursed to the Beneficial Owners; remittance to Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by the same. Said remittance shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgage whose mortgage provides that it has the right to require application of the insurance proceeds to the payment of its mortgage debt. In the event of loss or damage to personal property belonging to the Association, and should the Board of Administration determine not to replace such personal property as may be lost or damaged, the proceeds shall be retained by the Association and placed in the Reserves Account.

14.05 Loss within a Single Unit. If loss shall occur within a single Unit without damage of the Common Elements, the insurance proceeds shall be distributed to the Beneficial Unit Owner with remittances to said Unit Owner and his mortgagee being payable jointly. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by the same; provided, however, such remittance shall be made solely to an Institutional First Mortgagee in the event its mortgage provides that it has the right to require application of the insurance proceeds to the payment or reduction of its mortgage debt. Upon the payment of such remittance, the Unit Owner shall be fully responsible for the restoration of his Unit.

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14.06 Loss Less Than "Very Substantial"; Where a loss or damage occurs to more than one Unit, to the Common Elements, or to any Unit or Units and the Common Elements, but said loss is less than "very substantial" (as hereinafter defined), it shall be obligatory upon the Association and the Unit Owners to repair or restore the damage caused by said loss.

(1) The Board of Administration shall promptly obtain reliable and detailed estimates of the cost of repairing and restoration.

(2) The insurance proceeds shall be endorsed by management over to the Association, and the Association shall promptly contract for the repair and restoration of the damage.

(3) If the net proceeds of the insurance are insufficient to pay for the estimated cost of restoration and repair (or for the actual cost thereof, if the work has actually been done), the Association shall promptly, upon determination of the deficiency, ~~first utilize available funds from the Hurricane Damage Reserve Account. If a deficiency still exists the Association shall~~ levy a special Assessment against all Unit Owners in proportion to the Unit Owners' share in the Common Elements, for that portion of the deficiency as is attributable to the cost of restoration of the Common Elements, and a Special Charge against the individual Unit Owners for that portion of the deficiency as is attributable to his individual Unit; provided, however, that if the Board of Administration finds that it cannot determine with reasonable certainty the portion of the deficiency attributable to a specific individual Unit which has been damaged, then the Board of Administration shall levy the Assessment for the total deficiency against all of the Unit Owners in proportion to the Unit Owners' share in the Common Elements, just as though all of said damage had occurred in the Common Elements. The Special Charge is fully enforceable in the manner of foreclosing a mortgage upon real property. The special Assessment funds and Special Charge funds shall be delivered by the Association to the Insurance Trustee and added, by said Trustee, to the proceeds available for the repair and restoration of the property.

(4) In the event the insurance proceeds are sufficient to pay for the cost of restoration and repair, or in the event the insurance proceeds are insufficient but additional funds are raised by special Assessment within ninety (90) days after the casualty, so that sufficient funds are on hand to fully pay for such restoration and repair, then no mortgagee shall have the right to require the application of insurance proceeds as to the payment of its loan; provided, however, this provision may be waived by the Board of Administration in favor of any Institutional First Mortgagee upon request therefore at any time. To the extent that any insurance proceeds are required to be paid over to such Mortgagee, the Unit Owner shall be obliged to replenish the funds so paid over.

14.07 "Very Substantial" Damage: As used in this Declaration, or any other context dealing with this Condominium, the term "very substantial" damage shall mean loss or damage whereby three-quarters (3/4) or more of the total unit space in any building comprising the Condominium Property is rendered untenable, or loss or damage whereby seventy-five (75%) percent or more of the total amount of insurance coverage on any of said buildings becomes payable. The Board of Administration shall promptly obtain reliable and detailed estimates of the cost of repair and restoration thereof. Should such "very substantial" damage occur, then:

(1) If such very substantial damage has occurred to the building, and in the absence of any determination to abandon the Condominium as herein provided, then all of the insurance proceeds payable on account of such very substantial

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damage to the building shall be held by the Management Company solely for the benefit of Unit Owners (and their mortgagees).

(2) Thereupon, a membership meeting shall be called by the Board of Administration, to be held not later than thirty (30) days after the casualty, to determine the wishes of the membership with reference to the abandonment of the Condominium subject to the following:

(a) If the net insurance proceeds available for restoration and repair, together with funds to be advanced by Unit Owners to replace insurance proceeds paid over to the Institutional First Mortgagees, are sufficient to cover the cost thereof so that no special Assessment is required, then the Condominium Property shall be restored and repaired unless three fourths (3/4) of the total votes of the members of the Condominium shall vote to abandon the Condominium in which case the Condominium Property shall be removed from the provisions of the law, in accordance with the statutes of the State of Florida.

(b) If the net insurance proceeds available for restoration and repair, together with funds to be advanced by Unit Owners to replace insurance proceeds paid over to the Institutional First Mortgagees, are not sufficient to cover the cost thereof so that a special Assessment will be required, as set forth above, then a vote will be taken of the membership of this Condominium to determine whether the Condominium should be abandoned. Said Assessment shall be made and the Condominium Property restored and repaired, unless two thirds (2/3) of the total votes of the members of this Condominium shall vote to abandon, the Association shall immediately levy such special Assessment.

(c) Unless it is determined to abandon the Condominium, the Association shall proceed to negotiate and contract for such repairs and restoration, subject to the provisions set forth above. The special Assessment funds shall be delivered by the Association to the management and added by management to the proceeds available for the repair and restoration of the Property. The proceeds shall be disbursed by management for the repair and restoration of the Property, as hereinabove provided. To the extent that any insurance proceeds are paid over to Institutional First Mortgagees, and in the event it is determined not to abandon the Condominium and to vote a special Assessment, the Unit owner shall be obliged to replenish the funds so paid over to his mortgagee, and said Unit Owner shall be liable to the Association for such sum.

(3) In the event any dispute shall arise as to whether or not "very substantial" damage has occurred, it is agreed that such a finding made by the Board of Administration shall be binding upon all Unit Owners (but not upon Institutional First mortgagees).

14.08 Surplus: It shall be presumed that the first monies disbursed in payment of costs of repair and restoration shall be from the insurance proceeds; and if there is a balance in the funds held by management after the payment of all costs of the repair and restoration, such balance may be retained as a reserve, or wholly by the Board of Administration, unless the Institutional First Mortgagee holding and owning the highest dollar indebtedness on Units in

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the Condominium Property requires management shall distribute such balance to the Beneficial Owners of the fund in accordance with each Unit's undivided interest in the Common Surplus of the Association. Once all Reserve Accounts are fully funded to date, the Board may allocate any remaining funds to pay any association loans or current shortfalls in the operating account or to fund physical plant repairs or improvements.

14.9 Plans and Specifications: Any repair and restoration must be substantially in accordance with the plans and specifications for the original building, or as the building was last constructed, or according to the plans approved by the Board of Administration, which approval shall not be unreasonably withheld. If any material or substantial change is contemplated, the approval of all Institutional First Mortgagees shall also be required.

14.10 Association's Power to Compromise Claim: The Association is hereby irrevocably appointed agent for each Unit Owner, for the purpose of compromising the settling claims arising under insurance policies purchased by the Association, and to execute and deliver releases therefore, upon the payment of claims.

14.11 Worker's Compensation policy to meet the requirements of law.

14.12 Such other insurance as the Board of Administration shall determine from time to time be desirable.

14.13 Each individual Unit Owner shall be responsible for purchasing at his own expense, liability insurance to cover accident occurring within his own Unit and/or to the interior surface of his Unit, and for purchasing insurance upon his own personal property, and living expense insurance.

14.14 Anything in this Article XIV to the contrary notwithstanding, an Institutional First Mortgagee shall always be entitled to receive, in reduction of its mortgage debt, that portion of insurance proceeds apportioned to its mortgaged Unit in the same share as the share in the Common Elements appurtenant to such Unit, in the event: (a) its mortgage is not in good standing and is in default; or, either (b) the insurance proceeds are not sufficient to complete restoration, reconstruction or repair and the Association has not made additional funds available for such purpose; or (c) it is determined to restore, repair or reconstruct the improvements in a manner or condition substantially different from that existing prior to the casualty and such Mortgagee has not consented in writing to such change or alteration.

14.15 Notwithstanding anything contained herein to the contrary, in the event a loss occurs which is determined to have been attributable to a particular Unit and such loss causes damage to the Common Elements and/or other Units within the Condominium, then the Unit Owner of the Unit to which the loss is attributable shall be liable for the entire expense of the insured's policy deductible, if any. In the event a loss occurs to the Common Elements and/or more than one (1) Unit within the Condominium and such loss cannot be determined to have emanated from any particular Unit, then all Unit Owners within the Condominium - in the event the damage is solely to the Common Elements or the owners of the Units so damaged in the event the loss involves more than one (1) Condominium Unit - shall bear the expense of the insured's policy deductible, if any, on a pro rata basis.

14.16 Condemnation:

(1) The taking of Condominium Property by condemnation shall be deemed to be a casualty and the awards for the taking shall be deemed to be proceeds from insurance on account of the casualty. Even though awards may be payable to Unit Owners, the Unit Owners shall deposit the awards with the Management Company.

(2) Determination Whether to Continue Condominium: Whether the

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

(3) Disbursement of Funds: If the Condominium is terminated after condemnation, the proceeds of the awards and special Assessments will be deemed to be Condominium Property and shall be owned and distributed in the manner provided for insurance proceeds if the Condominium is terminated after casualty. If the Condominium is not terminated after condemnation, the size of the Condominium will be reduced, the Owners of condemned Units will be made whole and the property damaged by the taking will be made usable in the manner provided below. The proceeds of the awards and special Assessments shall be used for these purposes and shall be disbursed in the manner provided for disbursement of funds by the Management Company after a casualty.

(4) Unit Reduced but Tenatable: If the taking reduces the size of a Unit and the remaining portion of the Unit can be made tenatable, the award for taking of a portion of the Unit shall be used for the following purposes in the order stated and the following changes shall be affected in the Condominium:

(a) Restoration of Unit: The Unit shall be made tenatable. If the cost of the restoration exceeds the amount of the award, the Owner of the Unit shall be obliged to pay such excess amount.

(b) Distribution of Surplus: The balance of the award, if any, shall be distributed to the Owner of the Unit and to each mortgagee of the Unit, the remittance being made payable jointly to the Owner and mortgagees in accordance with each Unit's undivided interest in the Common Surplus of the Association.

(c) Adjustment of Shares in Common Elements: If the floor area of the Unit is reduced by the taking, the number representing the share in the Common Elements appurtenant to the Unit shall be reduced by the proportion by which the floor area of the Unit is reduced by the taking, and then the share of all Unit Owners in the Common Elements shall be restated as percentages of the total of the numbers representing their original shares as reduced by the taking.

(5) Unit Made Untenatable: If the taking is of the entire Unit or so reduces the size of a Unit that it cannot be made tenatable, the award for the taking of the Unit shall be used for the following purpose in the order stated and the following changes shall be effected in the Condominium:

(a) Payment of Award: The award shall be paid first to all Institutional First Mortgagees in an amount sufficient to pay off their mortgages due from those Units which are not tenatable; and then jointly to the Unit Owners of Units not tenatable and their mortgagees in an amount equal to the market value of the Unit immediately prior to the taking and with credit being given for payments previously reserved for Institutional First Mortgagees; and the balance, if any, to repairing and replacing the Common Elements.

(b) Addition to Common Elements: The remaining portion of the Unit, if any, shall become part of the Common elements and shall

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be placed in condition for use by all of the Unit Owners in the manner approved by the Board of Administration; provided that if the cost of the Work shall exceed the balance of the fund from the award for the taking, the work shall be approved in the manner elsewhere required for further improvement of the Common Elements.

(c) Adjustment of Shares in Common Elements: The shares in the Common Elements appurtenant to the Units that continue as part of the Condominium shall be adjusted to distribute the ownership of the Common Elements among the reduced number of Unit Owners. This shall be done by restating the shares of continuing Unit Owners in the Common Elements as percentages of the total of the numbers representing the shares of these Owners as they exist prior to the adjustment.

(d) Assessments: If the amount of the award for the taking is not sufficient to pay the market value of the condemned Unit to the Owner and to condition the remaining portion of the Unit for use as part of the Common Elements, the additional funds required for those purposes shall be raised by Assessments against all of the Unit Owners who will continue as Owners of Units after the Changes in the Condominium affected by the taking. The Assessments shall be made in proportion to the shares of those Owners in the Common Elements after the Changes effected by the taking.

(e) Arbitration: If the market value of a Unit prior to the taking cannot be determined by agreement between the Unit Owner and mortgagees of the Unit and the Association within thirty (30) days after notice by either party, the value shall be determined by arbitration in accordance with the existing rules of the American Arbitration Association, except that the arbitrators shall be two (2) appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit; and a judgment of special performance upon the decision rendered by the arbitrators may be entered in any court of competent jurisdiction. The cost of arbitration proceedings shall be assessed against all Unit Owners in proportion to the shares of the Owners in the Common Elements as they exist prior to the changes effected by the taking.

(6) Taking of Common Elements: Awards for the taking of Common Elements shall be used to make the remaining portion of the Common Elements useable in the manner approved by the Board of Administration; provided that if the cost of the work shall exceed the balance of the funds from the awards for the taking, the work shall be approved in the manner elsewhere required for further improvement of the Common Elements. The balance of the awards for the taking of the Common Elements, if any, shall be distributed to the Unit Owners in the shares in which they own the Common Elements after adjustment of these shares on account of the condemnation. If there is a mortgage of a Unit, the distribution shall be paid jointly to the Owner and the mortgagees of the Unit.

(7) Amendment of Declaration: The changes in Units, in the Common Elements and in the ownership of the Common Elements that are affected by condemnation shall be evidenced by an amendment of this Declaration that

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need be approved by two thirds (2/3) of all Unit Owners whose ownership of the Common Elements are affected by such condemnation.

XV. Sale, Lease or Transfer

15.01 (a) In the event any Unit Owner wishes to sell or transfer his or her Unit, the Developer, or designee, shall have the first option to purchase said Unit for a period which shall be designated in the Contract for Purchase and Sale. A Unit Owner may enter into a Contract for Purchase and Sale with a third party subject to the Developer's first option. The Unit Owner shall deliver to the Developer a written notice of intent to sell along with the price and terms of an offer made by a third party. The Developer shall have the right to verify that the offer is legitimate and is at arm's length. Upon receipt of notice and information concerning the offer, the Developer shall have 15 days to notify the Unit Owner and Association that it intends to exercise its option to re-purchase the Unit. During the buyback period specified in the contract (up to five years) the Developer shall have the option to repurchase the Unit at the same price and terms offered by a third party or the Total Purchase Price specified in the Contract plus an increase of not less than three percent per year (as specified in the contract) prorated on a monthly basis, whichever price is less. Should the Developer choose to exercise its option to purchase the Unit, closing will be scheduled to occur within 60 days from the date that the Developer exercises its right.

15.01 (b) In the event any Unit Owner wishes to sell or transfer his Unit, after the Developer's buy-back rights have expired, the Association shall have the option to purchase said Unit, upon the same conditions as are offered by the Unit Owner to a third person. In the event any Unit Owner desires to lease his Unit, the Association shall have the right to approve the Lease. Any attempt to sell or lease said Unit without prior approval of the Association shall be deemed a breach of this Declaration, shall be wholly null and void, and shall confer no title or interest whatsoever upon any purchaser, tenant or lessee; provided however, any deed or lease may be validated by subsequent approval of the Association in the event of a sale or lease without prior approval as herein provided.

15.02 Should a Unit Owner wish to sell, lease or transfer his Unit, he shall deliver to the Board of Directors a written notice containing a copy of the executed purchase agreement between buyer and seller or lease agreement between landlord and tenant, which agreements shall be executed subject to the Board's waiver of its right of first refusal or consent to the sale, lease or transfer, as applicable. The Unit Owner shall also submit to the Board, within five (5) days from receipt of any request by the Board, any supplemental information as may be required by the Board.

15.03 The Board of Directors, within ten (10) days in the event of sale and 3 days in the event of lease after receiving such notice and such supplemental information as is required by the Board of Directors, shall either consent to the transaction specified in said notice, or by written notice to be delivered to the Unit Owner's Unit (or mailed to the place designated by the Unit Owner in his notice), refuse to consent to the Lease, or designate the Association, or one or more persons, other than Unit Owners, who are willing to purchase or lease upon the same terms as those specified in the Unit Owner's notice. The Board shall exercise its rights hereunder only for a valid reason that serves the best interest of the Association and its members. Approval or denial of tenants or owners is to include a criminal background and credit check, number of persons to occupy the unit, lease/sale form, and term of lease (if applicable). ~~The fee for background and credit check is \$35 per applicant.~~ The Association reserves the right to charge a fee for background and credit checks. A Unit Owner may obtain a written waiver from the Association in advance of offering a Unit for lease not to exceed 1 year.

15.04 In the case of a purchase, the stated designee of the Board of Directors shall have fourteen (14) days from the date of the notice sent by the Board of Directors within which to make a binding offer to purchase upon the same terms and conditions specified in the Unit

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Owner's notice. Thereupon, the Unit Owner shall accept such Offer or withdraw and/or reject the offer specified in his notice to the Board of Directors. Failure of the Board of Directors to designate such person(s) or failure of such person(s) to make such binding offer within the said fourteen (14) day period, shall be deemed consent by the Board of Directors to the transaction specified in the Unit Owner's notice, and the Unit Owner shall be free to make or accept the offer specified in his notice, and sell said interest pursuant thereto to the prospective purchaser named therein in accordance with the agreement submitted to the Association.

15.05 in the event the sale, lease or transfer to a third party is approved by the Board of Directors but is not ultimately consummated or the Unit Owner withdraws his offer to the Association or rejects the offer of the stated designee of the Association, the Unit Owner may not sell, lease or transfer his Unit without further complying with the terms and conditions of this Section 15.

15.06 The consent of the Board of Directors shall be in proper recordable form, signed by an officer of the Association and shall be delivered to the purchaser or lessee. Should the Board of Directors fail to act, as herein set forth, and within the time provided herein, the Board of Directors shall, nevertheless, thereafter prepare and deliver its written approval in proper recordable form, as aforesaid, and no conveyance of title or interest whatsoever shall be deemed valid without the consent of the Board of Directors as herein set forth.

15.07 The Association shall have the right to require that a substantially uniform form of purchase agreement or lease be used. All leases must be for a term of six (6) months or longer.

15.08 If a corporate entity is the owner of a Unit, it may designate the occupants of the Units as it desires and for such period of time as it desires without compliance with the provisions of this Section 15. The foregoing shall not be deemed an assignment or subleasing of a Unit.

15.09 No fee shall be charged in connection with the proposed transfer or approval in excess of the reasonable expenditures allowed by law, ~~reasonably required for background check-credit report~~ expenses which shall not exceed ~~One Hundred (\$100.00) Dollars~~ per applicant, other than a husband/wife or parent/dependent child which are considered one applicant. The Association may require that a prospective lessee pay a security deposit, in an amount not to exceed the equivalent of one month's rent, into an escrow account maintained by the Association. The security deposit shall protect against damages to the Common Elements or Association property. Payment of interest, claims against the deposit, refunds and disputes under this paragraph shall be handled in the same fashion as provided in Part II of Chapter 83, Florida Statutes.

15.10 Anything in this Section t 5 to the contrary notwithstanding, should any Condominium Unit or Parcel at any time become subject to an Institutional First Mortgage, the holder thereof, upon becoming the owner of said Condominium Parcel through foreclosure, deed in lieu of foreclosure, or other means, shall have the unqualified right to take title without prior offer to the Board of Directors, however, an Institutional First Mortgagee must provide advance notice to the Association of any such taking.

15.11 The provisions of this Section with regard to sale shall not be applicable to the Developer which is irrevocably empowered to sell or lease Units to any purchasers or tenants. The said Developer shall have the right to transact any business necessary to consummate sales and leases of said Units, including, but not limited to, the right to maintain model Units, have signs, employees in the offices, use the Common Elements and show Units. Sales offices, signs and all items pertaining to sales and leasing shall not be considered Common Elements and shall remain the property of the Developer.

15.12 The foregoing provisions of this Section shall not apply to transfer by a Unit

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Owner to any member of his immediate family (i.e., spouse, children or parents); or if a parcel is owned by a form of co-tenancy, to transfers from one tenant to the other co-tenant.

15.13 No judicial sale of a parcel or any interest therein shall be valid unless: (1) The sale is to a purchaser approved by the Association, which approval shall be in recordable form, executed by two (2) officers of the Association, and delivered to the purchaser; or (2) The sale is a result of a public sale with open bidding after the Unit is offered to, but not accepted by the Developer or Association under the terms offered.

15.14 The Board of Directors of the Association shall have the right to withhold consent and approval of prospective Unit Owners or lessees to any sale, lease, transfer or otherwise in the event those prospective Unit Owners or lessees by being such a Unit Owner or lessee would automatically violate or breach a term, condition, restriction, rule or regulation or covenant under this Declaration or Exhibits hereto, or in the event the seller, the lessor or transferor is in violation or breach of any term, condition, restriction, rule or regulation or covenant under this Declaration or Exhibits hereto.

15.15 Each tenant shall be governed by and shall comply with the provisions of the Condominium Act, the Declaration, the documents creating the Association and the Association By-Laws, and the provisions thereof shall be deemed expressly incorporated into any lease of a Unit.

15.16 All leases shall be deemed to include a clause requiring the tenant to comply with all terms and conditions of the Condominium Documents and shall include a copy of the current Rules and Regulations. Association management shall inform the Board of Directors when tenant damage or disturbances continue despite notice to the unit owner such that tenant removal should be considered. Association management shall have the authority, upon unanimous Board approval, to employ an attorney to evict tenants of owners, if the tenant has a history of repeated violations which remain uncorrected and which result in property damage or degradation, significant disturbance to others, or material negative impact on the common good. Any such removals would occur after at least two warnings to the unit owner and would be done at the owner's expense.

15.17 If an Owner leases his Unit, the Owner gives up his right to use the recreational facilities while his Unit is leased.

15.18 All Purchasers of Condominium Units re-sold at Grandview Palace shall be required to make a one-time contribution payable to the Association. The contribution shall be a sum equal to 2 months of condo fees and shall fund capital reserves. The developer or association after turnover shall continue to dedicate the 2-month sum collected at the initial sale of condominiums towards capital reserves.

15.19 All purchasers of condominiums after January 15th, 2005 to have not less than 4% equity in the purchase price of any residential condominium at Grandview Palace.

XVI. Liens

16.01 Subsequent to recording the Declaration and while the property remains subject to the Declaration, no liens of any nature are valid against the Condominium Property as a whole, except with the unanimous consent of the Unit Owners. During this period, liens may arise or be created only against individual Condominium Parcels.

16.02 Labor performed or materials furnished to a Unit shall not be the basis for the filing of a lien pursuant to the Mechanics' Lien Law against the Unit or Condominium Parcel of any Unit Owner not expressly consenting to or requesting the labor or materials. Labor performed or materials furnished to the Common Elements are not the basis for a lien on the Common Elements, but if authorized by the Association, the labor or materials are deemed to

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be performed or furnished with the express consent of each Unit Owner and may be the basis for the filing of a lien against all Condominium Parcels in the proportions for which the Owners are liable for Common Expenses.

16.03 If a lien against two (2) or more Condominium Parcels becomes effective, each Owner may relieve his Condominium Parcel of the lien exercising any of the rights of a property owner under F.S., Chapter 718, or by payment of the proportionate amount attributable to his Condominium Parcel. Upon the payment, the lienor shall release the lien of record for that Condominium Parcel.

XVII. Remedies of the Association

17.01 All rights, remedies or relief of whatsoever nature or kind provided in favor of the Association in this Declaration, Exhibits hereto, Rules and Regulations promulgated by the Board of Administration, and the Condominium Act shall be cumulative and non-exclusive and none shall exclude, jointly or severally, any other right, remedy or relief permitted by law or otherwise available to the Association.

17.02 Failure by the Association to enforce or declare a violation of the terms and conditions of this Declaration, Exhibits hereto. Rules and Regulations promulgated by the Board of Administration, or the Condominium Act upon occurrence thereof or any delay in taking any action in connection therewith shall not be considered a waiver of such violation and any express waiver of such violation (which must be in writing to be effective) shall not be considered a continuing waiver and upon any subsequent violation, the Association shall not be deemed to have waived its rights to declare such violation and exercise concurrently or severally any rights, remedies or relief the Association may have.

XVIII. The Association

18.01 The document creating the Association is attached hereto and made a part hereof as Exhibit "C." The operation of the Condominium Property shall be governed by the By-Laws of the Association, a copy of which are attached hereto and made a part hereof as Exhibit "D." The By-Laws may be modified or amended as provided therein. No amendment to said By-Laws shall be adopted which would affect or impair the validity or priority of any mortgage covering any Condominium Parcel. Defects or omissions in the By-Laws shall not affect the validity of the Condominium or the title to Condominium Units.

18.02 The operation of the Condominium shall be by the Association, which must be a corporation not for profit. The Owners of Units shall be members of the Association in accordance with the Articles of Incorporation and By-Laws. The officers and directors of the Association have a fiduciary relationship to the Unit Owners in accordance with the Articles of Incorporation and By-Laws.

18.03 The Association may contract, sue or be sued with respect to the exercise or non-exercise of its powers. For these purposes, the powers of the Association include, but are not limited to, the maintenance, management and operation of the Condominium Property. After control of the Association is obtained by Unit Owners, other than the Developer, the Association may institute, maintain, settle or appeal actions or hearings in its name on behalf of all Unit Owners concerning matters of common interest, including, but not limited to, the Common Elements, the roof and structural components of a building or other improvements, mechanical, electrical and plumbing elements serving an improvement or a building, representations of the Developer pertaining to any existing or proposed commonly used facilities, and protesting ad valorem taxes on commonly used facilities. The Association has the authority to maintain a class action; the Association may be joined in an action as representative of that class with reference to litigation and disputes involving the matters for which the Association could bring a class action. Nothing herein limits any statutory or common law right of any individual Unit Owner or class of Unit Owners to bring any action

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which may otherwise be available.

18.04 A Unit Owner does not have any authority to act for the Association by reason of being a Unit Owner.

18.05 The powers and duties of the Association include those set forth in this section and those set forth in the Declaration and By-Laws if not inconsistent with this Declaration and the law.

18.06 The Association has the irrevocable right to have access to each Unit during reasonable hours when necessary for the maintenance, repair or replacement of any Common Elements, or of making emergency repairs necessary to prevent damage to the Common Elements or to another Unit or Units.

18.07 The Association has the power to make and collect Assessments, and to lease, maintain, repair and replace the Common Elements.

18.08 The Association shall maintain accounting records for the Condominium according to good accounting practices. The records shall be open to inspection by Unit Owners or their authorized representatives at reasonable times.

18.09 The Association has the power to purchase Units in the Condominium and to acquire and hold, lease mortgage and convey them.

18.10 The Association shall use its best efforts to obtain and maintain adequate insurance to protect the Association.

18.11 The Association has the authority, without the joinder of any Unit Owner, to modify or move any easement for ingress or egress or for the purposes of utilities or New Construction if the easement constitutes part of or crosses the Condominium Property. This subsection does not authorize the Association to modify or move any easement created in whole or in part for the use or benefit of anyone, other than the Unit Owners, without their consent or approval as required by law or the approval as required by law or the instrument creating the easement.

18.12 Maintenance and repair of the Common Elements, except as otherwise provided herein, is the responsibility of the Association.

18.13 The Association may acquire, convey, lease or mortgage Association real property upon the approval of fifty (50%) percent of the total voting interests in the Association.

XIX. Membership in Association

19.01 The Association was created to perform the acts and duties of the management of the Units and Common Elements defined and described in this Declaration, and to levy and enforce collection of Assessments necessary to perform said acts and duties.

19.02 All Unit Owners shall automatically be members of the Association, and said membership shall terminate when they no longer own said Units.

XX. Common Expenses and Common surplus

20.01 Common Expenses include the expenses of the operation, maintenance, repair or replacement of the Common Elements, utilities for the entire Condominium, costs of carrying out the powers and duties of the Association and any other expense designated as Common Expenses by this Declaration, the documents creating the Condominium, or the By-Laws.

20.02 Funds for the payment of Common Expenses shall be assessed against Unit Owners in the proportions or percentages provided in the Declaration. A Unit Owner's share of

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Common Expenses shall be in the same proportion as his ownership interest in the Common Elements.

20.03 Common Surplus is owned by Unit Owners in the same shares as their ownership interest in the Common Elements.

20.04 The cost of a master antenna television system or duly franchised cable television service supplied pursuant to a bulk contract shall be deemed a Common Expense in accordance with Section 718.115 of the Florida Statutes.

XXI. Assessments; Liabilities; Lien and Priority; Interest Collection

21.01 A Unit Owner, regardless of how title is acquired, including a purchaser at a judicial sale, shall be liable for all Assessments coming due while he is the Unit Owner. In a voluntary conveyance, the grantee shall be jointly and severally liable with the grantor for all unpaid Assessments against the grantor for his share of the Common Expenses up to the time of the conveyance, without prejudice to any right the grantee may have to recover from the grantor the amounts paid by the grantee.

21.02 The liability for Assessments may not be avoided by waiver of the use or enjoyment of any Common Elements or by abandonment of the Unit for which the Assessments are made.

21.03 Assessments and installments on them not paid when due bear interest from the date when due until paid at the maximum interest rate permitted by law, and at the sole discretion of the Board of Administration, a late charge not to exceed the greater of Twenty Five dollars (\$25.00) or five (5%) percent of each installment of the Assessment for each delinquent installment that the payment is late shall be due and payable.

21.04 Liens

(1) The Association shall have a lien on each Condominium Parcel for unpaid Assessments, with interest and for reasonable attorneys' fees incurred by the Association incident to the collection of the Assessment or enforcement of the lien. The lien is effective from and after recording a claim of lien in the Public Records in the County in which the Condominium Parcel is located. No such lien shall continue for a longer period than one (1) year after the claim of lien has been recorded unless within that time an action to enforce the lien is commenced in a court of competent jurisdiction.

(2) In the event a Unit Owner is thirty (30) days or more late in the payment of any Assessment due to the Association from the Unit Owner of whatsoever nature or kind, the Board of Administration in its sole discretion may accelerate the subsequent installments and other known Assessments for the subsequent quarter, and such installments. Assessments may be included in the liens set forth herein. No acceleration beyond a quarterly installment shall be made without simultaneously filing a claim of lien. Notice of any claim of lien filed by the Association or its authorized agent, if any, shall contain the full amount due the Association (whether upon an accelerated basis or not) at the time of filing such claim of lien. In the event a Unit Owner enters a new fiscal year being thirty (30) days or more in default of payment of any installment. Assessment due during any previous fiscal year, the Board of Administration may accelerate all then known remaining monthly installments for Assessment, Special Assessments which are due for the subsequent quarter of the fiscal year in which the Association is entering.

(3) Subject to the provisions of Article 21.06 hereof, the lien for Assessment shall

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be subordinate and inferior to the lien of any First Mortgagee recorded prior to the recording of the claim of lien of the Association regardless of when said Assessment was due, but shall not be subordinate and inferior to the lien of any other mortgage or lien of whatsoever nature or kind.

21.05 Foreclosures

(1) The Association may bring an action in its name to foreclose a lien for Assessments in the manner a mortgage of real property is foreclosed and may also bring an action to recover a money judgment for the unpaid Assessments without waiving any claim of lien. The remedies provided herein shall be non-exclusive and cumulative and shall not exclude any other remedy available to the Association by this Declaration, law or otherwise.

(2) If the Unit Owner remains in possession of the Unit and the claim of lien is foreclosed, and if ordered by the Court, the Unit Owner shall pay a reasonable rental for the Unit and the Association is entitled to the appointment of a receiver to collect the rent.

(3) The Association has the power to purchase the Condominium Parcel at the foreclosure sale and to hold, lease, mortgage and convey it.

21.06 The liability of a first mortgagee or its successors or assignees who acquire title to a Unit by foreclosure or by deed in lieu of foreclosure for the unpaid assessments that became due prior to the mortgagee's acquisition of title is limited as set forth in Section 718.116, Florida Statutes 1994. Notwithstanding anything contained in this Declaration to the contrary, future amendments to the Condominium Act regarding the liability provided for herein shall not be incorporated by reference in this Declaration.

21.07 No person may acquire an interest in a Unit, except through foreclosure of a mortgage of record or by acceptance of a deed in lieu of foreclosure, as specifically provided herein, including, without limitation, persons acquiring title by operation of law and purchasers at judicial sales until such time as all unpaid Assessments due and owing by the former Unit Owner have been paid.

21.08 Any Unit Owner has the right to require from the Association a certificate showing the amount of unpaid Assessments against him with respect to his Condominium Parcel. The holder of a mortgage or other Hen of record has the same right as to any Condominium Parcel upon which he has a lien.

21.09 No Unit Owner may be excused from the payment of his share of the Common Expenses of a Condominium unless all Unit Owners are likewise proportionately excused from payment, except as provided in Article 21.06 and except that the Developer may be excused from the payment of its share of the Common Expenses while its guarantee is in effect.

21.10 Assessments shall include, but not be limited to, monthly condominium assessments, fines and damages and those charges against Unit Owners provided in Article IX of the Bylaws, as well as this Declaration, Exhibits hereto and the Condominium Act.

21.11 The person acquiring title shall pay the amount owed to the Association within thirty days after transfer of title. Failure to pay the full amount when due shall entitle the Association to record a claim of lean against the Parcel and proceed in the same manner as provided in this Section 21.01 for the collection of unpaid Assessments.

XXII. Obligations and Restrictions of Members and Owners

In addition to the other obligations and duties heretofore set forth in this Declaration, every Unit Owner shall:

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(1) Conform to and abide by the Bylaws and uniform rules and regulations in regard to the use of the Unit and Common Elements which may be adopted in writing from time to time by the Association, and to see that all persons using the Owner's property, by, through or under him do likewise. Complaints regarding the service of the Condominium shall be made in writing to the Association.

(2) Promptly pay all Assessments levied by the Association. Make payments of monthly assessments at the office of the Association or as designated by the Association. Regular assessments are due on the first (1st) day of each month. If such payments are ten (10) days or more late, they must be accompanied by \$20 late fee. Assessments not paid 60 days after due shall accrue interest at 1 % per month. Additional \$20 late fees shall be assessed each month for outstanding balances in excess of \$21.

(3) Employees of the Association shall not be sent out of the building by any Unit Owner at any time for any purpose. No Unit Owner or resident shall direct, supervise or in any manner attempt to assert any control over the employees of the Association. Owners may not hire or accept the services of employees of the association for work in their residences on non-common area repairs during hours when the employee is being paid by the association. In no event shall the Association be liable for damages caused by an employee, unsatisfactory work performed by the employee, or personal injury to an employee or owner as a consequence of that employee doing work on a resident's private property.

(4) Unit Owners are responsible for any damages to the Association Property, the Common Elements or Limited Common Elements caused by themselves, their family, guests, invitees, servants, lessees and persons who are on the Property because of such Unit Owner.

(5) The Unit Owner shall pay for any utilities that are separately metered to his Unit.

(6) No sign, advertisement, notice or other lettering shall be exhibited, displayed, inscribed painted or affixed in, on or upon any exterior part of a Condominium Unit or any part of Association, Residential or Commercial Condominium property by any Unit Owner or occupant without written permission of the Association or as otherwise provided in the Declaration.

(7) In the event any owner or tenant causes a disturbance, destruction to the building, or creates a nuisance, the owner of the unit causing the disturbance or nuisance will be fined \$100 per occurrence until cured up to the maximum allowed by Chapter 718. A fine of \$100 per occurrence will also be charged to any owner or tenant who attempts or abuses an employee, or attempts to prevent the employee from performing their job responsibility.

Use of Unit

(7) The Unit may not be used for any purpose that violates any laws, ordinances and regulations of any governmental body having jurisdiction thereof. The Condominium Unit shall be used solely for purposes consistent with applicable zoning laws. No trade, business, profession or other type of commercial activity may be conducted in or from any Residential Condominium Unit.

(8) Maintain in a clean and sanitary manner and repair his Unit and all interior

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surfaces within or surrounding his Unit (such as the surfaces of the walls, ceilings, floors, etc.) whether or not a part of the Unit or Common Elements which are a part of the Unit, and maintain and repair the fixtures therein and pay for any utilities which are separately metered to his Unit. Only non-vented dryers are permitted for use in Condominium units. The Association will be responsible for repairs to sliding and fixed glass door frames and glass excepting damage to glass or frames caused by unit owners or their guests. The Association will also be responsible for exterior painting of door frames. When exterior painting of balcony doors is performed by the Association, the Association will remove existing weather stripping and install rubber adhesive backed weather stripping upon completion of the paint job. Unit owners will be responsible for maintenance and repairs to door locks, handles, track surfaces, door rollers, and weather stripping.

(9) The Association may retain a pass-key to all Units. In lieu of a pass-key, the Association shall have a duplicate key. Except in the case of emergency, entry will only be made after pre-arrangement with the respective Unit Owner or the occupant of the Condominium Unit. The agents of the Association and any contractor or workman authorized by the Association may enter any Unit at any reasonable hour of the day for any purpose permitted under the terms of the Declaration of Condominium or Bylaws of the Association. In the event the Unit Owner fails to supply either a pass-key or duplicate key, and it is necessary for the Association to enter in accordance with the Declaration, or Bylaws, the Association shall not be responsible for any costs or expenses incidental to a forced entry into the Unit. Nothing herein shall relieve the Association or its duty of ordinary care in carrying out its responsibilities, nor from its negligence or willful activities that caused damage to a Unit Owner's property.

(10) Not permit or suffer anything to be done or kept in his Unit which would increase the insurance rates on his Unit of the Common Elements, or which will obstruct or interfere with the rights of other members or annoy them with unreasonable noises or otherwise; nor shall a member commit or permit any nuisance, immoral or illegal act in his Unit or on the Common Elements. No construction work is permitted on balconies or patios at anytime, unless said work is being performed for the balcony. All other work shall be performed inside the unit.

(11) The Association must receive written notification from the Unit Owner at least three business days (excluding Saturdays, Sundays, and legal holidays) prior to placing a Unit on the market for sale or Lease. A penalty of \$100 per month, or part thereof, shall be assessed to unit owners who lease to a tenant without first receiving written authorization from the Board. An additional \$100 penalty shall be imposed for every month an unauthorized tenant resides in the unit. The Board shall be under no obligation to authorize a tenant who was not presented to the Board prior to occupying the unit. ~~The developer shall be exempt from this penalty, since the developer is entitled to lease unsold units without Board consent.~~

Additionally, lock boxes shall not be permitted on Unit doors or in common areas of the Association. Lock boxes will be removed and disposed of when found. Owners may give management written authorization for their realtor to show their condominium, in which case management will obtain a release of liability form from the owner ~~and allow the Security desk to hold a copy of the key to be issued to the designated realtor only.~~

A penalty of \$100 per week following written notice shall be assessed for failure

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to provide the Association with a duplicate key to enter the unit in case of emergencies.

(12) Water closets, faucets, and other water apparatus and plumbing facilities on the Association Property, shall not be used for any purpose other than those for which they were constructed. Any damages resulting from misuse of any of such items in the Condominium Unit or elsewhere shall be paid for by the Unit Owner in whose Unit it shall have been caused or by the Unit Owner whose family, guest, invitee, servant, lessee or other person who is on the Condominium Property pursuant to the request of the Unit Owner shall have caused such damage.

(13) The type, color and design of chairs and other items of furniture and furnishings that may be placed on balconies shall be determined by the Board or Directors.

(14) Allow the Board of Director or the agents and employees of the Association to enter any Unit for the purposed of maintenance, repair, or replacement of any Common Elements or building system or for making emergency repairs which are necessary to mitigate or prevent damage to the Common Elements or to another Unit or Units. Each Unit owner shall pay the Association for said maintenance or repairs.

(15) Nothing, including, but not limited to, decorations, radio or television aerials or antennas, signs, notices or advertisements, awnings, curtains, shades, window guards, light reflective materials, hurricane or storm shutters, ventilators, fans or air conditioning devices, or other items shall be attached or affixed to the exterior of any Unit or balcony or exposed on or projected out or any window, door or balcony of any Unit without the prior written consent of the Association. The consent of the Association to all of any of the above may be withheld or purely aesthetic grounds within the sole discretion of the Board of Directors. Charcoal and gas grills ~~and other outdoor cooking equipment~~ are prohibited on all balconies, ~~but not fourth floor patios~~. Electric grills only are allowed on all balconies and patios (4th floor). Satellite dishes are required to be anchored to a planter or any removable material, which can be removed during a storm (hurricane). Satellite dishes in case of storms may not be secured to balcony railings and may not be attached to concrete with bolts or any manner that compromises the surface of the concrete. In no event may a satellite dish project beyond the exterior plane of the building or extend above the height of the balcony railing or patio wall. Failure to comply with these satellite dish installation requirements will result in an initial fine of \$100, and an additional \$100 fine per month of non-compliance beginning one week after delivery of written notice.

(16) No inflammable, combustible or explosive fluid, chemical or substance shall be kept in any Unit or Limited Common Element assigned thereto or storage area, except such as are required for normal household use. The use of fireworks is prohibited on the premises and a fine of \$100 will be incurred by discharging a firework of any kind.

(17) Abide by any regulations regarding children as may be established by the Association, except that no regulations shall prohibit children from residing in or occupying a Unit.

(18) Rugs, mats, decorations, etc. may not be placed outside Condominium Unit entrance doors.

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(19) Before a unit is to be occupied by a guest in the absence of the resident, a written identification notice, listing names and length of stay, must be furnished to the building manager.

Alterations & Repairs

(20) Make no alteration, decoration, repair, replacement or change of the Common Elements or to any outside or exterior portion of the building without the prior written consent of the Association. The accepted specifications for hurricane protection shall be: 1. Impact glass meeting current Miami-Dade County requirements with glass and frames that visually match existing glass and frames as viewed from the exterior. 2. Window laminate (film) installed by a licensed contractor, designed to withstand over 130 MPH wind, and to prevent shattering when struck by small and large projectiles. Film may be tinted for UV protection and heat reduction, however may not be reflective. 3. Rolladen extruded aluminum Rollshutter with white low profile hood, or 4. Armor screen material or acceptable Board approved equivalent, installed by a licensed contractor who scans balconies for rebar and cables so as to avoid structural damage when installing tie-down bolts. All other forms of hurricane protection including wood, metal, or fiberglass panel, or accordion, shall not be acceptable on residential units. Commercial units may use wood, metal, or fiberglass panel shutters, however shutters must be removed within 72 hours of the end of a tropical storm or hurricane advisory for North Bay Village. This provision does not require unit owners to install hurricane protection.

(21) Make no repairs to any plumbing, air conditioning systems or electrical wiring within a Unit, except by plumbers, repairmen or electricians authorized to do such work by the management of the Association. Plumbing, air conditioning and electrical repairs within a Unit shall be paid for and be the financial obligation of the Owner of the Unit. The Association shall pay for and be responsible for plumbing, air conditioning repairs and electrical wiring within the Common Elements. The Association shall have the right to exclude any unauthorized repairmen from the Condominium, except those of the Developer; however developer shall be responsible for any damage done to other units or the Association property resulting from said alterations or improvements.

(22) Not replace and/or remove screens, жалousies or other enclosures on balconies, patios or terraces or on other parts of the building, even though such areas may be Limited Common Elements, except with prior written approval of the Board of Administration.

(23) Make no major alterations of a unit including but not limited to, ceiling or wall alterations other than painting, flooring installation of any kind other than carpeting, alterations to electrical, sprinkler system, TCI panel, or plumbing, kitchen cabinet replacement (excluding doors only), and alterations to patio, balcony, windows, doors (including hurricane protection installation), without first receiving written authorization from the Board of Directors. All applications for interior alternations shall be submitted to the Board using the "Application for Association Approval of Condominium Construction Form" attached to the Declaration Schedule 14. Initiation of construction or interior alterations without prior written approval from the Board of Directors shall result in a \$ 200 fine per occurrence. An occurrence shall be defined as a single trade for a single project, by a single contractor. Contractors for Unit Owners will be required to register with Security each day and shall coordinate parking with Security be required to park on the South parking lot. Materials in excess of 100 Lbs. shall be moved using the freight elevator on the South lot. ~~The developer shall not be~~

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~~required to apply for Association approval to make alterations or improvements to units owned by the developer.~~

(24) Except as otherwise provided herein, shall not divide or subdivide a Unit for purpose of sale or lease, except that a Unit may be combined with a contiguous Unit and occupied as one dwelling Unit.

(25) Do not hang any laundry, garments or other Objects that are visible from outside of the Unit, except for draperies, blinds, shades or other suitable window coverings. Decorative window coverings shall not include any type of reflective film on any glass windows or doors. The exterior appearance of all window coverings shall be white in color. Window treatments shall be white on the surface facing the exterior.

(26) No ceramic tile, stone tile, or wood flooring may be installed in the interior of a Condominium Unit except in the Kitchen, bathroom(s), and foyer, without sound-proofing material meeting standards set by the Board of Directors.

(27) The type color and design of tile or other surface material that may be used on Balconies must be approved in advance by the Board of Directors of the Association.

(28) The hours of work by independent contractors, ~~excluding those of the Developer,~~ shall be limited Monday to Friday 9 AM to 4:45 PM, Saturday 8AM to 8PM, and Sunday 10AM to 6PM. Hallways may not be used by tradesmen or workers of any craft, to store, size or cut any material or object of any kind. All such work and any related clean-up work must be accomplished within the unit.

(29) Moving furniture and machinery through the lobby level is prohibited. The freight elevator on the South side of the garage shall be used to move furniture and machinery to the second floor of the garage. Furniture and machinery may then be loaded on to the freight elevator on the G2 level. Moving construction or demolition materials that surpass one elevator load must also be moved in and out of the building using only the freight elevator. All use of the freight elevator must be scheduled in advance with the Association. Elevator schedules are on a reserved basis only, Monday-Friday beginning at 9 am and ending at 4:45 5 pm ~~and Saturday and Sunday (excepting holidays) between the hours of 9:30 AM and 6:30 PM.~~ You must make arrangements moving furniture or household goods in and out of the building at least 24 hours prior to delivery date subject to availability of elevator. Elevator usage will be denied after 5 pm whether or not moving is complete.

(30) The exterior of the Condominium Units and all other exterior areas appurtenant to a Condominium Unit, including, but not limited to, balcony walls, railings, ceilings or doors, shall not be painted other than white, decorated or modified by a Unit Owner in any manner without the prior consent of the Association.

Pets

(31) Pets may be kept in a Unit but only so long as they remain quiet and do not regularly disturb other occupants or damage the property in any way; feces left on the grounds of the Property shall be considered damage. No pet shall be allowed to commit a nuisance in any public portion of the Condominium building or grounds. The term "pets" shall be limited to, cats, dogs under 20 10 Lbs. and also less than 12" high and 18" long (excluding tail), birds and tropical

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fish. All other animals are expressly forbidden. No more than two (2) pets are allowed per Unit, tropical fish excluded. Only one dog is permitted per condominium. A single dog less than 20 40 Lbs. is permitted for unit owners. Beginning February 5, 2004, owners, including the developer, shall not be permitted to lease their unit to a new tenant with a dog of any size. Dogs of all owners must be registered in the management office of the association by March 15, 2004. A registration fee of \$100 and a current photograph of the dog is required. Dogs not registered by March 15th may not remain on the premises. Dogs under 20 Lbs. who are properly registered with the association before March 15, 2004 will be considered grand fathered, and will be entitled to remain in the property so long as they do not create a nuisance as described above. A grand fathered dog may only be replaced only by a dog that meets the new limitations of size and weight. The fine for keeping an unregistered dog on the premises shall be \$50 per day until cured, up to \$1000.

Pets are not allowed on the balcony of a Unit unless the Unit owner is present. No pets are permitted in the lobby or the pool area and must be carried in the Pets are not allowed on the balcony of a Unit unless the Unit owner is present. No pets are permitted in the lobby or the pool area, and must be carried in the elevators. Pets which violate the above conditions must be removed from the property within 10 days of Notice or their owner will be fined until said removal.

Standards of Behavior

(32) The sidewalk, entrances, passages, elevators, vestibules, stairways, corridors, halls and all of the Common Elements of the Association Property must not be obstructed or encumbered or used for any purpose other than ingress and egress, to and from the premises; nor shall any carriages, bicycles, shopping carts, chairs, benches, tables or any other object of a similar type and nature be stored therein. No garbage cans, supplies, milk bottles or other articles shall be placed in the halls, on the balconies, or on the staircase landings, nor shall any linens, cloths, clothing, curtains, rugs, mops or laundry of any kind, or other articles, be shaken or hung from any of the windows, doors or balconies, or exposed on any part of the Common Elements or the Association Property. Fire exits shall not be obstructed in any manner, and the Common Elements and the Association Property shall be kept free and clear of rubbish.

(33) No cigarettes or other objects may be dropped off a balcony. A fine will be assessed to the owner of the Unit each instance an item is dropped off the balcony of that Unit. A fine of \$50.00 (fifty dollars) for first offences, and \$100.00 (one hundred dollars) for subsequent offenses will be enforced. No Owner shall sweep or throw from the premises any dirt, cigarettes, or other substance into any of the corridors, halls or balconies, elevators, ventilators, or elsewhere in the building or upon the grounds. Washing of balconies and watering plants is not permitted where water or cleaning solutions run over the edge of the balcony.

(34) Food and beverages may not be consumed outside of a Unit, except in such areas as are designated by the Board of Directors of the Association. Alcoholic beverages may not be taken to or consumed on the Common Elements or Limited Common Elements. ~~without proper licensing and permits.~~

(35) Children shall not play or loiter in halls, stairways, elevators or other public areas.

(36) Smoking in hallways and elevators and all other interior common Elements or Limited Common Elements is prohibited.

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(37) No Unit Owner shall make or permit any disturbing noises in the building by himself, his family, servants, employees, agents, visitors and licensees, nor do or permit anything by such persons that will interfere with the rights, comfort or convenience of the Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or operate or suffer to be operated a phonograph, television, radio or sound amplifier in his Unit in such a manner as to disturb or annoy other occupants of the condominium. All residential parties shall lower the volume as to the foregoing after 11:00 p.m. of each day. No Unit Owner shall conduct or permit to be conducted vocal or instrumental instruction at any time.

(38) The gym and lounge facility are restricted to Condominium Association members paying members of the Palace Gym, and patrons of the Cafe. No smoking is permitted in the gym or lounge facility. The gym and lounge facility shall be locked when an attendant is not on duty. Unit owners will be responsible for any damage done to this facility by unit occupants or guests.

Access & Security

(39) All doors leading from the building to the outside or from the garages into the elevator lobbies or stairways or the Condominium building shall be closed at all times and shall not be blocked open. Each resident is responsible for locking doors that should be locked, and for observing security regulations. In addition, all residents are required to use their access key when entering building.

(40) No solicitors are to be permitted on the Association Property at any time except by individual appointment with residents. Visitors, tradesmen, and the like are to report to the Front Desk to be announced to the resident by the front desk before being allowed on the property unless the front desk has received advanced notice from the resident. Residents shall not give building entry key to tradesmen, day servants, or other persons seeking entry. Any resident responsible for violating this rule will be fined by the Association.

(41) The front desk should be notified immediately of any emergency or any security violations. Any suspicious person or incident should be immediately reported to the front desk or the manager.

(42) Residents are required to notify the front desk of their current home phone numbers.

Trash

(43) Refuse (including bottles and cans) shall be wrapped in garbage bags before it is deposited into the disposal chutes. Trash chutes may only be used between the hours of 8 am and 10 pm. No lighted cigarettes, cigars, hazardous flammable materials shall be thrown down the chutes. Items such as cartons and boxes are not to be left in the trash rooms if the articles are too large to fit in the trash chute. They must be brought down to the trash room at the South side of the Garage.

(44) Not allow any rubbish, refuse, garbage or trash to accumulate in places other than the receptacles provided therefore, so that each Unit, the Common Elements and Limited Common Elements shall at all times remain in a clean and sanitary condition. Commercial condominiums are required to place their trash in City dumpsters in a location designated by condominium management.

Recycling – deposit all recycling items at the designated areas – lobby, G1, G2

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garage locations, or at the Trash compactor on the G2 level, near parking space G2-402. Items for recycling are plastic, cardboard, newspaper, office paper, aluminum, glass (bottles and jars), steel cans.

Pool Deck

(45) Any person using the swimming pool does so at his/her own risk. It is suggested that no one use the pool unless another person is present.

(46) The swimming pool may be used in accordance with the Rules and Regulations between the hours of 8 a.m. and 10 p.m. Excessive noise, loud talking, shouting and loud music are prohibited in the pool area at all times. Children under 18 years of age are not permitted to use the pool area/deck unless parent or legal guardian is present. Running, riding any apparatus or bouncing balls are strictly prohibited on the pool deck. Any balls bounced on the deck will be confiscated. Unit owners whose children violate these provisions or cause disruption, noise or loud music on the pool deck will be fined.

(47) Glass bottles, glass containers, ceramic or china dish-ware and other breakable items shall not be brought into the pool area. Surfboards, inflatable tubes, floats, and similar items are not permitted in or near the pool area. Toys, bicycles, skateboards, playpens, and similar items are not allowed on the pool deck. The pool area should not be used for games which involve running, playing ball, or other boisterous activities. Disorderly conduct of any kind in the pool area is prohibited and shall be grounds for ejection from these places. The use of audio equipment ~~radios~~ in the pool area will not be permitted if and when their operation distracts or annoys others.

(48) No pool equipment, chairs, or other furnishings may be removed from the pool area.

(49) Jacuzzi - no one under 18 is allowed in the Jacuzzi, even if accompanied with an adult. Proper attire required. No oils, no soaps.

Parking

(50) Parking: Automobiles and motorcycles belonging to residents must bear at all times, the identifying garage sticker provided by the Manager. Each resident shall park in the space assigned to that resident only. No automobile may be parked in any unauthorized area or in a manner which blocks the ingress or egress of other vehicles, or in any area designated for commercial use, or in guest parking. Long term guests or temporary cars may obtain a temporary parking permit in the Management Office. No parking is allowed at any time in front of the building entrances. These are reserved for discharging and picking up passengers.

(51) Parking violations should be reported to security or the Management Office. Parking violators are subject to either fines set by the Board of Directors or towing, off-site storage or the Charges associated therewith.

(52) No repairs (including oil changes) may be made anywhere on the property, including the garage.

(53) No campers, boat trailers, large trucks, flatbeds, or commercial vans or similar vehicles shall be kept on the property. Only passenger vehicles may be parked in garages and ancillary lots. No car is allowed to be left in an

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abandoned/inoperable condition or without proper and current registration and license plates. All vehicles must be in compliance with local and state ordinances.

(54) All residents are required to register and park in a dedicated space, either purchased or rented. All owners will be notified to contact the Management Office within ten (10) days of a change to comply with the parking rule or be fined and/or towed. No commercial vehicles are allowed to park on the property. A commercial vehicle is defined as a vehicle which has a gross vehicle weights of 26,001 pounds or more or has three (3) or more axles.

In the event any Rule or Regulation heretofore set forth or hereinafter promulgated, or any sentence, clause, paragraph, phrase or word thereof is determined to be invalid or unenforceable, all remaining provisions or portions thereof shall be and shall remain in full force and effect. The Board of Directors of the Association reserves the right to make additional Rules and Regulations as may be required from time to time. These additional Rules and Regulations shall be as binding as all other Rules and Regulations previously adopted.

The Developer shall be exempt from all provisions herein requiring the consent of the Association. Notwithstanding anything contained herein to the contrary, the Developer shall not be exempt from the following: (1) requirements that leases or lessees be approved by the Association; (2) restrictions on the presence of pets; (3) restrictions on occupancy of Units based on age; (4) restrictions on the type of vehicles allowed to park on the Condominium Property or Association property, ~~however, the Developer and its designees shall have the right to be exempt from any such parking restriction if the vehicle is engaged in any activity relating to construction, maintenance or marketing of Units, if such exemption is provided in the Condominium documents.~~

XXIII. Transfer of Association Control

23.01 When Unit Owners, other than the Developer, own fifteen (15%) percent or more of the Units in this Condominium that will be operated ultimately by the Association, the Unit Owners, other than the Developer, shall be entitled to elect not less than one-third (1/3) of the members of the Board of Administration of the Association. The first Unit Owner elected to the Board shall be a Residential Member. Unit Owners, other than the Developer, are entitled to elect not less than a majority of the members of the Board of Administration of the Association:

- (1) Three (3) years after fifty (50%) percent of the Units that will be operated ultimately by the Association have been conveyed to purchasers;
- (2) Three (3) months after ninety (90%) percent of the Units that will be operated ultimately by the Association have been conveyed to purchasers;
- (3) When all the Units that will be operated ultimately by the Association have been completed, some of these have been conveyed to purchasers; and none of the others are being offered for sale by the Developer in the ordinary course of business;
- (4) When some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business, whichever occurs first. The Developer is entitled to elect at least one (1) member of the Board of Administration of the Association as long as the Developer holds for sale in the ordinary course of business at least five (5%) percent in Condominiums with less than five hundred (500) Units and two (2%) percent in Condominiums with more than five hundred (500) Units of the

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Condominium Units operated by the Association; or,

(5) Seven (7) years after the recordation of the Declaration of Condominium.

23.02 If the Developer holds Units for sale in the ordinary course of business, none of the following actions may be taken without approval in writing by the Developer:

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

(2) Any action by the Association that would be detrimental to the sale or lease of Units by the Developer, in its sole opinion; provided, however, that an increase in Assessments for Common Expenses without discrimination against the Developer shall not be deemed to be detrimental to the sale of Units. ~~Actions that require Developer approval under this section shall include, but are not limited to, modifications to the rules and regulations of the association, adoption of a special assessment, obtaining an Association loan, and the use of capital reserves for purposes other than those intended.~~

(3) Concurrence of not less than 75% of the non-developer voting interests is required for cancellation of an agreement entered into by the Association prior to turnover of control to unit owners.

XXIV. Rights Reserved Unto Institutional First Mortgagees

So long as any Institutional First Mortgagee or Institutional First Mortgagees shall hold any mortgage upon any Condominium Unit or Condominium Units or shall be the Owner of any Condominium Unit or Condominium Units and complies with the provisions of Section 24.05 hereof, such Institutional First Mortgagee or Institutional First Mortgagees shall have the following rights, to-wit:

24.01 To be entitled to be furnished with at least one copy of the annual financial statement and report of the Association prepared by an accountant or professional Real Estate Management Company designated by the Association, including a detailed statement of annual carrying charges or income collected and operating expenses, such financial statements and report to be furnished, upon written demand, within ninety (90) days following the end of each calendar year.

24.02 To be given notice by the Association of the call of any meeting of the membership to be held for the purpose of considering any proposed amendment to this Declaration or the Articles of Incorporation and By-Laws of the Association, which notice shall state the nature of the amendment being proposed.

24.03 (Intentionally Blank).

24.04 For reasonable cause, to cause the Association to create and maintain an escrow account for the purpose of assuring the availability of funds with which to pay premium or premiums due from time to time on insurance policy or policies which the Association is required to keep in existence, it being understood that the Association shall deposit in a financial institution of good reputation a monthly sum equal to one twelfth (1/12th) of the annual amount of such insurance expense.

24.05 Whenever any Institutional First Mortgagee or Institutional First Mortgagees desire(s) the provisions of this Article to be applicable unto them, they shall serve written notice of such fact upon the Association by registered mail or certified mail addressed to the Association and sent to its address stated herein with a copy by registered or certified mail addressed to the Institutional First Mortgagee having the highest dollar indebtedness on Units

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in the Condominium Property, which written notices shall identify the Condominium Parcel or Condominium Parcels upon which any such Institutional First Mortgagees hold any mortgage or mortgages or identifying any Condominium Parcel owned by it or them, and which notice shall designate the place to which notices are to be given by the Association to such Institutional First Mortgagee or Institutional First Mortgagees.

24.06 FHLMC Guidelines: Notwithstanding anything contained in this Declaration to the contrary, it is the intent of Developer to comply with the requirements of the Federal Home Loans Mortgage Corporation (FHLMC) established as of the date hereof. Specifically, the following provisions are hereby made a part of this Declaration:

"Except as provided by statute, in the case of condemnation or substantial loss to the Units and/or Common Elements of the Condominium project, unless at least two thirds (2/3) of the first mortgagees (based upon one (1) vote for each first mortgage owned) or Owners (other than the Developer) of the individual Condominium Units have given their prior approval, the Condominium Home Owners Association shall not be entitled to:

(a) by act or omission, seek to abandon or terminate the Condominium project;

(b) change the pro rata interest or obligations of any individual condominium Unit for the purpose of: (i) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (ii) determining the pro rate share of ownership of each Condominium Unit in the Common Elements;

(c) partition or subdivide any Condominium Unit;

(d) by act or mission, seeking to abandon, partition, subdivide, encumber, sell or transfer the Common Elements. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the Condominium project shall not be deemed a transfer within the meaning of this clause);

(e) use hazard insurance proceeds (other than surpluses) for losses to any Condominium Property (whether to Units or to Common Elements) for other than repair, replacement or reconstruction of such Condominium property."

XXV. Commercial Units

There are twenty five (25) Commercial Units in the Condominium. The Commercial Units may be transferred, conveyed, leased or disposed of without the consent of the Association. The Developer reserves the right, at any time, to convey any or all of the Commercial Units to the Association, and the Association shall be obliged to accept same. ~~In the event the Developer chooses to preserve on-site parking spaces by converting one or more un-built commercial spaces back into limited common element parking area, the parking spaces located within the boundaries of the commercial spaces will be assigned to the Developer. Upon the conveyance of a Commercial Unit to the Association, the percentage of Common Expense and ownership to Common Elements attributable to any Commercial Unit conveyed to the Association shall be deemed transferred to the Association, and any dues previously paid for un-built commercial units or portions thereof which do not exist at the time of conveyance will be returned to the developer.~~

Commercial Units may be used for any lawful purpose in accordance with applicable laws, including, but not limited to Chapter 718 of the Florida Statutes and all applicable zoning regulations. Subject to the foregoing, the Owner of a Commercial Unit has the right to permit

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the public to use it and to charge a fee for the use of the Commercial Unit to both Owners and to the public. No action may be taken which adversely affects the rights and interests of the Commercial Unit Owners without their prior written consent. These rights include the right to remain open until 1 a.m.

The Developer reserves the right prior recordation of the Declaration, to alter or increase the size and number of commercial units (not to exceed 35% in total area). in which case an amendment to these documents shall be filed. Other Unit Owners of Commercial Unit(s) shall have the right to divide or combine Commercial Unit(s) so long as the common interest appurtenant to such Commercial Unit(s) after the division or combination shall equal in total the common interest applicable to the Commercial Unit(s) divided or combined prior to the division or combination. In addition to the consent of the affected Commercial Unit Owners, any such division or combination shall require an Amendment to the Declaration approved by a majority of the total voting interests in the Condominium unless required by any governmental entity and shall be in compliance with all governmental laws, codes, ordinances and regulations. The cost of any division or combination shall be the responsibility of the Owner(s) of the Commercial Unit(s) being divided or combined. Any such division or combination shall become effective upon the recording in the Public Records of Dade County, Florida, of an Amendment to the Declaration of Condominium, together with the filing of floor plans of the Commercial Unit(s) as divided or combined. Upon such a division or combination, the voting rights for such Commercial Units shall be proportionately adjusted based upon the square footage involved in the division or combination. The Amendment shall state the common interest applicable to me divided or combined Commercial Unit(s) and the adjusted voting rights.

XXVI. Developer's Tenants

It is understood and agreed by all parties hereto and all Unit Owners that certain Units and Limited Common Elements may be occupied by tenants of the Developer under lease agreements, ~~or month to month tenancies, or other types of tenancies~~ heretofore or hereinafter consummated and agreed upon. Such tenants of Developer shall have the full right and authority to continue to occupy said premises in accordance with their lease agreements or other types of tenancies and to use and enjoy on a nonexclusive basis all Common Elements of the Condominium and the recreational facilities without any cost or expense. The same privileges will apply to tenants of all Unit Owners.

XXVII. Warranties

Pursuant to Section 718.618(6), F.S., the Developer is deemed to have granted to the purchaser of each Unit an implied warranty of fitness and merchantability for the purposes or uses intended, as to the roof and structural components of the improvements; as to fireproofing and fire protection systems; and as to the mechanical, electrical and plumbing elements serving the improvements, except mechanical elements serving only one unit. To the extent permitted by law, the Developer hereby specifically disclaims any other warranties whether expressed or implied. Developer further disclaims any intent to have made any warranty or representation in connection with the Condominium documents and disclosure materials except as specifically set forth therein, and no person shall rely upon any warranty or representation not so specifically made herein. Any estimates of Common Expenses, taxes or other charges are believed to be accurate, but no warranty or guaranty is made or intended, nor may one be relied upon except where same is specifically warranted or guaranteed.

XXVIII. Sales Activity and Developer's Rights

Until the Developer has completed and sold all the Units of the Condominium and completed New Construction neither the Unit Owners nor the Association nor their use of the Condominium shall interfere with the completion of the contemplated improvements and the sale of Units. The Developer (or its duly authorized agents or assigns) may make such use of

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the unsold Units and the Common Elements as may facilitate such completion and sale, including, but not limited to, the maintenance of sales offices for the showing of the property and display of signs, billboards, placards and visual promotional materials. It is specifically understood that the Developer has the right and authority to use ~~the manager's office and accounting office and the Common Elements~~ and certain limited Common Elements of the Condominium for the purpose of sales and administrative office for so long as Developer has not sold all Units in the Condominium. The Developer may use unsold Units as model units or as sales offices for display purposes to prospective Condominium purchasers. The Developer shall have the right to use parking spaces for prospective purchasers and such other parties as Developer determines. The sales office personal property, model furnishings, signs and all items pertaining to sales shall not be considered Common Elements and shall remain the property of the Developer. It should be understood that prior to the conversion of the improvements to a Condominium that the operation of the Condominium was an apartment operation and, accordingly, the Developer may continue such apartment rentals at its discretion for any unsold Units and Developer, until all Units are sold, shall have the full right and authority to use the Common Elements and the areas aforescribed in furtherance of such apartment rentals as the Developer may so desire.

XXIX. Reservation of Name

The Developer reserves the right to use the name "THE GRANDVIEW PALACE" in any fashion, including, but not limited to, other hotel, condominium or residential development. This paragraph cannot be amended without the consent of the Developer.

XXX. (Intentionally Blank)

XXXI. Miscellaneous

31.01 If any provisions of this Declaration, or of the By-Laws attached hereto, or of the Condominium Act, or any section, sentence, clause, phrase or word, or the application thereof in any circumstance is held invalid, the validity of the remainder of this Declaration, the By-Laws attached or the Condominium Act, and of the application of any such provision, section, sentence, clause, phrase or word in other circumstances shall not be affected thereby.

31.02 Whenever notices are required to be sent hereunder, the same shall be either sent to the Unit Owners by regular mail, by electronic mail, or hand delivered to their Units, in the Condominium building, unless the Unit Owner has, by written notice, duly receipted for, specified a different address. Notices to the Association shall be delivered by regular mail to the resident agent. All notices shall be deemed and considered sent when mailed. Any party may change his or its mailing address by written notice.

31.03 Each Unit Owner and the Association shall be governed by and shall comply with the Condominium Act and this Declaration and By-Laws as they may exist from time to time. Failure to do so shall entitle the Association or any other Unit Owner to recover sums due for damages or injunctive relief or both. Such actions may be maintained by or against a Unit Owner or the Association or in a proper case by or against one or more Unit Owners and the prevailing party shall be entitled to recover reasonable attorneys' fees. Such relief shall not be exclusive of other remedies provided by law.

31.04 Whenever the context so requires, the use of any gender shall be deemed to include all genders and the use of the plural shall include the singular and the singular shall include the plural. The provisions of this Declaration shall be liberally construed to effectuate its purposes of creating a uniform plan for the operation of the Condominium in accordance with the laws made and provided for the same. As used herein, the term "member" means and refers to any person, natural or corporate, who is a Unit Owner.

31.05 No Unit shall be occupied by more than the lesser of the legal occupancy limit for

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that Unit or three persons (including children) for a one bedroom Unit, four persons for a two bedroom Unit, or five persons for a three bedroom Unit.

31.06 A tenant of any Unit Owner or of the Developer shall have the same right to use the recreational facilities as the Owner of said Unit has. In no event shall any individual or family, other than the individual or family residing in the Unit and their guests be entitled to use said recreational facilities.

31.07 This Declaration and all Exhibits hereto shall be binding upon and inure to the benefit of each Unit Owner, their heirs, personal representatives, successors, assigns and grantees any and all persons claiming by, through or under any Unit Owners.

31.08 The heading and captions used herein are for reference purposes only, are inserted solely as a matter of convenience, and shall not be relied upon and/or used in construing the effect or meaning of any of the text of this Declaration or Exhibits hereto.

31.09 The Association shall grant access to the building to properly identified employees of the US Census Bureau while on official business who sign-in at the front desk.