

PROSPECTUS FOR LANDMARK ON ST. ANDREWS BAY, A CONDOMINIUM

PRESENTED BY: Landmark Associates, Ltd.,
a Florida Limited Partnership

PREMISES: Landmark on St. Andrews Bay,
A Condominium

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.

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. REFER TO THIS PROSPECTUS AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.

SUMMARY

1. THIS PROSPECTUS CONTAINS IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING A CONDOMINIUM UNIT.

2. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS, AND SALES MATERIALS.

3. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE SELLER. REFER TO THIS PROSPECTUS AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.

4. LANDMARK ON ST. ANDREWS BAY, A CONDOMINIUM, IS CREATED AND BEING SOLD AS FEE SIMPLE INTERESTS AND NOT AS LEASEHOLD INTERESTS. THE DECLARATION OF CONDOMINIUM, HOWEVER, DOES ALLOW ANY UNIT OWNER, INCLUDING THE SELLER, TO LEASE CONDOMINIUM UNITS RATHER THAN SELL THEM.

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

6. The Condominium Association is responsible for the management and maintenance of the Condominium property. There is no management or maintenance contract with any person or firm to perform such services.

7. The lease of units is restricted or controlled.

(The provisions for restriction of same are found in paragraph 17 of the Declaration of Condominium, a copy of which is found as Exhibit 1 of this Prospectus.)

The statements set forth above are only summary in nature. The prospective purchaser should refer to all references as well as the entire set of disclosure materials and his contract or Purchase Agreement. All disclosure materials, contract documents, and brochure materials are important legal documents and if not understood, prospective purchaser should seek legal advise.

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| 3 | Purchase Agreement. |
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LANDMARK ON ST. ANDREWS BAY

A CONDOMINIUM

THIS PROSPECTUS (OFFERING CIRCULAR) 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.

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.

THE CONDOMINIUM HAS BEEN CREATED. ALL SALES OF UNITS IN THE CONDOMINIUM WILL BE IN THE FEE SIMPLE INTERESTS, WITH NO LANDS BEING LEASED TO THE CONDOMINIUM ASSOCIATION.

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

THE LEASE OF UNITS IS RESTRICTED OR CONTROLLED.

THE UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.

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LANDMARK ON ST. ANDREWS BAY
A CONDOMINIUM

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PROSPECTUS (OFFERING CIRCULAR)

FOR

LANDMARK ON ST. ANDREWS BAY, A CONDOMINIUM

1. Name and Location. The name of the condominium is LANDMARK ON ST. ANDREWS BAY, A Condominium. LANDMARK ON ST. ANDREWS BAY, A Condominium, is located at 2100 West Beach Drive, Panama City, Florida 32780. The condominium is situated on St. Andrews Bay.

2. Description of Condominium Property and Completion Date. The condominium contains one hundred and forty-one (141) units located in thirty-one (31) two-story buildings and two (2) one-story buildings. The one-story buildings are identified as the clubhouse building and the maintenance building.

(a) There are ten (10) buildings consisting of four (4) units each with two (2) bedrooms and one (1) bath containing approximately eight hundred and forty (840) square feet. The buildings are identified as A, C, D, F, G, I, L, M, V, and W.

(b) There are five (5) buildings consisting of eight (8) units each with one (1) bedroom and (1) bath containing approximately six hundred and ninety (690) square feet. The buildings are identified as B, E, H, O and R.

(c) There are six (6) buildings consisting of four (4) units each with two (2) bedrooms and (2) baths containing approximately nine hundred and seventy (970) square feet. The buildings are identified as J, K, Q, S, T and U.

(d) There are two (2) buildings consisting of four (4) units each with three (3) bedrooms and two (2) baths containing approximately one thousand, one hundred and sixty (1,160) square feet. The buildings are identified as N and P.

(e) There are two (2) buildings consisting of two (2) units each with three (3) bedrooms and two (2) baths containing approximately one thousand, one hundred and sixty (1,160) square feet. The buildings are identified as Villa N and Villa S.

(f) There are four (4) buildings consisting of four (4) units each with two (2) bedrooms and two (2) baths containing approximately nine hundred and seventy (970) square feet. The buildings are identified as XN, XS, YN and YS.

(g) There are two (2) buildings consisting of four (4) units each with two (2) bedrooms and one (1) bath containing approximately eight hundred and forty (840) square feet. The buildings are identified as ZN and ZS.

(h) There is one (1) unit located in the clubhouse building consisting of two (2) bedrooms and two (2) baths containing approximately nine hundred and sixty-five (965) square feet. The unit is identified as Bayview.

The condominium contains a total of one hundred forty-one (141) dwelling units. A plot plan and survey of the condominium property is attached to the Declaration of Condominium as Exhibit A. The condominium is complete.

3. Maximum Number of Units. A maximum of one hundred forty-one (141) dwelling units, all being within and a part of LANDMARK ON ST. ANDREWS BAY, A Condominium, will use facilities in common with the condominium.

4. Fee Simple Interest. ALL UNITS IN LANDMARK ON ST. ANDREWS BAY, A CONDOMINIUM, HAVE BEEN CREATED, AND ALL SALES OF UNITS IN THE CONDOMINIUM WILL BE UPON FEE SIMPLE ABSOLUTE INTERESTS IN REAL PROPERTY.

5. Description of Recreational and Other Common Facilities.

(a) All recreational and other common facilities of LANDMARK ON ST. ANDREWS BAY, A Condominium, will be available for use by unit owners on the closing of their unit.

(i) Swimming Pools. Two (2) fenced swimming pools are located on the condominium property. The swimming pool on the northern portion of the property is adjacent to Building B is rectangular in shape and is approximately forty feet (40') long and twenty feet (20') wide and varies in depth between three feet (3') and eight feet (8'). The swimming pool on the northern portion of the property is surrounded by approximately one thousand two hundred five (1,205) square feet of concrete decking with a capacity of approximately twenty (20) people. The swimming pool on the southern portion of the property is adjacent to the clubhouse. It is rectangular in shape and is approximately forty feet (40') long and twenty feet (20') wide and varies in depth between three feet (3') and eight feet (8'). The

swimming pool on the southern portion of the property is surrounded by approximately one thousand one hundred thirty (1,130) feet of concrete with a capacity of approximately twenty (20) people. The swimming pools are not heated.

(ii) Fishing Area. There is a fishing area adjacent to the swimming pool on the southwest portion of the condominium property. It consists of a concrete pad, wooden cleaning table and sink area with running water.

(iii) Clubhouse Building. There is a one-story clubhouse building adjacent to the swimming pool area on the southern portion of the condominium property. It contains two (2) rest rooms, a meeting room with a total area of approximately four hundred and fifty (450) square feet, a kitchen with a total area of approximately sixty (60) square feet, and a two (2) room office area with a total area of approximately two hundred and sixty-eight (268) square feet. The clubhouse building has a capacity for approximately forty (40) people.

(iv) Laundry and Gymnasium. There is a laundry and a gymnasium room attached to Building S of the condominium property. The laundry room contains approximately one hundred and fifty (150) square feet and there are seven (7) coin-operated washing machines and three (3) coin-operated dryers located in the laundry room. The gymnasium room contains approximately five hundred (500) square feet with a capacity of approximately seven (7) people and there are two (2) exercise bikes, two (2) stairmasters, two (2) treadmills and one (1) universal weight machine located in the exercise room.

(v) Maintenance Building. There is a maintenance building located in the northwest portion of the condominium consisting of approximately one thousand, three hundred (1,300) square feet. The building consist of a single room for storage of maintenance equipment and supplies.

(vi) Irrigation Pumps. An irrigation pump is located in a pump house on the southwest portion of the condominium property that provides water for the irrigation for the southern portion of the condominium property. An irrigation well is also located on the west side of the pool in the north portion of the condominium which provides irrigation for the northern portion of the condominium property.

(vii) Beach Area. There is a beach area at the southeast corner of the property consisting of approximately four thousand, three hundred fifty (4,350) square feet with a capacity for approximately fifty (50) people.

(viii) Mail Box Area. There are mail boxes located on the west central portion of the condominium property which serve all of the condominium units. There is one (1) designated mail box for each unit.

(ix) Boat Dock Area. The developer intends to apply for the necessary permits for the construction of a boat dock area adjacent to the condominium property to be paid for by the Developer. Subject to approval by appropriate regulatory agencies, the dock area will be made available for the exclusive use of the units owners and their guests. The planned dock area will be approximately two hundred forty (240) square feet in length and eight (8) feet in width. At the southern end of the dock will be a perpendicular dock area approximately six (6) feet in width and sixty (60) feet in length. Up to twenty-four (24) boat slips are intended to be located adjacent to the dock area and assignable by the Developer for exclusive use of individual unit owners as determined by the Developer. Required regulatory approvals for the boat dock area has not yet been obtained.

(b) Facilities not Committed to be Built. Developer makes no commitments to build any other facilities.

(c) Availability of Facilities. The facilities are available now.

(d) The Developer has expended at least fifty-thousand dollars (\$50,000.00) for the purchase of personal property for the facilities.

(e) There are no leases relative to these facilities.

(f) Descriptions as to Locations, Capacities, etc. All descriptions in this Paragraph 5 as to locations, areas, capacities, numbers, volumes and/or sizes are, except as otherwise specifically noted, stated as approximations.

6. Expansion of Recreational Facilities. The developer does not have the right, without the consent of unit owners, to increase or add to the recreational or other common facilities after the establishment of the Condominium.

7. Leasing of Units. The Developer does not plan to lease units as well as selling them. The Developer has reserved the right to lease units in the Condominium to any person, firm or corporation, upon the same terms and conditions that any unit owner in the community may lease said units. The restrictions concerning the lease and rental of units is contained in Article 17 A. of the Declaration of Condominium.

THE UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.

8. Control of the Condominium Association.

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

The Developer or its successor has the right to appoint a majority of the persons who will serve as members of each Board of Directors of the Association until the occurrence of certain designated events as set forth in Article 5.3 at Page 5 of the Articles of Incorporation of the Association, in Exhibit P-1(B) to this Prospectus, and Article 3(2)(f), at Page 4 of the By-Laws of the Association, in Exhibit P-1(C) to this Prospectus. Except for the Developer's, or its successor's right to appoint a majority of the persons who serve as members of the Board of Directors of the Association, there are no other provisions relating to control by any person, other than unit owners, of the Association or of any part of the Condominium.

9. Management/Services Contracts. There is presently no contract with any entity or individual for the management of the Condominium Association. The Developer has entered into a lease agreement for the washing machines and dryers in the laundry and gymnasium building of the condominium with Allied Laundry Systems, Inc. This lease agreement, attached as Exhibit 9, is for a period of thirty (30) days, renewable unless cancelled upon thirty (30) days written notice.

10. Restrictions Upon Sale, Transfer, Conveyance or Leasing of a Unit.

THE LEASING OF UNITS IS RESTRICTED OR CONTROLLED.

Article 17 of the Declaration reserves to the Association the right to not allow unit owners to rent or lease their units for a period of less than one (1) week.

11. Phased Condominium. The Condominium is not part of a phased project. 12.

Conversion of Existing Improvements. The condominium is created by conversion of existing improvements which were previously occupied as rental apartments.

13. Information Concerning Improvements to be Converted:

(a) Construction of the existing improvements was completed in 1970 and is of eight inch concrete masonry which has been stuccoed and painted.

(b) The prior use of the improvements to be converted is rental apartments.

(c) There is no evidence of termite damage or infestation. Attached hereto as Exhibit 7 is an inspection report by A to Z Pest Control Services, Inc., a Florida certified pest control operator (License Number JB 95917) evidencing same.

14. Disclosure of Condition of Existing Improvements.

(a) Roof. The roofs are in excellent condition, and are approximately one (1) to eighteen (18) years old. The roofing system consists of asphalt/fiberglass shingles on the north side of the property and built-up roofs with metal mansard on the south side.

(i) The roofing on buildings A, C, D, F, G, I, L, M and the building containing the Bayview unit are eighteen (18) years old and have a remaining useful life of seven (7) years. The estimated current replacement cost for all buildings except the building containing the Bayview unit is \$2,400.00 per building.

(ii) The roofing on buildings B, E, H, J, K, N, O and P are fifteen (15) years old and have a remaining useful life of ten (10) years. The estimated current replacement cost for buildings B, E, H and O is \$3,800.00 per building. The estimated current replacement cost for buildings J and K is \$2,600.00 per building, and the estimated current replacement cost for buildings N and P is \$2,400.00 per building.

(iii) The roofing on buildings Q, S, T, U, V, W, XN, XS, YN, YS, ZN and ZS are ten (10) years old and have an estimated remaining useful life of fifteen (15) years. The estimated current replacement cost for buildings Q, S, T, U, XN, XS, YN and YS is \$3,600.00. The estimated current replacement cost for buildings V, W, ZN and ZS is \$3,000.00 per building.

(iv) The roofing on building R is five (5) years old and has a remaining useful life of twenty (20) years. The estimated current replacement cost is \$5,100.00.

(v) The roofing on buildings Villa N and Villas S are thirteen (13) years old and have a remaining useful life of twelve (12) years. The estimated current replacement cost is \$2,250.00 per building.

(vi) The estimated current replacement costs for the roofing of all buildings is \$100,900.00 or \$572.10 for each A-type unit; \$692.22 for each B-type unit; \$805.18 for each C-type unit; \$961.58 for each D-type unit; and \$803.16 for Bayview unit.

(b) Structure. The structure of the improvements includes exterior and interior masonry walls, concrete floor slabs and elevated concrete walkways and stairs. The structures are in good condition and generally well-maintained and with normal maintenance should have an indefinite useful life. The estimated replacement costs for all structures is \$1,104,853.00 or \$6,264.52 for each A-type unit; \$7,634.53 for each B-type unit; \$10,529.25 for each C-type unit; \$10,529.25 for each D-type unit; and \$8,794.59 for Bayview unit.

(c) Fireproofing and Fire Protection Systems. There are smoke detectors hard-wired into the main electrical system with battery back-up. Portable fire extinguishers, currently inspected, are located in the breezeway in each of the buildings. The alarm systems are monitored by the City of Panama City Fire Department. Fire hydrants are located on the street adjacent to the condominium property.

(d) Heating and Cooling Systems. All heating and air-conditioning equipment (HVAC) is in apparent operational condition from new to fair. The age of the components are estimated to be ten (10) years with an estimated remaining useful life of five (5) years. Estimated current replacement cost for all HVAC equipment is \$34,500.00, or \$195.62 for each A-type unit; \$238.40 for each B-type unit; \$275.31 for each C-type unit; \$328.78 for each D-type unit; and \$274.62 for Bayview unit.

(e) Electrical Systems. Primary electrical system is in generally good condition and should require only normal maintenance to obtain the anticipated thirty-plus (30+) years of useful life. Lighting fixtures are new.

(f) Swimming Pools. The swimming pools are in like new condition as well as the surrounding pool deck. The age of the swimming pools is one (1) year and they have an estimated remaining useful life of twenty-plus (20+) years. Estimated current replacement cost is \$60,000.00, or \$340.20 for each A-type unit; \$414.60 for each B-type unit; \$478.80 for each C-type unit; \$571.80 for each D-type unit; and \$477.60 for Bayview unit.

(g) Seawall. Seawall is a precast concrete wall with a poured concrete cap and is in good condition. The seawall is approximately thirty (30) years old with an estimated remaining useful life of twenty-plus (20+) years. Estimated current replacement cost is \$37,500.00, or \$212.63 for each A-type unit; \$259.12 for each B-type unit; \$299.25 for each C-type unit; \$357.38 for each D-type unit; and \$298.50 for Bayview unit. (h)

Pavement and Parking Areas. There are two hundred and five (205) parking spaces for cars. One (1) parking space has been designated for each of the one hundred and forty one (141) units of the condominium, twenty-three (23) parking spaces are unassigned, and forty-one (41) parking spaces have been designated for guests, including twelve (12) disabled designated spaces. The paving is asphaltic concrete paving, and is in new condition. The age is approximately one (1) year with an estimated remaining useful life of nineteen (19) years. Estimated current replacement cost is \$70,000.00 or \$396.90 for each A-type unit; \$483.70 for each B-type unit; \$558.60 for each C-type unit; \$667.10 for each D-type unit; and \$557.20 for Bayview unit.

(i) Drainage Systems. There is an on-site storm water management system which consists of asphaltic paved surfaced contoured with slight slopes to precast concrete catch basins. The basins are connected to storm water piping which empty into an adjacent retention pond located on city property.

Attached hereto as Exhibit 8 is an architect's sealed certificate from C. Dennis Evans certifying as to each of the foregoing components the age, estimated useful life, estimated current replacement cost and soundness of same.

Pursuant to §718.618(6), Florida Statutes, LANDMARK ASSOCIATES, LTD., a Florida limited partnership, the Developer has elected, in lieu of establishing converter reserve accounts, to grant to the purchasers of units in the Condominium, warranties for the statutory

three (3) year period for those components not being renewed, as set forth more fully hereinabove, such as the electrical, plumbing, and structural components of the improvements, as well as the fireproofing and fire protection systems.

15. Additional Land Serving Condominium. There is no additional land offered by the Developer for use of the unit owners other than the condominium property described in this Prospectus and the Declaration of Condominium.

16. Utilities and Other Services. Utilities and other services to the condominium property, and the entities providing said utility and services, are as follows:

| | |
|------------------|-----------------------|
| Water & Sewer | - City of Panama City |
| Storm Drainage | - Positive |
| Electricity | - Gulf Power Company |
| Telephone | - Southern Bell |
| Cable Television | - Comcast Cablevision |

Electricity and telephone services to individual units are separately metered and recorded, and will be separately billed to each unit owner. Water, sewage, waste disposal, cable television, and the electrical charges for services, are included in the common expenses of the Association. The License for Access and Service Agreement with Comcast Cablevision is attached as Exhibit 10.

17. Apportionment of the Common Elements. The common expenses and ownership of the common elements has been apportioned among the units as set forth in Article 5 of the Declaration by assigning to each unit a proportionate share based upon the square footage of the unit in relation to the square footage of all units. The percentage ownership of the common elements by unit size is as follows:

| <u>Approximate Unit Square Footage</u> | <u>Unit Type</u> | <u>Percentage Ownership</u> |
|--|------------------|-----------------------------|
| 690 square foot unit | A-type unit | .567 |
| 840 square foot unit | B-type unit | .691 |
| 970 square foot unit | C-type unit | .798 |
| 1160 square foot unit | D-type unit | .953 |
| 965 square foot unit | Bayview unit | .796 |

18. Projected Operating Budget. An estimated operating budget for 2001 fiscal (calendar) year of the Association is set forth as Exhibit 2 to this Prospectus, and the percentage of the common expenses of the Association appurtenant and assessable to each unit shall be borne equally by each unit owner.

(a) Estimated Expenses of Each Unit Owner. The estimated monthly and annual common expenses payable by the owner of each unit to the Association for the 2001(calendar) year of the Association is as follows:

| | <u>Monthly</u> | <u>Annually</u> |
|--------------|----------------|-----------------|
| A-type unit | \$167.18 | \$2,006.16 |
| B-type unit | \$203.74 | \$2,444.88 |
| C-type unit | \$235.29 | \$2,823.48 |
| D-type unit | \$280.99 | \$3,370.80 |
| Bayview unit | \$234.70 | \$2,816.40 |

19. Buyer's Estimated Closing Expense. Each unit purchaser shall pay two percent (2%) of selling price to cover closing costs to cover a fully paid owner's title insurance policy, documentary stamp taxes, and recording fees. If a buyer obtains all or any portion of the purchase price of the unit from a loan secured by the mortgage encumbering the unit, all costs, expenses and fees for applying for, obtaining and closing such loan shall be paid by the buyer. Inasmuch as the developer will not directly participate in any effort by a buyer to obtain a mortgage loan, the developer cannot estimate the costs and expenses thereof, and the buyer is advised to obtain disclosures of all loan costs, expenses and fees from his mortgage lender. Pursuant to the Purchase and Sale Agreement, real property taxes for the year of closing, municipal liens special assessments, if any, and the Association assessment for common expenses for the fiscal (calendar) quarter in which the closing occurs will be prorated as of the date of closing.

20. Developer Information. The condominium is being developed and sold by LANDMARK ASSOCIATES, LTD., a Florida limited partnership. The Developer has no prior experience in the development and conversion of condominiums. The Chief Executive Officer of the Developer is Jack Londono. Dr. Londono has no has had no prior experience with the development and sale of condominium units.

21. Summary of Restrictions. There are restrictions on the leases and rental of units establishing a minimum rental period of not less than one (1) month described in Article 17 A. and 24 B. of the Declaration of Condominium. There are no restrictions upon children. Pets are restricted to twenty-four (24) pounds and no more than two (2) pets are permitted. There are restrictions concerning use of balconies and porches, window coverings, storage areas,

and the placement of antennas and satellite dishes. The restrictions are described in Article 24 of the Declaration of Condominium.

22. Express Warranties. The Developer makes no expressed warranties concerning the condominium except as otherwise provided in writing in this Prospectus and its Exhibits.

DECLARATION OF CONDOMINIUM

FOR

LANDMARK ON ST. ANDREWS BAY, A CONDOMINIUM

LANDMARK ASSOCIATES, LTD., a Florida limited partnership, herein called, "Developer," for itself, its successors, grantees and assigns, does hereby, on this _____ day of _____, 2001, make, declare and publish its intention to submit, and does hereby submit, in fee simple the real property hereinafter described to condominium ownership and use in accordance with Chapter 718, Florida Statutes, known and cited as the "Condominium Act," as follows:

1. NAME

The name of this condominium is to be LANDMARK ON ST. ANDREWS BAY, A CONDOMINIUM.

2. LEGAL DESCRIPTION OF THE LAND

The legal description of the land to be included, which is submitted hereby to condominium ownership, is as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND
INCORPORATED HEREIN BY THIS REFERENCE.

3. DEFINITIONS

The terms used in the condominium documents shall have the meanings stated in the Condominium Act or as follows, unless the context requires otherwise:

A. "Assessment" means a share of the funds which are required for the payment of common expenses, which from time to time is assessed against the unit owner.

B. "Association" means THE ASSOCIATION OF LANDMARK CONDOMINIUM, INC., a non-profit Florida corporation, or its assigns, which is and shall be responsible for the operation, administration and management of the condominium.

C. "Association Property" means that property, real and personal, in which ownership is vested in the Association for the use and benefit of the members.

D. "Board of Directors" and "Board" means the Board of Administration of THE ASSOCIATION OF LANDMARK CONDOMINIUM, INC., which shall be responsible for administration of the Association.

E. "Common Elements" means the portions of the condominium property not included within any unit as further defined in Article 5 hereof.

F. "Common Expenses" means all expenses and assessments which are properly incurred by the Association for the condominium and for which the unit owners are liable to the Association.

G. "Common Surplus" means the excess of all receipts of the Association from this condominium and the owners of the units, including but not limited to assessments, profits, and revenues on account of the common elements, over the amount of the common expenses.

H. "Condominium Parcel" means the unit, together with the undivided share in the common elements which is appurtenant to the unit and all other appurtenances thereto.

I. "Condominium Property" means and includes the lands and personal property in the condominium and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection with the condominium.

J. "Limited Common Elements" means those common elements which are reserved for the use of a certain condominium unit or units to the exclusion of other units, as more particularly specified in this Declaration of Condominium.

K. "Special Assessment" means any assessment levied against unit owners other than the assessment required by a budget adopted annually.

L. "Unit" means that portion of the condominium property which is subject to private ownership as further defined in Article 4 hereof.

M. "Unit Owner" or "Owner" means the owner of a condominium parcel.

N. "Voting Certificate" means a document which designates one of the owners, or the corporate, partnership or entity representative who will vote and represent the voting interest of the unit.

4. THE UNITS

A. Identification. Each of the units is identified and designated as set forth in the survey contained in Exhibit A attached hereto and by reference made a part hereof.

B. Boundaries. Each unit consists of (1) the volumes or cubicles of space enclosed by the unfinished inner surfaces of perimeter and interior walls, ceilings and floors thereof, including vents, doors, windows and such other structural elements as are ordinarily

considered to be enclosures of space, and including the volume or cubicle of space enclosed by any terrace, (2) all interior dividing walls and partitions (including the space occupied by such interior walls or partitions but excepting load-bearing interior walls and partitions), and all screening enclosing the terraces, and the exterior balconies and deck areas abutting or appurtenant to the enclosed portions of the unit, (3) the decorated inner surfaces of the perimeter and interior walls (including decorated inner surfaces of all interior load-bearing walls), floors and ceilings, consisting of paint, plaster, carpeting, tiles, and all other finishing materials affixed or installed as part of the physical structure of the unit, and (4) all immediately visible fixtures, mechanical systems and equipment installed for the sole and exclusive use of the unit, commencing at the point of disconnection from the structural body of the condominium building and from the utility lines, pipes, or systems serving the unit. No pipes, wires, conduits or other utility lines or installations constituting a part of the overall systems not designated for the service of any particular unit, or any of the structural members or portions of any kind, including fixtures within the unit, which are not removable without jeopardizing the soundness, safety or usefulness of the remainder of the building, shall be deemed to be a part of any unit.

5. COMMON ELEMENTS

A. Ownership Percentage. The undivided interest in the common elements and common surplus which is appurtenant to each unit shall be the percentage shown on Exhibit A-1 attached to this Declaration of Condominium. The undivided shares in the common elements appurtenant to a unit shall remain constant unless amended in writing by the unit owners and the mortgagees of the units as required by the Condominium Act.

B. Identification. The common elements appurtenant to each unit shall include, but are not limited to:

1. The parcel of land on which the improvements are located as described in Paragraph 2 above.
2. All parts of the improvements which are not contained within the units, including the foundations, roof, floors, ceilings, perimeter walls, load-bearing interior walls and partitions, slabs, hallways, entrances and exits or communication ways, pipes, wire, conduits, air ducts and utility and

community or cable television lines, and the space actually occupied by all of these items.

3. All of the parking areas, walkways, paths, trees, shrubs, grounds and gardens, located or to be located on the condominium property described herein.
4. The following easements from each unit owner to each other unit owner and to the Association:

- (a) Easements through the common elements for ingress and egress.

- (b) An easement of support in every portion of a unit which contributes to the support of the condominium building.

- (c) An easement for the purpose of installation, maintenance, repair and replacement of all sewer, water, power, television and telephone lines, mains, conduits, wire and any and all other equipment or machinery necessary or incidental to the proper functioning of any such utility or television system.

- (d) An easement through any unit, and the common elements, for maintenance, repair and replacement of the common elements or when necessary to prevent damage to the common elements or to another unit or units. Access to units shall be only during reasonable hours, except that access may be had at any time in case of emergency.

5. All other elements of the condominium improvements rationally of common use or necessary to their existence, upkeep and safety, and all other devices or installations within the condominium property existing for common use.

C. Right to Use. All unit owners shall have the right to use the common elements, subject to the terms and conditions set forth herein. Such rights shall extend to the unit owners, members of their immediate families, their guest and other authorized occupants and visitors

of a unit owner. Use of the common elements and rights of the unit owners with respect thereto shall be subject to and governed by the provisions of the Condominium Act, this Declaration, the Articles of Incorporation, Bylaws and rules and regulations of the Association.

6. LIMITED COMMON ELEMENTS

Limited common elements created by this and reserved for the exclusive use of a certain condominium unit to the exclusion of others shall consist of the following:

A. Patio/Balcony. The patio/balcony area adjacent to a unit shall be limited common elements for the exclusive use of the adjoining unit owner.

B. Storage Rooms. The storage rooms assigned by designation on Exhibit A shall be limited common elements for the exclusive use of the unit to which they have been assigned.

C. Parking Spaces. Parking spaces assigned by designation on Exhibit A shall be limited common elements for the exclusive use of the units to which they have been assigned.

7. SURVEY, GRAPHIC DESCRIPTION AND FLOOR PLAN

A survey of the land and a graphic description of the improvements in which units are located and a plot plan thereof are attached hereto as a part of Exhibit A. This Declaration, in order further to define and identify the units and common elements of the condominium property, including any and all present and future improvements thereof, hereby declares that the condominium property is subdivided into a total of 141 units, as shown on the survey contained in Exhibit A hereto, each of which shall, together with the appurtenances, constitute a separate parcel of real property.

8. COMMON EXPENSES

A. Share of Common Expenses. Each unit owner shall be assessed his proportionate share of the expenses of maintenance, repair, replacement, administration and operation of the common elements and association property, and of the taxes and assessments levied thereon, which expenses are hereinafter referred to collectively as common expenses. The proportionate share of the common expenses of each unit owner shall be the same as such unit owner's share of the common elements, as set forth in Paragraph 5A above. Payment thereof shall be in such installments and at such times as may

be provided in the Bylaws. In the event of the failure of a unit owner to pay his proportionate share when due, the amount thereof shall constitute a lien on his unit as provided by the Condominium Act. The lien shall secure all unpaid assessments, interest, reasonable costs and attorney's fees incurred by the Association incident to the collection process. The lien shall be effective from and after the recording of a Claim of Lien in the public records of the county in which this condominium is located and it shall secure all sums due the Association including those accruing after recording of the Claim of Lien.

B. Amendment to Shares. The proportionate share of the common expenses, attributable to each unit may be amended only with the written consent of the unit owner and the mortgagee or mortgagees of the unit and approval of not less than a majority of the total voting interests of the Association.

C. Uncollectible Assessments. If the Board of Directors decides that any unpaid assessment is uncollectible, it shall become a common expense, collectible from all of the unit owners including an acquirer of the unit where the assessment was determined to be uncollectible.

9. ASSOCIATION

A. Association. Prior to the date of the recording of this Declaration there will be or has been created under the laws of the State of Florida THE ASSOCIATION OF LANDMARK CONDOMINIUM, INC., a corporation not-for-profit, herein called the Association, which shall be responsible for the administration, operation, maintenance, repair and replacement of the condominium property and which shall have those powers and duties set forth in the Condominium Act, this Declaration, the Articles of Incorporation and Bylaws. A copy of the Bylaws of the Association is attached hereto as Exhibit C and incorporated herein by this reference.

B. Membership. Each unit owner shall automatically become and be a member of the Association for so long as such owner continues to own a unit. Upon the termination of the interest of the unit owner, membership in the Association shall thereupon terminate and transfer and inure to the new unit owner succeeding in interest. The voting rights of the unit

owners shall be as set forth in the Articles of Incorporation of the Association, a copy of which is attached hereto as Exhibit B and incorporated herein by this reference.

10. COMMON SURPLUS

Common surplus shall be the excess of all receipts of the Association including, but not limited to, assessments, special assessments, rents and revenues on account of the common elements over the amount of common expense. Each unit owner shall own an undivided share in any common surplus in the same percentage as such owner's share of the common elements, as set forth in Paragraph 5A above. All common surplus shall be held and administered by the Association on behalf of the unit owners and may be credited to the unit owners at such times and in such amounts as the Board of Directors of the Association shall deem fit or otherwise expended by the Association for the benefit of the unit owners as the Board of Directors may determine, provided however, that no distribution of the common surplus shall be made contrary to the requirements of Chapter 617 of the Florida Statutes.

11. SEPARATE REAL ESTATE TAXES

Real estate taxes are to be separately assessed to each unit for the owner's condominium parcel, as provided in the Condominium Act. If for any year such taxes are not separately assessed to each unit owner, then each unit owner shall pay his proportionate share thereof based upon the percentage of his share of the common elements set forth in Paragraph 5A above.

12. UTILITIES

Each unit owner shall pay for the telephone, television, electricity and other services or utilities that are separately metered or billed to each user or unit by the respective utility company, service provider or the Association. Utilities which are not separately metered or billed and for the benefit of unit owners collectively shall be part of the common expenses.

13. INSURANCE

A. Hazard Insurance. The Board of Directors acting on behalf of the Association, unit owners and their mortgagees as their interests may appear shall insure the condominium property against loss or damage by fire and such other hazards as are covered under

standard extended coverage provisions for the full insurable replacement cost of the condominium property.

B. Insured Property. For purposes of insurance coverage, condominium property shall be defined as the buildings, all additions and extensions attached thereto; fixtures, machinery and equipment constituting a permanent part and pertaining to the service of the buildings; materials and supplies intended for use in construction, alteration or repair; yard fixtures; detachable building equipment; personal property used for the service or maintenance of the buildings, including fire extinguishing apparatus, floor coverings, wall coverings and ceiling coverings not located within a unit and outdoor furniture, and including fixtures, installations or additions comprising a part of the buildings within the unfinished interior surfaces of the perimeter walls, floors and ceilings of individual condominium units initially installed, or replacements thereof, in accordance with the original condominium plans and specifications (excluding floor, wall and ceiling coverings within individual units), and including all personal property in which each of the condominium unit owners has an undivided interest. Insurance coverage shall be written in the name of and the proceeds thereof shall be payable to the Association or the board of Directors as the trustees for the unit owners and their respective mortgagees, if any, as their interests may appear. If agreeable to the insurer, policies shall include provisions that they be without contribution, and that the insurer waives its rights of subrogation as to any claims against the unit owners.

C. Loss or Damage. In the event of loss or damage to the condominium property, the proceeds shall be applied to restore the property to the same condition in which it existed prior to such loss or damage, with each unit and the common elements having the same size, location and dimensions as before. In the event such restoration or repair shall not be substantially in accordance with the original plans and specifications, such restoration and repair shall require the approval of not less than fifty-one percent (51%) of the total voting interests of the Association and the approval of not less than fifty-one percent (51%) of the holders of first mortgages on units within the condominium.

D. Total Destruction. In the event of a total destruction of the entire condominium or if a building or buildings are damaged or destroyed rendering two-thirds or more of the units untenable, the owners of not less than fifty-one percent (51%) of the total voting interests of the condominium may elect to reconstruct or replace the buildings. In the event of such election to reconstruct or replace, the payment of the expense thereof shall be made as provided in the next paragraph hereof. If a majority shall elect not to reconstruct or replace, the condominium may be terminated as provided in Article 19 of this Declaration.

E. Use of Proceeds. The net proceeds of any insurance collected shall be made available for the purpose of restoration or replacement. If the insurance proceeds are insufficient to cover the entire expenses of reconstruction or replacement, the additional expense shall be paid by all of the unit owners directly affected by the damage in proportion to the insured valuation of their respective units. If any such unit owner shall refuse to make the required payments, the Board of Directors shall levy a charge in an amount proportionate to the insured valuation of the unit. The proceeds of such charges and of the insurance shall be paid to the Association for the purpose of covering the expense of repair and replacement. In the event any unit owner or owners shall fail to respond to the charge by payment thereof within a reasonable time, the Board shall have the authority to cause such restoration or reconstruction to be accomplished and to charge the proportionate expense thereof, less any applicable insurance credits, to such unit owners. The Association may enforce the provisions hereof and collect any sums due hereunder in the manner provided in Section 718.303 of the Florida Statutes.

F. Liability Insurance. The Association shall have the authority to and shall obtain comprehensive public liability insurance in a minimum amount of \$1,000,000 and workmen's compensation insurance and other liability insurance as it may deem desirable, insuring each unit owner and the Association, the Board of Directors, and managing agent from liability in connection with the common elements. Where agreeable to the insurer, all liability insurance policies shall contain cross-liability endorsements to cover liabilities of the unit owners collectively or to a unit owner individually.

G. Flood Insurance. If it shall be determined that the condominium property is located in a special flood hazard area, the Association shall have the authority to and shall obtain flood insurance in an amount not less than the maximum available coverage under the National Flood Insurance Program for all buildings and other insurable property within the condominium, or full current replacement cost unless seventy-five percent (75%) of the total voting interests of the condominium shall determine that such flood insurance shall be in an amount less than full insurable replacement cost.

H. Bonding and Other Insurance. The Association shall have the authority and shall maintain insurance or fidelity bonding on all persons having authority to control or disburse funds of the Association in an amount equal to a sum that will cover the maximum funds that will be in the custody of the Association or its management agent at any one time. The Association shall have the authority to maintain such other insurance coverage as the Board may from time to time deem appropriate.

I. Premiums. The premiums for all insurance purchased pursuant to the provisions of this article shall be common expenses, and when practical shall be paid at least thirty (30) days prior to the expiration date of any policy. If agreeable to the insurer, such policies shall include a provision that coverage will not be terminated for non-payment of premiums without ten (10) days' prior written notice to each unit mortgagee.

J. Excess Liability. In any legal action in which the Association may be exposed to liability in excess of insurance coverage protecting it and the unit owners, the Board of Directors shall give notice of the exposure within a reasonable time to all unit owners who may be exposed to the liability and they shall each have the right to intervene and defend.

K. Inspection of Insurance Policies. A copy of each insurance policy obtained by the Association shall be made available for inspection by unit owners at reasonable times.

L. Individual Insurance Responsibility. Each unit owner shall be responsible for obtaining insurance on the contents of his unit, including wall, ceiling and floor coverings and owner's personal property stored elsewhere on the condominium property, and including all additions and improvements made by him to his condominium unit other than the fixtures, installations or additions initially installed or replacements thereof in accordance with the

original condominium plans and specifications, and his personal liability to the extent not covered by the liability insurance for all of the unit owners obtained as part of the common expenses as above provided.

M. Association as Attorney-in-Fact. In undertaking the responsibilities set forth in this Article, the Association is hereby designated and shall be the attorney-in-fact for all unit owners for the purpose of purchasing and maintaining such insurance, including but not necessarily limited to, the collection and appropriate disposition of the proceeds thereof, the negotiations of losses and execution of releases of liability, the execution of all documents, and the performance of all other acts necessary to accomplish the purposes of this Article.

14. MAINTENANCE, REPAIRS AND REPLACEMENT

A. Unit Owner. Each unit owner shall be responsible for and shall furnish at such owner's expense and be responsible for all of the maintenance, repairs and replacements required within for owner's unit; provided, however, that such maintenance, repair and replacement as may be required for the bringing of water, gas and electricity to the unit shall be furnished by the Association as part of the common expenses. Maintenance, repairs and replacements of the common elements shall be furnished by the Association as part of the common expenses.

B. Unit Owner Negligence. If, due to the negligent act or omission of a unit owner, or of a member of the owner's family or household pet or of a guest or other authorized occupant or visitor of such unit owner, damage shall be caused to the common elements or to a unit or units owned by others, or maintenance, repairs or replacements shall be required which would otherwise be a common expense, such unit owner shall pay for such damage and such maintenance, repairs and replacements as may be determined by the Association. Maintenance, repairs and replacements to the common elements or the units shall be subject to the provisions of this Declaration of Condominium.

C. Access to Units. To the extent that equipment, facilities and fixtures within any unit or units shall be connected to similar equipment, facilities or fixtures affecting or serving other units or the common elements, then the use thereof by the individual unit owners shall be subject to the rules and regulations of the Association. The Association has the irrevocable

right of access to each unit during reasonable hours, when necessary for the maintenance, repair or replacement of any common elements or of any portion of a unit to be maintained by the Association pursuant to the Declaration or as necessary to prevent damage to the common elements or to a unit or other units.

D. Windows and Doors. Each unit owner shall be responsible for the maintenance, repair and replacement of all windows of owner's unit and also the doors leading onto the balconies and stairways, if any, adjacent to such unit.

E. Emergency Access. The Association has the irrevocable right to access to each unit during reasonable hours, when necessary for the maintenance, repair, or replacement of any common elements or for making emergency repairs necessary to prevent damage to common elements or to another unit or units.

F. Authority to Grant Easements. The Association shall have the authority to grant permits, licenses and easements over the common elements, and to move or modify the same, for utilities, ingress and egress, cable television service and for other purposes reasonably necessary or useful for the proper maintenance or operation of the project.

15. ALTERATIONS, ADDITIONS AND IMPROVEMENTS

No alterations to any common elements, or any additions or improvements thereto, shall be made by any unit owner without the prior written approval of not less than two-thirds (2/3) of the total voting interests of the Association. No material alteration or modification to the common elements, or any additions or improvements thereto shall be made by the Board of Directors without the prior approval of not less than fifty-one percent (51%) of the total voting interest of the condominium.

16. ENCROACHMENTS

If any portion of the common elements shall encroach upon any unit, or if any unit shall encroach upon any portion of the common elements, as the common elements and units are shown by the surveys comprising the plat attached hereto as Exhibit A, there shall be deemed to be mutual easements in favor of the owners of the common elements and the respective unit owners involved to the extent of such encroachments so long as they shall exist.

17. LEASE OF UNITS BY A UNIT OWNER

A. Leases and Rentals. An owner of a unit may not rent any interest in the unit for a period of less than one (1) month. The restriction limiting the terms of rentals may be amended only by the affirmative vote of not less than a majority of all of the voting interests in this condominium. The purpose of this rental restriction is to maintain a congenial residential community, non-transitory in nature, and this covenant shall exist until amended or until the condominium is terminated.

B. Copies of Condominium Documents. The Board of Directors of the Association shall make available current copies of the Declaration of Condominium, Articles of Incorporation, Bylaws, Rules and Regulations, the most recent financial statements and other such documentation to any prospective transferee of a unit, at the Association's actual cost for preparing or furnishing the copies.

18. LIABILITIES AND REMEDIES

A. Payment of Assessments. Each unit owner shall pay the assessments or assessment installment against the unit on or before the first day of the month in which such assessments are due, and any and all assessments or assessment installments levied shall bear interest at the maximum rate allowed by law, applicable to individuals, from and after the date that they shall become due. No owner may be exempt from any or all of the monthly assessments or other assessments by non-use or waiver of the use or enjoyment of any of the common elements, or of the facilities of the condominium or of facilities or services of the Association or by abandonment of the unit.

B. Claim of Lien. All such assessments or assessment installments levied upon each unit or unit owner shall constitute a lien in favor of the Association against the owner's unit, effective as to the fixed monthly assessment on the first day of each month and as to additional assessments or assessment installments, if any, as of the date when the common expense giving rise thereto was incurred by the Association. Such lien shall be effective upon recording of a Claim of Lien in the public records of the county where this condominium is located.

C. Priority of Lien. The lien or liens held by the Association for any and all unpaid assessments and assessment installments shall be prior to all other liens except (1) assessments, liens and charges for taxes past due and unpaid on the unit, and (2) payments due under bona fide first mortgages recorded prior to the creation of such lien or liens.

D. Assumption of Lien and Payment. Upon the transfer of title to any unit, by whatever means, all liens thereon, except those which may be assumed with the lienholder's consent, shall be paid out of the sale price or by the transferee.

E. Joint Liability. The transferee of title to a unit shall be jointly and severally liable with the transferor thereof for any and all amounts owing by the transferor to the Association up to the time of the transfer of title, without prejudice to the transferee's right to recover from his transferor any amount thereof paid by the transferee. The Association shall provide for the issuance to every transferee, upon request, a certificate of all the amounts due the Association, and the transferee's liability hereunder shall thereupon be limited to the amount stated.

F. Foreclosure and Collection. In the event that any lien arises against a unit due to the failure of the unit owner to pay any assessments or assessment installments, and the assessments or assessment installments remain unpaid for more than seven (7) days after they shall have become due and payable, or the unit owner shall in any way default under any provisions of the Condominium Act, this Declaration, the Articles of Incorporation and Bylaws, or the rules and regulations, the Association shall have each and all of the rights and remedies which may be provided for in the Condominium Act, this Declaration, or the Articles of Incorporation and the Bylaws, or which may be available at law or in equity, and may prosecute any action or other proceedings against the defaulting unit owner or others or both for enforcement of any and all liens, statutory or otherwise, including foreclosure of its liens in the manner provided for the foreclosure of real estate mortgages and the appointment of a receiver for the unit and the ownership interest of the unit owner, or for damages or injunction of specific performance or judgment for payment of money and collection thereof, or any combination of remedies, or for any other relief.

G. Expenses. All expenses of the Association in the enforcement hereof, whether by legal proceedings or otherwise, including court costs, attorney's fees and other fees and expenses, shall, in addition to the amount due and coming due during enforcement proceedings, be recoverable by the Association against the defaulting unit owner. Such costs, fees and expenses, and all damages, liquidated or otherwise, together with interest thereon at the maximum legal rate chargeable to an individual, shall be charged to and assessed against the defaulting unit owner.

H. Cumulative Remedies. Any and all rights and remedies provided herein may be exercised at any time and from time to time, cumulatively or otherwise. The Association's rights and remedies may be waived only by written authority of the Board of Directors, and any such waiver shall not constitute a continuing waiver or be renewed or extended without such written authority.

19. TERMINATION OR CONDEMNATION

A. Termination. The condominium form of ownership may be terminated only by the agreement of ninety percent (90%) of all voting interests in the condominium and all mortgagees of record. Such termination shall become effective when an instrument executed by all such owners and mortgagees in the manner required for the conveyance of land in Florida evidencing the termination has been recorded in the public records of the county where this condominium is located, and the unit owners shall have executed and delivered deeds conveying all of the property to the Association. The Association shall endeavor to sell the condominium property, and shall hold the proceeds of sale in trust for the benefit of the unit owners and mortgagees. In the event that termination occurs after a casualty loss, the insurance proceeds shall be combined with the proceeds of sale. After providing for all necessary costs and expenses, including court costs and reasonable attorney's fees in the event of litigation necessary to complete the termination and sale, the unit owners and their mortgagees shall have an undivided interest in the accumulated proceeds of sale and in any common surplus of the condominium in accordance with the percentages of ownership in the common elements set forth in this Declaration. Membership in the Association of each unit owner shall thereafter terminate.

B. Condemnation. The Association shall represent the unit owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the common elements, or part thereof. In the event of a taking or acquisition of part or all of the common elements by a condemning authority, the award or proceeds of settlement shall be payable to the Association for the use and benefit of the unit owners and their mortgagees as their interest may appear.

20. DEVELOPER'S PRIVILEGES

A. Transact Business. Said Developer shall have the right to transact on the condominium property any business necessary to consummate sale of units, including, but not limited to, the right to maintain models, have signs, employees in the office, use the common elements and to show units. A sales office, office equipment, signs and all items pertaining to sales, shall not be considered common elements and shall remain the property of the Developer. In the event there are unsold units, the Developer retains the right to be the owner thereof, under the same terms and conditions as other owners have with its right to sell, rent or lease as contained in this paragraph.

B. Common Expense Liability. Commencing with the filing of this Declaration of Condominium upon the public records of the county, the Developer shall not be liable for the payment of common expenses in respect of any unit, so long as the Developer guarantees that the assessments for common expenses shall not increase over the dollar amount stated in the budget submitted as a part of the offering prospectus for the condominium. The guarantee period shall be the same for all unit owners and such guarantee period shall end at such time as the Association adopts a budget requiring an increase in the payment of common expenses with respect to any unit. The guaranteed payment of common expenses for each unit shall be the exact dollar amount stated in the budget submitted as part of the Offering Prospectus for the condominium as to each such unit. The Developer hereby undertakes and guarantees to pay all actual common operating expenses incurred during such period of time as are in excess of the amount stated in said budget, which amount represents an aggregate of the sums to be collected from all unit owners other than the Developer during such period of time.

C. Assignments of Easements. The Developer shall have the right to assign limited common elements for exclusive use by specific unit owners as limited common elements by written instrument. The Association may grant or amend easements over and across the condominium property provided that no such act or acts shall abridge or materially interfere with the rights otherwise granted to other unit owners.

21. AMENDMENTS

A. Amendments. Except as otherwise provided in Sections 8B and 21B, the provisions of this Declaration may be amended from time to time upon the approval of such amendment or amendments by the Association pursuant to a resolution or written consent approving such amendment or amendments adopted or given by not less than two-thirds (2/3) of the voting interests of the condominium, except where otherwise required by the Condominium Act or this Declaration. No amendment changing the size or dimensions of a unit shall be effective unless consented to by the unit owner, and no amendment which affects the rights, privileges or interests of the Developer shall be effective without its prior written consent. All amendments to this Declaration shall be recorded.

B. Mortgagee Consent. No amendment shall change or modify the provisions of this Declaration of Condominium which govern the voting rights of members, assessments, assessment liens or subordination of such liens, reserves for maintenance, repair or replacement, insurance or fidelity bonds or any provisions which is for the express benefit of any first mortgage holder, insurer or guarantor, unless not less than fifty-one percent (51%) of such first mortgage holders shall have first approved such amendment. No amendment may change the size or configuration of any condominium unit in any material fashion, materially alter or modify the appurtenances to the unit, or change the proportion or percentage by which the owner of the parcel shares the common expenses or owns the common surplus unless all record owners of units and all record holders of first mortgages approve the amendment.

22. NOTICES

A. Giving Notice. Notices provided for in the Condominium Act, Declaration, Articles of Incorporation or Bylaws shall be in writing, and shall be addressed to the Association or to any unit owner at the mailing address of the condominium property or at such

other address as may hereafter be provided on the roster of owners maintained by the Association. The Board of Directors may designate a different address or addresses for notices to it by giving written notice of such change of address to all unit owners at such time. Any unit owner may also designate a different address or addresses for notices by giving written notice of such owner's change of address to the Association. Notice addressed as above shall be deemed delivered when mailed by United States mail or when delivered in person with written acknowledgment of the receipt thereof, or, if addressed to a unit owner, when deposited in the mail box in the building or at the door of the unit in the building.

B. Proof of Notice. The post office certificate of mailing shall be retained as proof of such mailing or an officer of the Association or person giving notice shall provide an affidavit affirming the giving of notice.

23. SEVERABILITY

If any provision of this Declaration, the Articles of Incorporation or Bylaws shall be held invalid, it shall not affect the validity of the remainder of the Declaration, Articles and the Bylaws.

24. USE RESTRICTIONS

A. Single Family Residence. Units shall be utilized only for purposes of single family residential use as may be more particularly defined by rules adopted by the Board of Directors.

B. Leases. No lease or rental of a unit shall be made for a period of less than one (1) month and all lease or rental agreements shall be in writing.

C. Pets. No unit owner shall be entitled to keep or maintain a pet in excess of twenty-four (24) pounds upon the premises. No unit owner shall be entitled to have more than two (2) pets and dogs shall be kept on leashes at all times when not in the condominium unit of the owner.

D. Balcony Area. Items stored on balconies shall not exceed the height of the balcony railings. No bathing suits, clothing, towels, rugs, mops, brooms, signage, or other items shall be hung from balconies or porches.

E. Window Coverings. No tin foil, sheets, blankets or other coverings shall be permitted on windows. Window shades or curtains shall be permitted provided that the backing is white in color.

F. Waterbeds. Water beds shall not be permitted above the ground floor.

G. Storage Areas. Heat and air conditioning closets shall not be utilized for storage purposes. No goods or materials of any kind or description which are combustible or increase fire risks shall be permitted in storage areas.

H. Antennas and Satellite Dishes. No radio, television, telecommunications, or CB antennas or satellite dish shall be permitted on the roof of any building. No radio, television, telecommunication, or CB antenna or satellite dish shall be placed or erected on the exterior of any building without prior written approval of the board of administration.

I. Other Occupancy Rules. Units and their occupants shall further be subject to such rules and regulations as may be adopted from time to time by the Board of Administration and not inconsistent with this Declaration or exhibits attached thereto.

25. RIGHTS AND OBLIGATIONS

A. Unit Owners. The provisions of this Declaration, the Articles of Incorporation and the Bylaws, and the rights and obligations established thereby, shall be deemed to be covenants running with the land so long as the property remains subject to the provisions of the Condominium Act and shall inure to the benefit of and be binding upon each and all of the unit owners and their respective heirs, representatives, successors, assigns, purchasers, lessees, grantees, and mortgagees. By the recording of the acceptance of a deed conveying a unit or any interest therein, or any ownership interest in the property whatsoever, the person to whom such unit or interest is conveyed shall be deemed to accept and agree to be bound by and subject to all of the provisions of the Condominium Act, this Declaration, the Articles of Incorporation and the Bylaws.

B. Mortgagees. Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor and the unit number, any such holder, insurer or guarantor shall be entitled to timely written notice of:

- (1) Any condemnation loss or any casualty loss affecting a material portion of the project or any unit on which their mortgage is held, insured, or guaranteed;
- (2) Any delinquency in payment of assessments or charges by an owner of a unit subject to a first mortgage held, insured or guaranteed by such person, which remains uncured for a period of sixty (60) days; or
- (3) Any lapse, cancellation or material modifications of any insurance policy or fidelity bond maintained by the Association.

26. DOCK AREA

The developer has applied for the construction of a dock area adjacent to the condominium property on St. Andrews Bay which will be available for use of unit owners if permits are granted for its construction, subject to the rules and regulations governing its use by the board of directors. The construction costs for the dock area will be paid for by the developer. The dock area is not a part of the condominium property, but all rights to the dock area as granted by the permit from the Florida Department of Environmental Protection are hereby assigned to the condominium association to be held and used as association property to the extent authorized by the permit authorizing the construction and use of the dock area; provided however, that the developer retains the right to assign the exclusive use of up to twenty-four (24) boat slips to unit owners in the condominium at the sole discretion of the developer. Any expenses attributable to boat slips assigned for exclusive use by a unit owner shall be the responsibility of said unit owner.

DONE AND EXECUTED the day and year first written hereinabove.

Signed, sealed and delivered
in the presence of:

LANDMARK ASSOCIATES, LTD. a Florida
limited partnership

Print Name:

By: _____
Manager, LANDMARK GENERAL
PARTNER, LLC, a Florida Limited
Liability Company

Print Name:

(CORPORATE SEAL)

STATE OF FLORIDA

COUNTY OF BAY

The foregoing Declaration of Condominium was acknowledged before me this _____ day of _____, 2001, by _____, the Manager of LANDMARK GENERAL PARTNER, LLC, a Florida Limited Liability Company, General Partner of LANDMARK ASSOCIATES, LTD., a Florida limited partnership, on behalf of the corporation.

Notary Public

My commission expires:

Personally known _____ OR Produced Identification _____
Type of Identification Produced _____

**JOINDER AND CONSENT OF MORTGAGEE
TO
DECLARATION OF CONDOMINIUM
OF
LANDMARK ON ST. ANDREWS BAY, A CONDOMINIUM**

COMES NOW, _____, by and through its undersigned officer, the mortgagee of the real property submitted to the Declaration of Condominium of LANDMARK ON ST. ANDREWS BAY, A CONDOMINIUM, and does hereby consent to the recording of the aforesaid Declaration of Condominium and agrees to the subdivision of said real property in accordance with the aforesaid Declaration of Condominium.

DONE AND EXECUTED this ____ day of _____, 2001.

WITNESSES:

Print Name: _____

Print Name: _____

STATE OF FLORIDA
COUNTY OF BAY

I HEREBY CERTIFY that before me this ____ day of _____, 2001, personally appeared _____ to me known to be the person described in and who executed the foregoing instrument and acknowledged the execution thereof to be his free act and deed as such officer for the uses and purpose therein mentioned.

WITNESS my hand and official seal this ____ day of _____, 2001.

Notary Public

My commission expires:

Personally known _____ OR Produced Identification _____
Type of Identification Produced _____

**LEGAL DESCRIPTION, PLOT PLAN AND SURVEY
AVAILABLE AT LANDMARK OFFICES
LOCATED AT
2100 WEST BEACH DRIVE
PANAMA CITY, FLORIDA 32780**

PERCENTAGE OWNERSHIP OF COMMON ELEMENTS

| UNIT NUMBER | PERCENTAGE OWNERSHIP |
|-------------|----------------------|
| A-101 | .691 |
| A-102 | .691 |
| A-201 | .691 |
| A-202 | .691 |
| B-101 | .567 |
| B-102 | .567 |
| B-103 | .567 |
| B-104 | .567 |
| B-201 | .567 |
| B-202 | .567 |
| B-203 | .567 |
| B-204 | .567 |
| C-101 | .691 |
| C-102 | .691 |
| C-201 | .691 |
| C-202 | .691 |
| D-101 | .691 |
| D-102 | .691 |
| D-201 | .691 |
| D-202 | .691 |
| E-101 | .567 |
| E-102 | .567 |
| E-103 | .567 |
| E-104 | .567 |
| E-201 | .567 |
| E-202 | .567 |
| E-203 | .567 |
| E-204 | .567 |
| F-101 | .691 |
| F-102 | .691 |
| F-201 | .691 |
| F-202 | .691 |

| G-101 | .691 |
|--------------------|-----------------------------|
| UNIT NUMBER | PERCENTAGE OWNERSHIP |
| G-102 | .691 |
| G-201 | .691 |
| G-202 | .691 |
| H-101 | .567 |
| H-102 | .567 |
| H-103 | .567 |
| H-104 | .567 |
| H-201 | .567 |
| H-202 | .567 |
| H-203 | .567 |
| H-204 | .567 |
| I-101 | .691 |
| I-102 | .691 |
| I-201 | .691 |
| I-202 | .691 |
| J-101 | .798 |
| J-102 | .798 |
| J-201 | .798 |
| J-202 | .798 |
| K-101 | .798 |
| K-102 | .798 |
| K-201 | .798 |
| K-202 | .798 |
| L-101 | .691 |
| L-102 | .691 |
| L-201 | .691 |
| L-202 | .691 |
| M-101 | .691 |
| M-102 | .691 |
| M-201 | .691 |
| M-202 | .691 |
| N-101 | .953 |
| N-102 | .953 |
| | |

| | |
|--------------------|-----------------------------|
| N-201 | .953 |
| N-202 | .953 |
| UNIT NUMBER | PERCENTAGE OWNERSHIP |
| O-101 | .567 |
| O-102 | .567 |
| O-103 | .567 |
| O-104 | .567 |
| O-201 | .567 |
| O-202 | .567 |
| O-203 | .567 |
| O-204 | .567 |
| P-101 | .953 |
| P-102 | .953 |
| P-201 | .953 |
| P-202 | .953 |
| Q-101 | .798 |
| Q-102 | .798 |
| Q-201 | .798 |
| Q-202 | .798 |
| R-101 | .567 |
| R-102 | .567 |
| R-103 | .567 |
| R-104 | .567 |
| R-201 | .567 |
| R-202 | .567 |
| R-203 | .567 |
| R-204 | .567 |
| S-101 | .798 |
| S-102 | .798 |
| S-201 | .798 |
| S-202 | .798 |
| T-102 | .798 |
| T-201 | .798 |
| T-202 | .798 |
| U-101 | .798 |
| | |

| U-102 | .798 |
|-------------|----------------------|
| U-201 | .798 |
| U-202 | .798 |
| UNIT NUMBER | PERCENTAGE OWNERSHIP |
| V-101 | .691 |
| V-102 | .691 |
| V-201 | .691 |
| V-202 | .691 |
| VILLA S-101 | .953 |
| VILLA N-102 | .953 |
| VILLA S-201 | .953 |
| VILLA N-202 | .953 |
| W-101 | .691 |
| W-102 | .691 |
| W-201 | .691 |
| W-202 | .691 |
| XS-101 | .798 |
| XS-102 | .798 |
| XN-103 | .798 |
| XN-104 | .798 |
| XS-201 | .798 |
| XS-202 | .798 |
| XN-203 | .798 |
| XN-204 | .798 |
| YS-101 | .798 |
| YS-102 | .798 |
| YN-103 | .798 |
| YN-104 | .798 |
| YS-201 | .798 |
| YS-202 | .798 |
| YN-203 | .798 |
| YN-204 | .798 |
| ZS-101 | .691 |
| ZS-102 | .691 |
| ZN-103 | .691 |
| | |

| | |
|--------------------|-----------------------------|
| ZN-104 | .691 |
| ZS-201 | .691 |
| ZS-202 | .691 |
| ZN-203 | .691 |
| UNIT NUMBER | PERCENTAGE OWNERSHIP |
| ZN-204 | .691 |
| BAYVIEW-101 | .798 |

**ARTICLES OF INCORPORATION
OF
THE ASSOCIATION OF LANDMARK CONDOMINIUM, INC.
(A Corporation Not-for-Profit)**

We, the undersigned, hereby associate ourselves together for the purpose of becoming incorporated under the laws of the State of Florida as a corporation not-for-profit, and hereby adopt the following Articles of Incorporation:

**ARTICLE I - NAME AND PRINCIPAL
PLACE OF BUSINESS OF THE CORPORATION**

The name of this corporation, hereinafter called the "Association", shall be THE ASSOCIATION OF LANDMARK CONDOMINIUM, INC. Its principal office and place of business shall be at 2100 West Beach Drive, Panama City, Florida 32401. The Board of Directors may from time to time move the principal office of the Association to any other address in the State of Florida.

ARTICLE II - PURPOSE AND POWERS

Section 1. The purpose for which this Association is organized is to act as a governing "Association" within the meaning of the Condominium Act (Chapter 718, Florida Statutes) for LANDMARK ON ST. ANDREWS BAY, A Condominium, located in Bay County, Florida.

Section 2. The Association shall have all of the rights, powers, duties and functions of a governing association as set forth in the Condominium Act, now or hereafter in effect, and all power and duties reasonably necessary to administer, govern and maintain the condominium pursuant to the Declaration of Condominium as it may be amended from time to time, including, but not limited to, the following:

- (a) To make and collect assessments against members of the Association for the purpose of defraying the charges and expenses of the condominium and of all other properties the Association shall hold, by whatever means, and operation of the Association. Assessments paid by unit owners shall be held in trust by the Association and used to pay:
 - (1) the cost of operation, maintenance, preservation, enhancement or repair of the condominium property and other costs related thereto, and

- (2) the cost of administration of the affairs of the Association, including payment of applicable taxes and the preservation of the Association's existence, to the extent properly allocable to the performance of the Association's duties under the Declaration of Condominium (all thereof, in the event that the Association undertakes no other activities); to the extent not expended in the year in which paid, assessments shall continue to be held in trust by the Association for the benefit of the unit owners to be expended for the aforesaid purposes or, upon any termination of the condominium, the unexpended portion shall be added to the common surplus for disbursement to the unit owners.
- (b) To use the proceeds of assessments in the exercise of its powers and duties.
 - (c) To maintain, repair, replace and operate the common elements.
 - (d) To purchase insurance upon condominium property and all properties the Association shall hold and insurance for the protection of the Association and its members.
 - (e) To improve condominium property further and, after casualty, to reconstruct improvements.
 - (f) To approve or disapprove the transfer, by sale, rental, gift, devise, bequest, succession, or otherwise, and the ownership and encumbrance of family units as may be provided by the Declaration of Condominium and by the Bylaws of the Association.
 - (g) To enforce by legal means the provisions of the Condominium Act, the Declaration of Condominium, these Articles, the Bylaws of the Association, and the regulations for the use of the property of the condominium.
 - (h) To contract for the management and maintenance of the condominium property and to authorize a management agent to assist the Association in carrying out its powers and duties in performing such functions as the

submission of proposals, collection of assessments, preparation of records, enforcement of rules and maintenance, repairs and replacement of common elements with funds as shall be available by the Association for such purposes. The Association and its officers, shall, however, retain at all times the powers and duties granted by the condominium documents and the Condominium Act, including, but not limited to, the making of assessments, promulgation of rules and execution of contracts on behalf of the Association.

- (i) To purchase, lease, receive by gift, or otherwise acquire possessory or use interests in real and personal property, whether or not contiguous to the lands of the condominium, intended to provide for the enjoyment, recreation or other use or benefit of the members of the Association.
- (j) To contract for the management, operation and upkeep of any and all property held or controlled by the Association.
- (k) To encumber, lease or grant other possessory or use interests or easements in any and all property which the Association may acquire or control, including but not limited to the common elements of the condominium and any recreational facilities.
- (l) To enter into contracts or agreements for the maintenance of accounting and bookkeeping records and for the use of data processing facilities or services, so as to carry out the Association's responsibilities and to comply with the requirements of the law of the State of Florida with regard to maintenance of records.
- (m) To enter into such other contracts or agreements reasonably necessary or convenient for the proper exercise of the rights, powers, duties and functions of the Association.
- (n) To employ all personnel and engage such professional services as are reasonably necessary to perform the services required for proper exercise of the rights, powers, duties and functions of the Association.

- (o) To exercise any and all common law and statutory powers, although not specifically recited above, of a corporation not-for-profit, and of an association within the meaning of the Condominium Act, reasonably necessary or convenient to carry out and perform the purpose for which the Association is organized and its enumerated powers.
- (p) To enact rules and regulations concerning the use and enjoyment of the units, the common elements and of the property owners by the Association not inconsistent with the Declaration of Condominium.

Section 3. Any officer or director individually or any firm or corporation of which any officer or director shall be a member, stockholder, officer, director, employee, or agent, may be a party to, or may be pecuniarily or otherwise interested in, any contract or transaction of this Association, provided that he or such firm or corporation so interested shall be disclosed or shall have been known to the Board of Directors or a majority thereof, prior to the making thereof. No contract or other transaction between this Association and any other such person, firm, or corporation, and no act of this Association shall in any way be affected or invalidated thereby. Any director of this Association who is also a director or officer of such other corporation or who is so interested may be counted in determining the existence of a quorum at any meeting of the Board of Directors of this Association, which shall authorize any such contract or transaction with like force and effect as if he were not a director or officer of such other corporation or not so interested.

ARTICLE III - QUALIFICATION OF MEMBERS AND THE MANNER OF THEIR ADMISSION

Section 1. The subscribers constitute the sole members of this Association until the recording of a Declaration of Condominium naming this Association as the association thereunder. Upon the recording of the Declaration of Condominium, each owner of a unit shall be entitled to membership in the Association. At such time as the purchase price is paid and the deed to a unit is issued, the owner thereof shall become a member.

Section 2. Ownership of a condominium unit shall be a prerequisite to exercising any rights as a member. A condominium unit may be owned by more than one person or by a corporation, association, partnership or trust.

Section 3. Membership shall not be transferable, except as provided herein or in any Declaration of Condominium naming this Association as the association thereunder. The membership of any unit owner shall terminate upon the termination of the condominium, or upon transfer of ownership in the unit, provided the transfer is accomplished in accordance with the provisions of the Declaration of Condominium. The transferor's membership shall automatically transfer and be vested in the new owner succeeding to the ownership interest in the unit, subject to a lien thereon for all undischarged assessments or assessment installments. The Association may rely on a recorded deed as evidence of transfer of a unit and thereupon terminate the transferor's membership and recognize the member of the transferee.

ARTICLE IV - TERM OF EXISTENCE

The Association shall have perpetual existence.

ARTICLE V - NAMES AND RESIDENCES OF THE SUBSCRIBERS

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

| <u>Name</u> | <u>Title</u> | <u>Address</u> |
|--------------|--------------|--|
| Jack Londono | President | 2100 West Beach Drive Panama City, FL 32401 |
| Maureen Lyle | Secretary | 2100 West Beach Drive Panama City, FL 32401 |
| | Treasurer | 2100 West Beach Drive Panama City, FL 32401 |

ARTICLE VI - OFFICERS

Section 1. The officers of the Association shall consist of a President, a Secretary, a Treasurer, and any assistants to such officers or other officers as the Board of Directors may deem appropriate from time to time.

Section 2. The names of the officers who are to serve until the first election are:

| <u>Name</u> | <u>Title</u> | <u>Address</u> |
|--------------|--------------|--|
| Jack Londono | President | 2100 West Beach Drive Panama City, FL 32401 |
| Maureen Lyle | Secretary | 2100 West Beach Drive Panama City, FL 32401 |
| | Treasurer | 2100 West Beach Drive Panama City, FL 32401 |

Section 3. Officers of the Association shall be elected at each annual meeting of the Board of Directors and shall hold office at the pleasure of the Board. Any officer may be removed at any meeting by the affirmative vote of the majority of the members of the Board either with or without cause, and any vacancy in any office may be filled by the Board at any meeting thereof.

ARTICLE VII - BOARD OF DIRECTORS

Section 1. The affairs and business of this Association shall be managed and conducted by a Board of Directors consisting of not less than three (3) nor more than nine (9) persons.

Section 2. The names of the initial Board of Directors and their terms of office are as follows:

| <u>Name</u> | <u>Term</u> |
|--------------|-------------|
| Jack Londono | One Year |
| Maureen Lyle | One Year |
| | One Year |

Section 3. At the expiration of the term of such initial Director, his successor shall be elected by the members of the Association to serve for a term of one (1) year. A Director shall hold office until his successor has been elected and qualified. The voting interests of the Association may establish, by majority vote, two year alternating terms for members of the Board of Directors. By such vote the members shall also establish the method by which the alternating terms shall be initiated and further determine the number of members which the Board of Directors shall have.

Section 4. Directors may be removed with or without cause, by a majority vote of the membership at any annual meeting or any special meeting duly called therefor with or without cause by the vote or agreement in writing by a majority of all the voting interests in the manner provided by Section 718.112(2)(j), Florida Statutes.

Section 5. In the event of a vacancy on the Board by reason of death, resignation or otherwise, a majority of the Board is authorized to fill the vacancy until the next annual meeting.

If after a written request of any member of the Association that the vacancy be filled, the Board fails or refuses to fill the vacancy for a period of ninety (90) days from the receipt of such notice, then the vacancy shall be filled by the members of the Association at a duly called meeting. Subject to the provisions of 718.301, Florida Statutes, only the developer may vote to fill a vacancy on the Board previously occupied by a member elected or appointed by the developer. Only unit owners other than the developer may vote to fill a vacancy on the Board previously occupied by a member elected by unit owners other than the developer.

Section 6. Annual meetings of the Board shall be held immediately following the annual meeting of the members and at the same place. Special meetings of the Board may be called by the President, Secretary, or a majority of the Board upon written notice by telegram, personal delivery or by United States mail to each Director sent at least two (2) days prior to the date of the meeting.

ARTICLE VIII - BYLAWS

The Bylaws of the Association are to be made or approved by the Board of Directors initially and thereafter may be amended, altered, modified or rescinded by the action or approval of the members of the Association, except that any such change of the Bylaws shall not affect the rights or interest of the Developer of the condominium or the mortgagees of any condominium property or unit without the written consent of the Developer or the mortgagee, respectively, to the extent such written consent may be required by the Developer or mortgagee. The manner of altering, modifying, amending or rescinding the Bylaws shall be provided for in the Bylaws.

ARTICLE IX - AMENDMENTS TO THESE ARTICLES

Section 1. Amendments to these Articles of Incorporation shall be proposed to the membership of the Association in writing. A two-thirds (2/3) affirmative vote of the total voting interests of the Association shall be necessary to amend the Articles of Incorporation.

Section 2. No amendment shall make any change in the qualifications for membership without approval in writing of all members and the joinder of all record holders of mortgages upon any condominium property or upon property held by the Association. No amendment

shall be made that is in conflict with the Condominium Act or the Declaration of Condominium of the condominium governed by this Association.

ARTICLE X - VOTING

Section 1. Each member in good standing shall be entitled to one vote. Any unit owned by more than one person or by a corporation, partnership, or trust shall be entitled to only one vote, to be cast by a designee of the holder or holders. If the designation is not filed with the Secretary prior to the commencement of the meeting in which the vote may be exercised, the unit shall not be voted. The designation may be drawn to apply to a specific meeting or to any and all meetings until revoked by the owner or owners of the unit.

Section 2. Votes may be cast either in person or by proxy. No power of attorney may be used for purposes of voting. All proxies and voting trust agreements must be in writing and filed with the Secretary before the convening for each meeting. Any proxy given shall be effective only for the specific meeting for which originally given and any lawfully adjourned meeting thereof.

Section 3. All members of the Association shall be entitled to vote upon matters affecting the Association, its property, and other possessory interests or uses and election of Directors.

Section 4. A membership shall be deemed in "good standing" upon evidence of ownership of a condominium unit and membership shall pass as an appurtenance thereto.

ARTICLE XI - ADDITIONAL PROVISIONS

Section 1. No officer, Director or member shall be personally liable for any debt or other obligation of the Association, except as provided in the Declaration of Condominium naming this Association as the association thereunder.

Section 2. The Association shall not be operated for profit. No dividend shall be paid, and no part of the income of the Association shall be distributed to its members, Directors or officers. The Association may pay compensation in a reasonable amount to its members, Directors or officers for services rendered, may confer benefits upon its members in conformity with its purpose, and upon dissolution or final liquidation may make distributions to

its members as permitted by the court having jurisdiction thereof, and no such payment, benefit or distribution shall be deemed to be a dividend or distribution of income.

Section 3. Where the context of these Articles permits, the use of the plural shall include the singular and the singular shall include the plural, and the use of any gender shall be deemed to include all genders.

Section 4. Every member of the Board of Directors 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 member of the Board of Directors or officer of the Association, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties, whether or not he is a member of the Board of Directors or officer at the time such expenses are incurred.

ARTICLE XII - SEVERABILITY

Should any paragraph, sentence, phrase, or portion thereof, of any provision of these Articles or of the Bylaws or rules and regulations be held invalid, it shall not affect the validity of the remaining parts thereof or of the remaining instruments.

ARTICLE XIII - APPOINTMENT OF AGENT FOR SERVICE OF PROCESS

Pursuant to Section 48.091, Florida Statutes, JACK LONDONO, is appointed agent for service of process upon THE ASSOCIATION OF LANDMARK CONDOMINIUM, INC.

IN WITNESS WHEREOF, the subscribing incorporators have hereunto set their hands and seals and caused these Articles of Incorporation to be executed this _____ day of _____, 2001.

_____(SEAL)
(NAME)

_____(SEAL)
(NAME)

_____(SEAL)
(NAME)

STATE OF FLORIDA

COUNTY OF BAY

I HEREBY CERTIFY that on this day before me, the undersigned authority, personally appeared Jack Londono, Maureen Lyle and _____, to me known to be the persons described as subscribers in, and who executed the foregoing Articles of Incorporation, as their own free act and deed.

WITNESS my hand and official seal at _____, Florida, this _____ day of _____, 2001.

Notary Public

My commission expires:

Personally known _____ OR Produced Identification _____
Type of Identification Produced _____

CERTIFICATE OF DESIGNATION
REGISTERED AGENT/REGISTERED OFFICE

Pursuant to the provisions of Section 607.0501, Florida Statutes, the undersigned corporation, organized under the laws of the State of Florida, submits the following statement in designating the registered office/registered agent, in the State of Florida.

1. The name of the corporation is:

THE ASSOCIATION OF LANDMARK CONDOMINIUM, INC.

2. The name and address of the registered agent and office is:

Jack Londono
2100 West Beach Drive
Panama City, Florida 32401

SIGNATURE: _____
(corporate seal)

TITLE: _____

DATE: _____

HAVING BEEN NAMED AS REGISTERED AGENT AND TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE STATED CORPORATION AT THE PLACE DESIGNATED IN THIS CERTIFICATE, I HEREBY ACCEPT THE APPOINTMENT AS REGISTERED AGENT AND AGREE TO ACT IN THIS CAPACITY. I FURTHER AGREE TO COMPLY WITH THE PROVISIONS OF ALL STATUTES, RELATING TO THE PROPER AND COMPLETE PERFORMANCE OF MY DUTIES, AND I AM FAMILIAR WITH AND ACCEPT THE OBLIGATIONS OF MY POSITION AS REGISTERED AGENT.

SIGNATURE: _____

DATE: _____

REGISTERED AGENT FILING FEE: \$35.00

**BYLAWS
OF
THE ASSOCIATION OF LANDMARK CONDOMINIUM, INC.
(A Corporation Not-for-Profit)**

ARTICLE I - GENERAL

Section 1 - Name and Address. The name, address and term of existence of the Association shall be set forth in the Articles of Incorporation.

Section 2 - Powers. The Association shall have the rights, powers, duties and functions as set forth in the Articles of Incorporation. The officers of the Association shall be managed and operated by the Board of Directors.

Section 3 - Members. The members of the Association, their qualifications and voting rights and the manner of transferring membership shall be as set forth in the Articles of Incorporation.

ARTICLE II - MEETINGS

Section 1 - Meetings. All annual and special meetings of the Association shall be held at such place as may be permitted by law and from time to time fixed by the Board of Directors and designated in the notices of meeting.

Section 2 - Annual Meetings. Annual meetings of the members of the Association shall be held during the first 15 days of January of each year at a date, time and place fixed by the Board of Directors. Notice of the meeting, which shall include an agenda, shall be mailed to each member not less than fourteen (14) days prior thereto. In addition to such written notice, the Secretary shall conspicuously post notice of the annual meeting on the condominium property at least fourteen (14) days prior thereto.

Section 3 - Special Meetings. Special meetings of the members, for any purpose or purposes, whether or not specifically required by these Bylaws, the Articles of Incorporation, or any Declaration of Condominium naming this Association as the association thereunder, may be called by the President, Secretary, or a majority of the Board of Directors.

Section 4 - Special Meeting Business. No business shall be transacted at any special meeting except as stated in the notice thereof unless by consent of persons present having two-thirds (2/3) of the votes. Notice shall be given by the Secretary of all special meetings, or if the Secretary shall fail to do so, by the President or the Board of Directors, not less than

fourteen (14) days before the date thereof, stating the date, time and place of the meeting and the purpose or purposes thereof. Notice deposited in the mail, postage prepaid, and addressed to the members' last known address according to the Association's records, within the prescribed time or, in lieu of mailing, delivered by hand to the members or left at their residences in their absence, shall suffice.

Section 5 - Proof of Notice. The officer of the Association giving notice shall provide an affidavit, to be included in the official records of the Association, affirming that a notice of the Association meeting was mailed or hand delivered to each owner at the last address furnished to the Association as required by these Bylaws.

Section 6 - Quorum. Persons entitled to at least fifty percent (50%) of the votes of the Association shall constitute a quorum.

Section 7 - Majority Vote. When a quorum is present at any meeting, the holders of a majority of the voting interests present in person or represented by written proxy shall decide any question brought before the meeting, unless the question is one upon which by express provision of the Condominium Act, the Declaration of Condominium, the Articles of Incorporation, or these Bylaws, a different vote is required, in which case the express provision shall govern and control.

Section 8 - Proxies. Unit owners may vote in person or by proxy. Any proxy given shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof. In no event shall any proxy be valid for a period of longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy is revocable at any time at the pleasure of the unit owner executing it. A general power of attorney shall not be used as a proxy or for voting on behalf of a unit owner.

Section 9 - Voting Certificates. When a unit has more than one owner or is owned by a corporation, partnership or other artificial entity, the record owners of the unit shall designate in writing one owner, or in the case of a corporation or other entity an officer of the owner, who shall be authorized to vote and represent the unit. Any record owner of a unit shall be eligible to serve as an officer or director of the Association whether designated as the unit representative on the voting certificate or not.

Section 10 - Order of Business. The order of business at all meetings shall be as prescribed in the agenda prepared by the Board of Directors and submitted to the members with the notice of each meeting.

ARTICLE III - BOARD OF DIRECTORS

Section 1 - Number and Term. The number, terms of office, and provisions regarding removal and filling of vacancies of the Board of Directors shall be as set forth in the Articles of Incorporation.

Section 2 - Annual Meeting. The annual meeting of the Board shall be held immediately following the annual meeting of the members and at the same place.

Section 3 - Regular Meetings. Regular meetings of the Board may be held at such time and place permitted by law and from time to time as may be determined by the Directors, and special meetings may be called by the President or a majority of the Board. Notice of regular and special meetings of the Board shall be given to each Director by telegram, hand delivery, or by United States mail sent at least three (3) days prior to the meeting. Members may waive notice by written consent. The Board may, by resolution duly adopted, establish regular monthly, quarterly, or semiannual meetings. All meetings of the Board shall be open to the members of the Association, who shall be given conspicuously posted notice forty-eight (48) continuous hours thereof except in an emergency.

Section 4 - Quorum. At all meetings of the Board, a majority shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority present at any meeting shall be the act of the Board, except as may be otherwise specifically provided by statute or by the Articles of Incorporation. By waiving notice or otherwise consenting to or taking action in writing, the Board may cause such action to be taken without a formal meeting in cases of emergency; provided, however, that such waiver and consent shall be by not less than two-thirds (2/3) of all members of the Board.

Section 5 - Order of Business. The order of business of all meetings of the Board shall be as prescribed in an agenda furnished each member of the Board by the President, Secretary or other officer.

Section 6 - Powers and Duties. The Board shall have and exercise all lawful powers and duties necessary for the proper conduct and administration of the affairs of the Association and for the exercise of its rights, powers, duties and functions. The Board may do or cause to be done all other lawful acts and things that are not by law, the Declaration of Condominium, these Bylaws or the Articles of Incorporation or otherwise, directed or required to be done or exercised by the members of the Association.

Section 7 - Limited Power to Convey Common Elements. The Board of Directors, on behalf of the Association, shall have the limited power to convey a portion or portions of the common elements to a condemning authority for purposes of providing utility easements, right-of-way expansion, or other public purposes, whether negotiated or as a result of eminent domain proceedings.

Section 8 - Bonding. All persons who control or disburse funds of the Association shall be insured or bonded in the sum of not less than an amount equal to the maximum funds that will be in the custody of the Association or its management agent at any one time. The cost of bonding shall be a common expense.

Section 9 - Recall. Any member of the Board may be recalled at any time, with or without cause, by the members of the Association in the manner provided by the Condominium Act.

ARTICLE IV - OFFICERS

Section 1 - Officers. The officers of the Association, their terms of office, the manner of election, and the method of removal and filling vacancies shall be as set forth in the Articles of Incorporation.

Section 2 - President. The President shall be the Chief Executive Officer of the Association and shall preside at all meetings of the members and the Board of Directors. The President shall have the general powers and duties usually vested in the office of President, including, but not limited to, the power to appoint committees from among the members or Directors from time to time as deemed appropriate to assist in the conduct of the affairs of the Association. The President shall execute such deeds, contracts, and other instruments, in the name and on behalf of the Association and under its corporate seal, when a seal is required,

except when such documents are required or permitted by law to be otherwise executed and except when the signing and execution thereof shall be delegated by the Board of Directors to another officer or agent of the Association.

Section 3 - Vice-President. The Vice-President or Vice Presidents shall be vested with all of the powers required to perform all the duties of the President in the President's absence, and such other duties as may be prescribed by the Board of Directors. In the event there is more than one Vice-President, the Board of Directors may prescribe the order in which the Vice-Presidents shall assume control in the absence of the President.

Section 4 - Secretary. The Secretary shall keep, or cause to be kept, the minutes of all proceedings of the Directors and the members. The Secretary shall attend to the giving and serving of all notices to the members and Directors and other notices required by law. The Secretary shall have custody of the seal of the Association and affix it to instruments requiring a seal when duly signed. The Secretary shall keep, or cause to be kept, the records of the Association, except those of the Treasurer, and shall perform all of the 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.

Section 5 - Treasurer. The Treasurer shall have responsibility for all property of the Association, including funds, securities and evidences of indebtedness. The Treasurer shall keep, or cause to be kept, the books of the Association in accordance with good accounting practices; and shall perform all other duties incident to the office of Treasurer.

Section 6 - Other Officers. The Board of Directors may create and appoint such other and additional officers as they shall, from time to time, deem necessary and appropriate to assist with the affairs of the Association.

Section 7 - Removal of Officers. Any officer may be removed at any time, with or without cause, upon a favorable vote of a majority of the full Board of Directors.

**ARTICLE V - MANNER OF COLLECTING FROM THE
UNIT OWNERS THEIR SHARES OF THE COMMON EXPENSES**

The Association shall collect from the unit owners their respective shares of the common expense in accordance with procedure prescribed in the Declaration of Condominium and the applicable provisions of Chapter 718, Florida Statutes.

ARTICLE VI - AUTHORITY OF DIRECTORS

Section 1 - Rules and Regulations. The Board of Directors is authorized to adopt or to amend rules and regulations and statements of policy, not inconsistent with the Declaration of Condominium and the Articles of Incorporation of THE ASSOCIATION OF LANDMARK CONDOMINIUM, INC., governing the manner of use of the units and appurtenances, the common elements, and all the facilities owned or controlled by the Association.

Section 2 - Inspection of Records. The Association shall maintain accounting records, current copies of the Declaration of Condominium, the Articles of Incorporation, Bylaws, rules and regulations, and other documents, books, records and financial information for the condominium. All accounting records shall be maintained in accordance with good accounting practices. All such records and documents shall be open to inspection by unit owners or their authorized representatives or by the holders, insurers or guarantors of any first mortgage at all reasonable times.

Section 3 - Audited Financial Statement. The Board of Directors, upon request of the holders of fifty-one percent (51%) or more of first mortgages, shall provide an audited financial statement to said mortgagees. The expense for said statement shall be borne by the said mortgagees and shall be furnished by the Board of Directors within a reasonable time following such request.

ARTICLE VII - ARBITRATION

In the event of any internal dispute arising from the operation of the Condominium among a unit owner, the Association, or their agents or assigns, the parties to such internal dispute may agree to submit said dispute to mandatory non-binding arbitration in accordance with the procedures established by the Division of Florida Land Sales, Condominiums and Mobile Homes of the Department of Business and Professional Regulation.

ARTICLE VIII - AMENDMENT

Amendments to the Bylaws shall be proposed to the membership of the Association in writing. An affirmative vote of two-thirds (2/3) of the entire membership shall be necessary to amend the Bylaws.

ARTICLE IX - ANNUAL BUDGET

Section 1 - Annual Budget. The annual budget shall be adopted by the Board of Directors at the organizational meeting of the Board of Directors following the annual members meeting. By resolution adopted by not less than two-thirds (2/3) of the members of the Board of Directors, the Board of Directors may change the fiscal year for the Association and may change the date of the meeting at which the Board of Directors shall adopt the budget.

Section 2 - Reserves. In addition to actual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These 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 replacement cost of such reserve item. The Association may establish an alternative policy with regard to reserves, provided that the Association shall have first complied with the requirements of Chapter 718, Florida Statutes, governing the same.

ARTICLE X - SEVERABILITY

If any paragraph, sentence, clause or portion thereof or any provision of these Bylaws shall be held invalid, it shall not affect the validity of the remaining parts thereof.

The foregoing were adopted as the Bylaws of THE ASSOCIATION OF LANDMARK CONDOMINIUM, INC., a corporation not-for-profit under the laws of the State of Florida, at the first meeting of the Board of Directors.

Maureen Lyle, Secretary

APPROVED:

Jack Londono, President

**ESTIMATED OPERATING BUDGET FOR THE CALENDAR YEAR
ENDING DECEMBER 31, 2001
(PROPOSED USING ESTIMATED EXPENSES AS OF CURRENT DATE
AND CALCULATED ON A TWELVE-MONTH BASIS)**

| I. | <u>EXPENSES FOR THE ASSOCIATION AND CONDOMINIUM</u> | <u>MONTHLY</u> | <u>ANNUALLY</u> |
|------|---|-----------------|------------------|
| A. | Administration of Association | \$ 2,500.00 | \$ 30,000.00 |
| B. | Management Fees | -0- | -0- |
| C. | Telephone | 800.00 | 9,600.00 |
| D. | Building and Elevator Maintenance | 2,250.00 | 27,000.00 |
| E. | Lawn, Property Maintenance, Maintenance Supplies | 6,250.00 | 75,000.00 |
| F. | Salaries, Equipment Repair Rent for Recreation and Other Commonly Used Facilities | -0- | -0- |
| G. | Taxes on Association Property | -0- | -0- |
| H. | Taxes on Leased Property | -0- | -0- |
| I. | Electricity | 1,350.00 | 16,200.00 |
| J. | Water, Sewer and Garbage Collection | 5,500.00 | 66,000.00 |
| K. | Insurance | 4,670.00 | 56,040.00 |
| L. | Miscellaneous | | |
| | 1) Bureau of Condominiums Filing Fee | 47.00 | 564.00 |
| | 2) Professional Services | 200.00 | 2,400.00 |
| | 3) Swimming Pool Maintenance | 1,553.00 | 18,636.00 |
| | 4) Lift Station Maintenance | -0- | -0- |
| | 5) Fire System Maintenance | 200.00 | 2,400.00 |
| M. | Security | -0- | -0- |
| N. | Pest Control | 350.00 | 4,200.00 |
| O. | Exterior Improvement Maintenance (other than building) | <u>1,000.00</u> | <u>12,000.00</u> |
| | TOTAL | \$26,670.00 | \$320,040.00 |
| II. | <u>RESERVES</u> | | |
| A. | Painting (see Footnote 3A) | \$ 1,500.00 | \$ 8,000.00 |
| B. | Paving (see Footnote 3B) | 307.00 | 3,684.00 |
| C. | Roof (see Footnote 3C) | 600.60 | 7,207.20 |
| D. | Pool (see Footnote 3D) | 250.00 | 3,000.00 |
| E. | Seawall (see Footnote 3F) | <u>156.25</u> | <u>1,875.00</u> |
| | TOTAL | \$ 2,813.85 | \$ 35,767.00 |
| III. | <u>EXPENSES FOR A UNIT OWNER</u> | | |
| A. | Rent Payable for Unit | N/A | N/A |
| B. | Rent Payable for Recreation Lease or Commonly Used Facility | N/A | N/A |
| | TOTAL | \$ N/A | \$ N/A |
| IV. | TOTAL INCOME | | |
| A. | UNIT OWNER ASSESSMENTS | \$29,483.85 | \$353,806.20 |
| B. | OTHER | <u>-0-</u> | <u>-0-</u> |
| | | \$29,483.85 | \$353,806.20 |

BUDGET NOTES

1. The expense for individual units will be as follows: each A-type unit \$167.18 monthly and \$2,006.16 annually; each B-type unit \$203.74 monthly and \$2,444.88 annually; each C-type unit \$235.29 monthly and \$2,823.48 annually; each D-type unit \$280.99 monthly and \$3,370.80 annually; and Bayview unit \$234.70 monthly and \$2,816.40 annually.
2. There is no current balance in the reserve accounts of the Association at the beginning of the 2001 calendar year.
3. Formula for each reserve categories based on the following estimates:
 - A. Building Painting. The buildings are newly painted. The total estimated useful life of the painting is five (5) years and the estimated remaining useful life of the painting is five (5) years and 1/5th of the total estimated cost (\$90,000.00) is allocated to each fiscal year. The first year's estimates are being collected during the 2001 calendar year.
 - B. Pavement Resurfacing. The pavement was newly resurfaced in 2000. The total estimated useful life of the pavement is twenty (20) years and the estimated remaining useful life is nineteen (19) years. The estimated cost to resurface the pavement is seventy thousand (\$70,000.00) and 1/19th of the estimated cost is allocated to each fiscal year. The first year's estimates are being collected during the 2001 calendar year.
 - C. Roof Replacement. The age of the roof on each building is from one (1) to eighteen (18) years. The total estimated useful life of the roof is twenty-five (25) years and the average estimated remaining useful life is fourteen (14) years and 1/14th of the total estimated cost (\$100,900.00) is allocated to each fiscal year. The first year's estimates are being collected during the 2001 calendar year.
 - D. Swimming Pools. The swimming pools are newly refinished. The total estimated useful life of the swimming pools is twenty-plus (20+) years and the estimated remaining useful life is twenty-plus (20+) years and 1/20th of the total estimated cost (\$60,000.00) is allocated to each fiscal year. The first year's estimates are being collected during the 2001 calendar year.
 - E. Sea Wall. The sea wall is thirty (30) years old. The total estimated useful life of the sea wall is fifty-plus (50+) years and the estimated remaining useful life is twenty-plus (20+) years. The total estimated replacement cost is \$37,500.00 and 1/20th of the estimated cost is allocated to each fiscal year. The first year's estimates are being collected during the 2001 calendar year.

LANDMARK ON ST. ANDREWS BAY, A CONDOMINIUM
AGREEMENT OF PURCHASE AND SALE

Seller: Landmark Associates, Ltd., a Florida Limited Partnership
2100 West Beach Drive
Panama City, FL 32401
Phone: 850/
Fax: 850/
E-mail:

Buyer: _____

Address: _____

Zip/Postal Code _____ **Phone:(**_____ **)** _____

Fax:(_____ **)** _____ **E-Mail:** _____

This Agreement sets forth the respective legal rights and obligations concerning the sale by Seller and purchase by Buyer of the condominium unit identified below. This Agreement is intended to be legally enforceable and binding upon the parties. Changes in this Agreement are only effective if both parties agree to them in writing.

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 SECTION 718.503, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE.

1. **PURCHASE AND SALE:** Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller, the following property:

Unit Number _____, the street address of which is 2100 West Beach Drive, Panama City, FL 32401, together with an undivided share of the common elements appurtenant thereto (the "Unit") in Landmark on St. Andrews Bay, A Condominium, located in Panama City, Bay County, Florida (the "Condominium"). The Unit and the Condominium are described in detail in the Declaration of Condominium (the "Declaration") by which the Condominium is established. A copy of the Declaration is included in the Prospectus which Buyer has received from Seller.

The purchase price of the Unit is \$_____.

Buyer agrees to make the following payments:

| AMOUNT DUE | PAYMENT |
|------------|------------------------|
| \$ _____ | Deposit |
| \$ _____ | Balance due on Closing |
| \$ _____ | Total Purchase Price |

Deposit can be made in cash or by check. The balance payable at closing must be paid by bank draft or cashier's check drawn on a Bay County bank. If Buyer does not have an account with such a bank, Seller may require that Buyer have the funds for closing wire-transferred.

2. **FINANCING:** If the Purchase Price of any part thereof is to be financed by a third party loan, this Purchase Agreement is contingent upon Buyer obtaining a commitment for said loan at prevailing local rates and terms within _____ days from the date hereof, and Buyer agrees to use reasonable diligence in applying for said loan and in furnishing all required information to the lender. In the event Buyer is unable to obtain such a commitment, Buyer shall notify Seller, in writing, within the period specified in the preceding sentence, and upon such notice, Seller shall return to Buyer all deposits made by him and this Agreement shall be deemed canceled and of no further force and effect, PROVIDED, however, once a commitment has been obtained by Buyer from a lender, or if Buyer fails to provide the notice referred to in the immediately preceding clause, Buyer shall have no right to the return of his deposit hereunder if the commitment is not obtained or is subsequently canceled or no closing is held, as herein contemplated, through no condition, fault or negligence attributed to Seller. If Seller is not notified by Buyer as provided herein, it shall be conclusively presumed that Buyer has secured such commitment or will purchase the unit without mortgage financing.

3. **DEPOSITS HELD IN ESCROW:** All deposits will be held in escrow in accordance with the Escrow Agreement contained in the Prospectus. Upon execution of this Agreement, Buyer does hereby approve and agrees to be bound by and to abide by the Escrow Agreement. All deposits will be invested in a non-interest bearing account. Upon closing, Seller will be entitled to all deposits made by Buyer. Upon default by either party to, or upon cancellation of this Agreement all deposits made by Buyer shall be paid to the party entitled to receive the deposits according to the terms of this Agreement. The Escrow Agent is Burke & Blue, P.A., whose address is 221 McKenzie Avenue, Panama City, Florida 32401.

4. **CONDOMINIUM DOCUMENTS:** Seller has delivered to Buyer all of the documents required by Section 718.503 of the Florida Condominium Act, including the Declaration of Condominium for Landmark on St. Andrews Bay, the Articles of Incorporation of The Association of Landmark Condominium, Inc., the Bylaws of The Association of Landmark Condominium, Inc., the estimated Operating Budget of the Condominium, the form of Purchase Agreement, a copy of the floor plan of the Unit, and the Escrow Agreement.

5. **DAMAGE BEFORE CLOSING:** If the Unit is damaged by fire or other casualty before closing of title, and if Seller decides to repair the damage, Seller will have a reasonable time to complete repairs, which will be made without costs to Buyer. The repair work will be judged by the standards of the building prior to the damage occurring. Buyer will have no right to any reduction in the purchase price nor any claim against Seller by reason of the damage and will close on the scheduled closing date if the repairs have been completed (to the extent that Buyer is not prevented from living in the Unit) by that date. Seller reserves the right to decide, in its sole discretion, whether or not to repair the damage. If Seller makes the decision not to repair said improvements, this Agreement will be canceled, in which case Seller will refund all Buyer's deposits. This will terminate any rights or responsibilities the parties have to each other and each party will thereafter be released of and from any and all liability hereunder.

6. **CLOSING:** Seller shall have the right to schedule the date, time and place for closing of title in Bay County, Florida, which closing shall in no event occur prior to September 1, 2001. The closing date shall be set by Seller, who shall provide Buyer with a notice to close sent to Buyer at its address above at least fifteen (15) days prior to the closing date. The closing, at the discretion of the Seller, may be in escrow

and will be at the offices of Seller or at such other location in Bay County, Florida as Seller may designate in writing. The balance of the purchase price will be paid at closing. Real estate taxes will be prorated between Seller and Buyer to the date established for closing, or to such earlier date on which the closing occurs. At closing, Buyer shall pay prorated maintenance fees of the condominium association, any attorney's fees that Buyer may incur in connection with the purchase, a closing fee payable to the Seller calculated as two percent (2%) of the purchase price of the unit. If the Buyer finances the purchase of the Unit, Buyer will pay all mortgage or financing costs, including but not limited to mortgagee title insurance, documentary stamps on the note and mortgage and any fees charged by the closing agent for the lending institution.

7. **TITLE:** At least twenty (20) days prior to closing, Seller will furnish to Buyer a commitment for an ALTA Form B Owner's Title Insurance Policy which shall commit a title insurer to insure title to the Units, subject only to the following:

- a) Liability for all current and future ad valorem taxes on the Unit.
- b) Any restrictions, covenants, conditions, limitations, agreements, reservations and easements now recorded in the public records, or hereafter created by Seller in connection with development of the Condominium, and zoning ordinances or other restrictions imposed by Governmental authority.
- c) The restrictions, covenants, conditions, easements, terms and other provisions imposed by the condominium documents.
- d) The standard exceptions contained in an ALTA Form B Owner's Title Insurance Policy for condominium units.
- e) Statutory rights of access to the Unit in favor of the Condominium Association by virtue of Florida Statutes.
- f) Easements and other encumbrances created by Seller.
- g) Any liens or encumbrances created by or against Buyer.
- h) Personal property will not be insured.
- l) Riparian and littoral rights will not be insured, and
- j) The permitted exceptions listed in attached Exhibit "A".

None of the foregoing will, however, prevent use of the Unit for the purposes permitted in the Declaration. If Seller cannot convey title in the condition required, Seller will have a reasonable time (at least sixty (60) days to correct any defects in title, but Seller is not obligated to do so. If Seller cannot or will not correct the title defects, Buyer may accept the title in the condition it exists and pay the full purchase price waiving any claims against Seller because of the defects, or Buyer may cancel this Agreement in full settlement, and receive a full refund of all deposits. At the time of closing Seller will deliver a warranty deed conveying title to the Unit, and Buyer will pay the balance of the purchase price and any additional amounts owed under this Agreement. After the recordation of the closing instruments, Seller shall cause title insurance consistent with this paragraph to be issued to Buyer. At least ten (10) days prior to closing, Buyer shall provide notice to Seller as to how and in what name(s) Buyer will take title.

8. **TAXES:** If the actual amount of the taxes assessed and levied upon the Unit for the year of closing is available at the time of closing, the tax proration will be based on the taxes with maximum discount if not then paid, or on the actual amount if previously paid by Seller. If the actual amount of taxes for the year of closing is not available at the time of closing, the tax proration shall be based on the amount of such taxes as estimated by Seller, and will be readjusted, based on the actual amount of taxes, when the bills are received.

9. **POSSESSION:** After the closing has been completed and Buyer has paid the full purchase price, closing costs and condominium association assessments, Buyer will have the right to take possession of the Unit.

10. **DEFAULT:** Time is of the essence for closing title. If Buyer fails to perform under this Agreement, Buyer will be in "default". If Buyer is still in default ten (10) days after Seller gives Buyer notice of default Seller will have the right to cancel this Agreement and recover any damages from Buyer. At such time all Buyer's rights hereunder will end. As compensation for the damage which Seller may suffer if Buyer defaults in failing to close the purchase of the Unit, Seller may retain, as liquidated damages, any deposits Buyer has made. Buyer agrees that there is no better method of determining Seller's damages. Seller shall have the right to pursue other remedies including an action for specific performance.

11. **SELLER'S USE OF THE CONDOMINIUM PROPERTY:** As long as Seller owns or leases a condominium unit in the Condominium, Seller and its agents shall have the right to keep an office and model units in the Condominium. Seller, or its successors or assignee, may erect advertising signs and do whatever else is necessary and helpful for sales, but Seller's use of the condominium property must be reasonable and cannot materially interfere with Buyer's use and enjoyment of Buyer's unit.

12. **MISCELLANEOUS PROVISIONS:**

A. **EQUIPMENT AND FIXTURES INCLUDED:** The purchase price of the Unit includes the appliances and equipment listed in the plans and specifications which Seller has on file. Such appliances may have been previously used by tenants of the unit, and are warranted only to be in reasonably good operating condition as of closing. Any other appliances, furnishings or decorations contained in any model apartments are for display purposes only.

B. **SALES COMMISSIONS:** Seller will pay the sales commission or other compensation earned by Seller's sales personnel. Buyer represents to Seller that Buyer has dealt only with the Broker identified on the attached Exhibit "B" (Disclosure of Broker) as the Real Estate Broker in connection with the sale to and purchase by Buyer of the Unit. Buyer will indemnify and hold Seller harmless from and against all loss and attorneys' fees and costs incurred by Seller, resulting from or arising out any claim against Seller for a sales commission made by a real estate broker or agent with whom Buyer has dealt or negotiated in connection with Buyer's purchase of the Unit whose identity has not been disclosed in writing to Seller on a Disclosure of Broker form by Buyer. Buyer's representation to and indemnity of Seller contained in this subparagraph shall survive the closing.

C. **POSSESSION AND OCCUPANCY:** Buyer will have no right to possess, occupy or enter upon the Unit prior to closing without Seller's written permission.

D. **TRANSFER OR ASSIGNMENT:** Buyer has no right to assign, sell or transfer his interest in this Agreement without Seller's written consent. Seller

does not have to give this consent and if Seller does not consent, any assignment Buyer may make will not be effective.

E. **OTHERS BOUND BY THIS AGREEMENT:** This Agreement will be binding against and inure to the benefit of their heirs, representatives, successors and permitted assignees of the parties.

F. **FLORIDA LAW:** Any disputes that develop under this Agreement will be settled according to Florida Law. If any part of this Agreement violates a provision of Florida Law, the law will control. In this case, however, the rest of the Agreement (not in violation) will remain in force.

G. **PRIOR OCCUPANCY:** The Condominium was previously operated as a rental complex and the Unit has been previously occupied.

H. **RADON GAS:** Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

I. **INSULATION:** The insulation installed in the Unit, based on information supplied by the manufacturer of the insulation is as follows:

| <u>PART OF UNIT</u> | <u>TYPE(Principal)</u> | <u>THICKNESS</u> | <u>R-VALUE(Total)</u> |
|---------------------|---|------------------|-----------------------|
| Roof | Asphalt/fiberglass shingles and metal mansard | | R-13 |
| Walls | masonry | | R-13 |
| Floors | concrete slab | | R-16 |

J. **BUYERS RIGHT TO CANCEL.** THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER, AND RECEIPT BY BUYER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO HIM BY THE DEVELOPER UNDER SECTION 718.503, FLORIDA STATUTES. THIS AGREEMENT IS ALSO VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF RECEIPT FROM THE DEVELOPER OF ANY AMENDMENT WHICH MATERIALLY ALTERS OR MODIFIES THE OFFERING IN A MANNER THAT IS ADVERSE TO THE BUYER. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15 DAYS AFTER THE BUYER HAS RECEIVED ALL OF THE ITEMS REQUIRED. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

K. **CONDOMINIUM ASSESSMENT GUARANTEE:** THE SELLER GUARANTEES, SO LONG AS THE SELLER, ITS EMPLOYEES OR DESIGNEES CONSTITUTE A MAJORITY OF THE DIRECTORS OF THE CONDOMINIUM ASSOCIATION, THAT THE ASSESSMENT FOR COMMON EXPENSES OF THE CONDOMINIUM IMPOSED UPON EACH UNIT OWNER WILL NOT EXCEED \$_____ PER MONTH AND IS OBLIGATED TO PAY ANY AMOUNT OF COMMON EXPENSES INCURRED DURING THAT PERIOD AND NOT PRODUCED BY ASSESSMENTS AT THE GUARANTEED LEVEL RECEIVABLE FROM OTHER UNIT OWNERS.

13. **OTHER TERMS:**

EXECUTED AND SEALED THIS ____ DAY OF _____, 2001.

LANDMARK ASSOCIATES, LTD.
a Florida limited partnership

by:

Seller

Buyer

Buyer

The Escrow Agent hereby acknowledges receipt of the sum of
_____ dollars (\$_____) this
_____ day of _____, 2001.

BURKE & BLUE, P.A.
221 McKenzie Avenue
Panama City, FL 32401
(850) 769-1414

By: _____
Escrow Agent

LANDMARK ON ST. ANDREWS BAY, A CONDOMINIUM
ESCROW AGREEMENT

THIS ESCROW AGREEMENT is made and entered into between Landmark Associates, Ltd., a Florida Limited Partnership, (hereinafter called "Developer"), and Burke & Blue, P.A., (hereinafter called "Escrow Agent").

WHEREAS, the Developer is developing and selling condominium parcels of Landmark on St. Andrews Bay, A Condominium, located in Panama City, Bay County, Florida, (hereinafter referred to as the "Condominium"), and desires that Escrow Agent hold certain deposit monies, (hereinafter called "Deposit Monies"), received by Developer from purchasers of condominium parcels at the Condominium, (hereinafter called "Buyers"); and

WHEREAS, the Escrow Agent has agreed to act as escrow agent for the Deposit Monies paid by Buyers pursuant to Purchase Agreements (the "Agreements") entered into by developer and Buyers in accordance with the provisions of Florida Statutes, Section 718.202 (the "Condominium Act"), the Agreements and the following terms and conditions.

NOW, THEREFORE, in consideration of the sums of money hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

I. ESCROW ACCOUNTS

A. Escrow Agent hereby accepts its designation to act and serve as escrow agent for the Condominium subject to all of the rights and privileges appertaining to such office and subject to the obligations incident thereto. Escrow Agent has reviewed the obligations under Section 718.202, Florida Statutes, and is independent of the Developer and does not serve as an officer, director, affiliate, subsidiary or employee of the Developer.

B. Developer shall deliver the Deposit Monies received by it on the sales price of each unit to Escrow Agent, pursuant to the Agreements, and Escrow Agent shall deposit such Deposit Monies in an escrow account established by Developer with Escrow Agent. Depository at which Escrow Agent shall hold funds shall be Prime Bank, or at such other institution as the parties shall agree upon in writing.

C. Escrow Agent shall maintain appropriate schedules from which there can be determined the Deposit Monies held for each Buyer therein, which schedules shall be available for inspection by Developer at reasonable times during business hours. Escrow Agent shall deliver monthly statements to Developer, which statements shall indicate: the Deposit Monies received for the Condominium and to whom the Deposit Monies were disbursed; the balance of Deposit Monies for the Project; the name of each Buyer for whom funds are held and the amount of Deposit Monies for each Buyer which remain in the accounts.

D. Escrow Agent shall furnish each Buyer with a receipt for the Deposit Monies held for each Buyer upon Buyer's or Developer's written request.

II. DISBURSEMENTS OF DEPOSIT MONIES

Escrow Agent agrees to hold all Deposit Monies subject to and in accordance with the following terms and conditions:

A. If a Buyer properly terminated an Agreement pursuant to its terms and pursuant to the Condominium Act, the funds shall be paid to the Buyer together with any interest earned.

B. If a Buyer defaults in the performance of his obligations under an Agreement, the funds shall be paid to Developer together with any interest earned.

C. Escrow Agent shall not be obligated to determine whether a proper termination of Agreement or default has occurred, and Escrow Agent shall make the payments required in A and B above within seven (7) days after receipt of Escrow Agent of notice of such termination or default from Developer designating the Buyer and the Agreement which has been terminated or defaulted, the amount of the Deposit Monies which should be released from escrow and to whom and where such amounts should be paid; a copy of such notice shall be mailed simultaneously to the terminating or defaulting Buyer.

D. In the event of a closing, Escrow Agent shall disburse to Developer the Deposit Monies and all interest earned thereon. Such Deposit Monies shall be disbursed to Developer upon receipt by Escrow Agent from Developer of notice that such closing is scheduled.

E. In the event that, prior to a closing, Escrow Agent receives written notice from Buyer or Developer that there is a dispute between Buyer and Developer, then Escrow Agent shall continue to hold such Deposit Monies until it receives written instructions as to disbursement signed by both Developer and Buyer. In the alternative, Escrow Agent may disburse the disputed amount in accordance with the provisions of Section IV below.

III. LIABILITY OF ESCROW AGENT

Escrow Agent shall not be responsible or liable in any manner whatsoever for the sufficiency or correctness as to form, manner of execution or validity of any instrument regarding funds deposited in the escrow accounts, nor as to the identity, authority or rights of any person executing the same, nor as to the sufficiency of the title to the property to be conveyed. Escrow Agent's duties hereunder shall be limited to the safekeeping of such monies, instruments or other documents received by it as such escrow holder, and for the disposition of the same in accordance with the terms and provisions of this Escrow Agreement.

IV. DISPUTES

In the event Escrow Agent is joined as a party to a lawsuit by virtue of the fact that it is holding a Buyer's Deposit Monies, Escrow Agent shall, at its option, either tender said Deposit Monies to the registry of the court or disburse same in accordance with the court's ultimate disposition of the cause, and Escrow Agent shall be entitled to its reasonable attorneys' fees and court costs at all trial and appellate levels.

V. NOTICES

All notices and other communications shall be in writing to Developer at:

Landmark Associates, Ltd.
2100 West Beach Drive
Panama City, Florida 32401

to Escrow Agent at:

Burke & Blue, P.A.
221 McKenzie Avenue
Panama City, Florida 32401

IN WITNESS WHEREOF, Developer and Escrow Agent have caused these presents to be executed in their respective corporate names by their undersigned authorized officers and have caused their respective corporate seals to be hereto affixed this ____ day of _____, 2001.

Signed, sealed and delivered
in the presence of:

LANDMARK ASSOCIATES, LTD.
A FLORIDA LIMITED PARTNERSHIP

By: _____
As to Developer

("DEVELOPER")

BURKE & BLUE, P.A.

By: _____
As to Escrow Agent

(SEAL)

("ESCROW AGENT")

RECEIPT FOR CONDOMINIUM DOCUMENTS

The undersigned acknowledges that the documents checked below have been received or, as to plans and specifications, made available for inspection.

LANDMARK ON ST. ANDREWS BAY, A CONDOMINIUM
2100 West Beach Drive
Panama City, Florida 32401

Place a check in the column by each document received or, for the plans and specifications, made available for inspection.

If an item does not apply, place "N/A" in the column.

| <u>DOCUMENT</u> | <u>RECEIVED</u> |
|---|-----------------|
| Prospectus Text | X |
| Declaration of Condominium | X |
| Articles of Incorporation | X |
| Bylaws | X |
| Estimated Operating Budget | X |
| Form of Agreement for Sale or Lease | X |
| Rules and Regulations | N/A |
| Covenants and Restrictions | N/A |
| Ground Lease | N/A |
| Management and Maintenance Contracts for More than One Year | N/A |
| Renewable Management Contracts | N/A |
| Lease of Recreational and Other Facilities to be Used Exclusively by Unit Owners of Subject Condominiums | N/A |
| Forms of Unit Lease if a Leasehold | N/A |
| Declaration of Servitude | N/A |
| Sales Brochures | N/A |
| Phase Development Description (See 718.503(2)(k) and 504(14)) of recreational and other facilities to be used by unit owners with other condo's (See 718.503(2)(h)) | N/A Lease |
| Description of Management for Single Management of Multiple Condominium (See 718.503(2)(k)) | N/A |
| Conversion Inspection Report | X |
| Conversion Termite Inspection Report | X |
| Plot Plan | X |
| Floor Plan | X |
| Survey of Land and Graphic Description of Improvements | X |
| Executed Escrow Agreement | X |
| Plans and Specifications | MADE AVAILABLE |

THE PURCHASE AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF EXECUTION OF THE PURCHASE AGREEMENT BY THE BUYER, AND RECEIPT BY THE BUYER OF ALL OF THE DOCUMENTS REQUIRED TO BE DELIVERED TO HIM BY THE DEVELOPER. THE AGREEMENT IS ALSO VOIDABLE BY THE BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF RECEIPT FROM THE DEVELOPER OF ANY AMENDMENT WHICH MATERIALLY ALTERS OR MODIFIES THE OFFERING IN A MANNER THAT IS ADVERSE TO THE BUYER. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15 DAYS AFTER THE BUYER HAS RECEIVED ALL OF THE DOCUMENTS REQUIRED. BUYER'S RIGHT TO VOID THE PURCHASE AGREEMENT SHALL TERMINATE AT CLOSING.

Executed this ____ day of _____, 2001.

Purchaser or Lessee

Purchaser or Lessee

**LETTER FROM CITY OF PANAMA CITY
BUILDING OFFICIAL
AVAILABLE AT LANDMARK OFFICES
LOCATED AT
2100 WEST BEACH DRIVE
PANAMA CITY, FLORIDA 32780**

**WOOD DESTROYING ORGANISMS
INSPECTION REPORT AVAILABLE AT
LANDMARK OFFICES LOCATED AT
2100 WEST BEACH DRIVE
PANAMA CITY, FLORIDA 32780**

**ARCHITECT'S CONVERSION CERTIFICATE
AVAILABLE AT LANDMARK OFFICES
LOCATED AT
2100 WEST BEACH DRIVE
PANAMA CITY, FLORIDA 32780**

**LEASE AGREEMENT WITH
LAUNDRY EQUIPMENT COMPANY
AVAILABLE AT LANDMARK OFFICES
LOCATED AT
2100 WEST BEACH DRIVE
PANAMA CITY, FLORIDA 32780**

**CABLE TELEVISION SERVICE AGREEMENT
AVAILABLE AT LANDMARK OFFICES
LOCATED AT
2100 WEST BEACH DRIVE
PANAMA CITY, FLORIDA 32780**

FREQUENTLY ASKED QUESTIONS AND ANSWERS

THE ASSOCIATION OF LANDMARK CONDOMINIUM, INC.

As of January 1, 2001.

Q: What are my voting rights in the condominium association?

A: Each unit owner shall be entitled to one (1) vote as a member of the condominium association (see Article III of the Articles of Incorporation).

Q: What restrictions exist in the condominium documents on my right to use my unit?

A: Restrictions concerning the use of condominium units are described in Article 24 of the Declaration of Condominium. Restrictions include no more than two (2) pets permitted in each unit, and no pet shall be larger than twenty-four (24) pounds.

Q: What restrictions exist in the condominium documents on the leasing of my unit?

A: Restrictions concerning the leasing of units are located in Article 17 of the Declaration. The minimum rental periods must be for not less than one (1) week.

Q: How much are my assessments to the condominium association for my unit type and when are they due?

A: The monthly sum for each A-type unit is \$167.18; for each B-type unit is \$203.74; for each C-type unit is \$235.29; for each D-type unit is \$280.99 and for Bayview unit is \$234.70 and it is due on the first day of each month.

Q: Do I have to be a member in any other association? If so, what is the name of the association and what are my voting rights in this association? Also, how much are my assessments?

A: No.

Q: Am I required to pay rent or land use fees for recreational or other commonly used facilities? If so, how much am I obligated to pay annually?

A: No.

Q: Is the condominium association or other mandatory membership association involved in any court cases in which it may face liability in excess of \$100,000? If so, identify each such case.

A: No.

NOTE: THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE, A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, EXHIBITS HERETO, THE SALES CONTRACT, AND THE CONDOMINIUM DOCUMENTS.