

Original Copy

AMBASSADOR BEACH CONDOMINIUM

West Highway 98
Panama City Beach, Florida

DEVELOPERS

Cari N. Dykes and Wife, Bessalena K. Dykes.
Harold E. Dykes and Wife, Lynette S. Dykes

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



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SUMMARY

IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING A CONDOMINIUM UNIT

1. THIS PROSPECTUS (OFFERING CIRCULAR) CONTAINS MATTERS TO BE CONSIDERED IN ACQUIRING A CONDOMINIUM UNIT.
2. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS AND SALES MATERIALS.
3. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. REFER TO THIS PROSPECTUS (OFFERING CIRCULAR) AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.
4. THE CONDOMINIUM IS CREATED AND BEING SOLD ON A FEE SIMPLE BASIS.
5. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING DUE FOR THE USE, MAINTENANCE, UPKEEP, OR REPAIR OF THE RECREATIONAL OR COMMONLY USED FACILITIES. THE UNIT OWNER'S FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN.
6. THE DEVELOPER HAS THE RIGHT TO RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD.
7. UNITS WERE PREVIOUSLY OCCUPIED AS MOTEL UNITS.

DESCRIPTION OF THE CONDOMINIUM

CONDOMINIUM NAME: The name of the herein described condominium is Ambassador Beach Condominium.

CONDOMINIUM LOCATION: The Condominium is located at 15617 West Highway 98, Panama City Beach, Florida, on real property described in Exhibit No. "B" to the Declaration of Condominium, a copy of which is attached to the Declaration herein attached.

DESCRIPTION OF CONDOMINIUM PROPERTY:

1. The Condominium consists of a total of fifty (50) residential units and one (1) commercial (laundry unit) located in one (1) building that was constructed in two different phases. Units are either one (1) bedroom and one (1) bath, two (2) bedrooms and one (1) bath, or two (2) bedrooms and two (2) bath units. Most of the units contain kitchens. The number of bedrooms and bathrooms in each unit is as follows:

Cabanna Units:

Units C-3, C-5, C-7, C-11, C-13, C-15, C-17, C-19, C-21, C-23 and C-25	1 bedroom/1 bathroom 1 kitchen
Unit C-9	1 bedroom/1 bathroom
Units 102, 104, 202, 204, 303, and 305	1 bedroom/1 bathroom 1 kitchen
Units 106, 108, 206, 208, 307, 309, 110, 112, 210, 212, 311, 312, 114, 214, 315, 122, 124, 224, 226, 325, 327, 126, 128, 228, 230, 331, and 229	2 bedroom/1 bathroom 1 kitchen
Units 116, 216, and 317	2 bedroom/2 bathrooms 1 kitchen
Units 231 and 330 (partially completed units)	2 bedrooms/1 bathroom 1 kitchen

2. A Plot Plan and Survey of the Condominium can be located in Exhibit No. B, to the Declaration of Condominium.

3. The construction of the existing improvements was completed in 1973. The estimated latest date of completion of renovating and furnishing of the Condominium units is July 1, 1982. The estimated latest date of completion of the proposed twelve (12) units is June 15, 1985.

MAXIMUM NUMBER OF UNITS:

1. The maximum number of Units that will be contained in Ambassador Beach Condominium is fifty-one (51) units. It is anticipated that an additional twelve (12) units will be constructed and added to the building as set forth in the Plot Plan and Survey of the Condominium which can be located in Exhibit No. B of the Declaration of Condominium. After completion of the twelve (12) units the maximum number of units would be sixty-three (63) units and the number of units that would use the facilities of the Condominium would never exceed this maximum. The Developer will not spend any additional monies for enlargement of recreational facilities or adding new recreational facilities.

FEE SIMPLE TITLE

THE CONDOMINIUM IS CREATED AND IS BEING SOLD ON A FEE SIMPLE TITLE BASIS.

Until all Condominium Units in the Condominium are sold, the Developer contemplates a program of renting Units on a transient basis

as well as selling them. Except in unusual circumstances, the Developer intends to sell all Units in the Condominium. The Developer will submit the fee simple title to the Condominium Property to Condominium Ownership. There will be no leases underlying any of the Condominium Property.

RECREATIONAL FACILITIES

The recreational and other commonly used facilities of the Condominium consist of a pool, storage room, Manager's office, telephone room, and transformer room, metering room, coin laundry room the approximate size and location of which can be found in Exhibit No. C, to the Declaration of Condominium.

The pool can accommodate approximately thirty (30) persons at any given time. The pool is a maximum of eight (8) feet in depth and is not heated.

The Developer has committed a minimum of one thousand dollars (\$1,000.00) to purchase personal property for the Common Elements of the Condominium. The Developer will transfer to the condominium association, those items of personal property purchased by the Developer for the Condominium not later than August 1, 1982, or upon completion and sale of all Units in Ambassador Beach Condominium.

The Developer will make available to the owners the area of the laundry on the first floor, however, the laundry (unit 101) will not be owned by the association or owners.

There will be no recreational leases or mandatory club memberships associated with the Condominium.

Developer will not provide additional facilities other than those described above.

THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING DUE FOR THE USE, MAINTENANCE, UPKEEP, OR REPAIR OF THE RECREATIONAL OR COMMONLY USED FACILITIES. THE UNIT OWNER'S FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN.

The management of the association and maintenance and operations of the condominium will be by the Board of Directors of the Association.

DEVELOPER'S RIGHT TO RETAIN CONTROL OF THE ASSOCIATION

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

The laws of the State of Florida require that the Condominium be managed by a Condominium Association, a Corporation not-for-profit. Ambassador Beach Condominium Association, Inc., has been incorporated to serve as the Association for the Condominium. The Association consists of a Board of Directors, Officers and Unit Owners. The Board of Directors meets periodically in accordance with the requirements of the By-Laws of the Association, a copy of which is appended to this Prospectus as Exhibit E, for purposes of determining how the Condominium should be run.

Pursuant to Article XIV, of the By-Laws, the Developer shall be entitled to retain control of the Association until the Condominium Act including Section 718.301 requires the Developer to terminate his control of the Association or until the Developer elects to terminate their control of the Association and the Condominium operated by them, whichever occurs first.

RESTRICTIONS ON SALE, LEASE OR TRANSFER

There are no restrictions on the transfer of a Condominium Unit, however, THERE ARE RESTRICTIONS ON THE LEASING OR RENTING OF A CONDOMINIUM UNIT. (See Article IX of the Declaration of Condominium.)

RESTRICTIONS

The Association is given the right to promulgate certain rules and regulations periodically in order to control the operation and use of the Condominium Property. (See Article IX of the Declaration of Condominium).

There are no restrictions upon children or pets.

PHASE DEVELOPMENT

This Condominium will be part of a phase development. It is anticipated that twelve (12) additional units will be added to the Condominium as described in Exhibit No. "B" of the Declaration of Condominium and Exhibit "F" of the Declaration of Condominium.

UTILITIES AND SERVICES

Services and utilities for the Condominium have been arranged for by the Developer in the same manner as they have been provided for in other similar projects in Panama City Beach, Florida. The basic services and utilities are as follows:

- A. Water Service: Water is supplied by City of Panama City Beach, Florida.
- B. Electric Service: Electrical service is supplied by Gulf Power Company.
- C. Sewage Service: Sewage service will be provided by the City of Panama City Beach, Florida.
- D. Storm Drainage: Storm drainage will be provided by underground pipes that discharge drainage into the Gulf of Mexico.
- E. Telephone Service: Telephone service will be provided by Southern Bell Telephone Company.
- F. Garbage Service: Garbage service will be provided by M & O Sanitation Service.
- G. Cable Television: Cable television will be furnished by Jones Intercable.
- H. Other Services: Other services found to be required by all Owners individually or the Condominium as a whole, will be contracted for by the Board of Administration of the Association.

CONVERSION OF CONDOMINIUM

The Condominium was initially operated as a motel prior to being converted to Condominium Ownership.

The building is one structure although it was built in phases. The first phase of the building was completed in 1970 and the second phase was completed in 1973. The foundation consists of grade beams on pilings with reinforced concrete masonry units, party walls, and bearing walls.

Cabanna level floor is concrete slab, poured on waterproof membrane. First, second and third floors are reinforced structural concrete floor slabs. Roof on phase one building is a plywood paneled barrel roof with a vinyl skin. Phase two building has a reinforced concrete slab with a built-up roof.

All party walls are concrete masonry units, with filled cells. All front and rear unit walls are wood panels with exterior wood siding.

There is no termite damage or infestation to the improvements comprising the Condominium, and substantiated by the certificate of the certified Pest Control Operator contained in the statement of conversion conditions to this Prospectus as Exhibit No. "I".

The following components of the Condominium have been inspected:

1. Roof;
2. Heating and cooling systems;
3. Plumbing;
4. Electrical systems;
5. Swimming pool;
6. Seawalls;
7. Pavement; and
8. Drainage systems.

The age of each component, the estimated useful life of each component and the estimated current replacement cost of each component expressed as a total amount and as a per unit amount can be determined by reference to the inspection reports contained in the Statement of Conversion Conditions appended to this Prospectus as Exhibit H.

DETERMINATION OF COMMON EXPENSES, COMMON SURPLUS AND OWNERSHIP OF COMMON ELEMENTS

Each Owner of a Unit in the Condominium, in accordance with the terms of the Declaration of Condominium, is required to make maintenance payments to the Association. These funds are placed in a separate account by the Association and are used as required in order to pay the expenses of the Condominium.

The percentage of expenses which each Unit Owner must pay to the Association has been determined on a per unit basis. The apportionment of common expenses and ownership of the common elements has been determined by dividing the total square footage of the living area of each unit by the overall square footage which includes the total square footage of living area of all units plus the square footage of the units designated as the common area. Reference should be made to Exhibit No. J, of the Prospectus which specifies each Unit's share of the common elements and common expenses. Exhibit No. J sets forth the monthly maintenance fee for each Unit.

ESTIMATED OPERATING BUDGET

The estimated expenses of the Condominium are set forth on the proposed operating budget attached to this Prospectus as Exhibit No. K.

The Developer has guaranteed the estimated operating budget for a period of twelve (12) months from the date of the filing of the Declaration of Condominium.

ESTIMATED CLOSING EXPENSES

The Purchaser will pay for the recording of the Purchaser's deed and applicable required state stamps on the deed. Title insurance will be furnished to each Purchaser upon request and at the Purchaser's expense. In the event Purchaser is obtaining mortgage financing from the Developer, the Purchaser will be responsible for the costs of recording the mortgage as well as the applicable documentary stamps and intangible taxes. A copy of the schedule of estimated closing expenses is attached to this Prospectus as Exhibit No. N.

DESCRIPTION OF THE DEVELOPER

The Developers and chief operating officers of Ambassador Beach Condominium are Carl Nixon Dykes and wife, Bessalena K. Dykes and Harold E. Dykes and wife, Lynette S. Dykes. They will be directing the creation and sale of the Condominium. The Dykes have been motel operators on Panama City Beach for many years. The Developers and the chief operating officers do not have any experience in the condominium field.

DECLARATION OF CONDOMINIUM OWNERSHIP

OF

AMBASSADOR BEACH CONDOMINIUM

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EXHIBITS:

- A. Surveyors Certificate
- B. Legal Description, Site Plan, Building Plans
- C. Floor Plans
- D. Articles of Incorporation
- E. By-Laws
- F. Phase Units - Site Plans
- G. Consent of Mortgagee

HAROLD RAZI, CLERK OF CIRCUIT COURT, BAY COUNTY, FLORIDA

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FILED

DECLARATION OF CONDOMINIUM
OF
AMBASSADOR BEACH CONDOMINIUM
PANAMA CITY BEACH, FLORIDA

MADE THIS 18th day of May, 1982, by Carl N. Dykes, Harold E. Dykes, Bessalena K. Dykes and Lynette S. Dykes, herein called the "Developer", for their successors, grantees, heirs and personal representatives.

WHEREIN, the Developer makes the following declarations:

1. PURPOSE. The purpose of this Declaration is to submit the lands described in this instrument and the improvements on such lands to the condominium form of ownership and used in the manner provided by Chapter 718, Florida Statutes, 1981, hereinafter called the "Condominium Act".

A. Name and Address. The name by which this condominium is to be identified is Ambassador Beach Condominium hereinafter called "the condominium", and the condominium's address is 15617 West Highway 98, Panama City Beach, Florida, 32407.

B. The Land. The lands owned by the Developer, which by this instrument are submitted to the condominium form of ownership, are the following described lands lying in Bay County, Florida, more particularly described as:

Commencing at the point of intersection of the West boundary line of U. S. Government Lot 3 in Section 20, Township 3 South, Range 16 West, Bay County, Florida and the Southerly R/W Line of U. S. Highway 98; thence run Southeasterly along the Southerly R/W Line of U. S. Highway 98 a distance of 100 feet for a Point of Beginning; thence to the right run South on a line parallel with the West boundary line of U. S. Government Lot 3, to the waters edge of the Gulf of Mexico; thence to the left Southeasterly along the meandering line of the waters edge to the Gulf of Mexico to the point of intersection, formed by extending the Eastern boundary line of Lot 8, Block A, Edge Water Beach as per Plat thereof Recorded in Plat Book 2, Page 7, of the Public Records of Bay County, Florida, to the waters of the Gulf of Mexico; thence to the left following said extended boundary of Lot 8, Block A to the South R/W Line of U. S. Highway 98; thence to the left along the said South boundary line of U. S. Highway 98 to the Point of Beginning. Subject to a 5 foot wide Private Easement along the West Side thereof.

Subject to an easement for a private right of way reserved by Developer for themselves, their heirs or assigns. Said easement is described as follows:

A 5 Foot Wide Private Easement: The West 5 feet of the following described property; Commencing at the point of intersection of the West boundary line of U. S. Government Lot 3 in Section 20, Township 3 South, Range 16 West, Bay County, Florida and the Southerly R/W Line of U. S. Highway 98; thence run Southeasterly along the Southerly R/W Line of U. S. Highway 98 a distance of 100 feet for a Point of Beginning; thence to the right run South on a line parallel with the West boundary line of U. S. Government Lot 3, to the waters edge of the Gulf of Mexico; thence to the left Southeasterly along the meandering line of the waters edge of the Gulf of Mexico to the point of intersection, formed by extending the Eastern boundary line of Lot 8, Block A, Edge Water Beach as per Plat thereof recorded in Plat Book 2, Page 7, of the Public Records of Bay County, Florida, to the waters of the Gulf of Mexico; thence to the left following said extended boundary of Lot 8, Block A, to the South R/W Line of U. S. Highway 98; thence to the left along the said South boundary line of U. S. Highway 98 to the Point of Beginning.

The above right of way easement is for the benefit of and as an easement appurtenant to the following described land:

Lots Three (3), Four (4), Five (5), Six (6), Seven (7), and Eight (8), Block "A", according to plat of Edge Water Beach on file in Plat Book 2, Page 7, the Office of the Clerk of the Circuit Court, Bay County, Florida.

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

A. Apartment or unit means unit as defined by the Condominium Act.

B. Apartment Owner or Unit Owner means the unit owner as defined by the Condominium Act.

C. Association means Ambassador Beach Owners Association, Inc., a non-profit Florida Corporation, and its successors.

D. Common Elements shall include only such land as may be from time to time expressly submitted to this Declaration as Condominium property; and shall include such tangible personal property as may be required for the maintenance and operation of the condominium property, even though such may be owned solely in the name of the Association; and shall include those items stated in the Condominium Act.

E. Common Expenses shall include expenses of administration; expenses of insurance; expenses of maintenance; operation, repair, replacement and betterment of the common elements and the portions of the apartment to be maintained by the Association; expenditures or amounts of assessments by the Association for payment of costs that are the responsibility of an apartment owner, including but not limited to costs of repair of damage to an apartment in excess of insurance proceeds, and the costs of insurance upon an apartment; expenses declared common by provisions of this Declaration, and the Association's By-Laws; and any valid charge against the condominium as a whole.

F. Condominium means all the condominium property as a whole when the context so permits as well as the meaning stated in the Condominium Act.

G. Institutional Mortgagee means a bank, savings and loan association, an insurance company, a pension fund,

a real estate investment trust, a mortgage banker, Federal National Mortgage Association, Government National Mortgage Association and Federal Home Loan Mortgage Corporation or other like business entity holding a mortgage on an apartment.

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

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

3. AMBASSADOR BEACH CONDOMINIUM. The subject condominium is described and established as follows:

A. Certificate of Surveyor. A certificate of a surveyor authorized to practice in the State of Florida, is set forth in Exhibit "A" attached hereto and made a part hereof stating that the construction of the improvements is substantially complete so that the survey and plans described in Section B hereof, together with the provisions of the Declaration describing the Condominium Property, is an accurate representation of the location and dimensions of the improvements and that the identification, location and dimensions of the Common Elements and of each unit can be determined therefrom.

B. Survey. The survey of the land showing the improvements on it is attached as Exhibit "B".

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

D. Amendment of Plans.

(1) Alteration of Plans. Developer reserves the right to change the interior design and arrangement of

all apartments, and to alter the boundaries between the apartments, as long as Developer owns the apartments so altered. The Developer reserves the right to add twelve (12) condominium units as shown in Exhibit "B", Page 2. If Developer shall make any changes in apartments so authorized or adds condominium units, such changes shall be reflected by amendment of this Declaration. Adding phases to a condominium shall not require the execution of such amendments or consents thereto by unit owners other than Developer, unless the amendment permits the creation of time-share estates in any unit of the additional phase of the condominium and such creation is not authorized by the original declaration.

E. Easements.

(1) Utility Easements. Easements are reserved through the condominium property as may be required for utility service to serve the condominium adequately; provided, however, such easements to 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.

(2) Ingress and Egress Easement. Each apartment owner of the condominium shall have a non-exclusive easement for ingress and egress between said apartment and the public roads and streets serving the condominium, over the halls, corridors, stairs, walks, driveways, roads, parking areas, exterior access and other portions of the common elements of the condominium.

(3) Easements as Appurtenances. The easements and other rights created herein for an apartment owner shall be appurtenant to the apartment of that owner and all conveyances of title to the apartment shall include a conveyance of the easements and rights as are herein provided,

even though no specific reference to such easements and rights appear in any such instrument.

F. 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:

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

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

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

(2) Perimetrical Boundaries. The perimetrical boundaries of the apartment shall be the vertical planes of the undecorated finished interior of the walls bounding the apartment extended to intersections with each other and with the upper and lower boundaries. When there is attached to the building a balcony, deck, porch, canopy, stairway or other portion of the building serving only the apartment being bounded, the perimetrical boundaries shall be extended to include 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 porches or patios serving such apartment, if any.

G. Common Elements. The common elements include the land and all of the parts of the condominium not within the apartments.

H. Additional Condominium Units - Phase Construction.

(1) The Developer plans to construct twelve (12) additional condominium units adjoining the west side of the building as shown in attached Exhibit "B" Page 2. The additional twelve (12) units will be constructed on land as shown in Exhibit "B", and "F".

(2) The size of each unit will be generally the size of the units 102, 104, 106, 108 described in Exhibit "C".

(3) The additional twelve (12) units will share and own the recreation area facilities with the other unit owners. Developer does not anticipate the building of any additional recreation facilities.

(4) Each new condominium unit will be entitled to one (1) vote the same as provided in Paragraph 4.C.(3) of this Declaration.

(5) The anticipated date of completion of construction of the proposed twelve (12) condominium units is June 1, 1987.

(6) The undivided share for each unit in the common elements and ownership in the association after the addition of twelve (12) units is as follows:

<u>Unit Numbers</u>	<u>Undivided Share</u>
Unit No. 101 (laundry)	1.42%
Unit No. C-3	1.21%
Unit No. C-5	1.39%
Unit No. C-7	1.59%
Unit No. C-9	1.00%
Unit No. C-11	1.21%
Unit No. C-13	1.21%
Unit No. C-15	1.21%
Unit No. C-17	1.21%
Unit No. C-19	1.24%
Unit No. C-21	1.21%
Unit No. C-23	1.21%
Unit No. C-25	1.21%
Unit No. 102	1.24%
Unit No. 104	1.40%
Unit No. 106	1.62%
Unit No. 108	1.76%
Unit No. 110	1.56%
Unit No. 112	1.56%
Unit No. 114	1.56%
Unit No. 116	2.81%
Unit No. 122	1.74%
Unit No. 124	1.55%
Unit No. 126	1.56%
Unit No. 128	1.56%
Unit No. 202	1.24%
Unit No. 204	1.40%
Unit No. 206	1.62%

8.5

Unit No. 208	1.76%
Unit No. 210	1.56%
Unit No. 212	1.56%
Unit No. 214	1.56%
Unit No. 216	2.81%
Unit No. 224	1.74%
Unit No. 226	1.55%
Unit No. 228	1.56%
Unit No. 230	1.56%
Unit No. 231	2.52%
Unit No. 303	1.24%
Unit No. 305	1.40%
Unit No. 307	1.62%
Unit No. 309	1.76%
Unit No. 311	1.56%
Unit No. 313	1.56%
Unit No. 315	1.56%
Unit No. 317	2.81%
Unit No. 325	1.74%
Unit No. 327	1.55%
Unit No. 329	1.56%
Unit No. 331	1.56%
Unit No. 330	3.31%
Unit No. A (not constructed)	1.24%
Unit No. B (not constructed)	1.41%
Unit No. C (not constructed)	1.62%
Unit No. D (not constructed)	1.76%
Unit No. E (not constructed)	1.24%
Unit No. F (not constructed)	1.41%
Unit No. G (not constructed)	1.62%
Unit No. H (not constructed)	1.76%
Unit No. I (not constructed)	1.24%
Unit No. J (not constructed)	1.41%
Unit No. K (not constructed)	1.62%
Unit No. L (not constructed)	1.76%

4. THE APARTMENT. The apartments of the condominium are described more particularly and the rights and obligations of their owners established as follows:

A. Apartment Plans. The apartment floor plans are described in detail on the graphic description of the improvements attached as Exhibit "C".

B. Apartment Numbers. The apartments of the condominium are identified by the numbers attached hereto as Exhibit "C".

C. Appurtenances to Apartments. The owner of each apartment shall own a share and certain interest in the condominium property, which share and interest is appurtenant to the several apartments as:

(1) Common Elements and Common Surplus. The undivided share in the common elements appurtenant to each unit is as follows:

<u>Unit Numbers</u>	<u>Undivided Share</u>	
Unit No. C-3	1.49%	372.50
Unit No. C-5	1.70%	425.00
Unit No. C-7	1.94%	485.00
Unit No. C09	1.16%	290.00
Unit No. C-11	1.49%	372.50
Unit No. C-13	1.49%	372.50
Unit No. C-15	1.49%	372.50
Unit No. C-17	1.49%	372.50
Unit No. C-19	1.51%	377.50
Unit No. C-21	1.49%	372.50
Unit No. C-23	1.49%	372.50
Unit No. C-25	1.49%	372.50
Unit No. 101 (laundry)	1.73%	432.50
Unit No. 102	1.51%	377.50
Unit No. 104	1.72%	430.00
Unit No. 106	1.98%	495.00
Unit No. 108	2.14%	535.00
Unit No. 110	1.90%	475.00
Unit No. 112	1.90%	475.00
Unit No. 114	1.90%	475.00
Unit No. 116	3.44%	860.00
Unit No. 122	2.13%	532.50
Unit No. 124	1.89%	472.50
Unit No. 126	-1.89%	472.50
Unit No. 128	-1.90%	475.00
Unit No. 202	1.51%	377.50
Unit No. 204	1.72%	430.00
Unit No. 206	1.98%	495.-
Unit No. 208	2.14%	535.-
Unit NO. 210	1.90%	475.-
Unit No. 212	1.90%	475.-
Unit No. 214	1.90%	475.-
Unit No. 216	3.44%	860.-
Unit No. 224	2.13%	532.50
Unit No. 226	1.89%	472.50
Unit No. 228	-1.89%	472.50
Unit No. 230	-1.90%	475.-
Unit No. 231 - Office	3.09%	772.50
Unit No. 303	1.51%	377.50

Unit No. 305	1.72% 430
Unit No. 307	1.98% 495-
Unit No. 309	2.14% 535
Unit No. 311	1.90% 475-
Unit No. 313	1.90% 475
Unit No. 315	1.90% 475
Unit No. 317	3.44% 860
Unit No. 325	2.13% 532.50
Unit No. 327	1.89% 472.50
Unit No. 329	1.89% 472.50
Unit No. 330	4.05% 1,012.50
Unit No. 331	1.90% 475

(2) 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.

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

D. Liability for Common Expense. 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 as described in Paragraph 4.C.(1).

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

(1) Apartments.

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

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

(2) All conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services contained in the portion 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 portions of an apartment which are damaged as a result of a casualty for which the Association has secured insurance coverage.

(4) All incidental damage caused to an apartment by such work shall be repaired promptly at the expense of the Association;

(5) Provided that the Association shall have authority to require apartment owners at their expense to maintain, repair and replace screens and glass for windows and doors within their respective apartments except in case of damage for which insurance proceeds are paid under policies purchased by 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, or, in the event of damage resulting from casualty, that portion for which the Association has secured insurance coverage. Such shall be done without disturbing the rights of other apartment owners.

(2) Except in the event of damage resulting from casualty for which the Association has secured insurance coverage, the portions of an apartment to be maintained, repaired and replaced by an apartment owner at his expense shall include but not be limited to the following: heating and cooling equipment, serving each individual apartment; service equipment such as garbage disposal, or dishwasher, if any, refrigerator, oven and stove, whether or not built in; interior fixtures such as electrical and plumbing fixtures; floor coverings except the floor slab; and inside paint and other inside wall finishes.

(3) Not to paint or otherwise decorate or change the appearance of any portion of the

exterior of any apartment building, including any balcony, porch, patio or similar facility whether a part of the apartment or not, in any manner whatsoever without the prior written consent of the Board of Directors of the Association, including installation of television antennas.

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

(c) Alteration and Improvement. Except as elsewhere reserved to Developer, neither any apartment owner nor the Association shall make any alteration in the portions of any apartment building that are to be maintained by the Association, or remove any portion of such, or make any additions to them, or to do anything that would jeopardize the safety or soundness of the 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. The Association may require that a copy of plans of all such work prepared by an architect licensed to practice in this state shall be filed with the Association prior to the start of work.

(d) Proviso. Developer shall be allowed to alter portions of the apartment building to construct proposed units as described in Exhibit "B".

(2) Common Elements.

(a) By the Association. The maintenance and operation of the common elements shall be the responsibility of the Association and a common expense of this condominium.

(b) Alteration and Improvement. 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 two-thirds (2/3) of the common elements except as provided by By-Laws. Any such alteration or improvement shall not interfere with the rights of any apartment owner without their consent. The costs of such work shall

not be assessed against an institutional mortgagee that acquires its title as a result of owning a mortgage upon the apartment owned, unless such owner shall approve the alteration or improvement, and this shall be so whether title is acquired by deed or from mortgagor or through foreclosure proceedings. The share of any costs not so assessed shall be assessed to the other apartment owners in the share that their shares in the common elements bear to each other. There shall be no change in the shares of rights of an apartment owner in the common elements altered or further improved, whether or not the apartment owner contributes to the costs of such alteration or improvements.

5. 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:

A. Share of Common Expenses. Each apartment owner shall be liable for a proportionate share of the common expenses and shall share in the common surplus, such share being the same as the undivided share in the common elements appurtenant to his apartment as described in paragraph 4.C.(2).

B. Liability of Developer. The Developer shall pay regular maintenance assessments on all unsold units commencing on the first day of the calendar month following the month in which the closing of the purchase and sale of the first unit occurs based upon the original budget adopted by the Association.

C. Interest; Application of Payment. Assessments and installments on such assessments paid on or before ten (10) days after the date when due shall not bear interest, but all sums not paid on or before ten (10) days after the date when due shall bear interest at the rate of twelve percent (12%) per annum from the date when due until paid. All payments upon accounts shall be first applied to interest and then to the assessment payment first due.

D. Lien for Assessments. Each apartment shall be subject to a lien in favor of the Association for unpaid assessments which shall also secure reasonable attorney's fees, including but not limited to, fees for appellate court representation, incurred by the Association incident to the collection of such assessments or enforcement of such lien. All such liens shall be effective from and after recording a claim of lien in the public records of Bay County, Florida, stating the description of the Condominium parcel, the name of the record owner, the amount due and the due dates.

E. 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 assessment of such lien.

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

A. Articles of Incorporation. A copy of the Articles of Incorporation of the Association is attached and made a part hereof as Exhibit "D".

B. The By-Laws. The By-Laws of the Association shall be the By-Laws of the condominium, a copy of which is attached and made a part hereto as Exhibit "E".

C. Limitation upon Liability of Association. Notwithstanding the duty of the Association to maintain and repair parts of the condominium property, the Association shall not be liable to apartment owners for injury or damage, other than the cost of maintenance and repair, caused by any latent conditions of the property to be maintained and repaired by the Association, or caused by the elements or other owners or persons.

D. Restraint Upon Assignment of Shares in Assets. The share of members in the funds, assets and property rights of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his apartment.

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

A. 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 apartment owners, without naming them, and as agent for their mortgagees. Provision shall be made for the issuance of mortgagee endorsements and memoranda of insurance to the mortgagees of apartment owners. Such policies shall provide that payments by the insurer for losses shall be made to the Association or if required by the holder of a first mortgage on one of the apartments, an insurance trustee designated by the Association, and all policies and their endorsements shall be deposited with the Association, or if applicable, the insurance trustee. Apartment owners may obtain coverage at their own expense upon their personal property and for their personal liability and living expense.

B. Coverage.

(1) Casualty. All buildings and improvements upon the land (but not including site work and landscaping) shall be insured in an amount equal to the maximum insurable replacement value and all personal property included in the common elements shall be insured for its value, all as determined annually by the Board of Directors of the Association with such deductible clauses required to obtain coverage at a reasonable cost. Such coverage shall afford protection against:

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

(b) Such other risks as from time to time shall be customarily covered with respect to buildings on the land, including but not limited to vandalism and

malicious mischief, windstorm and flood insurance, where applicable.

(c) Insurance policies providing casualty coverages pursuant to 7.1.B (1)(a) and (b) above shall provide that the word "building" wherever used in the policy shall include, but shall not necessarily be limited to, fixtures, installations, or additions comprising that part of the building within the unfinished interior surfaces of the perimeter walls, floors and ceilings of the individual apartments initially installed or replacements thereof, in accordance with the original plans and specifications. With respect to the coverage provided for by this paragraph, the apartment owners shall be considered additional insureds under the policy. Further, such policies, when appropriate and possible, shall waive the insurer's right to (a) subrogation against the Association and against the apartment owners individually and as a group (b) benefit of the pro rata clause that reserves to the insurer the right to pay only a fraction of any loss if other insurance have issued coverage on the same risk and (c) avoid liability for a loss that is caused by an act of the Board of Directors of the Association or a director or one or more apartment owners.

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

(3) Workmen's Compensation. Workmen's Compensation policy to meet the requirements of law.

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

C. Premium. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a common expense of this condominium; provided, however, that any apartment owner who shall use or maintain his apartment in such manner as to cause a greater insurance

premium to be assessed than would have been assessed if he had used his apartment as other apartment owners, then said apartment owner shall be liable for and pay a special assessment in an amount equal to the increased premium cost caused by his maintenance or use of his apartment.

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

(1) Apartment Owners. An undivided share for each apartment owner; such share being the same as the undivided share in the common elements appurtenant to his apartment.

(2) 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 interest may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any

damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distribution of such proceeds made to the apartment owner and mortgagee pursuant to the provisions of this Declaration.

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

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

8. RECONSTRUCTION OR REPAIR AFTER CASUALTY.

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

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

(2) Apartment Building.

(a) Lesser Damage. If the damaged improvement is the apartment building and if apartments to which one-third (1/3) or more of the common elements are appurtenant are found by the Board of Directors of the Association to be untenable, the damaged property shall be

reconstructed or repaired unless within sixty (60) days after the casualty it is determined by agreement in the manner elsewhere provided that the condominium shall be terminated.

(b) Major Damage. If the damaged improvement is the apartment building and if apartments to which less than one-third (1/3) of the common elements are appurtenant are found by the Board of Directors to be tenable, then the damaged property will not be reconstructed or repaired and the condominium will be terminated without agreement as elsewhere provided, unless within sixty (60) days after the casualty the owners of seventy-five percent (75%) of the common elements agree in writing to such reconstruction or repair.

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

B. Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original building; or if not, then according to plans and specifications approved by the Board of Directors of the Association, and if the damaged property is the apartment buildings, by the owners of not less than seventy-five percent (75%) of the common elements, including the owners of all damaged apartments, which approval shall not be unreasonably withheld.

C. Responsibility. If the damage is not the result of a casualty for which the Association has secured insurance coverage and is only to those parts of one 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.

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

E. Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, or if at any time during reconstruction and repair by the Association, or upon completion of reconstruction and repair, the funds for the payment of the costs of reconstruction and repair are insufficient, assessment shall be made against all apartment owners in sufficient amounts to provide funds for the payment of such costs. Such assessments shall be in proportion to the owner's share in the common elements.

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

(1) Association. If the total 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 \$10,000.00, then the sums paid upon such assessments shall be deposited by the Association with the insurance trustee, if one has been designated. In all other cases the Association shall hold the sums paid upon such assessments and disburse them in payment of the costs of reconstruction and repair.

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

(a) Association-Lesser Damage. If the amount of the estimated costs of reconstruction and repair that is the responsibility of the Association is less than \$10,000.00, then the construction fund shall be disbursed in payment of such costs upon the order of the Association; provided, however, that upon request of a mortgagee that is a beneficiary of an insurance policy the proceeds of which are included in the construction fund, such funds shall be disbursed in the manner provided for the reconstruction and repair of major damage.

(b) Association - Major Damage. If the amount of the estimated costs of reconstruction and repair that is the responsibility of the Association is more than \$10,000.00, then the construction fund shall be disbursed in payment of such costs in the manner required by the Board of Directors of the Association upon approval of an architect qualified to practice in Florida and employed by the Association to supervise the work.

(c) 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 Association or 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 be advised.

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

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

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

A. Apartments. Each of the apartments shall be occupied only as a residence either permanent or transient and for no other purpose. 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 Declaration to show the changes in the apartment to be affected.

B. Common Elements. The common elements shall be used only for the purpose for which they are intended in the furnishing of services and facilities for the enjoyment of the apartments.

by its Articles of Incorporation and By-Laws. Copies of such regulations and amendments shall be furnished by the Association to all apartment owners and residents of the condominium upon request.

G. Proviso. Provided, however, that until Developer has closed the sales of all the apartments of the condominium, neither the apartment owner nor the Association shall make any use of the condominium property which shall interfere with any rehabilitation of condominium property and the sale of the apartments. Developer may make such use of the unsold apartments and common areas as may facilitate such rehabilitation and sale, including but not limited to repair and maintenance of the property, the showing of the property and the display of signs. Further, Developer reserves the right to inconvenience apartments owners and tenants during any rehabilitation, repair, maintenance, and landscaping work with respect to noise, dust and temporary cessation of utility services. The furniture and furnishings in any model apartment, signs and all items pertaining to sales shall not be common elements and shall remain the property of the Developer. The Developer shall have the absolute right to rent or lease unsold condominium apartments without regard to any restrictions or limitations. Any tenant under any lease heretofore, or hereafter entered into by Developer shall have full occupancy rights in accordance with their lease and shall have the right to use and enjoy on a non-exclusive basis the common elements of the Condominium without any costs or expense, except as may be provided under his lease with the Developer.

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

Failure of an apartment owner to comply with such documents and regulations shall entitle the Association or other apartment owners to the following relief in addition to the remedies provided by the Condominium Act:

A. 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 guest, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. 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.

B. Fines. The Board of Directors of the Association may upon notice and hearing before said Board, fine, assess and charge any offending member a sum not to exceed \$150.00 for each infraction of the provisions of this Declaration, the Articles, By-Laws or rules and regulations of the Association. Any such fines shall constitute a lien against the apartment owned or occupied by the violator unless paid within ten (10) days of the date assessed.

C. Costs and Attorney's 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 attorney's fees as may be awarded by the Court.

D. No Waiver of Rights. The failure of the Association or any apartment owner to enforce any covenant, restriction or other provision of the Condominium Act, this

Declaration, the Articles of Incorporation of the Association, the By-Laws or Regulations shall not constitute a waiver of the right to do so thereafter.

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

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

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

(1) Not less than two-thirds (2/3) of the votes of the entire membership of the Association, or

(2) Until the election of a majority of Directors by apartment owners other than the Developer, only by all of the Directors, provided the amendment does not increase the number of apartments nor alter the boundaries of the common elements.

C. Proviso. Provided, however, that no amendment shall discriminate against any apartment owner nor against any apartment or class or group of apartments, unless the apartments 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 mortgage on such apartment shall join in the execution of the amendment. Neither shall an amendment make any change in the section entitled "Insurance"

nor in the section entitled "Reconstruction or Repair After Casualty" unless the record owners of all mortgages upon the condominium shall join in the execution of the amendment.

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

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

A. 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.

B. 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 and the notice of the meeting gives notice of the proposed termination, and if the approvals of the owners of not less than seventy percent (70%) of the common elements and of the record owners of all mortgages upon the apartments are obtained in writing not later than thirty (30) days from the date of such meeting, then the approving owners shall have an option to buy all of the apartments of other owners for the period ending on the sixtieth (60th) day from the date of such meeting. Such approval shall be irrevocable until the expiration of the option, and if the option is exercised, the approvals shall be irrevocable. The option shall be upon the following terms:

(1) Exercise of Option. The option shall be exercised by delivery or mailing by registered mail to each

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

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

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

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

C. Certificate. The termination of the condominium in either of the foregoing manners shall be evidenced by a certificate of the Association executed by its president and secretary certifying as to facts effecting the termination, which certificate shall become effective upon being recorded in the public records of Bay County, Florida.

D. 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.

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

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

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

WITNESSES:

Steve Trappe
Sherry Creel

Carl N. Dykes
Carl N. Dykes

Steve Trappe
Sherry Creel

Harold E. Dykes
Harold E. Dykes

Steve Trappe
Sherry Creel

Bessalena K. Dykes
Bessalena K. Dykes

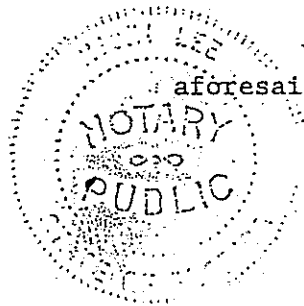
Steve Trappe
Sherry Creel

Lynette S. Dykes
Lynette S. Dykes

STATE OF FLORIDA
COUNTY OF BAY

BEFORE ME, the undersigned authority, personally appeared Carl N. Dykes, Harold E. Dykes, Bessalena K. Dykes, and Lynette S. Dykes, to me well known to be the persons described in and who executed the foregoing Declaration of Condominium and acknowledged that they executed the same for the uses and purposes therein expressed.

WITNESS my hand and official seal in the County and State last aforesaid this 18 day of May, 1982.



Micki Lee
Notary Public

My Commission Expires:

NOTARY PUBLIC, STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES FEBRUARY 1983

State of Florida



Department of State

I certify that the attached is a true and correct copy of the Articles of Incorporation of
AMBASSADOR BEACH OWNERS ASSOCIATION, INC.

filed on May 25, 1982.

The Charter Number for this corporation is 763425.



CORP 104 Rev. 5-79

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
25th day of May, 1982.

George Firestone
Secretary of State

EXHIBIT "D" TO DECLARATION

FILED

1982 MAY 25 AM 9:04

ARTICLES OF INCORPORATION

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

OF

AMBASSADOR BEACH OWNERS ASSOCIATION, INC.

The undersigned, by these Articles associate themselves for the purpose of forming a corporation not for profit under Chapter 617, Florida Statutes, 1981, and certify as follows:

ARTICLE I

NAME. The name of the corporation shall be "Ambassador Beach Owners Association, Inc.," hereinafter referred to as the "Association".

ARTICLE II

PURPOSE. The purpose for which the Association is organized is to provide an entity pursuant to the Condominium Act, which is Chapter 718, Florida Statutes, 1981, for the operation, management, maintenance and control of Ambassador Beach Condominium, hereinafter referred to as the "condominium". The Association shall make no distributions of income to its members, directors or officers.

ARTICLE III

SUBMISSION TO JURISDICTION. A condominium shall be deemed to be submitted to the jurisdiction of the Association if the Declaration of Condominium of the condominium provides that the operation of the condominium shall be by the Association. Community Property shall be deemed to be submitted to the jurisdiction of the Association if a Community Property Agreement to which the Association is a party provides for a non-exclusive grant of easement, use, rights and benefits to the Association and such Community Property Agreement is recorded in the Public Records of Bay County, Florida.

ARTICLE IV

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

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

EXHIBIT "D" TO DECLARATION

condominium operated by the Association.

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

(1) To hold title to and own fee simple or other lesser interest in real, personal or mixed property, wherever situated.

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

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

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

(5) To purchase insurance upon the property of the condominium operated by the Association or the property of the Association and insurance for the protection of the Association and its members as apartment owners.

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

(7) To make and amend the reasonable regulations respecting the use of the condominium property or property operated by the Association or the property of the Association.

(8) To approve or disapprove the transfer, mortgage and ownership of the apartments as may be provided by the

by the Declaration of Condominium of the condominium operated by the Association and by the By-Laws.

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

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

(11) To contract with Harold E. Dykes, Lynette S. Dykes, Carl N. Dykes and Bessalena K. Dykes, in which they might have any financial interest.

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

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

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

(C) The Association shall have all the powers and duties set forth in any Community Property Agreement to which the Association is a party and as the same may be amended from time to time.

(D) All funds and the title of all properties acquired by the Association and their proceeds shall be held in trust for the

members in accordance with the provisions of the Declaration of Condominium of the condominium operated by the Association and by the By-Laws of the Association.

(E) The powers of the Association shall be subject to and be exercised in accordance with the provisions of the Declaration of Condominium of the condominium operated by the Association and by the By-Laws of the Association. With respect to Community Property, the powers of the Association shall be subject to and be exercised in accordance with the provisions of any such Community Property Agreement to which the Association is a party, as the same may be amended from time to time.

ARTICLE V

MEMBERS.

(A) The members of the Association shall consist of the subscribers to these Articles of Incorporation and all of the record owners of apartments in such condominiums as may, from time to time, be submitted to the jurisdiction of the Association and after termination of any such condominium, shall consist of those who are members at the time of such termination and their successors and assigns.

(B) After receiving approval of the Association required by the Declaration of Condominium of the condominium operated by the Association, change of membership in the Association shall be established and recorded in the public records of Bay County, Florida by a deed or other instrument establishing a record title to 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.

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

(D) The owner of each apartment shall be entitled to at least one (1) vote as a member of the Association. The exact number of votes to be cast by owners of an apartment and the manner

of exercising voting rights shall be determined by the By-Laws of the Association.

ARTICLE VI

DIRECTORS.

(A) The affairs of the Association will be managed by a Board consisting of not less than three (3) directors not more than nine (9) directors, the exact number to be determined at the time of the election. Directors need not be members of the Association.

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

(C) The first election of Directors shall not be held until required by the Condominium Act, including Section 718.301 thereof, or until the Developer elects to terminate their control of the Association and the condominium operated by them, whichever occurs first. The directors named in these Articles shall serve until the first election of directors and any vacancies in their number occurring before the first election shall be filled by the remaining directors, and if there are not remaining directors, such vacancies shall be filled by the Developer.

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

<u>NAME</u>	<u>ADDRESS</u>
Carl N. Dykes	15617 W. Highway 98 Panama City Beach, Florida 32407
Harold E. Dykes	15617 W. Highway 98 Panama City Beach, Florida 32407
Bessalena K. Dykes	15617 W. Highway 98 Panama City Beach, Florida 32407
Lynette S. Dykes	15617 W. Highway 98 Panama City Beach, Florida 32407

ARTICLE VII

OFFICERS. The affairs of the Association shall be administered by the officers designated in the By-Laws. The officers shall be elected by the Board of Directors at its first meeting following the

annual meeting of the members of the Association and shall serve at the pleasure of the Board of Directors. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Carl N. Dykes President	15617 West Highway 98 Panama City Beach, Florida, 32407
Harold E. Dykes Vice-President	15617 West Highway 98 Panama City Beach, Florida, 32407
Bessalena K. Dykes Secretary	15617 West Highway 98 Panama City Beach, Florida, 32407
Lynette S. Dykes Treasurer	15617 West Highway 98 Panama City Beach, Florida, 32407

ARTICLE VIII

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

ARTICLE IX

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 X

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

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

(B) A resolution for the adoption of a proposed amendment may be proposed either by the Board of Directors or by the

members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing provided such approval is delivered to the secretary or assistant secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be by not less than two-thirds (2/3) of the vote of the entire membership of the Association.

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

(D) Provided, further, that no amendment shall abridge, limit or alter the rights reserved by or granted to Carl N. Dykes, Harold E. Dykes, Bessalena K. Dykes and Lynette S. Dykes, their successors or assigns, or any successor developer, by these Articles, the Declaration of Condominium of the condominium operated by the Association or by the By-Laws of the Association, including the right to submit additional condominiums to the jurisdiction of the Association, without the prior written consent of Carl N. Dykes, Harold E. Dykes, Bessalena K. Dykes, and Lynette S. Dykes, their successors or assigns, or a successor developer.

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

ARTICLE XI

REGISTERED AGENT AND OFFICE. The address of the corporation's registered office shall be 317 Magnolia Avenue, Panama City, Florida, and the name of its registered agent at said address shall be Stan Trappe.

ARTICLE XII

TERM. The term of the Association shall be perpetual.

ARTICLE XIII

SUBSCRIBERS. The name and address of the subscribers to these Articles of Incorporation are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Carl N. Dykes	15617 West Highway 98 Panama City Beach, Florida 32407

Harold E. Dykes	15617 W. Highway 98 Panama City Beach, Florida 32407
Bessalena K. Dykes	15617 W. Highway 98 Panama City Beach, Florida 32407
Lynette S. Dykes	15617 W. Highway 98 Panama City Beach, Florida 32407

IN WITNESS WHEREOF, the subscribers have affixed their signatures this 18 day of May, 1982.

Carl N. Dykes
Carl N. Dykes

Harold E. Dykes
Harold E. Dykes

Bessalena K. Dykes
Bessalena K. Dykes

Lynette S. Dykes
Lynette S. Dykes

STATE OF FLORIDA
COUNTY OF BAY

BEFORE ME, the undersigned officer, duly authorized to take acknowledgments and administer oaths, personally appeared Carol N. Dykes, Harold E. Dykes, Bessalena K. Dykes and Lynette S. Dykes, who, being by me first duly cautioned and sworn upon their oaths, depose and say that they signed the above Articles of Incorporation for the conditions and purposes therein stated.

SWORN TO AND SUBSCRIBED TO before me this the 18 day of May, 1982.

Micki Lee
Notary Public

My Commission Expires:

NOTARY PUBLIC, STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES FEBRUARY 10, 1985
BONDED BY INSURANCE CO. OF NORTH AMERICA

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

1982 MAY 25 AM 9:05

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

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

First-- That AMBASSADOR BEACH OWNERS 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 Panama City Beach, County of Bay, State of Florida, has named Stan Trappe located at 317 Magnolia Avenue, Panama City, Florida, 32401, City of Panama City, County of Bay, State of Florida, as its agent to accept service of process within this state.

ACKNOWLEDGMENT: (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 the act in this capacity, and agree to comply with the provision of said Act relative to keeping open said office.

BY: *Stan Trappe*
STAN TRAPPE
Resident Agent

STATE OF FLORIDA
COUNTY OF BAY

BEFORE ME, the undersigned officer, duly authorized to take acknowledgments and administer oaths, personally appeared STAN TRAPPE, who, being by me first duly sworn upon his oath, depose and say that he signed the above acknowledgement of Resident Agent for the conditions and purposes therein stated.

SWORN TO AND SUBSCRIBED before me this the 18 day of May, 1982.

Micki Lee
Notary Public

My Commission Expires:

(SEAL)

NOTARY PUBLIC, STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES FEBRUARY 10, 1987
BONDED BY INSURANCE CO. OF NORTH AMERICA

BY-LAWS

OF

AMBASSADOR BEACH OWNERS ASSOCIATION, INC.,
A corporation not for profit under the
laws of the State of Florida

1. Purpose. These are the By-Laws of Ambassador Beach Owners Association, Inc., called "Association" in these By-Laws, a corporation not for profit under the laws of the State of Florida. The Association has been organized for the purpose of providing for the operation, management, maintenance, control and administration of Ambassador Beach Condominium and is, with regard to such condominium, the legal entity created pursuant to Chapter 718, Florida Statutes, 1981, called the Condominium Act in these By-Laws.

2. Offices. The office of the Association shall be 15617 West Highway 98, Panama City Beach, Florida, 32407.

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

4. Seal. The seal of the corporation shall bear the name of the Association, the word "Florida" and the words "corporation not for profit", and the year of incorporation, 1982.

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

6. Special Meetings. Special meetings shall be held whenever allowed by the Condominium Act or called by the President or Vice-President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members entitled to cast one-half ($\frac{1}{2}$) of the votes of the entire membership.

7. Notice. Notice of all members meetings stating the time and place and the object for which the meeting is called shall be given by the President or Vice-President or Secretary unless waived in writing. Such notice shall be posted at a conspicuous place on the condominium property at least fourteen (14) days prior to the meeting and shall be in writing to each member at his address as it appears on the books of

the Association and shall be mailed not less than fourteen (14) days nor more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be by Post Office certificate of mailing. Notice of meeting may be waived before or after the meetings.

8. Quorum. 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 act of the members, except when approval by a greater number of members is required by the Declaration of Condominium of the condominium operated by the Association, the Articles of Incorporation of the Association or these By-Laws. In determining whether a quorum is present, proxies may be counted as persons present.

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

10. Multiple Ownership. If an apartment is owned by one (1) person, his right to vote shall be established by the record title to his apartment. If an apartment is owned by more than one (1) person, the person entitled to cast the vote for the apartment shall be designated by a certificate signed by all of the record owners of the apartment and filed with the Secretary of the Association. If an apartment is owned by a corporation, the person entitled to cast the vote for the apartment shall be designated by a certificate signed by the President or Vice-President and attested by the Secretary or Assistant Secretary of the corporation and filed with the Secretary of the Association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or a change in the ownership of the apartment concerned. A certificate designating a person entitled to cast the vote of an apartment may be revoked by any owner of an apartment. If such a certificate is not on file, the vote of such owner shall not be considered in determining the requirement for a quorum nor for any other purpose.

11. Proxies. Votes may be cast in person or by proxy. A proxy may be made or revoked by any person entitled to vote and shall

be valid only for the particular meeting designated in the proxy and must be filed with the Secretary before the appointed time of the meeting or any adjournment of the meeting, provided that in no event shall a proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given.

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

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

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

14. Reservation of Control by Developer. Until required by the Condominium Act including Section 718.301 thereof, or until Carl N. Dykes, Harold E. Dykes, Bessalena K. Dykes and Lynette S. Dykes, their successors or assigns or any subsequent developer, herein called the Developer, elects to terminate his control of the Association and the condominium operated by them, whichever occurs first, the proceedings of all meetings of members of the Association shall have no effect unless approved by the Board of Directors.

15. Number of Directors. The affairs of the Association shall be managed by a Board of not less than three (3) nor more than nine (9) directors, the exact number to be determined at the time of the election.

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

- a. Election of directors shall be held at the annual

members meeting.

b. A nominating committee of three (3) members shall be appointed by the Board of Directors not less than thirty (30) days prior to the annual meeting. The committee shall nominate one (1) person for each director then serving. Nominations for additional directorships created at the meeting shall be made from the floor, and other nominations may be made from the floor.

c. The election shall be by secret ballot (unless dispensed by unanimous consent) and by a plurality of the votes cast. The owner of each apartment shall be entitled to cast a vote for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

d. Except as vacancies provided by removal of directors by members, vacancies in the Board of Directors occurring between annual meetings of the members shall be filled by the remaining directors.

e. Subject to the provisions of 718.301 of the Condominium Act, any director may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all members. A special meeting of the members to recall a director or directors may be called by ten percent (10%) of the members giving notice of the meeting as required for a meeting of the members, and the notice shall state the purpose of the meeting.

f. Provided, however, that notwithstanding the provision ✓ of paragraph 16(a) through (e) above and paragraph 17 below to the contrary, until required by the Condominium Act including Section 718.301 thereof, or until the Developer elects to terminate their control of the Association, whichever occurs first, the first directors of the Association shall serve, and in the event of vacancies the remaining directors shall fill the vacancies, and if there are no remaining directors, the vacancies shall be filled by the Developer.

17. Director's Term. The terms of each director's service shall extend until the next annual meeting of the members and subsequently until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

EXHIBIT "E" TO DECLARATION

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

19. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

20. Special Meeting. Special meetings of the directors may be called by the President and must be called by the Secretary at the written request of one-fourth ($\frac{1}{4}$) of the directors. Not less than three (3) days notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

21. Open Meetings and Records. Meetings of the Board of Directors shall be open to all apartment owners and notices of meetings shall be posted conspicuously forty-eight (48) hours in advance for the attention of apartment owners except in an emergency. Minutes of all meetings of the members or the Board of Directors shall be kept in a book available for inspection by apartment owners or their authorized representatives, and Board members at any reasonable time. Said minutes shall be retained for a period of not less than seven (7) years.

22. Waiver of Notice. Any director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

23. Quorum. A quorum at director's meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of directors is required by the Declaration of Condominium of the condominium operated by the Association, the Articles of Incorporation of the Association and these By-Laws.

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

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

26. Presiding Officer. The presiding officer of directors meetings shall be the chairman of the board if such an officer has been elected; and if none, the President shall preside. In the absence of the presiding officer, the directors present shall designate one of their number to preside.

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

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

28. Directors Compensation. Directors fees or other compensation, if any, shall be determined by the members.

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

30. Officers. The executive officers of the Association shall be a President, who shall be a director, a Vice-President, who shall be a director, a Treasurer, a Secretary, and an Assistant Secretary, all of whom shall be elected annually by the Board of Directors and who may be preemptorily removed by vote of the directors at any meeting. Any person may hold two (2) or more offices except that the President shall not also be the Secretary or an Assistant Secretary. The Board of Directors from time to time shall elect such other officers and designate their powers and duties as the Board shall find to be necessary or convenient to manage the affairs of the Association.

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

32. Vice-President. The Vice-President in the absence or disability of the President shall exercise the powers and perform the duties of the President. He also shall assist the President generally and exercise such other powers and perform such other duties as shall be prescribed by the directors .

33. Secretary. The Secretary shall keep the minutes of all proceedings of the directors and the members in a business-like manner and available for inspection by apartment owners and directors at all reasonable times. He shall attend to the giving and serving of all notices to the members and directors and other notices required by law. He shall have custody of the seal of the Association and affix it to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of an Association and as may be required by the directors or the President. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

34. Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidence

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

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

36. Fiscal Management. Provisions for fiscal management of the Association as set forth in the Declaration of Condominium of the condominium operated by the Association, the Articles of Incorporation and the Condominium Act shall be supplemented by the following provisions:

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

1. Administration of the Association
2. Management Fee
3. Maintenance
4. Rent for recreational and other commonly used facilities
5. Taxes upon Association property
6. Taxes upon leased area
7. Insurance
8. Security provisions
9. Other expenses
10. Operating capital
11. Reserves(In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. The accounts shall

include, but not be limited to, roof replacement, building painting and pavement resurfacing. The amount to be reserved shall be computed by means of a formula which is based upon estimated life and estimated replacement cost of each reserve item. This subsection shall not apply to budgets in which the members of the Association have, by a vote of the majority of the members present at a duly called meeting of the Association, determined for a fiscal year to provide no reserves or reserves less adequate than required by this subsection.)

12. Fees payable to Division
13. Betterments (Betterments shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be a part of the common elements of the condominium or the property of the Association.)
14. Operations (Operations shall include the gross revenues, if any, from the use of the common elements or other property owned by the Association and only the additional direct expense required by the revenue producing operation. Any surplus from such operations shall be used to reduce the assessments in the year following the year in which the surplus is realized. Any losses from such operation shall be met by assessments in the year following the year in which the loss is realized, unless funds cannot be adequately and timely raised in such

fashion, in which even the required funds shall be provided by special assessment.)

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

In any event the Board of Directors may propose a budget to the apartment owners at a meeting of the members or in writing, and if the budget or proposed budget is approved by the apartment owners at the meeting or by a majority of all apartment owners in writing, the budget shall be adopted.

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

c. Assessments. The Board of Directors shall make assessments against the apartment owners for their shares of the items of the budget in an amount no less than required to provide funds in advance

for payment of all the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. The assessments shall be made for the fiscal year annually in advance and shall be due in equal, monthly installments on the first day of each month of the year for which the assessments are made. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment and monthly installments on such assessments shall be due on the first day of each month of the year until changed by an amended assessment. In the event the annual assessment shall be insufficient in the judgment of the Board of Directors, the Board of Directors shall amend the budget and shall make amended assessments for the balance of the year in sufficient amounts to meet the expenses for the year; provided, however, that any account of the amended budget that exceeds the limit upon increases for that year shall be subject to approval of membership of the Association as previously required in these By-Laws.

37. Acceleration of Assessment Installments Upon Default.

If an apartment owner shall be in default in the payment of an installment upon an assessment, the Board of Directors may accelerate the remaining installments of the assessments upon notice to the apartment owner, and then the unpaid balance of the assessment shall come due upon the date stated in the notice, but not less than ten (10) days after the delivery of the notice to the apartment owner, or not less than twenty (20) days after the mailing of such notice to him by registered or certified mail, whichever shall occur first.

38. Assessment of Emergencies. Assessments for common expenses of emergencies that cannot be paid from the annual assessment for common expenses shall be made only after notice of the need for such is given to the apartment owners concerned. After such notice and upon approval in writing by persons entitled to cast more than one-half ($\frac{1}{2}$) of the votes of the apartment owners concerned, the assessment shall become effective, and shall be paid in such manner as the Board of Directors of the Association may require in the notice of assessment.

39. Depository. The depository of the Association shall be

such bank or banks as shall be designated from time to time by the directors and in which the monies from such accounts shall be withdrawn only by checks signed by such persons as are authorized by the directors.

40. Regulations. Reasonable regulations respecting the use of the condominium property or property of or operated by the Association may be adopted or amended by the Board of Directors at any regular or special meeting of the Board of Directors. Regulations may be adopted or amended by majority vote of the Board of Directors.

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

42. Accounting Records. The Association shall maintain at the Association's offices accounting records for the condominium according to good accounting practices. The records shall be open to inspection by apartment owners or their authorized representatives at reasonable times, and written summaries of them shall be supplied at least annually to apartment owners or their authorized representatives. Failure to permit inspection of the Association's accounting records by apartment owners or their authorized representatives entitles any person prevailing in an enforcement action to recover reasonable attorney's fees from the person in control of the books and records who, directly or indirectly, knowingly denies access to the books and records for inspection. The records shall include, but are not limited to:

(a) A record of all receipts and expenditures.

(b) An account for each apartment designating the name and current mailing address of the apartment owner, the amount of each assessment, the dates and amounts in which the assessments come due, the amount paid upon the account, and the balance due.

43. Annual Financial Report. Within sixty (60) days following the end of the fiscal year of the Association, the Board of Directors shall mail or furnish by personal delivery to each apartment owner a complete financial report of actual receipts and expenditures for the previous twelve (12) months. The report shall show the amounts of receipts

by accounts and receipt classifications and shall show the amounts of expenses by accounts and expense classifications, including, if applicable, but not limited to, the following:

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

44. Fidelity Bonds. Fidelity bonds may be required by the Board of Directors for all officers, directors or other persons who control or disburse funds of the Association. The amount of such bonds and the sureties of such bonds shall be determined from time to time by the Board of Directors. The Association shall bear the cost of bonding.

45. Fines. In addition to all remedies provided in the Declaration of Condominium of the condominium operated by the Association, the Articles or these By-Laws, the Board of Directors of the Association may, upon notice and hearing before said Board, fine, assess and charge any offending member a sum not to exceed \$150.00 for each infraction of the provisions of said Declaration, Articles, By-Laws or rules and regulations of the Association. Any such funds shall constitute a lien against the apartment or unit owned or occupied by the violator unless paid within ten (10) days of the date assessed and may be foreclosed in the manner provided by law for condominium assessment liens.

46. Transfer Fee. No fee shall be charged by the Association in connection with a transfer, lease, sale or sublease of an apartment which is subject to approval of the Association or its Board of Directors, in excess of the expenditures reasonably required for the transfer or sale, and this expense shall not exceed \$50.00. No charge shall be made in connection with an extension or renewal of a lease.

47. Amendments. These By-Laws may be amended in the following manner:

EXHIBIT "E" TO DECLARATION

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

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

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

(2) Until the first election of directors, by all of the directors.

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

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


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

48. 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 owner so affected shall consent. No amendment shall be made that is in conflict with the Articles of Incorporation or the Declaration of Condominium of the condominium operated by the Association.


49. Execution and Recording. A copy of each amendment shall be attached to or incorporated in a certificate certifying that

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

The foregoing was adopted as the By-Laws of Ambassador Beach Owners Association, Inc., a corporation not for profit under the laws of the State of Florida, at the first meeting of the Board of Directors on the 26 day of MAY, 1982.


Bassalena K. Dykes - Secretary

Approved:


President

SURVEYOR'S CERTIFICATE

The undersigned, Alfonso Tuzinkiewicz, a registered land surveyor authorized to practice in the State of Florida, hereby certifies with respect to Ambassador Beach Condominiums, that the construction of the improvements described is substantially complete so that such material, together with the provisions of the Declaration describing the condominium property, is an accurate representation of the location and dimensions of the improvements, and further that the identification, location, and dimensions of the common elements and of each unit can be determined from these materials.

AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

Alfonso Tuzinkiewicz
ALFONSO TUZINKIEWICZ
FLORIDA SURVEYOR NO. 2433

DATE: 3-26-82

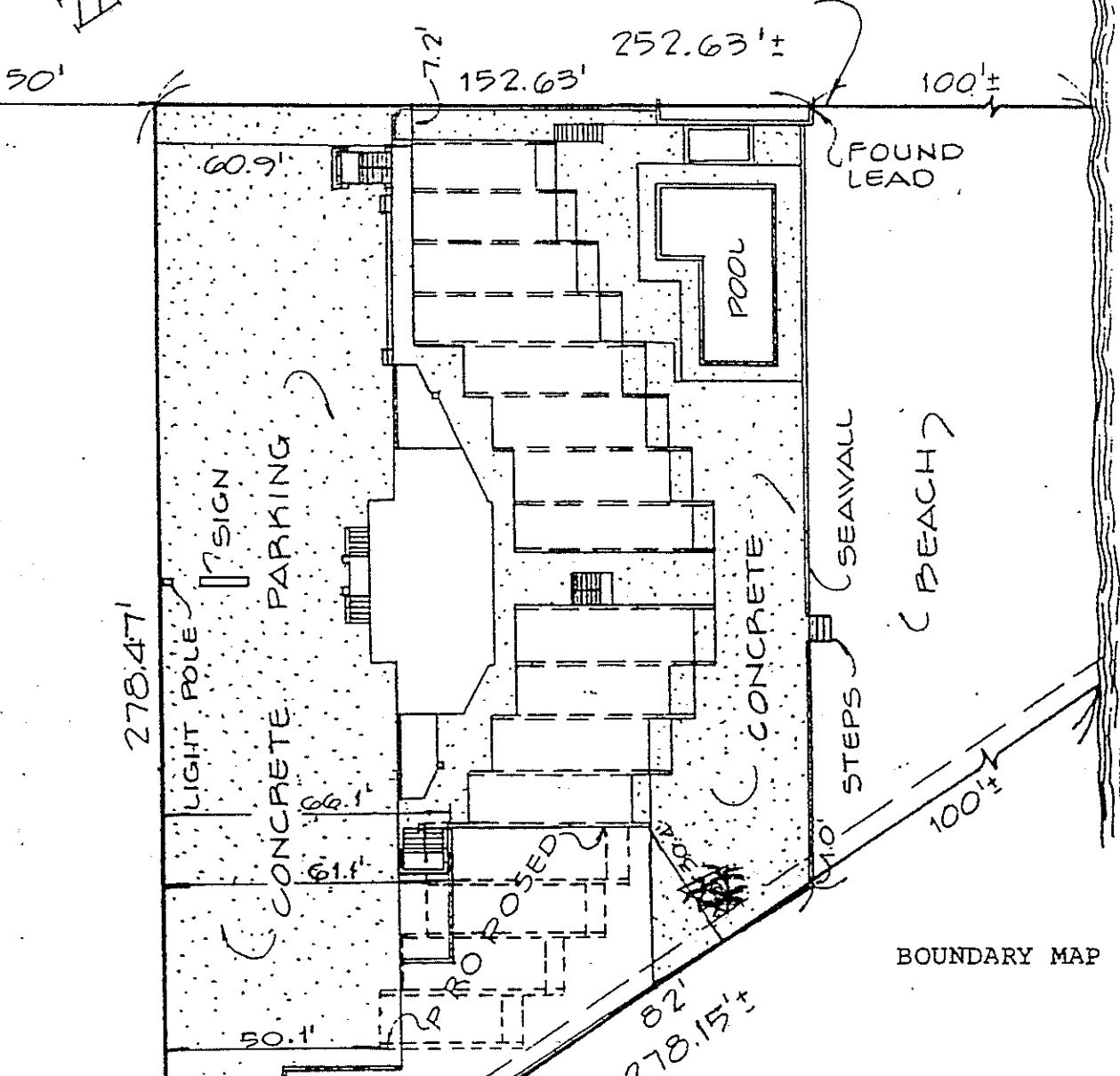
JOB NO. 82-048
FILE NO. A20-3S16-1723
PAGE 1 OF 28 PAGES



EXHIBIT A TO DECLARATION

SCALE: 1"=40'

EXTENDED EASTERN BOUNDARY LINE OF LOT 8, BLOCK A, EDGE WATER BEACH.



U.S. HIGHWAY 98
100' R/W

SOUTHERLY RAY LINE OF U.S. HIGHWAY 98

P.O.B.

SOUTHEASTERLY 100'

SEAWALL
5' PRIVATE BASEMENT

POINT OF INTERSECTION

BOUNDARY MAP

AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA
32407

A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

Alfonso Tuzinkiewicz
ALFONSO TUZINKIEWICZ
FLORIDA SURVEYOR NO. 2433

DATE: 3/26/1982

JOB NO. 82-048
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WEST BOUNDARY OF U.S. GOVERNMENT SECTION 20, TOWNSHIP 16N, RANGE 16W

DESCRIPTION: Commencing at the point of intersection of the West boundary line of U. S. Government Lot 3 in Section 20, Township 3 South, Range 16 West, Bay County, Florida and the Southerly R/W Line of U. S. Highway 98; thence run Southeasterly along the Southerly R/W Line of U. S. Highway 98 a distance of 100 feet for a Point of Beginning; thence to the right run South on a line parallel with the West boundary line of U. S. Government Lot 3, to the waters edge of the Gulf of Mexico; thence to the left Southeasterly along the meandering line of the waters edge of the Gulf of Mexico to the point of intersection, formed by extending the Eastern boundary line of Lot 8, Block A, Edge Water Beach as per Plat thereof Recorded in Plat Book 2, Page 7, of the Public Records of Bay County, Florida, to the waters of the Gulf of Mexico; thence to the left following said extended boundary of Lot 8, Block A to the South R/W Line of U. S. Highway 98; thence to the left along the said South boundary line of U. S. Highway 98 to the Point of Beginning. Subject to a 5 foot wide Private Easement along the West Side thereof.

DESCRIPTION OF A 5 FOOT WIDE PRIVATE EASEMENT: The West 5 feet of the following described property: Commencing at the point of intersection of the West boundary line of U. S. Government Lot 3 in Section 20, Township 3 South, Range 16 West, Bay County, Florida and the Southerly R/W Line of U. S. Highway 98; thence run Southeasterly along the Southerly R/W Line of U. S. Highway 98 a distance of 100 feet for a Point of Beginning; thence to the right run South on a line parallel with the West boundary line of U. S. Government Lot 3, to the waters edge of the Gulf of Mexico; thence to the left Southeasterly along the meandering line of the waters edge of the Gulf of Mexico to the point of intersection, formed by extending the Eastern boundary line of Lot 8, Block A, Edge Water Beach as per Plat thereof recorded in Plat Book 2, Page 7, of the Public Records of Bay County, Florida, to the waters of the Gulf of Mexico; thence to the left following said extended boundary of Lot 8, Block A, to the South R/W Line of U. S. Highway 98; thence to the left along the said South boundary line of U. S. Highway 98 to the Point of Beginning.

AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

Alfonso Tuzinkiewicz
ALFONSO TUZINKIEWICZ
FLORIDA SURVEYOR NO. 2438

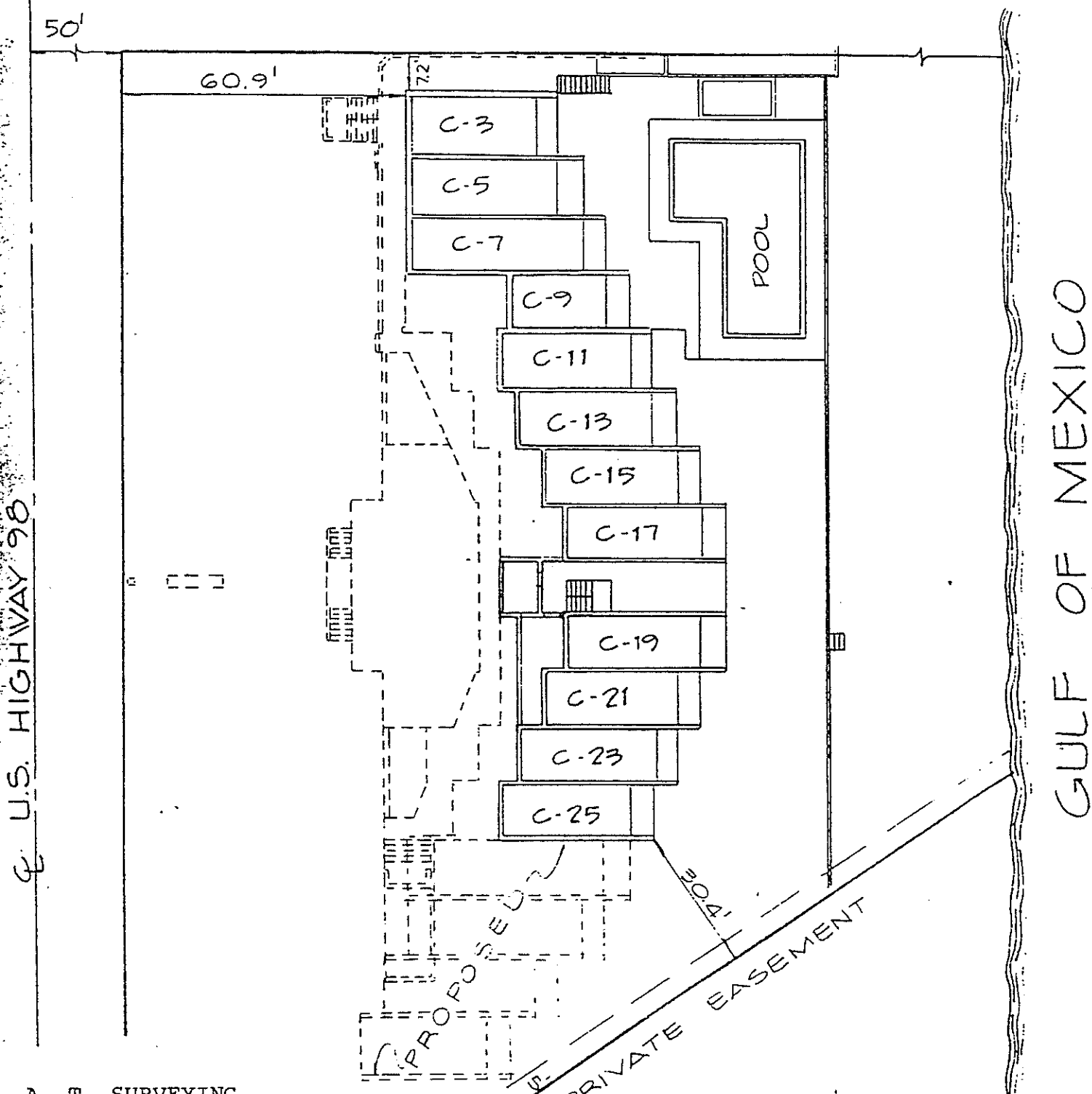
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DATE: 5-26-82

EXHIBIT "B" TO DECLARATION

AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

SCALE: 1" = 30'



U.S. HIGHWAY 98

GULF OF MEXICO

A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

CABANA FLOOR PLAN

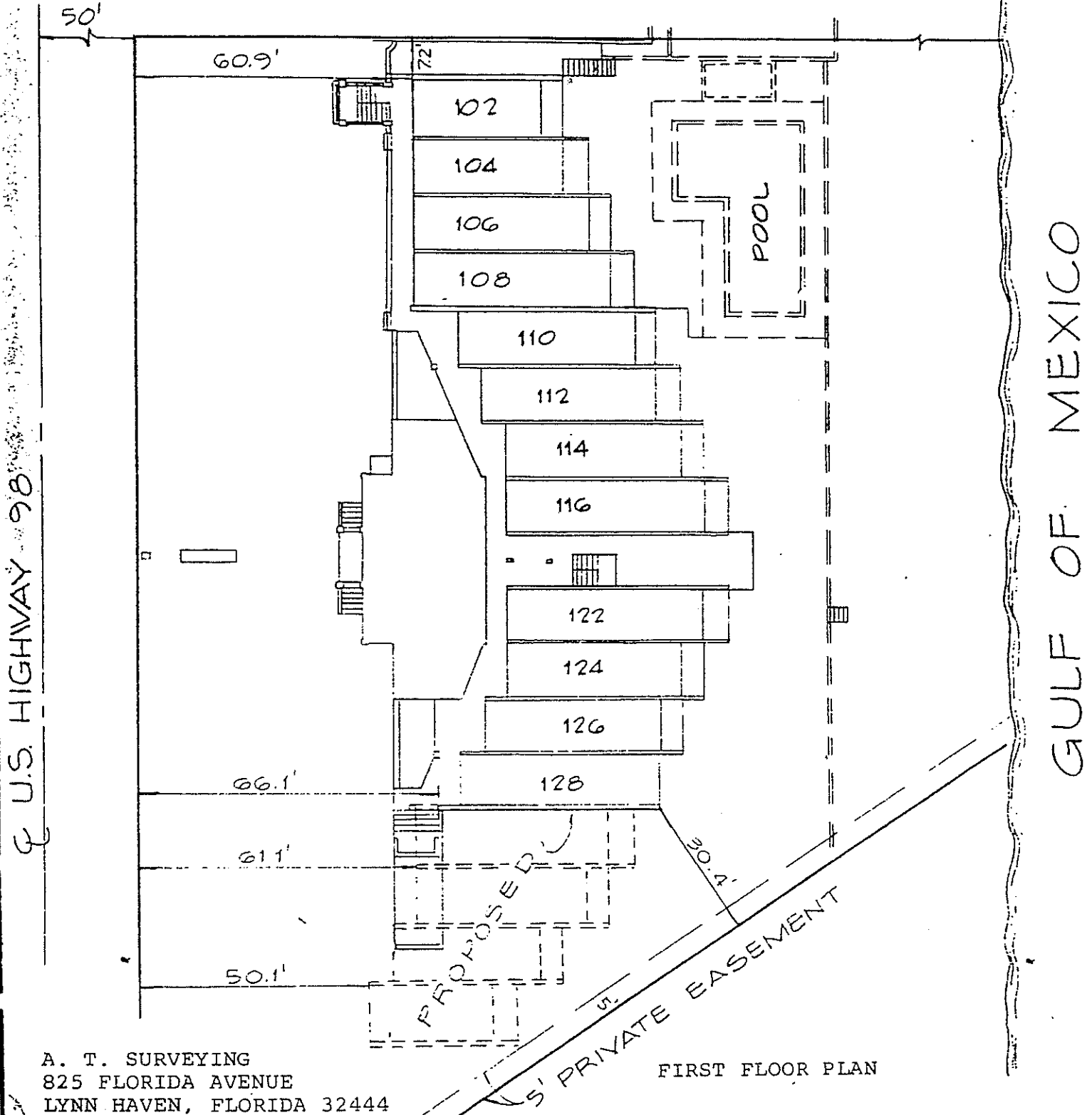
ALEXSSO TUZINKIEWICZ
FLORIDA SURVEYOR NO. 2433
DATE 3-26-82

JOB NO. 82-048
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EXHIBIT "B" TO DECLARATION

AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

SCALE: 1"=30'



A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

FIRST FLOOR PLAN

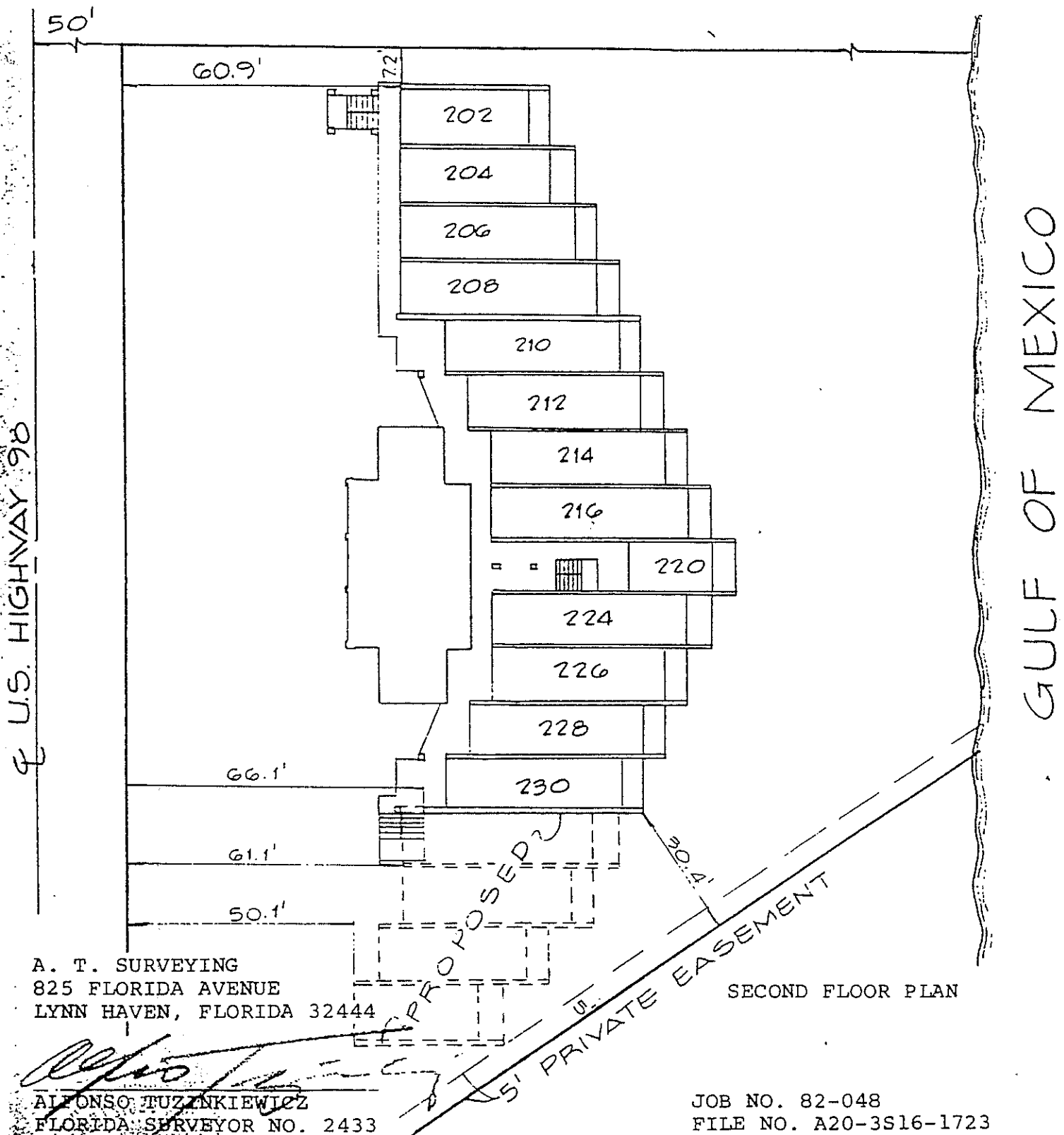
ALFONSO TUZINKIEWICZ
FLORIDA SURVEYOR NO. 2433

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EXHIBIT "B" TO DECLARATION

AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

SCALE: 1"=30'



A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

SECOND FLOOR PLAN

ALFONSO TUZINKIEWICZ
FLORIDA SURVEYOR NO. 2433

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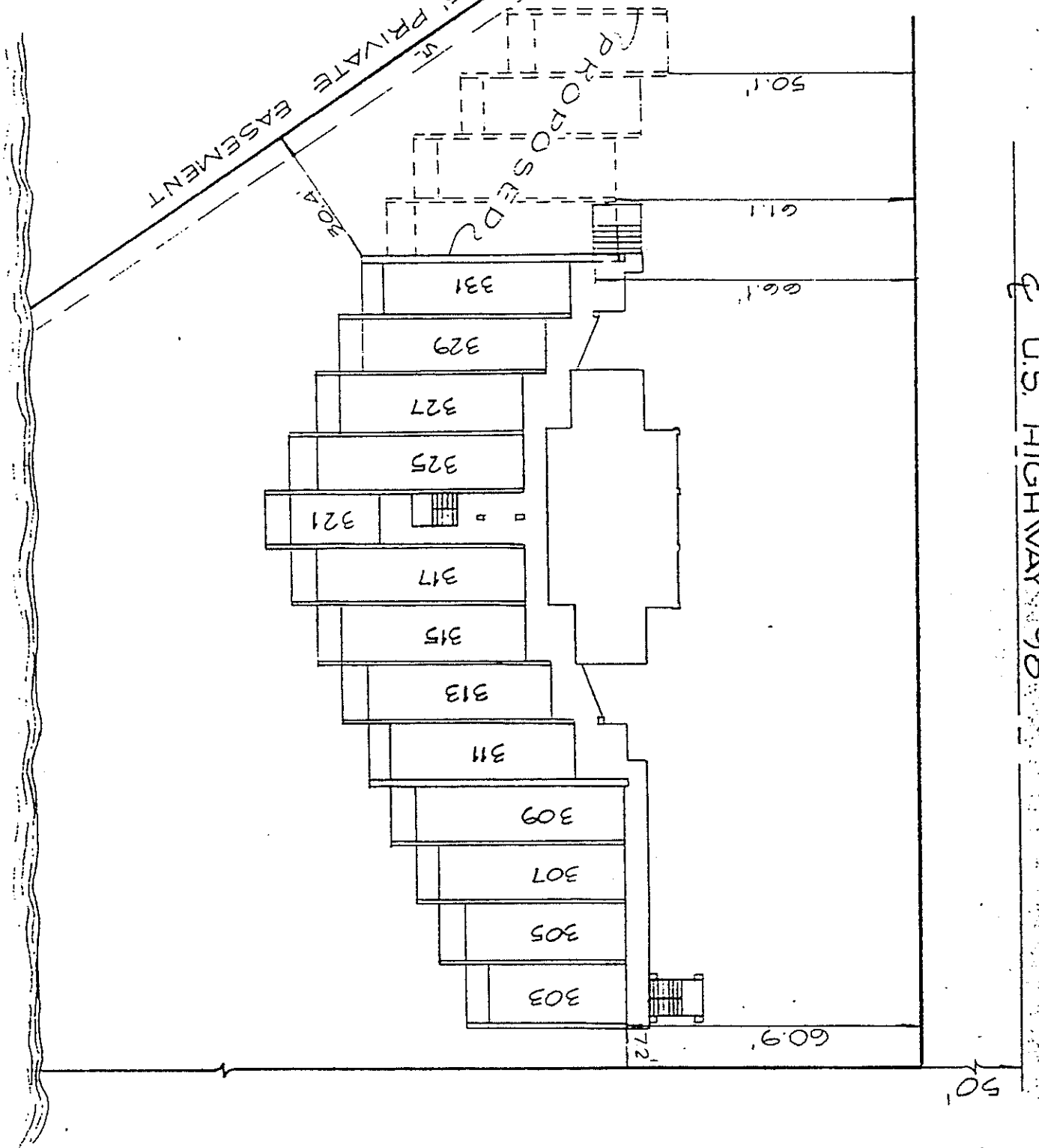
EXHIBIT "B." TO DECLARATION

AMBASSADOR BEACH CONDOMINIUMS

15617 WEST HWY. 98

PANAMA CITY BEACH, FLORIDA 32407

SCALE: 1"=30'



THIRD FLOOR PLAN

A. T. SURVEYING

825 FLORIDA AVENUE

LYNN HAVEN, FLORIDA 32444

ALFONSO TRANKIEWICZ

FLORIDA SURVEYOR NO. 2433

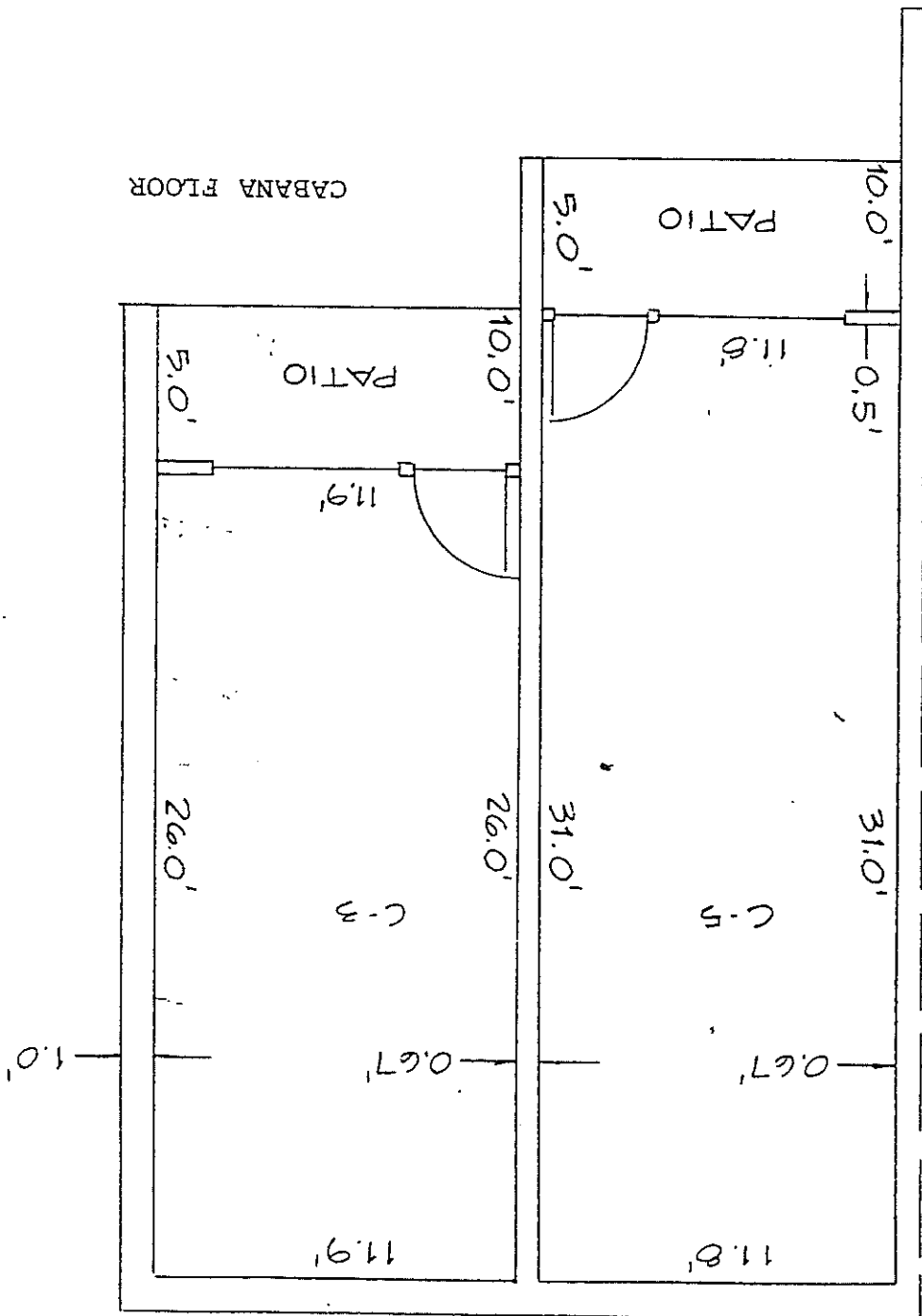


EXHIBIT "B" TO DECLARATION

JOB NO. 82-048
FILE NO. A20-3S16-1723
PAGE 7 OF 28 PAGES

UNDECORATED FINISH CEILING ELEVATION: 18.70
UNDECORATED FINISH FLOOR ELEVATION: 10.70

SCALE: 1"=6'



AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

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A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

ALFONSO TUZINKIEWICZ
FLORIDA SURVEYOR NO. 2433

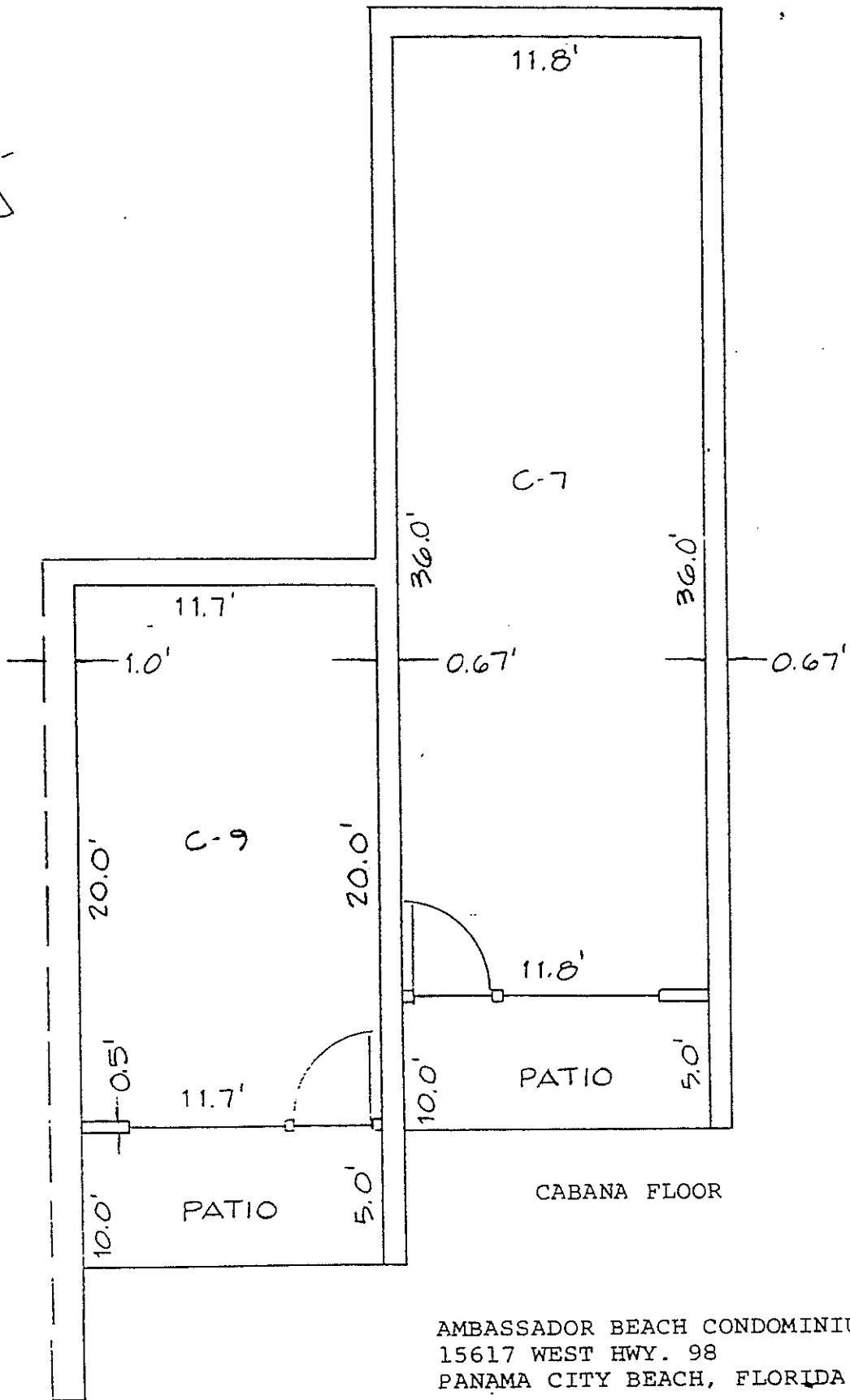
DATE: 3-26-82



EXHIBIT "B" TO DECLARATION

UNDECORATED FINISH CEILING ELEVATION: 16.75 (C-7: 17.65)
UNDECORATED FINISH FLOOR ELEVATION: 10.75

III
SCALE: 1"=6'



CABANA FLOOR

AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

ALFONSO TUZINKIEWICZ
FLORIDA SURVEYOR NO. 2433

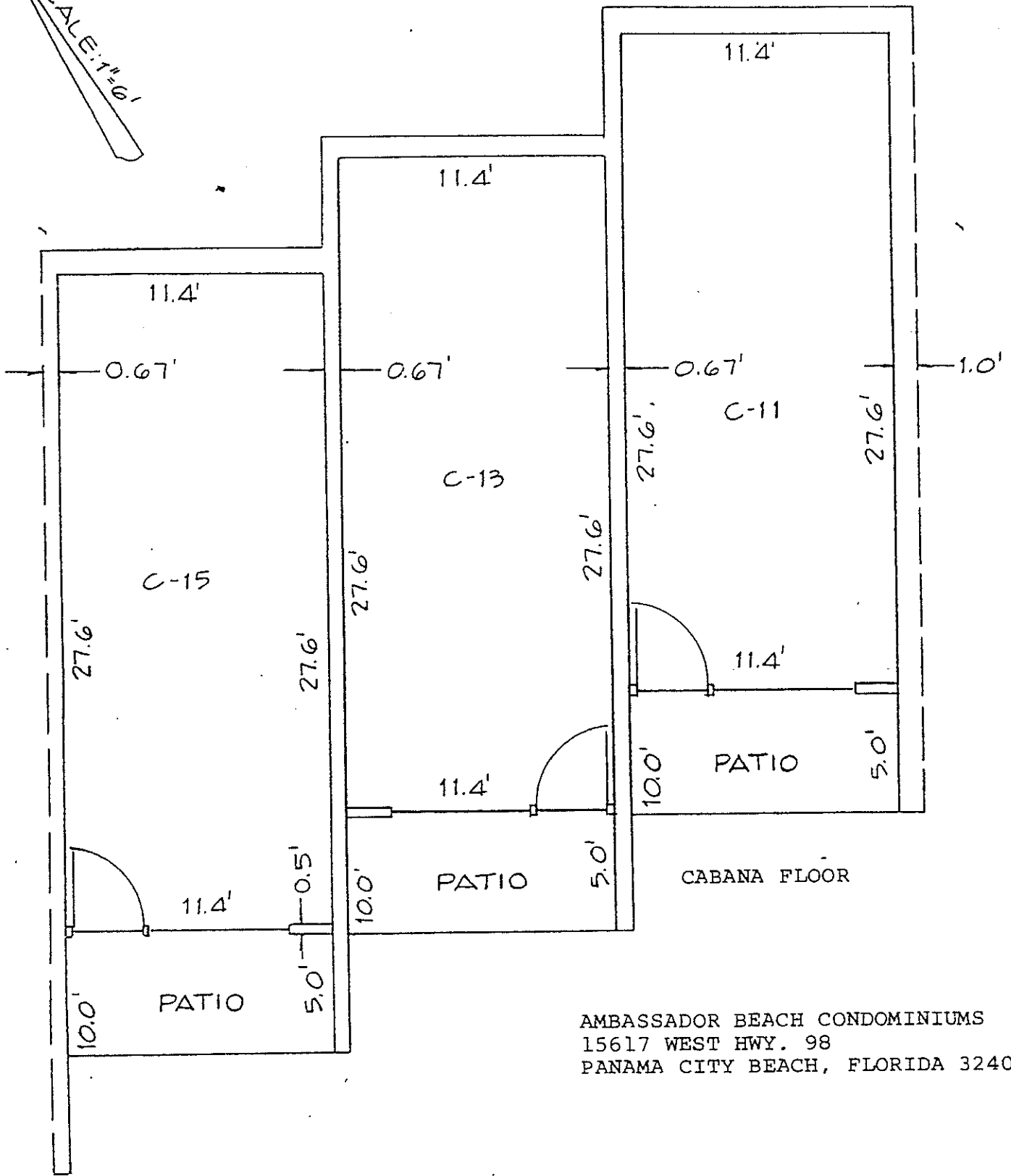
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FILE NO. A20-3S16-1723
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EXHIBIT "B" TO DECLARATION

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UNDECORATED FINISH FLOOR ELEVATION: 10.05

SCALE: 1"=6'



AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

ALEJONSO TUZINKIEWICZ
FLORIDA SURVEYOR NO. 2433

DATE: 3-26-87

JOB NO. 82-048
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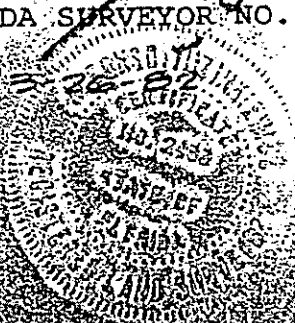
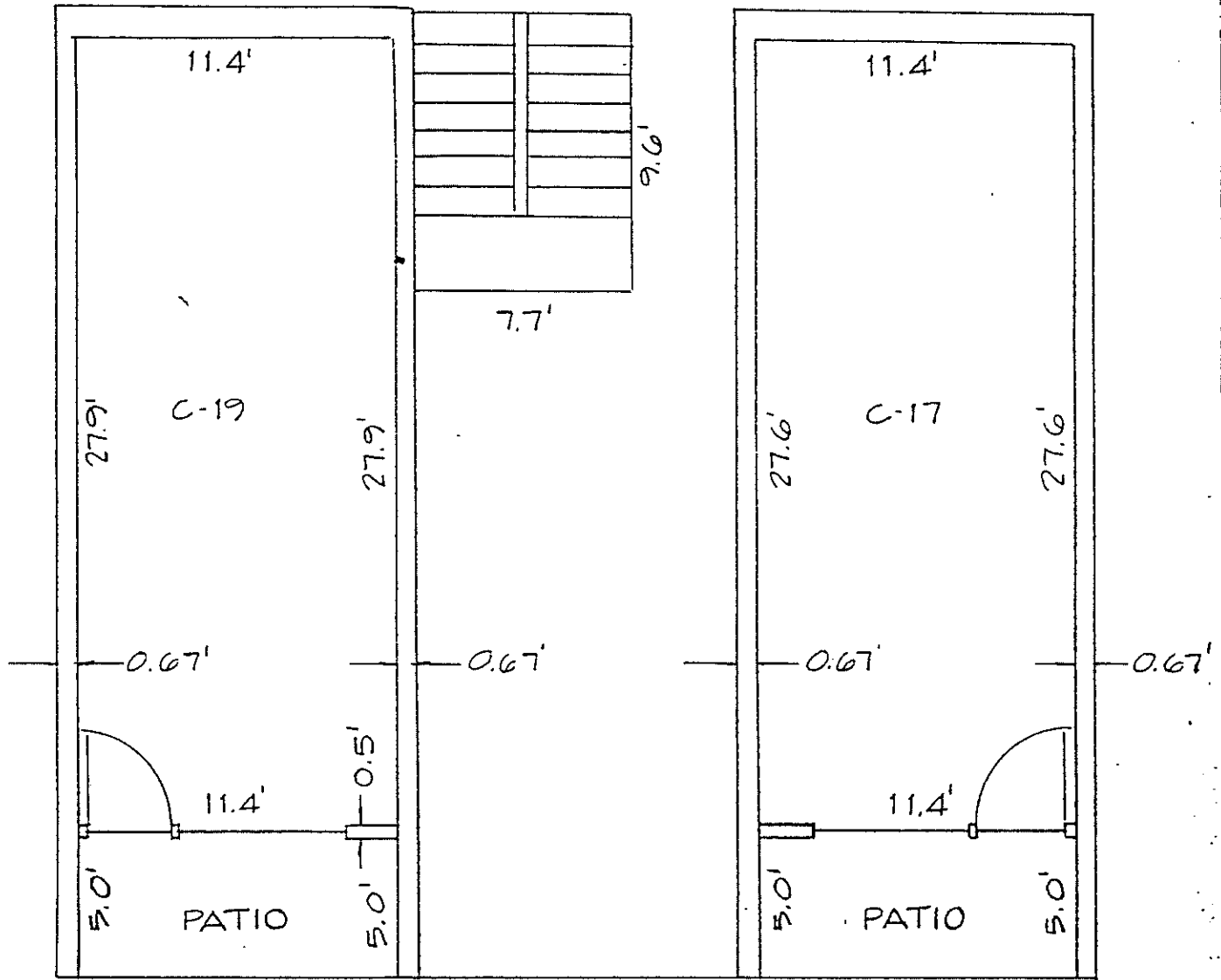


EXHIBIT "B" TO DECLARATION

UNDECORATED FINISH CEILING ELEVATION: 18.05
UNDECORATED FINISH FLOOR ELEVATION: 10.05



SCALE: 1"=6'

CABANA FLOOR

AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

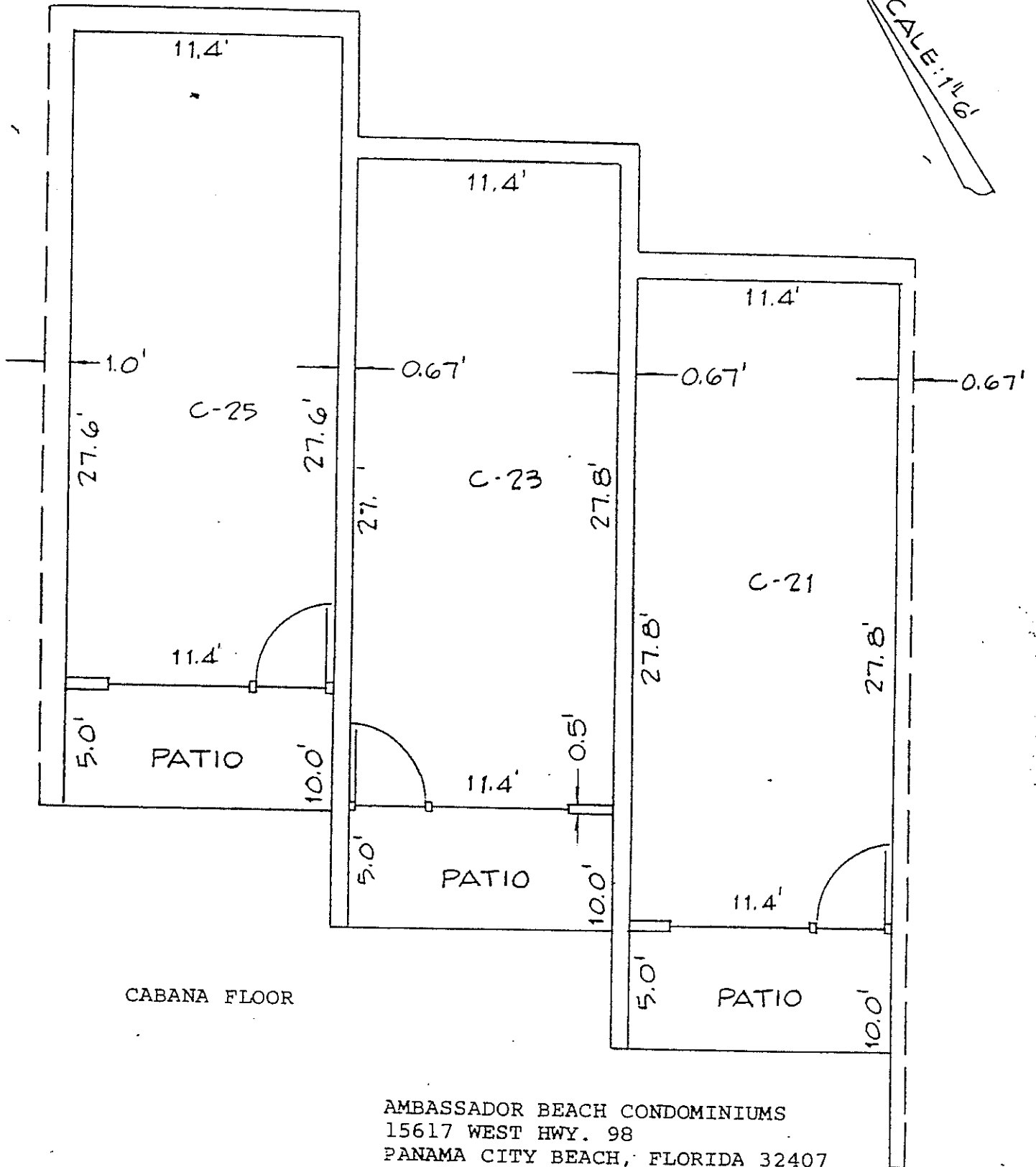
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ALEXANDER TUZINKIEWICZ
FLORIDA SURVEYOR NO. 2433

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FILE NO. A20-3S16-1723
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UNDECORATED FINISH CEILING ELEVATION: 18.07
UNDECORATED FINISH FLOOR ELEVATION: 10.07

SCALE: 1"=6'



AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

[Handwritten Signature]
ALEXANDER TUZINKIEWICZ
FLORIDA SURVEYOR NO. 2433

JOB NO. 82-048
FILE NO. A20-3S16-1723
PAGE 12 OF 22 PAGES

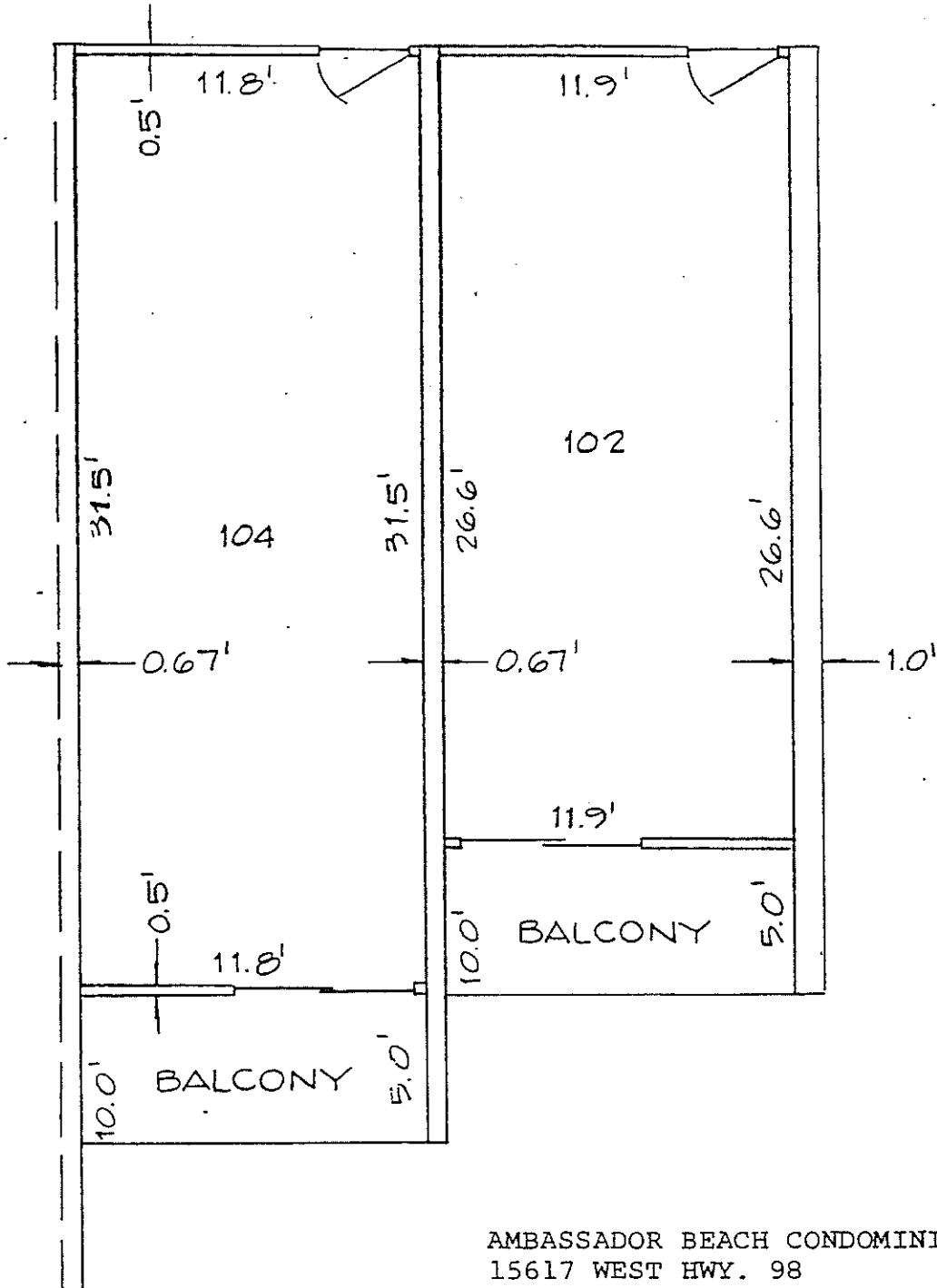


EXHIBIT "B" TO DECLARATION

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UNDECORATED FINISH FLOOR ELEVATION: 19.28

SCALE: 1"=6'

FIRST FLOOR



AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

[Handwritten Signature]
ALFONSO TUZINIEWICZ
FLORIDA SURVEYOR NO. 2433

JOB NO. 82-048
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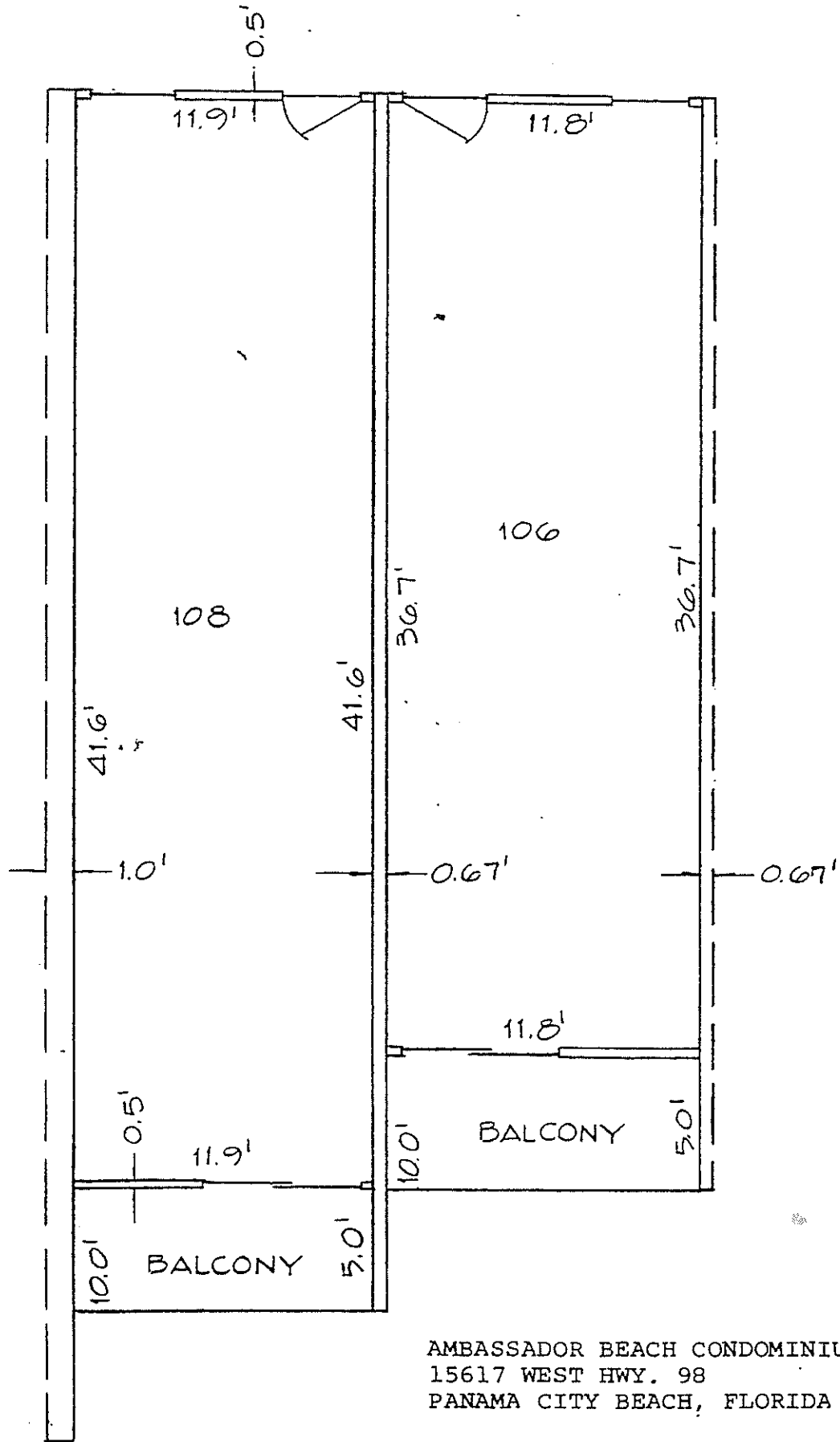
DATE: 3-28-82



UNDECORATED FINISH CEILING ELEVATION: 27.14
UNDECORATED FINISH FLOOR ELEVATION: 19.24

III
SCALE: 1"=6'

FIRST FLOOR



AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

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ALFONSO TUZ...
FLORIDA SURVEYOR NO. 2433

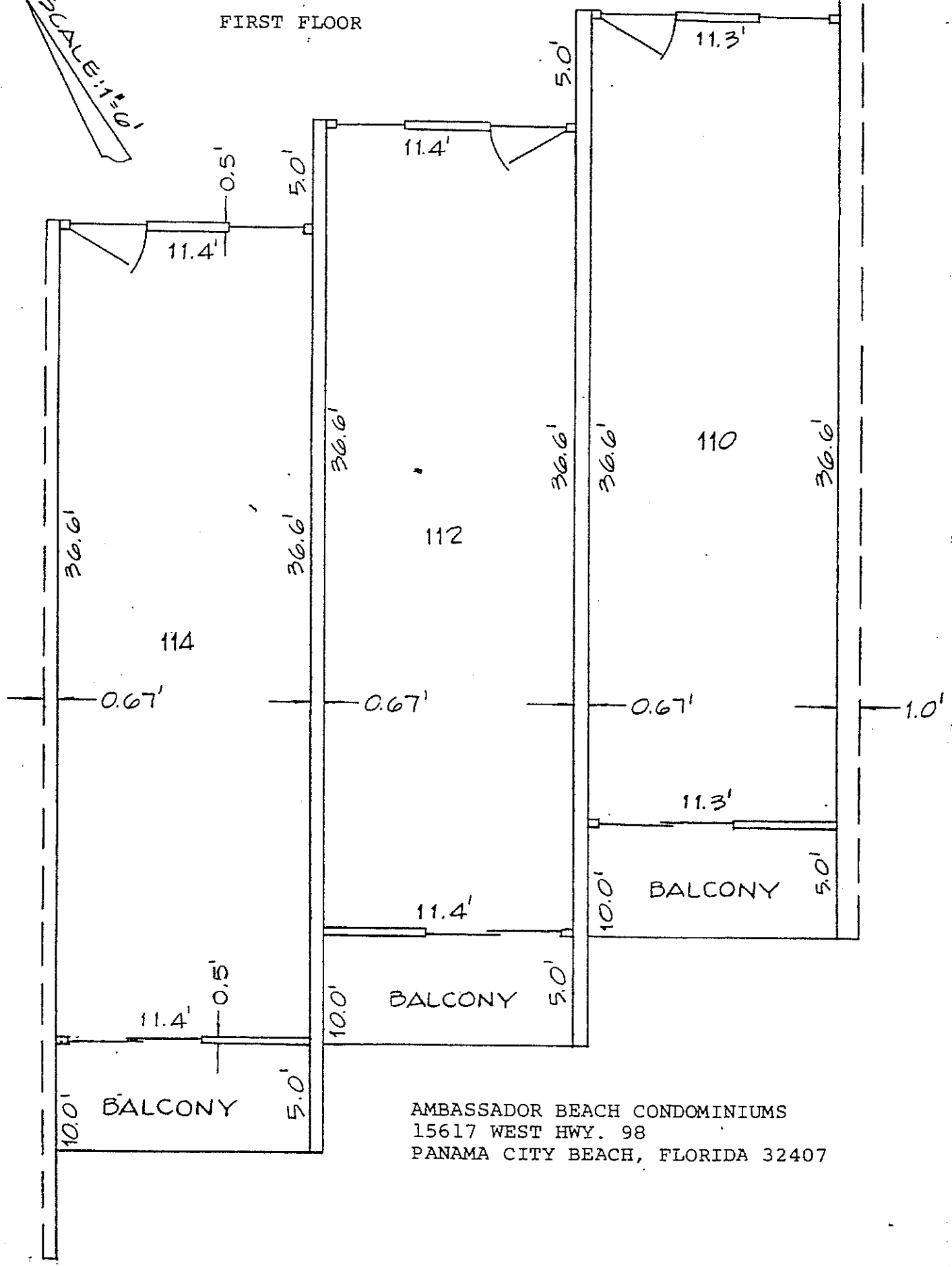
DATE: 3/26/82

EXHIBIT "B" TO DECLARATION

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UNDECORATED FINISH FLOOR ELEVATION: 18.54

SCALE: 1"=6'

FIRST FLOOR



AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

[Signature]
ALFONSO FUZZI
FLORIDA SURVEYOR NO. 2433

DATE: 3-26-82

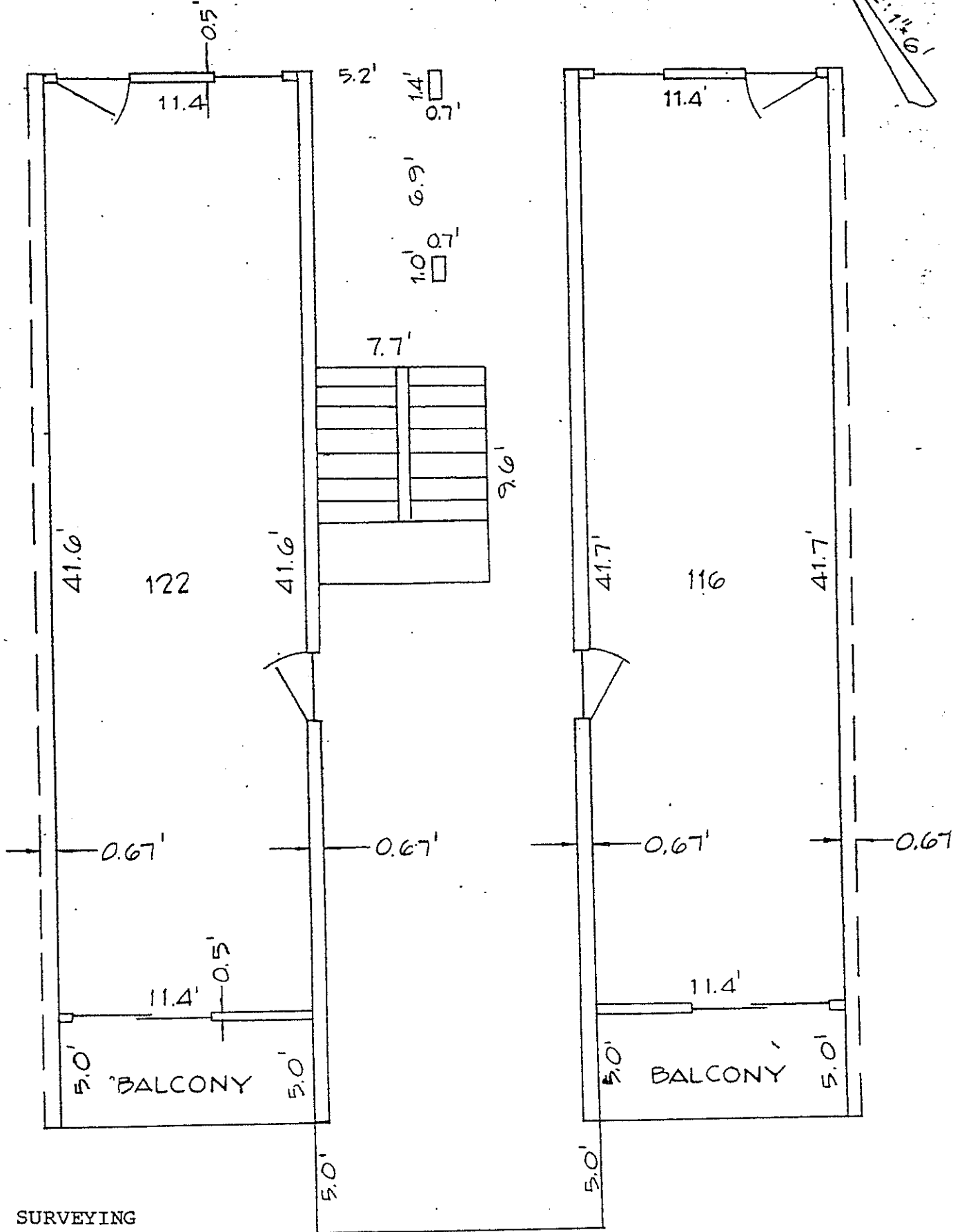
JOB NO. 82-048
FILE NO. A20-3S16-1723
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EXHIBIT "B". TO DECLARATION

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UNDECORATED FINISH FLOOR ELEVATION: 18.55

SCALE: 1"=6'

FIRST FLOOR



A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

ALFONSO TUZINKIEWICZ
FLORIDA SURVEYOR NO. 2433

JOB NO. 82-048
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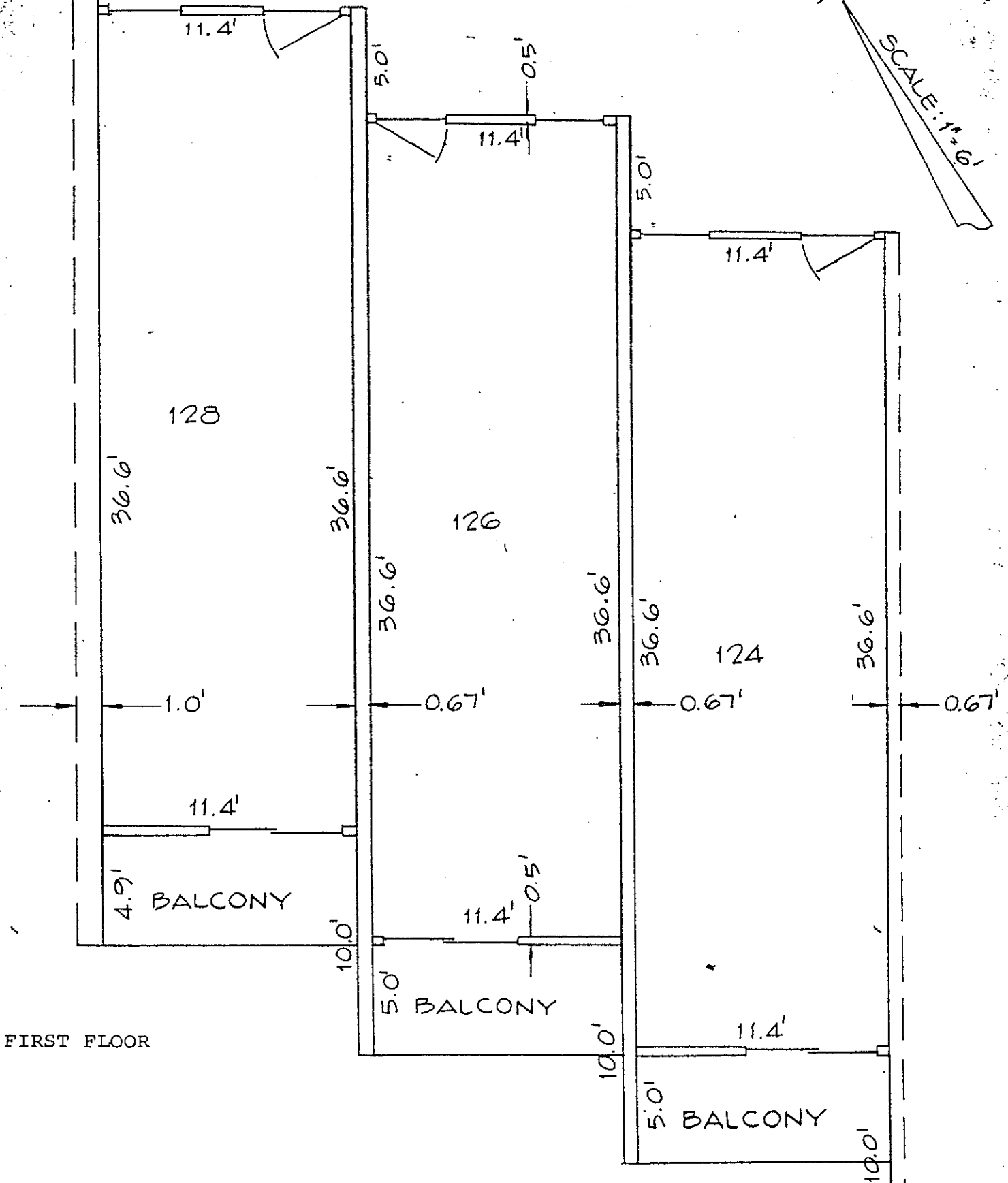
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EXHIBIT "B" TO DECLARATION



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UNDECORATED FINISH FLOOR ELEVATION: 18.58

SCALE: 1"=6'



A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

ALEONSO TUZINKIEWICZ
FLORIDA SURVEYOR NO. 2433

JOB NO. 82-048
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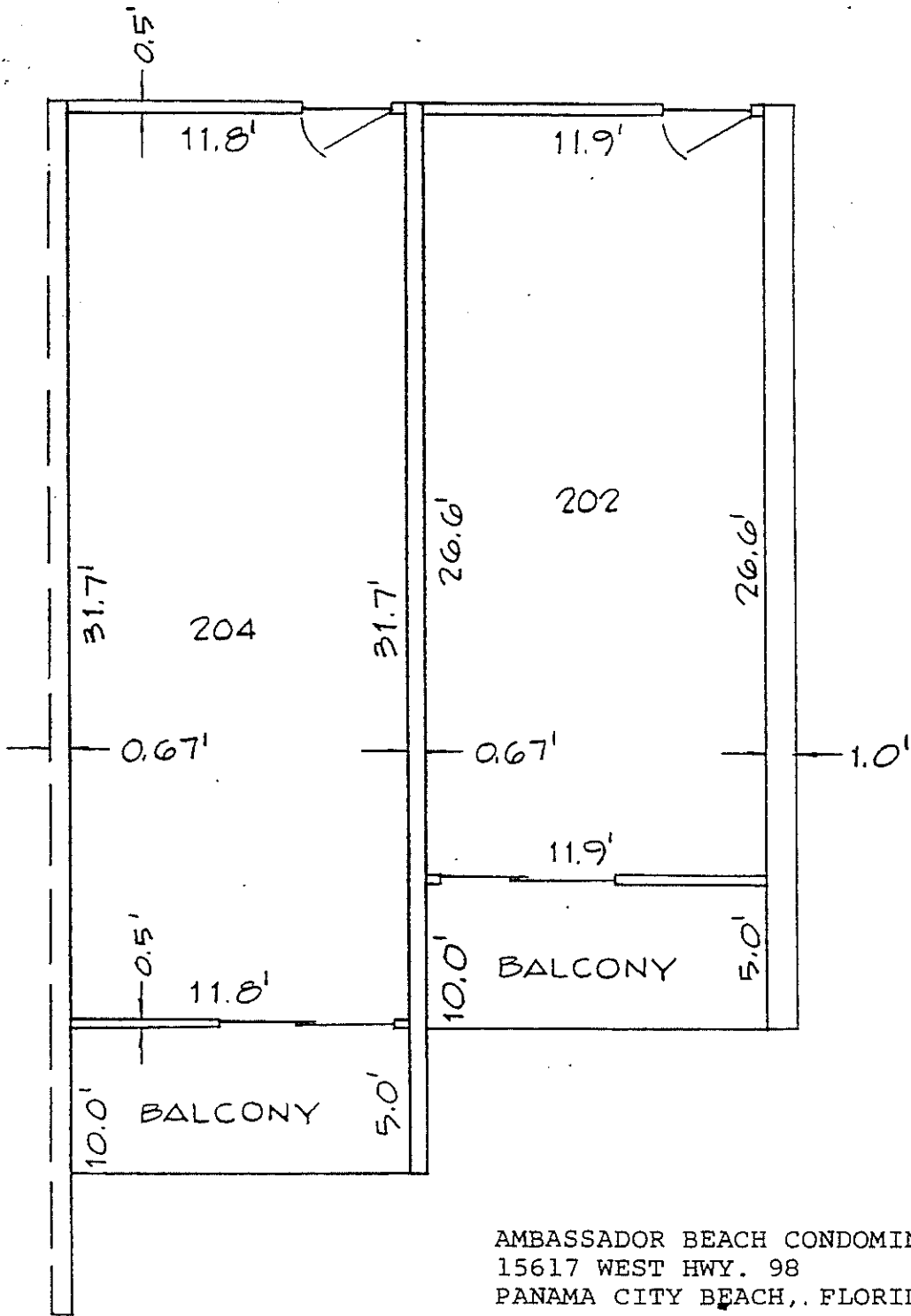
DATE: 3-26-82



UNDECORATED FINISH CEILING ELEVATION: 35.65
UNDECORATED FINISH FLOOR ELEVATION: 27.75

SECOND FLOOR

III
SCALE: 1"=6'



AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

ALFONSO TUZINKIEWICZ
FLORIDA SURVEYOR No. 2433

JOB NO. 82-048
FILE NO. A20-3S16-1723
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DATE: 3-26-82

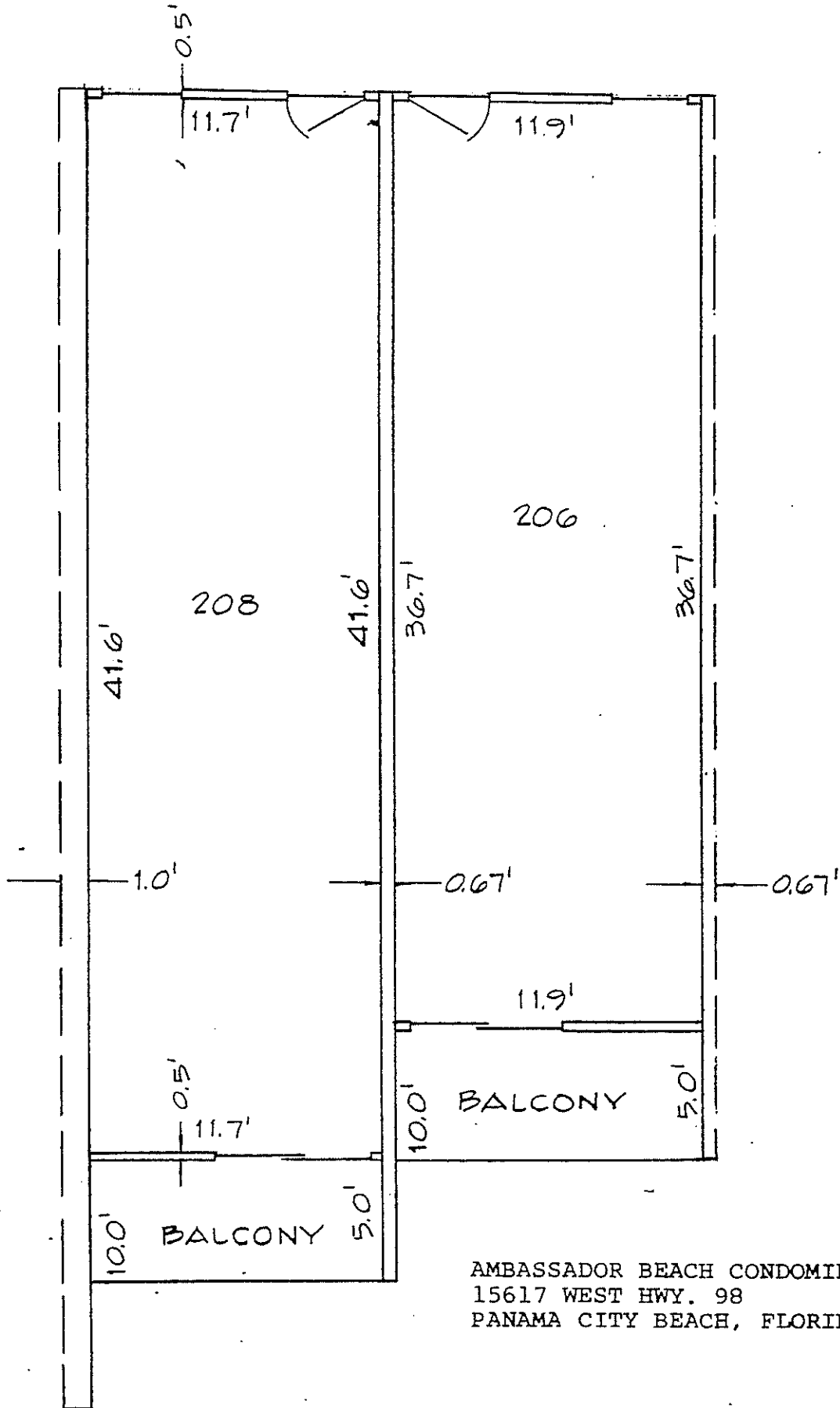


EXHIBIT "B" TO DECLARATION

UNDECORATED FINISH CEILING ELEVATION: 35.64
UNDECORATED FINISH FLOOR ELEVATION: 27.74

II
SCALE: 1"=6'

SECOND FLOOR



AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

JOB NO. 82-048
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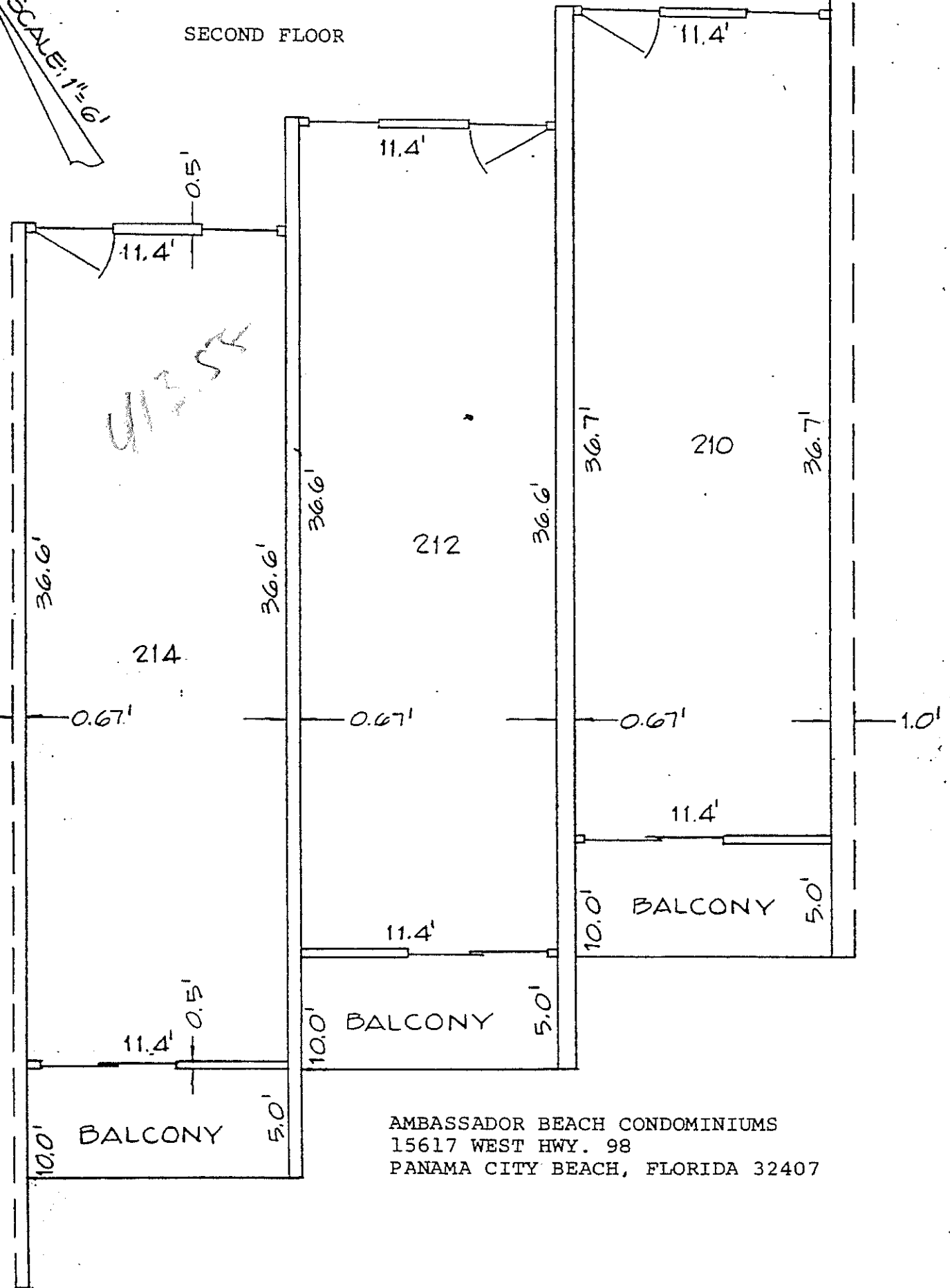
[Handwritten Signature]
ALFONSO TUZINKA
FLORIDA SURVEYOR NO. 2433

DATE: 5-26-82

EXHIBIT "B" TO DECLARATION

UNDECORATED FINISH CEILING ELEVATION: 34.95
UNDECORATED FINISH FLOOR ELEVATION: 27.05

SECOND FLOOR



AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

ALFONSO RIZENKIEWICZ
FLORIDA SURVEYOR NO. 2433

DATE: 5-10-82

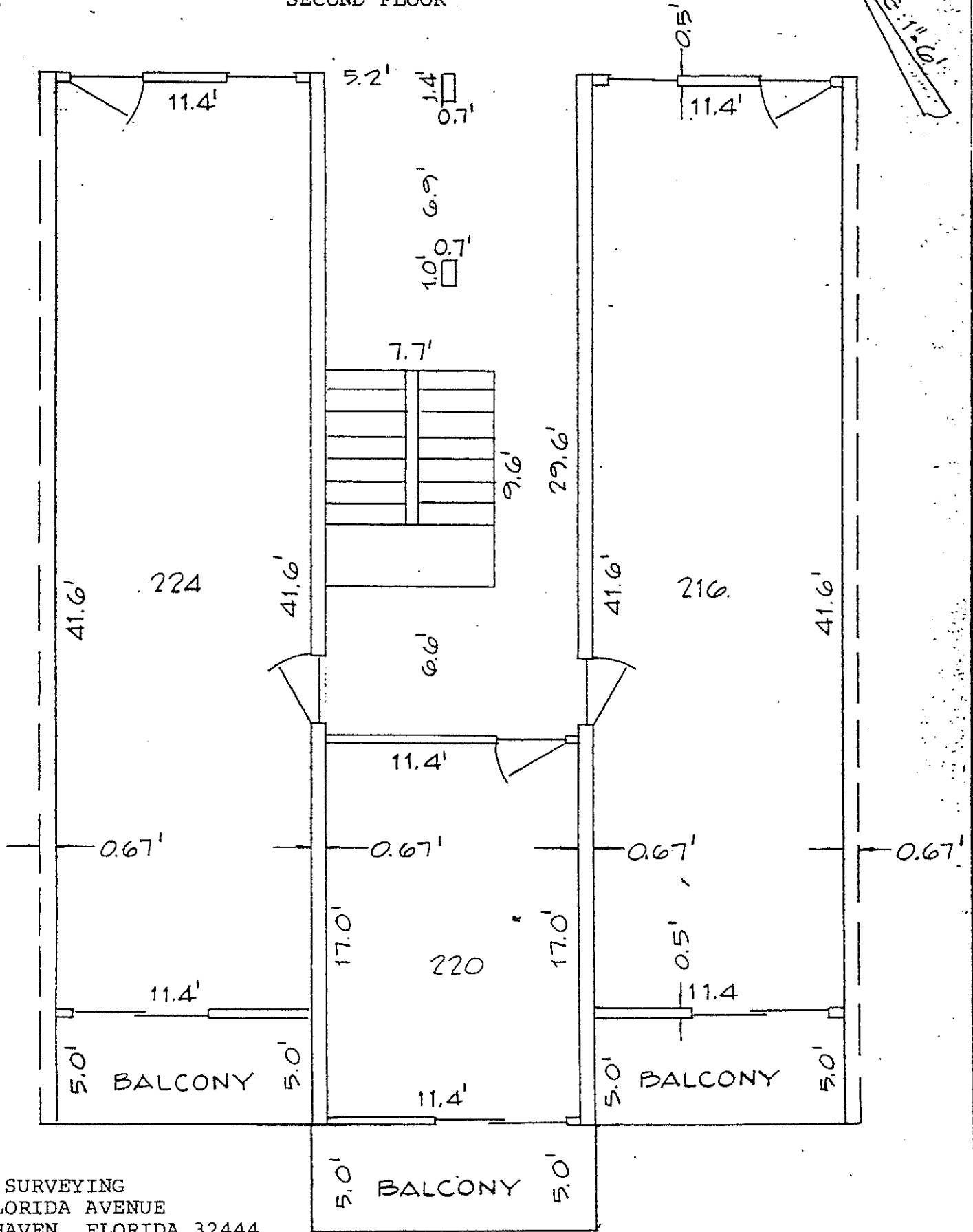
JOB NO. 82-048
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EXHIBIT "B" TO DECLARATION

UNDECORATED FINISH CEILING ELEVATION: 34.96
UNDECORATED FINISH FLOOR ELEVATION: 27.06

SCALE: 1"=6'

SECOND FLOOR



A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

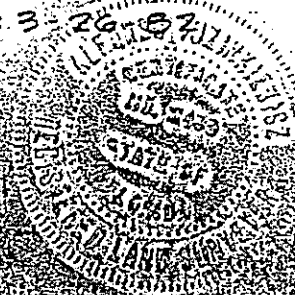
AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

ALFONSO TUZINKIEWICZ
FLORIDA SURVEYOR NO. 2433

JOB NO. 82-048
FILE NO. A20-3S16-1723
PAGE 21 OF 26 PAGES

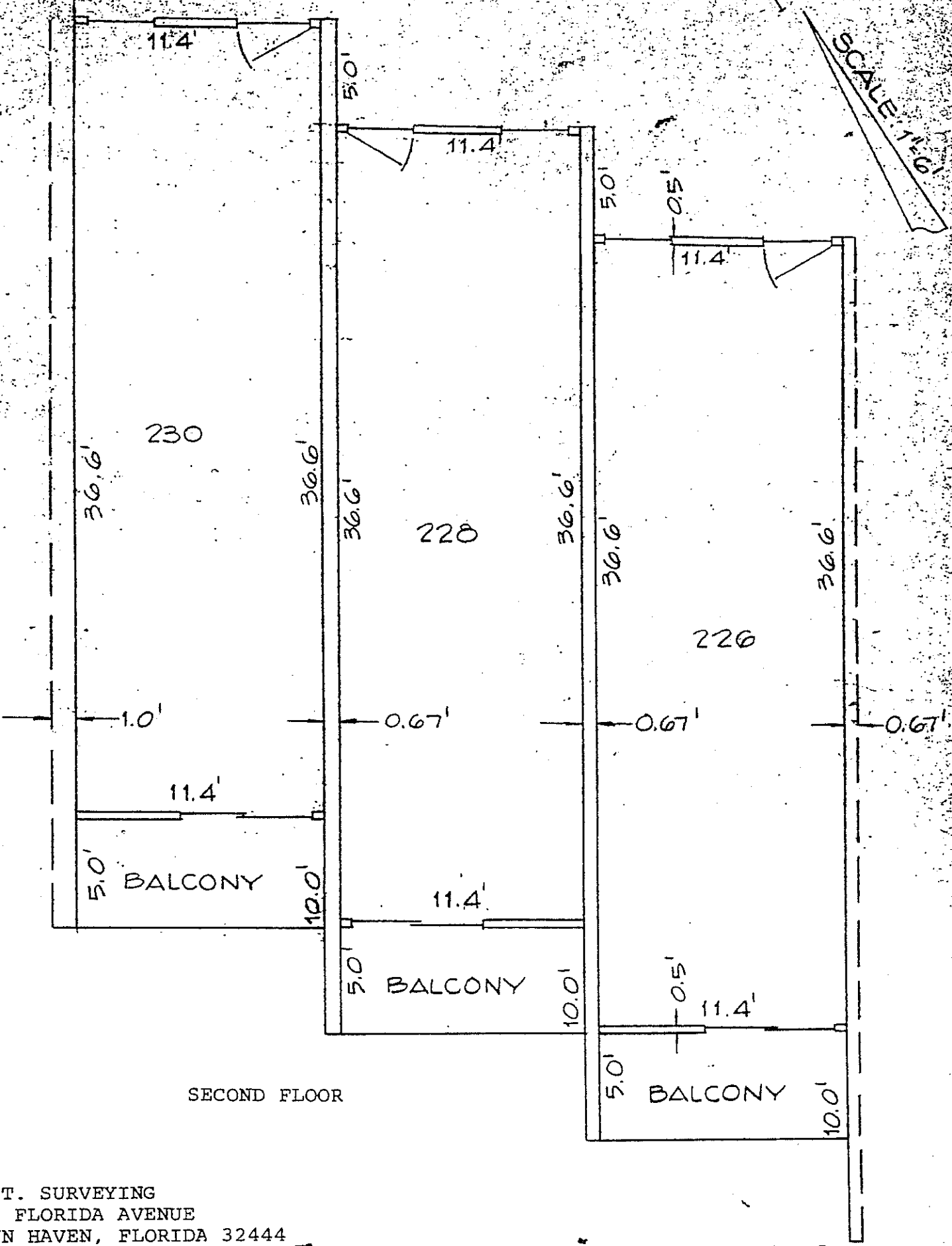
DATE: 3-29-82

EXHIBIT "B" TO DECLARATION



UNDECORATED FINISH CEILING ELEVATION: 34.96
UNDECORATED FINISH FLOOR ELEVATION: 27.06

SCALE: 1/4" = 1'-0"



SECOND FLOOR

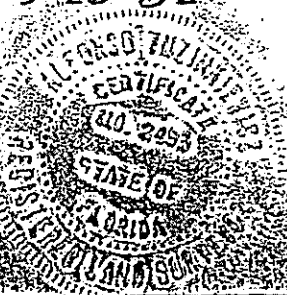
A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

[Signature]
ALEXANDER TUZINKIEWICZ
FLORIDA SURVEYOR NO. 2433

DATE: 3-26-82

AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

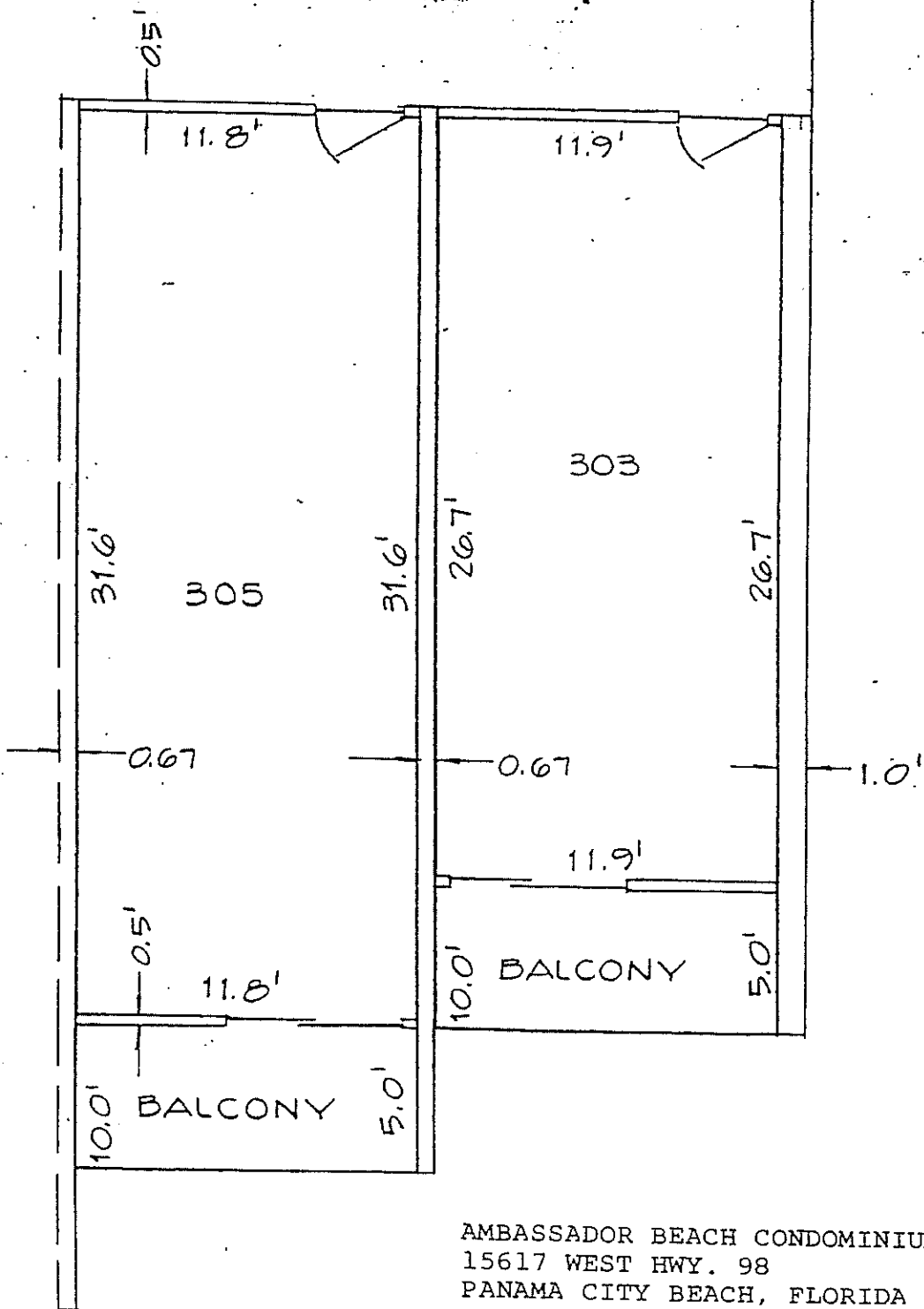
JOB NO. 82-048
FILE NO: A20-3S16-1723
PAGE 22 OF 28 PAGES



UNDECORATED FINISH CEILING ELEVATION: 44.09
UNDECORATED FINISH FLOOR ELEVATION: 36.09

SCALE: 1"=6'

THIRD FLOOR

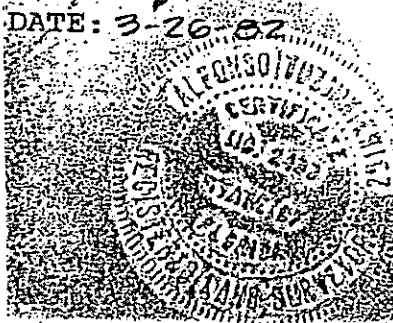


AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

[Signature]
ALFONSO TUZINKIEWICZ
FLORIDA SURVEYOR NO. 2433

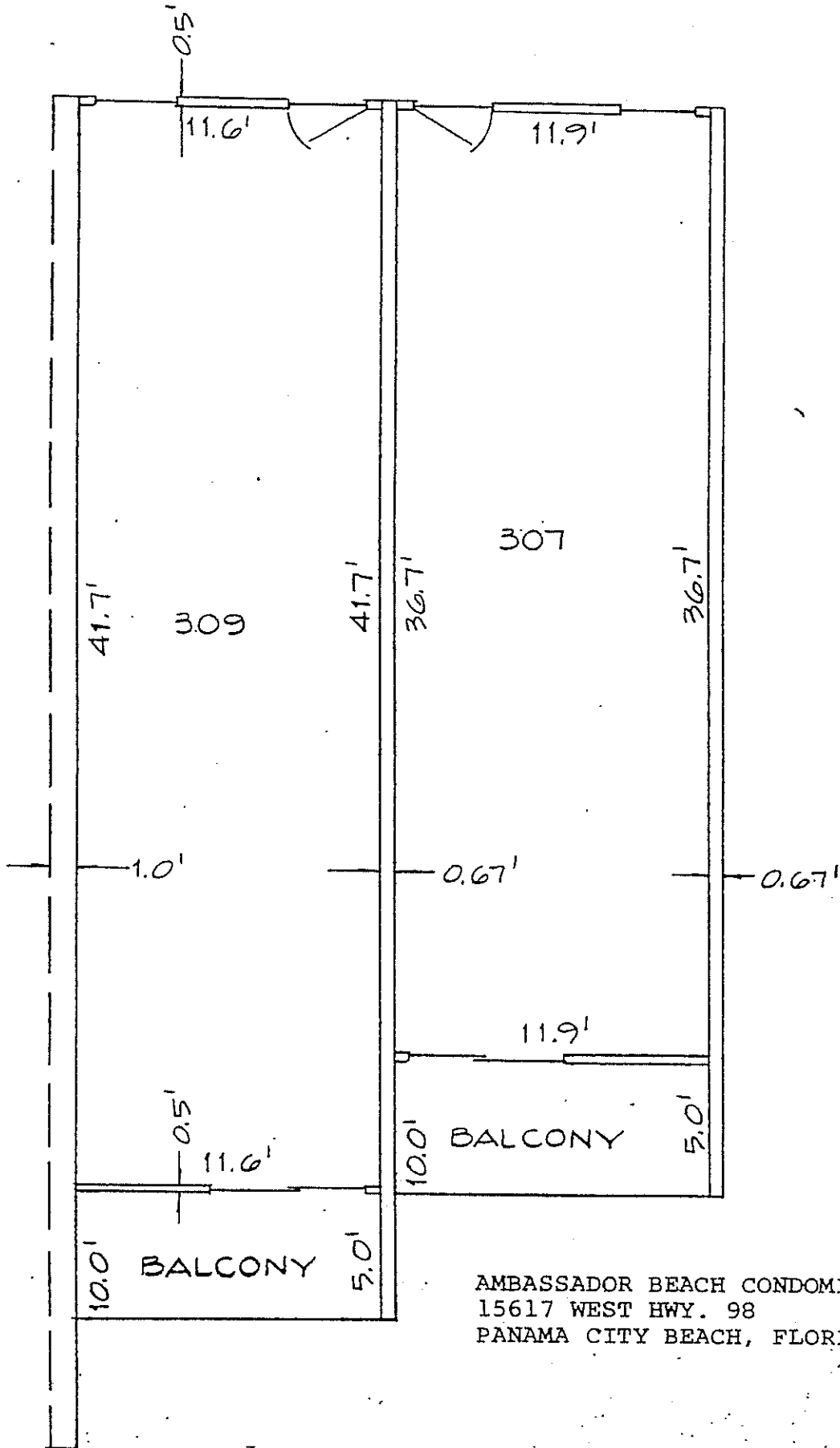
JOB NO. 82-048
FILE NO. A20-3S16 1723
PAGE 23 OF 20 PAGES



UNDECORATED FINISH CEILING ELEVATION: 44.23
UNDECORATED FINISH FLOOR ELEVATION: 36.23

THIRD FLOOR

SCALE: 1/4" = 1'-0"



AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

[Handwritten Signature]
ALFONSO RUBIEN
FLORIDA SURVEYOR NO. 2433

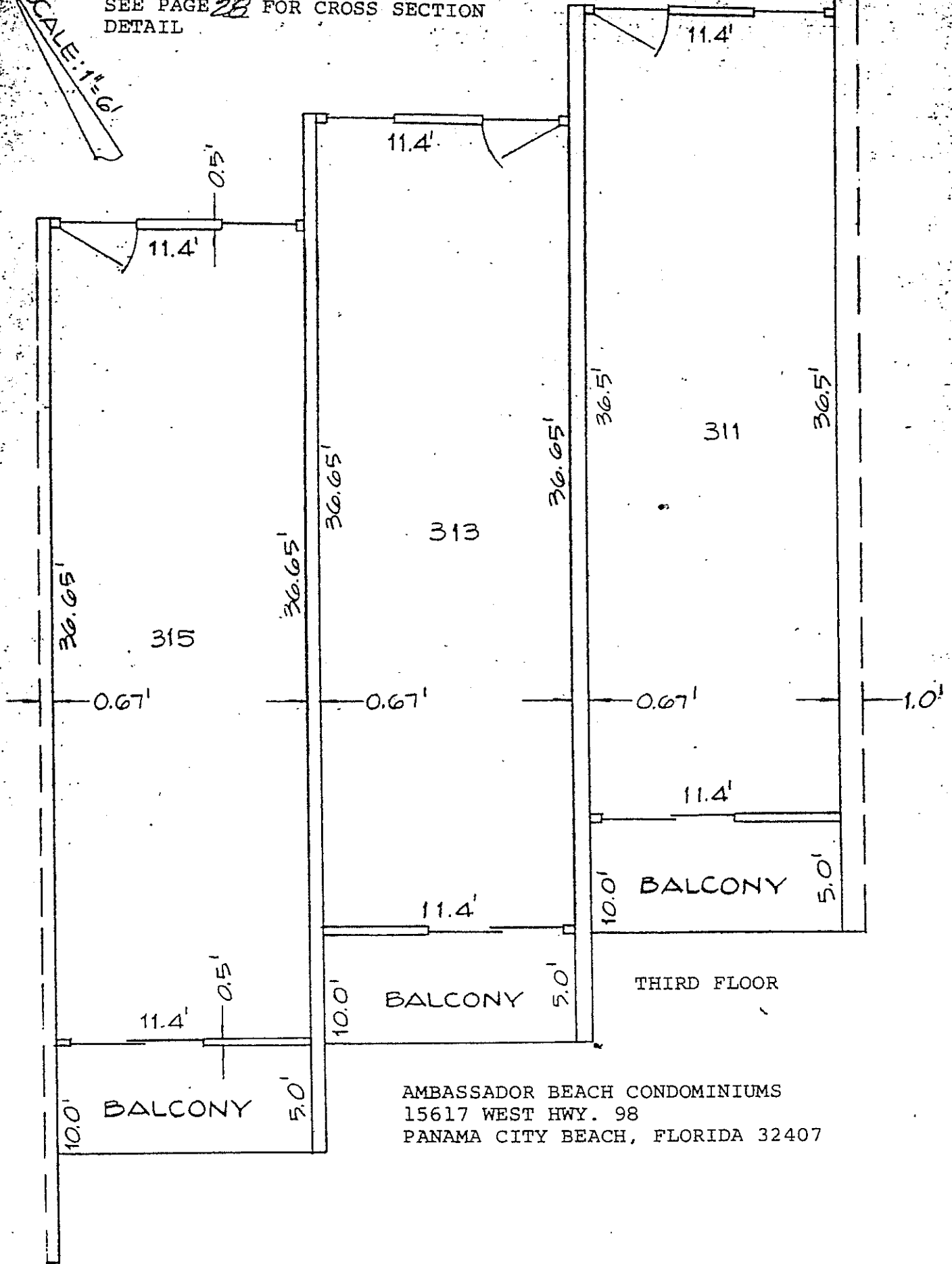
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FILE NO. A20-3S16-1723
PAGE 24 OF 28 PAGES

DATE: _____ EXHIBIT "B" TO DECLARATION

UNDECORATED FINISH CEILING ELEVATION: 43.73 TO 49.03 (311, 43.53)
UNDECORATED FINISH FLOOR ELEVATION: 35.53

SEE PAGE 28 FOR CROSS SECTION
DETAIL

SCALE: 1"=6'



AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

ALEJANDRO PUZYNKIEWICZ
FLORIDA SURVEYOR NO. 2433

DATE: 2/26/82

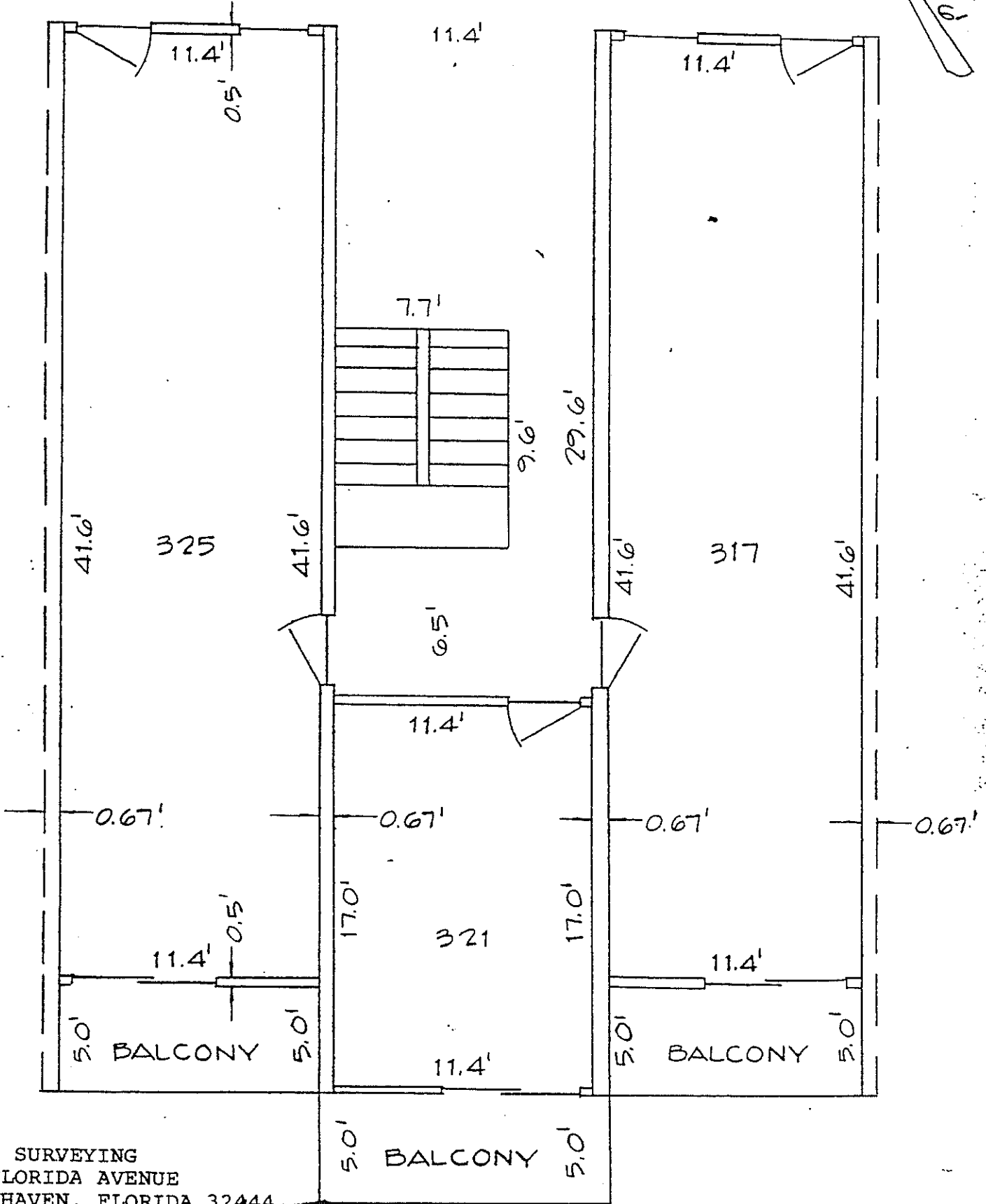
JOB NO. 82-048
FILE NO. A20-3S16-1723
PAGE 25 OF 28 PAGES

EXHIBIT "B" TO DECLARATION

UNDECORATED FINISH CEILING ELEVATION: 43.76 TO 49.06
UNDECORATED FINISH FLOOR ELEVATION: 35.56

SEE PAGE 28 FOR CROSS SECTION DETAIL

SCALE: 1"=6'



A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

ALFONSO TUZENKIECZ
FLORIDA SURVEYOR NO. 2433

AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

JOB NO. 82-048
FILE NO. A20-3S16-1723
PAGE 26 OF 28 PAGES

DATE: 7-22-87

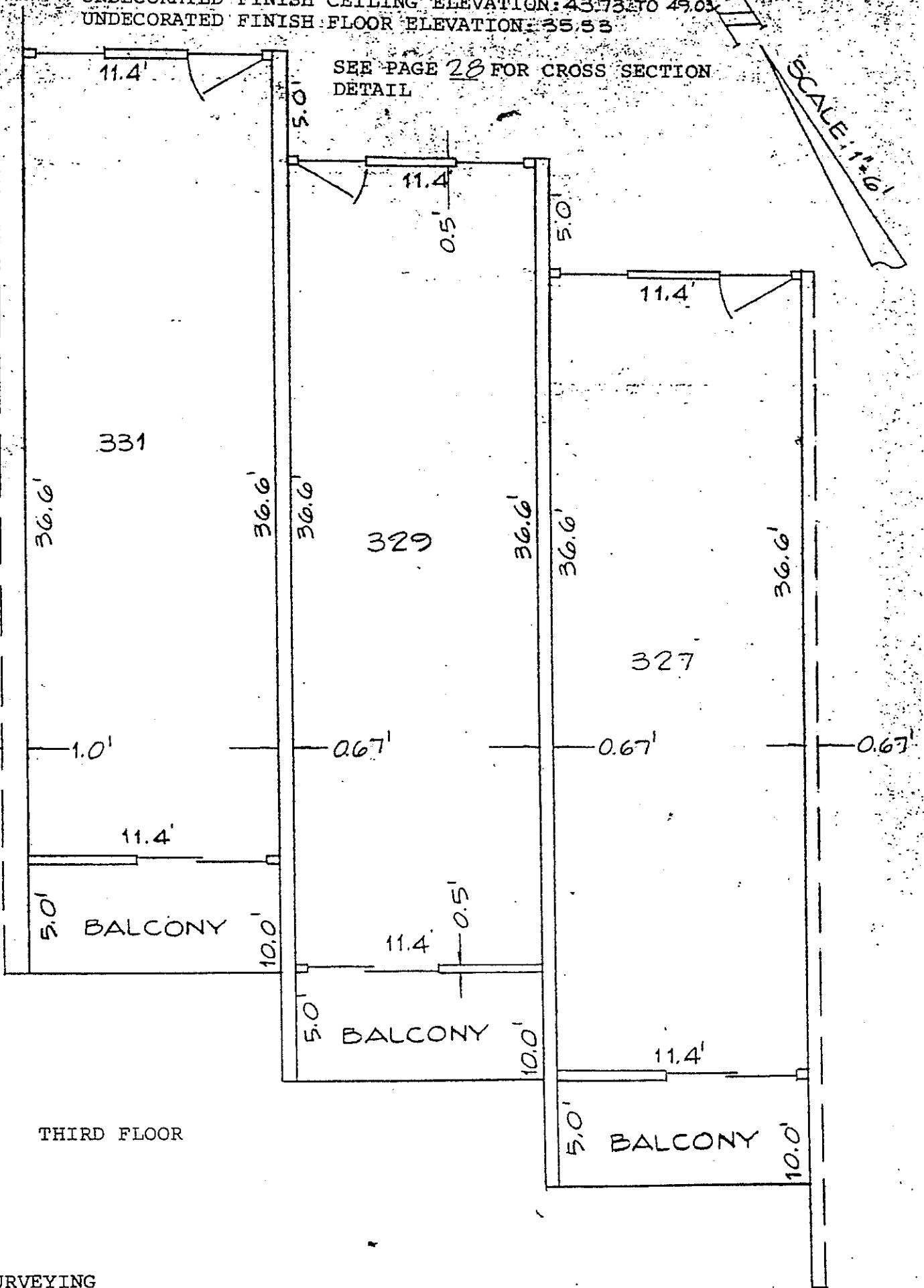


EXHIBIT "B" TO DECLARATION

UNDECORATED FINISH CEILING ELEVATION: 43.73 TO 49.03
UNDECORATED FINISH FLOOR ELEVATION: 35.53

SEE PAGE 28 FOR CROSS SECTION
DETAIL

SCALE: 1/4" = 1'-0"



THIRD FLOOR

A. T. SURVEYING
825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

ALFONSO TUZINKIEWICZ
FLORIDA SURVEYOR NO. 2433

JOB NO. 82-048
FILE NO. A20-3S16-1723
PAGE 27 OF 28 PAGES

DATE: 11/20/82

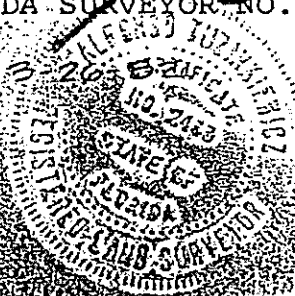
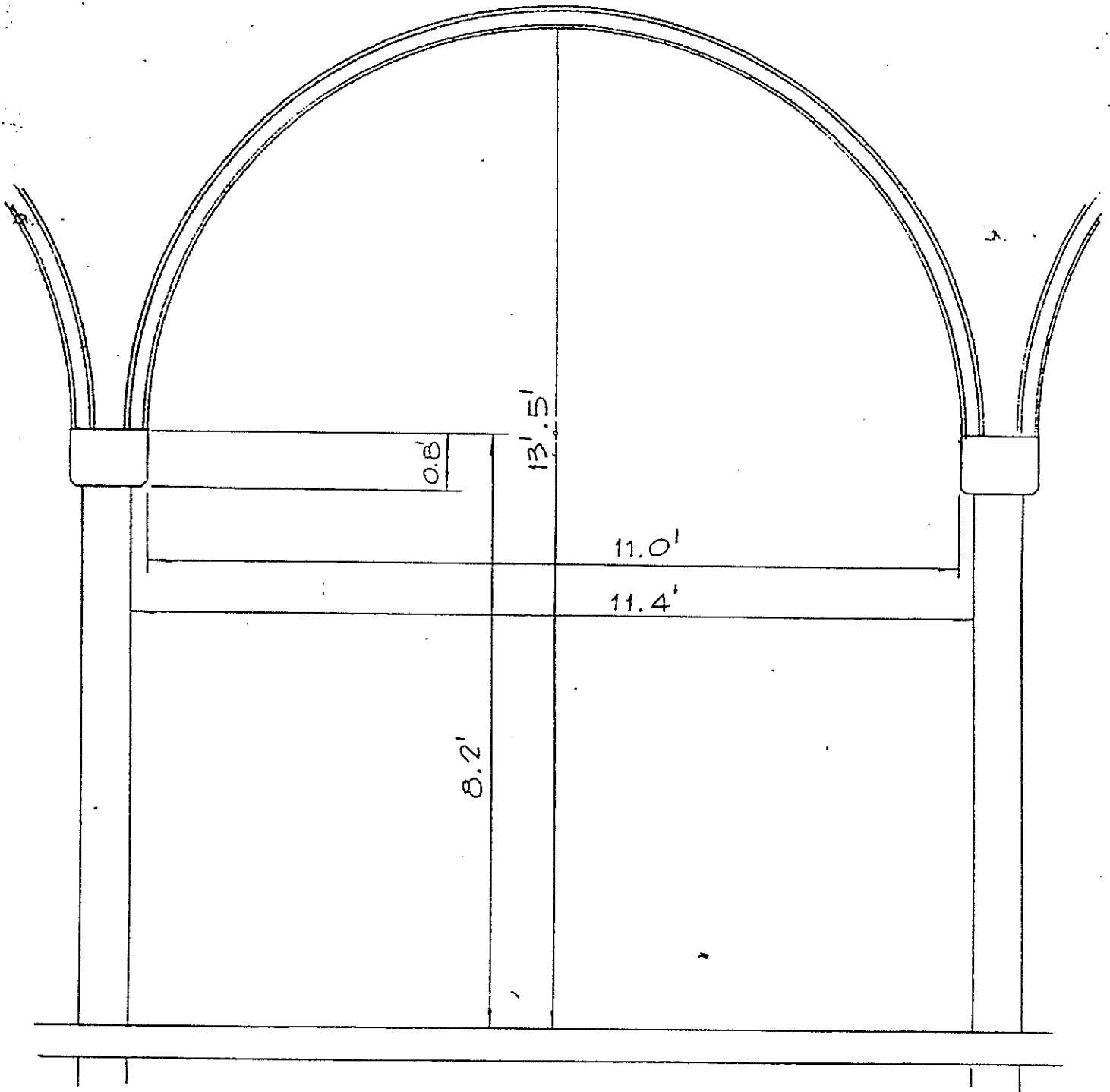


EXHIBIT "B" TO DECLARATION



CROSS SECTION DETAIL OF UNITS 311 TO 317, 321, & 325 to 331

AMBASSADOR BEACH CONDOMINIUMS
15617 WEST HWY. 98
PANAMA CITY BEACH, FLORIDA 32407

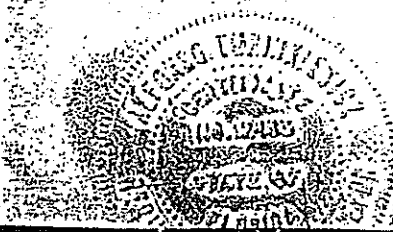
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825 FLORIDA AVENUE
LYNN HAVEN, FLORIDA 32444

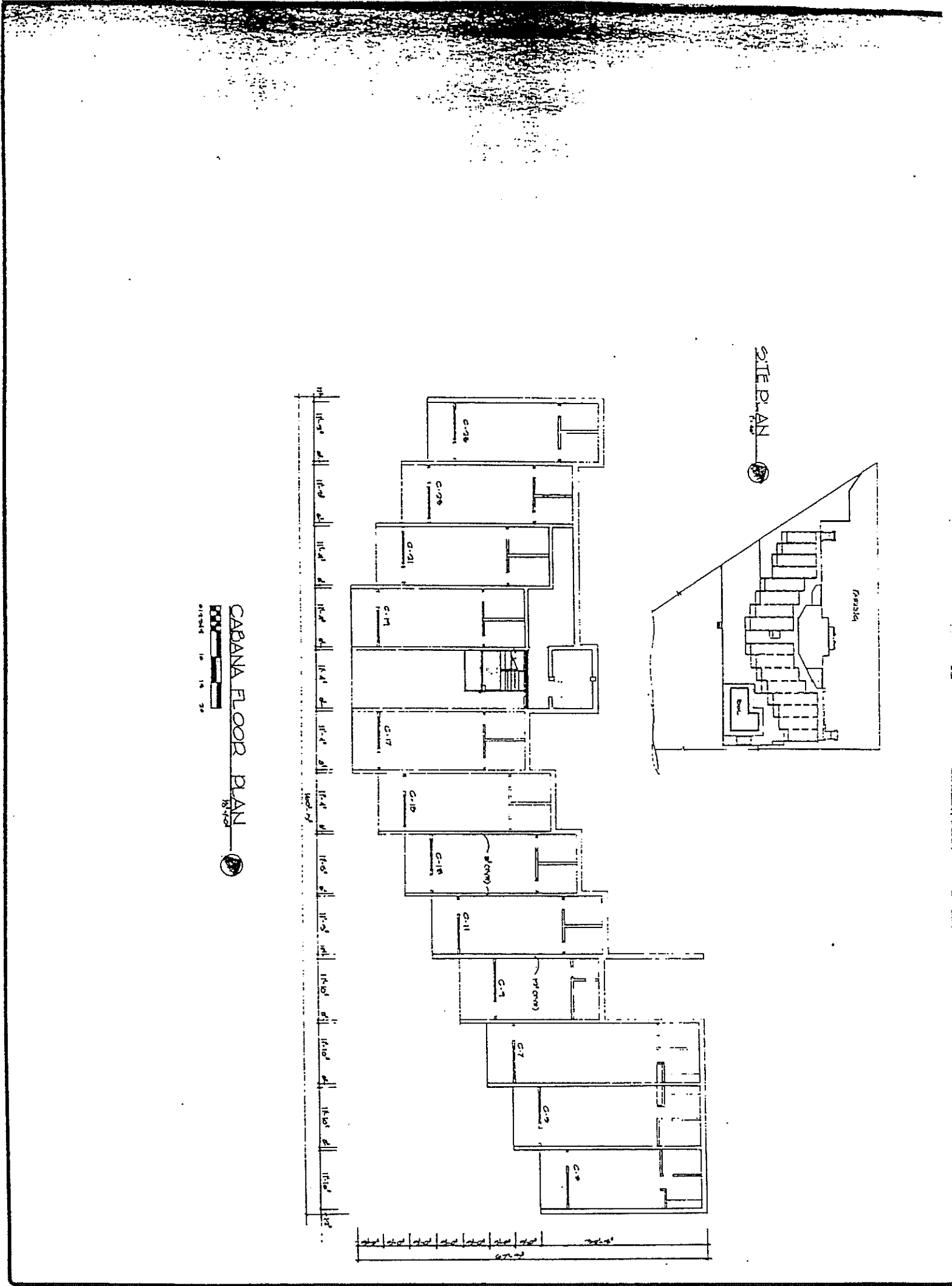
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FLORIDA SURVEYOR NO. 2433

JOB NO. 82-048
FILE NO. A20-3816-1723
PAGE 28 OF 28 PAGES

DATE: 3-26-82

EXHIBIT "B" TO DECLARATION





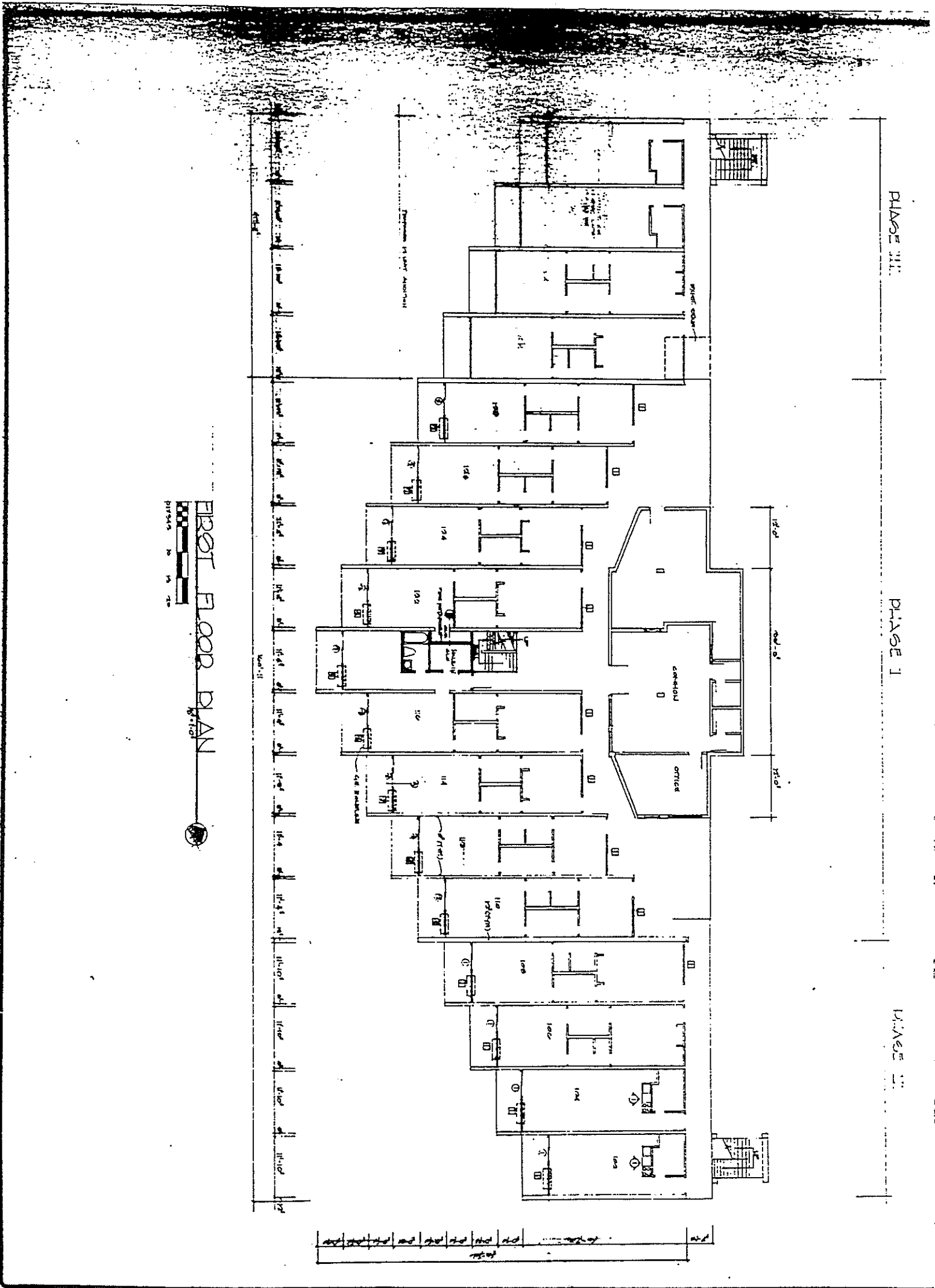
CABANA FLOOR PLAN
 NORTH

SITE PLAN
 NORTH

C. Dennis Evans, Architect
 223 First Street, Astoria, Oregon 97103

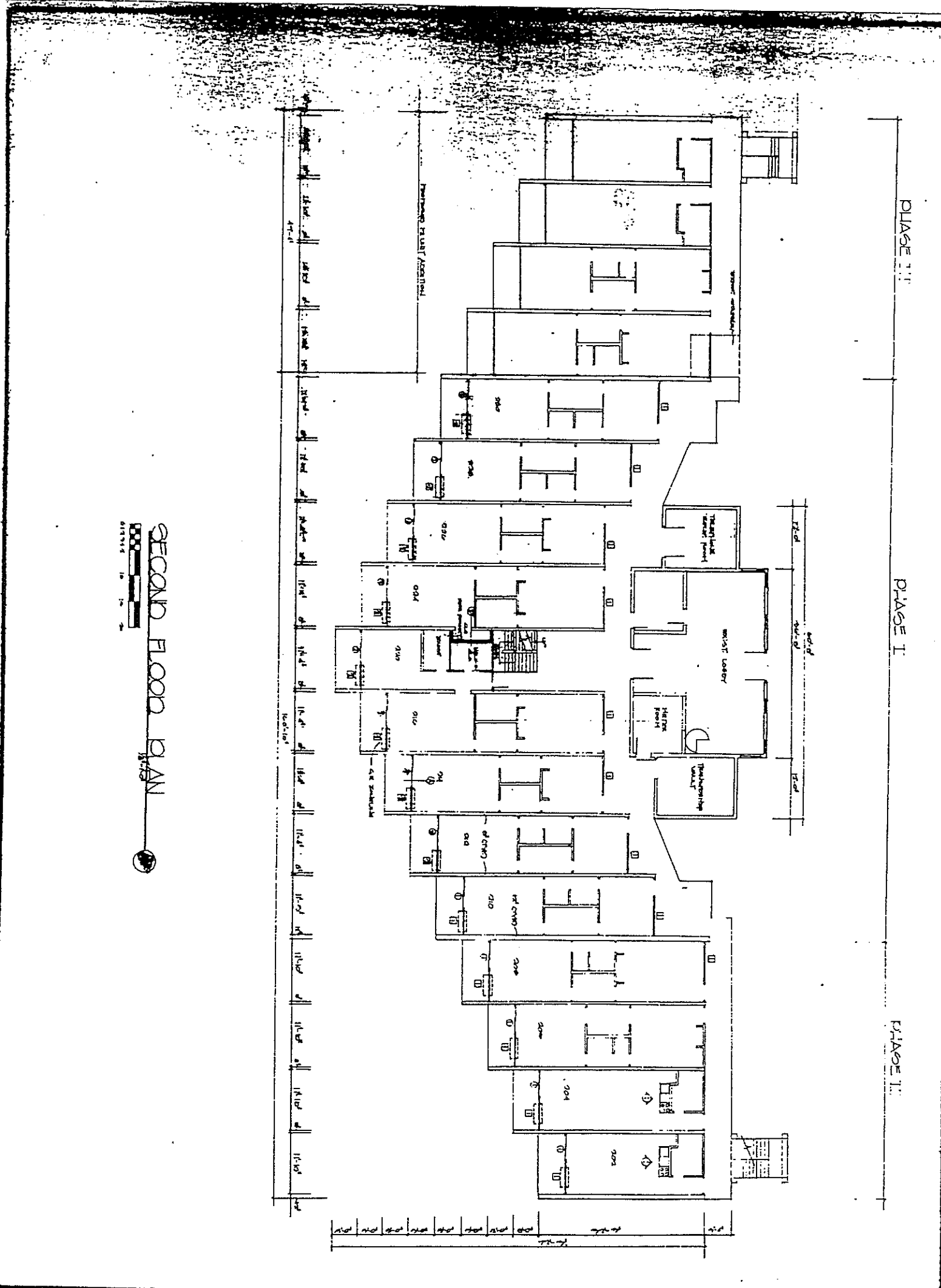
A CONDOMINIUM CONVERSION
 THE AMBASSADOR BEACH

EXHIBIT "C" TO DECLARATION



C. Dennis Evans Architect
 100 East Broadway, Portland, Oregon 97233

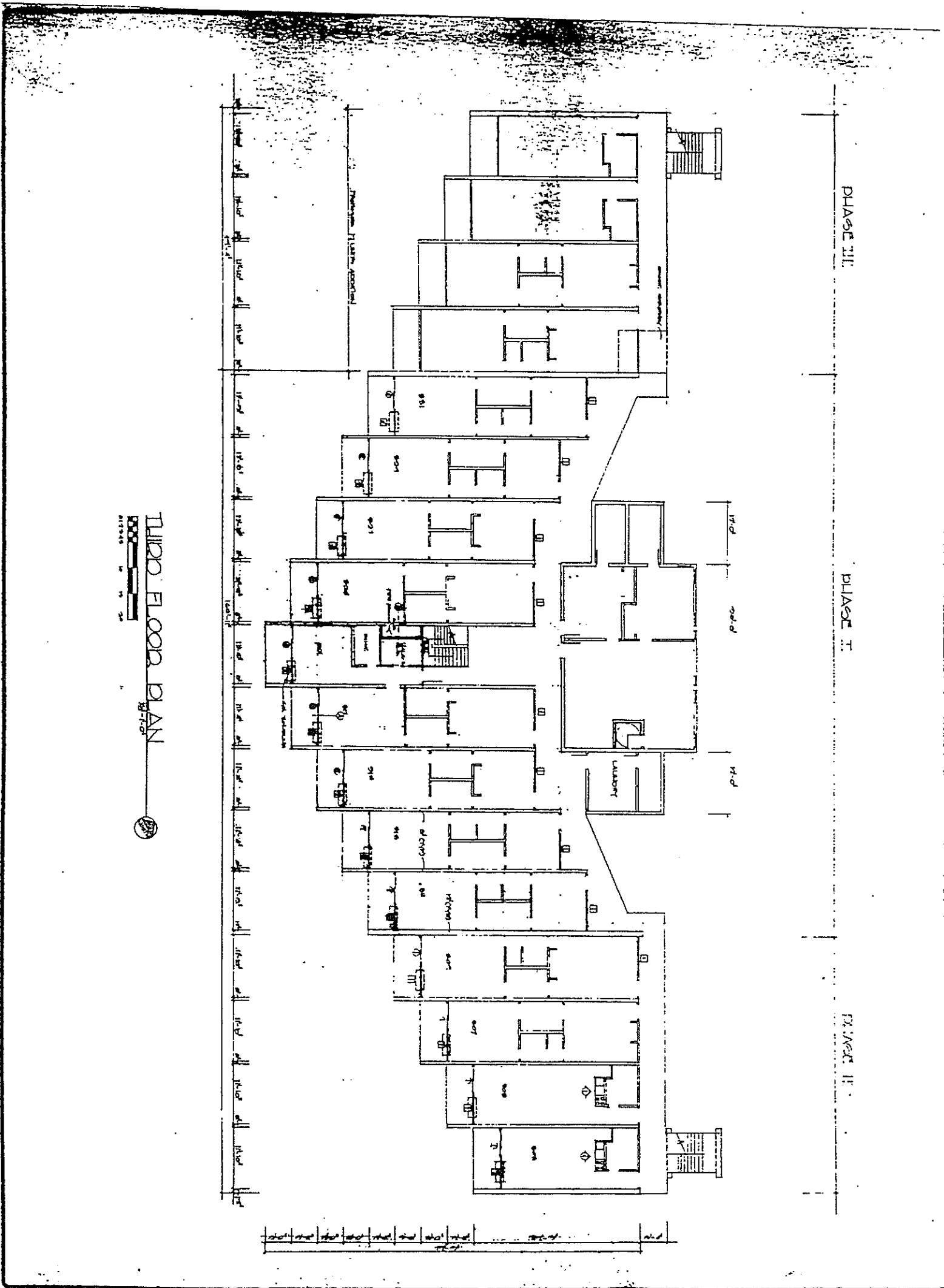
A CONDOMINIUM CONVERSION
 LE AMBASSADE BEACH



SECOND FLOOR PLAN
 1/8" = 1'-0"

C. Dennis Evans Architect
 777 1/2 Ave. South, Suite 200, Jacksonville, Florida 32209

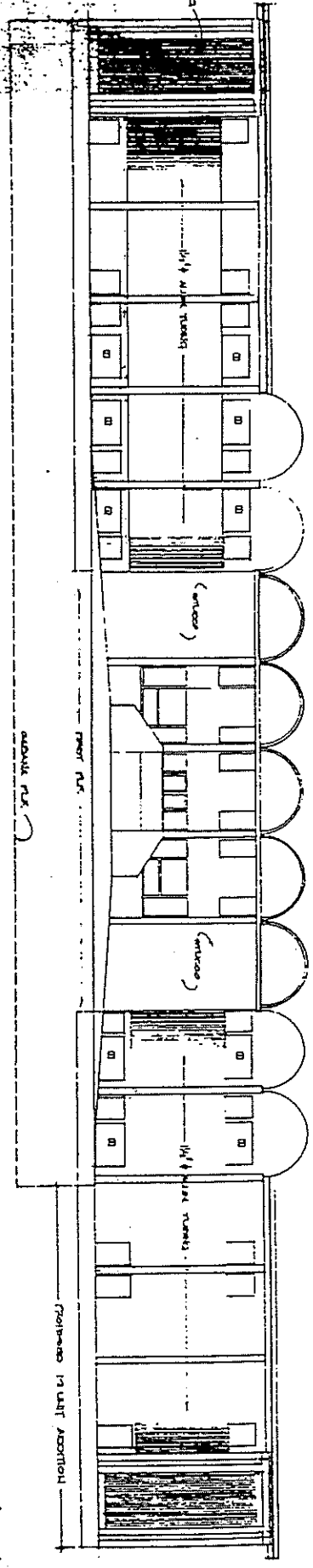
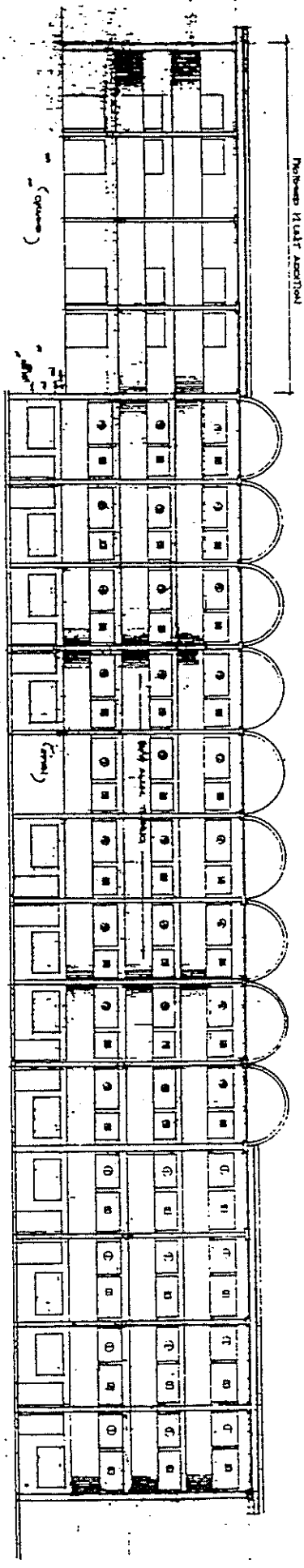
A CONDOMINIUM CONVERSION
 THE AMBASSADOR BEACH



THIRD FLOOR PLAN

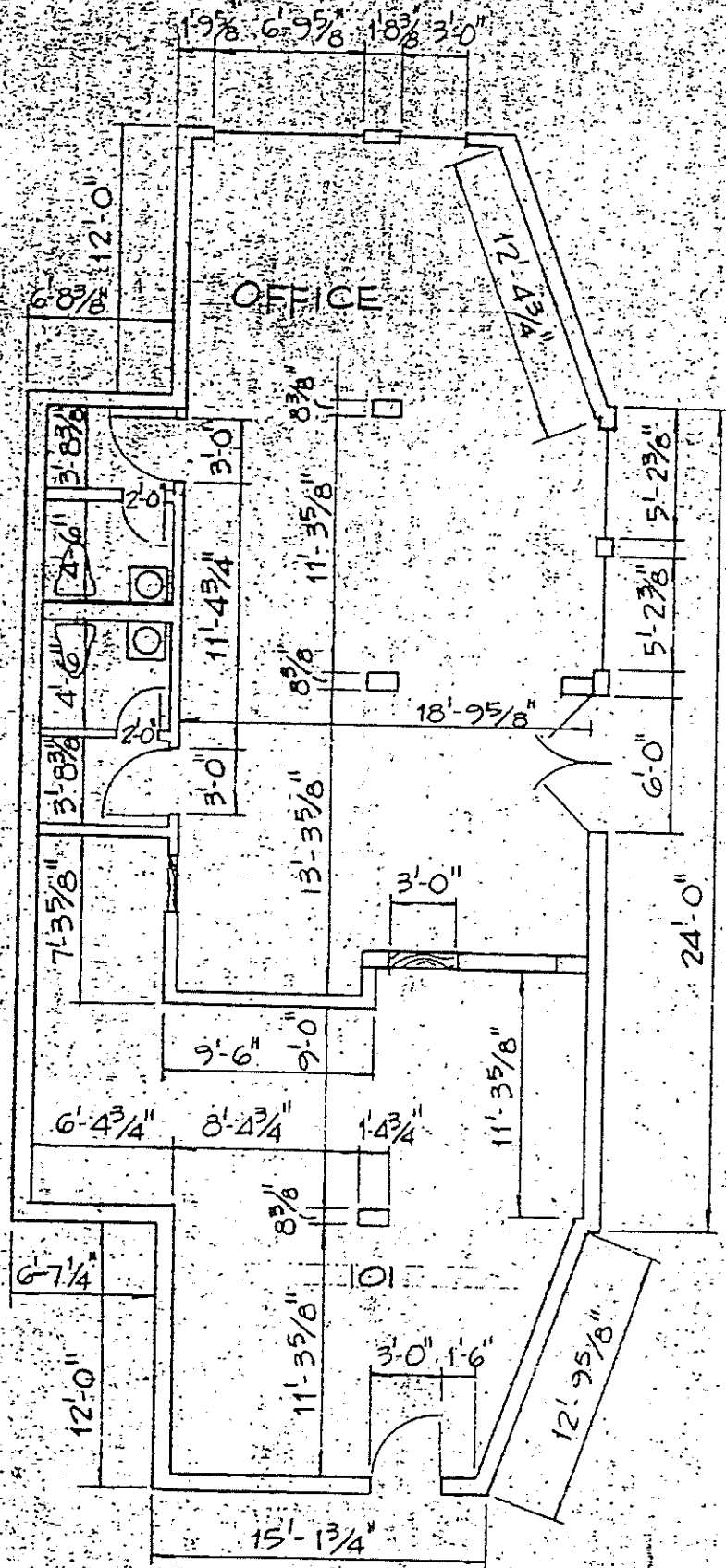
C. Davis Evans, Inc. Inc.

A CONDOMINIUM CONVERSION
 THE AMBASSADOR BEACH



C. Donald Evans Architect

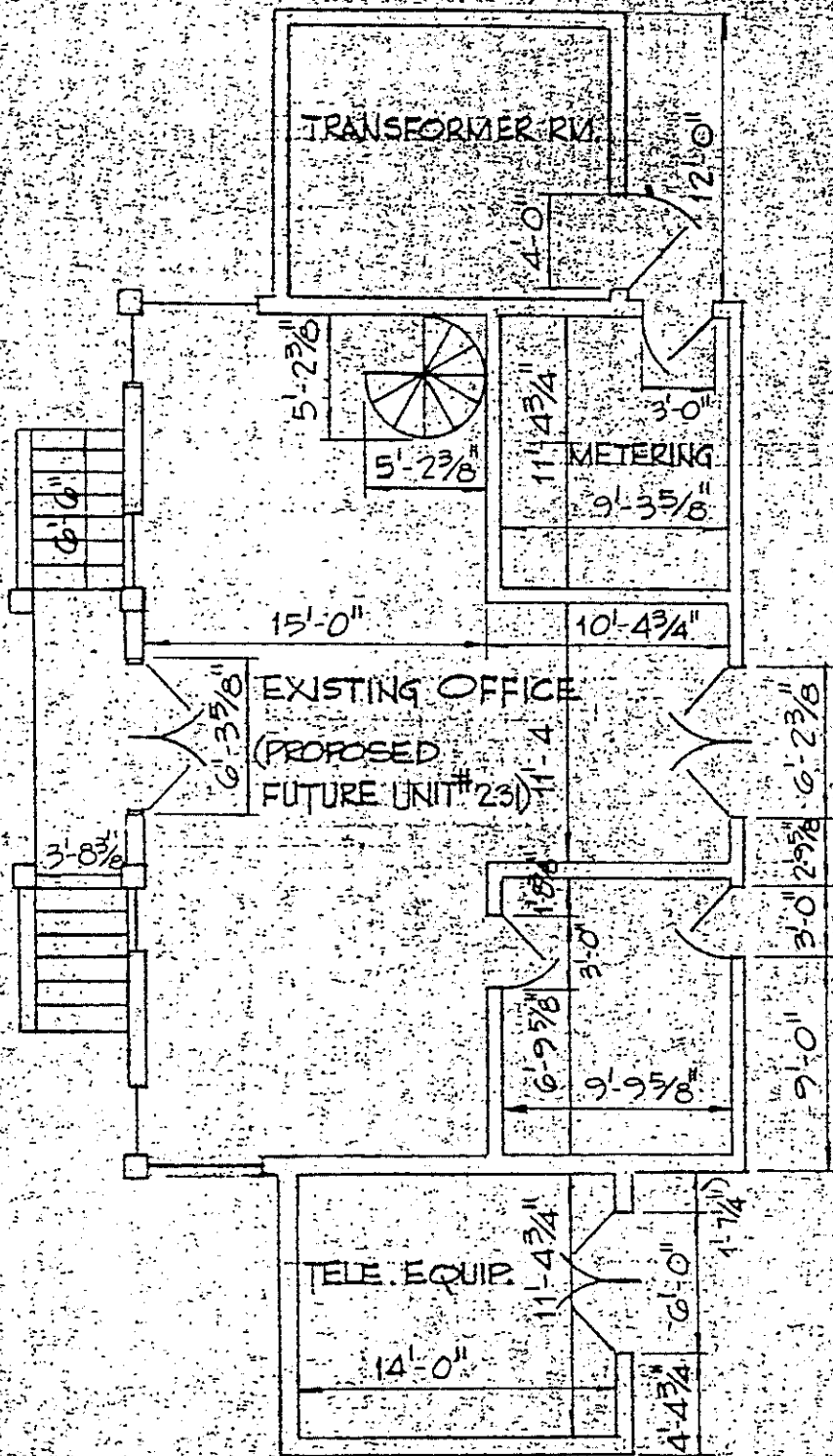
W. GARDNER M. COOPERSON
THE AMBASSADOR HOTEL



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

C. DENNIS EVANS, ARCHITECT
AMBASSADOR BEACH CONDOMINIUM

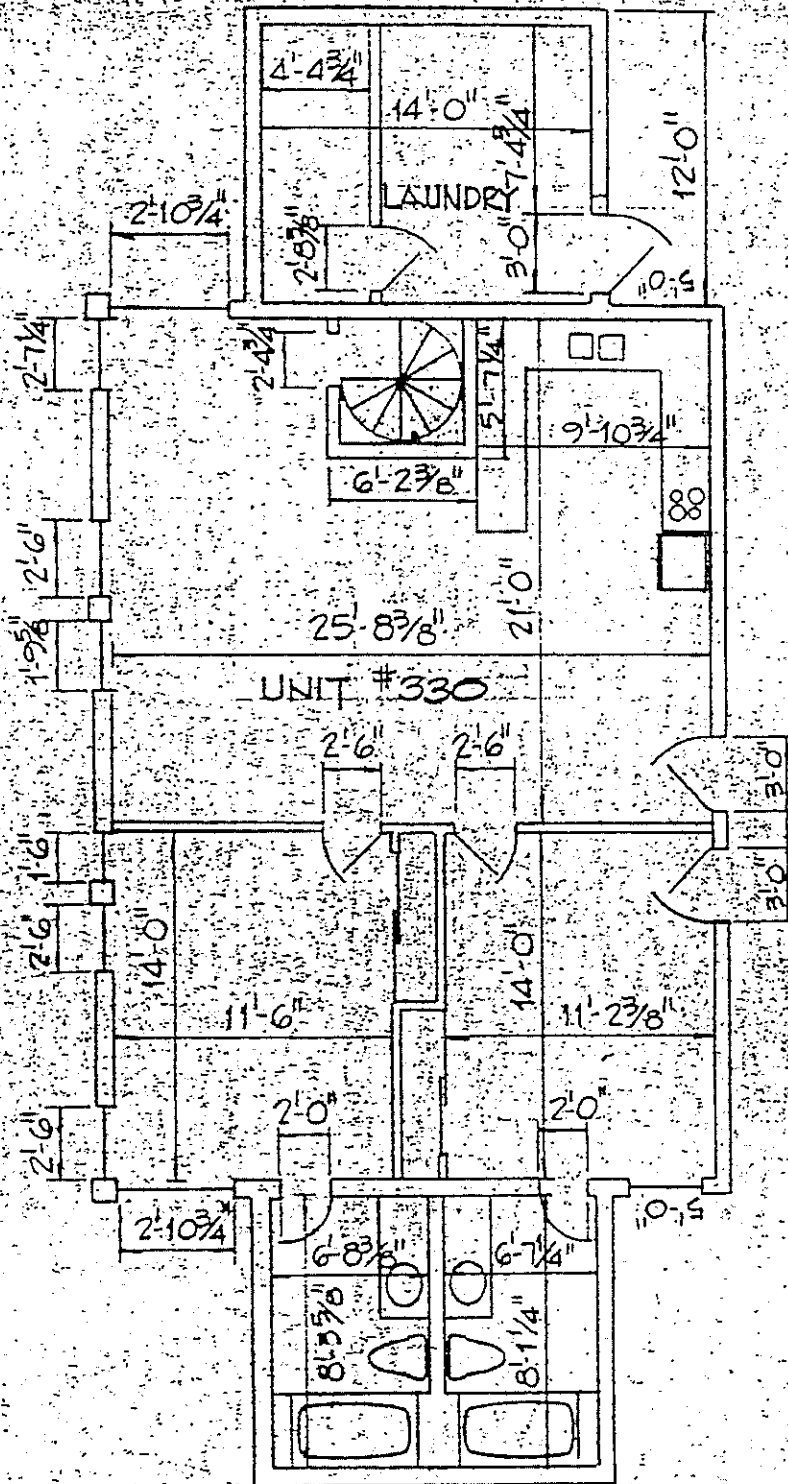
EXHIBIT "C" TO DECLARATION



2ND FLOOR
SCALE 1/8" = 1'-0"

C. DENNIS EVANS, ARCHITECT
AMBASSADOR BEACH CONDOMINIUM

EXHIBIT "C" TO DECLARATION



3RD FLOOR
SCALE: 1/8" = 1'-0"

C. DENNIS EVANS, ARCHITECT
AMBASSADOR BEACH CONDOMINIUM

EXHIBIT "C" TO DECLARATION

JOB No. 87-04B
DATE: 5-3-82

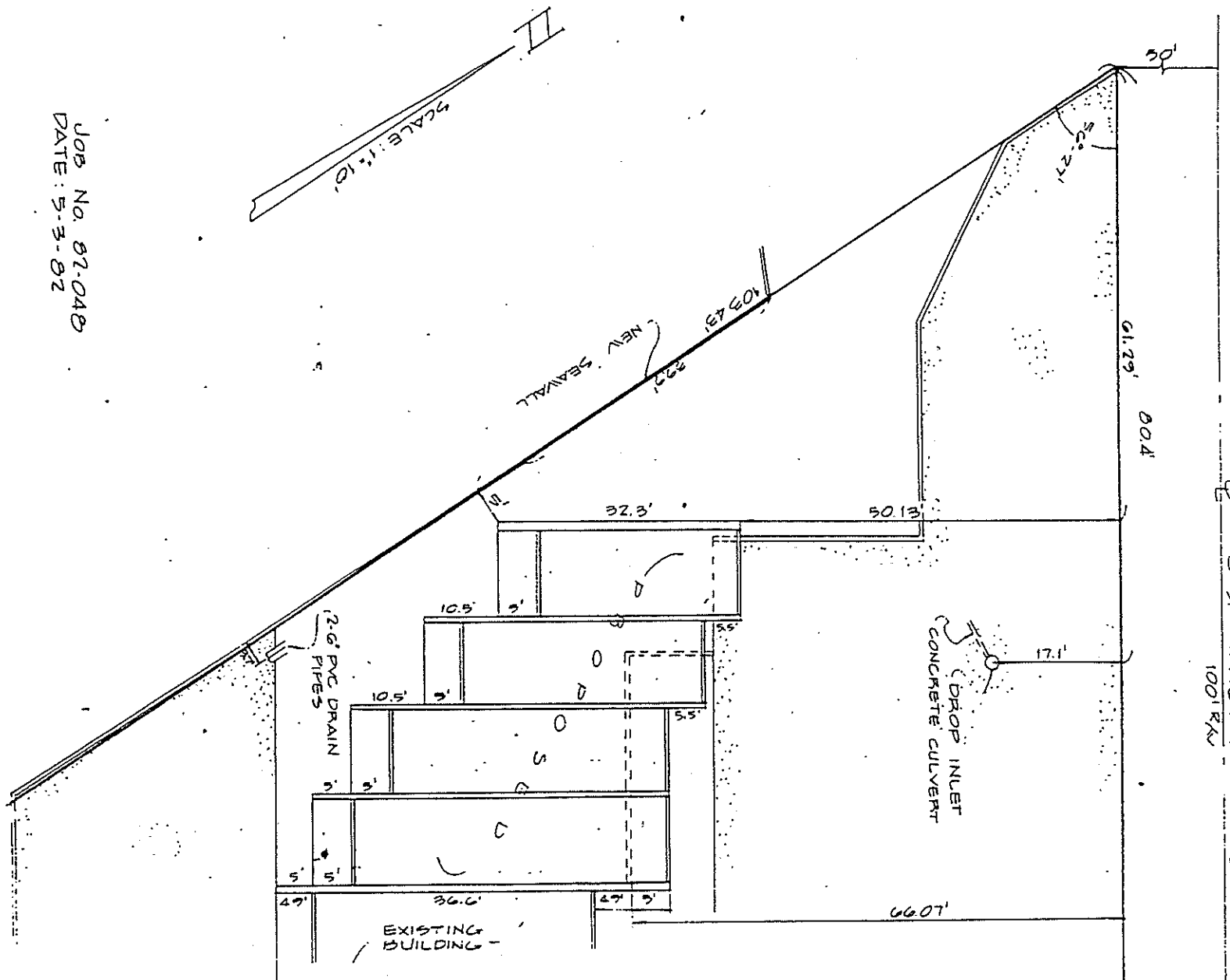


EXHIBIT F TO DECLARATION

JOINDER OF MORTGAGEE
CONSENT TO DECLARATION OF CONDOMINIUM

COMMERCIAL BANK in Panama City, Florida, the owner and holder of mortgages encumbering the property described in paragraph 1 of this Declaration of Condominium, which mortgages are that certain Mortgage dated the 1st day of February, 1982 and recorded in Official Records Book 881, Page 94, public records of Bay County, Florida, and that certain Mortgage dated the 26th day of May, 1982, and recorded in Official Records Book 898, Page 346, public records of Bay County, Florida, to the extent it may be required to do so under the laws of the State of Florida, joins in the making of the foregoing Declaration of Condominium and COMMERCIAL BANK in Panama City agrees that the lien of said Mortgages shall hereafter encumber each and every of the apartments as set forth in said Declaration including, but not limited to, all of the undivided shares of the common elements.

Signed, sealed and delivered in the presence of:

[Handwritten Signature]
[Handwritten Signature]

COMMERCIAL BANK in Panama City

By: [Handwritten Signature]
C. E. McLane
Consenting Officer

STATE OF FLORIDA
COUNTY OF BAY

BEFORE ME, the undersigned authority, personally appeared C. E. McLane as Senior Vice President who acknowledged before me that he executed this Joinder of Mortgagee on behalf of COMMERCIAL BANK in Panama City, Florida, in his official capacity for the use and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal at Panama City, of said County and State, this 4th day of June, 1982.

[Handwritten Signature]
Notary Public

My Commission Expires:

BAY COUNTY, FLORIDA
AUG 4 1982
Filed for record
11:40 AM in block and duly recorded. Book and Page indicated above. Harold Bazzel, Clerk
Circuit Court
By [Handwritten Signature]

[Notary Seal]
My Commission Expires Aug. 31, 1982
Bonded By American Fire & Casualty Company

EXHIBIT "G" TO DECLARATION

CONVERSION INSPECTION REPORT

(Excluding Termite Inspection)

At the request of C.N. DYKES, I, C. DENNIS EVANS, an Architect duly licensed to practice in the State of Florida, have inspected the buildings and improvements for the complex formerly known as AMBASSADOR MOTEL, located at 15617 WEST HIGHWAY 98, PANAMA CITY BEACH, FLORIDA, presently being converted to use as a proposed condominium, to be known as AMBASSADOR BEACH CONDOMINIUM.

LEGAL DESCRIPTION OF PROPERTY:

Commencing at the point of intersection of the West boundary line of U.S. Government Lot 3 in Section 20, Township 3 South, Range 16 West, Bay County, Florida and the Southerly R/W Line of U.S. Highway 98; thence run Southeasterly along the Southerly R/W Line of U.S. Highway 98 a distance of 100 feet for a Point of Beginning; thence to the right run South on a line parallel with the West Boundary line of U.S. Government Lot 3, to the waters edge of the Gulf of Mexico; thence to the left Southeasterly along the meandering line of the waters edge of the Gulf of Mexico to the point of intersection, formed by extending the Eastern boundary line of Lot 8, Block A, Edge Water Beach as per Plat thereof recorded in Plat Book 2, Page 7 of the Public Records of Bay County, Florida, to the waters of the Gulf of Mexico; thence to the left following said extended boundary of Lot 8, Block A to the South R/W Line of U.S. Highway 98; thence to the left along the said South boundary line of U.S. Highway 98 to the Point of Beginning.

DATE OF INSPECTION:

April 15, 1982

DATE OF COMPLETION OF CONSTRUCTION OF THE IMPROVEMENTS:

Phase I	Completed In 1970
Phase II	Completed In 1973
Phase III	Proposed

TYPE OF CONSTRUCTION OF THE IMPROVEMENTS:

Foundation consists of grade beams on piling with reinforced concrete masonry units, party walls and bearing walls.

Cabanna Level Floor - is concrete slab, poured on water proof membrane.

First, Second & Third Floors - are reinforced structural concrete floor slabs.

Roof on Phase I Building is a plywood paneled barrel roof with a vinyl skin.

The Phase II Building has a reinforced concrete slab with built-up roof.

All party walls are concrete masonry units, with filled cells.

All front and rear unit walls are wood panels with exterior wood siding.

PRIOR USE OF IMPROVEMENTS:

Served as a Motel from 1970 thru April 19, 1982.

STRUCTURAL ELEMENTS:

1. Safety of structural elements with respect to the use intended.

Structural elements are safe for the use intended.

2. Soundness of structural elements:

The structural elements of the building are sound and in good condition. On some exterior facing there is sign of the concrete spalding, exposing reinforcing, which requires painting.

CONDITION OF ROOF:

1. Safety of roof with respect to the use intended:

Roof is safe for the use intended.

2. Soundness:

Phase I Roof - is a barrel roof with skin and is in good condition with no visible signs of leaking or deterioration.

Phase II Roof - was replaced in 1975, and is presently in good condition, however the Owner intends to replace the existing built-up roof with a new built-up roof.

3. Age:

Phase I - 12 Years

Phase II - 7 Years

4. Estimated remaining useful life:

Phase I - 5 Years

Phase II - 3 Years

5. Estimated current replacement cost:

UNIT #	COST PER UNIT
C-3	\$ 424.76
C-11	424.76
C-13	424.76
C-14	424.76
C-15	424.76
C-17	424.76
C-19	424.76
C-21	424.76
C-23	424.76
C-25	424.76
C-9	330.05
102	433.37
202	433.37
302	433.37
C-7	556.78
C-5	556.78
104	493.64
204	493.64
305	493.64
101	496.51
110	545.30
112	545.30
114	545.30
124	545.30
126	545.30
128	545.30
210	545.30
212	545.30
214	545.30
226	545.30
228	545.30
230	545.30
311	545.30
313	545.30
314	545.30
327	545.30
329	545.30
331	545.30

Roof - Unit Cost Continued

UNIT #	COST PER UNIT	
108	\$ 614.18	
208	614.18	
309	614.18	
106	568.26	
206	568.26	
307	568.26	
122	611.31	
224	611.31	
325	611.31	
231	886.83	
116	987.28	
216	987.28	
317	987.28	
330	1,162.35	
<u>51</u>	<u>\$28,751.66</u>	TOTAL REPLACEMENT COST (ALL UNITS)

PLUMBING ELEMENTS:

1. Safety of plumbing elements with respect to the use intended:
 Plumbing elements are safe for the use intended.
2. Soundness of plumbing elements:
 All plumbing elements are sound for the use intended.
3. Functioning ability of plumbing elements:
 Plumbing elements function properly.
4. Age of plumbing elements:
 Phase I - 12 Years
 Phase II - 9 Years
5. Estimated remaining useful life:
 30 Years

6. Estimated current replacement cost:

UNIT #	LOCATION & TYPE	COST PER UNIT
C-3,C-5, C-7,C-9, C-11,C-13, C-15,C-17, C-19,C-21, C-23,C-25	Cabana	\$700.00 EACH
102,104	First Floor, 1 B/R, 1 Bath	700.00 EACH
106,108,110, 112,114,122, 124,126,128	First Floor, 2 B/R, 1 Bath	700.00 EACH
116	First Floor, 3 B/R, 2 Bath	1,250.00 EACH
202,204	Second Floor, 1 B/R, 1 Bath	700.00 EACH
206,208,210, 212,214,224, 226,228,230	Second Floor, 2 B/R, 1 Bath	700.00 EACH
231	Second Floor 2 B/R, 2 Bath	1,250.00 EACH
216	Second Floor 3 B/R, 2 Bath	1,250.00 EACH
303,305	Third Floor 1 B/R, 1 Bath	700.00 EACH
307,309,311, 313,315,325, 327,329,331	Third Floor 2 B/R, 1 Bath	700.00 EACH
317	Third Floor 3 B/R, 2 Bath	1,250.00 EACH
330	Third Floor 3 B/R, 2 Bath	1,500.00 EACH
TOTAL REPLACEMENT COST ALL UNITS		<u>\$38,000.00</u>

Hot water heating system will be a common element, serving all units in Phase I and Phase II, and is a recirculating type.

ELECTRICAL SYSTEMS:

1. Safety of electrical elements with respect to the use intended:

The electrical elements are safe as to the use intended.

2. Soundness of electrical elements:

Electrical elements are sound for intended use, and all units are presently metered under the house panel.

It is the intention of the Owner to provide separate meters for each unit, along with a house meter for the common areas.

3. Functioning ability of electrical elements:

Electrical elements function properly.

4. Age of electrical systems:

Phase I - 12 Years

Phase II - 9 Years

5. Estimated remaining useful life:

30 Years

6. Estimated current replacement cost:

UNIT #	LOCATION & TYPE	COST PER UNIT
C-3,C-5, C-7,C-9, C-11,C-13, C-15,C-17, C-19,C-21, C-23,C-25	Cabana	\$300.00 EACH
102,104	First Floor, 1 B/R, 1 Bath	300.00 EACH
106,108,110, 112,114,122, 124,126,128	First Floor, 2 B/R, 1 Bath	400.00 EACH
116	First Floor, 3 B/R, 2 Bath	500.00 EACH
202,204	Second Floor, 1 B/R, 1 Bath	300.00 EACH
206,208,210, 212,214,224, 226,228,230	Second Floor, 2 B/R, 1 Bath	400.00 EACH
231	Second Floor 2 B/R, 2 Bath	400.00 EACH
216	Second Floor 3 B/R, 2 Bath	500.00 EACH
303,305	Third Floor 1 B/R, 1 Bath	300.00 EACH

Electrical - Unit Cost Continued

UNIT #	LOCATION & TYPE	COST PER UNIT
307,309,311 313,315,325, 327,329,331	Third Floor 2 B/R, 1 Bath	\$400.00 EACH
317	Third Floor 3 B/R, 2 Bath	500.00 EACH
330	Third Floor 3 B/R, 2 Bath	500.00 EACH
TOTAL REPLACEMENT COST ALL UNITS		<u>\$18,600.00</u>

HEATING AND COOLING SYSTEMS:

1. The existing units range in age from two (2) to twelve (12) years.

The Owner proposes to replace all units with G.E. WEATHERTRONE HVAC units.

SWIMMING POOL:

1. Safety of pool and equipment:
Safe for use intended.
2. Soundness of pool and equipment:
Sound for use intended.
3. Age:
Seven (7) years.
4. Estimated remaining useful life:
20 Years
5. Estimated current replacement cost:

UNIT #	COST PER UNIT
C-3,C-11,C-13,C-15,C-17,C-19, C-21,C-23,C-25	\$ 297.15 EACH
C-9	230.90 EACH
102,202,302	303.18 EACH
C-7,C-5	389.51 EACH
104,204,305	345.36 EACH

Swimming Pool - Unit Cost Continued

UNIT #	COST PER UNIT
101	347.35 EACH
110,112,114,124,126,128,210, 212,214,226,228,230,311,313, 314,327,329,331	381.48 EACH
108,208,309	429.67 EACH
106,206,307	397.54 EACH
122,224,325	427.66 EACH
231	620.41 EACH
116,216,317	690.68 EACH
330	813.16 EACH

TOTAL REPLACEMENT COST \$20,114.10

PAVEMENT AND PARKING AREAS:

1. Soundness:

Parking areas are presently a 4" concrete paved area in sound condition.

There are normal hair line cracks and slight amounts of settlement at construction joints.

2. Age:

Twelve (12) Years

3. Estimated remaining usefull life:

Twenty (20) Years

4. Estimated current replacement cost:

UNIT #	COST PER UNIT
C-3,C-11,C-13,C-15,C-17, C-19,C-21,C-23,C-25	\$ 390.78 EACH
C-9	303.65 EACH

Parking - Unit Cost Continued

UNIT #	COST PER UNIT
102,202,302	\$ 398.70 EACH
C-7,C-5	512.24 EACH
104,204,305	454.14 EACH
101	456.79 EACH
110,112,114,124, 126,128,210,212, 214,226,228,230,311,313,315,327, 329,331	501.68 EACH
108,208,309	584.58 EACH
106,206,307	522.80 EACH
122,224,325	562.41 EACH
231	815.88 EACH
116,216,217	904.30 EACH
330	1,069.36 EACH
TOTAL REPLACEMENT COST <u>\$26,498.24</u>	

SEAWALL:

1. Soundness of seawall:

Sound

2. Age

Seawall damaged and repaired in 1975 and is constructed of precast concrete sheets, with a poured in-place concrete cap.

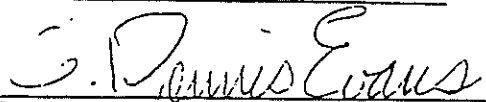
3. Estimated current replacement cost:

UNIT #	COST PER UNIT
C-3,C-11,C-13,C-15,C-17,C-19 C-21,C-23,C-25	854.15 EACH
C-9	636.70 EACH
102,202,302	871.46 EACH
C-7,C-5	1,119.63 EACH

Seawall - Unit Cost Continued

UNIT #	COST PER UNIT
104,204,305	992.66 EACH
101	998.43 EACH
110,112,114,124,126,128,210, 212,214,226,228,230,311,313, 314,327,329,331	1,096.54 EACH
108,208,309	1,235.05 EACH
106,206,307	1,142.71 EACH
122,224,325	1,229.28 EACH
231	1,783.32 EACH
116,216,217	1,985.32 EACH
330	2,337.37 EACH
TOTAL REPLACEMENT COST <u>\$57,789.59</u>	

RESPECTFULLY SUBMITTED,


C. DENNIS EVANS, ARCHITECT

CERTIFICATE NO. 7074
STATE OF FLORIDA

Licensee Name Paul Roberts Inspection Date 5-19-82
 Licensee Address 415 N. Madison St. Marianna, Fl. 32446 License No 741
 Inspector's Name Paul Roberts I.D. Card No 4929
 Property Address 15618 W. Hwy. #08. Panama City, Beach, Fl. 32407
 Specific Structure(s) Inspected Condominium unit

SCOPE OF INSPECTION

A trained and qualified representative of this company has conducted a careful inspection of the visible and accessible areas of the structure(s) listed above. This report is made on the basis of what was visible and accessible at the time of the inspection and is not an opinion covering areas such as, but not necessarily limited to, those that are enclosed or inaccessible, areas concealed by wall coverings, floor coverings, furniture, equipment, stored articles, or any portion of the structure in which inspection would necessitate removing or damaging finished wood.

THIS IS NOT A STRUCTURAL DAMAGE REPORT A wood-destroying organism inspector is not ordinarily a construction or building trade expert and therefore is not expected to possess any special qualifications which would enable him to detect the extent of structural damage. If damage or other evidence of wood destroying organisms is noted in this report, further investigation by qualified experts of the building trade should be made to determine structural soundness of the property. This is not to be construed to constitute a guarantee of the absence of wood destroying organisms.

REPORT OF FINDINGS

(1) Active infestation was observed: Yes No
(Common name of organism(s))

Location(s) _____
(Continue on reverse side if necessary)

(2) Other evidence of infestation was observed: Yes No

Describe other evidence observed: _____
(Continue on reverse side if necessary)

Location(s) _____
(Continue on reverse side if necessary)

(3) Visible damage was observed: Yes No

Organism(s) causing damage: _____
(Common name(s) of organism(s))

Location(s) _____
(Continue on reverse side if necessary)

(4) This company has treated this property previously: Yes No

(5) This property shows evidence of previous treatment: Yes No

(6) This company has treated the structure(s) for the control of: Subterranean Termites
(Common name(s) of organism(s))

by the application of Termide A one year warranty transferable to

any subsequent owner was issued for the control of Subterranean Termites
(Common name(s) of organism(s))

and expires 5-19-83.
(Date)

Neither I nor the firm for whom I am acting have any financial interest in this property, or is associated in any way in this transaction with any party to this transaction, other than as a wood-destroying organism inspector of the structure(s).

Representative Paul Roberts Date 5-19-82
HRS Form 1145, June 79 Certified Operator

MAIL REPORT TO <u>Mr. Harold Dykes</u> <u>15618 W. Hwy. # 08.</u> <u>Panama City, Fl. 32407</u> <u>H. Dykes</u>	Basic Charge \$ _____ Additional Charges \$ _____ Total Amount Due \$ _____
INSPECTION ORDERED BY _____	BUYER _____ SELLER _____

PORTANT - Mandatory HRS Form effective, June 28th, 1979

1-1-82

AMBASSADOR BEACH CONDOMINIUM
MONTHLY MAINTENANCE FEES

<u>UNIT NUMBERS</u>	<u>UNIT PERCENTAGE INTEREST IN COMMON ELEMENTS</u>	<u>MONTHLY CONDOMINIUM CHARGE PER UNIT</u>
Unit C-3	1.49%	\$ 47.34 <i>49.71</i>
Unit C-5	1.70%	54.04 <i>56.75</i>
Unit C-7	1.94%	61.66 <i>64.74</i>
Unit C-9	1.16%	36.88 <i>38.73</i>
Unit C-11	1.49%	47.34 <i>49.71</i>
Unit C-13	1.49%	47.34 <i>49.71</i>
Unit C-15	1.49%	47.34 <i>49.71</i>
Unit C-17	1.49%	47.34 <i>-49.71</i>
Unit C-19	1.51%	48.00 <i>-50.40</i>
Unit C-21	1.49%	47.34 <i>49.71</i>
Unit C-23	1.49%	47.34 <i>49.71</i>
Unit C-25	1.49%	47.34 <i>49.71</i>
Unit 101-Laundry	1.73%	54.99 <i>-57.74</i>
Unit 102	1.51%	48.00 <i>-50.40</i>
Unit 104	1.72%	54.67 <i>57.41</i>
Unit 106	1.98%	62.91 <i>66.06</i>
Unit 108	2.14%	68.02 <i>71.43</i>
Unit 110	1.90%	60.38 <i>63.40</i>
Unit 112	1.90%	60.38 <i>63.40</i>
Unit 114	1.90%	60.38 <i>63.40</i>
Unit 116	3.44%	109.33 <i>114.80</i>
Unit 122	2.15%	67.70 <i>71.09</i>
Unit 124	1.89%	60.07 <i>63.08</i>
Unit 126	1.89%	60.07 <i>63.08</i>
Unit 128	1.90%	60.38 <i>63.40</i>
Unit 202	1.51%	48.00 <i>50.40</i>
Unit 204	1.72%	54.67 <i>57.41</i>
Unit 206	1.98%	62.91 <i>66.06</i>
Unit 208	2.14%	68.02 <i>71.43</i>
Unit 210	1.90%	60.38 <i>63.40</i>

Unit 212	1.90%	60.38	63.40
Unit 214	1.90%	60.38	63.40
Unit 216	3.44%	109.33	114.85
Unit 224	2.13%	67.70	71.09
Unit 226	1.89%	60.07	63.08
Unit 228	1.89%	60.07	63.08
Unit 230	1.90%	60.38	63.40
Unit 231	3.09% <i>delete</i>	98.22	103.14
Unit 303	1.51%	48.00	50.40
Unit 305	1.72%	54.67	57.41
Unit 307	1.98%	62.93	66.08
Unit 309	2.14%	68.02	71.43
Unit 311	1.90%	60.38	63.40
Unit 313	1.90%	60.38	63.40
Unit 315	1.90%	60.38	63.40
Unit 317	3.44%	109.33	114.85
Unit 325	2.13%	67.70	71.09
Unit 327	1.89%	60.07	63.08
Unit 329	1.89%	60.07	63.08
Unit 330	4.05% <i>delete</i>	128.71	135.15
Unit 331	1.90%	60.38	
	<u>100%</u>	<u>\$ 3,178.11</u>	
		<u>x</u>	<u>12 months</u>
			\$38,137.32

E 11-12-1 1

AMBASSADOR BEACH CONDOMINIUM

A. ESTIMATED ANNUAL EXPENSES AND OPERATING BUDGET OF THE ASSOCIATION AND CONDOMINIUM.

A. Administration	5,000.00
B. Management Fees	-0-
C. Maintenance	5,750.00
D. Rent for Recreational and other commonly used facilities	N/A
E. Taxes upon the Association	-0-
F. Taxes upon leased areas	N/A
G. Insurance	4,024.00
H. Security Provisions	1,200.00
I. Other Expenses	1,300.00
J. Operating Capital	15,630.50
K. Reserves	
1. Roof replacement	2,900.00
2. Building painting	1,000.00
3. Pavement resurfacing	1,300.00
L. Fees payable to Division	25.50
	\$38,130.00

B. ESTIMATED ANNUAL EXPENSES FOR A UNIT OWNER.

1. Rent for Unit, if subject to lease	N/A
2. Rent payable by the unit owner directly to the lessor or agent under any recreational lease or lease for the use of commonly used facilities, which use and payment is a mandatory condition of ownership and is not included in the common expense or assessments for common maintenance paid by the Unit Owners to the Association.	N/A

NOTE: The breakdown above indicated major broad categories of anticipated expenses and is not intended to describe exactly each and every expenditure to be made. Total funds generated, however, are expected to cover adequately all costs of operation.

NOTE: A Unit's monthly share of the foregoing items of estimated annual expense may be determined by multiplying the annual amount for such item by the Unit's percentage interest in the Common Elements, divided by twelve.

ESCROW AGREEMENT

THIS AGREEMENT dated this 14 day of MAY, 1982, by and between Harold E. Dykes, Lynette S. Dykes, Carl N. Dykes, and Bessalena K. Dykes, hereinafter referred to as "Developer", and Stan Trappe, Attorney At Law, hereinafter referred to as "Escrow Agent",

WHEREAS, Developer is in the process of developing a condominium project known as AMBASSADOR BEACH, A CONDOMINIUM, and

WHEREAS, The Developer desires to establish an escrow account as required by Chapter 718 of Florida Statutes with Escrow Agent in which to deposit funds to be received from various prospective purchasers of apartments in AMBASSADOR BEACH, and

WHEREAS, Escrow Agent has agreed to make no disbursement of such escrowed funds except in accordance with this Agreement, and

WHEREAS, the parties hereto desire to define their mutual rights and obligations in writing.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the premises for good and valuable consideration, the receipt of which are hereby acknowledged by each of the parties, it is agreed as follows:

1. ESCROW AGENT. The escrow account required by Chapter of Florida Statutes to be established by Developer is hereby so held with Escrow Agent and Developer agrees that Developer, agents, shall cause all sums deposited by potential purchasers of condominium apartments at AMBASSADOR BEACH, A CONDOMINIUM, to be forwarded to the Escrow Agent. Escrow Agent agrees to deposit funds forwarded to it in an escrow account to be designated "Stan Trappe, Attorney At Law, - Ambassador Beach Escrow Account".

2. RECEIPT. All receipts forwarded to the Escrow Agent shall be deposited by the Escrow Agent in the account referred to above. The transmittal of all receipts to the Escrow Agent shall be accompanied by a copy of the Reservation Deposit Agreement, or Subscription and Purchase Agreement, signed by the Purchaser. It is expressly understood that the Escrow Agent shall not be under any duty to enforce the collection of any such receipts. Escrow Agent shall give a receipt for deposit to any purchaser depositing funds.

3. ACCOUNTING. The Escrow Agent shall account for the receipt and disbursement of all funds forwarded to it pursuant to this Agreement and such obligation to account shall be deemed fully satisfied upon the forwarding, upon a monthly basis, to the Developer, and such sales agent as the Developer shall specify in writing to the Escrow Agent, of a complete summary of all money received from potential purchasers of apartments at AMBASSADOR BEACH, A CONDOMINIUM, and disbursements made from the account referred to above. Said monthly reports shall include specific itemization of the names, dates and amounts of each Purchaser's deposit or deposits including the apartment number being purchased.

4. DISTRIBUTION OF FUNDS.

(a) The Escrow Agent shall distribute escrow funds pursuant to the requirements as follows:

(1) Upon the cancellation of a Purchaser's agreement, the purchaser shall receive an immediate unqualified refund of all monies deposited with the Escrow Agent upon written request to the Escrow Agent by the Purchaser or the Developer.

(2) The Escrow Agent shall be responsible that no monies are released directly to the Developer except as a down payment on the purchase price at the time a Subscription and Purchase Agreement is signed by the Purchaser if provided in the Subscription and Purchase Agreement. Any Purchaser who executes a Subscription and Purchase Agreement shall have his deposit transferred to the Escrow Agreement required by Florida Statutes §718.202(1) - (5).

5. FEES. No fees or expenses shall be payable to the Escrow Agent except for reasonable attorney's fees and court costs arising out of litigation or threatened litigation relative to this Agreement. If such litigation or threatened litigation results in a judgment or settlement in which the Escrow Agent is not determined to be in violation of the terms of this Agreement, then such reasonable attorney's fees and court costs as shall have been incurred in connection therewith shall be reasonable expenses of the escrow and payable to the Escrow Agent as the case may be. Except for such attorney's fees and courts costs, there shall be no other expenses of this escrow.

6. GENERAL CONDITIONS. The Escrow Agent acts hereunder merely as depository and is not responsible for the sufficiency, correctness, genuineness, or validity of any instrument deposited hereunder or upon which it either does act, or the identity or authority of any person executing or depositing the same. In the event of any disagreement, the Developer, Escrow Agent, or any other person, including purchasers having an interest in, or claiming an interest in, the money deposited pursuant hereto, resulting in adverse claims or demands being made with reference to such money the Escrow Agent, may at its option, continue to hold the same without liability until the rights of all adverse claimants have been adjudicated by a court of competent jurisdiction or all differences have been adjusted and settled between the parties and the Escrow Agent is so advised by all such interested parties. The Escrow Agent shall not be responsible for any act or omission in connection herewith in the absence of negligence or willful misconduct on their part.

IN WITNESS WHEREOF, the parties hereto have hereinafter set their hands and seals the year and date first above written.

Witnesses:

STAN TRAPPE, ATTORNEY AT LAW

Micki Lee

Stan Trappe
"Escrow Agent"

Sherry Cruik

As To Escrow Agent

Micki Lee

Harold E. Dykes
Harold E. Dykes - Developer

Sherry Cruik

Micki Lee

Lynette S. Dykes
Lynette S. Dykes - Developer

Sherry Cruik

Micki Lee

Carl N. Dykes
Carl N. Dykes - Developer

Sherry Cruik

Micki Lee

Bessalena K. Dykes
Bessalena K. Dykes - Developer

Sherry Cruik

As To Developers

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. FOR CORRECT REPRESENTATIONS, REFERENCE SHOULD BE MADE TO THIS CONTRACT AND THE DOCUMENTS REQUIRED BY FLORIDA STATUTE 718.503 TO BE FURNISHED BY A DEVELOPER TO A PURCHASER.

A CONDOMINIUM
PURCHASE AND SALE AGREEMENT

THIS AGREEMENT made and entered into this _____ day of _____, by and between HAROLD E. DYKES, LYNETTE S. DYKES, CARL N. DYKES, and BESSALENA K. DYKES, hereinafter called "SELLER", and

_____ hereinafter called "PURCHASER", their heirs, executors, administrators, personal representatives, successors and assigns, wherever the context so requires or admits;

WITNESSETH:

WHEREAS, Seller at closing will be the fee owner of the real property described on Exhibit ____ which is attached hereto; and

WHEREAS, Seller intends to erect or has already erected a condominium on the real property described above and said condominium will be operated as a condominium pursuant to the Condominium Act of the Statutes of the State of Florida; and

WHEREAS, Purchaser desires to purchase a condominium unit already erected on the said property, and agrees to be bound by the Condominium Declaration and all Exhibits attached thereto, including the Association By-Laws, (Rules and Regulations), and the laws of the State of Florida, applicable thereto;

NOW, THEREFORE, in consideration of the premises, the parties agree as follows:

1. The above recitals are true.
2. PURCHASE PRICE. The Seller agrees to sell and the Purchaser agrees to purchase the condominium parcel known as Condominium Unit No. _____, for the purchase price of \$ _____. The purchase price shall be payable as follows:

(a) \$ _____ upon execution of this Agreement, receipt of which the Seller fully acknowledges.

(b) \$ _____ within _____ days from the date hereof.

(c) The balance of the purchase price shall be in the form of cash, money order, or cashier's check drawn on a Bay County, EXHIBIT "M" TO PROSPECTUS

Florida bank.

(d) Seller agrees to deposit with Stan Trappe, Attorney at Law, 317 Magnolia Avenue, Post Office Box 2526, Panama City, Florida, 32401, Escrow Agent, all payments up to ten percent (10%) of the purchase price made by the Purchaser under this Agreement, herein called "the escrow payments". The Escrow Agent may deposit the escrow payments into separate accounts, or in common escrow or trust monies handled by or received by the Escrow Agent. The funds so held in escrow shall be held pursuant to Chapter 718.202 of the Florida Statutes, the Purchaser may, upon request, obtain a receipt for the deposit from the Escrow Agent.

(e) In the event the Purchaser desires mortgage financing, the Seller represents that they will provide financing with twenty percent (20%) down of the purchase price at the rate of twelve and one-half percent (12½%) interest for twenty (20) years.

(f) Interest earned on the deposits made hereunder will belong to the Seller and the Purchaser shall not be entitled to any credits, offsets, or claims at closing for interest earned on the deposit.

3. CONDOMINIUM FILING. It is understood that the Seller shall file or has filed with the Clerk of the Circuit Court of Bay County, Florida, a Declaration of Condominium and Exhibits. Said Declaration of Condominium shall include a survey of condominium unit locations, By-Laws of Condominium Association, and nature and description of incidentals of ownership. It is acknowledged that Purchaser's unit, share of common elements and the particulars of Purchaser's interest in the same are to be determined solely by reference to said Declaration and Exhibits.

Purchaser understands and by execution of this Agreement agrees that it shall be responsible for the full maintenance assessment on the condominium unit commencing from the date of closing irrespective of whether or not all the services or facilities are available, operating or completed at the time of closing, and that neither the unit owner, individual, or the Association shall have any claim for a reduction or rebate in assessments because of the fact that some of the

budgeted items are not available at closing. This paragraph shall survive the closing.

Seller may rent the said parcels still owned by the Seller to tenants selected by Seller, and Seller may subsequently sell such condominium parcels to purchasers acceptable to Seller notwithstanding anything to the contrary contained in the Declaration of Condominium, and the By-Laws of the Condominium Association, and shall not be required to obtain prior consent or approval of the Board of Directors.

Seller reserves the right to make such modifications, additions or deletions in or to the building as may be approved or required by any lending or by public authorities provided that none of the same shall:

(a) increase the cost of the unit being sold hereunder;

(b) require a material physical modification of the unit being sold hereunder;

(c) decrease the financial obligation of the Seller as a unit owner.

THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN FIFTEEN (15) DAYS AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER, AND RECEIPT BY THE BUYER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO HIM BY THE DEVELOPER UNDER SECTION 718.503 FLORIDA STATUTES. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN FIFTEEN (15) DAYS AFTER THE BUYER HAS RECEIVED ALL OF THE ITEMS REQUIRED. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

4. TITLE. The above described condominium parcel shall be conveyed by the Seller to the Purchaser by a good and sufficient Warranty Deed. Title to the said parcel shall be good and insurable and free and clear of all encumbrances except current taxes, conditions, restrictions, limitations, and easements of record and the Condominium Declaration and all exhibits attached thereto and those exceptions shown on the Warranty Deed as Exhibit ____ to the Declaration of Condominium.

5. PRORATIONS AND OTHER COSTS. Possession of the premises to be given after closing. Taxes and assessments shall be prorated as of the date of closing. In addition, Purchaser shall reimburse Seller for all prepaid expenses applicable to the condominium unit,

including, but not limited to, insurance premiums, contributions for operating capital, etc.

In the event the closing shall be through the mails, the date for prorations shall be the date the Seller sets for closing in its notice to the Purchaser. The Purchaser shall also pay the Seller thirty (30) days interest at nine percent (9%) on the difference between the purchase price and the buyer's deposit to compensate the Seller for the delay in receiving the cash to close and purchase money mortgage proceeds. The Seller shall refund the prepaid interest to the Purchaser; if any, from the date of receipt of the purchase money mortgage proceeds.

At closing, Buyer shall pay the State Documentary Stamps and the cost of recording the Deed of Conveyance and shall execute written directions to the Escrow Agent to disburse all funds, together with interest thereon, deposited pursuant to this Agreement, to the Developer. The acceptance of the Deed by the Buyer shall be deemed to be full performance and discharge of every agreement and obligation on the part of the Developer to be performed pursuant to this Agreement, except those which the parties herein specifically stated are to survive delivery of the Deed.

At the request, costs and expense of the Buyer, Developer shall furnish Buyer with an owner's policy of title insurance after the closing of this transaction which policy shall contain the standard exceptions customarily contained in such policies issued in Bay County, Florida, and shall be subject only to the Declaration of Condominium and exhibits attached thereto, conditions, easements, restrictions, and limitations, which appear of record, riparian rights and water privileges and those items listed in Paragraph 7 of the Agreement.

It is, however, expressly agreed and understood that the Purchaser shall be solely responsible for all their own mortgage closing costs, expenses or fees incurred therewith.

In the event the Purchaser, for any reason, fails to close on the date set for closing as set forth in Paragraph 8 herein, and the Seller elects to close with the Purchaser at a later date the parties agree that prorations for taxes, insurance, maintenance

and any other proratable items shall be as of the original date set for the closing. In addition, the Purchaser agrees to pay to the Seller interest at the rate of nine percent (9%) per annum on the amount of the purchase price, less the deposit held by the Seller or escrow agent from the date originally set for closing to the actual date of closing to compensate the Seller for its carrying charges in the unit. However, nothing herein contained shall be considered as requiring the Seller to close with the Purchaser in the event the Purchaser fails to close on the closing date set by the Seller as set forth herein.

6. It is understood and agreed that Purchaser is buying the subject unit subject to the items as hereinafter stated, and that title to the property which the Purchaser will acquire pursuant to this Agreement will be good, marketable, and insurable subject only to the following:

(a) Conditions, restrictions, limitations, dedications, existing zoning ordinances and easements of record, including but not limited to water, sewer, gas, electric, and other utility agreements of record.

(b) Facts that an accurate survey or personal inspection of the property would disclose.

(c) Taxes, pending municipal liens, and easements existing and to be created for ingress and egress to the property.

(d) Acts done or suffered by the Purchaser.

(e) The Mortgage (if applicable) executed by Purchaser in connection with the purchase of this unit.

(f) Riparian rights and any land which may lie below the mean high water mark of Gulf of Mexico and possible rights to use the soft sand area between the vegetation line and the mean high water mark of Gulf of Mexico.

(g) Reservations in favor of the State Board of Education contained in Deed recorded the 24th day of September, 1925, in Official Records Book 731 at Page 288 of the public records of Bay County, Florida.

7. CLOSING. The date for closing this transaction is _____, 1982.

8. ASSESSMENTS AND MAINTENANCE. It is understood and agreed that the Purchaser will be required to pay assessments to the Condominium Association for utilities, administration fees, insurance, maintenance of common area, and such other expenses for operation as the Condominium Association may require. The estimated monthly maintenance for the subject condominium unit is set forth in the "projected operating budget" for AMBASSADOR BEACH, a copy of which is included in the documents which the Developer is required to furnish the Purchaser. At closing, the Purchaser agrees to pay to the Condominium Association one (1) monthly maintenance payment in advance, together with the prorated portion of the maintenance payment for the month in which the sale closes from the date of sale to the end of the month.

9. DEFAULT BY PURCHASER. Purchaser's failure to close this transaction, make payments or applications within the time provided in this Agreement or failure to comply with the provisions of this Agreement and within the time provided herein shall be considered a breach of this Agreement and all monies deposited hereunder together with interest, if any, earned thereon, may be retained by Seller as agreed and liquidated damages, and this Agreement shall be deemed null and void and of no further and effect.

In the event the Purchaser desires a mail closing and the Purchaser doesn't complete the closing within ten (10) days from delivery of the closing documents, the Seller shall have the right to declare the Buyer in default pursuant to the terms of this paragraph.

It is understood that this provision is placed in this Agreement for the specific reason that the non-performance by the Purchaser in accordance with this Agreement will have adverse financial effect upon the Seller, the Seller having incurred many direct and indirect costs as well as the indirect financial loss to the Seller of having to withdraw the condominium unit in question from the market and thus having lost the opportunity for the condominium unit sale to other prospective purchasers. The Purchaser agrees that he understands the need for this provision and that it is a fair provision to protect the Seller from financial loss by virtue of non-performance on the part of the Purchaser in accordance with this Agreement.

10. DEFAULT BY SELLER. In the event that Seller fails to close the sale and purchase of the condominium unit in accordance with the terms and provisions hereof, or if Seller shall otherwise default in the performance of any covenant or obligation herein undertaken by Seller, Purchaser shall have the right prior to closing only either to cancel and terminate this Agreement, in which event Purchaser's damages shall be limited to the return of the entire deposit made hereunder, without interest (unless the deposit is in an interest bearing account in which case, all interest so earned shall also be returned) and the parties hereto shall be released and relieved of any and all manner of obligation or liability arising out of or in connection herewith, or to bring an action for specific performance.

11. ADDITIONAL DOCUMENTS AND AGREEMENTS. The Seller has delivered to the Purchaser copies of the documents listed in this section of the Contract (prior to the execution of this Agreement). The Purchaser agrees to be bound by and to perform each one of the documents which are hereafter set forth. The Seller reserves the right to make changes or amendments in and to any or all of said documents and agreements without obtaining the approval of the Purchaser provided that no such changes or amendments materially affect the rights of the Purchaser or the value of the condominium unit being purchased.

A. Declaration of Condominium and all exhibits attached thereto.

B. Articles of Incorporation of the Condominium corporation.

C. By-Laws of the Condominium corporation.

D. The projected operating budget of the condominium which includes full details concerning the estimated monthly charges for the maintenance and management of the condominium property.

E. The floor plan of the condominium apartment described in this Agreement.

F. Prospectus as required by Chapter 718.504 of the Florida Statutes.

EXHIBIT "M" TO PROSPECTUS

12. If Developer have not completed the remodeling of the unit, Developer shall make available to the Purchaser for his inspection at the site, a copy of the complete plans and specifications for the remodeling of the unit offered to him and of the improvements to the common elements appurtenant to the unit.

THE CONDOMINIUM UNIT WHICH IS THE SUBJECT OF THIS AGREEMENT HAS BEEN OCCUPIED PREVIOUSLY AS A MOTEL UNIT.

13. MISCELLANEOUS.

A. If the Purchaser requests any alterations or modifications or extras, such work shall be authorized in writing by the Purchaser and paid for in advance. If any of said alterations, modifications or extras are omitted, the Seller shall refund the cost of each item omitted, and thereupon Seller shall be relieved from any responsibility or liability concerning same. Payment for any alterations, modifications, or extras ordered for the subject unit shall not be returnable.

B. Prior to the closing of the transaction, it shall be the duty of the Purchaser to inspect the condominium unit, the condominium building, and the appurtenances, in the presence of the Seller, and present to the Seller at that time a written list of any defects in workmanship and/or materials, which list is to be signed by the Purchaser. As to those items set forth on such list which are truly defects in workmanship and/or materials, keeping in mind the standards of construction prevalent in Bay County, Florida, the Seller shall be obligated to correct the same at its costs within a reasonable period of time; however, the Seller's obligation to correct the same shall not be grounds for deferring the closing nor for imposing any condition upon the closing. It is specifically understood that the Seller shall not be required to escrow any funds as a condition of closing nor shall the Purchaser be entitled to withhold any funds pending completion of said items. This clause shall survive the closing contemplated herein, and delivery of the Deed to the Purchaser.

C. This Contract is personal to the Purchaser and the Purchaser agrees that it shall never be assigned or transferred without the written consent of the Seller. This Agreement shall be binding on the parties hereto and their respective heirs, legal

representatives, successors and assigns. This Agreement shall never be recorded by the Purchaser or anyone on his behalf. In the event Purchaser violates the provisions of this Article, the Seller shall have the option to terminate this Agreement. In the event the Seller terminates this Agreement, then it shall be of no force and effect and shall not constitute a cloud on Seller's title. This paragraph shall be self-operating.

D. In the event any litigation arises under the terms of this Agreement, the losing party shall be liable to the prevailing party for reasonable attorney's fees and court costs.

E. This Agreement will supersede any and all understandings and agreements between the parties hereto and it is mutually understood and agreed that this Agreement represents the entire agreement between the parties and no prior representatives or inducements which are not included and embodied in this Agreement shall be of any force and effect.

F. Purchaser represents and warrants that there was no real estate broker (other than those real estate brokers who have a signed brokerage agreement to sell units at this condominium, provided said brokerage agreement is in full force) instrumental in procuring this purchase, and Purchaser agrees to indemnify and hold Seller harmless against and from all liabilities, including attorney's fees, arising from any claims for brokerage commissions or finder's fees arising from any dealings or negotiations had by Purchaser with any broker or any other person relating to this purchase.

G. If the condominium unit is damaged by fire or other casualty after date of this Agreement, but before closing of transaction of purchase and sale, then Seller shall be financially responsible for the loss. If, however, the damage occurs after the closing on the first unit in the condominium, then the condominium association will have the right to decide whether or not to repair the unit above captioned.

In the event the Seller or the Association decides to repair the damage, then the Seller and/or the Association shall have a reasonable time to complete repairs. Any such repair work will be judged by the same standards used to evaluate new construction. In the event of the foregoing, the Purchaser shall not have the right to

reduction in the purchase price, nor have any claim against the Seller or the Association, and the Purchaser agrees to accept title on the scheduled closing date (provided the repairs are finished by the closing date). Any monies that the Seller and/or the Association receive in settlement of any damages (insurance, etc) will belong to the Seller and/or the Association, as the case may be. In the event the Purchaser receives any money in connection with the damage, then the Purchaser shall turn it over to the Seller or the Association, as the case may be. If the Seller or the Association decides not to repair the damage, then, and in that event, this Agreement shall be cancelled and all deposits shall be returned to the Purchaser and the parties shall be relieved of all further obligations, one unto the other.

H. Purchaser agrees not to hire or employ any contractors, subcontractors or any other persons, firms or corporations, to do any work in or on the unit while said unit is under construction, until after closing, and title and possession to the unit has been transferred to the Purchaser, unless Purchaser first obtains in writing the Seller's permission.

14. NOTICES. Notices to either party shall be deemed as properly given when mailed by registered or certified mail, with sufficient postage stamps affixed, to the parties at their respective addresses appearing on the first page of this Agreement.

15. This Purchase Agreement and all rights hereunder are subordinate and inferior to any mortgage (whether or not the same is also permanent financing for this condominium unit) placed by the Seller or its nominees upon the unit and the appurtenances thereto, whether such mortgage shall be executed and/or delivered before or after the date of the execution of this Agreement. In the event any lender contemplated by this paragraph shall require the execution of an Agreement of Subordination, Purchaser shall execute such agreement suitable to the lender to effectuate this paragraph and this paragraph shall be deemed self-operative. The Subordination Agreement to be executed by the Purchaser as provided herein, shall be without any personal liability on the part of the Purchaser. Seller shall cause any such mortgage encumbering the unit to be satisfied or released upon closing on said unit.

16. THE CONDOMINIUM PURCHASE AND SALE AGREEMENT, OTHER CONTRACT DOCUMENTS, ALL DISCLOSURE MATERIALS AND BROCHURE MATERIALS ARE IMPORTANT LEGAL DOCUMENTS. IF NOT UNDERSTOOD, PROSPECTIVE UNIT PURCHASER SHOULD SEEK LEGAL ADVICE.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

Signed, sealed and delivered
in the presence of:

Ambassador Beach,
a Florida Corporation

Harold E. Dykes - Seller

Lynette S. Dykes - Seller

Carl N. Dykes - Seller

Bessalena K. Dykes - Seller

As to Sellers

Purchaser

Purchaser

As to Purchasers

DISCLOSURE NOTICE TO PURCHASER CONCERNING CLOSING COSTS

AT THE TIME OF CLOSING, PURCHASER WILL BE REQUIRED TO PAY, IN ADDITION TO THE BALANCE OF THE PURCHASE PRICE, THE FOLLOWING ITEMS:

- A. Mortgage Closing Costs on a \$ _____ Mortgage
APPROXIMATELY: \$ _____
- B. In Addition to the foregoing, the Institutional Lender may require the establishment of a tax escrow account, and charge for the prepaid interest, all of which will be collected at the time of closing.
- C. To the Condominium Association, a sum equal to one (1) month's monthly maintenance assessments, to be used by the Association as a working capital fund, in accordance with the Purchase and Sale Agreement. \$ _____
- D. Upon closing this transaction, additional costs may be required to be borne by the Purchaser, including Purchaser's attorney's fees, insurance, prorated taxes, prorated maintenance, prorated assessments, or any other major costs customarily assumed by a Purchaser.
- E. A title insurance policy is available to the Purchaser at the Purchaser's costs and expense.

SOME OF THE ABOVE ITEMS ARE ESTIMATES ONLY. PURCHASER ACKNOWLEDGES THAT HE UNDERSTANDS THAT FINAL FIGURES WILL BE AVAILABLE AT TIME OF CLOSING.

DATED: _____

"SELLER"

Harold E. Dykes

"PURCHASER"

Lynette S. Dykes

Carl N. Dykes

Bessalena K. Dykes

JUNE-JULY-AUGUST FOR THE \$15,000.00 ASSESSMENT. JUST FIND
 YOUR ROOM NUMBER FOR THE AMOUNT.

JUNE.....JULY.....AUGUST.....TOTAL

1.68%	C3	\$84.00	\$84.00	\$84.00	\$252.00
1.85%	C5	\$92.50	\$92.50	\$92.50	\$277.50
2.11%	C7	\$105.50	\$105.50	\$105.50	\$316.50
1.28%	C9	\$64.00	\$64.00	\$64.00	\$192.00
1.68%	C11	\$84.00	\$84.00	\$84.00	\$252.00
1.68%	C13	\$84.00	\$84.00	\$84.00	\$252.00
1.68%	C15	\$84.00	\$84.00	\$84.00	\$252.00
1.68%	C17	\$84.00	\$84.00	\$84.00	\$252.00
1.68%	C19	\$84.00	\$84.00	\$84.00	\$252.00
1.68%	C21	\$84.00	\$84.00	\$84.00	\$252.00
1.68%	C23	\$84.00	\$84.00	\$84.00	\$252.00
1.68%	C25	\$84.00	\$84.00	\$84.00	\$252.00
1.68%	102	\$84.00	\$84.00	\$84.00	\$252.00
1.88%	104	\$94.00	\$94.00	\$94.00	\$282.00
2.16%	106	\$108.00	\$108.00	\$108.00	\$324.00
2.33%	108	\$116.50	\$116.50	\$116.50	\$349.50
2.07%	110	\$103.50	\$103.50	\$103.50	\$310.50
2.07%	112	\$103.50	\$103.50	\$103.50	\$310.50
2.07%	114	\$103.50	\$103.50	\$103.50	\$310.50
3.75%	116	\$187.50	\$187.50	\$187.50	\$562.50
2.32%	122	\$116.00	\$116.00	\$116.00	\$348.00
2.07%	124	\$103.50	\$103.50	\$103.50	\$310.50
2.07%	126	\$103.50	\$103.50	\$103.50	\$310.50
2.08%	128	\$104.00	\$104.00	\$104.00	\$312.00
1.68%	202	\$84.00	\$84.00	\$84.00	\$252.00
1.87%	204	\$93.50	\$93.50	\$93.50	\$280.50
2.17%	206	\$108.50	\$108.50	\$108.50	\$325.50
2.33%	208	\$116.50	\$116.50	\$116.50	\$349.50
2.07%	210	\$103.50	\$103.50	\$103.50	\$310.50
2.07%	212	\$103.50	\$103.50	\$103.50	\$310.50
2.07%	214	\$103.50	\$103.50	\$103.50	\$310.50
3.77%	216	\$188.50	\$188.50	\$188.50	\$565.50
2.33%	224	\$116.50	\$116.50	\$116.50	\$349.50
2.07%	226	\$103.50	\$103.50	\$103.50	\$310.50
2.07%	228	\$103.50	\$103.50	\$103.50	\$310.50

		JUNE.....	JULY.....	AUGUST.....	TOTAL
2.07%	230	\$103.50	\$103.50	\$103.50	\$310.50
1.64%	303	\$82.00	\$82.00	\$82.00	\$246.00
1.87%	305	\$93.50	\$93.50	\$93.50	\$280.50
2.15%	307	\$107.50	\$107.50	\$107.50	\$322.50
2.33%	309	\$116.50	\$116.50	\$116.50	\$349.50
2.07%	311	\$103.50	\$103.50	\$103.50	\$310.50
2.07%	313	\$103.50	\$103.50	\$103.50	\$310.50
2.07%	315	\$103.50	\$103.50	\$103.50	\$310.50
3.78%	317	\$189.00	\$189.00	\$189.00	\$567.00
2.33%	325	\$116.50	\$116.50	\$116.50	\$349.50
2.07%	327	\$103.50	\$103.50	\$103.50	\$310.50
2.07%	329	\$103.50	\$103.50	\$103.50	\$310.50
2.07%	331	\$103.50	\$103.50	\$103.50	\$310.50
TOTAL.....					
100%		\$5,000.00	\$5,000.00	\$5,000.00	\$15,000.00

the Association and shall be mailed not less than fourteen (14) days nor more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be by Post Office certificate of mailing. Notice of meeting may be waived before or after the meetings.

8. Quorum. 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 act of the members, except when approval by a greater number is required by the Declaration of Condominium of the condominium operated by the Association, the Articles of Incorporation of the Association or these By-Laws. In determining whether a quorum is present, proxies may be counted as persons present.

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

10. Multiple Ownership. If an apartment unit is owned by one (1) person, his right to vote shall be established by the record title to his apartment unit. If an apartment unit is owned by more than one (1) person, the person entitled to cast the vote for the apartment unit shall be designated by certificate signed by all of the record owners of the apartment unit and filed with the Secretary of the Association. If an apartment unit is owned by a corporation, the person entitled to cast the vote for the apartment unit shall be designated by a certificate signed by the President or Vice-President and attested by the Secretary or Assistant Secretary of the corporation and filed with the Secretary of the Association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or a change in the ownership of the apartment unit concerned. A certificate designating a person entitled to cast the vote of an apartment unit may be revoked by any owner of an apartment unit. If such a certificate is not on file, the vote of such owner shall not be considered in determining the requirement for a quorum nor for any other purpose.

11. Proxies. Votes may be cast in person or by proxy. A proxy may be made or revoked by any person entitled to vote and shall

be valid only for the particular meeting designated in the proxy and must be filed with the Secretary before the appointed time of the meeting or any adjournment of the meeting, provided that in no event shall a proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given.

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

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

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

14. Reservation of Control by Developer. ~~Until required by the Condominium Act including Section 718.301 thereof, or until Carl W. Dykes, Harold B. Dykes, Bessalena K. Dykes and Lynette S. Dykes, their successors or assigns or any subsequent developer, herein called the Developer, elects to terminate his control of the Association and the condominium operated by them, whichever occurs first, the proceedings of all meetings of all members of the Association shall have no effect unless approved by the Board of Directors.~~

15. Number of Directors. The affairs of the Association shall be managed by a Board of not less than three (3) nor more than nine (9) directors, the exact number to be determined at the time of the election.

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

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

b. A nominating committee of three (3) members shall be appointed by the Board of Directors not less than (30) days prior to the annual meeting. The committee shall nominate (1) person for each director then serving. Nominations for additional directorships created at the meeting shall be made from the floor and other nominations may be made from the floor.

c. The election shall be by secret ballot (unless dispensed by unanimous consent) and by a plurality of the votes cast. The owner of each ~~apartment~~ unit shall be entitled to cast a vote for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

d. Except as vacancies provided by removal of directors by members, vacancies in the Board of Directors occurring between annual meetings of the members shall be filled by the remaining directors.

e. Subject to the provisions of 718.301 of the Condominium Act, any director may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all members. A special meeting of the members to recall a director or directors may be called by ten percent (10%) of the members giving notice of the meeting as required for a meeting of the members, and the notice shall state the purpose of the meeting.

f. Provided, however, that notwithstanding the provision of paragraph 16 (a) through (e) above and paragraph 17 below to the contrary, until required by the Condominium Act including Section 718.301 thereof, or until the Developer Board elects to terminate their control of the Association, whichever occurs first, the first directors of the Association shall serve, and in the event of vacancies the remaining directors shall fill vacancies, and if there are no remaining directors, the vacancies shall be filled by the Developer Board.

17. Director's Term. The terms of each director's service shall extend until the next annual meeting of the members and subsequently until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

EXHIBIT "E" TO DECLARATION

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

19. Regular Meeting. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

20. Special Meeting. Special meetings of the directors may be called by the President and must be called by the Secretary at the written request of one-fourth ($\frac{1}{4}$) of the directors. Not less than three (3) days notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

21. Open Meetings and Records. Meetings of the Board of Directors shall be open to all apartment unit owners and notices of meetings shall be posted conspicuously forty-eight (48) hours in advance for the attention of apartment unit owners except in an emergency. Minutes of all meetings of the members or the Board of Directors shall be kept in a book available for inspection by apartment unit owners or their authorized representatives, and Board members at any reasonable time. Said minutes shall be retained for a period of not less than seven (7) years.

22. Waiver of Notice. Any director may waive notice of a meeting before or after the meeting such waiver shall be deemed equivalent to the giving of notice.

23. Quorum. A quorum at director's meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of directors is required by the Declaration of Condominium of the condominium of the condominium operated by the Association, the Articles of Incorporation of the Association and these By-Laws.

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

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

26. Presiding Officer. The presiding officer of directors meetings shall be the chairman of the board if such an officer has been elected; and if none, the President shall preside. In the absence of the presiding officer, the directors present shall designate one of their number to preside.

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

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

28. Directors Compensation. Directors fees or other compensation, if any, shall be determined by the members.

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

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

40. Regulations. Reasonable regulations respecting the use of the condominium property or property of or operated by the Association may be adopted or amended by the Board of Directors at any regular or special meeting of the Board of Directors. Regulations may be adopted or amended by majority vote of the Board of Directors.

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

42. Accounting Records. The association shall maintain at the Association offices accounting records for the condominium according to good accounting practices. The records shall be open to inspection by apartment unit owners or their authorized representatives at reasonable times, and written summaries of them shall be supplied at least annually to apartment unit owners or their authorized representatives. Failure to permit inspection of the association's accounting records by apartment unit owners or their authorized representatives entitles any person prevailing in an enforcement action to recover reasonable attorney's fees from the person in control of the books and records who, directly or indirectly, knowingly denies access to the books and records for inspection. The records shall include, but are not limited to:

(a) A record of all receipts and expenditures.

(b) An account for each apartment unit designating the name and current mailing address of the apartment unit owner, the amount of each assessment, the dates and amounts in which the assessments come due, the amount paid upon the account, and the balance due.

43. Annual Financial Report. Within sixty (60) days following the end of the fiscal year of the Association, the Board of Directors shall mail or furnish by personal delivery to each apartment unit owner a complete financial report of actual receipts and expenditures for the previous twelve (12) months. The report shall show the amounts of receipts

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

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

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

(2) Until the first election of directors by all of the directors.

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

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

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

48. Proviso. Provided, however, that no amendment shall discriminate against an apartment unit owner nor against any apartment unit or class or group of apartment unit unless the apartment-unit owner so affected shall consent. No amendment shall be made that is in conflict with the Articles of Incorporation or the Declaration of Condominium of the condominium operated by the Association.

49. Execution and Recording. A copy of each amendment shall be attached to or incorporated in a certificate certifying that

EXHIBIT "E" TO DECLARATION