

THE COURTYARDS AT WILLOUGHBY
A CONDOMINIUM

**PROSPECTUS
FOR
COURTYARDS AT WILLOUGHBY, A CONDOMINIUM**

- 1. THIS PROSPECTUS (OFFERING CIRCULAR) CONTAINS IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING A CONDOMINIUM UNIT.**
- 2. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS AND SALES MATERIALS.**
- 3. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. REFER TO THIS PROSPECTUS (OFFERING CIRCULAR) AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.**

SUMMARY

1. UNIT OWNERS ARE REQUIRED TO PAY THEIR SHARE OF THE COST AND EXPENSES OF MAINTENANCE, MANAGEMENT, UPKEEP AND REPLACEMENT OF THE RECREATIONAL FACILITIES AND OTHER COMMONLY USED FACILITIES AS SET FORTH IN THE DECLARATION OF CONDOMINIUM AND THE ASSOCIATIONS SHARE OF THE "SHARED COSTS" PROVISION FOR THE UPKEEP OF COMMONLY USED STREETS AND LANDSCAPING OF WILLOUGHBY.

See Section 7 of the Bylaws (Exhibit C of the Declaration of Condominium), Section 4.5 and 26 of the Declaration of Condominium and Exhibit G of the Declaration of Condominium (Willoughby Community Association, Inc. or "Master Association") and Section C of this Offering Circular.

2. THE DEVELOPER IS CREATING THE CONDOMINIUM IN FEE SIMPLE INTERESTS AND INTENDS TO CONVEY TITLE TO THE PURCHASER OF UNITS IN THE CONDOMINIUM IN FEE SIMPLE.

See Attachment 3 to this Offering Circular (Purchase and Sale Agreement).

3. THERE IS TO BE A CONTRACT FOR THE MANAGEMENT OF THE CONDOMINIUM PROPERTY WITH JANUS HOTELS AND RESORTS, INC.

See Attachment 7 to this Offering Circular.

4. THERE IS A LIEN RIGHT AGAINST EACH UNIT TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING DUE FOR THE MAINTENANCE, UPKEEP OR REPAIR OF THE RECREATIONAL OR COMMONLY USED FACILITIES. THERE IS A TWO-TIERED ASSOCIATION FORMAT ASSOCIATED WITH THIS CONDOMINIUM, UNDER WHICH UNIT OWNERS MUST BECOME MEMBERS OF THE CONDOMINIUM ASSOCIATION AND THE MASTER ASSOCIATION. BOTH ASSOCIATIONS HAVE LIEN RIGHTS. THE UNIT OWNER'S FAILURE TO MAKE THE PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN.

See Section 19 of the Declaration of Condominium, Section 7 of the Bylaws (Exhibit C of the Declaration of Condominium) and Exhibit G of the Declaration of Condominium.

5. THE DEVELOPER HAS THE RIGHT TO RETAIN CONTROL OF THE CONDOMINIUM ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD.

6. THE SALE, LEASE OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED.

See Section 13 of the Declaration of Condominium and Section 8 of Exhibit D to the Declaration of Condominium (Rules and Regulations).

TABLE OF CONTENTS

A. NAME AND LOCATION OF CONDOMINIUM.....	1
B. DESCRIPTION OF CONDOMINIUM.....	1
C. RECREATIONAL FACILITIES, COMMON ELEMENTS AND COMMONLY USED FACILITIES.....	2
D. FEE SIMPLE OWNERSHIP INTEREST.....	3
E. THE DEVELOPER WILL NOT TRANSFER UNITS IN THE FORM OF A LEASE.....	3
F. CONTRACTS.....	3
G. CONDOMINIUM ASSOCIATION AND MASTER ASSOCIATION.....	5
H. RESTRICTIONS ON SALE, LEASE OR TRANSFER OF UNITS.....	7
I. USE RESTRICTIONS.....	8
J. UTILITIES.....	8
K. APPORTIONMENT OF COMMON EXPENSES AND OWNERSHIP OF COMMON ELEMENTS AND COMMON SURPLUS.....	9
L. BUDGET.....	9
M. ESTIMATED CLOSING EXPENSES.....	10
N. INITIAL CAPITAL CONTRIBUTION.....	10
O. IDENTITY OF DEVELOPER.....	11
P. EASEMENTS.....	11
Q. PURCHASE AGREEMENT.....	11
R. RECEIPT FOR CONDOMINIUM DOCUMENTS.....	11
S. FURTHER DISCLOSURES.....	12
T. GOOD FAITH EFFORT TO COMPLY.....	13
U. NOTICE TO PURCHASER.....	13

ATTACHMENTS TO OFFERING CIRCULAR

1. Declaration of Condominium of Courtyards at Willoughby, a Condominium
("Declaration")

EXHIBITS TO DECLARATION

- A. Articles of Incorporation of Courtyards at Willoughby Condominium
Association, Inc.
 - B. Condominium Plot Plan
 - C. Bylaws of Courtyards at Willoughby Condominium Association, Inc.
 - D. Rules and Regulations
 - E. Legal Description of the Condominium Property
 - F. Percentages of Ownership of Common Elements and Common Surplus
 - G. Master Association's Declaration of Covenants, Conditions and
Restrictions, Bylaws, Articles of Incorporation and Supplemental
Covenants
2. Estimated Operating Budget

3. Purchase Agreement
4. Escrow Agreement
5. Receipt for Condominium Documents
6. Copy of Conveyance
7. Management Agreement

PROSPECTUS
FOR
COURTYARDS AT WILLOUGHBY
A CONDOMINIUM

BRIEF DESCRIPTION OF THE CONDOMINIUM

This Offering Circular is prepared by THE BECK GROUP OF STUART, LLC ("Developer"), as the Developer of the COURTYARDS AT WILLOUGHBY, A CONDOMINIUM, ("Condominium") in compliance with Chapter 718 of the Florida Statutes (the "Condominium Act"), including specifically Section 718.504, Florida Statutes. The Offering Circular describes certain features of the Units in the Condominium ("Units"). The attachments to this Offering Circular explain various rights and obligations of the purchasers of Units ("Unit Owners") as owners in the Condominium. These documents set forth the legal rights of the various parties and should be carefully studied by all prospective purchasers.

A. NAME AND LOCATION OF CONDOMINIUM.

The name of the Condominium is COURTYARDS AT WILLOUGHBY, A CONDOMINIUM. The Condominium is located at 1567 SE Pomeroy Street, Stuart, Florida 34997. The Condominium is situated upon certain real property located in Martin County, Florida, the legal description of which is attached as Exhibit E to the Declaration of Condominium ("Declaration") of the Condominium, which is attached to this Offering Circular as Attachment 1.

B. DESCRIPTION OF THE CONDOMINIUM.

1. The Condominium will be created by the recording of the Declaration in the public records of Martin County, Florida. The entire Condominium will consist of nine (9) buildings each containing eight (8) Units, for a total of seventy-two (72) Units and recreational facilities, including a pool and a small exercise facility. The Developer estimates the date of completion of construction to be July 1, 2004. Each Unit has been assigned a number as depicted on Exhibit B of the Declaration. Developer reserves the right, if required by a governmental entity, to change the numbering system. Provided however, each purchaser will be conveyed the same Unit as described in the attached drawings. The Unit types are as follows:

Unit Type	Number of Bedrooms	Number of Bathrooms	Square Footage in Each Unit	Number of Unit Types
Juno*	2	2	PO1-1,202	9
Juno*	2	2	PO2-1,202	9
Jupiter	2	2	PO1-1,237	9
Jupiter	2	2	PO2-1,237	9
Hutchinson	2	2	1,475	18

The swimming pool will be 16' x 32' and will be 3'6" deep at the shallow end of the pool and will be 5'6" deep at the deepest part of the pool. The surrounding concrete deck will extend 19' from all sides of the pool. The pool capacity will be 20 persons and the pool will not be heated. It is expected that the pool and pool deck will be completed by July 1, 2004.

The exercise facility will be 256 square feet and will be located adjacent to the pool area. It will have limited exercise equipment, which shall include two (2) stationary bicycles, two (2) treadmills, one (1) stair master and one wall rack of free weights. The facility will accommodate approximately 7 persons at one time and it is expected that this facility will be completed by July 1, 2004.

The Master Association shall maintain the main roadways outside the Condominium within Willoughby and all bodies of water and landscaping with Willoughby, but not within the Condominium in accordance with Exhibit G of the Declaration. The Master Association does not provide any commonly used recreational facilities to be used by Unit Owners.

UNIT OWNERS ARE REQUIRED TO PAY THEIR SHARE OF THE COST AND EXPENSES OF MAINTENANCE, MANAGEMENT, UPKEEP AND REPLACEMENT OF THE ASSOCIATION PROPERTY, MASTER ASSOCIATION PROPERTY AND OTHER COMMONLY USED FACILITIES AS SET FORTH IN THE DECLARATION OF CONDOMINIUM AND THE MASTER COVENANTS.

See Section 7 of the Bylaws (Exhibit C of the Declaration) and Exhibit C of the Master Covenants and Restrictions (Exhibit G of the Declaration).

D. FEE SIMPLE OWNERSHIP INTEREST.

THE DEVELOPER IS CREATING THE CONDOMINIUM IN FEE SIMPLE INTERESTS AND INTENDS TO CONVEY TITLE TO THE PURCHASER OF UNITS IN THE CONDOMINIUM IN FEE SIMPLE.

See Attachment 3 to this Offering Circular (Purchase and Sale Agreement).

Title to the Units will be conveyed by Special Warranty Deed.

E. THE DEVELOPER WILL NOT TRANSFER UNITS IN THE FORM OF A LEASE.

F. CONTRACTS.

1. MANAGEMENT OF THE CONDOMINIUM ASSOCIATION AND MAINTENANCE AND OPERATION OF THE CONDOMINIUM.

**THERE IS A CONTRACT FOR THE MANAGEMENT OF THE
CONDOMINIUM PROPERTY WITH JANUS HOTELS AND RESORTS, INC.**

See Attachment 7 to this Circular Offering.

The compensation the manager receives (in addition to reimbursements for certain expenses incurred) for the management of the Condominium equals \$6.94 per Unit per month and \$83.33 per Unit per year. There is no provision in the management agreement providing for any increase in compensation to the manager.

The Developer shall cause the Condominium Association to enter into a management contract with Janus Hotels and Resorts, Inc. commencing on the date of the recording of the Declaration of Condominium and continuing for a term of three (3) years. The management contract provides among other things that the management company will be responsible for the maintenance and operation of the Condominium and, pursuant to the terms of the contract, may hire and fire employees, provide routine accounting, budget and income tax services, collect assessments, all as approved by the Board of Directors and pay all bills duly incurred and authorized and otherwise handle the day to day affairs of the Association. The Chairman of the Board of Directors of the management company is also a 33.34% owner in the Developer.

There will not be a similar management contract with the Master Association for the management of the Master Association of which the Association will be a party.

2. CABLE TELEVISION CONTRACTS.

The Developer is currently working on an agreement to provide basic cable to every Unit. The cost of such monthly service shall be the responsibility of each individual Unit Owner. This cost will be budgeted as a Common Expense and shall be part of the individual Unit Owner's assessment.

3. HOME SECURITY CONTRACTS.

The Developer is currently working on an agreement to provide a home security system, including monitoring, in every Unit. The cost of such monthly service for monitoring shall be the responsibility of each Unit Owner. This cost will be budgeted as a Common Expense and shall be part of the individual Unit Owner's assessment.

4. OTHER CONTRACTS

Upon closing of the first Unit, Developer shall assign to the Condominium Association all of the Developer's right, title and interest in and to any contracts relating to the provision of utility, insurance and other services to the Condominium and from and after such date, all benefits and burdens thereunder shall accrue and apply to the Condominium Association. The Developer shall be entitled to be reimbursed for all

prepaid premiums, rentals, deposits and other consideration paid by Developer to such insurers, contractors and utility companies.

G. CONDOMINIUM ASSOCIATION AND MASTER ASSOCIATION.

Upon conveyance of a Unit, the Unit Owners automatically become members of two (2) Associations: the Condominium Association and the Master Association. Copies of the Articles of Incorporation and Bylaws of the Condominium Association are attached to the Declaration of Condominium as Exhibits A and C, respectively. Copies of the Articles of Incorporation and Bylaws of the Master Association are attached respectively as Attachments 8(b) and 8(c) to this Offering Circular.

THERE IS A LIEN RIGHT AGAINST EACH UNIT TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING DUE FOR THE MAINTENANCE, UPKEEP OR REPAIR OF THE RECREATIONAL OR COMMONLY USED FACILITIES. THERE IS A TWO-TIERED ASSOCIATION FORMAT ASSOCIATED WITH THIS CONDOMINIUM, UNDER WHICH UNIT OWNERS MUST BECOME MEMBERS OF THE CONDOMINIUM ASSOCIATION AND THE MASTER ASSOCIATION. BOTH ASSOCIATIONS HAVE LIEN RIGHTS. THE UNIT OWNER'S FAILURE TO MAKE THE PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN.

See Section 7 of the Bylaws (Exhibit C of the Declaration) and Exhibit C of the Master Association Covenants and Restrictions (Exhibit G of the Declaration).

Through this two-tiered system, the cost of maintaining separate communities is borne by those owning the Units.

THE DEVELOPER HAS THE RIGHT TO RETAIN CONTROL OF THE CONDOMINIUM ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD.

See Section 3.23(b) of the Bylaws (Exhibit C to the Declaration of Condominium).

As more fully set forth in Section 3.23(b) of the Bylaws, the control of the Condominium Association will be in the hands of the Developer subsequent to the sale of the majority of the Condominium Units. When the Unit Owners other than the Developer own fifteen percent (15%) or more of the Units in the Condominium, the Unit Owners, other than the Developer, are entitled to elect no less than one-third of the members of the Board of Directors. Unit Owners, other than the Developer, are entitled to elect not less than the majority of the members of the Board of Directors of the Condominium Association:

1. Three years after 50% of the units that will be operated ultimately by the Association have been conveyed to purchasers.

2. Three months after 90% of the units that will be operated ultimately by the Association have been conveyed to purchasers.

3. When all the units that will be operated ultimately by the Association have been completed, some of them have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business.

4. When some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business.

5. Seven years after recordation of the Declaration of Condominium.

The Developer is entitled to elect at least one member of the Board of Directors of the Association as long as the Developer holds for sale in the ordinary course of business at least 5% of the total units operated by the Association. Following the time the Developer relinquishes control of the Association, the Developer may exercise the right to vote any developer-owned units in the same manner as any other Unit Owner except for purposes of reacquiring control of the Association or selecting the majority members of the Board of Directors.

Unit Owners shall have no voting rights in the Master Association or have any type of representation on the board of the Master Association. The only voting rights that shall be applicable to Unit Owners regarding the Master Association shall be for the amendment of Exhibit C (Declaration of Easements and Covenants to Share Costs) of the Declaration of Covenants, Conditions and Restrictions of the Master Association (Exhibit G to the Declaration).

As stated in Exhibit C (Declaration of Easements and Covenants to Share Costs) of the Declaration of Covenants, Conditions and Restrictions of the Master Association (Exhibit G to the Declaration), each Unit Owner's assessment paid to the Master Association will be for the Master Association's obligation to operate, maintain, irrigate, repair, preserve, replace, protect, and insure, as appropriate, all grass, other landscaping, street lights, entry features and other signage located within the right-of-way of S.E. Willoughby Boulevard between Indian Street and S.E. Market Place.

More specifically stated in Section 3 of Exhibit C of the Declaration of Covenants, Conditions and Restrictions:

This Declaration may be amended unilaterally at any time by the Declarant (a) if such amendment is necessary to bring any provision hereof in compliance with any applicable governmental statute, rule or regulation or judicial determination which shall

be in conflict therewith; (b) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to any portion of the Properties subject to this Declaration; (c) if such amendment is required by an Institutional or governmental lender or purchaser of mortgage loans on any portion of the Properties subject to this Declaration; or (d) if such amendment is necessary to enable any governmental agency or reputable private insurance company to ensure mortgage loans on any portion of the Properties subject to this Declaration; provided, however, any such amendment shall not adversely affect the title to any portion of the Properties unless the owner thereof shall consent thereto in writing. Further, so long as the Declarant of the Willoughby Declaration has an option unilaterally to subject additional property to that instrument as provided in that instrument, Declarant may unilaterally amend this Declaration for any other purpose; provided, however, any such amendment shall not materially adversely affect the substantive rights of any owner or occupant hereunder, nor shall it adversely affect the title to the property without the consent of the affected owner.

In addition to the above, this Declaration may be amended upon the affirmative vote or written consent, or any combination thereof, of at least a majority of the directors of WCA and owners of a majority of the total acreage within the West Property and, so long as the Declarant of the Willoughby Declaration has an option unilaterally to subject additional property to the Willoughby Declaration as provided in that instrument, the consent of the Declarant. Amendments to this Declaration shall become effective upon recordation, unless a later effective date is specified therein.

No amendment which affects the storm water management system within the Properties or maintenance thereof shall be effective without the prior written consent of the South Florida Water Management District.

Any procedural challenge to an amendment must be made within six (6) months of its recordation. In no event shall a change of conditions or circumstances operate to amend any provisions of this Declaration.

H. RESTRICTIONS ON SALE, LEASE OR TRANSFER OF UNITS.

THE SALE, LEASE OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED.

See Section 13 of the Declaration of Condominium and Section 8 of Exhibit D to the Declaration of Condominium (Rules and Regulations).

All leases must be for a term of at least thirty (30) days. No Unit may be leased more than three (3) times in any calendar year. The tenant is bound by all of the terms and conditions of the Condominium Documents. If the tenant fails to comply with the Declaration and the Rules and Regulations issued in connection therewith, the Condominium Association shall have the right and power to evict the tenants. The Unit Owner will be jointly and severally liable with the tenants to the Condominium Association and/or Master Association for any amount which is required by the

applicable Association to repair any damage to the Master Association Common Property, Association Property, Common or Limited Common Elements caused by the tenants.

I. USE RESTRICTIONS.

Section 4.13 of the Bylaws authorizes the Condominium Association to adopt reasonable rules and regulations for the maintenance and conservation of the Condominium Property and the benefit of all Unit Owners, all of whom shall be subject to such rules and regulations. (See Exhibit D of the Declaration for a copy of the Rules and Regulations and Section 12 of the Declaration). The following is a summary of the more significant rules and regulations that have been adopted by the Board of Directors of the Condominium Association. The Unit may only be used for residential purposes; it may not be used in a manner which will create a nuisance, an unlawful use or increase the cost of insurance; the Unit Owner is precluded from advertising the lease or sale with signs on the Condominium Property. At the time of filing this Offering Circular, no Owner may have more than one (1) dog or two (2) cats. Provided that fish, birds and similar pets which are kept solely inside the Unit, such pets may be maintained, if they do not create a nuisance. Children are permitted. Additional reasonable rules and regulations may be made by the Board of Directors with respect to pets. No barbeque grills shall be permitted or stored in Units or on porches.

J. UTILITIES.

The utilities for the Condominium Property or Master Association Property, as applicable, will be supplied by the following companies or entities for the normal rates charged by such companies or entities. Each Unit Owner will be responsible for the utility charges for electric, telephone and basic cable television as they pertain to the Owner's Unit, provided that the Association may in the future elect to provide cable television service and then the charge for basic cable television service will be included in the Association's budget. The remainder of the utilities will be the responsibility of the Condominium Association as a Common Expense.

Water:	MC Utilities & Solid Waste
Waste Disposal:	Waste Management
Sewage:	Martin County Utilities & Solid Waste Department
Storm Drainage:	South Florida Water Management District
Electric:	Florida Power & Light
Telephone:	Bell South
Cable Television:	Adelphia
Home Security System:	Brinks

K. APPORTIONMENT OF COMMON EXPENSES AND OWNERSHIP OF COMMON ELEMENTS AND COMMON SURPLUS.

Common Expenses are apportioned among the Unit Owners in the same manner as their ownership of the Common Elements and Common Surplus. See Exhibit F of the Declaration of Condominium. Each Unit shall have a percentage ownership in the Common Elements, Common Surplus and obligation for Common Elements, represented by a percentage declared to Condominium ownership. Unit Owners are required to pay their share of the costs and expenses of maintenance, management, upkeep, replacement and repair of the recreation facilities. Each Unit's percentage of ownership in the Common Elements and Common Surplus, in addition to the obligation to share Common Expenses attributed thereto was determined by dividing each Unit in the Condominium by the total number of Units (1/72 or .013889%).

L. BUDGET.

Estimated operating budgets for the Condominium Association and the Master Association are attached to this Offering Circular as Attachment 2. It is the judgment of the Developer that this attachment fully reflects the level of the expenditure for the budgeted period based on the local sale and occupancy of the similar Units. Payments due to the Condominium and Master Association shall be made on a quarterly basis in the amount for each Unit type as set forth in Exhibit F of the Declaration.

The Developer guarantees that the assessment for Common Expenses for each Unit of the Condominium which is owned by persons other than the Developer shall not increase over the sum of \$44,145 per quarter and \$176,584 per year beginning on the date of recording of the Declaration and continuing until the end of the first fiscal year from the date of the recording of the Declaration, or upon transfer of control of the Condominium Association to Unit Owners other than Developer, whichever comes first, whereupon such guarantee shall terminate.

During that period, the Developer is excused from any obligation to pay the share of Common Expenses which would have been assessed against Units owned by the Developer during such guarantee period. Provided however, the Developer shall pay any amount of Common Expenses which are not produced by the Assessments paid by Unit Owners, other than the Developer, at the guaranteed amount. Provided however, during such period the Developer shall pay those Common Expenses incurred during that period which exceed the amount assessed against other Unit Owners. Provided also, so long as the Association has maintained all insurance coverages required by Section 718.111(11)(a), Florida Statutes, the Common Expenses incurred during the foregoing period resulting from a natural disaster or Act of God which are not covered by insurance proceeds from the insurance maintained by the Association may be assessed against all Unit Owners owning Units in accordance with their share of Common Expenses on the date of such natural disaster or Act of God, including the Developer.

Pursuant to the provisions of Section 718.112(2)(f) of the Condominium Act, the Developer will vote not to levy or fund reserves for the Condominium for the first two (2) fiscal years of the Association's operation, beginning with the fiscal year in which the initial Declaration is recorded. Thereafter, the non-Developer Unit Owners may determine, by a majority vote, whether to fully or partially fund the reserves.

The amount due to the Master Association for the fiscal year 2003 shall be \$504.75 per quarter (approximately \$7.01 per Unit), \$2,019.00 per year (approximately \$28.04 per Unit). There is no guaranty of the amount of the assessment of the Master Association. For ease of administration, the Condominium Association may collect the entire sum and then remit to the Master Association. The amounts due to the Master Association shall not be guaranteed by the Developer.

M. ESTIMATED CLOSING EXPENSES.

Purchaser will pay closing costs in the amount set forth in Sections 9 and 10 of the Agreement for Purchase and Sale (Attachment 3 to the Offering Circular). Each Unit Owner shall pay the closing costs as listed above, including the following:

1. Any costs incurred by the Purchaser in which are in excess of the amount of closing costs which Seller agrees to pay pursuant to the applicable purchase and sale agreement.
2. Taxes shall be prorated as of the closing date, in the manner set forth in the Purchase Agreement.
3. Buyer shall receive a title insurance policy in the amount of the purchase price, the premium for which shall be paid by the Purchaser.
4. At closing, the Unit Owner shall pay not only the prorata share of the monthly assessments for both the Condominium Association and the Master Association, but shall also pay a capital contribution equal to two (2) times the Condominium monthly assessment. (See Section 9 of the Purchase Agreement attached as Attachment 3).

N. INITIAL CAPITAL CONTRIBUTION.

The Developer shall charge at the closing of each initial sale of a Unit a contribution to be made by the buyer to the Condominium Association and the Master Association, to be placed in the reserve escrow account of the Association, an amount equal to two (2) times the monthly maintenance assessment cost. The Developer is precluded from the use of these funds for operating expenses of the Condominium Association during the period of time the Developer guaranties the deficit.

O. IDENTITY OF DEVELOPER

The Developer is the Beck Group of Stuart, LLC, a Florida limited liability company. The Developer has no prior experience in condominium development.

Executive direction of the development activities of this project is under the supervision of Jeffrey A. Graef, who is the director of construction and the principal directing the creation of the condominium for the development company. This is Mr. Graef's first condominium project. Mr. Graef has been involved in the construction of single-family homes and multi-family apartment projects for approximately seven years. The information as to Mr. Graef is provided for the purpose of complying with Section 718.504 (23) Florida Statutes, and is not intended to create any personal liability on the part of Mr. Graef.

P. EASEMENTS.

There will be located within the Common Elements of the Condominium the customary and usual easements for ingress and egress and utilities, such as water, sewer, drainage, electricity, gas, telephone and cable television. In addition, in order to assure the overall uniformity of maintenance, the Master Association is granted an easement over the Condominium Property up to but not including the building façade so that it can maintain all landscaping within and adjacent to the Master Association Common Property in an attractive and uniform manner. See Exhibit G of the Declaration. (Declaration Covenants and Restrictions for the Master Association).

Q. PURCHASE AGREEMENT.

A specimen form of the purchase and sale agreement for the sale of a Unit in the Condominium is attached as Attachment 3 to this Offering Circular together with a copy of the agreement providing for the escrow of payment made to the Developer prior to closing in Attachment 4 of this Offering Circular.

The Unit Owners understand and acknowledge that pursuant to the written consent attached to the Purchase Agreement that any deposits paid by the Unit Owners other than reservation deposits that are in excess of ten percent (10%) of the purchase price may be utilized by the Developer for construction purposes only.

R. RECEIPT FOR CONDOMINIUM DOCUMENTS.

Prospective purchasers will acknowledge receipt of all required condominium documents by executing a receipt for condominium documents. A copy of the receipt is attached as Attachment 5 of this Offering Circular.

S. FURTHER DISCLOSURES.

Prospective purchasers are advised that the Developer has received the right to utilize unsold Units for sales and marketing purposes, and certain unsold Units may be used as model Units and a sales office.

The Rules and Regulations (Exhibit D to the Declaration) state that in order to maintain harmony of exterior appearance, no one will make any changes to, place anything on, affix anything to, or exhibit anything from any part of the condominium or association property that is visible from the exterior of the building or from the common elements without the prior written consent of the directors. All curtains, shades, drapes, and blinds will be white or off-white in color or lined with material of these colors. Balcony tile and floor covering colors must be approved by the board.

The above notwithstanding, any Unit Owner may display one (1) portable, removable United States flag in a respectful way and on Armed Forces Day, Memorial Day, Flag Day, Independence Day and Veterans Day, may display in a respectful way portable, removable official flags, not larger than 4 ½ feet by 6 feet, that represent the United States Army, Navy, Air Force, Marine Corps. or Coast Guard, regardless of any Declaration rules or requirements dealing with flags.

There will not be any access gates and security cannot be guaranteed. Neither the Developer, the Condominium Association nor the Master Association is liable or responsible for, or in any manner guarantor or insurer of the health, safety and welfare of any Owner, occupant, user, guest, invitee, servant or contractor of the Condominium Property or any facilities in the Courtyards at Willoughby, including, without limitation, any property of such persons. The Developer reserves the right to control the hours of operation and procedures relating to limited access facilities during the period of time the Developer controls the Association. Further, after turnover, the Developer reserves the right to permit its construction personnel and sales agents access to the Courtyards at Willoughby until construction and marketing activities for all Units within the Courtyards at Willoughby are completed.

Hurricanes have occurred in Florida, and the project is exposed to the potential damages of hurricanes and high winds including, but not limited to, damage from storm surges and wind-driven rain. Water or other damages from this or other extraordinary causes shall not be the responsibility of the Developer.

Each Owner, by acceptance of a deed or other conveyance of his or her Unit, acknowledges and agrees that sound transmission in multi-unit buildings, such as a condominium, is very difficult to control, and that noises from adjoining or nearby Units or mechanical equipment, can often be heard in another Unit. The Developer does not make any representation or warranty as to the level of sound transmission between and among the Units and other portions of the Condominium Property or the Courtyards at Willoughby.

The foregoing is not intended to present a complete summary of all the provisions of the various documents referred to herein. Statements made as to the provisions of such documents are qualified in all respects by the contents of the referenced documents.

The definitions set forth in the Declaration shall be applicable to this Offering Circular, unless specifically set forth to the contrary.

T. GOOD FAITH EFFORT TO COMPLY.

The Developer, BECK GROUP OF STUART, LLC, has attempted in good faith to comply with the disclosure requirements of the Florida Condominium Act. This document does not purport to describe all of the features of the Condominium, but rather attempts to comply with the requirements in stating the minimum features and assets of the Condominium which will accrue to the benefit of the Unit buyer.

Neither the Developer nor any salesperson or other agent employee of the Developer makes any representation regarding either economic benefits or tax treatment to be derived from the purchase of a Unit. Purchasers are advised that tax treatment and economic benefits may vary with individual circumstances, and the Developer recommends that buyers consult their own attorney, accountant, or other investment counsel regarding economic and tax matters.

U. NOTICE TO PURCHASER.

The Statements set forth above are only summary in nature. A prospective purchaser should refer to all references as well as the entire set of disclosure materials and the purchaser's purchase agreement (a form of which is attached as Attachment 3 to this Offering Circular). All disclosure materials, contract documents and brochure materials are important legal documents and, if not understood, prospective purchaser should seek legal advise.

ATTACHMENT 1

DECLARATION OF CONDOMINIUM OF COURTYARDS AT WILLOUGHBY CONDOMINIUM ASSOCIATION, INC.

The Beck Group of Stuart, LLC, herein called "Developer," on behalf of itself and its successors, grantees, and assigns, hereby makes this Declaration of Condominium ("Declaration"):

1. SUBMISSION TO CONDOMINIUM -- The fee simple title to the lands, including any and all improvements thereon, located in Martin County, Florida, and described in attached Exhibit "E" are submitted to the condominium form of ownership.

2. NAME -- PLAN OF DEVELOPMENT -- Developer has or will construct a total of 72 single-family residential Units and associated improvements designated "Courtyards at Willoughby, a Condominium."

3. NAME -- ASSOCIATION -- The name of the Condominium Association is "Courtyards at Willoughby Condominium Association, Inc." This Association is incorporated as a not for profit Florida corporation.

4. DEFINITIONS -- The terms used herein will have the meanings stated in Florida Statutes Chapter 718 (Condominium Act) and as follows, unless the context otherwise requires:

4.1. ASSESSMENT -- The share of the funds required for the payment of Common Expenses that is assessed against a Unit Owner from time to time.

4.2. ASSOCIATION -- The corporation responsible for the operation of the Condominium.

4.3. ASSOCIATION PROPERTY -- All real or personal property owned or leased by the Association.

4.4. COURTYARDS AT WILLOUGHBY, A CONDOMINIUM -- A certain real property area within Stuart Farms, according to the plat thereof, recorded in Plat Book 1, Page 63, Public Records of Martin County, Florida, together with a portion of the plat of Port Sewall, recorded in Plat Book 3, Page 7, Public Records of Martin County, Florida.

4.5. MASTER ASSOCIATION -- The Willoughby Community Association, Inc. and facilities in which the sharing of costs is mandatory for Courtyards at Willoughby Unit owners, pursuant to the Declaration of Covenants, Conditions and Restriction for the MASTER ASSOCIATION, as recorded in Official Records Book 787, Page 222, Public Records of Martin County, Florida, as attached as Exhibit "G."

4.6. BOARD OF DIRECTORS or DIRECTORS or BOARD -- The Board of Directors responsible for the administration of the Association.

4.7. **CHARGE or SPECIAL CHARGE** -- The obligation of a Unit Owner to pay or reimburse money to the Association that cannot be secured as an assessment pursuant to F.S. 718.116, but which will, if the charge is not paid, give rise to a cause of action against the Unit Owner pursuant to this Declaration.

4.8. **COMMON ELEMENTS** -- The portions of the property submitted to Condominium ownership and not included in the Units, including:

4.8.1. Land

4.8.2. All parts of improvements that are not included within the Units

4.8.3. Easements

4.8.4. Installations for the furnishing of services to more than one Unit or to the Common Elements, such as chilled water air conditioning, electricity, water, and sewer.

4.9. **COMMON EXPENSES** -- All expenses and assessments properly incurred by the Association for the Condominium and such expenses as may be declared to be Common Expenses by this Declaration. The cost of providing basic cable television under a bulk service contract, the cost of providing electronic security, and the cost of water and sewer service to the Units shall be a Common Expense.

4.10. **COMMON SURPLUS** -- The excess of all receipts of the Association above the Common Expenses.

4.11. **CONDOMINIUM DOCUMENTS** -- This Declaration and the attached Exhibits setting forth the nature of the property rights in the Condominium and the covenants running with the land that govern these rights. All the other Condominium Documents will be subject to the provisions of the Declaration. The order of priority of the documents will be as follows: (1) Declaration; (2) Association Articles of Incorporation; (3) Bylaws; and (4) Rules and Regulations.

4.12. **CONDOMINIUM PARCEL** -- A Unit together with the undivided share in the Common Elements that is appurtenant to the Unit.

4.13. **CONDOMINIUM PROPERTY** -- The real and personal property, both tangible and intangible, subject to Condominium ownership, whether or not contiguous; all improvements thereon; and all Easements and rights appurtenant thereto.

4.14. **DEVELOPER** -- BECK GROUP OF STUART, LLC, the company that has established this Condominium, and the successors and assigns of the company's development rights.

4.15. EXHIBITS:

- A. Association Articles of Incorporation
- B. Condominium Plot Plan
- C. Association Bylaws
- D. Rules and Regulations
- E. Legal description of the Condominium Property
- F. Percentages of ownership of the Common Elements
- G. Master Association's Declaration of Covenants, Conditions and Restrictions

4.16. FAMILY -- One natural person or a group of two or more natural persons, each of whom is related to each of the others by blood, marriage, or adoption (exclusive of household servants); or not more than two adult persons not so related, and the children of either or both of them, who reside together as a single not-for-profit housekeeping unit.

4.17. GUEST -- Any person who is physically present in or occupies a Unit on a temporary basis at the invitation of the Unit Owner without the payment of consideration.

4.18. INSTITUTIONAL FIRST MORTGAGEE -- The mortgagee or its assignee of a first mortgage on a Condominium Parcel. The mortgagee may be a bank, a savings and loan association, a mortgage banker, a life insurance company, a real estate or mortgage investment trust, a pension or profit sharing trust, the Federal Housing Administration, the Department of Veterans Affairs, any agency of the United States of America, or the Developer. The term also refers to any holder of a first mortgage against a Condominium Parcel which mortgage is guaranteed or insured, as evidenced by a recorded instrument, by the Federal Housing Administration, the Department of Veterans Affairs, any agency of the United States of America, or any other public or private corporation engaged in the business of guaranteeing or insuring residential first mortgage loans, and their successors and assigns.

4.19. LEASE -- The grant by a Unit Owner of a temporary right of use of the owner's Unit for a valuable consideration.

4.20. LIMITED COMMON ELEMENTS -- Those portions of the Common Elements that are reserved for the use of a certain Unit or Units to the exclusion of the other Units.

4.21. OCCUPY -- The act of being physically present in a Unit on two or more consecutive days, including staying overnight. An occupant is one who occupies a Unit.

4.22. OPERATION -- The administration and management of the Condominium Property.

4.23. PERSON -- An individual, corporation, trust, or other legal entity capable of holding title to real property.

4.24. SINGULAR, PLURAL, GENDER -- Whenever the context permits, use of the plural includes the singular, use of the singular includes the plural, and use of any gender includes all genders.

4.25. UNIT -- A part of the Condominium Property that is subject to exclusive ownership as described in this Declaration.

4.26. UNIT NUMBER -- The letter, number, or combination thereof that is designated on the Condominium Plot Plan and used as the identification of a Unit.

4.27. UNIT OWNER -- The owner of record legal title to a Condominium Parcel.

4.28. VOTING INTEREST -- The voting rights distributed to the Association members pursuant to F.S. 718.104(4)(j).

5. CONDOMINIUM UNITS, BOUNDARIES, AND APPURTENANCES -- Each Unit and its appurtenances constitute a separate parcel of real property that may be owned in fee simple. The Unit may be conveyed, transferred, and encumbered like any other parcel of real property, independently of all other parts of the Condominium Property, subject only to the provisions of the Condominium Documents and applicable laws.

5.1. BOUNDARIES -- Each Unit will have boundaries as defined below. The boundaries may exist now or may be created by construction, settlement, or movement of the buildings; or by permissible repairs, reconstruction, or alterations.

5.1.1. HORIZONTAL BOUNDARIES -- The upper and lower boundaries of the Units will be:

5.1.1.1. UPPER BOUNDARY -- The planes of the underside of the finished and undecorated ceilings of the Unit, extended to meet the perimeter boundaries.

5.1.1.2. LOWER BOUNDARY -- The planes of the upperside of the finished and undecorated surface of the floors of the Unit, extended to meet the perimeter boundaries.

5.1.2. PERIMETER BOUNDARIES -- The perimeter boundaries will be both the finished and undecorated interior surfaces of the perimeter walls of the Unit as shown on the Condominium Plot Plan, and the planes of the interior surfaces of the Unit's windows, doors, and other openings that abut the exterior of the building or Common Elements, including Limited Common Elements.

5.2. EXCLUSIVE USE -- Each Unit Owner will have the exclusive use of such owner's Unit.

5.3. OWNERSHIP -- The ownership of each Unit will carry with it, as appropriate, and whether or not separately described, all of the rights, title, and interest of a Unit Owner in the

Condominium Property which will include, but not be limited to:

5.3.1. COMMON ELEMENTS AND COMMON SURPLUS -- An undivided share of ownership of the Common Elements and Common Surplus.

5.3.2. LIMITED COMMON ELEMENTS -- Either the exclusive use or use in common with one or more other designated Units of the Limited Common Elements that may exist. Such elements include assigned parking space(s), garages, storage locker(s), screened terrace(s), open terrace(s), deck(s), private stairway(s), mechanical rooms serving only one Unit, and all items set forth in Paragraph 6 that are exterior to a Unit and are expressly required to be maintained by the Unit Owner.

5.3.3. ASSOCIATION MEMBERSHIP -- Membership in the Association and voting rights.

5.4. EASEMENTS -- The following nonexclusive Easements are created by and granted from the Developer to each Unit Owner; to the Association; Courtyards at Willoughby Condominium Association, Inc., the Willoughby Community Association, Inc., and their employees, agents, and hired contractors; to utility companies; to Unit Owners' families in residence, Guests, and invitees; and to governmental and emergency services, as applicable.

5.4.1. EASEMENT FOR AIR SPACE -- An exclusive Easement for use of the air space occupied by the Unit as it exists at any particular time and as the Unit may be lawfully altered or reconstructed from time to time. The Easement will be terminated automatically in any air space that is vacated from time to time.

5.4.2. INGRESS AND EGRESS -- Easements over the Common Elements for ingress and egress to Units and public ways.

5.4.3. MAINTENANCE, REPAIR, AND REPLACEMENT -- Easements through the Units and Common Elements for maintenance, repair, and replacement.

5.4.4. UTILITIES -- Easements through the Common Elements and Units for conduits, ducts, plumbing, and wiring, and other facilities for the furnishing of services and utilities to other Units, the Common Elements, and other utility customers, both existing and future.

5.4.5. PUBLIC SERVICES -- Access to both the Condominium Property and the Units for lawfully performed emergency, regulatory, law enforcement, and other public services.

6. MAINTENANCE; LIMITATIONS ON ALTERATIONS AND IMPROVEMENTS -- The responsibility for protection, maintenance, repair, and replacement of the Condominium Property, and restrictions on its alteration and improvement, shall be as follows:

6.1. ASSOCIATION MAINTENANCE -- The Association is responsible for the protection, maintenance, repair, and replacement of all Common Elements and Association Property

(other than the Limited Common Elements that are required elsewhere herein to be maintained by the Unit Owner). The cost is a Common Expense. The Association's responsibilities include, without limitation:

- 6.1.1. Electrical wiring up to the circuit breaker panel in each Unit.
- 6.1.2. Water pipes, up to the individual Unit cut-off valve within the Unit.
- 6.1.3. Cable television lines up to the wall outlets in the Units.
- 6.1.4. Air conditioning condensation drain lines, up to the point where they enter each Unit.
- 6.1.5. Sewer lines, up to the point where they enter the Unit.
- 6.1.6. All installations, fixtures, and equipment located within one Unit but serving another Unit, or located outside the Unit, for the furnishing of utilities to more than one Unit or the Common Elements.
- 6.1.7. The exterior surface of the main entrance doors to the Units.
- 6.1.8. All exterior building walls, including painting, waterproofing, and caulking.

The Association's responsibility does not include interior wall switches or receptacles, plumbing fixtures, or other electrical, plumbing, or mechanical installations located within a Unit and serving only that Unit. All incidental damage caused to a Unit or Limited Common Elements by work performed or ordered to be performed by the Association shall be repaired promptly by and at the expense of the Association, which shall restore the property as nearly as practical to its condition before the damage, and the cost shall be a Common Expense, except the Association shall not be responsible for the damage to any alteration or addition to the Common Elements made by a Unit Owner or his or her predecessor in title or for damage to paint, wallpaper, paneling, flooring, or carpet which, of necessity, must be cut or removed to gain access to work areas located behind it.

6.2. UNIT OWNER MAINTENANCE -- Each Unit Owner is responsible, at the owner's expense, for all maintenance, repairs, and replacements of the owner's Unit and certain Limited Common Elements. The owner's responsibilities include, without limitation:

- 6.2.1. Maintenance, repair, and replacement of screens, windows, and window glass.
- 6.2.2. The main entrance door to the Unit and its interior surfaces.
- 6.2.3. All other doors within or affording access to the Unit.
- 6.2.4. The electrical, mechanical, and plumbing lines, pipes, fixtures,

switches, valves, drains, and outlets (including connections) located partially or entirely within the Unit or serving only the Unit.

6.2.5. The circuit breaker panel and all electrical wiring going into the Unit from the panel.

6.2.6. Appliances, water heaters, smoke alarms, and vent fans.

6.2.7. All air conditioning and heating equipment, thermostats, ducts, and installations serving the Unit exclusively, except as otherwise provided in Paragraph 6.4 below.

6.2.8. Carpeting and other floor coverings.

6.2.9. Door and window hardware and locks.

6.2.10. Shower pans.

6.2.11. The main water supply shut-off valve for the Unit.

6.2.12. Other facilities or fixtures that are located or contained entirely within the Unit and serve only that Unit.

6.2.13. All interior partition walls that do not form part of the boundary of the Unit.

6.3. OTHER UNIT OWNER RESPONSIBILITIES

6.3.1. BALCONIES, PATIOS, AND PORCHES -- Where a Limited Common Element consists of a balcony, patio, or porch area, the Unit Owner who has the right of exclusive use of the area shall be responsible for the day-to-day cleaning and care of the walls, floor, and ceiling bounding said area, if any; and all fixed glass and sliding glass doors in portions of the entranceway to said area, if any; and the wiring, electrical outlet(s), and fixture(s) thereon, if any, and the replacement of light bulbs. The Association is responsible for the maintenance, repair, and replacement of all exterior walls of the building and the concrete slabs. The Unit Owner shall be responsible for day-to-day cleaning and care, but all painting and maintenance of the exterior surfaces and structures of the building shall be the responsibility of the Association and shall be a Common Expense. The maintenance, repair, replacement, and insurance of such approved carpeting, covering, or enclosure shall be the responsibility of the Unit Owner.

6.3.2. INTERIOR DECORATING -- Each Unit Owner is responsible for all decorating within the owner's Unit, including painting, wallpapering, paneling, floor covering, draperies, window shades, curtains, lamps and other light fixtures, and other furnishings and interior decorating.

6.3.3. FLOORING -- All Units above the ground floor shall always have the floors covered with wall-to-wall carpeting installed over high quality padding, except carpeting is not

required in kitchens, bathrooms, or laundry rooms. An owner who desires to install in place of carpeting any hard-surface floor covering (e.g. marble, slate, ceramic tile, parquet) also shall install a sound absorbent underlayment of such kind and quality equivalent or superior to one fourth inch of cork and perimeter sound isolation material installed in accordance with the Rules and Regulations as amended from time to time to substantially reduce the transmission of noise to adjoining Units, and must obtain written approval of the Board of Directors prior to any such installation. If the installation is made without prior approval, the Board may, in addition to exercising all the other remedies provided in this Declaration, require the unit owner to cover all such hard-surface flooring with carpeting, or require the removal of such hard-surface flooring at the expense of the offending Unit Owner. The structural integrity of balconies and terraces constructed of steel reinforced concrete is affected adversely by water intrusion and rusting aggravated by the water retention qualities of indoor-outdoor carpet, river rock, and unglazed ceramic tile and its grout. For this reason, no indoor-outdoor carpet or river rock may be used on balconies and terraces, and all tile and its bedding and grout must be of such materials and so applied as to be waterproof. Any flooring installed on the balconies or terraces of a Unit shall be installed so as to ensure proper drainage.

6.3.4. WINDOW COVERINGS – The covering and appearance of the windows and doors, whether by draperies, shades, reflective film, or other items, whether installed within or outside of the unit, visible from the exterior of the Unit, shall be subject to the Rules and Regulations of the Association.

6.3.5. MODIFICATIONS AND ALTERATIONS OR NEGLECT -- If a Unit Owner makes any modifications, installations, or additions to the Unit or the Common Elements or neglects to maintain, repair, and replace as required by this section 6, the Unit Owner, and the owner's successors in title, shall be financially responsible for:

6.3.5.1. Insurance, maintenance, repair, and replacement of the modifications, installations, or additions;

6.3.5.2. The costs of repairing any damage to the Common Elements or other Units resulting from the existence of such modifications, installations, or additions; and;

6.3.5.3. The costs of removing and replacing or reinstalling such modifications if their removal by the Association becomes necessary in order to maintain, repair, replace, or protect other parts of the Condominium Property for which the Association is responsible.

6.3.6. USE OF LICENSED AND INSURED CONTRACTORS -- Whenever a Unit Owner contracts for maintenance, repair, replacement, alteration, addition, or improvement of any portion of the Unit or Common Elements, whether with or without Association approval, such owner shall be deemed to have warranted to the Association and its members that owner's contractor(s) are properly licensed and fully insured, and that the owner will be financially responsible for any resulting damage to persons or property not paid by the contractor's insurance.

6.4. APPLIANCE MAINTENANCE CONTRACTS -- If there shall become

available to the Association a program of contract maintenance for water heaters serving individual Units, and/or air conditioning compressors and/or air handlers and related equipment and fixtures serving individual Units, which the Association determines is to the benefit of the owners to consider, then on agreement by a majority of the voting interests of the Condominium, in person or by proxy and voting at a meeting called for the purpose, or on agreement by a majority of the total voting interests of the Condominium in writing, the Association may enter into such contractual undertakings. The expenses of such contractual undertakings to the Association shall be Common Expenses. All maintenance, repairs, and replacements not covered by the contracts shall be the responsibility of the Unit Owner.

6.5. PEST CONTROL -- The Association may supply pest control services for the inside of each Unit, with the cost thereof being part of the Common Expenses. An owner has the option to decline such service unless the Association determines that service is necessary for the protection of the balance of the Condominium, in which event the owner thereof either must permit the Association's pest control company to enter the Unit or must employ a licensed pest control company to enter the owner's Unit on a regular basis to perform pest control services, and must furnish written evidence thereof to the Association. The cost of pest control provided by the Association is a Common Expense, so the election of an owner not to use the service will not reduce the owner's Assessments.

6.6. OWNER ALTERATION OF COMMON ELEMENTS RESTRICTED -- No Unit Owner may make any alterations, add to, or remove any part of the portions of the improvements that are to be maintained by the Association without the prior written approval of the Board of Directors. The Board has the authority to approve, disapprove, or require modifications to the proposed work. The Board's decision will be final. The owner must obtain all necessary approvals and permits from applicable government entities. The Association may require approval from engineers or other professionals as a prerequisite. The entire expense must be borne by the owner, including any subsequent maintenance and restoration. No owner will do any work that would jeopardize the safety or soundness of the building or impair any easements. If approved by the Board, two Units owned by the same owner that are adjacent, either horizontally or vertically, may be connected by doorways or stairways through Common Element walls or floors. Such Board-approved work is declared not to constitute material alterations or substantial additions to the Common Elements.

7. COMMON ELEMENTS

7.1. SHARE OF -- The Common Elements will be owned by the Unit Owners in undivided shares as set forth in Exhibit "F". Such undivided shares are stated as fractions and are based on the total square footage of each residential Unit in uniform relationship to the total square footage of all of the residential Units in the Condominium.

7.2. USE -- Each Unit Owner and the Association will be entitled to use the Common Elements in accordance with the purposes for which the elements are intended; however, no such use may hinder or encroach upon the lawful rights of other Unit Owners.

7.3. **MATERIAL ALTERATIONS AND ADDITIONS** -- Except for changes made by an owner with Association approval as provided in Paragraph 6.7. above, or by the Board of Directors alone for the integrity of the Condominium Property, material alteration of or substantial additions to the Common Elements or to Association Property, including the purchase, acquisition, sale, conveyance, or mortgaging of such property, may be effectuated only by vote of 67% of the voting interests of the Association at a meeting called for that purpose. The Board of Directors, without any vote of the membership, is authorized to lease or grant Easements or licenses for the use of the Common Elements or Association Property to Unit Owners or other persons if, in the judgment of the Board, the use will benefit the members of the Association, even when the lease, Easement, or license would result in a material alteration or substantial addition to the Common Elements or Association Property. The Association may charge for the use.

8. **FISCAL MANAGEMENT** -- The fiscal management of the Condominium, including budget, fiscal year, charges, assessments, and collection of assessments, shall be as set forth herein and in the Bylaws (Exhibit "C").

9. **ADMINISTRATION** -- The administration of the Condominium shall be by the Board of Directors and its powers and duties shall be as set forth herein and in the Articles of Incorporation and the Bylaws.

10. **INSURANCE** -- In order to adequately protect the Unit Owners, the Association, and all parts of the Condominium Property and Association Property that are required to be insured by the Association, insurance shall be carried and kept in force at all times in accordance with the following provisions:

10.1. **DUTY AND AUTHORITY TO OBTAIN** -- The Board of Directors shall use its best efforts to obtain and maintain adequate insurance. In all insurance purchased by the Association, the name of the insured shall be the Association and the Unit Owners and their mortgagees (without naming them), as their interests shall appear, and the policy shall provide for the issuance of certificates of insurance and mortgagee endorsements to any or all of the holders of institutional first mortgages. In the event that the Master Association requests the Association to name it as an additional insured as its interests may appear, the Association shall do so.

10.2. **BASIC INSURANCE** -- The Board of Directors will procure insurance covering the building and improvements as well as all insurable Association property, in an amount determined annually by the Board. Pursuant to F.S. 718.111(11)(b), the word "building" does not include floor coverings, wall coverings, or ceiling coverings, nor electrical fixtures, appliances, air conditioning or heating equipment, water heaters, or built-in cabinets located within a Unit. Such insurance shall afford the following protection:

10.2.1. **PROPERTY** -- The policy must include extended coverage (including windstorm), and replacement cost coverage for loss or damage by fire, vandalism and malicious mischief, and other hazards covered by the standard "All Risk" property contract.

10.2.2. **FLOOD** -- The policy must include up to the replacement cost for each

building and insurable improvements, as available.

10.2.3. LIABILITY -- The policy must include premises and operations liability endorsements for bodily injury and property damage in such limits of protection and with such coverage as required by the Board of Directors of the Association, with cross-liability endorsements to cover liabilities of the Unit Owners as a group to a Unit Owner.

10.2.4. AUTOMOBILE -- The policy must include automobile liability for bodily injury and property damage for all owned and non-owned motor vehicles used in Association business in such limits of protection and with such coverage as may be required by the Board of Directors of the Association.

10.2.5. WORKERS' COMPENSATION -- The Association shall maintain workers' compensation insurance to meet the requirements of law.

10.2.6. FIDELITY BONDING -- The Association shall obtain and maintain insurance or fidelity bonding for all persons who control or disburse funds of the Association. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the Association or its management agent at any one time. The term "persons who control or disburse funds of the Association" includes, but is not limited to, those individuals authorized to sign checks and the President, Secretary, and Treasurer of the Association. The Association shall bear the cost of bonding.

10.2.7. DIRECTORS AND OFFICERS LIABILITY INSURANCE -- The Association shall obtain and maintain adequate Directors and officers liability insurance using the broad form of policy coverage for all Directors and officers and, if available, for committee members of the Association.

10.2.8. OPTIONAL COVERAGE -- The Association may purchase and carry such other insurance coverage as the Board of Directors may determine from time to time to be in the best interests of the Association and Unit Owners.

10.3. DESCRIPTION OF COVERAGE -- A detailed summary of the coverage included in the master policies shall be available for inspection by Unit Owners on request.

10.4. WAIVER OF SUBROGATION -- The Board of Directors shall endeavor to obtain, if available and where applicable, insurance policies which provide that the insurer waives its rights to subrogation as to any claim against Unit Owners, the Association, or their respective servants, agents, or Guests.

10.5. SHARES OF INSURANCE PROCEEDS -- All proceeds of insurance policies purchased by the Association shall be payable to the Association. The duty of the Association shall be to receive such proceeds and hold and disburse them for the purposes stated herein in the following shares:

10.5.1. COMMON ELEMENTS -- Proceeds on account of damage to

Common Elements shall be held in as many undivided shares as there are Units, the shares of each Unit owner being the same as owner's share in the Common Elements.

10.5.2. UNITS -- Proceeds on account of damage to Units shall be held in as many undivided shares as there are damaged Units, the share of each owner being in proportion to the cost of restoring the damage suffered by each such Unit.

10.5.3. MORTGAGEES -- If a mortgagee endorsement has been issued as to a Unit, the shares of the mortgagee and the Unit Owner shall be as their interests may appear. In no event shall any mortgagee have the right to demand application of insurance proceeds to any mortgage or mortgages that it may hold against Units except to the extent that insurance proceeds exceed the actual costs of repair or restoration of the damaged improvements, and no mortgagee shall have any right to participate in determining whether improvements will be restored after casualty. The Association shall pay all policy deductible amounts on Association policies.

10.6. DISTRIBUTION OF INSURANCE PROCEEDS -- Proceeds of insurance policies received by the Association shall be distributed for the benefit of the Unit Owners in the following manner:

10.6.1. COST OF RECONSTRUCTION OR REPAIR -- If the damage for which the proceeds are paid is to be repaired or reconstructed by the Association, the proceeds shall first be paid to defray the costs thereof. Any proceeds remaining after defraying costs shall be retained by the Association.

10.6.2. FAILURE TO RECONSTRUCT OR REPAIR -- If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be reconstructed or repaired, the proceeds after expenses shall be distributed to the beneficial owners. The remittances to Unit Owners and their mortgagees shall be payable jointly to them. This is a covenant for the benefit of mortgagees and may be enforced by them.

10.7. ASSOCIATION AS AGENT -- The Association is hereby irrevocably appointed agent for each Unit Owner to adjust all claims arising under insurance policies purchased by the Association.

11. RECONSTRUCTION OR REPAIR AFTER CASUALTY -- If any part of the Condominium Property is damaged by casualty, whether and how it shall be reconstructed or repaired shall be determined as follows:

11.1. DAMAGE TO UNITS -- Where loss or damage is only to those parts of a Unit for which the responsibility of maintenance and repair is that of the Unit Owner, any Association insurance proceeds on account of the damage, less the deductible, shall be distributed to such contractors, suppliers, and personnel for work done, materials supplied, or services required for reconstruction or repair. Payments shall be in such amounts and at such times as the Unit Owners may direct. The owners of damaged Units shall be responsible for reconstruction and repair and shall bear the cost thereof, if any, in excess of the insurance proceeds.

11.2. DAMAGE TO COMMON ELEMENTS -- LESS THAN "VERY SUBSTANTIAL" -- Where loss or damage occurs to the Common Elements, but the loss is less than "very substantial," as hereinafter defined, it shall be mandatory for the Association to repair, restore, or rebuild the damage caused by the loss, and the following procedures shall apply:

11.2.1. ESTIMATES -- The Board of Directors of the Association shall promptly obtain reliable and detailed estimates of the cost of reconstruction and repair, and shall negotiate and contract for the work.

11.2.2. INSURANCE INSUFFICIENT -- If the net proceeds of insurance plus available reserves are insufficient to pay for the cost of reconstruction and repair of the Common Elements, the Association shall promptly, on determination of the deficiency, levy a special Assessment against all Unit Owners. Such special Assessments need not be approved by the Unit Owners. The special Assessments shall be added to the proceeds available for reconstruction and repair of the property.

11.2.3. "VERY SUBSTANTIAL" DAMAGE -- As used in this Declaration, the term "very substantial" damage shall mean loss or damage whereby three fourths or more of the total Units are rendered uninhabitable. Should such "very substantial" damage occur, then:

11.2.3.1. OWNERS' MEETING -- A meeting of the Association shall be called by the Board of Directors to be held within a reasonable time after the casualty. A determination by the Board of Directors as to what is a reasonable time shall be conclusive. The purpose of the meeting shall be to determine the wishes of the membership with reference to reconstruction or termination of the Condominium, subject to the following:

11.2.3.1.1. INSURANCE SUFFICIENT -- If the insurance proceeds and reserves available for reconstruction and repair are sufficient to cover the cost thereof, so that no special Assessment is required, the Condominium Property shall be reconstructed or repaired unless the then applicable zoning or other regulatory laws will not allow reconstruction of the same number and general type of Units, in which case the Condominium shall be terminated pursuant to Paragraph 16.2.

11.2.3.1.2. INSURANCE INSUFFICIENT -- If the insurance proceeds and reserves available for reconstruction and repair are not sufficient to cover the cost thereof so that a special Assessment will be required, then unless at least 67% of the voting interests of the Association vote in favor of such special Assessment and against termination of the Condominium, it shall be terminated pursuant to Paragraph 16.2. If 67% of the voting interests of the Association approve the special Assessment, the Association, through its Board, shall levy such Assessment and shall proceed to negotiate and contract for such reconstruction and repairs. The special Assessment shall be added to the proceeds of insurance and reserves available for reconstruction and repair of the property.

11.2.4. DISPUTES -- If any dispute shall arise as to whether "very substantial" damage has occurred, a determination by the Board of Directors shall be binding on all Unit Owners.

11.3. APPLICATION OF INSURANCE PROCEEDS -- It shall be presumed that the first monies disbursed for reconstruction and repair shall be from the insurance proceeds and they shall first be applied to reconstruction of the Common Elements and Association Property and then to the Units; if there is a balance in the funds held by the Association after the payment of all costs of reconstruction and repair, such balance shall be retained by the Association. However, if special assessments were made pursuant to Paragraph 11.2.3.1.2. hereof, then all or a part of the remaining money shall be returned to the Unit Owners paying said Assessments pro rata, according to the amount each paid, up to the full amount each paid, and then to the Association.

11.4. EQUITABLE RELIEF -- In the event of substantial damage to the Condominium Property, and if the property is not reconstructed or repaired within a reasonable period of time, any Unit Owner may petition a court for equitable relief, which may include a termination of the Condominium and a partition. For the purposes of this provision, it shall be conclusively presumed that reconstruction or repair has occurred within a reasonable period of time if substantial work is commenced within such time following the damage or destruction as is determined by the Board of Directors to be reasonable and the work proceeds without intentional and unwarranted delay to completion.

11.5. PLANS AND SPECIFICATIONS -- Any reconstruction or repairs must be substantially in accordance with the plans and specifications for the original buildings, or in lieu thereof, according to plans and specifications approved by the Board of Directors and by the owners of 67% of the voting interests of the Association and the Design Review Committee of the Courtyards at Willoughby.

12. USE RESTRICTIONS -- The use of the property of the Condominium shall be in accordance with the Rules and Regulations attached hereto and incorporated herein as Exhibit "D" and the following provisions:

12.1. LAWFUL USE -- 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 that require maintenance, modification, or repair on Condominium Property shall be the same as the responsibility for the repair and maintenance of the property as expressed earlier in this Declaration.

12.2. RULES AND REGULATIONS -- The Rules and Regulations attached hereto as Exhibit "D" and made a part hereof by reference concerning the use of the Condominium Property including the Units may be amended from time to time by the Board of Directors. Copies of the regulations and amendments shall be furnished by the Association to all Unit Owners. No new or amended regulation may be enforced prior to distribution to the owners. Changes in the Rules and Regulations must be recorded in the public records.

12.3. USE AND OCCUPANCY OF THE UNITS -- Unit use is restricted to one family and their Guests per Unit only. Occupancy by Guests in the absence of the Unit Owner is limited to two times per calendar year for maximum periods of 14 days. These use restrictions shall not be construed in such a manner as to prohibit a Unit Owner from maintaining a personal

professional library, keeping personal business or professional records or accounts, or handling personal, business, or professional telephone calls or correspondence in and from owner's Unit. Such uses are expressly declared customarily incident to the principal residential use. All Guests must be registered with the Association on arrival and unregistered Guests may be denied use of recreational facilities and amenities.

12.4. ACCESS TO UNITS -- The Association has an irrevocable right of access to the Units during reasonable hours when necessary for the purpose of maintenance, repair, and replacement of the Common Elements or of any portion of a Unit to be maintained by the Association pursuant to this Declaration or for making emergency repairs that are necessary to prevent damage to the Common Elements or to another Unit or Units. The owner of a Unit has a right of access to any adjoining Unit as and if it is reasonably necessary in order to maintain, repair, or replace parts of the owner's Unit. The right of access to a Unit shall be exercised after reasonable notice to the Unit Owners, unless such notice is not possible or practical under the circumstances, and with due respect for the occupants' rights to privacy and freedom from unreasonable annoyance, with reasonable precautions to protect the personal property within the Unit. The Association requires and shall retain a passkey to all Units. No Unit Owner shall install or alter any lock that prevents access while the Unit is unoccupied without providing the Association with a key.

12.5. PARKING -- Each Unit shall always have the exclusive use of two allocated parking spaces (or two parking spaces and a garage, if purchased). Allocations will be made initially by the Developer by a recorded written instrument.

12.6. GARAGES -- Garages are Limited Common Elements appurtenant to the Unit to which they are purchased and are for the exclusive use of the owners of that Unit. No garage may be assigned except as an appurtenance to a Unit. The assignment shall be made initially by the Developer and evidenced by reference to the garage in the deed to the Unit. The Developer may make the assignment for a valuable consideration. The garages shall not be used as overnight sleeping accommodations or storage facilities. The garages shall be maintained by the Association, but all expenses of maintenance shall be paid by owners of Units to which the garages are assigned. The budget shall have an additional exhibit indicating the amount each Unit Owner shall be assessed for the upkeep and maintenance of the garage, including any applicable reserves. The Association reserves the right to use the provisions of F.S. 718.116 to enforce payment of the costs by the Unit Owners entitled to use the garages. The garages that are not assigned to a Unit shall be maintained by the Association as a Common Expense.

12.7. PARKING SPACES, GARAGES, AND STORAGE LOCKERS -- EXCLUSIVE USE AND TRANSFER OF USE RIGHTS -- The exclusive right to use a Limited Common Element is an appurtenance to the Unit or Units to which it is designated or assigned. If, after all of the Units have been sold, the exclusive use of any assignable Limited Common Element was not, for any reason, assigned to the use of a specific Unit or Units by the Developer, the Association may do so. The right of exclusive use of each Limited Common Element passes with the Unit to which it is assigned, whether or not separately described, and cannot be separated from it; except that the use rights to particular parking spaces, garages, and storage lockers may be exchanged between Units, or transferred to another Unit, as follows:

12.7.1. The Unit Owners desiring to exchange such use rights shall execute a Certificate of Transfer in recordable form, which shall include the recording data identifying this Declaration, and be executed by the owners with the formalities required for the execution of a deed.

12.7.2. The transfer of use rights shall be complete and effective when the Certificate is recorded in the Public Records of Martin County, Florida. The costs of preparing and recording the Certificate shall be borne by the Unit Owners desiring the exchange or transfer. A copy of the recorded Certificate shall be provided to the Association for its records.

12.8. PETS -- TENANTS AND GUESTS -- Pets shall be as allowed and regulated in the Rules and Regulations (Exhibit "D"). However, tenants and Guests shall not be permitted to have pets.

12.9. EXCLUSIVE USE -- COMMON FACILITIES -- The Association may lease to Unit Owners for appropriate temporary periods of time those portions of the Common Elements rationally appropriate and desirable for exclusive use (for example, but not by way of limitation, the pool deck, social rooms, and card rooms).

12.10. NUISANCES PROHIBITED -- No person shall engage in any practice, exhibit any behavior, nor permit any condition to exist that will constitute a nuisance or become a reasonable source of annoyance or disturbance to any occupant of the Condominium.

13. LEASE, CONVEYANCE, DISPOSITION -- The purpose and object of this paragraph is to maintain a quiet, tranquil, non-transient, and single-family oriented atmosphere with the residents living in compatible coexistence with other financially responsible persons who are of like mind and acceptable both in character and comportment. This objective is considered to be both important and justified because of the necessity of sharing facilities and because of the large personal financial investment of each owner. Therefore, the lease, conveyance, disposal, and financing of the Units by owners (subject to the exceptions provided in Paragraph 18.1) shall be subject to the following provisions:

13.1. ASSOCIATION APPROVAL REQUIRED -- Except for Developer sales only, no owner may sell, lease, give, or otherwise transfer ownership of a Unit or any interest therein in any manner without the prior written approval of the Association. The approval shall be a written instrument in recordable form (except for leases), which shall include, without limitation, the nature of the transfer (sale, lease, etc.), the parties to the transaction (sellers, purchasers, etc.), the Unit number, the name of the Condominium, and the Official Record Book (O. R. Book) and Page numbers in which this Declaration was originally recorded. For all Unit transfers of title other than from the Developer, the approval must be recorded simultaneously in the Martin County, Florida Public Records with the deed or other instrument transferring title to the Unit.

13.1.1. DEVISE OR INHERITANCE -- If any Unit Owner shall acquire title by devise or inheritance or in any other manner not heretofore considered, the continuance of ownership shall be subject to the approval of the Association. Such owner shall give the Association notice of the title acquisition together with such additional information concerning the Unit Owner as

the Association may reasonably require, together with a copy of the instrument evidencing the owner's title, and if such notice is not given, the Association, at any time after receiving knowledge of such transfer, may approve or disapprove the transfer of ownership.

13.1.2. LEASES -- Approvals of leases need not be recorded. Only entire Units may be leased. All leases must provide, and if they do not, shall be deemed to provide, the agreement of the lessee(s) to abide by all of the Covenants of the Condominium and Community Associations' documents and that a violation of the documents is a material breach of the lease and is grounds for damages, termination, and eviction, and that the lessee and the owner agree that the Association may proceed directly against such lessee(s) and that the lessee(s) shall be responsible for the Association's costs and expenses, including attorneys' fees, at all trial and appellate levels. If such costs and fees are not immediately paid by the lessee(s), the Unit Owner shall pay them and such funds shall be secured as a charge. Each Unit Owner irrevocably appoints the Association as owner's agent authorized to bring actions in owner's name and at owner's expense including injunction, damages, termination, and eviction. The Rules and Regulations must be provided to the lessee(s) by or on the behalf of the Unit Owner at or before the commencement of the lease term. The minimum leasing period is 30 days and no Unit may be leased more than three times per calendar year, unless made more restrictive by the Board.

13.1.3. MULTIPLE OWNERS -- Consistent with Paragraph 13 above, de facto time sharing of Units is not permitted and approval will not be given for the sale of a Unit or an interest in a Unit to multiple persons (*e.g.*, siblings or business associates), who may intend that they and their families would split occupancy of the Unit into different time periods during the year.

13.2. APPROVAL PROCEDURE -- The approval of the Association shall be obtained as follows:

13.2.1. WRITTEN NOTICE -- Not later than 15 days before the transfer of ownership occurs, or the first day of occupancy under a lease, legal written notice shall be given the Association by the owner of intention to sell or transfer interest in any fashion. The notice shall include the name and address of the proposed acquirer and a correct and complete copy of the proposed documents to be executed to effectuate the transaction. The Association may require such other and further information as it deems reasonably necessary and may impose a transfer fee not to exceed \$100 or as permitted by law from time to time.

13.2.2. ASSOCIATION'S OPTIONS -- The Association must, within 15 days after receipt of all the information required above, either approve the transfer, disapprove it for cause, or, except in the case of disapproval for cause, on the written demand of the owner, furnish an alternate purchaser it approves or the Association may itself elect to purchase, and the owner must sell to such alternate or to the Association on the same terms set forth in the proposal given the Association or the owner may withdraw the proposed sale. In exercising its power of disapproval the Association must act in a manner that is neither arbitrary nor unlawfully discriminatory and withhold approval only for a reason or reasons rationally related to the protection, preservation, and proper operation of the Condominium and the purposes as set forth at the beginning of this Paragraph 13. If the Association fails or refuses within the allotted time to notify the owner of either approval or

disapproval in writing, or if it fails to provide an alternate purchaser or make an election to purchase the Unit itself when required to do so, then the Association shall conclusively be presumed to have approved the transaction, and the Association shall, on demand, provide a recordable certificate of approval.

13.2.3. CLOSING DATE -- The sale shall be closed within 60 days after an alternate purchaser has been furnished or the Association has elected to purchase.

13.2.4. NOTICE OF DISAPPROVAL -- If the Association disapproves the proposed transaction (subject to the qualifications contained in Paragraph 13.2.2.), notice of disapproval shall promptly be sent in writing to the owner or interest holder, and the transaction shall not be made. Any legal action brought by the Association, Unit Owner, Director or tenant shall result in the prevailing party in such action being awarded a reasonable attorney's fee and any other costs the court deems proper.

13.3. JUDICIAL SALES -- Judicial sales are exempt from this section.

13.4. UNAPPROVED TRANSACTIONS -- Any transaction that is not approved pursuant to the terms of this Declaration shall be void unless subsequently approved by the Association.

14. COMPLIANCE AND DEFAULT -- Each Unit Owner, tenant, and other invitee shall be governed by, and shall comply with, the provisions of the Condominium Act as amended from time to time, this Declaration, including its Exhibits, the Association Articles of Incorporation, and the Association Bylaws.

14.1. REMEDIES -- Failure to comply shall be grounds for relief, which relief may include, but shall not be limited to, an action to recover damages, or injunctive relief, or both. Actions may be maintained by the Association or by any Unit Owner.

14.2. COSTS AND FEES -- In any such proceeding, including appeals, the prevailing party shall be entitled to recover the costs of the proceeding and reasonable attorneys' fees.

14.3. OWNER INQUIRIES -- When a Unit Owner files a written inquiry by certified mail with the Board of Directors, the Board shall respond in writing to the Unit Owner within 30 days of receipt of the inquiry. The Board's response shall either (a) give a substantive response, (b) notify the inquirer that a legal opinion has been requested, or (c) notify the inquirer that advice has been requested from the Bureau of Condominiums. If advice has been requested from the Bureau of Condominiums, the Board shall provide a written substantive response to the inquirer within 10 days of receipt of the advice. If a legal opinion is requested, the Board shall provide a written substantive response to the inquirer within 60 days of receipt of the inquiry. The failure to provide a substantive response as set forth above precludes the Association from recovering attorneys' fees and costs in any subsequent litigation, administrative proceedings, or arbitration arising out of the complaint. If unresolved, a dispute, as defined in F.S. 718.1255(1), must be arbitrated in mandatory non-binding arbitration proceedings prior to commencement of litigation. The Board of Directors may adopt reasonable rules and regulations governing the frequency and

manner of responding to Unit Owner inquiries, including a limit of one Unit Owner inquiry in any 30-day period.

14.4. NO WAIVER OF RIGHTS -- The failure of the Association or any owner to enforce any covenant, restriction, or other provision of the Condominium Documents shall not constitute a waiver of the right to do so thereafter as to subsequent or other instances.

15. AMENDMENTS -- Amendments to any of the Condominium Documents shall be in accordance with the following:

15.1. REQUIREMENTS -- An amendment may be proposed either by the Board of Directors or by 25% of the voting interests of the Association, and may be considered at any meeting of the owners, regular or special, of which due notice has been given according to the Bylaws, which notice includes notice of the substance of the proposed amendment. Unit Owners may vote in person or by limited proxy at a meeting, or by written instrument without a meeting. The later written approval or joinder in the minutes may not be used as a vote. Passage shall be evidenced by a certificate executed in recordable form signed by the President or Vice-President of the Association that it has been enacted by the affirmative vote of the required percentage of the voting interests and the separate written joinder of mortgagees, where required, and shall include the recording date (identifying the location of the Declaration as originally recorded) and which shall become effective when recorded in the public records.

15.2. CORRECTORY AMENDMENT -- Whenever it shall appear that there is a defect, error, or omission in any of the Condominium Documents or in order to comply with applicable laws or requirements of government entities, the amendment may be adopted by the Board of Directors alone.

15.3. REGULAR AMENDMENTS -- Amendments may be enacted by a favorable vote of the owners of 67% of the voting interests in the Association.

15.4. MERGER AMENDMENT -- In the event that this Condominium should desire to merge with one or more other Condominiums, it may do so upon the approval of such voting interest of each condominium as required by the Declaration for modifying the appurtenances to the Units or changing the proportion or percentages of ownership of the Units.

15.5 DEVELOPER AMENDMENTS -- Until relinquishment of Developer control of the Association (turnover) and except as otherwise provided by law in F.S. 718.110(2), the Developer specifically reserves the right, without the joinder of any person, to make such amendments to the Declaration and its Exhibits, or to the plan of development, as may be required by any lender or governmental authority, or as may be, in Developer's judgment, necessary or desirable.

15.6. MORTGAGEE APPROVAL -- Amendments materially affecting the rights or interests of mortgagees must have the approval of the holders of institutional first mortgages of record representing 51% of the votes of Units subject to such mortgages who have requested the Association to notify them on any proposed action specified in this paragraph. Implied approval shall

be assumed when such holder fails to respond to any written request for approval within 30 days after the mortgage holder receives proper notice of the proposal, provided the notice was delivered certified or registered mail with a "Return Receipt" requested. In the event that mortgagee consent is provided other than by properly recorded joinder, such consent shall be evidenced by affidavit of the Association and recorded in the Public Records of Martin County, Florida. A change to any of the following shall be considered as material:

- Any change in the proportion or percentage by which the owner of the Unit shares the Common Expenses and owns the Common Surplus
- Reallocation of interests or use rights in the Common Elements
- Redefinition of any Unit boundaries
- Convertibility of Units into Common Elements or vice versa
- Expansion or contraction of the Condominium

15.7. DEVELOPER'S RIGHTS -- No amendment to this Declaration or any of the Condominium Documents shall change the rights and privileges of the Developer without the Developer's written approval as long as the Developer holds any Units for sale in the ordinary course of business.

15.8. WRITTEN AGREEMENTS -- Any approval of Unit Owners on any matter called for by this Declaration, its Exhibits, or any statute to be taken at a meeting of Unit Owners is hereby expressly allowed to be taken instead by written agreement, without a meeting (which agreement may be in counterparts), subject to F.S. 718.112(2)(d)4 and F.S. 617.0701.

16. TERMINATION -- Except for termination in connection with a merger of this Condominium with another, as provided for in Paragraph 15.4. above, the termination of the Condominium shall be carried out in accordance with the following:

16.1. BY AGREEMENT -- The Condominium may be caused to be terminated at any time by written agreement of the owners of at least three fourths of the Units, and of the holders of institutional first mortgages as provided for in Paragraph 15.6. above.

16.2. WITHOUT AGREEMENT, ON ACCOUNT OF VERY SUBSTANTIAL DAMAGE -- If the Condominium suffers "very substantial damage" to the extent defined above in Paragraph 11.2.3., and it is not decided as therein provided that the Condominium will be reconstructed or repaired, the condominium form of ownership of the property in this Condominium will be terminated.

16.3. PROCESS OF TERMINATION -- Termination of the Condominium occurs when a Certificate of Termination meeting the requirements of this paragraph is recorded in the Public Records of Martin County, Florida.

16.3.1. The termination of the Condominium by either of the foregoing methods shall be evidenced by a Certificate of Termination, executed by the President or Vice-President with the formalities of a deed, and certifying as to the facts effecting the termination. The Certificate also shall include the name and address of a Florida financial institution with trust powers or a licensed Florida attorney who is designated by the Association to act as Termination Trustee, and shall be signed by the Trustee indicating willingness to serve in that capacity.

16.3.2. The recording of that Certificate of Termination automatically divests the Association of title to all Association Property, and divests all Unit Owners of legal title to their respective Condominium Parcels, and vests legal title in the Termination Trustee named in the Certificate of Termination, to all real and personal property that was formerly the Condominium Property or Association Property, without need for further conveyance. Beneficial title to the former Condominium and Association Property shall be transferred to the former Unit Owners as tenants in common, in the same undivided shares as each owner previously owned in the Common Elements, without further conveyance. Each lien encumbering a Condominium Parcel shall be automatically transferred to the equitable interest in the former Condominium Property and Association Property attributable to the Unit encumbered by the lien, with the same priority.

16.4. WINDING UP OF ASSOCIATION AFFAIRS -- The termination of the Condominium does not, by itself, terminate the Association. The former Unit Owners and their successors and assigns shall continue to be members of the Association, and the members of the Board of Directors and the officers of the Association shall continue to have the powers granted in this Declaration, and in the Articles of Incorporation and Bylaws, to the extent necessary to, and for the sole purpose of, winding up the affairs of the Association in accordance with this paragraph.

16.5. TRUSTEE'S POWERS AND DUTIES -- The Termination Trustee shall hold legal title to the property for the benefit of the former Unit Owners and their successors, assigns, heirs, devisees, mortgagees, and other lienholders, as their interests shall appear. If the former Unit Owners approve a sale of the property as provided in this paragraph, the Termination Trustee shall have the power and authority to convey title to the purchaser, and to distribute the proceeds in accordance with the provisions of this paragraph. The Termination Trustee may charge a reasonable fee for acting in such capacity, and such fee as well as all costs and expenses incurred by the Termination Trustee in the performance of its duties, shall be paid by the Association or taken from the proceeds of the sale of the former Condominium and Association Property, and shall constitute a lien on the property superior to any other lien. The Trustee shall be entitled to indemnification by the Association from any and all liabilities and costs incurred by virtue of acting as Termination Trustee unless such liabilities are the result of gross negligence or malfeasance. The Termination Trustee may rely on the written instructions and information provided to it by the officers, Directors, and agents of the Association, and shall not be required to inquire beyond such information and instructions.

16.6. PARTITION; SALE -- Following termination, the former Condominium Property and Association Property may be partitioned and sold on the application of any Unit Owner. If following a termination, at least 75% of the voting interests agree to accept an offer for the sale of the property, the Board of Directors shall notify the Termination Trustee, and the Trustee shall

complete the transaction. In that event, any action for partition of the property shall be held in abeyance pending the sale, and on the consummation of the sale shall be discontinued by all parties thereto. If the Unit Owners have not authorized a sale of the former Condominium and Association Property within one year after the recording of the Certificate of Termination, the Trustee may proceed to sell the property without agreement by the Association or the former Unit Owners. The net proceeds of the sale of any of the property or assets of the Association shall be distributed by the Termination Trustee to the beneficial owners thereof, as their interests shall appear.

16.7. NEW CONDOMINIUM -- The termination of the Condominium does not bar creation of another condominium including all or any portion of the property.

16.8. PROVISIONS SURVIVE TERMINATION -- The provisions of this Paragraph 16 are covenants running with the land, and shall survive the termination of the Condominium until all matters covered by those provisions have been completed. The Board of Directors shall continue to function in accordance with the Bylaws and Articles of Incorporation, and shall have the power to levy assessments to pay the costs and expenses of the Trustee and of maintaining the property until it is sold. The costs of termination, the fees and expenses of the Termination Trustee, as well as post-termination costs of maintaining the former Condominium Property, are Common Expenses, the payment of which shall be secured by a lien on the beneficial interest owned by each former Unit Owner, which to the maximum extent permitted by law, shall be superior to, and take priority over, all other liens.

17. PROVISIONS PERTAINING TO THE DEVELOPER -- As long as the Developer holds any Unit for sale in the ordinary course of business, none of the following actions may be taken without approval in writing by the Developer:

17.1. Assessment of the Developer as a Unit Owner for capital improvements.

17.2. Any action by the Association that would be detrimental to the sale of Units or the completion of the project by the Developer, including such use of unsold Units and Common Elements and Association Property as may facilitate completion, sale, maintenance of a sales office, showing of the property, and display of signs.

18. RIGHTS OF MORTGAGEES

18.1. PARTIAL EXCUSAL FROM PRIOR ASSESSMENTS -- A first mortgagee who acquires title to a Unit by purchase at a foreclosure sale or by deed in lieu of foreclosure is liable for the unpaid Assessments that became due prior to the mortgagee's receipt of the deed, but in no event shall the mortgagee be liable for more than six months of the Unit's unpaid Common Expenses or Assessments accrued before the acquisition of the title to the Unit by the mortgagee or 1% of the original mortgage debt, whichever amount is less. This provision shall not apply unless the first mortgagee joined the Association as a defendant in the foreclosure action. Such mortgagee may obtain title, own, occupy, lease, sell, or otherwise dispose of such Unit without the approval of the Association. This paragraph shall be deemed amended so as to remain in conformity with the provisions of F.S. 718.116 as it is amended from time to time.

18.2. RIGHTS TO INFORMATION -- On receipt by the Association from any institutional mortgagee, guarantor, or insurer of a copy of the mortgage held by such mortgagee, guarantor, or insurer on a Unit, together with a written request from such mortgagee or an insurer or guarantor of such mortgagee specifying the address to which the following items are to be sent, the Association shall timely send to such mortgagee, insurer, or guarantor the following, for which the Association may charge a reasonable fee:

18.2.1. FINANCIAL STATEMENTS -- A copy of a financial statement of the Association for the immediately preceding fiscal year; and

18.2.2. INSURANCE CANCELLATION -- Written notice of the cancellation or termination by the Association of any policies of insurance covering the Condominium or Association Property or any improvements thereon, or any fidelity bonds of the Association except when the reason for the termination or cancellation of the insurance policy or bond is to change insurance companies or because the policy or bond is not needed or is not available; and

18.2.3. DAMAGE TO CONDOMINIUM -- Written notice of any damage or destruction to the improvements located on the Common Elements or Association Property that affects a material portion of the Common Elements or Association Property or the Unit securing its mortgage; and

18.2.4. EMINENT DOMAIN -- Written notice of a condemnation or eminent domain proceeding affecting a material portion of the Condominium Property or the Unit securing its mortgage; and

18.2.5. DELINQUENT ASSESSMENTS -- Written notice of failure by the owner of a Unit encumbered by a first mortgage held by such institutional mortgagee, guarantor, or insurer to pay any Assessments when such failure or delinquency has continued for a period of 60 days or longer.

18.2.6. FAILURE TO NOTIFY -- The failure of the Association to send any such notice to any such mortgagee, guarantor, or insurer shall have no effect on any meeting, action, or thing that was to have been the subject of such notice nor affect the validity thereof and shall not be the basis for liability on the part of the Association.

19. ENFORCEMENT OF ASSESSMENT LIENS -- Liens for Assessments may be foreclosed by suit brought in the name of the Association in the same manner as a foreclosure of a mortgage on real property and the Association also may bring an action to recover a money judgment. After a judgment of foreclosure has been entered, the Unit Owner during occupancy, if so ordered by the Court, shall be required to pay a reasonable rental. If the Unit is rented or leased during the pendency of a foreclosure action, the Association shall be entitled to the appointment of a receiver to collect the rent. The Association shall have all the powers provided in F.S. 718.116 and shall be entitled to collect interest at the highest lawful rate (currently 18% per annum) on unpaid Assessments and reasonable attorneys' fees, including appeals, and costs incident to the collection of such Assessment or enforcement of such lien, with or without suit.

19.1. CREATION AND ENFORCEMENT OF CHARGES -- The Association shall have a cause of action against Unit Owners to secure payment to the Association by Unit Owners of all charges, costs, and expenses to the Association that cannot be secured as Assessments, regular or special, under F.S. 718.116. The charge shall bear interest at the highest lawful rate, and shall carry with it costs and attorneys' fees, including appeals, incurred in collection.

20. ASSOCIATION AGREEMENTS -- The Association is authorized to enter into agreements to acquire leaseholds, memberships, and other possessory or use interests in lands or facilities such as country clubs, golf courses, marinas, and other facilities. Such interests need not be contiguous to the lands of the Condominium if they are intended to provide enjoyment, recreation, or other use or benefit to the Unit Owners. The Association also is authorized to enter into agreements to acquire leaseholds, memberships, and other possessory or use interests in lands or facilities such as country clubs, golf courses, marinas, and other facilities. Such interests need not be contiguous to the lands of the Condominium if they are intended to provide enjoyment, recreation, or other use or benefit to the Unit Owners.

21. COMMON EXPENSES AND COMMON SURPLUS -- Each Unit's share shall be that share of the whole set forth in Exhibit "F".

22. CONDEMNATION:

22.1. DEPOSIT OF AWARDS WITH ASSOCIATION -- The taking of all or any part of the Condominium Property by condemnation or eminent domain shall be deemed to be a casualty to the portion taken and the awards for that taking shall be deemed to be proceeds from insurance on account of the casualty. Even though the awards may be payable to Unit Owners, the Unit Owners shall deposit the awards with the Association; and if any fail to do so, a special charge shall be made against a defaulting Unit Owner in the amount of his award, or the amount of that award shall be set off against any sums payable to that owner.

22.2. DETERMINATION WHETHER TO CONTINUE CONDOMINIUM -- Whether the Condominium will be continued after condemnation will be determined in the manner provided in Paragraph 11 above for determining whether damaged property will be reconstructed and repaired after a casualty.

22.3. DISBURSEMENT OF FUNDS -- If the Condominium is terminated after condemnation, the proceeds of all awards and special Assessments will be deemed to be Condominium Property and shall be owned and distributed in the manner provided for insurance proceeds when the Condominium is terminated after a casualty. If the Condominium is not terminated after condemnation, the size of the Condominium will be reduced, the owners of condemned Units, if any, will be made whole, and any property damaged by the taking will be made usable in the manner provided below. Proceeds of awards and special charges shall be used for these purposes and shall be disbursed in the manner provided for disbursements of funds after a casualty.

22.4. ASSOCIATION AS AGENT -- The Association is hereby irrevocably appointed as each Unit Owner's attorney-in-fact for purposes of negotiating or litigating with the

condemning authority for the purpose of realizing just compensation for the taking.

22.5. UNITS REDUCED BUT TENANTABLE -- If the taking reduces the size of a Unit and the remaining portion of the Unit can be made tenantable, the awards for the taking of a portion of that Unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the Condominium:

22.5.1. RESTORATION OF UNIT -- The Unit shall be made tenantable. If the cost of the restoration exceeds the amount of the award, the additional funds required shall be paid by the owner of the Unit;

22.5.2. DISTRIBUTION OF SURPLUS -- The balance of the award, if any, shall be distributed to the owner of the Unit and to each mortgagee of the Unit, the remittance being made payable jointly to the owner and mortgagees.

22.6. UNIT MADE UNTENANTABLE -- If the taking is of any entire Unit or so reduces the size of a Unit that it cannot be made tenantable, the award for the taking of the Unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the Condominium:

22.6.1. PAYMENT OF AWARD -- The fair market value of the Unit immediately prior to the taking, as determined by agreement between the Unit Owner and the Association or by arbitration in accordance with Paragraph 22.6.4., shall be paid to the owner of the Unit and to each mortgagee of the Unit, the remittance being made payable jointly to the owner and the mortgagee(s);

22.6.2. ADDITION TO COMMON ELEMENTS -- If possible and practical, the remaining portion of the Unit shall become a part of the Common Elements and shall be placed in condition for use by all Unit Owners in the manner approved by the Board of Directors;

22.6.3. ADJUSTMENT OF SHARES IN COMMON ELEMENTS -- The shares in the Common Elements appurtenant to the Units that continue as part of the Condominium shall be adjusted to distribute the ownership of the Common Elements among the reduced number of Unit Owners. This shall be done by restating the shares of continuing Unit Owners in the Common Elements as percentages of the total remaining square footage of Units calculated as provided in Exhibit "F" to this Declaration;

22.6.4. ARBITRATION -- If the fair market value of a Unit prior to the taking cannot be determined by agreement between the Unit Owner and the Association within 30 days after notice by either party, the value shall be determined by appraisal in accordance with the following. The Unit Owner, the first mortgagee, if any, and the Association shall each appoint one M.A.I. appraiser, who shall appraise the unit and shall determine the fair market value by computing the arithmetic average of their appraisals of the Unit. A judgment of specific performance on the value arrived at by the appraisers may be entered in any court of competent jurisdiction. The cost of appraisals shall be paid by the party selecting the appraiser.

22.7. **TAKING OF COMMON ELEMENTS** -- Awards for the taking of Common Elements shall be used to make the remaining portion of the Common Elements usable in the manner approved by the Board of Directors. The balance of such awards, if any, shall be distributed to the Unit Owners in the shares in which they own the Common Elements after adjustment of these shares on account of the condemnation. If a Unit is mortgaged, the remittance shall be paid jointly to the owner and mortgagee(s) of the Unit.

22.8. **AMENDMENT OF DECLARATION** -- Changes in the Units, in the Common Elements, and in the ownership of the Common Elements that are necessitated by condemnation shall be evidenced by an amendment of the Declaration of Condominium as ordered by a court or approved by a majority of Unit Owners (voting interests) of this Condominium, without the consent of any mortgagee being required for any such amendment.

23. **VOTING** -- Each Unit shall have one full indivisible vote in all matters.

24. **FUTURE DEVELOPMENT EASEMENTS** -- Developer, for itself and its successors and assigns, reserves easements over the Condominium Property as necessary to complete future development, if any, including construction access and utilities.

25. **CROSS-USE EASEMENTS** -- Developer for itself and its successors and assigns reserves a perpetual nonexclusive ingress and egress easement in favor of The Courtyards at Willoughby for the maintenance of all Condominium Property, including, without limitation, portions of a common entrance, driveway, parking, and landscaped grounds that are on Condominium Property.

26. **COMMUNITY ASSOCIATION MEMBERSHIP AND OBLIGATIONS** -- The Courtyards at Willoughby exists within the Willoughby Planned Unit Development Zoning Agreement, which is administered by the Willoughby Community Association, Inc., pursuant to a set of recorded covenants and restrictions. Consequently, The Courtyards at Willoughby owners are members of, subject to, and are required to pay Assessments to the following organizations:

26.1. **WILLOUGHBY COMMUNITY ASSOCIATION, INC.** -- This is the Master Community Association for the whole development in which the Unit Owners are obligated to share costs. The Declaration of Covenants, Conditions and Restrictions are dated September 28, 1988, and are recorded in O. R. Book 787 at Page 222 of the Martin County, Florida Public Records.


27. **SEVERABILITY AND NONWAIVER** -- If any provision of this Declaration or its Exhibits as now constituted or as later amended or any paragraph, sentence, clause, phrase, or word, or the application thereof in any circumstances, is held invalid, the validity of the remainder and of the application of any such provision, section, sentence, clause, phrase, or word in other circumstances shall not be affected thereby. The failure of the Association in any instance to enforce any covenant or provision of this Declaration or any of the Condominium Documents shall not constitute a waiver of its right to do so thereafter in other instances.

THIS DECLARATION OF CONDOMINIUM and Exhibits hereto made and entered into this
15 day of September, 2003.

THE BECK GROUP OF STUART, LLC,
a Florida Limited Liability Company, Developer

BY: 
Jeffrey A. Graef
Managing Member

WITNESSES:


Eric L. Glazer
(Print)


E. NIETERT
(Print)

6230 NW 105th Way
Parkland, FL 33076
Address

300 DIPLOMAT PKWY #504
HALLANDALE BEACH, FL 33009
Address

ACKNOWLEDGMENT

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 15 day of September, 2003 by Jeffrey A. Graef, as President of COURTYARDS AT WILLOUGHBY CONDOMINIUM ASSOCIATION, INC., a Florida corporation, on behalf of said corporation. He is personally known to me or has produced a Florida driver's license as identification.

Sworn to before me on September 15, 2003



Eric L. Glazer
STATE OF FLORIDA AT LARGE
Commission #DD148320
My Commission Expires: November 7, 2006.

EXHIBIT A



FLORIDA DEPARTMENT OF STATE

Glenda E. Hood
Secretary of State

April 9, 2003

ERIC L. GLAZER, ESQ.
2300 CORPORATE BLVD NW STE 232
BOCA RATON, FL 33431

The Articles of Incorporation for COURTYARDS AT WILLOUGHBY CONDOMINIUM ASSOCIATION, INC. were filed on April 3, 2003 and assigned document number N03000003032. Please refer to this number whenever corresponding with this office regarding the above corporation. The certification you requested is enclosed.

PLEASE NOTE: COMPLIANCE WITH THE FOLLOWING PROCEDURES IS ESSENTIAL TO MAINTAINING YOUR CORPORATE STATUS. FAILURE TO DO SO MAY RESULT IN DISSOLUTION OF YOUR CORPORATION.

A CORPORATION ANNUAL REPORT/UNIFORM BUSINESS REPORT MUST BE FILED WITH THIS OFFICE BETWEEN JANUARY 1 AND MAY 1 OF EACH YEAR BEGINNING WITH THE CALENDAR YEAR FOLLOWING THE YEAR OF THE FILING DATE NOTED ABOVE AND EACH YEAR THEREAFTER. FAILURE TO FILE THE ANNUAL REPORT/UNIFORM BUSINESS REPORT ON TIME MAY RESULT IN ADMINISTRATIVE DISSOLUTION OF YOUR CORPORATION.

A FEDERAL EMPLOYER IDENTIFICATION (FEI) NUMBER MUST BE SHOWN ON THE ANNUAL REPORT/UNIFORM BUSINESS REPORT FORM PRIOR TO ITS FILING WITH THIS OFFICE. CONTACT THE INTERNAL REVENUE SERVICE TO RECEIVE THE FEI NUMBER IN TIME TO FILE THE ANNUAL REPORT/UNIFORM BUSINESS REPORT AT 1-800-829-3676 AND REQUEST FORM SS-4.

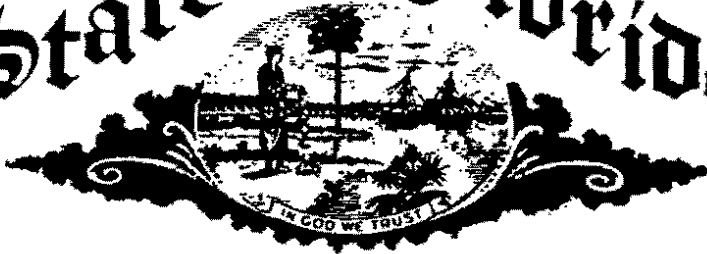
SHOULD YOUR CORPORATE MAILING ADDRESS CHANGE, YOU MUST NOTIFY THIS OFFICE IN WRITING, TO INSURE IMPORTANT MAILINGS SUCH AS THE ANNUAL REPORT/UNIFORM BUSINESS REPORT NOTICES REACH YOU.

Should you have any questions regarding corporations, please contact this office at the address given below.

Cynthia Blalock, Document Specialist
New Filings Section

Letter Number: 003A00021204

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of COURTYARDS AT WILLOUGHBY CONDOMINIUM ASSOCIATION, INC., a Florida corporation, filed on April 3, 2003, as shown by the records of this office.

The document number of this corporation is N03000003032.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Ninth day of April, 2003



CR2EO22 (2-03)

Glenda E. Hood

Glenda E. Hood
Secretary of State

- (J) To enter into agreements, or acquire leaseholds, memberships, and other possessory, ownership or use interests in lands or facilities such as country clubs, golf courses, marinas, and other recreational facilities. It has this power whether or not the lands or facilities are contiguous to the lands of the Condominium, if they are intended to provide enjoyment, recreation, or other use or benefit to the unit owners.
- (K) To borrow money if necessary to perform its other functions hereunder.

All funds and the title to all property acquired by the Association shall be held for the benefit of the members in accordance with the provisions of the Declaration of Condominium, these Articles of Incorporation and the Bylaws.

ARTICLE III

MEMBERSHIP:

- (A) The members of the Association shall be the record owners of a fee simple interest in one or more units in the Condominium, as further provided in the Bylaws.
- (B) The share of a member in the funds and assets of the Association cannot be assigned or transferred in any manner except as an appurtenance to his unit.
- (C) The owners of each unit, collectively, shall be entitled to one vote in Association matters. The manner of exercising voting rights shall be as set forth in the Bylaws.

ARTICLE IV

TERM: The term of the Association shall be perpetual.

ARTICLE V

BYLAWS: The Bylaws of the Association may be altered, amended, or rescinded in the manner provided therein.

ARTICLE VI

DIRECTORS AND OFFICERS:

- (A) The affairs of the Association shall be administered by a Board of Directors consisting of the number of Directors determined by the Bylaws, but in no case, less than three.
- (B) The initial Directors shall be:
 - Louis S. Beck, 2300 Corporate Blvd. NW, #232, Boca Raton, FL 33431
 - Jeffrey A. Graef, 2300 Corporate Blvd. NW, #232, Boca Raton, FL 33431
 - Richard Tonges, 8534 East Kemper Rd., Cincinnati, OH 45249
- (C) Directors of the Association shall be elected by the members in the manner determined by the Bylaws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the Bylaws.
- (D) The business of the Association shall be conducted by the officers designated in the Bylaws. The officers shall be elected each year by the Board of Directors at its first meeting after the annual meeting of the members of the Association, and they shall serve at the pleasure of the Board.

ARTICLE VII

AMENDMENTS: Amendments to these Articles shall be proposed and adopted in the following manner:

- (A) Proposal. Amendments to these Articles may be proposed by a majority of the Board or by written petition, signed by at least twenty-five percent (25%) of the voting interests.
- (B) Procedure. Upon any amendment to these Articles being proposed by said Board or unit owners, such proposed amendment shall be submitted to a vote of the owners not later than the next annual meeting for which proper notice can be given.
- (C) Vote Required. Except as otherwise provided for by Florida law, these Articles of Incorporation may be amended by vote of at least sixty-seven percent (67%) of the voting interests at any annual or special meeting, provided that notice of any proposed amendment has been given to the members of the Association, and that the notice contains a copy of the proposed amendment.
- (D) Effective Date. An amendment shall become effective upon filing with the Secretary of State and recording a certified copy in the Public Records of Martin County, Florida.

ARTICLE VIII

INDEMNIFICATION: To the fullest extent permitted by Florida law, the Association shall indemnify and hold harmless every Director and every officer of the Association against all expenses and liabilities, including attorney's fees, actually and reasonably incurred by or imposed on him in connection with any legal proceeding (or settlement or appeal of such proceeding) to which he may be a party because of his being or having been a Director or officer of the Association. The foregoing right of indemnification shall not be available if a judgment or other final adjudication establishes that his actions or omissions to act were material to the cause adjudicated and involved:

- (A) Willful misconduct or a conscious disregard for the best interests of the Association, in a proceeding by or in the right of the Association to procure a judgment in its favor.
- (B) A violation of criminal law, unless the Director or officer had no reasonable cause to believe his action was unlawful or had reasonable cause to believe his action was lawful.
- (C) A transaction from which the Director or officer derived an improper personal benefit.

In the event of a settlement, the right to indemnification shall not apply unless the Board of Directors approves such settlement as being in the best interest of the Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which a Director or officer may be entitled.

ARTICLE IX.

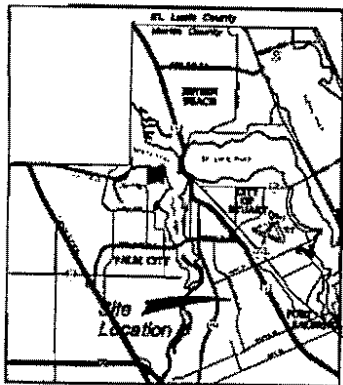
INITIAL REGISTERED AGENT AND STREET ADDRESS

The name of the initial registered agent of the corporation at its initial registered office, and the street address of its initial registered office, is as follows:

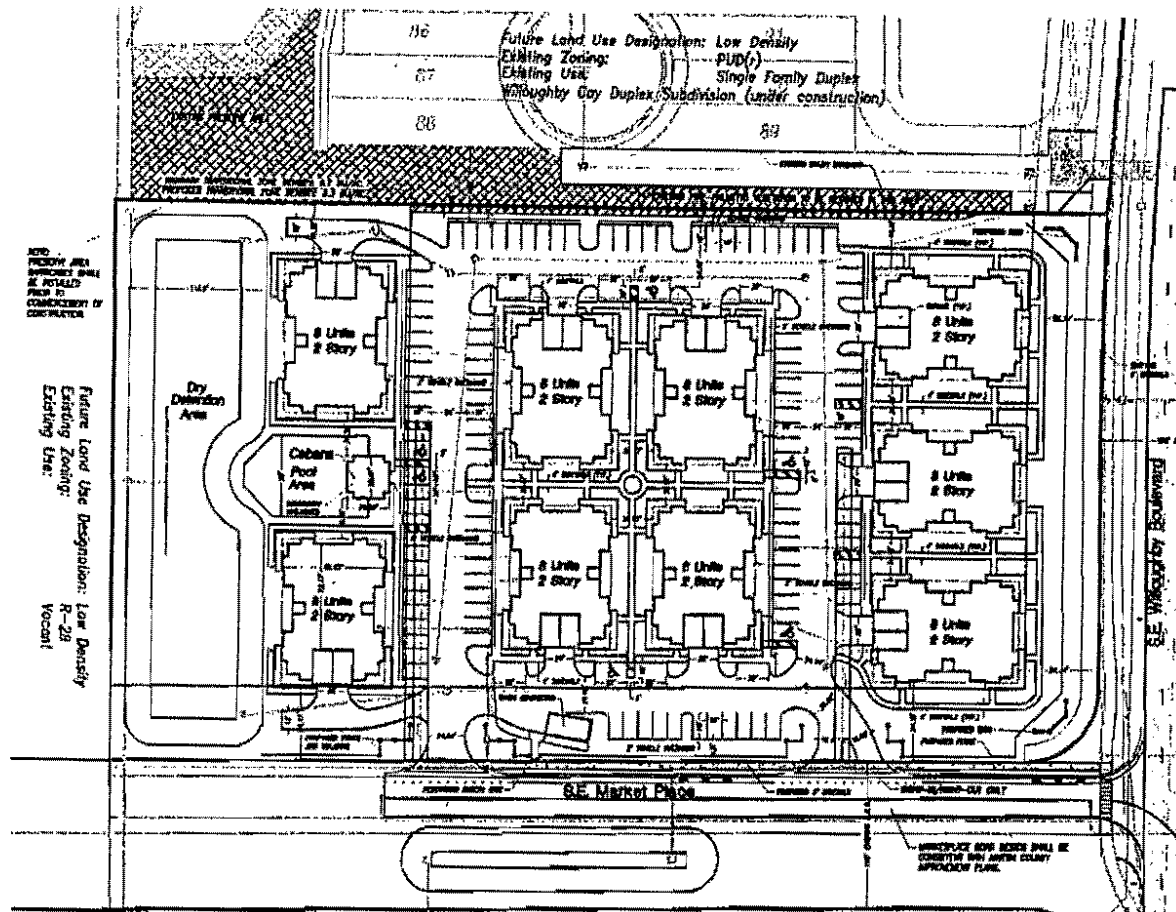
Eric L. Glazer, Esq.
2300 Corporate Blvd. NW, Suite 232
Boca Raton, FL 33431

The undersigned incorporator has executed these Articles of Incorporation and acknowledges and accepts all duties required as Registered Agent this 1 day of April, 2003.


Eric L. Glazer



Vicinity Map
N.T.S.



Site Data:

Total Area:	253,482 sq. ft. 5.82 Ac.
Total Units:	72 Units
Gross Residential Density:	12.37 DU/Ac.
Future Land Use:	Low Density Residential
Existing Zoning:	PUD(-)
Existing Use:	Vacant
Impervious Area:	163,853 sq. ft. 3.73 Ac. (59%)
Building Area:	163,788 sq. ft. 3.73 Ac. (59%)
Pavement:	161,877 sq. ft. 3.69 Ac. (58%)
Staircase/Pool Deck/Porch:	21,974 sq. ft. 0.50 Ac. (9%)
Pervious Area (Open Space):	109,629 sq. ft. 2.54 Ac. (43%)
Pavement Area:	161,877 sq. ft. 3.69 Ac. (58%)
Landscape Area:	78,408 sq. ft. 1.79 Ac. (31%)

Product Type: Multi-family

Building Setbacks/Data:

No. of Buildings:	8 Buildings
Units per Building:	9 Units
Building Square Footage:	8,006 sq. ft. (1st Floor)
Minimum Setback From Wiloughby Blvd:	50'
Minimum Setback From Markw Place:	50'
Minimum Side Setback From North Property Line:	40'
Minimum Rear Setback From East Property Line:	10'
Minimum Building Height:	8 Stories (30 feet)
Recreation Amenities:	Pool/Cabana

Parking Requirements:

Parking Required @ Spaces per Unit:	1.64 Spaces
Parking Product:	154 Spaces
	28 Overflow Spaces
Total 182 Spaces (Includes 6 Handicap)	



**Courtyards
at Wiloughby**
Revised Final Site Plan
(South Portion of Parcel S)
Martin County, Florida



Drawn by: J.A. T.C.
Checked by: J.A. T.C.
Computer: J.A. T.C.
Plotting: J.A. T.C.
Project Number: 1000
Date: 10/1/00

1 of 1

Notes

- All areas on the project site will be maintained free of exotic and noxious vegetation.
- Irrigation Source: Permitted Well.
- Retention specifications shall be in accordance with the existing Wiloughby PUD/DRI Development Order and the South Florida Water Management District Conceptual permit.
- All proposed signs will be reviewed for compliance with the applicable regulations at the time the building permit is issued.
- During construction activities, existing native vegetation shall be retained to act as buffers between adjacent land uses, and to minimize nuisance dust, noise and air pollution.
- Pool size shall conform to Health Dept. rules and regulations and shall conform with Section 424 of the Florida Building Code.

Unit Mix Calculations

BUILD. TYPE	# OF BLDG.	1 BED	2 BED	3 BED	4 BED	5 BED	6 BED	UNITS / BLDG.
1 - APT.	8	3	3	2	3	3	8	
TOTALS	8	18	18	12	11	11	23	

Total Area per Building

BUILDING TYPE	GROUND FLOOR	1ST FLOOR	2ND FLOOR	3RD FLOOR	4TH FLOOR	5TH FLOOR	6TH FLOOR	TOTAL S.F.
1 - APT.	8,006	8,006	8,006	8,006	8,006	8,006	8,006	48,036
TOTALS	8,006	8,006	8,006	8,006	8,006	8,006	8,006	48,036

All plans and drawings herein are PROPOSED, including all buildings, facilities and Common Areas.

THE COURTYARDS AT WILLOUGHBY



MARTIN COUNTY, FLORIDA

OWNER

BECK GROUP OF STUART, LLC.

Attn: JEFF GRAEF
2300 CORPORATE BLVD. NW.
SUITE 236
BOCA RATON, FLORIDA 33431
Ph: (561) 988-9323
Fax: (561) 997-5331
E-mail: JGRAEF@FOCUSDEVELOPMENTGROUP.COM

ARCHITECT

FUGLEBERG KOCH ARCHITECTS

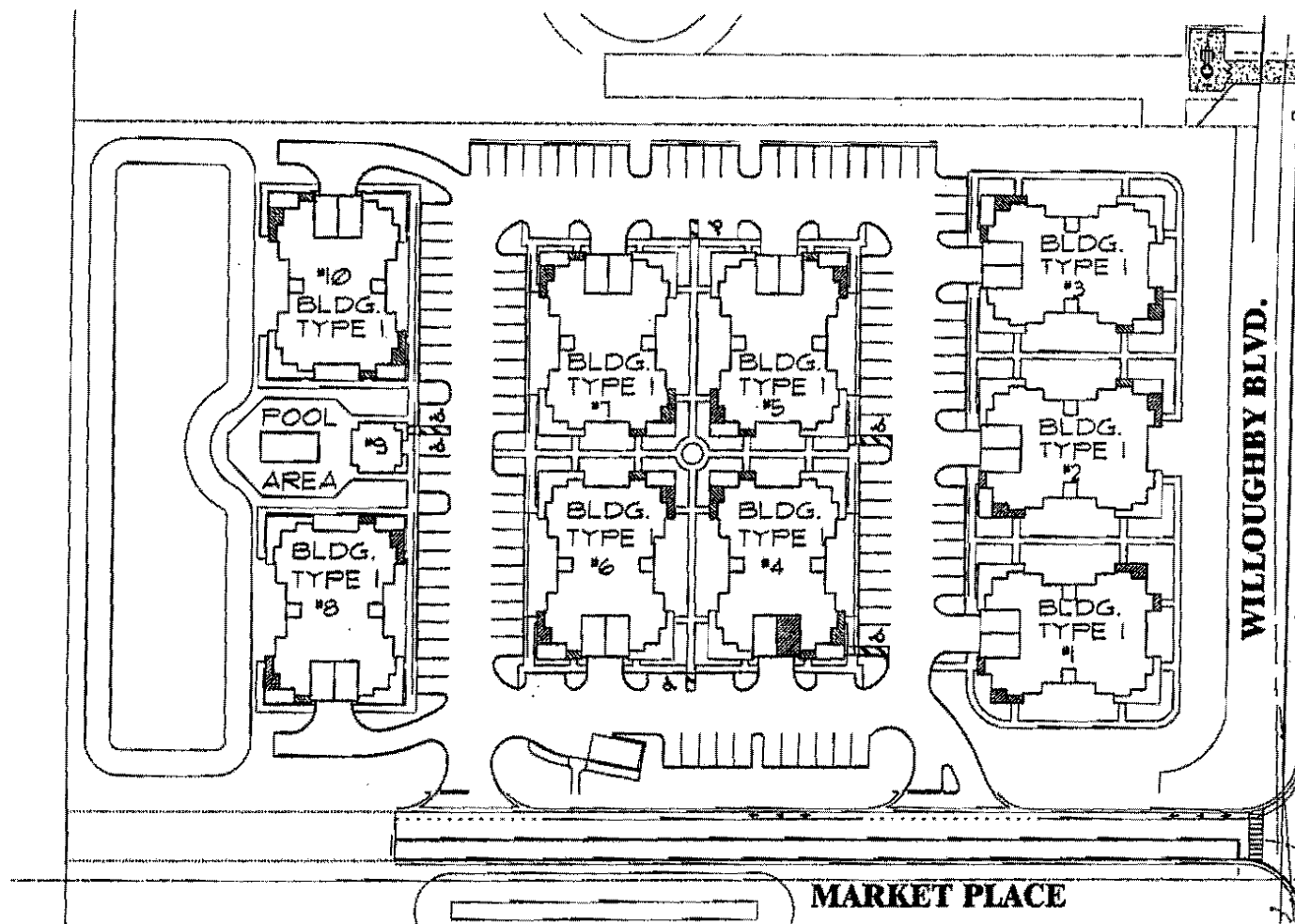
Attn: SEAN TOPPER
2555 TEMPLE TRAIL
WINTER PARK, FLORIDA 32789
Ph: (407) 629-0595
Fax: (407) 628-1057
Email: SEANT@FUGLEBERGKOCH.COM



Fugleberg Koch
ARCHITECTS

PROJECT NO. 1338
ISSUE DATE 4-11-03
EXHIBIT NO. 1

The Courtyards on Willoughby
Condo Documents
Beck Group of Stuart, LLC



SITE PLAN



GRAPHIC SCALE



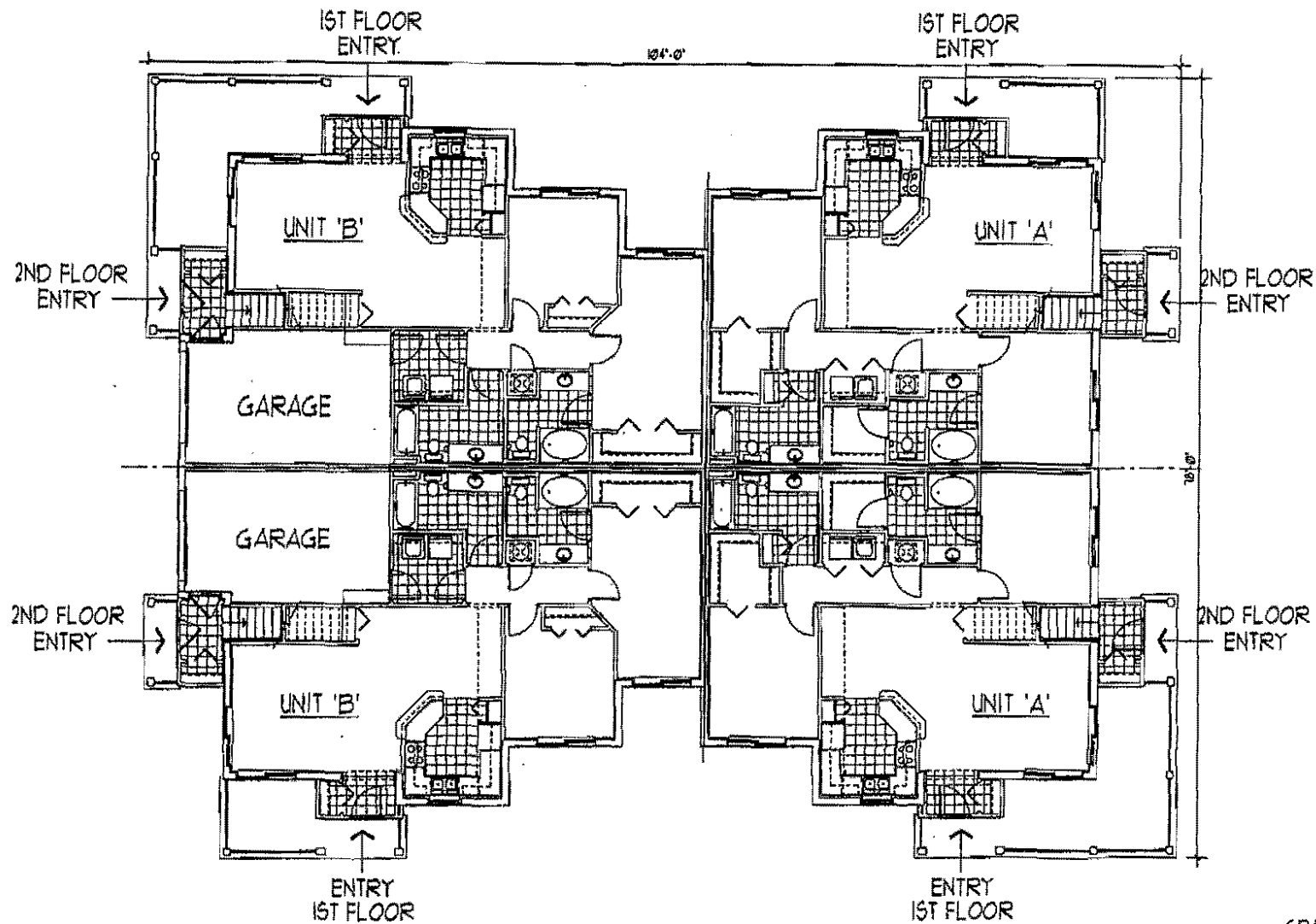
SCALE: 1" = 100'-0"



**Fugleberg Koch
ARCHITECTS**

PROJECT NO: 1155
ISSUE DATE: 4-21-03
EXHIBIT NO: 1

**The Courtyards on Willoughby
Condo Documents
Beck Group of Stuart, LLC**



FIRST FLOOR - BUILDING PLAN

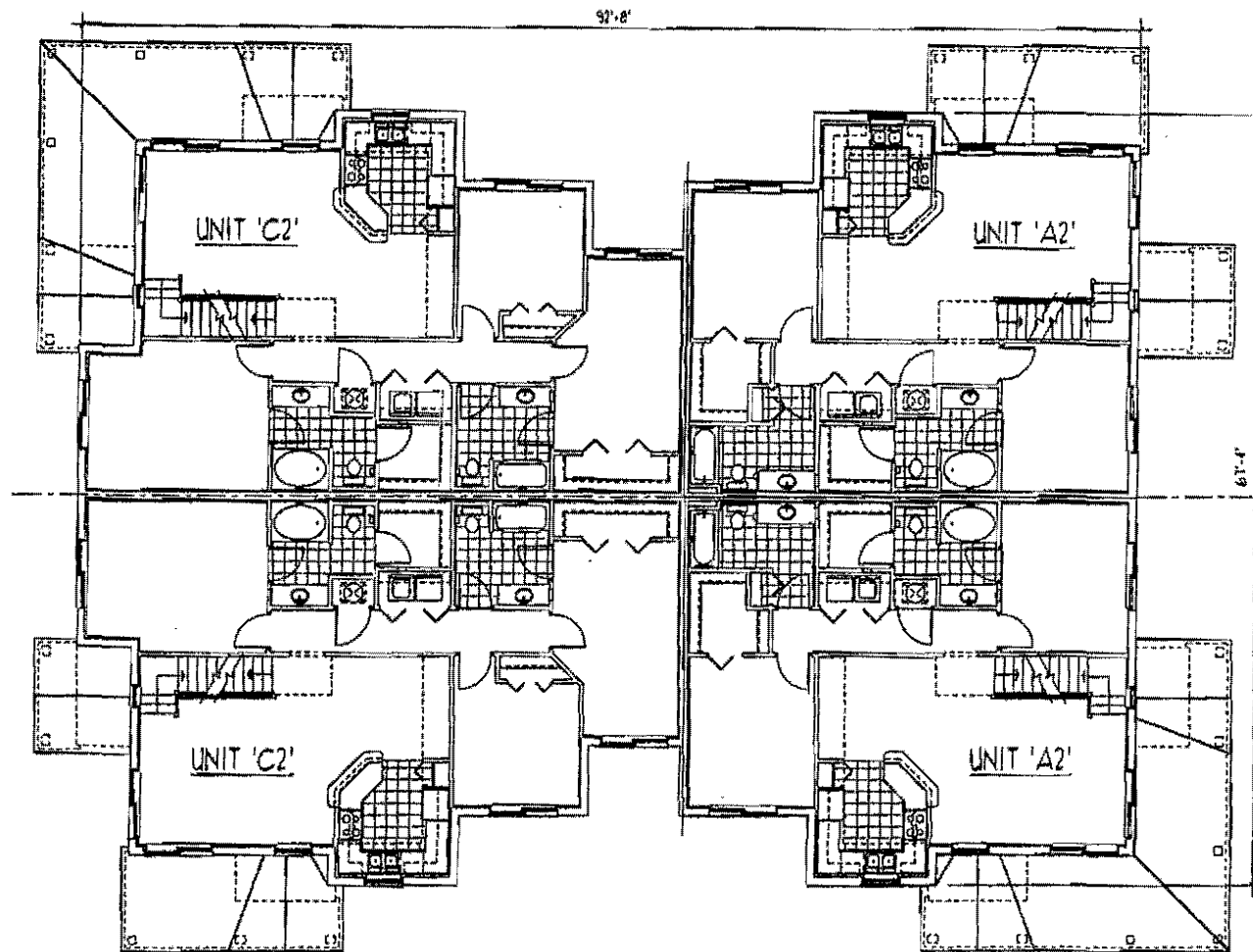
GRAPHIC SCALE
 0' 1' 2' 4' 8' 16'
 SCALE: 1/16" = 1'-0"



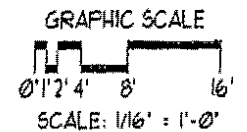
**Fugleberg Koch
ARCHITECTS**

PROJECT NO: 4355
 ISSUE DATE: 4-21-03
 EXHIBIT NO: 13

**The Courtyards on Willoughby
Condo Documents
Beck Group of Stuart, LLC**



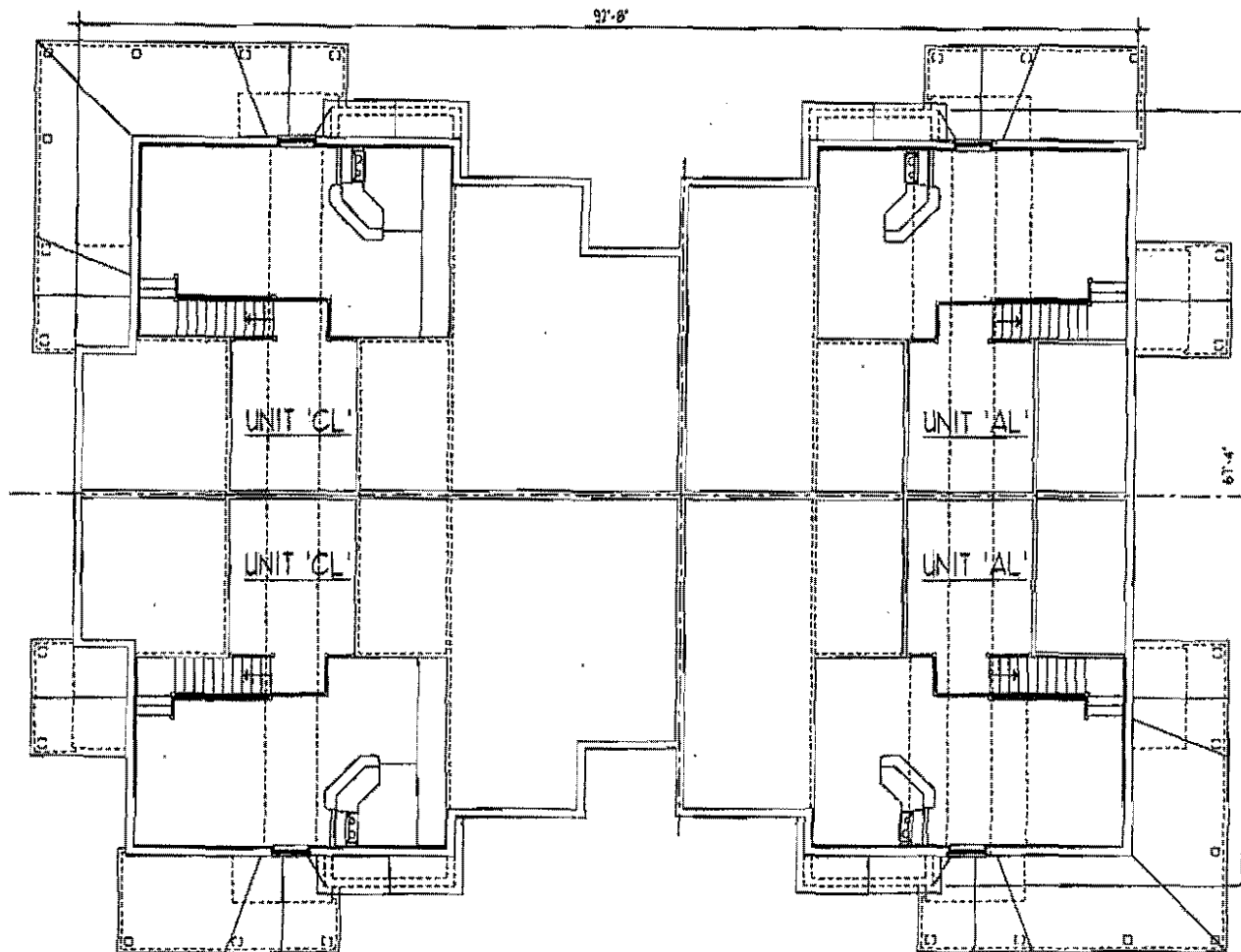
SECOND FLOOR - BUILDING PLAN



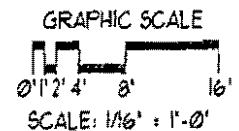
Fugleberg Koch
ARCHITECTS

PROJECT NO: 4255
ISSUE DATE: 4/21/03
EXHIBIT NO: 4

The Courtyards on Willoughby
Condo Documents
Beck Group of Stuart, LLC



LOFT FLOOR - BUILDING PLAN

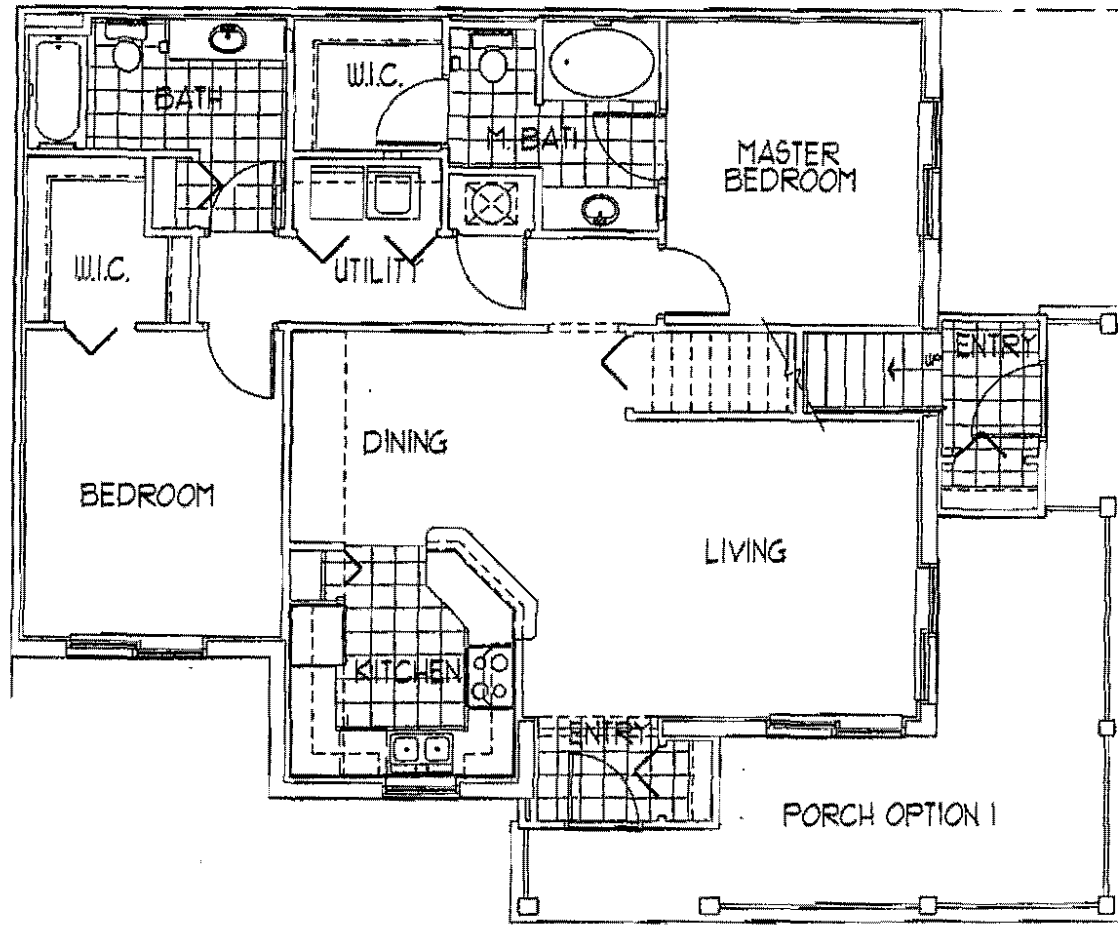


**Fugleberg Koch
ARCHITECTS**

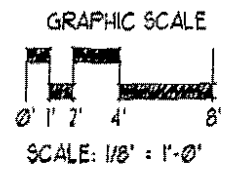
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ISSUE DATE: 4/21/03
EXHIBIT NO: 5

**The Courtyards on Willoughby
Condo Documents
Beck Group of Stuart, LLC**

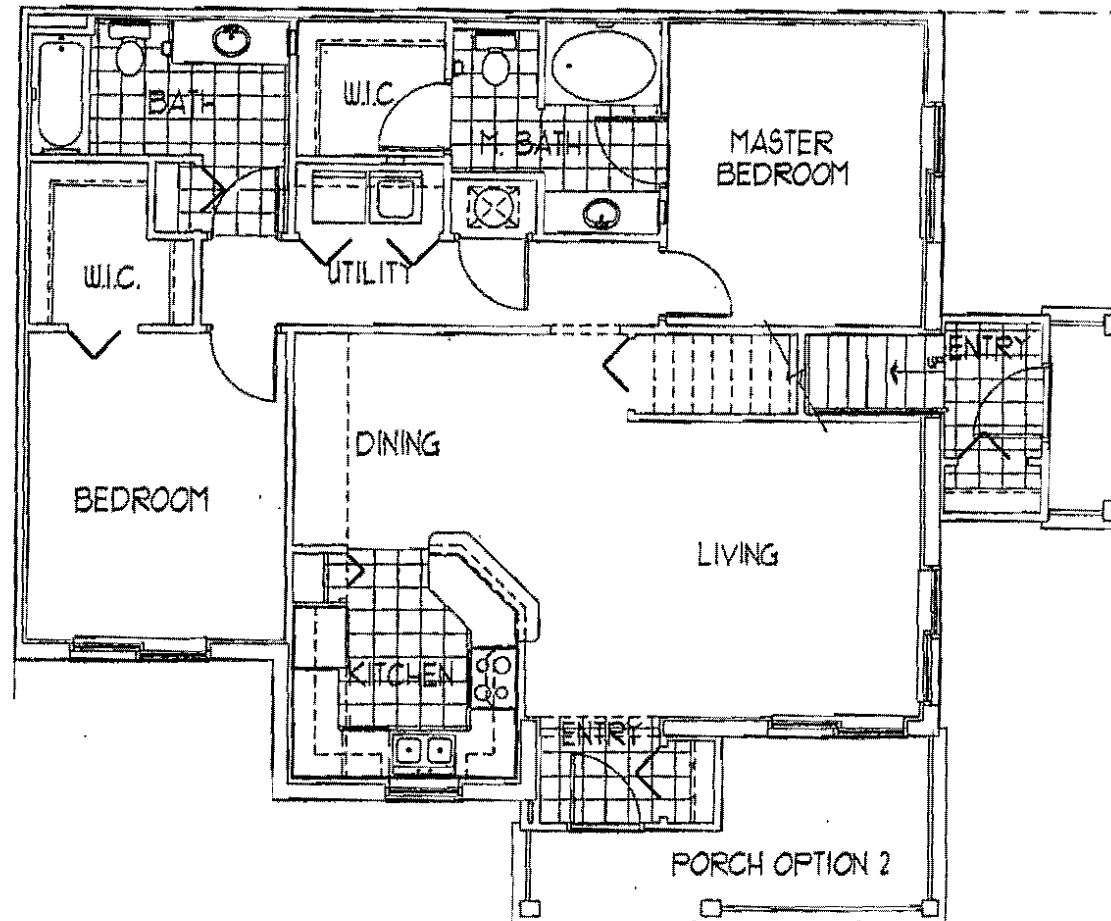
DESCRIPTION	SQUARE FEET
TOTAL GROSS HVAC	1,237 SF.
PORCH OPTION 1	249 SF.



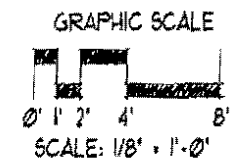
UNIT 'A' - FLOOR PLAN



DESCRIPTION	SQUARE FEET
TOTAL GROSS HVAC	1231 SF.
PORCH OPTION 2	114 SF.



UNIT 'A' - FLOOR PLAN

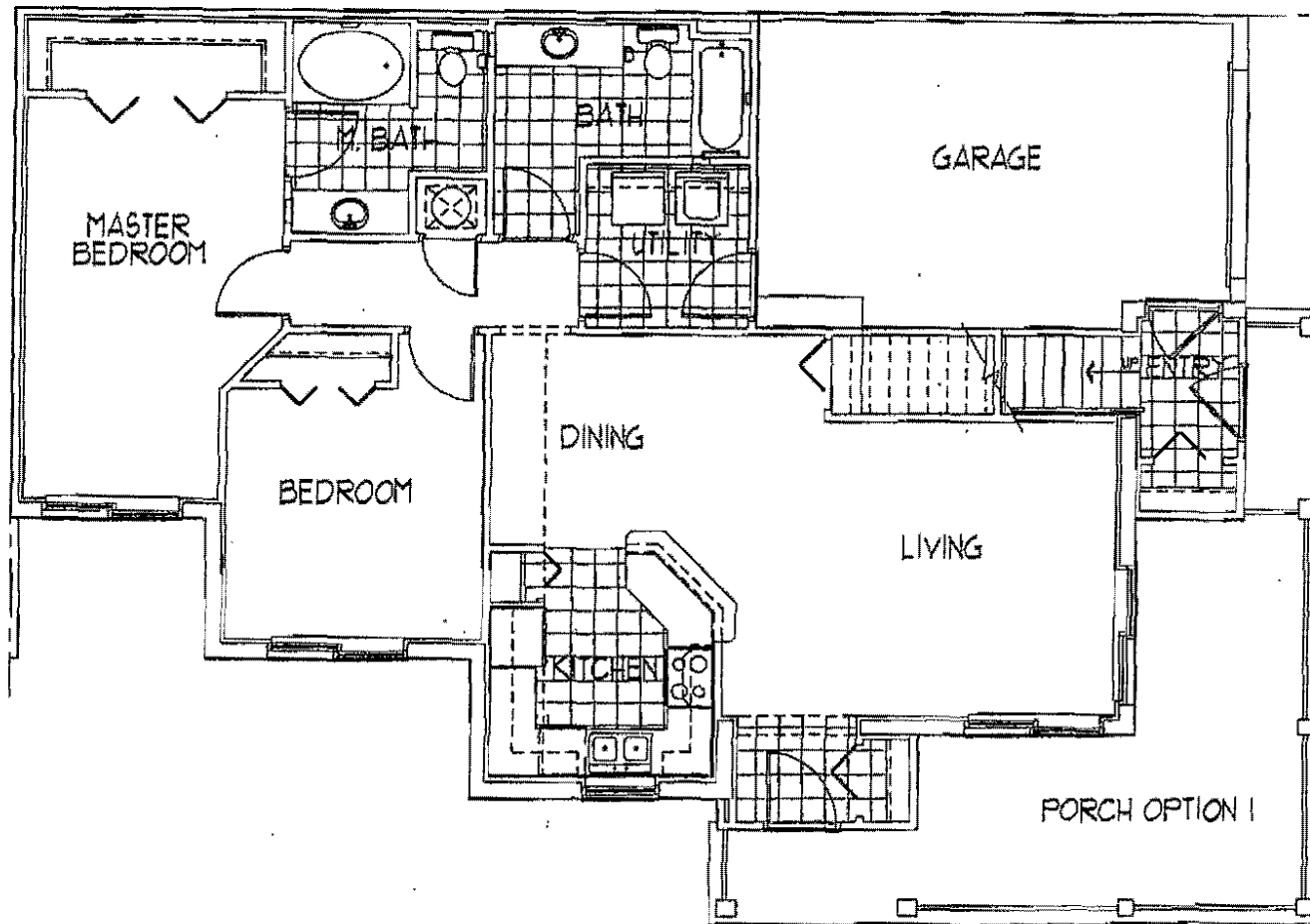


Fugleberg Koch
ARCHITECTS

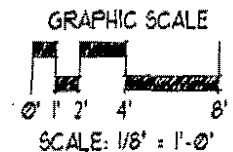
PROJECT NO: 428
ISSUE DATE: 4-23-03
EXHIBIT NO: 7

The Courtyards on Willoughby
Condo Documents
Beck Group of Stuart, LLC

DESCRIPTION	SQUARE FEET
TOTAL GROSS HVAC	1202 SF.
GARAGE	280 SF.
PORCH OPTION 1	249 SF.



UNIT 'B' - FLOOR PLAN

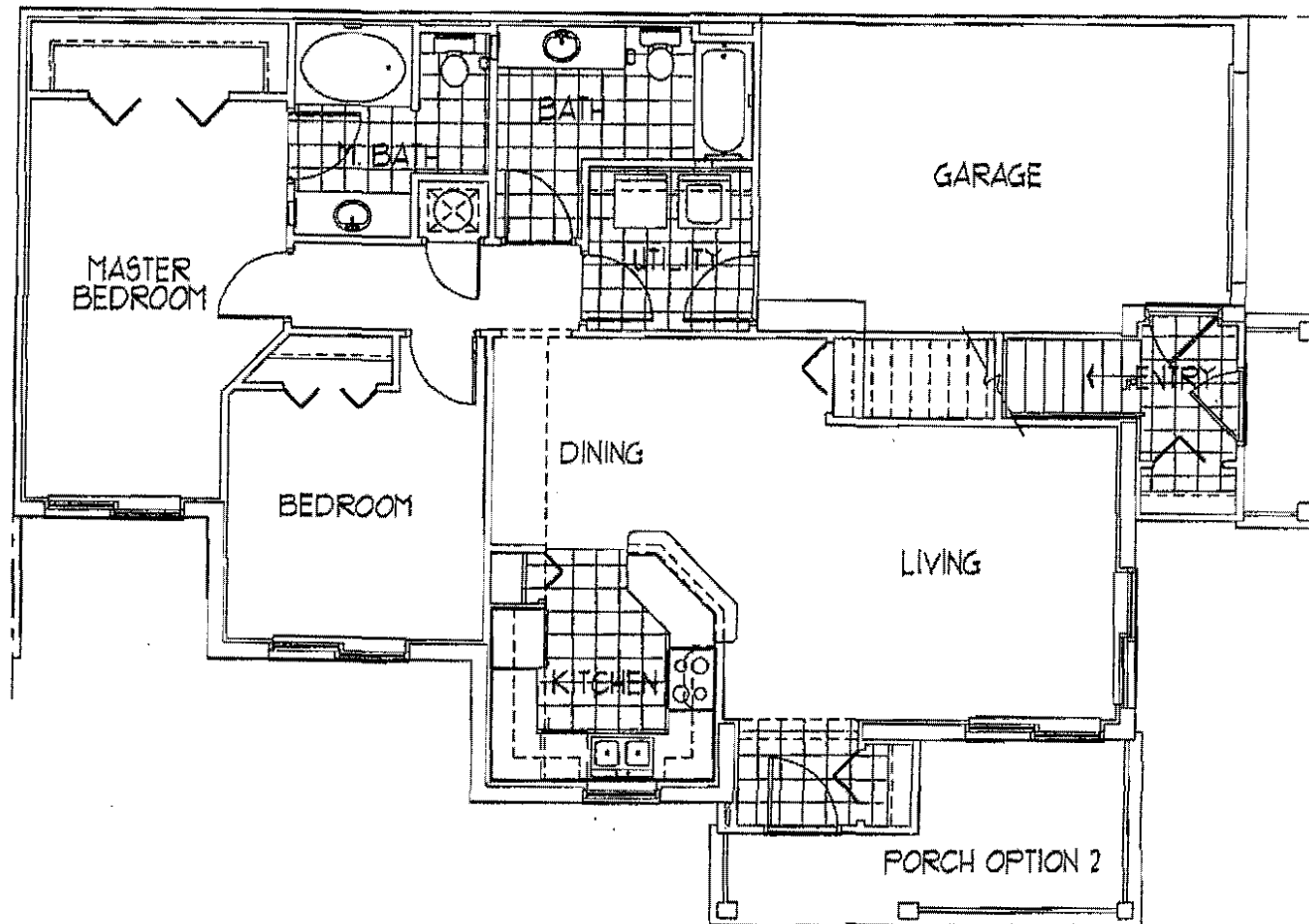


**Fugleberg Koch
ARCHITECTS**

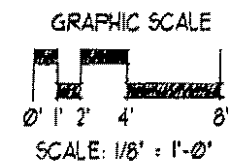
PROJECT NO: 4155
ISSUE DATE: 4-21-03
EXHIBIT NO: 1

**The Courtyards on Willoughby
Condo Documents
Beck Group of Stuart, LLC**

DESCRIPTION	SQUARE FEET
TOTAL GROSS HVAC	1202 SF.
GARAGE	280 SF.
PORCH OPTION 2	114 SF.



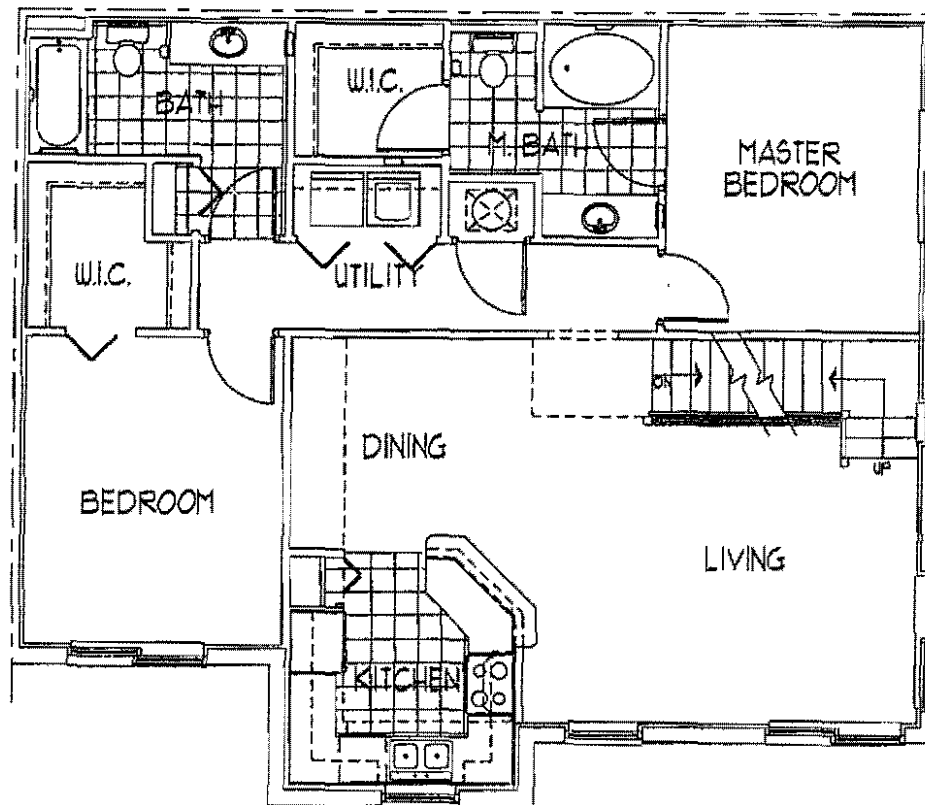
UNIT 'B' - FLOOR PLAN



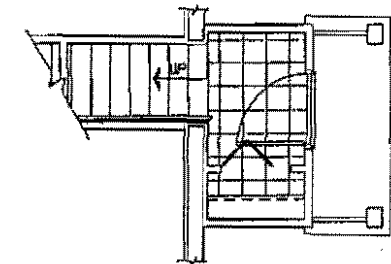
**Fugleberg Koch
ARCHITECTS**

PROJECT NO: 4136
ISSUE DATE: 4-21-03
EXHIBIT NO: 9

**The Courtyards on Willoughby
Condo Documents
Beck Group of Stuart, LLC**



DESCRIPTION	SQUARE FEET
GROSS AREA	
HVAC	1,223 SF.
ENTRY	91 SF.
LOFT	161 SF.
TOTAL	1,475 SF.



ENTRY AT GRADE

SCALE: 1/8" = 1'-0"

UNIT 'A2' - FLOOR PLAN

GRAPHIC SCALE



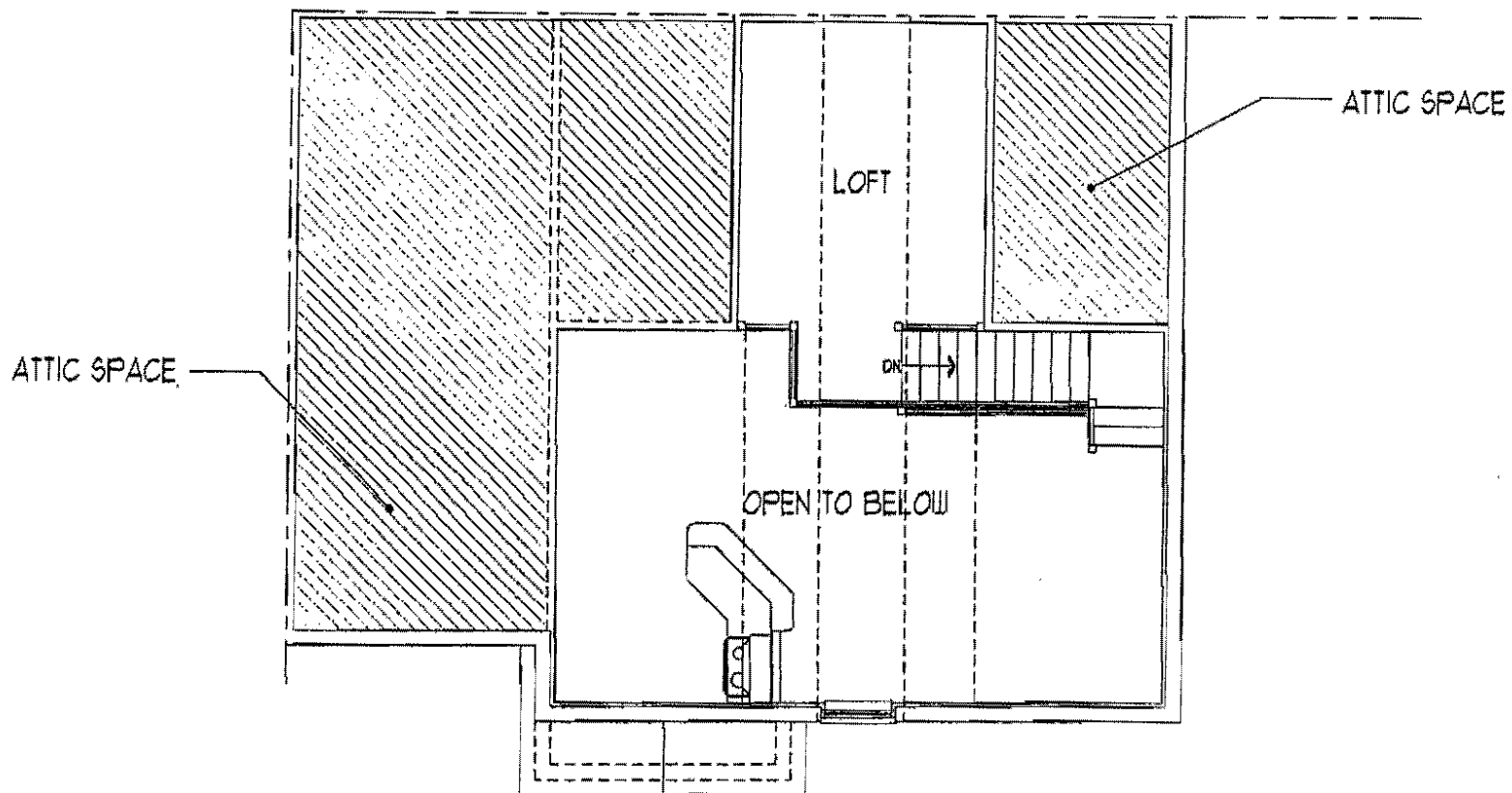
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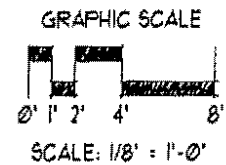
**Fugleberg Koch
ARCHITECTS**

PROJECT NO: 4356
ISSUE DATE: 4/21/03
EXHIBIT NO: 10

**The Courtyards on Willoughby
Condo Documents
Beck Group of Stuart, LLC**



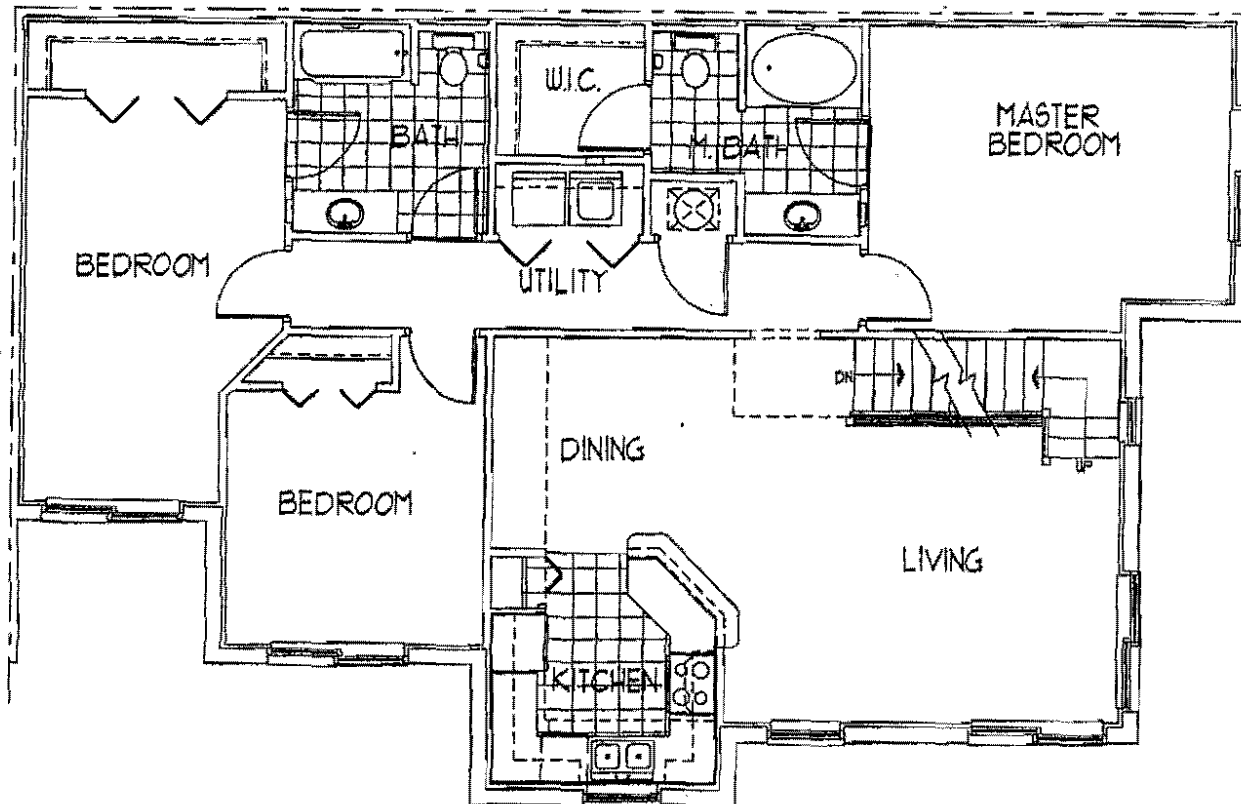
'A2' LOFT - FLOOR PLAN



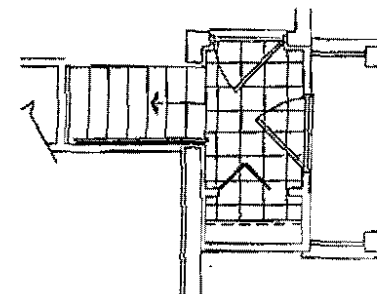
**Fugleberg Koch
ARCHITECTS**

PROJECT NO: 4254
ISSUE DATE: 4/21/03
EXHIBIT NO: 11

**The Courtyards on Willoughby
Condo Documents
Beck Group of Stuart, LLC**



DESCRIPTION	SQUARE FEET
GROSS AREA	
HVAC	1,474 SF.
ENTRY	97 SF.
LOFT	161 SF.
TOTAL	1,732 SF.



ENTRY AT GRADE

UNIT 'C2' - FLOOR PLAN

GRAPHIC SCALE



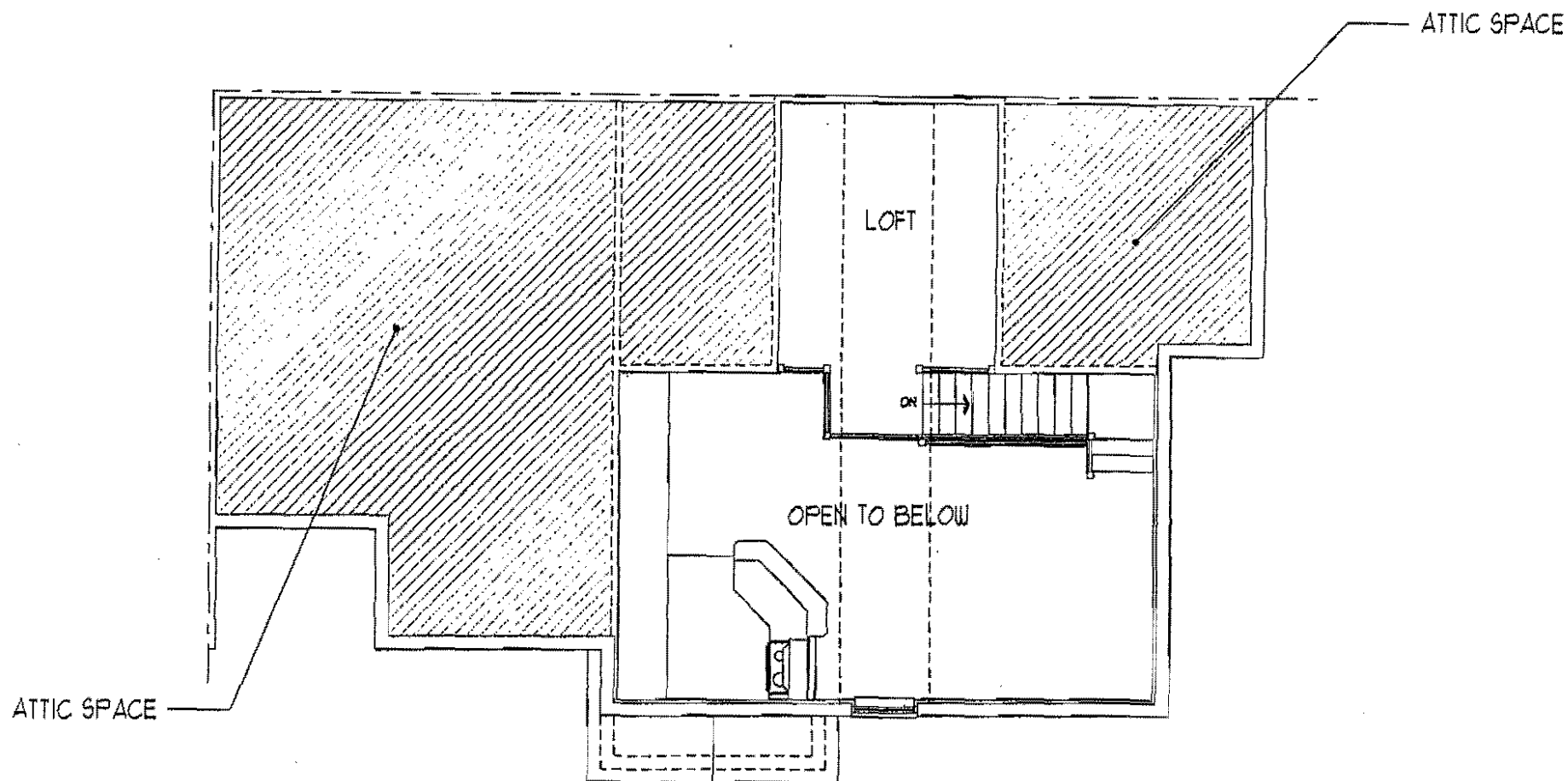
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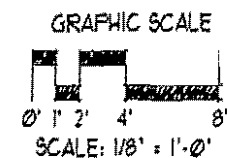
**Fugleberg Koch
ARCHITECTS**

PROJECT NO. 4235
ISSUE DATE 4-21-03
EXHIBIT NO. 12

**The Courtyards on Willoughby
Condo Documents
Beck Group of Stuart, LLC**



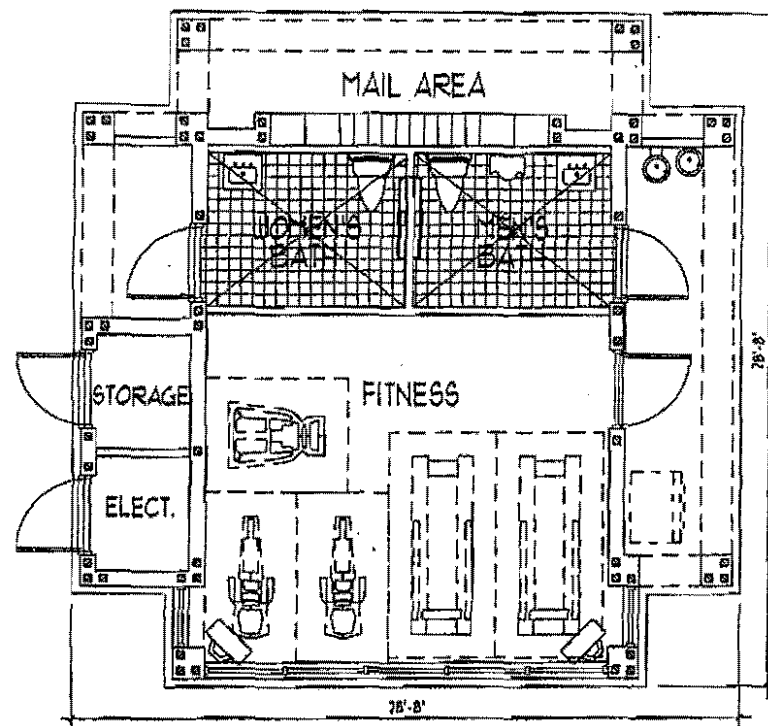
'C2' LOFT - FLOOR PLAN



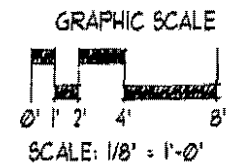
PROJECT NO: 4335
ISSUE DATE: 4-21-03
EXHIBIT NO: 13

The Courtyards on Willoughby
Condo Documents
Beck Group of Stuart, LLC

DESCRIPTION	SQUARE FEET
TOTAL GROSS AREA	758 SF.



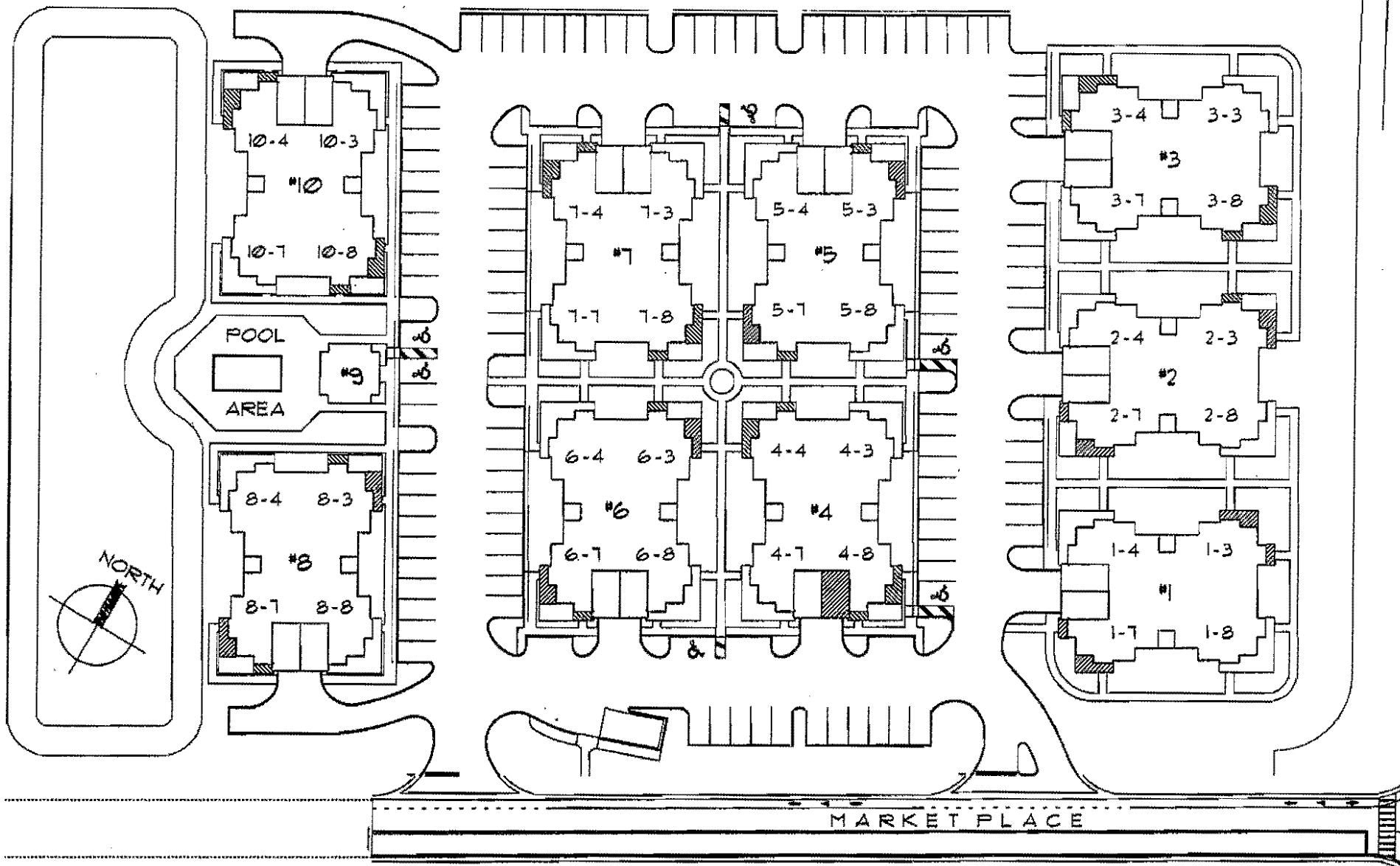
POOL PAVILION



**Fugleberg Koch
ARCHITECTS**

PROJECT NO: 4256
ISSUE DATE: 4/21/03
EXHIBIT NO. 14

**The Courtyards on Willoughby
Condo Documents
Beck Group of Stuart, LLC**



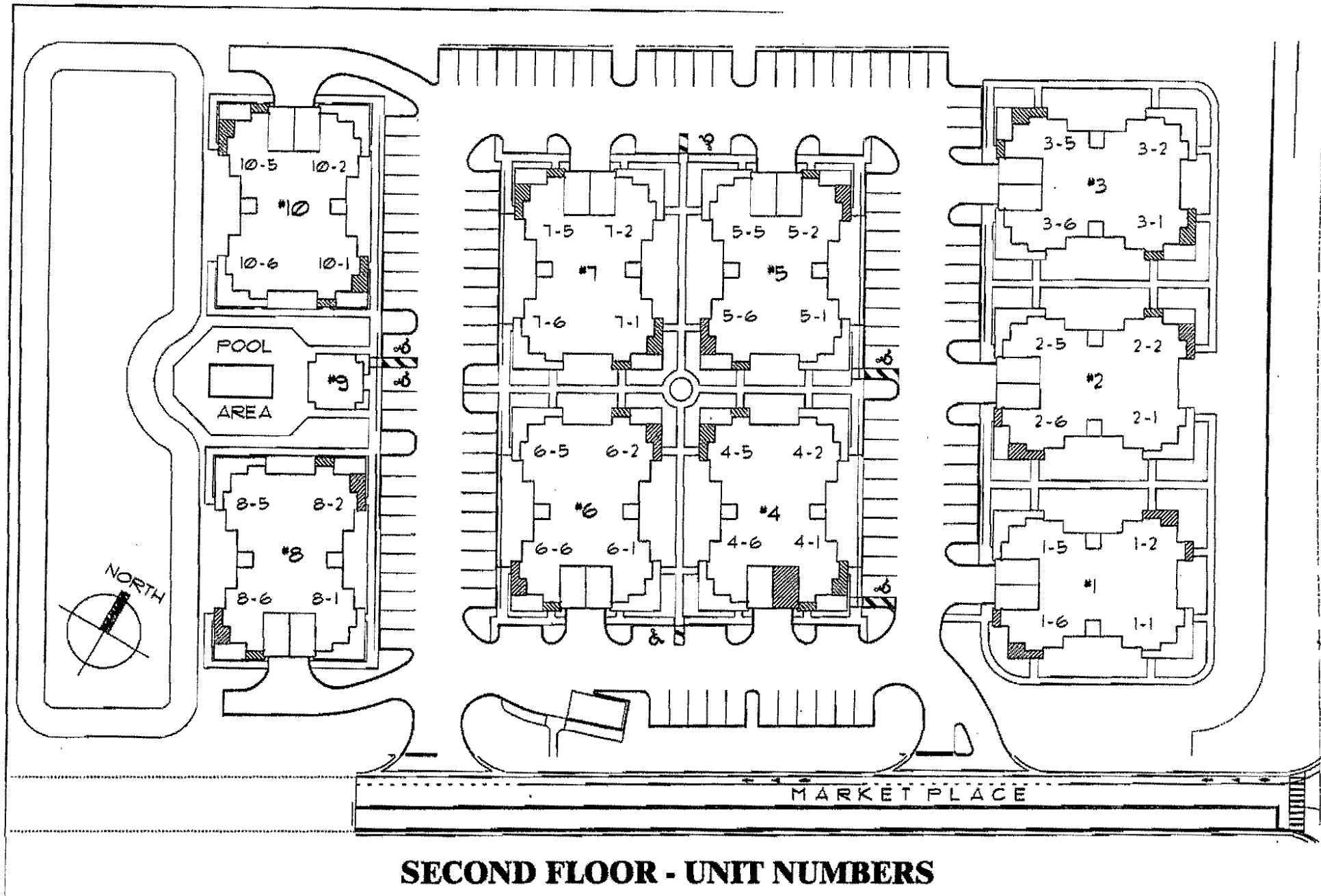
FIRST FLOOR - UNIT NUMBERS



Fugleberg Koch
ARCHITECTS

PROJECT NO: 2255
ISSUE DATE: 4-21-03
EXHIBIT NO: II

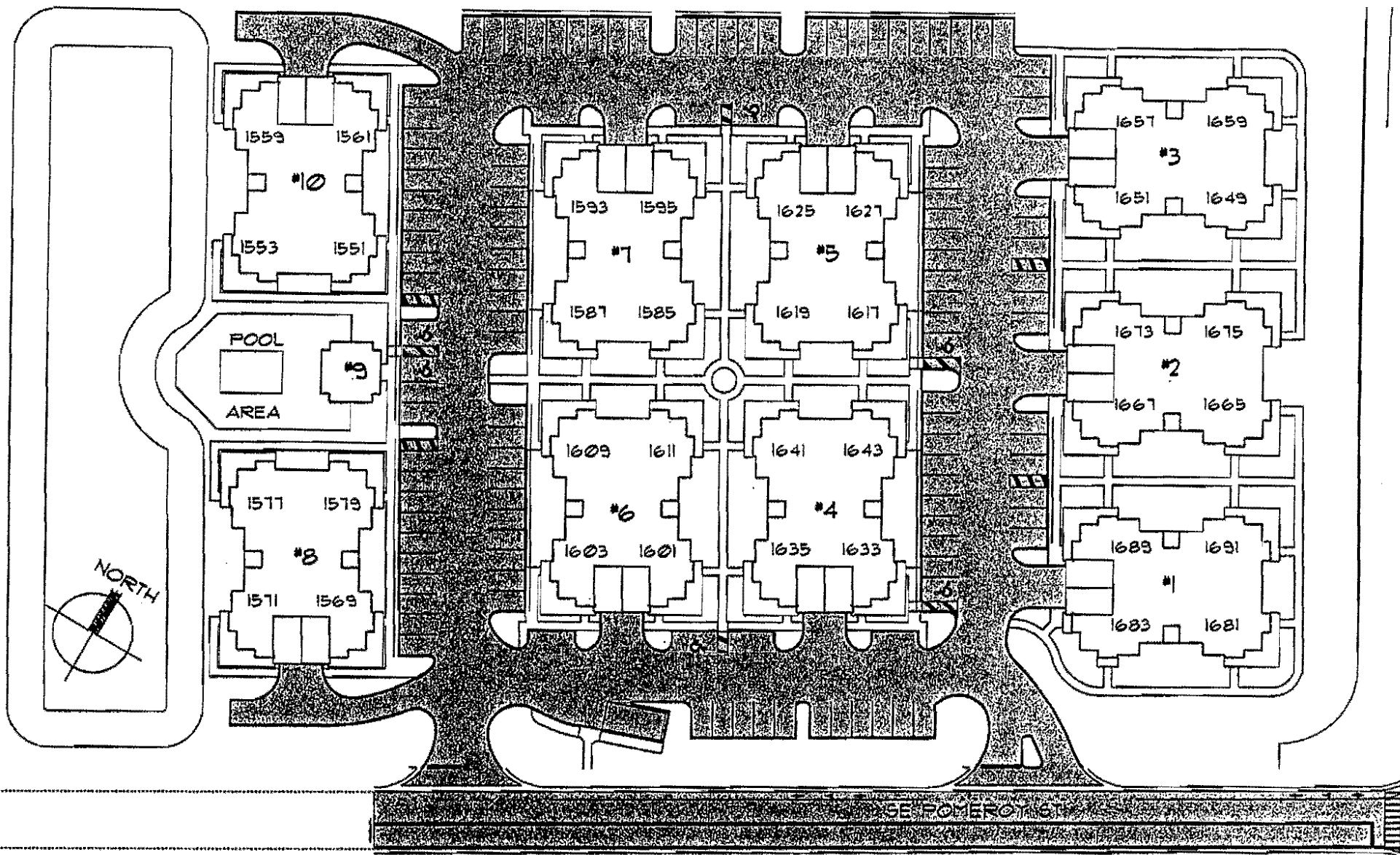
The Courtyards on Willoughby
Condo Documents
Beck Group of Stuart, LLC



Fugleberg Koch
ARCHITECTS

PROJECT NO: 435
ISSUE DATE: 4/21/03
EXHIBIT NO: 16

The Courtyards on Willoughby
Condo Documents
Beck Group of Stuart, LLC



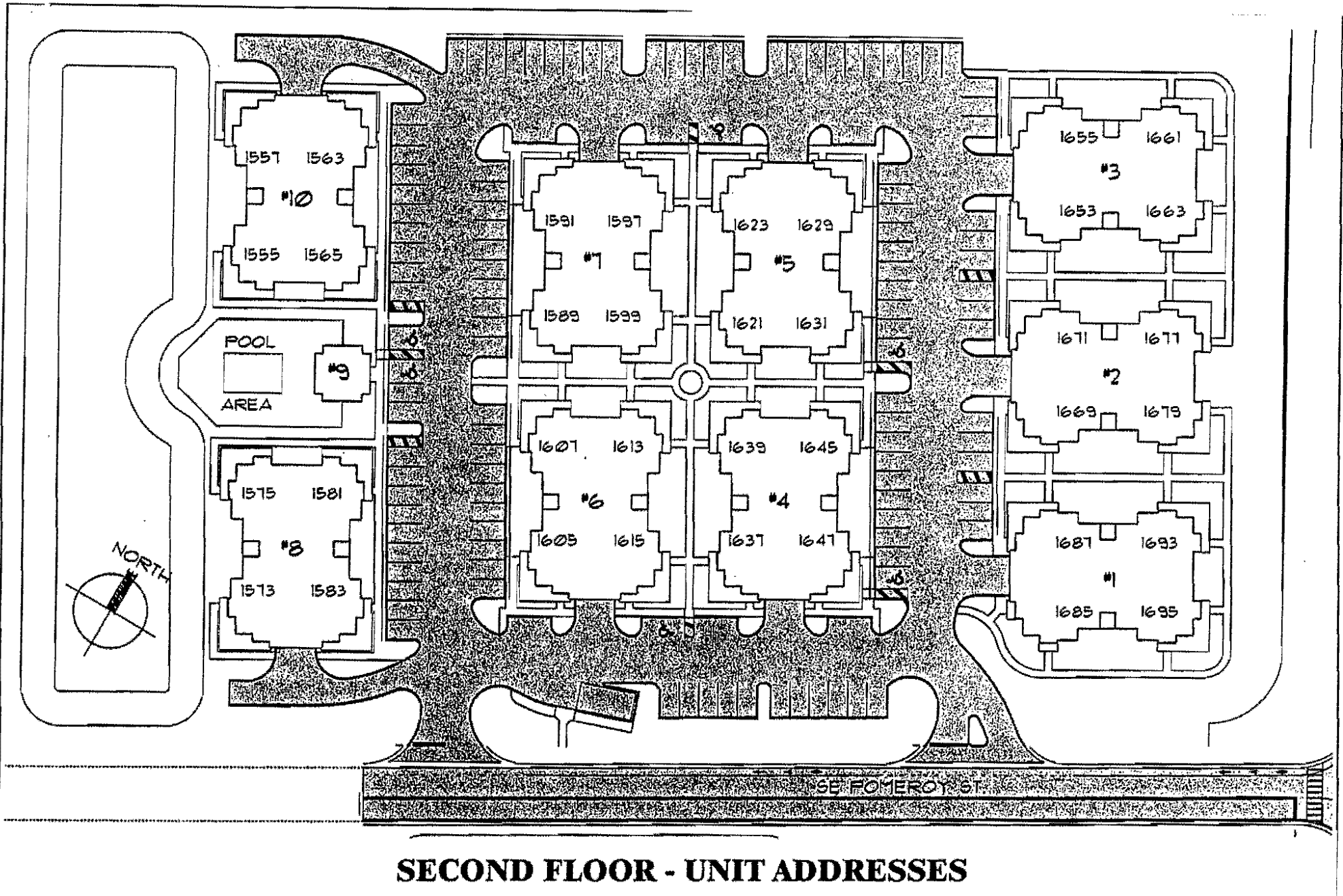
FIRST FLOOR - UNIT ADDRESSES



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PROJECT NO. 115
ISSUE DATE: 4-21-03
EXHIBIT NO. 17

The Courtyards on Willoughby
Condo Documents
Beck Group of Stuart, LLC



SECOND FLOOR - UNIT ADDRESSES

Plat name: Courtyards at Willoughby					
Parcel control number: 39-38-41-000-000-0000-0-00000					
1	east driveway entrance, first bldg.on right				
1-1	southeast, second floor	1695	SE	Market	Place
1-2	northeast, second floor	1693	SE	Market	Place
1-3	northeast, first floor	1691	SE	Market	Place
1-4	northwest, first floor	1689	SE	Market	Place
1-5	northwest, second floor	1687	SE	Market	Place
1-6	southwest, second floor	1685	SE	Market	Place
1-7	southwest, first floor	1683	SE	Market	Place
1-8	southeast, first floor	1681	SE	Market	Place
2	east driveway entrance, second bldg.on right				
2-1	southeast, second floor	1679	SE	Market	Place
2-2	northeast, second floor	1677	SE	Market	Place
2-3	northeast, first floor	1675	SE	Market	Place
2-4	northwest, first floor	1673	SE	Market	Place
2-5	northwest, second floor	1671	SE	Market	Place
2-6	southwest, second floor	1669	SE	Market	Place
2-7	southwest, first floor	1667	SE	Market	Place
2-8	southeast, first floor	1665	SE	Market	Place
3	east driveway entrance, third bldg.on right				
3-1	southeast, second floor	1663	SE	Market	Place
3-2	northeast, second floor	1661	SE	Market	Place
3-3	northeast, first floor	1659	SE	Market	Place
3-4	northwest, first floor	1657	SE	Market	Place
3-5	northwest, second floor	1655	SE	Market	Place
3-6	southwest, second floor	1653	SE	Market	Place
3-7	southwest, first floor	1651	SE	Market	Place
3-8	southeast, first floor	1649	SE	Market	Place
4	east driveway entrance, first bldg.on left				
4-1	southeast, first floor	1647	SE	Market	Place
4-2	northeast, first floor	1645	SE	Market	Place
4-3	northeast, second floor	1643	SE	Market	Place
4-4	northwest, second floor	1641	SE	Market	Place
4-5	northwest, first floor	1639	SE	Market	Place
4-6	southwest, first floor	1637	SE	Market	Place
4-7	southwest, second floor	1635	SE	Market	Place
4-8	southeast, second floor	1633	SE	Market	Place
5	east driveway entrance, second bldg.on left				
5-1	southeast, first floor	1631	SE	Market	Place
5-2	northeast, first floor	1629	SE	Market	Place

5-3	northeast, second floor	1627	SE	Market	Place
5-4	northwest, second floor	1625	SE	Market	Place
5-5	northwest, first floor	1623	SE	Market	Place
5-6	southwest, first floor	1621	SE	Market	Place
5-7	southwest, second floor	1619	SE	Market	Place
5-8	southeast, second floor	1617	SE	Market	Place
6	west driveway entrance, first bldg. on right				
6-1	southeast, first floor	1615	SE	Market	Place
6-2	northeast, first floor	1613	SE	Market	Place
6-3	northeast, second floor	1611	SE	Market	Place
6-4	northwest, second floor	1609	SE	Market	Place
6-5	northwest, first floor	1607	SE	Market	Place
6-6	southwest, first floor	1605	SE	Market	Place
6-7	southwest, second floor	1603	SE	Market	Place
6-8	southeast, second floor	1601	SE	Market	Place
7	west driveway entrance, second bldg. on right				
7-1	southeast, first floor	1599	SE	Market	Place
7-2	northeast, first floor	1597	SE	Market	Place
7-3	northeast, second floor	1595	SE	Market	Place
7-4	northwest, second floor	1593	SE	Market	Place
7-5	northwest, first floor	1591	SE	Market	Place
7-6	southwest, first floor	1589	SE	Market	Place
7-7	southwest, second floor	1587	SE	Market	Place
7-8	southeast, second floor	1585	SE	Market	Place
8	west driveway entrance, first bldg. on left				
8-1	southeast, first floor	1583	SE	Market	Place
8-2	northeast, first floor	1581	SE	Market	Place
8-3	northeast, second floor	1579	SE	Market	Place
8-4	northwest, second floor	1577	SE	Market	Place
8-5	northwest, first floor	1575	SE	Market	Place
8-6	southwest, first floor	1573	SE	Market	Place
8-7	southwest, second floor	1571	SE	Market	Place
8-8	southeast, second floor	1569	SE	Market	Place
9	west driveway entrance, cabana	1567	SE	Market	Place
10	west driveway entrance, third bldg. on left				
10-1	southeast, first floor	1565	SE	Market	Place
10-2	northeast, first floor	1563	SE	Market	Place
10-3	northeast, second floor	1561	SE	Market	Place
10-4	northwest, second floor	1559	SE	Market	Place
10-5	northwest, first floor	1557	SE	Market	Place
10-6	southwest, first floor	1555	SE	Market	Place
10-7	southwest, second floor	1553	SE	Market	Place

10-8	southeast, second floor	1551	SE	Market	Place
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Note: Depending upon the post-approval processing, a new subdivision may be assigned a temporary parcel control number, which is indicated by the inclusion of a "T." The temporary number will be replaced with the permanent PCN published by the Property Appraiser's Office.

EXHIBIT C

INDEX TO BYLAWS

	PAGE
I. IDENTITY	1
1.1 Principal Office	1
1.2 Fiscal Year	1
1.3 Seal	1
1.4 Definitions	1
II. MEETINGS OF MEMBERS AND VOTING	1
2.1 Annual Meeting	1
2.2 Special Meetings	1
2.3 Notice of Annual Meeting	1
2.4 Notice of Special Meetings, Generally	1
2.5 Notice of Budget Meeting	2
2.6 Notice of Meeting to Consider Excessive Budget	2
2.7 Notice of Meeting to Consider Recall of Board Members	2
2.8 Notice of Meeting to Elect Non-developer Directors	2
2.9 Quorum	2
2.10 Voting	2
2.11 Membership-Designation of Voting Member	2
2.12 Proxies; Powers of Attorney	2
2.13 Adjourned Meetings	3
2.14 Waiver of Notice	3
2.15 Action by Members Without a Meeting	3
2.16 Minutes of Meetings	3
2.17 Order of Business	3
2.18 Actions Specifically Requiring Unit Owner Approval	4
III. DIRECTORS	4
3.1 Number and Qualifications	4
3.2 Election of Directors	4
3.3 Term	5
3.4 Vacancies	5
3.5 Removal	5
3.6 Resignation	5
3.7 Organizational Meeting	5
3.8 Regular Meetings	5
3.9 Special Meetings	6
3.10 Waiver of Notice	6
3.11 Quorum	6
3.12 Adjourned Meetings	6
3.13 No Proxy	6
3.14 Presumed Assent	6
3.15 Joinder in Meeting by Approval of Minutes	6
3.16 Attendance by Conference Telephone	6
3.17 Meetings Open to Members	6
3.18 Presiding Officer	6
3.19 Minutes of Meetings	6
3.20 Executive Committee	7
3.21 Compensation	7
3.22 Order of Business	7
3.23 Election of Directors by Unit Owners Other than Developer	7
3.24 Relinquishment of Control	8
3.25 Failure to Elect Director Quorum	8

IV.	POWERS AND DUTIES OF THE BOARD OF DIRECTORS	8
4.1	Maintenance, Management, and Operation of Condominium Property	8
4.2	Contract, Sue, or be Sued	8
4.3	Right of Access to Units	8
4.4	Make and Collect Assessments	8
4.5	Lease, Maintain, Repair, and Replace the Common Elements	8
4.6	Lien and Foreclosure for Unpaid Assessments	8
4.7	Purchase Unit	9
4.8	Grant or Modify Easements	9
4.9	Purchase Land or Recreation Lease	9
4.10	Acquire Use Interest in Recreational Facilities	9
4.11	Acquire Title to Property	9
4.12	Authorize Certain Amendments	9
4.13	Adopt Rules and Regulations	9
4.14	Maintain Official Records	9
4.15	Obtain Insurance	9
4.16	Furnish Annual Financial Reports to Members	9
4.17	Give Notice of Liability Exposure	9
4.18	Provide Certificate of Unpaid Assessment	9
4.19	Pay Annual Fee to the Division of Florida Land Sales, Condominiums, and Mobile Homes for Each Residential Unit Operated by the Association	9
4.20	Approve or Disapprove Unit Transfer and Impose Fee	9
4.21	Contract for Operation, Maintenance, and Management of the Condominium	9
4.22	Pay Taxes or Assessments Against the Common Elements or Association Property	9
4.23	Pay Costs of Utilities Service Rendered to the Condominium and Association Property and Not Billed Directly to Individual Unit Owners	10
4.24	Employ Personnel	10
4.25	Impose Fines	10
4.26	Suspend Approval for Delinquent Unit Owner	10
4.27	Authorize Private Use of the Common Elements	10
4.28	Repair or Reconstruct Improvements After Casualties	10
V.	OFFICERS	10
5.1	Executive Officers	10
5.2	President	10
5.3	Vice President	10
5.4	Secretary and Assistant Secretary	10
5.5	Treasurer	10
5.6	Compensation	11
VI.	FISCAL MANAGEMENT	11
6.1	Board Adoption of Budget	11
6.2	Budget Requirements	11
6.3	Notice of Budget Meeting	11
6.4	Member Rejection of Excessive Budget	12
6.5	Alternative Budget Adoption by Members	12
6.6	Budget Restraints on Developer	12
6.7	Accounting Records and Reports	12
6.8	Depository	12
6.9	Fidelity Bonding or Insurance of Persons Controlling or Disbursing Funds	12
VII.	ASSESSMENTS AND COLLECTION	13
7.1	Assessments, Generally	13
7.2	Special Assessments	13
7.3	Charges for Other than Common Expenses	13

7.4	Liability for Assessments	13
7.5	Assessments; Amended Budget	14
7.6	Collection: Interest, Application of Payment	14
7.7	Lien for Assessment	14
7.8	Collection: Suit, Notice	14
7.9	Fines	14
VIII.	ASSOCIATION CONTRACTS, GENERALLY	14
8.1	Fair and Reasonable; Cancellation	14
8.2	Laundry-Related Vending Equipment	15
8.3	Escalation Clauses in Management Contracts Prohibited	15
8.4	Requirements for Maintenance and Management Contracts	15
IX.	ASSOCIATION OFFICIAL RECORDS	15
X.	OBLIGATIONS OF OWNERS	16
10.1	Violations, Notice, Actions	16
10.2	Attorneys' Fees	17
10.3	No Waiver of Rights	17
XI.	ARBITRATION OF INTERNAL DISPUTES	17
XII.	LIABILITY SURVIVES MEMBERSHIP TERMINATION	17
XIII.	LIMITATIONS ON UNIT OWNER LIABILITY FOR USE OF COMMON ELEMENTS	17
XIV.	CERTIFICATE OF COMPLIANCE	17
XV.	PARLIAMENTARY RULES	17
XVI.	RULES AND REGULATIONS	17
16.1	Board May Adopt	17
16.2	Posting and Furnishing Copies	17
16.3	Limitations on Authority	17
16.4	Reasonableness Test	18
XVII.	RESTRICTIONS ON AND REQUIREMENTS FOR USE, MAINTENANCE, AND APPEARANCE OF UNITS	18
17.1	Where Contained	18
17.2	Tests for Validity of Restrictions	18
XVIII.	PRIORITIES IN CASE OF CONFLICT	18
XIX.	INDEMNIFICATION	18
XX.	DEFECTIVE CONDOMINIUM DOCUMENTS; CURATIVE PROVISIONS	18
XXI.	AMENDMENTS	19
21.1	Notice	19
21.2	Adoption	19
21.3	Limitation	19
21.4	Recording	19
21.5	Format	19
XXII.	CONSTRUCTION	19

BYLAWS
OF
COURTYARDS AT WILLOUGHBY CONDOMINIUM ASSOCIATION, INC.

I. IDENTITY

These are the Bylaws of COURTYARDS AT WILLOUGHBY CONDOMINIUM ASSOCIATION, INC., a corporation not for profit under the laws of the state of Florida ("the Association"), organized for the purpose of operating that certain condominium located in Martin County, Florida, and known as The Courtyards at Willoughby, a condominium ("the Condominium").

1.1 Principal Office. The principal office of the Association shall be at 2300 Corporate Blvd. NW, Suite 232, Boca Raton, FL 33431 or at such other place as designated by the Board of Directors.

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

1.3 Seal. The seal of the Association shall bear the name of the corporation, the word "Florida," the words "Corporation Not for Profit," and the year of incorporation.

1.4 Definitions. For convenience, these Bylaws shall be referred to as "the Bylaws"; the Articles of Incorporation of the Association as "the Articles"; and the Declaration of Condominium for the Condominium as "the Declaration." The other terms used in these Bylaws shall have the same definitions and meanings as those in F.S. Chapter 718, the Condominium Act ("the Act"), as well as those in the Declaration and the Articles, unless otherwise provided in these Bylaws or unless the context otherwise requires.

II. MEETINGS OF MEMBERS AND VOTING

2.1 Annual Meeting. The annual meeting of the members shall be held on the date and at the place and time determined by the Board of Directors from time to time, provided that there shall be an annual meeting every calendar year and no later than 13 months after the last annual meeting. The purpose of the meeting shall be to elect Directors and to transact any other business authorized to be transacted by the members.

2.2 Special Meetings. Special meetings of the members shall be held at such places as provided for annual meetings and may be called by the President or by a majority of the Board of Directors of the Association, and must be called by the President or Secretary on receipt of a written request from at least 10% of the voting interests of the Association. Requests for a meeting by the members shall state the purpose for the meeting. Business conducted at any special meeting shall be limited to the matters stated in the notice for the meeting. The provisions of this section, as applicable, shall be modified by the provisions of F.S. 718.112(2)(e), concerning budget meetings; F.S. 718.112(2)(j), concerning recall; F.S. 718.112(2)(f), concerning budget reserves; and F.S. 718.301(1)-(2), concerning election of Directors by Unit Owners other than the Developer.

2.3 Notice of Annual Meeting. Written notice of the annual meeting shall be mailed or hand delivered to each Unit Owner at least 14 days and not more than 60 days before the annual meeting. A copy of the notice shall be posted in a conspicuous place on the Condominium Property at least 14 continuous days before the annual meeting. An Officer of the Association shall provide an Affidavit or United States Post Office Certificate of Mailing, to be included in the official records of the Association, affirming that notices of the Association meeting were mailed or hand delivered to each Unit Owner at the address last furnished to the Association. Unit Owners may waive notice of the annual meeting.

2.4 Notice of Special Meetings, Generally. Except as modified by the specific requirements for special kinds of members' meetings as set out in these Bylaws, notice of special meetings generally shall be in writing, state the place, day, and hour of the meeting, and state the purpose or purposes for which the meeting is called. The notice shall be delivered to each Unit Owner not less than 10 nor more

than 60 days before the date of the meeting, either personally or by first class mail, by or at the direction of the President, the Secretary, or the officer or persons calling the meeting. If mailed, the notice shall be considered delivered when deposited in the United States mail addressed to the Unit Owner at the address that appears in the records of the Association, with postage prepaid. Payment of postage for notice of any special meeting, by whomever called, shall be an obligation of the Association.

2.5 Notice of Budget Meeting. The Board of Directors shall mail or hand deliver to each Unit Owner at the address last furnished to the Association a notice and a copy of the proposed annual budget, not less than 14 days before the meeting at which the Board will consider the budget.

2.6 Notice of Meeting to Consider Excessive Budget. If a budget adopted by the Board of Directors requires Assessment against the Unit Owners for any calendar year exceeding 115% of the Assessment for the preceding year (less any lawfully excluded items), the Board, on written application of at least 10% of the voting interests to the Board within 21 days after adoption of the annual budget, shall call a special meeting of the Unit Owners within 60 days, on not less than 14 days' written notice to each Unit Owner.

2.7 Notice of Meeting to Consider Recall of Board Members. A special meeting of the Unit Owners to recall a member or members of the Board of Directors may be called by 10% of the voting interests giving notice of the meeting as required for a meeting of Unit Owners, stating the purpose of the meeting. The notice must be accompanied by a dated copy of a signature list of at least 10% of the Unit Owners. The meeting shall be held not less than 10 days nor more than 60 days from the date the notice of the meeting is given.

2.8 Notice of Meeting to Elect Non-developer Directors. Within 75 days after the Unit Owners other than the Developer are entitled to elect a member or members of the Board of Directors of the Association, the Association shall call an election for the members of the Board of Directors, and shall give at least 60 days notice thereof.

2.9 Quorum. A quorum at meetings of members shall consist of persons entitled to exercise, either in person or by proxy, a majority of the voting interests of the entire membership.

2.10 Voting.

a. Number of Votes. In any meeting of members, each Unit shall have one voting interest. The vote of a Unit is not divisible.

b. Majority Vote. The acts approved by a majority of the voting interests present in person or by proxy at a meeting at which a quorum is present shall be binding on all Unit Owners for all purposes unless the Act, the Declaration, the Articles, or these Bylaws require a larger percentage, in which case that larger percentage shall control.

2.11 Membership-Designation of Voting Member. Persons or entities shall become members of the Association on the acquisition of fee title to a Unit in the Condominium after approval of the acquisition in the manner provided in the Declaration. Membership shall be terminated when a person or entity no longer owns a Unit in the Condominium. If a Unit is owned by more than one natural person (other than a husband and wife), or a corporation, partnership, or other artificial entity, the voting interest of that Unit shall be exercised only by the natural person named in a voting certificate signed by all the natural persons who are owners or by the chief executive officer of the artificial entity and filed with the Secretary of the Association in its official records.

2.12 Proxies; Powers of Attorney. Voting interests may be exercised in person or by proxy. Each proxy shall set forth specifically the name of the person voting by proxy, the name of the person authorized to vote the proxy for him or her, and the date the proxy was given. Each proxy shall contain the date, time, and place of the meeting for which the proxy is given. If the proxy is a limited proxy, it shall set forth those items that the holder of the proxy may vote and the manner in which the vote is to be cast.

The proxy shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings. No proxy shall be valid for more than 90 days after the date of the first meeting for which it was given, and may be revoked at any time at the pleasure of the Unit Owner executing it. The proxy shall be signed by the Unit Owner or by the designated person mentioned in section 2.11, or the duly authorized attorney-in-fact of that person or entity (provided the power of attorney is filed with the Secretary of the Association). The proxy shall be filed with the Secretary before or at the meeting for which the proxy is given. One holding a power of attorney from a Unit Owner, properly executed and granting the authority, may exercise the voting interest of that Unit. If the proxy expressly provides, any proxy holder may appoint, in writing, a substitute to act in his or her place. If this provision is not made, substitution is not authorized.

2.13 Adjourned Meetings. If any meeting of members cannot be organized because a quorum is not present, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present; except that when meetings have been called to consider the enactment of a budget to replace a proposed budget that exceeds 115% of the assessments for the preceding year, the meetings may not be adjourned for lack of a quorum and if a quorum is not present the excessive budget shall go into effect as scheduled. The time and place to which the meeting is adjourned shall be announced at the meeting at which the adjournment is taken and a notice shall be posted in a conspicuous place on the Condominium Property as soon thereafter as may be practical stating the time and place to which the meeting is adjourned.

2.14 Waiver of Notice. Unit Owners may waive their right to receive notice of any meeting, whether annual or special, by a writing signed by them to that effect. The waiver shall be filed with the Secretary of the Association, either before, at, or after the meeting for which the waiver is given.

2.15 Action by Members Without a Meeting. Unit Owners may take action by written agreement without a meeting, provided written notice is given to the Unit Owners in the manner prescribed elsewhere in these Bylaws appropriate to the subject matter to be agreed on, unless that notice is waived as provided in these Bylaws. The decision of a majority of the Unit Owners, or a larger percentage vote as otherwise may be required by the Act, the Declaration, the Articles, or these Bylaws (the decision to be evidenced by written response to be solicited in the notice), shall be binding on the membership. The notice shall set forth a time period within which responses must be made by the members, and responses received after that shall not be considered.

2.16 Minutes of Meetings. The minutes of all meetings of Unit Owners shall be kept in a book open to inspection at all reasonable times by any Association member, any authorized representative of the member, and Board members. The minutes shall be retained by the Association for a period of not less than seven years. Association members and their authorized representatives shall have the right to make or obtain copies at the reasonable expense, if any, of the Association member.

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

- a. Collection of ballots.
- b. Call to order.
- c. Election of a chairman of the meeting, unless the President or Vice President is present, in which case he or she shall preside.
- d. Calling of the roll, certifying of proxies, determination of a quorum.
- e. Proof of notice of meeting or waiver of notice.
- f. Reading and disposal of any unapproved minutes.

- g. Reports of officers.
- h. Reports of committees.
- i. Appointment of inspectors of election.
- j. Determination of number of Directors.
- k. Election of Directors.
- l. Unfinished business.
- m. New business.
- n. Adjournment.

2.18 Actions Specifically Requiring Unit Owner Approval. The following actions require approval by the Unit Owners and may not be taken by the Board of Directors acting alone:

- a. Amendments to the Declaration, except those made by the Developer recording a Certificate of Surveyor, or as otherwise provided specifically in the Declaration.
- b. Merger of two or more independent condominiums of a single complex to form a single condominium.
- c. Purchase of land or recreation lease.
- d. Cancellation of grants or reservations made by the Declaration, a lease, or other document and any contract made by the Association before the transfer of control of the Association from the Developer to Unit Owners other than the Developer, that provides for operation, maintenance, or management of the Condominium Association or property serving the Unit Owners.
- e. Exercise of option to purchase recreational or other commonly used facilities lease.
- f. Providing no reserves, or less than adequate reserves.
- g. Recall of members of Board of Directors.
- h. Other matters contained in the Declaration, the Articles, or these Bylaws that specifically require a vote of the members.

III. DIRECTORS

3.1 Number and Qualifications. The affairs of the Association shall be managed initially by a Board of three Directors selected by the Developer. When Unit Owners other than the Developer are entitled to elect a majority of the Directors, the Board shall be composed of any odd number of Directors that the Board may decide. The number of Directors, however, shall never be less than three. Other than those selected by the Developer, Directors must be either Unit Owners, tenants residing in the Condominium, officers of a corporate Unit Owner, or partners of a partnership Unit Owner. No Director (except those selected by the Developer) shall continue to serve on the Board after ceasing to meet those requirements.

3.2 Election of Directors. Directors shall be elected at the annual meeting in the following manner:

- a. The Board of Directors shall be elected by written ballot or voting machine.

b. Unit Owners other than the Developer may vote, in person or by limited proxy, to fill a vacancy on the Board previously occupied by a Board Member elected by Unit Owners other than the Developer.

c. The Association shall mail or deliver, whether separately or included in other mailings, a first notice of the date of the election to each Unit Owner no less than 60 days before the scheduled election. Any Unit Owner or other eligible person desiring to be a candidate for the Board must give written notice to the Association not less than 40 days before a scheduled election. The Association shall mail or deliver to the Unit Owners at the addresses listed in the official records of the association a second notice of the election, ballot, and any information sheets timely submitted by the candidates. All information sheets must be furnished by the candidates no less than 35 days prior to the election. The second notice and accompanying documents shall not contain any communication from the Board that endorses, disapproves, or otherwise comments on any candidate. There shall be no quorum requirement, however, at least 20% of the eligible voters must cast a ballot in order to have a valid election of Board Members.

3.3 Term. Each Director's term of service shall extend until the next annual meeting of the members and thereafter until his or her successor is duly elected and qualified or until he or she is removed in the manner provided in section 3.5. However, at any annual meeting after the Developer has relinquished control of the Association and in order to provide a continuity of experience, the members may vote to create classes of directorships having a term of one, two, or three years so that a system of staggered terms will be initiated.

3.4 Vacancies. Except for vacancies resulting from removal of Directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by majority vote of the remaining Directors. Any Director elected to fill a vacancy shall hold office only until the next election of Directors by the members, irrespective of the length of the remaining term of the vacating Director.

3.5 Removal. Any Director may be recalled and removed from office with or without cause by the affirmative vote or agreement in writing of a majority of all voting interests. A special meeting of the Unit Owners may be called for this purpose by 10% of the voting interests on giving notice of the meeting as required in these Bylaws. The notice shall state the purpose of the special meeting. Any vacancy on the Board of Directors thus created shall be filled by the members of the Association at the same meeting. No Director shall continue to serve on the Board if, during the Board member's term of office, the Board member's membership in the Association is terminated for any reason.

3.6 Resignation. Any Director may resign at any time by sending or personally delivering a written notice of resignation to the Association, addressed to the Secretary. The resignation shall take effect on receipt of the notice by the Association, unless it states some fixed date in the resignation, and then from the date so fixed. Acceptance of a resignation shall not be required to make it effective.

3.7 Organizational Meeting. The organizational meeting of a newly elected Board of Directors shall be held within 10 days of the election at a place and time that shall be fixed by the Directors at the meeting at which they were elected and without further notice except notice to Unit Owners required by F.S. 718.112(2)(c). The Board of Directors may meet immediately following the meeting at which they are elected for the purpose of electing officers and changing banking resolutions without further notice, except for an announcement at the Unit Owners' meeting.

3.8 Regular Meetings. The Board of Directors may establish a schedule of regular meetings to be held at a time and place as a majority of them shall determine from time to time. Notice of regular meetings, however, shall be given to each Director personally or by mail, telephone, or telegraph at least three days before the day named for the meeting with the notice of each meeting posted conspicuously on the Condominium Property at least 48 continuous hours before the meeting, except in an emergency.

3.9 Special Meetings. Special meetings of the Board of Directors may be called by the President and, in his or her absence, by the Vice President, and must be called by the Secretary at the written request of one third of the Directors. Notice of the meeting shall be given personally or by mail, telephone, or telegraph. The notice shall state the time, place, and purpose of the meeting and shall be transmitted not less than three days before the meeting. A copy of the notice of any special meeting shall be posted conspicuously on the Condominium Property at least 48 continuous hours before the meeting, except in an emergency.

3.10 Waiver of Notice. Any Director may waive notice of a meeting before, at, or after the meeting and that waiver shall be considered equivalent to the giving of notice. Attendance by any Director at a meeting shall constitute a waiver of notice of the meeting, except when the Director's attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

3.11 Quorum. A quorum at the meetings of the Directors shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors except when approval by a greater number of Directors is required by the Declaration, the Articles, or these Bylaws.

3.12 Adjourned Meetings. If there is less than a quorum present at any meeting of the Board of Directors, the majority of those present may adjourn the meeting until a quorum is present. At any adjourned meeting, any business that might have been transacted at the meeting originally called may be transacted without further notice.

3.13 No Proxy. There shall be no voting by proxy at any meeting of the Board of Directors.

3.14 Presumed Assent. A Director present at any Board meeting at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless he or she votes against the action or abstains from voting because of an asserted conflict of interest.

3.15 Joinder in Meeting by Written Approval or Disapproval. A Director or Committee Member may submit in writing his or her agreement or disagreement with any action taken at a meeting that the Director or Committee Member did not attend. This agreement or disagreement may not be used as a vote for or against the action taken and may not be used for the purposes of creating a quorum.

3.16 Attendance by Conference Telephone. When telephone conference is used, a telephone speaker shall be attached so that the discussion may be heard by the Board members and by any Unit Owners present in an open meeting. Board members utilizing telephone conference calls may be counted toward obtaining a quorum and may vote over the telephone.

3.17 Meetings Open to Members. Meetings of the Board of Directors shall be open to all Unit Owners to attend, observe, and speak with reference to all designated agenda items. Notice of any meeting in which assessments against Unit Owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and set out the nature of the assessments.

3.18 Presiding Officer. The presiding officer at Board meetings shall be the President or, in his or her absence, the Vice President, and in his or her absence, the Directors present shall designate any one of their number to preside.

3.19 Minutes of Meetings. The minutes of all meetings of the Board of Directors shall be kept in a book open to inspection by any Association member or the authorized representative of the member and Board members at all reasonable times. The Association shall retain these minutes for a period of not less than seven years. Association members and their authorized representatives shall have the right to make or obtain copies, at the reasonable expense, if any, of the Association member.

3.20 Executive Committee. The Board of Directors, by resolution, may appoint an executive committee to consist of three or more members of the Board. The executive committee shall have and may exercise all of the powers of the Board in the management of the business and affairs of the Condominium during the intervals between the meetings of the Board insofar as may be permitted by law. The executive committee, however, shall not have power to: (1) determine the Common Expenses required for the operation of the Condominium; (2) determine the Assessments payable by the Unit Owners to meet the Common Expenses of the Condominium; (3) adopt or amend Rules and Regulations covering the details of the operation and use of the Common Elements; (4) purchase, lease, or otherwise acquire Units in the Condominium in the name of the Association; (5) approve any actions or proposals required by the Act, the Declaration, the Articles, or these Bylaws to be approved by Unit Owners; or (6) fill vacancies on the Board of Directors. Meetings of the executive committee shall be open to Unit Owners and shall be noticed in the same manner as a regular board meeting.

3.21 Compensation. Directors shall serve without pay but shall be entitled to reimbursement for expenses reasonably incurred in the discharge of their duties.

3.22 Order of Business. The order of business at meetings of Directors shall be:

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

3.23 Election of Directors by Unit Owners Other than Developer. Unit Owners other than the Developer are entitled to elect a member or members of the Board of Directors of the Association, under the following schedule:

a. When Unit Owners other than the Developer own 15% or more of the Units in the Condominium that will be operated ultimately by the Association, the Unit Owners other than the Developer shall be entitled to elect one third of the members of the Board of Directors of the Association.

b. Unit Owners other than the Developer are entitled to elect a majority of the members of the Board of Directors of the Association on the earliest of the following events:

1. Three years after 50% of the Units that will be operated ultimately by the Association have been conveyed to purchasers.

2. Three months after 90% of the Units that will be operated ultimately by the Association have been conveyed to purchasers.

3. When all the Units that will be operated ultimately by the Association have been completed, some of them have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business.

4. When some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business.

5. Seven years after recordation of the Declaration of Condominium. The Developer is entitled to elect at least one member of the Board of Directors of the Association as long as the Developer holds for sale in the ordinary course of business at least 5% of the total Units operated by the Association. Following the time the Developer relinquishes control of the Association, the Developer may exercise the right to vote any developer-owned Units in the same manner as any other Unit Owner except for purposes of reacquiring control of the Association or selecting the majority members of the Board of Directors.

3.24 Relinquishment of Control. At the time the Unit Owners other than the Developer elect a majority of the members of the Board of Directors of the Association, the Developer shall relinquish control of the Association and the Unit Owners shall accept control. Simultaneously, the Developer shall deliver to the Association at the Developer's expense, all property of the Unit Owners and of the Association held or controlled by the Developer, including but not limited to those items specified in the Act. The above notwithstanding, for purposes of auditing financial records, the Developer shall, within 90 days after it relinquishes control of the Association, turn over all financial statements of the Association and source documents from the incorporation of the Association through the date of turnover. Nothing contained in these Bylaws shall be deemed to prevent the Developer from transferring control of the Association to Unit Owners other than the Developer before the occurrence of the events described in this subsection.

3.25 Failure to Elect Director Quorum. If the Association or the Board of Directors fails to fill vacancies on the Board of Directors sufficient to constitute a quorum, any Unit Owner may apply to the circuit court within whose jurisdiction the Condominium is situated for the appointment of a receiver to manage the affairs of the Association, in the manner prescribed in the Act. If a receiver is appointed, the Association shall be responsible for the salary of the receiver, court costs, and attorneys' fees. The receiver shall have all the powers and duties of a duly-constituted Board of Directors and shall serve until the Association fills vacancies on the Board sufficient to constitute a quorum.

IV. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association existing under the Act, the Declaration, the Articles, and these Bylaws shall be exercised exclusively by the Board of Directors, or its duly authorized agents, contractors, or employees, subject only to the approval by Unit Owners when that approval specifically is required. The powers and duties of the Board shall include, but shall not be limited to, the following:

4.1 Maintenance, Management, and Operation of Condominium Property.

4.2 Contract, Sue, or be Sued. The Association may institute, maintain, settle, or appeal actions or hearings in its name on behalf of all Unit Owners concerning matters of common interest, including but not limited to the Common Elements and commonly-used facilities.

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

4.4 Make and Collect Assessments.

4.5 Lease, Maintain, Repair, and Replace the Common Elements.

4.6 Lien and Foreclosure for Unpaid Assessments. The Association has a lien on each Condominium Parcel for any unpaid Assessments with interest and for reasonable attorneys' fees, costs, and expenses incurred in the collection of the Assessment or enforcement of the lien. It also has the power to purchase the Condominium Parcel at the foreclosure sale and to hold, lease, mortgage, or convey it.

4.7 Purchase Unit. In addition to its right to purchase Units at a lien foreclosure sale, the Association generally has the power to purchase Units in the Condominium and to acquire, hold, lease, mortgage, and convey them.

4.8 Grant or Modify Easements. The Association, without the joinder of any Unit Owner, may grant, modify, or move any easement if the easement constitutes part of or crosses Common Elements.

4.9 Purchase Land or Recreation Lease. Any land or recreation lease may be purchased by the Association on the approval of two thirds of the voting interests of the Association.

4.10 Acquire Use Interest in Recreational Facilities. The Association may enter into agreements, acquire leaseholds, memberships, and other possessory or use interest in lands or facilities, such as country clubs, golf courses, marinas, and other recreational facilities, whether contiguous to the Condominium property or not if (1) they are intended to provide enjoyment, recreation, or other use or benefit to the Unit Owners and (2) if they exist or are created at the time the Declaration was recorded and are fully stated and described in the Declaration.

4.11 Acquire Title to Property. The Association has the power to acquire title to property or otherwise hold property for the use and benefit of its members.

4.12 Authorize Certain Amendments. If it appears that through a drafter's error in the Declaration that the Common Elements, Common Expenses, or Common Surplus has been stated or distributed improperly, an amendment to the Declaration correcting that error may be approved by the Board of Directors or a majority of the voting interests.

4.13 Adopt Rules and Regulations. The Association may adopt reasonable Rules and Regulations for the operation and use of the Common Elements, Common Areas, and recreational facilities serving the Condominium.

4.14 Maintain Official Records. The Association shall maintain all of the records, when applicable, set forth in Article IX of these Bylaws, which shall constitute the official records of the Association.

4.15 Obtain Insurance. The Association shall use its best efforts to obtain and maintain adequate insurance to protect the Association, the Association Property, and the Condominium Property.

4.16 Furnish Annual Financial Reports to Members.

4.17 Give Notice of Liability Exposure. If the Association may be exposed to liability in excess of insurance coverage in any legal action, it shall give notice of the exposure to all Unit Owners, who shall have the right to intervene and defend.

4.18 Provide Certificate of Unpaid Assessment. Any Unit Owner or Unit mortgagee has the right to request from the Association a certificate stating all Assessments and other monies owed to the Association with respect to the Condominium Parcel.

4.19 Pay Annual Fee to the Division of Florida Land Sales, Condominiums, and Mobile Homes for Each Residential Unit Operated by the Association.

4.20 Approve or Disapprove Unit Transfer and Impose Fee. The Association may charge a preset fee of up to \$100 in connection with the approval or disapproval of any proposed mortgage, lease, sublease, sale, or other transfer of a Unit in the Condominium as provided in the Declaration.

4.21 Contract for Operation, Maintenance, and Management of the Condominium.

4.22 Pay Taxes or Assessments Against the Common Elements or Association Property.

4.23 Pay Costs of Utilities Service Rendered to the Condominium and Association Property and Not Billed Directly to Individual Unit Owners.

4.24 Employ Personnel. The Association may employ and dismiss personnel as necessary for the maintenance and operation of the Condominium Property and may retain those professional services that are required for those purposes.

4.25 Impose Fines. The Board of Directors may impose fines on Unit Owners in reasonable sums as the Board may deem appropriate, not to exceed \$100 per violation, or \$1,000 in the aggregate, for violations of the Declaration, these Bylaws, or lawfully adopted Rules and Regulations, by Owners, their Guests, invitees, or tenants. See 7.9.

4.26 Suspend Approval for Delinquent Unit Owner. The Board of Directors may disapprove the prospective tenant of any Unit Owner as long as the Unit Owner is delinquent in the payment of Assessments for Common Expenses.

4.27 Authorize Private Use of the Common Elements. The Board of Directors may authorize Unit Owners or others to use portions of the Common Elements, such as social rooms and meetings rooms, for private parties and gatherings. Reasonable charges may be imposed provided a lease is entered into between the Association and the Unit Owner.

4.28 Repair or Reconstruct Improvements After Casualties.

V. OFFICERS

5.1 Executive Officers. The executive officers of the Association shall be a President, who shall be a Director, a Vice President, who shall be a Director, a Treasurer, a Secretary, and an Assistant Secretary. The officers shall be elected annually by the Board of Directors and may be removed without cause at any meeting by a vote of a majority of all of the Directors. A person may hold more than one office except that the President may not also be the Secretary or Assistant Secretary. No person shall sign an instrument nor perform an act in the capacity of more than one office. The Board of Directors from time to time shall elect other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

5.2 President. The President shall be the chief executive officer of the Association. He or she shall have all of the powers and duties that usually are vested in the office of President of an association, including but not limited to the power to appoint committees from among the members to assist in the conduct of the affairs of the Association as he or she may determine appropriate. The President shall preside at all meetings of the Board.

5.3 Vice President. The Vice President shall exercise the powers and perform the duties of the President in the absence or disability of the President. He or she also shall assist the President and exercise those other powers and perform those other duties as shall be prescribed by the Directors.

5.4 Secretary and Assistant Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He or she shall attend to the serving of all notices to the members and Directors and other notices required by law. The Secretary shall have custody of the seal of the Association and shall affix it to instruments requiring the seal when duly signed. He or she shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the Secretary of an Association and as may be required by the Directors or the President. The Assistant Secretary shall support the Secretary and shall perform the Secretary's duties in the Secretary's absence.

5.5 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He or she shall keep books of account for the Association in accordance with good accounting practices, that, together with substantiating papers, shall

be made available to the Board of Directors for examination at reasonable times. The Treasurer shall submit a treasurer's report to the Board at reasonable intervals and shall perform all other duties incident to the office of treasurer. All money and other valuable effects shall be kept for the benefit of the Association in such depositories as may be designated by a majority of the Board.

5.6 Compensation. The compensation, if any, of all officers and other employees of the Association shall be fixed by the Board of Directors. This provision shall not preclude the Board from employing a Director as an employee of the Association or preclude contracting with a Director for the management of the Condominium.

VI. FISCAL MANAGEMENT

6.1 Board Adoption of Budget. The Board of Directors shall adopt a budget for the Common Expenses of the Association in advance of each fiscal year at a special meeting of the Board called for that purpose at least 45 days before the end of each fiscal year.

6.2 Budget Requirements. The proposed annual budget of Common Expenses shall be detailed and shall show the amount budgeted by accounts and expense classifications, including, when applicable, but not limited to:

- a. Administration of the Association.
- b. Management fees.
- c. Maintenance.
- d. Rent for recreational and other commonly used facilities.
- e. Taxes on Association property.
- f. Taxes on leased areas.
- g. Insurance.
- h. Security provisions.
- i. Other expenses.
- j. Operating capital.
- k. Fees payable to the Division of Florida Land Sales, Condominiums, and Mobile Homes.
- l. Reserve accounts for capital expenditures and deferred maintenance, including, but not limited to, roof replacement, building painting, and pavement resurfacing. The amount to be reserved shall be computed by means of a formula based on estimated remaining useful life and estimated replacement cost of each reserve item. Reserves must be included in the proposed annual budget but may be removed from the final budget if by vote of the majority of the members present at a duly called meeting of the Association they shall determine for a fiscal year to provide no reserves or reserves less adequate than required by F.S. 718.112(2)(f). If a meeting of the Unit Owners has been called to determine to provide no reserves or reserves less adequate than required, and the result is not attained or a quorum is not attained, the reserves, as included in the budget, shall go into effect.

6.3 Notice of Budget Meeting. The Board of Directors shall mail a meeting notice and copies of the proposed annual budget to the Unit Owners not less than 14 days before the meeting at which the budget will be considered. The meeting shall be open to all the Unit Owners.

6.4 Member Rejection of Excessive Budget. If the Board of Directors adopts in any fiscal year an annual budget which requires assessments against Unit Owners which exceed 115 percent of Assessments for the preceding fiscal year, the Board shall conduct a special meeting of the Unit Owners to consider a substitute budget if the board receives, within 21 days after adoption of the annual budget, a written request for a special meeting from at least 10 percent of all voting interests. The special meeting shall be conducted within 60 days after adoption of the annual budget. At least 14 days prior to such special meeting, the Board shall hand deliver to each Unit Owner, or mail to each Unit Owner at the address last furnished to the Association, a notice of the meeting. An officer or manager of the Association, or other person providing notice of such meeting shall execute an affidavit evidencing compliance with this notice requirement, and such affidavit shall be filed among the official records of the Association. Unit Owners may consider and adopt a substitute budget at the special meeting. A substitute budget is adopted if approved by a majority of all voting interests. If there is not a quorum at the special meeting or a substitute budget is not adopted, the annual budget previously adopted by the Board shall take effect as scheduled. Any determination of whether Assessments exceed 115 percent of Assessments for the prior fiscal year shall exclude any authorized provision for reasonable reserves for repair or replacement of the Condominium Property, anticipated expenses of the Association which the Board does not expect to be incurred on a regular or annual basis, or Assessments for betterments to the Condominium Property.

6.5 Alternative Budget Adoption by Members. At its option, for any fiscal year, the Board of Directors may propose a budget to the Unit Owners at a meeting of members or in writing. If the proposed budget is approved by the Unit Owners at the meeting or by a majority of all voting interests in writing, the budget shall be adopted.

6.6 Budget Restraints on Developer. As long as the Developer is in control of the Board of Directors, the Board shall not impose an Assessment for any year greater than 115% of the previous year's Assessment without approval of a majority of all voting interests other than those held by the Developer.

6.7 Accounting Records and Reports. The Association shall maintain accounting records in the county in which the Condominium is located, according to good accounting practices. The records shall be open to inspection by any Association member or the authorized representative of the member at all reasonable times. The records shall include, but are not limited to:

- a. Accurate, itemized, and detailed records of all receipts and expenditures.
- b. A current account and a monthly, bimonthly, or quarterly statement of the account for each Unit designating the name of the Unit Owner, the due date and amount of each Assessment, the amount paid on the account, and the balance due.
- c. All audits, reviews, accounting statements, and financial reports of the Association or Condominium.
- d. All contracts for work to be performed. Bids for work to be performed shall also be considered official records and shall be maintained for a period of one year. Within 60 days after the end of each fiscal year, the Board of Directors shall mail or furnish by personal delivery to each Unit Owner a complete financial report of actual receipts and expenditures for the previous 12 months.

6.8 Depository. The depository of the Association shall be those banks or savings and loan associations, state or federal, located in Florida, as shall be designated from time to time by the Board of Directors and in which the money for the Association shall be deposited. Withdrawal of money from those accounts shall be only by checks or other withdrawal instruments signed by those persons authorized by the Board of Directors.

6.9 Fidelity Bonding or Insurance of Persons Controlling or Disbursing Funds. The Association shall obtain and maintain adequate insurance or fidelity bonding of all persons who control or

disburse funds of the Association. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the Association or its management agent at any one time. As used in this paragraph, the term "persons who control or disburse funds of the Association" includes, but is not limited to, those individuals authorized to sign checks and the President, Secretary, and Treasurer of the Association. The Association shall bear the cost of bonding.

VII. ASSESSMENTS AND COLLECTION

7.1 Assessments, Generally. Assessments shall be made against the Units not less frequently than quarterly in the discretion of the Board of Directors. The Assessments shall be made in an amount no less than required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. The Assessment funds shall be collected against Units in the proportions or percentages provided in the Declaration.

7.2 Special Assessments. The specific purpose or purposes of any special Assessment, including emergency Assessments, that cannot be paid from the annual Assessment for Common Expenses, as determined by the Board of Directors, shall be set forth in a written notice of the Assessment sent or delivered to each Unit Owner. The notice shall be sent or delivered within the time before the payment or initial payment thereunder shall be due, as may be reasonable or practicable in the circumstances. Special Assessments shall be paid at the times and in the manner that the Board may require in the notice of the Assessment. The funds collected under a special Assessment shall be used only for the specific purpose or purposes set forth in the notice, or returned to the Unit Owners. Excess funds may be used to reduce the next year's annual Assessments. On completion of the specific purpose or purposes, however, any excess funds shall be considered Common Surplus.

7.3 Charges for Other than Common Expenses. Charges by the Association against individual members for other than Common Expenses shall be payable in advance and the billing and collection thereof may be administered by the Association. Charges for other than Common Expenses may be made only after approval of a member or when expressly provided for in the Declaration or other Condominium Documents. These charges may include, without limitation, charges for the use of the Condominium Property or recreation area, maintenance services furnished at the expense of a member, and other services furnished for the benefit of a member.

7.4 Liability for Assessments. Each Unit Owner, regardless of how his or her title has been acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure, is liable for all Assessments that come due while he or she is the Unit Owner. The Unit Owner and grantee are jointly and severally liable for all unpaid Assessments that came due up to the time of transfer of title. A first mortgagee or its successor or assignee who acquires title to a unit by foreclosure or by deed in lieu of foreclosure for the unpaid Assessments that became due before the mortgagee's acquisition of title is limited to the lesser of:

- a. the unit's unpaid Common Expenses and regular periodic Assessments that accrued or came due during the six months immediately preceding the acquisition of title and for which payment in full has not been received by the Association; or
- b. one percent of the original mortgage debt.

The provisions of this paragraph shall not apply unless the first mortgagee joined the Association as a defendant in the foreclosure action. Joinder of the Association is not required if, on the date the complaint is filed, the Association was dissolved or did not maintain an office or agent for service of process at a location that was known to or reasonably discoverable by the mortgagee.

A Unit Owner's 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.

7.5 Assessments: Amended Budget. If 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 year for which an amended Assessment is made shall be payable in as many equal installments as there are installment payment dates remaining in the budget year as of the date of the amended Assessment. The budget shall not be amended for emergency or special nonrecurring expenses.

7.6 Collection: Interest, Application of Payment. Assessments and installments on them, if not paid within 10 days after the date they become due, shall bear interest at the rate of 18% per year until paid. All Assessment payments shall be applied first to interest and then to the Assessment payment due.

7.7 Lien for Assessment. The Association has a lien on each Condominium Parcel to secure the payment of Assessments. The lien is effective for one year after the claim of lien is recorded in the public records of Martin County unless, within that time, an action to enforce the lien is commenced. The claim of lien shall secure all unpaid Assessments that are due and that may accrue after the recording of the claim of lien and before the entry of a certificate of title, as well as interest and all reasonable costs and attorney's fees incurred by the Association incident to the collection process. The lien is subordinate to any mortgage on the Condominium Parcel recorded before it.

7.8 Collection: Suit, Notice. The Association may bring an action to foreclose any lien for Assessments in the manner that a mortgage of real property is foreclosed. It also may bring an action to recover a money judgment for the unpaid assessment without waiving any claim of lien. The Association shall give notice to the Unit Owner of its intention to foreclose its lien at least 30 days before the foreclosure action is filed. The notice shall be given by delivery of a copy of it to the Unit Owner or by certified or registered mail, return receipt requested, addressed to the Unit Owner at the last known address.

7.9 Fines. Before levying a fine under section 4.25, the Board of Directors shall afford an opportunity for hearing to the party against whom the fine is sought to be levied, after reasonable notice of not less than 14 days. Said hearing shall be held before a committee of other Unit Owners. The notice shall include:

- a. a statement of the date, time and place of the hearing;
- b. a statement of the provisions of the Declaration, these Bylaws, and lawfully adopted Rules and Regulations that have allegedly been violated; and
- c. a short and plain statement of the matters asserted by the Association.

The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved to the Board of Directors and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Association. No fine may be levied if the committee of other Unit Owners do not agree with the fine. Each day of violation shall be a separate violation. The affected Unit Owner, whether the offending party or not, shall always be given notice of the hearing. No fine shall become a lien against a Unit.

VIII. ASSOCIATION CONTRACTS, GENERALLY

8.1 Fair and Reasonable; Cancellation. Any contracts made by the Association before the Unit Owners assume control from the Developer must be fair and reasonable. All contracts for the operation, maintenance, or management of the Association or property serving the Unit Owners, made by the Association, whether before or after assumption of control of the Association by the Unit Owners, must not be in conflict with the powers and duties of the Association or the rights of the Unit Owners. Contracts made by the Association before the Unit Owners assume control may be canceled by the Unit Owners after assumption of control in the manner and under the circumstances as provided in the Act.

8.2 Laundry-Related Vending Equipment. The Developer may obligate the Association under lease or other contractual arrangements for laundry-related vending equipment. The leases or agreements for the vending equipment may not be subject to cancellation by Unit Owners other than the Developer if those leases or agreements contain certain provisions as prescribed by the Act.

8.3 Escalation Clauses in Management Contracts Prohibited. No management contract entered into by the Association shall contain an escalation clause, since they have been declared to be against the public policy of the state of Florida.

8.4 Requirements for Maintenance and Management Contracts. Written contracts for operation, maintenance, and management entered into by the Association must contain certain elements in order to be valid and enforceable. These include, but are not limited to:

- a. Specification of the services, obligations, and responsibilities of the service provider.
- b. Specification of costs for services performed.
- c. An indication of frequency of performance of services.
- d. Specification of minimum number of personnel to provide the contracted services.
- e. The disclosure of any financial or ownership interest that the Developer has in the service provider, if the Developer is in control of the Association.

IX. ASSOCIATION OFFICIAL RECORDS

The Association, from its inception, shall maintain each of the following items when applicable, which shall constitute the official records of the Association:

- a. A copy of the plans, permits, warranties, and other items provided by the Developer under F.S. 718.301(4).
- b. A photocopy of the recorded Declaration of the Condominium operated by the Association and all amendments thereto.
- c. A photocopy of the recorded Bylaws of the Association and all amendments thereto.
- d. A certified copy of the Articles of Incorporation of the Association and all amendments thereto.
- e. A copy of the current Rules and Regulations of the Association.
- f. A book or books containing the minutes of all meetings of the Association, of the Board of Directors, and of Unit Owners, which minutes shall be retained for a period of not less than seven years.
- g. A current roster of all Unit Owners, their mailing addresses, Unit identifications, voting certifications, and, if known, telephone numbers. Additionally, the Association may require a copy of the deed or other instrument showing each Unit's ownership, together with a copy of any mortgage on the Unit and any satisfaction of that mortgage.
- h. All current insurance policies of the Association and Condominiums operated by the Association.
- i. A current copy of any management agreement, lease, or other contract to which the Association is a party or under which the Association or the Unit Owners have an obligation or responsibility.

- j. Bills of sale or transfer for all property owned by the Association.
- k. The accounting records required in 6.7.
- l. Ballots, sign-in sheets, and voting proxies, which shall be maintained for a period of one year from the date of the election, vote, or meeting to which the proxy relates.
- m. All rental records when the Association is acting as agent for the rental of Condominium Units.
- n. A copy of the current Frequently Asked Questions and Answers Sheet in a form adopted by the Division of Florida Land Sales, Condominiums, and Mobile Homes.
- o. All other records of the Association not specifically included in the foregoing that are related to the operation of the Association.

The official records of the Association shall be maintained within the state of Florida and shall be open to inspection by any Association member or the authorized representative of the member at all reasonable times. The right to inspect the records includes the right to make or obtain copies, at the reasonable expense, if any, of the Association member. The Association shall provide the records within 10 working days after receipt of a written request. The failure of an association to provide the records within 10 working days after receipt of a written request shall create a rebuttable presumption that the association willfully failed to comply with this paragraph. A unit owner who is denied access to official records is entitled to the actual damages or minimum damages for the association's willful failure to comply with this paragraph. The minimum damages shall be \$50 per calendar day up to 10 days, the calculation to begin on the 11th working day after receipt of the written request. The failure to permit inspection of the Association records as provided herein entitles any person prevailing in an enforcement action to recover reasonable attorneys' fees from the person in control of the records who, directly or indirectly, knowingly denied access to the records for inspection. Copies of the Declaration, Articles of Incorporation, Bylaws, Rules and Regulations, and all amendments to each of the foregoing, as well as the question and answer sheet provided for in F.S. 718.504, shall be kept on the Condominium Property and shall be made available to Unit Owners and prospective purchasers on payment by Unit Owners and prospective purchasers of the actual costs for preparing and furnishing these documents to those requesting the same.

X. OBLIGATIONS OF OWNERS

10.1 Violations, Notice, Actions. In the case of a violation (other than the nonpayment of an assessment) by a Unit Owner of any of the provisions of the Act, the Declaration, the Articles, these Bylaws, or any lawfully adopted Rules and Regulations, the Association by direction of its Board of Directors may transmit to the Unit Owner by certified mail, return receipt requested, a notice of the violation. If the violation shall continue for a period of 30 days from the date of the notice, the Association shall have the right to treat the violation as an intentional and material breach of the provision cited in the notice. It then, at its option, may take the following actions:

- a. File an action to recover for its damages on behalf of the Association or on behalf of other Unit Owners.
- b. File an action for injunctive relief requiring the offending Unit Owner to take or desist from taking certain actions.
- c. File an action for both damages and injunctive relief.

A Unit Owner may bring an action against the Association or any Director for damages, injunctive relief, or both, if the Association or a Director willfully and knowingly fails to comply with the provisions of the Act, the Declaration, the Articles, these Bylaws, or the Rules and Regulations.

The foregoing action may be taken in addition to the Association's right to impose fines under section 4.25 of these Bylaws.

10.2 Attorneys' Fees. In any action brought under the provisions of section 10.1, the prevailing party is entitled to recover reasonable attorneys' fees.

10.3 No Waiver of Rights. Neither a Unit Owner nor the Association may waive a provision of the Act if that waiver would adversely affect the rights of a Unit Owner or the purposes of the provision, except that Unit Owners or Board members may waive notice of specific meetings in writing.

XI. ARBITRATION OF INTERNAL DISPUTES

Prior to the institution of court litigation, all issues or disputes must be submitted to the Division of Florida Land Sales, Condominiums, and Mobile Homes of the Department of Business and Professional Regulation for non-binding arbitration in accordance with F.S. 718.1255.

XII. LIABILITY SURVIVES MEMBERSHIP TERMINATION

Termination of membership in the Association shall not relieve or release a former member from any liability or obligation incurred with respect to the Condominium during the period of membership nor impair any rights or remedies that the Association may have against the former member arising out of membership and his or her covenants and obligations incident to that membership.

XIII. LIMITATIONS ON UNIT OWNER LIABILITY FOR USE OF COMMON ELEMENTS

Each Unit Owner may be personally liable for the acts or omissions of the Association relating to the use of the Common Elements. That liability shall be shared with other Unit Owners in the same percentages as their respective interests in the Common Elements. No individual Unit Owner's liability shall exceed the value of his or her Unit.

XIV. CERTIFICATE OF COMPLIANCE

A certificate of compliance from a licensed electrical contractor or electrician may be accepted by the Association's Board of Directors as evidence of compliance of the Condominium Units to the applicable fire and life safety code.

XV. PARLIAMENTARY RULES

ROBERT'S RULES OF ORDER (latest edition) shall govern the conduct of the Association's meetings when not in conflict with the Act, the Declaration, the Articles, or these Bylaws.

XVI. RULES AND REGULATIONS

16.1 Board May Adopt. The Board of Directors from time to time may adopt and amend reasonable Rules and Regulations governing the details of the use and operation of the Common Elements, Association Property, and recreational facilities serving the Condominium.

16.2 Posting and Furnishing Copies. A copy of the Rules and Regulations adopted from time to time by the Board of Directors, and any amendments to existing Rules and Regulations, shall be posted in a conspicuous place on the Condominium property and a copy furnished to each Unit Owner. No rule, regulation, or amendment shall become effective until 30 days after posting, except in the case of an emergency, in which case the rule, regulation, or amendment shall become effective immediately on posting.

16.3 Limitations on Authority. The Board of Directors may not unreasonably restrict any Unit Owner's right to peaceably assemble or to invite public officers or candidates for public office to appear

and speak in Common Elements, Association Property, Common Areas, and recreational facilities. The Board may not deny any resident of the Condominium, whether tenant or owner, access to any available franchised or licensed cable television service or exact a charge or anything of value in excess of charges normally paid for like services by residents of single-family homes within the same franchise or license area.

16.4 Reasonableness Test. Any rule or regulation created and imposed by the Board of Directors must be reasonably related to the promotion of the health, happiness, and peace of mind of the Unit Owners and uniformly applied and enforced.

XVII. RESTRICTIONS ON AND REQUIREMENTS FOR USE, MAINTENANCE, AND APPEARANCE OF UNITS

17.1 Where Contained. Restrictions on the use, maintenance, and appearance of the individual Condominium Units shall be as stated in the Declaration and no amendments to the restrictions shall be contained elsewhere than in the Declaration as adopted by a vote of the Unit Owners conducted in the manner prescribed in these Bylaws.

17.2 Tests for Validity of Restrictions. Restrictions contained in the Declaration and any amendments duly adopted by a vote of the Unit Owners shall be valid and in the nature of covenants running with the land, unless it is shown that they (1) are wholly arbitrary in their application; (2) are in violation of public policy; or (3) abrogate some fundamental constitutional right.

XVIII. PRIORITIES IN CASE OF CONFLICT

In the event of conflict between or among the provisions of any of the following, the order of priorities shall be, from highest priority to lowest:

- a. The Act, as it existed on the date of recording the Declaration.
- b. The Declaration.
- c. The Articles.
- d. These Bylaws.
- e. The Rules and Regulations.

XIX. INDEMNIFICATION

Every officer and Director of the Association shall be indemnified by the Association against all expenses and liabilities, including reasonable attorneys' fees incurred and imposed in connection with any proceedings to which he or she may be a party, or in which he or she may become involved by reason of being or having been an officer or Director of the Association, whether or not an officer or Director at the time the expenses are incurred. The officer or Director shall not be indemnified if adjudged guilty of gross negligence or willful misconduct or if he or she shall have breached the fiduciary duty to the members of the Association. The Association shall not be liable, however, for payment of a voluntary settlement unless it is first approved by the Board of Directors. The foregoing rights shall be in addition to and not exclusive of all other rights to which the Director or officer may be entitled.

XX. DEFECTIVE CONDOMINIUM DOCUMENTS; CURATIVE PROVISIONS

Under F.S. 718.110(10), the Association or a Unit Owner may petition the circuit court having jurisdiction in the county in which the Condominium Property is situated to correct an error or omission in the Declaration or any other documents required to establish the Condominium, affecting its valid existence, and which errors or omissions are not correctable by the amendment procedures in the

Declaration or the Act. In any case, after three years from the filing of the Declaration, it shall be deemed to be effective under the Act to create a Condominium, whether in fact it substantially complies with the mandatory requirements of the Act or not.

XXI. AMENDMENTS

Amendments to these Bylaws shall be proposed and adopted in the following manner:

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

21.2 Adoption. An amendment may be proposed either by a majority of the Board of Directors or by not less than one third of the voting interests of the Association. The amendment shall be adopted if it is approved by not less than two thirds of the voting interests of the Association.

21.3 Limitation. No amendment shall be made that is in conflict with the Act or the Declaration, nor shall any amendment abridge, alter, or amend the rights of the Developer or mortgagees of Units without their consent.

21.4 Recording. A copy of each amendment shall be attached to or included in a certificate certifying that the amendment was duly adopted as an amendment of the Bylaws. The certificate, which shall identify the first page of the book and page of the public records where the Declaration of each Condominium operated by the Association is recorded, shall be executed by the President or Vice President and attested by the Secretary or Assistant Secretary of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the public records of the county where the Declaration is recorded.

21.5 Format. Proposals to amend existing Bylaws shall contain the full text of the Bylaws to be amended. New words shall be underlined and words to be deleted shall be lined through with hyphens. If the proposed change is so extensive that this procedure would hinder rather than assist understanding, a notation must be inserted immediately preceding the proposed amendment saying "SUBSTANTIAL REWORDING OF BYLAW. SEE BYLAW NUMBER FOR PRESENT TEXT."

XXII. CONSTRUCTION

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

The foregoing were adopted as the Bylaws of COURTYARDS AT WILLOUGHBY CONDOMINIUM ASSOCIATION, INC., on September 15, 2007.

ATTEST:

Secretary

COURTYARDS AT WILLOUGHBY
CONDOMINIUM ASSOCIATION, INC.

By:

President

EXHIBIT D

THE COURTYARDS AT WILLOUGHBY, A CONDOMINIUM RULES AND REGULATIONS

A. GENERAL RULES

1. Passenger automobiles, sport/utility vehicles, mini-trucks, vans, and motorcycles (used for personal transportation and not commercially) that do not exceed the size of one parking space may be parked in the areas provided for that purpose. Garage parking spaces are assigned, and no Unit Owner or occupants may park more than one vehicle in the garage unless additional spaces have been assigned to the Unit. Commercial vehicles, trucks, campers, motor homes, trailers, boats, and boat trailers are prohibited. Bicycles and mopeds will be parked only in the bike storage areas or otherwise as may be designated by the Directors. Vehicle maintenance, except car washing in the designated area, is not permitted on the Condominium Property. All vehicles must be currently licensed and no inoperable or unsightly vehicles may be kept on Condominium Property. The Developer is exempt from this regulation for vehicles engaged in any activity relating to construction, maintenance, or marketing of Units, as are commercial vehicles used by vendors of the Association while engaged in work at the Condominium.

2. Recreational facilities will be used in such a manner as to respect the rights of others, and the Directors may regulate duration of use, set hours of opening and closing, and schedule use of the facilities.

3. No exterior radio, television, or data reception antennas or any exterior wiring for any purpose may be installed without the written consent of the Directors.

4. To maintain harmony of exterior appearance, no one will make any changes to, place anything on, affix anything to, or exhibit anything from any part of the Condominium or Association Property that is visible from the exterior of the building or from the Common Elements without the prior written consent of the Directors. All curtains, shades, drapes, and blinds will be white or off-white in color or lined with material of these colors. Balcony tile and floor covering colors must be approved by the Board.

The above notwithstanding, any Unit Owner may display one (1) portable, removable United States flag in a respectful way and on Armed Forces Day, Memorial Day, Flag Day, Independence Day and Veterans Day, may display in a respectful way portable, removable official flags, not larger than 4 ½ feet by 6 feet, that represent the United States Army, Navy, Air Force, Marine Corps. or Coast Guard, regardless of any Declaration rules or requirements dealing with flags.

5. All Common Elements inside and outside the buildings will be used for their designated purposes only, and nothing belonging to Unit Owners, or their family, tenants, or Guests, will be kept therein or thereon without the approval of the Directors. Such areas will at all times be kept free of obstruction. Owners are financially responsible to the Association for damage to the Common Elements caused by themselves, their tenants, Guests, and family members.

6. One dog (no more than 15 inches tall at the shoulder at maturity) or two cats, and no more than two birds, tropical fish, and other customary non-exotic (snakes are prohibited), quiet, and inoffensive household pets not being kept or raised for commercial purposes will be permitted with the following conditions:

a. No pets will be permitted in the pool area, leashed or unleashed.

b. Elsewhere on the Common Elements and Condominium Common Property, pets will be under handheld leash or carried at all times.

c. Messes made by pets must be removed by owners or handlers immediately. The Directors may designate portions of the property to be used to accommodate the reasonable requirements of Unit Owners who keep pets.

d. Pets that are vicious, noisy, or otherwise unpleasant will not be permitted in the Condominium. In the event that a pet has, in the opinion of the Board of Directors, become a nuisance or an unreasonable disturbance, written notice will be given to the owner or other person responsible for the pet, and the pet must be removed from the Condominium Property within three days.

e. Guests and tenants are not permitted to have pets without Director approval.

f. The Board of Directors has the authority and discretion to make exceptions to the limitations in this regulation in individual cases and to impose conditions concerning the exceptions.

7. Disposal of garbage and trash will be only by use of receptacles approved by the Association or by use of the garbage disposal units. Specifically, trash placed in trash chutes must be securely bagged and may not contain breakable glass objects. Breakable glass objects must be left in the trash chute rooms for pickup by the housekeeper. Food and vegetable scraps are to be disposed of in the individual Unit garbage disposals.

8. All non-owner persons occupying Units will be registered with the manager or other designate of the Association at or before the time of their occupancy of the Unit. This includes renters and houseguests.

Units may not be rented for periods of less than 30 consecutive days nor more than three times a year. A copy of these Rules and Regulations must be given to the tenants and Guests by the Unit Owner or the Unit Owner's agent. No Unit may be permanently occupied by more persons than the number of bedrooms times two, nor may more persons, including Guests, occupy a Unit overnight than the number of bedrooms times two, plus two.

This regulation may not be amended in a way that would be detrimental to the sales of Units by the Developer as long as the Developer holds Units for sale in the ordinary course of business.

9. The Association shall retain a passkey to the Units, and the Unit Owners shall provide the Association with a new or extra key whenever locks are changed or added for the use of the Association pursuant to its statutory right to access to the Units. Duplication of Unit Owners' keys to Common Element facilities is restricted in the interest of security. Such keys will be duplicated only with the assistance of the resident manager.

10. Children will be under the direct control of a responsible adult. Children under 12 may not use the pool or waterfront areas unaccompanied by an adult. Children also will not be permitted to run, play tag, or act boisterously on the Condominium Property. Skateboarding, "Big Wheels," or loud or obnoxious toys are prohibited. Children may be removed from the Common Areas for misbehavior by or on the instructions of the Directors.

11. Loud and disturbing noises are prohibited. All radios, televisions, tape machines, compact disc players, stereos, singing, and playing of musical instruments, etc., will be regulated to sound levels that will not disturb others. If such noise-producing items are used at or in the vicinity of the pool, they must be used only with earphones. No vocal or instrumental practice is permitted after 10:00 p.m. or before 9:00 a.m.

12. Use of barbecue grills will be allowed only in areas designated as safe and appropriate by the Directors and shall not be permitted or stored in any Unit or outside porch area.

13. Illegal and immoral practices are prohibited.

14. Lawns, shrubbery, or other exterior plantings will not be altered, moved, or added to without permission of the Association.

15. No glass of any kind will be permitted in the pool area. Any liquid refreshments consumed

near the pool area will be in non-breakable containers.

16. Laundry, bathing apparel, and beach and porch accessories will not be maintained outside of the Units or Limited Common Elements (balconies, terraces, and cabanas), and such apparel and accessories will not be exposed to view.

17. No nuisance of any type or kind will be maintained on the Condominium Property.

18. Nothing will be done or kept in any Unit or in the Common Elements that will increase the rate of insurance on the building or contents of the building without the prior written consent of the Directors. No owner will permit anything to be done or kept in the owner's Unit or in the Common Elements that will result in the cancellation of insurance on the building or the contents of the building, or that would be in violation of any law or building code.

19. Persons moving furniture and other property into and out of Units must use the designated access door into the Condominium. All such moving must take place Mondays through Saturdays between the hours of 8:00 a.m. and 5:00 p.m. only. Moving vans and trucks used for this purpose may remain on Condominium Property only when actually in use.

20. Repair, construction, decorating, or remodeling work will be done on Mondays through Saturdays between the hours of 8:00 a.m. and 5:00 p.m. only, and the rules for decorators and subcontractors must be complied with.

21. These Rules and Regulations will apply equally to owners, their families, Guests, domestic help, and lessees.

22. The Board of Directors of the Association may impose a \$100 fine for each violation of these Rules and Regulations or any violation of the Condominium Documents.

23. The Condominium and management staff are not permitted to do private work for Unit owners, their families, tenants, or Guests while on duty. If both parties are agreeable, staff may assist such persons privately when off duty.

24. All Condominium Unit windows are a special architect-approved laminated glass and have been designed and installed to meet or exceed the wind load and windborne debris impact standards for Martin County, Florida. Consequently, such windows in the Condominium Units, as built, meet or exceed the requirements of the applicable building code for hurricane protection. For this reason and for the purpose of preserving the aesthetic appearance of the building, hurricane shutters will not be installed on or over any windows in the Condominium Units without prior consent of the design committee or Directors. If such windows in the Condominium Units are replaced, they must be replaced with laminated architectural glass equal to or exceeding the specifications of the original glass, and must comply with the applicable building code.

25. These Rules and Regulations do not purport to constitute all of the restrictions affecting the Condominium and Common Property. Reference should be made to the Condominium and community Association Documents.

B. RULES FOR UNIT OWNER PARTICIPATION IN BOARD OF DIRECTORS MEETINGS, A BUDGET COMMITTEE MEETING, AND A MEETING OF ANY COMMITTEE AUTHORIZED TO TAKE ACTION ON BEHALF OF THE BOARD; LOCATION FOR POSTING NOTICES OF MEETINGS

I. RIGHT TO SPEAK:

1. To the maximum extent practicable, the posted board meeting agenda for each meeting will list the substance of the matters and actions to be considered by the Board.

2. Robert's Rules of Order (latest edition) will govern the conduct of the Association meeting when not in conflict with the Declaration of Condominium, the Articles of Incorporation, or the Bylaws.

3. After each motion is made and seconded by the Board members, the meeting chairperson will permit Unit Owner participation regarding the motion on the floor. Such time may be limited depending on the complexity and effect on the Association.

4. Unit Owner participation will not be permitted after reports of officers or committees unless a motion is made to act on the report, or the chairperson determines that it is appropriate or is in the best interest of the Association.

5. A Unit Owner wishing to speak must first raise his or her hand and wait to be recognized by the chairperson.

6. While a Unit Owner is speaking, he or she must address only the chairperson; no one else is permitted to speak at the same time.

7. A Unit Owner may speak only once for not more than three minutes, and only on the subject or motion on the floor.

8. The chairperson, by asking if there is any objection and hearing none, may permit a Unit Owner to speak for longer than three minutes, or to speak more than once on the same subject. The objection, if any, may be that of a Board member only, and if there is an objection the question will be decided by Board vote.

9. The chairperson will have the sole authority and responsibility to see to it that all Unit Owner participation is relevant to the subject or motion on the floor.

II. RIGHT TO VIDEO OR AUDIOTAPE:

1. Audio and video equipment and devices that Unit Owners are authorized to use at any such meeting must not produce distracting sound or light emissions.

2. Audio and video equipment will be assembled and placed in a location that is acceptable to the Board or the committee before the beginning of the meeting.

3. Anyone videotaping or recording a meeting will not be permitted to move about the meeting room in order to facilitate the recording.

4. At least 24 hours' advance written notice will be given to the Board by any Unit Owner desiring to use any audio/video equipment to record a meeting.

III. LIMITATION ON THE ASSOCIATION'S OBLIGATION TO RESPOND TO WRITTEN INQUIRIES: THE ASSOCIATION SHALL NOT BE OBLIGATED TO RESPOND TO MORE THAN ONE WRITTEN INQUIRY FROM A UNIT OWNER FILED BY CERTIFIED MAIL IN ANY GIVEN 30-DAY PERIOD. ANY ADDITIONAL INQUIRY OR INQUIRIES SHALL BE RESPONDED TO IN THE SUBSEQUENT 30-DAY PERIOD OR PERIODS.

IV. ALL NOTICES OF MEMBERSHIP, DIRECTORS, AND COMMITTEE MEETINGS AT WHICH UNIT OWNERS ARE ENTITLED TO PARTICIPATE WILL BE POSTED IN THE LOCKED, GLASS-FRONTED BULLETAT THE FRONT ENTRANCE OF THE COMMUNITY.

EXHIBIT E

PARCEL "A" - FEE SIMPLE PARCEL:

A parcel of land lying in the Hanson Grant, and being a portion of Stuart Farms, According to the Plat thereof recorded in Plat Book 1, page 63, Public Records, Martin County, Florida together with a portion of the Plat of Port Sewall, recorded in Plat Book 3, page 7, Public Records, Palm Beach (now Martin) County, Florida, and being more particularly described as follows:

Commencing at the Northwestern corner of Lot 40, of said Plat of Stuart Farms, thence South $23^{\circ} 08' 17''$ East, along the Westerly line of said Lot 40, a distance of 1429.31 feet, to the Point of Beginning; thence continue South $23^{\circ} 08' 17''$ East, a distance of 376.50 feet to the intersection with the Northerly right-of-way line of S.E. Market Place as shown on the Plat of S.E. Willoughby Boulevard, Plat Book 11, page 57, Public Records of Martin County, Florida; thence North $66^{\circ} 42' 36''$ East; along said Northerly right-of-way, a distance of 623.92 feet, to the beginning of a curve, concave to the Northwest, having a radius of 50.00 feet, and a central angle of $89^{\circ} 58' 03''$; thence along the arc of said curve to the left, a distance of 78.51 feet to the curves end; thence North $23^{\circ} 15' 27''$ West, along the Westerly right-of-way of S.E. Willoughby Boulevard, as shown on said Plat of S.E. Willoughby Boulevard, a distance of 198.67 feet, to the beginning of a curve, concave Easterly, having a radius of 2924.85 feet, and a central angle of $02^{\circ} 30' 20''$, thence along the arc of said curve to the right, a distance of 127.90 feet to the curves end; thence departing said Westerly right-of-way, South $66^{\circ} 42' 36''$ West, a distance of 676.12 feet to the Point of Beginning.

PARCEL "B" - LANDSCAPE EASEMENT PARCEL:

A parcel of land lying in the Hanson Grant, and being a portion of Stuart Farms, according to the plat thereof recorded in Plat Book 1, page 63, Public Records, Martin County, Florida, together with a portion of the plat of Port Sewall, recorded in Plat Book 3, page 7, Public Records of Palm Beach (now Martin) County, Florida, and being more particularly described as follows:

Commencing at the Northwestern corner of Lot 40, of said plat of Stuart Farms, thence South $23^{\circ} 08' 17''$ East, along the Westerly line of said Lot 40, a distance of 1429.31 feet; thence North $66^{\circ} 42' 36''$ East, a distance of 641.47 feet to the Point of Beginning; thence North $17^{\circ} 41' 37''$ East, a distance of 32.45 feet; thence North $66^{\circ} 42' 36''$ East, a distance of 14.55 feet to a point on the Westerly right-of-way line of S.E. Willoughby Blvd., as shown on the plat of S.E. Willoughby Blvd., as recorded in Plat Book 11, page 57, Martin County, Florida, Public Records, said point also being in a non-tangent curve, concave to the East, and having a radius of 2924.85 feet, the chord of which bears South $20^{\circ} 30' 42''$ East; thence along the arc of said curve through a central angle of $00^{\circ} 28' 50''$, a distance of 24.53 feet; thence South $66^{\circ} 42' 36''$ West, a distance of 34.65 feet to the Point of Beginning.

Unit	Percentage of Ownership of Common Elements	Unit	Percentage of Ownership of Common Elements	Unit	Percentage of Ownership of Common Elements	Unit	Percentage of Ownership of Common Elements
1-1	1/72 or 1.3889%	3-3	1/72 or 1.3889%	5-5	1/72 or 1.3889%	7-7	1/72 or 1.3889%
1-2	1/72 or 1.3889%	3-4	1/72 or 1.3889%	5-6	1/72 or 1.3889%	7-8	1/72 or 1.3889%
1-3	1/72 or 1.3889%	3-5	1/72 or 1.3889%	5-7	1/72 or 1.3889%	8-1	1/72 or 1.3889%
1-4	1/72 or 1.3889%	3-6	1/72 or 1.3889%	5-8	1/72 or 1.3889%	8-2	1/72 or 1.3889%
1-5	1/72 or 1.3889%	3-7	1/72 or 1.3889%	6-1	1/72 or 1.3889%	8-3	1/72 or 1.3889%
1-6	1/72 or 1.3889%	3-8	1/72 or 1.3889%	6-2	1/72 or 1.3889%	8-4	1/72 or 1.3889%
1-7	1/72 or 1.3889%	4-1	1/72 or 1.3889%	6-3	1/72 or 1.3889%	8-5	1/72 or 1.3889%
1-8	1/72 or 1.3889%	4-2	1/72 or 1.3889%	6-4	1/72 or 1.3889%	8-6	1/72 or 1.3889%
2-1	1/72 or 1.3889%	4-3	1/72 or 1.3889%	6-5	1/72 or 1.3889%	8-7	1/72 or 1.3889%
2-2	1/72 or 1.3889%	4-4	1/72 or 1.3889%	6-6	1/72 or 1.3889%	8-8	1/72 or 1.3889%
2-3	1/72 or 1.3889%	4-5	1/72 or 1.3889%	6-7	1/72 or 1.3889%	10-1	1/72 or 1.3889%
2-4	1/72 or 1.3889%	4-6	1/72 or 1.3889%	6-8	1/72 or 1.3889%	10-2	1/72 or 1.3889%
2-5	1/72 or 1.3889%	4-7	1/72 or 1.3889%	7-1	1/72 or 1.3889%	10-3	1/72 or 1.3889%
2-6	1/72 or 1.3889%	4-8	1/72 or 1.3889%	7-2	1/72 or 1.3889%	10-4	1/72 or 1.3889%
2-7	1/72 or 1.3889%	5-1	1/72 or 1.3889%	7-3	1/72 or 1.3889%	10-5	1/72 or 1.3889%
2-8	1/72 or 1.3889%	5-2	1/72 or 1.3889%	7-4	1/72 or 1.3889%	10-6	1/72 or 1.3889%
3-1	1/72 or 1.3889%	5-3	1/72 or 1.3889%	7-5	1/72 or 1.3889%	10-7	1/72 or 1.3889%
3-2	1/72 or 1.3889%	5-4	1/72 or 1.3889%	7-6	1/72 or 1.3889%	10-8	1/72 or 1.3889%

EXHIBIT F

EXHIBIT G



WILLOUGHBY
COMMUNITY ASSOCIATION, INC.

Protective Covenants

By-Laws

Articles of Incorporation

Supplemental Covenants



WILLOUGHBY COMMUNITY ASSOCIATION, INC.



WILLOUGHBY COMMUNITY ASSOCIATION, INC.

Summary of Contents

Declaration of Covenants, Conditions, and Restrictions
Declaration of Easements and Covenants to Share Costs
Amendment to Declarations of Easements and Covenant to Share Costs
Amendment to the Declaration of Covenants, Conditions and Restrictions
Second Amendment to the Declaration of Covenants, Conditions and Restrictions
Third Amendment to the Declaration of Covenants, Conditions and Restrictions
Fourth Amendment to the Declaration of Covenants, Conditions and Restrictions
Fifth Amendment to the Declaration of Covenants, Conditions and Restrictions
Sixth Amendment to the Declaration of Covenants, Conditions and Restrictions
Seventh Amendment to the Declaration of Covenants, Conditions and Restrictions
Eighth Amendment to the Declaration of Covenants, Conditions and Restrictions
By-laws of Willoughby Community Association, Inc.
Amendment to By-laws of Willoughby Community Association, Inc.
Second Amendment to By-laws of Willoughby Community Association, Inc.
Articles of Incorporation of Willoughby Community Association, Inc.
**Supplemental Declaration of Covenants, Conditions, and Restrictions for
Willoughby (Golf Club Property)**
**Supplemental Declaration of Covenants, Conditions, and Restrictions for
Willoughby Designating Voting Group**
**Amended and Restated Supplemental Declaration of Covenants, Conditions, and
Restrictions for Block "B" of Willoughby (Belle Haven)**
**Amended and Restated Supplemental Declaration of Covenants, Conditions, and
Restrictions for Block "C" of Willoughby
(Cypress Glen – Custom Homes)**
**Amended and Restated Supplemental Declaration of Covenants, Conditions, and
Restrictions for Block "D" of Willoughby (Broadview)**

Supplemental Declaration of Covenants, Conditions, and Restrictions for
Block "E" of Willoughby (Putnam)

Supplemental Declaration of Covenants, Conditions, and Restrictions for
Block "F", Part One and All of Block "G" of Willoughby
(Custom Homes)

Supplemental Declaration of Covenants, Conditions, and Restrictions for
Block "F" Part Two of Willoughby (Chatham)

Supplemental Declaration of Covenants, Conditions, and Restrictions for
Block "H" of Willoughby (Custom Homes)

Supplemental Declaration of Covenants, Conditions, and Restrictions for
Block "I" of Willoughby (Henley)

Supplemental Declaration of Covenants, Conditions, and Restrictions for
Block "J" of Willoughby (Frazier Court)

Amended and Restated Supplemental Declaration of Covenants, Conditions, and
Restrictions for Block "K" of Willoughby (Custom Homes)

Supplemental Declaration of Covenants, Conditions, and Restrictions for
Block "L" of Willoughby (Coventry)

Amended and Restated Supplemental Declaration of Covenants, Conditions, and
Restrictions for Block "M" of Willoughby (Talbot)

Amended and Restated Supplemental Declaration of Covenants, Conditions, and
Restrictions for Block "N" of Willoughby (Custom Homes)

Amended and Restated Supplemental Declaration of Covenants, Conditions, and
Restrictions for Block "O" of Willoughby (Haig Point)

Amended and Restated Supplemental Declaration of Covenants, Conditions, and
Restrictions for Block "P" of Willoughby (Custom Homes)