

72-217426

DECLARATION OF CONDOMINIUM

OF

WATERGATE CONDOMINIUM NO. 5

This Instrument Was Prepared By:  
NORMAN H. GOLDBSTEIN  
Law Offices of  
Goldstein, Franklin, Groun & Schrank  
Professional Association  
2020 N. E. 162nd Street  
North Miami Beach, Florida 33162

MADE by the undersigned Developer, for itself, its successors, grantees and assigns.

The undersigned Developer, REALTY INVESTMENT AND DEVELOPMENT CORPORATION, a Florida corporation, being the owner of fee simple title of record to those certain lands located and situate in Broward County, Florida, being more particularly described in an Exhibit B attached hereto, does hereby submit the said lands and improvements thereon to condominium ownership pursuant to the provisions of Chapter 711 of the Florida Statutes, hereinafter called the "Condominium Act", reserving the right to submit additional lands to be described in an exhibit to be attached hereto by appropriate amendment to condominium ownership in the future.

1. The name by which this condominium is to be identified is WATERGATE CONDOMINIUM NO. 5.

2. Definitions. The terms used in this Declaration and in its exhibits, including the Articles of Incorporation and By-Laws of WATERGATE CONDOMINIUMS ASSOCIATION, INC., shall be defined in accordance with the provisions of Section 711.03 of the Condominium Act and as follows unless the context otherwise requires:

2.1 Apartment means unit as defined by the Condominium Act.

2.2 Apartment owner means unit owner as defined by the Condominium Act.

2.3 Lessor means the owner of the Recreation Area unless the context otherwise requires.

2.4 Association means WATERGATE CONDOMINIUMS ASSOCIATION, INC., and its successors.

2.5 Condominium unit owner means the owner of a condominium apartment.

2.6 Common elements shall include:

(a) All of those items stated in the Condominium Act.

(b) Tangible personal property required for the maintenance and operation of the Condominium even though owned by the Association.

(c) All Condominium property not included in the apartments or in the Recreation Area.

2.7 Recreation Area means those lands which are subject to and more particularly described in the Ninety-Nine Year Lease which is attached as an Exhibit E hereto, and such additional lands as may be included within the purview of said lease in the future.

2.8 Common expenses include:

(a) Expenses of administration and management of the Condominium property.

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(b) Expenses of maintenance, operation, repair or replacement of the common elements, limited common elements, and of the portions of the apartment to be maintained by the Association.

(c) That portion of the expenses of administration and management of the Association attributable to the Condominium, as hereinafter set forth and as set forth in the Articles of Incorporation and By-Laws of the Association.

(d) The costs and expenses attributable to the Condominium under the terms and provisions of the Ninety-Nine Year Lease.

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

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

2.9 Condominium means all of the condominium property as a whole when the context so permits, including the lands and all improvements thereon, and all easements and rights of way appurtenant thereto intended for use in connection with the Condominium.

2.10 Utility services shall include but not be limited to electric power, gas, water, air conditioning, and garbage and sewerage disposal.

2.11 Ninety-Nine Year Lease means that certain lease attached hereto as an Exhibit E, which may sometimes herein be referred to as a Community Facility or Recreation Lease.

3. The Condominium is described as follows:

3.1 A survey of the land and a graphic description of the improvements in which units are located which identifies each unit by letter, name or number, so that no unit bears the same designation as any other unit, and a plot plan thereof, all in sufficient detail to identify the common elements and each unit and their relative locations and approximate dimensions, are attached hereto as an Exhibit E, as to the first building, and a like survey and graphic description which shall be attached hereto by an amendment of this Declaration of Condominium as to the each additional building.

3.2 Amendment of Plans. Developer reserves the right to change the interior design and arrangement of all units so long as Developer owns the units so changed and altered, provided such change shall be reflected by an amendment of this Declaration, and provided, further, that an amendment for such purpose need be signed and acknowledged only by the Developer and need not be approved by the Association or apartment owners or by the Condominium, whether or not elsewhere required for an amendment.

(a) Alteration of boundaries and apartment dimensions. Developer reserves the right to alter the boundaries between units, so long as Developer owns the units so altered; to increase or decrease the number of apartments and to alter the boundaries of the common elements, so long as the Developer owns the apartments abutting the common elements where the boundaries are being altered, provided no such change shall be made without amendment of this Declaration, and provided,

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further, that an amendment for such purpose need be signed and acknowledged only by the Developer and approved by the institutional mortgagee of apartments affected, where the said apartments are encumbered by individual mortgages, or where they are included in an overall construction mortgage on the Condominium building, and such amendment shall not require the approval of apartment owners, the Lessor, or of the Association.

3.3 Easements are expressly provided for and reserved in favor of the Developer, the owners and occupants of the Condominium building, their guests and invitees, as follows:

(a) Utilities. Easements are reserved through the Condominium property as may be required for utility services in order to serve the Condominium and the Recreation Area adequately, provided, however, such easements shall be only according to the plans and specifications for the building, or as the building is constructed, unless approved in writing by an apartment owner or the owner of the Recreation Area, as appropriate.

(b) Encroachments. In the event that any apartment or the Recreation Area shall encroach upon any of the common elements or upon any other apartment for any reason other than the intentional or negligent act of the apartment owner, or owner of the Recreation Area, or in the event any common element shall encroach upon any apartment, then an easement shall exist to the extent of such an encroachment so long as the same shall exist.

(c) Traffic. An easement shall exist for pedestrian traffic over, through and across sidewalks, paths, walks, halls, lobbies, elevators, center cores, and other portions of the common elements as may be from time to time intended and designated for such purpose and use; and for vehicular and pedestrian traffic over, through and across such portions of the common elements as may from time to time be paved and intended for such purposes, and such easement shall be for the use and benefit of the Developer, the apartment unit owners, the owner of the Recreation Area, and those claiming by, through or under the aforesaid; provided, however, nothing herein shall be construed to give or create in any person the right to park upon any portion of the Condominium property except to the extent that space may be specifically designated and assigned for parking purposes.

(d) Other WATERGATE CONDOMINIUMS. Easements are reserved and shall exist under, through and over the Condominium property as may be required for utility services to serve other WATERGATE CONDOMINIUMS heretofore or hereafter created, and for pedestrian traffic over, through and across sidewalks, paths and walks and for vehicular and pedestrian traffic over, through and across such portions of the common elements as may from time to time be paved and intended for such purposes, and such easement shall be for the use and benefit of the Developer, the owners and occupants of other WATERGATE CONDOMINIUMS heretofore or hereafter created.

3.4 Apartment Boundaries. Each apartment shall include that part of the building containing the apartment that lies within the boundaries of the apartment, which boundaries are as follows:

(a) The upper and lower boundaries of the apartment shall be the following boundaries extended to an intersection with the perimetrical boundaries:

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(b) Tangible personal property required for the maintenance and operation of the Condominium even though owned by the Association.

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2.7 Recreation Area means those lands which are subject to and more particularly described in the Ninety-Nine Year Lease which is attached as an Exhibit E hereto, and such additional lands as may be included within the purview of said lease in the future.

2.8 Common expenses include:

(a) Expenses of administration and management of the Condominium property.

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(b) Expenses of maintenance, operation, repair or replacement of the common elements, limited common elements, and of the portions of the apartment to be maintained by the Association.

(c) That portion of the expenses of administration and management of the Association attributable to the Condominium, as hereinafter set forth and as set forth in the Articles of Incorporation and By-Laws of the Association.

(d) The costs and expenses attributable to the Condominium under the terms and provisions of the Ninety-Nine Year Lease.

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

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

2.9 Condominium means all of the condominium property as a whole when the context so permits, including the lands and all improvements thereon, and all easements and rights of way appurtenant thereto intended for use in connection with the Condominium.

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3.2 Amendment of Plans. Developer reserves the right to change the interior design and arrangement of all units so long as Developer owns the units so changed and altered, provided such change shall be reflected by an amendment of this Declaration, and provided, further, that an amendment for such purpose need be signed and acknowledged only by the Developer and need not be approved by the Association or apartment owners or by the Condominium, whether or not elsewhere required for an amendment.

(a) Alteration of boundaries and apartment dimensions. Developer reserves the right to alter the boundaries between units, so long as Developer owns the units so altered; to increase or decrease the number of apartments and to alter the boundaries of the common elements, so long as the Developer owns the apartments abutting the common elements where the boundaries are being altered, provided no such change shall be made without amendment of this Declaration, and provided,

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further, that an amendment for such purpose need be signed and acknowledged only by the Developer and approved by the institutional mortgagee of apartments affected, where the said apartments are encumbered by individual mortgages, or where they are included in an overall construction mortgage on the Condominium building, and such amendment shall not require the approval of apartment owners, the Lessor, or of the Association.

3.3 Easements are expressly provided for and reserved in favor of the Developer, the owners and occupants of the Condominium building, their guests and invitees, as follows:

(a) Utilities. Easements are reserved through the Condominium property as may be required for utility services in order to serve the Condominium and the Recreation Area adequately, provided, however, such easements shall be only according to the plans and specifications for the building, or as the building is constructed, unless approved in writing by an apartment owner or the owner of the Recreation Area, as appropriate.

(b) Encroachments. In the event that any apartment or the Recreation Area shall encroach upon any of the common elements or upon any other apartment for any reason other than the intentional or negligent act of the apartment owner, or owner of the Recreation Area, or in the event any common element shall encroach upon any apartment, then an easement shall exist to the extent of such an encroachment so long as the same shall exist.

(c) Traffic. An easement shall exist for pedestrian traffic over, through and across sidewalks, paths, walks, halls, lobbies, elevators, center cores, and other portions of the common elements as may be from time to time intended and designated for such purpose and use; and for vehicular and pedestrian traffic over, through and across such portions of the common elements as may from time to time be paved and intended for such purposes, and such easement shall be for the use and benefit of the Developer, the apartment unit owners, the owner of the Recreation Area, and those claiming by, through or under the aforesaid; provided, however, nothing herein shall be construed to give or create in any person the right to park upon any portion of the Condominium property except to the extent that space may be specifically designated and assigned for parking purposes.

(d) Other WATERGATE CONDOMINIUMS. Easements are reserved and shall exist under, through and over the Condominium property as may be required for utility services to serve other WATERGATE CONDOMINIUMS heretofore or hereafter created, and for pedestrian traffic over, through and across sidewalks, paths and walks and for vehicular and pedestrian traffic over, through and across such portions of the common elements as may from time to time be paved and intended for such purposes, and such easement shall be for the use and benefit of the Developer, the owners and occupants of other WATERGATE CONDOMINIUMS heretofore or hereafter created.

3.4 Apartment Boundaries. Each apartment shall include that part of the building containing the apartment that lies within the boundaries of the apartment, which boundaries are as follows:

(a) The upper and lower boundaries of the apartment shall be the following boundaries extended to an intersection with the perimetrical boundaries:

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

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

(b) The perimetrical boundaries of the apartment shall be the vertical planes of the center of the undecorated walls bounding the apartment extending to intersections with each other and with the upper and lower boundaries, and when there is attached to the building a balcony, loggia, terrace or canopy, the perimetrical boundaries shall be extended to include the same. The "center" of a wall shall be deemed to be a point lying midway between the undecorated finished interior of the wall and the undecorated finished exterior thereof, or, if the wall bounds another apartment, then a point midway between the undecorated finished interior of one apartment and the undecorated finished interior of the adjoining apartment.

3.5 Recreation Area. A Recreation Area has been leased by the Association as agent for the apartment owners and as agent for the apartment owners in other WATERGATE CONDOMINIUMS heretofore created or hereafter to be created pursuant to the provisions of a Ninety-Nine Year Lease. The Recreation Area shall be administered by the Association, and shall be available for the use of apartment owners without discrimination and without charge except where specifically authorized by this Declaration, except that the Association may adopt regulations providing for charging for exclusive use of the facilities by an apartment owner from time to time if such exclusive use is made available to all apartment owners, and the Association may further adopt regulations providing for a sur-charge for the use of such facilities by guests of the owners. Use of the recreational facilities shall be pursuant and subject to the provisions of the Ninety-Nine Year Lease. Additional recreational facilities may be owned as common elements, and such additional facilities shall be administered by the Association in the same manner as the leased area.

3.6 Apartments. There are forty-six (46) apartments in the apartment building, each apartment being identified by the use of a number, the first numeral of which shall designate the floor upon which the apartment is located, and the last two numerals of which shall identify the location of the apartment on the floor, as graphically described in Exhibit B attached hereto.

4. Appurtenances to Apartments. The owner of each apartment shall own an undivided share and certain interest in the Condominium property, which share and interest shall be appurtenant to the apartment, said undivided interest in the Condominium property and common elements being as designated and set forth in an Exhibit A attached hereto.

4.1 Limited Common Elements.

(a) Storage Space located within the building shall be assigned so as to provide at least one such space to the exclusive use of each apartment owner.

(b) Automobile Parking Space. Limited common elements include covered parking spaces and areas and exterior parking space for each apartment, provided, however, in the event a specific parking space is assigned in connection with the sale of an apartment unit by the Developer, the

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right to use of the said designated parking space shall pass as an appurtenance to the Condominium apartment unit owned by the apartment owner to whom such space is initially assigned, and the Association shall not thereafter re-assign or change the said apartment owner's parking space without his written consent, provided, further, said apartment owner shall not transfer or assign use of the said parking space except in connection with sale of the condominium apartment unit, and provided further, Developer shall retain the right to assign all unassigned parking spaces until all apartments have been sold by it.

5. Liability for Common Expenses. Each apartment unit owner shall be liable for a proportionate share of the common expenses, such share being the same as the undivided share in the common elements appurtenant to his apartment. Such common expenses shall include that portion of the obligations and liabilities of the Association under the terms and provisions of the Ninety-Nine Year Lease which are attributable to the condominium.

6. Membership in Association. Membership of each apartment owner in the Association shall be acquired pursuant to the provisions of the Articles of Incorporation and By-Laws of the Association. The interest of each apartment unit owner in the funds and assets of the Condominium held by the Association shall be in the same proportion as the liability of each such owner for common expenses.

7. Maintenance, Alteration and Improvement. Responsibility for the maintenance of the Condominium property, and restrictions upon its alteration and improvement shall be as follows:

7.1 Apartments.

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

(1) All common elements and limited common elements.

(2) All portions of an apartment, except interior surfaces, contributing to the support of the apartment building, which portions shall include but not be limited to load-bearing columns and load bearing walls.

(3) All conduits, ducts, plumbing, wiring, and other facilities for the furnishing of utility services contained in the portions of an apartment that service part or parts of the Condominium other than the apartment within which contained.

(4) All incidental damage caused to an apartment by reason of maintenance, repair and replacement accomplished pursuant to the provisions of 7.1 (a) (1), (2) and (3) above.

(b) By the Apartment Owner. The responsibility of the apartment owner for maintenance, repair and replacement, shall be as follows:

(1) To maintain, repair and replace at his expense all portions of his apartment except the portions to be maintained, repaired and replaced by the Association. Included within the responsibility of the apartment owner shall be windows, screens and doors opening into or onto his apartment. All such maintenance, repairs and replacement shall be done without disturbing the rights of other apartment owners.

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(2) An apartment owner shall not paint or otherwise decorate or change the appearance of any portion of the exterior of the apartment building without the prior approval, in writing, of the owners of record of fifty-one (51%) percent of the apartment units, and the approval of the Association.

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

7.2 Parking Spaces. The Association shall maintain and repair at the Association's expense all parking spaces, covered and uncovered, including those which have been assigned as an appurtenance to an apartment.

7.3 Recreation Area. Maintenance, repair, replacement, alteration and improvement of the Recreation Area shall be by the Association at the Association's expense, pursuant to the terms and provisions of the Ninety-Nine Year Lease.

7.4 Alteration and Improvement. After the completion of the improvements included in the common elements which are contemplated in the Declaration, there shall be no alteration or further improvements of common elements without the prior approval, in writing, by record owners of sixty-six and two thirds (66 2/3%) percent of all apartment unit owners in the Condominium, together with the approval of the Association. The cost of such alteration or improvement shall be a common expense and so assessed. Any such alteration or improvement shall not interfere with the rights of any apartment owner without his consent. This paragraph shall have no application to the right vested in the Developer pursuant to the provisions of paragraph 3.2 and 3.2 (a) hereof.

8. Assessments. The making and collection of assessment against apartment owners for common expenses, and for reserves as may from time to time be established by the Association, shall be pursuant to the By-Laws of the Association, subject to the following provisions:

8.1 Interest; Application of Payments. Assessments and installments on such assessments paid on or before five (5) days after the date when due, shall not bear interest, but all sums not paid on or before ten (10) days after the date when due shall bear interest at the rate of ten (10%) percent per annum from the date when due until paid. All payments on account shall be first applied to interest and then to the assessment payment first due.

8.2 Lien for Assessments. The Association shall have a lien against each apartment unit for any unpaid assessments against the owner thereof, and for interest accruing thereon, which lien shall also accrue reasonable attorneys' fees incurred by the Association incident to the collection of such assessment or enforcement of such lien, whether or not legal proceedings are initiated. The said lien may be recorded among the Public Records of Broward County, Florida, by filing a claim therein which states the legal description of the apartment unit, and the amount claimed to be due, and said lien shall continue in effect until all sums secured by the lien, together with all costs incurred in recording and enforcing said lien, shall have been paid. Such claims of lien may be signed and verified by an officer of the Association, or by a managing agent of the Association. Upon full payment, the party making payment shall be entitled to a recordable satisfaction of lien, to be prepared and recorded at his expense. All such liens shall be subordinate to the lien of mortgages or other liens recorded prior to the date of recording the claim of lien, and all such liens may be foreclosed by suit brought in the name of the

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Association in like manner as a foreclosure of a mortgage on real property. In any such foreclosure the owner of the apartment unit subject to the lien shall be required to pay a reasonable rental for the apartment unit, and the Association shall be entitled to the appointment of a receiver to collect the same. The Association may also, at its option, sue to recover a money judgment for unpaid assessments without thereby waiving the lien securing the same. In the event a mortgagee of a first mortgage of record shall obtain title to the apartment unit as a result of the foreclosure of a first mortgage, or in the event an institutional mortgagee as to a first mortgage of record shall obtain title to an apartment unit as the result of a conveyance in lieu of foreclosure of such first mortgage, such acquirer of title, its successors and assigns, shall not be liable for that share of the common expenses or assessments by the Association chargeable to the apartment, or the owner thereof, which became due prior to the acquisition of title by such institutional mortgagee or purchaser at foreclosure sale, and any such unpaid share of common expenses, or assessments, chargeable against any such foreclosed apartment unit, or against apartment unit transferred in lieu of a foreclosure, shall be deemed a common expense, to be paid in the same manner as other common expenses of the Condominium by all of the Condominium unit owners.

9. Association. The operation of the Condominium shall be by WATERGATE CONDOMINIUMS ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, which shall fulfill its functions pursuant to the following provisions:

9.1 Articles of Incorporation. A copy of the Articles of Incorporation of the Association, which sets forth its powers and duties, is attached as an Exhibit C.

9.2 By-Laws. A copy of the By-Laws of the Association is attached as an Exhibit D.

9.3 Limitation upon liability of Association. Notwithstanding the duty of the Association to maintain and repair portions of the Condominium property, the Association shall not be liable to apartment owners for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the Association, or caused by the elements or other owners or persons.

9.4 Restraint upon assignment of shares and assets. The share of a member in the funds and assets of the Association cannot and shall not be assigned, hypothecated or transferred in any manner except as an appurtenance to his apartment unit.

9.5 Approval or disapproval of matters. Whenever the decision of an apartment owner is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed by the same person who would cast the vote of such owner if in an Association meeting, unless the joinder of record owners is specifically required by this Declaration.

9.6 The Association has been or may in the future be designated as the entity to administer and operate other WATERGATE CONDOMINIUMS, and shall maintain a separate budget for each Condominium operated and administered by it. It shall be the Association's sole responsibility and discretion to determine which items of cost, expense and income are attributable in their entirety to the Condominium, and which are to be apportioned amongst more than one Condominium, as well as the basis of such apportionment, and in all events the Association's determination as to such attribution shall be conclusive and

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binding, and all costs and expenses attributed to the Condominium, whether in their entirety or as an apportionment of an expense shared by more than one Condominium, shall constitute common expenses of the Condominium.

10. The insurance other than title insurance that shall be carried upon the Condominium property and the property of the apartment owners shall be governed by the following provisions:

10.1 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 unit owners, without naming them, and as agent for their mortgagees. Provisions shall be made for the issuance of the 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. Unit owners may obtain coverage at their own expense upon their personal property and for their personal liability and living expense.

10.2 Coverage.

(a) Casualty. All buildings and improvements upon the Condominium property shall be insured in an amount equal to the 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 shall be determined annually by the Board of Directors of the Association. All such coverage, including the amount thereof and the insurance company issuing same, shall be subject to the approval of the institutional mortgagee holding the greatest dollar amount of first mortgages against apartments in the Condominium. Coverage shall afford protection against:

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

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

(b) Public liability in such amounts and with such coverage as shall be required by the Board of Directors of the Association, including but not limited to hired automobile and non-owned automobile coverage, and with cross liability endorsements to cover liabilities of the apartment owners as a group to an apartment owner.

(c) Workmen's compensation insurance to meet the requirements of law.

(d) Insurance on the Recreation Area pursuant to the provisions of the Ninety-Nine Year Lease.

(e) Such other insurance that the Board of Directors of the Association shall determine from time to time to be desirable.

10.3 Premiums upon insurance policies purchased by the Association shall be paid by the Association as a common expense attributable to the Condominium.

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10.4 Insurance Trustee; Share 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 JEFFERSON NATIONAL BANK OF MIAMI BEACH, FLORIDA, as Trustee, or to such other bank in Florida with trust powers as may be designated as Insurance Trustee from time to time by the Board of Directors of the Association, the trustee being referred to herein as the Insurance Trustee, provided, however, that the selection of the mortgagee holding the greatest dollar amount of first mortgages against the apartment unit in the Condominium. The Insurance Trustee shall not be liable for payment of premiums 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, provided, however, such shares need not be set forth on the records of the Insurance Trustee:

(a) Proceeds on account of damage to common elements and limited common elements. An undivided share for each apartment owner, such share being the same as the undivided share in the common elements and limited common elements appurtenant to his apartment.

(b) Apartments. Proceeds on account of damage to apartment units shall be held in the following undivided shares:

(1) When the building is to be restored:  
For the owners of damaged apartments in proportion to the cost of repairing the damage suffered by each apartment owner, said cost to be determined by the Association.

(2) When the building is not to be restored:  
An undivided share for each apartment unit owner, such share being the same as the undivided share in the common elements appurtenant to his apartment unit.

(c) Cost of restoration and repair of the Recreation Area after casualty shall be paid out of the proceeds from Insurance, and the said Recreation Area shall in all events be repaired and restored unless there shall be not only a total destruction of the Recreation Area and appurtenances thereto, but in addition a destruction of a majority of the apartment units in the Condominium. In the event additional monies are required over and above the amount available from insurance proceeds to restore, reconstruct or repair the Recreation Area, such monies shall be considered a common expense, to be paid by the condominium unit owners and to be chargeable to and collectable from them in the same manner as elsewhere provided herein for the assessment and collection of assessments and common expenses, all pursuant to the provisions of the Ninety-Nine Year Lease.

(d) Mortgages. In the event a mortgagee endorsement has been issued as to an apartment unit, the share of the unit owner shall be held in trust for the mortgagee and the unit owner as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduc-

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MAR 841



tion of a mortgage debt any insurance proceeds except distributions of such proceeds made to the apartment owner and mortgagee pursuant to the provisions of this Declaration. Notwithstanding the foregoing the mortgagee shall have the right to apply or have applied to the reduction of its mortgage debt any or all sums of insurance proceeds applicable to its mortgaged unit in any of the following events:

(1) Its mortgage is not in good standing and is in default.

(2) Insurance proceeds are insufficient to restore or repair the building to the condition existing prior to the loss and additional monies are not available for such purpose.

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

(a) All expenses of the Insurance Trustee shall be paid first or provisions made for such payment.

(b) If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided. Any proceeds remaining after defraying such cost 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, and may be enforced by, any mortgagee of an apartment.

(c) 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, and may be enforced by, the mortgagee of an apartment.

(d) 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.

**10.6 Association as Agent.** The Association is hereby irrevocably appointed Agent for each apartment owner and for each owner of any other interest in the Condominium property to adjust all claims arising under the insurance policies purchased by the Association and to execute and deliver releases upon the payment of a claim.

**10.7 Recreation Area.** The terms of the Ninety-Nine Year Lease shall govern the distribution of proceeds of insurance on or attributable to such area, provided, however, that no distribution of proceeds shall be made to the Lessor unless it shall have been determined pursuant to the terms and provisions of the said Ninety-Nine Year Lease not to reconstruct or repair damage to the property demised thereunder.

**11. Reconstruction or repair after casualty.**

**11.1 Determination to reconstruct or repair.** If any part of the Condominium property shall be damaged by casualty, whether or

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not it shall be reconstructed or repaired shall be determined in the following manner:

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

(b) (1) Lesser damage. If the damaged improvement is the apartment building, and if apartments to which fifty (50%) percent of the common elements are appurtenant 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.

(2) Major damage. If the damaged improvement is the apartment building, and if apartments to which more than fifty (50%) percent of the common elements are appurtenant are found by the Board of Directors to be not tenantable, then the damaged property will not be reconstructed or repaired, and the Condominium will be terminated without agreement as elsewhere provided, unless within sixty (60) days after the casualty, the owners of eighty (80%) percent of the common elements agree in writing to such reconstruction or repair.

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

11.2 Plans and specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original building, or, in lieu thereof, according to plans and specifications approved by the Board of Directors of the Association, and if the damaged property is in the apartment building, by the owners of not less than eighty (80%) percent of the common elements, including the owners of all damaged apartments, together with the approval of the institutional mortgagees holding first mortgages upon all damaged apartments, which approval shall not be unreasonably withheld.

11.3 Responsibility. If the damage is only to those parts of the apartment for which the responsibility of maintenance and repair is that of the apartment owner, then the said 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.

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

11.5 Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs of reconstruction and repair are insufficient, assessments shall be made against the apartment owners who own the damaged apartments, and against all apartment owners in the case of damage to common elements, in sufficient amounts to provide

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funds for the payment of such costs. Such assessments against apartment owners for damage to apartments shall be in proportion to the cost of reconstruction and repair of their respective units. Such assessments on account of damage to common elements shall be in proportion to the owner's obligation for common expenses.

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

(a) Association. If the total of assessments made by the Association in order to provide funds for the payment of costs of reconstruction and repair that is the responsibility of the Association is more than \$10,000.00, 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.

(b) Insurance Trustee. The proceeds of insurance collected on account of 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:

(1) Association - Lesser damage. If the amount of the estimated costs of reconstruction and repair that is the responsibility of the Association is less than \$10,000.00, 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.

(2) Association - Major damage. If the amount of the estimated costs of reconstruction and repair that is the responsibility of the Association is more than \$10,000.00, then the construction fund shall be disbursed in payment of such costs in the manner required by the Board of Directors of the Association.

(3) Apartment owner. The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with an apartment owner shall be paid to the said owner, or if there is a mortgagee endorsement as to the apartment, then to the owner thereof and the mortgagee jointly, who may use such proceeds as they may be advised.

(4) Surplus. It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from

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3.10 Joinder in meeting by approval of minutes. The joinder of a Director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of such Director for the purpose of determining a quorum.

3.11 The presiding officer of Directors' meetings shall be the Chairman of the Board if such an officer has been elected; and if none, the President shall preside. In the absence of the presiding officer the Directors present shall designate one of their number to preside.

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

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

3.13 Directors' fees, if any, shall be determined by members of the Association, and approval of any such fees shall require the affirmative vote of not less than two-thirds of the entire membership of the Association, provided, Directors designated by the Developer, and the first Board of Directors, shall not be entitled to any fees or compensation for their services as Directors.

4. Powers and duties of the Board of Directors. All of the powers and duties of the Association existing under the Condominium Act, Declaration of Condominium, Articles of Incorporation, and these By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by condominium unit owners where such approval is specifically required. Without limiting the powers and duties of the Board of Directors, it shall have the following express powers, in addition to all others herein granted, and provided for by the Declaration of Condominium and the Condominium Act, to wit:

(a) To enter into a Ninety-Nine Year Lease on recreation area, in behalf of and in the name of the Association.

(b) To enter into a long-term management contract, providing for the management of condominium property and of the recreation area.

(c) To enter into contracts for the purpose of making available to the owners of condominium units and the residents of the condominium apartment buildings such services as, but not limited to, door man and automobile parking; maid service; security alarm system and the like, provided, however, that the term or period of such contracts shall not exceed fifteen (15) years, and provided, further, that said contracts may provide for additional extensions of the original term in the absence of written notice of termination by either party. No such contract shall impose any involuntary monetary obligation or assessment upon any resident of a condominium building or upon the Association, but shall serve only to make available such services at the election and option of the user.

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5. Officers.

5.1 The executive officers of the Association shall be a President, who shall be a Director, one (1) Vice-President from each of the condominiums administered by the Association, who shall be Directors, a Treasurer and a Secretary, all of whom shall be elected annually by the Board of Directors, excepting that the Vice-President from each of the condominiums administered by the Association shall be elected by the three (3) Directors from each such condominium from amongst their number. There may also be such Assistant Secretaries and Assistant Treasurers as the Board of Directors may from time to time determine upon. Any person may hold two or more offices except that the same person shall not hold the office of President and Vice-President, nor shall the President or a Vice-President also be Secretary or an Assistant Secretary. Any officer may be removed peremptorily by a vote of two-thirds of the Directors present at any duly constituted meeting, excepting for a Vice-President, who may be removed only by the vote of the other two (2) Directors elected from his condominium at any duly constituted meeting. A vacancy in any office shall be filled by the body having the right to originally elect the officer to the office so vacated.

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

5.3 Each Vice-President shall act as Chairman of a committee of the Board, one (1) such committee to be created for each of the condominiums administered by the Association for the purpose of dealing with matters peculiar to and solely the concern of such condominium, the remaining members of such committee to consist of the other Directors elected to the Board by such condominium. Any Vice-President may be elected by a majority of the members present at any duly constituted meeting to exercise the powers and duties of the President in the event of the President's absence or disability. The Vice-Presidents shall also assist the President generally and exercise such other powers and perform such other duties as shall be prescribed by the Board of Directors.

5.4 The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all notice 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, if any, shall perform the duties of the Secretary when the Secretary is absent, and shall otherwise assist the Secretary.

5.5 The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer. The Assistant Treasurer, if any, shall perform the duties of the Treasurer when the Treasurer is absent, and shall otherwise assist the Treasurer.

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5.6 No compensation shall be paid to any officer of the Association except with the approval of a majority of the membership, reflected by a vote taken at a duly constituted membership meeting. No officer who is a designee of the Developer shall receive any compensation for his services as an officer. Nothing herein shall be construed so as to prohibit or prevent the Board of Directors from employing any director or officer as an employee of the Association at such compensation as the Board shall determine upon, nor shall anything herein be construed so as to preclude the Board from contracting with a Director or officer or with any corporation in which a Director or officer of the Association may be a stockholder, officer, director or employee, for the management of the Condominium for such compensation as shall be mutually agreed between the Board and such officer or Director.

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

6.1 Accounts. A separate account shall be maintained for each condominium administered by the Association. Receipts and expenditures shall be credited and charged to accounts under the following classifications as shall be appropriate:

(a) Current expenses, which shall include all receipts and expenditures within the year for which the budget is made, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, to additional improvements or to operations.

(b) Reserve for deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually.

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

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

(e) Operations, which shall include gross revenues from the use of common elements and from other sources. Only the additional direct expense required by any revenue producing operation will be charged to this account, and any surplus from any operation shall be used to reduce the assessments for current expense for the year during which the surplus is realized, or, at the discretion of the Board of Directors, in the year following the year in which the surplus is realized. Losses from operations shall be met by special assessments against condominium unit owners, which assessments may be made in advance in order to provide a working fund.

6.2 Budget. The Board of Directors shall adopt a budget for each condominium administered by the Association for each calendar year that shall include the estimated funds required to defray the common expense and to provide and maintain funds for reserves for such condominium.

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6.3 Assessments: Assessments against the condominium unit owners for their share of the items of the budget shall be made for the calendar year annually in advance on or before December 20th preceding the year for which the assessments are made. Such assessments shall be due in twelve equal installments, payable on the first day of each month of the 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 monthly installments on such assessment shall be due upon each installment payment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors. Unpaid assessments for the remaining portion of the calendar year for which an amended assessment is made shall be payable in as many equal installments as there are full months of the calendar year left as of the date of such amended assessment, each such monthly installment to be paid on the first day of the month, commencing the first day of the next ensuing month. Provided, nothing herein shall serve to prohibit or prevent the Board of Directors from imposing a lump sum assessment in case of any immediate need or emergency.

6.4 Apportionment of expenses. Costs and expenses attributable to or to be shared by more than one of the condominiums administered by the Association, such as, but not limited to, the maintenance of recreational area, the cost of maintaining facilities or services shared by more than one condominium, and the costs of labor or services wherein the labor or services are being provided to more than one condominium, shall be equitably apportioned by the Board of Directors to the condominiums sharing such services, labor, or other benefits, and to whom such costs and expenses are attributable, and the proportionate share attributable to a condominium shall constitute a portion of its common expenses. Where benefits, services or labor are being shared on a substantially equal basis by condominiums, such as the cost of maintaining the recreational area leased under a Ninety-Nine Year Lease, the basis of determining the proportionate share of such costs to each condominium shall be computed by multiplying the total cost by a fraction, the numerator of which shall be the total number of condominium apartment units in the Condominium, and the denominator of which shall be the total number of apartments in the condominiums to which such common costs and expenses are attributable.

6.5 Acceleration of assessment installments upon default: If a condominium unit owner shall be in default in the payment of an installment upon an assessment, the Board of Directors may accelerate the remaining installments of the assessment upon notice to the condominium unit owner, and the then unpaid balance of the assessment shall be due upon the date stated in the notice, but not less than five (5) days after delivery of the notice to the condominium unit owner, or not less than ten (10) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur.

6.6 The depository of the Association shall be such bank or banks as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the Directors, provided that a Management Agreement may include in its provisions authority in the Manager to sign checks on behalf of the Association for payment of the obligations of the Association.

6.7 Fidelity bonds may be required by the Board of Directors for all persons handling or responsible for Association

tion funds in such an amount as shall be determined by the Board. The premiums on such bonds shall be paid by the Association.

6.8 Audit. An audit of the accounts of the Association may be made from time to time as directed by the Board of Directors. A copy of any audit report received as a result of an audit shall be furnished each member of the Association not less than thirty (30) days after its receipt by the Board to the extent that it applies to the condominium wherein the member owns an apartment unit.

7. Parliamentary rules. Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Articles of Incorporation or these By-Laws.

8. Amendments. A resolution for the adoption of a proposed amendment of these By-Laws may be proposed by either the Board of Directors of the Association or by the members of the Association. Members may propose such an amendment by instrument in writing directed to the President or Secretary of the Board signed by not less than ten (10%) percent of the membership. Amendments may be proposed by the Board of Directors by action of a majority of the Board at any regularly constituted meeting thereof. Upon an amendment being proposed as herein provided for, the President or, in the event of his refusal or failure to act, the Board of Directors, shall call a meeting of the membership to be held within sixty (60) days for the purpose of considering said amendment. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be either by:

(a) Not less than seventy-five percent (75%) of the entire membership of the Board of Directors and by not less than fifty-one percent (51%) of the votes of the members of each of the condominiums administered by the Association; or

(b) Not less than seventy-five percent (75%) of the votes of the entire membership from each of the condominiums administered by the Association; or

(c) In the alternative, an amendment may be made by an agreement signed and acknowledged by all apartment owners in the manner required for the execution of a deed, and such amendment shall be effective when recorded in the Public Records of Broward County, Florida.

(d) Until the first election of Directors, and so long as the Developer shall have the right to fill vacancies existing in the original Board of Directors, proposal of an amendment and approval thereof shall require only the affirmative action of all of the Directors, and no meeting of the condominium unit owners nor any approval thereof need be had.

8.1 Proviso. Provided, however, that no amendment shall discriminate against any condominium unit owner nor against any condominium unit or class or group of units unless the condominium unit owners so affected shall consent. No amendment shall be made that is in conflict with The Condominium Act, the Article of Incorporation, or any of the provisions of the Declaration of Condominium. No amendment shall be adopted without the consent and approval of the Developer, so long as it shall affect five (5) or more condominium units in the Watergates' Condominiums. No amendment shall make any change which

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would in any way affect any of the rights, privileges, powers and options of the Lessor under the terms of the Ninety-Nine Year Lease, unless the Lessor shall join in the execution of such amendment, nor shall any amendment make any change which would in any way affect any of the rights, privileges, powers and/or options herein provided in favor of or reserved to the Developer or any person who is an officer, stockholder or director of the Developer, or any corporation having some or all of its directors, officers or stockholders in common with the Developer, unless the Developer shall join in the execution of such amendment.

8.2 Execution and recording. A copy of each amendment shall be attached to 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 effective when such certificate and copy of the amendment are recorded in the Public Records of Broward County, Florida.

9. Management Agreement. Simultaneously with the adoption of these By-Laws, the Association, by and through its original Board of Directors and Officers, has entered into an agreement with WATERGATE MANAGEMENT COMPANY, INC., a Florida corporation. Each apartment owner, his heirs, successors and assigns, shall be bound by said Management Agreement to the same extent and effect as if they had executed said Management Agreement for the purposes therein expressed. It is specifically recognized that some or all of the persons comprising the original Board of Directors and Officers of the Association are owners of some or all of the stock of the said Management Company, and that such circumstance shall not be construed or considered as a breach of their duties and obligations to the Association, nor as grounds for the invalidation of the Management Agreement in whole or in part.

10. The Declaration of Condominium of the last WATERGATE CONDOMINIUM shall be deemed to have been recorded when either of the following events shall have occurred, to-wit:

(a) The Developer, its successors or assigns, shall file a certificate in the Public Records of Broward County, Florida, certifying that it has executed and caused to be recorded in the Public Records of said County the Declaration of Condominium of the last WATERGATE CONDOMINIUM to be created; or

(b) A period of three (3) years shall have elapsed from the date upon which the Declaration of Condominium of a WATERGATE CONDOMINIUM shall have been recorded in the Public Records of Broward County, Florida, without the Declaration of Condominium of another WATERGATE CONDOMINIUM having been recorded.

The foregoing were adopted as the By-Laws of WATERGATE CONDOMINIUMS 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 1st day of November, 1971.

  
SECRETARY

Approved:

  
PRESIDENT

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NINETY-NINE YEAR LEASE

NORMAN R. GOLDSTEIN  
Law Office of  
Goldstein, Franklin, Chasin & Schuman  
Professional Association  
2030 Northeast 163rd Street  
North Miami Beach, Florida 33162

This lease entered into by and between PHILIP PEARLSON, hereinafter called the "Lessor", and WATERGATE CONDOMINIUMS ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, hereinafter called the "Lessee".

W I T N E S S E T H:

EXHIBIT B

1. Demise. Upon the terms and conditions herein set forth and in consideration of the prompt payment from time to time by the Lessee of the rents and other sums of money hereinafter set forth, and in consideration of the prompt and continuous performance by the Lessee of each and every of its covenants and agreements herein made to be kept and performed, the Lessor does hereby lease, let and demise unto the Lessee, and the Lessee does hereby lease of and from the Lessor, the property described in Exhibit A attached hereto and made a part hereof, lying and being situate in Broward County, Florida.

All of said property, together with the appurtenances thereto and together with all improvements, buildings and structures now or hereafter placed hereon, and all furniture, furnishings, fixtures, machinery and equipment now thereon, and all additions thereto and replacements thereof, being hereinafter called, referred to and included within the term "Demised Premises". In addition, there may be included within the terms, conditions and provisions of this Lease, and as a portion of the Demised Premises, that additional property described in Exhibit B attached hereto and made a part hereof, lying and being situate in Broward County, Florida; together with the appurtenances thereto and together with all improvements, buildings and structures placed thereon. Said additional lands shall be included within the terms and provisions of this Lease by recordation of an Amendment to this Lease at such time as a Certificate of Occupancy has been issued as to the Recreational Building the Lessor contemplates constructing on the said lands described in Exhibit B attached hereto. After recordation of said Amendment, wherein the lands described in Exhibit B are added to the lands originally demised hereunder, all of the said lands described in Exhibit A and B, together with the appurtenances thereto and all improvements, buildings, structures, furniture, furnishings, fixtures, machinery and equipment located thereon and all additions thereto and replacements thereof shall be included within the term "Demised Premises".

2. Term. To have and to hold for a term commencing on the first day of the month immediately succeeding the date upon which the Declaration of Condominium of Watergate Condominium No. 2 and expiring Ninety-Nine years thereafter.

3. Use of Premises. The Lessee is the association formed pursuant to the applicable provisions of the Florida Statutes for the purpose of managing the affairs of Watergate Condominium No. 1 as well as of future Watergate Condominiums. The Lessee has entered into this Lease to make available the Demised Premises for the recreation, leisure, activity, health, use, benefit and enjoyment of the apartment unit owners and/or the apartment unit occupants of the Condominium or Condominiums as they may from time to time exist during the term of this Lease. It is, therefore, acknowledged and agreed that this Lease has been created for the use and benefit of the owners of more than one Condominium. The Lessor further reserves the right to lease or contract for the use of the Demised Premises by other groups or persons, for the purpose of enabling the cost of maintenance and operation thereof to be apportioned amongst a larger number of persons, provided, however, at such time as all of the condominiums to be located and included within the WATERGATE CONDOMINIUMS COMPLEX shall have been completed, all agreements or leases for the use of the Demised Premises by anyone other than such associations or the residents and occupants of the said condominiums, shall terminate. It is recognized and acknowledged that the Lessor under the terms of this Lease may be one or more of the officers of the Lessee, and that all of the persons constituting the original Board of Directors and officers of the Lessee are persons who may be subject to the control or influence of the Lessor. Each apartment owner, for himself, his heirs, successors and assigns, waives all objection to such circumstance, and ratifies and agrees to be bound by the terms and provisions of this Lease to the same extent as if he had joined in the execution hereof for all purposes herein expressed, as well as for the purpose of (a) subjecting all of his right, title and interest in his

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LAW OFFICES OF GOLDSTEIN, FRANKLIN, CHASIN & SCHUMAN, P.A., 2030 NORTHEAST 163RD STREET, NORTH MIAMI BEACH, FLORIDA 33162

hereto to the lien rights granted the Lessor under the provisions hereof; (b) agreeing to perform each and every of the covenants, promises and undertakings to be performed by condominium apartment unit owners wherever so provided for in this Lease; and (c) ratifying, confirming and approving each and every provision herein contained, and acknowledging that all of the terms and provisions hereof, including the rental reserved, are reasonable.

a. The Lessee shall constitute the irrevocable agent in fact, with full power of substitution, of each and every act and thing required of apartment unit owners pursuant to the provisions of this Lease, and to consent to and execute any and all documents, where necessary, to effectuate any and all of the provisions of this Lease. In the event any of the provisions of this Lease shall be in conflict with any of the provisions of the Declaration of Condominium, the provisions of this Lease shall control, except with the express written consent of the Lessor to the contrary.

b. The rental herein provided for to be paid, the cost of repairing and maintaining the Demised Premises in good condition and repair, and of replacing portions thereof, as necessary, and other undertakings and obligations herein provided for, shall constitute a common expense of the Condominium.

c. Each condominium apartment unit owner shall have the right to use, occupy and enjoy the Demised Premises through the Lessee, subject to all of the provisions of this Lease, the Declaration of Condominium, the Certificate of Incorporation and the By-Laws of the Lessee, and such rules and regulations which the Lessee may from time to time adopt.

d. Use of the Demised Premises shall be subject to all laws, statutes, ordinances, rules and regulations of appropriate governmental authorities, and to the rules and regulations of the National Board of Fire Underwriters, or in the event it shall terminate its present functions, then of any other body exercising similar functions. All use of the Demised Premises shall further comply with requirements of all insurers carrying insurance in force with respect to the Demised Premises.

4. Rent. The Lessee agrees to pay to the Lessor, as rent, attributable to WATERGATE CONDOMINIUM NO. 1, the sum of FIVE HUNDRED SIXTY-TWO AND FIFTY CENTS (\$562.50) DOLLARS per month commencing December 1, 1971, until such time as the lands described in Exhibit B attached hereto have been included as a part of the Demised Premises by Amendment hereto, following which, and commencing the first day of the month immediately succeeding the date upon which such amendment to this Lease is recorded, the Lessee agrees to pay to the Lessor as rent attributable to WATERGATE CONDOMINIUM NO. 1 the sum of ONE THOUSAND ONE HUNDRED TWENTY-FIVE (\$1,125.00) DOLLARS per month. The Lessee shall receive as a credit against the monthly rental due as aforesaid, until such time as the Developer shall have closed on the sale of all Condominium units in a WATERGATE CONDOMINIUM, an amount of money computed by adding together the percentage share in the common elements appurtenant to the condominium apartments in a WATERGATE CONDOMINIUM to which the Developer has title as of the first day of the month for which the rent is due and multiplying the total monthly rental attributable to such WATERGATE CONDOMINIUM by the aggregate percentage figure thus obtained. The credit against rent thus received shall inure to the benefit of the Developer.

a. Rent shall be payable in current legal tender of the United States of America at such place or places as the Lessor shall from time to time in writing direct, and a place once designated for the payment of rent shall remain such until it shall be changed by written notice from the Lessor. All rent shall be payable without notice or demand. For the present, and until further notice, rent shall be payable at WATERGATE CONDOMINIUMS, 2801 Taft Street, Hollywood, Florida. Waivers, indulgences or changes by the Lessor as to any rental payment or rental payments with reference to the place of payment, or in accepting anything other than current legal tender as rent, shall not be construed as a waiver, indulgence or change upon any subsequent occasion.

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b. Cost of living adjustment to rental. The monthly rentals herein provided for shall be adjusted from time to time; as herein set forth, to compensate for any increase in the cost of living as computed by reference to the "Index Number" as of December 1, 1971, provided, however, in no event shall the monthly rentals herein provided for ever be decreased, and once increased, pursuant to the provisions of this section, rentals shall not thereafter be decreased.

The index to be used shall be the "Consumer's Price Index, United States Average - All Items of Food" published in the monthly Labor Review of the Bureau of Labor Statistics of the United States Department of Labor. If the said index shall become unavailable, the index to be used shall be the "Consumer's Price Index" issued by the United States Department of Labor for the South Atlantic group of states; and if both of the said indexes shall become unavailable, the index to be used shall be the "Index of the General Price Level" issued by the Federal Reserve Bank of Atlanta, Georgia. Adjustment in rentals due under the terms hereof shall be computed on January 1, 1975, and on the first day of January of each and every year thereafter, each of which dates is herein called a "computation date". Each adjustment shall be in effect commencing from the computation date until the end of the term unless further increased by adjustment at a subsequent date. The amount of adjustment shall be arrived at by multiplication of the basic monthly rental herein provided for by a fraction, the numerator which shall be the index number for December 1st immediately preceding the computation date, and the denominator the index number for December 1, 1971. Failure on the part of the Lessor to exercise the right to an adjustment in the basic rental pursuant to the provisions hereof as of any computation date shall not operate as a waiver of the right to an adjustment and increase of the basic rental as of any subsequent and future computation date.

c. At such time as WATERGATE CONDOMINIUM NO. 2 and subsequent Watergate Condominiums are submitted to condominium ownership by recordation of a Declaration of Condominium as to each such subsequent WATERGATE CONDOMINIUM, this Lease shall be amended in writing, and an additional increment of rent, attributable to each such additional condominium shall be due and payable the Lessor commencing on the first day of the month immediately succeeding the date upon which the Declaration of Condominium for each such additional WATERGATE CONDOMINIUM is recorded, shall be due and payable the Lessor hereunder, provided, however, as follows:

(1.) In no event shall the rents attributable to one condominium ever be increased or decreased by virtue of the fact that additional condominiums are covered by the terms and provisions of this lease, nor shall the obligation or liability of a condominium apartment owner ever be increased by virtue of any such amendment.

(2.) The provisions of this paragraph, dealing with a credit against rentals for unsold apartments, such credit to inure to the benefit of the Developer, shall be applicable to the rental attributable to each additional condominium covered by this lease.

(3.) The provisions of (b) of this paragraph, dealing with cost of living adjustment to rental, shall be applicable to the rentals attributable to each additional WATERGATE CONDOMINIUM covered by this lease, excepting that as to each such condominium the computation shall be by reference to the "Index Number" as of December 1st of the year immediately preceding the date upon which the Declaration of Condominium of the affected Watergate Condominium has been recorded, and the first adjustment in rentals due shall be computed as of three years from the next succeeding January 1st after recordation of the said Declaration of Condominium.

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5. Rights Reserved Unto Developer: Until the Developer shall have completed the development, promotion and sales of all apartments to be located at the Watergate Condominium, he shall have the following rights with regard to the Demised Premises, notwithstanding any other provisions of this Lease to the contrary:

a. The right to use and occupy exclusively any portion of the Demised Premises designated as "offices" in the afore-referred to plans of the Demised Premises.

b. The right to use, occupy and demonstrate, on a non-exclusive basis, all of the Demised Premises for the purpose of promoting and aiding in the sale or rental of the condominium units on or to be constructed in the condominium apartment building. Such rights shall not be exercised in an unreasonable manner not consistent with the rights of the members of the Lessee to use, occupy and enjoy such portions of the Demised Premises.

c. Nothing herein contained shall serve in any way to reduce Lessee's obligations for the payment of rent, taxes, repair and maintenance of the Demised Premises, except as provided by 5 (d).

d. The Developer and Lessor reserve the right to complete the construction of the improvements on Exhibit A hereto within ninety (90) days after the commencement of the term and it is agreed that the Lessee hereto shall not be obligated for any rent hereunder until the commencement of the term of this Agreement.

e. The Developer shall have the further right to display and erect signs, billboards and placards, and to store, keep, exhibit and distribute written, audio and visual promotional materials in and about the Demised Premises.

f. No act of the Developer exercised or performed pursuant to the rights reserved to it under the provisions of this Article shall be construed or deemed as a breach of the Lessor's covenants hereunder or as an actual, implied or constructive failure of the Lessor to deliver possession of the Demised Premises to the Lessee, or as an actual, implied or constructive eviction of the Lessee from the Demised Premises, or as an excuse or justification for the Lessee's failure to promptly, fully, completely and continuously perform its covenants and obligations hereunder.

6. Association and Management Agreement. The Lessee, in its capacity as Condominium Association, has entered into a Management Agreement with WATERGATE MANAGEMENT COMPANY, INC. as Manager. The Manager has the duty and responsibility to perform all administrative and managerial acts required to be performed by the Lessee under this Lease.

7. Rights Reserved To Lessor.

a. Nonexclusivity. The Lessee specifically acknowledges that this is a nonexclusive Lease, and that the Lessor reserves the right to lease the Demised Premises to other persons, natural or artificial, upon such rentals, terms, and for such period as the Lessor may determine upon, without the consent or approval of the Lessee, provided only that any such additional Lessee or Lessees shall be required to pay an equitable contribution towards the cost of maintaining the Demised Premises, as well as towards all of the obligations herein imposed upon the Lessee, such as real estate taxes, insurance, and the like, subject to the provisions

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of Paragraph 3 hereof, provided, however, the existence of any such additional Lessee or Lessees shall not in any wise serve to diminish or reduce the Lessee's obligation for the payment of rent as herein contained.

b. Easements. The Lessor specifically reserves unto itself and to all of those claiming by, through and under it, an easement for pedestrian traffic over, through and across sidewalks, paths, walks, halls, lobbies, elevators and other portions of the Demised Premises as may be from time to time intended and is designated for such purpose and use; and for vehicular and pedestrian traffic over, through and across such portions of the common elements as may from time to time be paved and intended for such purposes. An easement is further hereby created, in perpetuity, in favor of all owners of condominium apartments at WATERGATE CONDOMINIUM 1, and all future Watergate Condominiums.

c. Marina. The Lessor specifically reserves unto itself all obligations and benefits which may be derived from the operation, administration and use of the Marina to be located on real property contiguous with the WATERGATE CONDOMINIUM COMPLEX but not included within the Demised Premises or Condominium Property.

#### 8. Taxes.

a. Generally. The Lessee covenants and agrees to pay to the Lessor all real estate taxes, assessments and other governmental levies and charges, general and special, ordinary and extraordinary, foreseen and unforeseen, of whatsoever kind and nature, all of which are hereinafter called "taxes and assessments", which are assessed, levied, confirmed, imposed or charged against the Demised Premises for the year 1972 and subsequent years during the term of this Lease. Payment of all such taxes and assessments shall be made by the Lessee to the Lessor within fifteen (15) days of written demand therefor, provided, however, if any such tax or assessment is payable or may be paid at the option of the taxpayer in installments (whether or not interest shall accrue on the unpaid balance of such tax or assessment), Lessee may, at its option, pay the same together with any accrued interest on the unpaid balance of any such tax or assessment, to the Lessor in installments no less than thirty (30) days before the same shall respectively become due and, provided, further, that as to any tax or assessment applying to a fiscal period of the taxing authority wherein part of the period is included within the term of this Lease and a part of the tax or assessment is for a period of time after termination of this Lease, the said tax or assessment shall be prorated and adjusted between the Lessor and Lessee as of the date of termination of this Lease.

b. Nothing in this article shall obligate the Lessee to pay the income, inheritance, estate or succession tax, or any other tax which may be levied or assessed against the Lessor with respect to or because of the income derived from this Lease, excepting that in the event the State of Florida, or any political subdivision thereof, shall during the term of this Lease impose a tax or excise on rents, and shall levy or assess the same against the Lessor as a substitution in whole or in part for taxes assessed or imposed by such State or political subdivision thereof on land and buildings and/or personalty, the same shall be deemed to be included within the term "taxes and assessments", and the Lessee shall pay and discharge such tax

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or excise on rent. Any obligation in the nature of a "sales tax" or "use tax" that shall become due or payable by reason of the rentals payable by the Lessee under the terms and provisions hereof shall be the obligation of and shall be paid the Lessee.

c. The Lessee shall have the right to contest the amount or validity of any tax or assessment and nothing herein shall imply any right on the part of the Lessee to defer or postpone such payment for any such purpose unless such proceedings shall operate to prevent or stay the collection of the tax or assessment so contested and the Lessee shall have deposited with the Lessor the amount so contested and unpaid, together with all interest and penalties in connection therewith and all charges that may or might be assessed against or become a charge or lien on the Demised Premises, or any part thereof, by reason of such contest or by reason of the delay in the payment of the tax or assessment which may result from such contest. Upon termination of such proceedings, the Lessor shall pay the amount of any such tax or assessment or any part thereof as shall be finally determined by such proceedings to be due and payable, together with any costs, fees, interest, penalties or liabilities in connection therewith, from the monies deposited by the Lessee, as aforesaid, and shall return any remaining sums to the Lessee without interest. If at any time during the course of such contest proceedings it shall appear to the Lessor that the amount deposited by the Lessee is or may be insufficient to pay in full the amount of the tax and assessment, together with all interest, penalties and other charges which may be incurred by reason of the contest proceedings, or if at the termination of such proceedings it shall or may appear that the amount deposited by the Lessee is insufficient to pay in full the amount found to be due, the Lessor shall have the right to require the Lessee to deposit such additional sums as the Lessor may reasonably request, and upon failure of the Lessee to do so within thirty (30) days of demand therefor the amount theretofore deposited with the Lessor may be applied to the payment, removal and discharge of any then pending and contested tax or assessment, and any delinquency shall be treated as unpaid rent. The Lessor, at the Lessee's sole expense, shall join in any such proceedings if any law shall so require.

d. The Lessee may, if it shall so desire, endeavor at any time to contest the validity of any assessment, or to obtain a lowering of the assessed valuation upon the Demised Premises for the purpose of reducing any assessment. In such event the Lessor will offer no objection and at the request of the Lessee, without expense to the Lessor, will cooperate with the Lessee. If requested by the Lessee, and provided he will not in the reasonable judgement of the Lessor incur any expense or liability thereby, the Lessor will execute any documents which may be necessary and proper for any such proceedings. Any refunds shall be the property of the Lessee to the extent to which it may be based on a payment of an assessment made by the Lessee.

e. The Lessor may at any time require the Lessee to deposit funds for the payment of current taxes and assessments on the Demised Premises in a bank or trust company selected by the Lessor. Such funds shall be held in the name of the Lessee, with any interest payable to the Lessee, but the depository shall be prohibited from paying such funds to anyone other than the appropriate taxing authority except upon the written consent of the Lessor. The Lessee shall so deposit one-twelfth of the current annual taxes,

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or those of the preceding tax year if the current taxes have not then been fixed, on the first day of each month in advance, except that all additional funds required for any payment shall also be deposited on the first day of the final month during which or at the end of which a payment is due and payable without interest or penalty, and during which the maximum discount for early payment is allowable under the law. Notwithstanding the foregoing, at such time as the Lessor may first require the Lessee to make such deposits, the first deposit made by the Lessee shall be in an amount sufficient to create a bank balance equal to what it would have been had the Lessor required the first such monthly deposit to have been made on the first day of the month immediately succeeding the month during which the tax could have been paid with the maximum permissible discount for early payment allowed under the law.

9. Insurance Premiums and Utilities. Lessee covenants and agrees that it shall pay premiums for all insurance policies which the Lessee is obligated to carry under the terms of this Lease not less than fifteen (15) days prior to the date upon which the same shall become due, and that it will exhibit to the Lessor proof of such payment within ten (10) days after making payment. The Lessee shall further make all necessary deposits in connection with and pay all bills and charges for gas, electricity, light, heat, power, and telephone or other communication service, and for all other utilities used, rendered or supplied on or in connection with the Demised Premises, and shall indemnify the Lessor against any liability or damages on such account.

10. Repairs and Maintenance. Lessee shall at all times during the term of this Lease, at its own expense, make all necessary repairs and replacements to the Demised Premises and maintain the same in good condition. This covenant shall include the obligation upon the part of the Lessee to replace or renew when necessary any item of furniture, fixtures, furnishings, machinery and equipment and all such replacements and renewals shall be at least equal in quality and class to the original equipment, furnishings, machinery or fixtures. Air conditioning, pool and other such equipment and machinery shall be regularly serviced and maintained under appropriate service contracts. Lessee shall keep and maintain all portions of the Demised Premises in clean and orderly condition, free of accumulation of dirt and rubbish and pest infestation. All buildings, structures and improvements, furniture, furnishings, fixtures, machinery and equipment now or hereafter replaced or bought, or intended for use upon the Demised Premises shall be a part thereof and thereby the property of the Lessor, without payment therefor by the Lessor, and shall be surrendered, to the Lessor upon the expiration or earlier termination of this Lease without cost or charge to the Lessor.

11. Mechanics' Liens. All persons are hereby placed on notice that the Lessee shall never, under any circumstances, have the power to subject the interest of the Lessor in the Demised Premises to any mechanics' or materialman's lien or liens of any kind, in the absence of a specific provision to the contrary herein contained authorizing in specific terms the creation of such lien or liens. All persons who may hereafter, during the term of this Lease, furnish work, labor, services or material to the premises upon the request or order of the Lessee, or any person claiming under, by or through the Lessee, shall and must look only to the interest of the Lessee in connection with payment therefor, and not to the interest of the Lessor. If any mechanics' liens are filed or asserted against the Lessor's interest in the Demised Premises, the Lessee shall, within thirty (30) days after the date upon which notice thereof shall come to its attention, cause such lien to be released from the Lessor's interest in the Demised Premises, in the manner provided by the applicable statutes of the State of Florida, failing which the Lessor shall have the right to

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cause the said lien to be released in the manner provided by the Florida Statutes, and shall have the right to thereupon charge the costs of having had the said lien removed and discharged against the Lessee as and for additional rent due, said additional rent to be due and payable within fifteen (15) days of the date of notice thereof to the Lessee.

12. Indemnification.

a. Lessee covenants and agrees with the Lessor that during the term of this Lease, the Lessee will indemnify and save harmless the Lessor against any and all claims, debts, demands or obligations which may be made against the Lessor, or against Lessor's title in the premises, arising by reason of or in connection with the making of this Lease and the leasehold interest hereby created in the Lessee, and if it becomes necessary for the Lessor to defend any action seeking to impose such liability the Lessee will pay the Lessor all costs of court and attorneys fees incurred in connection with any such defense, in addition to any other sums which the Lessor may be called upon to pay by reason of entry of a Judgment against the Lessor in litigation in which such claim is asserted.

b. The Lessee will cause to be written a policy or policies of insurance in the form generally known as Public Liability and Property Damage and/or Owner's, Landlord and Tenant Policies, when there are boilers included in any improvements located on the Demised Premises, insuring the Lessee against any and all claims and demands made by any person or persons whomsoever for injuries received in connection with the operation and maintenance of the improvements and buildings located on the Demised Premises, or for any other risks insured against by such policies, each class of which policies shall have been written with limits of not less than \$500,000.00 for damages incurred or claimed by any one person, and for not less than \$1,000,000.00 for damages incurred or claimed by more than one person as a result of any accident or incident. All such policies will name the Lessee and Lessor, as their respective interests may appear, as the parties insured by such Policy or Policies, and the original or a true copy of each of such policies shall be delivered by Lessee or Lessor promptly upon the writing of such Policy or Policies, together with adequate evidence of the fact that the premiums therefor are paid; and, in any event, such Policies and evidence of payment by the Lessee of the premiums shall be delivered by the Lessee to Lessor before the expiration of any then similar coverage and in time to assure the Lessor that such coverage will be carried continuously. The said Insurance Policy or Policies shall be in such form as herein set forth and in such Company or Companies, and in such amounts, in addition to the minimum amounts specified herein as the Lessor shall reasonably require. The said Policy or Policies shall contain a provision reciting that the coverage provided thereby may not be cancelled or changed without actual notice being given to the Lessor.

c. Property Insurance. Lessee shall obtain and pay for policies of insurance insuring the buildings and improvements now or hereafter located upon and constituting a portion of the Demised Premises against loss by fire, windstorm and such other hazards as may be included in the broadest form of extended coverage from time to time available; and by boiler explosion, if boilers are now or hereafter located in any portion of the Demised Premises; and, to the extent required by the Lessor, war damage or damage by civil insurrection or commotion as the same may not be covered by other policies hereinabove described. When, in compliance with the provisions of this paragraph, the Lessee shall furnish policies insuring the

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actual replacement costs, said valuation shall be without deduction or depreciation insofar as such coverage may be obtainable, and in such case the term "maximum insurable value" as used herein shall mean the actual replacement cost of the property required to be insured without deduction for depreciation.

(1). All insurance required to be carried shall be effected under policies written in such form and issued by such companies as shall be approved by the Lessor, who shall not unreasonably withhold such approval. All policies shall be for the benefit of the Lessor and the Lessee as their respective interest may appear, and shall be subject to such provisions as mortgages of the Demised Premises may require.

13. Reconstruction and Repair. Upon the occurrence of any damage or total or partial destruction to any portion of the Demised Premises, whether or not the casualty causing such damage be insured against, and whether or not, if insured, any proceeds are paid in connection therewith, the foregoing provisions shall apply:

a. Lease to Continue. The destruction, alteration, demolition or non-use or other deterioration in condition of the Demised Premises or any portion thereof, regardless of the nature thereof or events which cause such destruction, alteration, demolition or non-use, except taking by eminent domain, shall not in any way reduce, abate or suspend the Lessee's obligations and covenants hereunder nor shall the same effect a termination in whole or in part of this Lease.

b. Reconstruction and Repair by Lessee. The Lessee, at its expense, shall repair and reconstruct, if necessary, any and all improvements, buildings and structures damaged, and shall replace or repair all personal property damaged, so as to restore the same into good condition. For the purposes of this paragraph, as well as when used elsewhere in this Agreement, "good condition" shall mean the best condition in which it is reasonably possible to replace the real or personal property involved. Work necessary to accomplish the replacing or repair of any damaged or destroyed improvements or personal property shall be commenced no later than sixty (60) days after the occurrence of damage, and shall be completed no later than ten (10) months after date of commencement, provided, however, these time limitations shall be extended by reason of any time lost due to an Act of God, war, civil insurrection, strikes or other events over which the Lessee has no control.

c. Plans, Specifications and Estimates. Within thirty (30) days after the occurrence of damage requiring replacement or repair of improvements to the Demised Premises, wherein such replacement or repair requires the issuance of a building or other permit by and pursuant to the ordinances of a governmental authority, the Lessee shall supply to the Lessor plans and specifications for such reconstruction and repair. Said plans and specifications shall be prepared by and be under the certificate of an architect licensed to practice in the State of Florida. Within thirty (30) days thereafter the Lessee shall furnish to the Lessor a copy of a contract executed by an independent, licensed, general contractor wherein the work, labor and materials indicated by such plans and specifications are to be furnished at an agreed price and a performance, completion and payment bond is provided for.

d. Proceeds Of Insurance.

(1) Fund. In the event proceeds of insurance

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shall be payable by reason of damage and/or total or partial destruction of the Demised Premises, or any portion thereof, and as often as such insurance proceeds shall be payable, the same shall be paid to the Lessor, and said sums so paid shall be deposited in a special account of the Lessor in a bank in Broward County, Florida, and such sums shall be available to the Lessee for the purpose of reconstruction and repair pursuant to the provisions of this paragraph. Such monies shall be paid out of said special account from time to time by the Lessor upon the certificate of the Lessee or of the contractor who has contracted for the performance of such reconstruction and repair, certifying that the amount of the payment is being applied to the payment of obligations incurred for such reconstruction and repair, provided, however, the Lessor shall have the right to make such payment directly to the sub-contractor or materialman to whom sums of money may be due and owing from time to time, as reflected in such certificates, and provided, further, that the Lessor shall have the right to require the Lessee at the time of contracting for or undertaking such repair or reconstruction, and/or at such additional time thereafter as may be appropriate, to provide evidence satisfactory to the Lessor that at all times the undisbursed portion of such fund in said bank account is sufficient to pay for the reconstruction and repair in its entirety, and if at any time it should reasonably appear to the Lessor that said funds will be insufficient to pay the full cost of said repair and reconstruction, the Lessee will immediately and forthwith deposit into said fund such additional monies as may be reasonably necessary to pay such full costs. Upon the completion of the said reconstruction and/or repair, and upon the Lessor having been provided with receipted bills and full and final waivers of lien as to all work performed and material supplied, any monies remaining in said special account shall be paid over and disbursed by the Lessor to the Lessee.

(2) In any instance where the proceeds of insurance for damage or destruction shall be less than \$5,000.00, for reason that it reasonably appears that the cost of repair or reconstruction shall be less than \$5,000.00, then the proceeds of insurance shall be payable to the Lessee directly, to be disbursed by it for the purpose of paying for the reconstruction and repair.

(3) Notwithstanding anything contained herein to the contrary, the provisions of any mortgage now or hereafter encumbering the Demised Premises relative to insurance and proceeds thereof shall have priority and shall supercede all of the provisions of this Lease. In the event a mortgagee shall have an option to apply insurance proceeds to the reduction or payment of the mortgage debt and so elects to apply the same or some portion thereof, the Lessor shall be required within 120 days after the application of said funds by such mortgagee to create from its own funds or from the proceeds of a new mortgage upon the Demised Premises the amount of monies so applied by such mortgagee, the said monies to be held by the Lessor in a special fund pursuant to the provisions of sub-paragraph (1) of this article, as if the same were the proceeds of insurance. If a mortgagee shall elect to submit the application of insurance proceeds to reconstruction

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and repair, such mortgagee may hold such funds and may impose such terms and conditions relative to requiring the Lessee to supplement such funds in such amounts as may be necessary to pay for reconstruction and repair, to disbursements of the same, and to such other matters relating to such funds and proceeds as such mortgagee may require.

14. Lessor's Right to Apply Funds Held on Behalf of the Lessee. If at any time during the term of this Lease the Lessor shall have in its possession monies otherwise belonging or payable to the Lessee, and the Lessee shall at the time said money or funds would otherwise be payable to it be in default in the payment of any of its obligations provided for herein, the Lessor shall have the right to apply such proceeds against all existing defaults to the extent available or necessary to cure such defaults.

15. Eminent Domain.

a. As to Demised Premises.

(1) Total Taking. If during the term of this Lease the entire Demised Premises shall be taken as a result of the exercise of the power of eminent domain, herein called "proceeding", this Lease and all right, title and interest of the Lessee hereunder shall cease and come to an end on the date of the vesting of title pursuant to such proceeding and the Lessor shall be entitled to and shall receive the total award made in such proceeding and the Lessee hereby absolutely assigns such award to the Lessor.

(2) Partial Taking. If during the term of this Lease less than the entire Demised Premises shall be taken in any such proceeding, this Lease shall terminate as to the part so taken and the Lessor shall be entitled to and shall receive the total award made in any such proceeding and the Lessee hereby assigns such award to Lessor, but the Lessee in such case covenants and agrees that at Lessee's sole cost and expense (subject to reimbursement as hereinafter provided) promptly to restore, repair and replace those portions of the buildings on the Demised Premises not so taken to complete architectural units and replace buildings totally taken for the use and occupancy of the Lessee as in this Lease expressed. The Lessor agrees in connection with such restoration to apply or cause to be applied the net amount of any award for damage to the building or buildings on the Demised Premises that may be received by it in any such proceeding toward the cost of such restoration and replacement (but the amount so applied shall not include the cost of any alteration, construction, change or improvement the Lessee may desire to make that is not necessary to restore that portion of the buildings not so taken to a complete architectural unit or to replace buildings totally taken to substantially the same usefulness, design, and construction as immediately before such taking, it being understood that no alteration or change in the basic configuration of the improvement shall be made without the approval of the Lessor), and the said net award shall be paid out from time to time to the Lessee as such restoration and replacement progresses upon the written certificate of the Lessee or of the contractor who has contracted for the performance of such restoration and replacement, all in the same manner, and subject to the same provisions, as set forth for disbursement of

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funds for reconstruction and repair in paragraph 13 d. (1) hereof.

(a) If payment of the net award as aforesaid shall not be received by Lessor in time to permit payments as the work of restoration and replacement progresses, the Lessee shall, nevertheless, perform and fully pay for such work without delay (except for unavoidable delays over which the Lessee has no control) and payment of the amount to which Lessee may be entitled shall thereafter be made by Lessor out of said net award as and when payment of such net award is received by Lessor. If the funds to be applied by Lessor be insufficient to pay the entire cost of such restoration, the Lessee agrees to pay any deficiency and to deposit the amount of such deficiency, as estimated by the architect or contained in a contract with Lessor to perform such work, prior to the work being performed.

(3) From and after the date of vesting of title in such proceeding, a just proportion of the rent, according to the nature and extent of such taking, shall abate for the remainder of the term of this Lease.

(4) If, after making the payments provided for in Paragraph 15 a. (2) there remains any balance in Lessor's hands, it shall be retained by Lessor as its property.

(5) A Taking of Less than Fee Simple Title. If all or any of the Demised Premises shall be taken by exercise of the right of eminent domain for governmental occupancy for a limited period, this Lease shall not terminate and the Lessee shall continue to perform and observe all of its covenants as though such taking had not occurred. In the event of such a taking the Lessee shall be entitled to receive the entire amount of any award made for such taking (whether paid by way of damage, rent or otherwise), unless the period of governmental occupancy extends beyond the term of this Lease, in which case the award to the extent that it represents rent shall be apportioned between the Lessor and Lessee as of the date of the end of the term of this Lease. The Lessee covenants that at the termination of any such governmental occupancy, it will, at its cost and expense, restore the improvements on the Demised Premises in as good condition as when new, but the Lessee shall not be required to do such restoration work if on or prior to the date of such termination of governmental occupancy the term of this Lease shall have ended.

(6) Proration. In the event of the termination of this Lease in full or as to any portion of the Demised Premises as a result of a total or partial taking by an eminent domain proceeding, the Lessee shall pay to the Lessor all rent and all other charges payable by Lessee with respect to the Demised Premises or part thereof so taken justly apportioned to the date of taking.

(b) As to the Lessee's Premises. If, during the term of this Lease there shall be a taking of all or a portion of the lands described in the Declaration of Condominium, the following shall apply:

(1) Certain Takings Not Included. Neither a taking of less than fee simple title nor a taking of

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ten (10%) percent or less of the apartment units contained upon said lands immediately prior to the time of taking shall be construed or considered as a taking. For the purpose of this paragraph, a taking of an apartment unit shall have occurred where at least sixty (60%) percent of the floor space thereof has been taken.

(2) Total Taking. If such taking shall involve the taking of all of the apartment units contained upon said lands immediately prior to the time of taking, this Lease shall terminate, effective as of the date of taking.

(3) Partial Taking. If the taking be greater than described in Paragraph 15 b. (1) and less than the taking described in Paragraph 15 b. (2), above, the rent provided in Paragraph 4 shall be reduced, effective as of the date of taking, by a percentage figure equal to the percentage interest in the common elements and in the common surplus attributable to the condominium units taken, provided, however, that all other provisions of this Lease shall remain in full force and effect.

16. Commencement of Obligations of Lease and Delivery of Possession. The obligation of the Lessor and of the Lessee pursuant to the terms and provisions hereof, and right to possession and use of the Demised Premises, shall commence as of the date of commencement of the term hereby created.

17. Security. For the purpose of securing unto the Lessor the payment of the rent herein provided for, as well as the payment of any other sums due and payable the Lessor by reason of the terms and provisions here, or by reason of any advancements made to or on behalf of the Lessee by the Lessor, as well as for the purpose of securing the performance of each and every one of the covenants of the Lessee herein contained for the use and benefit of the Lessor, the Lessee does hereby grant unto the Lessor the following described liens which shall be cumulative, provided, the Lessor may exercise one or more of the said liens without thereby waiving the others, or may exercise all simultaneously.

a. Lessee's Interest. The Lessee does hereby give and grant unto the Lessor a continuing first lien paramount and superior to all others upon all of the right, title and interest of the Lessee in and to this Lease and the Demised Premises.

b. Lessee's Assets. The Lessee does hereby give and grant unto the Lessor a continuing first lien paramount and superior to all others, including apartment owners, upon its assets and common surplus.

c. Obligation of Unit Owner. All liens provided for herein shall secure the payment of all monies due the Lessor hereunder and may be foreclosed in the same manner as for the foreclosure of mortgages, provided, however, no lien against any fixtures or equipment or title in a condominium unit shall secure a sum greater than the percentage of the total existing monies due and owing the Lessor by the Lessee by virtue of the rentals attributable to the condominium wherein the said unit is located equal to the percentage of the total interest in the common elements and common surplus in such condominium attributable to such condominium unit, and the lien against any equipment, furnishings, fixtures or portion of the said condominium unit may be discharged by the owner thereof by payment to the Lessor

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of such sum, and provided, further, that so long as a condominium unit shall pay that portion of the total monthly rental attributable to the condominium wherein his condominium apartment is situate equal to his proportionate share of the common expenses of the condominium, either to the Association or directly to the Lessor, the Lessor will not and may not enforce any of the rights which it might otherwise have against the unit owner under the terms and provisions hereof, notwithstanding that the Lessee is in default of this Lease, and/or that any other condominium unit owner has failed to perform or keep its obligations as a condominium unit owner and as a member of the Lessee to pay his prorata share of the common expenses of which the monthly rental under the terms and provisions hereof is a part.

d. Foreclosure Not to Operate as Termination. Foreclosure or other action to enforce the liens herein provided for shall not operate or be construed as a termination or cancellation of this Lease, or as an extinguishment of any such lien, except such liens shall not stand as security for any amounts realized and actually collected by the Lessor in foreclosure or other such action.

e. Rights of Institutional First Mortgagees.

(1) Definition. An institutional first mortgagee is defined as a bank, savings and loan association, insurance company or trust holding a first mortgage secured by a condominium apartment unit.

(2) Subordination by Lessor. The Lessor hereby agrees that all liens created in its favor pursuant to and by the provisions of this Lease, as well as by operation of law, shall be subordinate to the lien of any institutional first mortgagee against a condominium apartment unit, and further agrees to sign and execute any instrument reflecting acknowledgment of such subordination or to join in the execution and delivery of a mortgage (provided it does not thereby assume or become obligated to perform any covenants of the mortgagor therein) as the mortgagee may require, provided, further, that the Lessor has and does hereby specifically subordinate all of its lien rights to the lien of each and every mortgage lien against condominium apartment units at the Condominium created by first mortgages recorded in the Public Records of Broward County, Florida, prior to or subsequent to the date hereof.

(3) Foreclosure by Institutional First Mortgagee. In the event an institutional first mortgagee shall acquire title to a condominium unit by conveyance in lieu of foreclosure, then so long as such institutional mortgagee shall continue to hold title to the said condominium unit, the rent attributable to the condominium wherein said unit is located and situate shall be reduced by a percentage figure equal to the percentage interest in the common elements and in the common surplus attributable to such condominium unit, and such reduction in rent shall inure to the benefit of the institutional first mortgagee acquiring title to such condominium unit by crediting the amount thereof against its share of the common expenses of the Condominium. In the event an institutional first mortgagee shall acquire title to a condominium unit as a result of a foreclosure sale, then the rent attributable to the condominium wherein said condominium unit is located shall be reduced by a percentage figure equal to the percentage interest in the common elements and in the common surplus attributable to such condominium unit, and such reduction in rent shall inure to the benefit of the institutional

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first mortgagee acquiring title to such condominium unit, its assigns and successors, and such reduction and credit shall be permanent and continuing in nature, for the term of this Lease. Nothing herein contained shall operate as an extinguishment of this Lease, in whole or in part, or as a termination of the Lessor's lien, afore-described, as against the entire condominium property, except as to a condominium unit foreclosed upon, and to the extent herein provided. Notwithstanding reduction of rent payable under the provisions hereof, the owner or occupant of any condominium unit as to which an institutional first mortgagee has acquired title, whether by conveyance in lieu of foreclosure or by foreclosure, shall have the full right to enjoyment and use of the recreational facilities in the same manner as though the said rent had not been reduced and the benefit of the said reduction had not accrued to the owner of the said condominium unit.

18. Consent and Ratification of This Lease by Unit Owners.  
Each and every person, whether natural or corporate, who shall acquire or take any title or interest whatsoever in or to a condominium apartment unit in WATERGATE CONDOMINIUM, shall by acceptance and/or the recordation of the deed, grant, assignment, or other instrument granting, conveying or providing for such interest, or by the exercise of the rights or uses granted therein, be deemed to have consented to and ratified the provisions of this Lease to the same effect and extent as if such person or persons had executed the lease with the formalities required in the deed, and shall be deemed to have subordinated and subjected each and every interest of such person to the terms of this Lease, including the provisions providing for the Lessor's lien rights in the condominium property and in the condominium apartment units.

19. Assignment.

a. Provided that this Lease is not in default and is in good standing the Lessee may freely assign the same provided that no such assignment or transfer shall be valid unless and until the assignee shall expressly assume and agree to perform each and every one of the covenants of this Lease which, by the terms hereof, the Lessee agrees to keep and perform, said assumption to be evidenced by written instrument, executed in recordable form, and delivered to the Lessor after the same has been recorded in the Public Records of Broward County, Florida. No such assignment, transfer or assumption shall operate to release a prior Lessee from any of the obligations hereof, and no such prior Lessee shall be released unless and until a written discharge or release of such Lessee, duly executed by the Lessor, shall be recorded amongst the Public Records of Broward County, Florida.

b. The Lessor shall have the right to assign and to encumber its interest under this Lease and to the Demised Premises without the consent of the Lessee, provided, however, that the Lessee shall, at the Lessor's request, sign and execute such instruments as may be required or requested by the Lessor to effectuate such transfer or encumbrance.

c. Each of the parties hereto agrees to provide the other, within fifteen (15) days after written request therefor, a statement of the status of the Lease, in writing, advising whether the Lease is in good standing, and if it is not, the particulars in which it is not; and failure to provide such statement shall constitute a representation that the Lease is in good standing which may be relied upon by any third party as being true and correct.

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d. All obligations assumed and imposed by the terms and conditions hereof are covenants running with the land and shall pass successively upon the occasion of any transfer or assignment of an interest in the Demised Premises or this Lease.

20. Duty of Lessee to Pay. It shall be the duty and obligation of the Lessee to assess the condominium unit owners, in accordance with the provisions of the applicable laws of the State of Florida, dealing with condominiums, the Declaration of Condominium and the By-Laws of the Lessee for such monies as shall be necessary to pay the rents and other obligations provided for by this Lease, and to otherwise perform its covenants and promises contained herein.

21. Lessor's Right to Perform Lessee's Covenants. In the event Lessee shall fail to pay the costs of maintenance and repairs required to the Demised Premises, or if it shall fail to take out, maintain and deliver insurance policies required herein, or shall otherwise fail to perform any other act on its part covenanted herein to be performed by it, including the assessment against condominium unit owners for monies necessary to pay the rents here-in provided for and the other obligations of the Lessee herein contained, then the Lessor may, but shall not be obligated to, without notice or demand upon the Lessee, perform the act so omitted or failed to be performed by the Lessee, or pay the monies which the Lessee has failed or refused to pay. If such performance by the Lessor shall constitute in whole or in part the payment of monies, such monies paid by the Lessor, together with interest thereon at the rate of ten (10%) percent per annum, shall be deemed additional rents due and payable the Lessor on demand, or, at the option of the Lessor, the said monies may be added to any rent then due or thereafter becoming due under the terms and provisions of this Lease, and the Lessee covenants to pay any such sums with the said interest, and the Lessor shall have, in addition to any and all other rights and remedies herein provided, the same rights and remedies as exist pursuant to the terms and provisions hereof, as well as by operation and rules of law, in the event of default by the Lessee in the payment of rent.

22. Quiet Enjoyment. The Lessor covenants and agrees with the Lessee that so long as the Lessee keeps and performs all of its covenants herein made the Lessee shall have quiet and undisturbed and continued possession of the Demised Premises subject only to the terms and provisions of this Lease herein provided, and the easements herein referred to.

23. Lessor's Right of Entry. The Lessor and its agents shall have the right of entry upon the Demised Premises at all reasonable times to examine the condition and use thereof, and if said premises are damaged by any casualty which causes the premises to be exposed to the elements, then the Lessor may enter upon the premises to make emergency repairs, and it shall have the right to recover the costs thereof from the Lessee as additional rent due under the terms of this Lease.

24. Title to Demised Premises. The interest of the Lessee in the Demised Premises shall be subject to:

a. The title and rights of the Lessor, and the terms, conditions and provisions of this Lease.

b. All easements which have been or which may hereafter be created by the Lessor, or joined in by the Lessor, for the purpose of providing for utilities, passage, or other use designed to permit the full utilization and enjoyment of the Demised Premises, and of the Condominium apartment building, by the owners and occupants of condominium units at The Condominium.

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MAY 894

c. The lien of any mortgage in connection with any mortgage now existing or hereafter created encumbering the Demised Premises, provided, however, that any such mortgage shall acknowledge the existence of this Lease, and the Lessee's rights hereunder, so long as it shall faithfully perform each and every of its duties and obligations herein imposed.

25. Default Clause.

a. It is further covenanted and agreed by and between the parties hereto that in case, at any time, default shall be made by the Lessee in the payment of any of the rent herein provided for upon the day the same becomes due and payable, or in case of default in relation to liens, as hereinabove provided for, or if the Lessee shall fail to pay any of the taxes or assessments herein provided for, or in case of the sale or forfeiture of the Demised Premises or any part thereof during the term hereof for nonpayment of any tax or assessment, or in case the Lessee shall fail to keep insured any building or improvements which may at any time hereafter be upon the said premises, as herein provided for, or shall fail to expend insurance money, as herein provided for, or if the Lessee shall fail to perform any of the covenants of this Lease by it to be kept and performed, then, and in any such event, it shall and may be lawful for the Lessor, at its election, to declare the demised term ended, and to reenter upon said premises and building and improvements situated thereon, or any part thereof, either with or without process of law, the said Lessee hereby waiving any demand for possession of said premises and any and all buildings and improvements then situated thereon; or, the Lessor may have such other remedies as the law and this instrument afford. The Lessee covenants and agrees that upon the termination of the demised term at such election, or in any other way, the Lessee will surrender and deliver up the Demised Premises peaceably to the Lessor, its agents or attorneys, immediately; and if the Lessee, its agents, attorneys or tenants shall hold the said premises, or any part thereof, one (1) day after the same should be surrendered according to the terms of this Lease, it shall be deemed guilty of forcible detainer of said premises under the statute and shall be subject to eviction or removal, forcibly or otherwise, with or without due process of law.

b. Though this be a Lease the parties understand and agree that the relationship between them is that of Landlord and Tenant, and the Lessee specifically acknowledges that all statutory proceedings in the State of Florida regulating the relationship of Landlord and Tenant respecting collection of rent or possession of the premises accrues to the Lessor hereunder.

c. Nothing herein contained shall be construed as authorizing the Lessor to declare this Lease in default where the default consists in the non-payment of rent or taxes, or payments on Lessee created mortgages on Lessee's interest in the Demised Premises, until such non-payment shall in violation of the terms of this Lease have continued for fifteen (15) days after written notice of such default shall have been given by the Lessor to the Lessee; and where the alleged default consists of some violation other than the foregoing, the Lessor may not declare this Lease in default until such violation shall have continued for thirty (30) days after the Lessor shall have given the Lessee written notice of such violation, and the Lessee shall not have undertaken, during said thirty day notice period, to cure said violation by vigorous and affirmative action; provided, however, that nothing herein contained shall be construed as precluding the Lessor from having such remedy as may become necessary in order to

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preserve the Lessor's rights and the interest of the Lessor in the premises and in this Lease, even before the expiration of the grace or notice periods provided for in this paragraph if, under particular circumstances then existing, the allowance of such grace period or the giving of such notice would prejudice or endanger the rights and estate of the Lessor in this Lease and in the Demised Premises.

d. All default and grace periods shall be deemed to run concurrently and not consecutively.

e. It is mutually covenanted and agreed that the various rights, powers, options, elections, privileges and remedies of the Lessor contained in this Lease shall be construed as cumulative, and no one of them shall be construed as being exclusive of any other, or exclusive of any rights or priorities by law.

f. It is further covenanted and agreed by and between the parties hereto that the right to the Lessor in this Lease to collect the rent that may be due under the terms of this Lease by any proceedings under the same, or the right to collect any additional rent, money, or payments due under the terms of this Lease by any proceedings under the same, or the right given the Lessor to enforce any of the terms and provisions of this Lease, shall not in any way effect the rights of the Lessor to declare this Lease void and the term hereby ended, as herein provided, when default is made by the Lessee in any of the terms and provisions hereof.

g. It is further covenanted and agreed by and between the parties hereto that in the event of the termination of this Lease at any time before the expiration of the term of years hereby created, for the breach by the Lessee of any of the covenants herein contained, then all of the right, estate and interest of the Lessee in and under this Indenture and in the Demised Premises, and all additions and accessions thereto then situated on the said Demised Premises, together with all rents, issues and profits of said premises and the improvements thereon, whether then accrued or to accrue, and all insurance policies and all insurance monies paid or payable thereunder, and the then entire undisbursed balance of any building escrow fund, and the entire undisbursed balance of any then existing joint bank account which may have been created under the terms hereof, and all of them, shall at once pass to and become the property of the Lessor without any compensation therefor unto the Lessee, not as a penalty for forfeiture, but as liquidated damages to Lessor because of such default by Lessee and the consequent cancellation of the Lease, each of the parties acknowledging it to be the fact that for breach and consequent cancellation of a long-term lease of this character the Lessor will sustain substantial damage of such character as to make it most burdensome and tedious, if not actually impossible, to ascertain the amount thereof with mathematical precision. Each of the parties, therefor, have agreed upon this provision for liquidated damages, in the interests of obviating what would otherwise be burdensome and difficult litigation to maintain or to defend, as the case may be; and this provision for liquidated damages has been taken into account by both parties in fixing the terms of and the consideration for the making of this Lease.

h. The Lessee pledges with and assigns unto the Lessor all of the rents, issues and profits which might otherwise accrue to the Lessee for the use, enjoyment and operation of the Demised Premises, and in connection with such pledging of such rents, the Lessee covenants and agrees with the Lessor that if the Lessor, upon default of

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the Lessee, elects to file suit to enforce or cancel the Lease and perfect the Lessor's rights hereunder, then the Lessor may, as ancillary to such suit, apply to any Court having jurisdiction thereof for the appointment of a Receiver of all and singular the Demised Premises, and all additions and accessions thereto, and thereupon, it is expressly covenanted and agreed that the Court shall forthwith appoint a Receiver with the usual powers and duties of Receivers in like cases, and such appointment shall be made by such Court as a matter of strict right to the Lessor, and without reference to the adequacy or inadequacy of the value of the property which is subject to the Landlord's lien, or to the solvency or insolvency of the Lessee, and without reference to the commission of waste.

26. Costs and Attorney's Fees. In any proceeding arising by reason of an alleged failure of the Lessee to perform any of its duties and obligations pursuant to the provisions hereof, or by reason of an alleged breach of any of the terms, and/or conditions or covenants of this Lease, or by reason of any default in the payment of any monies, rentals or sums due or becoming due under the terms and provisions hereof, or by reason of any action by the Lessor to require the Lessee to comply with its duties and obligations hereunder, the Lessor shall, in the event it shall prevail in such action, be entitled to recover its reasonable attorney's fees incurred, together with all costs, including those not normally allowable in actions at law, such as but not limited to copies of depositions, whether or not used at trial; travel expenses for witnesses traveling from without Broward County for the purpose of testifying at trial or deposition; expert witness fees for testifying at trial or deposition, together with such additional fees as the expert witness may charge the Lessor in connection with his preparation for giving such testimony; and witness subpoenas issued to insure the presence of witnesses at deposition or at trial whether or not the witness shall actually appear or be called upon to testify. In the event of any dispute or litigation between the Lessor and the Lessee in connection with any alleged breach or default upon the part of the Lessee wherein the Lessor deems it advisable or necessary to retain the services of an attorney, and which is settled prior to a judicial determination of the issue, or prior to litigation, by the Lessee paying the monies demanded, or by the Lessee otherwise complying with the demands of the Lessor as to the Lessee's duties and obligations under the terms of this Lease, the Lessor will be deemed to have prevailed in such dispute of controversy, and to be entitled to the recovery of his reasonable attorney's fees incurred in connection therewith.

27. Solvency of Lessee. If, during the term of this Lease, (a) the Lessee shall make an assignment for the benefit of creditors; or (b) a voluntary or involuntary petition shall be filed by or against the Lessee under any law having for its purpose the adjudication of the Lessee as a bankrupt or the extension of the time of payment, composition, adjustment, modification, settlement or satisfaction of the liabilities of the Lessee or the reorganization of the Lessee; or (c) a permanent receiver be appointed for the property of the Lessee; or (d) any governmental authority shall take possession of the lands described in the Declaration of Condominium of the Condominium, this Lease, at the option of the Lessor, shall be terminated and shall expire as fully and completely as if the day of happening of such contingency coincided with the date specifically fixed as the expiration of the term hereof, the provisions relative to notice and grace notwithstanding, and the Lessee shall then quit and surrender the Demised Premises to the Lessor but the Lessee shall remain liable as hereinafter provided. If the Lessee shall contest any proceeding of an involuntary nature which would be grounds or cause for termination of the Lease under this section, and shall prosecute said defense with due diligence, provided all other covenants of the Lessee herein made

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are otherwise kept and performed, the right of termination in the Lessor under this section shall be suspended until the ultimate determination of said matters by a Court of competent jurisdiction or until the Lessee shall abandon or fail to take suitable action to preserve its rights to contest the proceedings. The Lessee shall every twenty (20) days notify the Lessor of its continued intention to prosecute its defense, and further, shall advise the Lessor of the state of all litigation then pending, and the failure of the Lessee to do so shall be deemed a termination of the suspension of the Lessor's right to terminate as above provided. If a defense shall be brought by the Lessee and timely prosecuted and the Lessee shall comply with the above provision with regard to notice and information to the Lessor, then the right of the Lessor to terminate by reason of the provisions of this section shall be controlled by the outcome of such litigation, to-wit:

a. If such litigation be resolved in favor of the Lessee, the Lessor shall have no right to terminate by reason of the occurrence of the acts above listed.

b. If such litigation be resolved against the Lessee, the Lessor shall have the right to terminate as above provided, but nothing herein shall be construed as relieving the Lessee of the performance of any of its covenants herein which became performable prior to the determination of the outcome of such litigation or the earlier abandonment of defense by the Lessee.

28. Entire Agreement. This instrument constitutes the entire agreement between the parties, and neither party has been induced by the other by representations, promises or understandings, not expressed herein, and there are no collateral agreements, stipulations, promises or understandings whatsoever in any way touching the subject matter of this Agreement which are not expressly contained herein.

29. Notice. Whenever, under the terms of this Lease Agreement, reference is made to the giving of notice by one of the parties hereto to the other, or whenever either of the parties shall desire to give notice of any matter to the other, such notice shall be given and shall be deemed sufficient when given by written instrument sent by registered or certified mail, return receipt requested, addressed to the appropriate party, with postage prepaid. For the purposes of this paragraph and his Lease, the addresses of the parties hereto are as follows:

LESSOR: PHILIP PEARLMAN, TRUSTEE  
1190 N. E. 163rd Street  
North Miami Beach, Florida, 33162

LESSEE: WATERGATE CONDOMINIUMS, ASSOCIATION, INC.  
2801 Taft Street  
Hollywood, Florida

Either party may change the address for giving of notice hereunder by giving notice of such change to the other party in the manner above provided.

30. Construction. This Lease shall be construed and interpreted in accordance with the laws of the State of Florida.

31. Severability. The invalidity in whole or in part of any covenant, promise or undertaking or any section, subsection, sentence, clause, phrase or word, or of any provision of this Lease, shall not affect the validity of the remaining portions thereof.

32. Captions and Titles. The captions and titles contained in this Lease are for convenience and reference only and in no way shall serve to limit or describe the scope or intent of this Lease or any part hereof.

33. Termination of a Condominium. A Voluntary or involuntary termination of a Condominium which is subject to the terms and provisions hereof shall not terminate this Lease. In the event of a voluntary or involuntary termination of a WATERGATE CONDOMINIUM, all of those persons owning a condominium unit as of the date of termination thereof shall automatically and by operation of this Lease jointly and severally constitute Lessees hereunder and shall jointly and severally be obligated to perform each and every of the Lessee's covenants and promises and undertakings herein provided for, and to pay the rentals and other monies chargeable against and attributable to the condominium which has been terminated. Upon a condominium unit owner acquiring an interest in the Lessee's rights under this Lease, or becoming a Lessee under the terms hereof, by reason of termination of a Condominium, his rights hereunder may thereafter be assigned only if there then be no default in any of the provisions of this Lease, and only if such assignment be in connection with a sale, transfer, or hypothecation of all of his rights in the property which was, prior to termination of the Condominium, condominium property, excepting only and provided that any institutional first mortgagee which shall become an owner of a condominium unit or a tenant in common in what had been condominium property by foreclosure or deed in lieu of foreclosure, shall not be liable or obligated in any way by the provisions of this section, but the grantee of any such institutional mortgagee shall be fully liable and obligated hereunder.

34. Waiver of Rights. The failure of the Lessor to enforce any covenant, obligation or agreement of the Lessee herein contained shall not constitute a waiver of the right to do so thereafter, nor shall it constitute a waiver of the right to enforce any other covenant, obligation or agreement herein contained.

35. Amendments. Once recorded, this Lease may not be amended except by instrument in writing executed by the parties hereto, duly recorded in the Public Records of Broward County, Florida.

36. Copies. A copy of this Lease shall be exhibited or delivered to each person contracting to acquire a condominium unit in the Condominium from the Developer, for the purpose of making full disclosure of all of the terms and provisions hereof. Each such person expressly agrees and consents that minor changes, deletions, additions and amendments may be made to this Lease prior to the recordation thereof, and without further advice or notice to such person, for the purpose of correcting typographical errors, complying with the requirements of an institutional mortgagee, or for other reason, provided such deletion, addition and/or amendment shall not materially adversely affect the rights of such person or of the Lessee hereunder.

37. Gender and Use of Singular or Plural. Wherever the context hereof so requires or permits the use of the singular shall include the plural, and the use of the plural shall include the singular; and the use of any gender shall include all genders.

BIT 5088 MAR 899



STATE OF FLORIDA  
COUNTY OF BROWARD

SS

BEFORE ME, the undersigned authority personally appeared Philip Pearlman and Seymour A. Binkov, President and Secretary, respectively, of WATERGATE CONDOMINIUMS ASSOCIATION, INC., a Florida corporation not for profit under the laws of the State of Florida, Lessee, to me known to be the persons who signed the foregoing instrument as such officers and severally acknowledged the execution thereof to be their free act and deed as such officers for the uses and purposes therein mentioned and that they affixed thereto the official seal of said corporation, and that the said instrument is the act and deed of said corporation.

WITNESS my hand and official seal at Hollywood, the County and State last aforesaid, this 8th day of November, 1971.

*William M. Clark*  
Notary Public, State of Florida

My Commission expires:

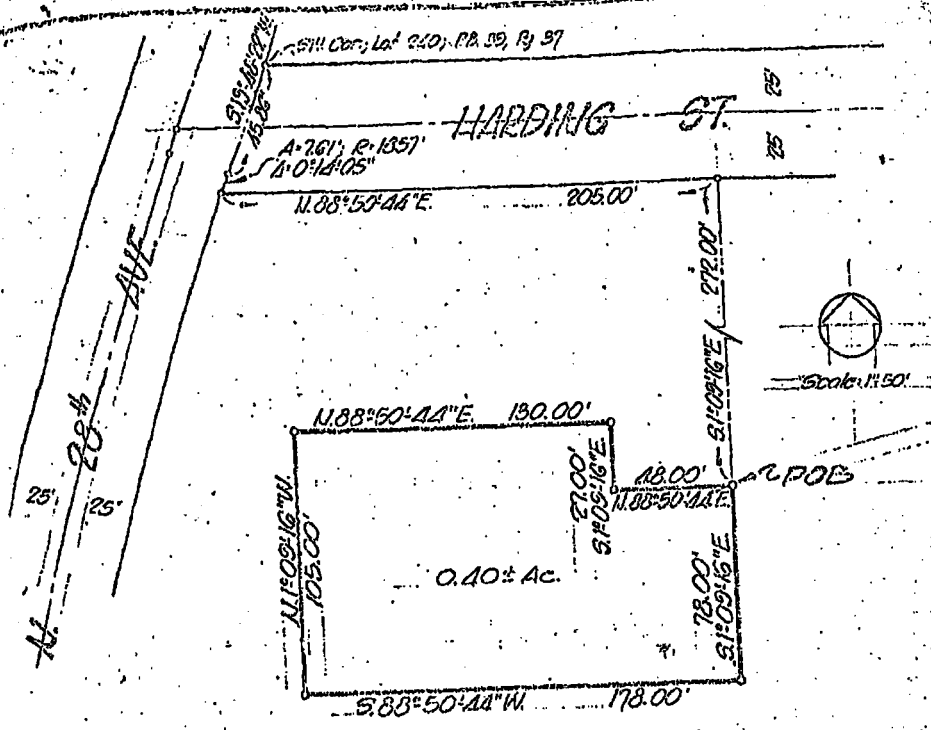
NOTARY PUBLIC, STATE OF FLORIDA at LARGE  
MY COMMISSION EXPIRES MAY, 16, 1975



OFF 5088  
Rm 301



EXHIBIT A TO NINETY-NINE YEAR LEASE



SKETCH TO ACCOMPANY LEGAL DESCRIPTION

A portion of the South 1/2 of the Southwest 1/4 of the Northwest 1/4 of Section 9, Township 51 South, Range 42 East, City of Hollywood, Broward County, Florida; being more particularly described as follows:

From the Southwest corner of Lot 240, LOOK HOMESITES NO. 3, as recorded in Plat Book 39 at Page 37 of the Public Records of Broward County, Florida, run South 19 degrees 48 minutes 22 seconds West, along the Easterly Right-of-Way line of North 20th Avenue for 45.86 feet to the Point of Curvature of a circular curve to the left; thence continue along said Right-of-Way line along a circular curve having a radius of 1857.0 feet and a central angle of 0 degrees 14 minutes 05 seconds for an arc distance of 7.61 feet to the South Right-of-Way line of Harding Street; thence run North 88 degrees 50 minutes 44 seconds East, along the South Right-of-Way line of Harding Street for 205.0 feet; thence run South 1 degree 09 minutes 16 seconds East for 272.0 feet to the Point of Beginning of the following described parcel of land; thence continue South 1 degree 09 minutes 16 seconds East for 78.0 feet; thence run South 88 degrees 50 minutes 44 seconds West for 178.0 feet; thence run North 1 degree 09 minutes 16 seconds West for 105.0 feet; thence run North 88 degrees 50 minutes 44 seconds East for 130.0 feet; thence run South 1 degree 09 minutes 16 seconds East for 27.0 feet; thence run North 88 degrees 50 minutes 44 seconds East for 48.0 feet to the Point of Beginning, containing 0.40 Acres, more or less.

Order No. 111549

November 12, 1971

Prepared by:  
 SCHMENKE-SHISKIN & ASSOCIATES, INC.  
 Land Surveyors - Engineers - Land Planners  
 Miami, Florida

PLAT 5088 PAGE 902

LEGAL DESCRIPTION

(RECREATION BUILDING SITE, WATERGATE)

A portion of the South 1/4 of the Northwest 1/4 of Section 9, Township 51 South, Range 42 East, City of Hollywood, Broward County, Florida, being more particularly described as follows:

From the Southwest corner of Lot 240, LOOK HOMESITES NO. 3; as rec'd in Plat Book 39, Page 37 of the Public Records of Broward County, Florida, run South 19 degrees 48 minutes 22 seconds West, along the Easterly Right-of-Way line of North 28th Avenue for 45.86 feet to the Point of Curvature of a circular curve to the left; thence continue along said Right-of-Way line along a circular curve having a radius of 1857.0 feet and a central angle of 0 degrees 14 minutes 05 seconds for an arc distance of 7.61 feet to the South Right-of-Way line of Harding Street; thence run North 88 degrees 50 minutes 44 seconds East, along the South Right-of-Way line of Harding Street for 327.0 feet; thence run South 1 degree 09 minutes 16 seconds East for 161.25 feet to the Point of Beginning of the following described parcel of land; thence run North 88 degrees 50 minutes 44 seconds East for 263.20 feet; thence run South 11 degrees 47 minutes 53 seconds West, along the Westerly Right-of-Way line of Hollywood Canal C-10, for 113.64 feet; thence run South 88 degrees 50 minutes 44 seconds West for 76.96 feet; thence run South 11 degrees 47 minutes 53 seconds West for 36.04 feet; thence run North 78 degrees 12 minutes 07 seconds West for 156.68 feet; thence run North 1 degree 09 minutes 16 seconds West for 110.75 feet to the Point of Beginning, containing 0.70 Acres, more or less.

Order No. 108663

June 10, 1979

Prepared by-

SCHMEDKE-SHISKIN & ASSOCIATES, INC.

Land Surveyors - Engineers - Land Planners

Miami, Florida

RECORDED IN OFFICIAL RECORDS BOOK  
OF BROWARD COUNTY, FLORIDA  
**JACK WHEELER**  
CLERK OF CIRCUIT COURT

FILE 5088 FILE 903

80- 82717

CERTIFICATE

This document shall certify that the First Amendment to the Declaration of Condominium of WATERGATE CONDOMINIUM NO. FIVE was duly adopted and approved by sixty-six and two-thirds (66 2/3%) percent of the members of the Board of Directors of WATERGATE CONDOMINIUMS ASSOCIATION, INC. and fifty-one (51%) percent of the units owners in WATERGATE CONDOMINIUM NO. ~~ONE~~ <sup>FIVE</sup> MF.

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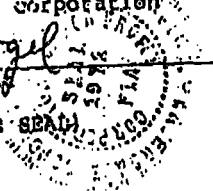
IN WITNESS WHEREOF, WATERGATE CONDOMINIUMS ASSOCIATION, INC., has this 28 day of January, 1980, caused these presents to be signed in its name by its President and its corporate seal affixed.

ATTEST:

WATERGATE CONDOMINIUMS ASSOCIATION, INC.  
a Florida non-profit corporation

[Signature]  
Secretary

By: [Signature]  
President  
(CORPORATE SEAL)



STATE OF FLORIDA )  
COUNTY OF Dade

BEFORE ME, the undersigned authority, duly authorized to take acknowledgments and administer oaths, personally appeared MEYER FROD and ABRAHAM I. RAFFI, to me well known and known to me to be the individuals described in and who executed the foregoing instrument as President and Secretary, respectively, of WATERGATE CONDOMINIUMS, INC., a Florida non-profit corporation, and they severally acknowledged to and before me that they executed such instrument as such officers of said corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that it was affixed to said instrument by due and regular corporate authority, and that said instrument is the free act and deed of said corporation.

REC 8792 MAR 9 1980

WITNESS my hand and official seal this 28 day of January, 1980.

[Signature]  
NOTARY PUBLIC STATE OF FLORIDA  
AT LARGE



My Commission Expires: Notary Public, State of Florida at Large  
My Commission Expires September 15, 1980  
Bonded thru Fidelity Insurance Co.

LAW OFFICES OF  
SCHURANK AND KAUFMAN  
A PROFESSIONAL ASSOCIATION  
SUITE 501, WASHINGTON FEDERAL TOWER  
633 NORTHEAST 187TH STREET, NORTH MIAMI BEACH, FLORIDA 33160 (305) 651-3700

67-

AMENDMENT TO DECLARATION OF CONDOMINIUM

OF

WATERGATE CONDOMINIUM NO. 5

THIS AMENDMENT to the Declaration of Condominium of Watergate Condominium No. 5, said Declaration having been recorded in Official Records Book 5685, at Page 533, of the Public Records of Broward County, Florida, and amended by Amendments recorded in Official Records Book \_\_\_\_\_, at Page \_\_\_\_\_, of the Public Records of Broward County, Florida.

W I T N E S S E T H:

WHEREAS, the WATERGATE CONDOMINIUMS ASSOCIATION, INC., on behalf of the unit owners, has entered into an Agreement to purchase the Recreation Area located at the Watergate Condominium Complex including that property presently encumbered by the Ninety-Nine (99) year Year Lease referred to in the aforescribed Declaration of Condominium; and

WHEREAS, it is necessary that the said Declaration of Condominium be amended in certain regards to provide for such purchase and the payment of the purchase price set forth therein; and

WHEREAS, the procedures set forth in Paragraph 17 of said Declaration of Condominium have been fully complied with in each and every respect whereby at a Special Meeting of the unit owners validly held on MARCH 19, 1979, a proposal for this Amendment to the Declaration adopted by a majority of the Board of Directors at a regularly constituted meeting was approved by the votes of not less than fifty-one (51%) per cent of the unit owners in the Condominium and said Amendment was approved by not less than a sixty-six and two-thirds (66 2/3%) per cent vote of the entire membership of the Board of Directors of the Condominium Association at a regularly constituted meeting held on FEBRUARY 26, 1979.

2/14/79

EAS/gj

LAW OFFICES OF  
SCHUBANK AND KAGAN  
A PROFESSIONAL ASSOCIATION  
SUITE 501, WASHINGTON FEDERAL TOWER  
553 NORTHEAST 167TH STREET, NORTH MIAMI BEACH, FLORIDA 33162 (305) 553-0700

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NOW, THEREFORE, the said Declaration of Condominium shall be and is hereby amended as follows:

1. Subparagraph 2.7 shall be amended to hereinafter read as follows:

"2.7 Recreation Area means those lands which are subject to and more particularly described in the Ninety-Nine (99) Year Lease which is attached as Exhibit "E" hereto, and such additional lands as may be included within the purview of said Lease in the future, together with those lands which are subject to and more particularly described in the Recreation Area Purchase Agreement which has been recorded in O.R. Book 8786, Page 646, Public Records of Broward County, Florida, which is hereby incorporated by reference as Exhibit "F" as though attached hereto and made a part hereof. Additional recreational facilities may be included within the common elements, but for the purposes of the Declaration shall not be included within the definition of 'Recreation Area'." M.F.

2. Subparagraph 2.8 (b) shall be amended to hereinafter read as follows:

"(b) Expenses of maintenance, operation, repair or replacement of the common elements, limited common elements, Recreation Area, and of the portions of the units, if any, to be maintained by the Association."

3. Subparagraph 2.8 (g) shall be added to hereinafter read as follows:

"(g) The payments due and obligations imposed pursuant to the Recreation Area Purchase Agreement and the Recreation Area Note and Mortgage hereinafter described."

4. Subparagraph 2.8 (h) shall be added to hereinafter read as follows:

"(h) Payments due and obligations imposed pursuant to the Indemnification and Hold-Harmless Agreement are attached hereto as Exhibit "G" to Recreation Area Purchase

Agreement; said Agreement has been recorded in O.R. Book 8786, Page 646, Public Records of Broward County, Florida, and is hereby incorporated by reference as Exhibit "F" as though attached hereto and made a part hereof.

5. Subparagraph 2.9 shall be amended to hereinafter read as follows: M.F.

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LAW OFFICES OF  
SHEPHERD AND HIGAN  
A PROFESSIONAL ASSOCIATION  
SUITE 801, WASHINGTON FEDERAL TOWER  
433 NORTHEAST 167TH STREET, NORTH MIAMI BEACH, FLORIDA 33162 (305) 863-3700

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"2.9 Condominium means all of the condominium property as a whole when the context so permits, including the lands and all improvements thereon, and all easements and rights-of-way appurtenant thereto intended for use in connection with the Condominium other than the 'Recreation Area'."

6. Subparagraph 2.12 shall be added to hereinafter read as follows:

"2.12 Recreation Area Purchase Agreement

means that certain Agreement which has been recorded in O.R. Book 8786, Page 646 Public Records of Broward County, Florida, which is hereby incorporated by reference as Exhibit "F" as though attached hereto and made a part hereof, together with all Exhibits attached thereto." M.F.

7. Subparagraph 2.13 shall be added to hereinafter read as follows:

"2.13 Recreation Area Note and Mortgage means

that certain Recreation Area Note and Recreation Area Mortgage attached hereto as Exhibits "C" and "D", respectively to the Recreation Area Purchase Agreement; which Agreement has been recorded in O.R. Book 8786, Page 646, Public Records of Broward County, Florida, which is hereby incorporated by reference as Exhibit "F" as though attached hereto and made a part hereof. M.F.

8. Subparagraph 2.14 shall be added to hereinafter read as follows:

"2.14 Indemnification Agreement means that

certain Indemnification and Hold-Harmless Agreement attached hereto as Exhibit "G" to the Recreation Area Purchase

Agreement; which Agreement has been recorded in O.R. Book 8786, Page 646, Public Records of Broward County, Florida, which is hereby incorporated by reference as Exhibit "F" as though attached hereto and made a part hereof."

9. Subparagraph 2.15 shall be added to hereinafter read as follows: M.F.

"2.15 Recreation Area Purchase Documents mean

that Recreation Area Purchase Agreement, Recreation Area Note and Mortgage, and Indemnification Agreement as aforesaid."

10. Subparagraph 3.7 shall be amended to hereinafter read as follows:

3.5 Recreation Area A Recreation Area has been leased by the Association as agent for the apartment owners and as agent for the apartment owners in other Watergate Condominiums heretofore created or hereafter to be created pursuant to the provisions of the Ninety-Nine (99) Year Lease. The Recreation Area shall be administered by the Association and shall be available for the use of apartment owners without discrimination and without charge except where specifically authorized by this Declaration, except that the Association may adopt regulations providing for charging for exclusive use of the facilities by an apartment owner from time to time if such exclusive use is made available to all apartment owners, and the Association may further adopt regulations providing for a surcharge for the use of such facilities by guests of the owners. Use of the recreational facilities shall be pursuant and subject to the provisions of the Ninety-Nine (99) Year Lease. Additional recreational facilities may be owned as common elements, and such additional facilities shall be administered by the Association in the same manner as the leased area. In addition thereto, the Recreation Area, including the recreation land subject to the aforesaid Ninety-Nine (99) Year Lease, is being purchased by the Association pursuant to the provisions of the Recreation Area Purchase Agreement which has been recorded in O.R. Book 8786, Public Records of Broward County, Florida, which is hereby incorporated by reference as Exhibit A, though attached hereto and made a part hereof. Said Recreation Area shall be administered by the M.F.

Page 646  
reference

Association, and shall be available for the use of the unit owners without discrimination and without charge as provided in this Declaration and further that the Association may adopt regulations providing for charging for exclusive use of the facilities by unit owners from time to time as such exclusive use is made available to all unit owners, and the Association may further adopt regulations providing for a surcharge for the use of such facilities by guests of the owners.

As various unit owners may not wish to avail themselves for the benefits of the Recreation Area Purchase

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and prefer to continue recreation lease payments (including all costs of living escalation payments) provided for in the Ninety-Nine (99) Year Lease, and as additional security for the Recreation Area Mortgage, the Ninety-Nine (99) Year Lease shall be maintained and not cancelled by the Association until the Recreation Area Note and Mortgage, as aforescribed, is fully satisfied. All Ninety-Nine (99) Year Lease assessments, made under the Ninety-Nine (99) Year Lease shall belong to the Association, and for so long as the Recreation Area Note and Mortgage is not in default, the Association's obligation to the Grantor of the Recreation Area shall be for the aforescribed Recreation Area Note and Mortgage payment and payments made pursuant to the Indemnification Agreement. In the event of a default under the Recreation Area Note and Mortgage, whereby the Mortgagee shall be entitled to receive such Recreation Lease payments, the Recreation Area Note and Mortgage payments shall be credited towards the deficiency owed to the Lessor under the Recreation Lease for Recreation Lease payments accruing while the mortgage was not in default. Upon full payment and satisfaction of the Recreation Area Note and Mortgage all right, title and interest of the Lessor in and to the Ninety-Nine (99) Year Lease shall pass to the Association. If the Association elects at that time, the Recreation Lease may be cancelled. It is the intantion of the Association and the Grantor that the interest of the Lessor and Lessee under the Ninety-Nine (99) Year Lease not be merged as a result of such purchase of the Recreation Area by the Association."

11. Paragraph 5 shall be amended to hereinafter read as follows:

"5. Liability for Common Expenses Each unit owner shall be liable for a proportionate share of the common



expenses, such share being the same as the undivided share in the common elements appurtenant to his unit. Such common expenses shall include that portion of the obligations and liabilities of the Association under the terms and provisions of the Ninety-Nine (99) Year Lease, the Recreation Area Purchase Agreement and the Recreation Area Note and Mortgage which is attributable to his condominium unit, except as limited as hereinafter provided."

12. Subparagraph 7.3 shall be amended to hereinafter read as follows:

"7.3 Recreation Area Maintenance, repair, replacement, alteration and improvement of the Recreation Area shall be by the Association at the Association's expense, pursuant to the terms of the Ninety-Nine (99) Year Lease, the Recreation Area Purchase Agreement and the Recreation Area Mortgage."

13. Subparagraph 7.2 shall be amended to hereinafter read as follows:

"7.2 Lien for Assessment The Association shall have a lien against each condominium unit for any unpaid assessments against the unit owner thereof, and for interest accruing thereon, which lien shall also secure reasonable attorney's fees incurred by the Association incident to the collection of such assessment or enforcement of such lien, whether or not legal proceedings are initiated; provided, however, that no lien for assessments shall become effective until recorded in the Public Records of Broward County, Florida. Said lien shall be recorded among the Public Records of Broward County, Florida, by filing a claim therein which states the legal description of the apartment unit, the amount claimed to be due, and said lien shall continue in effect until all sums secured by the lien, together with all costs

incurred in recording and enforcing said lien, shall have been paid. Such Claims of Lien may be signed and verified by an officer of the Association, or by a managing agent of the Association or its attorney in fact. Upon full payment the party making payment shall be entitled to a recordable Satisfaction of Lien, to be prepared and recorded at his expense. All such liens shall be subordinate to the lien of institutional first mortgages or the Recreation Area Mortgage recorded prior to the date of recording the Claim of Lien, and all such liens may be foreclosed by suit brought in the name of the Association in a like manner as a foreclosure on the Mortgage on the real property. In any such foreclosure the owner of the apartment unit subject to the lien shall be required to pay a reasonable rental for the apartment, and the Association shall be entitled to the appointment of a receiver to collect the same. The Association may also, at its option, sue to recover a money judgment for unpaid assessments without thereby waiving the liens securing same. In the event an institutional mortgagee of a first mortgage of record or mortgagee of a Recreation Area Mortgage shall obtain title to the apartment unit as a result of the foreclosure of a first mortgage or Recreation Area Mortgage, or in the event an institutional mortgagee as to a first mortgage of record or Recreation Area Mortgagee as to a Recreation Area Mortgage, shall obtain title to an apartment unit as a result of a conveyance in lieu of foreclosure of such first mortgage or Recreation Area Mortgage, such acquirer of title, its successors and assigns, shall not be liable for that share of the common expenses or assessments by the Association, to the extent permissible by law, chargeable to the apartment, or the owner thereof, which becomes due prior to the acquisition of title by such institutional mortgagee, Recreational Area

Mortgagee or purchaser at foreclosure sale, but shall be responsible for its proportionate share of the common expenses or assessments subsequent to acquiring title, except as provided in Paragraph 7.3(b) below with regard to the assessment for the purchase of the Recreation Area by the Association."

14. A Subparagraph 7.3 shall be added to hereinafter read as follows:

"7.3 Additional Assessments

(a) Each unit owner is hereby assessed the sum set forth in Exhibit "n" to the Recreation Area Purchase Agreement (which Agreement has been recorded in the Public Records of Broward County, Florida, and which is hereby incorporated by reference as Exhibit "F" as though attached hereto and made a part hereof, as a contribution to the capital of the Association. The proceeds of such assessment shall be utilized by the Association for a capital acquisition, i.e., to purchase the Recreation Area

purchase to the Recreation Area Purchase Agreement which has been recorded in O.R. Book 8786 Page 676. Public Records of Broward County, Florida, which is hereby incorporated by reference as Exhibit "n" as though attached hereto and made a part hereof

paid in cash, shall bear interest at a rate of six (6%) per cent per annum on the unpaid balance thereof, shall be payable in three hundred sixty (360) equal monthly installments of principal and interest with the first such monthly payment commencing February 15, 1980 and may be prepaid by a unit owner at any time as provided in said Recreation Area Purchase Agreement. Each unit owner executing an amended Pledge Agreement shall, unless or until a default occurs on the part of the Association in connection with the Recreation Area Note and Mortgage, be relieved of any assessment for the payment by the Association in connection with the Ninety-Nine (99) Year Lease. If any unit owner executing an amended Pledge Agreement, as provided in the Recreation Area Purchase Agreement, fails to pay any assessments, or any installments thereon, the Grantor under said Recreation Area Purchase

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LAW OFFICES OF  
SCHANK AND KARAN  
A PROFESSIONAL CORPORATION  
SUITE 201, WASHINGTON CENTRAL TOWER  
475 HOLEHART 157th STREET, NORTH MIAMI BEACH, FLORIDA 33157 (305) 657-3700

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documents, in addition to all of the remedies provided by law and the Recreation Area Purchase Agreement, the Recreation Area Mortgage and the Indemnification Agreement, shall have a mortgage lien against the condominium unit of such defaulting owner for the remaining unpaid balance of such assessments, which may be thereupon accelerated and be due and payable in full, together with all interest thereon, and fees incurred in enforcing said lien and payment of said assessments. The foreclosure of said lien against a condominium unit owner for his proportionate share of monies shall not be considered or construed as a termination or cancellation of the Recreation Area Purchase Agreement or the Recreation Area Note or Mortgage in accordance with the terms of said agreements nor by operation of law. The mortgage lien herein provided shall be subordinate to the lien of any institutional first mortgage encumbering a condominium unit, as provided in the Recreation Area Mortgage. Any unit owner not executing an amended Pledge Agreement as provided in the Recreation Area Purchase Agreement shall be liable in full for his proportionate share of the Recreation Lease payments (including all costs of living escalation payment) due under the terms of the Ninety-Nine (99) Year Lease.

(b) If any institutional first mortgagee of record or other purchaser of a condominium parcel (unit) obtains title thereto as a result of the foreclosure of an institutional first mortgage, or where such institutional first mortgage accepts a deed to such condominium parcel in lieu of foreclosure, such acquirer shall remain obligated for that portion of the assessment attributable to such condominium unit as provided for herein accruing subsequent to the date such acquirer of title obtains title thereon. Upon foreclosure and/or acceptance of a deed in lieu of

foreclosure, by a mortgagee, the Association shall reassess such unit for the assessment attributable to such unit remaining unpaid as of such date plus interest thereon accruing subsequent to the date of such conveyance; provided, that such assessment, if not paid promptly in cash, shall bear interest at a rate of six (6%) per cent per annum simple interest and may be paid in equal monthly installments, each such monthly installment (consisting of principal and interest) shall be in the amount set forth in Exhibit "B" to

the Recreation Area Purchase Agreement, which Agreement has been recorded in O.R. Book 8786, Page 144, Public Records of Broward County, Florida, which is hereby incorporated by reference as Exhibit "B" as though attached hereto and made a part hereof, and each such

acquirer to title shall and does hereby consent to the imposition of such assessment."

15. A subparagraph 7.5 shall be added to hereinafter read as follows:

"7.5 Unit Owner Paid-Up License

(a) A unit owner who has fully paid the Recreation Area assessment attributable to that unit shall be deemed upon receipt of the payments by the Grantor under the Recreation Area Mortgage, to have been granted a Co-equal Possessory License which shall not: (1) grant to any such unit owner any right, title or interest in and to the fee simple title of the said Recreation Area, (2) grant to any such unit owner, his heirs and lawful assigns, any other right, license or privilege with respect to use of the Recreation Area except for recreational purposes in accordance with the reasonable rules or regulations of the owner of the fee simple title, or (3) grant to such unit owner any right to use of the Recreation Area except for its intended purposes and in the physical condition the owner of the fee simple title permits to exist at the time of use.

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Any such Co-equal Possessory License shall not be a possessory right which is extinguished by foreclosure of the Recreation Area Mortgage. The lawful holder of such Co-equal Possessory License shall not be subject to additional assessment for the payment of the Recreation Area Note nor subject to any assessment for rent under the Ninety-Nine (99) Year Lease, but shall continue to be subject to assessments for common expenses for such Recreation Area for taxes, insurance, utilities and other maintenance expenditures, and under the Indemnification Agreement.

(b) Upon payment in full of said assessments, the Association shall deliver to the unit owner making such payment a receipt therefor, in recordable form, joined in by the Recreation Area Mortgagee, reflecting that no further assessments on account of the purchase price of the Recreation Area shall be made against the said unit. A copy of such SATISFACTION AND RELEASE FOR RECREATION AREA ASSESSMENT is attached hereto as Exhibit "C", and made a part hereof."

16. Subparagraph 13.11 shall be added to hereinafter read as follows:

"13.11 Any sale or conveyance of a condominium unit (or interest therein) which has not previously been pledged or hypothecated as additional security for the payment of such obligation by the unit owner or his predecessor in title having executed and recorded an Amended Pledge Agreement, a copy of which is attached to the Recreation Area Purchase Agreement as an Exhibit, shall be null and void unless said purchaser shall, on or before closing on said unit, execute and place of record such Amended Pledge Agreement, pledging and hypothecating said unit as additional

collateral for the Association's performance of its obligations under the Recreation Area Purchase Agreement and the Association shall not grant its approval, as provided herein, to any sale or other conveyance without the parties having first complied fully with this provision."

17. Subparagraph 17.3 shall be amended to hereinafter read as follows: .

"17.3 Proviso Provided, however, that no amendment shall discriminate against any apartment owner nor against any apartment or class or group of apartments unless the apartment owners so affected shall consent; and no amendment shall change any apartment nor the share in the common elements appurtenant to it, nor increase the owner's share of the common expenses, unless the record owner of the apartment concerned and all record owners of mortgages on such apartment shall join in the execution of the amendment. Neither shall an amendment make any change in the section entitled "Insurance" nor in the section entitled "Reconstruction or Repair After Casualty" unless the record owners of "all" mortgages upon the Condominium shall join in the execution of such amendment. No amendment shall make any change which would in any way affect any of the rights, privileges, powers and options of the Lessor under the terms of the Ninety-Nine Year Lease, unless the Lessor shall join in the execution of such amendment, nor shall any amendment make any change which would in any way affect any of the rights, privileges, powers, and/or options herein provided in favor of or reserved to the Grantor or Mortgagee under the terms of the Recreation Area Purchase Agreement and the Recreation Area Note or Mortgage unless such Grantor or Mortgagee joins in the execution of such Amendment.

22. Paragraph 20 shall hereinafter be added to read as follows:

"20. Authority of the Association to Purchase Recreation Area: Notwithstanding any provision in this Declaration of Condominium or any Exhibits attached hereto to the contrary:

(a) The Condominium Association shall have the full power, right, and authority to purchase the , aforedescribed Recreation Area pursuant to the terms of the Recreation Area Purchase Agreement and the Exhibits attached thereto.

(b) Condominium Association directors and officers shall have the right to acquire the Recreation Area pursuant to the terms of the Recreation Area Purchase Agreement and the Exhibits attached thereto for and on behalf of the Condominium Association.

(c) In connection with the acquisition of the Recreation Area, the Condominium Association officers shall have the right to pledge the Condominiums and the Condominium Associations full faith and credit by signing the Mortgage and Mortgage Note, to execute the Indemnification Agreement, and to guarantee payment in conjunction with said purchase.

(d) The Condominium Association shall have the right to assess unit owners for their proportionate share of the recreation area purchase price, the Recreation Area Note and Mortgage, and the Indemnification Agreement.

(e) The Condominium Association shall have the right to charge against the general funds of the Condominium Association any monies necessary to make up payments in the event of shortages created by failure of unit owners to make monthly payments toward the unit owners portion



of the Recreation Area Note and Mortgage and to pay all costs and expenses under the Indemnification Agreement. The Condominium Association shall have the right to place a lien on a unit owner's apartment for such unit owner's failure to pay his obligations herein.

(f) The Condominium Association has the right to replenish the general funds of the Association in the event of shortages described above; to charge all owners of units their proporate share of such shortage as a common expense.

(g) The Condominium Association has the right to foreclose upon a Condominium unit for failure of the individuals to pay their respective shares of such expenses as provided for under their Pledge Agreements."

IN WITNESS WHEREOF, the undersigned have caused these presents to be executed this 15 day of NOVEMBER, 1979.

WATERGATE CONDOMINIUMS  
ASSOCIATION, INC.  
a Florida non-profit corporation

Attest:

John Bloom  
Secretary

By: Muriel Vogel  
President

(Corporate Seal)



STATE OF FLORIDA)  
COUNTY OF Dade ) SS  
Broward

I, an officer duly authorized to take acknowledgments according to the laws of the State of Florida, duly qualified and acting, HEREBY CERTIFY that Meyer Fogel and John Bloom The President and Secretary respectively of WATERGATE CONDOMINIUMS ASSOCIATION, INC., to me personally known this day acknowledged before me that they executed the foregoing Amendment as such officers of said Corporation, and that they affixed thereto the official seal of said Corporation, and I further certify that I know the said persons making said acknowledgment to be the individuals described in and who executed the said instrument.

REF 8792 REC 965

IN WITNESS WHEREOF, I have hereunto set my hand and official seal in the County and State last aforesaid this 15 day of November, 1979.

Helen Joyce  
Notary Public, State of Florida



My Commission Expires:

Notary Public, State of Florida at Large  
My Commission Expires September 15, 1980  
Bonded Thru Peerless Insurance Co.

The undersigned Lessor does hereby join in and consent to the foregoing Amendment to Declaration of Condominium of Watergate Condominium No.

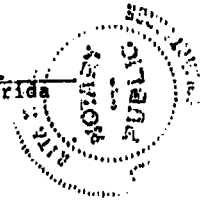
[Signature]  
[Signature]  
PHILIP PEARLMAN, Trustee

STATE OF FLORIDA  
COUNTY OF DADE SS

BEFORE ME, the undersigned authority, personally appeared PHILIP PEARLMAN, Trustee, to me well known and known to me to be the person who joined in the execution of the foregoing Amendment.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal in the County and State last aforesaid this 23rd day of January, 1980.

[Signature]  
Notary Public, State of Florida



My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE  
MY COMMISSION EXPIRES JULY 11 1983  
BONDED THRU GENERAL INS. UNDERWRITERS

REC 8792 REC 966

WATERGATE CONDOMINIUM SATISFACTION  
AND RELEASE OF RECREATION AREA  
ASSESSMENT

KNOW ALL MEN BY THESE PRESENTS: that the undersigned  
for and in consideration of the sum of \_\_\_\_\_  
(\$ \_\_\_\_\_) DOLLARS and other good  
and valuable considerations paid to the undersigned by

\_\_\_\_\_ the owner of the premises described below, acknowledges receipt  
of said sum in full payment of the special assessment for the  
purchase of Recreation Area Facilities as set forth in the  
Declaration of Condominium of Watergate Condominium #  
as Amended, being that portion of the purchase price attributable  
to the premises described below, and the undersigned does hereby  
release all liens, lien rights, claims or demands of any kind  
or nature whatsoever, arising out of said special assessment  
for the Recreation Area purchase which the undersigned might now  
or hereafter have into or against the premises described as:

Condominium Unit No. \_\_\_\_\_, WATERGATE CONDOMINIUM  
Building No. \_\_\_\_\_, according to the Declaration  
of Condominium thereof, recorded in O.P. BOOK  
Page \_\_\_\_\_ of the Public Records of  
Broward County, Florida, as amended, and that  
portion of the Common Elements appurtenant  
thereto.

IN WITNESS WHEREOF, the undersigned has caused these presents  
to be signed in its name by its President and its corporate seal to  
be affixed, attested by its Secretary this \_\_\_\_\_ day of \_\_\_\_\_,  
19 \_\_\_\_ in the County of \_\_\_\_\_, State of Florida.

ATTEST:

WATERGATE CONDOMINIUMS  
ASSOCIATION, INC.

BY \_\_\_\_\_

Secretary

BY: \_\_\_\_\_

President

RE 8792 REC 967

STATE OF FLORIDA )  
                  ) SS:  
COUNTY OF       )

I, an officer duly authorized to take acknowledgments according to the laws of the State of Florida, duly qualified and acting, hereby certify that \_\_\_\_\_ and \_\_\_\_\_, President and Secretary respectively of WATERGATE CONDOMINIUMS ASSOCIATION, INC., to me personally known, this day acknowledged before me that they executed the foregoing instrument as such officer of said Corporation, and that they affixed thereto the official seal of the said Corporation, and I further certify that I know the said persons making the said acknowledgment to be the individuals described in and who executed the said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal at \_\_\_\_\_, the County and State aforesaid, this \_\_\_\_\_ day of \_\_\_\_\_, 19

My Commission Expires:

\_\_\_\_\_  
Notary Public

KNOW ALL MEN BY THESE PRESENTS, that the undersigned is the owner and holder of a certain Recreation Area Mortgage executed by WATERGATE CONDOMINIUMS ASSOCIATION, INC., to PHILIP PEARLMAN, TRUSTEE, bearing the date the \_\_\_\_\_ day of \_\_\_\_\_, 1978, recorded in O.R. Book \_\_\_\_\_, Page \_\_\_\_\_, in the office of the Clerk of the Circuit Court of Broward County, Florida, securing a certain Recreation Area Note in the principal sum of \_\_\_\_\_ (\$ \_\_\_\_\_) DOLLARS, with interest thereon as mentioned, and

WHEREAS, the owner of the aforescribed premises has requested the said Mortgage to release the premises hereinabove described from the lien and operation of the Mortgage.

NOW THEREFORE, the said PHILIP PEARLMAN, TRUSTEE in consideration of the payment of the portion of the principal obligation secured by the aforescribed premises, the receipt thereof is hereby acknowledged, does hereby release, remise, quit claim, exonerate and discharge from the lien and operation of the said Mortgage the aforescribed premises unto the said owner of the aforescribed premises, his heirs, and assigns forever.

IN WITNESS WHEREOF, the said PHILIP PEARLMAN, TRUSTEE has

REC-8792 REC-968

set his hand and seal this \_\_\_\_\_ day of \_\_\_\_\_, 1978,  
in the County of \_\_\_\_\_, State of Florida.

Witnessed:

\_\_\_\_\_  
\_\_\_\_\_

PHILIP PEARLMAN, Trustee (SEAL)

STATE OF FLORIDA )  
                          )  
COUNTY OF            )

I, an officer duly authorized to take acknowledgments, according to the laws of the State of Florida, duly qualified and acting, HEREBY CERTIFY that PHILIP PEARLMAN, TRUSTEE, to me known personally this day acknowledged before me that he executed the foregoing instrument, and I further certify that I know the said person making the said acknowledgment to be the individual described in and who executed the said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal at \_\_\_\_\_ County and State aforesaid, this \_\_\_\_\_ day of \_\_\_\_\_, 1978.

\_\_\_\_\_  
Notary Public

My Commission Expires:

REF 8792 PAGE 969

AMENDMENT TO THE BY-LAWS

OF

WATERGATE CONDOMINIUMS ASSOCIATION, INC.,  
a corporation not for profit under  
the laws of the State of Florida

WHEREAS under Article VIII of the By-Laws of WATERGATE CONDOMINIUMS ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, an Amendment proposed by a majority of the Board of Directors at a regularly constituted meeting may be made to the By-Laws by securing not less than seventy-five (75%) percent of the votes of the entire membership of such Board of Directors and by securing not less than fifty-one (51%) percent of the votes of the entire membership from each of the Condominiums administered by the Association; and

WHEREAS, more than seventy-five (75%) percent of the votes of the entire Board of Directors at a regularly constituted meeting held on the 26th day of February, 1979, and reaffirmed on the 28th day of September, 1979, approved the adoption of the following Amendments to the By-Laws of the Association; and

WHEREAS, more than fifty-one (51%) percent of the votes of the entire membership from each of the Condominiums administered by the Association at a special meeting held on the 19th day of March, 1979, and reaffirmed on the 14th day of October, 1979, approved the adoption of the following Amendments to the By-Laws of the Association.

NOW, THEREFORE, the By-Laws of WATERGATE CONDOMINIUMS ASSOCIATION, INC., attached as Exhibit "D" to the Declarations of Condominium of those WATERGATE CONDOMINIUMS, Condominiums recorded in Official Records Book 4683, at Page 696; recorded in Official Records Book 4854, at Page 409; recorded in Official Records Book 5001, at Page 914; recorded in Official

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Records Book 5085, at Page 711; recorded in Official Records Book 5088, at Page 833; and recorded in Official Records Book 5089, at Page 81, of the Public Records of Broward County, Florida, as amended by any valid amendment to the current date, be and they are hereby amended as follows:

1. Subparagraphs 4(d), (e), (f), (g), (h), and (i) shall be added to hereinafter read as follows:

- "(d) To execute, enter into and perform all of the terms and conditions of any certain Recreation Area Purchase Agreement, Recreation Area Note, Recreation Area Mortgage, and Indemnification and Hold Harmless Agreement, together with all Exhibits attached hereto and made a part hereof, as approved by the Board of Directors of the Association, for and on behalf of Watergate Condominiums Association, Inc.
- (e) To acquire legal title to the Recreation Area as provided for under the terms of the aforesaid Recreation Area Purchase Agreement.
- (f) To pledge the Condominium Association's full faith and credit by affixing its signature upon the aforesaid Recreation Area Purchase Agreement, the Recreation Area Note and Mortgage, and the Indemnification and Hold Harmless Agreement.
- (g) To assess the unit owners for their proportionate share of the Recreation Area purchase price, the Recreation Area Note and Mortgage, and the Indemnification and Hold Harmless Agreement.
- (h) To permit the Condominium Association to charge against the general funds of the Condominium Association any monies necessary to make up payments in the event of a shortage created by failure of unit owners to pay their allocable portion of the Recreation Area Note and Mortgage and to pay all costs and expenses under the Indemnification and Hold Harmless Agreement and to charge all unit owners with such charges as a common expense.
- (i) To permit the Condominium Association to foreclose on any condominium unit for failure of such unit owners to pay their respective shares of those charges and expenses provided for in Subparagraphs (f) and (g) above."

2. Subparagraph 8.1 shall be amended to hereinafter read as follows:

"8.1. Proviso. Provided, however, that no Amendment shall discriminate against any

condominium unit owner nor against any condominium unit or class or group of units unless the condominium unit owners so affected shall consent. No Amendment shall be made that is in conflict with The Condominium Act, the Articles of Incorporation, or any of the provisions of the Declarations of Condominium. No Amendment shall be adopted without the consent and approval of the Developer, so long as it shall own five (5) or more condominium units in the Watergate Condominiums. No Amendment shall make any change which would in any way affect any of the rights, privileges, powers and options of the Lessor under the terms of the Ninety-Nine Year Lease, unless the Lessor shall join in the execution of such Amendment, nor shall any Amendment make any change which would in any way affect any of the rights, privileges, powers and/or options herein provided in favor of or reserved to the Grantor or Mortgagee under the terms of the afore-described Recreation Area Purchase Agreement or the Recreation Area Note or Mortgage unless the said Grantor or Mortgagee shall join in the execution thereof."

IN WITNESS WHEREOF, the undersigned have caused this Amendment to be executed and its corporate seal affixed hereto, this 28 day of January, 1980.

ATTEST:

Archie J. Hoff  
Secretary

WATERGATE CONDOMINIUMS ASSOCIATION, INC.  
a Florida non-profit corporation

By: Meyu Fogel  
President

(CORPORATE SEAL)

STATE OF FLORIDA )  
COUNTY OF DADE

BEFORE ME, the undersigned authority, duly authorized to take acknowledgments and administer oaths, personally appeared Meyu Fogel and Archie J. Hoff, to me well known and known to me to be the individuals described in and who executed the foregoing instrument as President and Secretary, respectively, of WATERGATE CONDOMINIUMS, INC., a Florida non-profit corporation, and they severally acknowledged to and before me that they executed such instrument as such officers of said corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that it was affixed to said instrument by due and regular corporate authority, and that said instrument is the free act and deed of said corporation.

WITNESS my hand and official seal this 28 day of January, 1980.

Archie J. Hoff  
NOTARY PUBLIC STATE OF FLORIDA  
AT LARGE

My Commission Expires:

Notary Public, State of Florida at Large  
My Commission Expires September 15 1980  
Bonded thru Peerless Insurance Co.

-3-

RECORDED IN THE OFFICIAL RECORDS BOOK  
OF BROWARD COUNTY, FLORIDA  
GRAHAM W. WATT  
COUNTY ADMINISTRATOR

LAW OFFICES OF  
SCHIRANK AND BAHAN  
A PROFESSIONAL CORPORATION

3000 WASHINGTON BOULEVARD, SUITE 1000, MIAMI BEACH, FLORIDA 33139 (305) 533-2700

REC-8792 REC-972



83-067210

PREPARED BY &  
RETURN TO:

FRANK T. NEWMAN  
2450 Hollywood Blvd  
Suite 701  
Hollywood, Fla. 33020

**CERTIFICATE OF AMENDMENT  
OF THE DECLARATION OF CONDOMINIUM OF  
WATERGATE CONDOMINIUMS ASSOCIATION, INC.**

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KNOW ALL MEN BY THESE PRESENTS that the undersigned President and Secretary of the WATERGATE CONDOMINIUMS ASSOCIATION, INC., certify as follows:

At the annual meeting of the unit owners and the Board of Directors of the WATERGATE CONDOMINIUMS ASSOCIATION, INC., duly held in the auditorium of the Watergate Condominium, at 2801 Taft Street, Hollywood, Florida, at 8 p.m. on February 15, 1983, the following amendments to ARTICLE 12 and 13, of the Declaration of Condominium of WATERGATE CONDOMINIUMS, which Declaration appears among the Public Records of Broward County, Florida, as follows:

<u>Building No.</u>	<u>Date</u>	<u>Book No.</u>	<u>Page</u>	<u>Clerk's File No.</u>
1	November 19, 1971	4683	696	71-179081
2	May 5, 1972	4834	489	72-072781
3	September 25, 1972	5001	914	72-166537
4	December 11, 1972	5085	711	72-215509
5	December 13, 1972	5088	833	72-217426
6	December 13, 1972	5089	81	72-217518

were duly adopted by a vote of approval of more than 66 2/3% of the entire membership of the Board of Directors and approved by more than 51% of the unit owners of each of the aforesaid condominiums:

1. ARTICLE 12, USE RESTRICTIONS, sub-section 12.7, Lessing of Apartments, Page 14, shall be amended by adding after the first sentence thereof, the following language:

No unit shall be leased for less than four months, and not more than one lease per unit shall be permitted to commence in any twelve month period. Upon the approval of any lease by the Board of Directors, the prospective lessee shall deposit with the Condominium Association the sum of \$250.00 (which shall bear no interest) as security for any damage to condominium property and to secure lessee's observance of the Condominium documents.

2. ARTICLE 13, MAINTENANCE OF COMMUNITY INTERESTS, Sub-section 13.2, Approval by Association, sub-section "a(2)" thereof, Page 16, shall be amended by adding the following language:

Each prospective lessee must appear before a Screening Committee in person, at least 15 days prior to moving in. If prospective lessee lives out of town and finds it difficult to appear 15 days before, the Committee will mail papers to be filled in and returned immediately. However, said lessee still must appear in person, by appointment, at least one (1) day prior to move-in. No leases will be permitted to move in unless, and until, personally interviewed by the Committee. In the event lessee moves in without prior permission of the Board of Directors, the Association will take all necessary steps to evict the lessee, including litigation, and in such event, the lessee and the unit owner shall be responsible for all court costs and attorney fees incurred, including court costs and attorney fees on appeal.

The Screening Committee shall be made up of two directors from the building involved to screen the prospective lessees in that building.

3. ARTICLE 13, Sub-section 13.1, Sub-section "b(3) (d)" thereof, Screening Fee, Page 17, shall be amended to read as follows:

Screening Fee: The Association shall require the payment of a Fifty (\$50.00) dollar screening fee, together with the application for sale or lease, or for transfer by gift, devise or inheritance, for the purpose of defraying the Association's expenses in investigating the prospective buyer, lessee or transferee and changing the Association's records.

REC 1071187

WHEREFORE, WATERGATE CONDOMINIUMS ASSOCIATION, INC., has caused this Certificate of Amendment to be executed by its duly authorized officers this 24th day of February, 1983.

WITNESSES:

[Signature]  
[Signature]

WATERGATE CONDOMINIUMS ASSOCIATION, INC.

By [Signature]  
Leyar Fogel, President

By [Signature]  
Ida Bloom, Secretary

STATE OF FLORIDA  
COUNTY OF BROWARD

I HEREBY CERTIFY that on this day personally appeared before me, MEYER FOGEL and IDA BLOOM, the President and Secretary, respectively, of WATERGATE CONDOMINIUMS ASSOCIATION, INC., to me known to be the persons who signed the foregoing instrument as such officers and who acknowledged the execution thereof to be their free act and deed as such officers for the uses and purposes therein mentioned, and the Secretary affixed thereto the official seal of said corporation, and that the said instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State last aforesaid, this 24th day of February, 1983.

[Signature]  
Notary Public



My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE  
MY COMMISSION EXPIRES SEPT. 15 1984  
BONDED THRU GENERAL INT. UNDERWRITERS

RECORDED IN THE OFFICIAL RECORDS BOOK  
OF BROWARD COUNTY, FLORIDA  
P. T. JOHNSON  
COUNTY ADMINISTRATOR

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CERTIFICATE OF AMENDMENT  
OF THE DECLARATION OF CONDOMINIUM OF  
WATERGATE CONDOMINIUMS ASSOCIATION, INC.

KNOW ALL MEN BY THESE PRESENTS that the undersigned President and Secretary of the WATERGATE CONDOMINIUMS ASSOCIATION, INC., certify as follows:

At a special meeting of the unit owners and the Board of Directors of the WATERGATE CONDOMINIUMS ASSOCIATION, INC., duly held in the auditorium of the Watergate Condominium, at 2801 Taft Street, Hollywood, FL at 7:00 p.m. on May 15, 1989, the following amendments to ARTICLES 12 and 13, of the Declaration of Condominium of WATERGATE CONDOMINIUMS, which Declaration appears among the Public Records of Broward County, FL, as follows:

Building No.	Date	Book No.	Page	Clerk's File No.
1	11-19-1971	4683	696	71-179081
2	05-05-1972	4854	489	72-078781
3	09-25-1972	5001	914	72-166557
4	12-11-1972	5085	711	72-215509
5	12-13-1972	5088	833	72-217426
6	12-13-1972	5089	81	72-217518

were duly adopted by a vote of approval of more than 66 2/3% of the entire membership of the Board of Directors and approved by more than 66 2/3% of the unit owners, of each of the aforesaid condominiums:

1. ARTICLE 12, USE RESTRICTIONS, shall be amended to read as follows:

12. Use Restrictions. The use of the Condominium property shall be in accordance with the following provisions as long as the Condominium exists and the apartment building in useful condition exists upon the land:

12.1 Apartments. Each of the apartment units shall be occupied only as a private dwelling subject to the provisions of this Declaration of Condominium. No apartment unit may be divided or subdivided into a smaller unit.

12.2 Common elements and limited common elements. The common elements and limited 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 apartments.

12.3 Children. No persons who have not yet attained the age of ten (10) years shall be permitted to reside in any of the apartments. Children under such age may visit and temporarily reside in an apartment unit provided that the apartment resident shall also be in residence during such visit and provided such temporary residence shall not exceed thirty (30) days within any consecutive twelve month period.

12.4 Pets. No pets other than goldfish, tropical fish and the like, and such birds as canaries, parakeets and the like, shall be maintained or kept in any of the apartments, except that pet(s) kept or maintained in any apartments prior to June 1, 1989, may continue to be kept or maintained in said apartment(s).

12.5 Nuisances. No nuisance shall be allowed upon the Condominium property, not 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

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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 apartment owner shall permit any use of his apartment or make any use of the common elements that will increase the cost of insurance upon the Condominium Property.

12.6 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, modification or repair of the Condominium property shall be the same as the responsibility for the maintenance and repair of the property concerned.

12.7 Leasing of Apartments. After approval by the Association as elsewhere required, entire apartments may be rented provided the occupancy is only by the lessee, his family and guests. No leased apartment shall be occupied, permanently, or temporarily, by any person under the age of ten (10) years. No unit shall be leased for less than four months, and not more than one lease per unit shall be permitted to commence in any twelve month period. Upon the approval of any lease by the Association the prospective lessee shall deposit with the Condominium Association the sum of \$250.00 or an amount equivalent to one (1) month's rent, whichever is less (which shall bear no interest) as security for any damage to common elements or association property. No rooms may be rented and no transient tenants shall be accommodated in any apartment, nor shall any lease of any apartment release or discharge the owner thereof of compliance with any of his obligations and duties as an apartment owner. All of the provisions of this Declaration, the Charter and By-Laws, and the Rules and Regulations of the Association pertaining to use and occupancy shall be applicable and enforceable against any person occupying an apartment unit as a tenant to the same extent as against an apartment owner, and a covenant upon the part of each such tenant to abide by the rules and regulations of the Declaration of Condominium, Charter and By-Laws, and designating the Association as the apartment owner's agent for the purpose of and with the authority to terminate any such lease agreement in the event of violations by the tenant of such covenant shall be an essential element of any such lease or tenancy agreement, whether oral or written, and whether specifically expressed in such agreement or not.

12.8 Signs. No "FOR SALE" or "FOR RENT" signs or other displays or advertising shall be maintained on any part of the common elements, limited common elements or apartments.

12.9 Parking spaces. No truck, recreational vehicle, or any commercial vehicle of any kind whatsoever shall be parked in any parking space except such temporary parking as may be necessary to effectuate deliveries to the Condominium, the Association, or Unit Owners and residents.

12.10 Interior hallways. All doors between apartments and interior hallways shall be kept closed at all times when not being used for ingress and egress. Screen or screen doors on entrances between apartment units and interior corridors are prohibited.

12.11 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 this Declaration, the 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.

2. Article 13, MAINTENANCE OF COMMUNITY INTERESTS, shall be amended to read as follows:

13. Maintenance of community interests. In order to maintain a community of congenial residents who are financially responsible and thus protect the value of the apartments, the transfer of apartments by any owner shall be subject to the following provisions as long as the Condominium exists and the apartment building in useful condition exists upon the land:

13.1 Transfers subject to approval.

(a) Sale. No apartment owner may dispose of any apartment or any interest in an apartment by sale without the prior written approval of the Association.

(b) Lease. No apartment owner may lease an apartment without the prior written approval of the Association.

(c) Gift. If any apartment owner shall acquire title by gift, the continuance of his ownership of his apartment shall be subject to the written approval of the Association.

(d) Devise or inheritance. If any apartment owner shall acquire his title by devise or inheritance, the continuance of his ownership of his apartment shall be subject to the written approval of the Association.

(e) Other Transfers. If any apartment owner shall acquire his title by any manner not considered in the fore-going sub-sections, the continuance of his ownership of his apartment shall be subject to the written approval of the Association.

13.2 Approval by Association.

(a) Notice to Association.

(1) Sale. An apartment owner intending to make a bona fide sale of his apartment or any interest in it shall give to that Association notice of such intention, together with the name and address of the intended purchaser, a fully executed copy of the complete proposed sales contract, along with any and all addenda, a completed application, a screening fee in the amount of Fifty (\$50.00) Dollars and such other information concerning the intended purchaser as the Association may reasonably require. As part of this Notice, the intended purchaser must schedule a personal interview with a Screening Committee selected by the Board of Directors. No decision shall be rendered as to this intended sale until the intended purchaser appears for the scheduled personal interview.

(2) Lease. An apartment owner intending to make a bona fide lease of his apartment or any interest in it shall give to the Association notice of such intention, together with the name and address of the intended lessee, a fully executed copy of the proposed written lease agreement, which shall be on a written lease agreement form approved by the Association, a completed application, a screening fee in the amount of Fifty (\$50.00) Dollars, and such other information as the Association may reasonably require. As part of this Notice, the intended lessee must schedule a personal interview with a Screening Committee selected by the Board of Directors. No decision shall be rendered as to this intended lease until the intended lessee appears for the scheduled personal interview. In the event lessee moves in without prior written permission of the Association, the Association shall take all necessary legal acts, including, but not limited to seeking an injunction terminating this unauthorized tenancy, and in

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such event, the lessee and the unit owner shall be jointly and severally liable for court costs and for reasonable attorneys fees.

(3) Gift, devise or inheritance; other transfers. An apartment owner who has obtained his title by gift, devise or inheritance, or by any other manner not previously considered, shall give to the Association notice of the acquiring of his title, together with such information concerning the apartment owner as the Association may reasonably require, a certified copy of the instrument evidencing the owner's title, a completed application, a screening fee in the amount of Fifty (\$50.00) Dollars and shall schedule a personal interview with a screening committee selected by the Board of Directors.

(4) Failure to give notice. Any event transferring ownership or possession of an apartment which shall occur without the required prior notice having been given to the Association shall be void ab initio. The Association shall take any and all legal acts, including but not limited to injunctive relief, as may be necessary to terminate such prohibited transfer of ownership or possession. The Association shall recover its court costs and its reasonable attorney's fees.

(b) Certificates of Approval.

(1) Sale. If the proposed transaction is a sale, within thirty (30) days after receipt of such notice and information the Association must either approve or disapprove the proposed transaction. Approval shall not be unreasonably withheld. If approved, the approval shall be stated in a certificate executed by any officer of the Association, in recordable form.

(2) Lease. If the proposed transaction is a lease then within thirty (30) days after receipt of such notice and information the Association must either approve or disapprove the proposed transaction. Approval shall not be unreasonably withheld. If approved, the approval shall be stated in a certificate executed by any officer of the Association, in (non-) recordable form.

(3) Gift, devise or inheritance; other transfers. If the apartment owner giving notice has acquired his title by gift, devise or inheritance or in any other manner, then within thirty (30) days after receipt of such notice and information the Association must either approve or disapprove the continuance of the apartment owner's ownership of his apartment. Approval shall not be unreasonably withheld. If approved, the approval shall be stated in a certificate executed by any officer of the Association in recordable form.

(c) Approval of corporate owner or purchaser. Inasmuch as the Condominium may be used only for residential purposes and a corporation cannot occupy an apartment for such use, if the apartment owner, purchaser or lessee of an apartment is a corporation, the approval of ownership or lease by the corporation, shall be conditioned upon all natural persons intending to occupy the condominium Unit receiving prior written approval from the Association for such occupancy.

(d) Screening Fees. The Association shall require the payment of a Fifty (\$50.00) Dollar screening fee, together with the application for sale or lease, or for transfer by gift, devise or inheritance, for the purpose of defraying the Association's

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expenses in investigating the prospective buyer, lessee or transferee and changing the Association's records.

13.3 Disapproval by Association. If the Association shall disapprove a transfer of ownership of an apartment, the matter shall be disposed in the following manner:

(a) Sale. If the proposed transaction is a sale then within thirty (30) days after receipt of such notice and information the Association shall deliver or mail by certified mail, return receipt requested, to the apartment owner an agreement to purchase the apartment signed by a purchaser approved by the Association, or an agreement to purchase signed in behalf of the Association by its President and attested by its Secretary, in which event the apartment owner shall sell the apartment to the named purchaser at the price and upon the terms stated in the disapproved contract to sell, excepting that at the option of the named purchaser the purchase price may be paid in cash at closing.

(1) The sale shall be closed within thirty (30) days after delivery or mailing of the agreement to purchase, or upon the date designated in the disapproved contract, whichever date shall be later.

(2) A certificate of the Association executed by any of its officers in recordable form shall be delivered to the purchaser.

(3) If the Association shall fail to purchase or provide a purchaser, or if the purchaser furnished by the Association shall default in his agreement to purchase, the proposed transaction shall be deemed to have been approved, and the Association shall furnish a certificate of approval as elsewhere provided, in recordable form.

(b) Lease. If the proposed transaction is a lease, the apartment owner shall be advised of the disapproval in writing, and the lease shall not be made.

(c) Gift, devise or inheritance; other transfers. If the apartment owner giving notice has acquired his title by gift, devise or inheritance, or in any other manner, then within thirty (30) days after receipt from the apartment owner of the notice and information required to be furnished, the Association shall deliver or mail by certified mail, return receipt requested, to the apartment owner a written agreement to purchase the apartment offered by a purchaser approved by the Association who will purchase and to whom the apartment owner must sell the apartment upon the following terms:

(1) The sale price shall be the fair market value determined by agreement between the seller and the purchaser within thirty (30) days from the receipt by the apartment owner of such agreement. In the absence of agreement as to fair market value, the fair market value shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two licensed fee appraisers, experienced in the South Florida condominium market, appointed by the American Arbitration Association who shall base their determination upon the mean average of their appraisals of the apartment; and a judgment of specific performance of the sale upon the decision rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser. In any such action for specific performance the prevailing party shall be entitled to recover his reasonable attorney's

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fees and court costs incurred.

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

(3) The sale shall be closed within thirty (30) days following determination of the sale price.

(4) A certificate of the Association executed by any of its officers in recordable form shall be delivered to the purchaser.

(5) If the Association shall fail to provide a purchaser as required by this instrument, or if a purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding disapproval such ownership shall be deemed to have been approved, and the Association shall furnish a certificate of approval as elsewhere provided, in recordable form, to the apartment owners.

13.4 [DELETED]

13.5 Exceptions. The foregoing provisions of this section entitled "Maintenance of Community Interests" shall not apply to a transfer to or purchase by a bank, life insurance company, savings and loan association or other institution that acquires its title as a result of owning a mortgage upon the apartment concerned, and this shall be so whether the title is acquired by deed from the mortgagor, his successors or assignees, or through foreclosure proceedings; nor shall such provisions apply to a transfer, sale or lease by a bank, life insurance company, savings and loan association or other institution that so acquires its title. Neither shall such provisions require the approval of a purchaser who acquires the title to an apartment at a duly advertised public sale with open bidding provided by law, such as but not limited to execution sale, foreclosure sale, judicial sale or tax sale.

13.6 Unauthorized transactions. Any sale, or lease not authorized pursuant to the terms of this Declaration shall be void.

13.7 Recording approval. Whenever in this section an approval form is required of the Association it is understood and agreed that the said approval shall not be recorded except at the same time and simultaneously with the recording of the instrument representing the event for which the approval was given.

13.8 The approval or disapproval of the Association to a proposed sale, lease or other transfer shall be determined by a committee of the Board of Directors comprised of the Directors elected from the Condominium wherein the apartment to be sold, leased or otherwise transferred is located, and the action of such committee shall, for the purposes of this article, constitute the action of the Association.

WHEREFORE, WATERGATE CONDOMINIUMS ASSOCIATION, INC., has caused this Certificate of Amendment to be executed by its duly authorized officers this 1<sup>st</sup> day of June, 1989.

WITNESSES: [Signature] WATERGATE CONDOMINIUM ASSOCIATION, INC.  
[Signature] By [Signature]  
Bernard Goldstein, President  
By [Signature]  
Ruth Spivak, Secretary

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STATE OF FLORIDA  
COUNTY OF BROWARD

I HEREBY CERTIFY that on this day personally appeared before me, Bernard Goldstein and Ruth Spivak, the President and Secretary, respectively, of WATERGATE CONDOMINIUMS ASSOCIATION, INC., to me known to be the persons who signed the foregoing instrument as such officers and who acknowledged the execution thereof to be their free act and deed as such officers for the uses and purposes therein mentioned, and the Secretary affixed thereto the official seal of said corporation, and that the said instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the county and state last aforesaid, this 1<sup>st</sup> day of JUNE, 1989.

  
Notary Public

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXP. FEB 25, 1990.  
BONDED THRU GENERAL INS. UND.

RECORDED IN THE OFFICIAL RECORDS  
OF BROWARD COUNTY  
L. A. HESTER  
COUNTY ADMINISTRATOR

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CERTIFICATE OF AMENDMENT  
TO THE DECLARATIONS OF CONDOMINIUM OF  
WATERGATE CONDOMINIUM NOS. 1-6 AND  
THE ARTICLES OF INCORPORATION AND BY-LAWS OF  
WATERGATE CONDOMINIUMS ASSOCIATION, INC.

WE HEREBY CERTIFY THAT the attached amendments to the Declaration of Watergate Condominium Nos. 1-6 and the Articles of Incorporation and Bylaws, Exhibits to the Declaration of Condominium of Watergate Condominium Nos. 1-6, as recorded in Official Records Books and Pages in the Public Records of Broward County, Florida as follows:

Building No.	Book No.	Page
1	4683	696
2	4854	489
3	5001	914
4	5085	711
5	5088	833
6	5089	81

were duly adopted in the manner provided.

IN WITNESS WHEREOF, we have affixed our hands this \_\_\_ day of \_\_\_\_\_, 1992, at \_\_\_\_\_, Broward County, Florida.

AUG 5 10 40 AM '92

WITNESSES  
 Sign *Alise Leiby*  
 Print ALISE LEIBY  
 Sign *Reggy Howell*  
 Print REGGY HOWELL

Watergate Condominium Association, Inc.

By: *Ralph Bigio*  
 Ralph Bigio, President  
 Address: 2891 Tuff Street  
Hollywood FL 33020

STATE OF FLORIDA )  
COUNTY OF BROWARD ) SS

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 1992, by Ralph Bigio, as President of Watergate Condominium Association, Inc., a Florida corporation, on behalf of the corporation. He is personally known to me or has produced as identification and did take an oath.

NOTARY PUBLIC:

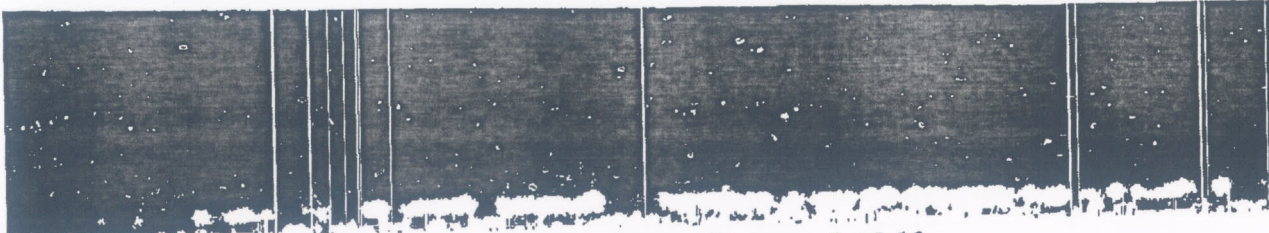
SIGN *Hildred F. Nugget*  
 PRINT HILDRED F. NUGGET  
 State of Florida at Large  
 My Commission Expires:

LAW OFFICES  
 BECKER & POLIAKOFF, P.A. • 3111 STIRLING ROAD • POST OFFICE BOX 9057 • FORT LAUDERDALE, FL 33310-2057  
 TELEPHONE (305) 967-7500

NOTARY PUBLIC  
 HILDRED F. NUGGET  
 STATE OF FLORIDA AT LARGE

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AMENDMENTS TO THE  
DECLARATIONS OF CONDOMINIUM OF  
WATERGATE CONDOMINIUM NOS. 1-6 AND  
THE ARTICLES OF INCORPORATION AND BY-LAWS OF  
WATERGATE CONDOMINIUMS ASSOCIATION, INC.

1. Article 2, Section 2.8(b) of the Declaration of Condominium is amended to read as follows:

Expenses of maintenance, operation, repair, protection or replacement of the common elements, limited common elements, Association property, Recreation Area, and of the portions of the units, if any, to be maintained by the Association, and the costs of carrying out the powers and duties of the Association. Common expenses also include reasonable transportation services, insurance for directors and officers and all other types of insurance pursuant to Article 10, Section 10.2 of this Declaration, road maintenance and operation expenses, in-house communications, security services, and pest control services to the units and common elements, which are reasonably related to the general benefit of the unit owners even if such expenses do not attach to the common elements or property of the condominium, and the cost of a master antenna television system or duly franchised cable television service obtained pursuant to a bulk contract.

2. Article 7, Sections 7.1(b) (1), (2) and 7.4 of the Declaration of Condominium are amended to read as follows:

(b) By the Apartment Owner. The responsibility of the apartment owner for maintenance, repair and replacement, shall be as follows:

(1) To maintain, repair and replace at his expense all portions of his apartment except the portions to be maintained, repaired and replaced by the Association. Included within the responsibility of the apartment owner shall be windows, window frames, screens, door frames and doors opening into or onto his apartment, conduits, pipes, plumbing and wiring serving only his apartment (wherever located), plumbing fixtures, electrical fixtures, appliances, air conditioner and heating equipment (wherever located), water heaters and built-in cabinets. The Apartment Owner shall also maintain, repair and replace, at his, her or its expense, all portions of a Hurricane Shutter, including such portion of the common elements to which the Hurricane Shutter is attached, which the Apartment Owner installs, which cost shall also include the cost of removal of same if necessary or required in order for the Association to maintain, repair, replace or protect the common elements or Association property.

(2) An apartment owner shall not paint or otherwise decorate or change the appearance of any portion of the exterior of the apartment building without the prior approval, in writing, of the owners of record of fifty-one (51%) percent of the apartment units, and the approval of the Association, provided, however, that the Association shall not refuse to approve the installation or replacement of hurricane shutters conforming to the specifications adopted by the Association pursuant to a duly adopted Board rule.

7.4 Alteration and Improvement. After the completion of the improvements included in the common elements which are contemplated in the Declaration,

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there shall be no material alteration or substantial addition to the further improvements of common elements without the prior approval, in writing, by record owners of sixty-six and two thirds (66 2/3%) percent of all apartment unit owners in the Condominium, together with the approval of the Association. The cost of such alteration or improvement shall be a common expense and so assessed. Any such alteration or improvement shall not interfere with the rights of any apartment owner without his consent. ~~This paragraph shall have no application to the right vested in the Developer pursuant to the provisions of paragraph 3.2 and 3.2(a) hereof.~~ The installation, replacement, and maintenance of hurricane shutters in accordance with the specifications adopted by the Board shall not be deemed a material alteration or substantial addition to the common elements.

3. Article 8, Sections 8.1, 8.2, 8.3 and 8.4 of the Declaration of Condominium are amended to read as follows:

8. Assessments. The making and collection of assessments against apartment owners for common expenses, and for reserves as may from time to time be established by the Association, shall be pursuant to the By-Laws of the Association, subject to the following provisions:

8.1 Liability for Assessments. A unit owner, regardless of how his title has been acquired, including a purchaser at a judicial sale, is liable for all assessments which come due while he is the unit owner. The grantee is jointly and severally liable with the grantor for all unpaid assessments against the grantor for his share of the common expenses up to the time of transfer of title, without prejudice to any right the grantee may have to recover from the grantor the amounts paid by the grantee. However, a first mortgagee who acquires title to the unit by foreclosure or by deed in lieu of foreclosure shall be liable for the share of common expenses or assessments attributable to the condominium parcel or chargeable to the former unit owner only the maximum extent permitted by Florida Statute, Section 718.116(1)(a), as same may be amended or renumbered from time to time. A first mortgagee acquiring title to a condominium parcel as a result of foreclosure, or a deed in lieu of foreclosure, may not, during the period of its ownership of such parcel, whether or not such parcel is unoccupied, be excused from the payment of some or all of the common expenses coming due during the period of such ownership. The liability for assessments may not be avoided by waiver of the use or enjoyment of any common element or by abandonment of the unit for which the assessments are made.

8.21 Interest; Late Fee; Application of Payments. Assessments and installments on such assessments paid on or before ten (10) five-(5) days after the date when due, shall not bear interest or late fees, but all sums not paid on or before ten (10) thirty-(30) days after the date when due shall bear interest at the maximum rate of interest allowed by law rate-of-ten-(10%) percent-per-annum from the date when due until paid, together with an administrative late fee in the highest amount permitted by law, or such lesser amount as the Board may, from time to time, determine by duly adopted rule, for each such delinquent assessment. Any payment received by the Association shall be applied first to any interest accrued by the Association, then to any



administrative late fee, then to any costs and reasonable attorney's fees incurred in collection, and then to the delinquent assessment. The foregoing method of applying payments shall be applicable notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment.

8.32 Lien for Assessment. The Association shall have a lien against each condominium unit for any unpaid assessments against the unit owner thereof, and for interest accruing thereon, which lien shall also secure reasonable attorney's fees incurred by the Association incident to the collection of such assessment or enforcement of such lien, whether or not legal proceedings are initiated; provided, however, that no lien for assessments shall become effective until recorded in the Public Records of Broward County, Florida. Said lien shall be recorded among the Public Records of Broward County, Florida, by filing a claim therein which states the legal description of the apartment unit, the amount claimed to be due, and said lien shall continue in effect until all sums secured by the lien, together with all costs incurred in recording and enforcing said lien, shall have been paid. Such Claims of Lien may be signed and verified by an officer of the Association, or by a managing agent of the Association or its attorney in fact. Upon full payment the party making payment shall be entitled to a recordable Satisfaction of Lien, to be prepared and recorded at his expense. All such liens shall be subordinate to the lien of institutional first mortgages or the Recreation Area Mortgage recorded prior to the date of recording the Claim of Lien, and all such liens may be foreclosed by suit brought in the name of the Association in a like manner as a foreclosure on the Mortgage on the real property. In any such foreclosure the owner of the apartment unit subject to the lien shall be required to pay a reasonable rental for the apartment, and the Association shall be entitled to the appointment of a receiver to collect the same. The Association may also, at its option, sue to recover a money judgment for unpaid assessments without thereby waiving the liens securing same. In the event an institutional mortgagee of a first mortgage of record or mortgagee of a Recreation Area Mortgage shall obtain title to the apartment unit as a result of the foreclosure of a first mortgage or Recreation Area Mortgage, or in the event an institutional mortgagee as to a first mortgage of record or Recreation Area Mortgage as to a Recreation Area Mortgage, shall obtain title to an apartment unit as a result of a conveyance in lieu of foreclosure of such first mortgage or Recreation Area Mortgage, such acquirer of title, its successors and assigns, shall not be liable for that share of the common expenses or assessments by the Association, to the extent permissible by law, chargeable to the apartment, or the owner thereof, which becomes due prior to the acquisition of title by such institutional mortgagee, Recreational Area Mortgagee or purchaser at foreclosure sale, but shall be responsible for its proportionate share of the common expenses or assessments subsequent to acquiring title, except as provided in Paragraph 7.3(b) below with regard to the assessment for the purchase of the Recreation Area by the Association.

The Association has a lien on each condominium parcel for any unpaid assessments or installments thereon, with interest, late fees and for reasonable attorney's fees incurred by the Association which are incident to the collection of the assessment or enforcement of the lien, whether suit be brought or not. The lien is effective from and shall relate back to April 1, 1992.

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However, as to first mortgages of record, the lien is effective from and after recording of a claim of lien. The claim of lien shall secure all unpaid assessments, interest, late fees, costs and attorney's fees which are due and which may accrue subsequent to the recording of the claim of lien. The Association may bring an action in its name to foreclose a lien for assessments in the manner a mortgage or real property is foreclosed and may also bring an action to recover a money judgment for the unpaid assessments without waiving any claim of lien. The Association is entitled to recover its reasonable attorney's fees incurred in either a lien foreclosure action or an action to recover a money judgment for unpaid assessments. If the unit owner remains in possession of the unit after a foreclosure judgment has been entered, the unit owner shall be required to pay a reasonable rental for the unit. If the unit is rented or leased during the pendency of the foreclosure action, the Association shall be entitled to the appointment of a receiver to collect the rent, the expenses of the receiver to be paid for by the unit owner.

8.43 Additional Assessments. ...

4. Article 10, Sections 10.2(a)(3) and (f) of the Declaration of Condominium are added to read as follows:

(3) The word "building" in every hazard policy issued to protect a condominium building does not include unit floor coverings, wall coverings, or ceiling coverings and does not include the following equipment if it is located within a unit and the unit owner is required to repair or replace such equipment: electrical fixtures, appliances, air conditioner or heating equipment, water heaters, built-in cabinets or any other item, personal property, fixture, appliance or equipment permitted to be excluded from the condominium's insurance policy pursuant to Florida Statute, Section 718.111(11), as same may be amended or renumbered from time to time.

(f) The Association shall obtain and maintain adequate fidelity bonding of all persons who control or disburse funds of the Association in an amount not less than the minimum sum required by law. All persons providing management services to the Association and required to be licensed pursuant to law shall provide the Association with a certificate of insurance covering such persons under a fidelity bond in an amount not less than the minimum sum required by law. The cost of bonding such management persons may be reimbursed by the Association.

5. Article 12, Sections 12.3, 12.4, 12.5, 12.6, 12.7, 12.8, 12.9, 12.10, 12.11 and 12.12 are amended to read as follows:

12.3 -- Children -- No persons who have not yet attained the age of ten (10) years shall be permitted to reside in any of the apartments. Children under such age may visit and temporarily reside in an apartment unit provided that the apartment resident shall also be in residence during such visit and provided such temporary residence shall not exceed thirty (30) days within any consecutive twelve month period.

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- 12.24 Pets. ...
- 12.25 Nuisances. ...
- 12.26 Lawful Use. ...

12.27 Leasing of Apartments. After approval by the Association as elsewhere required, entire apartments may be rented provided the occupancy is only by the lessee, his family and guests. ~~No leased apartment shall be occupied, permanently, or temporarily, by any person under the age of ten (10) years. No unit shall be leased for less than four months, and not more than one lease per unit shall be permitted to commence in any twelve month period. Upon the approval of any lease by the Association the prospective lessee shall deposit with the Condominium Association the sum of \$250.00 or an amount equivalent to one (1) month's rent, whichever is less (which shall bear no interest) as security for any damage to common elements or association property. No rooms may be rented and no transient tenants shall be accommodated in any apartment, nor shall any lease of any apartment release or discharge the owner thereof for compliance with any of his obligations and duties as an apartment owner. All of the provisions of the Condominium Act, this Declaration, the Charter and By-Laws, and the Rules and Regulations of the Association pertaining to use and occupancy shall be applicable and enforceable against any person occupying an apartment unit as a tenant or other invitee to the same extent as against an apartment owner, and the provisions thereof shall be deemed expressly incorporated into any lease of a unit, and a & covenant upon the part of each such tenant to abide by the rules and regulations of the Association, the Declaration of Condominium, Charter, and By-Laws, and Condominium Act, and designating the Association as the apartment owner's agent for the purpose of and with the authority to terminate any such lease agreement and/or evict or otherwise remove the tenant or other invitee occupying a unit in the event of violations by the tenant or such other invitee of such covenant shall be an essential element of any such lease or tenancy agreement, whether oral or written, and shall be deemed expressly incorporated into any lease of a unit, whether specifically expressed in such agreement or not.~~

- 12.78 Signs. ...
- 12.89 Parking Spaces. ...
- 12.910 Interior hallways. ...
- 12.1011 Regulations. ...
- 12.1112 Proviso. ...

6. Article 13, Sections 13.2(a)(1), (2), (3), (d) and 13.5 of the Declaration of Condominium are amended to read as follows:

(1) Sale. An apartment owner intending to make a bona fide sale of his apartment or any interest in it shall give to the Association notice of such intention, together with the name and address of the intended purchaser, a fully executed copy of the complete proposed sales contract, along with any and all addenda, a completed application, a screening fee in the amount provided below of Fifty (\$50.00) Dollars and such other information concerning the intended purchaser as the Association may reasonably require. As part of this Notice, the intended purchaser must schedule a personal interview with a Screening Committee selected by the



Board of Directors. No decision shall be rendered as to this intended sale until the intended purchaser appears for the scheduled personal interview.

(2) Lease. An apartment owner intending to make a bona fide lease of his apartment or any interest in it shall give to the Association notice of such intention, together with the name and address of the intended lessee, a fully executed copy of the proposed written lease agreement, which shall be on a written lease agreement form approved by the Association, a completed application, a screening fee and security deposit in the amount provided below of Fifty-(\$50.00)-Dollars, and such other information as the Association may reasonably require. As part of this Notice, the intended lessee must schedule a personal interview with a Screening Committee selected by the Board of Directors. No decision shall be rendered as to this intended lease until the intended lessee appears for the scheduled personal interview. In the event lessee moves in without prior written permission of the Association, the Association shall take all necessary legal acts, including, but not limited to, seeking an injunction terminating this unauthorized tenancy, and in such event, the lessee and the unit owner shall be jointly and severally liable for court costs and for reasonable attorney's fees.

(3) Gift, devise or inheritance; other transfers. An apartment owner who has obtained his title by gift, devise or inheritance, or by any other manner not previously considered, shall give to the Association notice of the acquiring of his title, together with such information concerning the apartment owner as the Association may reasonably require, a certified copy of the instrument evidencing the owner's title, a completed application, a screening fee in the amount provided below of Fifty-(\$50.00)-Dollars and shall schedule a personal interview with a screening committee selected by the Board of Directors.

(d) Screening Fees; Security Deposit. The Association shall require the payment of a Fifty-(\$50.00)-Dollar screening fee, together with the application for sale or lease, or for transfer by gift, devise or inheritance, for the purpose of defraying the Association's expense in investigating the prospective buyer, lessee or transferee and changing the Association's records. Every request for approval of a proposed sale, lease or other transfer, whether by gift, devise, inheritance or otherwise, shall be accompanied by an approval fee, per applicant, in the highest amount permitted by law, or such lesser amount as the Board may, from time to time, determine by duly adopted rule. The approval fee shall be paid with the giving of the notice of transfer, and the notice of transfer shall not be complete unless and until the approval fee is paid. The time frame for approval of the transfer shall not begin to run until all documentation has been received, including any additional documentation or information reasonably requested by the Association, and the approval fee is paid. In the event payment of the approval fee is in a form other than cash, cashier's check, certified check or money order, payment shall not be deemed received unless and until the funds have cleared. In addition to such approval fee, in the event of a lease of a unit, the unit owner or prospective lessee shall place a security deposit, in the highest amount permitted by law, or such lesser amount as the Board may, from time to time, determine by duly adopted rule, into an escrow account maintained by the Association. The security deposit



shall protect against damages to the common elements or Association property, and shall serve as security for the full and faithful performance by the unit owner and prospective lessee of the terms, provisions, obligations and duties set forth in the Condominium Act, Declaration, Articles, Bylaws and Rules and Regulations (hereinafter Condominium Documents), including the timely payment of assessments and fines and the payment of attorney's fees incurred by the Association in connection with any default or breach of the Condominium Documents by the unit owner or prospective lessee. In the event the security deposit, or any portion thereof, shall be applied as provided herein, the unit owner or lessee shall deposit with the Association, upon written demand therefor, an amount sufficient to restore such security deposit to its original amount, and the failure to do so shall constitute a material violation of the Condominium Documents. Any lessee who vacates or abandons the unit at or prior to the expiration of the term specified in the written lease shall give at least seven (7) days written notice by certified mail or personal delivery to the Association prior to vacating or abandoning the unit, which notice shall include the address where the lessee may be reached. Failure of the lessee to give such notice shall relieve the Association of the notice requirement to impose a claim against the deposit and relieve the Association of the requirement to remit the balance, if any, of the deposit. It shall be presumed that the lessee has abandoned the unit if the lessee is absent from the unit for a period of time equal to one-half the time for periodic rental payments, unless the lessee has notified the Association, in writing, of an intended absence. The remedies provided for herein are cumulative and in addition to any other remedy available to the Association, and nothing herein shall be deemed to limit or exclude any of the Association's rights or remedies or method of enforcement.

13.5 Exceptions. The foregoing provisions of this section entitled "Maintenance of Community Interests" shall not apply to a transfer to or purchase by a bank, life insurance company, savings and loan association or other institution that acquires its title as a result of owning a first mortgage upon the apartment concerned, and this shall be so whether the title is acquired by deed from the mortgagor, his successors or assignees, or through foreclosure proceedings; nor shall such provisions apply to a transfer, sale or lease by a bank, life insurance company, savings and loan association or other institution that so acquires its title. Neither shall such provisions shall, however, require the approval of a purchaser, other than a first mortgagor, who acquires the title to an apartment at a duly advertised public sale with open bidding provided by law, such as but not limited to execution sale, foreclosure sale, judicial sale or tax sale, in accordance with Section 13.2(a)(3) above.

7. Article 16, Section 16.4 of the Declaration of Condominium is added to read as follows:

16.4 Fines. In addition to the means for enforcement provided elsewhere herein, the Association shall have the right to levy fines against a unit owner or the unit owner's guests, licensees, lessees, invitees or occupants in the manner provided herein.



(a) The Board of Directors shall appoint a Covenant Enforcement Committee (hereinafter Committee) which shall be charged with determining whether there is probable cause that any of the provisions of the Declaration of Condominium, the Articles of Incorporation, the Bylaws, the Rules and Regulations of the Association, or the Condominium Act are being or have been violated. In the event that the Committee determines an instance of such probable cause, it shall report same to the Board of Directors and the Committee shall thereupon provide written notice to the person(s) alleged to be in violation, and the owner of the unit which that person occupies or occupied at the time the violation was committed, if that person is not the owner, of the opportunity for a hearing before the Committee as provided below. The notice shall also specify, and it is hereby provided, that each recurrence of the alleged violation or each day during which it continues shall be deemed a separate offense, subject to a separate fine in the highest amount permitted by law.

(b) The Committee shall hold a hearing, after providing the person(s) alleged to be in violation, and the owner of the unit which that person occupies or occupied at the time the violation was committed, if that person is not the owner, with reasonable notice of not less than fourteen (14) days stating the date, time and place of the hearing, the provisions of the condominium documents, Association Rules or Condominium Act which have been violated and a short and plain statement of the matters asserted by the Committee. The Committee shall hear any defense to the charges of the Committee, including any witnesses that the alleged violator, the unit owner, or the Committee may produce. Any party at the hearing may be represented by counsel.

(c) Subsequent to any hearing, the Committee shall determine whether there is sufficient evidence of a violation or violations as provided herein. If the Committee determines that there is sufficient evidence, the Committee shall forward its findings, conclusions and recommendations to the Board of Directors. Based upon such Committee findings, conclusions and recommendations, the Board of Directors may levy a fine for each violation in the amount provided herein. In the event the Board of Directors determines to levy a fine, the Board of Directors shall send a written notice to the violator and the unit owner, if the violator is not the unit owner, advising that the fine has been levied and requiring payment of the fine immediately upon receipt of such notice. The unit owner shall be jointly and severally liable with the violator for payment of all fines.

(d) Nothing herein shall be construed to interfere with any right that a unit owner may have to obtain from a violator occupying his unit payment in the amount of any fine or fines assessed against that unit.

(e) Nothing herein shall be construed as a prohibition of or a limitation on the right of the Association to pursue other means to enforce the provisions of the various condominium documents, Association Rules or the Condominium Act, and all rights and remedies of the Association shall be cumulative.



8. Article 17, Section 17.2(c) of the Declaration of Condominium is amended to read as follows:

~~(c) In the alternative, an amendment may be made by written consent in accordance with the By-Laws an agreement signed and acknowledged by all Condominium unit owners in the manner required for the execution of a deed.~~

9. Article VIII of the Articles of Incorporation is amended to read as follows:

Every Director and every officer of the Association shall be indemnified by the Association, to the fullest extent permissible by law, against all expenses and liabilities, including civil fines or penalties imposed by the Division of Florida Land Sales, Condominiums and Mobile Homes (hereinafter Division) and counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding or the 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 or malfeasance in the performance of his duties, but including cases brought by the Division wherein the Director or Officer is adjudged guilty of a willful and knowing violation of a condominium statute, Division rule or Division order. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights and remedies to which such Director or Officer may be entitled.

10. Article 2, Sections 2.1, 2.3, 2.4, 2.5(c) and 2.6 of the By-laws are amended to read as follows:

2.1 The annual members' meeting shall be held at the auditorium of the Association at such time as the Board may determine 8-P.M. on the third Monday of January 15th day of February of each year, for the purpose of presenting the newly electing directors and transacting any other business authorized to be transacted by the members; provided, however, if that day is a legal holiday, the meeting shall be held at the same hour on the next day that is not a holiday. Any unit owner may tape record or videotape meetings of the members and may speak at such meetings with reference to all designated agenda items, subject, however, to Board rules.

2.3 Written Notice, which notice shall incorporate an identification of agenda items, of all members' meetings stating the time, date and place and the object for which the meeting is called shall be given by the President or Vice-President or Secretary unless waived in writing. Such notice shall be in writing given to each member at his address as it appears in the books of the Association, at least fourteen (14) days prior to the date of the meeting. A United States Postal Service certificate of mailing, or an affidavit by the corporate officer, manager or other person mailing said notice, shall be prima facie evidence that said notice was given. Written notice of each annual members' meeting shall be posted in a conspicuous



place on the condominium property at least fourteen (14) continuous days prior to the annual meeting. Notice of each special members' meeting shall be posted in a conspicuous place on the condominium property at least ten (10) days prior to each special members' meeting. It shall be the obligation of each member to insure that his, her or its mailing address listed in the records of the corporation by the Secretary of the corporation is kept current, and shall be posted in a prominent and convenient place on the Condominium grounds and said notice shall be given not less than seven (7) days nor more than forty-five (45) days prior to the date of meeting. Proof of such notice shall be given by the affidavit of the person giving the notice. Notice of meeting may be waived before or after meetings.

Not less than sixty (60) days before a scheduled election (regular elections coincide with the annual meeting), the Association shall mail or deliver, whether by separate 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. Any unit owner desiring to be a candidate for the Board shall give written notice to the Secretary of 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 mail or deliver a second notice of the meeting to all unit owners entitled to vote therein, together with a ballot which shall list all candidates. Upon the request of a candidate, the Association shall include, with the mailing of the ballot, an information sheet no larger than 8 1/2 x 11 inches furnished by the candidate, with the cost of mailing and copying to be borne by the Association.

2.4 A quorum of at members' meetings shall consist of persons, present in person or by proxy, entitled to cast a majority of the votes of the entire membership. There shall be no quorum requirement or minimum number of votes necessary for election of members of the Board. The acts approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the members, except when approval by a greater or lesser number of members is required by the Condominium Act, the Declaration of Condominium, the Articles of Incorporation, or these By-Laws.

2.5 (c) Action required or permitted by the Declaration, Articles, By-Laws or any statute to be taken at an annual or special meeting of the members may be taken without a meeting, without prior notice, and without a vote if the action is taken by the members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting, on the following matters:  
(a) approving, disapproving or modifying amendments to the Declaration, Articles, Bylaws and Rules and Regulations;  
(b) approving, disapproving, limiting, increasing, decreasing or deleting requirements for reserves, or utilizing reserves or portions thereof for purposes other than for which they were collected, including interest earned thereon;  
(c) approving, disapproving, limiting, increasing, decreasing or modifying capital expenditures and/or material alterations or substantial additions to the common elements and/or material alterations or modifications to the appurtenances to a unit;  
(d) electing directors;  
(e) waiving, deleting or changing the type of any financial report or financial statement required by law or the Condominium Documents, and (f) any other matters now or hereafter permitted for which action by written agreement

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without meetings is allowed by any statute, including Section 607.0704, Florida Statutes, as same may be amended or renumbered from time to time. In order to be effective, the action must be evidenced by one or more written consents describing the action taken, dated and signed by approving members having the requisite number of votes, and delivered to the Association. No written consent shall be effective to take the action referred to therein unless, within sixty (60) days of the date of the earliest dated consent delivered to the Association, written consent signed by the number of members required to take action is delivered to the Association. Any written consent may be revoked prior to the date that the Association receives the required number of consents to authorize the proposed action. No revocation is effective unless in writing and until received by the Association. Within ten (10) days after obtaining such authorization by written consent, notice must be given to those members who have not consented in writing. The notice shall fairly summarize the material features of the authorized actions.

Action by written consent may also be utilized in conjunction with meetings of the members. In such event, the action will be authorized if approved by a combination of written consents and votes totalling not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting. If action by written consent is utilized in conjunction with a meeting, no written consent shall be effective to take the action referred to therein unless such written consent is delivered to the Association at or before the time and the date of the meeting, and the Association receives the combined requisite number of consents and votes to authorize the proposed action.

2.6 Proxies. Except as otherwise provided herein, votes may be cast in person or by proxy. All proxies shall be limited proxies. A proxy may be made 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. The Board of Directors shall be elected by written ballot or voting machine. Proxies shall in no event be used in electing the Board, either in general elections or elections to fill vacancies caused by recall, resignation, or otherwise. Elections of directors shall be decided by a plurality of those ballots cast. No unit owner shall permit any other person to vote his ballot, and any such ballots improperly cast shall be deemed invalid.

11. Article 3, Sections 3.2(a), (c), (d), (e), 3.5, 3.6, 3.7 and 3.12 of the By-Laws are amended to read as follows:

3.2 (a) Each building shall nominate a slate of six (6) nominees at their respective building meetings the second Monday in October, from whom shall be elected three (3) directors and two (2) alternates, the latter to serve in the absence of the elected directors. The directors shall be elected by closed ballot at their respective November building meetings to be held the second Monday with those receiving the three (3) highest number of votes cast shall be elected directors, and the next two (2) highest in number of votes cast shall serve as alternates. These alternates shall have the right to vote in the absence of directors whom they represent. No proxy shall take priority over an alternate's vote. These alternates shall be designated as #1 and #2 according to the number of votes they receive.

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(c) The slate of nominees shall be mailed within seven (7) days of the October building meeting to all out of town owners with the instruction that the return date for their ballots is to be at least three (3) days prior to the November meeting, the date on which directors and alternates are to be elected. At the election referred to in this paragraph the ballots to be cast shall be only those entitled to elect, there being no proxies allowable at this election. Any unit owner who expects to be out of town can receive an absentee ballot which he may then cast and place in a sealed envelope and remit to the election committee of the individual building to be opened at the time of election. No cumulative voting.

(gd) Permanent vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the first alternate of remaining directors from amongst the members of the building represented by the director no longer in office, in the following order or priority: (1) the person who received the fourth highest number of votes in the most recent election for directors, (2) if the person designated in (1) is unable to serve for any reason, then the person who received the fifth highest number of votes at the most recent election for directors, then (3) in the event there were no persons receiving the fourth or fifth highest number of votes at the most recent election for directors or neither of such persons is able to serve for any reason, then any member of the building represented by the director no longer in office, and he shall become the automatic replacement. In the event the first alternate is not available then the second alternate shall automatically become the replacement. There may be a special election in the building concerned to replace the alternate or alternates.

(de) Any Director may be recalled and removed from office with or without cause by the vote or agreement in writing concurrence of two-thirds a majority of the voting interests vote of the apartment owners in the Condominium from which he had been elected, at a special meeting of the unit owners to recall a member or members of the Board of Directors may be called by ten percent (10%) of the voting interests in the Condominium from which the director had been elected giving notice of the meeting as required for a meeting of unit owners, and the notice shall state the purpose of the meeting for that purpose. The vacancy in the Board of Directors so created shall be filled by the members owning apartments in such Condominium at the same meeting, or by the remaining directors if the recall and removal is by agreement in writing, provided that such remaining directors shall not appoint any member of the Board of Directors removed by that recall.

3.5 Regular meetings of the Board of Directors shall be held the third Monday of each month and no further notice to directors need be given than as above set forth. Special meetings of the Board of Directors may be called by the President and must be called by the Secretary at the written request of one-third of the Directors. Not less than three (3) days notice of the meeting shall be given personally or by mail, telephone or telegraph to each director, which notice shall state the time, date, place and purpose of the meeting. 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.

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3.6 Special meetings of the Board of Directors may be called by the President and must be called by the Secretary at the written request of one-third of the Directors; Not less than three (3) days notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. 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. Notice of all meetings of the Board of Directors, which notice shall specifically incorporate an identification of agenda items, shall be posted conspicuously on the condominium property forty-eight (48) continuous hours preceding the meeting, except in an emergency. However, written notice of any meeting at which nonemergency special assessments, or at which amendment to rules regarding unit use 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 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 assessments.

Any unit owner may tape record or videotape meetings of the Board and may speak at such meetings with reference to all designated agenda items, subject, however, to Board rules.

3.7 A quorum of Directors' 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 the approval by a greater number of directors is required by the Declaration of Condominium, the Articles of Incorporation, or these By-Laws. A director of the Association who is present at a meeting of its 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 director present shall be recorded in the minutes.

3.12 Meetings of any committee of the Board at which a quorum of the members of that committee are present shall be open to all owners. Written notice, which notice shall specifically incorporate an identification of agenda items, of all committee meetings shall be posted conspicuously on the condominium property at least forty-eight (48) continuous hours preceding the meeting, except in an emergency.

12. Article 4, Paragraph (b) of the By-Laws is amended to read as follows:

(b) The Board shall have the right to impose a penalty of 10% on assessments for delinquency after the 10th of the month on maintenance payments. All contracts for the purchase, lease, or rental of materials or equipment, that are not to be fully performed within one (1) year from the making thereof, and all contracts for provision of services, shall be in writing. Where a contract for



the purchase, lease, or rental of materials or equipment, or for the provision of services, requires payment by the Association in the aggregate exceeding \$5,000.00, the Association shall obtain competitive bids for the materials, equipment, or services. Nothing herein shall require the Association to accept the lowest bid, nor limit the ability of the Association to obtain needed products and services in an emergency. This provision shall not apply if the business entity with which the Association desires to enter into a contract is the only source of supply within the County serving the Association. Notwithstanding the foregoing, contracts with employees of the Association, contracts for attorneys and accountants services, and any other contracts now or hereafter permitted to be excluded hereunder pursuant to Florida Statute, Section 718.3026, as same may be amended or renumbered from time to time, shall not be subject to this provision.

13. Article 6, Sections 6.2, 6.3 and 6.7 of the By-Laws are amended to read as follows:

6.2 Budget. The Board of Directors shall adopt a budget for each condominium administered by the Association for each calendar year that shall include the estimated funds required to defray the common expense and to provide and maintain funds to reserves for such condominium. The Board shall approve the ensuing year's budget at the December meeting. The budget shall include reserve accounts for capital expenditures and deferred maintenance for any item for which the deferred maintenance expense or replacement cost is greater than \$10,000.00, or any other amount required pursuant to Section 718.112(2)(f)(2), Florida Statutes, as same may be amended or renumbered from time to time. These accounts shall include, but are not limited to, roof replacement, building painting, and pavement resurfacing, and any other accounts for which reserves may be required pursuant to Section 718.112(2)(f)(2), Florida Statutes, as same may be amended or renumbered from time to time. 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 Board may adjust replacement reserve assessments annually to take into account any extension of the useful life of a reserve item caused by deferred maintenance. The members may, by a vote of the majority of the members present at a duly called meeting of the association, determine for a fiscal year to provide no reserves or reserves less adequate than required herein.

#### 6.3 Assessments.

(a) Assessments against the condominium unit owners for their share of the items of the budget shall be made for the calendar year annually in advance on or before December 20th preceding the year for which the assessments are made. Such assessments shall be due in twelve equal installments, payable on the first day of each month of the 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 monthly installments on such assessment shall be due upon each installment payment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient the budget and assessments may be amended at any time by the Board of Directors.

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LAW OFFICES  
BECKER & POLIAKOFF, P.A. • 3111 STIRLING ROAD • POST OFFICE BOX 9057 • FORT LAUDERDALE, FL 33310-9057  
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Unpaid assessments for the remaining portion of the calendar year for which an amended assessment is made shall be payable in as many equal installments as there are full months of the calendar year left as of the date of such amended assessment, each such monthly installment to be paid on the first day of the month, commencing the first day of the next ensuing month. Providing nothing herein shall serve to prohibit or prevent the Board of Directors from imposing a lump sum assessment in case of immediate need or emergency. In the event that it should appear that the reserve fund of any condominium is substantially greater than that which is necessary, the Board of Directors may, by majority vote, elect to waive the payment of the monthly assessment for said condominium for as many months or part of month as the Board of Directors deems advisable.

(b) The specific purpose or purposes of any special assessment approved in accordance with the condominium documents shall be set forth in a written notice of such assessment sent or delivered to each unit owner. The funds collected pursuant to a special assessment shall be used only for the specific purpose or purposes set forth in such notice. Upon completion of such purpose or purposes, including the Board's determination that the purpose for which the special assessment was approved is no longer necessary, any excess funds will be considered common surplus and may, at the discretion of the Board, either be returned to the unit owners or applied toward future assessments. Notwithstanding the above, the unit owners may, by a vote of the majority of the members present at a duly called meeting of the Association, determine to use the funds collected by special assessment for a different purpose or purposes than as set forth in said notice.

~~6.7 Fidelity bonds may be required by the Directors for all persons handling or responsible for Association funds in such an amount as shall be determined by the Board. The premiums on such bonds shall be paid by the Association. 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 present at a duly called meeting of the particular Condominium to whose account the reserve belongs, or in the case of reserve accounts for items common to all Condominiums administered by the Association, by a vote of the majority of the voting interests present at a duly called meeting of the entire membership of the Association.~~

NOTE: NEW WORDS INSERTED IN THE TEXT ARE UNDERLINED (\_\_\_\_), WORDS DELETED ARE LINED THROUGH WITH HYPHENS (----) AND UNAFFECTED LANGUAGE INDICATED BY DOTS (.....)

BR 9780P60390

RECORDED IN THE OFFICIAL RECORDS BOOK  
OF BROWARD COUNTY, FLORIDA  
COUNTY ADMINISTRATOR



This instrument was prepared by:  
 Robert Rubinstein, Esquire,  
 BECKER & POLIAKOFF, P.A.  
 3111 Stirling Road  
 Fort Lauderdale, FL 33312

INSTR # 100339307  
 OR BK 30590 PG 1783  
 RECORDED 06/15/2000 02:38 PM  
 COMMISSION  
 BROWARD COUNTY  
 DEPUTY CLERK 2015

CERTIFICATE OF AMENDMENT  
 TO THE  
 DECLARATIONS OF CONDOMINIUM OF  
 WATERGATE CONDOMINIUM NOS. 1-6

WE HEREBY CERTIFY THAT the attached amendment to the Declarations of Condominium of Watergate Condominium Nos. 1-6, as recorded in Official Records Book and Pages of the Public Records of Broward County, Florida, as set forth below, was duly adopted in the manner provided in the Article 17, Section 17.2 of the Declaration of Condominium.

Building No.	Book No.	Page
1	4683	696
2	4854	489
3	5001	914
4	5085	711
5	5088	833
6	5089	81

IN WITNESS WHEREOF, we have affixed our hands this 5th day of June, 2000, at Hollywood, Broward County, Florida.

WITNESSES

Sign Sarah Archipowicz  
 Print SARAH ARCHIPOWICZ

Sign Claire Carlson  
 Print CLAIRE CARLSON

WATERGATE CONDOMINIUMS ASSOCIATION, INC.

By: [Signature]  
 Ralph Bigio, President  
 Address: 2801 Taft Street  
 Hollywood, FL 33020

STATE OF FLORIDA  
 COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 5th day of June, 2000, by Ralph Bigio, as President of Watergate Condominiums Association, Inc., a Florida not-for-profit corporation.

NOTARY PUBLIC - STATE OF FLORIDA

Personally Known  OR  
 Produced Identification   
 Type of Identification \_\_\_\_\_

sign [Signature]  
 print SARAH L. TEPPER  
 My Commission expires: \_\_\_\_\_

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**AMENDMENTS TO THE DECLARATION OF CONDOMINIUM  
OF  
WATERGATE CONDOMINIUM NOS. 1-6**

Article 12, Section 12.6 of the Declaration of Condominium is amended to read as follows:

12.6 "Leasing of Apartments". No unit shall be leased and leasing shall be prohibited during the 2-year period subsequent to the acquisition of title to a unit. After approval by the Association as elsewhere required, entire apartments may be rented provided the occupancy is only by the lessee, his family and guests. No unit shall be leased for less than four months, and not more than one lease per unit shall be permitted to commence in any twelve month period. No rooms may be rented and no transient tenants shall be accommodated in any apartment, nor shall any lease of any apartment release or discharge the owner thereof for compliance with any of his obligations and duties as an apartment owner. All of the provisions of the Condominium Act, this Declaration, the Charter and By-Laws, and the Rules and Regulations of the Association shall be applicable and enforceable against any person occupying an apartment unit as a tenant or other invitee to the same extent as against an apartment owner, and the provisions thereof shall be deemed expressly incorporated into any lease of a unit. A covenant upon the part of each tenant to abide by the rules and regulations of the Association, the Declaration of Condominium, Charter, and By-Laws, and Condominium Act, and designating the Association as the apartment owner's agent for the purpose of and with the authority to terminate any such lease agreement and/or evict or otherwise remove the tenant or other invitee occupying a unit in the event of violations by the tenant or such other invitee of such covenant shall be an essential element of any such lease or tenancy agreement, whether oral or written, and shall be deemed expressly incorporated into any lease of a unit, whether specifically expressed in such agreement or not.

**NOTE: NEW WORDS INSERTED IN THE TEXT ARE UNDERLINED AND WORDS DELETED ARE LINED THROUGH WITH HYPHENS.**

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