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DECLARATION OF CONDOMINIUM

OF

JADE EAST TOWERS, A CONDOMINIUM

Destin, Florida

424.50

MADE THIS 21st day of February, 1996, by Jade East Towers Developers, a joint venture partnership consisting of Jade East Towers, Inc., a Florida corporation, Jade East Towers I, Inc., a Florida corporation and Jade East Towers II, Inc., a Florida corporation, (the "Developer"), for itself, its successors, grantees and assigns.

WHEREIN, the Developer makes the following declarations:

1. PURPOSE. The purpose of this Declaration is to submit the lands described in this instrument and the improvements on such lands to the condominium form of ownership and use in the manner provided by Chapter 718, Florida Statutes, in effect on the date this Declaration is recorded in the public records of Okaloosa County, Florida, (the "Condominium Act").

A. Name and Address. The name by which this condominium is to be identified is "Jade East Towers, a Condominium" (the "Condominium") and the Condominium's address is 1018 East Highway 98, Destin, Okaloosa County, Florida 32541.

B. The Land. The lands owned by the Developer, which by this instrument are submitted to the Condominium form of ownership, are the lands lying in Okaloosa County, Florida, described on Exhibit A attached hereto.

2. DEFINITIONS. The terms used in this Declaration and its exhibits shall have the meaning stated in the Condominium Act and as follows unless the context otherwise requires:

A. Assessment means a share of funds required for payment of common expenses which are from time to time assessed against the unit owner.

B. Association means Jade East Towers Owners Association, Inc., a non-profit Florida corporation, and its successors. The Association is the corporate entity responsible for the operation of the Condominium.

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C. Association Property includes that property, real and personal, in which title or ownership is vested in the Association for the use and benefit of its members.

D. Board of Directors means the board of administration responsible for the administration of the Association.

E. By-Laws means the By-Laws of the Association.

F. Common Elements means the portions of the Condominium Property that are not included in the units. The term also includes easements through units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utilities and other services to the units and the Common Elements, an easement of support in every portion of a unit which contributes to the support of the building, and the property and installations required for the furnishing of utilities and other services to more than one (1) unit or to the Common Elements, as well as the items stated in the Condominium Act.

G. Common Expenses shall include expenses of administration; expenses of insurance; expenses of maintenance; operation, repair and replacement and betterment of the Common Elements and the portions of the unit to be maintained by the Association; expenses declared common by provisions of this Declaration and the Association's By-Laws; and any valid charge against the Condominium as a whole, as well as the expenses stated in the Condominium Act.

H. Common Surplus means the excess of all receipts of the Association collected on behalf of the Association including, but not limited to, Assessments, rents, profits, revenues on account of the Common Elements, or any other source of income, over the Common Expenses.

I. Condominium means that form of ownership of real property which is created pursuant to the Condominium Act and which is comprised of units that may be owned by one (1) or more persons and having, as an appurtenance to each unit, an undivided share in the Common Elements.

J. Condominium Parcel means a unit, together with the undivided share in the Common Elements appurtenant to the unit.

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

L. Declaration or Declaration of Condominium means the instrument or instruments by which the Condominium is created, as they may be from time to time amended.

M. Institutional Mortgagee means a bank, savings and loan association, an insurance company, a pension fund, a real estate investment trust, a mortgage banker, Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, federal or state agencies, or other like business entity holding a mortgage on a Condominium Parcel and insurers or guarantors of same.

N. Land means the surface of the parcel of real property described in Exhibit A hereto and air space lying above and subterranean space lying below such surface.

O. Number and Gender are used herein so that, when the context so permits, the use of the plural shall include the singular, the singular shall include the plural and the use of any gender shall be deemed to include all genders.

P. Special Assessment means any Assessment levied against unit owners other than the Assessment required by a budget adopted annually.

Q. Utility Services as used in the Condominium Act and as construed with reference to this Condominium, and as used in the Declaration and By-Laws, shall include but not be limited to electric power, hot and cold water, heating, refrigeration, air conditioning, cable television, garbage, telephone and sewage disposal.

R. Voting Certificate means a document which designates one of the record title owners, or the corporate, partnership, or entity representative who is authorized to vote on behalf of a Condominium unit owned by more than one owner or by any entity.

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S. Voting Interest means the unit owners' membership and voting rights in the Association.

3. JADE EAST TOWERS, A CONDOMINIUM, DEVELOPMENT PLAN. The subject Condominium is described and established as follows:

A. Survey. The survey of the Land showing the improvements for Jade East Towers is attached as Exhibit B.

B. Plans. Improvements upon the Land are constructed substantially in accordance with the graphic description of the improvements attached hereto as composite Exhibit C.

C. Amendment of Plans.

(1) Developer's Reserved Right to Alter Plans. Developer reserves the right to change the interior layout and interior design of all units; but such reserved right shall not include the right to change the size of a unit or its boundaries. Such reserved right shall exist so long as Developer owns the units so altered. If Developer shall make any changes in units so authorized, such changes shall be reflected by amendment of this Declaration.

(2) Amendment of Declaration. An amendment of this Declaration reflecting such authorized alteration of unit plans by Developer needs to be signed and acknowledged only by the Developer and need not be approved by the Association, unit owners or lienors or mortgagors of units or of the Condominium, whether or not elsewhere required for an amendment.

D. Easements.

(1) Utility Easements. Easements are reserved through the Condominium Property as may be required for Utility Service or ingress and egress to serve the Condominium adequately and the Association may grant permits, licenses and easements over, under or upon the Common Elements for utilities, ingress and egress or other purposes reasonably necessary or useful for the proper maintenance or operation of the Condominium. Provided, however, such easements to a unit shall be only according to the plans and specifications for the unit building, or as the building is constructed, unless approved in writing by the unit owner.

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(2) Easements for Encroachments. All the Condominium Property shall be subject to easements for encroachments which now exist or hereafter exist, caused by settlement or movement of a building, or caused by minor inaccuracies in building or rebuilding, which encroachments shall be permitted to remain undisturbed and such shall continue until such encroachments no longer exist.

(3) Ingress and Egress Easement. Each unit owner of the Condominium shall have a non-exclusive easement for ingress and egress between his unit and the public roads and streets serving the Condominium, over the halls, corridors, stairs, walks, driveways, parking areas, exterior access and other portions of the Common Elements of the Condominium.

(4) Access to Make Repairs. The Association has an 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 necessary to prevent damage to the Common Elements or to another unit.

(5) Easements as Appurtenances. The easements and other rights created herein for a unit owner shall be appurtenant to the unit of that owner and all conveyances of title to the unit shall include a conveyance of the easements and rights as are herein provided, even though no specific reference to such easements and rights appears in any such instrument.

E. Unit Boundaries. Each unit shall include that part of the building containing the unit that lies within the boundaries of the unit, which boundaries are as follows:

(1) Upper and Lower Boundaries. The upper and lower boundaries of the unit shall be the following boundaries extended to an intersection with the perimetrical boundaries:

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

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

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(2) Perimetrical Boundaries. The perimetrical boundaries of the unit shall be the vertical planes of the un-decorated finished interior of the walls bounding the unit extended to intersections with each other and with the upper and lower boundaries. When there is attached to the building a balcony, deck, patio, canopy, stairway or other portion of the building serving only the unit being bounded, the perimetrical boundaries shall be extended to include the intersecting vertical plans adjacent to and which include all of such structures and fixtures thereon.

F. Common Elements. The Common Elements include the Land and all of the parts of the Condominium not within the unit.

G. Limited Common Elements. The Limited Common Elements consist of those portions of the Common Elements which are identified as automobile parking spaces on the graphic description of the improvements attached hereto as Exhibit C and which have been assigned by the Developer for the exclusive use of a unit owner pursuant to 4C(3) hereof.

4. THE UNIT. The units of the Condominium are described more particularly and the rights and obligations of their owners established as follows:

A. Types Of Units. There are eight (8) unit floor plans which are generally described below and which are described in more detail on the graphic description of improvements attached as Exhibit C.

<u>UNIT</u>	<u>DESCRIPTION</u>
Type A	Center units including living-dining room, kitchen, entry, two bedrooms, one walk-in closet, one owner's closet, two bathrooms, one bar and one deck.
Type B	East end units including living-dining room, kitchen, entry, three bedrooms, three bathrooms, one bar and one deck.
Type C	East center units including living-dining room, kitchen, entry, three bedrooms, three bathrooms, one bar, one deck.
Type D	West center units including living-dining room, kitchen, entry, three bedrooms, three bathrooms, one bar and one deck.

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Type E East end penthouse including living-dining room, kitchen, entry, three bedrooms, 3-1/2 baths, one bar and one deck.

Type F West end penthouse including living-dining room, kitchen, entry, three bedrooms, 3-1/2 baths, one bar and one deck.

Type G Center penthouse including living-dining room, kitchen, entry, three bedrooms, 3-1/2 baths, one bar and one deck.

Type H Commercial Unit.

B. Unit Numbers. The units of the Condominium are identified by the numbers set forth on the graphic description of the improvements attached hereto as composite Exhibit C.

C. Appurtenances to Units. The owner of each unit shall own a share and certain interest in the Condominium Property, which share and interest is appurtenant to the several units as:

(1) Common Elements and Common Surplus. The undivided share in the Land and other Common Elements and the Common Surplus for each unit is as set forth in Exhibit D.

(2) Association Membership. The membership of each unit owner in the Association and the interest of each unit owner in the funds and assets held by the Association.

(3) Limited Common Elements. The covered automobile parking spaces located on the ground floor of the building of the Condominium shall be Limited Common Elements. The Developer reserves the right, at its sole discretion and for such consideration as the Developer may from time to time determine, to assign the various parking spaces as appurtenances to the Units to which they are assigned. After such assignment, the Limited Common Elements are reserved for use of the Units to which they are appurtenant; provided that, the owner of the Unit to which the Limited Common Element is appurtenant may subsequently assign the Limited Common Element to another Unit.

(4) Automobile Parking Spaces. The automobile parking spaces that have not been assigned as Limited Common Elements pursuant to 4C(3) above will be made available for use by the unit owners according to such reasonable rules and regulations as may from time to time be promulgated by the Association;

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provided, that at all times each unit owner shall be entitled to the use of at least one automobile parking space without charge. Pursuant to such rules and regulations, the Association may assign and reassign parking spaces from time to time but such assignment or reassignment shall not constitute the parking spaces as Limited Common Elements. Parking spaces shall become Limited Common Elements only as set forth in 4C(3) above or upon the recording of an amendment to this Declaration of Condominium wherein parking spaces are designated as Limited Common Elements.

(5) Vote. Each unit shall be entitled to one (1) vote, said vote to be cast by the unit owner in the manner prescribed by the By-Laws of the Association.

D. Liability for Common Expense. Each unit shall be liable for a proportionate share of the Common Expenses, such share being the same undivided share in the Common Elements appurtenant to his unit.

E. Maintenance, Alteration and Improvement. Responsibility for the maintenance for the Condominium Property, and restrictions upon its alterations and improvements shall be as follows:

(1) Units.

(a) By the Association. The Association shall maintain, repair and replace as a common expense of this Condominium:

(1) All portions of a unit, except interior surfaces, contributing to the support of the unit building, which portion shall include but not be limited to the outside walls of the unit building and all fixtures on its exterior, boundary walls or units, floor and ceiling decking, load bearing columns and load bearing walls and all balconies, porches, patios, or similar facilities serving the unit;

(2) All conduits, ducts, plumbing, wiring and other facilities for the furnishing of Utility Services contained in the portion of a unit maintained by the Association; and all such facilities contained within a unit that service part

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or parts of the Condominium other than the unit within which contained;

(3) All portions of a unit which are damaged as a result of a casualty for which the Association has secured insurance coverage;

(4) All incidental damage caused to a unit in the course of such work as is described above or caused to a unit in the course of the Association's maintenance and operation of the Common Elements shall be repaired promptly at the expense of the Association.

(5) Notwithstanding the foregoing, the Association shall have the authority to require unit owners at their expense to maintain, repair and replace all windows, all exterior doors, including sliding glass doors, all screens and glass for windows or doors and all air conditioning and heating equipment, stoves, refrigerators, fans and other appliances and equipment, including pipes, wiring, ducts, fixtures or other facilities, required to provide utilities to a unit, when any or all of the foregoing shall serve only one (1) unit.

(6) In the event of doubt or question as to whether the Association or a unit owner is responsible for the repair of the item or items involved, and where damage to the Common Elements or to another Unit is occurring or is likely to occur in the absence of repair, the Association shall undertake the repair of the item or items; such undertaking shall not be considered evidence of or acceptance of responsibility for the ultimate cost of such repair and shall not be admitted in evidence of the question of responsibility in any proceeding thereon, whether judicial, administrative, formal or informal. Such ultimate responsibility for the cost of repair shall be determined based on applicable principles of law, including the terms and provisions of this Declaration.

(b) By the Unit Owner. The responsibility of the unit owner shall be as follows:

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(1) To maintain, repair and replace at his expense all portions of his unit except the portion to be maintained, repaired and replaced by the Association, or, in the event damage resulting from casualty, that portion for which the Association has secured insurance coverage. Such shall be done without disturbing the rights of other unit owners.

(2) Except in the event of damage resulting from casualty for which the Association has secured insurance coverage, the portions of a unit to be maintained, repaired and replaced by a unit owner at his expense shall include but not be limited to the following: compressor and air handling equipment for space cooling and heating; service equipment such as dishwasher, refrigerator, compactor, disposal, oven and stove and hot water heater, whether or not built-in; interior fixtures such as electrical and plumbing fixtures; floor coverings except the floor slab; and inside paint and other inside wall finishes.

(3) Not to paint or otherwise decorate or change the appearance of any portion of the exterior of the unit building, including any balcony, porch, patio or similar facility whether a part of the unit or not, in any manner whatsoever without the prior written consent of the Board of Directors of the Association, including installation of any fans or antennas or any window treatments other than those with white surfaces facing the exterior of the unit.

(4) To promptly report to the Association any defect or need for repairs for which the Association is responsible.

(c) Alteration and Improvement. Except as elsewhere reserved to Developer, neither any unit owner nor the Association shall make any alteration in the portions of any unit building that are to be maintained by the Association, or remove any portion of such, or make any additions to them, or to do anything that would jeopardize the safety or soundness of the Condominium building, or impair any easement, without first obtaining approval in writing of owners of all units in which such

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work is to be done and the approval of the Board of Directors of the Association. The Association may require that a copy of plans of all such work prepared by an architect licensed to practice in this state shall be filed with the Association prior to the start of work.

(2) Common Elements.

(a) By the Association. The maintenance and operation of the Common Elements shall be the responsibility of the Association and a common expense of this Condominium.

(b) Alteration and Improvement. After the completion of the improvements included in the Common Elements contemplated by this Declaration, there shall be no substantial alteration nor further substantial improvement of the real property constituting the Common Elements without prior approval of not less than two-thirds (2/3) of the Voting Interests. No such alteration or improvement shall materially interfere with the rights of any unit owner without his consent. The costs of such work shall not be assessed against an Institutional Mortgagee that acquires its title as a result of owning a mortgage upon the unit owned, unless such owner shall approve the alteration or improvement, and this shall be so whether title is acquired by deed from mortgagor or through foreclosure proceedings. The share of any cost not so assessed shall be assessed to the other unit owners in the share that their shares in the Common Elements bear to each other. There shall be no change in the shares and rights of a unit owner in the Common Elements altered or further improved, whether or not the unit owner contributes to the cost of such alteration or improvements.

(c) Enlargement. Real or other property interests acquired by the Association may be added to the Land or other property interests submitted to Condominium ownership hereby. This may be done by an amendment to this Declaration that includes the description of the interests in the property being added to the Common Elements, submitting same to the Declaration and shall vest title to the property added to the Common Elements in the unit

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owners as a part of the Common Elements, without naming them and without further conveyance, in the same proportion as the undivided shares in the Common Elements that are appurtenant to the units owned by them. Such enlargement of the Common Elements shall be effective upon the recording in the public records of Okaloosa County, Florida, of a certificate of the Association certifying that the amendment was adopted, which certificate shall be executed by the officers of the Association with the formalities of a deed.

(d) Land Not Incorporated. Any real property acquired by the Association that is not incorporated as a part of the Common Elements by amendment of this Declaration, may be sold, mortgaged or otherwise disposed of by the Association with the prior approval of not less than two-thirds (2/3) of the Voting Interests. This approval shall be evidenced by a certificate stating that the approval was duly given, which certificate shall be executed by the officers of the Association with the formalities of a deed and delivered to a purchaser or mortgagee of such real property.

(e) Personal Property. Any personal property acquired by the Association may be sold, mortgaged or otherwise disposed of by the Association without approval by the Voting Interests.

(3) Limited Common Elements. The Limited Common Elements are defined in 3G hereof shall be maintained by those entitled to use the Limited Common Elements and may be altered or improved by the owner of the Unit to which the Limited Common Elements are appurtenant; provided that such owner shall have secured the written consent of the Board of Directors of the Association.

5. ASSESSMENTS. The making and collection of Assessments against unit owners for Common Expenses shall be pursuant to the By-Laws and subject to the following provisions:

A. Share of Common Expenses. Each unit owner shall be liable for a proportionate share of the Common Expenses and shall share in the Common Surplus, such share being the same as the

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undivided share in the Common Elements appurtenant to his Unit. A unit owner, regardless of how title is acquired, including, without limitation, a purchaser at a judicial sale, shall be liable for all Assessments coming due while he is the owner of a Unit. In a voluntary conveyance, the grantee shall be jointly and severally liable with the grantor for all unpaid Assessments against the latter for his share of the Common Expenses up to the time of such voluntary conveyance, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefor.

B. Non-Waiver. 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 Assessment is made.

C. Liability of Developer. The Developer shall not be liable for and shall be excused from the payment of any Assessments for Common Expenses assessed against any Unit owned by the Developer during the period beginning with the first closing of the sale of a unit in the Condominium and terminating not later than one (1) calendar year thereafter or upon the transfer of control of the Association to unit owners other than the Developer, whichever occurs first. During this period, the Developer guarantees that the Assessment for Common Expenses of the Condominium imposed on the unit owners other than the Developer shall not increase over the amounts per month per unit type as follows:

<u>UNIT TYPE</u>	<u>MONTHLY DOLLAR AMOUNT</u>
3 Bedroom East Unit	\$206.00
3 Bedroom East Center Unit	\$206.64
2 Bedroom Center Unit	\$167.20
3 Bedroom West Center Unit	\$206.39
3 Bedroom West Units	\$206.00
Penthouse Unit East	\$317.47
Penthouse Unit Center	\$336.55
Penthouse Unit West	\$318.10
Commercial Unit	\$ 20.60

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 other unit owners. Upon termination of this guarantee, the Developer shall pay Assessments for Common Expenses for Units owned by the Developer. Notwithstanding

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anything to the contrary herein provided regarding the expiration of the guarantee period, the Developer may extend the initial one year guarantee period (or subsequent guarantee periods) to provide one or more additional one year guarantee periods upon like terms and conditions as herein provided. To effect such extension, Developer shall file written notice thereof with the Secretary of the Association who shall file or cause said notice to be filed with the minutes of the Association's Board of Directors.

D. Operating Capital. Each purchaser of a Unit from the Developer will pay to the Association a sum equal to one quarter's maintenance fee on his Unit as a contribution towards operating capital of the Association. The use of operating capital by the Developer shall be limited as set forth in the Condominium Act, including Section 718.116(9)(b) thereof.

E. Interest; Application of Payment. Assessments and installments on such Assessments paid on or before ten (10) days after the date when due shall not bear interest but all sums not paid on or before ten (10) days after the date when due shall bear interest at the maximum legal rate from the date when due until paid. All payments upon accounts shall be first applied to interest and then to the Assessment payment first due.

F. Lien for Assessments. The Association shall have a lien on each Condominium Parcel for any unpaid Assessments together with interest thereon, against the owner of such Condominium Parcel. Reasonable attorney's fees incurred by the Association incident to the collection of such Assessment or the enforcement of such lien, shall be payable by the unit owner and secured by such lien.

Except as set forth below, the Association's liens shall be effective from and after the time of and shall relate back to the recording in the public records of Okaloosa County, Florida, of this Declaration. As to first mortgages of record, the lien is effective from and after a claim of lien is recorded in the public records of Okaloosa County, Florida stating the description of the Condominium Parcel, the name of the record owner, the amount due

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and the date when due, and the lien shall continue in effect until all sums secured by the lien have been fully paid. The claim of lien shall be signed and acknowledged by an officer or agent of the Association. Upon full payment, the party making payment shall be entitled to a recordable satisfaction of the lien.

G. Collection and Foreclosure. The Board of Directors may take such action as they deem necessary to collect Assessments of the Association by personal action or by enforcing and foreclosing the Association's lien, and may settle and compromise same if in the best interest of the Association. The Association's lien shall be effective as and in the manner provided for by the Condominium Act, and shall have the priorities established by the Act. The Association shall be entitled to bid at any sale held pursuant to a suit to foreclose an Assessment lien, and to apply as a cash credit against its bid, all sums due the Association covered by the lien enforced. In case of such foreclosure, the Association may apply for a court order requiring the unit owner to pay a reasonable rental for the Condominium Parcel and the plaintiff in such foreclosure shall be entitled to the appointment of a receiver to collect same from the unit owner or occupant or both.

H. Liability of Mortgagee. A mortgagee, including a first mortgagee, who acquires title to a Unit by foreclosure or by deed in lieu of foreclosure is liable for the unpaid Assessments that became due prior to the mortgagee's receipt of the certificate of title or deed, as the case may be. However, the mortgagee's liability is limited to a period not exceeding six (6) months, but in no event, does the first mortgagee's liability exceed one percent (1%) of the original mortgage debt. The first mortgagee's liability for such expense or Assessments does not commence until thirty (30) days after the date the first mortgagee received the last payment of principal or interest. In no event shall the mortgagee be liable for more than six (6) months of the Unit's unpaid Common Expenses or Assessments accrued before the acquisition of the title to the Unit by the mortgagee or one percent (1%) of the original mortgage debt, whichever amount is less. Any unpaid

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share of Common Expenses or Assessments shall be deemed to be Common Expenses collectable from all of the unit owners, including such acquirer of title, whether as a result of foreclosure or by acceptance of a deed in lieu of foreclosure. The new owner by virtue of the acquiring of such title shall forthwith become liable for the payment of the Common Expenses and such other expenses as may be chargeable to the owner of a Unit hereunder.

I. Certificate. Within fifteen (15) days after request by a unit owner or Unit mortgagee, the Association shall provide a certificate stating all Assessments and other moneys owed to the Association by the unit owner with respect to the Condominium Parcel. Any person other than the owner who relies upon such certificate shall be protected thereby.

6. ASSOCIATION. The operation of the Condominium shall be by Jade East Towers Owners Association, Inc. a corporation not for profit under the laws of Florida, which shall fulfill its functions pursuant to the following provisions:

A. Articles of Incorporation. The Articles of Incorporation of the Association are the Articles attached to this Declaration as Exhibit E.

B. By-Laws. The By-Laws of the Association are the By-Laws attached to this Declaration as Exhibit F.

C. Limitation Upon Liability of Association. Notwithstanding the duty of the Association to maintain and repair parts of the Condominium Property, the Association shall not be liable to unit owners for injury or damage, other than the cost of maintenance and repair, caused by any latent conditions of the property to be maintained and repaired by the Association, or caused by the elements or other owners or persons. The Shares of members in the funds, assets and property rights of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his unit.

D. Approval or Disapproval of Matters. Whenever the decision of a unit owner is required upon any matter, whether or not the subject of an Association meeting, such decision may be

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expressed by written agreement as well as by duly recorded vote and shall, in either event, be expressed by the same person who would cast the vote of the unit owner if in an Association meeting, unless the joinder of record unit owners is specifically required by the Declaration.

7. INSURANCE. The insurance other than title insurance that shall be carried on the Association Property and the Condominium Property and the property of the unit owners shall be governed by the following provisions:

A. Authority to Purchase; Named Insured. All insurance policies upon the Association Property and the Condominium Property shall be purchased by the Association. The named insured shall be the Association individually and as agent for the unit owners, without naming them, and as agent for their mortgagees. Provision shall be made for the issuance of mortgagee endorsements and memoranda of insurance to the mortgagees of unit owners. Such policies shall provide that payments by the insurer for losses shall be made to the Association, or if required by the holder of a first mortgage on one of the units, an insurance trustee designated by the Association, and all policies and their endorsements shall be deposited with the Association or, if applicable, the insurance trustee. Unit owners may obtain coverage at their own expense upon their personal property and for their personal liability and living expense.

B. Coverage.

(1) Casualty. All buildings and improvements upon the Land shall be insured in an amount equal to the maximum insurable replacement value except, in the case of flood insurance, the amount shall not be required to exceed the amounts available under the National Flood Insurance Program or its successor, and all personal property included in the Common Elements shall be insured for its value, all as determined annually by the Board of Directors of the Association with such deductible clauses required to obtain coverage at a reasonable cost. Such coverage shall afford protection against:

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(a) Loss or damage by fire or other hazards covered by a standard extended coverage endorsement and

(b) Such other risks as from time to time shall be customarily covered with respect to buildings on the Land, including but not limited to vandalism and malicious mischief, windstorm and flooding.

(c) Insurance policies providing casualty coverages pursuant to 7B(1) (a) and (b) above 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 of 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 plans and specifications are not available. However, the word "building" shall not include floor coverings, wall coverings or ceiling coverings. With respect to the coverage provided for by this paragraph, the unit owners shall be considered additional insureds under the policy. Further, such policies, when appropriate and possible, shall waive the insurer's right to (1) subrogation against the Association and against the unit owners individually and as a group (2) benefit of the pro rata clause that reserves to the insurer the right to pay only a fraction of any loss if other insurance have issued coverage on the same risk and (3) avoid liability for a loss that is caused by an act of the Board of Directors of the Association or a director or one or more unit owners.

(2) Liability. Public liability in such amounts and with such coverage as shall be required by the Board of Directors of the Association.

(3) Workmen's Compensation. Workmen's compensation policy, if required to meet the requirements of law.

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(4) Other. Such other insurance as the Board of Directors of the Association shall determine from time to time to be desirable.

C. Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a common expense of this Condominium.

D. Insurance Trustees; Share of Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the unit owners and their mortgagees as their interest may appear, and shall provide that all proceeds covering property losses shall be paid to the Association or to such bank located in the State of Florida with trust powers as may be designated as insurance trustee by the Board of Directors of the Association, which trustee is referred to in this instrument as the "insurance trustee." The insurance trustee shall not be liable for payment of premiums, nor the renewal or the sufficiency of policies, nor for the failure to collect any insurance proceeds. The duty of the insurance trustee, or the Association if no insurance trustee is designated, shall be to receive such proceeds as are paid and to hold the proceeds in trust for the purpose elsewhere stated in this instrument and for the benefit of the unit owners and their mortgagees in the following shares but which shares need not be set forth on the records of the insurance trustee:

(1) Unit Owners. An undivided share for such unit owner; such share being the same as the undivided share in the Common Elements appurtenant to his unit.

(2) Mortgages. In the event a mortgagee endorsement has been issued as to a unit, the share of the unit owner shall be held in trust for the mortgagee and the unit owner as their interest may appear; provided, however, except as otherwise provided, no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a

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mortgage debt any insurance proceeds except distributions of such proceeds made to the unit owner and mortgagee pursuant to the provisions of this Declaration.

E. Distribution of Proceeds. Proceeds of insurance policies received by the Association or the insurance trustee shall be distributed to or for the beneficial owners in the manner herein provided in "8. RECONSTRUCTION OR REPAIR AFTER CASUALTY."

F. Association as Agent. The Association is irrevocably appointed agent for each unit owner and for each owner of a mortgage or other lien upon a unit and for each owner of any other interest in the Condominium Property to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

8. RECONSTRUCTION OR REPAIR AFTER CASUALTY.

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

(1) Common Element. If the damaged improvement is a Common Element, other than a unit building, the damaged property shall be reconstructed or repaired, unless it is determined in the manner elsewhere provided that the Condominium shall be terminated

(2) Unit Building.

(a) Lesser Damage. If the damaged improvement is a unit building and if at least three (3) of the units in each damaged building are found by the Board of Directors of the Association to be tenantable, the damaged property shall be reconstructed or repaired unless within sixty (60) days after the casualty it is determined by agreement in the manner elsewhere provided that the Condominium shall be terminated.

(b) Major Damage. If the damaged improvement is a unit building and if less than three (3) of the units in each damaged building are found by the Board of Directors to be tenantable, then the damaged property will be reconstructed or repaired, unless within sixty (60) days after the casualty the

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owners of three-fourths (3/4) of the units and the mortgagee holding the greatest number of recorded mortgages on all units consents in writing to terminate the Condominium.

(3) Certificate. The insurance trustee may rely upon a certificate of the Association made by its president and secretary to determine whether or not the damaged property is to be reconstructed or repaired.

B. Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original building, portions of which are attached as exhibits; or if not, then according to plans and specifications approved by the Board of Directors of the Association, and if the damaged property is the unit building, by the owners of the units, which approval shall not be unreasonably withheld.

C. Responsibility. If the damage is not the result of a casualty for which the Association has secured insurance coverage and is only to those parts of one unit for which the responsibility of maintenance and repair is that of the unit owner, then the unit owner shall be responsible for reconstruction and repair after casualty. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Association.

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

E. Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, or if at any time during reconstruction and repair by the Association, or upon completion of reconstruction and repair, the funds for the payment of the costs of reconstruction and repair are insufficient, Assessment shall be made against all units in sufficient amounts to provide funds for the payment of

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such costs. Such Assessments shall be in proportion to the owner's share in the Common Elements.

F. Construction Funds. The funds for payment of the costs of reconstruction and repair after casualty, which shall consist of proceeds of insurance held by the Association or the insurance trustee and funds collected by the Association from Assessments against units shall be disbursed in payment of the costs in the following manner:

(1) Association. If the total Assessments made by the Association in order to provide funds for payment of costs of reconstruction and repair that is the responsibility of the Association is more than Ten Thousand Dollars (\$10,000), then the sums paid upon such Assessments shall be deposited by the Association with the insurance trustee if one has been designated. In all other cases, the Association shall hold the sums paid upon such Assessments and disburse them in payment of the costs of reconstruction and repair.

(2) Construction Fund. The proceeds of insurance collected on account of a casualty, and the proceeds from collections of Assessments against units on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner and order:

(a) Association - Lesser Damage. If the amount of the estimated costs of reconstruction and repair that is the responsibility of the Association is less than Ten Thousand Dollars (\$10,000), then the construction fund shall be disbursed in payment of such costs upon the order of the Association; provided, however, that upon request of a mortgagee that is a beneficiary of an insurance policy the proceeds of which are included in the construction fund, such funds shall be disbursed in the manner provided for the reconstruction and repair of major damage.

(b) Association - Major Damage. If the amount of the estimated costs of reconstruction and repair that is the responsibility of the Association is more than Ten Thousand Dollars

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(\$10,000), then the construction fund shall be disbursed in payment of such costs in the manner required by the Board of Directors of the Association upon approval by an architect qualified to practice in Florida and employed by the Association to supervise the work.

(c) Unit Owner. The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with a unit owner shall be paid by the Association or the insurance trustee to the unit owner, or if there is a mortgagee endorsement as to the unit, then to the unit owner and the mortgagee jointly, who may use such proceeds as they be advised.

(d) Surplus. It shall be presumed that the first monies disbursed in payment of costs or reconstruction and repair shall be from insurance proceeds. If there is a balance in construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated; except, however, that the part of a distribution to a beneficial owner that is not in excess of Assessments paid by such owner into the construction fund shall not be made payable to any mortgagee.

(e) Certificate. Notwithstanding the provisions of this instrument, the insurance trustee shall not be required to determine whether or not sums paid by the unit owners upon Assessments shall be deposited by the Association with the insurance trustee, nor to determine whether the disbursement is to be made from the construction fund nor to determine the payee nor the amount to be paid. Instead, the insurance trustee may rely upon a certificate of the Association made by its president and secretary as to any or all of such matters and stating that the sums to be paid are due and properly payable and stating the name of the payee and the amount to be paid; provided that when a mortgagee is required in this instrument to be named as payee, the insurance trustee shall also name the mortgagee as a payee of any distribution of insurance proceeds to a unit owner; and further

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provided that when the Association, or a mortgagee that is the beneficiary of an insurance policy whose proceeds are included in the construction fund, so requires, the approval of an architect named by the Association upon disbursements in payment of costs of reconstruction and repair.

9. USE RESTRICTIONS. The use of the Condominium Property shall be in accordance with the following provisions as long as the Condominium exists and the building containing the units in useful condition exists on the Land.

A. Units. Each of the units other than a commercial unit may be occupied only as a residence either permanent or transient and for no other purpose.

B. Commercial Units. The commercial unit may be used for any purpose that other units may be used as well as for commercial purposes.

C. Common Elements. The Common Elements shall be used only for the purpose for which they are intended in the furnishing of services and facilities for the enjoyment of the units.

D. Nuisances. No nuisances shall be allowed upon the Condominium Property, nor any use or practice that is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents. All parts of the Condominium shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate nor any fire hazard allowed to exist. No unit owner shall permit any use of his unit or make any use of the Common Elements that will increase the cost of insurance upon the Condominium Property unless provisions have been made for a Special Assessment pursuant to paragraph 7C.

E. Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the Condominium Property nor any part of it and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction shall be observed. The responsibility of meeting the requirements of governmental bodies for maintenance, modifications or repair of the Condominium

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property shall be the same as the responsibility for the maintenance and repair of the property concerned.

F. Leasing. Only entire units may be leased.

G. Regulations. Reasonable regulations concerning the use of the Condominium Property may be made and amended from time to time by the Association in the manner provided by its Articles of Incorporation and By-Laws. Copies of such regulations and amendments shall be furnished by the Association to all unit owners and residents of the Condominium upon request.

H. Proviso. Provided, however, that until Developer has completed all of the contemplated improvements and closed the sales of all the Units of the Condominium, neither the unit owner nor the Association nor any use of the Condominium shall interfere with the completion of the contemplated improvements and the sale of the Units. The Developer may make such use of the unsold units and Common Elements as may facilitate such completion and sale, including but not limited to the maintenance of a sales office, the showing of units in the Condominium. The sales office, the sales or construction trailer, if any, the furniture and furnishings in all model units, signs and all items pertaining to sales shall not be Common Elements and shall remain the property of the Developer.

10. NOTIFICATION OF TRANSFER OF INTEREST. The transfer of fee ownership or other interest in units in the Condominium by sale, lease, gift, devise, inheritance, foreclosure or other method, shall not be subject to the prior approval of the Association; however, both the transferor and the transferee shall notify the Association of the transfer unless same is a lease or rental for a term of less than one (1) month, within ten (10) days of the date of the transfer, together with such other information concerning the transferee as the Association may reasonably require.

11. COMPLIANCE AND DEFAULT. Each unit owner shall be governed by and shall comply with the terms of the Declaration of Condominium, Articles of Incorporation and By-Laws and regulations adopted pursuant to those documents, and all of such as they may be

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amended from time to time. Failure of a unit owner to comply with such documents and regulations shall entitle the Association or other unit owners to the following relief in addition to the remedies provided by the Condominium Act:

A. Negligence. A unit owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or by that of any member of his family or his or their guest, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association.

B. Fines. The Board of Directors of the Association may upon reasonable notice and an opportunity for hearing before a committee of other unit owners appointed by the Board, fine and charge any offending member a sum not to exceed One Hundred Dollars (\$100) for each infraction of the provisions of this Declaration, the Articles, By-Laws or rules and regulations of the Association. No fines shall constitute a lien against the unit. The provisions of this paragraph shall not apply to unoccupied units.

C. Costs and Attorney's Fees. In any proceeding arising because of an alleged failure of a unit owner or the Association to comply with the terms of the Declaration, Articles of Incorporation of the Association, the By-Laws or the regulations adopted pursuant to them, and the documents and regulations as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be awarded by the Court.

D. No Waiver of Rights. The failure of the Association or any unit owner to enforce any covenant, restriction or other provision of the Condominium Act, this Declaration, the Articles of Incorporation of the Association, or the By-Laws shall not constitute a waiver of the right to do so thereafter.

12. SPECIFIC RIGHTS OF INSTITUTIONAL MORTGAGEES. In addition to the rights and privileges expressly granted to the mortgagees of Condominium units in other Articles of this Declaration of

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Condominium, each and every Institutional Mortgagee shall have the following rights and entitlements:

A. Upon written request to the Association, the Association shall make available to Institutional Mortgagees current copies of the Declaration of Condominium and its Exhibits and instruments incorporated by reference therein including but not necessarily limited to the By-Laws, and the rules of the Association and the books, records and financial statements of the Association. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances. If an Institutional Mortgagee requests copies of any of the aforementioned items, the Association may require the payment in advance of its reasonable copy charges for providing any of the aforementioned items.

B. An Institutional Mortgagee shall be entitled, upon written request, to a financial statement for the immediately preceding fiscal year of the Association.

C. An Institutional Mortgagee that is also a first mortgagee shall be entitled to the protections afforded other first mortgagees as elsewhere provided in this Declaration.

D. Upon written request to the Association identifying the name and address of the Institutional Mortgagee, such Institutional Mortgagee will be entitled to timely written notice of the following:

(1) Any condemnation, loss or other casualty loss which affects a material portion of the Condominium or any unit which is encumbered by a mortgage held by the Institutional Mortgagee;

(2) Any delinquency in the payment of Assessments or Common Expenses owed by an owner of a unit subject to a mortgage held by an Institutional Mortgagee, which remains uncured for a period of sixty (60) days;

(3) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

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(4) Any proposed action which would require the consent of a specified percentage of mortgage holders.

13. AMENDMENTS. Except as elsewhere provided otherwise, this Declaration of Condominium may be amended in the following manner:

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

B. Adoption. A resolution for the adoption of a proposed amendment may be proposed by either the Board of Directors of the Association or by the members of the Association, at a meeting called for this purpose. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided such approval is delivered to the secretary at or prior to the meeting. Except as elsewhere provided, such approval must be either by:

(1) Approval by the owners of two-thirds (2/3) of the Voting Interest; or

(2) Until the first election of Directors, only by all of the Directors, provided the amendment does not increase the number of units nor alter the boundaries of the Common Elements; or

(3) If there is an omission or error in this Declaration of Condominium or in other documents required by law to establish the Condominium, or any part thereof, the Association may correct the error or omission by an amendment to the Declaration, or the other documents required to create the Condominium and such amendment need only be approved by a majority of the Directors when proposed by the Directors or a majority of the Voting Interests when proposed by the members of the Association. This procedure for amendment cannot be used if such an amendment would materially or adversely affect property rights of unit owners, unless the affected unit owners consent in writing. This subsection does not restrict the powers of the Association to otherwise amend the Declaration, or other documentation, but authorizes a simple process of amendment requiring a lesser vote for the purpose of

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curing defects, errors, or omissions when the property rights of unit owners are not materially or adversely affected.

(4) In addition to any other method of amending this Declaration provided for elsewhere herein, Developer reserves the right and power to record a special amendment ("Special Amendment") to this Declaration at any time and from time to time which amends this Declaration (i) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Association, the Veteran's Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities, (ii) to induce any of such agencies or entities to make, purchase, sell, insure, or guarantee first mortgages covering unit ownerships, (iii) to bring this Declaration into compliance with the Florida Condominium Act, (iv) to correct clerical or typographical errors in this Declaration or any exhibit hereto or any amendment thereto or (v) to make any other non-material change in this Declaration or any exhibit hereto or any amendment thereto. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Developer to make or consent to a Special Amendment on behalf of each owner, mortgagee or other lienholder. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power of the Developer to make, execute and record Special Amendments. The reserved rights of the Developer under this Article shall terminate five (5) years from the date of recording of the Declaration.

C. Form of Amendment No provision to the Declaration shall be revised or amended by reference to its title or number only. Proposals to amend existing provisions of the Declaration shall contain the full text of the provision to be amended; new

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words shall be inserted in the text underlined; and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of declaration. See provision.... for present text." Nonmaterial errors or omissions in the amendment process shall not invalidate an otherwise properly promulgated amendment.

D. Proviso. No amendment shall change any unit nor the share in the Common Elements appurtenant to it, nor increase the owner's share of the Common Expenses, unless the record owner of the unit concerned and all record owners of mortgages on such unit shall join in the execution of the amendment.

E. Execution and Recording. A copy of each amendment shall be attached to or incorporated in a certificate certifying that the amendment was adopted, which certificate shall be executed by the officers of the Association with the formalities of a deed. The amendment shall be effective when such certificate is recorded in the public records of Okaloosa County, Florida.

14. TERMINATION. In addition to the manner provided by the Condominium Act, the Condominium will be terminated without agreement if it is determined in the manner elsewhere provided in this Declaration that the building containing the units shall not be reconstructed because of major damage.

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15. SEVERABILITY. The invalidity in whole or in part of any covenant or restriction, or any section, subsection, sentence, clause, phrase or word, or other provision in this Declaration of Condominium or the exhibits thereto or instruments incorporated therein by reference including the Articles of Incorporation and By-Laws of the Association shall not affect the validity of the remaining portions.

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

Signed, Sealed and Delivered
in the Presence of:

"DEVELOPER"

JADE EAST TOWERS DEVELOPERS, a joint venture partnership consisting of JADE EAST TOWERS, INC., a Florida corporation, JADE EAST TOWERS I, INC. and JADE EAST TOWERS II, INC., a Florida corporation

BY: JADE EAST TOWERS, INC.

By: [Signature]
F. W. (Freddie) Schinz
Its President

(Corporate Seal)

GENERAL PARTNER

[Signature]
Donna D. Miles
Print Name of Witness
[Signature]
Richard J. Bernely
Print Name of Witness

STATE OF FLORIDA
COUNTY OF OKALOOSA

The foregoing instrument was acknowledged before me this 31 day of February, 1996, by F. W. (Freddie) Schinz, as President of Jade East Towers, Inc., a Florida corporation, general partner of Jade East Towers Developers, a joint venture partnership, on behalf of the joint venture partnership. He: (notary must check applicable box)

- is personally known to me.
- produced a current Florida driver's license as identification.
- produced _____ as identification.

(SEAL)

JENNIFER L. MATTHEWS
NOTARY PUBLIC, STATE OF FLORIDA
MY COMMISSION EXPIRES AUGUST 1, 1999
COMM. NO. CG 485881

[Signature]
JENNIFER L. MATTHEWS
(Print Name)
Notary Public
Serial # 3024551
My Commission Expires: 1999

THIS DOCUMENT PREPARED BY:
BURKE & BLUE, P.A.
Lee W. Burke, Esq.
P.O. Box 70
Panama City, FL 32402

Dec-31

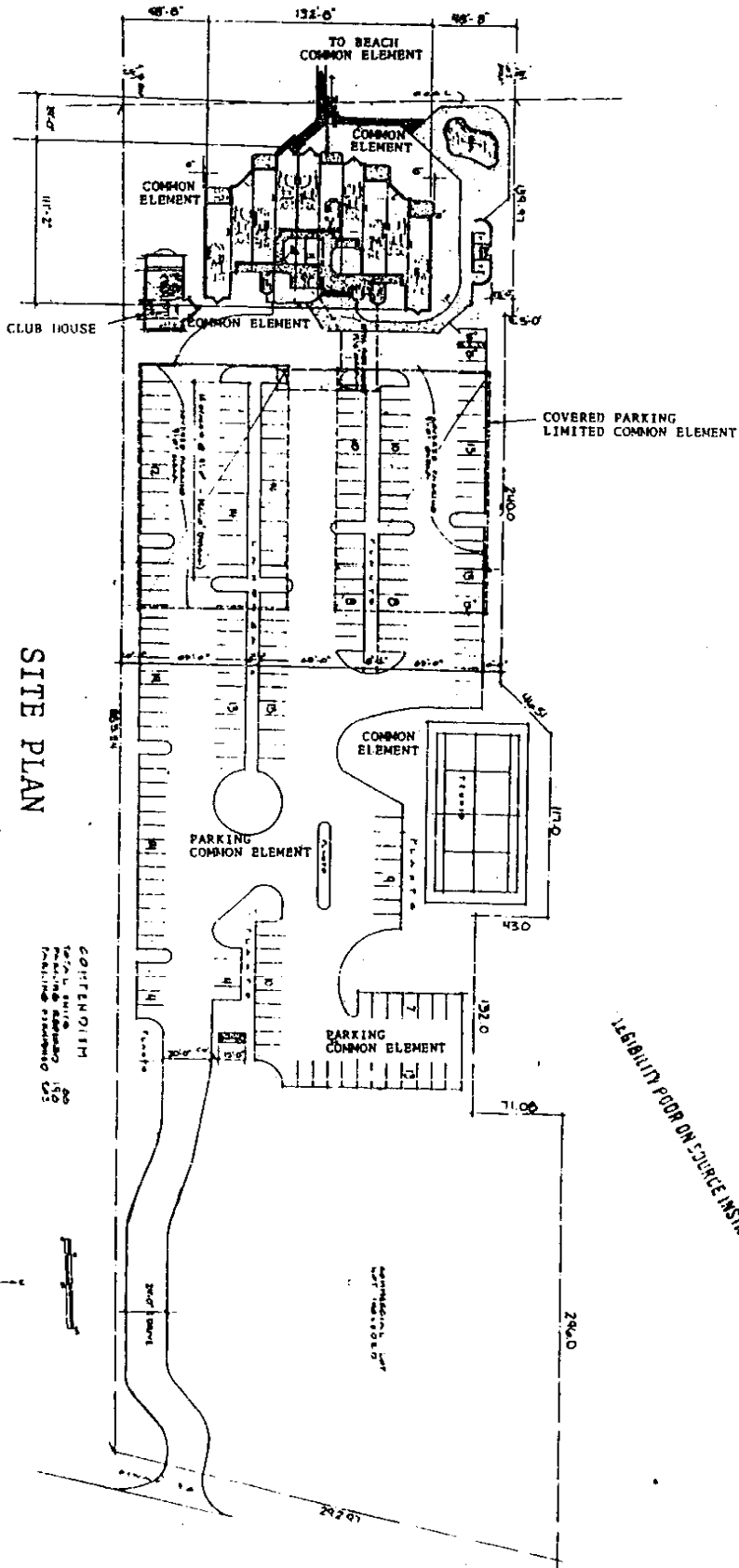
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BK 1983 PG 259

**EXHIBIT A TO THE DECLARATION OF
JADE EAST TOWERS, A CONDOMINIUM**

Legal Description

Commencing at the Northwest corner of the East 100 feet of the West 2600 feet lying South of State Road (U.S. Highway No. 98) and lying between the subdivisions of Silver Beach, Plat Book 1, Page 16 1/2, and Second East Pass Addition, Plat Book 1, Pages 19, Okaloosa County, Florida, the same being the Northwest corner of Destin Towers Condominium, Condominium Book 4, Pages 52-72, thence proceed S-76°11'00"E 47.89 feet along Right-of-Way, thence South 296.00 feet, thence East 71.08 feet to Point of Beginning, thence South 132.00 feet, thence West 43.00 feet, thence South 117.00 feet, thence S-41°06'42"E 46.51 feet, thence South 240.00 feet, thence West 5.00 feet, thence South 350.00 feet to a point marking the Gulf of Mexico, thence meander East 230.83 feet, thence North along a line 2831.00 feet East of Second East Pass Addition a distance of 1100.08 feet to State Road, thence N-76°11'00"W 70.00 feet, thence South 50.00 feet, thence S-36°32'11"E 46.98 feet, thence South 155.00 feet, thence West 173.41 feet to Point of Beginning.

Subject to and including a drainage retention easement described as: Beginning at the above described Point of Beginning proceed South 15.00 feet, thence East 173.41 feet, thence North 50.00 feet, thence West 173.41 feet, thence South 35.00 feet to Point of Beginning.



SITE PLAN

OFFICIAL RECORDS ##
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CONTINGENT
ON THE SITE
CONTRACTING AND
FACILITY STANDARDS

HEET	DATE	REVISIONS
1	3-9-81	

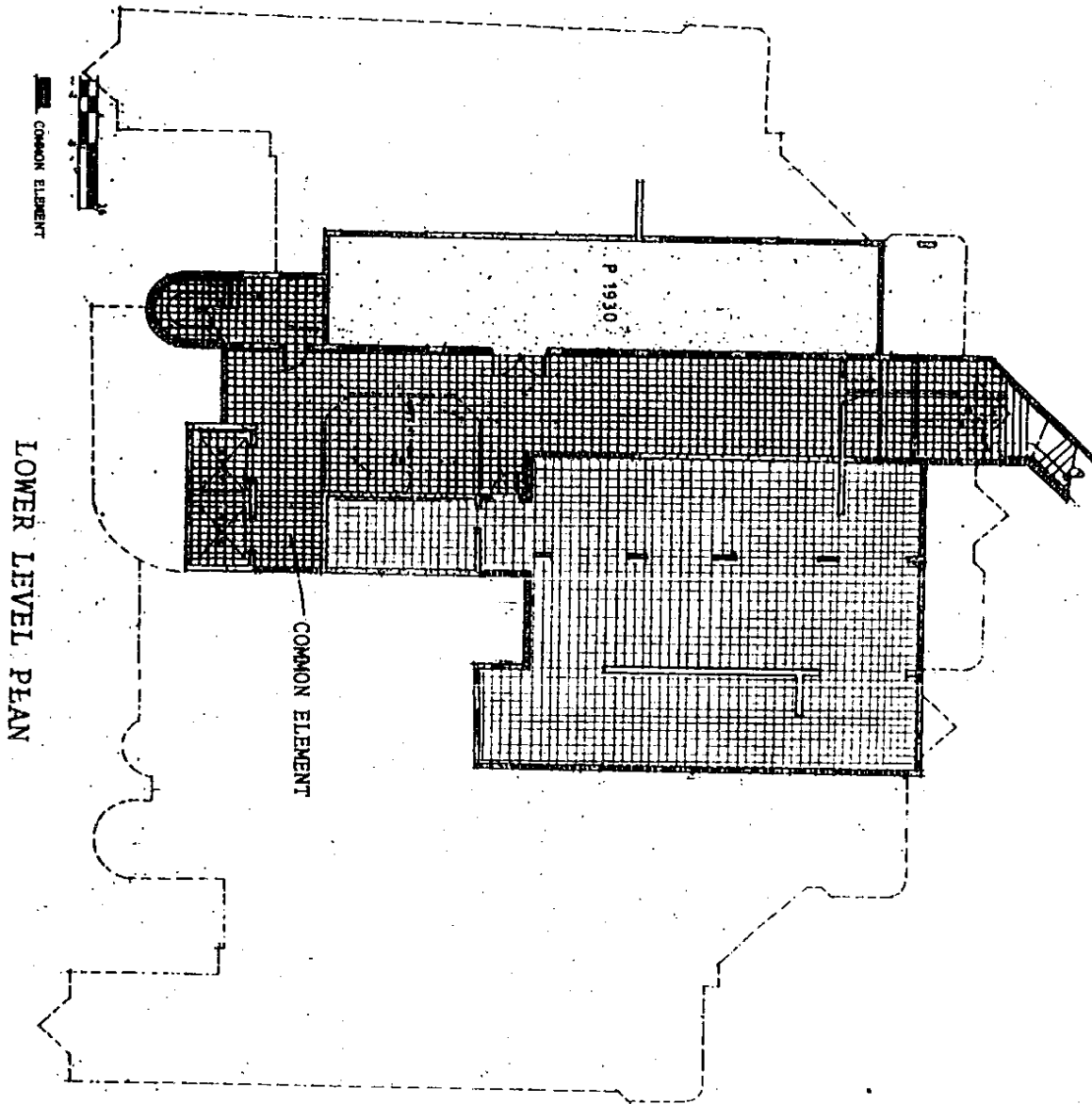
JADE EAST TOWERS



R . R . MOORE, INC.
ARCHITECT & PLANNER
DESTIN, FLORIDA

**** OFFICIAL RECORDS ****
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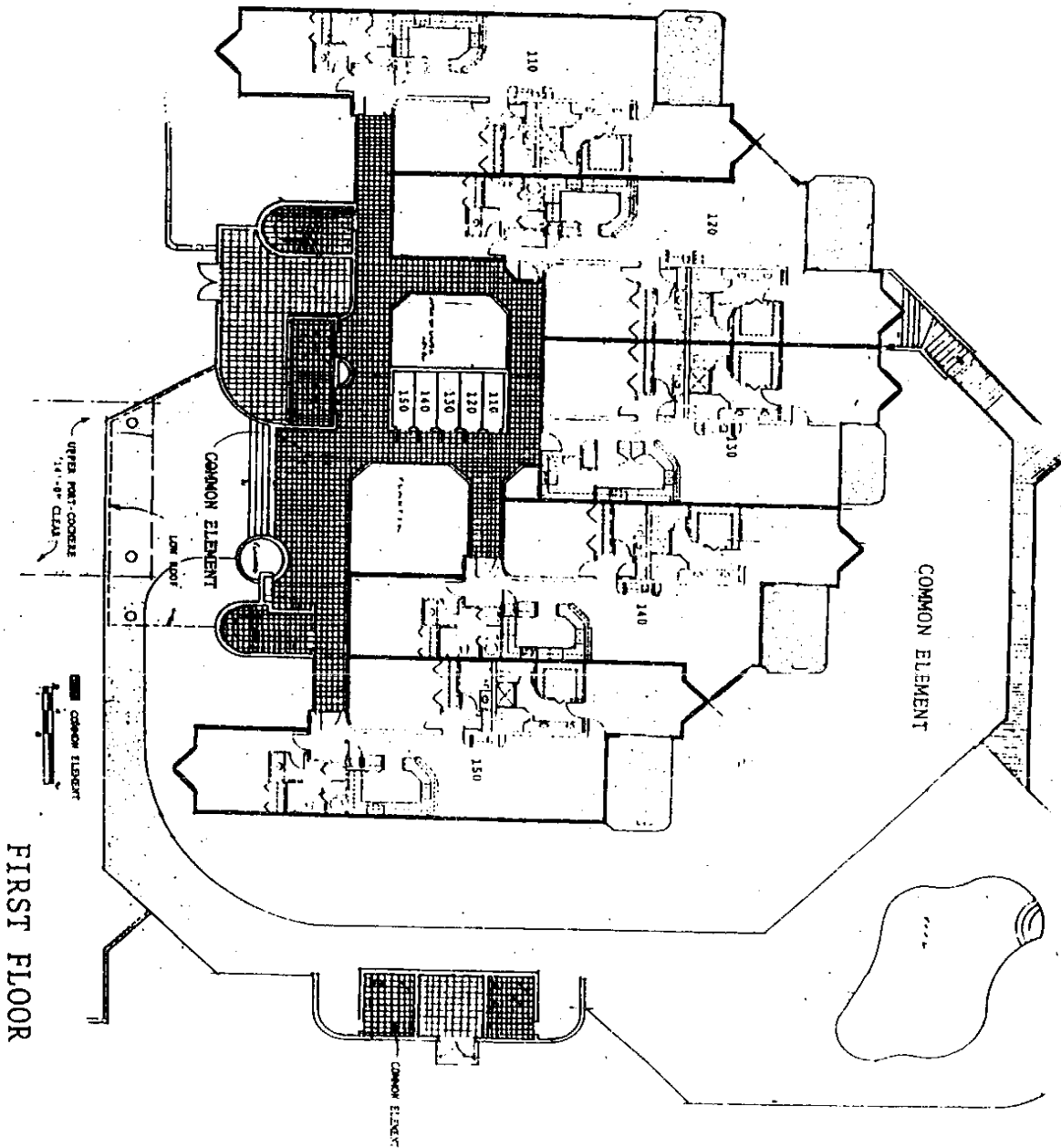
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SHEET 2	DATE 3-4-98 COMM NO. 0001	REVISIONS	JADE EAST TOWERS		R . R . MOORE, INC ARCHITECT & PLANNER
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BK 1983 PG 263

"LEGIBILITY POOR ON SOURCE INSTRUMENT"



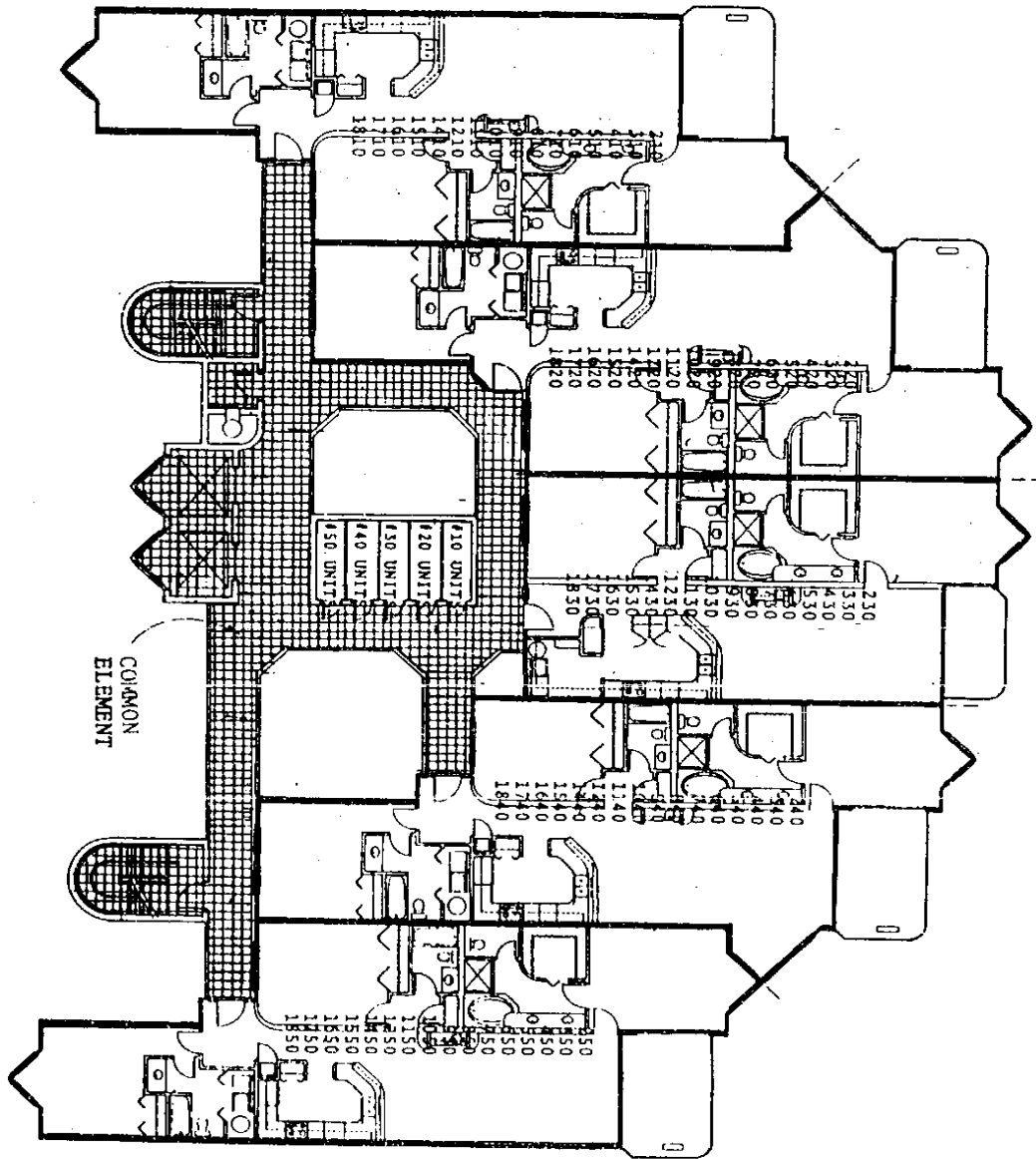
FIRST FLOOR

SHEET 3	DATE 3-9-84 COMM NO 80027	REVISIONS	JADE EAST TOWERS		R . R . MOORE, INC. ARCHITECT & PLANNER ORLANDO, FLORIDA
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"LEGIBILITY POOR ON SOURCE INSTRUMENT"

FLOORS 2-12 & 14-17

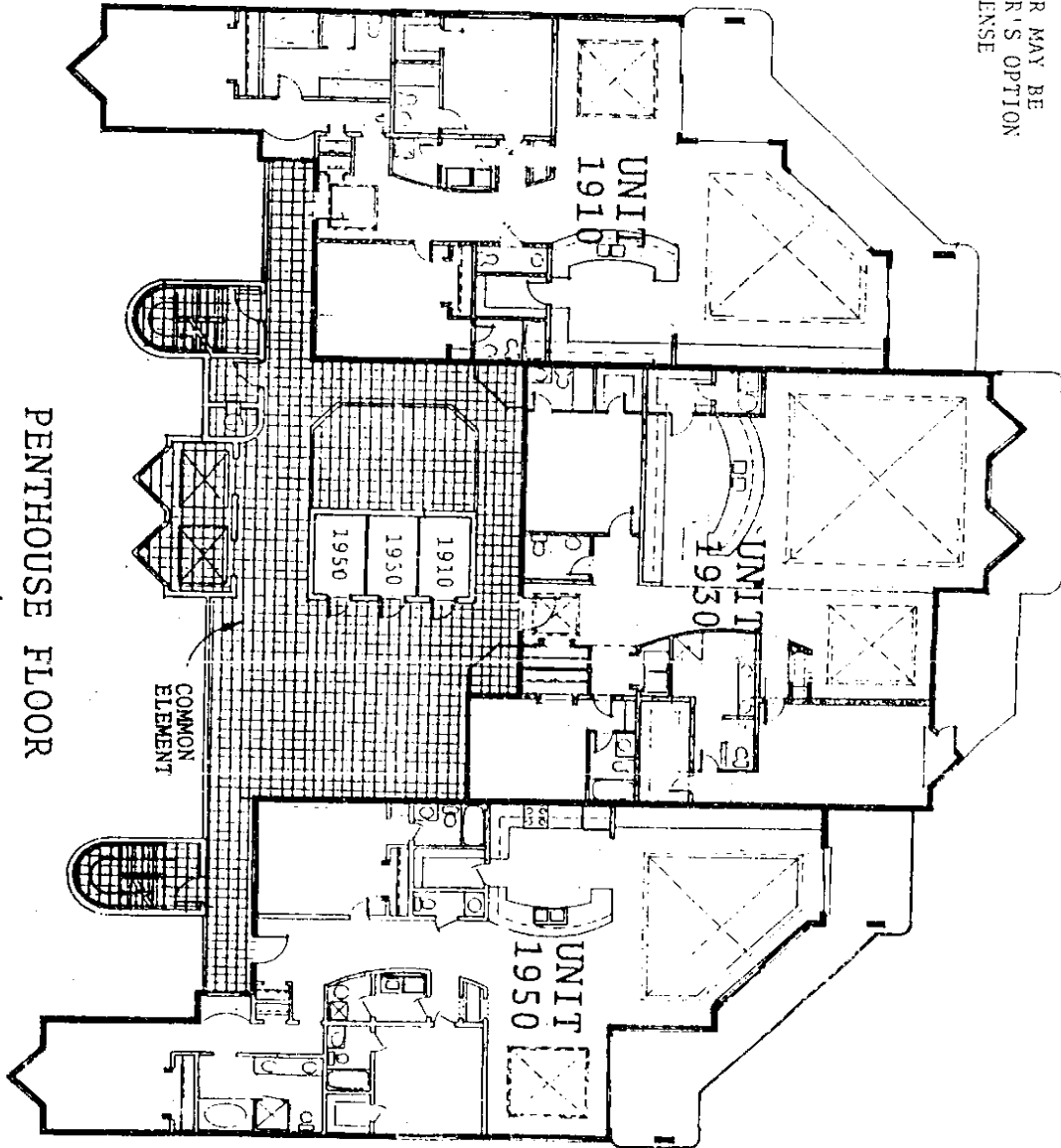


SHEET 4	DATE 3-9-84 COMM. NO. 80021	REVISIONS	JADE EAST TOWERS		R. R. MOORE, INC. ARCHITECT & PLANNER <small>MIAMI, FLORIDA</small>
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NOTE: UNITS THIS FLOOR MAY BE
ALTERED AT OWNER'S OPTION
AND OWNER'S EXPENSE

LEGIBILITY POOR ON SOURCE INSTRUMENT

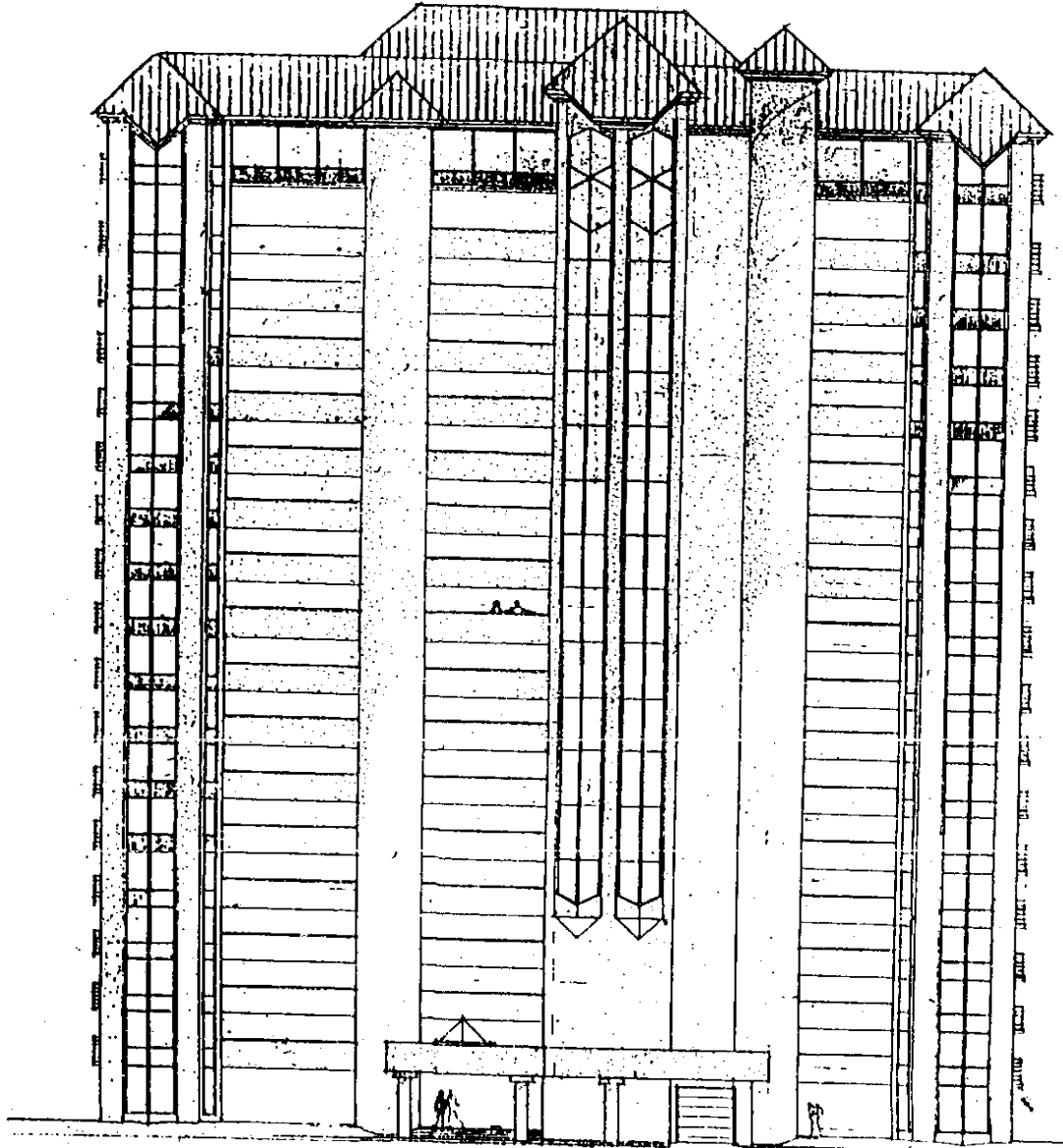


PENTHOUSE FLOOR

COMMON
ELEMENT

SHEET 5	DATE 3-9-98	REVISIONS	JADE EAST TOWERS  R . R . MOORE, INC ARCHITECT & PLANNER <small>ORLANDO, FLORIDA</small>
CONTRACT NO 90021			

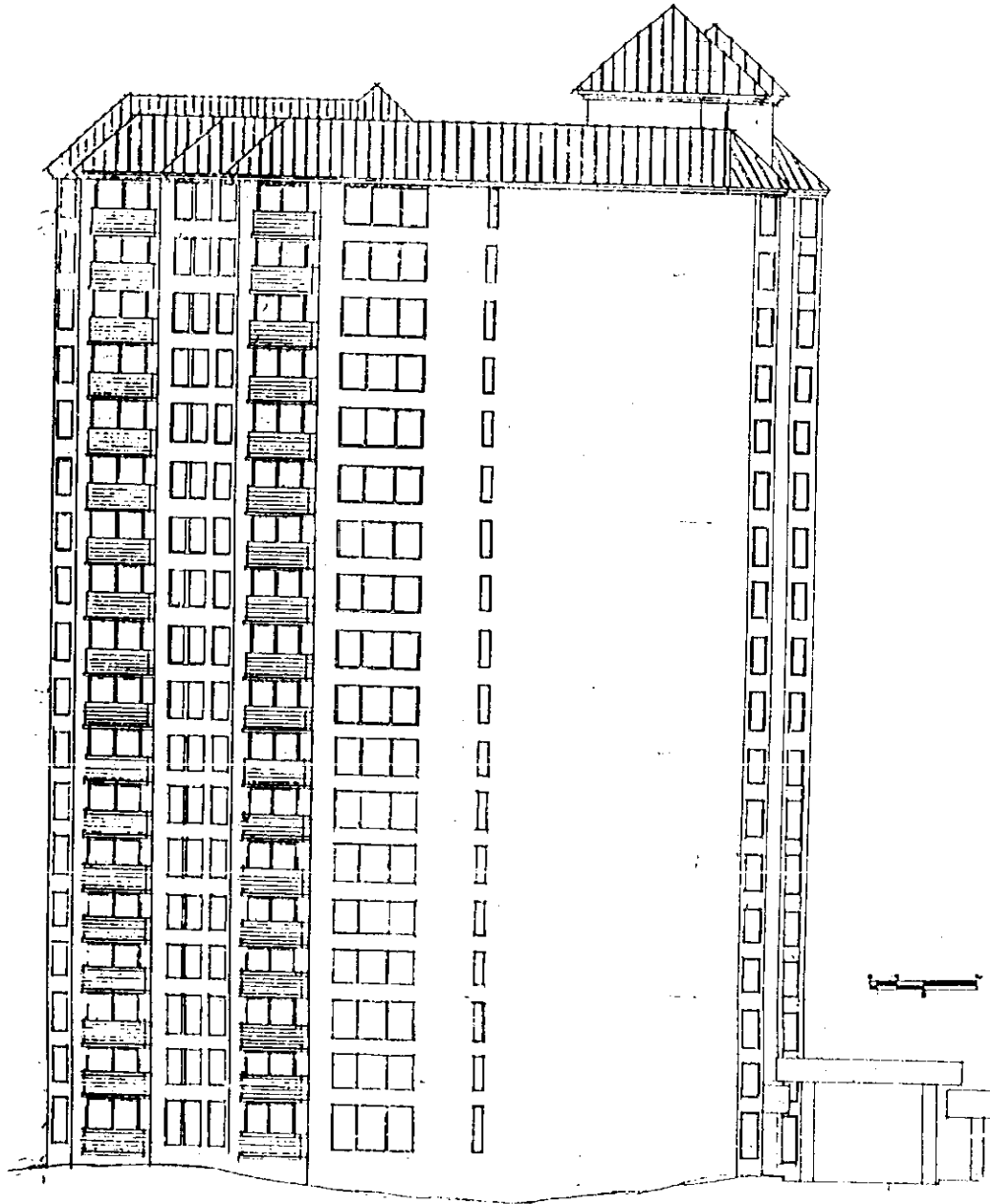
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NORTH ELEVATION

SHEET 6	DATE 3-9-04 COMM NO 00027	REVISIONS	JADE EAST TOWERS	R . R . MOORE, INC ARCHITECT & PLANNER ORLANDO, FLORIDA
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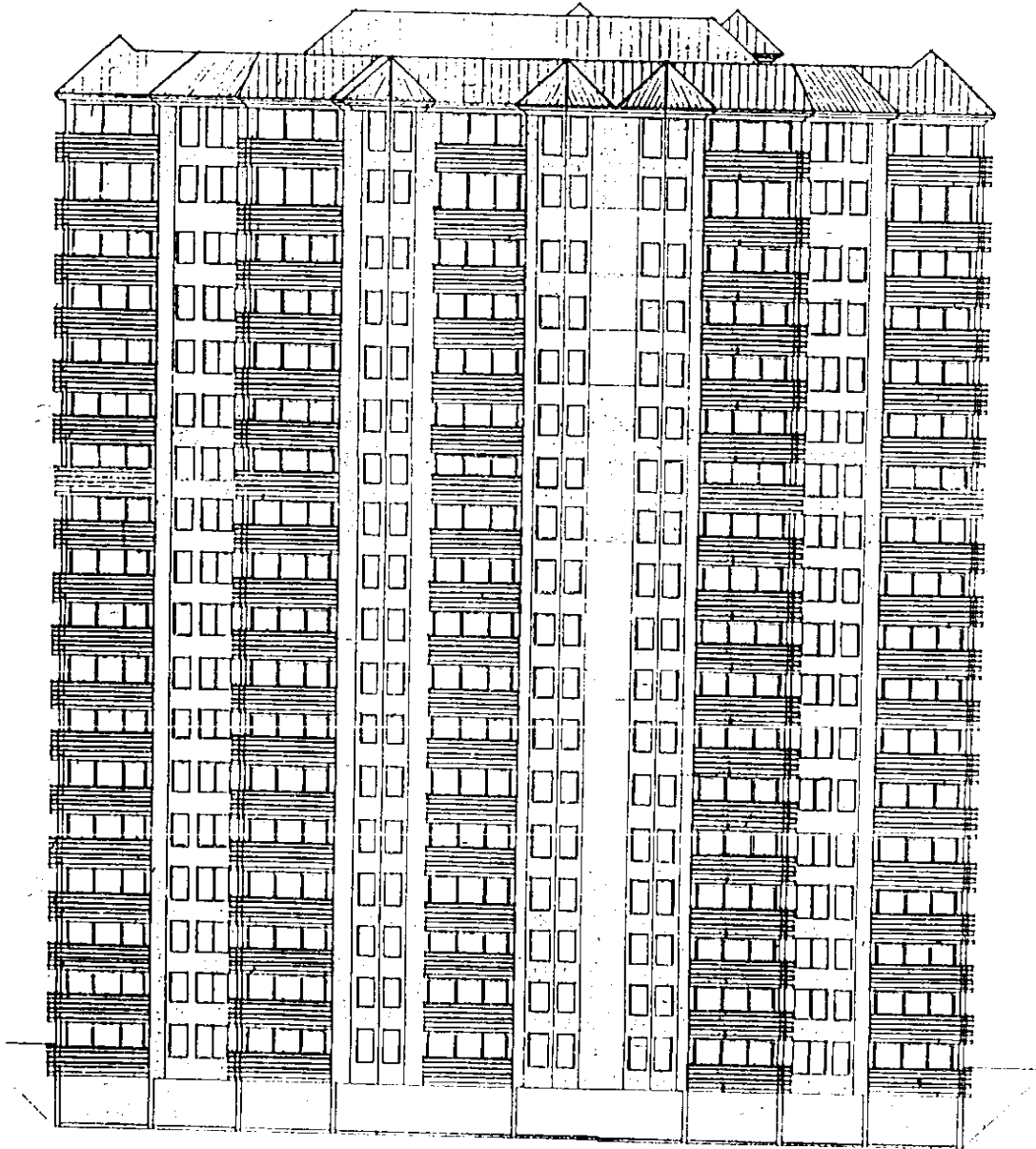
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EAST ELEVATION

SHEET 7	DATE 3-9-94 COMM. NO. 90081	REVISIONS	JADE EAST TOWERS	<i>moore</i>	R. R. MOORE, INC. ARCHITECT & PLANNER DESIGN BUREAU
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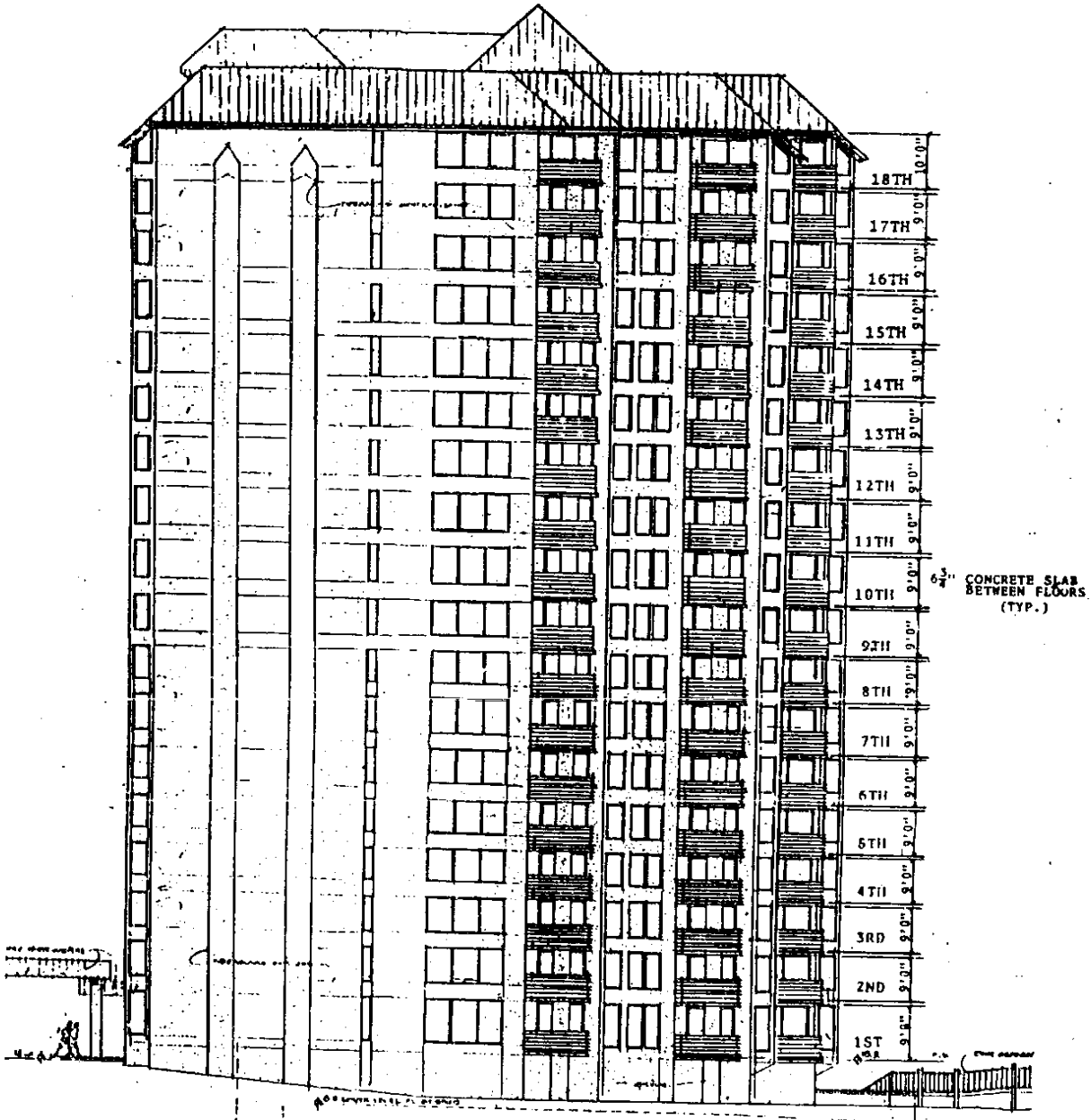


SOUTH ELEVATION



SHEET 8	DATE 3-9-04 DRAW NO 00037	REVISIONS	JADE EAST TOWERS		R . R . MOORE, INC ARCHITECT & PLANNER <small>DESIGN FLORIDA</small>
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BK 1983 PG 269



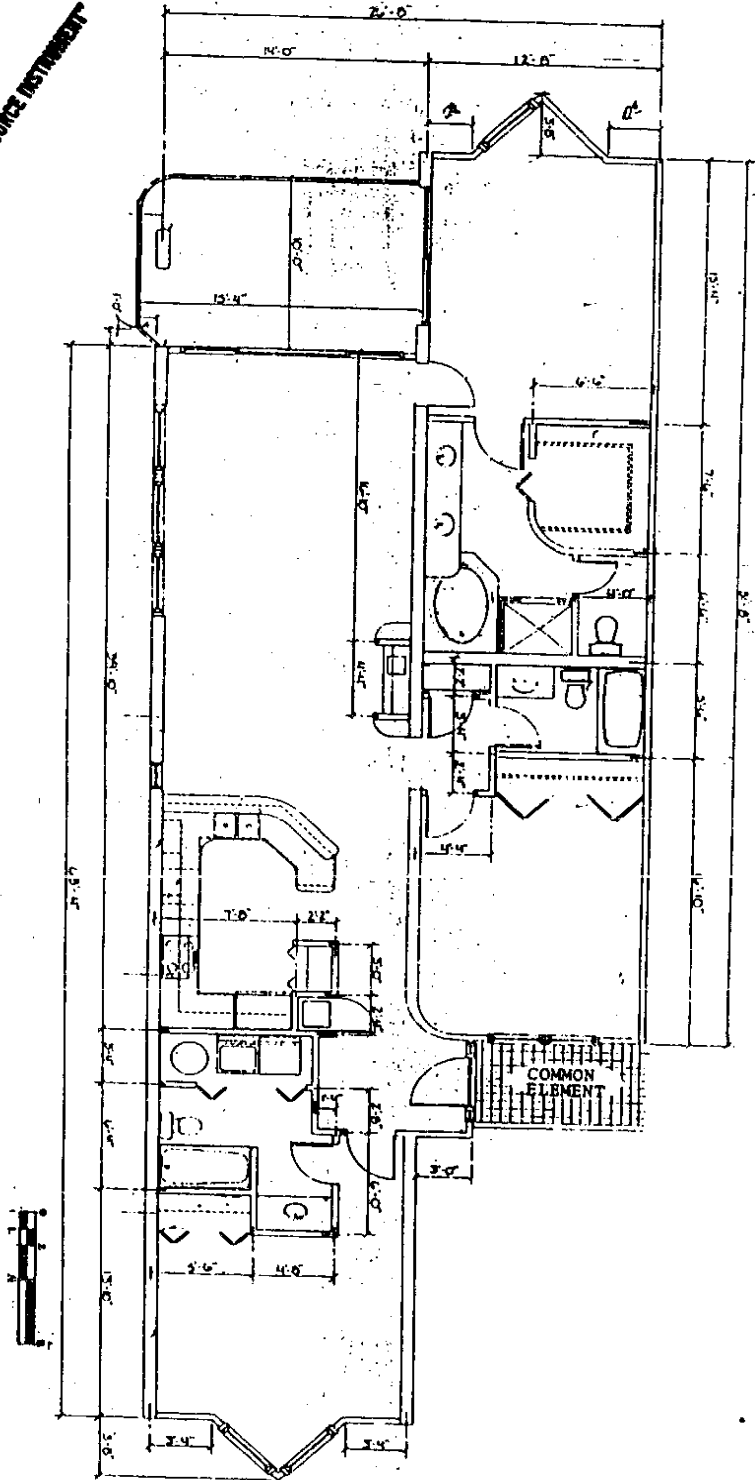
WEST ELEVATION

SHEET 9	DATE 3-9-04 COMM. NO. 00021	REVISIONS	JADE EAST TOWERS	R. R. MOORE, INC. ARCHITECT & PLANNER DESTIN, FLORIDA
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LEGIBILITY FROM ON SOURCE INSTRUMENT

UNIT 10



SHEET 11	DATE 3-9-99	REVISIONS
	COMM. NO. 0001	

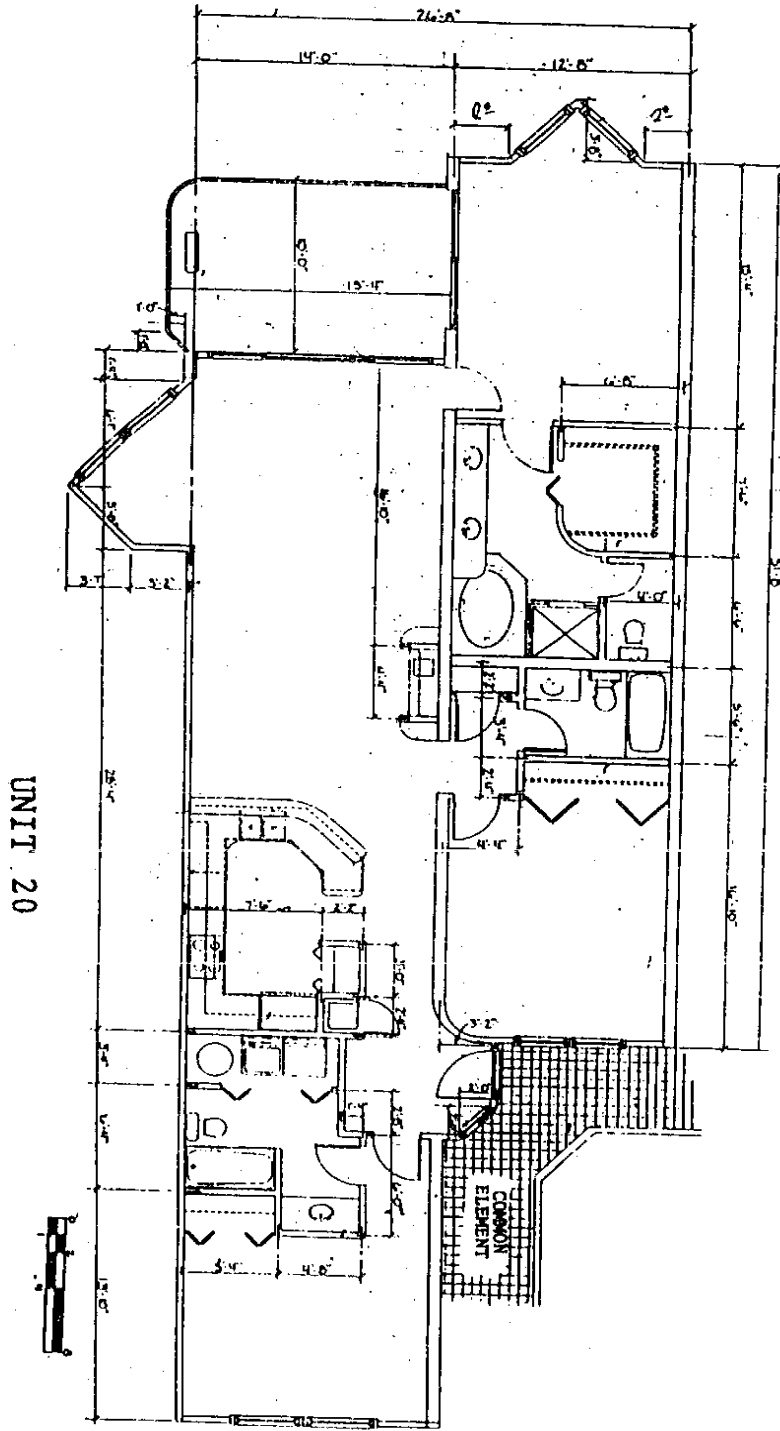
JADE EAST TOWERS



R . R . MOORE, INC.
ARCHITECT & PLANNER
DESTIN, FLORIDA

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"LEGIBILITY POOR ON SOURCE INSTRUMENT"



UNIT 20

SHEET
12

DATE
3-9-88
COMM NO
3001

REVISIONS

JADE EAST TOWERS

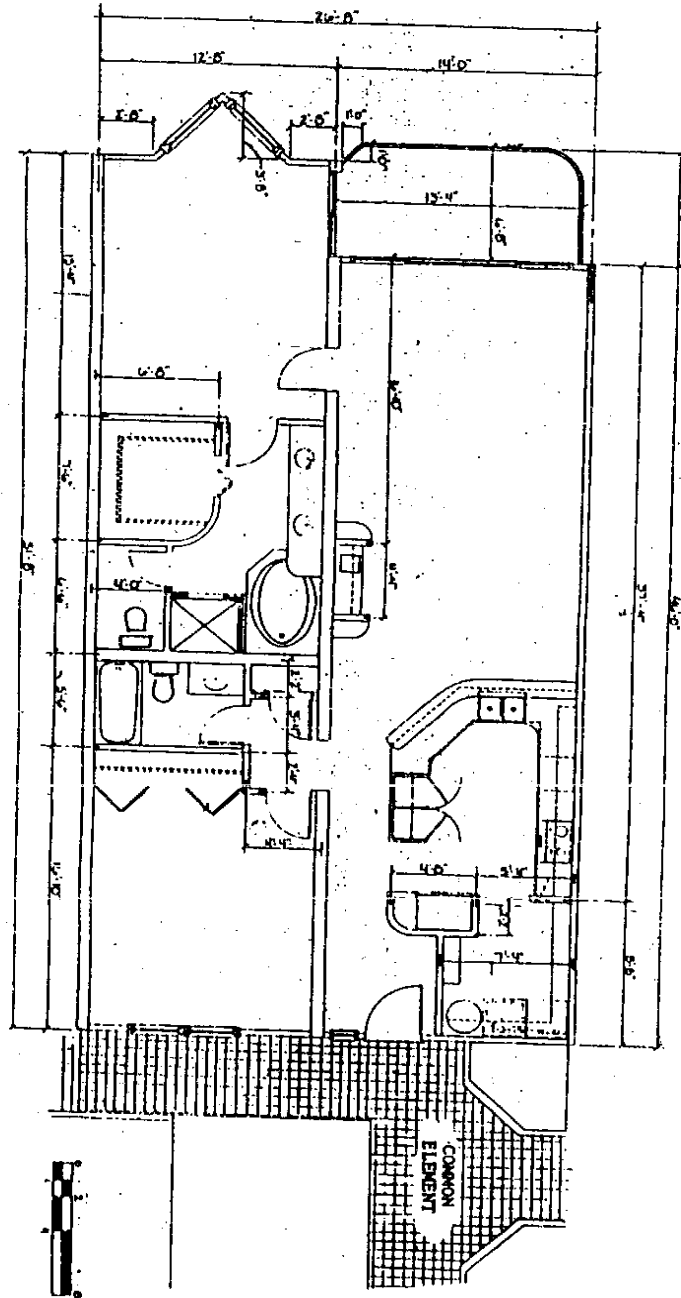


R . R . MOORE, INC.
ARCHITECT & PLANNER

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BK 1983 PG 273

"LEGIBILITY POOR ON SOURCE INSTRUMENT"

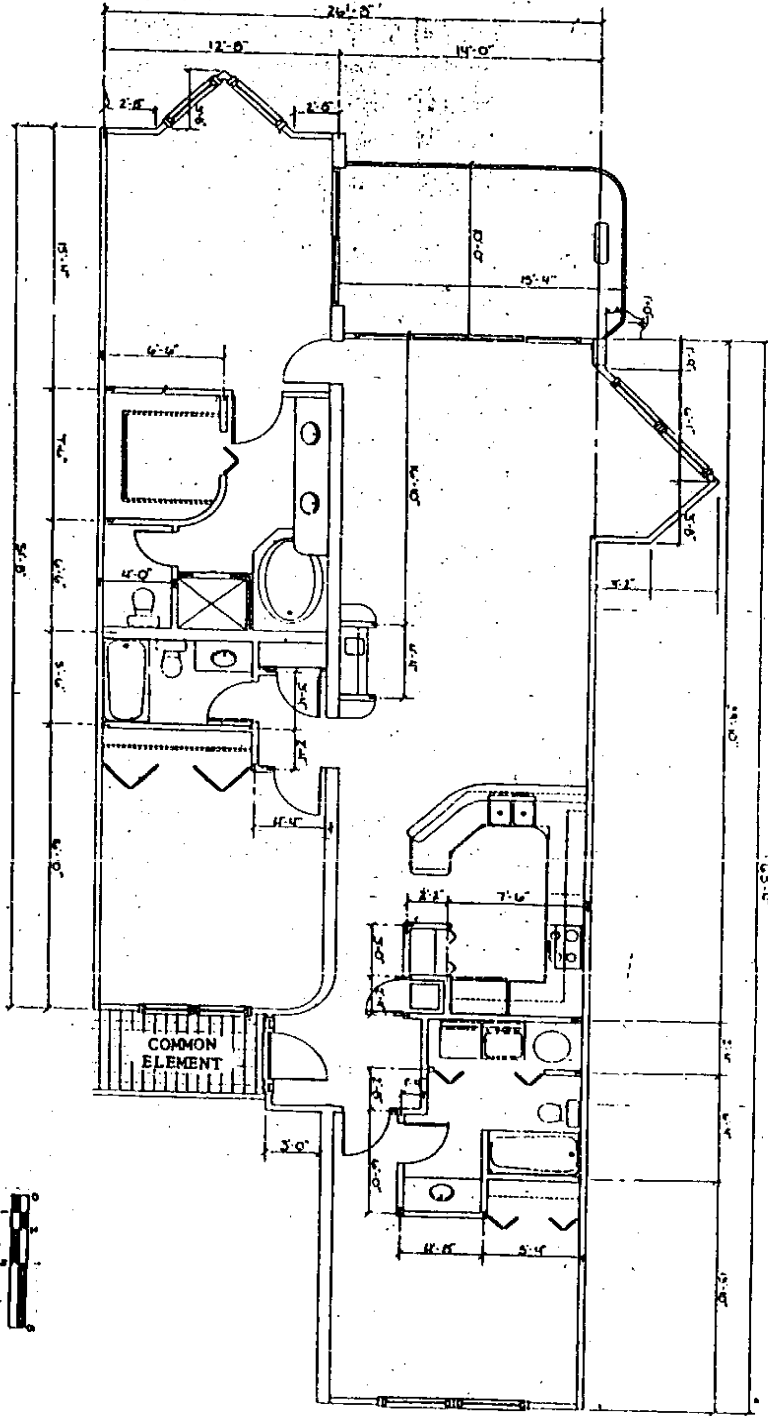
UNIT 30



**** OFFICIAL RECORDS ****
BK 1983 PG 274

"LEGIBILITY POOR ON SOURCE INSTRUMENT"

UNIT 40

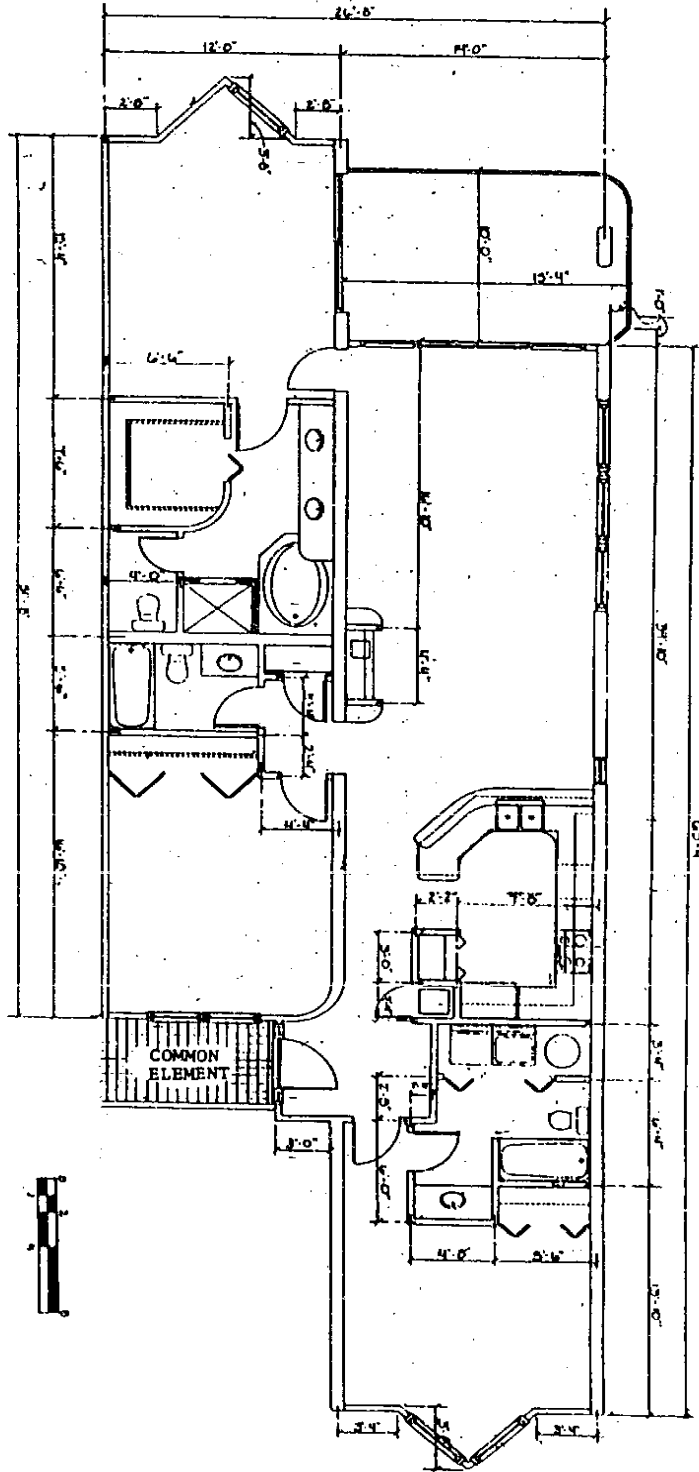


SHEET 14	DATE 3-9-83	REVISIONS	JADE EAST TOWERS		R. R. MOORE, INC. ARCHITECT & PLANNER
COMM. NO. 80027					

**** OFFICIAL RECORDS ****
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"LEGIBILITY POOR ON SOURCE INSTRUMENT"

UNIT 50



SHEET 15	DATE 3-9-84	REVISIONS
COMM. NO. 50021		

JADE EAST TOWERS



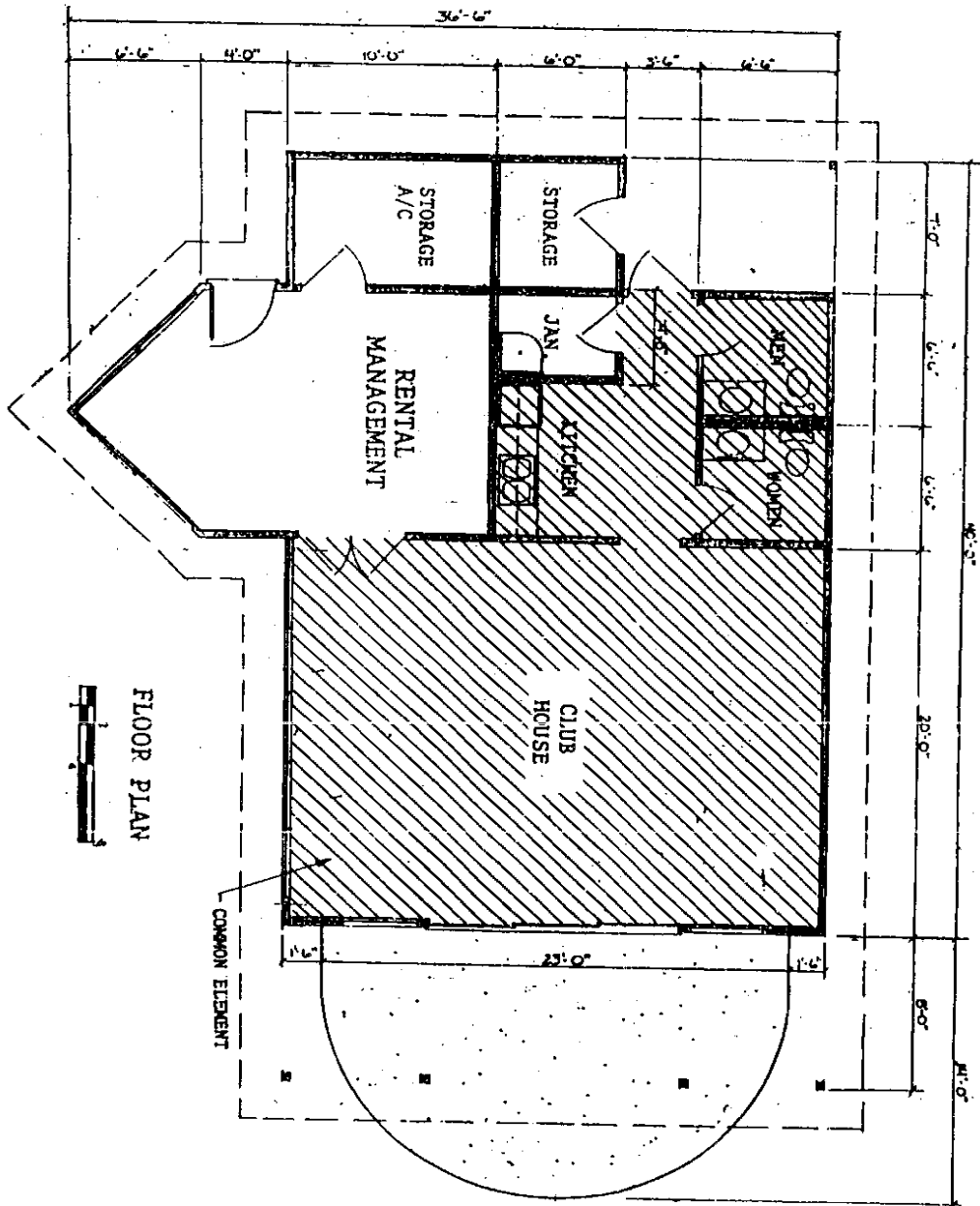
R . R . MOORE, INC.
ARCHITECT & PLANNER
DUSTIN, FLORIDA

**** OFFICIAL RECORDS ****
BK 1983 PG 276

"LEGIBILITY POOR ON SOURCE INSTRUMENT"

CLUB HOUSE

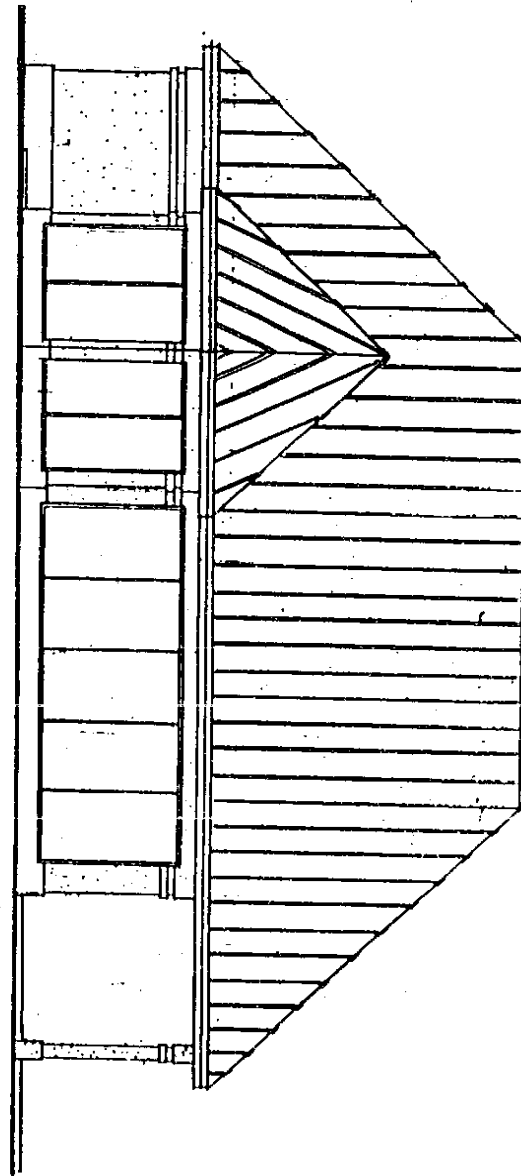
FLOOR PLAN



SHEET 16	DATE 3-9-09	REVISIONS	JADE EAST TOWERS	R. R. MOORE, INC. ARCHITECT & PLANNER DESTIN, FLORIDA
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**** OFFICIAL RECORDS ****
BK 1983 PG 277

CLUB HOUSE

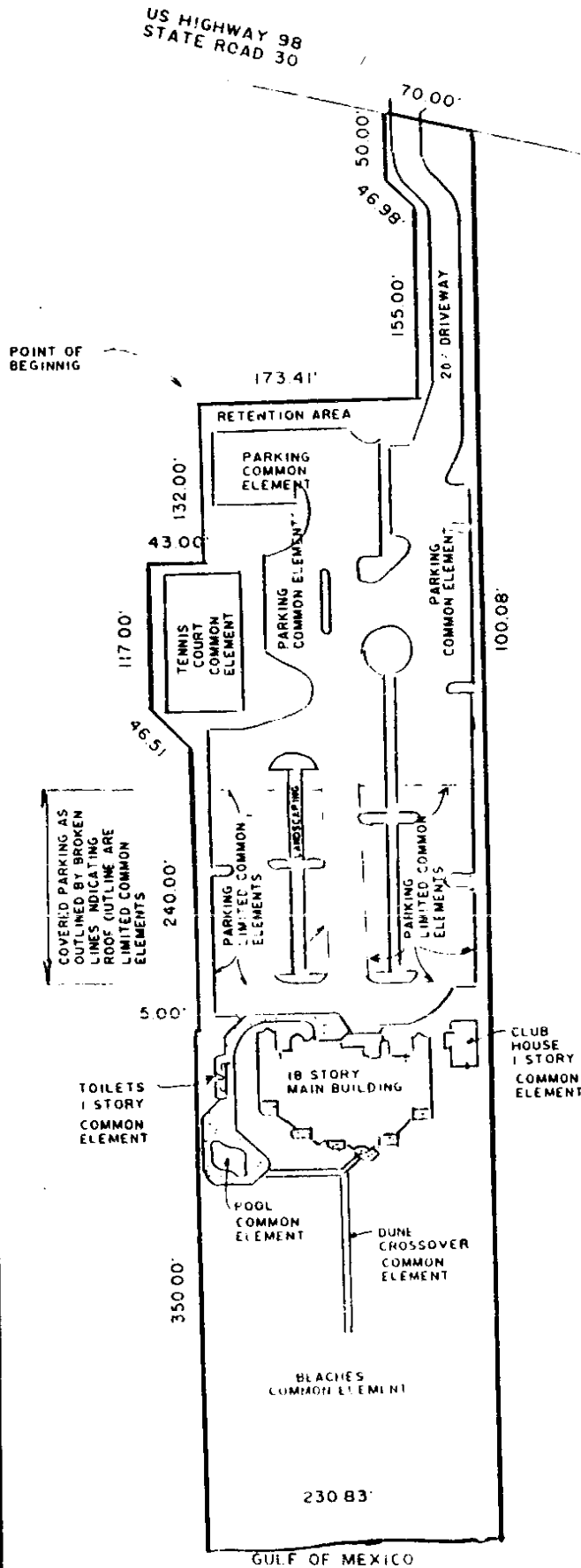


SHEET 17
DATE 3-9-01
CDW 10 MOORE

JADE EAST TOWERS



R . R . MOORE, INC.
ARCHITECT & PLANNER

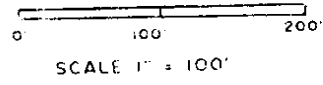


Jade East Towers

Commencing at the Northwest corner of the East 100 feet of the West 2600 feet lying South of State Road (U.S. Highway No. 98) and lying between the subdivisions of Silver Beach, Plat Book 1, Page 16 1/2, and Second East Pass Addition, Plat Book 1, Page 19, Okaloosa County, Florida, the same being the Northwest corner of Destin Towers Condominium, Condominium Book 4, Pages 52-72, thence proceed S-76°11'00"E 47.89 feet along Right-of-Way, thence South 296.00 feet, thence East 71.08 feet to Point of Beginning, thence South 132.00 feet, thence West 43.00 feet, thence South 117.00 feet, thence S-41°06'42"E 46.51 feet, thence South 240.00 feet, thence West 5.00 feet, thence South 350.00 feet to a point marking the Gulf of Mexico, thence meander East 230.83 feet, thence North along a line 2831.00 feet East of Second East Pass Addition a distance of 1100.08 feet to State Road, thence N-76°11'00"W 70.00 feet, thence South 50.00 feet, thence S-36°32'11"E 46.98 feet, thence South 155.00 feet, thence West 173.41 feet to Point of Beginning.

Subject to and including a drainage retention easement described as: Beginning at the above described Point of Beginning proceed South 15.00 feet, thence East 173.41 feet, thence North 50.00 feet, thence West 173.41 feet, thence South 35.00 feet to Point of Beginning.

**** OFFICIAL RECORDS ****
BK 1983 PG 278



WE OVERSTREET
LS 2032
MARCH 1994

CONDOMINIUM UNITS IN MAIN BUILDING ARE PRIVATE ELEMENTS

NO IMPROVEMENTS IN EXISTENCE ALL ARE PROPOSED

PROPOSED SITE PLAN
JADE EAST TOWERS
A CONDOMINIUM

**** OFFICIAL RECORDS ****
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UNDIVIDED SHARE OF COMMON ELEMENTS

The undivided share in the land and other common elements and common surplus for units in Jade East Towers, a Condominium, are set forth below by unit type:

<u>UNIT NUMBER</u>	<u>SHARE OF COMMON ELEMENTS & SURPLUS</u>	<u>NUMBER OF UNITS</u>
3 Bedroom Units		
East End		
(1,619 sq. ft.)		17
110	1,619/140,439	
210	1,619/140,439	
310	1,619/140,439	
410	1,619/140,439	
510	1,619/140,439	
610	1,619/140,439	
710	1,619/140,439	
810	1,619/140,439	
910	1,619/140,439	
1010	1,619/140,439	
1110	1,619/140,439	
1210	1,619/140,439	
1410	1,619/140,439	
1510	1,619/140,439	
1610	1,619/140,439	
1710	1,619/140,439	
1810	1,619/140,439	
3 Bedroom Units		
East Center		
(1,624 sq. ft.)		17
120	1,624/140,439	
220	1,624/140,439	
320	1,624/140,439	
420	1,624/140,439	
520	1,624/140,439	
620	1,624/140,439	
720	1,624/140,439	
820	1,624/140,439	
920	1,624/140,439	
1020	1,624/140,439	
1120	1,624/140,439	
1220	1,624/140,439	
1420	1,624/140,439	
1520	1,624/140,439	
1620	1,624/140,439	
1720	1,624/140,439	
1820	1,624/140,439	
2 Bedroom Units		
Center		
(1,314 sq. ft.)		17
130	1,314/140,439	
230	1,314/140,439	
330	1,314/140,439	
430	1,314/140,439	
530	1,314/140,439	
630	1,314/140,439	
730	1,314/140,439	
830	1,314/140,439	
930	1,314/140,439	

Elements-1

**** OFFICIAL RECORDS ****
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1030	1,314/140,439	
1130	1,314/140,439	
1230	1,314/140,439	
1430	1,314/140,439	
1530	1,314/140,439	
1630	1,314/140,439	
1730	1,314/140,439	
1830	1,314/140,439	
3 Bedroom Units		
West Center		
(1,622 sq. ft.)		
		17
140	1,622/140,439	
240	1,622/140,439	
340	1,622/140,439	
440	1,622/140,439	
540	1,622/140,439	
640	1,622/140,439	
740	1,622/140,439	
840	1,622/140,439	
940	1,622/140,439	
1040	1,622/140,439	
1140	1,622/140,439	
1240	1,622/140,439	
1440	1,622/140,439	
1540	1,622/140,439	
1640	1,622/140,439	
1740	1,622/140,439	
1840	1,622/140,439	
3 Bedroom Units		
West End		
(1,619 sq. ft.)		
		17
150	1,619/140,439	
250	1,619/140,439	
350	1,619/140,439	
450	1,619/140,439	
550	1,619/140,439	
650	1,619/140,439	
750	1,619/140,439	
850	1,619/140,439	
950	1,619/140,439	
1050	1,619/140,439	
1150	1,619/140,439	
1250	1,619/140,439	
1450	1,619/140,439	
1550	1,619/140,439	
1650	1,619/140,439	
1750	1,619/140,439	
1850	1,619/140,439	
Penthouse		
East		
(2,495 sq. ft.)		
		1
P1910	2,495/140,439	
Penthouse		
Center		
(2,645 sq. ft.)		
		1
P1930	2,645/140,439	

Elements-2

**** OFFICIAL RECORDS ****
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Penthouse West (2,500 sq. ft.)		1
P1950	2,500/140,439	
Commercial Unit (233 sq. ft.)	233/140,439	1
TOTAL	140,439/140,439	

Elements-3

State of Florida



Department of State

OFFICIAL RECORDS ##
BK 1989 PG 282

I certify the attached is a true and correct copy of the Articles of Incorporation of JADE EAST TOWERS OWNERS ASSOCIATION, INC., a Florida corporation, filed on April 13, 1994, as shown by the records of this office.

The document number of this corporation is N94000001863.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Fifteenth day of April, 1994



CR2E022 (2-01)

Jim Smith
Secretary of State

**** OFFICIAL RECORDS ****
BK 1983 PG 283

ARTICLES OF INCORPORATION
OF

JADE EAST TOWERS OWNERS ASSOCIATION, INC.

FILED

1994 APR 13 PM 1:57

SECRETARY OF STATE
 TALLAHASSEE FLORIDA

The undersigned, by these Articles associate themselves for
 the purpose of forming a corporation not for profit under Chapter
 617, Florida Statutes, and certify as follows:

ARTICLE I

NAME. The name of the corporation shall be "Jade East Towers
 Owners Association, Inc." (the "Association") and its mailing
 address is 1018 East Highway 98, Destin, Florida 32541.

ARTICLE II

PURPOSE. The purpose for which the Association is organized
 is to provide an entity pursuant to the Condominium Act, which is
 Chapter 718, Florida Statutes, for the operation, management,
 maintenance and control of Jade East Towers, a Condominium, (the
 "Condominium"). The Association shall make no distributions of
 income to its members, directors or officers.

ARTICLE III

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

(A) The Association shall have all the common law and
 statutory powers of a corporation not for profit not in conflict
 with the terms of these Articles or the Declaration of Condominium
 of the Condominium (the "Declaration").

(B) The Association shall have all of the powers and
 duties set forth in the Declaration and these Articles and in the
 Condominium Act except where the Act allows limitations by these
 Articles or the Declaration and all of the powers and duties
 reasonably necessary to operate a condominium pursuant to the
 Declaration and as it may be amended from time to time, including
 but not limited to the following:

(1) To hold title to and own fee simple or other
 lesser interest in real, personal or mixed property, wherever
 situated, including units in the Condominium, and to lease,
 mortgage and convey same.

(2) To make and collect assessments against the members as unit owners to defray the costs, expenses and losses of the Condominium and to defray the costs, expenses and losses of any other business, enterprise, venture or property interest of the Association.

(3) To use the proceeds of the assessments in the exercise of these powers and duties.

(4) To maintain, repair, replace and operate the property of the Condominium or the property of the Association.

(5) To purchase insurance upon the property of the Condominium or the property of the Association and insurance for the protection of the Association and its members as unit owners.

(6) To reconstruct improvements after casualty and to further improve the property of the Condominium operated by the Association or the property of the Association.

(7) To make and amend reasonable regulations respecting the use of the property in the Condominium or the property of the Association.

(8) To approve or disapprove the transfer, mortgage and ownership of the units as may be provided by the Declaration and by the By-Laws of the Association ("By-Laws").

(9) To enforce by legal means the provisions of the Condominium Act, the Declaration, these Articles, the By-Laws, and the regulations for the use of the property of the Condominium or the property owned by the Association.

(10) To contract for the management of the Condominium and to delegate such contractor all powers and duties of the Association except such as are specifically required by the Declaration to have approval of the Board of Directors or the membership of the Association.

(11) To contract with Jade East Towers Developers, a joint venture partnership consisting of Jade East Towers, Inc., a Florida corporation, Jade East Towers I, Inc., a Florida corporation and Jade East Towers II, Inc., a Florida corporation,

** OFFICIAL RECORDS **
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its successors and assigns, and any of its officers, directors or stockholders.

(12) To contract for the management or operation of portions of common elements of the Condominium or the property of the Association which may be susceptible to separate management or operation, and to lease such portions.

(13) To employ personnel to perform the services required for proper operation of the Association or the Condominium.

(14) To hire attorneys or other professionals for the purposes of bringing legal action or enforcing rights in the name of and on behalf of the individual condominium unit owners where such actions or rights are common to all of the condominium unit owners; and to bring such action in the name of and on behalf of said condominium owners.

(C) All funds and the title of all properties acquired by the Association and their proceeds shall be held in trust for the members in accordance with the provisions of the Declaration and of the By-Laws.

(D) The powers of the Association shall be subject to and be exercised in accordance with the provisions of the Declaration and the By-Laws.

ARTICLE IV

MEMBERS.

(A) The members of the Association shall consist of all of the record owners of units in the Condominium and after termination of the Condominium, shall consist of those who are members at the time of such termination and their successors and assigns.

(B) After receiving approval of the Association required by the Declaration, change of membership in the Association shall be established by recording in the public records of Okaloosa County, Florida a deed or other instrument establishing a record title to a unit in the Condominium and the delivery to the Association of a certified copy of such instrument. The owner

designated by such instrument thus becomes a member of the Association and the membership of the prior owner is terminated.

(C) The share of a member in funds or assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his unit.

(D) The owner of each unit shall be entitled to at least one (1) vote as a member of the Association. The exact number of votes to be cast by owners of an unit and the manner of exercising voting rights shall be determined by the By-Laws of the Association.

ARTICLE V

DIRECTORS.

(A) The affairs of the Association will be managed by a Board consisting of not less than three (3) directors nor more than seven (7) directors, the exact number to be determined at the time of the election. Directors need not be members of the Association.

(B) Directors of the Association shall be elected at the annual meeting of the members in the manner determined by the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in a manner provided by the By-Laws.

(C) The first election of Directors shall not be held until required by the Condominium Act, including Section 718.301(1)(a-e) thereof, or until the Developer elects to terminate its control of the Association and the Condominium, whichever occurs first. The directors named in these Articles shall serve until the first election of directors, and any vacancies in their number occurring before the first election shall be filled by the remaining directors and, if there are no remaining directors, such vacancies shall be filled by the Developer.

(D) Section 718.301(1)(a-e) of the Condominium Act provides as follows:

"718.301 Transfer of association control.-

(1) When unit owners other than the developer own 15 percent or more of the units in a condominium that will be operated

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ultimately by an association, the unit owners other than the developer shall be entitled to elect no less than one-third of the members of the board of administration of the association. Unit owners other than the developer are entitled to elect not less than a majority of the members of the board of administration of an association:

(a) Three years after 50 percent of the units that will be operated ultimately by the association have been conveyed to purchasers;

(b) Three months after 90 percent of the units that will be operated ultimately by the association have been conveyed to purchasers;

(c) When all the units that will be operated ultimately by the association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the developer in the ordinary course of business;

(d) When some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the developer in the ordinary course of business; or

(e) Seven years after recordation of the declaration of condominium; or, in the case of an association which may ultimately operate more than one condominium, 7 years after recordation of the declaration for the first condominium it operates; or, in the case of an association operating a phase condominium created pursuant to §718.403, 7 years after recordation of the declaration creating the initial phase, whichever occurs first. The

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developer is entitled to elect at least one member of the board of administration of an association as long as the developer holds for sale in the ordinary course of business at least 5 percent, in condominiums with fewer than 500 units, and 2 percent, in condominiums with more than 500 units, of the units in a condominium operated by the association. Following the time the developer relinquishes control of the association, the developer may exercise the right to vote any developer-owned units in the same manner as any other unit owner except for purposes of reacquiring control of the association or selecting the majority members of the board of administration."

**** OFFICIAL RECORDS ****
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(E) The names and addresses of the members of the first Board of Directors who shall hold office until their successors are elected and have qualified or until removed are as follows:

<u>NAME</u>	<u>ADDRESS</u>
F. W. (Freddie) Schinz	P. O. Box 1568 Ft. Walton Beach, Florida 32549
R. R. Moore	P. O. Box 607 Destin, Florida 32540
Lloyd Bell, Jr.	C/O Ann Bell Destin Towers Condominium 1008 E. Highway 98, Unit 1C Destin, Florida 32541

ARTICLE VI

OFFICERS. The affairs of the Association shall be administered by the officers designated in the By-Laws. The officers shall be elected by the Board of Directors at its first meeting following the annual meeting of the members of the Association and shall serve at the pleasure of the Board of Directors. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

NAME**ADDRESS**

F. W. (Freddie) Schinz
President

P. O. Box 1568
Ft. Walton Beach, Florida 32549

R. R. Moore
Vice President

P. O. Box 607
Destin, Florida 32540

Lloyd Bell, Jr.
Secretary/Treasurer

C/O Ann Bell
Destin Towers Condominium
1008 E. Highway 98, Unit 1C
Destin, Florida 32541

ARTICLE VII

INDEMNIFICATION. Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon him in connection with any proceeding or any settlement of any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a director or officer of the Association, whether or not he is a director or officer at the time such expenses are incurred, except when the director or officer is adjudged guilty of willful misfeasance in the performance of his duties. The foregoing right of indemnification shall be in addition to and not exclusive of all of the rights to which such director or officer may be entitled. The directors shall be authorized to purchase directors and officers liability insurance providing coverage to the officers and directors of the Association at the expense of the Association.

**** OFFICIAL RECORDS ****
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ARTICLE VIII

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

ARTICLE IX

AMENDMENTS. Amendments to the Articles of Incorporation shall be proposed and adopted in the following manner:

(A) 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.

(B) A resolution for the adoption of a proposed amendment may be proposed either by the Board of Directors 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 provided such approval is delivered to the secretary or assistant secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be either by:

(1) Not less than two-thirds (2/3) of the voting interests of the entire membership of the Association.

(2) Until the transfer of control from the Developer to unit owners other than the Developer, by two-thirds (2/3) of the directors.

(C) Provided, however, that no amendment shall make any changes in the qualifications for membership nor the voting rights of members without approval in writing by all members and the joinder of all record owners of mortgages upon the Condominium operated by the Association. No amendment shall be made that is in conflict with the Condominium Act or the Declaration or any other applicable law or regulation.

(D) Provided, further, that no amendment shall abridge, limit or alter the rights reserved by or granted to Jade East Towers Developers, a joint venture partnership consisting of Jade East Towers, Inc., a Florida corporation, Jade East Towers I, Inc., a Florida corporation and Jade East Towers II, Inc., a Florida corporation, its successors or assigns, or any successor developer, by these Articles, the Declaration or by the By-Laws without the prior written consent of Jade East Towers Developers, a joint venture partnership consisting of Jade East Towers, Inc., a Florida corporation, Jade East Towers I, Inc., a Florida corporation and Jade East Towers II, Inc., a Florida corporation, its successors or assigns, or a successor developer.

(E) A copy of each amendment shall be certified by the Secretary of State and recorded in the public records of Okaloosa County, Florida.

ARTICLE X

TERM. The term of the Association shall be perpetual.

ARTICLE XI

SUBSCRIBER. The name and address of the subscriber to these Articles of Incorporation is as follows:

<u>NAME</u>	<u>ADDRESS</u>
Les W. Burke	221 McKenzie Avenue Panama City, Florida 32401

ARTICLE XII


APPOINTMENT OF REGISTERED AGENT AND OFFICE. Les W. Burke is hereby appointed to serve as Registered Agent of the corporation. The street address of the Registered Office of the Registered Agent is 221 McKenzie Avenue, Panama City, Florida.

ARTICLE XIII

DISPOSITION OF ASSETS UPON DISSOLUTION. Upon dissolution of the Association, the assets, both real and personal of the Association, shall be dedicated to an appropriate public agency or utility to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association. In the event that such dedication is refused, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association.

No disposition of Jade East Towers Owners Association, Inc., properties shall be effective to divest or diminish any right or title of any member vested in him under the recorded Declaration of Condominium for the Condominium, unless made in accordance with the provisions of such Declaration.

IN WITNESS WHEREOF, the subscriber has affixed his signature this 12th day of April, 1994.



LES W. BURKE

STATE OF FLORIDA
COUNTY OF BAY

The foregoing instrument was acknowledged before me this 12th day of April, 1994, by Les W. Burke and: (notary must check applicable box)

is personally known to me.

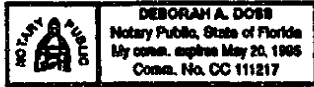
OFFICIAL RECORDS
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- produced a current Florida driver's license as identification.
- produced _____ as identification.

(SEAL)

Deborah A. Doss

 Deborah A. Doss, Notary Public
 Serial # _____
 My Commission Expires: _____



**** OFFICIAL RECORDS ****
 BK 1983 PG 292

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

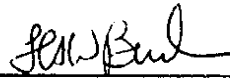
In pursuance of Chapter 48.091, Florida Statutes the, following is submitted, in compliance with said Act:

First -- That Jade East Towers Owners Association, Inc. desiring to organize under the laws of the State of Florida with its principal office, as indicated in the By-Laws in the City of Destin, County of Okaloosa, State of Florida, has named Les W. Burke, located at 221 McKenzie Avenue, City of Panama City, County of Bay, State of Florida, as its agent to accept service of process within this state.

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ACKNOWLEDGMENT:

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

BY: 

Les W. Burke
(Resident Agent)

FILED
1994 APR 13 PM 1:57
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

**** OFFICIAL RECORDS ****
BK 1983 PG 294

BY-LAWS

OF

JADE EAST TOWERS OWNERS ASSOCIATION, INC.

a corporation not-for-profit
under the laws of the State of Florida

1. Purpose. These are the By-Laws of Jade East Towers Owners Association, Inc. (the "Association"), a corporation not-for-profit under the laws of the State of Florida. The Association has been organized for the purpose of providing for the operation, management, maintenance, control and administration of Jade East Towers, a Condominium, and is with regard to such condominium, the legal entity created pursuant to Chapter 718, Florida Statutes, 1993, ("Condominium Act").

2. Offices. The initial office of the Association shall be at 1018 East Highway 98, Destin, Florida 32541, Okaloosa County. The Association Board of Directors may from time to time designate a different location for the Association office.

3. Fiscal Year. The fiscal year of the Association shall be the calendar year.

4. Seal. The seal of the corporation shall bear the name of the Association, the word "Florida" and the words "corporation not-for-profit," and the year of incorporation, "1993," an impression of which is as follows:

5. Members Meetings. The annual members meeting shall be held each year at the office of the corporation on a date during the month of November as from time to time determined by the Board of Directors for the purpose of electing directors and transacting any other business authorized to be transacted by the members.

6. Special Meetings. Special meetings shall be held whenever allowed by the Condominium Act or 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

**** OFFICIAL RECORDS ****
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from members holding ten percent (10%) of the voting interests of the entire membership.

7. Notice. Notice of all members meetings stating the time and place and identifying each agenda item 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 posted at a conspicuous place designated by the Board of Directors on the condominium property at least fourteen (14) continuous days preceding the meeting and 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 (14) days nor more than sixty (60) days prior to the date of the meeting. An officer of the Association shall provide an affidavit, to be included in the official records of the Association, affirming that notices of the Association meeting were mailed or hand delivered in accordance with this provision, to each unit owner at the address last furnished to the Association. Notice of meeting may be waived before the meetings.

8. Quorum. A quorum of members meetings shall consist of persons holding one-fifth of the voting interests of the entire membership. The acts approved by a majority of the voting interests present at a meeting at which a quorum is present shall constitute the act of the members, except when approval by a greater voting interest is required by the Declaration of Condominium of the condominium operated by the Association, the Articles of Incorporation of the Association or these By-Laws. In determining whether a quorum is present, proxies may be counted as voting interests present.

9. Members Vote. At any meeting of the members, the voting interest of each unit shall be entitled to cast one (1) vote for each apartment he owns, which shall not be cumulative.

10. Multiple Ownership.

a. If a unit is owned by one (1) person or entity, the right to vote on behalf of such unit shall be established by the record title to the unit. If an unit is owned by more than one (1)

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person, the person or entity entitled to cast the vote for the unit shall be designated by a voting certificate signed by all of the record owners of the unit and filed with the Secretary of the Association. If a unit is owned by a corporation, the person entitled to cast the vote for the unit shall be designated by a certificate signed by the President or Vice President and attested by the Secretary or Assistant 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 a change in the ownership of the unit concerned. A certificate designating a person entitled to cast the vote of a unit may be revoked by any owner of a unit. If such a certificate is not on file, the vote of such owner shall not be considered in determining the requirement for a quorum nor for any other purpose.

b. Notwithstanding the provisions of Subparagraph (a) of this Paragraph 10, whenever any unit is owned by a husband and wife they may, but shall not be required to, designate a Voting Member. In the event a Voting Certificate designating a Voting Member is not filed by the husband and wife, the following provisions shall govern their right to vote.

(1) Where both husband and wife are present at a meeting, each shall be regarded as the agent and proxy of the other for purposes of casting the vote for each unit owned by them. In the event they are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting.

(2) Where only one (1) spouse is present at a meeting, the spouse present may cast their Voting Interest without establishing the concurrence of the other spouse, absent any prior written notice to the contrary to the Association by the other spouse. In the event of prior written notice to the contrary to the Association by the other spouse, their Voting Interest shall not be considered.

(3) Where neither spouse is present, the person designated in a proxy or Voting Certificate signed by either spouse

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may cast the Voting Interest, absent any prior written notice to the contrary to the Association by the other spouse or the designation of a different Voting Member by the other spouse. In the event of prior written notice to the contrary to the Association or the designation of a different Voting Member by the other spouse, the Voting Interest shall not be considered.

11. Proxies. Votes may be cast in person or by proxy subject to the following provisions. A proxy may be made or revoked by any person entitled to vote and shall be valid only for the particular meeting designated in the proxy and must be filed with the Secretary before the appointed time of the meeting or any adjournment of the meeting, provided that 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.

a. Unit owners may not vote by general proxy, but may vote by limited proxy in the following instances:

- (1) to waive financial statement requirements,
- (2) to waive or reduce reserves,
- (3) to amend the Declaration, Articles of Incorporation or the By-Laws, and
- (4) for any other matter which requires a vote of the unit owners.

b. Unit owners may not vote by limited or general proxy in the election of members of the board of directors.

c. General proxies may be used for other matters for which limited proxies are not required and may also be used in voting for non-substantial changes to items for which a limited proxy is required and given.

12. Lack of Quorum. If any meeting of members cannot be organized because a quorum is not present, the voting interests who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

13. Order of Business. The order of business at annual meetings and as far as practical at other members meetings shall be:

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- a. Election of chairman at 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. Report of officers.
- f. Report of committees
- g. Election of inspectors of an election.
- h. Election of directors.
- i. Unfinished business.
- j. New business.
- k. Adjournment.

14. Reservation of Control by Developer. Until required by the Condominium Act including Section 718.301 thereof, or until Jade East Towers Developers, a joint venture partnership consisting of Jade East Towers, Inc., a Florida corporation, Jade East Towers I, Inc., a Florida corporation and Jade East Towers II, Inc., a Florida corporation, its successors or assigns (the "Developer") or any subsequent developer elects to terminate their control of the Association and the condominium operated by it, whichever occurs first, the proceedings of all meetings of members of the Association shall have no effect unless approved by the Board of Directors. Prior to transfer of control, the Developer also reserves the right to chair or designate a representative to chair meeting(s) of members.

Section 718.301(1)(a-e) of the Condominium Act provides as follows:

"718.301 Transfer of association control.-

(1) When unit owners other than the developer own 15 percent or more of the units in a condominium that will be operated ultimately by an association, the unit owners other than the developer shall be entitled to elect no less than one-third of the members of the board of administration of the association. Unit owners other than the

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developer are entitled to elect not less than a majority of the members of the board of administration of an association:

(a) Three years after 50 percent of the units that will be operated ultimately by the association have been conveyed to purchasers;

(b) Three months after 90 percent of the units that will be operated ultimately by the association have been conveyed to purchasers;

(c) When all the units that will be operated ultimately by the association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the developer in the ordinary course of business;

(d) When some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the developer in the ordinary course of business; or

(e) Seven years after recordation of the declaration of condominium; or, in the case of an association which may ultimately operate more than one condominium, 7 years after recordation of the declaration for the first condominium it operates; or, in the case of an association operating a phase condominium created pursuant to §718.403, 7 years after recordation of the declaration creating the initial phase, whichever occurs first. The developer is entitled to elect at least one member of the board of administration of an association as long as the developer holds for sale in the ordinary course of business at least 5 percent, in condominiums with fewer

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than 500 units, and 2 percent, in condominiums with more than 500 units, of the units in a condominium operated by the association. Following the time the developer relinquishes control of the association, the developer may exercise the right to vote any developer-owned units in the same manner as any other unit owner except for purposes of reacquiring control of the association or selecting the majority members of the board of administration."

15. Number of Directors. The affairs of the Association shall be managed by a Board of not less than three (3) directors nor more than seven (7) directors.

16. Election of Directors. Election of directors shall be conducted in the following manner:

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

b. The election shall be by secret ballot or voting machine and by a plurality of the voting interests. The owner of each apartment shall be entitled to cast a vote for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting. Proxies shall in no event be used in electing the board of directors, either in general elections or elections to fill vacancies caused by recall, resignation, or otherwise.

c. Not less than sixty (60) days before a scheduled election, the Association shall mail or deliver, whether by separate Association mailing or included in another Association mailing or delivery including regularly published newsletters, to each unit owner entitled to vote, a first notice of the date of the election. The board shall hold a meeting within 5 days after the deadline for a candidate to provide notice to the Association of intent to run. At this meeting, the board shall accept additional nominations. Any Unit Owner or other eligible person may nominate himself or may nominate another unit Owner or eligible person, if

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he has permission in writing to nominate the other person. Any unit owner or other eligible person desiring to be a candidate for the board of administration shall give written notice to the Association not less than forty (40) days before a scheduled election. Not less than thirty (30) days before the election meeting, the Association shall then mail or deliver a second notice of the election meeting to all unit owners entitled to vote therein, together with a ballot which shall list all candidates. Upon request of a candidate, the Association shall include an information sheet, no larger than eighty and one-half (8 1/2) inches by eleven (11) inches which must be furnished by the candidate not less than thirty-five (35) days before the election, to be included with the mailing of the ballot, with the costs of mailing and copying to be borne by the Association. However, the Association has no liability for the contents of the information sheets prepared by the candidates. Elections shall be decided by a plurality of those ballots cast. There shall be no quorum requirement; however, at least twenty (20) percent of the eligible voters must cast a ballot in order to have a valid election of members of the board of administration. No unit owner shall permit any other person to vote his ballot, and any such ballots improperly cast shall be deemed invalid. A unit owner who needs assistance in casting the ballot for the reasons stated in s. 101.051 may obtain assistance in casting the ballot. Any unit owner violating this provision may be fined by the Association in accordance with s. 718.303. The regular election shall occur on the date of the annual meeting. Notwithstanding the provisions of this subparagraph, an election and balloting are not required unless more candidates file notices of intent to run or are nominated than vacancies exist on the board.

d. Subject to the provisions of 718.301, any member of the board of administration may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all the voting interests. A special meeting of the unit owners to recall a member or members of the board of

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administration may be called by ten (10%) percent of the voting interest giving notice of the meeting as required for a meeting of unit owners, and the notice shall state the purpose of the meeting.

(1) If the recall is approved by a majority of all voting interests by a vote at a meeting, the recall shall be effective immediately, and the recalled member or members of the board of administration shall turn over to the board any and all records of the Association in their possession, within seventy-two (72) hours after the meeting.

(2) If the proposed recall is by an agreement in writing by a majority of all voting interests, the agreement in writing shall be served on the Association by certified mail. The board of administration shall call a meeting of the board within seventy-two (72) hours after receipt of the agreement in writing and shall either certify the written agreement to recall a member or members of the board, in which case such member or members shall be recalled effective immediately and shall turn over to the board within seventy-two (72) hours, any and all records of the Association in their possession, or proceed as described in subparagraph (3).

(3) If the board determines not to certify the written agreement to recall a member or members of the board, or if the recall by a vote at a meeting is disputed, the board shall, within seventy-two (72) hours, file with the division a petition for binding arbitration pursuant to the procedures of Section 718.1255. For purposes of this section, the unit owners who voted at the meeting or who executed the agreement in writing shall constitute one party under the petition for arbitration. If the arbitrator certifies the recall as to any member or members of the board, the recall shall be effective upon service of the final order of arbitration upon the Association. If the Association fails to comply with the order of the arbitrator, the division may take action pursuant to Section 718.501. Any member or members so recalled shall deliver to the board any and all records of the

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Association in their possession within seventy-two (72) hours of the effective date of the recall.

e. Any dispute as defined in §718.1255(1) of the Condominium Act shall be subject to mandatory non-binding arbitration as provided in §718.1255 of the Condominium Act.

f. Provided, however, that notwithstanding the provision in these By-Laws for the election of directors and providing for directors terms, until required by the Condominium Act including Section 718.301 thereof, or until the Developer elects to terminate its control of the Association, whichever occurs first, the first directors of the Association shall serve, and in the event of vacancies the remaining directors shall fill the vacancies, and if there are no remaining directors, the vacancies shall be filled by the Developer.

17. Director's Term. The terms 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.

18. Director's Organizational Meeting. The organizational meeting of a newly elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be affixed by the directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary.

19. Regular Meetings. 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 (3) days prior to the day named for such meeting.

20. Special Meeting. Special meetings of the directors may be called by the President and must be called by the Secretary at the written request of one-fourth (1/4) of the directors. Not less than three (3) days notice of the meeting shall be given personally

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or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

21. Notice of Meetings of the Board of Directors. Adequate notice of all meetings, which notice shall specifically incorporate an identification of agenda items, shall be posted conspicuously on the condominium property at least forty-eight (48) continuous hours preceding the meeting except in an emergency. Written notice of any meeting at which non-emergency special assessments, or at which an amendment to rules regarding use of units will be proposed, discussed or approved, shall be mailed or delivered to the unit owners and posted conspicuously on the condominium property not less than fourteen (14) days prior to the meeting. Evidence of compliance with this fourteen (14) day notice shall be made by an affidavit executed by the secretary and filed among the official records of the Association. Notice of any meeting in which regular assessments against unit owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessment.

22. Open Meetings and Records. Meetings of the Board of Directors shall be open to all unit owners. Minutes of all meetings of the members or the Board of Directors shall be kept in a book available for inspection by apartment owners or their authorized representatives, and Board members at any reasonable time. Said minutes shall be retained for a period of not less than seven (7) years.

23. 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.

24. Quorum. A quorum at director's meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of directors as required by the Declaration of Condominium of the condominium operated by the

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Association, the Articles of Incorporation of the Association and these By-Laws.

25. Adjourned Meetings. If at any meeting of the Board of Directors there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present and after notice has been provided. At any adjourned meeting any business that might have been transacted at the meeting as originally called may be transacted without further notice.

26. Director Action.

a. Joinder in Meeting by Approval of Minutes. The joinder of a director in the action of a meeting by signing or otherwise concurring in the minutes of that meeting shall constitute the presence of such director at such meeting; however, it shall not constitute the presence of such director for the purpose of determining a quorum.

b. Presumption of Consent. A director of the Association who is present at a meeting of the board at which action on any corporate matter is taken shall be presumed to have assented to the action taken, unless he votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest. Directors may not vote by proxy or by secret ballot at board meetings. A vote or abstention for each member present shall be recorded in the minutes.

27. Presiding Officer. 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.

28. Order of Business. The order of business at a directors meeting shall be:

- a. Calling of roll.
- b. Proof of due notice of meeting.
- c. Reading and disposal of any unapproved minutes.
- d. Report of officers and committees.

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- e. Election of officers.
- f. Unfinished business.
- g. New business.
- h. Adjournment.

29. Directors Compensation. Directors fees or other compensation, if any, shall be determined by a majority of the voting interests.

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

31. Officers. The executive officers of the Association shall be a President, who shall be a director, a Vice President, who shall be director, a Treasurer, a Secretary, and an Assistant 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 two (2) or more offices except that the President shall not also be the Secretary or an Assistant 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 necessary or convenient to manage the affairs of the Association.

32. President. 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 the conduct of the affairs of the Association.

33. Vice President. The Vice President in the absence or disability of the President shall exercise the powers and perform

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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.

34. Secretary. The Secretary shall keep the minutes of all proceedings of the directors and the members in a businesslike manner and available for inspection by apartment owners and directors at all reasonable times. 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. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

35. Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidence of indebtedness. He shall keep the books of the Association in accordance with good accounting practices; he shall submit treasurer's reports to the Board of Directors at reasonable intervals; he shall make the treasurer's records available for inspection by directors or members at reasonable times; and he shall perform all other duties incident to the office of treasurer.

36. Officer Compensation. The compensation of all officers and employees of the Association shall be fixed by the Board of Directors. The provision that directors fees shall be determined by voting interests shall not preclude the Board of Directors from employing a director as an employee of the Association nor preclude the contracting with a director for the management of the condominium operated by the Association, the Association or any portions of the property thereof.

37. Fiscal Management. Provisions for fiscal management of the Association as set forth in the Declaration of Condominium of the condominium operated by the Association, the Articles of

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Incorporation and the Condominium Act shall be supplemented by the following provisions:

a. Budget. The Board of Directors shall adopt a budget for each fiscal year that shall include the estimated funds required to defray the common expenses and to provide and maintain funds according to good accounting practices by accounts and expense classifications including, if applicable, but not limited to the following:

- (1) Administration of the Association
- (2) Management fee
- (3) Maintenance
- (4) Rent for recreational and other commonly facilities.
- (5) Taxes upon Association Property
- (6) Taxes upon leased area
- (7) Insurance
- (8) Security provisions
- (9) Other expenses
- (10) Operating Capital
- (11) Reserves - In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but not be limited to, roof replacement, building painting and pavement resurfacing regardless of the amount of deferred maintenance expense or replacement cost, and for any other item for which deferred maintenance expense or replacement cost exceeds Ten Thousand Dollars (\$10,000). The amount to be reserved shall be computed by means of a formula which is based upon estimated life and estimated replacement cost or deferred maintenance expense of each reserve item. The Association may adjust replacement reserve assessments annually to take into account any extension of the useful life of a reserve item caused by deferred maintenance. This subsection shall not apply to budgets in which the voting interests of the Association have, by a vote of the majority of the members present at a duly called meeting of the Association, determined for

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a fiscal year to provide no reserves or reserves less adequate than required by this subsection. However, prior to transfer of control of the Association by the Developer to unit owners other than the Developer pursuant to Section 718.301 of the Condominium Act, the Developer may vote to waive the reserves for the first two years of the operation of the Association, after which time reserves may only be waived or reduced upon vote of a majority of the non-developer voting interests present at a duly called meeting of the Association. If a meeting of the unit owners has been called to determine to provide no reserves or reserves less adequate than required, and no such result is attained or a quorum is not attained, the reserves as included in the budget shall go into effect.

Reserve funds and any interest accruing thereon shall remain in the reserve account for authorized reserve expenditures, unless their use for other purposes is approved in advance by a vote of the majority of the voting interests at a duly called meeting of the Association.

(12) Fees payable to Division

(13) Betterments (Betterments shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be a part of the common elements of the condominium or the property of the Association.)

(14) Operations (Operations shall include the gross revenues, if any, from the use of the common elements or other property owned by the Association and only the additional direct expense required by the revenue producing operation. Any surplus from such operations shall be used to reduce the assessments in the year following the year in which the surplus is realized. Any losses from such operation shall be met by assessments in the year following the year in which the loss is realized, unless funds cannot be adequately and timely raised in such fashion, in which event the required funds shall be provided by special assessment.)

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b. Adoption of Budget. A copy of the proposed annual budget of common expenses shall be mailed to the owners not less than fourteen (14) days prior to the meeting at which the budget will be considered, together with a notice of that meeting. The owner shall be given written notice of the time and place at which such meeting of the Board of Directors to consider the budget shall be held, and such meeting shall be open to the owners. If an adopted budget requires assessment against the apartment owners in any fiscal or calendar year exceeding One Hundred Fifteen Percent (115%) of the assessments for the preceding year, the Board, upon written application of Ten Percent (10%) of the voting interests to the Board, shall call a special meeting of the owners within thirty (30) days, upon not less than ten (10) days written notice to each owner. At the special meeting, owners shall consider and enact a budget upon vote of two-thirds (2/3) of the voting interests.

In any event, the Board of Directors may propose a budget to the owners at a meeting of the members or in writing, and if the budget or proposed budget is approved by the voting interests at the meeting or by a majority of all voting interests in writing, the budget shall be adopted. If a meeting of the unit owners has been called and a quorum is not attained or a substitute budget is not adopted by the unit owners, the budget adopted by the board of directors shall go into effect as scheduled.

In determining whether assessments exceed One Hundred Fifteen Percent (115%) of similar assessments in prior years, any authorized provisions for reasonable reserves for repair or replacement of the condominium property, anticipated expenses by the condominium Association which are not anticipated to be incurred on a regular or annual basis, or assessments for betterments to the condominium property shall be excluded from the computation. However, as long as the Developer is in control of the Board of Directors, the Board shall not impose an assessment for any year greater than One Hundred Fifteen Percent (115%) of the prior fiscal or calendar year's assessment without approval of a majority of all voting interests.

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c. Assessments. The Board of Directors shall make assessments against each unit for its share of the items of the budget in an amount no less than required to provide funds in advance for payment of all the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. The assessments shall be made for the fiscal year annually in advance and shall be due annually on the first day of each year for which the assessments are made. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment and such annual assessment shall be due on the first day of each year until changed by an amended assessment. In the event the annual assessment shall be insufficient in the judgment of the Board of Directors, the Board of Directors shall amend the budget and shall make amended assessments for the balance of the year in sufficient amounts to meet the expenses for the year; provided, however, that any account of the amended budget that exceeds the limit upon increases for that year shall be subject to approval of membership of the Association as previously required in these By-Laws.

d. Reserves. If a meeting of the unit owners has been called to determine to provide no reserves or reserves less adequate than required, and such result is not attained or a quorum is not attained, the reserves, as included in the budget, shall go into effect.

38. Special Assessments. Assessments for common expenses of emergencies that cannot be paid from the annual assessment 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 (1/2) of the votes of the owners concerned, the assessment shall become effective, and shall be paid in such manner as the Board of Directors of the Association may require in the notice of assessment.

39. Depository. The depository of the Association shall be such bank or banks as shall be designated from time to time by the

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directors and in which the monies from such accounts shall be withdrawn only by checks signed by such persons as are authorized by the directors.

40. 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 or these By-Laws.

41. Official Records:

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

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

(2) A photocopy of the recorded Declaration of each condominium operated by the Association and all amendments thereto;

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

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

(5) A copy of the current rules of the Association;

(6) A book or books containing the minutes of all meetings of the Association, of the board of directors, and of unit owners, which minutes shall be retained for a period of not less than seven (7) years;

(7) A current roster of all unit owners, their mailing addresses, unit identifications, voting certifications and if known, telephone numbers;

(8) All current insurance policies of the Association and condominiums operated by the Association;

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

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(10) Bills of sale or transfer for all property owned by the Association;

(11) Accounting records for the Association and separate accounting records for each condominium it operates, according to good accounting practices. All accounting records shall be maintained for a period of not less than seven (7) years. The accounting records shall include, but are not limited to:

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

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

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

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

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

(13) All rental records when the Association is acting as agent for the rental of condominium units.

(14) A copy of the current Question and Answer Sheet as described in §718.504, Florida Statutes.

(15) All other records of the Association not specifically included in the foregoing which are related to the operation of the Association.

b. The official records of the Association shall be maintained in the county in which the condominium is located or within twenty-five (25) miles of the property if maintained in another county.

c. The official records of the Association are open to inspection by any Association member or the authorized

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representative of such member at all reasonable times. The right to inspect the records includes the right to make or obtain copies at the reasonable expense, if any of the Association member. The Association may adopt reasonable rules regarding the frequency, time, location, notice and manner of record inspection and copying. The failure of an Association to provide the records within ten (10) working days after receipt of a written request shall create a rebuttable presumption that the Association willfully failed to comply with this paragraph. A unit owner who is denied access to official records is entitled to the actual damages or minimum damages for the Association's willful failure to comply with this paragraph. The minimum damages shall be Fifty Dollars (\$50) per calendar day up to ten (10) days, the calculation to begin on the eleventh working day after receipt of the written request. Failure to permit inspection of the Association records as provided herein entitles any person prevailing in an enforcement action to recover reasonable attorneys' fees from the person in control of the records who, directly or indirectly, knowingly denied access to the records for inspection. The Association shall maintain an adequate number of copies of the Declaration, Articles of Incorporation, By-Laws, and rules, and all amendments to each of the foregoing, as well as the Question and Answer Sheet provided for in §718.504, Florida Statutes, on the condominium property to ensure their availability to unit owners and prospective purchasers, and may charge its actual costs for preparing and furnishing these documents to those requesting the same.

d. The Association shall prepare a Question and Answer Sheet as described in §718.504, Florida Statutes, and shall update it annually.

42. Annual Financial Report. Within sixty (60) days following the end of the previous fiscal year of the Association, the Board of Directors shall mail or furnish by personal delivery to each Unit Owner and to the Division of Florida Land Sales, Condominiums and Mobile Homes of the Department of Business and Professional Regulation, a complete financial report of actual

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receipts and expenditures for the previous twelve (12) months. The report shall show the amounts of receipts by accounts and receipt classifications and shall show the amounts of expenses by accounts and expense classifications, including, if applicable, but not limited to, the following:

- a. Costs for security;
- b. Professional and management fees and expenses;
- c. Taxes;
- d. Costs for recreational facilities;
- e. Expenses for refuse collection and utility services;
- f. Expenses for lawn care;
- g. Costs for building maintenance and repair; ..
- h. Insurance costs;
- i. Administrative and salary expenses; and
- j. General reserves, maintenance reserves, and depreciation reserves.

43. Fidelity Bonds. The Association shall obtain and maintain Fidelity bonding of all persons who control or disburse funds of the Association in the principal sum of not less than Ten Thousand Dollars (\$10,000) for each such person; provided, however, if the Association's gross receipts exceed One Hundred Thousand Dollars (\$100,000), but do not exceed Three Hundred Thousand Dollars (\$300,000), the bond shall be in the amount of Thirty Thousand Dollars (\$30,000) for each such person. The Association shall bear the cost of bonding. However, in the case of a person providing management services to the Association and required to be licensed pursuant to §468.432, Florida Statute, the cost of bonding may be reimbursed by the Association; all such persons providing management services to an Association shall provide the Association with a certificate of insurance evidencing compliance with this paragraph.

44. Fines. In addition to all remedies provided in the Declaration of Condominium of the condominium operated by the Association, the Articles or these By-Laws, the Board of Directors of the Association may, upon reasonable notice of not less than 14

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days and an opportunity for hearing , fine and charge any offending member a sum not to exceed One Hundred Dollars (\$100) for each infraction of the provisions of said Declaration, Articles, By-Laws or reasonable rules and regulations of the Association. However, a fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing, provided that no such fine shall in the aggregate exceed One Thousand Dollars (\$1,000). No fine may be levied except after giving reasonable notice and opportunity for a hearing to the Unit Owner and, if applicable, its licensee or invitee. The hearing must be held before a committee of other Unit Owners. If the committee does not agree with the fine, the fine may not be levied. The Notice shall include the following:

- a. Statement of date, time and place of hearing.
- b. Statement of provisions allegedly violated (Declaration, By-Laws, Rules) and
- c. Short and plain statement of the matters asserted by the Association.

The party against whom the fine may be levied shall have an opportunity to respond, to present evidence and to provide written or oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge and respond to any material considered by the committee. If the committee agrees with the fine, the Board of Directors shall receive the report of the committee and if the Board approves the recommendation of the committee, the Board may levy the fine. No fines shall become a lien against the unit. The provisions of this paragraph shall not apply to unoccupied units.

45. Transfer Fee. No fee shall be charged by the Association in connection with a transfer, lease, sale or sublease of an apartment which is subject to approval of the Association or its Board of Directors, in excess of the expenditures reasonably required for the transfer or sale, and this expense shall not exceed One Hundred Dollars (\$100). No charge shall be made in connection with an extension or renewal of a lease.

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46. Amendments. In addition to any other method provided under the Declaration or Articles of Incorporation, these By-Laws may be amended in the following manner:

a. 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.

b. A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by the voting interests of the Association. Directors and voting interests 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:

(1) Not less than two-thirds (2/3) of the voting interests of the entire membership of the Association.

(2) Until the transfer of control from the Developer to unit owners other than the Developer, by two-thirds (2/3) of the directors.

c. No By-Law shall be revised or amended by reference to its title or number only. Proposals to amend existing By-Laws shall contain the full text of the By-Laws to be amended; new words shall be inserted in the text underlined, and the words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlying and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language:

"Substantial rewording of By-Law. See By-Law ____ for present text."

Non-material errors or omissions in the By-Law process shall not invalidate an otherwise promulgated amendment.

d. No amendment shall abridge, limit or alter the rights reserved by or granted to Jade East Towers Developers, a

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joint venture partnership consisting of Jade East Towers, Inc., a Florida corporation, Jade East Towers I, Inc., a Florida corporation and Jade East Towers II, Inc., a Florida corporation, its successors or assigns, or any successor developer, by these By-laws, the Declaration or the Articles of Incorporation without the prior written consent of Jade East Towers Developers, a joint venture partnership consisting of Jade East Towers, Inc., a Florida corporation, Jade East Towers I, Inc., a Florida corporation and Jade East Towers II, Inc., a Florida corporation, its successors or assigns, or a successor developer.

47. Alternate Dispute Resolution: Voluntary Mediation; Mandatory Nonbinding Arbitration. Voluntary Arbitration.

a. Definitions. As used in this section, the term "dispute" means any disagreement between two or more parties that involves:

(1) The authority of the board of directors, under any law or Association document to:

(i) Require any owner to take any action, or not to take any action, involving that owner's unit.

(ii) Alter or add to a common area or element.

(2) The failure of a governing body, when required by law or an Association document to:

(i) Properly conduct elections.

(ii) Give adequate notice of meetings or

other actions.

(iii) Properly conduct meetings.

(iv) Allow inspection of books and records.

"Dispute" does not include any disagreement that primarily involves title to any unit or common element; the interpretation or enforcement of any warranty; or the levy of a fee or assessment, or the collection of any assessment levied against a party.

b. Voluntary Mediation. Voluntary mediation through Citizen Dispute Settlement Centers as provided for in s. 44.201 is encouraged.

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c. Mandatory Nonbinding Arbitration Of Disputes. The Division of Florida Land Sales, Condominiums, and Mobile Homes of the Department of Business and Professional Regulation shall employ full-time arbitrators to conduct the arbitration hearings provided by this chapter. No person may be employed by the department as a full-time arbitrator unless he is a member in good standing of The Florida Bar. The department shall promulgate rules of procedure to govern such arbitration hearings. The decision of an arbitrator shall be final; however, such a decision shall not be deemed final agency action. Nothing in this provision shall be construed to foreclose parties from proceeding in a trial de novo. If such judicial proceedings are initiated, the final decision of the arbitrator shall be admissible in evidence.

(1) Prior to the institution of court litigation, the parties to a dispute shall petition the division for nonbinding arbitration. Arbitration shall be conducted according to rules promulgated by the division. The filing of a petition for arbitration shall toll the applicable statute of limitations.

(2) At the request of any party to the arbitration, such arbitrator shall issue subpoenas for the attendance of witnesses and the production of books, records, documents, and other evidence and any party on whose behalf a subpoena is issued may apply to the court for orders compelling such attendance and production. Subpoenas shall be served and shall be enforceable in the manner provided by law.

(3) The arbitration decision shall be presented to the parties in writing. An arbitration decision shall be final if a complaint for a trial de novo is not filed in a court of competent jurisdiction within thirty (30) days. The right to file for a trial de novo entitles the parties to file a complaint in the appropriate trial court for a judicial resolution of the dispute. The prevailing party may be awarded reasonable attorney's fees.

(4) The party who files a complaint for a trial de novo shall be assessed the other party's arbitration costs, court costs, and other reasonable costs, including attorney's fees,

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investigation expenses, and expenses for expert or other testimony or evidence incurred after the arbitration hearing if the judgment upon the trial de novo is not more favorable than the arbitration decision. If the judgment is more favorable, the party who filed a complaint for trial de novo shall be awarded reasonable court costs and attorney's fees.

(5) Any party to an arbitration proceeding may enforce an arbitration award by filing a petition in the circuit court for the circuit in which the arbitration took place. A petition may not be granted unless the time for appeal by the filing of complaint for trial de novo has expired. If a complaint for trial de novo has been filed, a petition may not be granted with respect to an arbitration award that has been stayed.

48. Execution and Recording. A copy of each amendment shall be attached to or incorporated in a certificate certifying that the amendment was duly adopted as an amendment of the Declaration and By-Laws, which certificate shall be executed by the officers of the Association with the formalities of a deed. The amendment shall be valid and effective when such certificate, with a copy of the amendment attached thereto or incorporated therein, is recorded in the public records of Okaloosa County, Florida.

The foregoing was adopted as the By-Laws of Jade East Towers Owners 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 21st day of February, 1996.



President

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CONSENT OF MORTGAGEE

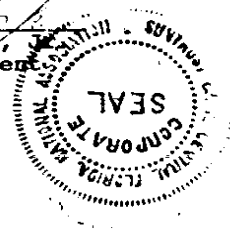
SunTrust Bank, Central Florida, National Association f/k/a Sun Bank, National Association ("SunTrust"), the owner and holder of a mortgage encumbering the property described in Exhibit "A" of this Declaration of Condominium Ownership of Jade East Towers, a Condominium, which mortgage is that certain Mortgage dated the 31st day of July, 1995, and recorded in Official Records Book 1944, Page 1049, Public Records of Okaloosa County, Florida, consents to the making of the foregoing Declaration of Condominium Ownership of Jade East Towers, a Condominium, and SunTrust agrees that the lien of said mortgage shall hereafter encumber each and every of the Units as provided and set forth in said Declaration, together with all of the appurtenances thereto, including, but not limited to, all of the undivided shares of the Common Elements.

WITNESSES:

SUNTRUST BANK, CENTRAL FLORIDA,
NATIONAL ASSOCIATION

Maria J. Fisher
Maria Fisher
Type or Print Name of
Witness

By: Donald L. Gaudette, Jr.
Name: Donald L. Gaudette, Jr.
Title: Senior Vice President



Vicki Wiles
VICKI WILES
Type or Print Name of
Witness



STATE OF FLORIDA
COUNTY OF ORANGE

22nd The foregoing instrument was acknowledged before me this day of February, 1996, by Donald L. Gaudette, Jr., Senior Vice President of SunTrust Bank, Central Florida, National Association, a national banking association, on behalf of the Bank.

Name: Vicki Lee Wiles
Notary Public, State of Florida
Personally Known: X
Produced Identification: N/A
Type of Identification: N/A No Coll taken

(NOTARIAL SEAL)



VICKILEE WILES
My Commission CC370310
Expires May 08, 1998
Bonded by ANB
800-882-5878

FILE # 1466283 RCD: Feb 27 1996 @ 10:57AM
Newman C. Brackin, Clerk, Okaloosa Cnty Fl