

BY-LAWS

OF

ONE SEAGROVE PLACE OWNER'S ASSOCIATION, INC.

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

1. Identity. These are the By-Laws of ONE SEAGROVE PLACE OWNER'S ASSOCIATION, INC., called "association" in these By-Laws, a corporation not for profit under the laws of the State of Florida, the Articles of Incorporation which were filed in the office of the Secretary of State on the 30th day of May, 1985. The association has been organized for the purpose of administering a condominium pursuant to Chapter 718, Florida Statutes, called the Condominium Act in these By-Laws, which condominium is identified by the name of ONE SEAGROVE PLACE, a condominium, and is located upon the following land in Walton County, Florida:

See Attached Exhibit "A".

1.1 The office of the association shall be Route 2, Highway 30A, Santa Rosa Beach, Walton County, Florida.

1.2 The fiscal year of the association shall be the calendar year.

1.3 The seal of the corporation shall bear the name of the corporation, the word, "Florida", the words, "corporation not for profit," and the year of the corporation.

2. Members' Meetings.

2.1 The annual members meeting shall be held at the office of the corporation on the third Saturday in the month of September of each year for the purpose of electing directors and transacting any other business authorized to be transacted by the members; provided, however, that if that day is a legal holiday, the meeting shall be held on the next day that is not a holiday.

2.2 Special members' meetings shall be held whenever called by the president or vice president or by a majority of the board of directors, and must be called by such officers upon receipt of a written request from members entitled to cast one-third of the votes of the entire membership, except as provided in F.S. 718.112 (2)(f)(g).

2.3 (a) Notice of all members' meetings stating the time and place and the objects for which the meeting is called shall be given by the president or vice president or secretary unless waived in writing. Such notice shall be in writing to each member at his address as it appears on the books of the association and shall be mailed not less than fourteen days nor more than sixty days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. The notice of annual meeting shall be sent by certified mail to each unit owner and the post office certificate of mailing shall be retained as proof of such mailing. Notice of meeting may be waived before or after meetings. Adequate notice of members meetings shall also be posted in a conspicuous place on the condominium property at least fourteen days in advance of said meeting.

(b) Notice of any meeting where assessments against unit owners are to be considered for any reason, shall specifically contain the statement that assessments will be considered and the nature of such assessments.

2.4 A quorum at members' meetings shall consist of persons entitled to cast a majority of the votes of the entire membership. The acts approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the members, except when approval by a greater number of members is required by the Declaration of Condominium, the Articles of Incorporation or these By-Laws.

2.5 Voting.

(a) In any meeting of members, the owners of apartments shall be entitled to one vote for each apartment owned in ONE SEAGROVE PLACE, a condominium.

(b) If an apartment is owned by one person, his right to vote shall be established by the record title to his apartment. If an apartment is owned by more than one person, or is under lease, the person entitled to cast the vote for the apartment shall be designated by a certificate signed by all of the record owners of the apartment and filed with the secretary of the association. If an apartment is owned by a corporation, the person entitled to cast the vote for the apartment shall be designated by a certificate signed by the president or vice president and attested by the secretary of the corporation and filed with the secretary of the association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the apartment concerned. A certificate designating the person entitled to cast the vote of an apartment may be revoked by any owner of an apartment. If such a certificate is not on file, the vote of such owners shall not be considered in determining the requirement for a quorum nor for any other purpose.

2.6 Proxies. Votes may be cast in person or by proxy. Any proxy given shall be effective only for the specific meeting for which originally given and any lawful adjourned meeting thereof. In no event shall a proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the apartment owner executing it. A proxy must be filed with the secretary before the appointed time of the meeting or any adjournment of the meeting for that proxy to be valid.

2.7 Adjourned Meetings. If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

2.8 The order of business at annual meetings and as far as practical at other members' meetings, shall be:

- a. Election of chairman of the meeting.
- b. Call of the roll and certifying of proxies.
- c. Proof of notice of meeting or waiver of notice.
- d. Reading and disposal of any unapproved minutes.
- e. Reports of officers.
- f. Reports of committees.
- g. Election of inspectors of election.
- h. Election of directors.
- i. Unfinished business.
- j. New business.
- k. Adjournment.

OFFICIAL RECORDS

3. Directors.

3.1 Membership. The affairs of the association shall be managed by a board of not less than 3 nor more than 9 directors, the exact number to be determined at the time of election.

3.2 Election of directors shall be conducted in the following manner:

a. Election of directors shall be held at the annual members' meeting.

b. A nominating committee of five members shall be appointed by the board of directors not less than 30 days prior to the annual members' meeting. The committee shall nominate one person for each director then serving. Nominations for additional directorships created at the meeting shall be made from the floor, and other nominations may be made from the floor.

c. The election shall be by ballot (unless dispensed by unanimous consent) and by a plurality of the votes cast, each person voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

d. Except as to vacancies provided by removal of directors by members, vacancies in the board of directors occurring between annual meetings of members shall be filled by the remaining directors.

e. Any director may be removed by concurrence of a majority of the votes of the entire membership at a special meeting of the members called for that purpose. The vacancy in the board of directors so created shall be filled by the members of the association at the same meeting.

f. Provided, however, when apartment owners other than the developer, own 15% or more of the apartments within the condominium, the apartment owners other than the developer, shall be entitled to elect not less than 1/3 of the members of the board of directors of the association. Apartment owners other than the developer, shall be entitled to elect not less than a majority of the members of the board of directors of the association three years after sales by the developer have been closed on 50% of the apartments within this condominium, within three months after sales have been closed by the developer on 90% of the apartments within the condominium, or when all of the apartments within the condominium have been completed, some of them have been sold and none of the others are being offered for sale by the developer in the ordinary course of business, whichever of the foregoing events shall first occur. The developer shall be entitled to elect not less than one member of the board of directors of the association as long as the developer holds for sale in the ordinary course of business, 5% of the apartments within the condominium. Within 60 days after apartment owners other than the developer are entitled to elect a member or members of the board of directors of the association, the association shall call and give not less than 30 days' nor more than 40 days notice of a meeting of the apartment owners for this purpose. Such meeting may be called and the notice given by any apartment owner if the association fails to do so.

3.3 The term of each director's service shall extend until the next annual meeting of the members and subsequently until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

" OFFICIAL RECORDS

3.4 The organizational meeting of a newly elected board of directors shall be held within 10 days of their election at such place and time as shall be fixed by the directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary.

3.5 Regular meetings of the board of directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director, personally or by mail, telephone or telegraph, at least three days prior to the day named for such meeting.

3.6 Special meetings of the directors may be called by the president and must be called by the secretary at the written request of one-third (1/3) of the directors. Not less than three days' notice of the meeting shall be given personally, or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

3.7 Waiver of notice. Any director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

3.8 A quorum at a directors' meeting shall consist of a majority of the entire board of directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the board of the directors, except when approval by a greater number of directors is required by the Declaration of Condominium, the Articles of Incorporation or these By-Laws.

3.9 Adjourned meetings. If at any meeting of the board of directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

3.10 Joinder in meeting by approval of minutes. A member of the board of directors may join by written concurrence in any action taken at the meeting of the board, but such concurrence may not be used to create a quorum.

3.11 The presiding officer of directors meetings shall be the chairman of the board if such an officer has been elected; and if none, the president shall preside. In the absence of the presiding officer, the directors present shall designate one of their number to preside.

3.12 The order of business at directors' meetings shall be:

- a. Calling of roll.
- b. Proof of due notice of meeting.
- c. Reading and disposing of any unapproved minutes.
- d. Reports of officers and committees.
- e. Election of officers.
- f. Unfinished business.
- g. New business.
- h. Adjournment.

3.13 Directors' fees, if any, shall be determined by the members.

OFFICIAL RECORDS

4. Powers and Duties of the Board of Directors. All of the powers and duties of the association existing under the Condominium Act, Declaration of Condominium, Articles of Incorporation and these By-Laws shall be exercised exclusively by the board of directors, its agents, contractors or employees, subject only to approval by apartment owners when such is specifically required.

5. Officers.

5.1 The executive officers of the association shall be a president, who shall be a director, a vice president, who shall be a director, a treasurer and secretary, all of whom shall be elected annually by the board of directors and who may be peremptorily removed by vote of the directors at any meeting. Any person may hold one or more offices except that the president shall not be also the secretary. The board of directors from time to time shall elect such other officers and designate their powers and duties as the board shall find to be required to manage the affairs of the association.

5.2 The president shall be the chief executive officer of the association. He shall have all of the powers and duties usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the members, from time to time, as he, in his discretion, may determine appropriate, to assist in this conduct of the affairs of the corporation.

5.3 The vice president in the absence or disability of the president shall exercise the powers and perform the duties of the president. He also shall assist the president generally and exercise such other powers and perform such other duties as shall be prescribed by the directors.

5.4 The secretary shall keep the minutes of all proceedings of directors and members. He shall attend to the giving and serving of all notices to the members and directors and other notices required by law. He shall have custody of the seal of the association and affix it to instruments requiring a seal when duly signed. He shall keep the records of the association, except those of the treasurer, and shall perform all other duties incident to the office of secretary of an association and as may be required by the directors or the president.

5.5 The treasurer shall have custody of all property of the association, including funds, securities and evidences of indebtedness. He shall keep the books of the association in accordance with good accounting practices; and he shall perform all other duties incident to the office by treasurer.

5.6 The compensation of all officers and employees of the association shall be fixed by the directors. The provision that directors' fees shall be determined by members shall not preclude the board of directors from employing a director as an employee of the association or preclude the contracting with a director for the management of the condominium.

6. Fiscal Management. The provisions for fiscal management of the association set forth in the Declaration of Condominium and Articles of Incorporation shall be supplemented by the following provisions:

6.1 Accounts. The receipt and expenditures of the association shall be credited and charged to accounts under the

" OFFICIAL RECORDS

following classifications as shall be appropriate, all of which expenditures shall be common expenses:

a. Current expense, which shall include all receipts and expenditures within the year for which the budget is made including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, to additional improvements or to operations. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expense for the succeeding year.

b. Reserve for capital expenditures and deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually, including but not limited to roof replacement, building painting, and paving resurfacing.

c. Reserve for replacement, which shall include funds or repair or replacement required because of damage, depreciation or obsolescence.

d. Betterments, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the common property.

e. Operations, which shall include the gross revenues from the use of the common property. Only the additional direct expense required by the revenue-producing operation will be charged to this account, and any surplus from such operation shall be used to reduce the assessments for current expense in the year following the year in which the surplus is realized. Losses from such operations shall be met by special assessments against apartment owners, which assessments may be made in advance in order to provide a working fund.

6.2 Budget. The board of directors shall adopt a budget for each calendar year that shall include the estimated funds required to defray the common expense and to provide and maintain funds for the foregoing accounts and reserves according to good accounting practices. Copies of the budget and proposed assessments shall be transmitted to each member on or before December 1 preceding the year for which the budget is made. If the budget is amended substantially, a copy of the amended budget shall be furnished to each member.

6.3 Assessments. Assessments against the apartment owners for their shares of the items of the budget shall be made for the calendar year annually in advance on or before December 20 preceding the year for which the assessments are made. Such assessments shall be due in quarterly or monthly installments or in such other installments and at such time as may be determined by the board of directors of the association. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the board of directors.

6.4 Acceleration of assessment installments upon default. If an apartment owner shall be in default in the payment of an installment upon an assessment, the board of directors may accelerate the remaining installments of the assessment upon notice to the apartment owner, and then the unpaid balance of the annual assessment shall come due upon the date stated in the notice, but not less than ten days after delivery of the notice to the apartment owner, or not less than twenty days after the mailing of such notice to him by registered or certified mail, whichever shall first occur.

OFFICIAL RECORDS

6.5 Assessments for emergencies. Assessments for common expenses of emergencies that cannot be paid from the annual assessments for common expenses shall be made only after notice of the need for such is given to the apartment owners concerned. After such notice and upon approval in writing by persons entitled to cast more than one-half of the votes of the apartment owners concerned, the assessment shall become effective, and it shall be due after 30 days' notice in such manner as the board of directors of the association may require in the notice of assessment.

6.6 The depository of the association shall be such bank or banks as shall be designated from time to time by the directors and in which the moneys of the association shall be deposited. Withdrawal of moneys from such accounts shall only be by checks signed by such persons as are authorized by the directors.

7. Parliamentary Rules. "Roberts' Rules of Order" (latest edition) shall govern the conduct of association meetings when not in conflict with the Declaration of Condominium, Articles of Incorporation and these By-Laws.

8. Amendments. These By-Laws may be amended in the following manner:

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

8.2 A resolution adopting a proposed amendment may be proposed by either the board of directors of the association or by the members of the association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be either by:

a. not less than 75% of the entire membership of the board of directors and by not less than 75% of the votes of the entire membership of the association; or

b. by not less than 80% of the votes of the entire membership of the association; or

c. until the first election of directors, by all of the directors.

The foregoing were adopted as the By-Laws of ONE SEAGROVE PLACE OWNER'S ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida at the first meeting of the Board of Directors on the 8th day of May, 1985.


Secretary

Approved:

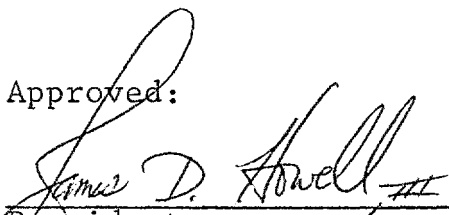

President

EXHIBIT "A" ATTACHED TO EXHIBIT "E"

A PORTION OF LOT 20 AND ALL OF LOT 21, UNITED STATES GOVERNMENT SUBDIVISION OF SECTION 24, TOWNSHIP 3 SOUTH, RANGE 19 WEST, WALTON COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE NORTHWEST CORNER OF LOT 21, UNITED STATES GOVERNMENT SUBDIVISION OF SECTION 24, TOWNSHIP 3 SOUTH, RANGE 19 WEST, WALTON COUNTY, FLORIDA; THENCE GO NORTH $1^{\circ}02'00''$ EAST, A DISTANCE OF 91.41 FEET TO THE SOUTHERLY RIGHT OF WAY LINE OF WALTON COUNTY ROAD C-30A (70'R/W); THENCE GO SOUTH $71^{\circ}03'15''$ EAST ALONG THE AFORESAID RIGHT OF WAY LINE, A DISTANCE OF 336.95 FEET TO THE EAST LINE OF GOVERNMENT LOT 21; THENCE GO SOUTH $1^{\circ}02'00''$ WEST ALONG THE AFORESAID LINE, A DISTANCE OF 315.71, FEET TO THE SOUTH LINE OF GOVERNMENT LOT 21; THENCE GO NORTH $89^{\circ}18'00''$ WEST ALONG THE AFORESAID LINE, A DISTANCE OF 320.59 FEET TO THE WEST LINE OF GOVERNMENT LOT 21; THENCE GO NORTH $1^{\circ}02'00''$ EAST ALONG THE AFORESAID LINE, A DISTANCE OF 330.00 FEET TO THE POINT OF BEGINNING.

EXHIBIT "F"

ONE SEAGROVE PLACE OWNER'S ASSOCIATION, INC.

Santa Rosa Beach, Florida in Walton County

RULES AND REGULATIONS

The pleasantness of condominium living is greatly enhanced by a congenial atmosphere in which all residents have proper regard for the comfort of others. For this reason, these rules and regulations have been adopted by ONE SEAGROVE PLACE OWNER'S ASSOCIATION, INC., in order to assure residents and their guests that the condominium property will be properly used for the benefit of all those persons. All residents are requested to cooperate with the management in seeing that the rules and regulations are observed.

1. ADDRESS. Residents should designate their address as follows:

Apartment No. _____
One Seagrove Place, A Condominium
Route 2, Highway 30A
Santa Rosa Beach, Florida 32459

2. CONDOMINIUM LIVING. Condominium living requires that each resident regulate the occupancy and use of his apartment so as not to unreasonably or unnecessarily disturb any other resident in the occupancy and use of his apartment. All residents are requested to use their apartments accordingly.

3. RESIDENTS AND GUESTS. The facilities of ONE SEAGROVE PLACE, a condominium, are for the use and enjoyment of residents and house guests only. Visitors will be permitted to use the facilities only as guests of residents who will remain responsible for acts of their guests. Residents are requested to register their house guests with the management office in order to facilitate the receipt and forwarding of mail and the handling of telephone calls. Mail received for persons unknown to the management must be returned to the sender after holding for the period allowed by postal regulations.

4. CHILDREN'S ACTIVITIES. Children are welcome in ONE SEAGROVE PLACE, a condominium, and there is no desire to restrict their normal activities. Nevertheless, they are required to observe the same restrictions that apply to adults. This precludes the playful use of elevators, the use of the common areas in the building for play areas except as provided for that purpose, or any other conduct that will interfere with the quiet and comfort of the residents. No children under seventeen (17) years of age are permitted to occupy an apartment unless a responsible adult is also in residence in the same apartment at the same time. Adult residents with whom children are living will be held responsible for the observance of these rules and regulations by the children.

5. SECURITY. All residents must cooperate if effective security is to be obtained. This requires that all apartment doors be locked at all times; solicitors are not allowed to enter an apartment without an appointment; and all suspicious appearing persons or incidents should be reported immediately to the management or night watchman.

6. USE OF APARTMENTS AND OTHER UNITS.

(a) Air Conditioning. When the air conditioning unit is operating, it is not advisable to open windows or doors. This is because the moisture in the warm air which is admitted will condense with resultant dampness and mildew in the apartment.

(b) Decoration. No apartment owner shall decorate any part of his apartment or the building so as to change the appearance of any balconies except floors. This precludes the painting of any balconies, except floors, illumination of the exterior of the building, display of plants or other objects upon the balconies or railings or exterior window sills or ledges, unless approved by the Board of Directors in writing.

(c) Equipment Failure. Equipment shall be used only for the purposes intended. Failure of any equipment shall be reported immediately to the management regardless of the responsibility for maintenance in order that proper precautions may be taken to avoid damage to other equipment. Each apartment owner shall be liable for all damage caused by misuse of equipment by the residents or guests of the owner's apartment.

(d) Fire Hazards. No article shall be stored nor any use made of any part of the condominium property that will constitute a fire hazard. Owners are reminded that they will be assessed for any increase in the cost of insurance over the cost for residential use that is caused by their misuse of the condominium property.

(e) Hanging of Objects. The hanging of bathing suits, clothings, rugs, towels or other items upon the balconies or the railings or from windows is prohibited.

(f) Installations. Only such awnings, blinds, shades and sunscreens shall be used in balconies or windows as are approved by the Association.

(g) Maintenance and Repair. Apartment owners are reminded that maintenance and repair of the condominium buildings are the responsibility of the Association except for the interior of the apartment. As authorized by the Declaration, the Board of Directors has determined that the maintenance, repair and replacement of windows and glass doors shall be the responsibility of the apartment owner except in case of damage for which insurance proceeds are available. No work of any kind is to be done upon the part of the building to be maintained by the Association without first obtaining the approval required by the Declaration of Condominium. Occupants of apartments under lease are reminded that the responsibility of maintenance and repair as between the lessor and lessee is established by their leases. Regardless of the responsibility for maintenance and repair, it is recommended that need for such work be reported immediately to the management which can be of assistance in obtaining prompt service. Service provided by the management staff for which the unit owner is liable will be charged to the apartment owner at cost.

(h) Noise. In order to assure the comfort of all residents, the playing of phonographs, radios, television sets and musical instruments must not exceed a reasonable volume at any time, and between the hours of 10:00 P.M. and 10:00 A.M. shall be kept at a volume that cannot be heard outside the apartment in which located. All residents and guests shall refrain from any activity that would disturb other residents.

" OFFICIAL RECORDS

(i) Pets.

(1) The keeping of a dog or other pet at ONE SEAGROVE PLACE, a condominium, is not a right of an apartment owner, but is a conditional license. This conditional license is subject to termination at any time by the Board of Directors upon a finding that a dog or other pet is vicious, is annoying to other residents, or has in any way become a nuisance. The owner of a pet assumes responsibility for all damages to persons or property caused by the pet or resulting from its presence at ONE SEAGROVE PLACE, a condominium.

(2) This license is subject to the following conditions:

(i) A dog must be on a leash at all times when outside of the owner's apartment.

(ii) Because of the limited size of the grounds, a dog must not be curbed at any place on the property of the condominium.

(j) Signs. A resident may identify his apartment by a nameplate of a type and size approved by the Association and mounted in the place and manner approved by the Association. No other sign may be displayed in any manner except "for sale" or "for rent" signs approved by the Association and except signs of the Developer pending sale of the condominium apartments.

(k) Use Restrictions. Residents are reminded of the restrictions upon the use of the condominium property that appear in the Declaration of Condominium. The restrictions require, among other things, that an apartment may be used only as a residence either permanent or transient, and that no nuisances shall be allowed nor any practice followed that is the source of annoyance to other residents.

(l) Waste Disposal. All waste is to be disposed by kitchen garbage disposal units or through the trash receptacle. No waste, including cigars and cigarettes, is to be disposed at any time from balconies or windows.

(m) Windows. This area is subject to sudden rainstorms without warning. In order to avoid water damage to an apartment as well as to other parts of the building, occupants of a unit are required to close all windows and doors exposed to weather whenever no one is to be in the apartment. Upon the replacement or repair of all windows in said project, the replacement window will be of the same kind or type as was originally placed therein. Any substitute must be approved by the Board of Directors. Failure to close windows and doors will render the apartment owner liable for resulting damage.

7. USE OF COMMON AREAS AND OTHER FACILITIES.

(a) Balconies, Fire Escapes, Halls, Stairways and Walkways.

(1) Fire escapes, halls, stairways and landings are for ingress and egress to and from apartments and shall not be obstructed in any manner at any time. Exit lights shall not be obscured. This precludes the leaving of any articles in these areas, including baby carriages, bicycles, garbage cans, supplies, ice and milk containers. This prohibition is in compliance with the fire code and is for the protection of residents in case of fire or other emergency and will be strictly enforced.

(2) These areas are part of the common elements and will be cleaned by the management. Residents are requested to cooperate by refraining from disposing on or from these areas any waste of any kind, including cigars and cigarettes.

(b) Elevators.

(1) The passenger elevators are for the use of residents and their guests. The beauty of the elevators can be preserved only if care is taken not to mar the finishes with bulky items.

(2) It is recommended that elevator use be avoided during lightning storms as most power failures occur at that time, but in the event of that failure, a passenger should not be concerned. The elevator will be stopped only temporarily until the emergency power supply becomes available. If needed, help can be called by merely sounding the alarm that is located in each car.

(c) Exterior of Building. No one may mount any object upon the exterior or roof of the building without approval of the Board of Directors in writing. No one may install or use any awnings, decoration, illumination, plans or signs without the approval of the Board of Directors in writing.

(d) Garbage and Refuse Receptables. Garbage disposal units in each apartment are to be used for disposition of most kitchen refuse. There is a chute for disposal of other refuse located on each floor. This chute will receive modest quantities of bottles, cans, waste paper and the like. All wet garbage placed in the chute must be securely wrapped in order to avoid fouling the chute and in order to avoid unpleasant odors from the chute and garbage receptables. The management should be called for aid in disposition of large quantities of matter that might overload the refuse chute.

(e) Swimming Pool. The use of the swimming pool is limited to residents and their house guests. All bathers are required to observe the following regulations in order to comply with requirements of public health authorities and to ensure the comfort and safety of all concerned:

(1) The pool may be used only during the hours posted near the pool.

(2) All bathers must shower immediately before entering the pool.

(3) Bathers must remove suntan lotions, creams, and bobby pins before entering the pool.

(4) No food or drink may be consumed within the pool area.

(5) There shall be no running or shouting or boisterous games played within the pool area.

(6) Children under 12 years of age are not permitted within the pool area unless accompanied by an adult who is responsible for children.

(7) No dogs or other animals shall be allowed in the pools or other parts of the pool enclosure.

(8) The pool is not guarded and all persons using the pool do so at their own risk.

EXHIBIT "I" "OFFICIAL RECORDS

CONSENT OF MORTGAGEE
TO DECLARATION OF CONDOMINIUM

COMMERCE UNION BANK, a Tennessee banking corporation, and the holder of a mortgage dated March 29, 1984, and recorded March 30, 1984, in the Official Records Book 293, Page 274, of the Public Records of Walton County, Florida, and as amended and filed of record in Book 299, Page 622, Public Records of Walton County, Florida, and as amended and filed of record in Book 329, Page 567, Public Records of Walton County, Florida, does hereby consent to the filing of the foregoing declaration in accordance with Section 718.104 of the Condominium Act.

Signed, sealed and delivered in our presence as witnesses:

COMMERCE UNION BANK

Henry H. Sweet

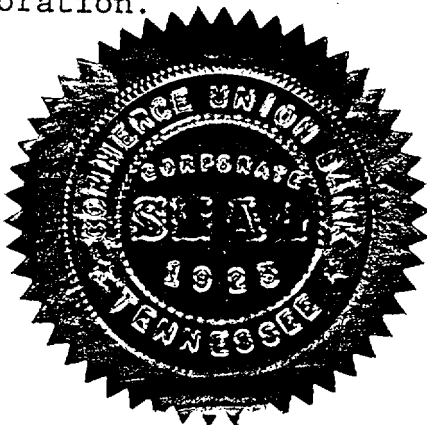
By: *Theodore R. Blair*
THEODORE R. BLAIR
Vice President

Julian M. Norton

X (corporate seal)

STATE OF TENNESSEE,
COUNTY OF ANDERSON,

The foregoing instrument was acknowledged before me this 21st day of May, 1985, by THEODORE R. BLAIR, as Vice President of COMMERCE UNION BANK, a Tennessee banking corporation.



Julian M. Norton
Notary Public
My Commission Expires 7-27-96

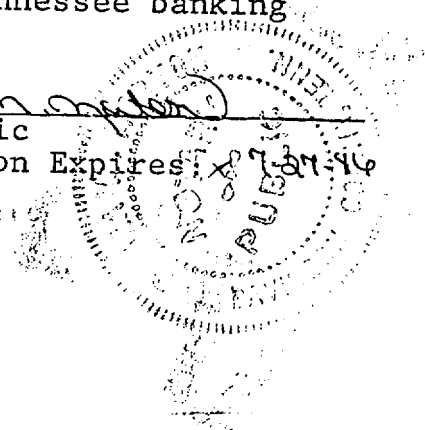


EXHIBIT "H"

" OFFICIAL RECORDS

ESTIMATED OPERATING BUDGET

FOR

ONE SEAGROVE PLACE

<u>ADMINISTRATION OF ASSOCIATION</u>	<u>MONTHLY</u>	<u>YEARLY</u>
Office supplies and postage	130.00	1,560.00
Legal	50.00	600.00
Accounting audit fee	80.00	960.00
Personnel	1,125.00	15,000.00
Payroll taxes	150.00	1,800.00
Contingency	50.00	600.00
<u>MANAGEMENT FEES</u>	N/A	N/A
<u>MAINTENANCE</u>		
Lawn Care	250.00	3,000.00
Swimming Pool	400.00	4,800.00
Elevators	200.00	2,400.00
Custodian wage	1,400.00	16,800.00
Supplies/lights/tools	100.00	1,200.00
Contingency	50.00	600.00
<u>INSURANCE</u>	2,000.00	24,000.00
<u>UTILITIES</u>		
Electricity	1,500.00	18,000.00
Water and sewer	2,600.00	31,200.00
Sanitation	300.00	3,600.00
Pest Control	351.00	4,212.00
Telephone	100.00	1,200.00
Miscellaneous and Contingency	100.00	1,200.00
<u>FEES PAYABLE TO THE DIVISION</u>	5.42	65.04
<u>RESERVES ACCOUNT</u>		
For capital expenditures and deferred maintenance (see page 2 of operating budget)	992.00	11,904.00
<u>RENT FOR RECREATIONAL AND OTHER COMMONLY USED FACILITIES</u>	N/A	N/A
<u>TAXES UPON ASSOCIATION PROPERTY</u>	N/A	N/A
<u>TAXES UPON LEASED AREAS</u>	N/A	N/A
<u>SECURITY PROVISIONS</u>	N/A	N/A
<u>OTHER EXPENSES</u>	N/A	N/A
<u>OPERATING CAPITAL</u>	N/A	N/A
<u>MISCELLANEOUS</u>	50.00	600.00
<u>TOTAL</u>	12,108.42	145,301.04

ASSESSMENTS PER UNIT

(129) Two Bedroom with 870 sq. ft.	93.23	1,118.76
(1) Office with 870 sq. ft. (The office is to be privately owned by Developer not common area)	93.23	1,118.76

RESERVE ACCOUNT FOR CAPITAL EXPENDITURES AND DEFERRED PAYMENTS

<u>ITEM</u>	<u>LIFETIME</u>	<u>EST REPLACE- MENT COST</u>	<u>1ST YEAR RES- ERVE CONTRIBU- TION</u>	<u>MONTHLY</u>
Roofing	15 years	\$48,000.00	\$ 3,200.00	\$267.00
Building Painting	6 years	20,000.00	3,334.00	278.00
Paving Resurfacing	6 years	25,000.00	4,167.00	347.00
General Reserve for capital expenditures and maintenance items			<u>1,200.00</u>	<u>100.00</u>
		TOTAL	\$11,901.00	\$992.00

The Developer shall not be liable for and shall be excused from the payment of any common expenses assessed against any apartment owned by the Developer during the period beginning with the recording of the Declaration of Condominium and terminating not later than one (1) calendar year thereafter or upon the turn over of control of the Association whichever shall first occur. During this period, the Developer guarantees that the assessments for the common expenses of the condominium imposed upon the apartment owners, other than the Developer, shall not be increased over the dollar amount stated of \$93.23 per month and the Developer shall pay any amount of common expenses incurred during the period and not produced by the assessments at the guaranteed level receivable from the other apartment owners.