

OFFICE



2000 South Ocean Blvd., Pompano Beach, Florida 33062

The original of this document was recorded on August 11, 1969 in the Public Records of Broward County, Florida, in Official Records Book 3998 at page 485 through page 578.

81- 13041

Amendment  
to the  
Declaration of Condominium  
and By-Laws  
of  
Royal Coast Condominium

As Recorded in Official Record Book 3998, Page 485  
Public Records of Broward County, Florida

As used herein the following shall apply:

- A. Words in the text which are ~~lined-through~~ with hyphens indicate deletion from the present text.
- B. Words in the text which are underlined indicate additions to the present text.
- C. Whenever an ellipsis (. . .) appears in the text this indicates that this portion of the present text remains intact to the point where the next typewritten material appears.

1. ~~Article 3.6 of the Declaration of Condominium~~ of Condominium is hereby amended as follows:

2.7 Common expenses include: (1) expenses of administration and management of the condominium property; (2) expenses of maintenance, operation, repair, or replacement of common elements; (3) expenses under the Long Term Recreational Lease; (4) expenses declared common expenses by the provisions of this Declaration or by the By-Laws; and (5) any valid charge against the condominium as a whole; and (6) the portions of apartments to be maintained by the Association.

2. Article 3.6 of the Declaration of Condominium is hereby repealed. (This entire section is deleted and repealed; see Article 3.6 for present text.)

3. Article 5.2(C) of the Declaration of Condominium is hereby amended as follows:

C. Enforcement of maintenance. In the event the owner of a unit fails to maintain it as required above, the Association, ~~developers,~~ or any other unit owner shall have the right to proceed to any appropriate court to seek compliance with the foregoing provisions; or the Association shall have the right to assess the unit owner and the unit for the necessary sums to put the improvement within the unit in good condition. After such assessment, the Association shall have the right to have its employees or agents enter the unit and do the necessary work to enforce compliance with the above provision.

Further, in the event a unit owner violates any of the provisions of Paragraph 5.1-B above, the ~~developers and/or the~~ Association shall have the right

RETURN TO DERWIND PLOTNICK, PRES.  
ROYAL COAST CONDOMINIUM - 2500 SO. OCEAN BLVD  
POMEROY BEACH, FL 33062

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to take any and all such steps as may be necessary to remedy such violation, including, but not limited to, entry of the subject unit with or without consent of the unit owner, and the repair and maintenance of any item requiring same, all at the expense of the unit owner.

4. Article 8.3 of the Declaration of Condominium is hereby repealed. (This entire section is deleted and repealed; see Article 8.3 for present text.)

5. Article 12(B) of the Declaration of Condominium is hereby amended by adding the following:

No owner may lease his unit for a period of less than 90 days. An owner may lease his unit only once in any twelve (12) month period.

6. Article 14 of the Declaration of Condominium is hereby repealed. (This entire Article is deleted and repealed; see Article 14 for present text.)

7. Article 16 of the Declaration of Condominium is hereby amended as follows:

#### 16. Amendment of Declaration

16.1 This Declaration of Condominium may be amended by affirmative vote, of ~~three-fourths (3/4)~~ two-thirds (2/3) of the condominium parcel owners of this condominium present at a meeting duly called for such purpose. ~~Except as regards the developers rights herein which cannot be amended in any without the written authorization of the developers except as otherwise provided in any particular section of this Declaration of Condominium.~~

16.2 A copy of each amendment shall be certified by the President and Secretary of the Association as having been duly adopted and shall be effective when recorded in the Public Records of Broward County, Florida.

Provided however,

A. That no amendment shall be made or be valid which shall in any manner impair the security of any institutional lender having a mortgage or other lien against any condominium parcel, or shall in any manner impair the security of the lessor's interest under the Recreational Lease. Any such amendment shall be conclusively presumed to impair the security of the lessor's interest under the Long Term Recreational Lease unless the approval of the said Lessor is expressly noted thereon in writing.

~~B. That no amendment shall be made increasing or decreasing a unit owner's percentage of ownership in the common elements as hereinabove stated, nor decreasing or increasing a unit owner's liability, or proportionate liability, for common expenses, unless the unit owner or unit owners so affected and all record owners of liens thereon shall join in the execution of the amendment. No amendment may change the configuration or size 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 and owns the common surplus unless the record owner of the unit and all record owners of liens on it join in the execution of the amendment and unless all the record owners of all other units approve the amendment.~~

C. No provision of Paragraph 16.2A of this Declaration may be changed without the written

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consent and approval of ninety (90%) percent of all institutional mortgagees of records of this Condominium.

16.3. The common elements designated by the declaration may be enlarged by an amendment to the declaration. The amendment must describe the interest in the property and must submit the property to the terms of the declaration. The amendment must be approved and executed as provided herein. The amendment divests the association of title to the land and vests title in the unit owners as part of the common elements, without naming them and without further conveyance, in the same proportion as the undivided shares in the common elements that are appurtenant to the unit owned by them.

16.4. No amendment to the declaration may permit time-share estates to be created in any unit of the condominium, unless the record owner of each unit of the condominium and the record owners of liens on each unit of the condominium join in the execution of the amendment.

16.5. Any vote to amend the declaration of ownership in the common elements or sharing of the common expense shall be conducted by secret ballot.

16.6. An amendment of the declaration is effective when properly recorded in the public records of Broward County.

#### AMENDMENTS TO BY-LAWS

8. Exhibit D to the Declaration of Condominium, By-Laws, is hereby amended as follows:

9. Article 3.1 of the By-Laws is hereby amended by adding the following:

Written notice shall be given to each unit owner and shall be posted in a conspicuous place on the condominium property at least 14 days prior to the annual meeting. Unless a unit owner waives in writing the right to receive notice of the annual meeting by mail, the notice of the annual meeting shall be sent by mail to each unit owner, and the post office certificate of mailing shall be retained as proof of such mailing. Unit owners may waive notice of specific meetings and may take action by written agreement without meetings.

10. Article 3.5 of the By-Laws is amended as follows:

3.5 Proxies. Votes may be cast in person or by proxy. Proxy may be made by any person entitled to vote and shall be valid only for the particular meeting designated therein and any lawfully adjourned meeting thereof, and must be filed with the Secretary before the appointed time of the meeting or any adjournment thereof. In no event shall any proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the unit owner exercising it.

11. Article 3.8 of the By-Laws is hereby repealed. (This entire section is deleted and repealed; see Article 3.8 for present text.)

12. Article 4.3 of the By-Laws is hereby amended as follows:

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~~4.3 Any Director may be removed by concurrence of two-thirds (2/3) of the vote of the entire membership at a special meeting of the members called for that purpose. Subject to the provisions of s. 718, 1, F.S., any member of the board of directors may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all unit owners. A special meeting of the unit owners to recall a member or members of the board of directors may be called by 10 percent of the unit owners giving notice of the meeting as required for a meeting of unit owners, and the notice shall state the purpose of the meeting. The vacancy in the board of directors so created shall be filled by the members of the association at the same meeting, otherwise vacancies in the board of directors occurring between annual meetings of members shall be filled by the remaining directors.~~

13. Article 4.4 of the By-Laws is hereby repealed. (This entire section is deleted and repealed; see Article 4.4 for present text.)

14. Article 4.6 of the By-Laws is hereby amended by adding the following:

Meetings of the board of directors shall be open to all unit owners. Adequate notice of all meetings shall be posted conspicuously on the condominium property at least 48 hours in advance, except in an emergency.

15. Article 4.15(a) of the By-Laws is hereby amended as follows:

*should be 4.16(a)*

a. To purchase insurance upon the condominium property and insurance for the protection of the Association and its members. The association shall use its best efforts to obtain and maintain adequate insurance to protect the association and the common elements. A copy of each policy of insurance in effect shall be made available for inspection by unit owners at reasonable times. All hazard policies issued to protect condominium buildings shall provide that the word "building" whenever used in the policy shall include, but shall not necessarily be limited to fixtures, installations or additions comprising that part of the building within the unfinished interior surfaces or the perimeter walls, floors and ceilings of the individual units, initially installed or replacements thereof, in accordance with the original plans and specifications. With respect to the coverage provided for by this paragraph, the unit owners shall be considered additional insureds under the policy.

16. Article 4.15(b) of the By-Laws is hereby amended as follows:

*should be 4.16(b)*

b. To contract for management of the Condominium and to delegate to the contractor all power and duties of the Association except such as are specifically required by the Declaration of Condominium or these By-Laws to have approval by the Board of Directors or the members of the Association.

No written contract which provides for operation, maintenance, or management of the condominium association or property serving the unit owners of the condominium shall be valid or enforceable unless the contract:

1. Specifies the services, obligations, and responsibilities of the party contracting to provide maintenance or management services to the unit owners.

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2. Specifies those costs incurred in the performance of those services, obligations, or responsibilities which are to be reimbursed by the association to the party contracting to provide maintenance or management services.

3. Provides an indication of how often each of the services, obligations or responsibilities is to be performed, whether stated for each thereof or in categories.

4. Specifies a minimum number of personnel to be employed by the party contracting to provide maintenance or management services for the purpose of providing service to the association.

In any case in which the party contracting to provide maintenance or management services fails to provide such services in accordance with the time schedule set forth in the contract, the association is authorized to procure such services from some other party and shall be entitled to collect any fees or charges paid for service performed by another party from the party contracting to provide maintenance or management services.

Any services or obligations not stated on the face of the contract shall be unenforceable.

17. Article 15 of the By-Laws is hereby amended by the addition of subsections (g) and (h) as follows:

g. 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 the common elements or to another unit or units.

h. The association has the power to make and collect assessments and to lease, maintain, repair, and replace the common elements.

18. Article 4 of the By-Laws is hereby amended to add Section 16 as follows:

4.16 Meeting Minutes. Minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by unit owners, or other authorized representatives, and board members at any reasonable time. The Association shall retain these minutes for a period not less than seven (7) years.

19. Article 5.1 of the By-Laws is hereby amended to add the following:

Unless otherwise provided in these By-Laws, the officers shall serve without compensation and at the pleasure of the Board of Directors.

20. Article 5.7 of the By-Laws is hereby amended as follows:

5.7 Indemnification of Directors and Officers shall be in accordance with Article XI of the Articles of Incorporation of the Association. The first Board of Directors shall receive no salary.

21. Article 6.2 of the By-Laws is hereby amended as follows:

6.2 Budget. The Board of Directors shall adopt a budget for each calendar or fiscal year (as same may be adopted by the Board of Directors) which shall include the estimated funds required to defray the current expenses and may provide for funds for the foregoing reserves.

should be 4.16  
(g) & (h)

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The proposed annual budget of common expenses shall be detailed and shall show the amounts budgeted by accounts and expense classifications, including, if applicable, but not limited to those expenses listed in s. 718.504(20), F.S.

In addition to annual 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 life and estimated replacement cost of each reserve item. Reserve accounts in budgets will not be required when the members of the association have by a two-thirds vote at a duly called meeting of the association determined for a fiscal year to provide no reserves or reserves less adequate than required by this subsection.

22. Article 6.3 of the By-Laws is hereby amended as follows:

6.3 Assessments.

A. Assessments against the apartment owners for their share of the items of the budget shall be made for the calendar year, annually in advance on or before December 20 preceeding the year for which the assessment are made, or on such alternate date as the Board of Directors may determine.

B. Assessments shall be made against unit owners not less frequently than quarterly, in an amount no less than required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred.

C. A unit owner, regardless of how title is acquired, including a purchaser at a judicial sale, shall be liable for all assessments coming due while he is the unit owner. In a voluntary conveyance, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor for his share of the common expenses up to the time of the conveyance, without prejudice to any right the grantee may have to recover from the grantor the amounts paid by the grantee.

D. The liability for assessments may not be provided by waiver of the use or enjoyment of any common elements or by abandonment of the unit for which the assessments are made.

E. Assessments and installments on them not paid when due bear interest at the rate of 10% per annum.

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

23. Article 6.5 of the By-Laws is hereby amended as follows:

6.5 Fidelity Bonds. Fidelity bonds may be required by the Board of Directors from all officers and employees of the Association, and from any contractor handling or responsible for Association funds. The amount of such bond shall be determined by the Directors, and the premiums on such bond shall be paid by the Association.

24. Article 6.6 of the By-Laws is hereby amended as follows:

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6.6 Copies of the budget and proposed assessment shall be transmitted to each member of the Association on or before thirty (30) days preceding the year for which the budget is being made. If the budget is amended subsequently, a copy of the amended budget shall also be furnished to each member of the Association. The board of directors shall mail a meeting notice and copies of the proposed annual budget of common expenses to the unit owners not less than 30 days prior to the meeting at which the budget will be considered. The unit owners shall be given written notice of the time and place of the meeting of the board of directors which will consider the budget. The meeting shall be open to the unit owners. If an adopted budget requires assessment against the unit owners in any fiscal or calendar year exceeding 115 percent of the assessments for the preceding year, the board, upon written application of 10 percent of the unit owners to the board, shall call a special meeting of the unit owners within 30 days, upon not less than 10 days' written notice to each unit owner. At the special meeting, unit owners shall consider and enact a budget. The adoption of the budget shall require a vote of not less than a majority vote of all unit owners. The board of directors may propose a budget to the unit owners at a meeting of members or in writing, and if the budget or proposed budget is approved by the unit owners at the meeting or by a majority of all unit owners in writing, the budget shall be adopted. In determining whether assessments exceed 115 percent of similar assessments in prior years, any authorized provisions for reasonable reserves for repair or replacement of the condominium property, anticipated expenses by the condominium association which are not anticipated to be incurred on a regular or annual basis, or assessments for betterments to the condominium property shall be excluded from the computation.

25. Article 6 of the By-Laws is hereby amended to add Section 6.10 as follows:

6.10 Financial Reports.

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

- (1) A record of all receipts and expenditures.
- (2) An account for each unit, designating the name and current mailing address of the unit owner, the amount of each assessment, the dates and amounts in which the assessments come due, the amount paid upon the account, and the balance due.

b. Within 60 days following the end of the fiscal year the board of administration of the association shall mail or furnish by personal delivery to each unit owner a complete financial report of actual receipts and expenditures for the previous twelve months.

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

- (1) Cost for security
- (2) Professional and management fees and expenses
- (3) Taxes
- (4) Cost for recreation facilities
- (5) Expenses for refuse collection and utility services
- (6) Expenses for lawn care
- (7) Cost for building maintenance and repair
- (8) Insurance costs
- (9) Administration and salary expenses and
- (10) General reserves, maintenance reserves, and depreciation reserves.

26. Article 7.3(e) of the By-Laws is hereby amended as follows:

e. No industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designed for profit, altruism, exploration, or otherwise, shall be conducted, maintained or permitted on any part of the property or in any condominium parcel therein, nor shall any "sold" or "for sale" or "for rent" signs or other window displays or advertising be maintained or permitted on any part of the property or in any condominium parcel therein; ~~The right is reserved by the developer to place "sold," "for sale," or "for rent" signs on the unsold or unoccupied condominium parcels, and the right is hereby given to any mortgagee, who may become the owner of any condominium parcel to place such signs in any condominium parcel owned by such mortgagee.~~

27. Article 7.3(h) of the By-Laws is hereby amended as follows:

h. The use of all recreational facilities shall at all times be subject to such rules and regulations as the Board of Directors may establish;

28. Article 7.3(j) of the By-Laws is hereby amended as follows:

j. No unit owner or resident, other than the Board of Directors, shall direct, supervise, or in any manner attempt to assert any control over any of the employees of the Association, nor shall he attempt to send any of such employees upon private business of such unit owner or resident;

29. Article 8.1 of the By-Laws is hereby amended as follows:

8.1 ~~In the event an owner of a condominium parcel does not pay any sums, charges or assessments required to be paid to the Association within thirty (30) days from the due date, the Association, acting on its behalf or through its Board of Directors or manager acting on behalf of the Association, may foreclose the lien encumbering the condominium parcel created by non-payment of the required monies in the~~

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same fashion as mortgage liens are foreclosed. The Association shall be entitled to the appointment of a receiver if it so requests. The Association shall have the right to bid in the condominium parcel at a foreclosure sale and to acquire, hold, mortgage and convey the same. In lieu of foreclosing its lien, the Association may, through its Board of Directors or manager acting in behalf of the Association, or in its own behalf, bring suit to recover a money judgment for any sums, charges or assessments required to be paid to the Association without waiving its lien securing same. In any action either to foreclose its lien or to recover a money judgment, brought by or on behalf of the Association against a condominium parcel owner, the losing defendant shall pay the costs thereof, together with a reasonable attorney's fees. The Association has a lien on each condominium parcel for any unpaid assessments with interest and for reasonable attorney's fees incurred by the association incident to the collection of the assessment or enforcement of the lien. The lien is effective from and after recording a claim of lien in the public records in Broward County stating the description of the condominium parcel, the name of the record owner, the amount due, and the due dates. The lien is in effect until all sums secured by it have been fully paid or until barred by Chapter 95, F.S. The claim of lien includes only assessments which are due when the claim is recorded. A claim of lien must be signed and acknowledged by an officer or agent of the association. Upon payments, the person making the payment is entitled to a satisfaction of the lien. By recording a notice in substantially the following form, a unit owner or his agent or attorney may require the association to enforce a recorded claim of lien against his condominium parcel:

#### NOTICE OF CONTEST OF LIEN

TO: (Name and address of association)  
You are notified that the undersigned contests the claim of lien filed by you on \_\_\_\_\_ 19\_\_\_\_ and recorded in Official Records Book \_\_\_\_\_ at Page \_\_\_\_\_ of the public records of \_\_\_\_\_ County, Florida, and that the time within which you may file suit to enforce your lien is limited to 90 days from the date of service of this notice.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_  
Signed: (Owner or Attorney)

The Clerk of the Circuit Court shall mail a copy of the recorded notice of contest to the lien claimant at the address shown in the claim of lien or most recent amendment to it, shall certify to the service on the face of the notice, and shall record the notice. Service is complete upon mailing. After service, the association has 90 days in which to file an action to enforce the lien, and if the action is not filed within the 90-day period, the lien is void.

The association may bring an action in its name to foreclose a lien for assessments in the manner a mortgage of real property is foreclosed and may also bring an action to recover a money judgment for the unpaid assessments without waiving any claim of lien.

No foreclosure judgment may be entered until at least 30 days after the association gives written notice to the unit owner of its intention to foreclose its lien to collect unpaid assessments. If this notice

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is not given at least 30 days before the foreclosure action is filed, and if the unpaid assessments, including those coming due after the claim of lien is recorded, are paid before the entry of a final judgment of foreclosure, the association shall not recover attorney's fees or costs. The notice must be given by delivery of a copy of it to the unit owner or by certified mail, return receipt requested, addressed to the unit owner. If, after diligent search and inquiry, the association cannot find the unit owner or a mailing address at which the unit owner will receive the notice, the court may proceed with the foreclosure action and may award attorney's fees and costs as permitted by law. The notice requirements of this subsection are satisfied if the unit owner records a Notice of Contest of Lien as provided in this section.

If the unit owner remains in possession of the unit and the claim of lien is foreclosed, the court, in its discretion, may require the unit owner to pay a reasonable rental of the unit, and the association is entitled to the appointment of a receiver to collect the rent.

The association has the power to purchase the condominium parcel at the foreclosure sale and to hold, lease, mortgage, or convey it.

When the mortgagee of a first mortgage of record, or other purchaser, of a condominium unit obtains title to the condominium parcel as a result of foreclosure of the first mortgage, or, if the declaration so provides, as a result of a deed given in lieu of foreclosure, such acquirer of title and his successors and assigns shall not be liable for the share of common expenses or assessments by the association pertaining to the condominium parcel or chargeable to the former unit owner of the parcel which became due prior to acquisition of title as a result of the foreclosure, unless the share is secured by a claim of lien for assessments that is recorded prior to the recording of the foreclosed mortgage. The unpaid share of common expenses or assessments are common expenses collectible from all of the unit owners, including such acquirer and successors and assigns. If the declaration so provides, the foregoing provision may apply to any mortgage of record and shall not be restricted to first mortgages of record. A mortgagee acquiring title to a condominium parcel as a result of foreclosure, or a deed in lieu of foreclosure, may not, during the period of its ownership of such parcel, whether or not such parcel is unoccupied, be excused from the payment of some or all of the common expenses coming due during the period of such ownership.

No unit owner may be excused from the payment of his share of the common expense of a condominium unless all unit owners are likewise proportionately excused from payment.

Any unit owner shall have the right to require from the association a certificate showing the amount of unpaid assessments against him with respect to his condominium parcel. The holder of a mortgage or other lien shall have the same right as to any condominium parcel upon which he has a lien. Any person other than the owner who relies upon such certificate shall be protected thereby.

30. Article 9.2 of the By-Laws is hereby amended as follows:

9.2 Any application for the transfer of a membership or for a conveyance of interest in a condominium parcel or a lease of condominium parcel shall be accompanied by an application fee in the amount of ~~Twenty-Five (\$25.00)~~ Dollars to cover the cost of

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contacting the references given by the applicant, and such other costs of investigation that may be incurred by the Board of Directors. No fee shall be charged in connection with a transfer, sale, or approval in excess of the expenditures reasonably required for the transfer or sale, and this expense shall not exceed \$50. No charge shall be made in connection with an extension or renewal of a lease.

I HEREBY CERTIFY that the above amendments were duly and properly presented to the unit owners of this Condominium at a duly called meeting of said unit owners wherein in excess of three-fourths (3/4) of the total membership voted to approve said amendments.

Dated this 12th day of January 1981.

ROYAL COAST CONDOMINIUM ASSOCIATION, INC.

By: Harold Birghenthal  
Harold Birghenthal, President

Attest: Roger St. Jacques  
Roger St. Jacques, Secretary

(CORPORATE SEAL)

STATE OF FLORIDA : {  
COUNTY OF BROWARD : { January 12, 1981

BEFORE ME, the undersigned authority, this day personally appeared Harold Birghenthal and Roger St. Jacques, to me known to be the President and Secretary, respectively, of the Royal Coast Condominium Association, Inc., who being by me first duly cautioned and sworn upon oath, have acknowledged before me that they have executed this instrument as such President and Secretary, and that said instrument is the free act and deed of said corporation.

May - Rita S. Mitchell  
NOTARY PUBLIC  
STATE OF FLORIDA

My Commission Expires:

This instrument prepared by:

Rod Tennyson, Esq.  
319 Clematis Street  
Comeau Building Arcade  
West Palm Beach, Florida 33401  
Telephone: (305) 659-5133

RECORDED IN THE OFFICIAL RECORDS BOOK  
OF BROWARD COUNTY, FLORIDA  
GRAHAM W. WATT  
COUNTY ADMINISTRATOR -11-

Notary Public, State of Florida  
My Commission Expires Nov. 16, 1984  
Bonded Three Thousand Dollars - Insurance, Inc.

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NOTE: This instrument is being re-recorded for the purpose of including Exhibit H attached hereto, which was omitted at the time of original recording.

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Amendment

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to the

Declaration of Condominium

of

Royal Coast Condominium

As Recorded in Official Record Book 3998, Page 485  
Public Records of Broward County, Florida

As used herein the following shall apply:

- A. Words in the text which are lined-through with hypens indicate deletions from the present text.
- B. Words in text which are underlined indicate additions to the present text.

1. Article 2.10 of the Declaration of Condominium is hereby amended as follows:

2.10 Recreational Lease means the interest of the Association in and to the recreational facilities provided for under the Long Term Recreational Lease, as modified by amendments thereto.

2. Article 13 of the Declaration of Condominium is hereby amended as follows:

13. Long Term Recreational Lease.

13.1 ROYAL COAST CONDOMINIUM ASSOCIATION, INC., the condominium association, has entered into a long term recreational lease with Winmor Investments, Inc., and Jovv Investments, Inc., both Florida corporations, hereinafter referred to as Lessors, a copy of said lease as amended is attached hereto and made a part hereof by reference, designated at Exhibit E.

13.2 Each unit owner agrees to be bound by the terms and conditions of said lease as amended. Said Long Term Recreational Lease will permit each unit owner of each condominium to have the right, privilege, access and use of recreational facilities. The afore-described Long Term Recreational lease has been entered into for the use and benefit of the unit owner in this condominium.

13.3 Each unit owner in this condominium who does not participate in the "buy-out" provisions of Paragraph 13.7 shall make payment to the condominium association of his assessed-prorata-share-of-the rental due under and pursuant to said Long Term Recreational Lease as-a-part-of-the-common-expenses-chargeable-to-his-condominium-parcel. It shall be mandatory for each unit owner who does not participate in the "buy-out" provisions of Paragraph 13.7 to make his prorata rental payments, as assessed by the condominium association as-part-of-the common-expense; in order to keep in force and effect

Law Offices  
Powell, Tennyson & St. John

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319 CLEMATIS STREET  
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the aforescribed Long Term Recreational Lease, regardless of whether or not said unit owner uses the recreational facilities.

13.4 In order to secure the faithful performance of the Associations's obligations ~~to the lessor~~ under the said Long Term Recreational Lease and in order to secure the unit owner's obligation to pay his common expenses for maintenance of the recreation area of the subject condominium, each unit owner subjects his full interest in the subject condominium to the benefits granted the Lessor in Article VII of said Lease.

13.5 It is specifically recognized that certain officers, directors and stockholders of the lessor corporation, under the Long-Term Recreational Lease are members of the original Board of Directors and are officers of the Association of ROYAL COAST CONDOMINIUM, and that such circumstances, shall not, and cannot, be construed and considered as a breach of his duties to the Association nor as possible grounds to invalidate such lease, in whole or in part.

13.6 Each unit owner, his heirs, successors, and assigns, shall be bound by said Long Term Recreational Lease and amendments thereto to the same extent and effect as if he had executed said lease for the purpose therein expressed, including, but not limited to:

A. Adopting, ratifying, confirming, and consenting to the execution of the lease by the Association as lessee, including the "buy-out" provisions of Paragraph 13.7;

B. Covenanting and promising to perform each and every of the covenants, promises and undertakings to be performed by unit owners in the cases provided therefor in said lease.

C. Ratifying, confirming and approving each and every provision of said lease and acknowledging that all terms and provisions thereof, including rental reserved, are reasonable; and

D. Agreeing that the persons acting as directors and officers of the Association in that acquisition of such leasehold have not breached any of their duties or obligations to the Association.

13.7 The officers and directors of the Association are hereby authorized and directed to enter into the Memorandum of Agreement, attached hereto as Exhibit H, wherein individual unit owners may "buy-out" their lease payment obligation. The officers and directors are authorized to execute any and all documents required to carry out such "buy-out".

3. Exhibit E, "Long-Term Recreational Lease", to the Declaration of Condominium is hereby amended as follows:

#### ARTICLE III

Rental: The effective term of this lease shall commence the first day of the month succeeding the month of the opening by the Lessors of the recreational facilities to be constructed on the demised premises which recreational facilities will hereinafter be referred to as "Condominium Recreational Facilities," and, accordingly, the Lessee's obligation for the payment of rental hereunder shall not commence until that date. Upon the commencement of the term of this lease as aforescribed, the Lessee covenants with the Lessors that it will pay to the Lessors, or to the designee of the Lessors, at such place as the Lessors may designate in writing from time to time,

a sum of money per month payable in advance on the first day of the month this lease commences and on the first day of each and every succeeding month thereafter during the term of this lease, for the use of the demised premises. The sum of money payable monthly to Lessors as aforescribed shall be calculated as follows:

~~- 1. - The lessee agrees to pay to the lessors rent during the term of this lease in the sum of \$101,796.00 per annum, payable in equal monthly installments in advance, with the first monthly payment of rent maturing and becoming due and payable the first day of the month succeeding the month of the opening by the lessors of the Condominium Recreational Facilities.~~

1. All rent shall be payable in current legal tender of the United States as the same is constituted by law at the time said rent becomes due. If at any time the Lessors shall accept anything other than current legal tender as rent, such fact, or such acceptance shall not be construed as varying or modifying such provisions of this lease as to any subsequently maturing rent, or as requiring the Lessors to make similar acceptance or indulgence upon any subsequent occasion.

2. Exhibit G, annexed hereto and made a part hereof, is a listing of each condominium apartment to be located in Condominium, together with its share of the monthly rent payable hereunder and its prorata share (percent wise) of other expenses and obligations payable by the Lessee hereunder, including, without limitation, taxes, assessments, insurance premiums and cost of maintenance and repairs. It being the intention of this Agreement that the Lessors have no obligations with respect to the demised premises and that this be a net net lease to the Lessors. The number of units shown on Exhibit G shall not be increased or decreased, nor shall the designation of each unit by number as therein set forth be changed during the term of this lease without Lessor's prior written consent.

3. Those unit owners who elect to "buy-out" their rent obligation pursuant to the Memorandum of Agreement, attached hereto as Exhibit H, shall be excused from payment of rent as listed in Exhibit G, but shall not be excused from payment of the common expenses needed to maintain and operate the recreation areas.

I HEREBY CERTIFY that the above amendments were duly and properly presented to the unit owners of this Condominium at a duly called meeting of said unit owners wherein in excess of three-fourths (3/4) of the total membership voted to approve said amendments.

ROYAL COAST CONDOMINIUM ASSOCIATION, INC.

By Harold Birghenthal, President

Attest: Roger St. Jacques, Secretary



REC 9391 PAGE 32

REC 9392 PAGE 403

STATE OF FLORIDA :

COUNTY OF BROWARD :

BEFORE ME, the undersigned authority, this day personally appeared Harold Birghenthal and Roger St. Jacques, to me known to be the President and Secretary, respectively, of the Royal Coast Condominium Association, Inc., who being by me first duly cautioned and sworn upon oath, have acknowledged before me that they have executed this instrument as such President and Secretary, and that said instrument is the free act and deed of said corporation.

October 24, 1950

*Mary P. Kahler*  
NOTARY PUBLIC  
STATE OF FLORIDA AT LARGE

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE  
MY COMMISSION EXPIRES FEB. 16 1953  
BOCOP DEU OMBAL DE. UNDERWRITES

Approved by Lessor, WINMOR INVESTMENT, INC.

By *H. Birghenthal*  
Harold Birghenthal, President

Attest: *Marie H. Gould*  
Marie Gould, Vice President

(CORPORATE SEAL)

STATE OF FLORIDA :

COUNTY OF Broward :

BEFORE ME, the undersigned authority, this day personally appeared Harold Birghenthal and Marie Gould, to me known to be the President and Vice-President, respectively, of Winmor Investment, Inc., who being by me first duly cautioned and sworn upon oath, have acknowledged before me that they have executed this instrument as such President and Secretary, and that said instrument is the free act and deed of said corporation.

October 24, 1950

*Mary P. Kahler*  
NOTARY PUBLIC  
STATE OF FLORIDA AT LARGE

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE  
MY COMMISSION EXPIRES FEB. 16 1953  
BOCOP DEU OMBAL DE. UNDERWRITES

REF 9391 PAGE 33

REF 9391 PAGE 33



Approved by Lessor, JOEV INVESTMENT, INC.

By *Harold Birghenthal*  
Harold Birghenthal, President

Attest: *Marie H. Gould*  
Marie Gould, Vice-President

(CORPORATE SEAL)



STATE OF FLORIDA :  
COUNTY OF Broward :

BEFORE ME, the undersigned authority, this day personally appeared Harold Birghenthal and Marie Gould, to me known to be the President and Vice-President, respectively, of Joev Investment, Inc., who being by me first duly cautioned and sworn upon oath, have acknowledged before me that they have executed this instrument as such President and Secretary, and that said instrument is the free act and deed of said corporation.

*Mary D. Kahler*  
NOTARY PUBLIC  
STATE OF FLORIDA AT LARGE



Oct 24-1980

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXPIRES FEB 16 1983  
BONDED THROUGH GENERAL INS. UNDERWRITERS

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

OFF REC 9391 PAGE 34

OFF REC 9392 PAGE 405

This instrument prepared by:

Rod Tennyson, Esq.  
319 Clematis Street  
Comeau Building Arcade  
West Palm Beach, Florida 33401  
Telephone: (305) 659-5133

I hereby certify this document to be a true, correct and complete copy of the record filed in my office. Date 24 day 10 1980

By *[Signature]*  
Notary Clerk



80-346636

Amendment  
to the  
Declaration of Condominium  
of  
Royal Coast Condominium

As Recorded in Official Record Book 3998, Page 485  
Public Records of Broward County, Florida

As used herein the following shall apply:

- A. Words in the text which are ~~lined-through~~ with hypens indicate deletions from the present text.  
B. Words in text which are underlined indicate additions to the present text.

1. Article 2.10 of the Delcaration of Condominium is hereby amended as follows:

2.10 Recreational Lease means the interest of the Association in and to the recreational facilities provided for under the Long Term Recreational Lease, as modified by amendments thereto.

2. Article 13 of the Declaration of Condominium is hereby amended as follows:

13. Long Term Recreational Lease.

13.1 ROYAL COAST CONDOMINIUM ASSOCIATION, INC., the condominium association, has entered into a long term recreational lease with Winmor Investments, Inc., and Joev Investments, Inc., both Florida corporations, hereinafter referred to as Lessors, a copy of said lease as amended is attached hereto and made a part hereof by reference, designated at Exhibit E.

13.2 Each unit owner agrees to be bound by the terms and conditions of said lease as amended. Said Long Term Recreational Lease will permit each unit owner of each condominium to have the right, privilege, access and use of recreational facilities. The afore-described Long Term Recreational lease has been entered into for the use and benefit of the unit owner in this condominium.

13.3 Each unit owner in this condominium who does not participate in the "buy-out" provisions of Paragraph 13.7 shall make payment to the condominium association of his assessed-prorata-share-of-the rental due under and pursuant to said Long Term Recreational Lease as-a-part-of-the-common-expenses-chargeable-to-his-condominium-parcel. It shall be mandatory for each unit owner who does not participate in the "buy-out" provisions of Paragraph 13.7 to make his prorata rental payments, as assessed by the condominium association as-part-of-the common-expense, in order to keep in force and effect

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REC'D 9262 PAGE 401

1/10

the aforescribed Long Term Recreational Lease, regardless of whether or not said unit owner uses the recreational facilities.

13.4 In order to secure the faithful performance of the Associations's obligations ~~to the lessor~~ under the said Long Term Recreational Lease and in order to secure the unit owner's obligation to pay his common expenses for maintenance of the recreation area of the subject condominium, each unit owner subjects his full interest in the subject condominium to the benefits granted the Lessor in Article VII of said Lease.

13.5 It is specifically recognized that certain officers, directors and stockholders of the lessor corporation, under the Long-Term Recreational Lease are members of the original Board of Directors and are officers of the Association of ROYAL COAST CONDOMINIUM, and that such circumstances, shall not, and cannot, be construed and considered as a breach of his duties to the Association nor as possible grounds to invalidate such lease, in whole or in part.

13.6 Each unit owner, his heirs, successors, and assigns, shall be bound by said Long Term Recreational Lease and amendments thereto to the same extent and effect as if he had executed said lease for the purpose therein expressed, including, but not limited to:

A. Adopting, ratifying, confirming, and consenting to the execution of the lease by the Association as lessee; including the "buy-out" provisions of Paragraph 13.7;

B. Covenanting and promising to perform each and every of the covenants, promises and undertakings to be performed by unit owners in the cases provided therefor in said lease.

C. Ratifying, confirming and approving each and every provision of said lease and acknowledging that all terms and provisions thereof, including rental reserved, are reasonable; and

D. Agreeing that the persons acting as directors and officers of the Association in that acquisition of such leasehold have not breached any of their duties or obligations to the Association.

13.7 The officers and directors of the Association are hereby authorized and directed to enter into the Memorandum of Agreement, attached hereto as Exhibit H, wherein individual unit owners may "buy-out" their lease payment obligation. The officers and directors are authorized to execute any and all documents required to carry out such "buy-out".

3. Exhibit E, "Long-Term Recreational Lease", to the Declaration of Condominium is hereby amended as follows:

#### ARTICLE III

Rental: The effective term of this lease shall commence the first day of the month succeeding the month of the opening by the Lessors of the recreational facilities to be constructed on the demised premises which recreational facilities will hereinafter be referred to as "Condominium Recreational Facilities," and, accordingly, the Lessee's obligation for the payment of rental hereunder shall not commence until that date. Upon the commencement of the term of this lease as aforescribed, the Lessee covenants with the Lessors that it will pay to the Lessors, or to the designee of the Lessors, at such place as the Lessors may designate in writing from time to time,

a sum of money per month payable in advance on the first day of the month this lease commences and on the first day of each and every succeeding month thereafter during the term of this lease, for the use of the demised premises. The sum of money payable monthly to Lessors as aforescribed shall be calculated as follows:

~~-1- -The-lessee-agrees-to-pay-to-the-lessors rent-during-the-term-of-this-lease-in-the--sum of \$101,796-00-per-annum, payable-in-equal-monthly-installments-in-advance, with-the-first-monthly-payment-of-rent maturing-and-becoming-due-and-payable-the-first-day-of the-month-succeeding-the-month-of-the-opening-by-the Lessors-of-the-Condominium-Recreational-Facilities-~~

1. All rent shall be payable in current legal tender of the United States as the same is constituted by law at the time said rent becomes due. If at any time the Lessors shall accept anything other than current legal tender as rent, such fact, or such acceptance shall not be construed as varying or modifying such provisions of this lease as to any subsequently maturing rent, or as requiring the Lessors to make similar acceptance or indulgence upon any subsequent occasion.

2. Exhibit G, annexed hereto and made a part hereof, is a listing of each condominium apartment ~~to~~ be located in Condominium, together with its share of the monthly rent payable hereunder and its prorata share (percent wise) of other expenses and obligations payable by the Lessee hereunder, including, without limitation, taxes, assessments, insurance premiums and cost of maintenance and repairs. It being the intention of this Agreement that the Lessors have no obligations with respect to the demised premises and that this be a net net lease to the Lessors. The number of units shown on Exhibit G shall not be increased or decreased, nor shall the designation of each unit by number as therein set forth be changed during the term of this lease without Lessor's prior written consent.

3. Those unit owners who elect to "buy-out" their rent obligation pursuant to the Memorandum of Agreement, attached hereto as Exhibit H, shall be excused from payment of rent as listed in Exhibit G, but shall not be excused from payment of the common expenses needed to maintain and operate the recreation areas.

I HEREBY CERTIFY that the above amendments were duly and properly presented to the unit owners of this Condominium at a duly called meeting of said unit owners wherein in excess of three-fourths (3/4) of the total membership voted to approve said amendments.

ROYAL COAST CONDOMINIUM ASSOCIATION, INC.

By Harold Birghenthal, President

Attest: Roger St. Jacques, Secretary



STATE OF FLORIDA :

COUNTY OF BROWARD :

BEFORE ME, the undersigned authority, this day personally appeared Harold Birghenthal and Roger St. Jacques, to me known to be the President and Secretary, respectively, of the Royal Coast Condominium Association, Inc., who being by me first duly cautioned and sworn upon oath, have acknowledged before me that they have executed this instrument as such President and Secretary, and that said instrument is the free act and deed of said corporation.

October 24, 1980

Mary D. Kahler  
NOTARY PUBLIC  
STATE OF FLORIDA AT LARGE



My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE  
MY COMMISSION EXPIRES FEB. 16 1983  
BONDED WITH GENERAL INS. UNDERWRITERS

Approved by Lessor, WINMOR INVESTMENT, INC.

By H. Birghenthal  
Harold Birghenthal, President

Attest: Marie H. Gould  
Marie Gould, Vice President

(CORPORATE SEAL)



STATE OF FLORIDA :

COUNTY OF Broward :

BEFORE ME, the undersigned authority, this day personally appeared Harold Birghenthal and Marie Gould, to me known to be the President and Vice-President, respectively, of Winmor Investment, Inc., who being by me first duly cautioned and sworn upon oath, have acknowledged before me that they have executed this instrument as such President and Secretary, and that said instrument is the free act and deed of said corporation.

October 24, 1980

Mary D. Kahler  
NOTARY PUBLIC  
STATE OF FLORIDA AT LARGE



My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE  
MY COMMISSION EXPIRES FEB. 16 1983  
BONDED WITH GENERAL INS. UNDERWRITERS

REF 0282 001114

Approved by Lessor, JOEV INVESTMENT, INC.

By Harold Birghenthal, President

Attest: Marie H. Gould, Vice-President

(CORPORATE SEAL)



STATE OF FLORIDA :

COUNTY OF Broward :

BEFORE ME, the undersigned authority, this day personally appeared Harold Birghenthal and Marie Gould, to me known to be the President and Vice-President, respectively, of Joev Investment, Inc., who being by me first duly cautioned and sworn upon oath, have acknowledged before me that they have executed this instrument as such President and Secretary, and that said instrument is the free act and deed of said corporation.

Mary K. Halper  
NOTARY PUBLIC  
STATE OF FLORIDA AT LARGE



Oct 24-1980

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXPIRES FEB 16 1983  
BONDED thru GENERAL INS. UNDERWRITERS

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

This instrument prepared by:

Rod Tennyson, Esq.  
319 Clematis Street  
Comeau Building Arcade  
West Palm Beach, Florida 33401  
Telephone: (305) 659-5133

I hereby certify this document to be a true, correct and complete copy of the record filed in my office. Dated this 4 day

of Marie H. Gould  
By Richard Barrera  
Deputy Clerk



REC 9282-000415

85-142712

CERTIFICATE OF AMENDMENT OF  
DECLARATION OF CONDOMINIUM  
AND BY-LAWS OF ROYAL COAST  
CONDOMINIUM ASSOCIATION, INC.

WE HEREBY CERTIFY that the attached AMENDMENTS were duly and properly presented to the unit owners of this Condominium and that two-thirds (2/3) of the total membership voted to approve said amendments.

Dated this 30th day of April, 1985.

ROYAL COAST CONDOMINIUM ASSOCIATION, INC.

By: *Ben Krieg*  
President

ATTEST: *Marie Gould*  
Secretary

(CORPORATE SEAL)

STATE OF FLORIDA)  
COUNTY OF BROWARD)

BEFORE ME, the undersigned authority, on this day of April 30, 1985 personally appeared

Ben Krieg and Marie Gould

to me known to be the President and Secretary, respectively, of the ROYAL COAST CONDOMINIUM ASSOCIATION, INC., who being by me duly cautioned and sworn upon oath, have acknowledged before me that they have executed this instrument as the free act and deed of said corporation.

*Martha J. Wilson*  
NOTARY PUBLIC  
STATE OF FLORIDA

My commission expires April 23, 1989  
Bonded thru Troy Fain Insurance Co., Inc.

RETURN TO:  
MR. BEN KRIEG  
2000 South Ocean Blvd.  
Pompano Beach, Fla. 33062

MAY 1 1 52 PM '85

REC 12505 PAGE 819



AMENDMENT TO THE DECLARATION OF  
CONDOMINIUM AND THE BY-LAWS OF  
ROYAL COAST CONDOMINIUM

As Recorded in Official Record Book 3998, Page 485  
Public Records of Broward County, Florida.

As used herein the following shall apply:

A. Words in the text which are ~~lined through~~ with hypens indicate deletions from the present text.

B. Words in the text which are underlined indicate additions to the present text.

1. Article 4.2.B of the Declaration of Condominium is hereby amended as follows:

4.2.B. AUTOMOBILE PARKING SPACE.

The limited common elements include parking areas for automobiles of the apartment owners. Parking will be available for use pursuant to the regulations of the Association, which regulations shall provide that the owners of each apartment shall be entitled to parking for one automobile. The parking areas will initially be assigned by the developers and ~~once assigned such parking space may not thereafter be separately conveyed, hypothecated, transferred, encumbered, or otherwise dealt with, and title thereafter shall pass with title to the apartment to which it is appurtenant except the in case where more than one parking space has been assigned to an apartment, the owner of said apartment may re-assign any parking space in excess of one parking space only to the Association upon such assignment, the exclusive right of the owner of the APARTMENT to which such assignment is made shall become an appurtenance to said APARTMENT, and upon the conveyance of or passing of title to the APARTMENT to which such assignment is made, such exclusive right shall pass as an appurtenant thereto in the same manner as the undivided interest in the COMMON PROPERTY appurtenant to such APARTMENT.~~

OFF 12505 PAGE 820



No conveyance, encumbrance or passing of title in any manner whatsoever to any exclusive right to use a parking space constituting LIMITED COMMON PROPERTY may be made or accomplished separately from the conveyance, encumbrance or passing of title to the APARTMENT to which it is appurtenant, except that such exclusive right may be separately assigned, transferred or conveyed to the ASSOCIATION or to another APARTMENT owner as an appurtenance to an APARTMENT located in the ROYAL COAST CONDOMINIUM.

The Association shall not have the right or authority to re-assign any parking spaces without the written consent of the party to whom said parking space is assigned.

2. Article 4.2.a. of the By-Laws is hereby amended to read as follows:

4.2 Election of Directors shall be conducted in the following manner:

a. The members of the Board of Directors shall be elected by a plurality of the votes cast at the annual meeting of the members of the Association and shall serve for a term of one (1) year.

Commencing with the annual meeting of the members of the Association held in January, 1986 the term of office of the four (4) Directors receiving the highest plurality of votes shall be established at two (2) years, and the term of office of the other three (3) Directors shall be established for one (1) year. Thereafter as many Directors of the Association shall be elected at the Annual Meeting as there are regular terms of office of Directors expiring at such time, and the term of office of the Directors so elected at the Annual Meeting of the members each year shall be for two (2) years expiring at the second Annual Meeting following their election.

3. Article 7.3 of the By-Laws is hereby amended by adding the following:

7.3 Building Rules and Regulation.

m. The maintenance, keeping, boarding, breeding and/or raising of animals, livestock, or poultry of any kind, regardless of number, shall be and hereby is prohibited within any unit or upon any common elements, except that this shall not be applicable, within reason, to birds, turtles or fish, nor prohibit the keeping of a "Permitted Pet" provided that the unit owner owned and kept such pet at the Condominium at or before the date of the recordation of this By-Law amendment and the unit owner registers such pet in accordance with procedures established by the Board of Directors.

There shall be no replacement of a Permitted Pet. Permitted Pets shall not be permitted upon the common elements, except in areas designated by the Board of Directors.

All pets are to be accompanied by an adult and are to be carried or leashed, and such adult shall immediately scoop up any feces deposited upon any designated or other common area.

Any member who keeps or maintains any Permitted Pet upon any portion of the Property shall be deemed to have indemnified and agreed to hold the Association and each of its members free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such Permitted Pet within the Property; and will be required to make the Association whole for any damage to carpeting or other Association property, any any other costs which the Association will incur by reason of any activities of such pets.

The Board of Directors shall have the right to order any person whose Permitted Pet is a nuisance to remove such Permitted Pet from the Property. Failure to remove feces will be held to be a nuisance.

REC 12505 PAGE 823

I hereby certify this document to be a true, correct and complete copy of the record filed in my office. Dated this 4 day

of March 1981.  
By Richard A. Barnard  
Deputy Clerk

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



EXHIBIT HMEMORANDUM OF AGREEMENT

The purpose of this Memorandum of Agreement is to set forth in summary outline form the proposed transactions ("Transactions") whereby shareholders ("Shareholders") of Winmor Investment, Inc. and Joov Investment, Inc. will sell their shares in the capital stock of such companies ("Shares") to Royal Coast Condominium Association, Inc. (the "Association"). (For convenience, Winmor Investment, Inc. and Joov Investment, Inc. are hereinafter collectively referred to as the "Lessor".) This Memorandum of Agreement will be only a summary and it is contemplated that the specifics, details and mechanics of the Transactions will be set forth in a formal agreement between the Lessor and the Association.

The Shareholders require that each particular Shareholder shall have the option to close on his or their particular Shares either on December 28, 1979 or January 5, 1980. Therefore, the Shareholders request that the Board of Directors of the Association respond with their agreement hereto by December 18<sup>th</sup>, 1979. After an agreement is reached as to the outline of the Transactions as evidenced by the execution of this Memorandum of Agreement, the Shareholders' attorneys will prepare the formal agreement. Assuming the execution of this Memorandum of Agreement by the Association and its delivery to the Shareholders by December 18<sup>th</sup>, 1979, the Shareholders will deliver the formal agreement to the Association December 18<sup>th</sup>, 1979. In the event the Shareholders do not deliver the formal agreement by such date but rather by a later date, the requirement of a closing no later than December 29, 1979 (see paragraph 2 below) shall be extended by the same number of days as the formal agreement was delivered late.

The following is the outline of the Transactions:

1. The Shareholders will grant to the Association an option ("Option") to purchase the Shares for an aggregate price of \$2,275,000.00 ("Aggregate Price"). At the "Closing" (as hereinafter defined), the proceeds of the sale will be distributed to the Shareholders in accordance with Schedule I annexed hereto.

In connection with this manner of distribution, the Association shall cause the cash and "Owners Notes" (as hereinafter described in paragraph 3(a) below) to be distributed separately to the individual and corporate Shareholders on a pro rata basis and in proportion with the above schedule of distribution.

2. The Option to the Association must be exercised and the Transactions must be closed ("Closings") no later than December 28, 1979 with respect to certain of the Shares and January 5, 1980 with respect to the balance of the Shares, the particular Shares to be closed upon on each such date to be designated, in writing by the Shareholders. The Shareholders reserve the right to waive or extend this requirement. The rental obligations of all unit owners under the Long Term Recreational Lease ("Lease") shall continue until the Closings occur and such rental payments shall continue to be paid into the escrow account already established for such purpose. Simultaneously with the Closings, \$275,000.00 of the amount in the escrow account less such funds in the escrow account as are applicable to the "Individual Plaintiffs" (see paragraph 13 below ("Plaintiff Amount")) shall be transferred to the Association ("Association Amount"). The Association and the Shareholders acknowledge that the Plaintiff Amount must remain in the escrow account until resolution of the Individual Plaintiffs' causes of action or as otherwise properly judicially ordered. Thereupon, the Plaintiff Amount shall be transferred to the Association. Any additional amounts in the escrow account may be

withdrawn by the Lessor or the Shareholders for attorneys' fees or other proper purposes or otherwise shall be transferred to the Shareholders. In the event the Shareholders determine to extend the Closings requirement or the Closing(s) is (are) otherwise extended, any rental payments paid into the escrow account after December 28, 1979 shall be transferred to the Shareholders at the Closing(s); provided, however, that the Association shall receive the Association Amount and the Plaintiff Amount must remain in the escrow account until transferred to the Association as aforesaid.

3. The Association will be required to pay cash at the Closings equal to not less than twenty-eight (28%) percent nor more than twenty-nine (29%) percent of the Aggregate Price. The Shareholders reserve the right to waive this requirement. The balance of the Aggregate Price will be payable as follows:

(a) By the individual promissory notes of unit owners ("Owner Notes") secured by mortgages on their respective units. The Owner Notes will (i) bear interest at the rate of ten (10%) percent per annum, (ii) be payable over a 30-year period in equal monthly installments, (iii) be prepayable in whole at any time without penalty but not sooner than thirteen (13) months after the applicable Closing, and (iv) become immediately due and payable upon the sale or other conveyance of the unit (other than conveyances by operation of law, including inheritance), provided, however, if the unit is sold or otherwise conveyed within thirteen (13) months of the applicable Closing, the applicable Owners Note shall become due and payable at the end of the thirteenth month following the applicable Closing. The mortgages on the units may be inferior to only first mortgages of institutional lenders, which first mortgages may not exceed 80% of the fair market value of the unit. The Shareholders shall have the right to determine the fair market value of each unit and they shall be reasonable in such determination. The Association shall be required to deliver to the Shareholders, not less than 30 days prior to the first Closing, commitments for mortgagee title insurance with respect to each unit giving an Owner Note and mortgage. The costs of these commitments and all other costs occasioned by the use of the Owner Notes and mortgages shall be borne respectively by the unit owners who elect to give Owner Notes and mortgages.

(b) The Association will be required to deliver its promissory note ("Association Note") to the Shareholders for the balance of the Aggregate Price which is not raised by the cash and Owner Notes as provided in paragraph 3(a) above. The Association Note will (i) be secured by a collateral assignment of the Lease, a pledge of the Shares and a mortgage on the real property and improvements devised under the Lease, (ii) not be prepayable, (iii) bear interest at the highest rate permitted by law, (iv) be payable over a 30-year period in equal monthly installments, and (v) shall be non-recourse, being payable solely out of the rental payments under the Lease it receives (through the Lessor from unit owners ("Non-Electing Owners") who do not elect to prepay, as more particularly described in paragraph 5 below). In the event the rental payments due under the Lease are initially insufficient to cover the amounts due under the Association Note, this shall not constitute a default under the Association Note and the interest due shall accrue but shall not bear interest. Payments on the Association Note

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PAGE 36

shall be applied first to interest and then to principal. In the event a Non-Electing Owner fails to make his rental payment to the Association, the Association may temporarily reduce the payment due under the Association Note by the amount of the delinquent rental payment(s) and shall not be in default under the Association Note provided the Association diligently and actively pursues to collect the delinquent rental and enforcement of the lease by placing a lien against the delinquent unit and foreclosing thereon, if necessary. The Association shall make the payments due under the Association Note directly to each Shareholder pro rata in the proportions described in paragraph 1 above.

4. The Aggregate Price shall be net to the Shareholders and, therefore, the Association shall be responsible for all costs, fees and charges with respect to the Transactions, including, but not limited to, recording fees, documentary stamps and intangible taxes. The Shareholders and the Association shall each be responsible for their own attorneys' fees.

5. The Association has informed the Shareholders that it desires to raise the cash and Owner Notes by offering to all unit owners, on a voluntary basis, the opportunity to prepay their respective rental obligations due under the Lease. The Shareholders have no objection to this method. The Association Note will cover the portion of the Aggregate Price which is applicable to the Non-Electing Owners, that is, the owners who elect not to exercise this prepayment opportunity. Further, the Shareholders have no objection to the electing unit owners receiving in return for their prepayment of the rental obligation, a "Rent Release Acknowledgment" from the Lessor in recordable form indicating that such unit is henceforth free of the obligation to pay rent under the lease.

6. After the Closing, the Lease may not be terminated or amended by the Association since it is being collaterally assigned as security for the Association Note and thus must remain in existence so as to be enforceable against the Non-Electing Owners until the Association Note is paid in full. In connection with this, after the Closing the Association shall not permit the Lessor to accept any further prepayments of rental obligations under the Lease by Non-Electing Owners without the prior written consent of the Shareholders. After the Closing, the Association shall be obligated to enforce the Lease and to collect the rental payments due thereunder, including the "escalation" provision thereof, and the Association may not attack the validity or enforceability of the Lease. The failure of the Association to enforce the Lease and to collect the rental payments due thereunder or an attack by the Association against the Lease shall constitute a default by the Association under the Association Note.

7. As a condition of Closing, (a) the Option agreement must be approved by seventy-five (75%) percent of all the unit owners at a duly called and noticed meeting and (b) seventy-five (75%) percent of all the unit owners must exercise the prepayment opportunity. The meeting of this dual 75% requirement must be evidenced by the Association presenting to the Shareholders written ballots signed by at least 75% of all unit owners and other evidence reasonably satisfactory to the Shareholders that 75% of all unit owners have elected to exercise the prepayment opportunity. The Shareholders reserve the right to waive this requirement.

8. One of the Shareholders, Greenvale, Inc., a Canadian corporation ("Minority Shareholder"), has not determined whether he will sell his Shares in the Lessor. (Actually, the Minority

Shareholder holds a ten (10%) percent interest in Winmor Investment, Inc. and Winmor Investment, Inc. holds a fifty (50%) percent interest in the lease.) At the last Closing, the Association shall grant to the Minority Shareholder an option, for sixty (60) days following the last Closing, to sell his shares in the Lessor to the Association. This requirement on the Association to purchase and the option to the Minority Shareholder to sell is known as a "put". The price at which the "put" can be exercised is set forth in paragraph 1 above opposite the name of the Minority Shareholder. In the event the Minority Shareholder refuses to sell his shares in the Lessor at the last Closing, the Aggregate Price shall be reduced by the amount of the "put" and the amount of the "put" shall be paid to the Minority Shareholder if, and at such time as (within the 60-day period), the "put" is exercised by the Minority Shareholder. The Association shall make the receipt of unconditional general releases from the Minority Shareholder running in favor of the Association, the Lessor and the Shareholders a condition of the exercise of the "put".

9. The Shareholders represent and warrant to the Association that there are no liabilities outstanding against the Lessor and that the only litigation pending against the Lessor is the litigation with the Association and certain individual unit owners, as more particularly described on Exhibit A hereto. The Option agreement shall reflect such representations and warranties and such other representations and warranties as are customary in transactions involving the sale of capital stock. Further, the Option agreement shall reflect that the Shareholders will indemnify the Association against any costs or losses arising out of a breach of such representations and warranties.

10. The Shareholders shall cooperate with the Association and its counsel in all reasonable and proper methods in obtaining the approval of the Circuit Court, through Judge Bohor, prior to the Closing.

11. At the Closings, the Association agrees to make the following statements in writing to the Shareholders:

- A. The inducement to purchase each unit consisted not only of the condominium building in which the units exist, but also the lease property.
- B. The existence of the lease, its escalation clause and the provision for lien against an owner's unit as security for payment, were fully and fairly disclosed in the form of Purchase Agreement utilized by the developers.
- C. Owners who purchased their units from the developers, a number of whom were represented by attorneys, knew or should have known of the contents of the Purchase Agreements at the time of their signing thereof.
- D. The essence of the Association's and the unit owners' dissatisfaction with the lease arises from the extent to which the rent has increased notwithstanding the fact that the unit owners were aware that the rent would be periodically adjusted in accordance with the Consumer Price Index, which fact was fully disclosed to all purchasers.
- E. Royal Coast Condominium was one of many developments available within substantially the same price range from which owners could choose. The developer of the Royal Coast Condominium was one of many developers in a highly competitive market.

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- F. The Association, through its present Board of Directors, had actual and/or constructive knowledge that the Lease was executed by the Association at a time when its Board of Directors was controlled by principals of the developers, acknowledges that such was the only method by which the Association could enter into the Lease before any units were sold and further acknowledges that this was fully disclosed to all purchasers.
- G. The Association paid the rent due under the Lease with the full knowledge that the Lease was executed by the Association at a time when its Board of Directors was controlled by principals of the developers.
- H. None of the developers possessed any significant economic power or position in the units so as to appreciably affect or restrain competition in either the market for condominium units or recreation facilities.

12. In consideration for the granting of the Option, which occurs at the time the Association executes this Memorandum of Agreement, without regard to whether the Option is approved by the unit owners, exercised by the Association or approved by the Circuit Court, the Association agrees to dismiss with prejudice and firmly and finally release and waive the following causes of action with respect to any litigation whether or not now pending against the Lessor or the developers, including but not limited to:

A. Any and all claims that the Lease is unconscionable, unreasonable or unfair, whether such claims are founded in common law or sanctioned, procedurally or substantively by Section 718.122, Florida Statutes;

B. Any and all claims or causes of action under the Anti-Trust Laws of the United States, including the Clayton Act (15 USC, Section 15) and the Sherman Act (15 USC, Section 1), and the Anti-Trust Laws of the State of Florida (Chapter 542, Florida Statutes);

C. Any and all claims or causes of action that may arise under amendments to Chapter 718, Florida Statutes, the Condominium Act; and

D. Any and all claims or causes of action now in existence or which may be created under all federal statutes or decisional law.

Notwithstanding the foregoing, the Association shall not be required, as part of the consideration for the Option, to dismiss with or without prejudice, release or waive the claim of breach of fiduciary duty as set forth in the Association's prior First Amended Complaint in Case No. 76-5637 or the claim set forth in the Association's Second Amended Complaint in Case No. 76-5637, which claim has become known as the "amended from time to time" theory or cause of action. However, in the event the Closing occurs, the Association shall be required to dismiss with prejudice both such claims and give a general release simultaneously with the Closing.



With the foregoing two exceptions, it is the intention of the Lessor, the Association and the Shareholders that all other existing, known or conceivable claims or causes of action that question the validity, propriety or enforceability of the Lease be dismissed with prejudice, released and waived in consideration of the granting of the Option. Notwithstanding that this waiver and release occurs simultaneously with the execution of this Memorandum of Agreement, the Association shall execute the form of Waiver and Release attached as Exhibit B hereto at the same time this Memorandum of Agreement is executed.

13. In the event the Closing occurs, the Shareholders shall cause the Lessor to waive the Association's liability for attorneys' fees and costs in connection with the litigation in Case No. 76-5637. This waiver of attorneys' fees and costs does not apply to the First Amended Complaint pending on behalf of the group of owners characterized as "Individual Plaintiffs". In connection with this, the Association shall cause the Lessor to transfer to the Shareholders (and the Association shall ratify such transfer) the right to seek the Lessor's attorneys' fees and other costs and the right to retain such attorneys' fees and other costs if awarded or recovered.

14. At the Closing, the Association shall grant and cause the Lessor to grant to the Shareholders the right, but not the obligation, at the Shareholders' option and expense, (a) to defend any and all claims or actions attacking the validity or enforceability of the Lease and (b) to counterclaim in connection with any such actions and to retain any awards or settlements arising therefrom. Further, the Association shall agree to immediately notify the Shareholders of any claim or threatened claim or action involving the Lease or the real property which is subject to the Lease.

15. The Association and the Shareholders acknowledge that this Memorandum of Agreement and the Option agreement shall have no effect whatsoever on any actions now or hereafter pending between the "Individual Plaintiffs" and the Shareholders, the Lessor or any of the developers, since the Association has no right to dispose of or affect their causes of action; but rather shall affect only the Association, its actions and the members of the class of plaintiffs which the Association represents. Notwithstanding the Association's inability to affect the causes of action of the "Individual Plaintiffs", the Association intends to offer, and considers it its obligation to offer, the rental repayment opportunity to all unit owners. The Association recognizes that in Case No. 76-5637 there is pending between the developers and the "Individual Plaintiffs" a claim by the developers for rescission of the conveyance of units to the "Individual Plaintiffs". Although the Lessor is unavoidably involved in the litigation, it is recognized that the Transactions shall not affect the continuation of this claim or any of the claims brought by the "Individual Plaintiffs". So as not to cause any interference with the ongoing nature of these claims, the Association recognizes that it shall, at the Closing, assign and cause the Lessor to assign to the Shareholders and/or the corporate developers (as the Shareholders may direct), and to each of them, the right to defend such actions and any other actions brought by the "Individual Plaintiffs" and the right to bring such action and any other actions against the "Individual Plaintiffs" which the Shareholders deem best. The Shareholders shall assume all costs, expenses and attorneys' fees incurred in connection with the defense or prosecution of any such actions, and further shall be entitled to or responsible for any awards or benefits of such litigation. Further, the Association shall agree, and cause the Lessor to agree, not to take any steps to interfere with any such actions.

16. This Memorandum of Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute a single instrument.

If this Memorandum of Agreement sets forth the general understanding of the Shareholders and the Association with respect to the Transaction, kindly indicate your agreement therewith by signing below and indicating the date of your signature.

This Memorandum of Agreement is subject to and not binding upon any party hereto unless and until Royal Coast Condominium Association, Inc. executes a certain letter agreement dated December 17, 1979 from Mark P. Grant, Esq. (on behalf of the Shareholders) to Ned Tennyson, Esq.

ROYAL COAST CONDOMINIUM ASSOCIATION, INC

By: [Signature]

Attest: May-Elita Busa

Date: 11.15.79

SHAREHOLDERS:

<u>[Signature]</u>	<u>11-15-79</u>
	Date
<u>[Signature]</u>	<u>11/15/79</u>
	Date
<u>[Signature]</u>	<u>11-15-79</u>
	Date
<u>Richard J. [Signature]</u>	<u>11-15-79</u>
<u>Pat [Signature]</u>	<u>11/15/79</u>
	Date

[Signature] 11/12/79

[Signature] 11/12/79

[Signature]

Received executed agreement on December 17, 1979 @ 3:30 P.M.

SCHEDULE 1

1. To the shareholders of Joey Investment, Inc. for 100% of their shares as follows:

George Goldbloom	\$ 317,916.67
Emanuel Edelstein	\$ 317,916.67
Joseph Kraemer	<u>\$ 317,916.66</u>

SUBTOTAL: \$ 953,750.00

2. To the shareholders of Winmor Investment, Inc. for 90% of their shares as follows:

Reed Gardens Ltd.	\$ 572,250.00	for all its shares
Ronald Bibace	\$ 381,320.00	for all his shares
Morris Robinson	<u>\$ 290,180.00</u>	for all his shares

SUBTOTAL for 90% of the shares of Winmor Investment, Inc. \$1,243,750.00

3. To Greenvale, Inc. (Minority Shareholder) pursuant to paragraph 8 of the Memorandum of Agreement for 10% of the shares of Winmor Investment, Inc. \$ 77,500.00

AGGREGATE PRICE: \$2,275,000.00

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

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