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DECLARATION OF CONDOMINIUM
OF
BAHIA VISTA GULF,
A CONDOMINIUM,
VENICE, FLORIDA

This instrument was prepared by:
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241 Nokomis Ave.
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1. SUBMISSION TO OWNERSHIP. VENICE LANDMARK, INC., a Florida Corporation of Venice, Florida, does hereby submit to condominium ownership pursuant to Chapter 711, Florida Statutes, known as "The Condominium Act," a fee simple interest in the land and improvements situated, lying and being in the County of Sarasota, State of Florida, being more particularly described as Parcels "A" through "L" in Exhibit "A" attached.

2. NAME. The name by which this condominium shall be known and identified is BAHIA VISTA GULF, a Condominium, and its address is Venice, Florida.

3. CONSTRUCTION OF IMPROVEMENTS. The improvements are being constructed in accordance with plans and specifications approved by VENICE LANDMARK, INC., and title to each of the condominium parcels is vested in VENICE LANDMARK, INC. or its grantee. Title shall be conveyed by Warranty Deed in the form attached hereto as Exhibit "B."

4. SURVEY AND FLOOR PLAN. A survey of the land subject to this condominium and land leased to BAHIA VISTA GULF OF VENICE, INC., and a graphic description of the improvements constructed or to be constructed thereon, and a plat plan locating such improvements thereon and a floor plan identifying each unit and the common elements and their respective locations and approximate dimensions are recorded in Condominium Book 3, Pages 41 and 412, public records of Sarasota County, Florida, and incorporated herein. The condominium unit shall be known and numbered as described in said Condominium Book at the aforementioned pages.

5. DEFINITIONS. The terms used in this Declaration and in its exhibits shall have the meanings stated in the Condominium Act (Section 711.03 Florida Statutes) and as follows unless the context otherwise requires:

5.1 APARTMENT OR UNIT means unit as defined by the Condominium Act and as further defined in Exhibit "A," and where appropriate includes an appurtenant terrace.

5.2 OWNER means unit owner as defined by the Condominium Act. ASSOCIATION means BAHIA VISTA GULF OF VENICE, INC. and its successors.

5.3 COMMON ELEMENTS shall include the tangible personal property required for the maintenance and operation of the condominium, even though owned by the Association, as well as the items stated in the Condominium Act.

5.4 COMMON EXPENSES INCLUDE:

(1) Expenses of administration; expenses of maintenance, operation, repair or replacement of the common elements, and of the portions of units to be maintained by the Association.

(2) Expenses declared common-expenses by provisions of this Declaration or the By-Laws.

(3) Any valid charge against the Condominium property as a whole.

(4) Charges for utility services except such services as are metered separately to each unit.

Condominium Book 3 Page 41 thru 412

(5) Lease payments due from each individual owner as Lessee to BAHIA VISTA GULF OF VENICE, INC., as Lessor, under the sublease between the owner and BAHIA VISTA GULF OF VENICE, INC., which shall be executed in the form attached hereto as Exhibit "C."

5.5 CONDOMINIUM means all of the condominium property as a whole when the context so permits, as well as the meaning stated in the Condominium Act.

5.6 SINGULAR, PLURAL, GENDER whenever the context so permits, the use of the plural shall include the singular, the singular the plural, and the use of any gender shall be deemed to include all genders.

5.7 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, gas, hot and cold water, garbage and sewage disposal and cable-television apparatus.

6. THE CONDOMINIUM ACT. Chapter 711, Florida Statutes, is incorporated herein by reference, and all provisions thereof shall apply to this condominium.

7. OWNERSHIP OF COMMON ELEMENTS, COMMON SURPLUS AND SHARING COMMON EXPENSES. Each owner shall own a 1/162nd interest in the common elements and the common surplus. Each owner shall pay 1/162nd of the common expenses, except for that portion of the common expenses which constitutes payment due from the individual owner to BAHIA VISTA GULF OF VENICE, INC. under the terms of the lease between the owner and BAHIA VISTA GULF OF VENICE, INC. The payments due from the owner to the association, under the terms of the lease, shall constitute the owner's share of the common expenses due in connection with the lease.

8. AMENDMENTS OF DECLARATION. VENICE LANDMARK, INC. reserves the right to amend paragraphs 1 and 4 and the exhibits in connection therewith for the specific purpose of reflecting changes in building plans and more accurate locations of the improvements. These rights are reserved until December 1, 1974.

8.1 The consent of holders of liens on any portion of the condominium property, or any apartment shall not be required to modify or amend as aforesaid. It shall not be necessary for individual unit owners other than the developer to join in the amendment.

8.2 A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted, which certificate shall be executed by the officers of VENICE LANDMARK, INC. with the formalities of a Deed. The amendment shall be effective when such certificate and copy of the amendment are recorded in the public records of Sarasota County, Florida.

8.3 Notwithstanding anything herein to the contrary, the undersigned, VENICE LANDMARK, INC. or its assigns, does hereby reserve unto itself, at its option, exclusive right to manage the affairs of the within condominium and the Association for a period of five (5) years from the date hereof, and shall have the sole, exclusive right to make contracts or agreements on behalf of the condominium, condominium property and the Association during said time. VENICE LANDMARK, INC., however, at its option, may elect at any time to terminate the rights reserved hereunder and to turn the operation and management of the Association and the Condominium over to the condominium owners.

9. BY-LAWS. The operation of the condominium property shall be governed by the By-Laws of BAHIA VISTA GULF OF VENICE, INC., a copy of which is attached as Exhibit "D" and incorporated herein by reference. No modification or amendment to these By-Laws shall be deemed valid unless set forth in a duly recorded amendment to this Declaration in accordance with the formalities set forth in Section 8 above.

10. OPERATION OF ASSOCIATION. The operation of the condominium shall be vested in BAHIA VISTA GULF OF VENICE, INC., a non-profit corporation. The Articles of Incorporation are attached as Exhibit "E," and said Articles and all subsequent amendments thereto are incorporated herein by reference.

11. COMMON EXPENSES; LIABILITIES; LIEN AND PRIORITIES; INTEREST AND COLLECTION. Except as otherwise provided in Exhibit "C," a unit owner, regardless of how title is acquired, shall be liable for his share of all common expenses coming due while he is the owner of the unit. In a voluntary conveyance, the grantor shall be jointly and severally liable with the grantee for the unit share of unpaid common expenses up to the time of such voluntary conveyance.

11.1 The liability for common expenses may not be avoided by waiver of the use or enjoyment of any common elements, the leasehold property or by abandonment of the unit.

11.2 A unit share of the common expenses and installments thereon, not paid within thirty (30) days of due date, shall bear interest from the date when due until paid at the highest rate allowed by law.

11.3 The Association shall have a lien on each condominium parcel for the unit share of any unpaid common expenses, and interest thereon against the owner of such condominium parcel until paid. Such lien shall also include reasonable attorney fees incurred by the Association incident to the collection of such common expenses or enforcement of such lien. Such lien shall be executed in and recorded in the public records of Sarasota County, Florida, in the manner provided by law, but such lien shall be subordinate to the lien of any mortgage or other liens recorded prior to the time of the recording of the claim of lien by the Association.

11.4 Liens for the unit share of common expenses may be foreclosed by suit brought in the name of the Association in a like manner as a foreclosure of mortgage on real property as more fully set forth in Chapter 711, Florida Statutes.

12. EASEMENTS.

12.1 Owners of units shall have as an appurtenance there-to a perpetual easement for ingress and egress to and from their unit over stairs, terraces, balconies, elevators, walks and other common elements.

12.2 All condominium property shall be subject to perpetual easements for encroachments presently existing or which may hereafter be caused by settlement or movement of the building or minor inaccuracies in construction, which easements shall continue until such encroachment no longer exists.

13. MEMBERSHIP IN ASSOCIATION.

13.1 BAHIA VISTA GULF OF VENICE, INC., a non-profit Florida corporation, was chartered to perform the acts and duties desirable for apartment house management for unit and common elements, and to levy and enforce collection of assessments necessary to perform acts and duties as aforesaid.

13.2 All unit owners shall automatically be members of the Association and said membership shall terminate when they no longer own said units.

13.3 Where a unit is owned by more than one owner, such owners shall collectively be entitled to one vote in accordance with voting privileges set forth in the By-Laws of BAHIA VISTA GULF OF VENICE, INC.

13.4 The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as appurtenant to his apartment.

14. ANNUAL BUDGET AND COLLECTION OF ASSESSMENTS.

14.1 The Board of Directors of the Association shall approve an annual budget in advance for each fiscal year, which budget shall project anticipated income and estimated common expenses.

14.2 The estimated common expenses shall be assessed against each apartment in accordance with the formula heretofore set forth in Paragraph 7 above. One-fourth of the amount assessed against each unit shall be payable on the first day of each quarter. In addition, the Association has the power to levy equal special assessments against each unit if a deficit should develop in the treasury for the payment of common expenses.

14.3 The Board of Directors of the Association shall have the right to enter into a management contract with BAHIA VISTA OF VENICE, INC. wherein BAHIA VISTA OF VENICE, INC. will for a set sum per unit provide the necessary maintenance and pay all of the obligations of the association (except the payments due under the terms of the lease between BAHIA VISTA OF VENICE, INC., as Lessor, and the Association, as Lessee, a copy of which is attached hereto as Exhibit " ") for the term set forth in the agreement.

15. USE RESTRICTIONS. The use of the property of the condominium shall be in accordance with the following provisions as long as the condominium exists and the apartment buildings in useful condition exists upon the land.

15.1 Single family residences. The condominium property shall be used only for single family residences and for the furnishing of services and facilities herein provided for the enjoyment of such residences. Each of the units for which provision is made by the condominium documents shall be occupied only by a single family as its residence and for no other purpose.

15.2 Nuisances. No nuisances shall be allowed upon the condominium property which interfere with the peaceful possession and proper use of the property by its residents. All parts of the property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate, nor any fire hazard allowed to exist.

15.3 Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the condominium property, nor any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies which require maintenance, modification or repair of the condominium property shall be the same as the responsibility for the maintenance and repair of the property concerned.

15.4 Leasing. Entire units may be leased provided the occupancy is only by the lessee, his family, his servants and guests.

15.5 Regulations. Reasonable regulations concerning the use of 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 apartment owners and residents of the condominium upon request.

15.6 Proviso. Provided, however, that until BAHIA VISTA OF VENICE, INC. has completed all the contemplated improvements and the sale of all the condominium apartments has been closed, neither the apartment owners nor the Association nor the use of the condominium property shall interfere with the completion of the contemplated

improvements and the sale of the apartments. BAHIA VISTA OF VENICE, INC. may make such use of the unsold units and common areas as may facilitate such completion and sales including, but not limited to, maintenance of a sales office, the showing of the property and the display of signs.

16. CONVEYANCES. In order to assure a community of congenial residents and thus protect the value of the units, the sale, and mortgaging of units by any owner other than the developer shall be subject to the following provisions:

16.1 Sale of Unit. The approval of the Directors shall be obtained in the manner hereinafter provided, EXCEPT, the provisions of this Section 16 entitled "Conveyances" shall not apply to a transfer to or a purchase by a bank, life insurance company or savings and loan association which acquires its title as the result of owning a first mortgage upon the unit concerned, and this shall be so whether the title is acquired by a deed from the mortgagor or through foreclosure proceedings; nor shall such provisions apply to a transfer, sale or lease by a bank, life insurance company or federal savings and loan association which so acquired its title.

(1) Notice to Directors. A unit owner intending to make a bona fide sale of his unit, or any interest therein, shall give notice to the Directors of such intention, together with the name and address of the intended purchaser, such other information as the Directors may reasonably require, and the terms of the proposed transaction.

(2) Approval of Directors. Within thirty (30) days after receipt of such notice, the Directors must either approve the transaction, or furnish a purchaser approved by the Directors who will accept the transaction upon terms as favorable to the seller as the terms stated in the notice, except that a purchaser furnished by the directors may have not less than thirty (30) days subsequent to the date of approval within which to close the transaction, and except that the approval of a corporation may be conditioned as elsewhere stated. The approval of the Directors shall be in recordable form and shall be delivered to the purchaser and recorded in the public records of Sarasota County, Florida.

16.2 Mortgage. No unit owner may mortgage his unit or any interest therein without the approval of the Directors, except to a bank, life insurance company or federal savings and loan association. The approval of any other mortgagees may be upon conditions determined by the Directors or may be arbitrarily withheld.

17. OBLIGATIONS OF MEMBERS. In addition to other obligations and duties heretofore set out in this Declaration, every unit owner shall:

17.1 Promptly pay the assessments levied by the Association.

17.2 Maintain in good condition and repair his unit and all interior surfaces within or surrounding his unit (such as the surfaces of the walls, ceilings, floors) whether or not part of the unit or common elements, and maintain and repair the fixtures therein and pay for any utilities which are separately metered to his unit.

17.3 Not use or permit the use of his unit for any purpose other than as a single family residence and maintain his unit in a clean and sanitary manner.

17.4 Not permit or suffer anything to be kept in his unit which will increase the insurance rates on his unit or the common elements.

17.5 Conform to and abide by the By-Laws and the uniform rules and regulations in regard to the use of the unit and common elements which may be adopted in writing from time to time by the Board of Directors of the Association, and to see that all persons using owner's property by, through or under him do likewise.

17.6 Allow the Board of Directors or the agents and employees of the Association to enter any unit for the purpose of maintenance, inspection, repair or replacement of the improvements within units or the common elements, or in case of emergency threatening units or the common elements, or to determine compliance with these restrictions, reservations, covenants, conditions and easements and By-Laws of the corporation.

17.7 Show no sign, advertisement or notice of any type on the common elements of his unit and erect no exterior antennas and aerials except as provided in uniform regulations promulgated by the Association.

17.8 Plumbing and electrical repairs within a unit shall be paid for and be the financial obligation of the owners of the units; whereas, the corporation shall pay for and be responsible for repairs within the common elements.

18. DEVELOPER'S USE. The developer shall have the right to utilize one of each different type of apartment as a model for a period of five (5) years from the date of the recording of this Declaration of Condominium and to have located on the common property a sign on the premises adjacent to the street advertising the model, size of the sign not to exceed 10' x 10'.

19. ENFORCEMENT OF MAINTENANCE. In the event the owner of a unit fails to maintain it as required above, the Association or any other unit owner shall have the right to proceed in a court of equity to seek compliance with the foregoing provisions; or the Association shall have the right to assess the unit owner and the unit for the necessary sums to put the improvement within the unit in good condition. After such assessment, the Association shall have the right for its employees or agents to enter the unit and do the necessary work to enforce compliance with the above provision.

20. INSURANCE. The insurance other than title insurance that shall be carried upon the condominium property of the apartment owners shall be governed by the following provisions:

20.1 AUTHORITY TO PURCHASE; NAMED INSURED. All insurance policies upon the condominium property shall be purchased by the Association. The named insured shall be the Association individually and as agent for the apartment 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 apartment owners. Such policies shall provide that payments by the insurer for losses shall be made to the insurance trustee designated below, and all policies and their endorsements shall be deposited with the insurance trustee. Apartment owners may obtain coverage at their own expense upon their personal property and for their personal liability and living expense.

20.2 COVERAGE.

(1) CASUALTY. All buildings and improvements upon the land shall be insured in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, 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. Such coverage shall afford protection against:

a. Loss or damage by fire and 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 similar in construction, location and use as the buildings on the land, including but not limited to vandalism and malicious mischief.

(2) PUBLIC LIABILITY. In such amounts and with such coverage as shall be required by the Board of Directors of the Association, including but not limited to hired automobile and non-owned automobile coverages, and with cross liability endorsement to cover liabilities of the apartment owners as a group to an apartment owner.

(3) WORKMEN'S COMPENSATION policy to meet the requirements of law.

(4) SUCH OTHER INSURANCE as the Board of Directors of the Association shall determine from time to time to be desirable.

20.3 PREMIUMS. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a common expense.

20.4 INSURANCE TRUSTEE; SHARES OF PROCEEDS: All insurance policies purchased by the Association shall be for the benefit of the Association and the apartment owners and their mortgagees as their interests may appear, and shall provide that all proceeds covering property losses shall be paid to VENICE-NOKOMIS BANK, Venice, Florida, as Trustee, or to such other bank in 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 for the renewal or the sufficiency of policies nor for the failure to collect any insurance proceeds. The duty of the Insurance Trustee shall be to receive such proceeds as are paid and hold the proceeds in trust for the purposes elsewhere stated in this instrument and for the benefit of the apartment owners and their mortgagees in the following shares, but which shares need not be set forth on the records of the Insurance Trustee.

(1) COMMON ELEMENTS. Proceeds on account of damage to common elements--an undivided share for each apartment owner, such share being the same as the undivided share in the common elements appurtenant to his apartment.

(2) APARTMENTS. Proceeds on account of damage to apartments shall be held in the following undivided shares:

a. When the building is to be restored - for the owners of damaged apartments in proportion to the costs of repairing the damage suffered by each apartment owner, which cost shall be determined by the Association.

b. When the building is not to be restored - an undivided share for each apartment owner, such share being the same as the undivided share in the common elements appurtenant to his apartment.

(3) MORTGAGEES. In the event a mortgagee endorsement has been issued as to an apartment, the share of the apartment owner shall be held in trust for the mortgagee and the apartment owners as their interests may appear; provided, however, that a mortgagee shall have the right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and the mortgagee shall have the right to apply or have applied to the reduction of a mortgage debt any insurance proceeds payable to the apartment owner and mortgagee pursuant to the provisions of this Declaration.

20.5 DISTRIBUTION OF PROCEEDS. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the beneficial owners in the following manner:

(1) EXPENSE OF THE TRUST. All expenses of the Insurance Trustee shall be paid first or provision made for such payment.

(2) RECONSTRUCTION OR REPAIR. If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the costs of such as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to apartment owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of an apartment and may be enforced by such mortgagee.

(3) FAILURE TO RECONSTRUCT OR REPAIR. If it is determined in the manner elsewhere provided that the damage for which proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners, remittances to apartment owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of an apartment and may be enforced by such mortgagee.

(4) CERTIFICATE. In making distribution to apartment owners and their mortgagees, the Insurance Trustee may rely upon a certificate of the Association made by its president and secretary as to the names of the apartment owners and their respective shares of the distribution.

(5) ASSOCIATION AS AGENT. The Association is irrevocably appointed agent for each apartment owner and for each owner of a mortgage or other lien upon an apartment 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.

21. RECONSTRUCTION OR REPAIR AFTER CASUALTY.

21.1 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, the damaged property shall be reconstructed or repaired, unless it is determined in the manner elsewhere provided that the condominium shall be terminated.

(2) INDIVIDUAL UNITS. In the event a loss occurs to any improvements or improvements within individual units without any loss occurring to any of the improvements within the common elements or limited common elements and provided the mortgagee or mortgagees approve, the Trustee shall hold such funds in escrow to pay for repair and reconstruction within the individual units. The money so received shall be allotted to repairs within each unit in proportion to the loss sustained to the improvements within said unit as estimated by the Association, and in the event the insurance funds are not sufficient to effect all of the necessary repairs, the members owning interest in units containing damaged improvements shall be subject to a special assessment and shall contribute to the Association the remaining funds necessary to repair and restore the improvements within their units.

(3) COMMON ELEMENTS AND UNITS COMBINED. In the event that loss occurs to the improvements within units and the contiguous common elements provided the mortgagees agree, the Association shall

promptly contract for the necessary repairs to the improvements within the common elements and within the damaged units. In such event should the insurance proceeds be insufficient to repair the improvements within the common elements and within the units, the funds shall be apportioned to repair improvements within members units and within the common elements in proportion to the loss sustained to improvements within said units and common elements as estimated by the Association. The balance of the sums necessary to complete the repairs of the damage to the common elements shall be secured by assessments against all of the owners of condominium units. The balance of the funds necessary to complete the repairs within the individual units shall be secured by a special assessment against the individual members owning interest in units containing damaged improvements in an amount necessary to repair and restore the improvements within their individual units.

(4) FAILURE OF MORTGAGEES TO AGREE. If under subparagraphs (2) and (3) above, all of the mortgagees do not agree, the Trustee shall disburse the funds as follows:

a. Individual shares. The insurance proceeds shall be divided into individual shares. One share allocable to the damage to the common elements in proportion to the ratio that the loss to the common elements bears to the entire loss, this share to be retained by the Trustee. One share then shall be allotted to each damaged unit in proportion to the ratio that the loss to the unit bears to the entire loss. All proportions of loss sustained to be estimated by the Association. The share allotted to each damaged unit shall be payable to the unit owner and the mortgagee as their interests may appear. The Association then shall go ahead with the repair of the common elements and the damaged units. If the sum allotted to the repair of the common elements is not sufficient for said repair, all of the owners of condominium units shall be assessed for the balance of the funds needed for improvements to the common elements and the owners of the individual units shall be assessed individually for the full amount of the sums necessary to complete the repairs within their individual units.

b. Abandonment. If there has been a loss or damage to the condominium property in excess of fifty percent (50%) of the insured value based on estimates by the insurance carrier and the insurance proceeds are inadequate to repair and reconstruct same, and provided that the mortgagees agree and that seventy-five (75%) percent of the voting members vote against levying the special assessments and in favor of abandonment, the project shall be abandoned and the condominium terminated.

c. Evidence of Abandonment. As evidence of the members' resolution to abandon, the President and the Secretary of the Association shall execute and place in the public records of the County an affidavit stating that such resolution was properly passed to which a copy of consent of seventy-five (75%) percent of the unit owners and holders of all liens shall be affixed, and upon the filing of such resolution the condominium shall be terminated.

(5) 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.

21.2 PLANS AND SPECIFICATIONS. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original building, or if not, then according to plans and specifications approved by the Board of Directors of the Association, and if the damaged property is the apartment building, by the owners of not less than 75% of the common elements, including the owners of all damaged apartments, which approval shall not be unreasonably withheld.

21.3 ESTIMATES OF COSTS. Immediately after a determination is made to rebuild or repair damage to property, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair.

21.4 CONSTRUCTION FUNDS. The funds for payment of costs of reconstruction and repair after casualty, which shall consist of proceeds of insurance held by the Insurance Trustee and funds collected by the Association from assessments against apartment owners, shall be disbursed in payment of such costs in the following manner:

(1) ASSOCIATION. If the total of assessments made by the Association in order to provide funds for payment of costs of reconstruction and repair is more than \$5,000, then the sums paid upon such assessments shall be deposited by the Association with the Insurance Trustee. In all other cases, the Association shall hold the sums paid upon such assessments and disburse them in payment of the costs of reconstruction and repair.

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

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

b. Association - major damage. If the amount of the estimated costs of reconstruction and repair is more than \$5,000 then the construction fund shall be disbursed in payment of such costs and in the manner required by the Board of Directors of the Association and upon approval of an architect qualified to practice in Florida and employed by the Association to supervise the work.

c. Surplus. It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated; except however that 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.

d. Certificate. Notwithstanding the provisions of this instrument, the Insurance Trustee shall not be required to determine whether or not sums paid by the apartment owners and assessments shall be deposited by the Association with the Insurance Trustee, nor to determine whether the disbursements from the construction fund are to be upon the order of the Association or upon approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund nor to determine the payee nor the amount to be paid. 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 the 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 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 shall be first obtained by the Association upon disbursement in payment of costs of reconstruction and repair.

22. SUBLEASE. The original purchaser of the condominium unit from the developer shall be required to execute, as sublessee, a lease in the form attached hereto as Exhibit "C."

22.1 ASSUMPTION OF SUBLEASE. During the term of the lease between BAHIA VISTA OF VENICE, INC. and BAHIA VISTA GULF OF VENICE, INC. and the sublease between BAHIA VISTA GULF OF VENICE, INC. and each individual owner, each subsequent purchaser of a unit shall be required, in order to obtain fee simple title to a condominium, to assume the outstanding sublease between the unit owner and BAHIA VISTA GULF OF VENICE, INC. by executing an assumption agreement in the form attached hereto as Exhibit "F," the assignment of which shall be executed by the previous owner and the consent of the assignment shall be executed by the Association provided the purchaser has otherwise been approved in accordance with other provisions of this Declaration.

22.2 An owner who executes a mortgage on his unit in accordance with the provisions of paragraph 16.2 above shall have the right to include in said mortgage his leasehold interest pursuant to the sublease between the owner and BAHIA VISTA GULF OF VENICE, INC.

23. COMPLIANCE AND DEFAULT. Each apartment owner shall be governed by and shall comply with the terms of the Declaration of Condominium, Articles of Incorporation and By-Laws and the Regulations adopted pursuant to those documents, and all of such as they may be amended from time to time. Failure of an apartment owner to comply with such documents and regulations shall entitle the Association or other apartment owners to the following relief in addition to the remedies provided by the Condominium Act:

23.1 NEGLIGENCE. An apartment 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 guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. An apartment owner shall pay the Association the amount of any increase in its insurance premiums occasioned by use, misuse, occupancy or abandonment of an apartment or its appurtenances, or of the common elements, by the apartment owner.

23.2 COSTS AND ATTORNEYS' FEES. In any proceeding arising because of an alleged failure of an apartment owner or 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 attorneys' fees as may be awarded by the court.

23.3 NO WAIVER OF RIGHTS. The failure of the Association or any apartment owner to enforce any covenant, restriction or other provision of the Condominium Act, this Declaration, the Articles of Incorporation of the Association, the By-Laws or the Regulations shall not constitute a waiver of the right to do so thereafter.

24. TERMINATION. The condominium may be terminated in the following manner in addition to the manner provided by the Condominium Act.

24.1 DESTRUCTION. If it is determined in the manner elsewhere provided that the apartment building shall not be reconstructed because of major damages, the condominium plan of ownership will be terminated.

24.2 AGREEMENT. The condominium may be terminated at any time by the approval in writing of all record owners of apartments and all record owners of mortgages on apartments. If the proposed termination is submitted to a meeting of the members of the Association, the notice of the meeting giving notice of the proposed termination and if the approval of the owners of not less than seventy-five (75%) percent of the common elements, and of the record owners of all mortgages upon the apartments, are obtained in writing not later than thirty (30) days from the date of such meeting, then the approving owners shall have an option to buy all of the apartments of the other owners for the period ending on the sixtieth day from the date of such meeting. Such approvals shall be irrevocable until the expiration of the option, and if the option is exercised, the approvals shall be irrevocable. The option shall be upon the following terms:

(1) EXERCISE OF OPTION. The option shall be exercised by delivery or mailing by registered mail to each of the record owners of the apartments to be purchased an agreement to purchase signed by the record owners of apartments who will participate in the purchase. Such agreement shall indicate which apartments will be purchased by each participating owner and shall require the purchase of all apartments owned by owners not approving the termination, but the agreement shall effect a separate contract between each seller and his purchaser.

(2) PRICE. The sale price for each apartment shall be the fair market value determined by agreement between the seller and purchaser within thirty (30) days from the delivery or mailing of such agreement, and in the absence of agreement as to price it shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the apartment; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

(3) PAYMENT. The purchase price shall be paid in cash.

(4) CLOSING. The sale shall be closed within ten (10) days following the determination of the sale price.

24.3 CERTIFICATE. The termination of the condominium in either of the foregoing manners shall be evidenced by a certificate of the Association executed by its President and Secretary certifying as to facts effecting the termination, which certificate shall become effective upon being recorded in the public records of Sarasota County, Florida.

24.4 SHARES OF OWNERS AFTER TERMINATION. After termination of the condominium, the apartment owners shall own the condominium property and all assets of the Association as tenants in common in undivided shares that shall be the same as the undivided shares in the common elements appurtenant to the owners' apartments prior to termination.

24.5 AMENDMENT. This section concerning termination cannot be amended without consent of all apartment owners and of all record owners of mortgages upon the apartments.

25. 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 of this Declaration of Condominium and the Articles of Incorporation, By-Laws and Regulations of the Association shall not affect the validity of the remaining.

26. INTERPRETATION. Whenever the context so requires, the use of any gender shall be deemed to include all genders and the use of the plural shall include the singular and the singular shall include the plural. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of a condominium in accordance with the laws made and provided for same as used, herein the term "member" means and refers to any person, natural or corporate, who is an apartment owner and the term "association" is used synonymously with the "corporation" and refers to BAHIA VISTA GULF OF VENICE, INC. The term "developer" refers to VENICE LANDMARK, INC.

27. EXHIBITS. All exhibits attached hereto are incorporated herein by reference and made a part hereof.

IN WITNESS WHEREOF, the undersigned, has caused these presents to be signed, in its name, by its President, and its corporate seal affixed this 29 day of July, 1969.

VENICE LANDMARK, INC.

Attested to:

E. Snow Martin, Jr.
E. Snow Martin, Jr., Secretary

By: *Robinson Callen*
Robinson Callen, President

STATE OF FLORIDA
COUNTY OF SARASOTA

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared ROBINSON CALLEN and E. SNOW MARTIN, JR., President and Secretary, respectively, of VENICE LANDMARK, INC., a corporation under the laws of the State of Florida, to me known to be the persons described in and who executed the foregoing instrument and they acknowledged before me that they executed the same as such corporate officers and affixed thereto the seal of said corporation and that said instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State aforesaid, this 29 day of July, 1969.

My Commission Expires:
Notary Public, State of Florida at Large
My Commission Expires July 8, 1970
Bonded thru Edge-VanOrsdale Agency
Venice, Florida 33595

T. Lamar Hayes
Notary Public