STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
DIVISION OF FLORIDA CONDOMINIUMS, TIMEShaRES, AND MOBILE HOMES

IN RE: PETITIONS FOR DECLARATORY STATEMENT

Dette No. 2015016088

DARELL MCIbTYRE, Unit Owner
REGENCY TOWERS CONDOMINIUM ASSOCIATION, INC.

DECLARATORY STATEMENT

The Department of Business and Professional Regulation, Division of Florida Condominiums, Timeshares, and Mobile Homes (hereinafter the Division) issues this Declaratory Statement under section 120.565, Florida Statutes.

PRELIMINARY STATEMENT

On April 6, 2015, the Division received a Petition for Declaratory Statement (hereinafter the Petition) from a unit owner Darell McIntyre (hereinafter the Petitioner), seeking a declaratory statement as to whether the modification of an easement available to each unit owner upon purchase of a unit since the Regency Towers Condominium Association, Inc.'s (hereinafter the Association) inception constitutes a substantial addition or material alteration to common elements requiring 75 percent unit owner approval under section 718.113(2)(a), Florida Statutes, or whether the board of directors may modify the easement without unit owner approval under section 718.111(10), Florida Statutes.

The Division's counsel responded on April 10, 2015, to confirm receipt of the Petition. The Division notified the Petitioner that it would serve a copy of the Petition on the Association, as required by section 718.501(1)(g), Florida Statutes, allowing it to intervene and file a response.

Notice of receipt of the Petition was published in the April 13, 2015, issue of the Florida Administrative Register.

The Petitioner did not request a hearing.
FINDINGS OF FACT

The material facts are set out in the Petition. The Division takes no position as to the accuracy of the facts and accepts them as submitted by the Petitioner for the purposes of issuing this declaratory statement.

1. Regency Towers (hereinafter the Condominium) is a Florida condominium.
2. The Association is the entity responsible for managing and operating the Condominium.
3. On November 10, 1972, Gulf Colony, Inc. granted the developer of Regency Towers, its successors and assigns, a perpetual easement and right-of-way across its land for the purpose of ingress and egress between the Condominium and Bulevar Mayor, a public street.
4. The easement originally provided ingress and egress to the building site of the Condominium.
5. The easement exists across the land of Villas on the Gulf Condominium Association.
6. Subsequently, an access was opened between the Condominium and Via De Luna Drive, a main thoroughfare on Pensacola Beach. In time, it became the primary ingress and egress between the Condominium and Via De Luna Drive.
7. Pedestrians and bicyclists still use the original easement as it is safer than travelling along Via De Luna Drive.
8. The Association is proposing to modify the easement such that it would allow Villas on the Gulf Condominium Association to erect a fence and gate that would close the easement and effectively eliminate its use.
9. A key would be given to the Association for any lock installed on the gate, and could be used to open the gate in the event of an emergency situation.
10. Section 2.4 of the Association’s Declaration provides:

    2.4. COMMON ELEMENTS include the land and all other parts of the Condominium not within the apartments, and shall also include the tangible personal property required for
the maintenance and operation of the condominium, even though owned by the Association, as well as all items stated in the Condominium Act.

11. Section 5.2 of the Association’s Declaration provides in part:
   b. Alteration and improvement. After the completion of the improvements included in the common elements contemplated by this Declaration, there shall be no alteration nor further improvement of the real property constituting the common elements without prior approval in writing by the owners of not less than 75% of the common elements [sic] except as provided by the by-laws, or as reserved herein insofar as additional development is concerned.

12. The Petitioner is seeking a declaratory statement as to whether the proposed change to the easement constitutes a substantial addition or material alteration to the common elements under section 718.113(2)(a), Florida Statutes, or whether the board of directors may modify the easement without unit owner approval under section 718.111(10), Florida Statutes.

CONCLUSIONS OF LAW

1. The Division has jurisdiction to enter this order pursuant to sections 718.501 and 120.565, Florida Statutes.

2. Section 120.565, Florida Statutes, provides in part:
   (1) Any substantially affected person may seek a declaratory statement regarding an agency’s opinion as to the applicability of a statutory provision, or of any rule or order of the agency, as it applies to the petitioner’s particular set of circumstances.

   (2) The petition seeking a declaratory statement shall state with particularity the petitioner’s set of circumstances and shall specify the statutory provision, rule, or order that the petitioner believes may apply to the set or circumstances.

3. Rule 28-105.001, Florida Administrative Code, provides:
   A declaratory statement is a means for resolving a controversy or answering questions or doubts concerning the applicability of statutory provisions, rules, or orders over
which the agency has authority. A petition for declaratory statement may be used to resolve questions or doubts as to how the statutes, rules, or orders may apply to the petitioner’s particular circumstances. A declaratory statement is not the appropriate means for determining the conduct of another person.

4. The Petitioner has standing as a unit owner.¹

5. The Association’s Declaration defines common elements to include all items stated in the Condominium Act, also known as chapter 718, Florida Statutes.

6. Section 718.103(8), Florida Statutes, defines “common elements” as “portions of the condominium property not included in the units.”

7. Section 718.103(13), Florida Statutes, defines “condominium property” as “the lands, leaseholds, and personal property that are subjected to condominium ownership, whether or not contiguous, and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection with the condominium.”

8. The easement in the present case is a perpetual easement granted for use in connection with the Condominium and, therefore, constitutes part of the common elements of the Condominium.

9. Section 718.111(10), Florida Statutes, provides in pertinent part:

  Unless prohibited by the declaration, the board of administration has the authority, without the joinder of any unit owner, to grant, modify, or move any easement if the easement constitutes part of or crosses the common elements or association property. This subsection does not authorize the board of administration to modify, move, or vacate any easement created in whole or in part for the use or benefit of anyone other than the unit owners, or crossing the property of anyone other than the unit owners, without the consent or approval of those other persons having the use or benefit of the easement, as required by law or by the instrument creating the easement. (Emphasis added).

10. Section 718.111(1), Florida Statutes, authorizes the board to “grant, modify, or move” an easement without unit owner approval. Section 718.111(10)

¹ § 120.565, Fla. Stat.(2014).
does not authorize the board to unilaterally vacate or terminate the easement.

11. Section 718.113(2)(a), Florida Statutes, provides in pertinent part:

   Except as otherwise provided in this section, there shall be no material alteration or substantial additions to the common elements or to real property which is association property, except in a manner provided in the declaration as originally recorded or as amended under the procedures provided therein. If the declaration as originally recorded or as amended under the procedures provided therein does not specify the procedure for approval of material alterations or substantial additions, 75 percent of the total voting interests of the association must approve the alterations or additions.

12. Section 5.2 of the Association's Declaration partially addresses the process by which the Association may alter its common elements, however such provision is ambiguous. The Division does not have authority to interpret ambiguous provisions in declarations of condominiums.² When materially altering its common elements, Association must follow the procedure in Section 5.2 of its Declaration if such provision applies or, if it does not apply, it must follow the procedure in section 718.113(2)(a).

13. Reading sections 718.111(10) and 718.113(2)(a) in pari materia,³ the law allows the board to modify existing easements without unit owner approval, unless such modification constitutes a "material alteration" of the easement.

14. The term "material alteration," as applied to common elements of a condominium, means "to palpably or perceptively vary or change the form, shape, elements or specifications ... from the original design or plan, or existing condition, in such a manner as to appreciably affect or influence its function, use, or appearance."⁴

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² Peck Plaza Condo. v. Div. Fla. Land Sales, Condo., and Mobile Homes, Dept of Bus. Reg., 371 So. 2d 152 (Fia. 1st DCA 1979) (holding that s.718.501 does not vest jurisdiction in the Division to interpret and enforce ambiguous provisions in declarations of condominiums as interpretation of contracts is strictly a judicial function.)

³ The doctrine of in pari material requires that related statutes be construed together so that they will illuminate each other and are harmonized. Grant v. State, 832 So. 2d 770, 773 (Fia. 5th DCA 2003).

⁴ Sterling Vill. Condo., Inc. v. Breitenbach, 251 So. 2d 685, 687 (Fia. 4th DCA 1971).
15. The proposed construction of a fence and installation of a locked gate\(^5\) between the Villas on the Gulf Condominium and Bulevar Mayor change the form, elements and specifications of the easement in such a manner as to appreciably affect its function, use and appearance. Therefore, the proposed changes to the easement constitute "material alterations" to the common elements that must be approved pursuant to section 718.113(2)(a), Florida Statutes.

16. It should be pointed out that the proposed changes to the easement will terminate the unit owners’ right of ingress and egress across the Villas on the Gulf Condominium’s land, effectively vacating the easement. Section 718.111(10) does not authorize the board to terminate or vacate an easement without unit owner approval.

For the reasons stated above it is hereby:

ORDERED that the proposed change to the easement constitutes a material alteration to the common elements pursuant to section 718.113(2)(a), Florida Statutes.

DONE and ORDERED this 15th day of June 2015, at Tallahassee, Leon County, Florida.

[Signature]
KEVIN SVANFIELD, Director
Department of Business and Professional Regulation
Division of Florida Condominiums, Timeshares, and Mobile Homes
Northwood Centre
1940 North Monroe Street
Tallahassee, FL 32399-1030

\(^5\) The outcome of this declaratory statement may be different if the facts indicated that each unit owner will be provided with a key to the gate.
NOTICE OF RIGHT TO APPEAL

THIS FINAL ORDER CONSTITUTES FINAL AGENCY ACTION AND MAY BE APPEALED BY ANY PARTY ADVERSELY AFFECTED PURSUANT TO SECTION 120.68, FLORIDA STATUTES, AND RULE 9.110, FLORIDA RULES OF APPELLATE PROCEDURE BY FILING A NOTICE OF APPEAL CONFORMING TO THE REQUIREMENTS OF RULE 9.110(c), FLORIDA RULES OF APPELLATE PROCEDURE BOTH WITH THE APPROPRIATE DISTRICT COURT OF APPEAL ACCOMPANIED BY APPROPRIATE FILING FEES AND WITH THE AGENCY CLERK, 1940 NORTH MONROE STREET, NORTHWOOD CENTRE, TALLAHASSEE, FLORIDA 32399-2217; AGC.FILING@MYFLORIDALICENSE.COM; FAX (850) 488-5761, WITHIN THIRTY (30) DAYS OF THE RENDITION OF THIS FINAL ORDER.
CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. mail to Darell McIntyre, 1600 Via De Luna Drive, Unit E208, Pensacola Beach, FL 32561 and to Regency Towers Condominium Association, Inc., c/o Robert F. Lecaroz, 1600 Via De Luna Drive, Management Office, Pensacola Beach, FL 32561 on this 18th day of June 2015.

Brandon M. Nichols
Agency Clerk's Office

Copies furnished to:

Thomas Morton
Chief Attorney
DATE: April 1, 2015

FROM: Darell McIntyre, Unit E208
1600 VIA DE LUNA DRIVE, PENSACOLA BEACH, FL 32561

TO: DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
DIVISION OF FLORIDA CONDOMINIUMS, TIMEShaRES, & MOBIL HOMES

SUBJECT: PETITION FOR A DECLARATORY STATEMENT REGARDING AUTHORITY TO MODIFY OR
RESTRICT AN EXISTING EASEMENT

SPECIFIC PROVISIONS OF 2014 CONDOMINIUM LAW:

- 718.103 Definitions.—As used in this chapter, the term:
  (3) "Association property" means that property, real and personal, which is owned or
  leased by, or is dedicated by a recorded plat to, the association for the use and benefit of its
  members.
  (13) "Condominium property" means the lands, leaseholds, and personal property that are
  subject to condominium ownership, whether or not contiguous, and all improvements
  thereon and all easements and rights appurtenant thereto intended for use in connection
  with the condominium.

- 718.111 The association.—
  (10) EASEMENTS.—Unless prohibited by the declaration, the board of administration has
  the authority, without the joinder of any unit owner, to grant, modify, or move any
  easement if the easement constitutes part of or crosses the common elements or
  association property. This subsection does not authorize the board of administration to
  modify, move, or vacate any easement created in whole or in part for the use or benefit of
  anyone other than the unit owners, or crossing the property of anyone other than the unit
  owners, without the consent or approval of those other persons having the use or benefit of
  the easement, as required by law or by the instrument creating the easement. Nothing in
  this subsection affects the minimum requirements of s. 718.104(4)(n) or the powers
  enumerated in subsection (3).

- 718.113 Maintenance; limitation upon improvement; display of flag; hurricane shutters
  and protection; display of religious decorations.—
  (2)(a) Except as otherwise provided in this section, there shall be no material alteration or
  substantial additions to the common elements or to real property which is association
  property, except in a manner provided in the declaration as originally recorded or as
  amended under the procedures provided therein. If the declaration as originally recorded or
  as amended under the procedures provided therein does not specify the procedure for
  approval of material alterations or substantial additions, 75 percent of the total voting
  interests of the association must approve the alterations or additions. This paragraph is
  intended to clarify existing law and applies to associations existing on October 1, 2008.

REASON FOR REQUESTING A DECLARATORY STATEMENT

Darell McIntyre, owner of Unit E208 of Regency Towers Condominium is requesting a Declaratory
Statement to clarify the procedure for modifying an existing easement. The principal issue is whether
the proposed easement modification described below can be effected by the Association’s Board of Directors, or does it require the approval of the unit owners.

STATEMENT OF RELEVANT FACTS

1. On November 10, 1972, a perpetual easement was granted to Santa Rosa Villas, Inc., the developer of Regency Towers, for ingress and egress between Santa Rosa Villas, Inc. property and Bulevar Mayor, a public street (Attachment A). Initially this easement was used for access to the Regency Towers building site. Subsequently, an access was opened between Regency Towers and Via De Luna Drive, a main thoroughfare on Pensacola Beach. In time this became the primary ingress and egress between Regency Towers and Via De Luna Drive.

2. However, the original easement is still used primarily for pedestrian and bicycle traffic, by those walking their pets, and vehicles. The main benefit is safety, in that it avoids using the sidewalks and bicycle paths along Via De Luna Drive.

3. The RTCA Board of Directors is now proposing to modify the existing easement that would allow Villas on the Gulf Condominium Association, across whose land the easement exists, to erect a fence and gate that would close the easement (Attachment B). The fence and gate would be constructed of materials and in a manner that would, in reality, eliminate the use of the easement. A key or combination would be given to RTCA for any lock installed on the gate. This could be used to open the gate in the event of an emergency situation, and the single key or combination would be kept in the RTCA Condo Manager’s office, and therefore available only during normal office hours.

4. Clarification is needed regarding the proper procedure to be used related to this proposed action. The access to this easement has been available to all owners since the inception of RTCA, and is therefore accorded to each owner upon his or her purchase of a unit. It is unclear if changing the conditions of the easement by restricting or eliminating its use by RTCA unit owners is, in actuality, a substantial modification in the use of an appurtenance or entitlement that would require approval of the unit owners.

The Petitioner believes that the issue is straightforward and the facts presented would not require a hearing in order for the Declaratory Statement to be issued. However, should the division request a hearing, I would be happy to personally appear at a time and location of your convenience.

Attachment C: Regency Towers Condominium Association Articles of Incorporation
Attachment D: Regency Towers Condominium Association Declaration of Condominium + Amendments
Attachment E: Regency Towers Condominium Association By-Laws.
ATTACHMENT A

STATE OF FLORIDA
COUNTY OF ESCAMBIA

This easement made this 10th day of November, 1972, between Gulf Colony, Inc., as the First Party and the Santa Rosa Villas, Inc., as the Second Party.

WITNESSETH:

That the First Party, in consideration of the sum of One Dollar and 00/100 ($1.00) and other valuable considerations paid, the receipt of which is hereby acknowledged, hereby grant unto the Second Party, its successors and assigns, a perpetual easement and right-of-way for the purpose of ingress and egress only, through the following described land, in Escambia County, Florida, to-wit:

A 20 foot wide easement across Block 10, Santa Rosa Villas Subdivision, according to plat filed in Plat Book 4, at Pages 49 and 49a, of the public records of Escambia County, Florida more particularly described as follows:

A strip of land 20 feet wide lying 10 feet on each side of a center line described as follows:

Beginning at a point on the East line of said Block, a distance of 240.0 feet North of the Southeast corner of said block; thence North 90°00' West, 200.0 feet; thence North 0°00' East, 88.0 feet; thence North 90°00' West, 35.0 feet to a point in the West line of said block, being 328.0 feet North of the Southwest corner of said block for the end of said center line.

To have and to hold the same unto the Second Party, its successors and assigns, together with immunity unto the Second Party, its successors or assigns from all claims for damage, if any, arising from the ordinary use thereof. First Party will defend the title to said lands against all persons claiming by, through and under said party of the First Part; provided, however, that the party of the First Part reserves the right to construct and maintain roads and parking lots over and across said property.
IN WITNESS WHEREOF, the First Party, in pursuance of due and legal action of its stockholders and Board of Directors has executed these presents and affixed its seal this day and year first above written.

Signed, sealed and delivered in the presence of:

GULF-COLONY, INC.

By:  

J. Deming Whiting, President

(SEAL)

STATE OF FLORIDA
COUNTY OF ESCAMBIA

Before me, the undersigned authority, this day personally appeared J. Deming Whiting, known to me to be the individual described by said name, and who executed the foregoing instrument, and to be the President of GULF COLONY, INC., and acknowledged and declared that he as President of said corporation, and being duly authorized by it, signed its name and affixed its seal to and executed the said instrument for it and as its act and deed.

Given under my hand and official seal this 10th day of November, 1972.

[Signature]


[Seal]
ATTACHMENT C.

STATE OF FLORIDA
DEPARTMENT OF STATE

1. RICHARD (DICK) STONE, Secretary of State of the State of Florida, do hereby certify that the following is a true and correct copy of:

CERTIFICATE OF INCORPORATION
OF

REGENCY VILLAS CONDOMINIUM ASSOCIATION, INC.

a corporation not for profit organized and existing under the Laws of the State of Florida, filed on the 23rd day of October, A.D. 1973, as shown by the records of this office.

GIVEN under my hand and the Great Seal of the State of Florida, at Tallahassee, the Capital, this the 24th day of October, A.D. 1973.

RICHARD (DICK) STONE
SECRETARY OF STATE
ARTICLES OF INCORPORATION
OF
REGENCY VILLAS CONDOMINIUM ASSOCIATION, INC.

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

ARTICLE 1. NAME.

The name of the corporation shall be Regency Villas Condo-
minium Association, Inc. For convenience the corporation shall
be referred to in this instrument as the Association.

ARTICLE 2. PURPOSE.

2.1. The purpose for which the Association is organized
is to provide an entity pursuant to Section 12 of the Condomin-
ium Act, which is Chapter 711, Florida Statutes 1963, for the oper-
ton of Regency Villas I, a condominium, located upon the
following lands in Escambia County, Florida:

That portion of the East 1/2 of Block 9, Santa Rosa
Villas Subdivision, according to plat filed in Plat
Book 7 at Pages 49 and 49A of the public records of
Escambia County, Florida, described as follows:

Beginning at the Southeast corner of said Block 9; thence
North 90°00' West, along the South line of said Block
a distance of 228.00 feet; thence North 0°00' East,
34.00 feet; thence North 26°30' East, 62.75 feet; thence
North 26°30' West, 126.88 feet; thence North 26°30'
East, 95.62 feet; thence North 63°30' West, 20.00 feet;
thence North 26°30' East, 40.00 feet; thence North 0°00'
East, 110.00 feet; thence North 90°00' East, 214.00
feet to a point in the East line of said Block; thence
South 0°00' East, along said East line, a distance of
444.00 feet to the point of beginning, containing 2.28045
acres, more or less, together with a non-exclusive easement
for the purpose of ingress and egress over the following
described property in Escambia County, Florida:

A 32 foot roadway in Block 9 of Santa Rosa Villas according
to plat recorded in Plat Book 7 at Page 49A of the public
records of Escambia County, Florida, lying 16 feet on
each side of the following centerline:

Begin at a point on the East line of said Block 9 which
is 335 feet North of the Southeast corner of said Block;
then run due West 38 feet, 4 inches; thence due North
and parallel to the East line of said Block 9 a distance
of 402 feet more or less to the South right-of-way line
of Via deLuna (State Road 399, 120 feet right-of-way)
which is the end of said centerline.
...and such of the following land as may by the Developer and Santa Rosa Island Authority be submitted to condominium use pursuant to the above Florida Statutes:

PARCEL 2. That portion of the East 1/2 of Block 9, Santa Rosa Villas Subdivision, according to plat filed in Plat Book 7 at Pages 49 and 49A of the public records of Escambia County, Florida, described as follows:

Commencing at the Southeast corner of said Block 9; thence North 90°00' West, along the South line of said Block, a distance of 228.0 feet for the POINT OF BEGINNING; thence continue North 90°00' West, 172.0 feet; thence North 0°00' East, 444.0 feet; thence North 90°00' East, 186.0 feet; thence South 0°00' East, 110.0 feet; thence South 26°30' West, 40.0 feet; thence South 63°20' West, 20.0 feet; thence South 26°30' West, 95.62 feet; thence South 26°30' East, 126.88 feet; thence South 26°30' West, 62.75 feet; thence South 0°00' West, 34.1 feet to the point of beginning, containing 1.79668 acres, more or less.

PARCEL 3. That portion of the East 1/2 of Block 9, less the South 444.0 feet, Santa Rosa Villas Subdivision, according to plat filed in Plat Book 7, at Pages 49 and 49A of the public records of Escambia County, Florida.

2.2. The Association shall make no distributions of income to its members, directors or officers.

ARTICLE 3. POWERS.

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

3.1. The Association shall have all of the common-law and statutory powers of a corporation not for profit not in conflict with the terms of these Articles.

3.2. The Association shall have all of the powers and duties set forth in the Condominium Act except as limited by the Articles and the Declaration of Condominium, and all of the powers and duties reasonably necessary to operate the condominium pursuant to the Declaration and as it may be amended from time to time, including but not limited to the following:

a. To make and collect assessments against members as apartment owners to defray the costs, expenses and losses of the condominium.

b. To use the proceeds of assessments in the exercise of its powers and duties.
c. The maintenance, repair, replacement and operation of the condominium property.

d. The purchase of insurance upon the condominium property and insurance for the protection of the Association and its members as apartment owners.

e. The reconstruction of improvements after casualty and the further improvement of the property.

f. To make and amend reasonable regulations respecting the use of the property in the condominium.

g. To enforce by legal means the provisions of the Condominium Act, the Declaration of Condominium, these Articles the By-Laws of the Association and the Regulations for the use of the property in the condominium.

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

i. To contract for the management or operation of portions of the common elements susceptible to separate management or operation, and to lease such portions.

j. To employ personnel to perform the services required for proper operation of the condominium.

3.3. All funds and the titles of all properties acquired by the Association and their proceeds shall be held in trust for the members in accordance with the provisions of the Declaration of Condominium, these Articles of Incorporation and the By-Laws.

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

3.5. No part of the net earnings of the corporation shall to the benefit of any individual or member. The corporation shall not carry on propaganda or otherwise act to influence legislation.

ARTICLE 4. MEMBERS.

4.1. The members of the Association shall consist of all the record leasehold owners of apartments in the condominium, plus all of the record leasehold owners of apartments in additional units or apartment buildings as may be added to the Declaration of Condominium pursuant to the terms thereof; and after termination of the condominium shall consist of all those who are members at the time of such termination and their successors and assigns.

4.2. After receiving approval of the Association required by the Declaration of Condominium, change of membership...
Association shall be established by recording in the public records of Escambia County, Florida, an assignment of sublease or other instrument establishing a record title to the leasehold interest in an apartment in the condominium and the delivery to the Association of a certified copy of such instrument. The owner designated by such instrument thus becomes a member of the Association and the membership of the prior owner is terminated.

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

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

ARTICLE 5. DIRECTORS.

5.1. The affairs of the Association will be managed by a board consisting of the number of directors determined by the By-Laws, but not less than three directors, and in the absence of such determination shall consist of three directors. Directors need not be members of the Association.

5.2. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by the By-Laws. Directors may be removed and vacancies on the board of directors shall be filled in the manner provided by the By-Laws.

5.3. The first election of directors shall not be held until after the developer has closed the sales of all of the apartments of the condominium, plus such additional apartments as developer may elect to construct, and include in the Declaration of Condominium, or until developer elects to terminate its control of the condominium, or until after the 30th day of June 1973, whichever occurs first. The directors named in these Articles shall serve until the first election of directors, and any vacancies in their number occurring before the first election shall be filled by the remaining directors.

5.4. The names and addresses of the members of the first board of directors who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

<table>
<thead>
<tr>
<th>NAME</th>
<th>ADDRESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charles F. Faddis</td>
<td>6701 Pensacola Boulevard</td>
</tr>
<tr>
<td></td>
<td>Pensacola, Florida 32505</td>
</tr>
<tr>
<td>James H. Keltner</td>
<td>6006 North 9th Avenue</td>
</tr>
<tr>
<td></td>
<td>Pensacola, Florida 32504</td>
</tr>
</tbody>
</table>
ARTICLE 6. OFFICERS.

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

President: James H. Keltner, 6006 North 9th Avenue, Pensacola, Florida

Vice President: Barry W. Coker, 1591 Via DeLuna Drive, Pensacola Beach, Florida 32561.

Secretary-Treasurer: Charles F. Faddis, 6701 Pensacola Blvd., Pensacola, Florida 32505.

ARTICLE 7. INDEMNIFICATION.

Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon in connection with any proceeding or any settlement of any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a director or officer of the Association, whether or not he is a director or officer at the time such expenses are incurred, except when the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of such settlement the indemnification shall apply only when the board of directors approves such settlement and reimbursement as being for the best interests of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

ARTICLE 8. BY-LAWS.

The first By-Laws of the Association shall be adopted by the board of directors and may be altered, amended or rescinded in the manner provided by the By-Laws.

ARTICLE 9. AMENDMENTS.

Amendments to the Articles of Incorporation shall be proposed and adopted in the following manner:
9.2. A resolution for the adoption of a proposed amendment may be proposed either by the board of directors or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the secretary at or prior to the meeting. Except as elsewhere provided,

a. Such approvals must be by not less than 75% of the entire membership of the board of directors and by not less than 75% of the votes of the entire membership of the Association.

b. By not less than 80% of the votes of the entire membership of the Association.

9.3. Provided, however, that no amendment shall make any changes in the qualifications for membership nor the voting rights of members, nor any change in Section 3.3 of Article 3, without approval in writing by all members and the joinder of all record owners of mortgages upon the condominium. No amendment shall be made that is in conflict with the Condominium Act or the Declaration of Condominium.

9.4. A copy of each amendment shall be certified by the Secretary of State and be recorded in the public records of Escambia County, Florida.

ARTICLE 10. TERM.

The term of the association shall be perpetual.

ARTICLE 11. SUBSCRIBERS.

The names and addresses of the subscribers of these Articles of incorporation are as follows:

James M. Keltner
6006 North 9th Avenue
Pensacola, Florida 32504

Charles F. Paddis
6701 Pensacola Boulevard
Pensacola, Florida 32505

Barry W. Coker
1591 Via Deluna Drive
Pensacola Beach, Florida 32561
ARTICLE 12. DISSOLUTION.

In the event the corporation is dissolved pursuant to law, the assets, both real and personal of the corporation, shall be dedicated to an appropriate public agency to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the corporation hereunder. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization qualified for exemption under Section 501(c)(3) of the Internal Revenue Code to be devoted to purposes and uses that would most nearly reflect the purposes and uses to which they were required to be devoted by the corporation.

IN WITNESS WHEREOF, the subscribers have affixed their signatures the 19th day of October, 1973.

JAMES M. KELTNER
CHARLES F. FADDIS
BARRY W. COKER

STATE OF FLORIDA
COUNTY OF ESCAMBIA

BEFORE ME, the undersigned authority, personally appeared James M. Keltner, Charles F. Faddis and Barry W. Coker, who, after being duly sworn, acknowledged that they executed the foregoing Articles of Incorporation for the purposes expressed in such Articles, this 19th day of October, 1973.

Notary Public
My commission expires: April 11, 1976
CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR THE SERVICE OF PROCESS WITHIN THIS STATE, NAMING AGENT UPON WHOM PROCESS MAY BE SERVED.

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

First—That REGENCY VILLAS CONDOMINIUM ASSOCIATION, INC. desiring to organize under the laws of the State of Florida with its principal office, as indicated in the articles of incorporation at City of Pensacola, County of Escambia State of Florida, has named James M. Keltner located at 6006 North 9th Avenue, Pensacola, Florida, 32504 (Street address and number of building, Post Office Box address not acceptable)

City of Pensacola, County of Escambia, State of Florida, as its agent to accept service of process within this state.

ACKNOWLEDGEMENT: (MUST BE SIGNED BY DESIGNATED AGENT)

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

By James M. Keltner (Resident Agent)
ARTICLES OF AMENDMENT

to

ARTICLES OF INCORPORATION

of

REGENCY VILLAS CONDOMINIUM ASSOCIATION, INC.

Pursuant to the provisions of section 617.1006, Florida Statutes, the undersigned corporation adopts the following articles of amendment to its articles of incorporation.

FIRST: Amendment(s) adopted: Changing the name - REGENCY TOWERS CONDOMINIUM ASSOCIATION, INC.

SECOND: The date of adoption of the amendment(s) was: April 1, 1995

THIRD: Adoption of Amendment (check one)

[ ] The amendment(s) was(we) adopted by the members and the number of votes cast for the amendment was sufficient for approval.

[ ] There are no members or members entitled to vote on the amendment. The amendment(s) was(we) adopted by the board of directors.

REGENCY TOWERS CONDOMINIUM ASSOCIATION, INC.

Corporation Name

[Signature]

Signature of Chairman, Vice Chairman, President or other officer

RON MARTIN

Typed or printed name

PRESIDENT

JUNE 19, 1995

Date
ARTICLES OF INCORPORATION
OF
REGENCY VILLAS CONDOMINIUM ASSOCIATION, INC.

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

ARTICLE 1. NAME.

The name of the corporation shall be Regency Villas Condominium Association, Inc. For convenience the corporation shall be referred to in this instrument as the Association.

ARTICLE 2. PURPOSE.

2.1. The purpose for which the Association is organized is to provide an entity pursuant to Section 12 of the Condominium Act, which is Chapter 711, Florida Statutes 1963, for the operation of Regency Villas I, a condominium, located upon the following lands in Escambia County, Florida:

That portion of the East 1/2 of Block 9, Santa Rosa Villas Subdivision, according to plat filed in Plat Book 7 at Pages 49 and 49A of the public records of Escambia County, Florida, described as follows:

Beginning at the Southeast corner of said Block 9; thence North 90°00' West, along the South line of said Block a distance of 228.00 feet; thence North 0°00' East, 34.00 feet; thence North 26°30' East, 62.75 feet; thence North 26°30' West, 126.88 feet; thence North 26°30' East, 95.62 feet; thence North 63°30' West, 20.00 feet; thence North 26°30' East, 40.00 feet; thence North 0°00' East, 110.00 feet; thence North 90°00' East, 214.00 feet to a point in the East line of said Block; thence South 0°00' East, along said East line, a distance of 444.00 feet to the point of beginning, containing 2.28045 acres, more or less, together with a non-exclusive easement for the purpose of ingress and egress over the following described property in Escambia County, Florida:

A 32 foot roadway in Block 9 of Santa Rosa Villas according to plat recorded in Plat Book 7 at Page 49A of the public records of Escambia County, Florida, lying 16 feet on each side of the following centerline:

Begin at a point on the East line of said Block 9 which is 335 feet North of the Southeast corner of said Block; thence run due West 38 feet, 4 inches; thence due North and parallel to the East line of said Block 9 a distance of 402 feet more or less to the South right-of-way line of Via delLuna (State Road 399, 120 feet right-of-way) which is the end of said centerline.
August 9, 1995

Linda Kelson
% REGENCY VILLAS CONDOMINIUM ASSOCIATION
1600 Via DeLuna Dr., Box A108
Pensacola, FL 32561

Re: Document Number 727840

The Articles of Amendment to the Articles of Incorporation of REGENCY VILLAS CONDOMINIUM ASSOCIATION, INC. which changed its name to REGENCY TOWERS CONDOMINIUM ASSOCIATION, INC., a Florida corporation, were filed on July 27, 1995.

Should you have any questions regarding this matter, please telephone (904) 487-6050, the Amendment Filing Section.

Louise Flemming-Jackson
Corporate Specialist Supervisor
Division of Corporations

Letter Number: 595A00037281
DECLARATION OF CONDOMINIUM
OF
REGENCY VILLAS I
A Condominium
1591 Via DeLuna Drive
Pensacola Beach, Florida 32561

This Declaration of Condominium of Regency Villas I, a
condominium, is hereby made this 31st day of December,
1973, by Santa Rosa Villas, Inc., a Florida corporation,
herein called Developer; for itself, its successors, grantees
and assigns, and joined in by Santa Rosa Island Authority, a
governmental agency of the State of Florida. The Developer
makes the following declarations:

1. PURPOSE. The purpose of this Declaration is to submit
the lands described in this instrument and improvements on such
lands to the condominium form of ownership and use in the manner
provided by Chapter 711, Florida Statutes, hereafter called The
Condominium Act.

1.1. NAME AND ADDRESS. The name by which this condo-
minium is to be identified is Regency Villas I, a condominium,
and its address is 1591 Via DeLuna Drive, Pensacola Beach,
Florida 32561.

1.2. THE LAND. The lands leased by Developer under
a 99 year leasehold from the Santa Rosa Island Authority, which
are hereby submitted to the condominium form of leasehold owner-
ship, are the following described lands in Escambia County,
Florida:

That portion of the East 1/2 of Block 9, Santa Rosa
Villas Subdivision, according to plat filed in
Plat Book 7 at Pages 49 and 49A of the public records
of Escambia County, Florida, described as follows:

Beginning at the Southeast corner of said Block
9; thence North 90°00' West, along the South line
of said Block a distance of 228.00 feet; thence
North 0°00' East, 34.00 feet; thence North 26°30'
East, 62.75 feet; thence North 26°30' .West, 126.88
feet; thence North 26°30' East, 95.62 feet; thence
North 63°30' West, 20.00 feet; thence North 26°30'
East, 40.00 feet; thence North 0°00' East, 110.00
feet; thence North 90°00' East, 214.00 feet to
a point in the East line of said Block; thence
South 0°00' East, along said East line, a distance
of 444.00 feet to the point of beginning, containing

PREPARED BY:
Thurston A. Shell
of SHELL, FLEMING, DAVIS & MENGE
309 First Bank Bldg.
2.28045 acres, more or less, together with a non-exclusive easement for the purpose of ingress and egress over the following described property in Escambia County, Florida:

A 32 foot roadway in Block 9 of Santa Rosa Villas according to plat recorded in Plat Book 7 at Page 49A of the public records of Escambia County, Florida, lying 16 feet on each side of the following centerline:

Begin at a point on the East line of said Block 9 which is 335 feet North of the Southeast corner of said Block; thence run due West 38 feet, 4 inches; thence due North and parallel to the East line of said Block 9 a distance of 402 feet more or less to the South right-of-way line of Via deLuna (State Road 399, 120 feet right-of-way) which is the end of said centerline.

which lands are called "the land."

2. DEFINITIONS. The terms used in this Declaration and in its exhibits shall have the meanings stated in the Condominium Act. [§711.03 FLA. STAT.] and as follows unless the context otherwise requires:

2.1. APARTMENT means unit as defined by the Condominium Act.

2.2. APARTMENT OWNER means unit owner as defined by the Condominium Act; provided, however, in this case an apartment owner will be a sublessee from Developer under its 99-year lease from Santa Rosa Island Authority.

2.3. ASSOCIATION means Regency Villas Condominium Association, Inc., and its successors.

2.4. COMMON ELEMENTS include the land and all other parts of the Condominium not within the apartments, and shall also include the tangible personal property required for the maintenance and operation of the condominium, even though owned by the Association, as well as all items stated in the Condominium Act.

2.5. COMMON EXPENSES include

a. expenses of administration, expenses of maintenance, operation, repair or replacement of the common elements, and of the portions of apartments to be maintained by the Association, together with lease or sub-lease payments and the purchase price or mortgage payments on Apartment 108-E, which the Association will purchase from developer for use as a manager's apartment.

b. expenses declared common expenses by provisions of this Declaration or the By-Laws, including but not limited to losses from revenue-producing operations.
c. any valid charge against the condominium property as a whole.

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

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

2.8. UTILITY SERVICES as used in the Condominium Act and as construed with reference to this condominium, and as used in the Declaration and By-Laws, shall include but not be limited to electric power, gas, hot and cold water, heating, refrigeration, air conditioning and garbage and sewage disposal.

2.9. ASSESSMENT means a share of the funds required for the payment of common expenses which from time to time is assessed against the unit owner.

2.10. CONDOMINIUM PARCEL means a unit together with the undivided share of the common elements which is appurtenant to the unit.

2.11. INSTITUTIONAL MORTGAGEE means banks, savings and loan associations, insurance companies, FHA approved lenders and bankers, and real estate investment trusts.

2.12. LIMITED COMMON ELEMENTS means and includes those common elements which are reserved for the use of a certain unit or units to the exclusion of other units.

3. DEVELOPMENT PLAN. The condominium is described and established as follows:

3.1. SURVEY. A survey of the land showing the improvements on it is attached as Exhibit A.

3.2. PLANS. The improvements upon the land are constructed substantially in accordance with the plans and specifications for such prepared by Marshall L. Novak, Architect, and designated as his File No. 1111, a portion of which plans are attached as the following exhibits:

Exhibit B-1. Floor plan for ground floor area.

Exhibit B-2. Typical floor plan for Floors 2, 7 and 8.

Exhibit B-3. Typical floor plan for Floors 3, 4, 5 and 6.

Exhibit C. Longitudinal sketch showing floor elevations.
3.3. AMENDMENT OF PLANS.

a. Alteration of apartment plans. Developer reserves the right to change the interior design and arrangement of all units, and to alter the boundaries between units, as long as Developer owns the units so altered. No such change shall increase the number of apartments nor alter the boundaries of the common elements without amendment of this Declaration with approval of the Association, apartment owners and owners of mortgages in the manner elsewhere provided. If Developer shall make any changes in units so authorized, such changes shall be reflected by an amendment of this Declaration.

b. Amendment of Declaration. An amendment of this Declaration reflecting such authorized alteration of apartment plans by Developer need be signed and acknowledged only by the Developer and need not be approved by the Association, apartment owners or lienors or mortgagees of apartments or of the condominium, whether or not elsewhere required for an amendment. Such amendments must be made before January 1, 197[

3.4. EASEMENTS are reserved through the condominium property as may be required for utility services and access in order to serve the condominium adequately, and further to provide access and utility services to any additional condominium apartment buildings constructed by Developer on Parcels 2 and/or 3 in this block of Santa Rosa Villas Subdivision. Such easements through an apartment shall be only according to the plans and specifications for the apartment building, or as the building is constructed, unless approved in writing by the apartment owner.

3.5. CONSTRUCTION OF ADDITIONAL CONDOMINIUMS. The Developer leases from Santa Rosa Island Authority under the same 99 year leasehold from Santa Rosa Island Authority which covers the property described above, additional parcels of property adjacent to the property submitted to condominium ownership herein, and these two additional parcels are described as follows:

PARCEL 2. That portion of the East 1/2 of Block 9, Santa Rosa Villas Subdivision, according to plat filed in Plat Book 7 at Pages 49 and 49A of the public records of Escambia County, Florida, described as follows:
Commencing at the Southeast corner of said Block 9;
thence North 90°00' West, along the South line of said Block, a distance of 228.0 feet for the POINT OF BEGINNING; thence continue North 90°00' West, 172.0 feet; thence North 0°00' East, 444.0 feet; thence North 90°00' East, 186.0 feet; thence South 0°00' East, 110.0 feet; thence South 26°30' West, 40.0 feet; thence South 63°30' West, 20.0 feet; thence South 26°30' West, 95.62 feet; thence South 26°30' East, 126.88 feet; thence South 26°30' West, 62.75 feet; thence South 0°00' West, 34.1 feet to the point of beginning, containing 1.79668 acres, more or less.
PARCEL 3. That portion of the East 1/4 of Block
9, less the South 444.0 feet, Santa Rosa Villas Subdivi-
sion, according to plat filed in Plat Book 7, at Pages
49 and 49A of the public records of Escambia County,
Florida.

Depending on the success of the development of Regency Villas I,
the Developer at its sole discretion may amend this Declaration
so as to include in this Declaration and submit to condominium
use the real property described above as Parcels 2 and/or 3.
Each parcel if submitted to condominium use hereunder will have
constructed thereon a building similar to the one initially con-
structed pursuant to this declaration containing 63 apartments.
Developer reserves the right to submit its leasehold interest in
any part of or all of said parcels to condominium use, separately
from time to time or in conjunction with this Declaration, and
to construct thereon such improvements as the Developer in its
sole discretion shall determine, and Developer further reserves
the right to do all things Developer deems necessary to require
and accomplish the purposes of such amendments. Developer like-
wise reserves the right to decline to submit any or all of the
other parcels to condominium use, and to make such other use or
disposition of said parcels as Developer may deem necessary or
proper. In order to meet possible unforeseen or varying demands
for the number and type of units, to provide additional recrea-
tional or service facilities, to make a manager's apartment
available or to meet particular requirements of prospective
purchasers, lending institutions or title insurance companies
or for any other reason, the Developer reserves the right to
change the size, number and layout of buildings, units and other
improvements in future buildings to be erected on Parcels 2
and/or 3 (and the size, layout, location and percentage interest
in the common elements of any unit for which a purchase agreement
has not been executed by Developer or with respect to which the
purchaser is in default), provided such changes do not change the
percentage or fractional interest in the common elements (other
than as specified in Section 4.3d hereof) of any unit already
sold or under an executed sale contract as to which the pur-
chaser is not in default.

3.6. IMPROVEMENTS - GENERAL DESCRIPTION.

a. Apartment building. The condominium in-
cudes an apartment building consisting of eight floors, and
contains sixty-three leasehold owners' apartments, one of which,
No. 108-E, shall be sold to the Regency Villas I Condominium
Association for use as a manager's apartment.

b. Other improvements. The condominium in-
cudes landscaping, automobile parking area, swimming pool, and
other facilities substantially as shown upon the plans which
are part of the common elements. Other improvements such as
tennis courts may be constructed with this unit or with succeed-
ing units, if any, for the use and benefit of owners of this and
subsequent condominiums.
3.7. APARTMENT BOUNDARIES. Each apartment shall include that part of the building containing the apartment that lies within the boundaries of the apartment which boundaries are as follows:

a. Upper and lower boundaries. The upper and lower boundaries of the apartment shall be the following boundaries extended to an intersection with the perimetal boundaries:

(1) Upper boundary - the horizontal plane of the lower surfaces of the ceiling slab, less any plumbing from the floor above which extends into the lower apartment;

(2) Lower boundary - the horizontal plane of the lower surfaces of the floor slab, plus any plumbing which may extend into the apartment below.

b. Perimetal boundaries. The perimetal boundaries of the apartment shall be the following boundaries extended to an intersection with the upper and lower boundaries:

(1) Exterior building walls - the intersecting vertical planes adjacent to and which include the exterior of the outside walls of the apartment building bounding an apartment and fixtures thereon, and when there is attached to the building a balcony, loggia, terrace, canopy, stairway or other portion of the building serving only the apartment being bounded, such boundaries shall be the intersecting vertical planes adjacent to and which include all of such structures and fixtures thereon. In the case of ground floor apartments, such boundaries shall include the terraces serving such apartments.

(2) Interior building walls - the vertical planes of the center line of walls bounding an apartment extended to intersections with other perimetal boundaries with the following exceptions:

(i) When walls between apartments are of varying thickness, or abut a column or shaft, the plane of the center line of a bounding wall shall be extended to an intersection with the connecting bounding plane without regard to the plane of the center line of an intervening column or shaft

(ii) When walls of different thickness abut with a flush side so that their center lines do not intersect, the plane of the center line of the thinner wall shall be extended into the thicker wall for a distance which is one-half the thickness of the thinner wall, and the boundary shall thence run at a right angle to the plane of the center line of the thicker wall.

3.8. COMMON ELEMENTS. The common elements include the land and all other parts of the condominium not within the apartments.
4. THE APARTMENTS. The apartments of the condominium are described more particularly and the rights and obligations of their owners established as follows:

4.1. TYPICAL APARTMENT PLANS. There are six typical apartment floor plans, which are designated by the capital letters A, B, C, D, E and F. These apartments are described generally below and by the floor plans attached as Exhibits B-1, B-2 and B-3 hereto:

<table>
<thead>
<tr>
<th>Apartment</th>
<th>Containing</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Two bedroom, two bath, containing 1379 square feet, including balcony and storage area</td>
</tr>
<tr>
<td>B</td>
<td>One bedroom, one bath, containing 1121 square feet, including balcony and storage area</td>
</tr>
<tr>
<td>C</td>
<td>One bedroom, one bath, containing 1006 square feet, including balcony and storage area</td>
</tr>
<tr>
<td>D</td>
<td>Two bedroom, two bath, containing 1328 square feet, including balcony and storage area</td>
</tr>
<tr>
<td>E</td>
<td>Three bedroom, three bath, containing 1755 square feet, including balcony and storage area</td>
</tr>
<tr>
<td>F</td>
<td>Two bedroom, two bath, containing 1381 square feet, including balcony and storage area</td>
</tr>
</tbody>
</table>

4.2. APARTMENT NUMBERS. There are eight apartments on each of the eight floors with the exception of the ground floor upon which there are seven apartments. The apartments are numbered from 1 to 8 clockwise, inclusive, on each floor, preceded by the number of the floor, plus a 0. Thus, the first apartment on the eighth floor is 801, while the third apartment on the second floor is 203. The service area on the first floor is in the place of Apartment 106 for which there will be no number.

4.3. APPURTENANCES TO APARTMENTS. The leasehold owner of each apartment shall, subject to the expansion provisions of 4.3d below, own an undivided 1/63 share in the common elements and common surplus, including but not limited to the following items that are appurtenant to the several apartments as indicated:

a. Automobile parking space. The common elements include parking areas for automobiles of the apartment owners. At this time, parking areas will not be assigned but subject to the provisions of 4.3b below, will be available for use pursuant to the regulations of the Association.
b. Limited common elements - parking spaces. Within six years from the date of recording of this Declaration of Condominium, Developer shall have the right to sell or assign up to 63 covered parking spaces designated as limited common elements to particular units, which assignment shall be in writing, an executed copy of which shall be delivered to the Association. Upon such assignment, the owner of such unit shall have the exclusive right to the use thereof without separate charge by the Association, it being the intention hereof that the expense of maintaining and administering the parking spaces as limited common elements shall be included as part of the common expense applicable to all units for purposes of assessment. Upon assignment, the exclusive right of the owner of the unit to which such assignment is made shall become an appurtenance to said unit and upon the conveyance of or passing title to the unit to which such assignment is made, such exclusive right shall pass as an appurtenance thereto in the same manner as the undivided interest in the common elements appurtenant to such unit. Developer shall have the right to amend this Declaration from time to time to show the assignment of a particular covered parking space as a limited common element as being appurtenant to a particular unit and such amendment may be without the joinder of any unit owner or mortgagee.

c. Association membership. The membership of each apartment owner in the Association and the interest of each apartment owner in the funds and assets held by the Association.

d. Construction of additional units. In the event Developer elects to amend this Declaration so as to submit the additional parcel or parcels hereinabove described to condominium use, the fraction or percentage of ownership of the common elements and sharing of the common surplus and common expenses attributable to each unit shall be one share divided by the total number of units submitted to condominium use. For example, if only the first unit is submitted to condominium use, each unit owner shall be entitled to or charged with an undivided 1/63 of the common elements, common expense or common surplus; but if the second phase is constructed consisting of 63 units submitted to condominium use, so that the total condominium units are then 126 in number, each unit owner shall be entitled to or charged with an undivided 1/126 of the common elements, common expense or common surplus; and if subsequently, the third phase is constructed consisting of 63 more units so that the total condominium units are then 189 in number, each unit owner shall then be entitled to or charged with an undivided 1/189 of the common elements, common surplus or common expense. In the event of submission of part or all of the additional property described hereinabove to condominium use hereunder, the owners of units in Regency Villas I shall of course participate in the ownership of subsequently constructed common elements for the new units as well as the common expenses and common surplus related thereto in proportion to the total number of apartments ultimately constructed and submitted to condominium use hereunder.
4.4. LIABILITY FOR COMMON EXPENSES. Each apartment owner shall be liable for a proportionate share of the common expenses, such share being the same as 'the undivided share in the common elements appurtenant to his apartment.

5. MAINTENANCE, ALTERATION AND IMPROVEMENT. Responsibility for the maintenance of the condominium property, and restrictions upon its alteration and improvement, shall be as follows:

5.1. APARTMENTS.

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

(1) all portions of an apartment, (except interior surfaces) contributing to the support of the apartment building, which portions shall include but not be limited to the outside walls of the apartment building and all fixtures on its exterior, boundary walls of apartments, floor and ceiling slabs, loadbearing columns and loadbearing walls;

(2) all conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services contained in the portions of an apartment maintained by the Association; and all such facilities contained within an apartment that service part or parts of the condominium other than the apartment within which contained; and

(3) all incidental damage caused to an apartment by such work shall be repaired promptly at the expense of the Association.

b. By the apartment owner. The responsibility of the apartment owner shall be as follows:

(1) To maintain, repair and replace at his expense all portions of his apartment except the portion to be maintained, repaired and replaced by the Association. Such shall be done without disturbing the rights of other apartment owners. For the purposes of maintenance and repair, any plumbing serving an apartment which extends through the floor below shall be considered a part of the apartment which it serves; and the upper apartment owner is granted an easement for said plumbing, together with the right of reasonable access to the apartment below for the sole purpose of maintaining and repairing said plumbing.

(2) Not to paint or otherwise decorate or change the appearance of any portion of the exterior of the apartment building.

(3) To promptly report to the Association any defect or need for repairs for which the Association is responsible.
c. Alteration and improvement. Except as elsewhere reserved to Developer, neither an apartment owner nor the Association shall make any alteration in the portions of an apartment or apartment building that are to be maintained by the Association, or remove any portion of such, or make any additions to them, or do anything that would jeopardize the safety or soundness of the apartment building, or impair any easement, without first obtaining approval in writing of owners of all apartments in which such work is to be done and the approval of the board of directors of the Association. A copy of plans for all such work prepared by an architect licensed to practice in this state shall be filed with the Association prior to the start of the work.

5.2 COMMON ELEMENTS.

a. By the Association. The maintenance and operation of the common elements and the limited common elements (if any) shall be the responsibility of the Association and a common expense.

b. Alteration and improvement. After the completion of the improvements included in the common elements contemplated by this Declaration, there shall be no alteration nor further improvement of the real property constituting the common elements without prior approval in writing by the owners of not less than 75% of the common elements except as provided by the by-laws, or as reserved herein insofar as additional development is concerned. Any such alteration or improvement shall not interfere with the rights of any apartment owner with his consent. The cost of such work shall not be assessed against an institutional lender that acquires its title as the result of owning a mortgage upon the apartment owned, unless such owner shall approve the alteration or improvement, and this shall be so whether the title is acquired by deed from the mortgagor or through foreclosure proceedings. The share of any cost not so assessed shall be assessed to the other apartment owners in the shares that their shares in the common elements bear to each other. There shall be no change in the shares and rights of an apartment owner in the common elements altered or further improved, whether or not the apartment owner contributes to the cost of such alteration or improvements.

6. ASSESSMENTS. The making and collection of assessments against apartment owners for common expenses shall be pursuant to the by-laws and subject to the following provisions:

6.1. SHARE OF COMMON EXPENSE. Each apartment owner shall be liable for a proportionate share of the common expense and shall share in the common surplus, such shares being the same as the undivided share in the common elements appurtenant to the apartments owned by him. Provided, however, that if services are made available to apartment owners from a revenue-producing operation, such as but not limited to the operation of a restaurant or bar, no assessment on account of such services shall be
made against an institutional lender that acquires its title as a result of owning a first mortgage upon an apartment, and that shall be so whether the title is acquired by deed from the mortgagor or through foreclosure proceedings; but this shall not preclude such an assessment against an occupant of an apartment owned by such an institution for services voluntarily accepted by the occupant. The shares of any cost or loss not so assessed shall be assessed to the other apartment owners in the shares that their shares in the common elements bear to each other.

6.2. INTEREST: APPLICATION OF PAYMENTS. Assessments and installments on such assessments paid on or before ten days after the date when due shall not bear interest, but all sums not paid on or before ten days after the date when due shall bear interest at the rate of ten percent per annum from the date when due until paid. All payments upon account shall be first applied to interest and then to the assessment payment first due.

6.3. LIEN FOR ASSESSMENTS. The lien for unpaid assessments shall also secure reasonable attorneys' fees incurred by the Association incident to the collection of such assessment or enforcement of such lien.

6.4. RENTAL PENDING FORECLOSURE. In any foreclosure of a lien for assessments the owner of the apartment subject to the lien shall be required to pay a reasonable rental for the apartment, and the Association shall be entitled to the appointment of a receiver to collect the same.

7. ASSOCIATION. The operation of the condominium shall be by Regency Villas Condominium Association, Inc., a corporation not for profit under the laws of Florida, which shall fulfill it functions pursuant to the following provisions:

7.1. ARTICLES OF INCORPORATION. A copy of the Article of Incorporation of the Association is attached as Exhibit D.

7.2. The BY-LAWS of the Association shall be the by-la of the condominium, a copy of which is attached as Exhibit E.

7.3. LIMITATION UPON LIABILITY OF ASSOCIATION. Notwithstanding the duty of the Association to maintain and repair part of the condominium property, the Association shall not be liable to apartment owners for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the Association, or caused by the elements or other owners or persons.

7.4. RESTRAINT UPON ASSIGNMENT OF SHARES IN ASSETS. The share of member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his apartment.
7.5. APPROVAL OR DISAPPROVAL OF MATTERS. Whenever the decision of an apartment owner is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed by the same person who would cast the vote of such owner if in an Association meeting, unless the joinder of record owners is specifically required by the Declaration.

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

8.1. AUTHORITY TO PURCHASE; NAMED INSURED. All insurance policies upon the condominium property shall be purchased by the Association. The named insured shall be the Association individually and as agent for the apartment owners, without naming them, and agent for their mortgagees. Provision shall be made for the issuance of mortgagee endorsements and memoranda of insurance to the mortgagees of apartment owners. Such policies shall provide that payments by the insurer for losses shall be made to Insurance Trustee designated below, and all policies and their endorsements shall be deposited with the Insurance Trustee. Apartment owners may obtain coverage at their own expense upon their personal property and for their personal liability and living expense.

8.2. COVERAGE.

a. Casualty. All buildings and improvements upon the land shall be insured in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, and all personal property included in the common elements (but not refrigerators, ranges, ovens, personal property of the unit owner, nor fixtures, alterations, installations or additions made or acquired at the expense of the individual unit owner) shall be insured for its value, all as determined annually by the Board of Directors of the Association. Such coverage shall afford protection against:

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

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

b. Public liability in such amounts and with such coverage as shall be required by the Board of Directors of the Association, including but not limited to hired automobile and non-owned automobile coverages and with cross liability endorsement to cover liabilities of the apartment owners as a group to an apartment owner.
c. Workmen's compensation policy to meet the requirements of law.

d. Such other insurance as the board of directors of the Association shall determine from time to time to be desirable.

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

8.4. INSURANCE TRUSTEE: SHARES OF PROCEEDS. All insurance policies purchased by the Association shall be for the benefit of the Association and the apartment owners and their mortgagees as their interests may appear, and shall provide that all proceeds covering property losses shall be paid to Gulf Bree Charter Bank, as Trustee, or to such other bank in Florida with trust powers as may be designated as insurance trustee by the board of directors of the Association, which trustee is referred to in this instrument as the Insurance Trustee. The Insurance Trustee shall not be liable for payment of premiums nor for the renewal or the sufficiency of policies nor for the failure to collect any insurance proceeds. The duty of the Insurance Trustee shall be to receive such proceeds as are paid and hold the proceeds in trust for the purposes elsewhere stated in this instrument as for the benefit of the apartment owners and their mortgagees in the following shares, but which shares need not be set forth on the records of the Insurance Trustee:

a. Common elements. Proceeds on account of damage to common elements -- an undivided share for each apartment owner, such share being the same as the undivided share in the common elements appurtenant to his apartment.

b. Apartments. Proceeds on account of damage to apartments shall be held in the following undivided shares:

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

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

c. Mortgagees. In the event a mortgagee endorsement has been issued as to an apartment, the share of the apartment owner shall be held in trust for the mortgagee and the apartment owner as their interests may appear; provided, however, that no mortgagee shall have the right to determine or
participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distributions of such proceeds made to the apartment owner and mortgagee pursuant to the provisions of this Declaration.

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

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

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

(c) Failure to reconstruct or repair. If it is determined in the manner elsewhere provided that the damage for which proceeds are paid shall not be reconstructed or repaired, the remaining insurance proceeds shall be used first to satisfy the lien of existing mortgagees and second, to accomplish the leveling and cleaning of the property and the hauling away of any debris which may remain. After application of the insurance proceeds to the satisfaction of then existing mortgages on the property, the Santa Rosa Island Authority shall have a lien on all such remaining insurance proceeds regardless of whether it is named in the insurance policy to enforce the cleaning and leveling of the property and the hauling away of the debris. Any remaining insurance proceeds shall be distributed to the beneficial owners. This provision is a covenant for the benefit of any mortgagee of an apartment and for the benefit of the Santa Rosa Island Authority and may be enforced by such mortgagee or by the Santa Rosa Island Authority.

(d) Certificate. In making distribution to apartment owners and their mortgagees, the Insurance Trustee may rely on a certificate of the Association made by its president or vice-president and secretary as to the names of the apartment owners and their respective shares of the distribution.

8.6 ASSOCIATION AS AGENT. The Association is irrevocably appointed agent for each apartment owner and for each owner of a mortgage or other lien upon an apartment for each owner of any other interest in the condominium property to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

9. RECONSTRUCTION OR REPAIR AFTER CASUALTY.

9.1 DETERMINATION TO RECONSTRUCT OR REPAIR. If any part of the condominium property shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined in the following manner:
a. Common element. If the damaged improvement is a common element, the damaged property shall be reconstructed or repaired, unless it is determined in the manner elsewhere provided that the condominium shall be terminated.

b. Apartment building.

(1) Lesser damage. If the damaged improvement is the apartment building, and if apartments to which 50% of the common elements are appurtenant are found by the board of directors of the Association to be tenantable, the damaged property shall be reconstructed or repaired unless within sixty days after the casualty it is determined by agreement in the manner elsewhere provided that the condominium shall be terminated.

(2) Major damage. If the damaged improvement is the apartment building, and if apartments to which more than 50% of the common elements are appurtenant are found by the board of directors to be not tenantable, then the damaged property will not be reconstructed or repaired and the condominium will be terminated without agreement as elsewhere provided, unless within sixty days after the casualty the owners of 75% of the common elements agree in writing to such reconstruction or repair.

c. Certificate. The Insurance Trustee may rely upon a certificate of the Association made by its president or vice president and secretary to determine whether or not the damaged property is to be reconstructed or repaired.

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

9.3. RESPONSIBILITY. If the damage is only to those parts of one apartment for which the responsibility of maintenance and repair is that of the apartment owner, then the apartment owner shall be responsible for reconstruction and repair after casualty. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Association.

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

9.5. ASSESSMENTS. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, or if at any time during reconstru
and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs of reconstruction and repair are insufficient, assessments shall be made against the apartment owners who own the damaged apartments, and against all apartment owners in the case of damage to common elements, in sufficient amounts to provide funds for the payment of such costs. Such assessments against apartment owners for damage to apartments shall be in proportion to the cost of reconstruction and repair of their respective apartments. Such assessments on account of damage to common elements shall be in proportion to the owner's share in the common elements.

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

a. Association. If the total of assessments made by the Association in order to provide funds for payment of costs of reconstruction and repair that is the responsibility of the Association is more than $5,000.00, then the sums paid upon such assessments shall be deposited by the Association with the Insurance Trustee. In all other cases the Association shall hold the sums paid upon such assessments and disburse them in payment of the costs of reconstruction and repair.

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

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

(2) Association -- major damage. If the amount of the estimated costs of reconstruction and repair that is the responsibility of the Association is more than $5,000, then the construction fund shall be disbursed in payment of such costs in the manner required by the board of directors of the Association and upon approval of an architect qualified to practice in Florida and employed by the Association to supervise the work.
(3) Apartment owner. The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with an apartment owner shall be paid by the Insurance Trustee to the apartment owner, or if there is a mortgagee endorsement as to the apartment, then to the apartment owner and the mortgagee jointly, who may use such proceeds as they may be advised.

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

(5) Certificate. Notwithstanding the provisions of this instrument, the Insurance Trustee shall not be required to determine whether or not sums paid by the apartment owners upon assessments shall be deposited by the Association with the Insurance Trustee, nor to determine whether the disbursements from the construction fund are to be upon the order of the Association or upon approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund nor to determine the payee nor the amount to be paid. Instead the Insurance Trustee may rely upon a certificate of the Association made by its president or vice president and secretary as to any or all of such matters and stating that the sums to be paid are due and properly payable and stating the name of the payee and the amount to be paid; provided that when a mortgagee is required in this instrument to be named as payee, the Insurance Trustee shall also name the mortgagee as a payee of any distributions of insurance proceeds to a unit owner; and further provided that when the Association, or a mortgagee that is the beneficiary of an insurance policy whose proceeds are included in the construction fund, so requires, the approval of an architect named by the Association shall be first obtained by the Association upon disbursements in payment of costs of reconstruction and repair.

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

10.1. APARTMENTS. Each of the apartments shall be used for residential (including short or long term rental) purposes only. Except as reserved to Developer, no apartment may
be divided or subdivided into a smaller unit nor any portion
sold or otherwise transferred without first amending this De-
claration to show the changes in the apartments to be effected.

10.2. COMMON ELEMENTS. The common elements shall be
used only for the purposes for which they are intended in the
furnishing of services and facilities for the enjoyment of the
apartments.

10.3. NUISANCES. No nuisances shall be allowed upon
the condominium property, nor any use or practice that is the
source of annoyance to residents or which interferes with the
peaceful possession and proper use of the property by its resi-
dents. All parts of the condominium shall be kept in a clean
and sanitary condition, and no rubbish, refuse or garbage allowed
to accumulate nor any fire hazard allowed to exist. No apartment
owner shall permit any use of his apartment or make any use of
the common elements that will increase the cost of insurance
upon the condominium property.

10.4. LAWFUL USE. No immoral, improper, offensive or
unlawful use shall be made of the condominium property nor any
part of it; and all valid laws, zoning ordinances and regulations
of all governmental bodies having jurisdiction shall be observed.
The responsibility of meeting the requirements of governmental
bodies for maintenance, modification or repair of the condominium
property shall be the same as the responsibility for the mainte-
nance and repair of the property concerned.

10.5. REGULATIONS. Reasonable regulations concerning
the use of condominium property may be made and amended from
time to time by the Association in the manner provided by its
Articles of Incorporation and By-laws. Copies of such regulation
and amendments shall be furnished by the Association to all
apartment owners and residents of the condominium upon request,
and such regulations as may be adopted or promulgated by the
Association shall be binding on the unit owners and the condomini
properties.

10.6. PROVISO. Provided, however, that until Developer
has completed all of the contemplated improvements and closed
the sales of all of the apartments of the condominium, neither
the apartment owners nor the Association nor the use of the
condominium property shall interfere with the completion of
the contemplated improvements and the sale of the apartments.
Developer may make such use of the unsold units and common
areas as may facilitate such completion and sale, including
but not limited to maintenance of a sales office, the showing
of the property and the display of signs.

10.7. DRAPES. Each apartment owner shall be responsibl
for the installation and maintenance of drapes with white lining
or backing exposed to all windows and sliding glass doors which
shall be initially accomplished not later than 21 days after
occupancy. This will enable the condominium building to mainta
a uniform and pleasing appearance.

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

11.1. NEGLIGENCE. An apartment owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or by that of any member of his family or his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. An apartment owner shall pay the Association the amount of any increase in its insurance premiums occasioned by use, misuse, occupancy or abandonment of an apartment or its appurtenances, or of the common elements, by the apartment owner.

11.2. COSTS AND ATTORNEYS' FEES. In any proceeding arising because of an alleged failure of an apartment owner or the Association to comply with the terms of the Declaration, Articles of Incorporation of the Association, the By-Laws, or the Regulations adopted pursuant to them, and the documents and Regulations as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees as may be awarded by the court.

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

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

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

12.2. A RESOLUTION for the adoption of a proposed amendment may be proposed by either the board of directors of the Association or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing; providing such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be either by:

a. not less than 75% of the entire membership of the board of directors and by not less than 75% of the vote of the entire membership of the Association; or
b. not less than 80% of the votes of the entire membership of the Association; or

c. until the first election of directors, only by all of the directors, provided the amendment does not increase the number of apartments nor alter the boundaries of the common elements.

12.3. PROVISO. Provided, however, that no amendment shall discriminate against any apartment owner nor against any apartment or class or group of apartments, unless the apartment owners so affected shall consent; and no amendment shall change any apartment nor the share in the common elements appurtenant to it, nor increase the owner's share of the common expenses, unless the record owner of the apartment concerned and all record owners of mortgages on such apartment shall join in the execution of the amendment. Neither shall an amendment make any change in the section entitled "Insurance" nor in the section entitled "Reconstruction of repair after casualty" unless the record owner of all mortgages upon the condominium shall join in the execution of the amendment.

12.4. EXECUTION AND RECORDING. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted, which certificate shall be executed by the officers of the Association with the formalities of a deed. The amendment shall be effective when such certificate and copy of the amendment are recorded in the public records of Escambia County, Florida.

12.5. AMENDMENT TO PROVIDE FOR ADDITIONAL PHASES. Notwithstanding any other provisions hereof, the Developer may at its sole discretion amend this Declaration so as to include in this Declaration and submit to condominium use the leasehold interest in the real property described as Parcel 2 and/or Parcel 3, and to construct thereon such improvements as the Developer at its sole discretion shall determine. In the event of one or more amendments to the Declaration to include additional phases, each additional apartment leasehold owner shall have one share in the common elements and the total number of shares of the common elements shall be amended to reflect the total number of apartments which shall be constructed and available for leasehold ownership by a unit owner. Such amendments must be made before January 1, 1979.

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

13.1. DESTRUCTION. If it is determined in the manner elsewhere provided that the apartment building shall not be reconstructed because of major damage, the condominium plan of ownership will be terminated without agreement.
13.2. AGREEMENT. The condominium may be terminated at any time by the approval in writing of all record owners of apartments and all record owners of mortgages on apartments. If the proposed termination is submitted to a meeting of the members of the Association, the notice of the meeting giving notice of the proposed termination, and if the approval of the owners of not less than 75% of the common elements, and of the record owners of all mortgages upon the apartments, are obtained in writing not later than 30 days from the date of such meeting, then the approving owners shall have an option to buy all of the apartments of the other owners for the period ending on the 60th day from the date of such meeting. Such approvals shall be irrevocable until the expiration of the option, and if the option is exercised, the approvals shall be irrevocable. The option shall be upon the following terms:

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

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

c. Payment. The purchase price shall be paid in cash.

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

13.3. CERTIFICATE. The termination of the condominium in either of the foregoing manners shall be evidenced by a certificate of the association executed by its president or vice president and secretary certifying as to facts effecting the termination which certificate shall become effective upon being recorded in the public records of Escambia County, Florida.
13.4. SHARES OF OWNERS AFTER TERMINATION. After termination of the condominium the apartment owners shall own the condominium property and all assets of the Association as tenants in common in undivided shares that shall be the same as the undivided shares in the common elements appurtenant to the owners' apartments prior to the termination.

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

14. SEVERABILITY. The invalidity in whole or in part of any covenant or restriction, or any section, subsection, sentence, clause, phrase or word, or other provision of this Declaration of Condominium and the Articles of Incorporation, By-Laws and Regulations of the Association shall not affect the validity of the remaining portions.

15. SANTA ROSA ISLAND AUTHORITY. The Santa Rosa Island Authority joins herein by virtue of the Florida law which provides that the owner of the property join in any condominium, but the Santa Rosa Island Authority being a governmental unit of Escambia County, Florida, assumes no liability of any kind or nature arising from any cause whatsoever, but joins in this Declaration for the sole purpose of subjecting the property described herein to the condominium form of leasehold ownership as required by Chapter 711 Florida Statutes. Nothing herein shall affect or alter or in any way change any provision of that certain lease between Developer and Santa Rosa Island Authority covering the condominium premises, dated the 20th day of June, 1972, and recorded in Official Record Book 624 at Page 593 of the public records of Escambia County, Florida.

IN WITNESS WHEREOF, the Developer and Santa Rosa Island Authority have executed this Declaration the day and year first above written.

SANTA ROSA VILLAS, INC.

ATTEST:

By [Signature]
President

[Signature]
Secretary

Signed, sealed and delivered in the presence of:

[Signature]
SANTA ROSA ISLAND AUTHORITY

By Chairman

ATTEST:

Secretary

Signed, sealed and delivered in the presence of:

STATE OF FLORIDA
COUNTY OF ESCAMBIA

Before the subscriber personally appeared James M. Keltner and Charles F. Faddis, known to me to be the individuals described by said names, who executed the foregoing instrument, and to be the President and Secretary, respectively, of Santa Rosa Villi Inc., a corporation, and acknowledged and declared that they as President and Secretary of said corporation, and being duly authorized by it, signed its name and affixed its seal to and executed the said instrument for it and as its act and deed.

Given under my hand and official seal this 31st day of December, 1973.

STATE OF FLORIDA
COUNTY OF ESCAMBIA

Before the subscriber personally appeared Charles C. White Jr., known to me to be the individual described by said name, who executed the foregoing instrument, and to be the Chairman of Santa Rosa Island Authority, and acknowledged and declared that he as Chairman of said Authority, and being duly authorized by it, signed its name and affixed its seal to and executed the said instrument for it and as its act and deed.

Given under my hand and official seal this 24th day of January, 1974.

Notary Public
JOINDER OF MORTGAGEE

Jim Walter Investors, a Florida real estate investment trust, herein called the Mortgagee, the owner and holder of a mortgage upon the leasehold interest of Santa Rosa Villas, Inc. in the land described in Paragraph 1.2 hereof, which mortgage was made in favor of The Commonwealth Corporation in the principal amount of $1,707,000.00, dated the 30th day of November, 1972, and recorded in Official Record Book 655 at Page 895 of the public records of Escambia County, Florida, and thereafter assigned to Jim Walter Investors by assignment recorded in Official Record Book 669 at Page 571 of the public records of Escambia County, Florida, hereby joins in the making of the foregoing Declaration of Condominium, and the Mortgagee agrees that the lien of its mortgage shall be limited to the following described property in Escambia County, Florida:

All of the apartments of Regency Villas I, a condominium, according to the foregoing Declaration of Condominium,

TOGETHER WITH all of the appurtenances to the apartments, including but not limited to all of the undivided shares in the common elements.

JIM WALTER INVESTORS

By

Trustee

Signed, sealed and delivered in the presence of:

STATE OF FLORIDA
COUNTY OF ESCAMBIA HILLSBOROUGH

Before the subscriber personally appeared Jack L. Rubin, known to me to be the individual described by said name, who executed the foregoing instrument, and to be one of the Trustees of Jim Walter Investors, a Florida Real Estate Investment Trust, and acknowledged and declared that he as Trust of said Trust, and being duly authorized by it, signed its name and affixed its seal to and executed the said instrument for it and as its act and deed.

Given under my hand and official seal this 18th day of January, 1978.

Notary Public
Certificate of Architect made this 31st day of December, 1973, Marshall Novak of Tampa, Florida, certify as follows:

1. I am an architect authorized to practice in the State of Florida.

2. This certificate is made as to Regency Villas I, a condominium located at Pensacola Beach in Escambia County, Florida, and in compliance with §711.08(1)(e), FLA. STAT.

3. The following exhibits to the Declaration of Condominium

EXHIBIT

A  Survey
B-1  Ground Floor Plan
B-2  Floor Plan for Floors 2, 7 & 8
B-3  Floor Plan for Floors 3, 4, 5 & 6
C    Longitudinal Sketch,

Together with the wording of the Declaration, constitute a correct representation of the improvements of the condominium as it now exists, and there can be determined from the identification, location, dimensions and size of the common elements and of each unit.

MARSHALL NOVAK, ARCHITECT
CERTIFICATE OF REGISTRATION NO. 12-774
STATE OF FLORIDA
That portion of the East 1/2 of block 9, Santa Rosa Villas Subdivision, according to plat filed in Plat Book 7, at Pages 49 and 49A of the public records of Escambia County, Florida, described as follows:

Beginning at the Southeast corner of said Block 9; thence North 90°00' West, along the South line of said Block, a distance of 228.00 feet; thence North 26°30' East, 34.00 feet; thence North 26°30' West, 126.68 feet; thence North 26°30' East, 95.61 feet; thence North 63°30' West, 20.00 feet; thence North 26°30' East, 40.00 feet; thence North 0°00' East, 110.00 feet; thence North 90°00' East, 214.00 feet to a point in the East line of said Block; thence South 8°00' East, along said East line, a distance of 444.00 feet to the point of beginning, containing 2.28041 acres, more or less.
# Longitudinal Sketch

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## Exhibit C
FIRST AMENDMENT OF
DECLARATION OF CONDOMINIUM
OF
REGENCY VILLAS
A Condominium
1591 Via DeLuna Drive
Pensacola Beach, Florida 32561

WHEREAS, Santa Rosa Villas, Inc., a Florida corporation, (herein called Developer) whose principal place of business and post office address is 6701 Pensacola Boulevard, Pensacola, Florida, 32505, is the owner of a 99-year "Lease for Apartment and Condominium Purposes" entered into between the Santa Rosa Island Authority (herein called Authority) and Developer on June 20, 1972 and recorded July 12, 1972 in Official Record Book 624 at Page 593 through 603, which lease was modified by that certain "Modification of Lease" entered into between Developer and the Authority on August 24, 1973 and recorded August 28, 1973 in Official Record Book 725 at Page 756 through 758 of the public records of Escambia County, Florida, such "Lease" and "Modification of Lease" covering the following-described property in Escambia County, Florida:

The East 400 feet of Block 9, Santa Rosa Villas, a subdivision of a portion of Santa Rosa Island, Escambia County, Florida, according to plat recorded in Plat Book 7 at Page 49 and 49A of the public records of Escambia County, Florida; and

WHEREAS, Developer and the Authority executed the Declaration of Condominium (herein called Declaration) submitting a portion of the above-described property known as Parcel 1 to condominium use, dated December 31, 1973 and recorded on January 25, 1974 in Official Record Book 767 at Page 776 through 825 of the public records of Escambia County, Florida; and

WHEREAS, Developer, pursuant to authority reserved in Paragraph 3.5 of the Declaration, desires to amend the Declaration in order to submit additional property covered by said lease and known as Parcel 2 together with a certain other parcel containing tennis courts and referred to herein as Tennis Court Parcel, all for condominium use;

NOW, THEREFORE, Developer, pursuant to Paragraph 3.5 of the Declaration and the Authority in compliance with Chapter 711, Florida Statutes, known as "The Condominium Act," hereby makes the following amendments:

SFD&M #2054-145
1. Paragraph 1.1 of the Declaration is amended to read as follows:

"1.1. NAME AND ADDRESS. The name by which this condominium is to be identified is Regency Villas, a condominium, and its address is 1591 Via Deluna Drive, Pensacola Beach, Florida, 32561. The building located on the property initially submitted to condominium use by the Declaration will continue to be known as Regency Villas I and the building located on the additional property submitted to condominium use by this First Amendment to Declaration shall be known as Regency Villas II."

2. Paragraph 1.2 of the Declaration is amended to read as follows:

"1.2. THE LAND. The lands leased by Developer under the aforesaid 99-year leasehold from the Santa Rosa Island Authority, which are hereby submitted to the condominium form of leasehold ownership, are the following-described lands in Escambia County, Florida:

Parcel 1: (being the same parcel as was submitted in the original Declaration of Condominium)
That portion of the East 1/2 of Block 9, Santa Rosa Villas Subdivision, according to plat filed in Plat Book 7 at Pages 49 and 49A of the public records of Escambia County, Florida, described as follows:

Beginning at the Southeast corner of said Block 9; thence North 90°00' West, along the South line of said Block, a distance of 228.00 feet; thence North 0°00' East, 34.00 feet; thence North 26°30' East, 62.75 feet; thence North 26°30' West, 126.88 feet; thence North 26°30' East, 95.62 feet; thence North 63°30' West, 20.00 feet; thence North 26°30' East, 40.00 feet; thence North 0°00' East, 110.00 feet; thence North 90°00' East, 214.00 feet to a point in the East line of said Block; thence South 0°00' East, along said East line, a distance of 444.00 feet to the point of beginning, containing 2.28045 acres, more or less, together with a non-exclusive easement for the purpose of ingress and egress over the following described property in Escambia County, Florida:

A 32-foot roadway in Block 9 of Santa Rosa Villas according to plat recorded in Plat Book 7 at Page 49A of the public records of Escambia County, Florida, lying 16 feet on each side of the following centerline:
Begin at a point on the East line of said Block 9 which is 335 feet North of the Southeast corner of said Block; thence run due West 38 feet, 4 inches; thence due North and parallel to the East line of said Block 9, a distance of 402 feet more or less to the South right-of-way line of Via deLuna (State Road 399, 120 feet right-of-way) which is the end of said centerline.

Parcel 2: (property to be occupied by the second building known as Regency Villas II)
That portion of the East 1/2 of Block 9, Santa Rosa Villas Subdivision, according to plat filed in Plat Book 7 at Pages 49 and 49A of the public records of Escambia County, Florida, described as follows:
Commencing at the Southeast corner of said Block 9; thence North 90°00' West, along the South line of said Block, a distance of 228.0 feet for the POINT OF BEGINNING; thence continue North 90°00' West, 172.0 feet; thence North 0°00' East, 444.0 feet; thence North 90°00' East, 186.0 feet; thence South 0°00' East, 110.0 feet; thence South 26°30' West, 40.0 feet; thence South 63°30' West, 20.0 feet; thence South 26°30' West, 95.62 feet; thence South 26°30' East, 126.88 feet; thence South 26°30' West, 62.75 feet; thence South 0°00' West, 34.1 feet to the point of beginning, containing 1.79668 acres, more or less.

Tennis Court Parcel:
That portion of the East Half of Block 9, Santa Rosa Villas Subdivision, according to plat filed in Plat Book 7 at Pages 49 and 49A of the public records of Escambia County, Florida, described as follows:
Commence at the Southeast corner of the said Block 9; thence N 0° East, a distance of 444 feet; thence North 90° West, a distance of 54.33 feet to the Point of Beginning; thence North 0° East, a distance of 214 feet; thence North 90° West, a distance of 128 feet; thence South 0° West, a distance of 214 feet; thence South 90° East, a distance of 128 feet to the Point of Beginning,

which lands are called 'the lands.'"

3. Paragraph 3.1 of the Declaration is amended to read as follows:

"3.1. SURVEY. A survey of the land initially submitted to condominium use by the Declaration showing the improvements known as Regency Villas I is attached to the original Declaration of Condominium as Exhibit A. Surveys of all of the additional
land hereby submitted to condominium use through the recording of the First Amendment to Declaration showing the improvements known as Regency Villas I and the improvements known as Regency Villas II along with all other improvements on the common areas are attached hereto as Exhibits A-1 and A-2, respectively."

4. Paragraph 3.5 of the Declaration is amended to read as follows:

"3.5. CONSTRUCTION OF ADDITIONAL CONDOMINIUMS. The Developer leases from Santa Rosa Island Authority under the same 99-year leasehold from Santa Rosa Island Authority which covers the property described above, an additional parcel of property adjacent to the property submitted to condominium ownership herein, and this additional parcel is described as follows:

Parcel 3:
The East 400 feet of Block 9, Santa Rosa Villas Subdivision, according to plat filed in Plat Book 7 at Pages 49 and 49A of the public records of Escambia County, Florida, LESS AND EXCEPT the property described in Paragraph 1.2 of the Declaration as amended hereby.

Depending on the success of the development of Regency Villas I and Regency Villas II, the Developer at its sole discretion may amend this Declaration so as to include in this Declaration and submit to condominium use the real property described above as Parcel 3. Developer reserves the right to submit its leasehold interest in any part or all of the remaining parcel to condominium use, separately from time to time or in conjunction with this Declaration, and to construct thereon such improvements as the Developer in its sole discretion shall determine, and Developer further reserves the right to do all things Developer deems necessary to require and accomplish the purposes of such amendments. Developer likewise reserves the right to decline to submit any or all of the remaining parcel to condominium use and to make such other use or disposition of said parcel as Developer may deem necessary or proper. In order to meet possible unforeseen or varying demands for the number and type of units, to provide additional recreational or service facilities, to make a manager's apartment available or to meet particular requirements of the prospective purchasers, lending institutions or title insurance companies or for any other reason, the Developer reserves the right to change the size, number and layout of buildings, units and other improvements in future buildings to be erected on
Parcel 3 (and the size, layout, location and percentage interest in the common elements of any unit for which a purchase agreement has not been executed by Developer or with respect to which the purchaser is in default), provided such changes do not change the percentage or fractional interest in the common elements (other than as specified in Section 4.3d of the Declaration) of any unit already sold or under an executed sale contract as to which the purchaser is not in default."

5. Paragraph 3.6a of the Declaration is amended to read as follows:

"a. Apartment buildings. The condominium includes two apartment buildings consisting of eight floors each, and with each building containing sixty-three leasehold owners' apartments, one of which, No. 108 in Regency Villas I shall be sold by 99-year sublease to the Regency Villas Condominium Association, Inc. for use as a manager's apartment."

6. Paragraph 3.6b of the Declaration is amended to reflect that two tennis courts have been constructed on the tennis court parcel and are now included as part of the common elements.

7. Paragraph 4.2 of the Declaration is amended to read as follows:

"4.2. APARTMENT NUMBERS. The plans for Regency Villas I and Regency Villas II are identical except as specified hereinbelow with eight apartments on each of the top seven floors and seven apartments on the ground floor. The apartments in Regency Villas I are numbered from 1 to 8 clockwise, inclusive, on each floor, preceded by the number of the floor, plus a 0. Thus, the first apartment on the eighth floor is 801, while the third apartment on the second floor is 203. The service area on the first floor of Regency Villas I is in the place of Apartment 106 for which there will be no number. The service area on the first floor of Regency Villas II is in the place of Apartment 103 for which there will be no number. The floor plans for Regency Villas I are as shown in the exhibits attached to the Declaration. The floor plans for Regency Villas II are as shown on the exhibits B-4, B-5 and B-6, respectively, attached hereto. The apartments in Regency Villas II are numbered identically to those of Regency Villas I with the exception that each apartment number is
preceded by a B. Thus, the first apartment on the eighth floor in Regency Villas I is 801 and the first apartment on the eighth floor in Regency Villas II is B-801."

8. Paragraph 4.3 of the Declaration is amended to read as follows:

"4.3. APPURTENANCES TO APARTMENTS. The leasehold owner of each apartment shall, subject to the expansion provisions of 4.3d of the Declaration, own an undivided 1/126 share in the common elements and common surplus, including but not limited to the following items that are appurtenant to the several apartments as indicated."

9. Paragraph 4.3b is amended to allow the Developer to sell or assign up to 126 covered parking spaces instead of 63 covered parking space.

10. Paragraphs 9.1 b.(1) and (2) of the Declaration is amended to read as follows:

"b. Apartment buildings.

(1) Lesser damage. If the damaged improvements are the apartment buildings, and if apartments to which 50% of the common elements are appurtenant are found by the board of directors of the Association to be tenantable, the damaged property shall be reconstructed or repaired unless within sixty days after the casualty it is determined by agreement in the manner elsewhere provided that the condominium shall be terminated.

(2) Major damage. If the damaged improvements are the apartment buildings, and if apartments to which more than 50% of the common elements are appurtenant are found by the board of directors to be not tenantable, then the damaged property shall not be reconstructed or repaired and the condominium will be terminated without agreement as elsewhere provided, unless within sixty days after the casualty the owners of 75% of the common elements agree in writing to such reconstruction or repair."

IN WITNESS WHEREOF, the Developer, Santa Rosa Villas, Inc., and the Lessor, Santa Rosa Island Authority, have executed this First Amendment to the Declaration this ___ day of ___, 1975. Santa Rosa Island Authority joins herein by virtue of the Florida law which provides that the owner of the property join in any condominium, but the Santa Rosa Island Authority, being a governmental unit of Escambia County, Florida, assumes no liability
of any kind or nature arising from any cause whatsoever but
joins in this Declaration for the sole purposes of subjecting
the property described herein to the condominium form of lease-
hold ownership as required by Chapter 711, Florida Statutes.
Nothing herein shall affect or alter in any way change any pro-
vision of the leasehold agreement between Developer and Santa
Rosa Island Authority, as the same has been amended.

Signed, sealed and delivered
in the presence of:

D. M. Chaffin
J. M. Brooks

ATTEST:

Chas. Johnson
Secretary

SANTA ROSA VILLAS, INC.

By

President

SANTA ROSA ISLAND AUTHORITY

By

Chairman

Signed, sealed and delivered
in the presence of:

E. F. Hutton

ATTEST:

R. C. Webster
Secretary

STATE OF FLORIDA
COUNTY OF ESCAMBIA

Before the subscriber personally appeared James M. Keltner
and Charles F. Paddis, known to me to be the individuals described
by said names, who executed the foregoing instrument, and to
be the President and Secretary, respectively, of Santa Rosa Villas,
Inc., a corporation, and acknowledged and declared that they, as
President and Secretary of said corporation, and being duly author-
azied by it, signed its name and affixed its seal to and executed
the said instrument for it and as its act and deed.

Given under my hand and official seal this 87th day of
June, 1975.

James M. Shiffer
Notary Public
My commission expires:

NOTARY PUBLIC STATE OF FLORIDA AT LAW
MY COMMISSION EXPIRES APR. 18, 1977
WONDER THRU GENERAL INSURANCE UNDERWRITERS
STATE OF FLORIDA
COUNTY OF ESCAMBIA

Before the subscriber personally appeared __________________________, known to me to be the individual described by said name, who executed the foregoing instrument, and to be the Chairman of Santa Rosa Island Authority, and acknowledged and declared that he as Chairman of said Authority, and being duly authorized by it, signed its name and affixed its seal to and executed the said instrument for it and as its act and deed.

Given under my hand and official seal this ________ day of ________, 1975.

Notary Public
My commission expires: ____________
JOINDER OF MORTGAGEE

The First American Bank of Pensacola, herein called the Mortgagee, the owner and holder of a mortgage upon the leasehold interest of Santa Rosa Villas, Inc. in the land described as Parcel 2 hereinabove, hereby joins in the making of this first amendment to Declaration of Condominium, confirms the original Declaration of Condominium as amended hereby, and the Mortgagee agrees that the lien of its mortgage shall be limited to the following-described property in Escambia County, Florida:

All of the apartments of Regency Villas II, a condominium, according to the foregoing First Amendment to Declaration of Condominium,

TOGETHER WITH all of the appurtenances to the apartments, including but not limited to all of the undivided shares in the common elements.

Signed, sealed and delivered in the presence of:

THE FIRST AMERICAN BANK OF PENSACOLA

By: ____________________________

Vice President

STATE OF FLORIDA

COUNTY OF ESCAMBIA

Before the subscriber personally appeared

Ronald O. Moore, known to me to be the individual described by said name, who executed the foregoing instrument, and to be the Vice President of The First American Bank of Pensacola, a banking corporation, and acknowledged and declared that he, as President of said corporation, and being duly authorized by it, signed its name and affixed its seal to and executed the said instrument for it and as its act and deed.

Given under my hand and official seal this 27th day of June, 1975.

Notary Public
My commission expires: 7/27/79
CERTIFICATE OF ARCHITECT

EXHIBIT F-1 TO
FIRST AMENDMENT TO DECLARATION OF CONDOMINIUM FOR REGENCY VILLAS II

Marshall Novak of Tampa, Florida, hereby makes the following certificate:

1. I am an architect authorized to practice in the State of Florida.

2. This certificate is made as to the second building of Regency Villas Condominiums known as Regency Villas II containing 63 units and located at Pensacola Beach in Escambia County, Florida, and in accordance with Florida Statutes 711.

3. The following exhibits to the First Amendment to Declaration of Condominium:

EXHIBIT

| A-1, A-2 | Survey |
| B-4     | Ground Floor Plan |
| B-5     | Floor Plan for Floors 2, 3 & 4 |
| B-6     | Floor Plan for Floors 5, 6, 7 & 8 |
| C-1     | Longitudinal Sketch |

together with the wording of the Declaration, as amended, constitute a correct representation of the improvements of the building known as Regency Villas II as it now exists, and there can be determined therefrom and from the original Declaration of Condominium and the exhibits thereto along with the exhibits to the First Amendment to Declaration of Condominium, the identification, location, dimensions and size of the common elements and of each unit.

MARSHALL NOVAK, ARCHITECT
CERTIFICATE OF REGISTRATION NO. 12-774
STATE OF FLORIDA
That portion of the East 1/2 of Block 9, Santa Rosa Villas Subdivision, according to plat filed in Plat Book 7, at Pages 49 and 49A of the public records of Escambia County, Florida, described as follows:

Commencing at the southeast corner of said Block 9; thence north 90° 00' West, along the South line of said Block, a distance of 111.6 feet for the POINT OF BEGINNING; thence continue north 89° 00' West, 112.0 feet; thence North 0° 00' East, 144.0 feet; thence North 99° 00' East, 186.0 feet; thence South 0° 00' East, 118.0 feet; thence South 24° 58' West, 40.0 feet; thence South 83° 30' West, 20.0 feet; thence South 26° 30' West, 95.62 feet; thence South 26° 30' West, 62.75 feet; thence South 0° 00' West, 34.1 feet to the point of beginning, containing 1.79658 acres, more or less.

REVS. 8-2-74.

I hereby certify the survey herein submitted to be true and correct to the best of my knowledge and belief.

[Signature]

EXHIBIT A-1 SHOWING PARCEL 2
THAT PORTION OF THE EAST HALF OF BLOCK 9, SANTA ROSA VILLAS SUBDIVISION, ACCORDING TO PLAT FILED IN PLAT BOOK 7 AT PAGES 49 AND 49-A OF THE PUBLIC RECORDS OF ESCAMBIA COUNTY, FLORIDA, DESCRIBED AS FOLLOWS: COMMENCE AT THE SOUTHEAST CORNER OF THE SAID BLOCK 9; THEREFORE 0° E A DISTANCE OF 444 FEET; THEREFORE N 90° W A DISTANCE OF 54.33 FEET TO THE POINT OF BEGINNING; THEREFORE N 90° E A DISTANCE OF 214 FEET; THEREFORE N 90° W A DISTANCE OF 128 FEET; THEREFORE S 90° W A DISTANCE OF 214 FEET; THEREFORE S 90° E A DISTANCE OF 128 FEET TO THE POINT OF BEGINNING.

This is to certify that an actual survey was made of the above described property, that there are no encroachments and that said survey was accurately made to the best of my knowledge and belief.

SURVEY ORDERED BY:
SANTA ROSA VILLAS, INC. / FIRST DISTRICT

REGISTERED FLORIDA LAND SURVEYOR NO. 1035
REGISTERED FLORIDA CIVIL ENGINEER NO. 5373

DATE: JUNE 9, 1975

EXHIBIT A-2 SHOWING TENNIS COURT PARCEL
### Longitudinal Sketch

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**Exhibit C-1**
STATE OF FLORIDA  
COUNTY OF ESCAMBIA  

SECOND AMENDMENT OF DECLARATION OF CONDOMINIUM OF REGENCY VILLAS, A CONDOMINIUM,  
1600 VIA DELUNA DRIVE, APARTMENT A-108,  
PENSACOLA BEACH, FLORIDA, 32561

KNOW ALL MEN BY THESE PRESENTS, That the Declaration of  
Condominium of Regency Villas I dated December 31, 1973, and  
recorded in Official Record Book 767 at Page 776 of the public  
records of Escambia County, Florida, and the First Amendment to  
the Declaration of Condominium of Regency Villas dated the 27th  
day of June, 1975, and recorded in Official Record Book 912 at  
Page 919 of the public records of Escambia County, Florida, is  
hereby amended to reflect the first amendment to by-laws of Regency  
Villas Condominium Association, Inc., a Florida corporation not for  
profit, adopted April 12, 1977, and attached hereto, and the  
second amendment to by-laws of Regency Villas Condominium Asso- 
ciation, Inc. adopted April 11, 1978, and attached hereto.

In all other respects, the Declaration of Condominium  
and the first amendment thereto shall remain in full force and  
effect.

These amendments were adopted pursuant to the Articles  
of Incorporation of Regency Villas Condominium Association, Inc.,  
and are recorded herewith pursuant to Florida Statutes 718.112  

IN WITNESS WHEREOF, the said Regency Villas Condominium  
Association, Inc. has set its hand and seal this the 5th  
day of  

ATTEST:  

C. George Norman, Jr., President
(REGENCY VILLAS CONDOMINIUM ASSOCIATION, INC.)

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS  
5th day of DECEMBER, 1978, BY C. GEORGE NORMAN, JR.,  
the President, AND  

C.  

the Secretary of  
REGENCY VILLAS CONDOMINIUM ASSOCIATION, INC., a Florida corporation  
not for profit, on behalf of the corporation.

Notary Public  
My commission expires:  

SFD&M #2054-146
DECLARATION OF CONDOMINIUM
OF
REGENCY VILLAS TOWERS
A Condominium
1591 1600 Via DeLuna Drive
Pensacola Beach, Florida 32561

This Declaration of Condominium of Regency Villas Towers I, a condominium, is hereby made this 31st day of December, 1973, by Santa Rosa Villas, Inc., a Florida corporation, herein called Developer, for itself, its successors, grantees and assigns, and joined in by Santa Rosa Island, a governmental agency of the State of Florida. The Developer makes the following declarations:

1.1 NAME AND ADDRESS. The name by which this condominium is to be identified as Regency Villas Towers I, a condominium, and its address is 1591 1600 Via DeLuna Drive, Pensacola Beach, Florida 32561.

2.3 ASSOCIATION means Regency Villas Towers Condominium Association, Inc., and its successors.

3.5 CONSTRUCTION OF ADDITIONAL CONDOMINIUMS. Depending on the success of the development of Regency Villas Towers I, the Developer at its sole discretion may amend this Declaration so as to include in this Declaration and submit to condominium use the real property described above as Parcels 2 and/or 3.

3.6 IMPROVEMENTS - GENERAL DESCRIPTION.

a. Apartment building. The condominium includes an apartment building consisting of eight floors, and contains sixty-three leasehold owners' apartments, one of which, No. 108-E, shall be sold to the Regency Villas Towers I Condominium Association for use as a manager's apartment.

d. Construction of additional units. In the event Developer elects to amend this Declaration so as to submit the additional parcels hereinabove described to condominium use, the fraction or percentage of ownership of the common elements and sharing of the common surplus and common expenses attributable to each unit shall be one share divided by the total number of units submitted to condominium use. For example, if only the first unit is submitted to condominium use, each unit owner shall be entitled to or charged with an undivided 1/63 of the common elements, common expense or
3.1. SURVEY. A survey of the land initially submitted to condominium use by the Declaration showing the improvements known as Regency Villas Towers I is attached to the original Declaration of Condominium as Exhibit A. Surveys of all of the additional land hereby submitted to condominium use through the recording of the First Amendment to Declaration showing the improvements known as Regency Villas Towers I and the improvements known as Regency Villas Towers II along with all other improvements on the common areas are attached hereto as Exhibits A-1 and A-1, respectively.

Parcel 3: Depending on the success of the development of Regency Villas Towers I and Regency Villas Towers II, the Developer at its sole discretion may amend this Declaration so as to include in this Declaration and submit to condominium use the real property described above as Parcel 3.

5.a. Apartment Buildings. The condominium includes two apartment buildings consisting of eight floors each, and with each building containing sixty-three leasehold owners' apartments, one of which No. 108 in Regency Villas Towers I shall be sold by 99-year sublease to the Regency Villas Towers Condominium Association, Inc. for use as a manager's apartment.

7. (4.2) Apartment Numbers. The plans for Regency Villas Towers I and Regency Villas Towers II are identical except as specified hereinbelow with eight apartments on each of the top seven floors and seven apartments on the ground floor. The apartments in Regency Villas Towers I are numbered from 1 to 8 clockwise, inclusive, on each floor, preceded by the number of the floor, plus a 0. The service area on the first floor of Regency Villas Towers II is in the place of Apartment 103 for which there will be no number. The floor plans for Regency Villas Towers I are as shown in the exhibits attached to the Declaration. The floor plans for Regency Villas Towers II are as shown on the exhibits B-4, B-5 and B-6, respectively, attached hereto. The apartments in Regency Villas Towers II are numbered identically to those of Regency Villas Towers with the exception that each apartment number is preceded by a B. Thus, the first apartment on the eighth floor in Regency Villas Towers I is 801 and the first apartment on the eighth floor in Regency Villas Towers II is B-801.

ARTICLES OF INCORPORATION
OF
REGENCY VILLAS TOWERS CONDOMINIUM ASSOCIATION, INC.

ARTICLE 1. NAME
The name of the corporation shall be Regency Villas Towers Condominium Association, Inc.
common surplus; but if the second phase is constructed consisting of 63 units submitted to condominium use, so that the total condominium units are then 126 in number, each unit owner shall be entitled to or charged with an undivided 1/126 of the common elements, common expense or common surplus; and if subsequently, the third phase is constructed consisting of 63 more units so that the total condominium are then 189 in number, each unit owner shall then be entitled to or charged with an undivided 1/189 of the common elements, common surplus or common expense. In the event of submission of part or all of the additional property described hereinabove to condominium use hereunder, the owners of units in Regency Villas Towers I shall of course participate in the ownership of subsequently constructed common elements for the new units as well as the common expenses and common surplus related thereto in proportion to the total number of apartments ultimately constructed and submitted to condominium use hereunder.

JOINDER OF MORTGAGEE

Jim Walter Investors, a Florida real estate investment trust, herein called the Mortgagee, the owner and holder of a mortgage upon the leasehold interest of Santa Rosa Villas, Inc., in the land described in Paragraph 1.2 hereof, which mortgage was made in favor of The Commonwealth Corporation in the principal amount of $1,707,000.00 dated the 30th day of November, 1972, and recorded in Official Record Book 655 qt Page 895 of the public records of Escambia County, Florida and thereafter assigned to Jim Walter Investors by assignment recorded in Official Record Book 669 at page 571 of the public records of Escambia County, Florida, hereby joins in the making of the foregoing Declaration of Condominium, and the Mortgagee agrees that the lien of its mortgage shall be limited to the following described property in Escambia County, Florida:

All of the apartments of Regency Villas Towers I, a condominium, according to the foregoing Declaration of Condominium.

FIRST AMENDMENT OF DECLARATION OF CONDOMINIUM OF REGENCY VILLAS TOWERS A Condominium
1591 1600 Via DeLuna Drive

1.1. NAME AND ADDRESS. The name by which this condominium is to be identified is Regency Villas Towers, a condominium and its address is 1591 1600 Via DeLuna Drive, Pensacola Beach, Florida 32561. The building located on the property initially submitted to condominium use by the Declaration will continue to be known as Regency Villas Towers I and the building located on the additional property submitted to condominium use by this First Amendment to Declaration shall be known as Regency Villas Towers II.
ARTICLE 2. PURPOSE

2.1. The purpose for which the Association is organized is to provide an entity pursuant to Section 12 of the Condominium Act, which is Chapter 711, Florida Statutes 1963, for the operation of Regency Villas Towers I, a condominium, located upon the following lands in Escambia County, Florida.

BY-LAWS
OF
REGENCY VILLAS TOWERS CONDOMINIUM ASSOCIATION, INC.

1. IDENTITY. These are the by-laws of Regency Villas Towers Condominium Association, Inc., called "association" in these By-Laws, a corporation not for profit under the laws of the State of Florida, the Articles of Incorporation which were filed in the office of the Secretary of State on the 23rd Oct. 1973. The association has been organized for the purpose of administering a condominium pursuant to Chapter 718, Florida Statutes, called the Condominium Act in these By-Laws, which condominium is identified by the name Regency Villas Towers Condominium (Regency Villas Towers) and is located upon the following land in Escambia County, Florida:

FIRST AMENDMENT TO BY-LAWS
OF
REGENCY VILLAS TOWERS CONDOMINIUM ASSOCIATION, INC.

At the annual meeting of the members and directors of Regency Villas Towers Condominium Association, Inc., the following amendments to the by-laws of the association were adopted;

WE CERTIFY that the name change from REGENCY VILLAS CONDOMINIUM ASSOC., INC. to REGENCY TOWERS CONDOMINIUM ASSOC., INC. was approved and adopted by not less than 75% of the members of the association on April 1, 1995.

Ron Martin, President
Warren Smith, Secretary

SWORN TO AND SUBSCRIBED BEFORE
me this 11th day of May, 1995

NOTARY PUBLIC, State of Florida

My commission expires: 14-3-051
STATE OF FLORIDA
COUNTY OF ESCAMBIA

Before the undersigned Notary Public, personally appeared

RON MARTIN

who is personally known to me or
who has produced identification

and who ___ did ___ did not take an oath.

Given under my hand and official seal this 16th
day of


Notary Public
My commission expires 07/27/95

Prepared by

Amanda Kallen

1600 Via Deluna

Pensacola Beach, Fl

Instrument 00208288

Filed and recorded in the public records
MAY 18, 1995
at 10:39 A.M.
in Book and Page noted
above or hereto
and record verified
JIM MOYE
COMPTROLLER
Escambia County, Florida
ATTACHMENT E

AMENDED AND RESTATE BY-LAWS

OF

REGENCY TOWERS CONDOMINIUM ASSOCIATION, INC.

A corporation not for profit under

Laws of the State of Florida

The following amendments constitute a substantial rewording of the Bylaws. Following is the amended text. However, see Sections 2.1, 2.3, 2.5, 2.6, 3.1, 3.2, 3.3-3.12, 4.1, 4.2, 4.3, 6, 6.1-6.6, 7, 8, 8.1, 8.2 of the Bylaws recorded at Book 3771, Page 123 of the public records of Escambia County, Florida for present text.

1. Identity. These are the By-Laws of Regency Towers Condominium Association Inc., called "association" in these By-Laws, a corporation not for profit under the laws of the State of Florida, the Articles of Incorporation which were filed on the 23rd day of October 1973. The association has been organized for the purpose of administering a condominium pursuant to Chapter 718, Florida Statutes, called the Condominium Act in these By-Laws, which condominium is by the name Regency Towers Condominium (Regency Towers) and is located upon the following land in Escambia County, Florida:

That portion of the East 1/2 of Block 9, Santa Rosa Villas Subdivision, according to plat filed in Plat Book 7 at Pages 49 and 49A of the public records of Escambia County, Florida, described as follows:

Beginning at the Southeast corner of said Block 9; thence north 90°00' West, along the South line of said Block a distance of 228.00 feet; thence North 0°00' East, 34.00 feet; thence North 26°30' East, 62.75 feet; thence North 26°30' West, 126.88 feet; thence North 26°30' East, 95.62 feet; thence North 63°30' West, 20.00 feet; thence North 26°30' East, 40.00 feet; thence North 0°00' East, 110.00 feet; thence North 90°00' East, 214.00 feet to a point in the East line of said Block; thence South 0°00' East, along said East line, a distance of 440.00 feet to the point of beginning, containing 2.28045 acres, more or less, together with a non-exclusive easement for the purpose of ingress and egress over the following described property in Escambia County, Florida:

A 32 foot roadway in Block 9 of Santa Rosa Villas according to plat recorded in Plat Book 7 at page 49A of the public records of Escambia County, Florida, lying 16 feet on each side of the following centerline:

Begin at a point on the East line of said Block 9 which is 335 feet North of the Southeast corner of said Block; thence run due West 38 feet, 4 inches; thence due North and parallel to the East line of said Block 9 a distance of 402 feet more or less to the South right-of-way line of Via DeLuna (State Road 399, 120 feet right-of-way) which is the end of said centerline. *Ref. Bk. 2828, pg.16

1.1. The office of the association shall be 1600 Via DeLuna Drive, 108 East Tower, Pensacola Beach, Escambia County, Florida 32561.
1.2. The fiscal year of the association shall be the calendar year.

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

2. Members' Meetings.

2.1. The annual members' meeting shall be held during the month of April, date and location to be determined by the board of directors, of each year for the purpose of electing directors and transacting any other business authorized to be transacted by the members. The meeting shall be held within 45 miles of the condominium property.

2.2. Special members' meetings shall be held whenever called by the president or vice-president or by a majority of the board of directors, and must be called by such officers upon receipt of a written request from members entitled to cast one-third of the votes of the entire membership.

2.3. (a) Notice of all members' meetings stating the time and place and the objects for which the meeting is called shall be given by the President or Vice-president or Secretary. The notice must include an agenda, shall be mailed, hand delivered, or electronically transmitted to each unit owner at least 14 days prior to the annual meeting and shall be posted in a conspicuous place on the condominium property at least 14 continuous days preceding the annual meeting.

(b) Unit owners may waive notice of specific meeting and may take action by written agreement without meeting.

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

(d) Each unit owner is responsible for providing his or her current and updated mailing address, telephone number, and electronic transmission address to the association.

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

2.5. Voting.

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

2.6. Proxies.

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

(b) No voting interest or consent right allocated to a unit owned by the association shall be exercised or considered for any purpose, whether for a quorum, an election, or otherwise.

(c) No proxy, limited or general, shall be used in the election of board members. Limited proxies and general proxies may be used to establish a quorum.

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

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

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

3. Directors.

3.1. Membership. The affairs of the association shall be managed by a board of not less than three nor more than seven directors, the exact number to be determined at the time of the board of directors meeting which shall be held 35 to 39 days before the annual meeting. A person who is delinquent in the payment of any fee or assessment is not eligible to be a candidate for board membership.

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

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

b. Not less than 60 days before a scheduled election, the association shall mail, deliver, or electronically transmit, to each unit owner entitled to a vote, a first notice of the date of the election along with a certification form attesting that he or she has read and understands, to the best of his or her ability, the governing documents of the association, the provisions of Chapter 718, and any applicable rules and regulations. Any unit owner desiring to be a candidate for the board must give written notice to the association not less than 40 days before a scheduled election. Together with the written notice and agenda as set forth in subparagraph 2.8., the association shall mail, hand deliver, or electronically transmit a second notice of the election to all unit owners entitled to vote therein, together with a ballot that shall list all candidates. The association may include an information sheet, no larger than $8^{1/2}$ inches by 11 inches, which must be furnished by the candidate not less than 35 days before the election, along with the signed certification form provided for in this subparagraph, to be included with the mailing, delivery, or transmission of the ballot, with the costs of mailing, delivery, or electronic transmission and copying to be borne by the association. The association is not liable for the contents of the information sheets prepared by the candidates.

c. The election shall be by secret ballot and by a plurality of the votes cast, each person voting being entitled to cast his or her votes for each of as many nominees as there are vacancies to be filled. There shall be no quorum requirement; however, at least 20 percent of the eligible voters must cast a ballot in order to have a valid election of members of the board. There shall be no cumulative voting.

d. If the number of vacancies equals or exceeds the number of candidates, no election is required. If no person is interested in or demonstrates an intention to run for the position of a board member whose term has expired according to the provisions of subparagraph 3.2., such board member whose term has expired shall be automatically reappointed to the board of directors and need not stand for reelection.
e. Vacancies in the board of directors occurring between annual meetings of members shall be filled by the affirmative vote of the majority of the remaining directors. A board member appointed or elected under this section shall fill the vacancy for the unexpired term of the seat being filled.

f.1. Any member of the board of administration may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all the voting interests. A special meeting of the unit owners to recall a member or members of the board of administration may be called by 10 percent of the voting interests giving notice of the meeting as required for a meeting of unit owners, and the notice shall state the purpose of the meeting. Electronic transmission may not be used as a method of giving notice of a meeting called in whole or in part for this purpose.

f.2. If the recall is approved by a majority of all voting interests by a vote at a meeting, the board shall duly notice and hold a board meeting within 5 full business days of the adjournment of the unit owner meeting to recall one or more board members.

f.3. If the board fails to duly notice and hold a board meeting within 5 full business days of the adjournment of the unit owner recall meeting, the recall shall be deemed effective and the board members so recalled shall immediately turn over to the board any and all records and property of the association.

f.4. If a vacancy occurs on the board as a result of a recall or removal, the vacancy may be filled by the affirmative vote of a majority of the remaining directors.

f.5. A director or officer more than 90 days delinquent in the payment of any fee, or who has been absent for three consecutive meetings, shall be deemed to have abandoned their office, creating a vacancy in the office to be filled according to the by-laws.

3.3. Each of the directors shall hold office for staggered terms of two (2) consecutive years. For the purpose of implementing this staggered term provision, the three candidates receiving the highest number of votes for the seats to be vacated by the three sitting directors whose terms expire at the annual meeting of 2010 shall be elected for two year terms to expire at the annual meeting of 2012. The two candidates receiving the highest number of votes for the directorships to be vacated by the two sitting directors whose terms expire at the annual meeting of 2011 shall be elected for two year terms to expire at the annual meeting of 2013. In all subsequent elections, directors shall be elected to serve a term of two (2) years, which term shall expire at the annual meeting of the second year of the term, or until he or she is removed in the manner elsewhere provided. A director may be a candidate for a second consecutive term. A retiring director who has served two consecutive terms or their co-habitant cannot run for director or be appointed a director again until a year has passed since his or her last term.

3.4. Directors shall serve without compensation; and a director may not be an employee of the association.
4. Powers and Duties of the Board of Directors.

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

4.2. A member of the board of directors or a committee may submit in writing his or her agreement or disagreement with any action taken at a meeting that the 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.

4.3. When any of the board or committee members meet by telephone conference, those board or committee members attending by telephone conference may be counted toward obtaining a quorum and may vote by telephone. A telephone speaker must be used so that the conversation of those board or committee members attending by telephone may be heard by the board or committee members attending in person as well as by any unit owners present at a meeting.

5. Officers.

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

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

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

5.4. The secretary shall keep the minutes of all proceedings of directors and members. The secretary shall attend to the giving and serving of all notices to the members and directors and other notices required by law. He or she shall have custody of the seal of the association and affix it to instruments requiring a 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 secretary of an association and as may be required by the directors or the president.

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

5.6. The compensation of employees of the association shall be affixed by the directors.

6. Board of Directors' Meetings.

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

6.2. Regular meetings of the board of directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director and unit owner, by mail, hand delivery, or electronic transmission, which notice shall state the time, place and purpose of the meeting.

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

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

6.5. Joinder in meeting by written concurrence. A member of the board of directors may join by written concurrence in any action taken at a meeting of the board but such concurrence may not be used for the purposes of creating a quorum.

6.6. The presiding officer of the director's meeting shall be the president. In the absence of the president, the vice-president shall preside.

6.7. The order of business at directors' meetings as far as practical shall be:

a. Calling of the roll.
CERTIFICATE OF AMENDMENT TO AND RESTATEMENT OF THE BYLAWS OF REGENCY TOWERS CONDOMINIUM ASSOCIATION, INC.

The undersigned officer of Regency Towers Condominium Association, Inc. (hereafter "Association"), the corporation charged with the operation and control of Regency Towers, A Condominium, according to the Declaration of Condominium of Regency Towers, A Condominium, originally recorded at Book 767, Page 776 of the public records of Escambia County, Florida, amended by the instruments recorded at Official Records Book 912, Page 919, and Official Records Book 3771, Page 118 of the public records of Escambia County, Florida, hereby certifies that the following amendments to the Bylaws of Regency Towers Condominium Association, Inc. ("Bylaws"), recorded at Book 3771, Page 123 of the public records of Escambia County, Florida were proposed and approved by at least two thirds of the Board of Directors of the Association, and by a majority vote of the members of the Association at a membership meeting. The undersigned further certifies that the amendments were proposed and approved in accordance with the condominium documents and applicable law.

The following amendments constitute a substantial rewording of the Bylaws. See Exhibit "A" hereto for the amended text and Sections 2.1, 2.3, 2.5, 2.6, 3.1, 3.2, 3.3-3.12, 4.1, 4.2, 4.3, 6, 6.1-6.6, 7, 8, 8.1, 8.2 of the Bylaws recorded at Book 3771, Page 123 of the public records of Escambia County, Florida for present text.

The recitals set forth in these Amendments to the Bylaws of Regency Towers Condominium Association, Inc. are true and correct and are certified as such by the Board of Directors on October 17th, 2009.

REGENCY TOWERS CONDOMINIUM ASSOCIATION, INC.

By: Robert Wood, President

STATE OF FLORIDA
COUNTY OF ESCAMBIA

The foregoing instrument was acknowledged before me this 17th day of October, 2009, by Robert F. Wood, as president of Regency Towers Condominium Association, Inc., a Florida not for profit corporation.

NOTARY PUBLIC

[Stamp with expiration date]