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MARSHA EWING
MARTIN COUNTY Florida
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This instrument prepared by:
James N. Krivok, Esquire
ST. JOHN, DICKER, KRIVOK & CORE, P.A.
500 Australian Avenue So., Suite 600
West Palm Beach, Florida 33401
(561) 655-8994

**CERTIFICATE OF AMENDMENT TO THE DECLARATION
OF CONDOMINIUM FOR RIVER CLUB CONDOMINIUM OF MARTIN COUNTY, INC.**

I HEREBY CERTIFY that the Amended and Restated Declaration of Condominium of River Club of Martin County, Inc. attached as Exhibit "1" to this Certificate was duly adopted as Amended and Restated Declaration of Condominium for River Club Condominium of Martin County, Inc. The original Declaration of Condominium of River Club of Martin County, Inc. is recorded in Official Records Book 463, Page 607 of the Public Records of Martin County, Florida.

DATED this 6th day of June, 2001.

As to witnesses:

RIVER CLUB OF MARTIN COUNTY, INC.

R. G. Zola

By: [Signature]
Ken Kusen, President

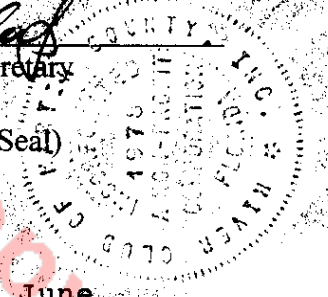
Jacqueline P. Stanislaw

Attest:

By: [Signature]
Richard Bishop, Secretary

(Seal)

STATE OF FLORIDA)
COUNTY OF MARTIN)



The foregoing instrument was acknowledged before me this 6th day of June, 2001, by Ken Kusen and Richard Bishop, as President and Secretary of River Club of Martin County, Inc. respectively, freely and voluntarily under authority duly vested in them by said corporation and that the seal affixed thereto is the true corporate seal of said corporation. They are personally known to me or have produced _____ and _____ as identification and who did take an oath.

Jacqueline P. Stanislaw
NOTARY PUBLIC

State of Florida at Large.
My Commission Expires:

JACQUELINE P. STANISLAW
Notary Public, State of Florida
My Comm. expires Aug. 12, 2001
Comm. No. CC 671188

(SEAL)

**AMENDED AND RESTATED DECLARATION OF CONDOMINIUM OF
RIVER CLUB OF MARTIN COUNTY, INC., A CONDOMINIUM**

THIS DECLARATION OF CONDOMINIUM made this 5th day of February, 1979, by UNDERWOOD MORTGAGE AND TITLE CO., a foreign corporation authorized to do business in Florida, called Developer, for itself, its successors, grantees and assigns.

WHEREIN the Developer makes the following declarations:

1. **PURPOSE.** The purpose of this Declaration is to submit the lands described in this instrument and improvements on those lands to the condominium form of ownership and use the manner provided by Chapter 718, Florida Statutes, as amended from time to time, hereafter called The Condominium Act.

1.1. **NAME AND ADDRESS.** The name by which this condominium is to be identified is RIVER CLUB OF MARTIN COUNTY, INC., a Condominium, (Rio), Jensen Beach, Florida, 34957.

1.2. **THE LAND.** The lands owned by Developer, which by this instrument are submitted to the condominium form of ownership, are lands lying in Martin County, more particularly described in Exhibit C which is attached hereto and made a part hereof.

2. **DEFINITIONS.** The terms used in this Declaration and in its exhibits shall have the meanings stated in The Condominium Act, as amended from time to time, and as follows unless the context otherwise requires:

2.1. **UNIT** means a part of the Condominium Property which is subject to exclusive ownership.

2.2. **UNIT OWNER** means a record owner of legal title to a Condominium Parcel.

2.3. **ASSOCIATION** means RIVER CLUB OF MARTIN COUNTY, INC., a non-profit Florida corporation, and its successors.

2.4. **BY-LAWS** means By-Laws of the Association.

2.5. **COMMON ELEMENTS** means the portions of the Condominium Property which are not included in the Units, unless otherwise expressly provided herein.

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

2.7. **COMMON EXPENSES** include:

a. Expenses of administration; expenses of insurance, maintenance, operation, repair, and replacement of the common elements, and of the portions of units to be maintained by the Association.

b. Expenses declared common expenses by provisions of this Declaration, the By-Laws, or The Condominium Act.

c. Any valid charge against the Association or the Condominium Property as a whole.

2.8. CONDOMINIUM PROPERTY means the lands, leaseholds and personal property that is subjected to condominium ownership, whether or not contiguous, and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection with the condominium.

2.9. CONDOMINIUM PARCEL means a unit together with the undivided share in the common elements that is appurtenant to the unit.

2.10. REGULATIONS means regulations respecting the use of the Condominium Property that have been adopted by the Association from time to time in accordance with its Articles of Incorporation and By-Laws.

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

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

3. NUMBER OF UNITS. The Condominium consists of a total of 188 units and each unit's percentage ownership in the common elements will be based on a total of 188 units. Each unit shall have a 1/188th share of ownership of the common elements and a 1/188th share of the common expenses.

3.1. EXHIBITS TO DECLARATION INCLUDING SURVEY OF LAND AND IMPROVEMENTS.

Surveys of the land and of the Phases, showing the improvements are attached hereto as Exhibits D and E. A survey of each floor of the condominium building and a survey of each unit within the condominium are also attached as Exhibits which are identified hereafter. A Surveyor's Certificate, certifying the facts required by Section 718.014(4)(e), Florida Statutes, is attached hereto

as Exhibit I. A complete list of the Exhibits to this Declaration of Condominium which are attached hereto and made a part hereof for the purpose of establishing and creating the condominium are as follows:

- EXHIBIT A - Articles of Incorporation of River Club of Martin County, Inc.
- EXHIBIT B - By-Laws of River Club of Martin County, Inc.
- EXHIBIT C, C1, C2 - Legal Description of Property Submitted to Condominium Ownership
- EXHIBIT D - Survey of Lands Submitted to Condominium Ownership
- EXHIBIT E - Site Plan of Phase 1 and Phase 2
- EXHIBIT F - Survey of Phase 1
- EXHIBIT G-1 to G-13 - Survey of First and Second Floor Plans and Units in Buildings 1, 2, 3, and 4
- EXHIBIT H - Survey of First and Second Floor Plans and Units in Buildings 5 through 15
- EXHIBIT I - Surveyor's Certificate
- EXHIBIT J - Survey of Phase 2
- EXHIBIT K, K1, K2 - Certificate of Surveyor as to Phase 2
- EXHIBIT L1 to L34 - Survey of First and Second Floor Plans and Units in Buildings 5 through 15

3.2. ALTERATION OF UNITS BY OWNERS. The interior of a unit may be changed by an owner, provided, however, no change shall be made in perimeter walls, load-bearing walls, load-bearing columns, balconies, structural components or other common elements or limited common elements. Furthermore, no unit may be subdivided. Any change that is made within a unit shall also comply with the requirements of Section 5 of this Declaration of Condominium concerning maintenance, alteration and improvement.

3.3. EASEMENTS. The following easements are covenants running with the land of the condominium.

a. Utility easements are reserved through the Condominium Property as may be required for utility services in order to adequately serve the condominium; provided, however, such easements through an unit shall be only according to the plans and specifications for the unit building, or as the building is constructed, unless approved in writing by the unit owner.

b. Ingress and egress are reserved for pedestrian traffic over, through and across sidewalks, paths, walks and lanes as the same from time to time may exist upon the common elements and limited common elements; and for vehicular traffic over, through and across such portions of the common elements and limited common elements as from time to time may be paved and intended for such purposes.

3.4. IMPROVEMENTS – GENERAL DESCRIPTION.

a. **BUILDINGS.** The Condominium Property includes fifteen (15) buildings containing a total of 188 units, a recreational building and other structures and facilities.

b. **OTHER IMPROVEMENTS.** The Condominium Property includes grounds and landscaping, automobile parking areas and other facilities located substantially as shown upon the plans and which are part of the common elements or limited common elements.

3.5. **UNIT BOUNDARIES.** Each unit shall include that part of the building containing the unit that lies within the boundaries of the unit, which boundaries are as follows:

a. **UPPER AND LOWER BOUNDARIES.** The upper boundary shall be the horizontal plane of the undecorated finished ceiling extended to an intersection with the perimetrical boundaries. The lower boundary shall be the horizontal plane of the undecorated finished floor extended to an intersection with the perimetrical boundaries.

b. **PERIMETRICAL BOUNDARIES.** The perimetrical boundaries of the unit shall be the vertical planes of the undecorated finished interior of the walls bounding the unit extended to the intersections with each other and with the upper and lower boundaries. All weight bearing walls and solid concrete columns located within a unit constitute part of the common elements up to the unpainted finished surface of said walls and columns. All doors and windows, glass or otherwise, which are in the perimeter walls of a unit shall be deemed a part of the unit up to the exterior finished undecorated surface thereof. All enclosures or other structures added by a unit owner to balconies and patios including supporting structures for glass, canvas, or screen are deemed personal property and a part of the unit.

c. Each unit shall also be deemed to include the individual air conditioning unit serving the unit, and all related integral parts thereof, including, but not limited to, the compressor. Each unit owner will be responsible for the maintenance and repair of his air conditioning unit, all related integral parts thereof and shall insure the same against casualty at his expense, if such insurance is desired.

3.6. LIMITED COMMON ELEMENTS. The balconies and patios abutting a unit are limited common elements appurtenant to that unit to which they are abutting, and their use is restricted to that unit to which they are appurtenant. One automobile parking space is assigned to each unit. Assigned parking spaces will be limited common elements appurtenant to the unit to which they are assigned. Additional spaces may be available and identified for guest parking.

4. CONDOMINIUM PARCEL. The Condominium Property is declared to contain 188 units, each of which, together with its appurtenances, constitutes a Condominium Parcel.

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

5.1. BY THE ASSOCIATION. The Association shall maintain, repair and replace at the Association's expense:

- a. All common elements and limited common elements.
- b. All portions of the units which contribute to the support of the buildings, including, without limitation, outside walls of the buildings, balconies, and load bearing walls and load-bearing columns within a unit.
- c. All conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services contained in the portions of a unit, or Condominium Property maintained by the Association; and all such facilities contained within a unit that service part or parts of the Condominium Property other than the unit within which contained.

5.2. BY THE UNIT OWNER. The responsibility of the unit owner shall be as follows:

- a. To maintain, repair and replace at the unit owner's expense all portions of the unit, except the portions to be maintained, repaired and replaced by the Association. This shall be done without disturbing the rights of other unit owners.
- b. The portions of a unit to be maintained, repaired and replaced by the unit owner at the unit owner's expense shall include, but not be limited to, the following items: balcony and patio enclosures, air conditioning unit for space cooling and heating serving the individual unit and all integral parts thereof, including, but not limited to, the compressor located adjacent to the condominium building; service equipment, such as dishwasher, laundry, refrigerator, oven and stove, whether or not these items are built-in equipment; interior fixtures such as electrical and plumbing fixtures; floor coverings except the floor slab; inside paint and other inside wall finishes; and screens, glass, window frames, glass doors and glass door frames. Mechanical equipment installed or maintained by a unit owner shall be such that its operation will not cause annoyance to the occupants of other units.

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

5.3. ALTERATION AND IMPROVEMENT.

a. By the Unit Owner. Unit owners shall not paint or otherwise decorate or change the appearance of any portion of the exterior of a building. Unit owners shall not make any alterations, additions, improvements or changes to portions of the unit or the buildings which are to be maintained by the Association or remove any portion thereof or make any additions thereto or do anything which would or might jeopardize or impair the safety or soundness of the buildings without first obtaining written consent of the Board of Directors.

b. By the Association. There shall be no material alteration nor further improvement of the common elements or acquisition of additional common elements without prior approval of at least sixty-five (65%) percent of the unit owners. Any personal property acquired by the Association may be sold or mortgaged or otherwise disposed of by the Association without approval.

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

6.1. SHARE OF COMMON EXPENSE. Each unit owner shall be liable for a proportionate share of the common expenses, and shall share in the common surplus, those shares being the same as the undivided share in the common elements appurtenant to the units owned by the unit owner.

6.2. INTEREST: APPLICATION OF PAYMENTS. Assessments and installments on assessments that are not paid when due shall bear interest at the highest rate allowed by law from the due date until paid. The Association may charge an administrative late fee in addition to such interest, in an amount not to exceed that permitted by law as set by the Board of Directors from time to time. Any payment received by the Association shall be applied first to any accrued interest, then to any administrative late fee, then to any costs and reasonable attorney's fees incurred in collection, and then to the delinquent assessment. The foregoing shall be applicable notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment.

6.3. LIEN FOR ASSESSMENTS. Assessments shall be due and payable on the first day of each calendar month of the year for which assessments are made. The Association may record a Claim of Lien if an assessment shall remain unpaid for more than thirty (30) days after the same shall become due and payable as set forth above. A foreclosure action may be commenced thirty (30) days after the Association gives written notice to the unit owner of its intention to foreclose the lien to collect the unpaid assessment. The lien for unpaid assessments shall secure all reasonable attorneys' fees incurred by the Association incident to the collection of an assessment or enforcement of the lien, including any appellate proceeding.

6.4. **ACCELERATION OF ASSESSMENTS.** In addition to the Association's rights of lien and foreclosure, in cases where assessments are not paid as due, the Association may accelerate the assessments for the remainder of any budget year, for any assessments that are in default for a period of fifteen (15) days. Should the Association proceed to lien and foreclose subsequent to acceleration, such lien and foreclosure shall be for the full-accelerated amount of assessments.

7. **LIMITATION UPON LIABILITY OF ASSOCIATION.** Notwithstanding the duty of the Association to maintain and repair parts of the Condominium Property, the Association shall not be liable to unit owners for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of property to be maintained and repaired by the Association, or caused by the elements or other owners or persons.

8. **INSURANCE.** The insurance other than title insurance that shall be carried upon the Condominium Property and the property of the unit owners shall be governed by the following provisions:

8.1. **PURCHASE; NAMED INSURED; CUSTODY AND PAYMENT OF POLICIES.**

a. **Purchase.** All insurance policies upon the Condominium Property shall be purchased by the Association and shall be issued by an insurance company authorized to do business in Florida.

b. **Approval.** Each insurance policy and the agency and company issuing the policy shall be subject to approval by the bank, savings and loan association or insurance company that, according to the roster of mortgagees at the time for approval, is the owner and holder of the oldest unsatisfied mortgage held by such an institution upon a unit covered by the policy. The approval may be obtained by directing to the mortgagee having the right of approval, a request in writing for approval or disapproval within ten days after the receipt of the request; and if a response from the mortgagee is not received within that ten-day period, the request shall be deemed to be approved. An approval shall not be unreasonably withheld or denied.

c. **Named Insured.** The named insured shall be the Association individually and as agent for the owners of units covered by the policy without naming them, and shall include mortgagees listed in the roster of mortgagees who hold mortgages upon units covered by the policy whether or not the mortgagees are named. Unit owners may obtain insurance coverage at their own expense upon their personal property and for their personal liability and living expense.

d. **Custody of Policies and Payment of Proceeds.** All policies shall provide that payments for losses made by the insurer shall be paid to the Insurance Trustee designated by the Board of Directors of the Association, and all policies and endorsements on them shall be deposited with the Insurance Trustee.

e. **Copies to Mortgagees.** One copy of each insurance policy and of all

endorsements on it shall be furnished by the Association to each mortgagee included in the mortgage roster who holds mortgages upon units covered by the policy. The copies shall be furnished not less than ten days prior to the beginning of the term of the policy or not less than ten days prior to the expiration of each preceding policy that is being renewed or replaced, whichever date shall first occur.

8.2. COVERAGE.

a. **Casualty.** All buildings and improvements upon the land shall be insured in such amounts that the insured will not be a co-insurer except under deductible clauses required to obtain coverage at a reasonable cost. The coverage shall exclude foundation and excavation costs, that part of the value of each unit occasioned by special improvement not common to units otherwise comparable in construction and finish, and all increase in value of units occasioned by alterations, betterments and further improvements. All personal property included in the common elements shall be insured. Values of insured property shall be determined annually by the Board of Directors of the Association. Insurance coverage shall afford protection against: (1) loss or damage by fire and other hazards covered by a standard extended coverage endorsement, and (2) such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use as the buildings on the land, including but not limited to insurance covering flooding, vandalism and malicious mischief.

The policies shall state whether the following items are included within the coverage in order that unit owners may insure themselves if the items are not insured by the Association: air conditioning unit for space cooling and heating serving the individual unit, and all integral parts thereof, including, but not limited to, the compressor located adjacent to the condominium building; service equipment such as dishwasher, laundry, refrigerator, oven stove, water heater, whether or not those items are built-in equipment; interior fixtures such as electrical and plumbing fixtures; floor coverings except the floor slab; and inside paint and other inside wall finishes.

When appropriate and possible, the policies shall waive the insurer's right to: (1) subrogation against the Association and against the unit owners individually and as a group; (2) the pro-rata clause that reserves to the insurer the right to pay only a fraction of any loss if other insurance carriers have issued coverage upon the same risk; and (3) avoid liability for a loss that is caused by an act of the Board of Directors of the Association, or by a member of the Board of Directors of the Association or by one or more unit owners.

b. **Public liability** in such amounts and with such coverage as shall be required by the Board of Directors of the Association, including but not limited to hired automobile and non-owned automobile coverage, and with gross liability endorsement to cover liabilities of the unit owners as a group to a unit owner.

c. **Workmen's compensation** policy to meet the requirements of law.

d. **Such other insurance** as the Board of Directors of the Association shall

determine from time to time to be desirable.

8.3. **PREMIUMS.** Premiums upon insurance policies purchased by the Association shall be paid by the Association as a common expense, except that the amount of increase in the premium occasioned by use for other than a residence, or misuse, occupancy or abandonment of a unit or its appurtenances or of the common elements by a unit owner shall be assessed against and paid by that owner. Not less than ten days prior to the date when a premium is due, evidence of the payment shall be furnished by the Association to each mortgagee listed in the roster of mortgages.

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

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

b. **Units.** Proceeds on account of damage to units shall be held in the following undivided shares:

(1) **When the Building Is to Be Restored.** For the owners of damaged units in proportion to the cost of repairing the damage suffered by each unit owner, which cost shall be determined by the Association.

(2) **When the Building Is Not to Be Restored.** An undivided share for each unit owner, such share being the same as the undivided share in the common elements appurtenant to his unit.

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

8.5. DISTRIBUTION OF PROCEEDS. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the beneficial owners in the manner hereafter provided in the section entitled "Reconstruction or Repair after Casualty".

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

8.7. BENEFIT OF MORTGAGEE. Certain provisions in this section entitled "Insurance" are for the benefit of mortgagees of Condominium Parcels. All of these provisions are covenants for the benefit of any mortgagee of a unit and may be enforced by that mortgagee.

9. RECONSTRUCTION AND REPAIR AFTER CASUALTY.

9.1. DETERMINATION WHETHER TO RECONSTRUCT AND REPAIR. Whether or not Condominium Property damaged by casualty shall be reconstructed and repaired shall be determined in the following manner:

a. Lesser Damage. If units to which 50% of the common elements are appurtenant are found by the Board of Directors of the Association to be tenantable after the casualty, the damaged property shall be reconstructed and repaired.

b. Major Damage. If units to which more than 50% of the common elements are appurtenant are found by the Board of Directors of the Association to be not tenantable after the casualty, whether the damaged property will be reconstructed and repaired or the condominium terminated shall be determined in the following manner.

(1) Immediately after the determination of the amount of insurance proceeds, the Association shall give notice to all unit owners of the casualty, the extent of the damage, the estimated cost to rebuild and repair, the amount of insurance proceeds and the estimated amount of assessments required to pay the excess of the cost of reconstruction and repair over the amount of the insurance proceeds.

(2) The notice shall call a meeting of unit owners to be held within thirty (30) days from the mailing of the notice.

(3) If the reconstruction or repair is approved at the meeting by the owners of 60% of the common elements, the damaged property will be reconstructed and repaired; but if not so approved, the condominium shall be terminated without agreement as elsewhere provided.

(4) The approval of a unit owner may be expressed by vote or in

writing filed with the Association at or prior to the meeting.

(5) The expense of this determination shall be assessed against all unit owners as a common expense.

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

9.2. REPORT OF DAMAGE. If any part of the Condominium Property shall be damaged and insurance proceeds or other funds are paid to the Insurance Trustee on account of the damage, a report of the damage shall be submitted by the Association to the Insurance Trustee. The report shall include the following information:

- a. Date and cause of damage.
- b. Whether the damaged property will be reconstructed and repaired or the condominium terminated. If the damaged property will be reconstructed and repaired, the report shall include the following information:
 - c. Schedule of damage for which the Association has responsibility for reconstruction and repair and the estimated costs of reconstruction and repair.
 - d. Whether damaged property for which the Association has responsibility for reconstruction and repair includes structural parts of a building.
 - e. Schedule of damage for which unit owners have the responsibility for reconstruction and repair and the estimated cost to each owner for reconstruction and repair.
 - f. The Insurance Trustee shall approve the manner of determining the estimated costs of reconstruction and repair and the finding as to whether the damaged property includes structural parts of a building, or the report of damage shall be substantiated by an attached report of an architect qualified to practice in this State.

9.3. RESPONSIBILITY FOR RECONSTRUCTION AND REPAIR. The responsibility for reconstruction and repair after casualty shall be the same as for the maintenance and repair of the Condominium Property as provided in the section entitled "Maintenance, Alteration and Improvement".

9.4. PLANS AND SPECIFICATIONS. Any reconstruction and repair must be substantially in accordance with the plans and specifications for the original improvements, portions of which are attached as exhibits; or if not, then according to plans and specifications approved by the Board of Directors of the Association, and if the damaged property is the unit building, by the

owners of not less than 60% of the common elements, including the owners of all units the plans for which are to be altered.

9.5. ASSESSMENTS; DETERMINATION OF SUFFICIENCY OF FUNDS.

a. Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair for which the Association is responsible, or if at any time during that work or upon completion of the work the funds available for the payment of the costs are insufficient, assessments shall be made by the Association against all unit owners in sufficient amounts to provide funds for the payment of those costs. The assessments shall be made as for a common expense, except that the cost of construction, reconstruction and repair occasioned by special improvement made at the request of the owner and not common to other units shall be assessed to the owner of the unit.

b. Determination of Sufficiency of Funds. If the estimated costs of reconstruction and repair for which the Association is responsible do not exceed \$10,000.00, the sufficiency of funds to pay the costs shall be determined by the Board of Directors of the Association and the sums paid upon the assessments shall be held by the Association. If the estimated costs exceed \$10,000.00, the sufficiency of funds to pay the costs shall be determined by an architect qualified to practice in Florida and employed by the Association to supervise the work, and the sums paid upon the assessments shall be deposited by the Association with the Insurance Trustee.

9.6. DISBURSEMENT OF FUNDS. The funds held by the Association or by the Insurance Trustee after a casualty, which will consist of proceeds of insurance and the sums collected from assessments against unit owners on account of the casualty, shall be disbursed in the following manner and order:

a. Expense of the Trust. All expenses of the Insurance Trustee shall be first paid or provisions made for payment.

b. Termination of the Condominium. If the condominium is terminated, either by agreement after lesser damage or by failure of the unit owners to approve reconstruction and repair after major damage, the remaining funds shall be deemed to be Condominium Property and shall be owned by the unit owners as tenants in common in the undivided shares in which they own the common elements prior to the termination. The balance of funds shall be distributed to the beneficial owners upon demand of the Association in the amounts certified by the Association, remittances to unit owners and their mortgagees being made payable jointly to them.

c. Reconstruction and Repair of Damage. If the damaged property is reconstructed and repaired, the funds shall be disbursed in the following manner:

(1) By Association - Damages of \$10,000.00 or Less. If the estimated costs of reconstruction and repair that is the responsibility of the Association do not

exceed \$10,000.00, the funds shall be disbursed in payment of these costs upon the order of the Association; provided, however, the funds shall be disbursed in the manner hereafter provided for the reconstruction and repair of damage of more than \$10,000.00 if the damaged property includes structural parts of a building, or if requested by a mortgagee that is a beneficiary of an insurance policy the proceeds of which are included in the funds.

(2) By Association - Damages of More Than \$10,000.00. If the estimated costs of reconstruction and repair that is the responsibility of the Association exceeds \$10,000.00, the funds shall be disbursed in payment of these costs in the manner required by the Board of Directors of the Association; provided, however, that an architect qualified to practice in Florida and employed by the Association to supervise the work shall approve all disbursements as being due and properly payable.

(3) By Unit Owners. If there is a balance of insurance proceeds after payment of costs of reconstruction and repair that is the responsibility of the Association, this balance shall be distributed to owners of damaged units who have responsibility for reconstruction and repair of their units. The distribution shall be in the shares that the estimated cost of reconstruction and repair of this damage in each damaged unit bears to the total of these costs in all damaged units; provided, however, that no unit owner shall be paid an amount in excess of the estimated costs for his unit. If there is a mortgage upon a unit, the distribution shall be paid to the unit owner and the mortgagee jointly and they may use the proceeds as they may determine.

(4) Surplus. It shall be presumed that the first moneys disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance remaining after payment of the costs for which the funds are collected, the balance shall be distributed to the beneficial owners of the funds, remittances to unit owners and their mortgagees being made payable jointly to them; provided, however, that the part of a distribution to a unit owner that is not in excess of assessments paid by that owner into the funds shall not be made payable to any mortgagee.

d. Reliance Upon Certificates. Notwithstanding the provisions of this declaration, the Insurance Trustee shall not be required to make a determination as to the existence of certain facts upon which the distribution of funds is conditioned. Instead, the Insurance Trustee may rely upon the certificate of the Association made by its President and Secretary stating:

(1) Whether the damaged property will be reconstructed and repaired or the condominium terminated.

(2) Whether or not payments upon assessments against unit owners shall be deposited with the Insurance Trustee.

(3) That sums to be paid are due and properly payable, the name

of the payee and the amount to be paid.

(4) The names of unit owners to receive distribution of funds and the amounts to be distributed to them; provided, however, that when a mortgagee is required by this instrument to be named as payee of a distribution to a unit owner, the Insurance Trustee also shall name the mortgagee as payee of any distribution of insurance proceeds to a unit owner.

e. Proviso. Provided, however, that under the following circumstances the approval of the architect elsewhere required shall be first obtained by the Association upon disbursements in payment of costs of reconstruction and repair:

(1) When the report of damage shows that the damaged property includes structural parts of a building.

(2) When the report of damage shows that the estimated costs of reconstruction and repair that is the responsibility of the Association exceed \$10,000.00.

(3) If required by the Association or by a mortgagee that is a beneficiary of an insurance policy the proceeds of which are included in the funds to be disbursed.

9.7. **BENEFIT OF MORTGAGEES.** Certain provisions in this section entitled "Reconstruction or Repair after Casualty" are for the benefit of mortgagees of Condominium Parcels. All of these provisions are covenants for the benefit of any mortgagee of a unit and may be enforced by the mortgagee.

10. **USE RESTRICTIONS.** The use of the Condominium Property shall be in accordance with the following provisions as long as the condominium exists and unit buildings in useful condition exist upon the land, and these restrictions shall be covenants running with the land of the condominium.

10.1. **UNITS.** Each of the units shall be occupied as a single-family residence and for no other purpose. No unit may be divided or subdivided into a smaller unit nor may any portion of any unit be sold or otherwise transferred.

10.2. **PETS.** No pets or animals shall be permitted in the units or anywhere else on the Condominium Property.

10.3. **NUISANCES.** No nuisances shall be allowed upon the Condominium Property nor any use or practice that is the source of annoyance to residents or which interferes with the peaceful possession and property use of the property by its residents. All parts of the condominium shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate nor

any fire hazard allowed to exist. No unit owner shall permit any use of his unit or make any use of the common elements that will increase the cost of insurance upon the Condominium Property above that required when the unit is used for the approved purposes.

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

10.5. **REGULATIONS.** Reasonable regulations concerning the use of Condominium Property may be made and amended from time to time, by the Board of Directors, in the manner provided by the Association's Articles of Incorporation.

10.6. **VEHICLES.** Following the date of enactment of this Amendment, only passenger vehicles will be permitted on or about the Condominium Property. A passenger vehicle will be those vehicles eligible to be registered as a passenger vehicle under Florida Law. The following vehicles are prohibited: any vehicle registered as commercial or recreational vehicles; all trucks, motorhomes, motorcycles, boats, trailers, boat trailers, commercial vans and recreational vehicles. The Board of Directors may adopt reasonable, short-term exceptions to this prohibition.

10.7. **RESTRAINT UPON ASSIGNMENT OF SHARES IN ASSETS.** The share of a unit owner in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his unit.

10.8. **APPROVAL OR DISAPPROVAL OF MATTERS.** Whenever the decision of a unit owner is required upon any matter, whether or not the subject of an Association meeting, that decision shall be expressed by the same person who would cast the vote for that unit if in an Association meeting, unless the joinder of record owners is specifically required by this Declaration.

11. **MAINTENANCE OF COMMUNITY INTEREST.** In order to maintain a community of congenial residents who are financially responsible and thus protect the value of the unit, the transfer of units by any owner shall be subject to the following provisions as long as the condominium exists and the unit buildings in useful condition exist upon the land which the provisions each unit owner covenants to observe:

11.1. **TRANSFER SUBJECT TO APPROVAL.**

a. **Sale.** No unit owner may dispose of a unit or any interest in a unit by sale without approval of the Association except to a unit owner.

b. **Gift.** If any unit owner shall acquire his title by gift, the continuance of his

ownership of the unit shall be subject to the approval of the Association.

c. Devise or Inheritance. If any unit owner shall acquire his title by devise or inheritance, the continuance of his ownership of his unit shall be subject to the approval of the Association.

d. Other Transfers; Leasing. If any unit owner shall acquire his title by any manner not considered in the foregoing subsections, the continuance of his ownership of his unit shall be subject to the approval of the Association.

11.2. APPROVAL BY ASSOCIATION. The approval of the Association that is required for the transfer of ownership of units shall be obtained in the following manner:

a. Notice to Association.

(1) Sale. A unit owner intending to make a bona fide sale of a unit or any interest in it shall give to the Association notice of that intention, together with the name and address of the intended purchaser and such other information concerning the intended purchaser as the Association may reasonably require. The notice at the unit owner's option may include a demand by the unit owner that the Association furnish a purchaser of the unit if the proposed purchaser is not approved; and if that demand is made, the notice shall be accompanied by an executed copy of the proposed contract to sell.

(2) Gift; Devise or Inheritance; Other Transfers. A unit owner intending to make a gift of a unit or any interest in a unit, and a unit owner who has obtained his title by gift, devise or inheritance, or by any other manner not previously approved by the Association, shall give to the Association notice of the proposed gift or of the acquiring of title, together with such information concerning the transferee as the Association may reasonably require, and a certified copy of the instrument evidencing a transferee's title.

(3) Lease. A unit owner intending to make a bona fide lease of a unit shall give to the Association notice of that intention, together with the name and address of the intended lessee, such other information concerning the intended lessee as the Association may reasonably require and an executed copy of the proposed lease.

(4) Failure to Give Notice. If the above-required notice to the Association is not given, then at any time after receiving knowledge of a transaction or event transferring ownership of a unit, or leasing a unit, the Association at its election and without notice may approve or disapprove the transaction or ownership. If the Association disapproves the transaction or ownership, the Association shall proceed as if it had received the required notice on the date of that disapproval.

(5) Costs. A unit owner who is required to give notice to the

Association of a transfer of ownership shall pay a reasonable fee to the Association in an amount determined by the regulations, but not to exceed \$50.00, to cover the costs incident to the determination by the Association. The fee shall be paid with the giving of the notice, and the notice shall not be complete unless the fee is paid; and if the notice is not given, the fee shall be assessed against the party owning the unit at the time of assessment.

b. Certificate of Approval.

(1) Sale. If the proposed transaction is a sale, then within fifteen (15) days after receipt of the notice and information the Association must either approve or disapprove the proposed transaction. If no action is taken within fifteen (15) days, the transaction is deemed approved. If approved, the approval shall be stated in a certificate executed by the President, Vice-President and Secretary or Assistant Secretary of the Association.

(2) Gift; Devise or Inheritance; Other Transfers. If the notice is of an intended gift or the unit owner giving notice has acquired his title by gift, devise or inheritance or in any other manner not previously approved by the Association, then within fifteen (15) days after receipt of the notice and information the Association must either approve or disapprove the donee or the continuance of the transferee's ownership of his unit. If no action is taken within fifteen (15) days, the transaction is deemed approved. If approved, the approval shall be stated in a certificate executed by the President and Secretary of the Association.

(3) Lease. If the proposed transaction is a lease, then within fifteen (15) days after receipt of the notice and information required, the Association must either approve or disapprove the proposed transaction. If no action is taken within fifteen (15) days, the transaction is deemed approved. If approved, the approval shall be stated in a certificate or letter executed by the President or Vice-President of the Association which shall be delivered to the unit owner. Such approval shall not be recorded in the public records of Martin County, Florida. The lease term shall be for a period of not less than two (2) consecutive calendar months and not more than twelve (12) consecutive calendar months, and not more than three (3) times in any calendar year. All leases and any extensions or renewals thereof must also be submitted to the Association for approval before going into effect. The Association has authority to evict tenants when the tenants violate any provision in the Declaration, By-Laws, Articles of Incorporation, or Rules and Regulations, or if the tenants have not been approved by the Association.

c. Approval of Corporate Owner or Purchaser. Since the condominium may be used only for residential purposes and a corporation cannot occupy a unit for that use, the approval of ownership of a unit by a corporation may be conditioned by requiring that all persons occupying the unit be approved by the Association.

11.3. **DISAPPROVAL BY THE ASSOCIATION.** If the Association shall disapprove a transfer of ownership of a unit, the matter shall be treated in the following manner:

a. **Sale.** If the proposed transaction is a sale and if the notice of sale given by the unit owner shall so demand, then within thirty (30) days after receipt of the notice and information the Association shall deliver or mail by certified mail to the unit owner an agreement signed by a purchaser approved by the Association and obligating the purchaser to buy the unit upon the terms hereafter stated. The seller shall be obligated to sell the unit to the purchaser upon the following terms:

(1) At the option of the purchaser to be stated in the agreement, the price to be paid shall be that stated in the disapproved contract to sell or shall be the fair market value determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the unit; and a judgment of specific performance of the sale upon the decision rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

(2) The purchase price shall be paid in cash, or upon terms approved by the seller.

(3) The sale shall be closed within thirty (30) days after the delivery or mailing of the agreement to purchase, or within ten (10) days after the determination of the sale price if it is by arbitration, whichever is the later.

(4) A certificate of the Association executed by its President or Vice-President and Secretary or Assistant Secretary approving the purchaser.

(5) If the Association shall fail to provide a purchaser upon the demand of the unit owner in the manner provided, or if a purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding the disapproval the proposed transaction shall be deemed to have been approved and the Association shall furnish a certificate of approval as elsewhere provided.

b. **Gifts; Devise or Inheritance; Other Transfer.** If the notice is of a proposed gift, devise, inheritance, or other transfer, the unit owner shall be advised in writing of the disapproval and the gift, devise, inheritance, or other transfer shall not be made. Any attempted gift, devise, inheritance, or other transfer to a party who is not approved by the Association shall be void. If the unit owner giving notice has acquired his title by gift, devise or inheritance, or in any other manner, then within thirty (30) days after receipt from the unit owner of the notice and information required to be furnished, the Association shall deliver or mail by certified mail to the unit owner an agreement signed by a purchaser approved by the Association and obligating the purchaser to buy the unit upon

the terms hereafter stated. The seller shall be obligated to sell the unit to the purchaser upon the following terms:

(1) The sale price shall be the fair market value determined by agreement between the seller and purchaser within thirty (30) days from the delivery or mailing of the agreement. In the absence of agreement as to price, the price shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association who shall base their determination upon an average of their appraisals of the unit. A judgment of specific performance of the sale upon the decision rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

(2) The purchase price shall be paid in cash or upon terms approved by the seller.

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

(4) A certificate of the Association shall be executed by its President or Vice-President and Secretary or Assistant Secretary approving the purchaser.

(5) If the Association shall fail to provide a purchaser in the manner provided, or if a purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding the disapproval the ownership shall be deemed to have been approved, and the Association shall furnish a certificate of approval as elsewhere provided.

c. Lease. If the proposed transaction is a lease, the unit owner shall be advised of the disapproval in writing, and the lease shall not be made.

11.4. MORTGAGE. No unit owner may mortgage a unit nor any interest in it without the approval of the Association except to a bank, life insurance company or a savings and loan association, or to a vendor to secure a portion or all of the purchase price. The approval of any other mortgagee may be upon conditions determined by the Association or may be arbitrarily withheld.

11.5. LIMITATIONS ON MORTGAGE LIABILITIES. Where the mortgagee of the first mortgage of record, or the purchaser or purchasers of a condominium unit obtains title to the condominium or parcel or unit as a result of foreclosure of the first mortgage, or by voluntary conveyance in lieu of such foreclosure, said mortgagee shall not be liable for the shares of common expenses or assessments by the Association pertaining to such condominium unit or chargeable to former owner of such condominium unit which became due prior acquisition of title by said mortgagee or purchaser as a result of the foreclosure or voluntary conveyance in lieu of said foreclosure. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectable from all of the owners of condominium units, including a successor or assign of

the mortgagee. The waiver of liability granted herein for the payment of past due assessments shall not apply to the owner who takes back a purchase money mortgage.

11.6. EXCEPTIONS. The foregoing provisions of this Section entitled "Maintenance of Community Interests" shall not apply to a transfer to or purchase by a bank, life insurance company or savings and loan association that acquires its title as the result of owning a mortgage upon the unit concerned, and this shall be so whether the title is acquired by deed from the mortgagor, his successors or assigns, or through foreclosure proceedings; nor shall such provisions apply to a transfer, sale or lease by a bank, life insurance company or savings and loan association that so acquires its title. Neither shall such provision require the approval of a purchaser who acquires the title to an unit at a duly advertised public sale with open bidding provided by law, such as but not limited to execution sale, foreclosure sale, judicial sale or tax sale; a mortgage or transfer to or a purchase or other acquisition by Developer, nor a lease, mortgage, sale or other transfer by Developer.

11.7. UNAUTHORIZED TRANSACTIONS. Any sale, mortgage, lease or assignment of lease that is not authorized pursuant to the terms of this declaration shall be void unless subsequently approved by the Association.

12. COMPLIANCE AND DEFAULT. Each unit owner and the Association shall be governed by and shall comply with the terms of the Declaration of Condominium, Articles of Incorporation of the Association and the By-Laws and Regulations adopted pursuant to those documents, and all of those documents and regulations as they may be amended from time to time. The Association and unit owners shall be entitled to the following relief in addition to the remedies provided by The Condominium Act:

12.1. COMPLIANCE. Failure to comply with any of the terms of the Amended and Restated Declaration of Condominium of River Club of Martin County, the Amended and Restated By-Laws, the Amended and Restated Articles of Incorporation, or Rules and Regulations adopted pursuant thereto, shall be grounds for relief including, without limitation, fines, an action to recover sums due for damages, injunctive relief, foreclosure of lien or any combination thereof.

12.2. NEGLIGENCE AND FAULT. A unit owner shall be liable for the expense of any maintenance, repair or replacement made necessary by the unit owner's act, negligence, or carelessness, or by that of any member of the unit owner's family or the unit owner's guests, employees, agents or lessees.

12.3. COSTS AND ATTORNEYS' FEES. In any proceeding arising from an alleged failure of a unit owner or the Association to comply with the requirements of The Condominium Act, this Declaration, the Articles of Incorporation of the Association, the By-Laws, or the Regulations, and those items as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees as may be awarded by the court.

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

13. AMENDMENTS. This Declaration of Condominium may be amended in the following manner:

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

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

a. not less than 60% of the entire membership of the Board of Directors and by not less than 51% of the votes of the entire membership of the Association; or

b. not less than 60% of the votes of the entire membership of the Association;
or

c. not less than 50% of the entire membership of the Board of Directors in the case of amendments that are only for one or more of the following purposes:

(1) To correct misstatements of fact in the Declaration and its exhibits, including but not limited to the correction of errors in the legal description of the land or in surveys of land. If the amendment is to correct the Declaration of Condominium so that the total of the undivided shares of unit owners in either the common elements, common surplus or common expenses shall equal 100%, the owners of the units and the owners of liens on the units for which modifications in the shares are being made also shall approve the amendment.

(2) To adopt amendments of the Section entitled "Insurance" that are reasonably required by insurers or mortgagees of Condominium Property.

13.3. WRITTEN CONSENT. Amendments may also be approved by written consent as provided by law.

13.4. PROVISIO. Provided, however, that no amendment shall discriminate against any unit owner nor against any unit or class or group of units, unless the unit owners so affected shall consent; and no amendment shall change any unit nor decrease the share in the common elements appurtenant

to it, nor increase the owner's share of the common expenses, unless the record owner of the unit concerned and all record owners of mortgages on that unit shall join in the execution of the amendment. The sections entitled "Insurance," "Reconstruction or Repair after Casualty," Sections 11.4., 11.5., 11.6., or 11.7, shall not be amended unless the record owners of all mortgages upon the condominium shall join in the execution of the amendment.

13.5. EXECUTION AND RECORDING. An amendment adopted in any manner shall be evidenced by attaching a copy of the amendment to a certificate certifying that the amendment was duly adopted, which certificate shall be executed by the officers of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the public records of Martin County, Florida. If the amendment is to correct the Declaration of the Condominium so that the total of the undivided shares of unit owners in either the common elements, common surplus or common expenses shall equal 100%, the owners of the units and the owners of liens on the units for which modifications in the shares are being made also shall execute the certificate.

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

14.1. DESTRUCTION. If it is determined in the manner elsewhere provided that the unit building shall not be reconstructed because of major damage, the condominium plan of ownership thereby will be terminated without agreement.

14.2. AGREEMENT. The condominium may be terminated by approval in writing by all record owners of units and all record owners or mortgages on units.

14.3. APPROVAL AND OPTIONS TO PURCHASE. If the proposed termination is submitted to a meeting of the members of the Association and the notice of the meeting gives notice of the proposed termination, and if approvals by owners of not less than 60% of the common elements and by the record owners of all mortgages upon the units are obtained in writing not later than thirty (30) days after the date of that meeting, then the approving unit owners shall have an option to buy all of the units of the other unit owners for the period ending on the 60th day after the date of that meeting. Approvals of the termination shall be irrevocable until the expiration of the option, and if the option is exercised, the approvals shall be irrevocable. The option shall be upon the following terms:

a. Exercise of Option. The option shall be exercised in the following manner:

(1) A party desiring to exercise the option shall execute and deliver to the Association two counterparts of an agreement in the form supplied by the Association agreeing to purchase the units desired by him upon the terms hereafter stated. An agreement signed by the seller may be conditioned upon the termination of the condominium. If the agreement is not signed by the seller, it shall be an offer to purchase. If more than one offer

is made for the same unit, the unit will be sold under the first offer received by the Association, which offer shall be irrevocable and shall constitute an agreement to purchase conditioned upon the exercise of the option to purchase all of the units subject to the option and the termination of the condominium.

(2) The option shall be deemed to be exercised if the Association received within the time stated contracts or offers for the purchase of all of the units owned by the unit owners who do not approve the termination.

(3) The exercise of the option shall be evidenced by the certificate of the Association executed by its President and Secretary stating that all of the units owned by the unit owners who do not approve the termination have been purchased and identifying the purchasers and the units purchased by them. A copy of the certificate shall be delivered or mailed by certified or registered mail, return receipt requested, to each record owner of the units being purchased, together with an executed counterpart of the agreement or offer to purchase each unit owned by the person receiving the certificate.

b. Price. The sale price of a unit sold under an agreement signed by the seller shall be the price stated in the agreement. The sale price of a unit sold under an offer to purchase shall be the fair market value determined by agreement between the seller and purchaser within thirty (30) days from the delivery or mailing of the agreement to the seller. In the absence of agreement as to price, the price shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the unit. A judgment of specific performance of the sale upon the decision rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

c. Payment. The purchase price shall be paid in cash, or upon terms approved by the seller and the Association.

d. Closing. The sale shall be closed within ten (10) days following the determination of the sale price, or within sixty (60) days after the exercise of the option, whichever shall last occur.

e. Termination. The closing of the purchase of all of the units subject to the option shall effect a termination of the condominium without further act except the filing of the certificate hereafter required.

f. Failure to Purchase. If the option to purchase all of the units owned by unit owners who do not approve the termination of the condominium is not exercised, and if all of the sales under the option are not closed within a reasonable time after the closing date provided above, the proposed termination of the condominium shall fail. The failure shall be evidenced by a certificate

of the Association, and thereafter the offers and agreements to purchase under this provision that have not resulted in closed sales shall be void.

14.4. CERTIFICATE. The termination of the condominium in either of the foregoing manners shall be evidenced by a certificate of the Association executed by its President and Secretary certifying as to facts effecting the termination, which certificate shall become effective upon being recorded in the public records of Martin County, Florida.

14.5. SHARES OF OWNERS AFTER TERMINATION. After termination of the condominium, unit owners shall own the Condominium Property and all assets of the Association as tenants in common in undivided shares, and their respective mortgagees and lienors shall have mortgages and liens upon the respective undivided shares of the unit owners. The undivided shares of the unit owners shall be the same as the undivided shares of the common elements appurtenant to the owner's units prior to the termination.

14.6. AMENDMENT. This section concerning termination cannot be amended without consent of all unit owners and of all record owners of the mortgages upon the units.

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

IN WITNESS WHEREOF, the undersigned President of the River Club of Martin County, Inc. has affixed his signature this 6th day of June, 2001.

WITNESSED:
[Signature]

RIVER CLUB OF MARTIN COUNTY, INC.

[Signature]
Jacqueline P. Stanislaw

By: [Signature]
Ken Kusen, President

ATTEST:

By: [Signature]
Secretary Richard A. Bishop

STATE OF FLORIDA }
 }
 } ss.:
COUNTY OF MARTIN }

Ken Kusen, appeared before me, and after being duly sworn, he acknowledged that he executed the foregoing Amended and Restated Declaration of Condominium for the purposes expressed in the Amended and Restated Declaration on this 6th day of June, 2001.

Jacqueline P. Stanislaw
Notary Public

My Commission Expires: JACQUELINE P. STANISLAW
 Notary Public, State of Florida
 My Comm. expires Aug. 12, 2001
 Comm. No. CG 671188

(Notary Seal)

COPY
COPY
COPY