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Tallahassee, Florida 32301-4552

**ORIGINAL
FILE COPY**

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May 31, 1991

Mr. Steve Tribble
Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32399-0850

Re: Docket No. 900816-WS, Petition for Rate Increase in Martin
County by SAILFISH POINT UTILITY CORPORATION

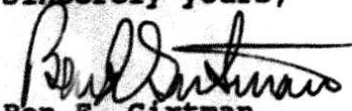
Dear Mr. Tribble:

Enclosed for filing on behalf of Sailfish Point Utility Corporation in the above referenced matter are the original and 12 copies of the Rebuttal Testimony and Exhibits of Sailfish Point Utility Corporation's Witnesses, Frank Seidman and William D. Reese.

Please acknowledge receipt of the enclosures by stamping the attached copy of this letter returning it to my office.

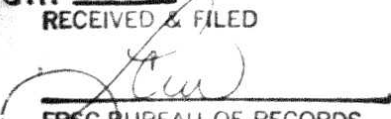
Thank you for your assistance.

Sincerely yours,


Ben E. Girtman

ACK _____
AFA 1
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OPD _____
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RECEIVED & FILED


FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE
05498 MAY 31 1991
FPSC-RECORDS/REPORTING



Sailfish Point

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

DOCKET NO. 900816-WS

**CONTAINING
REBUTTAL TESTIMONY AND EXHIBITS**

**OF
FRANK SEIDMAN
AND
WILLIAM D. REESE**

11380 Prosperity Farms Rd., Suite 211
Palm Beach Gardens, FL 33410
(407) 694-0220



567 Interstate Blvd.
Sarasota, Florida 34240
(813) 371-8499

Management & Regulatory Consultants, Inc.

DOCUMENT NUMBER-DATE

**05438 MAY 31 1991
FPSC-RECORDS/REPORTING**

1 **REBUTTAL TESTIMONY OF FRANK SEIDMAN**
2 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**
3 **REGARDING THE APPLICATION FOR INCREASED RATES FOR**
4 **SAILFISH POINT UTILITY CORPORATION**
5 **IN MARTIN COUNTY**
6 **DOCKET NO. 900816-WS**
7

8 **Q. Please state your name, profession and address.**

9 **A. My name is Frank Seidman. I am President of**
10 **Management and Regulatory Consultants, Inc.,**
11 **consultants in the utility regulatory field. My**
12 **office is located at 11380 Prosperity Farms Road,**
13 **Suite 211, Palm Beach Gardens, Fl 33410.**

14
15 **Q. Are you the same Frank Seidman that has previously**
16 **submitted direct testimony on behalf of the**
17 **Applicant in this proceeding?**

18 **A. Yes I am.**
19

20 **Q. What is the purpose of your rebuttal testimony?**

21 **A. The purpose of my testimony is to rebut the direct**
22 **testimony of Mr. Thomas C. DeWard and Mr. Harry**
23 **DeMeza filed on behalf of the Office of Public**
24 **Counsel and the direct testimony of Mr. Roger W.**
25 **Rasmusen filed on behalf of Sailfish Point Property**
26 **Owners' Representatives.**

1 Q. What subject areas will your rebuttal testimony
2 cover?

3 A. The subject areas covered by my rebuttal testimony
4 are:

5 Working Capital Allowance (DeWard)

6 Capital Structure (DeWard)

7 Rate Case Expense (DeWard)

8 Income Tax Expense (DeWard)

9 Margin Reserve (DeWard and DeMeza)

10 Used and Useful Fireflow Capacity (DeMeza)

11 Used and Useful Lines (DeMeza)

12 Ownership of Utility Property (Rasmusen)

13

14 WORKING CAPITAL ALLOWANCE

15 Q. Mr. DeWard recommends that the working capital
16 allowance calculated using the formula method be
17 disallowed. Do you agree?

18 A. No. The method of determining working capital has
19 now been established by Commission Rules 25-30.437
20 and 25-30.443 F.A.C. These rules incorporate the
21 Minimum Filing Requirement forms for water and
22 wastewater utilities. The instructions for the
23 forms specify that the formula method is to be
24 used. In addition, the form instructions specify
25 that if a utility submits a working capital

1 allowance based on the balance sheet method, the
2 cost incurred for this calculation will not be
3 considered in rate case expense.
4

5 Since, the formula method for determining working
6 capital is set by Commission rule, the methodology
7 is not at issue. Mr. DeWard's position that the
8 formula method is not a proper methodology is
9 contrary to the rules of the Commission and cannot
10 be at issue.
11

12 CAPITAL STRUCTURE

13 Q. Mr. DeWard has recommended that the appropriate
14 capital structure for this proceeding is that of
15 Sailfish Point Utility Corporation rather than that
16 of the parent, Mobil Corporation. He has also
17 recommended that the capital provided on an
18 intercompany basis be considered as cost free
19 capital. Do you agree with these recommendations?

20 A. No, I do not. They fail to recognize the true
21 source and cost of capital available to this
22 utility. SPUC is a subsidiary corporation, 100% of
23 whose stock is owned by another wholly owned
24 subsidiary of Mobil Corporation. SPUC has no
25 capital sources of its own. It has no outside debt

1 and it is doubtful it could obtain outside debt
2 without the guarantees of the parent. Therefore,
3 the capital sources of SPUC and the cost for those
4 sources can only be those of the parent.

5
6 Q. Mr. DeWard claims that using Mobil Corporation
7 capital structure results in an artificial capital
8 structure for the utility. Is that a correct
9 conclusion?

10 A. No. In fact, the opposite is true. The capital
11 structure as reflected on the books of the utility
12 is nothing more than an allocation of the capital
13 received from the parent either directly or through
14 Mobil's subsidiaries. Whether that capital is
15 identified as intercompany debt or an intercompany
16 advance, it is funded by the mix of capital sources
17 at the parent level.

18
19 Q. Mr. DeWard attempts to draw a distinction between
20 the original interest bearing note from Sailfish
21 Point, Inc. and subsequent cash advances used to
22 fund construction and operations. He concludes that
23 since no interest is charged on the cash advances
24 that the advances are cost free. Is that
25 distinction logical?

1 A. No. Whether an interest charge is assigned to
2 intercompany transactions within a consolidated
3 structure is immaterial. As I have previously
4 alluded, it is only a means of allocation. The fact
5 that one company pays interest and another related
6 company collects it, is a wash on a consolidated
7 basis. The only costs that are relevant are the
8 original capital sources which are the equity of
9 Mobil and the outside financing to Mobil. The
10 capital made available to SPUC is certainly not
11 cost-free. One could logically conclude that the
12 advances to SPUC are 100% equity, however for
13 ratemaking purposes, I have conservatively treated
14 all funding to be reflective of the Mobil's debt
15 and equity sources, not just its equity.

16
17 Q. Is your approach to the capital structure
18 consistent with this Commission's position on
19 wholly owned subsidiaries?

20 A. Yes it is. A 1986 intra-Commission Memorandum
21 states, "The appropriate capital structure is found
22 at the first level, beginning with the utility's
23 per books capital structure, that attracts investor
24 capital from any arms length transaction." The
25 emphasis is that of the Commission staff.

1 Q. Mr. DeWard states that with few exceptions, the
2 Utility has lost money in every year. He then
3 apparently concludes that this was acceptable in
4 the past and should be required in the future. Is
5 that logical?

6 A. No. The fact that the parent has allowed the
7 utility to operate at a loss in the past does not
8 mean it was acceptable nor does it commit it to
9 continue to incur losses into the future. The fact
10 that the parent has allowed such losses has
11 resulted in thousands of dollars of benefits to the
12 customers. These losses certainly cannot be
13 recaptured. This utility is not requesting such a
14 recapture and this Commission could not allow that
15 to happen. Although this Commission may allow a
16 utility to voluntarily operate at a loss it cannot
17 require it to do so. When requested by a utility
18 or upon its own motion, "the commission shall ...
19 fix rates which are just, reasonable, compensatory
20 and not unfairly discriminatory." [§367.081(2)(a)
21 F.S., emphasis added]

22

23 RATE CASE EXPENSE

24 Q. Mr. DeWard recommends that none of the rate case
25 expense associated with the 1989 rate case filing

1 be allowed. Do you agree?

2 A. No. I stated the reasons for my position at pages
3 15 and 16 of my prefiled direct testimony. In
4 addition, I would like to confirm that a
5 considerable amount of the information supporting
6 the plant in service, contributions in aid of
7 construction and meter installations from inception
8 was used to develop this filing, to respond to
9 staff auditors and staff inquiries and to respond
10 to intervenor discovery.

11

12 Q. Mr. DeWard also recommends that legal costs
13 incurred in opposing the intervention of the
14 "homeowners association" be disallowed. Do you
15 agree with that recommendation?

16 A. No. First, the record should be clear that the
17 group in question is not a homeowners association.
18 It is an advisory committee to the owners
19 association. Second, it should be clear that SPUC
20 did not argue "against their rights to be fairly
21 represented" as alleged by Mr. DeWard. It was
22 fairness in representation that SPUC was seeking to
23 assure, and it was the merits of the allegations in
24 the Petition for Leave to Intervene to which SPUC
25 took exception. The language in the Commission

1 order granting the petition to intervene bears out
2 SPUC's concern. I quote from Order No. 24486,
3 issued May 7, 1991:

4 However, we also find that the
5 utility has made valid arguments
6 relating to the merits of some
7 allegations made by SPOR. We find
8 certain allegation made by SPOR of
9 substantial injury are not of the
10 type this rate proceeding is
11 designed to protect and are remote,
12 speculative, and irrelevant.

13
14 The utility has an obligation to its stockholders
15 and to its other ratepayers to take issue with
16 intervention that can be "remote, speculative, and
17 irrelevant" and costly.

18
19 INCOME TAX EXPENSE

20 Q. Mr. DeWard has recommended that no income tax
21 expense be allowed. Do you agree?

22 A. No. Mr. DeWard's recommendation is based on the
23 premise that there is no equity component of
24 capital and therefore no related income tax
25 expense. However, as I previously discussed at

1 pages 3 through 5 of this rebuttal testimony, the
2 conclusion that equity is nonexistent and debt is
3 cost-free is incorrect and illusory. As shown in
4 the MFR's, there is a substantial income tax
5 expense associated with the requested return on
6 equity.

7
8 Q. Does it matter that the utility has operated at a
9 loss in previous years?

10 A. No. Rates are set for the future and should
11 reflect the total cost of providing service to
12 customers during the period in which they are in
13 effect. Income tax expense associated with return
14 on equity is a cost of service. In previous years,
15 the rates charged customers were insufficient to
16 recover return, income taxes or even all operating
17 expenses. The customers "benefited" by that lower
18 level of rates. If income taxes are not allowed to
19 be recovered on earnings as they occur, previous
20 losses carried forward reduce or eliminate future
21 tax liability and effectively reduce the rates of
22 future customers because past customers were never
23 charged a compensatory rate. This is akin to
24 retroactive ratemaking and is not appropriate. It
25 results in an understatement of the cost of service

1 for present and future customers.

2

3 MARGIN RESERVE

4 Q. In preparing his used and useful calculations, Mr.
5 DeMeza has not provided an allowance for margin
6 reserve. Do you agree with him?

7 A. No. Mr. DeMeza offers an opinion that margin
8 reserve is not the responsibility of the user but
9 is rather the responsibility of the utility company
10 or developer. He almost has it right - but not
11 quite.

12

13 When it comes to providing utility service,
14 everything a utility is required to do to meet its
15 statutory obligations is the responsibility of the
16 utility. Everything the utility is required to do
17 to meet its statutory obligations is recoverable
18 from the customers through its rates and charges.
19 The question then is, "Is margin reserve a
20 responsibility of the utility." If it is, it
21 should be included in determining rates. Mr.
22 DeMeza thinks margin reserve is a utility
23 responsibility and so do I.

24

25 Q. Please explain what margin reserve is, and why it

1 is a utility responsibility.

2 A. That portion of utility facilities required to be
3 ready to serve the additional service requirements
4 of existing customers and the anticipated service
5 requirements of potential new customers, is
6 identified as margin reserve.

7
8 Section 367.111(1) of the Florida Statutes requires
9 a water and/or wastewater utility to provide
10 service to customers within its service territory
11 within a reasonable period of time. If a utility
12 fails to provide such service, the Commission is
13 authorized to rescind the utility's certificate or
14 transfer the certificate to another utility. Thus
15 it is a utility's responsibility to maintain the
16 ability to serve existing and potential customers.
17 To meet these responsibilities, it is imperative
18 that a utility have sufficient facilities (and
19 investment) not only to meet the demands of
20 existing customers but also to satisfy customer
21 growth.

22
23 The plant and investment associated with margin
24 reserve is a necessary component in the
25 determination of used and useful plant.

1 Mr. DeMeza apparently believes that a utility is
2 compensated for the risk of providing margin
3 reserve by the return it makes on its investment.
4 But, if the utility's investment in margin reserve
5 is not included in rate base, then it cannot earn a
6 return on the money invested in margin reserve.

7
8 Q. Mr. DeWard recommends that if a margin reserve is
9 allowed, it be offset by imputing CIAC. Is that a
10 fair procedure?

11 A. No. Margin reserve represents an investment "in
12 place." The funds have been spent and are a
13 utility investment. The CIAC from potential new
14 customers is not available until they hook up - if
15 and when they hook up. For the period between
16 providing the plant and collecting the CIAC, margin
17 reserve is an investment entitled to be earned
18 upon.

19
20 Furthermore, at the time a new customer does hook
21 up and pays CIAC, the CIAC will be recorded to
22 offset the plant investment. However, the utility
23 must simultaneously replace that portion of margin
24 reserve so as to be ready to serve another
25 customer. As a practical matter, there will always

1 be a lag between the investment in margin reserve
2 and the collection of associated CIAC. For this
3 reason, anticipated but uncollected CIAC should
4 not be imputed against current margin reserve.

5
6 USED AND USEFUL FIREFLOW CAPACITY

7 Q. Mr. DeMeza has excluded fireflow requirements from
8 his demand calculations in determining used and
9 useful for the water plant. Do you agree with that
10 approach?

11 A. No. Mr. DeMeza concluded that SPUC has sufficient
12 pumping capacity to meet peak demand requirements
13 including fireflow when all pumps are working.
14 However, pumping capacity would be insufficient to
15 meet maximum demand and fireflow requirements when
16 the largest pump is out of service. He therefore
17 concludes that since fireflow requirements may not
18 be able to be met at the maximum level, all of the
19 plant associated with providing fireflow is zero
20 percent used.

21
22 This is an absurd ratemaking approach. It
23 effectively says that when plant reaches the point
24 where it is 100% used and additions are necessary,
25 it suddenly becomes 100% useless. There certainly

1 is no evidence that customers ever suffered from
2 inadequate service as a result of this situation.
3 And there is no evidence that, should there be a
4 fire demand, the system could not provide fire
5 protection and meet customers demands except for a
6 temporary drop in water pressure.

7
8 Mr. DeMeza's observation is that further redundancy
9 in pumping capacity is necessary. I do not
10 disagree. The solution, however, is to require the
11 investment in an additional pump; not to deny the
12 usefulness of the investment already in place.

13
14 It should be clear that if plant is fully utilized,
15 the investment made is serving customers. To reduce
16 rate base under these circumstances is inconsistent
17 with regulatory precedent. It would penalize a
18 utility for fully utilizing its facilities and
19 causes a catch-22 situation. If the pump that is
20 added results in even a minimum amount of capacity
21 in excess of the mathematical amount necessary to
22 provide exactly 100% of demand requirements, then
23 I assume Mr. DeMeza would again penalize the
24 utility by deducting that amount as non used and
25 useful.

1 All the elements necessary for the Commission to
2 consider fireflow as an element of the used and
3 useful calculation are in place. There is adequate
4 pumping capacity to provide fireflow. There are
5 sufficient hydrants to deliver the fireflow and the
6 utility has requested recognition of fireflow in
7 its used and useful calculation.

8

9 USED AND USEFUL LINES

10 Q. In determining used and useful percentages for
11 distribution and collection lines, Mr. DeMeza has
12 determined the number of ERC's served based on
13 average volume sales per residential customer. Is
14 that a correct procedure?

15 A. No. It is inconsistent use of ERC's resulting in an
16 improper result. The number of potential
17 connections the distribution and collection lines
18 can serve is based on the configuration of the
19 development. The number of connections in the
20 development at buildout is 580. The lines in place
21 are adequate to serve all customers at buildout.
22 Mr. DeMeza has recognized this by using the 580
23 possible connections as the denominator in his used
24 and useful calculation. He then proceeds to use
25 the ERC's based on volume used as the numerator.

1 This is a clear mismatch. The number of lots
2 connected is not going to vary based on volume
3 used. The correct match is the number of actual or
4 projected connections versus the number of
5 connections served by the lines. Of course, I
6 recommend that a number of connections representing
7 margin reserve also be included.

8

9 OWNERSHIP OF UTILITY PROPERTY

10 Q. Have you read the prefiled testimony of Mr.
11 Rasmussen?

12 A. Yes I have.

13

14 Q. Do you have an opinion as to his allegations
15 regarding ownership of utility property and the
16 authorized level of rates?

17 A. Yes. Mr. Rasmussen alleges that SPUC either does
18 not own or should not own or is not responsible for
19 or should not be responsible for the water and
20 sewer lines serving Sailfish Point. He also
21 alleges that certain developer documents limit the
22 rates to be charged for service.

23

24 Regardless of who Mr. Rasmussen believes should be
25 the owner of the utility lines, they are owned by

1 SPUC. Exhibit (FS-3)___ is a copy of the Special
2 Warranty Deed executed on December 28, 1983 and
3 recorded on December 30, 1983 in Official Records
4 Book 590 at page 148 of the public records of
5 Martin County, Florida. That recorded deed shows
6 SPUC to be the owner of not only the utility parcel
7 but also the effluent tank parcel, easements and
8 appurtenances, and all mains, lines, pumps and
9 equipment which are located off the utility parcel
10 and off the effluent tank parcel. Therefore, the
11 deed shows that the utility property, including
12 mains and lines, were conveyed to the Utility.
13 Unless a Court declares the deed to be invalid, I
14 am required to rely on it in the preparation of the
15 MFRs and in determining rate base of this Utility.

16
17 With regard to the limitation on rates, this
18 Utility is subject to regulation by the Florida
19 Public Service Commission, and that Commission is
20 the only body that has authority to set rates for
21 this Utility.

22
23 Q. Does that conclude your rebuttal testimony?

24 A. Yes it does.

25

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 900816-WS

CONTAINING
REBUTTAL EXHIBIT (FS-3) _____
SPECIAL WARRANTY DEED

Florida Public Service Commission
Exhibit (FS-3)
Page 1 of 4
Witness: Seidman, F.

SPECIAL WARRANTY DEED

100000

THIS SPECIAL WARRANTY DEED, made this 20 day of June, 1981, by SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida (hereinafter, the "Grantor"), and delivered to SAILFISH POINT UTILITY CORPORATION, a Delaware corporation qualified to do business in the State of Florida, whose mailing address is: 6929 S.E. South Florida Way, Stuart, Florida 33494 (hereinafter, the "Grantee");

("Grantor" and "Grantee" are used for singular or plural, and shall include their successors and assigns whenever the context so admits or requires);

WITNESSETH:

That Grantor, for and in consideration of the sum of Ten Dollars (\$10.00), and other good and valuable consideration to it in hand paid by Grantee, the receipt and sufficiency of which is hereby acknowledged, has granted, bargained and sold to Grantee forever the following described two parcels of real estate lying and being in Martin County, Florida, to-wit:

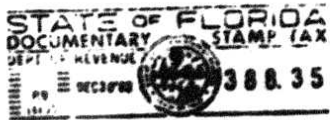
SEE ATTACHED EXHIBIT "A"

THIS CONVEYANCE IS SUBJECT TO THE FOLLOWING
AS TO PARCEL NOS. ONE AND TWO:

1. All taxes, levies and assessments levied and assessed for 1981 and subsequent years;
2. Covenants and conditions imposed by that certain Planned Unit Development Zoning Agreement between Grantor and Martin County, dated January 9, 1979, and recorded in Official Records Book 463 at Page 1143, as same has been or may hereafter be amended by instruments recorded in the Public Records of Martin County, Florida;
3. Covenants, conditions and easements imposed by the Declaration of Protective Covenants and Restrictions for Sailfish Point, dated January 25, 1980, and recorded in Official Records Book 488 at Page 2058, as same has been or may hereafter be amended by instruments recorded in the Public Records of Martin County, Florida;
4. Restrictions, reservations and utility easements of record;
5. That certain Purchase Money Mortgage, of even date herewith, from Grantee in favor of Grantor.

This instrument prepared by:

Paul E. Sklansky, Esq.
4440 P.G.A. Boulevard, Suite 601
Palm Beach Gardens, Florida 33410



5574L
07/11/81

590 148

Florida Public Service Commission
Exhibit (FS-3)_____

Page 2 of 4

Witness: Seidman, F.

AS TO PARCEL NO. ONE

The terms and provisions of Plat No. 1-A, Sailfish Point P.U.D., recorded in Plat Book 8, at Page 47 of the Public Records of Martin County, Florida, together with the covenants and conditions imposed by the Supplementary Declaration of Protective Covenants and Restrictions for Plat No. 1-A Sailfish Point P.U.D. dated January 23, 1981, recorded in Official Records Book 513 at Page 1125 of the Public Records of Martin County, Florida, and as same may be further amended from time to time;

AS TO PARCEL NO. TWO

The terms and provisions of Plat No. 6, Sailfish Point P.U.D., recorded in Plat Book 8, at Page 90 of the Public Records of Martin County, Florida, together with the covenants and conditions imposed by the Supplementary Declaration of Protective Covenants and Restrictions for Plat No. 6 Sailfish Point P.U.D. dated January 13, 1982, recorded in Official Records Book 536 at Page 2346 of the Public Records of Martin County, Florida, and as same may be further amended from time to time;

Grantor further conveys to Grantee such improvements on Parcel No. One and Parcel No. Two as are appurtenant to the land so as to become real property.

IN WITNESS WHEREOF, Grantor has hereunto set its hand and seal the day and year first above written.

WITNESSETH:

[Signature]
[Signature]

SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida

By: [Signature]
Doran T. Sequist, Jr.
President

Attest: [Signature]
Thomas J. Palmieri
Assistant Secretary

(Corporate Seal)

STATE OF FLORIDA)
) SS
COUNTY OF PALM BEACH)

The foregoing Special Warranty Deed was acknowledged before me this 28th day of December, 1983 by Doran T. Sequist, Jr. and Thomas J. Palmieri, the President and Assistant Secretary, respectively, of SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida, on behalf of the corporation.

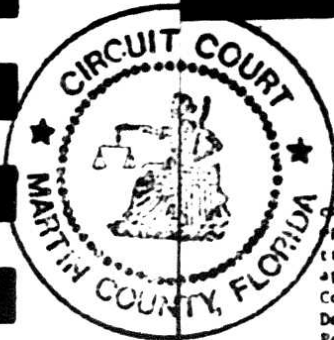
[Signature]
NOTARY PUBLIC
State of Florida at Large

My Commission Expires:

55741.
12/19/83

Notary Public, State of Florida
My Commission Expires April 3, 1985
Notary Public Seal - Notary Seal, Notary Seal

590 149



Florida Public Service Commission

Exhibit (FS-3) _____

Page 3 of 4

Witness: Seidman, E.

ACKNOWLEDGEMENT AND ACCEPTANCE BY GRANTEE

Grantee, by acceptance of this Deed, acknowledges that the property conveyed hereby is improved for the uses and purposes of management and operation by Grantee of a water utility system and a waste water system and treatment plant and that this conveyance is subject in every respect to: the applicable terms, conditions and covenants of the Declaration of Protective Covenants and Restrictions for Sailfish Point, and the Supplementary Declaration of Protective Covenants and Restrictions for Plat No. 1-A Sailfish Point P.U.D., and, the Supplementary Declaration of Protective Covenants and Restrictions for Plat No. 6 Sailfish Point P.U.D., as they have been and may in the future be amended (the "Property Owners' Association Documents") and all other matters set forth in the foregoing Special Warranty Deed, all of which have been reviewed and examined by Grantee. Grantee further acknowledges that each and every term and provision of the aforesaid Property Owners' Association Documents and the foregoing Special Warranty Deed, are essential to the successful operation and management of the property being developed pursuant to the Planned Unit Development Zoning Agreement in general, and the property conveyed to Grantee in said Deed in particular, and in the best interests of and for the benefit of all Owners in Sailfish Point. Grantee covenants and agrees within its operating authority so to do and in accordance with applicable regulations, to operate and maintain the property conveyed for the uses and purposes of rendering the specified utility services in the territory of Sailfish Point Planned Unit Development; and to abide by each and every provision of the aforesaid Property Owners' Association Documents; Grantee hereby ratifies, confirms and approves all of the terms and provisions thereof and agrees that the lien rights described in the Property Owners' Association Documents shall encumber the property being conveyed by the foregoing Warranty Deed for the Grantee's obligation for its pro rata share of all assessments and charges properly levied by the Property Owners' Association, which Grantee hereby expressly assumes and agrees to pay.

IN WITNESS WHEREOF, the Grantee has caused this Acknowledgement and Acceptance by Grantee to be executed by its undersigned duly authorized officers on this 28th day of December, 1983.

WITNESSETH:

[Handwritten signatures]
Joe L. Krchnak
Paul E. Sklansky

GRANTEE: SAILFISH POINT UTILITY CORPORATION a Delaware corporation, qualified to do business in the State of Florida

By: Joe L. Krchnak
Joe L. Krchnak
Vice President

Attest: Paul E. Sklansky
Paul E. Sklansky
Assistant Secretary

(Corporate Seal)

STATE OF FLORIDA)
) SS
COUNTY OF PALM BEACH)

The foregoing Acknowledgement and Acceptance by Grantee was acknowledged before me this 28th day of December, 1983, by Joe L. Krchnak and Paul E. Sklansky, the Vice President and Assistant Secretary, respectively, of SAILFISH POINT UTILITY CORPORATION, A Delaware corporation qualified to do business in the State of Florida, on behalf of the corporation.

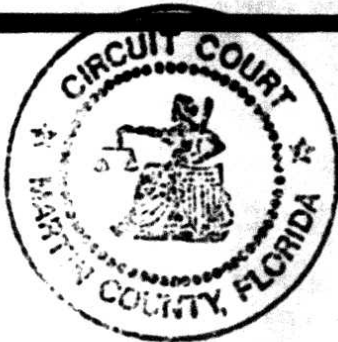
990 PAGE 150

Virginia R. Allen
NOTARY PUBLIC
State of Florida at Large

My Commission Expires:

15741
12/27/83

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
My Commission Expires: 12/27/83



Florida Public Service Commission
Exhibit (FS-3) _____

Page 4 of 4

Witness: Seidman, F.

STATE OF FLORIDA
COUNTY OF MARTIN

THIS IS TO CERTIFY THAT THIS IS A
TRUE AND CORRECT COPY OF THE
ORIGINAL

EXHIBIT "A"
TO
SPECIAL WARRANTY DEED

LEGAL DESCRIPTION

MARSHA STILLER, CLERK

BY 11/14/83 D.C.

DATE 5-30-81

Parcel No. One (The Utility Parcel)

Parcel C-1, Plat No. 1-A SAILFISH POINT P.U.D., according to the Plat thereof, as recorded in Plat Book 8, Page 47, of the Public Records of Martin County, Florida, and

Parcel No. Two (The Effluent Tank Parcel)

A portion of Parcel No. 1, Plat No. 6 SAILFISH POINT P.U.D., more particularly described as:

A parcel of land lying in fractional Section 8, Township 38 South, Range 42 East, also lying within Golf Course Parcel Number "1" as shown on Plat Number 6, Sailfish Point, P.U.D., recorded in Plat Book 8, page 90 of the Public Records of Martin County, Florida. Said parcel being more particularly described as follows:

From the Southeast corner of said fractional Section 8, bear N 88°57'00" W, along the South line of said fractional Section 8, a distance of 1463.29 feet; thence N 1°03'00" E, a distance of 1610.88 feet to the Point of Beginning of the herein described parcel of land; thence N 23°45'36" W, a distance of 217.00 feet; thence N 66°14'24" E, a distance of 197.26 feet; thence S 23°45'36" E, a distance of 217.00 feet; thence S 66°14'24" W, a distance of 197.26 feet to the Point of Beginning of the herein described parcel of land.

Together with: 1) all easements and appurtenances to Parcel No. One and Parcel No. Two; and 2) all mains, lines, meters, pumps, and equipment appurtenant thereto which are located off the Lands but within Sailfish Point.

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1 REBUTTAL TESTIMONY OF WILLIAM D. REESE
2 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
3 REGARDING THE APPLICATION FOR INCREASED RATES FOR
4 SAILFISH POINT UTILITY CORPORATION
5 IN MARTIN COUNTY
6 DOCKET NO. 900816-WS
7

8 Q. Please state your name, profession and address.

9 A. My name is William D. Reese. My business address
10 is 3003 S. Congress Avenue, Suite 1E, Palm Springs,
11 Florida 33461.
12

13 Q. Are you the same William D. Reese that has
14 previously submitted direct testimony on behalf of
15 the Applicant in this proceeding?

16 A. Yes I am.
17

18 Q. What is the purpose of your rebuttal testimony?

19 A. The purpose of my testimony is to rebut the direct
20 testimony of Mr. William J. Thiel and Mr. Francisco
21 Perez of the State of Florida Department of
22 Environmental Regulation.
23

24 Q. Mr. Perez states that the utility is not meeting
25 the appropriate levels for the Langelier Index and

1 the pH range. Mr. Peres also states that recent
2 chemical analysis of raw and finished water
3 suggests the need for additional treatment with
4 calcium carbonate. Are all of these factors
5 related?

6 A. Yes. These factors are all related to the
7 corrosivity/stability of finished water from the
8 reverse osmosis R/O treatment facility.

9
10 Q. What is the utility doing to control corrosivity?

11 A. The utility has been issued a permit to take action
12 to correct this situation. Its efforts have been
13 to reduce the pH level required to stabilize the
14 finished water through the introduction of calcium.
15 The objective is to satisfy the Langelier Index and
16 still meet the pH level requirement. The first
17 step taken was the addition of a calcite contactor
18 to introduce calcium into the finished water.
19 Tests were then made, the results of which
20 indicated that the calcite contactor alone was not
21 sufficiently effective in reducing the Langelier
22 Index. We subsequently added a carbon dioxide feed
23 to introduce carbon dioxide into the water prior to
24 it entering the calcite contactor. This allows
25 more calcium to be dissolved in the contactor. The

1 first samples taken indicate that the Langelier
2 Index is -0.1 and the pH level is 8.5. Both of
3 these measures are within the DER required limits.
4 We are now in the process of formally requesting a
5 release from DER.

6

7 Q. Is it difficult to balance the Langelier Index and
8 the pH factor?

9 A. Yes it is. DER officials have recognized that
10 meeting the pH standard is secondary to controlling
11 corrosivity. Exhibit (WLR-1)____ is a copy of a
12 letter from DER to the Miami Dade Water and Sewer
13 Authority that acknowledges the problems inherent
14 in controlling corrosivity.

15

16 Q. Do other R/O plants have this problem?

17 A. Virtually every plant that does not blend its R/O
18 water has this problem to some extent. The fact is
19 that Sailfish Point Utility Corporation has been
20 progressive and inventive in its efforts to address
21 the problem. Other similar facilities have shown
22 an interest in SPUC's approach and, I believe, will
23 be installing similar equipment in the future.

24

25 Q. Does the finished water satisfy all standards with

1 the carbon dioxide feed?

2 A. Yes, it does, based on the initial test results.
3 But, obviously it is close to the allowable limits.
4 The standards are not particularly applicable to
5 R/O product water.
6

7 Q. Mr. Reese, have you reviewed the prefiled testimony
8 of Mr. Thiel regarding the wastewater treatment
9 plant?

10 A. Yes I have.
11

12 Q. Do you agree with his statements?

13 A. I do, in general. However, I believe the portions
14 regarding compliance may be somewhat misleading to
15 someone not familiar with the permitting process.
16

17 Q. What part of Mr. Thiel's testimony do you believe
18 may be misleading?

19 A. The part at page 3, line 19 where he indicates that
20 the plant is in substantive compliance with its
21 permit.
22

23 Q. Why are you concerned with this statement?

24 A. SPUC is in the process of investing a substantial
25 amount of money to modify and enlarge the

1 wastewater treatment plant. It would be misleading
2 if the Commission were to conclude that since the
3 utility is in compliance with its permit, that the
4 work now being done is not necessary.

5
6 I want to clarify for the Commission that the
7 permit with which SPUC is in compliance is a
8 construction permit, not an operating permit. SPUC
9 is in compliance with its construction permit
10 because it is carrying out the construction
11 required under the permit. SPUC does not have an
12 operating permit for its plant and cannot qualify
13 for an operating permit until the plant
14 modifications now being carried out are completed.
15 In essence, the plant will not fully comply with
16 Chapter 17-600, Florida Administrative Code until
17 the construction is completed, as I previously
18 discussed in my prefiled direct testimony.

19
20 In addition, based upon the most recent flow data,
21 which indicates significantly increased flows, the
22 plant would not be in compliance with permitted
23 flow limitations unless the expansion were
24 underway.

1 Q. Does that conclude your rebuttal testimony?

2 A. Yes it does.

3

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 900816-WS

CONTAINING
REBUTTAL EXHIBIT (WDR-1)____
LETTER FROM
FLORIDA DEPARTMENT OF ENVIRONMENTAL REGULATION
TO
MIAMI-DADE WATER AND SEWER AUTHORITY



Florida Department of Environmental Regulation

Twin Towers Office Bldg. • 2600 Blair Stone Road • Tallahassee, Florida 32399-2400

Bob Martinez, Governor

Dale Wachmann, Secretary

John Shigart, Assistant Secretary

January 25, 1989

Mr. Garrett Sloan, Director
Miami-Dade Water and Sewer Authority
Department
Post Office Box 330316
Miami, Florida 33233-0316

Dear Mr. Sloan:

Thank you for your December 19 letter regarding revisions to Chapters 17-550, 17-555 and 17-560, Florida Administrative Code. I am pleased to announce the availability of the revised rules which became effective on January 18, 1989.

The concerns you raise about the pH standards are valid. However, there should be no need to change your operating practices solely as a result of that new standard. Florida Statutes require the standard be at least as stringent as the Environmental Protection Agency (EPA) standards. However, it is not the intention of the Department to take enforcement to generate compliance with that standard alone. We recognize the complicated mechanisms of corrosion and consider corrosivity criteria to take precedence over the pH standard. Further, within the year the EPA expects to promulgate new standards affecting corrosivity and pH requirements.

Your letter also asked for clarification regarding the enforceability of, and public notification requirements for, violations of secondary standards. The standard for fluoride and the other secondary contaminants remain enforceable and the rule requires corrective action upon violation. However, public notice requirements, contained in the finalized regulations, for violation of secondary standards applies only to fluoride.

Copies of the new rules may be obtained by writing this office. Please feel free to call me at 904/487-1762 if there are any questions.

Sincerely,

J. Kent Kimes, P.E., Administrator
Drinking Water Section

JKK/do

cc: Lou Devillon - DER/West Palm Beach
Pepe Hernandez - ACPHU/Dade County

.365941

Final
1/23/80

DECLARATION OF
PROTECTIVE COVENANTS AND RESTRICTIONS
FOR
SAILFISH POINT

488 MAR 20 1980

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TO
DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS
FOR
SAILFISH POINT

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DECLARATION OF PROTECTIVE
COVENANTS AND RESTRICTIONS
FOR
SAILFISH POINT

THIS DECLARATION, made this 25th day of January, A.D., 1980, by SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida, its successors and assigns (hereinafter referred to as "Developer"), having its office at Suite 601, Admiralty Building, 4440 P.G.A. Boulevard, Palm Beach Gardens, Florida 33410. The Developer declares that the real property, as described in Exhibit "A" hereto, and such additions thereto as may hereafter be made pursuant to Article II hereof is owned by Developer and is made subject to this Declaration of Protective Covenants and Restrictions for Sailfish Point (hereinafter referred to as this "Declaration"). Said real property is and shall be held, transferred, sold, conveyed and occupied subject to the provisions of this Declaration as hereinafter set forth which are for the purpose of protecting the value and desirability of, and which shall run with, said real property and be binding on all parties, having any right, title or interest in said real property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof as hereinafter defined.

ARTICLE I

DEFINITIONS

The following words, when used in this Declaration (unless the context shall prohibit), shall have the following meanings:

Section 1. "ASSOCIATION" shall mean and refer to SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a Florida corporation not for profit, and its successors and assigns which shall be deemed to act on behalf of all Owners, as hereinafter defined, of the real property which is subject to this Declaration, who become Members in accordance with the terms of this Declaration, in exercising, delegating and assigning the powers of maintaining and administering the community properties and facilities as presently or hereafter constituted in accordance with the terms of this Declaration, the Common Areas, and the Country Club, as those terms are hereinafter defined, in administering and enforcing the provisions of this Declaration. The Association is more particularly described in Article IV herein.

Section 2. "BOARD" shall mean and refer to the duly elected or appointed Board of Directors of the Association.

Section 3. "BUILDER" shall mean and refer to any person or entity which acquires record title to any Lot or Parcel from the Developer, as those terms are hereinafter defined and is designated in the instrument of conveyance from the Developer as a "Builder."

Section 4. "CLUSTER COMMITTEE" shall mean and refer to any and all committees of the Owners of Single Family Attached Units as hereinafter defined, organized for the operation and maintenance of areas to be exclusively used by said Single Family Attached Unit Owners in a particular area within Sailfish Point which is subjected to the provisions of a recorded Declaration of Cluster Covenants for that area. The relationship of the Cluster Committee to the Association is more particularly described in Article IV of this Declaration.

Section 5. "CLUSTER COMMON ELEMENTS" shall mean and refer to the area or areas exclusively used by the Owners of Single Family Attached Units in a particular area within Sailfish Point, which area has been submitted to a Declaration of Cluster Covenants, and which common elements are more particularly described in the Declaration of Cluster Covenants.

Section 6. "COMMON AREAS" shall mean and refer to any portion, whether real or personal, of the Sailfish Point Property, as hereinafter defined, which is subject to this Declaration, title to which is not held by the Developer, the Owner of a Residential Unit or Parcel, the Golf Club, the Marina Owner, or Sailfish Point Utility Corporation, as those terms are hereinafter defined. In addition, "Common Areas" shall mean and refer to any property, real or personal, submerged or unsubmerged, conveyed to the Association or reserved for use as a common area on any recorded plat of a portion of the Sailfish Point Property. "Common Areas" shall include any real property hereinbefore described whether submerged or unsubmerged, all fixtures, improvements and appurtenances located thereon or thereunder, and personalty used in connection therewith.

Section 7. "CONDOMINIUM ASSOCIATION" shall mean and refer to any and all condominium associations organized for the ownership, operation and maintenance of areas exclusively used and owned in common by the Owners of Condominium Units in a particular area within Sailfish Point, which is submitted to a condominium regime. The relationship of the Condominium Association to the Association is more particularly described in Article IV of this Declaration and in any Declaration creating a condominium.

Section 8. "CONDOMINIUM COMMON ELEMENTS" shall mean and refer to the area or areas exclusively used and owned in common by the Owners of Condominium Units in a particular area within Sailfish Point, which is submitted to a condominium regime and which common elements are more particularly described in any Declaration of Condominium.

Section 9. "CONDOMINIUM UNIT" shall mean and refer to a condominium unit together with its appurtenant share of the undivided common elements as described in and which is encumbered by a Declaration of Condominium.

Section 10. "COUNTRY CLUB" shall mean and refer to any portion of the Common Areas, so designated, described or shown upon any recorded plat or in any conveyance to the Association, together with all improvements, fixtures, improvements and appurtenances located thereon or thereunder and personalty used in connection therewith.

Section 11. "DECLARATION OF CLUSTER COVENANTS" shall mean and refer to the written instrument which establishes Cluster Common Elements, the Cluster Committee, and rules, regulations and covenants which exclusively appertain to all Single Family Attached Units erected on a Parcel.

Section 12. "DECLARATION OF CONDOMINIUM" shall mean and refer to the written instrument which, when recorded in the Public Records of Martin County, subjects all or part of a Parcel to a condominium form of ownership of real property.

Section 13. "DEVELOPER" shall mean and refer to SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida, and its successors or assigns if any such successor or assign acquires any rights, title or interest to or in all or any portion of Sailfish Point, as hereinafter defined, from the Developer for the purpose of development and is designated by a recorded document as the Developer by SAILFISH POINT, INC. and shall also refer to any assignee of Sailfish Point, Inc. under the Planned Unit Development Zoning Agreement, as described in Section 14 of this Article.

Section 14. "DEVELOPMENT PLAN" shall mean and refer to the general plan of development for Sailfish Point, as hereinafter defined, which plan has been agreed to and is not inconsistent with the Planned Unit Development Zoning Agreement between the Developer and Martin County dated January 9, 1979 and recorded in Official Records Book 463 at Page 1153, et seq. of the Public Records of Martin County, together with any amendments thereto, as may from time to time be agreed to and recorded.

Section 15. "GOLF CLUB FACILITIES" or "GOLF COURSE" shall mean and refer to any plot of land described, designated or shown upon any recorded plat within Sailfish Point as "Golf Club facilities" or "Golf Course", together with all improvements thereon and fixtures, improvements and appurtenances located thereon or thereunder and personally used in connection therewith.

Section 16. "GOLF CLUB" shall mean and refer to SAILFISH POINT GOLF CLUB, INC., a Florida corporation not for profit which shall be deemed to act on behalf of its members in exercising, delegating and assigning the powers of maintaining and administering the Golf Club Facilities and/or the Golf Course, and in collecting and disbursing the annual dues together with any fees, initiation or otherwise, paid by the members of the Golf Club.

Section 17. "INSTITUTIONAL FIRST MORTGAGE" shall mean and refer to a mortgage which is a first lien on a Parcel or Residential Unit, as hereinafter defined, and is held by a bank, savings bank, a savings and loan association, insurance company, real estate investment trust, or any other recognized lending institution.

Section 18. "LOT" shall mean and refer to any plot of land numerically designated and shown or described in any recorded plat within the real property which is subject to this Declaration, with the exception of the Common Areas, as herein defined, and with the exception of those areas designated as "Parcel" in any such recorded plat.

Section 19. "MARINA" or "MARINA FACILITIES" shall mean and refer to any plot of land or submerged land described, designated or shown upon any recorded plat within Sailfish Point, as hereinafter defined, as "Marina" or "Marina Facilities" together with all improvements thereon and fixtures, improvements and appurtenances located thereon or thereunder and personally used in connection therewith.

Section 20. "MARINA OWNER" shall collectively mean and refer to the owner or owners of record of all or any part of the Marina or Marina Facilities.

Section 21. "MEMBER" shall mean and refer to all those Owners, as herein defined, who are Members of the Association in accordance with Article V of this Declaration.

Section 22. "OWNER" shall mean and refer to the record owner, whether one or more persons or entities, including the Developer, of the fee simple title to any Parcel or Residential Unit, as hereinafter defined.

Section 23. "PARCEL" shall mean and refer to any plot of land alphabetically designated and designated as "Parcel", as shown or described in any recorded plat within the real property which is subject to these Covenants and Restrictions, with the exception of the Common Areas.

Section 24. "RESIDENTIAL UNIT" shall collectively refer to Lots, Single Family Attached Units and Condominium Units.

Section 25. "SALES CENTER PARCEL" shall mean and refer to all or any part of Parcel "B" of Plat No. 1 Sailfish Point, to be recorded concurrently with this Declaration.

Section 26. "SAILFISH POINT" or "SAILFISH POINT PROPERTY" shall mean and refer to the real property which is described in Exhibit "A" attached hereto and made a part hereof.

Section 27. "SAILFISH POINT UTILITY CORPORATION" shall mean and refer to the entity, in whatever legal form, which owns and/or operates and/or manages the water and/or waste water treatment facilities which serve the Owners, the Golf Club, the Marina Owner, the Developer and all other users of the Sailfish Point Property excluding the irrigation system which serves the Golf Club Facilities and Golf Course and the irrigation system which serves all Owners, the Developer, the Marina Owner, and all other users of the Sailfish Point Property.

Section 28. "SINGLE FAMILY ATTACHED UNIT" shall mean and refer to any structure, to be used only as a single family residence which will be located on any Parcel and which is encumbered by a Declaration of Cluster Covenants which applies only to such Parcel.

Section 29. "UTILITY PARCEL" shall mean and refer to all or any part of Parcel "C" of Plat No. 1 of Sailfish Point to be recorded concurrently with this Declaration and shall include where the context so requires, all improvements thereon and appurtenances thereto.

Section 30. "WATER MANAGEMENT SYSTEM" shall mean and refer to the system described in the Surface Water Management Permit No. 43-00125-S, issued by the South Florida Water Management District, which encumbers all Sailfish Point Property and which must be maintained by the Association, as from time to time amended with approval of the South Florida Water Management District, or whatever governmental agencies have jurisdiction over a drainage system at Sailfish Point.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

DECLARATION BINDING UPON RECORDING OF PLAT, AND SUPPLEMENTARY DECLARATION: The intent of the Developer, for itself and its successors and assigns, is that this Declaration shall become binding and effective as to any platted area within Sailfish Point only upon the occurrence of both of the following events: (1) the recordation, among the Public Records of Martin County, Florida, of a plat for that part of Sailfish Point; and (2) the recordation, among the Public Records of Martin County, Florida, of a Supplementary Declaration of Protective Covenants and Restrictions for that part of Sailfish Point. The Developer shall have the right, from time to time to impose the covenants and restrictions contained in this Declaration, and all supplements and amendments thereto on unplatted areas within Sailfish Point. The Developer, its successors and assigns, shall have the right to bring within the Sailfish Point Property which is subject to the terms of this Declaration such additional area or areas within Sailfish Point provided that such additions are not inconsistent with the Planned Unit Development Zoning Agreement, as referred to in Article I, Section 14 herein. The Developer also reserves to itself the right to increase the number of residential housing units provided for in the Planned Unit Development Zoning Agreement, as described in Article I, Section 14 of this Declaration, provided that the Board of County Commissioners of Martin County consents, in writing, to such increase. In no event shall any such Supplementary Declaration, Declaration of Condominium and/or Declaration of Cluster Covenants revoke or amend all or any part of this Declaration. In the case of any ambiguity or conflict among the terms of the Supplementary Declaration, Declaration of Condominium or Declaration of Cluster Covenants, the provisions of this Declaration shall control.

ARTICLE III

PROPERTY RIGHTS

Section 1. TITLE TO THE COMMON AREAS AND THE COUNTRY CLUB:

At its election, the Developer may retain the legal title to all or parts of the Sailfish Point Property which are to become the proposed Common Areas and/or the Country Club until, but not later than, such time as the Developer has sold and conveyed title to five hundred seventy-three (573) Residential Units, at which time, legal title to the Common Areas shall be conveyed by the Developer to the Association. At the time of the conveyance of the Common Areas, the Association must accept the conveyance and shall have no right to reject same.

At the time of conveyance, the Developer shall convey by Special Warranty Deed. Such conveyance shall be free and clear of all liens and encumbrances, and subject only to: (a) taxes and assessments for the year of conveyance and all subsequent years, (b) restrictions, conditions, limitations, reservations, easements of record, including, but not limited to, any recorded easements in favor of governmental entities for the maintenance of the jetty at the southern end of Sailfish Point, (c) perpetual non-exclusive easements from and to the Golf Course, Golf Club Facilities, the Marina, the Marina Facilities, the Utility Parcel and any of the Sailfish Point Property owned by the Developer or its assignees at the time of the conveyance, which easements shall be for the use, benefit and enjoyment of Developer, Builders, Sailfish Point Utility Corporation, members of the Golf Club, the Marina Owner, its or their guests, invitees, licensees, successors and assigns. The Common Areas and the Country Club are subject to the provisions of Article IX of this Declaration, as same may be amended.

Section 2. AD VALOREM TAX ASSESSMENTS TO THE COMMON AREAS:

For the purposes of ad valorem taxation, each Member shall pay his pro rata share of the ad valorem taxes imposed on the Common Areas, including the Country Club, which pro rata share shall be deemed to constitute a part of each Residential Unit. The percentage of Common Areas, including the Country Club, which shall be deemed to constitute each Residential Unit shall be a fraction: the numerator of which shall be one (1); and the denominator of which shall be the total number of residential housing units provided for in the Planned Unit Development Agreement, as described in Article I, Section 14 of this Declaration, together with all recorded amendments thereto.

Section 3. TITLE TO THE GOLF COURSE OR GOLF CLUB FACILITIES:

Developer reserves the option to retain title to the Golf Course, the Golf Club Facilities or to convey the Golf Course, the Golf Club Facilities or any part or parts thereof to the Golf Club, which conveyance will be at such time and upon such terms as may be agreed upon by the Developer and the Golf Club. The Golf Course and Golf Club Facilities are subject to the provisions of Article IX of this Declaration, as same may be amended.

Section 4. TITLE TO THE MARINA OR MARINA FACILITIES: Developer reserves the option to retain title to the Marina and/or Marina Facilities or to convey the Marina, the Marina Facilities or any part or parts thereof. The grantee of any conveyance may be the Marina Owner, provided the Marina and/or Marina Facilities are subject to the provisions of Article IX of this Declaration, as same may be amended.

Section 5. TITLE TO THE UTILITY PARCEL: Developer reserves the option to retain title to the Utility Parcel or to convey any part or parts thereof. The grantee of any conveyance may be the Sailfish Point Utility Corporation, or the Association, or any government entity, provided that the Utility Parcel is subject to the provisions of Article IX of this Declaration, as same may be amended.

Section 6. TITLE TO THE SALES CENTER PARCEL: Developer reserves the option to retain title to the Sales Center Parcel or to convey any part or parts thereof. The grantee of any conveyance may be the Association, any Condominium Association or any Builder, provided the Sales Center Parcel is subject to the provisions of Article IX of this Declaration, as same may be amended.

Section 7. GENERAL EASEMENTS: Each of the following easements are hereby reserved and otherwise created and conveyed in favor of the Association, all Members, all Builders, the Developer, Sailfish Point Utility Corporation, the Golf Club and its members, the Marina Owner and their respective licensees, invitees, grantees, successors, and assigns unless said licensees, invitees, grantees, successors and assigns are the subject of an action of the Board prohibiting their entry onto the Sailfish Point Property, and are covenants and servitudes running with the title to the Sailfish Point Property:

(a) Utilities. An easement for utilities, including but not limited to, electricity, telephone, water and wastewater services, drainage, and irrigation systems for the Golf Club and for the Association and its members, as set forth on or in any plat or any Declaration of Condominium, or any Declaration of Cluster Covenants filed as to all or any part of the Sailfish Point Property, or as may be required for utility services, including the maintenance and operation of wells, well sites and a system for drainage, irrigation and effluent areas in order to adequately serve all or any part of the Sailfish Point Property, and all improvements thereon.

(b) Pedestrians and Vehicular Traffic. An easement for pedestrian and vehicular traffic over, through and across the Common Areas and the Country Club including, but not limited to, access to and from MacArthur Boulevard, the public way, but the same shall not give or create in any person the right to drive or park upon any portion of the Sailfish Point Property not intended for such common use or designated as such by the Association or by the Developer.

(c) Emergency Vehicles. An easement for the right of all lawful emergency vehicles, equipment and persons in connection therewith to pass over and across all portions of the Sailfish Point Property to service the Owners, residents and all improvements.

(d) Maintenance and Repair. Those easements for maintenance and repair as set forth in Article VII, Section 11 of this Declaration are easements to enter over, through and upon all portions of Sailfish Point for the purpose of maintaining, repairing and replacing Residential Units, the Common Areas, the Marina and Marina Facilities, the Golf Course and Golf Club Facilities, the Utility Parcel and the Sales Center Parcel.

(e) Ingress and Egress Easements for Parcels. An easement for ingress and egress from and to: each Lot and Parcel, the Common Areas, Country Club, the Golf Course and Golf Club Facilities, the Marina and Marina Facilities, the Utility Parcel and the Sales Center Parcel.

(f) Security System. An easement for the security system which may be constructed in or on the Sailfish Point Property, as set forth in any plat or any Declaration of Condominium or any Declaration of Cluster Covenants filed as to any part of the Sailfish Point Property, or as may be required for security purposes in order adequately to secure all or any portion of the Sailfish Point Property, and any improvements thereon.

(g) Construction. An easement to enter upon, through and over and to use any portion of the Common Areas in connection with any construction on the Sailfish Point Property.

(h) Drainage. An easement or easements for drainage as may be from time to time required by the Water Management System.

(i) Maintenance of Water Management System. An easement or easements for maintenance, repair, and operation of the Water Management System.

ARTICLE IV

ASSOCIATION NETWORK

Section 1. ASSOCIATION: The Developer has caused to be incorporated a corporation known as SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a Florida corporation not for profit, in accordance with the Articles of Incorporation of which a copy is attached hereto and made a part hereof as Exhibit "B", and the initial Bylaws, a copy of which is attached hereto and made a part hereof as Exhibit "C". The Association has not been formed, organized or incorporated in such a manner to qualify for tax exempt status under any provision of the Internal Revenue Code. This Association shall have the duties imposed in the Articles of Incorporation of said Association. This Association is or will become vested with primary authority and control over all Common Areas and is or will become the owner of all real and personal property known as the Common Areas, including the Country Club. The Association is the organization with the sole responsibility to make and collect assessments from all Members, the Developer, Builders, the Golf Club and the Marina Owner, which assessments will be made in accordance with Article VI. Assessments will be used solely for the purposes described in Article VI. The Association may also make and collect charges for maintenance services against any Owner, the Developer, the owner(s) of the Golf Club Facilities and Golf Course, the Marina and Marina Facilities, the Utility Parcel, and the Sales Center Parcel as more fully set forth in Article VII of this Declaration. The charges levied by the Association are separate, apart and in addition to any initiation fees, membership dues, charges or assessments which may be made or charged by the Marina Owner, the Golf Club, Sailfish Point Utility Corporation, any Condominium Association, or any Cluster Committee, to or against its or their shareholders and/or members, and/or users. The Association shall have the right to a lien for the charges and assessments to which it is entitled in accordance with Article VI of this Declaration.

Section 2. CONDOMINIUM ASSOCIATIONS: Condominium Associations, subordinate to the Association, may additionally be organized and operated with respect to a particular condominium regime in Sailfish Point, subject to the provisions of Article XIII. These Condominium Associations shall have the power to levy maintenance assessments for

the Condominium Common Elements as provided in the Declaration of Condominium, which maintenance assessments shall be separate and apart from any and all assessments levied by the Association, together with any rights which may be set forth in the Declaration of Condominium for the particular condominium regime. Each Condominium Unit Owner must be a member of the Association in accordance with Article V of this Declaration.

Section 3. CLUSTER COMMITTEES: Cluster Committees, subordinate to the Association, may additionally be organized and operated with respect to any cluster of Single Family Attached Units located within a Parcel which is subject to the terms of a recorded Declaration of Cluster Covenants. Cluster Committees shall have a power to recommend to the Association that the Association levy assessments with respect to the Cluster Common Elements owned by the Single Family Attached Unit Owners in such cluster. Said assessments are separate and apart from any and all assessments levied by the Association for the Common Areas and the Country Club. The Association shall have the right to a lien for the assessments to which it is entitled in accordance with Article VI of this Declaration. Each Single Family Attached Unit Owner must be a Member of the Association in accordance with Article V of this Declaration.

ARTICLE V

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. MEMBERSHIP: There shall be two (2) classes of Members in the Association, as follows:

(1) CLASS A MEMBERS: Class A Members shall be all Owners of Residential Units and Parcels, except the Class B Member.

(2) CLASS B MEMBER: The Class B Member shall be SAILFISH POINT, INC., a Florida corporation, or its designee, successor or assignee, in its capacity as Developer of Sailfish Point.

Every Owner, except the Developer, who has received prior approval by the Association in accordance with this Article shall be a Class A Member of the Association. The Owner shall remain a Class A Member so long as such Owner owns any real property in Sailfish Point. The Developer's Class B membership in the Association shall terminate on the earlier of: (a) December 31, 1995; or (b) the time the Developer no longer owns any Residential Unit or Sailfish Point Property, unless terminated earlier by Developer's filing of a Certificate of Termination of Interest in Sailfish Point. At such time as the Developer's Class B membership terminates, the Developer shall become a Class A Member to the extent and for the period during which it owns any Residential Unit or Property in Sailfish Point. No entity or individual holding a security interest in Sailfish Point Property shall be a Member. Membership shall not be alienable from ownership of any Residential Unit or Parcel. A corporation or partnership may become a Member.

Section 2. ACQUISITION AND COMPOSITION OF MEMBERSHIP: Except for the Developer, whose membership is established by the provisions of this Declaration, and except for any Builder approved by the Developer, membership in the Association shall be established by approval by the Board of an application for membership. Board approval of an application will be based upon: (i) the results of an investigation of the applicant's financial ability to pay the dues and assessments of the Association and to maintain a residence in Sailfish Point in accordance with the terms of the Declaration, Articles, Bylaws and rules and regu-

lations of the Association, any Condominium Association or Cluster Committee; (ii) the results of an investigation as to the existence of any criminal record of the applicant, his family, or the shareholders, officers, partners, or employees of the applicant; and (iii) the results of any investigation of the applicant's understanding of and willingness to abide by the provisions of this Declaration, the Articles, Bylaws and rules and regulations of the Association, any Condominium Association or Cluster Committee. Membership shall not be denied to any applicant based upon the applicant's race, color, creed, national origin, age, or sex, nor shall such denial be contrary to applicable Federal or Florida law. Membership in the Association shall be automatically terminated when a Member divests or is divested of all fee ownership interest in any Residential Unit or Parcel.

Section 3. VOTING: Whenever a vote of the Members is required by this Declaration, any Supplementary Declaration or the Articles or Bylaws of the Association, the total number of votes which may be cast shall be equal to the number of residential housing units as established in the Planned Unit Development Zoning Agreement, as described in Article 1, Section 14 hereof, together with all recorded amendments thereto.

(a) Each Class A Member shall be entitled to one (1) vote for each Residential Unit owned by said Class A Member, provided, however, that a Builder who owns a Parcel shall be entitled to a number of votes equal to the number of Residential Units set forth in any recorded deed or instrument of conveyance from the Developer to the Builder for said Parcel. The Class B Member shall have a number of votes equal to the total number of residential housing units established by the Planned Unit Development Zoning Agreement as more fully described in Article 1, Section 14 of this Declaration together with any recorded amendments thereto, less the votes to which the Class A Members are entitled.

(b) The Class B Member shall have the right to elect a majority of the Board, until such time as the Developer has sold and conveyed title to no less than five hundred seventy-three (573) Residential Units. In the event that not less than sixty (60) days prior to the next regularly scheduled annual meeting of the Members there shall be not less than one hundred Members, and in the event the total number of Directors shall be not less than three, then the Class A Members shall have the right to elect one director. In the event that not less than sixty (60) days prior to the next regularly scheduled annual meeting of the Members there shall be not less than three hundred Members, and in the event the total number of Directors shall be not less than five, then the Class A Members shall have the right to elect a total of two directors. In the event that, not less than sixty (60) days prior to the next regularly scheduled annual meeting of the Members there shall be not less than five hundred Members, and in the event the total number of Directors shall be not less than seven, then the Class A Members shall have the right to elect a total of three directors. So long as the Class B Member owns a Residential Unit or any property, developed or undeveloped, in Sailfish Point, the Developer shall have the right to elect not less than one (1) Director.

ARTICLE VI

COVENANTS FOR ASSESSMENTS

Section 1. PURPOSE OF ANNUAL ASSESSMENTS: All annual assessments levied by the Association and any other revenues received by the Association shall be used exclusively to promote the benefit of the Members, their guests and invitees; to promote the health, safety, welfare of the Members; to establish a residential community for the maximum

benefit and enjoyment of all Owners; and in particular, to improve, construct or reconstruct, repair or replace, maintain and operate the Common Areas, including the Country Club.

The Common Areas including the Country Club are operated solely and exclusively for the convenience and benefit of all Owners. The Common Areas provide, among other things, access to and security for all Residential Units. The Country Club provides a meeting place for social, administrative and recreational functions for all Owners and provides services to all Owners, which services are intended to create a comfortable, convenient and pleasant residential community which is adapted to the South Florida environment.

The Association shall spend such sums as it receives for payment of all costs, expenses, charges and taxes that may be duly incurred by the Association, acting through the Board, from time to time in operating, managing, repairing, replacing, protecting and conserving the Common Areas, and in carrying out its duties and responsibilities as provided by this Declaration and the Articles of Incorporation and Bylaws of the Association.

The Association shall also spend such revenues for the cost(s) of doing any other thing necessary or desirable, in the opinion of the Board, to keep the Common Areas neat and in good order, properly operating, and to eliminate any hazard or take any action which, in the opinion of the Board, may be reasonably required for the safety and general benefit of all Owners and residents of Sailfish Point.

Section 2. DELEGATION OF RIGHT TO ASSESS: The Association may delegate to the Board the right to make, levy and collect assessments, of any kind, and the right to exercise any right or remedy in regard to delinquent assessments as such rights and remedies are created in this Declaration, any Supplementary Declaration, the Articles and Bylaws of the Association and any rules and regulations established by the Board.

Section 3. RATE OF ASSESSMENT: Sailfish Point Property shall, for the purpose of determining the annual assessments, be classified for each year's annual assessment as: (1) Improved Units, which shall be defined as Residential Units which have received a certificate of occupancy; (2) Unimproved Units and Parcels which shall be defined as Residential Units and Parcels which have been platted but have not yet received certificates of occupancy for improvements thereon; and (3) Unplatted Units Within Sailfish Point which shall be defined as the total number of residential housing units permitted in the Planned Unit Development Zoning Agreement described in Article I, Section 14 of this Declaration, together with any amendments thereto, less the total number of residential housing units which constitute Improved Units, and Unimproved Units. Unplatted Units Within Sailfish Point excludes the Golf Club Facilities and Golf Course, the Marina and Marina Facilities, the Utility Parcel and the Sales Center Parcel.

All Owners of Improved Units, including the Developer, shall pay the same amount of annual assessment for each such Improved Unit. All Owners of Unimproved Units, including the Developer, shall pay the same amount of annual assessments on each such Unimproved Unit. The Owner or Builder of a Parcel, including the Developer, shall be assessed in accordance with the stated maximum number of residential housing units expressed in the deed conveying title to the Parcel from the Developer or, if no such deed exists, the stated maximum number of residential housing units expressed in the most recent of the following: (a) the building permits; or (b) the grant of preliminary zoning by the Board of Commissioners of Martin County.

(a) Each Owner of an Improved Unit, including the Developer, shall be obligated to pay for each Improved Unit, a share of the annual budget of the Association calculated as follows:

$$\frac{100 \times B}{100 \times C + 50 \times P + 25 \times U} = \text{Annual Assessment Per Improved Unit}$$

- B = The Annual Budget.
- C = The number of Improved Units as of January 1 of the Budget year.
- P = The number of Unimproved Units as of January 1 of the Budget year.
- U = The number of Unplatted Units within Sailfish Point as of January 1 of the Budget year.

(b) Each Owner of an Unimproved Unit, including the Developer, shall be obligated to pay for each Unimproved Unit a share equal to one half the rate paid by the Owner of an Improved Unit.

(c) Each Owner of an Unplatted Unit within Sailfish Point, including the Developer, shall be obligated to pay for each Unplatted Unit Within Sailfish Point a share equal to one quarter the rate paid by the Owner of an Improved Unit.

(d) In accordance with the quarterly billing of annual assessments, if the classification of a Residential Unit changes during any quarter, the assessment rate will be adjusted on the first day of the quarter following such change.

All annual assessments shall be billed and payable in four (4) equal quarterly installments.

Section 4. ASSESSMENTS TO OWNERS OF SINGLE FAMILY ATTACHED UNITS AND CONDOMINIUM UNITS: In accordance with the terms of a recorded Declaration of Condominium and/or Declaration of Cluster Covenants, the Owner of a Single Family Attached Unit or Condominium Unit will be assessed for the upkeep and maintenance of the Condominium Common Elements or Cluster Common Elements which he is obligated to maintain. These assessments for upkeep, maintenance and other expenses related to the Condominium Common Elements or Cluster Common Elements are separate, apart and in addition to the assessments, of whatever nature, which are levied by the Association.

In accordance with the terms of the particular Declaration of Cluster Covenants and with Article IV, Section 3 of this Declaration, each Cluster Committee shall prepare a budget for the upkeep and maintenance of the Cluster Common Elements which such Committee is obligated to maintain. This budget shall be submitted to the Association and, if approved by the Association, may be the basis for assessments to the Owners of the Single Family Attached Units who use such Cluster Common Elements.

Section 5. SPECIAL ASSESSMENTS: In addition to any annual assessments, the Association may levy in any assessment year one or more special assessments, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, unexpected repair or replacement of a capital improvement made to the Common Areas, and the Country Club, including the necessary fixtures and personal property related thereto and operational deficits or other extraordinary or unbudgeted items deemed reasonably necessary by the Association. Such special assessments shall be levied against all Owners, the Developer, the Golf Club, the Marine Owner and Sailfish Point Utility Corporation, as their interests shall appear and at the rate of assessment approved by the Association.

In the event a judgment, of a court of competent jurisdiction, is rendered against the Association, the Association shall levy a special assessment against all Members for the purpose of satisfying such judgment, plus interest and costs. The amount of this special assessment shall be prorated equally among all Owners of Residential Units, regardless of whether such Residential Unit is an Improved Unit, Unimproved Unit or Unplatted Unit Within Sailfish Point as those terms are used in this Article. Nothing contained herein shall limit the right of the Association to exercise any and all rights which it may have to appeal the entry of any judgment against the Association.

The Association may establish a special assessment district within the Sailfish Point Property which district corresponds to an area or areas of Sailfish Point in order to meet the particular needs of the Owners of Sailfish Point Property in said areas and which area or areas correspond to benefit received from a particular resource. The Association may subject those Residential Units, Parcels, the Golf Course and Golf Club Facilities, the Marina and Marina Facilities, the Utility Parcel, or the Sales Center Parcel within said special assessment district to special assessments to pay for expenses which include, but are not limited to, maintenance dredging, periphery bulkheading and maintenance thereof, abatement of erosion and other matters for which such a special assessment may be reasonably levied by the Association uniformly within such a special assessment district.

Section 6. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS: Recognizing that the provision of operation and management of the Common Areas and the Country Club results in benefit to all of the Owners and that the payment of such common expenses represented by the assessments levied and collected by the Association, is necessary in order to preserve and protect the Sailfish Point Property, the Developer hereby covenants, and each Owner, by acceptance of a Deed or other instrument of conveyance therefor, including any purchaser at a judicial sale, shall hereafter be deemed to covenant and agree to pay to the Association: (1) all annual assessments, fees and charges, exclusive of any and all assessments levied by any Condominium Association; (2) all special assessments for capital improvements, major repair and/or extraordinary maintenance and/or other extraordinary items, including but not limited to, operating deficits deemed necessary by the Board which are beneficial to all or part of the Common Areas, and (3) exterior maintenance assessments. The Association, is hereby granted the right to impose liens upon each and every Residential Unit, Parcel, the Golf Club and Golf Course Facilities, the Marina Facilities and all appurtenances thereto and improvements thereon, which liens shall secure and do secure the monies due for all assessments now or hereafter levied against the owner of such Residential Unit, Parcel, the Golf Club and Golf Course Facilities, and the Marina and Marina Facilities. Such liens shall also secure interest and any charges and late fees due and owing on any delinquent assessment. Such lien shall also secure all costs and expenses of collection, including a reasonable attorney's fee whether suit be brought or not, which may be incurred by the Association, in enforcing said lien. The Association is hereby granted the right to accelerate the balance of the calendar year's assessment and to consolidate said balance with any delinquent amount. The lien for assessments shall be a charge on the land and a continuing lien upon the property against which each such assessment is made. In addition, each Owner and the Developer shall be personally liable, jointly and severally, as the case may be, to the Association, for the payment of all assessments, of whatever nature, including interest and any charges and late fees on delinquent assessments and together with all costs and expenses of collecting such assessment including reasonable attorneys' fees whether suit be brought or not, which may be levied by the Association, while such party or parties are an Owner or the Developer.

An assessment which is not paid when due shall bear interest from the date when due at the rate of fifteen (15%) percent per annum until paid. In the event the Owner, the Golf Club, or the Marina Owner

shall be more than fifteen days delinquent in the payment of any assessment, the Board, after thirty (30) days prior written notice to the Owner, the Golf Club, or the Marina Owner, may declare due and payable all assessments applicable to such Residential Unit, Golf Course and Golf Club Facilities, or Marina and Marina Facilities for the year in which such delinquency occurs.

The personal obligation for all unpaid delinquent assessment shall not pass to an Owner's or the Developer's successor(s) in title unless expressly assumed by him in writing, which assumption must be approved by the Association in writing. The lien for delinquent assessments shall remain attached to the Residential Unit, Parcel, the Golf Course and Golf Club Facilities, or the Marina and Marina Facilities until discharged, as provided herein. The Owner, Developer, Golf Club or Marina Owner may not waive or otherwise avoid liability for the assessments provided for herein by non-use of the Common Areas or by abandonment of his or its Residential Unit, Parcel, the Golf Course and Golf Club Facilities, the Marina and Marina Facilities or the Common Areas.

All purchasers of Residential Units or Parcels, by acceptance of an instrument of conveyance, hereby waive all rights to any homestead exemption from forced sale under the Constitution of the State of Florida and under applicable law to the full extent allowable under the laws of the State of Florida now or hereafter existing as to any foreclosure of the aforesaid assessment lien.

Section 7. ASSESSMENTS SUBORDINATE TO INSTITUTIONAL FIRST MORTGAGE: The lien for assessments shall be subordinate and inferior to any recorded Institutional First Mortgage. The Association may, but shall not be obligated to, maintain a register of Institutional First Mortgages and may agree to give such mortgagees written notice of all notices given by the Association to the Owner or Developer of such Residential Units or Parcels encumbered by such Institutional First Mortgage. The written statement of either the Developer or the Association that a lien of the Association is subordinate to a mortgage shall be dispositive of any question of subordination.

If, as the result of a foreclosure or the voluntary conveyance in lieu of foreclosure, the holder of any Institutional First Mortgage acquires title to a Residential Unit or Parcel, the Institutional First Mortgagee or its successors and assigns shall not be liable for any delinquent assessments pertaining to such Residential Unit or Parcel unless payment therefor is expressly assumed in writing. Such Institutional Mortgagee shall be liable for assessments attributable to the Parcel or Residential Unit to which it takes title from the date of its acquisition of such title.

Section 8. ASSESSMENTS MADE TO FINANCE LITIGATION AGAINST THE DEVELOPER: In the event the Association, on its behalf or on behalf of some or all of its Members, commences or seeks to commence litigation against the Developer based on matters related to Sailfish Point and, in regard to such litigation attempts to levy an assessment of any nature, to finance such contemplated or actual litigation or an appeal therefrom, the Sailfish Point Property which is owned by the Developer shall be exempt from such assessment. Nothing contained in the foregoing shall relieve the Developer of its obligation to pay assessments on Sailfish Point Property owned by it, provided such assessments are not used for the purpose of financing litigation, or appeals therefrom, against the Developer.

Section 9. EXEMPT PROPERTY: The Association shall exempt the following property in Sailfish Point from annual and special assessments, charge(s) and lien(s) created herein if such property is used, and so long as such property is used, for the purposes set forth in this Declaration. Nothing contained herein shall exempt the properties described in this Section from assessments for maintenance, as provided in Article VII, Section 9 of this Declaration. The following property is

property for the benefit of all Members and shall be exempt from annual and special assessments, charges and liens related thereto. Costs related to these properties shall be included in the individual assessments made to the Owners and the Developer:

A. Any easements or other interests therein dedicated and accepted by a public authority and devoted to public use.

B. All Common Areas.

C. To the extent agreed to by the Association, all Sailfish Point Property which is exempt from ad valorem taxation by the laws of the State of Florida.

D. The Utility Parcel, so long as it shall be used as the Utility Parcel.

E. The Sales Center Parcel, so long as it shall be used as the Sales Center Parcel.

Section 10. ASSESSMENTS TO GOLF CLUB FACILITIES, GOLF COURSE, MARINA AND MARINA FACILITIES: The Association shall have the right to assess the Golf Club and the Marina Owner for the particular benefits received by the Golf Club Facilities and Golf Course, and the Marina and Marina Facilities from their respective use of the Common Areas or for particular service provided to or benefit conferred upon said entities and/or their members. The rate of assessment shall be more particularly set forth in respective agreements between the Association and the Golf Club, and the Association and the Marina Owner.

The Association is hereby granted the right to impose liens upon the Golf Club Facilities and Golf Course, and the Marina and the Marina Facilities and all improvements, fixtures and appurtenances thereto, which liens shall secure and do secure the monies due for all assessments now or hereafter levied against the Golf Club Facilities and Golf Course, and the Marina and Marina Facilities, which liens shall also secure any interest, charges, penalties and late fees due and owing on such delinquent assessment and which liens shall also secure all costs and expenses of collection, including a reasonable attorney's fee whether suit be brought or not, which may be incurred by the Association in enforcing such liens. These liens for assessments shall be a charge on the land and a continuing lien upon the property against which each such assessments are made.

Section 11. ASSESSMENTS FOR MAINTENANCE SERVICES RENDERED BY THE ASSOCIATION: As provided in Article VII, Section 9, the Association may levy assessments for the maintenance services which it renders to Parcels, Residential Units, the Golf Course and Golf Club Facilities, the Marina and Marina Facilities, the Utility Parcel, or property in Sailfish Point owned by the Developer.

Section 12. CHARGES BY THE GOLF CLUB TO ITS MEMBERS AND BY THE MARINA OWNER ARE SEPARATE FROM ASSESSMENTS: Nothing contained in this Declaration shall affect or limit the rights of the Golf Club to charge regular and special dues and assessments to the members of the Golf Club and to enforce rules and regulations promulgated by the Golf Club in respect to its members, or to affect or limit the rights of the Marina Owner to impose any dues or charges in the conduct of its business.

The rights of the Golf Club to impose or charge such dues and assessments and conduct business are more fully set forth in the Bylaws of the Golf Club.

ARTICLE VII

DUTIES

Section 1. DUTIES OF THE ASSOCIATION: The Association shall have the following duties:

(a) To maintain, protect, repair and replace, at the Association's expense, all portions of the Common Areas including the Country Club and the irrigation system for the Common Areas;

(b) To preserve and enhance the natural beauty of Sailfish Point and the properties of the Members of this Association;

(c) To promote the health, safety and social welfare of the Owners;

(d) To own, operate, govern, administer and manage the Common Areas, including the Country Club;

(e) To control the specifications, architecture, design appearance, elevation and location of, and landscaping around, all buildings of any type, including: walls; fences; swimming pools; dune crossings; docks; bulkheading; antennae; sewers; drains; disposal system; or other structures constructed, placed or permitted to remain in Sailfish Point, as well as the alteration, improvement, addition or change thereto in order to preserve and maintain an integrated architectural design within the Sailfish Point Property;

(f) To insure compliance with the Planned Unit Development Zoning Agreement as described in Article I, Section 14 hereof, and to maintain all permits for the operation of the Sailfish Point Property, of whatever nature, as required by governmental entities having jurisdiction over Sailfish Point;

(g) To make and collect assessments, of any type, in accordance with the terms herein;

(h) To control the waterways, lagoons, lakes and inlets in Sailfish Point and to comply with the terms of the Water Management System and any other permits, licenses and governmental approvals in connection with the waterways;

(i) To provide for private security in Sailfish Point, and such other services the responsibility for which has been delegated to this Association by the terms hereof, and to provide capital improvements and equipment related thereto on the Common Areas and the Country Club;

(j) To provide, purchase, acquire, replace, improve, maintain and/or repair such buildings, structures, landscaping, paving and equipment, both real and personal, related to the health, safety, and social welfare of the Members as the Board, in its discretion, determines to be necessary appropriate, and/or convenient;

(k) To preserve scenic assets, natural features and natural and man-made recreational areas in Sailfish Point, to the maximum extent feasible;

(l) To oversee the general operation and maintenance of Sailfish Point in such a manner as to prevent substantial injury to the use and value of all or any part of Sailfish Point;

(m) To operate without profit for the sole and exclusive benefit of its Members;

(n) To assure that the provisions of the Declaration are duly enforced;

(o) To provide adequate insurance, where obtainable at reasonable cost, for the Common Areas, including the Country Club, and for the Board and Officers of the Association;

(p) To do and perform all such other acts and things permitted and to exercise all powers granted to a corporation not for profit under the laws of the State of Florida as those laws now exist or as they may hereafter provide;

(q) To comply with all federal, state and local requirements concerning environmental protection including, but not limited to: the compliance with all water quality monitoring requirements; and the maintenance of the Water Management System.

Section 2. MAINTENANCE BY THE OWNER OR BUILDER: The responsibility of each Owner or Builder to keep his Parcel or Residential Unit in compliance with standards promulgated by the Architectural Review Committee of the Board shall be as follows:

(a) To maintain, protect, repair and replace, at his own cost and expense, all portions, above and below the mean high water line, of his Parcel or Residential Unit together with all improvements and equipment located thereon, except any portions to be maintained, repaired and replaced by the Association, a Condominium Association or a Cluster Committee. Such maintenance, protection, repair and replacement shall be done without disturbing the rights of other Owners;

(b) Not to modify or change the appearance or design of any portion of the exterior of any Parcel or Residential Unit without the prior written approval of the Association, of the Condominium Association of any condominium regime of which a Condominium Unit is a part, and of the Cluster Committee of which a Single Family Attached Unit is a part;

(c) To report promptly to the Association any defect or need for repairs, maintenance or replacements for which the Association, any Condominium Association, or Cluster Committee is responsible.

Section 3. MAINTENANCE BY A CONDOMINIUM ASSOCIATION: Each Condominium Association shall be responsible for the maintenance, repair and replacement of the Condominium Common Elements of the particular condominium regime for which such Condominium Association is established in a recorded Declaration of Condominium.

Section 4. MAINTENANCE BY A CLUSTER COMMITTEE: Each Cluster Committee shall be responsible for the maintenance, repair and replacement of the Cluster Common Elements of the particular Parcel, for which such Cluster Committee is established in a recorded Declaration of Cluster Covenants.

Section 5. MAINTENANCE BY SAILFISH POINT UTILITY CORPORATION: Sailfish Point Utility Corporation shall be responsible for the maintenance, repair and replacement of the Utility Parcel or any improvements thereon.

Section 6. MAINTENANCE BY THE GOLF CLUB: Except for such portions of the Golf Course or Golf Club Facilities which the Association agrees to maintain, the Golf Club or the Developer, whichever owns the Golf Club Facilities and Golf Course, shall be responsible for the maintenance, repair and replacement of the Golf Club Facilities and Golf Course, including the irrigation system for the Golf Course and Golf Club Facilities, provided, however, with respect to the Association's obligation to operate and maintain such portions of the Golf Club and Golf Club Facilities which are an integral part of the Water Management System, the Association shall maintain such portions of the Golf Course and Golf Club Facilities.

Section 7. MAINTENANCE BY THE MARINA OWNER: The Developer or whichever entity owns the Marina and Marina Facilities shall be responsible for the maintenance, repair and replacement of the Marina and Marina Facilities, or any improvements, fixtures and appurtenances located thereon.

Section 8. MAINTENANCE BY THE DEVELOPER: The Developer shall be responsible for the maintenance, repair and replacement of all parts of the Sailfish Point Property which it owns including, but not limited to, the Sales Center Parcel.

Section 9. EXTERIOR MAINTENANCE BY THE ASSOCIATION: In addition to maintenance upon the Common Areas and the Country Club, the Association may provide exterior maintenance service to and upon any structure located on any Parcel or Residential Unit, the Golf Club Facilities and Golf Course, the Marina and Marina Facilities, the Utility Parcel, the Sales Center Parcel, and any property in Sailfish Point owned by the Developer, provided such exterior maintenance is, in the opinion of the Board, required, including without limitation: paint; repair; roof repair and replacement; installation of gutters, down spouts and exterior building surfaces; yard clean-up; maintenance of the Golf Course; bulkheading; dredging, and otherwise maintaining the Marina and Marina Facilities. In addition, the Association may provide maintenance to the landscaping, sprinklers, trees, shrubs, grass, pools, walks, private drives, shorelines and streets, Owner's irrigation systems, and may provide maintenance to other exterior improvements. To the extent such maintenance is provided in a satisfactory manner by a Condominium Association or a Cluster Committee, the Golf Club, the Marina Owner, an Owner, Sailfish Point Utility Corporation, or by the Developer for any part of Sailfish Point, such maintenance shall not be duplicated by the Association.

The provision of any exterior maintenance services by the Association to any Parcel, Residential Unit, the Golf Club Facilities and Golf Course, the Marina and Marina Facilities, the Utility Parcel, the Sales Center Parcel and/or any property in Sailfish Point owned by the Developer shall not be deemed to constitute and does not constitute an acceptance of the ongoing responsibility to maintain such properties or the ownership of such properties. At such time as the Association renders such exterior maintenance services, it shall do so at the sole expense of the Owner, Golf Club, Marina Owner, Sailfish Point Utility Corporation or the Developer for which services such Owner, Golf Club, Marina Owner, Sailfish Point Utility Corporation or Developer shall be assessed in accordance with this Article, which assessment shall be

separate, apart and in addition to any assessment imposed in accordance with Article VI of this Declaration.

The cost of such maintenance may be assessed against an Owner, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation, the Developer or against such Parcels, Residential Units, Golf Club Facilities and Golf Course, Marina and Marina Facilities, Utility Parcel or property in Sailfish Point owned by the Developer which, in the opinion of the Association, benefit from same. Such maintenance costs may also be assessed against all Condominium Units in any particular area of Sailfish Point to the extent that such maintenance is required to be performed upon the Condominium Common Elements of such area, or may be assessed against all Single Family Attached Units established on a particular Parcel, all of which Single Family Attached Units are subject to a Declaration of Cluster Covenants, to the extent that such maintenance is required to be performed upon the Cluster Common Elements. The assessment shall be proportioned among the Parcels and Residential Units, Golf Club Facilities and Golf Course, Marina and Marina Facilities, the Utility Parcel or property in Sailfish Point owned by the Developer, involved in the manner determined to be appropriate by the Association. This exterior maintenance assessment shall be separate, apart and in addition to any annual or special maintenance assessments. Any such exterior maintenance assessment shall be a lien on the Parcel or Residential Unit, Golf Club Facilities and Golf Course, Marina and Marina Facilities, Utility Parcel, or Sailfish Point Property which is owned by the Developer and which is the subject of the maintenance assessment, shall be a personal obligation of the Owner and shall become due and payable in all respects, together with interest, charges, penalties and late fees as provided by the Board. Fees for costs of collection of said assessment, including reasonable attorney's fees, shall be subordinate to any Institutional First Mortgage on such property.

Section 10. ACCESS AT REASONABLE HOURS: Except in the case of emergency when no notice is required, for the purpose of performing the maintenance authorized by this Article, the Association, through its duly authorized agents or employees, shall have the right, after five days' written notice to the Owner, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation or the Developer to enter upon any Parcel or the exterior of any Residential Unit, the Golf Club Facilities and the Golf Course, the Marina and the Marina Facilities, the Utility Parcel, and/or Sailfish Point Property owned by the Developer which is the subject of the maintenance assessment at reasonable hours on any date except on Sunday. Said notice shall be delivered either in person or mailed to the Owner, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation, or to the Developer, by certified mail, return receipt requested. The notice shall be deemed given when mailed.

Section 11. EASEMENT FOR EXTERIOR MAINTENANCE: The Association is hereby granted a non-exclusive easement to enter upon any Parcel or Lot, the Golf Club Facilities, the Golf Course, the Marina and Marina Facilities, the Utility Parcel, the Sales Center Parcel and any property in Sailfish Point owned by the Developer in order to provide exterior maintenance service to and upon any structure located on or upon any of such enumerated properties in accordance with the terms of this Article.

ARTICLE VIII

ARCHITECTURAL REVIEW AND REQUIRED COMMENCEMENT OF CONSTRUCTION

Section 1. SUPPLEMENTARY DECLARATION: There shall be filed for each platted area within Sailfish Point a Supplementary Declaration

of Protective Covenants and Restrictions which shall set forth, among other things, the conditions and standards with respect to the architectural control and review of said area.

Section 2. NO TEMPORARY BUILDINGS: No tents, trailers, vans, shacks, tanks or temporary or accessory buildings or structures shall be erected or permitted to remain on any Parcel or Residential Unit without prior written consent of the Board. Notwithstanding the foregoing, the Developer shall have the right to erect temporary buildings on property in Sailfish Point owned by it.

Section 3. DRAINAGE: No changes in elevations of property in Sailfish Point shall be made which will alter the natural runoff of rain water or be inconsistent with the Water Management System, except by written consent of the Association.

Section 4. WELLS AND INDEPENDENT WATER AND SEWER SYSTEMS: Except for Sailfish Point Utility Corporation, the Golf Club, Marina Owner or the Developer, no Owner shall be permitted to develop or establish any septic tanks, sewer, or water supply systems or wells shall be permitted. All Owners, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation, and the Developer shall pay the "tap-in" and connection fees as well as monthly service charges as required by Sailfish Point Utility Corporation, the Association, or the Developer, or whichever entity owns and operates the water and wastewater treatment facilities which serve all Owners and users of the Sailfish Point Property.

Section 5. IRRIGATION SYSTEMS: The Golf Club and the Association each may own and operate separate irrigation systems for the property owned by each. Each irrigation system is a part of, and must comply with the terms of, the Water Management System.

Section 6. DOCKS, WATERFRONT CONSTRUCTION, BOATS, DUNE CROSSINGS AND SHORE CONTOURS: The only docks permitted to be erected or maintained on Sailfish Point Property are those docks which are constructed pursuant to applicable government permit, and in accordance with the terms of any Supplementary Declaration of Protective Covenants and Restrictions for the platted portion of Sailfish Point in which such docks are located. No dune crossings, seawalls, bulkheads, mooring, piling, or piers of any kind or any other construction shall be erected by anyone other than the Developer in, on or over dunes, dune vegetation, lakes, lagoons, inlets, the Marina and Marina Facilities, the Inland Harbour or waterways within Sailfish Point without the prior written approval of the Association and then only if the same shall be constructed according to plans, specifications, elevations, types and designs approved in writing by the Association, as well as all federal and state agencies having jurisdiction over the same.

In no event shall a waterfront Lot which adjoins any area platted as a Lagoon or Inland Harbour, be permitted to have more than one pier extending further than navigable water depth and having a maximum thirty feet by three feet "T" or "L" end. Such piers shall be no more than three feet wide and shall be elevated at least three feet above mean high water. Shoreline contours above or below water may not be changed without the written approval of the Association, as well as all federal and state agencies having jurisdiction over the same. No pesticides, insecticides, fungicides, herbicides, other deleterious substances or fertilizers shall be applied to the area below the top of the nearshore berm. All areas with natural or replanted vegetation designated for preservation by any permit issued by any federal or state agency in connection with the development of Sailfish Point shall not be altered. No Parcel or Residential Unit shall be increased in size by filling in the waters on which it abuts. Mangrove trimming shall be allowed only to maintain pier corridors. No vessel or boat shall be permanently anchored offshore in any of the lakes, inlets or waterways adjacent to any Parcel or Residential Unit without prior written approval of the Board. No persons shall be permitted to live aboard or

perform hull maintenance work on any vessel docked or moored within the Sailfish Point Property nor may there be discharged from any vessel any substance including bilge water, petroleum products, sewage or litter. No boathouse shall be constructed on or adjacent to any part of Sailfish Point located on a waterway, nor shall any boat canal or boat slip be dug or excavated in any of the waterfront parts of Sailfish Point without prior written approval of the Association and applicable governmental authorities. No motor powered boats of any kind which are not adequately muffled to prevent unreasonable noise shall be kept or used on waters within Sailfish Point, including the Inland Harbour and Marina, except as expressly approved in writing by the Association.

ARTICLE IX

GENERAL USE RESTRICTIONS

Section 1. RESIDENTIAL USE: Recognizing the necessity and desirability of creating and preserving a community with open spaces, natural beauty, clean air and quiet seclusion where the values of family life, high quality residences, peace and comfort, safety and low population density are preserved, and where hazards of traffic pollution, noise and refuse are limited, it is hereby established that each Residential Unit may be used only for the purpose of a single family residential living unit and for no other purpose. Single family residential living unit shall be defined as a residence of one or more persons who are related by blood, marriage or adoption, or who reside together as a single housekeeping unit. The following properties in Sailfish Point shall have the right to engage in certain limited commercial activities related only to the permitted use of those properties: the Golf Course, the Golf Club Facilities, the Marina, the Marina Facilities, the Country Club, the Utility Parcel, and the Sales Center Parcel. Except as hereinafter set forth, no commercial development, no building housing a manufacturing or commercial activity, enterprise or enterprises of any kind shall be permitted maintained on lands in Sailfish Point and no business may be conducted on any part thereof unless expressly approved and accepted in writing by the Association prior to engaging in such business.

Section 2. LEASES: A Residential Unit shall be used only as a residential dwelling and may be available for lease only if approved by the Association. A Residential Unit may be leased no more than one (1) time per calendar year. The Board shall establish such rules and regulations in regard to the leasing of Residential Units by Owners as it determines necessary. All persons approved as lessees shall be subject to this Declaration, the Articles and Bylaws of the Association and all supplements and amendments thereto.

Section 3. RE-SUBDIVIDING: No Lot or Parcel shall ever be re-subdivided or replatted without the written approval of the Developer. A residential site may consist of one (1) or more Lots; or one (1) Lot and a part of a contiguous Lot or Lots; provided that the entire residential site extends from the fronting street to an existing real property line, the golf course, waterway, lagoon, Inland Harbour, inlet or canal, and further provided that the Owner of said Lot(s) has declared, by a written instrument duly recorded in Martin County, Florida that said Owner agrees for himself and his successors that the title to said Lot(s) shall be forever united and never be sold or otherwise transferred except as a consolidated Lot nor used so that more than one (1) residence is constructed on the Lot(s) so consolidated. In the event Lots are consolidated, the Owner of the consolidated Lot shall have only one (1) vote in accordance with Article V, Section 3 of this Declaration and shall pay only one (1) assessment for the consolidated Lot.

Section 4. USE OF THE MARINA AND MARINA FACILITIES: It is hereby declared that the Marina and Marina Facilities will be erected and maintained to provide marina services. The term "marina services" includes, but is not limited to: boat moorage or storage; boat maintenance and repair; ships chandlery services; the maintenance, storage and sale of marine fuel; the operation of a convenience store; the establishment of a condominium form of ownership for some or all of the docks in the Marina, which docks may only be owned by Owners; and the creation and operation of a yacht club, the members of which may only be Owners. In addition, the Marina or Marina Facilities may be used for moorage of boats which are owned by guests of Owners, which moorage shall be regulated by rules and regulations as established from time to time by the Marina Owner or by the owner of the Marina or Marina Facilities.

Section 5. USE OF THE GOLF COURSE AND GOLF CLUB FACILITIES: It is hereby declared that the Golf Course and Golf Club Facilities will be erected and maintained as a golf course exclusively for members of the Golf Club. In addition, the Golf Course and Golf Club Facilities may be used by guests of the members of the Golf Club, which use shall be regulated by rules and regulations, as established from time to time by the Golf Club or by the owner of the Golf Course and Golf Club Facilities. Certain portions of the Golf Course are an integral part of the Water Management System. These areas will be used in connection with the Water System Management for the benefit of all Members of the Association. The irrigation system which irrigates the Golf Course and Golf Club Facilities is, or will be, owned and operated by the Golf Club.

Membership in the Golf Club will be established by the Articles and Bylaws of Sailfish Point Golf Club, Inc. Only Members of the Association will be eligible for membership in the Golf Club. Notwithstanding the foregoing, with Association approval, the Golf Club may admit to its membership persons who are not Members of the Association.

Section 6. USE OF THE COMMON AREAS: It is hereby declared that the Common Areas shall be used exclusively for the benefit of the Members, Members of the Golf Club, the Marina Owner and Sailfish Point Utility Corporation.

Section 7. USE OF THE COUNTRY CLUB: It is hereby declared that a Country Club will be erected and maintained solely to provide recreational facilities, meeting room facilities, a restaurant, lounge, office space and whatever use the Association approves, for the benefit of Members and their guests and invitees. The members of the Golf Club who are not Members may use only the restaurant and lounge in the Country Club.

Section 8. USE OF THE UTILITY PARCEL: It is hereby declared that the Utility Parcel will be improved and maintained to provide water and wastewater treatment facilities and services to all Owners and users of the Sailfish Point Property.

Section 9. USE OF THE SALES CENTER PARCEL: It is hereby declared that the Sales Center Parcel shall be used for the purpose of conducting interviews and meetings with prospective Owners, serving as offices for real estate brokers to sell only Sailfish Point Property, generally marketing Sailfish Point Property, and whatever other use as may be determined by the Developer so long as it holds title to the Sales Center Parcel subject to the approval of Martin County in the event that such approval may be required. The Developer shall have the right to demolish, alter or modify, in whole or in part, any improvements on the Sales Center Parcel without Association approval.

ARTICLE X

TRANSFER OF OWNERSHIP

Section 1. APPROVAL OF TRANSFER OF OWNERSHIP: No Residential Unit, nor any part thereof, nor any other portion of the property in Sailfish Point, except the Golf Course, Golf Club Facilities, the Marina, the Marina Facilities, the Utility Parcel or the Sales Center Parcel shall be sold, conveyed, leased or otherwise transferred to any one other than a person or entity which has been approved in writing by the Association in accordance with its Bylaws prior to the time of such conveyance or other transfer.

Section 2. FORECLOSURE OF MORTGAGES AND DELINQUENT ASSESSMENTS: All grantees of conveyances of Parcels and Residential Units expressly stipulate and agree for themselves and their heirs, executors, administrators, legal representatives and assigns that, in the event proceedings are instituted to foreclose any mortgage on property in Sailfish Point, the Developer and its successors or assigns and/or the Association shall have the right to cure the default of any Owner to a mortgagee, together with the right to redeem the mortgage for the amount due thereon, or to purchase said Parcel or Residential Unit at the foreclosure sale for the amount set forth to be due by the mortgagee in the foreclosure proceedings. Should the mortgagor fail to redeem from such mortgagee and, in case of such redemption by the Developer or the Association, the Developer, its successors or assigns, and/or the Association so redeeming, shall take and have absolute fee simple title to the Parcel or Residential Unit redeemed free from any claim or right of any mortgagee, his heirs or assigns or the mortgagor, and every person or concern claiming by, through or under him or it.

Nothing herein contained in this Declaration shall preclude a bank, savings bank, savings and loan association, insurance company, real estate investment trust, or any other recognized lending institution from owning a mortgage on any Parcel or Residential Unit, the Common Areas, the Marina, the Marina Facilities, the Golf Course, the Golf Club Facilities, the Utility Parcel or on the Sales Center Parcel. Such bank, savings bank, savings and loan association, insurance company, real estate investment trust, or other recognized lending institution shall have an unrestricted, absolute right to take title to the Parcel or Residential Unit, Common Areas, Marina, Marina Facilities, Golf Course, Golf Club Facilities, Utility Parcel or the Sales Center Parcel in settlement and satisfaction of said mortgage or to foreclose the mortgage in accordance with the terms thereof and the laws of the State of Florida, and to bid upon said Parcel or Residential Unit, Common Areas, Marina, Marina Facilities, Golf Course, Golf Club Facilities, Utility Parcel or the Sales Center Parcel at the foreclosure sale, provided said bank, savings bank, savings and loan association, insurance company, real estate investment trust or other recognized lending institution owning said mortgage shall give to its mortgagor, the Developer, its successors or assigns, and the Association written notice by certified mail of the said default at least thirty (30) days prior to the institution of foreclosure proceedings. Should the Developer, its successors or assigns, the Association, the Marina Owner, the Golf Club, or Sailfish Point Utility Corporation fail to purchase said Parcel or Residential Unit, Common Areas, Marina, Marina Facilities, Golf Course, Golf Club Facilities, Utility Parcel or the Sales Center Parcel together with any costs incident thereto from such mortgagee or fail to redeem said mortgage, then and in that event, the mortgagee taking title on said foreclosure sale or taking title in lieu of foreclosure sale, may acquire said Parcel or Residential Unit, Common Areas, Marina, Marina Facilities, Golf Course, Golf Club Facilities, Utility Parcel and Sales Center Parcel and occupy the same. However said mortgagee may not resell the same until it has complied with the restriction limiting ownership of said property to approved Members of the Association.

All individuals and private business entities, other than the holder of an Institutional First Mortgage, intending to hold and holding any mortgage or other lien on any Parcel or Residential Unit, Common Areas, Marina, Marina Facilities, Golf Course, Golf Club Facilities, Utility Parcel and Sales Center Parcel shall comply with this Section. In addition thereto, all such individuals and private business entities, other than the holder of an Institutional First Mortgage, intending to hold a mortgage or other security interest in any Parcel or Residential Unit shall be required to secure prior written approval from the Board prior to the time that said individual or entity takes said mortgage or security interest.

The lien for assessments granted to the Association in Articles VI and VII shall be effective from and after the time of recording in the Public Records of Martin County, Florida, a Claim of Lien stating the description of the Parcel or Residential Unit, Golf Course, Golf Club Facilities, Marina, Marina Facilities, Utility Parcel or Sales Center Parcel encumbered thereby, the name of the record owner, the amount due, and the date when due. The lien shall continue in effect until all sums secured by said Claim of Lien as herein provided shall have been fully paid. Such Claims of Lien shall include only assessments which are due and payable when the Claim of Lien is recorded, plus interest, costs, attorneys' fees, advances to pay taxes and prior encumbrances and interest thereon, all as above provided. Such Claims of Lien shall be signed and verified by an officer or agent of the Association. Upon full payment of all sums secured by such Claim of Lien, the same shall be satisfied of record.

The lien granted to the Association in Article VI may be foreclosed in the same manner as real estate mortgages may be foreclosed in the State of Florida. In any suit for the foreclosure of said lien, the Association shall be entitled to the appointment of a receiver for said Parcel or Residential Unit, Golf Course, Golf Club Facilities, Marina, Marina Facilities, Utility Parcel or Sales Center Parcel without notice to the owner of said Parcel or Residential Unit, Golf Course, Golf Club Facilities, Marina, Marina Facilities, Utility Parcel or Sales Center Parcel. The lien granted to the Association shall further secure such advances for taxes, and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien.

In the event a Residential Unit, Parcel, the Golf Course, the Golf Club Facilities, the Marina, the Marina Facilities, the Utility Parcel or the Sales Center Parcel is to be leased, sold, or mortgaged at the time that payment of any assessment against said Parcel, Residential Unit, the Golf Course, the Golf Club Facilities, the Marina, the Marina Facilities the Utility Parcel or the Sales Center Parcel is delinquent, whether or not a Claim of Lien has been recorded by the Association, then the proceeds of such transaction shall be applied by the lessee, purchaser or mortgagee first to payment of any Institutional First Mortgage, then to payment of the delinquent assessments or any installments thereof due to the Association, and thereafter to the Owner of any such Residential Unit or Parcel, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation or the Developer who is responsible for payment of such delinquent assessment.

The Association shall have the right to withhold consent to any sale, lease, mortgage or other transfer where there is a deficiency or delinquency existing as to an assessment or installment due to the Association or to any Condominium Association. The Association shall also have the right to withhold its consent to any sale, lease, mortgage or other transfer until the Owner of the Residential Unit pays all delinquent assessments, together with charges owed to the Marina Owner, or unless the prospective buyer of the Residential Unit pays such assessments, costs and charges. Institution of a suit at law to attempt to effect collection of the payment of any delinquent assessment shall not be deemed to be an election by the Association which shall prevent its

enforcement of the collection of any sums remaining owing to it by foreclosure, nor shall proceeding by foreclosure to attempt to effect such collection be deemed to be an election precluding the institution of a suit at law to attempt to effect collection of any sum then remaining owing to it.

Section 3. NON-COMPLIANCE WITH PRIOR APPROVAL OF TRANSFER:

Any deed or conveyance, lease, mortgage, or other transfer, direct or indirect, in violation of the terms of this Declaration shall cause such conveyance of transfer to be voidable by the Association. Upon the occurrence of said violation, the Association shall have the right to purchase the Parcel or Residential Unit conveyed or transferred, which right may be exercised at any time by serving notice in writing upon any such grantee, transferee or mortgagee notifying him or it that the Association elects to purchase the title to the whole of the conveyed premises, or the mortgage at the price paid, or for the amount loaned by the grantee or mortgagee, plus costs, penalties and premiums, if any, in thirty (30) days from serving said notice, the said grantee or transferee shall promptly convey the title to the whole of such Parcel or Residential Unit or the mortgage to the Association upon the terms and conditions of the initial sale or transfer to the said grantee or transferee or for the amount of lien secured by the mortgage. The grantee or other transferee shall thereupon lose all of his or its right, title and interest in and to the whole of the conveyed or transferred Parcel or Residential Unit or the mortgage thereon and to the improvements and fixtures thereon, and the Association shall have the right of entry to the conveyed Parcel or Residential Unit, without such entry constituting a trespass.

Section 4. ASSOCIATION'S RIGHT OF FIRST REFUSAL: In the event the Owner of any Parcel or Residential Unit desires to sell the same, together with its improvements, if any, the Parcel or Residential Unit shall be first offered for sale to the Association, by notice which shall be given by the Owner, at the same price at which the Owner has agreed to convey such realty and personalty to be to a bona fide contract purchaser. Should the Association fail or refuse, within fifteen (15) days after receipt of such notice, to exercise its right to purchase such Parcel or Residential Unit at the price and on the terms at which it has been agreed to be sold, then the Owner shall have the right to sell said Parcel or Residential Unit, subject to each and every restriction, limitation, condition and agreement herein contained. At the time of notifying the Association of its right to exercise the right of first refusal granted herein, each Owner shall notify the Association of the name of the prospective purchaser, his residence address and his business affiliations. The Association shall be entitled to investigate and shall investigate the prospective purchaser in accordance with Article V, Section 2 of this Declaration.

At such time as the Association accepts the prospective purchaser for membership in the Association and thereby waives the right of first refusal granted to the Association in this Section, the Association shall cause to be recorded in the Public Records of Martin County a written waiver of the right of first refusal as to the particular Parcel or Residential Unit, but only as to the conveyance to the prospective purchaser who the Association has accepted for membership.

Section 5. APPROVAL OF TRANSFER UPON DEATH: In the event a deceased Owner bequeaths the ownership of his Parcel or Residential Unit to some designated person or persons other than his surviving spouse, or if some other person is designated by such decedent's legal representative to receive the ownership of the Parcel or Residential Unit, or in the event under the laws of descent and distribution of the State of Florida, a Parcel or Residential Unit descends to some person or persons other than the surviving spouse of the deceased Owner, the legatee or devisee shall petition the Association for approval of the transfer of the Parcel or Residential Unit. The Board shall, within fifteen (15) days of receipt of proper evidence of the death and request for approval

of transfer accept or reject the request for approval of transfer. If the Board shall consent, ownership of the Parcel or Residential Unit may be transferred to the person or persons so designated, who shall thereupon be considered by the Association to be the Owner(s) of the Parcel or Residential Unit, subject to the provisions of the Declaration, any Supplementary Declaration, the Articles of Incorporation and Bylaws of the Association, and applicable Declaration of Condominium or Declaration of Cluster Covenants.

If, however, the Board shall refuse to consent, then the Association shall be given the opportunity during sixty (60) days next after the expiration of the fifteen (15) day period for consideration of approval by the Board as aforesaid, to purchase for cash, or to furnish a cash purchaser for the Parcel or Residential Unit at the then fair market value thereof as may be agreed upon by the parties or the value arrived at by a bona fide appraisal in the event of a dispute. In the event the parties are unable to agree to the fair market value of the Parcel or Residential Unit, then each shall be entitled to have an appraiser. The two appraisers shall then select a third appraiser. The fair market value of the Parcel or Residential Unit, as agreed to by the three appraisers, shall be the amount for which the Association shall purchase the Parcel or Residential Unit. If the three appraisers shall fail to agree as to fair market value, then the fair market value shall be deemed to be the average of the three. Failure of the Association to purchase within the schedule set forth herein shall constitute an acceptance of the legatee or devisee.

ARTICLE XI

PROHIBITED ACTIVITIES

Section 1. GENERAL: Nothing shall be done on or in any Parcel or Residential Unit which may be or may become an annoyance to the Association or to any of its Members. In the event of any question as to what may be or may become an annoyance, such question shall be submitted to the Association for a decision in writing. The decision of the Association shall be final.

Section 2. PARKING OF COMMERCIAL VEHICLES: The use of any driveway or parking area which is in front of, adjacent to or part of any Parcel or Residential Unit as a habitual parking place for commercial vehicles is prohibited. Unless actual services are being rendered to the Residential Unit, no commercial vehicle may be parked adjacent to any Parcel or Residential Unit for more than twelve (12) consecutive hours in any thirty-six (36) hour period or such vehicle shall be deemed to be habitually parked. The term "Commercial Vehicles" shall include all automobiles, trucks, and vehicular equipment including station wagons, which bear signs or shall have printed on the sides of same a reference to any commercial undertaking or enterprise, but shall not include any vehicle used by the Developer or Builders in construction on the Sailfish Point Property. The habitual violation of the parking regulations set forth in this Paragraph shall be deemed a violation of the use and annoyance restrictions of this Declaration.

Section 3. ANIMALS: In accordance with rules and regulations which the Board may adopt, other than aquariums, one dog and cat per Residential Unit, no animals shall be kept on any property in Sailfish Point except as expressly permitted by the Association, provided, however, that the Association has the absolute authority to prohibit any animal on Sailfish Point.

Section 4. COMMERCIAL ACTIVITIES: No drilling, mining, manufacturing, trade, business, commerce, industry, profession or other

occupation whatsoever shall be conducted or carried on upon any Parcel or Residential Unit or any part thereof, or in any structure or improvement located thereon, except as to those uses made by a Builder approved in writing by the Developer, or by the Developer on property owned by Developer, and except as to the Marina, the Marina Facilities, the Golf Course, the Golf Club Facilities, the Common Areas including the Country Club, and the Utility Parcel. No noxious or offensive trade or activity shall be carried on or upon any building site nor shall anything be done thereon which may be or become an annoyance to the neighborhood.

Section 5. **MOBILE HOMES, BOATS:** The keeping of a mobile home or travel trailer, either with or without wheels, on any part of Sailfish Point, is prohibited. Notwithstanding the foregoing, the Developer may maintain a mobile home, travel trailer, or trailer on Sailfish Point Property which it or the Association owns. A builder who has been approved in writing by the Developer may maintain a mobile home or travel trailer on Sailfish Point Property, other than that owned by a Member, which is adjacent to any Parcel or Residential Unit on which such builder is actively engaged in performing construction services. Other than a registered, licensed and inspected automobile, no boat or other vehicle may be maintained, stored, or kept on any part of Sailfish Point unless it is housed completely within a structure or docked at a dock which has been architecturally approved in writing in accordance with the provisions of this Declaration. Notwithstanding the foregoing, boats may be stored on trailers at the Marina or Marina Facilities.

ARTICLE XII

REMEDIES, WAIVER AND SEVERABILITY

Section 1. **REMEDIES FOR VIOLATIONS:** Violation or breach of any condition, restriction or covenant herein contained or contained in any Supplementary Declaration of Protective Covenants and Restrictions, as provided in Article II of this Declaration, shall give the Developer and/or Association and/or the Owner(s), jointly and severally, in addition to all other remedies, the right to proceed at law or in equity to compel compliance with the terms of said conditions, restrictions or covenants, and/or to prevent the violation or breach of any of them. The expense of such litigation shall be borne by the then Owner of the Parcel or Residential Unit which is the subject of the litigation, or by the Golf Club, Marina Owner, Sailfish Point Utility Corporation, or the Developer provided such proceeding results in a finding that such Owner, Golf Club, Marina Owner, Sailfish Point Utility Corporation or the Developer was in violation of this Declaration or a part thereof. Expenses of litigation shall include, but not be limited to, reasonable attorney's fees incurred by Developer and/or the Association in seeking such enforcement.

The Board may impose a fine or penalty on any Member who does damage to the Common Areas, or may charge such Member for all expenses incurred by the Association to repair or replace the Common Areas. The Board may also impose a fine or penalty, may restrict a Member's use of the Country Club, or may charge a Member for expenses incurred for repair to the Country Club if any Member causes damage to the Country Club. For the purpose of this paragraph, whenever a family member, guest or invitee of a Member causes such damage to the Common Areas including the Country Club, the Member shall be deemed to have caused such damage. Any fine, penalty, charge or restriction on use of the Country Club may be imposed by the Association only in compliance with Section 5 of this Article.

In addition to the foregoing right, the Developer and/or Association shall have the right, whenever there shall have been built on

any Parcel or Residential Unit any structure or improvement which is in violation of these restrictions, to enter in and upon the said Parcel or Residential Unit where such violation exists and summarily to abate or remove the same at the sole expense of Owner. Entry and abatement may be made only after the Association has complied with the requirements of Section 5 of this Article. If the Association determines that a violation of these restrictions exists, entry and abatement or removal shall not be deemed a trespass.

The Board shall have the authority to impose fines upon any Member, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation or the Developer who violates the terms of this Declaration and any Supplementary Declaration, as same may be established in accordance with Article II hereof. The imposition of fines shall only be made in accordance with the terms of Section 5 of this Article.

The invalidation by any court of any of the conditions or restrictions contained herein shall in no way affect any of the other conditions or restrictions which shall remain in full force and effect.

In the event of breach of any of the covenants and restrictions contained in Articles VIII, IX and XI, after compliance with the requirements of Section 5 of this Article, in addition to all other remedies provided herein, the Association shall be entitled to purchase any Parcel or Residential Unit from any Owner violating said covenants and restrictions at the same price paid by said Owner for said Parcel or Residential Unit, exclusive of the value of any improvements which have not been approved in writing by the Association.

Section 2. RESTRICTIONS ARE COVENANTS RUNNING WITH THE LAND:

The agreements, covenants, and conditions set forth in this Declaration shall constitute an easement and servitude in and upon the lands to which same pertain and they shall run with the land and shall inure to the benefit of and be enforceable by the Developer, the Association, the Marina Owner, the Golf Club, the Owner(s), and/or Sailfish Point Utility Corporation.

This Declaration shall remain in full force and effect for a period of fifteen (15) years from the date hereof, at which time it shall automatically extend for successive periods of ten (10) years each unless the Members agree to change the Declaration in whole or in part, as evidenced by an instrument signed by all Members or their legally or duly appointed representatives agreeing to such change and recorded in the Martin County Public Records. In order to change this Declaration, there shall be required a vote of three-fourths (3/4) of the votes of the Members entitled to vote, the number of which votes shall be determined in accordance with Article V hereof and which vote shall be taken no later than two (2) years prior to any natural expiration date.

Section 3. WAIVER AND FAILURE TO ENFORCE: Each and all of the covenants, conditions, restrictions and agreements contained herein shall be deemed and construed to be continuing. The extinguishment of any right or power herein contained shall not impair or affect any of the covenants, conditions, restrictions or agreements so far as any future or other breach is concerned. Failure to enforce any building restriction, covenant, condition, obligation, reservation, right, power or charge herein before or hereinafter contained, however long continued, shall in no event be deemed a waiver of the right to enforce such covenant as to the breach or violation. Failure to enforce same shall not give rise to any liability on the part of the Developer, the Association, the Golf Club, the Marina Owner and/or Sailfish Point Utility Corporation with respect to parties aggrieved by such failure.

Section 4. SEVERABILITY: Invalidation of any one of these Covenants or Restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 5. PROCEDURE TO BE FOLLOWED IN THE EVENT OF VIOLATION OF CERTAIN COVENANTS OF THIS DECLARATION: The Association shall not impose a fine, suspend voting or infringe upon any other rights of a Member for the violation of the terms and covenants of this Declaration, any Supplementary Declaration or any rules or regulations which may be promulgated by the Association unless and until the following procedure is followed:

(a) **Demand.** Written demand to cease and desist from an alleged violation shall be served upon the Member allegedly in violation which shall specify:

(i) The alleged violation;

(ii) The action required to abate the violation; and

(iii) A time period, not less than ten (10) days, during which the violation may be abated without further sanction, if such violation is a continuing one, or a statement that any further violation of the same rule may result in the imposition of a sanction after notice and hearing if the violation is not continuing.

(b) **Notice.** At any time within twelve months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same rule is subsequently violated, the Board or its delegate shall serve the Member allegedly in violation with written notice of a hearing to be held by the Board or its delegate in executive session. The notice shall specify:

(i) The nature of the alleged violation;

(ii) The time and place of the hearing, which time shall not be less than ten (10) days from the giving of the notice;

(iii) An invitation to attend the hearing and produce any statement, evidence and witnesses on his behalf; and

(iv) The proposed sanction to be imposed.

(c) **Hearing.** The hearing shall be held in executive session pursuant to the notice and shall afford the Member reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if the copy of the notice together with a statement of the date and manner of delivery is entered by the officer, director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the Member allegedly in violation appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(d) **Appeal.** In the event the Board's delegate administers the above referred to hearing, the Member found to be in violation shall have the right to appeal the decision of the delegate to the Board. To perfect this right, a written notice of appeal must be received by the President or Secretary of the Association within thirty days after the hearing date.

Every Declaration of Condominium and Declaration of Cluster Covenants shall provide for similar procedures.

ARTICLE XIII

DEVELOPER'S RIGHTS AND VETO POWER

Section 1. DEVELOPER'S RIGHTS: The Developer hereby reserves to itself, and the grantee of any Parcel or Residential Unit hereby agrees, by acceptance of a deed of conveyance thereto, that the Developer shall have the following rights, so long as the Developer owns any property in Sailfish Point, including Property owned by the Developer as the result of any reconveyance of Sailfish Point Property, or until the Developer causes to be recorded a Certificate of Termination of Interest in Sailfish Point, which Certificate terminates any and all right, title, interest and obligation of the Developer in Sailfish Point:

(a) The right to replat, vacate or withdraw any area of any platted area from the property subject to this Declaration, provided that the Developer owns all property which is subject to the plat. The invalidization or unenforceability of this right shall in no way affect the enforceability of the other covenants and restrictions contained in this Article, this Declaration or any Supplementary Declaration. Any such invalidization and unenforceability shall cause this reservation of right to be void.

(b) The right to dispense pesticides throughout the Sailfish Point Property;

(c) The right to retain legal and equitable title to the Golf Course, the Golf Club Facilities, the Marina, the Marina Facilities, the Utility Parcel, and the Sales Center Parcel, or to sell, lease or otherwise convey all or any part of its interest in the Sales Center Parcel and to demolish, alter or modify in whole or in part, any improvements on the Sales Center Parcel;

(d) The right to establish easements for itself over any property in Sailfish Point which is owned by the Developer;

(e) The right to convey, in whole or in part, any easements granted in favor of the Developer, as created in this Declaration or as recorded in the Public Records of Martin County, Florida, which pertain to Sailfish Point;

(f) Until all Residential Units erected on a Parcel are conveyed to Owners, the right to approve any Declaration of Condominium or Declaration of Cluster Covenants, any amendment(s) thereto and any corporate documents related to any Condominium Association;

(g) The right to maintain Parcels and Residential Units if the Association fails to do so;

(h) The right to purchase any Parcel or Residential Unit which is in violation of Articles VIII, IX and XI herein;

(i) The right to erect or grant to a Builder the right to erect temporary buildings on any property in Sailfish Point which is owned by the

Developer or title to which has been granted by the Developer to a Builder;

(j) The right to maintain an easement, for construction staging purposes, across any Lot or Parcel;

(k) The right to alter and amend the Planned Unit Development Zoning Agreement which is described in Article I, Section 14 of this Declaration provided that approval from all governmental agencies having jurisdiction over such Agreement has been obtained;

(l) The right to alter, amend, approve, dispose of, and designate the plan and facilities which provide water and wastewater treatment service and irrigation service to Sailfish Point, provided that approval from all governmental agencies having jurisdiction over same has been obtained;

(m) The right to maintain a sales office in Sailfish Point and to erect signs and to conduct sales throughout Sailfish Point;

(n) The right to establish the security system in Sailfish Point;

(o) The right to appoint the members of the Architectural Review Committee for such time as the Developer owns any property in Sailfish Point.

(p) The right to conduct the development, marketing and sale of property in Sailfish Point owned by the Developer.

(q) The right to review any finding by the Board in connection with any application for membership and to accept any application for membership which has been rejected by the Board and to direct that such applicant become a Member upon the applicant becoming a fee simple record title holder of any Parcel or any Residential Unit. In the exercise of this right by the Developer, the Developer's findings shall become final and binding on the Members, the Board and on the Association.

(r) During the time Developer is engaged in construction on the Sailfish Point Property, the right to install and maintain a radio communications system.

Section 2. VETO POWER: The Developer hereby expressly reserves to itself, and any grantee of any Parcel or Residential Unit hereby agrees, by acceptance of a deed of conveyance thereto, that the Developer shall have the right to veto any or all of the following events so long as the Developer owns any part of the Sailfish Point Property, including Sailfish Point Property owned by the Developer as the result of any reconveyance of Sailfish Point Property, or until the Developer causes to be recorded a Certificate of Termination of Interest in Sailfish Point, which Certificate terminates any and all right, title interest and obligation of the Developer in Sailfish Point:

(a) Shoreline contour changes approved by the Association;

(b) Construction of boat slips approved by the Association;

- (c) Construction of any dune crossings approved by the Association;
- (d) Association approval which permits the conduct of any commercial enterprise in Sailfish Point;
- (e) Any or all Association budgets, annual or otherwise which constitute an increase or reduction of twenty percent over the prior year's budget;
- (f) Approval of any plans or specifications for any structure made by the Architectural Review Committee;
- (g) Attempted resubdivision of Sailfish Point, termination of any Condominium Association or Cluster Committee;
- (h) Attempted amendment of this Declaration, the Articles of Incorporation and Bylaws of the Association, any Supplementary Declaration of Protective Covenants and Restrictions established for any part of Sailfish Point, or the Planned Unit Development Zoning Agreement, as described in Article I, Section 14 herein;
- (i) Any management contracts entered into by the Association or the Board;
- (j) Any reduction made to the security system at Sailfish Point;
- (k) Attempted relocation of the sales center at Sailfish Point;
- (l) The creation of any special assessment districts within Sailfish Point;
- (m) Any assessment for capital improvements which are imposed by the Association on property owned by the Developer;
- (n) Any settlement of any claim made by the Association to collect upon any policy of casualty insurance which insures the Common Areas and the Country Club, and any settlement of any claim made by a Condominium Association or Cluster Committee to collect upon any policy of casualty insurance which insures Condominium Common Elements or Cluster Common Elements;
- (o) Any attempted dissolution of the Association by a vote of the Members of the Association and any attempted dissolution of any Condominium Association or Cluster Committee;
- (p) Any attempted cancellation or reduction of insurance coverage insuring all or any part of the Sailfish Point Property.

ARTICLE XIV

COVENANT FOR MARTIN COUNTY, FLORIDA

The Association shall not be dissolved nor shall it dispose of any Common Areas, by sale or otherwise, except to an organization con-

ceived and organized to own and maintain the Common Areas, without first receiving recorded approval from the Board of County Commissioners of Martin County, Florida (herein the "Board of Commissioners"). The Board of Commissioners, as a condition precedent to the dissolution or disposal of Common Areas by the Association, may require dedication of common open areas or utilities to the public, as deemed necessary.

In the event that the Association, or any successor organization, fails at any time to maintain the Common Areas in reasonable order and condition in accordance with the Development Plan, then the Board of Commissioners may serve written notice by certified mail, return receipt requested, upon such organization and upon each Owner and the Developer, which notice shall set forth the manner in which the Association or successor organization has failed to maintain the Common Areas in reasonable order and condition and shall demand that such failure be remedied within thirty (30) days of the sending of such notice or, in the alternative, that such Association or successor organization appear before the Board of Commissioners at a specified time, at least ten (10) days but not more than thirty (30) days after the sending of such notice, either to contest the alleged failure to maintain the Common Areas or to show cause why it cannot remedy such failure within the said thirty (30) day period. If such failure has not been remedied within the said thirty (30) day period or such longer period as the said Board of Commissioners may have allowed, then the Board, in order to preserve the taxable values of Sailfish Point and to prevent the Common Areas from becoming a public nuisance, shall hold a public hearing to consider the advisability of Martin County entering upon such Common Areas and maintaining them for a period of one (1) year. Notice of such hearing shall be sent by certified mail, return receipt requested, to the Association or successor organization involved, to each Owner and to the Developer, and shall be published one (1) time in a newspaper of general circulation published in Martin County, Florida. Such notice shall be sent and published at least fifteen (15) days in advance of the hearing. At such hearing, the Board of Commissioners may determine that it is or is not advisable for the County to enter upon such Common Areas, take non-exclusive possession of them and maintain them for one (1) year. Such entry, possession and maintenance, when followed in accordance with the above procedure shall not be deemed a trespass. Such entry, possession and maintenance shall not be construed to give to the public or Martin County any right to use the Common Areas. The Board may, upon public hearing, with notice given and published in the same manner as above, return possession and maintenance of such Common Areas to the Association, or successor organization, abandon such possession and maintenance, or continue such possession and maintenance for additional one (1) year periods. The cost of such maintenance by Martin County, mentioned above, shall be assessed ratably against the properties within the Sailfish Point that have a right to enjoyment of the Common Areas and shall become a charge or lien on said properties if not paid within thirty (30) days after receipt of a statement therefor.

ARTICLE XV

INSURANCE

Section 1. DEVELOPER AS NAMED INSURED: Any policy of insurance, of whatever nature, which insures any risk connected with the Sailfish Point Property shall provide that the Developer is a named insured along with any other named insured so long as the Developer owns any property in Sailfish Point.

Section 1. LOSS OR DAMAGE TO COMMON AREAS: In the event of loss or damage to Common Areas, which loss or damage is covered by insurance, the proceeds shall be paid to an insurance trustee to cover

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such loss or damage shall first be applied to the expenses of the trustee, or provision for payment made, then to the repair, replacement or reconstruction of Common Areas, and any remaining insurance proceeds shall then be prorated on an equal basis to all Owners.

If it appears that the insurance proceeds covering the loss or damage payable to the insurance trustee are not sufficient to pay for the repair, replacement or reconstruction of the loss or damage, or that the insurance proceeds, when collected, will not be sufficient, then the Board shall, based on reliable, detailed estimates obtained from competent, independent and qualified parties, determine the cost of repair, replacement or reconstruction of the Common Areas.

If the proceeds of said insurance are not sufficient to pay for the repair, replacement or reconstruction of any loss or damage to Common Areas and the Association shall levy and collect an assessment from the Owners. Said assessment, so collected from said Owners, shall be deposited with the insurance trustee, so that the sum on deposit with the insurance trustee shall be sufficient to completely pay for the repair, replacement or reconstruction of the Common Areas. The assessment to be levied and collected shall be equally apportioned among all Owners. If it is determined that the damage for which the proceeds are paid shall not be repaired, replaced, or reconstructed, any proceeds not used to repair, replace or reconstruct shall be distributed to the beneficial owners; remittances to Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Residential Unit and may be enforced by such mortgagee. There shall be no distribution of remaining proceeds until all debris, remains, and residue have been cleared and removed, and the property has been properly landscaped. In making distribution to Owners and their mortgagees, the Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary as to the names of the Owners and their respective shares of the distribution.

ARTICLE XVI

GENERAL PROVISIONS

Section 1. OWNER'S ACCEPTANCE OF COVENANTS, CONDITIONS AND RESTRICTIONS AFFECTING SAILFISH POINT: Every Owner, by virtue of his acceptance of the deed of conveyance to his Residential Unit and other parties by virtue of their occupancy or use of any part of the Sailfish Point Property, hereby approve all of the terms and conditions, duties and obligations contained in this Declaration, all Supplementary Declarations and in the Articles and Bylaws of the Association.

Section 2. INDEMNITY OF THE DIRECTORS OF THE BOARD: All Members of the Association and all members of the Golf Club, the Marina Owner and Sailfish Point Utility Corporation agree to indemnify and hold harmless each and every Director of the Board from any acts of misfeasance, malfeasance or nonfeasance which may occur in the performance of his duties as Director of such Board. This obligation shall be covered by directors and officers liability insurance, if available, which shall be funded as a common expense of the Members.

Section 3. AMENDMENT: Subject to the provisions of this Declaration, this Declaration may be amended at any time and from time to time upon a vote in favor of said amendment(s) by not less than three-quarters (3/4) of all votes, the number of which votes shall be determined in accordance with Article V, Section 3(a) of this Declaration. So long as the Developer is the Owner of any Parcel, Residential Unit or any Sailfish Point Property, the Developer's written consent must be obtained to any such amendment. Any such amendment shall be evidenced

by an instrument executed by the duly authorized officers of the Association and recorded in the Public Records of Martin County, Florida.

Section 4. DESTRUCTION OF ALL OR PART OF THE COMMON AREAS: In the event all or more than fifty (50%) percent of the Common Areas is destroyed, the Association shall vote whether to rebuild same. There shall be required the vote of three-fourths (3/4) of the votes of all Members, determined in accordance with Article V hereof, in order to rebuild the Common Areas, if the cost to rebuild same exceeds fifty (50%) percent of the appraised value of such Common Areas prior to the total or partial destruction.

Section 5. HEADINGS: The headings contained herein are for ease of reference only, and do not constitute substantive provisions of this instrument.

Section 6. CONDEMNATION: In the event of the successful litigation of any action to condemn or take all or any part of the Common Areas or the Country Club which is made by any governmental entity, the Association shall be entitled to receive the proceeds of such condemnation and shall use or distribute such condemnation proceeds only in accordance with this Section.

In any condemnation action in which less than fifty (50%) percent of the then current fair market value of the Country Club is sought to be taken by the condemning authority, the proceeds of such condemnation action shall be used solely to construct improvements to the Country Club to replace the areas condemned. The replacement improvements shall, to the greatest extent possible, duplicate the function of the facilities condemned. In any condemnation action in which fifty (50%) percent or more of the then current fair market value of the Country Club is sought to be taken by the condemning authority, the decision whether to rebuild shall be put to a vote of the Members. Unless three-fourths (3/4) of the votes of all Members are cast against rebuilding, the proceeds of the condemnation action shall be used solely to construct improvements to the Country Club to replace the areas condemned. The replacement improvements shall, to the greatest extent possible, duplicate the function of the facilities condemned. In the event that three-fourths (3/4) of the votes of the Members are cast against rebuilding, the proceeds of the condemnation action shall be distributed among the members on a pro rata basis per Residential Unit, so that each Member shall receive a fractional share of the condemnation proceeds, the numerator of which fraction shall be one (1) and the denominator shall be the total number of Residential housing units permitted in the Planned Unit Development Zoning Agreement described in Article I, Section 14 of this Declaration, together with any amendments thereto.

In any condemnation action in which all or any part of the roads in the Common Areas are sought to be taken, the proceeds of such condemnation action shall be used solely to rebuild such roads so as to provide access to each Residential Unit in Sailfish Point.

In the event that any governmental entity attempts to rezone all or any part of the Common Areas, including the Country Club, so that the use of such Common Areas as established herein is not permitted under the attempted rezoning, the Association shall be required to commence suit against the governmental entity alleging reverse condemnation. Any proceeds of such reverse condemnation action shall be used in accordance with the provisions of this Section.

Section 7. ADDITIONAL USE RESTRICTIONS: Additional use restrictions may be filed and imposed by the Developer in connection with the recordation of any plat affecting all or any part of Sailfish Point, provided the same are not inconsistent with the provisions hereof. Such additional restrictions may be incorporated in any Supplementary Declaration of Protective Covenants and Restrictions described in Article II of this Declaration and/or in such additional Declaration of Condominium

or Declaration of Cluster Covenants, as they may be from time to time recorded in the Public Records of Martin County, Florida.

Section 8. RESTRICTIONS PREVAIL OVER LESS STRINGENT GOVERNMENTAL REGULATIONS: Where these Covenants and Restrictions set minimum standards in excess of governmental building or zoning regulations, these Covenants and Restrictions shall prevail.

Section 9. EFFECTIVE DATE: This Declaration shall become effective upon its recordation in the Public Records of Martin County, Florida, and shall be construed in accordance with the laws of the State of Florida.

IN WITNESS WHEREOF, Developer has caused this instrument to be executed in its name by its undersigned, duly authorized officers, and its corporate seal to be hereunto affixed, the day and year first above written.

Signed, sealed and delivered
in the presence of:

[Signature]
[Signature]

SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida

By *[Signature]*
Doran T. Sesquist, Jr., President

(Corporate Seal)

Attest: *[Signature]*
Asst. Secretary

STATE OF FLORIDA

COUNTY OF *[Signature]*

)
) SS:
)

I HEREBY CERTIFY that on this day, before me, an officer duly authorized to take acknowledgments, personally appeared Doran T. Sesquist, Jr. and *[Signature]*, who are the President and *[Signature]* Secretary, respectively, of SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida, and acknowledged before me that they executed the foregoing Declaration of Covenants and Restrictions for Sailfish Point in the name of and on behalf of said corporation, affixing the corporate seal of said corporation thereto; that as such corporate officers they are duly authorized by said corporation to do so; and that the foregoing instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State aforesaid, this *25th* day of *January*, 19*82*.

[Signature]
Notary Public, State of Florida at
Large

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA at Large
MY COMMISSION EXPIRES 11/1/84 23 188

These lands in Government Lots 2, 3, 4, 5, 6, 7 and the area created by a Westerly Prolongation of the South line of the North 340' of said Government Lot 2 and the South line of said Government Lot 4, Section 8, Township 38 South, Range 42 East, and in Government Lot 1, Section 9, Township 38 South, Range 42 East, and in Government Lots 1, 2, and 3, Section 16, Township 38 South, Range 42 East, and in Government Lots 1, 2, 3, 4, 5, and 6, Section 17, Township 38 South, Range 42 East, lying within the boundaries of the following described perimeter, to-wit:

BEGINNING at the point of intersection of the South line of the North 340' of Government Lot 2, Section 8, Township 38 South, Range 42 East, and the waters of the Atlantic Ocean; thence run South 88° 06' 45" West along said South line of the North 340' of Government Lot 2, Section 8, Township 38 South, Range 42 East, a distance of 306.15 feet more or less, to a point in said South line of the said North 340' of Government Lot 2, Section 8, Township 38 South, Range 42 East, said point being monumented by an Iron Pipe filled with concrete and designated as T-1 by Map of Mean High Water Line Survey as approved December 16, 1977 by Department of Natural Resources of the State of Florida and filed for record in Official Record Book 434, Pages 701-713 (both inclusive), Public Records of Martin County, Florida; thence continue to run South 88° 06' 45" West along said South line of said North 340' a distance of 202 feet, more or less, to point of intersection with the waters of the Indian River; thence continue to run South 88° 06' 45" West along the Westerly projection of said South line of said North 340' of said Government Lot 2, to a point designated as T-1 by said Map of Survey of Mean High Water Line of public record as aforesaid; thence continue to run South 88° 06' 45" West along the said South line of the said North 340' and Westerly prolongation thereof, a distance of 1146.87' to a point; thence run South 2° 41' 33" West a distance of 105.24 feet; thence South 51° 40' 10" West a distance of 2,267.97 feet; thence run South 38° 07' 00" East a distance of 220.71 feet; thence run South 51° 53' 00" West a distance of 2.57 feet; thence run South 38° 07' 00" East a distance of 52.29 feet; thence run South 44° 10' 07" East a distance of 481.69 feet to point of intersection with the Mean High Water line of waters of the Indian River as shown and established in Government Lot 5 of said Section 8, Township 38 South, Range 42 East by the said Map of Survey of Mean High Water Line of public record as aforesaid; thence from said point of intersection run generally Southerly and Easterly with the aforesaid established Mean High Water Line of waters of Indian River respectively in said Government Lot 5, Section 8, Township 38 South, Range 42 East, and in Government Lots 1, 4, 5, and 6, Section 17, Township 38 South, Range 42 East; thence continue to run generally Easterly with the aforesaid established Mean High Water line of the waters of St. Lucie Inlet in Government Lot 1, Section 16, Township 38 South, Range 42 East, to point of confluence of the waters respectively of said St. Lucie Inlet and the Atlantic Ocean; thence run generally Northerly with the aforesaid established Mean High Water Line of Atlantic Ocean in Government Lots 1, 2, and 3 of said Section 16, Township 38 South, Range 42 East, and in Government Lot 1 of Section 9, Township 38 South, Range 42 East, and in Government Lot 3 and Government Lot 2, Section 8, Township 38 South, Range 42 East to the point of beginning;

Exhibit "A" to
Declaration of Protective Covenants
and Restrictions for Sailfish Point

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Legibility of Writing, Typing,
Printing unsatisfactory in this
document when microfilmed.

Final
1/21/80

ARTICLES OF INCORPORATION
OF
SAILFISH POINT PROPERTY OWNERS' AND COUNTRY
CLUB ASSOCIATION, INC.,

A Florida Corporation Not For Profit
(The "Property Owners' Association")

32 488 MAR2099

Exhibit "B"

INDEX
TO
ARTICLES OF INCORPORATION
OF
SAILFISH POINT PROPERTY OWNERS' AND COUNTRY
CLUB ASSOCIATION, INC.,
A Florida Corporation Not For Profit
(The "Property Owners' Association")

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ARTICLES OF INCORPORATION
OF
SAILFISH POINT PROPERTY OWNERS' AND COUNTRY
CLUB ASSOCIATION, INC.

A Florida Corporation Not For Profit

WE, the undersigned, being of full age and competent to contract in the State of Florida do, in accordance with the provisions of Chapter 617, Part I, Florida Statutes, hereby voluntarily associate ourselves to make, subscribe, acknowledge and file in the office of the Secretary of State, State of Florida, for the purpose of forming a corporation not for profit in accordance with the laws of the State of Florida, these Articles of Incorporation, as by law provided:

ARTICLE I

NAME AND PRINCIPAL PLACE OF BUSINESS

The name of this corporation shall be:

SAILFISH POINT PROPERTY OWNERS' AND COUNTRY
CLUB ASSOCIATION, INC.

a Florida corporation not for profit, which is hereinafter referred to as the "Association". The principal office of the Association shall initially be located at:

Suite 601, Admiralty Building
4440 P.G.A. Boulevard
Palm Beach Gardens, Florida 33410

or at such other place as may be designated, from time to time, by the Board of Directors.

ARTICLE II

OBJECTS AND PURPOSES

SECTION 1. In accordance with the terms of that certain Planned Unit Development Zoning Agreement between Sailfish Point, Inc., a Delaware corporation qualified to do business in the State of Florida, hereinafter referred to as the "Developer", and Martin County, a political subdivision of the State of Florida, which Agreement is dated January 9, 1979 and recorded in Official Records Book 463 at Page 1143 et seq. of the Public Records of Martin County, Florida, the Developer and Martin County agreed to the establishment of a planned unit development in Martin County, to be known as Sailfish Point, hereinafter referred to as "Sailfish Point". This corporation is created pursuant to the Declaration of Protective Covenants and Restrictions for Sailfish Point filed in the Public Records of Martin County, hereinafter referred to as the "Declaration", generally for the sole purpose of acquiring, constructing, managing, maintaining and caring for the Sailfish Point Property in accordance with the terms of the Declaration. The definitions set forth in the Declaration, as recorded, are by this reference thereto incorporated herein as if fully set forth in these Articles.

The nature, object and purposes for which this Association is formed, in accordance with the provisions of Chapter 617, Part I (Corporations Not for Profit), Florida Statutes, are more particularly described as follows:

- (a) To preserve and enhance the natural beauty of Sailfish Point including, but not limited to, the scenic assets, natural features and natural and man-made recreational areas in Sailfish Point;
- (b) To own, operate, govern, administer and manage the Common Areas;
- (c) To protect, maintain and/or repair landscaping in the Common Areas, including the Country Club Facilities and other improvements to the Common Areas in Sailfish Point and to provide exterior maintenance to Residential Units, any Parcel, the Golf Club Facilities, the Golf Course, the Marina, the Marina Facilities, the Utility Parcel, the Sales Center Parcel and any Sailfish Point Property owned by the Developer, the need for which exterior maintenance has been determined by the Board, all in accordance with the terms of the Declaration;
- (d) To control the specifications, architecture, design, appearance, elevation and location of, and landscaping around, all buildings of any type, including: walls; fences; swimming pools; dune walk-overs; docks and boat slips; bulkheading; antennae; sewers; drains; garbage, trash and refuse disposal systems; or other structures constructed, placed or permitted to remain on or in Sailfish Point, as well as the alteration, improvement, addition or change thereto in order to preserve and maintain an integrated architectural design for Sailfish Point;
- (e) To insure compliance with the Planned Unit Development Zoning Agreement, as above described in this Section, and to maintain all permits, of whatever nature, which are issued by any governmental authorities and which apply to Sailfish Point;
- (f) To make and collect assessments, of any type, in accordance with the terms of the Declaration;
- (g) To control the waterways, lagoons, lakes and inlets in Sailfish Point and to comply with the terms of the Water Management System for Sailfish Point, as same may be required by the South Florida Water Management District, and any other permits, licenses and governmental approvals in connection with said waterways, lagoons, lakes and inlets.
- (h) To provide or provide for private security in Sailfish Point, and such other services the responsibility for which has been delegated to the Association by the terms of the Declaration, and to provide capital improvements and equipment related thereto to the Common Areas, including the Country Club;
- (i) To provide, purchase, acquire, replace, improve, maintain, and repair such buildings, structures, landscaping, paving and equipment, both real and personal, related to the health, safety, and social welfare of the Members, as the Board in its discretion determines necessary, appropriate, and/or convenient;
- (j) To oversee the general operation and maintenance of Sailfish Point in such a manner as to prevent substantial injury to the use and enjoyment of all or any part of Sailfish Point;
- (k) To operate, without profit, for the sole and exclusive benefit of its Members;
- (l) To assure that the provisions of the Declaration are duly enforced;

(n) To accept by conveyance from the Developer, own and operate the Marina, the Marina Facilities and the Utility Parcel, which conveyance(s) the Association shall accept and have no right or power to refuse.

(n). To do and perform all such other acts and things permitted and to exercise all power, granted to a corporation not for profit under the laws of the State of Florida as those laws now exist or as they may hereafter provide.

SECTION 2. It is not intended that the Association show any net earnings. It is intended that the income, if any, from the Common Areas and the Country Club will be used only to offset expenses from such properties and that the operation of the Common Areas and the Country Club is incidental to the operation of Sailfish Point as a whole, and that neither the Common Areas nor the Country Club are established as primary income sources for the Owners of Residential Units. Furthermore, no part of the net earnings of the Association may inure, other than by acquiring, constructing or providing management, maintenance, and care to the Common Areas and the Country Club and other than by a rebate of excess fees or assessments, to the benefit of any private individual or Member of the Association.

ARTICLE III

GENERAL POWERS

SECTION 1. The Association shall have all of the common law and statutory powers of a corporation not for profit, including but not limited to, those powers set forth and described in Chapter 617, Part I, Florida Statutes, as the same may be amended from time to time, together with, or as limited by, those powers conferred on the Association by the Declaration, any Supplementary Declaration, these Articles, and the Bylaws of the Association, all as may be amended from time to time.

SECTION 2. The Association shall further have all additional powers as are reasonably necessary and inferable in order to operate the Sailfish Point Property in accordance with Florida law and to effect any and all of the purposes for which the Association is organized, in accordance with the provisions of the Declaration, any Supplementary Declaration, these Articles, and such Bylaws and rules and regulations as may be promulgated and amended from time to time, including but not limited to, the following:

(a) To do all such acts as are necessary or convenient to the attainment of the objects and purposes set forth in these Articles, the Bylaws of the Association, the Declaration and any Supplementary Declaration to the same extent and as fully as any natural person might or could do;

(b) To promulgate and enforce rules, regulations, Bylaws, covenants, restrictions and agreements governing the use of Residential Units, Parcels, the Common Areas, the Country Club, the Marina and Marina Facilities, the Utility Parcel and the Sales Center Parcel;

(c) To provide lighting throughout Sailfish Point, to improve and maintain the streets and right-of-way areas within Sailfish Point; to provide for drainage facilities and to operate and maintain the Water Management System for Sailfish Point; to maintain all permits, of whatever nature, which may be issued in connection with the Sailfish Point Property, by any and all governmental agencies; to provide for the collection and disposition of garbage, waste and rubbish in Sailfish Point; to provide for security protection in Sailfish Point; and to do any other thing which the Board determines necessary or desirable in the

interests of safety, health and for the protection, comfort and convenience of the Members and other occupants of Sailfish Point;

(d) To approve or disapprove proposed purchasers and lessees of Parcels and Residential Units; to exercise the right of first refusal which is granted to the Association by the terms of the Declaration and, pursuant to such right of first refusal, to purchase any Parcel or Residential Unit, and to hold or convey title to such Parcel or Residential Unit; to purchase any Parcel or Residential Unit which has been conveyed, leased, mortgaged or otherwise transferred in violation of the terms of the Declaration; and to void any such conveyance, lease, mortgage or transfer which is in violation of the terms of the Declaration;

(e) To hold funds solely and exclusively for purposes set forth in these Articles, the Declaration, and any Supplementary Declaration;

(f) To delegate power or powers, where such is deemed in the interest of the Association;

(g) To acquire, by gift, purchase or otherwise, and to lease, hold, sell, mortgage, own, improve, build upon, operate, maintain, convey, dedicate for public use, or otherwise dispose of, real or personal property in connection with the affairs of the Association, including but not limited to the Marina, the Marina Facilities, and the Utility Parcel; to enter into, make, perform or carry out contracts of every kind with any person, firm, corporation, partnership or association; to do any and all acts necessary or expedient for carrying on any and all of the activities and pursuing any and all of the objects and purposes set forth in these Articles and not forbidden by the laws of the State of Florida, the Declaration or any Supplementary Declaration;

(h) To fix, levy, collect and enforce payment, by any lawful means, of all charges and assessments, of whatever nature, against all Owners, Builders, the Golf Club, the Marina Owner, the Developer and Sailfish Point Utility Corporation as provided in the Declaration; to defray the expenses and costs of effectuating the objects and purposes of the Association and to create reasonable reserves for such expenditures; to authorize the Board to enter into agreements with Condominium Associations and Cluster Committees, for the collection of such assessments; and to use all proceeds of assessments in the exercise of its powers and duties;

(i) To impose and foreclose the Association's lien for delinquent assessments, of whatever nature, in accordance with the terms of the Declaration;

(j) To charge Owners, the Golf Club, the Marina Owner, the Developer and other recipients for services rendered or provided by the Association and to charge the user for use of Association property where such charge is deemed appropriate by the Board;

(k) To pay taxes, assessments imposed by governmental entities and other expenses and charges, if any, on or against the Common Areas and the Country Club against the Marina, Marina Facilities, the Golf Course and Golf Club Facilities and the Utility Parcel provided such Marina, Marina Facilities and Utility Parcel are owned by the Association; to pay all office and other expenses incident to the conduct of the affairs of the Association; and to receive reimbursement for such payments from Members, the Golf Club, the Marina Owner, the Developer and Sailfish Point Utility Corporation by regular or special assessment;

(l) To borrow money and, from time to time, to make, accept, endorse, execute and issue debentures, promissory notes or other obligations of the Association for monies borrowed or in payment for property acquired or for any of the other purposes of the Association and to

secure the payment of such obligation by mortgage, pledge, or other instrument of trust, or by lien upon, assignment of or agreement in regard to all or any part of the property owned by the Association wherever situated or by any rights or privileges of the Association;

(m) To assess for common expenses which cannot be paid from the regular assessment budget; to make special assessments for the cost of any construction, reconstruction, unexpected repair or replacement of a capital improvement made to the Common Areas, the Country Club, the Marina, the Marina Facilities, and the Utility Parcel; to assess for operational deficits or other extraordinary or unbudgeted items, the assessment for which is deemed reasonably necessary by the Association; to assess all Owners of Residential Units for the purpose of satisfying a judgment rendered against the Association;

(n) To enter onto, maintain, repair, replace, improve, operate and manage the Common Areas, the Country Club, the Golf Course, the Golf Club Facilities, the Marina, the Marina Facilities, the Utility Parcel, the Sales Center Parcel and the exterior of any Parcel or Residential Unit in accordance with the terms of the Declaration, including the right to reconstruct improvements after casualty for damage thereto; to make further improvements to all or any part of the Common Areas, the Country Club, the Golf Course, the Golf Club Facilities, the Marina, the Marina Facilities, the Utility Parcel, and the Sales Center Parcel, and to make and enter into any contracts to accomplish said purposes;

(o) To purchase insurance coverage for the protection of the Association, its officers, directors and its Members;

(p) To levy and collect a special escrow reserve assessment for the purpose of establishing, and in the amount necessary to establish, an insurance reserve account to equal amounts specified in the deductible clause of the master insurance policy to be procured by the Association to cover risks allocable to the aforesaid Common Areas, Country Club, Golf Course, Golf Club Facilities, Marina, Marina Facilities, Utility Parcel and the Sales Center Parcel by way of damage resulting from windstorm, fire, casualty and other risks which the Association shall deem advisable to insure against;

(q) To acquire and enter into, prior or subsequent to the recording of the Declaration, leases and agreements whereby it acquires leaseholds, memberships or other possessory or use interests in or stock in corporations the assets of which consist of real and personal property, including, but not limited to, the Golf Course, the Golf Club Facilities, the Marina, the Marina Facilities, the Utility Parcel and the Sales Center Parcel, country clubs, golf courses, marinas, yacht clubs, other recreational areas and facilities, and water and wastewater treatment facilities whether or not contiguous to the lands in Sailfish Point, and intended to provide for the enjoyment, recreation, use or benefit of its Members; to declare expenses in connection therewith to be common expenses; and to adopt covenants and restrictions relating to the use thereof;

(r) To employ personnel to perform the services required for the proper operation of the Sailfish Point and to contract for management of said Sailfish Point Property and to delegate to such contractor all powers and duties of the Association, except such as are specifically required by the Declaration to have the approval of the Board or the Members;

(s) To enforce the provisions of the Declaration, any Supplementary Declaration, these Articles, the Bylaws and rules and regulations which may be now and hereafter adopted relating to the use of any part of the Sailfish Point Property, by whatever legal means are available under the laws and ordinances of Martin County, Florida, the State of Florida or the United States of America;

(t) To dedicate, sell or transfer all or any part of the aforesaid Common Areas, Country Club Facilities, Marina, Marina Facilities, the Utility Parcel, or the Sales Center Parcel, provided the Association owns such properties, to any public agency, authority, utility, or any other person or entity, public or private, for such purposes and subject to such conditions as may be agreed to by a vote in favor of said action by not less than three-fourths (3/4) of the votes of all Members, the number of which shall be determined in accordance with the Declaration. Any such dedication, sale or transfer must also be approved by a majority vote of all duly elected members of the Board;

(u) To participate in mergers and consolidations with other corporations organized for the same purposes or organized to own or operate property of any nature or to provide services which benefit all Owners of Residential Units, the Golf Club, the Marina Owner or Sailfish Point Utility Corporation, or to annex additional residential property, Common Areas, Country Club, Marina, Marina Facilities, Utility Parcel or Sales Center Parcel provided that any such merger, consolidation or annexation shall have been approved by a vote in favor of said action of not less than three-fourths (3/4) of the votes of all Members, the number of which shall be determined in accordance with the Declaration. Any such merger or consolidation must also be approved by a majority vote of all duly elected members of the Board;

(v) In general, to have all powers and authority conferred upon a corporation not for profit by Chapter 617, Florida Statutes, and as may be otherwise provided by the laws of the State of Florida, except as prohibited herein.

The powers of the Association shall additionally be subject to, and shall be executed in accordance with, the provisions of the Declaration and Bylaws of this Association.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

SECTION 1. Membership and voting rights shall be as set forth in the Declaration.

ARTICLE V

OPERATING CAPITAL FOR THE ASSOCIATION

SECTION 1. The Association shall never issue shares of stock, nor will it ever have or provide for non-voting membership.

SECTION 2. The Association will obtain funds with which to operate by assessments, in accordance with provisions of the Declaration, as supplemented by the provisions of the Bylaws of the Association relating thereto.

ARTICLE VI

BOARD OF DIRECTORS

SECTION 1. The affairs and property of this Association shall be managed and governed by a Board of Directors consisting of not less than three (3) nor more than nine (9) persons, with the exact number to be determined by the Board. The number of Directors may be increased to

a maximum of nine (9) members by the Developer at any time prior to the first regular annual meeting of the Members, or at any time thereafter by three-fourths (3/4) majority vote of the votes of the Members or by majority vote of the Board. At the time that there are at least 100 Class A Members, there shall be at least three (3) Directors; at the time that there are at least 300 Class A Members, there shall be at least five (5) Directors; at the time that there are at least 500 Class A Members, there shall be at least seven (7) Directors. A majority of the duly elected and qualified members of the Board shall constitute a quorum. The initial Board shall have four (4) members who shall hold office and serve until their successors are elected at the first regular annual meeting of the Members, subject to the provisions for continued directorial service as contained in these Articles and the Bylaws. The names and addresses of the persons who are to serve as the initial Directors until removed by the Developer or until the first regular annual meeting of the Members are:

<u>Name</u>	<u>Address</u>
1. Dale R. McGinley	Suite 601, Admiralty Building 4440 P.G.A. Boulevard Palm Beach Gardens, Fl. 33410
2. Doran T. Seaquist, Jr.	Suite 601, Admiralty Building 4440 P.G.A. Boulevard Palm Beach Gardens, Fl. 33410
3. David J. Waller	150 East 42nd Street New York, New York 10017
4. James F. Simpson	Suite 601, Admiralty Building 4440 P.G.A. Boulevard Palm Beach Gardens, Fl. 33410

SECTION 2. The Directors elected by the Class B Member may, but need not, be Members and need not be residents of the State of Florida. Directors elected by the Class A Members must be Members. Until such time as the Developer has sold and conveyed title to no less than 573 Residential Units, a majority of Directors shall be elected by the Class B Member; thereafter, the Class B Member shall elect not less than one (1) Director so long as it owns any property in Sailfish Point.

In the event that not, less than 60 days prior to the next regularly scheduled annual meeting, there shall be not less than one hundred (100) Members, and in the event the total number of Directors shall be not less than three (3), the Class A Members shall have the right to elect one (1) director. In the event that, not less than 60 days prior to the next regularly scheduled annual meeting, there shall be not less than three hundred (300) Members, and in the event the total number of Directors shall be not less than five (5), the Class A Members shall have the right to elect a total of two (2) Directors. In the event that not less than 60 days prior to the next regularly scheduled annual meeting there shall be not less than five hundred (500) Members, and in the event the total number of Directors shall be not less than seven (7), the Class A Members shall have the right to elect a total of three (3) Directors.

Elections shall be by plurality vote, with cumulative voting being prohibited. At the first regular annual election of the Board and thereafter until there shall be at least one hundred (100) Class A Members, as provided in this Section, the Class B Member may elect the members of the Board to serve for terms of one (1), two (2) or three (3) years, at the discretion of the Class B Member. Thereafter, there shall be elected as many Directors as there are regular terms of office of Directors expiring at such time. The term of the Director so elected at

each regular annual election shall be for the same period of time as the term of the Director for whose position on the Board he was elected, and thereafter until his successor is duly elected and qualified, or until removed from office for cause by the affirmative vote by not less than three-fourths (3/4) of the votes of all Members, the number of which votes shall be determined in accordance with the Declaration. Notwithstanding the foregoing, the Developer shall be entitled, at any time, to remove or replace any Director who has been elected by the Developer. In all events, in the circumstance that a Director elected by a Class B Member is removed, only the Class B Member shall be entitled to designate that Director's replacement.

The Board, by vote of the majority of the duly constituted members thereof, may vote to change the terms of office of Directors thereof.

SECTION 3. A vote by the majority of the quorum present at a meeting of the Board of Directors of the Association shall be deemed a vote of the entire Board.

Notwithstanding the foregoing, a majority vote of all duly elected members of the Board shall be required to authorize or approve any of the following actions:

- (a) Merger or consolidation of the Association with another entity;
- (b) Sale, lease, exchange, transfer or other disposition of all or substantially all of the Association's assets;
- (c) Voluntary dissolution of the Association in accordance with Article XII of these Articles;
- (d) Adoption of a plan of distribution of remaining assets upon dissolution of the Association;
- (e) Change in the terms of office of any or all of the members of the Board.

SECTION 4. In the event of a vacancy in the initial Board occurs prior to the regular annual meeting of the Members, the vacancy shall be filled by an appointee of the Class B Member.

ARTICLE VII

OFFICERS

SECTION 1. The affairs of the Association shall be administered by a President, Vice President, Secretary, Treasurer, and such other or assistant officers as the Bylaws of the Association or the Board, by resolution, may provide from time to time. The President, Vice President, and Treasurer shall be elected by the Board from among their own number in accordance with the Bylaws at the first regular annual meeting of the Board and thereafter at each regular annual meeting of the Board, and shall serve at the pleasure of the Board. Any two (2) or more offices may be held by the same person except the President and Secretary may each hold only one office.

SECTION 2. The names and titles of the officers who are to serve until their successors are designated and elected at the first regular annual meeting of the Board are as follows:

<u>Title</u>	<u>Name</u>
President	Doran T. Sequist, Jr.
Vice President	Dale R. McGinley
Secretary	Sandra H. Burns
Treasurer	James F. Simpson

SECTION 3. In the event of a vacancy in any office prior to the first regular annual meeting of the Board, the vacancy shall be filled by an individual appointed by the Class B Member.

ARTICLE VIII

BYLAWS

The Bylaws of this Association shall be adopted by the initial Board, which Bylaws may be altered, amended or rescinded by the initial Board. The Members shall have the right to repeal, change and adopt Bylaws and may provide that any Bylaws made by them may not be altered, amended or repealed by the Board. The Members may repeal, change or adopt Bylaws at any duly called meeting of the Members, by a vote in favor of said change by no less than three-fourths of the votes of the Members, the number of which shall be determined in accordance with the Declaration.

ARTICLE IX

AMENDMENTS TO ARTICLES OF INCORPORATION AND BYLAWS

SECTION 1. Alteration, amendment or rescission of these Articles shall be proposed and adopted in the following manner:

(a) The Board shall adopt a resolution setting forth the proposed amendment, and directing that it be submitted to a vote at a meeting of the Members, which may be either at the annual or a special meeting.

(b) Written notice setting forth a proposed amendment or a summary of the changes to be effected thereby shall be given to each Member entitled to vote thereon, which meeting may not occur less than ten (10) days or later than sixty (60) days from the giving of notice of the meeting to consider the proposed amendment.

(c) At such meeting of the Members, a vote of the Members entitled to vote thereon, as provided in the Declaration, shall be taken on the proposed amendment. The proposed amendment shall be adopted upon receiving the affirmative vote of three-fourths of the votes of the Members.

SECTION 2. Any number of amendments may be submitted to the Members and voted upon by them at one meeting.

SECTION 3. If all of the Directors and all of the Members eligible to vote sign a written statement manifesting their intentions that an amendment to the Articles be adopted, then the amendment shall thereby be adopted as though the procedure set forth in Section 1 of this Article has been satisfied.

SECTION 4. The Members may amend the Articles without an act of the Directors at a meeting for which notice of the proposed amendment has been given.

ARTICLE X

INDEMNIFICATION OF OFFICERS AND DIRECTORS

SECTION 1. The Association shall indemnify any Director or officer made a party or threatened to be made a party to any of following threatened, pending or completed action, suit or proceeding:

(a) Except in any action brought by or on behalf of the Association against such officer or Director, an action of judicial, administrative or investigative nature based on an act alleged to have been committed by such Director or officer, in his capacity as such or in any capacity of any other association or enterprise in which he served at the request of the Association. In any such action, the officer or Director shall be indemnified against judgments, fines, amounts paid in settlement, and reasonable expenses, including attorneys' fees, actually and necessarily incurred as a result of such action, or any appeal therein, provided such Director or officer acted in good faith in the reasonable belief that such action was in the best interests of the Association and, in criminal actions or proceedings, without reasonable ground for belief that such action was unlawful. The termination of any such action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, in itself, create a presumption that any such Director or officer did not act in good faith in the reasonable belief that such action was in the best interests of the Association or that he had reasonable grounds for belief that such action was unlawful.

(b) An action by or on behalf of the Association to procure a judgment against such officer or Director based on his capacity as a Director or officer of the Association, or in any capacity of any other association or enterprise in which he served at the request of the Association. In any such action, the officer or Director shall be indemnified against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense or settlement of such action, or in connection with an appeal therein, provided such Director or officer acted in good faith in the reasonable belief that such action was in the best interests of the Association. Such person shall not be entitled to indemnification in relation to matters as to which such person has been adjudged to have been guilty of negligence or misconduct in the performance of his duty to the Association unless and only to the extent that the adjudicating body shall determine that, despite the adjudication of liability, such person is fairly and reasonably entitled to indemnification for such expenses which such adjudicating body shall deem proper.

SECTION 2. The Board shall determine whether amounts for which a Director or officer seeks indemnification were properly incurred, and whether such Director or officer acted in good faith and in a manner he reasonably believed to be in the best interests of the Association, and whether, with respect to any criminal action or proceeding, he had no reasonable ground for belief that such action was unlawful. Such determination shall be made by the Board, by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding.

SECTION 3. The foregoing rights of indemnification shall not be deemed to limit, in any way, the powers of the Association to indemnify Directors and officers under applicable law.

ARTICLE XI

TRANSACTIONS IN WHICH DIRECTORS OR OFFICERS ARE INTERESTED

SECTION 1. No contract or transaction between the Association and any other corporation, partnership, association, or other organization in which one or more of the Directors or officers of this Association are Directors or officers, or has a direct or indirect financial interest shall be invalid, void, or voidable solely for this reason, or solely because the Director or officer is present at or participates in the meeting of the Board or committee thereof which authorized the contract or transaction, or solely because the vote of said officer or Director is counted for such purpose. No Director or officer of the Association shall incur liability by reason of the fact that said Director or officer may be interested in any such contract or transaction.

SECTION 2. Interested Directors may be counted in determining the presence of a quorum at a meeting of the Board or of a committee which authorized the contract or transaction.

SECTION 3. Notwithstanding the foregoing, any Director or officer of the Association shall have a duty to disclose to the Board and to all officers that such officer or Director is also an officer or director of or has a financial interest, direct or indirect, in any organization with which the Association proposes to contract or to enter into a transaction. Such disclosure shall be reflected in the minutes of the meeting at which any vote on a proposed contract or transaction with any organization in which an officer or Director of the Association has any interest.

ARTICLE XII

DISSOLUTION OF THE ASSOCIATION

SECTION 1. Upon dissolution of the Association, all of its assets remaining after provision for creditors and payment of all costs and expenses of such dissolution shall be distributed in the following manner:

(a) The real property contributed to the Association by the Developer in a conveyance wherein the Developer received no other than nominal consideration shall be returned to the Developer whether or not the Developer is a Class B Member at the time of such dissolution, unless it refuses to accept the conveyance, in whole or in part. Upon such refusal, the real property may be disposed of in accordance with the other provisions of this Section at the discretion of the Board.

(b) Dedication to any applicable municipal or other governmental authority of any property determined by the Board to be appropriate for such dedication and which the authority is willing to accept.

(c) Remaining assets shall be distributed among the Members. Subject to the limitation set forth below, the share of the assets allocable among the Member(s) owning a particular Residential Unit or Parcel shall be determined by multiplying such remaining assets by a fraction, the numerator of which shall be the total of all amounts assessed by the Association since its organization against the property which is owned by the Member at the time of dissolution and the denominator of which shall be the total amount, excluding penalties and interest assessed by the Association since its organization, against all properties which, at the time of dissolution, are part of Sailfish Point. The year of dissolution shall count as a whole year for purposes of the preceding fraction.

SECTION 2. Subject to the Developer's rights established in Article XIII of the Declaration, the Association may be dissolved upon a resolution to that effect which has been approved by three-fourths (3/4) of the entire membership of the Board and confirmed by an affirmative vote of not less than three-fourths (3/4) of all votes, of which votes the number shall be determined in accordance with the Declaration. The Board may require, as a condition to its resolution approving dissolution, that the Association petition the circuit court of the county where the principal office of the Association is then located, for a decree of dissolution, the procedure for which petition is set forth in Section 617.05, Florida Statutes, or statute of similar import.

SECTION 3. In no event shall the Association be dissolved nor shall it dispose of any Common Areas or the Country Club, by sale or otherwise, except to an organization conceived and organized to own and maintain the Common Areas and/or Country Club without first receiving approval from the Board of County Commissioners of Martin County, Florida, if required by Martin County ordinances and regulations, and written consent from the Developer, or its successors and assigns.

ARTICLE XIII

CORPORATE EXISTENCE

The term for which the Association is to exist is perpetual, unless the Association is sooner terminated pursuant to the terms of these Articles of Incorporation.

ARTICLE XIV

SUBSCRIBERS

The names and addresses of the incorporators and subscribers to these Articles of Incorporation are:

<u>Name</u>	<u>Residence</u>
1. Dale R. McGinley	Suite 601, Admiralty Building 4440 P.G.A. Boulevard Palm Beach Gardens, Fl. 33410
2. Doran T. Seaquist, Jr.	Suite 601, Admiralty Building 4440 P.G.A. Boulevard Palm Beach Gardens, Fl. 33410
3. David J. Waller	150 East 42nd Street New York, New York 10017

ARTICLE XV

DESIGNATION OF REGISTERED AGENT

C. T. Corporation System, whose address is 100 Biscayne Boulevard, Miami, Florida, 33132. is appointed registered agent for service of process on this Association, subject to the right of this Association to change the same in the manner provided by the laws of the State of Florida.

IN WITNESS WHEREOF, we, the undersigned, being each of the subscribers hereto, have hereunto set our hands and seals, at the City of

_____ County, State of Florida
this _____ day of _____, 19__.

Signed, sealed and delivered
in the presence of:

Doran T. Sequist, Jr. (SEAL)

Dale R. McGinley (SEAL)

David J. Waller (SEAL)

STATE OF FLORIDA

COUNTY OF _____

)
) SS:
)

I HEREBY CERTIFY that on this day personally appeared before me, the undersigned authority, Doran T. Sequist, Jr. and Dale R. McGinley, to me well known and known to me to be the subscribers described in and who executed the foregoing Articles of Incorporation, and they acknowledged before me that they executed the same freely and voluntarily for the purposes therein expressed.

WITNESS my hand and official seal at _____
of _____, 19__ County, Florida, this _____ day

Notary Public, State of Florida
at Large

My Commission Expires:

STATE OF _____
COUNTY OF _____

)
) SS:
)

I HEREBY CERTIFY that on this day personally appeared before me, the undersigned authority, David J. Waller, to me well known and known to me to be the subscribers described in and who executed the

foregoing Articles of Incorporation, and he acknowledged before me that he executed the same freely and voluntarily for the purposes therein expressed.

WITNESS my hand and official seal at _____
of _____, _____ County, Florida, this _____ day
of _____, 19__.

Notary Public, State of _____
_____ at Large

My Commission Expires:

CON 488 MAR 21 1955

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

Pursuant to Sections 48.091 and 617.023, Florida Statutes, the following is submitted in compliance with said Statutes:

THAT, SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., desiring to organize under the laws of the State of Florida, with its principal offices at Suite 601, Admiralty Building, 4440 P.G.A. Boulevard, Palm Beach Gardens, Florida 33410, has named C. T. Corporation System, whose address is 100 Biscayne Boulevard, Miami, Florida 33132 as its agent to accept service of process within the State of Florida.

ACKNOWLEDGEMENT

Having been named to accept service of process for the above-stated Association, at the place designated in this Certificate, C. T. Corporation System hereby accept the responsibility to act in this capacity, and agree to comply with the provisions of said Statute relative to keeping open said office.

Dated this ____ day of _____, 19__.

C. T. Corporation System

By REGISTERED AGENT--FLORIDA

Q. R. 488 Mar 21 1966

Final
1/21/80

BYLAWS
OF
SAILFISH POINT PROPERTY OWNERS' AND COUNTRY
CLUB ASSOCIATION, INC.,
A Florida Corporation Not For Profit
(The "Property Owners' Association")

Exhibit "C"
JAN 22 1980 488 MAR 21 1980

INDEX

TO

BYLAWS

OF

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A Florida Corporation Not For Profit
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BYLAWS
OF
SAILFISH POINT PROPERTY OWNERS' AND COUNTRY
CLUB ASSOCIATION, INC.

A Corporation Not for Profit Under
the Laws of the State of Florida

These are the Bylaws of SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a corporation not for profit organized under the laws of the State of Florida, the Articles of Incorporation of which were filed in the office of the Secretary of State of Florida on the _____ day of _____, 19____ (hereinafter the "Articles"). SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC. has been organized pursuant to Chapter 617, Part I, Florida Statutes, for the purpose of acquiring, constructing, managing, maintaining, and caring for the Sailfish Point Property, as defined herein, which is subject to the Declaration of Protective Covenants and Restrictions for Sailfish Point, as recorded among the Public Records of Martin County, Florida (hereinafter the "Declaration"), and recorded Supplementary Declarations of Protective Covenants and Restrictions for particular platted areas in Sailfish Point (hereinafter "Supplementary Declarations"), and the Planned Unit Development Zoning Agreement filed in Official Records Book 463 at Page 1143, et seq., of the Public Records of Martin County, Florida. Hereinafter, in these Bylaws, SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC. is referred to as the "Association".

ARTICLE I

GENERAL

Section 1. DEFINITIONS: The definitions contained in the Declaration are hereby specifically incorporated by this reference thereto in these Bylaws and shall have the same meaning as if set forth fully herein.

Section 2. CONSTRUCTION OF PROVISIONS IN BYLAWS: The provisions of these Bylaws are expressly subject to the terms contained in the Articles, the Declaration, and any recorded Supplementary Declaration. The terms and provisions of said Articles, the Declaration and any recorded Supplementary Declaration are to be controlling wherever the same may be in conflict herewith.

Section 3. APPLICATION OF BYLAWS: All present and future Owners, lessees, guests, invitees and licensees of same, the Golf Club and its members, the Marina Owner, Sailfish Point Utility Corporation, the Developer, or any other person who might use all or any part of the Sailfish Point Property or any of the facilities thereof or therein in any manner, are subject to the regulations set forth in these Bylaws and in the Articles, the Declaration, any recorded Supplementary Declaration and any rules and regulations promulgated by the Association.

Section 4. THE NAME: The name of the corporation shall be SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a Florida corporation not for profit.

Section 5. THE PRINCIPAL OFFICE: The principal office of the corporation shall be Suite 601, Admiralty Building, 4440 P.O.A. Boulevard, Palm Beach Gardens, Florida 33410, or at such other place as may be subsequently designated by the Board. All books and records of the Corporation shall be kept at the principal office.

ARTICLE II

BOARD OF DIRECTORS

Section 1. NUMBER AND TERM: The affairs of the Association shall be governed by the Board of Directors, as set forth in Article VI of the Articles. The number of Directors which shall constitute the whole Board shall be not less than three (3) nor more than nine (9), with the exact number to be determined in accordance with the Articles. Except for the initial Directors designated in the Articles of Incorporation and any other Directors elected or appointed by the Developer, a Director shall be elected to serve for a term specified in the Articles, or until his successor has been elected and qualified. The initial Board shall have four (4) members. The number of Directors may be increased to a maximum of nine (9) Members by the Developer at any time prior to the first regular annual meeting of the Members, or at any time thereafter by a vote of three-fourths (3/4) of the votes of the Members entitled to vote, the votes of which shall be established in accordance with the Declaration, or by a majority vote of the Board. Any designated employee or agent of the Class B Member shall be eligible to serve as a Director. The Directors elected by the Class B Member may, but need not be, Members and need not be residents of the State of Florida. Directors elected by the Class A Members shall be Members.

Section 2. VACANCY AND REPLACEMENT: If the office of any Director or Directors becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the entire remaining members of the Board, at a special meeting of Directors duly called for this purpose, shall choose a successor or successors after consulting with the Nominating Committee. The successor Director shall hold office for the unexpired term in respect to which such vacancy occurred and until his successor shall have been duly elected and qualified. Provided, however, in the event that an office of any Director elected by a Class B Member becomes vacant, the Class B Member shall have the exclusive right to name a successor Director to hold such office. Any or all Directors shall be subject to replacement in the event of resignation or death as herein provided.

Section 3. REMOVAL OF DIRECTORS: Directors may be removed from office, with or without cause, by an affirmative vote of a majority of the votes of all Members, the number of which votes shall be determined in accordance with the Declaration. Except for Directors elected by the Class B Member no Director who is also a Member shall continue to serve on the Board if, during his term of office, his membership in the Association shall be terminated for any reason whatsoever, except as provided in these Bylaws and the Articles. A special meeting of the Members may be called to recall a member or members of the Board by giving notice of the meeting which notice shall state the purpose of the meeting and which notice shall be given not less than ten (10) nor more than thirty (30) days prior to the scheduled meeting. Upon a vote of the majority of Members, the number of which votes shall be determined in accordance with the Declaration, approving such recall, the Director so recalled shall no longer be deemed to hold office. In all events, any Director elected or appointed by the Class B Member who is recalled from office by a vote of the Members shall be replaced by another individual designated by the Class B Member.

Section 4. INITIAL BOARD: The initial Board designated in the Articles shall hold office and exercise all the powers of the Board until the first regular annual meeting of the Members, anything herein to the contrary notwithstanding; provided, any or all of said Directors shall be subject to replacement in the event of the earlier of their resignation or death.

Section 5. DUTIES OF THE BOARD OF DIRECTORS: The duties of the Board of Directors shall include, but not be limited to, the following:

(a) To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof at the regular annual meeting of the Members, or at any special meeting of the Members when such statement is requested in writing by a majority of the Members of the Association who are entitled to vote;

(b) To supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;

(c) To make and collect assessments, of any nature, in accordance with the terms of the Declaration:

(1) To classify, as of November 1 of each year, all Sailfish Point Property as: Improved Units; Unimproved Units and Parcels, Unplatted Lands Within Sailfish Point; and Exempt Property and to make quarterly adjustments to such classifications, as such classifications change. All such classifications shall be in accordance with Article VI of the Declaration;

(2) To approve budgets for cost incurred in the upkeep and maintenance of the Common Areas, the Country Club, the Utility Parcel and the Marina and Marina Facilities, for costs incurred in the performance of all other duties charged to the Association in the Declaration and for all costs and expenses incurred by the Association as required in the Declaration, the Articles, any Supplementary Declaration and in these Bylaws, which budgets are prepared by the Finance Committee, in accordance with Article V hereof.

(3) In accordance with the Declaration, to fix the amount of the annual assessment, special and maintenance assessments, if any, against each Member; and to fix the amount of any assessments, of any nature, against the Golf Club, the Marina Owner, and Sailfish Point Utility Corporation. Every annual assessment shall be fixed by the Board at least thirty (30) days in advance of each annual assessment period.

(4) To receive, review and approve budgets for the upkeep and maintenance of particular Cluster Common Elements, which budgets are submitted by the Cluster Committee with jurisdiction over said Cluster Common Elements, and to make assessments to the Owners of Single Family Attached Units who have exclusive use of said Cluster Common Elements based on such budgets.

(5) To send written notice of, and all bills for, each annual assessment to every Member, the Golf Club, the Marina Owner and to Sailfish Point Utility Corporation which notice shall be sent at least thirty (30) days in advance of each annual assessment period. All annual assessments shall be billed and payable in four (4) equal quarterly installments. Written notice of and a bill for any special or maintenance assessment must be sent to every Member, the Golf Club, the Marina Owner and Sailfish Point Utility Corporation, respectively, at least thirty (30) days in advance of the due date of such special or maintenance assessment.

(6) To establish and to enforce a procedure for the collection of assessments, of any nature.

(d) To issue or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment has been paid; such certificate shall be prima facie evidence that any assessment therein stated has been paid. The Board may impose a reasonable charge for the issuance of these certificates;

(e) To procure and maintain adequate liability and hazard insurance on property owned by the Association; director and officer liability insurance, if available, and Worker's Compensation insurance for employees of the Association;

(f) To cause all or any officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) To prepare a roster of the Members and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Member;

(h) To promulgate rules and regulations concerning the use of all property in Sailfish Point which will apply to Members, their guests, invitees and licensees, the Golf Club and its Members, the Marina Owner, and Sailfish Point Utility Corporation. The rules and regulations shall be promulgated in accordance with Article XIII of these Bylaws;

(i) To enforce the duties, obligations and responsibilities of the Association as same are imposed on the Association in the Declaration, any Supplementary Declaration and the Articles, and to take any action which is necessary to implement and effectuate all duties, obligations and responsibilities of the Association.

Section 6. COMPENSATION: Neither Directors nor officers shall receive compensation for their services as such. Nothing herein contained shall be construed to preclude any Director from serving the Association in any other capacity and receiving compensation therefor. The salaries of Directors for services other than as a Director shall be fixed by a vote of a majority of the Members.

Section 7. QUORUM: A majority of the Board shall constitute a quorum for all purposes. The action of a majority of those Directors present at a meeting at which a quorum is present shall constitute the action of the Board, except as otherwise required in these Bylaws, the Articles, the Declaration and any Supplementary Declaration. If a quorum shall not be present at the meeting, the Directors then present may adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum shall be present at which time the meeting shall continue. At such continued meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

Section 8. LOCATION OF MEETINGS AND RECORDS: The Directors may hold their meetings and keep the books of the Association at the office of the Association or such other place as they may from time to time determine.

Section 9. MEETINGS:

(a) The initial Board and the initial officers shall be as set forth in the Articles and shall hold office until removed by the Developer or until the first regular annual meeting of the Members.

(b) The annual meeting of each Board newly elected by the Members shall be held immediately or as soon thereafter as may be practicable upon adjournment of the meeting at which they were elected, provided a quorum shall then be present. Nothing contained herein shall

limit the right of absent Directors to consent in writing to action taken. The annual meeting of the Board shall be held at the same place as the annual meeting of the Members and immediately after the adjournment of same.

(c) Regular meetings of the Board shall be held monthly or at such regular intervals as may be determined by the Board, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday. No notice of regular meetings of the Board shall be required.

(d) Special meetings of the Board shall be held, whenever called, at the direction of the President or by a majority of the entire membership of the Board. The Secretary shall give notice of each special meeting either personally, by mail, telephone or telegram, at least three (3) days before the date of such meeting, but the Directors may waive notice of the calling of the meeting by executing a written waiver either before, at or after the meeting.

(e) Minutes of all meetings of the Board and any committee thereof shall be kept in a business-like manner and shall be available for inspection by Directors and Members at all reasonable times.

(f) Meetings of the Board shall be open to all Owners.

(g) The presiding officer at Directors' meetings shall be the President of the Association unless he selects or designates another member of the Board to serve. In the absence of the presiding officer, the Directors present shall designate one (1) of their number to preside.

(h) Members of the Board or an executive committee shall be deemed present in person at a meeting of such Board or committee if a conference telephone or similar communications equipment is used by means of which all persons participating in the meeting can hear each other at the same time.

Section 10. WRITTEN CONSENT: Any action of the Board or of any committee thereof, which is required or permitted to be taken at a meeting, may be taken without a meeting if consented to in a writing setting forth the action to be taken, which consent is signed by all of the members of the Board or of the committee, as the case may be, and is filed in the minutes of the proceedings of the Board or committee.

Section 11. ORDER OF BUSINESS: The order of business at all meetings of the Board shall be as follows:

- (a) Calling of the roll;
- (b) Proof of notice of meeting or waiver of notice, if the meeting is a special meeting;
- (c) Reading of the Minutes of the last meeting and action taken and approval of any unapproved minutes;
- (d) Financial report or statement;
- (e) Resignations, appointments and elections;
- (f) Reports of officers and employees;
- (g) Reports of committee chairpersons;
- (h) Unfinished business;

(i) Original resolutions and new or miscellaneous business;

(j) Adjournment.

Section 12. ELECTION OF DIRECTORS:

(a) Nominations of individuals proposed for election to Board membership may be made by the Nominating Committee.

(b) The Class B Member shall, not less than forty-five (45) days prior to the date set for an annual meeting of the Members in Article VI of these Bylaws, notify the Secretary and the Nominating Committee of the names of the Directors which the Class B Member is electing to the Board. Thirty (30) days prior to the date for the annual meeting of the Members set forth in Article VI, the Nominating Committee shall notify the Secretary of the names of the candidates nominated for election to the Board. The Secretary shall, within ten (10) days of receiving such notification from the Nominating Committee, prepare and mail election ballots to the Class A and Class B Members, in accordance with Article VII of these Bylaws. All Members whose names appear on a list of Members entitled to vote, as provided in Article VI, Section 3, shall be entitled to cast votes in the election.

(c) The Nominating Committee shall make as many nominations for election to fill vacancies on the Board as it shall, in its discretion, determine. Suggestions for nominations may be made by the Class A and Class B Members. Nominations and notification of the vacancies being filled by the Class B Member shall be placed on a written ballot, as provided in Section 13(d) of this Article and shall be made in advance of the time fixed therein for the mailing of such ballots to Members.

(d) All elections to the Board shall be made on written ballots which shall (1) describe the vacancies to be filled, and (2) set forth the names of those nominated by the Nominating Committee for such vacancies and the names of those elected to the Board by the Class B Member. Such ballots shall be prepared and mailed by the Secretary to the Class A and B Members at least twenty (20) days in advance of the date for the annual meeting of the Members set forth in Article VI. Upon receipt of such ballots, the Members may, with respect to each vacancy, cast as many votes for the persons nominated by the Nominating Committee as they are entitled to cast under the provisions of the Articles and these Bylaws. The actual casting of votes may be accomplished in accordance with Article VI of these Bylaws;

(e) Each Member shall receive a ballot designating the name of the Member and number of votes to which such Member is entitled, and space for execution of the ballot by the Member. Cumulative voting shall not be permitted.

(f) Upon receipt of each completed ballot prior to the actual day of election, the Secretary shall immediately place it in a safe or other locked place until the day set for the counting of such ballots. On that day, the ballots shall be turned over to the Elections Committee. The Election Committee shall then adopt a procedure which shall:

(1) establish that the number of votes cast by the Class A Members or their representatives corresponds to the number of votes allowed to each Member; and

(2) establish that the signature of the Member or his representative is genuine.

(g) Subject to the limitations and provisions of Article IV of the Articles and Article V of the Declaration, the election shall

be by a ballot, unless the need for such ballot is dispensed with by unanimous consent of the Members. The election shall be by a plurality of the votes cast, each Member being entitled to cast his authorized vote for each of as many nominees as there are vacancies to be filled.

Section 13. ANNUAL STATEMENT: The Board shall present, no less often than at the regular annual meeting of the Members, a full and clear statement of the business and condition of the Association, including a report of the operating expenses of the Association and the assessments paid by each Member, the Golf Club, the Marina Owner, the Developer and Sailfish Point Utility Corporation, together with profit and loss statements and balance sheets prepared in accordance with sound business and accounting practices, with copies thereof made available at the office of the Association for examination by any Member.

ARTICLE III

COMMITTEES

Section 1. STANDING COMMITTEES: The Standing Committees of the Association shall be the following Committees, unless the Board determines that a Committee is unnecessary or establishes other Committees:

- (a) Executive Committee;
- (b) Membership Committee;
- (c) Finance Committee;
- (d) Maintenance and Personnel Committee;
- (e) Architectural Review Committee;
- (f) Nominating Committee;
- (g) Elections Committee;
- (h) Social Committee;
- (i) Publicity Committee;

Unless otherwise provided herein, each Committee, except the Architectural Review Committee, shall consist of a Chairman and two (2) or more Members of the Association. The Chairman of the committee shall appoint all other members of each committee. The Board may establish criteria for membership on the Nominating, Elections, Social and Publicity Committees. The committees, except the Architectural Review Committee, shall be appointed by the Board within thirty (30) days after each annual meeting of the Board to serve until the succeeding committee members have been appointed. The Board may appoint such other committees as it deems desirable.

Section 2. EXECUTIVE COMMITTEE: The Board may, by resolution, appoint an Executive Committee of three (3) or more members of the Board, to serve at the pleasure of the Board and to consist of such Directors as the Board may from time to time designate. The Chairman of the Executive Committee shall be a member of the Board appointed or designated by the Class B Member. The Executive Committee, by a vote of a majority of its members, shall fix its own times and places of meeting, shall determine the number of its members constituting a quorum for the transaction of business, and shall prescribe its own rules of procedure; no change in which shall be made except by a majority vote of its members. During the intervals between the meetings of the Board, the Executive Committee shall possess and may exercise all the powers of the

Board in the management and direction of the business and affairs of the Association to the extent provided in the aforesaid resolution, and may have power to authorize the seal of the Association to be affixed to all papers which may require it if the said resolution so provides, subject in all events to limitations on such powers in the Articles, these By-laws, the Declaration and any Supplementary Declaration and where action by the Board, and not the Executive Committee, is specifically required.

Section 3. MEMBERSHIP COMMITTEE: The Membership Committee shall be chaired by a member of the Board chosen by the Class B Member. The Chairman shall appoint not less than two (2) members, who shall be Class A Members, and who shall serve at the pleasure of the Board. Their identity shall be known only by the Board and they shall hold office until their successors shall be appointed. They shall fix their own time and place of meeting. The Membership Committee shall receive, consider and treat confidentially all communications in reference to the persons proposed for membership in the Association. The Membership Committee shall make careful examination of the qualifications of a prospective Member. The Committee shall pass upon each name separately, and a majority negative vote shall be a rejection of the candidate. All the proceedings of this Committee shall be confidential. The Committee shall report, through the President and Secretary, at each regular meeting of the Board, the status of applications held by the Committee, and shall report the names of all applicants upon whom the Committee has acted favorably by granting Membership in the Association. The Board shall approve every applicant who has been approved by the Membership Committee. After approval by the Board, the applicant's membership shall become final upon said applicant becoming a purchaser in fee simple of a Parcel(s) or Residential Unit(s). In no event shall any of the policies and procedures of the Committee discriminate against any applicant on the basis of race, religion, national origin, sex, age nor be otherwise contrary to all applicable Federal and Florida law.

The criteria to be used by the Membership Committee in considering an application for membership are: (1) the results of an investigation of the applicant's financial ability to pay assessments of the Association and to maintain a residence in Sailfish Point in accordance with the Declaration, any Supplementary Declaration, the Articles, these Bylaws, and rules and regulations of the Association, any Condominium Association or Cluster Committee; (2) the results of an investigation as to the existence of any criminal record of the applicant, members of his immediate family, or the shareholders, officers, partners, or employees of the applicant; and (3) the results of an investigation of the applicant's willingness to abide by the provisions of the Declaration, any Supplementary Declaration, the Articles, these Bylaws and rules and regulations of the Association, any Condominium Association or Cluster Committee.

The Member who sponsors an applicant for membership whose application is rejected by the Membership Committee may, upon written request, obtain the privilege of bringing the rejected application before the Board for reconsideration. Upon receipt of an affirmative vote of three-fourths (3/4) of the Directors of the Board, the application shall stand approved. Disapproval by the Board shall be final.

Section 4. FINANCE COMMITTEE: The Finance Committee shall consist of five (5) Members, at least two of whom shall be members of the Board, and one of whom shall be the Treasurer. The Treasurer shall not, however, serve as Chairman of the Finance Committee. The Chairman of the Finance Committee shall be appointed from the Members, provided that two members of the Finance Committee are Class A Members who are not, at the time of their appointment, serving as officers or Directors of the Association.

The Finance Committee shall have such duties as may be assigned to it by the Board including, but not limited to: preparation of the annual budget and balance sheet statement; establishment of adequate reserves; periodic review of the books of account; and selection and utilization of an auditor.

Section 5. MAINTENANCE AND PERSONNEL COMMITTEE: The Maintenance and Personnel Committee shall advise the Board on all matters pertaining to the maintenance, repair, improvement and management of all property in Sailfish Point for which the Association is responsible to maintain, and the management of personnel of the Association and shall perform or see to the performance of such other functions as the Board, in its discretion, determines.

Section 6. ARCHITECTURAL REVIEW COMMITTEE: The Architectural Review Committee shall be appointed by the Class B Member, so long as it owns any property in Sailfish Point, and shall have the duties and functions described in the Declaration. A party aggrieved by a decision of the Architectural Review Committee shall have the right to make a written request to the Board, within ten (10) days of such decision, that the Board review the decision of the Architectural Review Committee. The determination of a majority of the members of the Board, upon reviewing such decision of that Committee, shall in all events be final. Standards to be followed by the Architectural Review Committee are set forth in the Supplementary Declarations for each platted area in Sailfish Point.

Section 7. NOMINATING COMMITTEE: The Nominating Committee shall have the duties and functions described in these Bylaws. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board, and one (1) or more Members of the Association. The Nominating Committee shall be appointed by a majority of the Board prior to each regular annual meeting of the Members, to serve from the close of such regular annual meeting until the close of the next regular annual meeting and such appointment shall be announced at each such regular annual meeting.

Section 8. ELECTIONS COMMITTEE: The Elections Committee shall prepare and maintain a franchise list of all Members which list shall set forth the names of all Members and their respective Residential Units, who are entitled to cast votes at any regular or special meeting of the Members. The franchise list shall be prepared in accordance with Article VI, Section 3 herein.

The Elections Committee shall also adopt the procedure, required in Article II hereof, which establishes the number of votes to which each Member is entitled and shall determine that the signature which appears on a ballot is genuine.

ARTICLE IV

OFFICERS

Section 1. EXECUTIVE OFFICERS: The executive officers of the Association shall be a President, Vice President, Treasurer and Secretary, all of whom, except the Secretary, shall be elected annually by the Board from among its own number. Any two of said offices may be held by the same person except that the President and Secretary may each hold only one office. If the Board so determines, there may be more than one Vice President and one or more Assistant Treasurers and Assistant Secretaries, any or all of whom need not be Directors unless such Director status is specifically required by the Board. Any such additional Vice Presidents and Assistant Treasurers and Secretaries shall also be elected annually by the Board from its own member.

Section 2. SUBORDINATE OFFICERS: The Board may appoint such other officers and agents as it may deem necessary, who shall hold office at the pleasure of the Board and shall have such authority and perform such duties as from time to time may be prescribed by said Board to manage the affairs of the Association.

Section 3. TENURE OF OFFICERS; REMOVAL: The officers of the Association shall hold office in accordance with the terms of the Articles. All officers and agents shall be subject to removal, with or without cause, at any time by affirmative vote of a majority of the Board at a special meeting called for that purpose. The Board may delegate to any officer the power to remove subordinate officers and agents. If any officer is removed from office, however, such removal shall be without prejudice to the contract rights, if any, of the officer so removed. The initial officers and the manner of filling vacancies of the initial officers shall be as set forth in the Articles of Incorporation and such initial officers shall serve as provided therein.

Section 4. BONDING: If required by the Board, any or all officers of the Association shall be bonded, and the Association shall bear the cost of bonding.

Section 5. THE PRESIDENT:

(a) The President shall be a director and the chief executive officer of the Association and shall preside at all meetings of the Members, and shall preside at the meetings of the Board; he shall have general and active management of the business of the Association; he shall see that all orders and resolutions of the Board are carried into effect; he shall sign with the Treasurer, if the Board so requires, all checks on behalf of the Association; he shall execute bonds, notes, deeds, mortgages and other instruments and contracts requiring a seal, under the seal of the Association. The seal when affixed, shall be attested by the signature of the Secretary or an Assistant Secretary;

(b) He shall have general superintendence and direction of all the other officers of the Association, and shall see that their duties are performed properly;

(c) He shall submit a report of the operations of the Association for the fiscal year to the Board whenever called for by it, and to the Members at the regular annual meeting of the Members, and from time to time shall report to the Board all matters within his knowledge which the interest of the Association may require to be brought to its notice;

(d) He shall recommend for appointment by the Board all members of all standing committees, such appointments, however, shall be subject to confirmation by the Board; he shall appoint all special committees, excluding Cluster Committees which shall be appointed by the Owners of Single Family Attached Units residing in a particular cluster in Sailfish Point; he shall have the power, with prior approval of the Board, to remove any member of any standing committee; he shall be an ex officio member of all committees of which he is not already a member; and he shall have the general powers and duties of supervision and management usually vested in the office of the President of a corporation.

Section 6. THE VICE PRESIDENT: The Vice President, or Vice President so designated by the Board if there is more than one (1) Vice President, shall be a member of the Board and shall be vested with all the powers required to perform all the duties of the President in his absence, illness or disability. He shall also assist the President generally and exercise such other powers and perform such other duties as may be assigned by the Board or the President.

Section 7. THE SECRETARY:

(a) The Secretary shall be chosen by a vote of the Board. The Secretary need not be a member of the Board and shall attend all sessions of the Board and all meetings of the Members and record all votes and keep the minutes of the Members' and of the Board's meetings in one or more books provided for that purpose;

(b) He shall see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law;

(c) He shall be custodian of the Association records, except those of the Treasurer, and of the seal of the Association and shall see that the seal of the Association is affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized in accordance with the provisions of these Bylaws;

(d) He shall keep a register of the name and post office address of each Member which address shall be provided to the Secretary by such Member;

(e) In general, he shall perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board;

(f) Any Assistant Secretary shall work under the supervision and direction of the Secretary and shall perform the duties of the Secretary delegated to him. In the absence, illness or disability of the Secretary, any Assistant Secretary shall have the rights, authority and obligations and shall perform all duties of the office of Secretary of the Association.

Section 8. THE TREASURER:

(a) The Treasurer shall be a member of the Board and shall have custody of the Association funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name and to the credit of the Association, in such depositories as may be designated by the Board;

(b) He shall disburse the funds of the Association as ordered by the President or the Board, taking proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require it, an accounting of all his transactions as Treasurer and of the financial condition of the Association. No further direction or resolution of the Board shall be necessary for disbursements of Association funds by the Treasurer made in the ordinary course of business as same is conducted by the Board;

(c) He may be required to give the Association a bond in a sum and with one or more sureties satisfactory to the Board, for the faithful performance of the duties of his office, and the restoration to the Association, in case of his death, resignation or removal from office, of all books, papers, vouchers, money or other property of whatever kind in his possession or under his control belonging to the Association;

(d) Unless otherwise determined by the Board, he shall, with the President, sign all checks and promissory notes of the Association; he shall prepare or cause to be prepared an annual budget and statement of income and expenditures to be presented to the Members at their regular annual meeting, and deliver a copy of each to the Members requesting same; he shall keep the books of account for the Association, which books shall be kept on the accrual basis; he shall review, at least quarterly, the projected net operating expenses of the Association and shall advise the Board of the results of such review so as to enable the Board to match, as closely as possible, revenues of the Association to net operating expenses of the Association and to adjust the assessment which it may make accordingly; he shall assist the Finance Committee in developing budgets for the Association and in levying assessments to assure that no part of the net earnings, if any, of the Association inures, other than by the acquisition, construction or provision of management, maintenance, and care of the Common Area and the Country Club and other than by a rebate of excess assessments to the benefit of any Member;

(e) In general, he shall perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board;

(f) In the absence, illness or disability of the Treasurer, the duties of the Treasurer shall be performed by the Assistant Treasurer or other officer designated by the Board;

(g) Any Assistant Treasurer shall work under the supervision and direction of the Treasurer and shall perform the duties of the Treasurer delegated to him.

Section 9. VACANCIES: If the office of the President, Vice President, Secretary or Treasurer, or one or more of them, becomes vacant by reason of death, resignation, disqualification or otherwise, the Directors, by a majority vote of the entire Board, may choose a successor or successors from among their number which successor or successors shall hold office for the unexpired term, except that the Class B Member shall choose a successor officer if the previous officer had been designated or elected by the Class B Member.

Section 10. RESIGNATIONS: Any officer may resign his office at any time, such resignation to be made in writing, and to take effect from the time of its receipt by the Association, unless some time be fixed in the resignation, and then from that date. The acceptance of a resignation shall not be required to make it effective.

ARTICLE V

MEMBERSHIP AND MATTERS RELATED THERETO

Section 1. MEMBERSHIP: Membership in the Association, voting rights, and acquisition and composition of membership shall be established in accordance with Article V of the Declaration.

Section 2. MANNER OF APPROVAL OF PROSPECTIVE MEMBER: Every person desiring to become an Owner, and thereby a Member, shall make written application to the Secretary, giving such information regarding the applicant as the Board shall from time to time reasonably require. The standards for membership are established in Article V of the Declaration and Article III of these Bylaws. At least two (2) Members shall write letters of recommendation to the Secretary, but this requirement may be waived by the Membership Committee on individual applications. The Secretary then shall transmit the application and letters of recommendation to the Membership Committee, which shall make such investigation as may be desired and directed by the Board. The Membership Committee shall either approve or disapprove the applicant within fifteen (15) days of its receipt of the application. Within fifteen (15) days, the Board, upon recommendation of the Membership Committee, shall either approve or disapprove, in writing, a proposed applicant, and the Secretary shall notify the applicant and recommending Members of its decision. Any application which has not been disapproved by the Board within fifteen (15) days of its receipt of the recommendation of the Membership Committee shall be deemed to have been approved. The decision of the Board shall be final and shall not be subject to review. Subject to Article XIII of the Declaration, approved applications for membership shall be final when the applicant shall become an Owner. In no event shall any of the policies and procedures of Association, its Board, the Membership Committee and its recommendations to the Board discriminate against any applicant on the basis of race, religion, national origin, sex or age, nor be otherwise contrary to applicable Federal or Florida law. In the event that the applicant for Membership is a legatee or devisee of a deceased Owner and is not the surviving spouse of such Owner, as provided in Article X, Section 5 of the Declaration, such legatee or devisee must be accepted for Membership. The

terms of this Section shall apply to the application of the legatee or the applicant for Membership within fifteen (15) days of its receipt of proper evidence of death and request for approval of transfer.

Section 3. CORPORATE OR PARTNERSHIP MEMBER SHALL DESIGNATE OFFICERS, EMPLOYEES, OR PARTNERS ENTITLED TO OCCUPY LOT OR RESIDENTIAL UNIT: If a purchaser, lessee or other transferee is a corporation or partnership, membership approval may be conditioned upon the approval by the Association of all proposed occupants of the Residential Unit as more particularly described in the Declaration. Each corporate or partnership Owner, except a Builder, shall designate no more than two officers, employees or partners of the corporation or partnership who are entitled to occupy the Residential Unit. Upon the death or removal by the corporate or partnership Owner of the designated officer, employee or partner, the corporate or partnership Owner shall designate a replacement officer, employee or partner who shall be subject to approval by the Membership Committee and the Board according to the criteria established in Article V of the Declaration and Article III of these Bylaws.

Section 4. RIGHT TO WITHHOLD CONSENT TO TRANSFER: In order to promote a community of congenial residents in Sailfish Point and thus protect the value of Parcels and Residential Units, the sale, conveyance, lease, rental or other transfer (hereinafter referred to as "transfer") of any Parcel or Residential Unit by any Owner shall be subject to the provision that, prior to such transfer of any Parcel or Residential Unit to any person other than the transferor's spouse, the Owner shall notify the Board in writing of the name and address of the person or entity to whom the proposed transfer is to be made and shall furnish such other information as may be required by the Board. The Board shall have the right to withhold consent and approval of any such prospective transferee and to any such transfer. In the event that the Board withholds its consent and the conveyance is made, then those prospective owners or lessees will be deemed to violate or breach the terms, conditions, restrictions, rule or regulations, or covenants applicable to the subject Residential Unit or Parcel, and the Association has the discretion to void such transfer.

Section 5. ADMINISTRATIVE FEE: The Board may require to be deposited and delivered to the Association a reasonable administrative fee simultaneous with the giving of notice of intention to sell, lease, transfer, give, devise or bequeath, for the purpose of defraying the Association's expenses incurred by determining whether to approve or disapprove the transaction or continued ownership by a transferee, and in such amount as may be determined by the Association from time to time.

Section 6. LEASES: A Residential Unit shall be used only as a residential dwelling and may be available for lease only if approved by the Association. A Residential Unit may be leased no more than one (1) time per calendar year. The Board shall establish such rules and regulations in regard to the leasing of Residential Units by Owners as it determines necessary. All persons approved as lessees shall be subject to these Bylaws, the Articles of the Association, the Declaration, and all Supplements and amendments thereto.

Section 7. GUESTS: Guests shall be permitted to occupy a Residential Unit only in accordance with Rules and Regulations promulgated by the Board from time to time.

Section 8. CONDUCT OF MEMBERS: If any Member shall be charged by another Member with conduct deemed injurious or detrimental to the interest or welfare of the Association, its order or peace, or with conduct deemed injurious or detrimental to the interest or welfare of the Members or in violation of the Declaration, any Supplementary Declaration, the Articles, these Bylaws, or the rules and regulations of the Association, such charge shall be put in writing and addressed to

the Board. The Board shall conduct a hearing, after giving the charged Member(s) notice in accordance with Article XII of the Declaration. The Board will determine the penalty for any adjudicated violation. If the majority of the Board present at a meeting votes that the nature of the offense warrants, the Board may suspend such Member from all the privileges of the Association or may expel such Member from further membership in the Association without thereby affecting the lien or personal obligation for all assessments then due or thereafter accruing in any manner whatsoever. The decision of the Board in all events shall be final.

Section 9. TERMINATION OF MEMBERSHIP:

(a) Subject to the terms of Article XII of the Declaration, Membership may be terminated only after the Board gives the Member written notice of its intent to remove said Member's membership and affords said Member a hearing before the Board at which time the Member shall have an opportunity to be heard. The Board may terminate Membership privileges:

(1) for failure to pay the charges and maintenance fees herein provided; or

(2) for cause.

Whenever any Member ceases to be the Owner in fee simple of a Parcel or Residential Unit, the membership of such Member shall terminate. When a Member disposes of his Residential Unit to another Member, he shall be deemed to have resigned his membership.

(b) A Member shall have no vested privilege in or to the assets, functions, affairs or franchises of the Association or any right, title, interest or privilege which may be transferable or inheritable, or which shall continue after his membership ceases, or while he is not in good standing, except as otherwise provided in these Bylaws.

(c) Upon the termination for any reason of membership in this Association, all privileges occasioned by such membership shall thereupon cease. Termination of membership shall not relieve a former Member from liability for assessments for which he was liable as a Member or for which he remains liable in the future as an Owner. Each Member shall be bound by, and shall comply with, the Articles, these Bylaws and any amendments or supplements thereto, the Declaration, any Supplementary Declaration and the rules and regulations duly adopted by the Board. Each Member shall be responsible for compliance therewith by all persons entitled to membership privileges as a result of his membership.

ARTICLE VI

MEETINGS OF MEMBERS

Section 1. PLACE: All meetings of the Association membership shall be held at the office of the Association or such other place as may be stated in the notice.

Section 2. ANNUAL MEETING:

(a) There shall be an annual meeting of the Members. The first annual meeting of the members shall be held on February 5, 1980;

(b) Regular annual meetings subsequent to the first annual meeting shall be held within the first ten (10) days in February,

at a time and place to be determined by the Board. If same are rescheduled, all Directors and the officers will hold office until the regular annual meeting is held in the event their terms of service have expired naturally by the passing of time.

(c) At the regular annual meeting, the Members, by a plurality vote, shall elect such member or members of the Board as they shall be entitled to elect in accordance with, and subject to, all of the provisions of these Bylaws, the Articles, the Declaration, and any Supplementary Declaration, and shall transact such other business as may properly come before the meeting.

(d) Cumulative voting by Members is prohibited.

(e) Notice of any regular annual meeting of the members shall be given in accordance with Article VII, of these Bylaws.

Section 3. MEMBERSHIP LIST: As provided in Article III, the Elections Committee shall prepare and maintain a list of all Members and their respective Residential Units who are entitled to cast a vote at a particular election. Such list shall be produced and kept at the office of the Association, and shall be open to examination by any Member throughout such time.

Section 4. SPECIAL MEETINGS:

(a) Special Meetings of the Members, for any purpose or purposes, unless otherwise prescribed by statute or by the Articles of Incorporation, may be called by the President, and shall be called by the President or Secretary:

(i) Upon receipt of a written request of those Members representing a majority of the Members determined in accordance with the Declaration, or

(ii) By a majority of the entire membership of the Board. Such request shall state the purpose or purposes of the proposed special meeting.

(b) Written notice of a Special Meeting of Members shall be given in accordance with Article VII, of these Bylaws.

(c) Business transacted at all Special Meetings shall be confined to the subjects stated in the notice thereof.

Section 5. QUORUM: The Members representing a majority of the total number of votes of the Members entitled to vote, and determined in accordance with the Declaration who are also present in person or represented by written proxy, shall be requisite to and shall constitute a quorum at all meetings of the Members for the transaction of business, except as otherwise provided by statute, the Declaration, any Supplementary Declaration, the Articles of Incorporation, or by these Bylaws. If, however, such quorum shall not be present or represented at any meeting of the Members, the Members entitled to vote, whether present in person or represented by written proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally called.

Section 6. VOTE REQUIRED TO TRANSACT BUSINESS: When a quorum is present at any meeting, a majority of the votes cast, whether in person or represented by written proxy, shall decide any question brought before the meeting, unless the question is one upon which, by express provision of the Florida Statutes, the Articles, Declaration or these Bylaws, a different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 7. RIGHT TO VOTE: The provisions of Article V of the Declaration shall control all matters pertaining to the right of the Members to vote and the number of votes to which each Member is entitled.

Section 8. HOW VOTES BY MEMBERS MAY BE CAST: Any Member who is entitled to cast his vote at any election shall be entitled to vote in any one of the following ways:

(a) In person at the meeting in which such votes are cast; or

(b) By completing an absentee ballot which such Member shall have caused to be delivered to the Secretary, either in person or by mail. The Secretary must receive the absentee ballot no less than twenty four hours prior to the scheduled meeting at which votes will be cast, in order for the absentee ballot to be valid; or

(c) By giving his written proxy to any Member or Director, which proxy authorizes the holder thereof to cast any vote(s) on behalf of the Member. Unless otherwise stated on the face of the proxy, all proxies shall be deemed revocable by the Member at any time prior to the casting of the vote thereunder.

Section 9. WAIVER AND CONSENT: Whenever the vote of Members at a meeting is required or permitted by any provision of the Florida Statutes, the Articles, or of these Bylaws to be taken in connection with any action of the Association, the meeting and vote of Members may be dispensed with if all Members, who would have been entitled to vote upon the action of such meeting if such meeting were held, shall have consented in writing to such action being taken with such consent in writing being filed with the Minutes of the proceedings of the Association prior to taking such action.

Section 10. ORDER OF BUSINESS: The order of business at all regular annual Members' meetings, and as far as practical at other Members' meetings, will be:

- (a) Roll call and certifying of proxies;
- (b) Proof of Notice of Meeting or Waiver of Notice;
- (c) Reading of Minutes of Prior Meeting;
- (d) Report of the Board (annual meeting only);
- (e) Officers' Reports;
- (f) Committee Reports;
- (g) Elections;
- (h) Unfinished Business;
- (i) New Business;
- (j) Adjournment.

Section 11. MINUTES: The Minutes of all meetings of Members and the Board shall be kept in a book available for inspection by Members, or their authorized representatives, and members of the Board at any reasonable time.

ARTICLE VII

NOTICES

Section 1. DEFINITION: Whenever under the provisions of the Florida Statutes, the Articles, the Declaration, any Supplementary Declaration, or of these Bylaws, notice is required to be given to any Director or Member, it shall not be construed to mean only personal notice, unless otherwise expressly stated; but such notice may be given in writing by regular mail, by depositing the same in a post office or letter box in a postpaid, sealed envelope, addressed as said Members' address appears on the books of the Association, unless otherwise required by law or in these Bylaws to be certified mail, and such notice shall be deemed given at the time when the same shall be thus deposited.

Section 2. SERVICE OF NOTICE - WAIVER: Whenever any notice is required to be given under the provisions of the Florida Statutes, the Declaration, any Supplementary Declaration, the Articles, or of these Bylaws, a written waiver signed by the person or persons entitled to such notice, whether executed before, at or after the meeting or event requiring notice, shall be deemed a valid waiver of notice.

Section 3. ADDRESS: The initial address for notice to the Association is Suite 601, Admiralty Building, 4440 P.C.A. Boulevard, Palm Beach Gardens, Florida 33410.

Section 4. NOTICE OF MEETINGS:

(a) Notice of any regular meeting of the Members of the Association shall be effective when given not less than fourteen (14) nor more than thirty (30) days prior to the date of said meeting. Such notice of regular meeting shall state the time and place of the meeting and shall be delivered in accordance with this Section.

(b) Notice of any special meeting of the Members of the Association shall be effective when given not less than three (3) nor more than ten (10) days prior to the date of said meeting. Such notice of special meeting shall state the time, place and purpose for which the meeting is called. Notice shall be delivered in accordance with this Section.

(c) Notice of any special meeting of the Board shall be given to members of the Board in accordance with Article II of these Bylaws. The Members of the Association shall be entitled to receive notice of any regular or special meeting of the Board, which notice to the Members need only state the time and place of such Board meeting. Notice to the Members shall be delivered in accordance with this Section.

ARTICLE VIII

FISCAL MANAGEMENT

Section 1. FISCAL YEAR: The fiscal year of the Association shall be the calendar year.

Section 2. CHECKS: All checks or demands for money and notes of the Association shall be signed by at least one (1) of the following officers: President, Secretary, or by such officer or officers or such other person or persons as the Board may from time to time designate; but in all events the Treasurer or in accordance with Article IV, Section 8 hereof. The Assistant Treasurer may also sign such instruments.

Section 3. DETERMINATION OF ASSESSMENTS: The provisions for fiscal management and determination of assessments of the Association, as set forth in Article VI of the Declaration, shall determine the manner and purpose for assessments and shall be supplemented by the following provisions:

(a) The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each Parcel and Residential Unit, the Golf Course, Golf Club Facilities, the Marina, Marina Facilities, the Utility Parcel and Sailfish Point Property owned by the Developer. Such account shall designate the name and address of the owner of the assessed property, the amount of each assessment against the owners, the dates and amounts in which assessments come due, the amounts paid upon the account and the balance due upon the account.

(b) The Board shall, as the need arises, make such special assessments as are authorized by the Articles and the Declaration.

(c) The Board shall adopt an overall annual budget for each calendar year which shall contain estimates of the cost of performing the functions of the Association, including, but not limited to, the following: the estimated sum or sums necessary and adequate for the continued ownership, operation and maintenance of the Sailfish Point Property, including its operating expenses, the payment for any items of betterment, and the establishment of appropriate operating accounts or reserve funds as the Board shall deem proper. The operating accounts or reserve funds shall include, but shall not be limited to: provision for property taxes and assessments of the Common Areas and Country Club; insurance premiums for fire, windstorm and extended coverage insurance on the Common Areas, the Country Club and improvements thereon which may include a deductible provision; premiums for adequate public liability insurance; legal and accounting fees; management fees; operating expenses of this Association; maintenance, repairs and replacements; charges for utilities and water used in common for the benefit of the Common Areas and the Country Club; constructing and maintaining a security gate and security patrol services; cleaning and janitor service of the Common Areas and the Country Club Facilities; any expenses and liabilities incurred by the Association in connection with the indemnification of officers and Directors provided for herein and in and about the enforcement of its rights or duties against the Members or others; and the creation of reasonable contingency requirements for the protection of the Owners.

(d) The Board shall mail a meeting notice and copies of the budget and proposed assessments to each Member, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation and to the Developer, not less than thirty (30) days prior to the regular annual meeting or the meeting at which it is to be considered. If the budget is subsequently amended before the assessments are made, a copy of the amended budget shall be mailed to each Member, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation and the Developer concerned. Any meeting of the Board at which the Board will consider or adopt a budget shall be open to all Members, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation and the Developer, as provided in the Declaration, any Supplementary Declaration, the Articles and these Bylaws.

(e) When the Board has determined the amount of any assessment, the Secretary or Treasurer of the Association shall mail or present a statement of the assessment to each of the Owners, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation, and to the Developer. All assessments shall be payable to the Association, and, upon request, the Secretary or Treasurer shall give a receipt for each payment made. Regular assessments shall be paid by the Members on a payment schedule as set by the Board. The standard of assessments for the first year of operation of Sailfish Point and subsequent years, or

pro rata part thereof, shall be as set forth in a projected operating budget of the Association and computed in the manner set forth in the Declaration, any Supplementary Declaration, the Articles and these By-laws. Assessment charges once fixed shall continue until changed by the Board hereunder and shall be due and payable without notice or demand. Assessments, of any nature, are delinquent if not paid on or prior to the fifteenth day after the date specified in the assessment notice as the due date of the assessment. With respect to changed assessments and/or demands for retroactive arrearages, notice in writing must be given to each Member, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation and the Developer and payment will be due and payable without further or other notice within fifteen (15) days of the posting of such notice as hereinabove provided for the service of notices.

(f) Annual assessments made to Members shall be billed and payable quarterly.

(g) It is understood among the Members, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation, the Developer and the Association that an assessment fixed hereunder is based upon the projection and estimate of the Board, and may be in excess of, or less than, the actual sums required to meet the cash requirements of the Association, in which event, the Board, by appropriate action taken at a meeting that is consistent herewith, may increase or diminish the amount of said assessment, and may make such adjustments respecting the operating accounts or reserves as in its sole discretion is proper, including the assessment of each Owner, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation or the Developer of his appropriate share of any deficiency as fixed by the Board. In any event, assessments shall be in an amount no less than required to provide funds in advance for payment of all of the anticipated current operating expenses, for all of the unpaid operating expenses previously incurred, and for operating capital for the Association.

(h) The aforescribed assessment charges shall not include assessments for utilities and water, irrigation and sewer service fees separately charged and metered to each Parcel and Residential Unit, Golf Course, Golf Club Facility, Marina, Marina Facility, Utility Parcel, Sales Center Parcel and consumed therein. Nor shall said assessments include any exterior maintenance assessments or charges for alteration, repairs, maintenance, etc., chargeable to an individual Parcel, Residential Unit, Golf Course, Golf Club Facilities, Marina, Marina Facilities or Utility Parcel which would ordinarily be the obligation of the Owner, the Golf Club, Marina Owner, Sailfish Point Utility Corporation or the Developer and which must be made for the protection of the Common Area and Country Club or for external maintenance of the Parcel, Residential Unit, Golf Course, Golf Club Facilities, Marina, Marina Facilities or Utility Parcel concerned. The assessment charges may include garbage collection fees or, at the direction of the Board, garbage collection fees shall be billed separately to each Owner, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation or the Developer.

(i) Subject to the terms of Article VI of the Declaration, special assessments, should they be required, may be levied and paid in the same manner as heretofore provided for regular assessments. Special assessments may be of three kinds: (i) those chargeable to all Members, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation and the Developer, in the same proportion as regular assessments, to meet shortages or emergencies; (ii) those assessed against one (1) or more Members, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation or the Developer to accomplish repairs and maintenance for which he or it is responsible on or within his Parcel, Residential Unit, Golf Course, Golf Club Facilities, Marina, Marina Facilities or Utility Parcel which he has failed to make, which situation impairs the value of

or endangers the Common Areas, Condominium Common Elements, the Cluster Common Elements, the Marina and Marina Facilities, the Utility Parcel and the Country Club or which are for expenses incident to the abatement of a nuisance on or within his Parcel, Residential Unit, Golf Course, Golf Club Facilities, Marina, Marina Facilities or Utility Parcel; and (iii) those assessed as for charges and expenses incurred by the Association and chargeable to Owners of Parcels or Residential Units in a special assessment district as described in the Declaration or chargeable to the Golf Club, the Marina Owner, Sailfish Point Utility Corporation or to the Developer.

(j) Common expenses which are to be the subject of said assessment shall be defined from time to time by the Board and shall include all items of expense pertaining to the operation and maintenance of the Common Areas and Country Club Facilities, the operation of this Association and its expenses, and other lawful expenses authorized or described by Florida Statutes, the Declaration, the Articles or these Bylaws, as they may from time to time be amended or supplemented.

Section 4. APPLICATION PAYMENTS AND COMINGLING OF FUNDS:
All sums collected by the Association from assessments may be comingled in a single fund or divided into more than one fund, as determined by the Board, and deposited in any such bank or banks as shall be designated from time to time by the Board. All assessment payments by an Owner, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation or by the Developer shall be applied as provided herein and in the Declaration and Articles of Incorporation.

ARTICLE IX

DEFAULT

Section 1. CHARGES AND ASSESSMENTS: In the event an Owner, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation or the Developer does not pay any sums, charges, or assessments required to be paid to the Association within fifteen (15) days from the due date, the Association, acting on its own behalf or through its Board, may enforce its lien for assessments to which it is entitled, in accordance with the Declaration, any Supplementary Declaration, the Articles, these Bylaws and Florida Statutes together with all rights and remedies provided by law.

Any assessment of any nature, which has not been paid on or prior to the fifteenth day after the date specified in the assessment notice as the due date of the assessment, shall bear interest at the rate of fifteen (15%) percent until paid.

Section 2. FORECLOSURE OF LIEN: In accordance with Article X of the Declaration, if the Association becomes the Owner of a Parcel or Residential Unit, or the Golf Course, the Golf Club Facilities, the Marina, the Marina Facilities, or the Utility Parcel by reason of foreclosure, it may offer said Parcel or Residential Unit, Golf Course, Golf Club Facilities, Marina, Marina Facilities or Utility Parcel, or any part thereof, for sale and at such time as a sale is consummated, it shall deduct from the proceeds of said sale all sums of money due it for assessments and charges, all costs incurred in the bringing of the foreclosure suit, including reasonable attorneys' fees, court costs, and any and all expenses incurred in the resale of the Parcel or Residential Unit, Golf Course, Golf Club Facilities, Marina, Marina Facilities, or Utility Parcel which shall include but not be limited to advertising expenses, real estate brokerage fees and expenses necessary for the repairing and refurbishing of the Parcel or Residential Unit, Golf Course, Golf Club Facilities, Marina, Marina Facilities or Utility

Parcel. All monies remaining after deducting the foregoing items of expenses shall be returned to the former Owner or the Golf Club, the Marina Owner or to Sailfish Point Utility Corporation. At any judicial sale held in the proceedings to enforce said lien, the Association may bid on the Parcel or Residential Unit, Golf Course, Golf Club Facilities, Marina, Marina Facilities or Utility Parcel at the sale and acquire, lease, mortgage and convey the same, as the Board may determine. Nothing herein contained shall bar a suit at law to recover a money judgment for unpaid assessments and such suit shall not waive the lien securing the same.

Section 3. ENFORCEMENT OF VIOLATIONS: Subject to the requirements of Article XII of the Declaration, in the event of violation of the provisions of the Declaration, the Articles, these Bylaws, or rules and regulations, as the same are or may hereafter be constituted, for fifteen (15) days after notice from the Association to the Owner(s), Golf Club, Marina Owner, Sailfish Point Utility Corporation or the Developer to correct said breach or violation, the Association may bring an appropriate action to enjoin such violation or may enforce the provisions of said documents, or may sue for damages, or take such other courses of action, including, but not limited to, those rights and remedies as set forth in the Declaration, any Supplementary Declaration, the Articles and these Bylaws, or other legal remedy as it or they may deem appropriate.

Section 4. ATTORNEYS' FEES AND COURT COSTS: In the event such legal action is brought against an Owner, Golf Club, Marina Owner, Sailfish Point Utility Corporation, or the Developer and results in a judgment for the Association, the defendant shall pay the Association's attorneys' fees and court costs.

Section 5. ACKNOWLEDGEMENT OF REMEDIES: Each grantee of property in Sailfish Point, for himself, his heirs, successors and assigns, agrees to the foregoing provisions relating to default and abatement of nuisance, regardless of the harshness of the remedy available to the Association and regardless of the availability of the other equally adequate legal procedures. It is the intent of all grantees of property in Sailfish Point to give to the Association a method and procedure which will enable it at all times to operate on a business-like basis, to collect those monies due and owing it from the Owners, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation and the Developer and to preserve each Owner's right to enjoy his Parcel or Unit free from unreasonable restraint and annoyance.

ARTICLE X

AMENDMENT

These Bylaws may only be altered, amended or added to by resolution adopted at a meeting of the Members called for such purpose by an affirmative vote of the Members entitled to vote representing three-fourths (3/4) of the total votes of all Members determined in accordance with the Declaration and the Articles; provided that the notice of the meeting shall be given to all Directors and Members at least fourteen (14) days prior to the meeting to all Directors and Members, unless appropriately waived by written waiver, and shall contain a full statement of the proposed amendment. All proposals to amend existing Bylaws shall contain the full text of the Bylaws to be amended; new words to be inserted in the text shall be underlined, and words to be deleted shall be lined through with hyphens. However, if the proposed change is extensive, it is not necessary to use underlining and hyphening, but instead a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of By-Law . . . for present text." Any Member or any Director may propose an amendment to these Bylaws to the Board or the

membership, as the case may be. Any amendment or modification of the Bylaws must be recorded upon the Public Records of Martin County, Florida.

ARTICLE XI

GENDER OF BYLAWS

Wherever the masculine form is used in these Bylaws, it shall be construed to mean the masculine or feminine, the singular or plural, whenever the context so requires, and shall include and apply to a corporation or partnership.

ARTICLE XII

VALIDITY OF BYLAWS

If any provision of these Bylaws, or part thereof, shall be adjudged invalid or become unenforceable in law or in equity, the same shall not affect the validity of any other provision, or part thereof and the remaining provisions of this instrument shall nevertheless be and remain in full force and effect.

ARTICLE XIII

RULES AND REGULATIONS

The Board may from time to time adopt rules and regulations for the operation of the property subject to the Declaration. Proposed rules may be submitted to the Board by any Member, Director or Officer of the Association. An affirmative vote of the majority of those Directors present at a meeting at which there is a quorum shall be deemed sufficient to enact any rule. All Members shall abide thereby; provided, however, that said rules and regulations shall be equally applicable to all Members similarly situated and shall be uniform in their application and effect, except as otherwise provided as to the Developer.

Except for the initial rules and regulations which may be adopted by the initial Board named in the Articles, such rules and regulations may be adopted, amended or rescinded only at any regular or special meeting of the Directors by a majority of the members of the Board.

ARTICLE XIV

INDEMNIFICATION

The Association does hereby indemnify all persons who serve as officers and Directors of the Association, as more specifically set forth in Article X of the Articles of Incorporation of SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC.

The foregoing were adopted as Bylaws of SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, at the first meeting of the initial Board on the _____ day of _____, 19__.

Secretary

32 488 2141

LOUISE A. NAACS
CLERK
JAN 11 1984
FEDERAL RECORD
MARTIN COUNTY, FLA.

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Final
9/22/80

FIRST AMENDMENT TO
DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS
FOR SAILFISH POINT

22 513 m1094

EXHIBIT B
GBMP83A

**FIRST AMENDMENT TO
DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS
FOR SAILFISH POINT**

THIS FIRST AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR SAILFISH POINT, made this 20 day of March, A.D., 1980, by SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a Florida corporation, having its office at Suite 601, Admiralty Building, 4440 P.G.A. Boulevard, Palm Beach Gardens, Florida 33410.

WHEREAS, on February 4, 1980, Sailfish Point, Inc., a Delaware corporation qualified to do business in the State of Florida, filed the Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 488 at Page 2058 of the Public Records of Martin County, Florida (hereinafter referred to as the "Declaration").

WHEREAS, the Declaration establishes certain covenants, restrictions, lien rights, and other provisions which govern the use of the real property, situate in Martin County, Florida, described in Exhibit "A" to the Declaration (which real property is hereinafter referred to as "Sailfish Point").

WHEREAS, the Declaration establishes the right of Sailfish Point Property Owners and Country Club Association, Inc. (hereinafter referred to as the "Association") to own and operate parts of the real property in Sailfish Point for the benefit, use and enjoyment of the Members of the Association, and further grants to the Association among other rights, the right to: levy assessments; impose liens; restrict the use of, maintain, and approve the design of the improvements to all real property which constitutes Sailfish Point; and confer membership rights in the Association which membership is a condition precedent to ownership of property in Sailfish Point.

WHEREAS, Article XVI, Section 3 of the Declaration provides that the Declaration may be amended by a vote in favor of said amendment by not less than three quarters of all votes of the Members of the Association.

WHEREAS, at a duly called and constituted meeting of the Members of the Association, which was held on the 7th day of March, 1980, this First Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point was considered and approved unanimously by all Members of the Association, and such Members directed that this First Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point be placed of record in the Public Records of Martin County, Florida.

NOW, THEREFORE, the Declaration is amended only as set forth in this First Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point (hereinafter referred to as the "First Amendment to Declaration"). Those Articles, Sections or subparagraphs thereof contained in this First Amendment to Declaration shall supplant and replace the Articles, Sections or subparagraphs thereof contained in the Declaration which bear the same Article, Section or subparagraph number or designation. Those Articles, Sections or subparagraphs thereof contained in this First Amendment to Declaration which are added to the Declaration shall be deemed to supplement the terms of the Declaration. All other terms of the Declaration not changed by this First Amendment to Declaration are reaffirmed. It is the intent of the Members of the Association that the terms of this First Amendment to Declaration shall be effective as of, and relate back to the date of, the filing of the Declaration within the Public Records of Martin County.

ARTICLE I

DEFINITIONS

Section 29. "UTILITY PARCEL" shall mean and refer to all or any part of Parcel "C-1" of Plat No. 1A of Sailfish Point P.U.D. to be recorded concurrently with this First Amendment to Declaration and shall include, where the context so requires, all improvements thereon and appurtenances thereto.

Section 31. "MAINTENANCE FACILITY" shall mean and refer to all or any part of Parcel "C-2" of Plat No. 1A Sailfish Point P.U.D. to be recorded concurrently with this First Amendment to Declaration and shall include, where the context so requires, all improvements thereon and appurtenances thereto.

Section 32. "TELEPHONE FACILITY" shall mean and refer to all or any part of Parcel "C-3" of Plat No. 1A Sailfish Point P.U.D. to be recorded concurrently with this First Amendment to Declaration and shall include where the context so requires, all improvements thereon and appurtenances thereto.

ARTICLE III

PROPERTY RIGHTS

Section 5(a). "TITLE TO THE MAINTENANCE FACILITY": Developer reserves the option to retain title to the Maintenance Facility or to convey or lease any part or parts thereof. The grantee of any conveyance may be the Association, or the Golf Club, provided that the Maintenance Facility is subject to the provisions of Article IX of this Declaration, as same may be amended.

Section 5(b). "TITLE TO THE TELEPHONE FACILITY": Developer reserves the option to retain title to the Telephone Facility or to convey or lease any part or parts hereof, or grant any easements or other interests therein. The grantee of any conveyance or easement may be the Association, any utility regulated by the Florida Public Service Commission or by Martin County, or any government entity, provided that the Telephone Facility is subject to the provisions of Article IX of this Declaration, as same may be amended.

Section 7. "GENERAL EASEMENTS":

- (d) Maintenance and repair. Those easements for maintenance and repair as set forth in Article VII, Section 11 of this Declaration are easements to enter over, through and upon all portions of Sailfish Point for the purpose of maintaining, repairing and replacing, including the construction of bulkheading, on Residential Units, the Common Areas, the Marina and Marina Facilities, the Golf Course and Golf Club Facilities, the Utility Parcel, the Maintenance Facility, the Telephone Facility, and the Sales Center Parcel.
- (e) Ingress and Egress for Parcels. An easement for ingress and egress from and to: each Lot and Parcel, the Common Areas,

Country Club, the Golf Course and Golf Club Facilities, the Marina and Marina Facilities, the Utility Parcel, the Maintenance Facility, the Telephone Facility, and the Sales Center Parcel.

- (i) Helistop Easement. An easement to maintain and for ingress and egress from, whether by air or by surface transportation, the helistop which may be constructed on the Golf Course or Golf Club Facilities.

Section 8. ADDITIONAL BULKHEADING. The Developer reserves the right to increase the size of any waterfront Lot or Parcel by placing, constructing or affixing bulkheading attached or adjacent to the then-existing lot line of any Lot or Parcel. Such bulkheading may be placed, constructed or affixed without the consent of the Owner of the Lot or Parcel so improved and such Owner shall have no right to refuse the bulkheading. Upon the completion of the bulkheading improvements: Developer shall convey to the Owner of the Lot or Parcel so improved, fee simple title to the real property improved with the bulkhead; the waterside of said bulkhead shall, upon the recordation of the instrument effecting such conveyance, constitute the exterior lot line of the Lot or Parcel; and the Owner of said Lot or Parcel shall thereupon be solely responsible for the maintenance of such bulkhead in addition to those duties of the Owner established in Article VII, Section 2 hereof.

ARTICLE IV

ASSOCIATION NETWORK

Section 1. ASSOCIATION. The Developer has caused to be incorporated a corporation known as SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a Florida corporation not for profit, in accordance with the Articles of Incorporation of which a copy is attached to the Declaration and made a part thereof as Exhibit "B", and the Bylaws, a copy of which is attached to the Declaration and made a part thereof as Exhibit "C". The Association has not been formed, organized or incorporated in such a manner to qualify for a tax exempt status under any provision of the Internal Revenue Code. The Association shall have the duties imposed in the Articles of Incorporation of said Association. This Association is or will become vested with primary authority and control over all Common Areas and is or will become the owner of all real or personal property known as the Common Areas, including the Country Club. The Association is the organization with the sole responsibility to make and collect assessments from all Members, the Developer, the Builder, the Golf Club, the owner(s) of the Maintenance Facility and the Telephone Facility, and the Marina Owner, which assessments will be made in accordance with Article VI. Assessments will be used solely for the purposes described in Article VI. The Association may also make and collect charges for maintenance services against any Owner, the Developer, the Owner(s) of the Golf Club Facilities, and Golf Course, the Marina and Marina Facilities, the Utility Parcel, the Maintenance Facility, the Telephone Facility, and the Sales Center Parcel as more fully set forth in Article VII of this Declaration. The charges levied by the Association are separate, apart, and in addition to any initiation fees, membership dues, charges or assessments which may be made or charged by the Marina Owner, the Golf Club, Sailfish Point Utility Corporation, any Condominium Association, or any Cluster Committee to or against its or their shareholders and/or members, and/or users. The Association shall have the right to a lien for the charges and assessments to which it is entitled in accordance with Article VI of this Declaration.

ARTICLE VI

COVENANTS FOR ASSESSMENTS

Section 3. RATE OF ASSESSMENT: Sailfish Point Property shall, for the purpose of determining the annual assessments, be classified for each year's annual assessment as: (1) Improved Units, which shall be defined as Residential Units which have received a certificate of occupancy; (2) Unimproved Units and Parcels which shall be defined as Residential Units and Parcels which have been platted but have not received certificates of occupancy for improvements thereon; and (3) Unplatted Units Within Sailfish Point which shall be defined as the total number of residential housing units permitted in the Planned Unit Development Zoning Agreement described in Article I, Section 14 of this Declaration, together with any amendments thereto, less the total number of residential housing units, which constitute Improved Units, and Unimproved Units. As used herein, the term "certificate of occupancy" shall mean a certificate of occupancy, certificate of completion or any other acknowledgment or approval by Martin County or any other governmental agency or political subdivision that a Residential Unit or other improvement erected in Sailfish Point is ready for residential use and occupancy or human habitation. Unplatted Units Within Sailfish Point exclude the Golf Club Facilities and Golf Course, the Marina and Marina Facilities, the Utility Parcel, the Maintenance Facility, the Telephone Facility, and the Sales Center Parcel.

All Owners of Improved Units, including the Developer, shall pay the same amount of annual assessment for each such Improved Unit. All Owners of Unimproved Units, including the Developer, shall pay the same amount of annual assessments on each such Unimproved Unit. The Owner or Builder of a Parcel, including the Developer, shall be assessed in accordance with the stated maximum number of residential housing units expressed in the deed conveying title to the Parcel from the Developer or, if no such deed exists, the stated maximum number of residential housing units expressed in the most recent of the following: (a) the building permits; or (b) the grant of preliminary zoning by the Board of Commissioners of Martin County.

(a) Each Owner of an Improved Unit, including the Developer, shall be obligated to pay for each Improved Unit, a share of the annual budget of the Association calculated as follows:

$$\frac{100 \times B}{100 \times C + 50 \times P + 25 \times U} = \text{Annual Assessment Per Improved Unit}$$

B = The Annual Budget.

C = The number of Improved Units as of January 1 of the Budget year.

P = The number of Unimproved Units as of January 1 of the Budget year.

U = The number of Unplatted Units Within Sailfish Point as of January 1 of the Budget year.

(b) Each Owner of an Unimproved Unit, including the Developer, shall be obligated to pay for each Unimproved Unit a share equal to one half (1/2) of the rate paid by the Owner of an Improved Unit.

(c) Each Owner of an Unplatted Unit Within Sailfish Point, including the Developer, shall be obligated to pay for each Unplatted Unit Within Sailfish Point a share equal to one quarter (1/4) the rate paid by the Owner of an Improved Unit.

(d) In accordance with the quarterly billing of annual assessments, if the classification of a Residential Unit changes during any quarter, the assessment rate will be adjusted on the first day of the quarter following such change.

All annual assessments shall be billed and payable in four (4) equal quarterly installments.

Section 5. SPECIAL ASSESSMENTS: In addition to any annual assessments, the Association may levy in any assessment year one or more special assessments, applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, unexpected repair or replacement of a capital improvement made to the Common Areas and the Country Club, including the necessary fixtures and personal property thereto and operational deficits or extraordinary or unbudgeted items deemed reasonably necessary by the Association. Such special assessments shall be levied against all Owners, the Developer, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation, and the owner(s) of the Maintenance Facility and the Telephone Facility, as their interests shall appear and at the rate of assessment approved by the Association.

The Association may establish a special assessment district within the Sailfish Point Property, which district corresponds to an area or areas of Sailfish Point in order to meet the particular needs of the Owners of Sailfish Point Property in said areas and which area or areas correspond to benefit receipt from a particular resource. The Association may subject those Residential Units, Parcels, the Golf Course and Golf Club Facilities, the Marina, and Marina Facilities, the Utility Parcel, the Maintenance Facility, the Telephone Facility, or the Sales Center Parcel within said special assessment district to special assessments to pay for expenses which include, but are not limited to, maintenance dredging, periphery bulkheading and maintenance thereof, abatement of erosion and other matters for which such a special assessment may be reasonably levied by the Association uniformly within such a special assessment district.

Section 6. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENT: Recognizing that the provision of operation and management of the Common Areas and the Country Club results in benefit to all of the Owners and that the payment of such common expenses represented by the assessments levied and collected by the Association is necessary in order to preserve and protect the Sailfish Point Property, the Developer hereby covenants, and each Owner, by acceptance of a deed or other instrument therefor, including any purchaser at a judicial sale, shall hereafter be deemed to covenant and to agree to pay to the Association: (1) all annual assessments, fees and charges, exclusive of any and all assessments levied by any Condominium Association; (2) all special assessments for capital improvements, major repair and/or extraordinary maintenance and/or other extraordinary items, including but not limited to, operating deficits deemed necessary by the Board which are beneficial to all or part of the Common Areas, and (3) exterior maintenance assessments. The Association, is hereby granted the right to impose liens upon each and every Residential Unit, Parcel, the Golf Club and Golf Course Facilities, the Marina and Marina Facilities, the Utility Parcel, the Maintenance Facility, and the Telephone Facility, and all appurtenances thereto and improvements thereon, which liens shall secure and do secure the monies for all assessments now or hereafter levied against the Owner of such Residential Unit, Parcel, the Golf Club and Golf Course Facilities, and the Marina and Marina Facilities, the Utility Parcel, the Maintenance Facility, and the Telephone Facility and which liens shall relate back to, and be effective as of, the date of

the recording of this Declaration in the Public Records of Martin County, Florida, February 4, 1980. Such lien shall also secure interest and charges and late fees due and owing on any delinquent assessment. Such liens shall also secure all costs and expenses of collection, including a reasonable attorneys' fee whether suit be brought or not, which may be incurred by the Association, in enforcing said lien. The Association is hereby granted the right to accelerate the balance of the calendar year's assessment and to consolidate said balance with the delinquent amount. The lien for assessment shall be a charge on the land and a continuing lien on the property against which said assessment is made. In addition, each Owner and the Developer shall be personally liable, jointly and severally, as the case may be, to the Association, for the payment of all assessments, of whatever nature, including interest and any charges and late fees on delinquent assessments, together with all costs and expenses of collecting such assessment, including reasonable attorneys' fees whether suit be brought or not, which may be levied by the Association, while such party or parties are an Owner, or the Developer.

Any assessment which is not paid when due shall bear interest from the date when due at the rate of fifteen (15%) percent per annum until paid. In the event the Owner, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation, or the owner(s) of the Maintenance Facility or the Telephone Facility shall be more than fifteen (15) days delinquent in the payment of any assessment, the Board after thirty (30) days prior written notice to the Owner, the Golf Club, or the Marina Owner, or the owner(s) of the Maintenance Facility or the Telephone Facility, may declare due and payable all assessments applicable to such Residential Unit, Golf Course and Golf Club Facilities, Marina and Marina Facilities, Maintenance Facility, or Telephone Facility for the year in which such delinquency occurs.

The personal obligation for all unpaid delinquent assessments shall not pass to an Owner's or the Developer's successor(s) in title (unless expressly assumed by him in writing), which assumption must be approved by the Association in writing. The lien for delinquent assessments shall remain attached to the Residential Unit, Parcel, the Golf Course, and Golf Club Facilities, the Marina and Marina Facilities, the Maintenance Facility or the Telephone Facility until discharged, as provided herein. The Owner, Developer, Golf Club, or Marina Owner, or the owner(s) of the Maintenance Facility or the Telephone Facility may not waive or otherwise avoid liability for the assessment provided for herein by non-use of the Common Areas or by abandonment of his or its Residential Unit, Parcel, the Golf Course and Golf Club Facilities, the Marina and Marina Facilities, the Maintenance Facility or the Telephone Facility.

All purchasers of Residential Units or Parcels, by acceptance of an instrument of conveyance, expressly assume the personal obligation to make payment of all Association assessments and other charges allocable to the Residential Unit or Parcel for which title is conveyed as may be, or become, due and payable to the Association, which obligation to pay is secured by a lien or lien right in favor of the Association. This lien or lien right relates back and shall be deemed effective as to each and every Residential Unit and Parcel as of the date of the initial recordation of this Declaration in the Public Records of Martin County, Florida on February 4, 1980. All purchasers of Residential Units or Parcels acknowledge that this lien or lien right is superior in all respects to all rights to the homestead exemption from forced sale granted under the Constitution of the State of Florida which may arise in favor of any Owner of a Residential Unit or Parcel. The failure of the Owner of a Residential Unit or Parcel to make timely payment of Association assessments may result in foreclosure of the lien against the Residential Unit or Parcel.

Section 9. EXEMPT PROPERTY: The Association shall exempt the following property in Sailfish Point from annual and special assessments, charge(s) and lien(s) created herein if such property is used, and so long as such property is used, for the purposes set forth in this Declaration. Nothing contained herein shall exempt the properties described in this Section from assessments for maintenance, as provided in Article VII, Section 9 of this Declaration. The following property is property for the benefit of all Members and shall be exempt from annual and special assessments, charges and liens related thereto. Costs related to these properties shall be included in the individual assessment made to the Owners and Developer:

A. Any easements or other interests therein dedicated and accepted by a public authority and devoted to public use.

B. All Common Areas.

C. To the extent agreed to by the Association, all Sailfish Point Property which is exempt from ad valorem taxation by the laws of the State of Florida.

D. The Utility Parcel, so long as it shall be used as the Utility Parcel.

E. The Sales Center Parcel, so long as it shall be used as the Sales Center Parcel.

F. The Telephone Facility, so long as it shall be used as the Telephone Facility.

Section 10. ASSESSMENTS TO THE GOLF CLUB FACILITIES, GOLF COURSE, MARINA AND MARINA FACILITIES, MAINTENANCE FACILITY AND TELEPHONE FACILITY: The Association shall have the right to assess the Golf Club and the Marina Owner, and the owner(s) of the Maintenance Facility and the Telephone Facility for the particular benefits received by the Golf Club Facilities and the Golf Course, the Marina and Marina Facilities, and the Maintenance Facility and the Telephone Facility for their respective use of the Common Areas or for particular service provided to or benefit conferred upon said entities and/or their members. The rate of assessment shall be more particularly set forth in respective agreements between the Association and the Golf Club, the Association and the Marina Owner, and the Association and the owner(s) of the Maintenance Facility and the Telephone Facility.

The Association is hereby granted the right to impose liens upon the Golf Club Facilities and Golf Course, the Marina and the Marina Facilities, and the Maintenance Facility and the Telephone Facility and all improvements, fixtures and appurtenances thereto, which liens shall secure and do secure the monies due for all assessments now or hereafter levied against the Golf Club Facilities and Golf Course, the Marina and Marina Facilities, and the Maintenance Facility and the Telephone Facility, which liens shall also secure any interest, charges, penalties and late fees due and owing on such delinquent assessments with such liens relating back to, and being effective as of the date of the recording of the Declaration in the Public Records of Martin County, Florida, February 4, 1980. Such liens shall also secure all costs and expenses of collection, including a reasonable attorneys' fee whether suit be brought or not, which may be incurred by the Association in enforcing such liens. The liens for assessment shall be charge on the land and a continuing lien upon the property against which each such assessment are made.

Section 11. ASSESSMENTS FOR MAINTENANCE SERVICES RENDERED BY THE ASSOCIATION: As provided in Article VII, Section 9, the Association may levy assessments for the maintenance services which it renders to Parcels, Residential Units, the Golf Course and Golf Club Facilities.

the Marina and Marina Facilities, the Utility Parcel, the Maintenance Facility, the Telephone Facility, or property in Sailfish Point owned by the Developer.

ARTICLE VII

DUTIES

Section 7(a). MAINTENANCE BY THE OWNER(S) OF THE MAINTENANCE FACILITY AND THE TELEPHONE FACILITY: The Developer or whichever entity owns the Maintenance Facility and the Telephone Facility shall be responsible for the maintenance, repair and replacement of the Maintenance Facility and for the maintenance, repair and replacement of the Telephone Facility, or any improvements, fixtures or appurtenances located thereon.

Section 9. EXTERIOR MAINTENANCE BY THE ASSOCIATION: In addition to maintenance upon the Common Areas and the Country Club, the Association may provide exterior maintenance service to and upon any structure located on any Parcel or Residential Unit, the Golf Club Facilities and Golf Course, the Marina and Marina Facilities, the Utility Parcel, the Maintenance Facility, the Telephone Facility, the Sales Center Parcel, and any property in Sailfish Point owned by the Developer provided such exterior maintenance is, in the opinion of the Board, required, including without limitation: paint; repairs; roof repair and replacement; installation of gutters, downspouts and exterior building surfaces; yard clean-up; installation, repair and replacement of bulkhead Lots, which the Owner thereof shall have no right to refuse; maintenance of the Golf Course; bulkheading, dredging, and otherwise maintaining the Marina and Marina Facilities. In addition, the Association may provide maintenance to the landscaping, sprinklers, trees, shrubs, grass, pools, walks, private drives, shorelines and streets, Owners' irrigation systems, and provide maintenance to other exterior improvements. To the extent such maintenance is provided in a satisfactory manner by a Condominium Association or a Cluster Committee, the Golf Club, the Marina Owner, the owner(s) of the Maintenance Facility and the Telephone Facility, any Owner, Sailfish Point Utility Corporation, or by the Developer for any part of Sailfish Point, such maintenance shall not be duplicated by the Association.

The provision of any exterior maintenance services by the Association to any Parcel, any Residential Unit, the Golf Club Facilities, the Golf Course, the Marina and Marina Facilities, the Utility Parcel, the Maintenance Facility, the Telephone Facility, the Sales Center Parcel and/or any property in Sailfish Point owned by the Developer shall not be deemed to constitute and does not constitute an acceptance of the ongoing responsibility to maintain such property or the ownership of such property. At such time as the Association renders such exterior maintenance service, it shall do so at the sole expense of the Owner, Golf Club, Marina Owner, Sailfish Point Utility Corporation, the owner(s) of the Maintenance Facility and the Telephone Facility, or the Developer for which services such Owner, Golf Club, Marina Owner, Sailfish Point Utility Corporation, the owner(s) of the Maintenance Facility and the Telephone Facility, or the Developer shall be assessed in accordance with this Article, which assessment shall be separate, apart and in addition to any assessment imposed in connection with Article VI of this Declaration.

The cost of such maintenance may be assessed against an Owner, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation, the owner(s) of the Maintenance Facility and the Telephone Facility, the Developer or against such Parcel, Residential Units, Golf Club Facilities and Golf Course, Marina and Marina Facilities, Utility Parcel, the

Maintenance Facility, the Telephone Facility, or property in Sailfish Point owned by the Developer, which in the opinion of the Association, benefit from same. Such maintenance costs may also be assessed against all Condominium Units in any particular area of Sailfish Point to the extent that such maintenance is required to be performed upon the Condominium Common Elements of such area, or may be assessed against all Single Family Attached Units established on a particular Parcel, all of which Single Family Attached Units are subject to a Declaration of Cluster Covenants, to the extent that such maintenance is required to be performed upon the Cluster Common Elements. The assessment shall be proportioned upon the Parcels and Residential Units, Golf Club Facilities and Golf Course, Marina and Marina Facilities, the Utility Parcel, the Maintenance Facility, the Telephone Facility, or property in Sailfish Point owned by the Developer, involved in the manner determined to be appropriate by the Association. This exterior maintenance assessment shall be separate, apart and in addition to any annual or special assessments. Any such exterior maintenance assessments shall be a lien on the Parcel or the Residential Unit, Golf Club Facilities and Golf Course, Marina and Marina Facilities, Utility Parcel, the Maintenance Facility, the Telephone Facility, or Sailfish Point Property which is owned by the Developer and which is the subject of the maintenance assessment, shall be a personal obligation of the Owner and shall become due and payable in all respects, together with interest, charges, penalties and labor fees as provided by the Board. Fees for cost of collection of said assessment, including reasonable attorneys' fees, shall be subordinate to any Institutional First Mortgage on such property.

Section 10. ACCESS AT REASONABLE HOURS: Except in the case of emergency when no notice is required, for the purpose of performing the maintenance authorized by this Article, the Association, through its duly authorized agent or employees, shall have the right, after five (5) day's written notice to the Owner, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation, the owner(s) of the Maintenance Facility and the Telephone Facility or the Developer to enter upon any Parcel or the exterior of any Residential Unit, the Golf Club Facilities, and the Golf Course, the Marina and the Marina Facilities, the Utility Parcel, the Maintenance Facility, the Telephone Facility, and/or Sailfish Point Property owned by the Developer which is the subject of the maintenance assessment at reasonable hours on any date except on Sunday. Said notice shall be delivered in person or mailed to the Owner, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation, the owner(s) of the Maintenance Facility and the Telephone Facility, or the Developer, by certified mail, return receipt requested. The notice shall be deemed given when mailed.

Section 11. EASEMENT FOR EXTERIOR MAINTENANCE: The Association is hereby granted a non-exclusive easement to enter upon any Parcel or Lot, the Golf Club Facilities, the Golf Course, the Marina and Marina Facilities, the Utility Parcel, the Maintenance Facility, the Telephone Facility, the Sales Center Parcel and any property in Sailfish Point owned by the Developer in order to provide exterior maintenance service to and upon any structures located on or upon any of said enumerated properties in accordance with the terms of this Article.

ARTICLE VIII

ARCHITECTURAL REVIEW AND REQUIRED COMMENCEMENT OF CONSTRUCTION

Section 6. DOCKS, WATERFRONT CONSTRUCTION, BOATS, DUNE CROSSINGS AND SHORE CONTOURS: The only docks permitted to be erected or maintained on Sailfish Point Property are those docks which are constructed pursuant to applicable permit, and in accordance with the terms

of any Supplementary Declaration of Protective Covenants and Restrictions for the platted portion of Sailfish Point in which such docks are located. No dune crossings, seawalls, bulkheads, moorings, pilings, or piers of any kind or any other construction shall be erected by anyone other than the Developer in, or over dunes, dunes vegetation, lakes, lagoons, inlets, the Marina and Marina Facilities, the Inland Harbor, or waterways within Sailfish Point without the prior written consent of the Association and then only if the same shall be constructed according to plans, specifications, elevations, types and designs approved in writing by the Association, as well as all federal and state agencies having jurisdiction over the same.

In no event shall a waterfront Lot which adjoins any area platted as a Lagoon or Inland Harbor, be permitted to have more than one pier extending further than navigable water depth and having a maximum thirty (30) feet by three (3) feet "T" or "L" end. Such piers shall be no more than three (3) feet wide, and shall be elevated at least three (3) feet above mean high water, and shall be spaced to allow light penetration. Shoreline contours above or below water may not be changed without the written approval of the Association, as well as both federal and state agencies having jurisdiction over the same. No pesticides, insecticides, fungicides, herbicides, other deleterious substances or fertilizers shall be applied to the area below the top of the nearshore berm. All areas with natural or replanted vegetation designated for preservation by any permit issued by any federal or state agency in connection with the development of Sailfish Point shall not be altered. No Parcel or Residential Unit shall be increased in size by filling in the waters on which it abuts. Mangrove trimmings shall be allowed only to maintain pier corridors. Except in the Marina, no vessel or boat shall be permanently anchored offshore in any of the lakes, inlets or waterways adjacent to any Parcel or Residential Unit without prior written approval of the Board. No persons shall be permitted to live aboard or perform hull maintenance work on any vessel docked or moored within the Sailfish Point Property, nor may there be discharged from any vessel any substance, including bilge water, petroleum products, sewage or litter. No boathouse shall be constructed on or adjacent to any part of Sailfish Point located on a waterway, nor shall any boat canal or boat slip be dug or excavated in any of the waterfront parts of Sailfish Point without prior written approval of the Association and applicable governmental authorities. No motor powered boats of any kind which are not adequately muffled to prevent unreasonable noise shall be kept or used on waters within Sailfish Point, including the Inland Harbor and Marina, except as expressly approved in writing by the Association.

ARTICLE IX

GENERAL USE RESTRICTIONS

Section 1. **RESIDENTIAL USE:** Recognizing the necessity and desirability of creating and preserving a community with open spaces, natural beauty, clean air and quiet seclusion where the values of family life, high quality residences, peace and comfort, safety and low population density are preserved, and where hazards of traffic pollution, noise and refuse are limited, it is hereby established that each Residential Unit may be used only for the purpose of a single family residential living unit and for no other purpose. Single family residential living unit shall be defined as a residence of one or more persons who are related by blood, marriage or adoption, or who reside together as a single housekeeping unit. The following properties in Sailfish Point shall have the right to engage in certain limited commercial activities related only to the permitted use of those properties: the Golf Course, the Golf Club Facilities, the Marina, the Marina Facilities, the Country

Club, the Utility Parcel, the Maintenance Facility, the Telephone Facility and the Sales Center Parcel. Except as hereinafter set forth, no commercial development, no building housing a manufacturing or commercial activity enterprise or enterprises of any kind shall be permitted to be maintained on lands in Sailfish Point and no business shall be conducted on any part thereof unless expressly approved and expressed in writing by the Association prior to engaging in such business.

Section 8(a). USE OF THE MAINTENANCE FACILITY: It is hereby declared that the Maintenance Facility will be erected and maintained solely to provide: facilities for the upkeep and storage of equipment and supplies related to the maintenance of the Golf Course and the Common Areas; offices for personnel who maintain the Golf Course and the Common Areas; and for parking.

Section 8(b). USE OF THE TELEPHONE FACILITY: It is hereby declared that the Telephone Facility will be erected and maintained solely as a site to contain a structure or structures which house communications transmission equipment.

ARTICLE X

TRANSFER OF OWNERSHIP

Section 1. APPROVAL OF TRANSFER OF OWNERSHIP: No Residential Unit, nor any part thereof, nor any other portion of the property in Sailfish Point, except the Golf Course, Golf Club Facilities, the Marina, the Marina Facilities, the Utility Parcel, the Maintenance Facility, the Telephone Facility or the Sales Center Parcel shall be sold, conveyed, leased or otherwise transferred to anyone other than a person or entity which has been approved in writing by the Association in accordance with its Bylaws prior to the time of such conveyance or other transfer.

Section 2. FORECLOSURE OF MORTGAGES AND DELINQUENT ASSESSMENTS: All grantees of conveyances of Parcels and Residential Units expressly stipulate and agree for themselves and their heirs, executors, administrators, legal representatives and assigns that, in the event proceedings are instituted to foreclose any mortgage on property in Sailfish Point, the Developer and its successors or assigns and/or the Association shall have the right to cure the default of any Owner to a mortgagee, together with the right to redeem the mortgage for the amount due thereon, or to purchase said Parcel or Residential Unit at the foreclosure sale for the amount set forth to be due by the mortgagee in the foreclosure proceedings. Should the mortgagor fail to redeem from such mortgagee and, in case of such redemption by the Developer or the Association, the Developer, its successors or assigns, and/or the Association so redeeming, shall take and have absolute fee simple title to the Parcel or Residential Unit redeemed, free from any claim or right of any mortgagee, his heirs or assigns or the mortgagor, and every person or concern claiming by, through or under him or it.

Nothing herein contained in this Declaration shall preclude a bank, savings bank, savings and loan association, insurance company, real estate investment trust, or any other recognized lending institution from owning a mortgage on any Parcel or Residential Unit, the Common Areas, the Marina, the Marina Facilities, the Golf Course, the Golf Club Facilities, the Utility Parcel, the Maintenance Facility, the Telephone Facility or the Sales Center Parcel. Such bank, savings bank, savings and loan association, insurance company, real estate investment trust, or other recognized lending institution or approved mortgagees shall have an unrestricted, absolute right to take title to the Parcel or Residential Unit, Common Areas, Marina, Marina Facilities, Golf

Course, Golf Club Facilities, Utility Parcel, the Maintenance Facility, the Telephone Facility or the Sales Center Parcel at the foreclosure sale, provided said bank, savings bank, savings and loan association, insurance company, real estate investment trust or other recognized lending institution owning said mortgage shall give to its mortgagor, the Developer, its successors or assigns, and the Association written notice by certified mail of the said default at least thirty (30) days prior to the institution of foreclosure proceedings. Should the Developer, its successors or assigns, the Association, the Marina Owner, the Golf Club, Sailfish Point Utility Corporation, or the owner(s) of the Maintenance Facility and the Telephone Facility fail to purchase said Parcel or Residential Unit, Common Areas, Marina, Marina Facilities, Golf Course, Golf Club Facilities, Utility Parcel, the Maintenance Facility, the Telephone Facility or the Sales Center Parcel together with any costs incident thereto from such mortgagee or fail to redeem said mortgage, then and in that event, the mortgagee taking title on said foreclosure sale or taking title in lieu of foreclosure sale, may acquire said Parcel or Residential Unit, Common Areas, Marina, Marina Facilities, Golf Course, Golf Club Facilities, Utility Parcel, the Maintenance Facility, the Telephone Facility and Sales Center Parcel and occupy the same. However said mortgagee may not resell the same until it has complied with the restriction limiting ownership of said property to approved Members of the Association.

All individuals and private business entities, other than the holder of an Institutional First Mortgage, intending to hold and holding any mortgage or other lien on any Parcel or Residential Unit, Common Areas, Marina, Marina Facilities, Golf Course, Golf Club Facilities, Utility Parcel, the Maintenance Facility, the Telephone Facility, and Sales Center Parcel shall comply with this Section. In addition thereto, all such individuals and private business entities, other than the holder of an Institutional First Mortgage, intending to hold a mortgage or other security interest in any Parcel or Residential Unit shall be required to secure prior written approval from the Board prior to the time that said individual or entity takes said mortgage or security interest.

The lien for assessments granted to the Association in Articles VI and VII shall be effective from and relate back to the time of the initial recording in the Public Records of Martin County, Florida, of this Declaration on February 4, 1980. The Association shall have the right to file a Claim of Lien against the Residential Unit, Parcel, Golf Course, Golf Club Facilities, Marina, Marina Facilities, Utility Parcel, Maintenance Facility, Telephone Facility or Sales Center Parcel for which the owner thereof has failed to pay any assessment for a period of fifteen (15) days from the date when first due. The lien shall continue in effect until all sums secured by said Claim of Lien as herein provided shall have been fully paid. Such Claims of Lien shall relate back to, and be effective as of, the date of the initial recordation of this Declaration on February 4, 1980 and shall be superior to all rights to the homestead exemption from forced sale which may arise in favor of any owner. Such Claims of Lien shall be signed and verified by an officer or agent of the Association. Upon full payment of all sums secured by such Claim of Lien, the same shall be satisfied of record.

The lien granted to the Association in Article VI may be foreclosed in the same manner as real estate mortgages may be foreclosed in the State of Florida. In any suit for the foreclosure of said lien, the Association shall be entitled to the appointment of a receiver for said Parcel or Residential Unit, Golf Course, Golf Club Facilities, Marina, Marina Facilities, Utility Parcel, the Maintenance Facility, the Telephone Facility or Sales Center Parcel without notice to the owner of said Parcel or Residential Unit, Golf Course, Golf Club Facilities, Marina, Marina Facilities, Utility Parcel, the Maintenance Facility, the Telephone Facility or Sales Center Parcel. The lien granted to the Association shall further secure such advances for taxes, and payments on account of superior mortgages, liens or encumbrances which may be

required to be advanced by the Association in order to preserve and protect its lien.

In the event a Residential Unit, Parcel, the Golf Course, the Golf Club Facilities, the Marina, the Marina Facilities, the Utility Parcel, the Maintenance Facility, the Telephone Facility or the Sales Center Parcel is to be leased, sold or mortgaged at the time that payment of any assessment against said Parcel, Residential Unit, the Golf Course, the Golf Club Facilities, the Marina, the Marina Facilities, the Utility Parcel, the Maintenance Facility, the Telephone Facility or the Sales Center Parcel is delinquent, whether or not a Claim of Lien has been recorded by the Association, the proceeds of such transaction shall be applied by the lessee, purchaser or mortgagee first to payment of any Institutional First Mortgage, then to payment of the delinquent assessments or any installments thereof due to the Association, and thereafter to the Owner of any such Residential Unit or Parcel, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation, the owner(s) of the Maintenance Facility, the Telephone Facility or the Developer who is responsible for payment of such delinquent assessment.

The Association shall have the right to withhold consent to any sale, lease, mortgage or other transfer where there is a deficiency or delinquency existing as to an assessment or installment due to the Association or to any Condominium Association. The Association shall also have the right to withhold its consent to any sale, lease, mortgage or other transfer until the Owner of the Residential Unit pays all delinquent assessment, together with charges owed to the Marina Owner, or unless the prospective buyer of the Residential Unit pays such assessments, costs and charges. Institution of a suit at law to attempt to effect collection of the payment of any delinquent assessment shall not be deemed to be an election by the Association which shall prevent its enforcement of the collection of any sums remaining owing to it by foreclosure, nor shall proceeding by foreclosure to attempt to effect such collection be deemed to be an election precluding the institution of a suit at law to attempt to effect collection of any sum then remaining owing to it.

Section 3. NON-COMPLIANCE WITH PRIOR APPROVAL OF TRANSFER:

Any deed or conveyance, lease, mortgage, or other transfer, direct or indirect, in violation of the terms of this Declaration shall cause such conveyance of transfer to be voidable by the Association. Upon the occurrence of said violation, the Association shall have the right to purchase the Parcel or Residential Unit conveyed or transferred, which right may be exercised at any time by serving notice in writing upon any such grantee, transferee or mortgagee notifying him or it that the Association elects to purchase the title to the whole of the conveyed premises, or the mortgage at the price paid, or for the amount loaned by such grantee or mortgagee, plus costs, penalties and premiums, if any. Within thirty (30) days from serving said notice, the said grantee or other transferee shall promptly convey the title to the whole of such Parcel or Residential Unit or the mortgage to the Association upon the terms and conditions of the initial sale or transfer to the said grantee or transferee or for the amount of lien secured by the mortgage. The grantee or other transferee shall thereupon lose all of his or its right, title and interest in and to the whole of the conveyed or transferred Parcel or Residential Unit or the mortgage thereon and to the improvements and fixtures thereon, and the Association shall have the right of entry to the conveyed Parcel or Residential Unit, without such entry constituting a trespass. The right to repurchase established herein shall terminate and be of no further force and effect forty (40) years from the date of the recordation of this Declaration in the Public Records of Martin County, Florida, February 4, 1980.

Section 4. ASSOCIATION'S RIGHT OF FIRST REFUSAL: In the event the Owner of any Parcel or Residential Unit desires to sell the same, together with its improvements, if any, the Parcel or Residential Unit shall be first offered for sale to the Association, by notice which

shall be given by the Owner, at the same price at which the Owner has agreed to convey such realty and personalty to a bona fide contract purchaser. Should the Association fail or refuse, within fifteen (15) days after receipt of such notice, to exercise its right to purchase such Parcel or Residential Unit at the price and on the terms at which it has been agreed to be sold, then the Owner shall have the right to sell said Parcel or Residential Unit, subject to each and every restriction, limitation, condition and agreement herein contained. The right to repurchase established herein shall terminate and be of no further force and effect forty (40) years from the date this Declaration was placed of record in the Public Records of Martin County, Florida, February 4, 1980. At the time of notifying the Association of its right to exercise the right of first refusal granted herein, each Owner shall notify the Association of the name of the prospective purchaser, his residence address and his business affiliations. The Association shall be entitled to investigate and shall investigate the prospective purchaser in accordance with Article V, Section 2 of this Declaration.

At such time as the Association accepts the prospective purchaser for membership in the Association and thereby waives the right of first refusal granted to the Association in this Section, the Association shall cause to be recorded in the Public Records of Martin County a written waiver of the right of first refusal as to the particular Parcel or Residential Unit, but only as to the conveyance to the prospective purchaser who the Association has accepted for membership.

Section 5. APPROVAL OF TRANSFER UPON DEATH: In the event a deceased Owner bequeaths the ownership of his Parcel or Residential Unit to some designated person or persons other than his surviving spouse, or if some other person is designated by such decedent's legal representative to receive the ownership of the Parcel or Residential Unit, or in the event under the laws of descent and distribution of the State of Florida, a Parcel or Residential Unit descends to some person or persons other than the surviving spouse of the deceased Owner, the legatee or devisee shall petition the Association for approval of the transfer of the Parcel or Residential Unit. The Board shall, within fifteen (15) days of receipt of proper evidence of the death and request for approval of transfer accept or reject the request for approval of transfer. If the Board shall consent, ownership of the Parcel or Residential Unit may be transferred to the person or persons so designated, who shall thereupon be considered by the Association to be the Owner(s) of the Parcel or Residential Unit, subject to the provisions of the Declaration, any Supplementary Declaration, the Articles of Incorporation and Bylaws of the Association, and applicable Declaration of Condominium or Declaration of Cluster Covenants.

If, however, the Board shall refuse to consent, then the Association shall be given the opportunity during sixty (60) days next after the expiration of the fifteen (15) day period for consideration of approval by the Board as aforesaid, to purchase for cash, or to furnish a cash purchaser for the Parcel or Residential Unit at the then fair market value thereof as may be agreed upon by the parties or the value arrived at by a bona fide appraisal in the event of a dispute. In the event the parties are unable to agree to the fair market value of the Parcel or Residential Unit, then each shall be entitled to have an appraiser. The two appraisers shall then select a third appraiser. The fair market value of the Parcel or Residential Unit, as agreed to by the three appraisers, shall be the amount for which the Association shall purchase the Parcel or Residential Unit. If the three appraisers shall fail to agree as to fair market value, then the fair market value shall be deemed to be the average of the three. Failure of the Association to purchase within the schedule set forth herein shall constitute an acceptance of the legatee or devisee. The right to repurchase established herein shall terminate and be of no further force and effect forty (40) years from the date this Declaration was placed of record in the Public Records of Martin County, Florida, February 4, 1980.

ARTICLE XI

PROHIBITED ACTIVITIES

Section 4. COMMERCIAL ACTIVITIES: No drilling, mining, manufacturing, trade, business, commerce, industry, or other occupation whatsoever shall be conducted or carried on upon any Parcel or Residential Unit or any part thereof, or in any structure or improvement located thereon, except as to the uses made by a Builder approved in writing by the Developer, or by the Developer on property owned by Developer, and except as to the Marina, the Marina Facilities, the Golf Course, the Golf Club Facilities, the Common Areas, including the Country Club, the Utility Parcel, the Maintenance Facility, and the Telephone Facility. No noxious or offensive trade or activity shall be carried on or upon any building site nor shall anything be done thereon which may be or become an annoyance to the neighborhood.

ARTICLE XII

REMEDIES, WAIVER AND SEVERABILITY

Section 1. REMEDIES FOR VIOLATIONS: Violation or breach of any condition, restriction or covenant herein contained or contained in any Supplementary Declaration of Protective Covenants and Restrictions, as provided in Article II of this Declaration, shall give the Developer and/or Association and/or the Owner(s), jointly and severally, in addition to all other remedies, the right to proceed at law or in equity to compel compliance with the terms of said conditions, restrictions or covenants, and/or to prevent the violation or breach of any of them. The expense of such litigation shall be borne by the then Owner of the Parcel or Residential Unit which is the subject of the litigation, or by the Golf Club, Marina Owner, Sailfish Point Utility Corporation, by the owner(s) of the Maintenance Facility and the Telephone Facility or the Developer provided such proceeding results in a finding that such Owner, Golf Club, Marina Owner, Sailfish Point Utility Corporation, the owner(s) of the Maintenance Facility and the Telephone Facility or the Developer was in violation of this Declaration or a part thereof. Expenses of litigation shall include, but not be limited to, reasonable attorneys' fees incurred by Developer and/or the Association in seeking such enforcement.

The Board may impose a fine or penalty on any Member who does damage to the Common Areas, or may charge such Member for all expenses incurred by the Association to repair or replace the Common Areas. The Board may also impose a fine or penalty, may restrict a Member's use of the Country Club, or may charge a Member for expenses incurred for repair to the Country Club if any Member causes damage to the Country Club. For the purpose of this paragraph, whenever a family member, guest or invitee of a Member causes such damage to the Common Areas, including the Country Club, the Member shall be deemed to have caused such damage. Any fine, penalty, charge or restriction on use of the Country Club may be imposed by the Association only in compliance with Section 5 of this Article.

In addition to the foregoing right, the Developer and/or Association shall have the right, whenever there shall have been built on any Parcel or Residential Unit any structure or improvement which is in violation of these restrictions, to enter in and upon the said Parcel or Residential Unit where such violation exists and summarily to abate or remove the same at the sole expense of Owner. Entry and abatement may be made only after the Association has complied with the requirements of

Section 5 of this Article. If the Association determines that a violation of these restrictions exists, entry and abatement or removal shall not be deemed a trespass.

The Board shall have the authority to impose fines upon any Member, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation, the owner(s) of the Maintenance Facility and the Telephone Facility, or the Developer who violates the terms of this Declaration and any Supplementary Declaration, as same may be established in accordance with Article II hereof. The imposition of fines shall only be made in accordance with the terms of Section 5 of this Article.

The invalidation by any court of any of the conditions or restrictions contained herein shall in no way affect any of the other conditions or restrictions which shall remain in full force and effect.

In the event of breach of any of the covenants and restrictions contained in Articles VIII, IX and XI, after compliance with the requirements of Section 5 of this Article, in addition to all other remedies provided herein, the Association shall be entitled to purchase any Parcel or Residential Unit from any Owner violating said covenants and restrictions at the then fair market value of the Parcel or Residential Unit but excluding the value of any improvements which have not been approved in writing by the Association, as may be agreed upon by the parties or the value arrived at by a bona fide appraisal in the event of a dispute. In the event the parties are unable to agree to the fair market value of the Parcel or Residential Unit, then each shall be entitled to have an appraiser. The two appraisers shall then select a third appraiser. The fair market value of the Parcel or Residential Unit, as determined by three appraisers, shall be the amount for which the Association purchases the Parcel or Residential Unit. This right to repurchase shall terminate and be of no further force and effect forty (40) years from the date this Declaration is placed of record in the Public Records of Martin County, Florida.

Section 2. RESTRICTIONS ARE COVENANTS RUNNING WITH THE LAND:
The agreements, covenants, and conditions set forth in this Declaration shall constitute an easement and servitude in and upon the lands to which same pertain and they shall run with the land and shall inure to the benefit of and be enforceable by the Developer, and Association, the Marina Owner, the Golf Club, the Owner(s), and/or Sailfish Point Utility Corporation, and/or the owner(s) of the Maintenance Facility and the Telephone Facility.

This Declaration shall remain in full force and effect for a period of fifteen (15) years from the date hereof, at which time it shall automatically extend, in accordance with the terms herein, for successive periods of ten (10) years each. Not less than one (1) year prior to the end of the initial fifteen (15) year term and each ten (10) year period for which the terms of this Declaration are automatically extended, the Members shall review the terms of this Declaration. The Declaration shall automatically extend and apply to Sailfish Point for each successive ten (10) year period unless by vote of three fourths (3/4) of the votes of the Members, such Members agree to change the Declaration in whole or in part, as evidenced by an instrument executed on behalf of the Association agreeing to such change and recorded in the Martin County Public Records. In order to change this Declaration, there shall be required a vote of three fourths (3/4) of the votes of the Members entitled to vote, the number of which votes shall be determined in accordance with Article V hereof and which vote shall be taken no later than six (6) months prior to any natural expiration date. Subject to the rights of the Developer established in Article XIII herein, the affirmative vote of three fourth (3/4) of the votes of the Members entitled to vote may abrogate the terms of this Declaration and its application to Sailfish Point, provided said abrogation is evidenced by a recorded instrument, recorded in the Public Records of Martin County, Florida.

Section 3. WAIVER AND FAILURE TO ENFORCE: Each and all of the covenants, conditions, restrictions and agreements contained herein shall be deemed and construed to be continuing. The extinguishment of any right or power herein contained shall not impair or affect any of the covenants, conditions, restrictions or agreements so far as any future or other breach is concerned. Failure to enforce any building restriction, covenant, condition, obligation, reservation, right, power or charge herein before or hereinafter contained, however long continued, shall in no event be deemed a waiver of the right to enforce such covenant as to the breach or violation. Failure to enforce same shall not give rise to any liability on the part of the Developer, the Association, the Golf Club, the Marina Owner, Sailfish Point Utility Corporation, and/or the owner(s) of the Maintenance Facility and the Telephone Facility with respect to parties aggrieved by such failure.

ARTICLE XIII

DEVELOPER'S RIGHTS AND VETO POWER

Section 1. DEVELOPER'S RIGHTS: The Developer hereby reserves to itself, and the grantee of any Parcel or any Residential Unit hereby agrees, by acceptance of a deed of conveyance thereto, that the Developer has the following rights, so long as the Developer owns any property in Sailfish Point, including Property owned by the Developer as the result of any reconveyance of Sailfish Point Property, or until the Developer causes to be recorded a Certificate of Termination of Interest in Sailfish Point, which Certificate terminates and all right, title, interest and obligation of the Developer in Sailfish Point:

- (c) The right to retain legal and equitable title to the Golf Course, the Golf Club Facilities, the Marina, the Marina Facilities, the Utility Parcel, the Maintenance Facility, the Telephone Facility, and the Sales Center Parcel or to sell, lease, or otherwise convey all or any part of its interest in the Sales Center Parcel and to demolish, alter or modify in whole or in part, any improvements on the Sales Center Parcel.
- (h) The right to purchase any Parcel or Residential Unit which is in violation of Articles VII, IX, and XI herein. The price of which the Developer may repurchase shall be the then fair market value of the Parcel or Residential Unit as may be agreed upon by the parties or the value arrived at by a bona fide appraisal in the event of a dispute, exclusive of the value of any improvements erected on said Parcel or Residential Unit which were not approved by the Association in accordance with the terms of this Declaration. In the event the parties are unable to agree to the fair market value of the Parcel or Residential Unit then each shall be entitled to name an appraiser. The two appraisers shall then select a third appraiser. The fair market value of the Parcel or Residential Unit, as determined by the three appraisers, shall be the amount for which the Developer purchases the Parcel or Residential Unit.

This right to repurchase shall terminate and be of no further force and effect forty (40) years from the date of the initial recordation of this Declaration in the Public Records of Martin county, Florida, February 4, 1980.

ARTICLE XVI

GENERAL PROVISIONS

Section 2. INDEMNITY OF THE DIRECTORS OF THE BOARD: All Members of the Association and all members of the Golf Club, the Marina Owner, and Sailfish Point Utility Corporation, the owner(s) of the Maintenance Facility and the Telephone Facility agree to indemnify and hold harmless each and every Director of the Board from any acts of misfeasance, malfeasance or nonfeasance which may occur in the performance of his duties as Directors of such Board. This obligation shall be covered by Directors and Officers liability insurance, if available, which shall be funded as a common expense of the Members.

IN WITNESS WHEREOF, the Association has caused this instrument to be executed in its name by its undersigned, duly authorized officers, and its corporate seal to be hereunto affixed, the day and year first above written.

SAILFISH POINT PROPERTY OWNERS'
AND COUNTRY CLUB ASSOCIATION, INC.,
a Florida corporation

Signed, sealed and delivered
in the presence of:

By: Joe L. Krchnak
Joe L. Krchnak, President

(Corporate Seal)

Attest: Thomas J. Palmieri
Thomas J. Palmieri
Secretary

Richard D. King
William H. Burns
STATE OF FLORIDA)
COUNTY OF PALM BEACH)

SS:

I HEREBY CERTIFY, that on this day, before me, an officer duly authorized to take acknowledgments, personally appeared Joe L. Krchnak and Thomas J. Palmieri, who are the President and Secretary, respectively, of SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a Florida corporation, and they acknowledged before me that they executed the foregoing First Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in the name of and on behalf of said corporation, affixing the corporate seal of said corporation thereto; and that as such corporate officers, they are duly authorized by said corporation to do so; and that the foregoing instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State aforesaid,
this 22 day of January, 1981.

Landra H. Burns
Notary Public
State of Florida at Large

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES JANUARY 22, 1982

CONSENT OF SAILFISH POINT, INC.

SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida, makes this Consent to First Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point this 23rd day of February, 1980.

WHEREAS, SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida (hereinafter referred to as "Sailfish"), as the Developer of Sailfish Point, filed the Declaration of Protective Covenants and Restrictions for Sailfish Point on February 4, 1980, in Official Records Book 488 at Page 2058 of the Public Records of Martin County, Florida; and

WHEREAS, Article XVI, Section 13 of the Declaration provides that for long as Sailfish is the owner of any property in Sailfish Point, the written consent of Sailfish must be obtained in order to amend the Declaration; and

WHEREAS, Sailfish has reviewed the terms of this First Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point and has approved the contents of same;

NOW, THEREFORE, Sailfish hereby consents to the amendment to the Declaration contained in the First Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point and executes this consent as evidence thereof.

SAILFISH POINT, INC.,
a Delaware corporation
qualified to do business
in the State of Florida

By: [Signature]
Doran T. Seaquist, Jr., President

Signed, sealed and delivered
in the presence of:

[Signature]
[Signature]

(Corporate Seal)

Attest: [Signature]
Thomas J. Palmieri,
Assistant Secretary

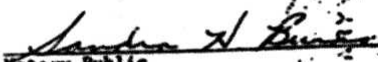
STATE OF FLORIDA)
COUNTY OF PALM BEACH)

) SS:
)


I HEREBY CERTIFY, that on this day, before me, an officer duly authorized to take acknowledgments, personally appeared Doran T.

Seaquist, Jr. and Thomas J. Palmieri, who are the President and Assistant Secretary, respectively, of SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida, and they acknowledged before me that they executed the foregoing Consent of Sailfish Point, Inc. in the name of and on behalf of said corporation, affixing the corporate seal of said corporation thereto; and that as such corporate officers, they are duly authorized by said corporation to do so; and that the foregoing instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State afor said, this 23 day of January, 1989.


Notary Public
State of Florida at Large

My Commission Expires:


NOTARY PUBLIC STATE OF FLORIDA
My Commission Expires: 12/31/91

FILED
JAN 23 1989
FBI - MIAMI

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FINAL
7/30/80

FIRST AMENDMENT TO
SUPPLEMENTARY DECLARATION OF
PROTECTIVE COVENANTS AND RESTRICTIONS
FOR
PLAT NO. 7 SAILFISH POINT

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**FIRST AMENDMENT TO
SUPPLEMENTARY DECLARATION OF
PROTECTIVE COVENANTS AND RESTRICTIONS FOR
PLAT NO. 1 SAILFISH POINT P.U.D.**

THIS FIRST AMENDMENT TO SUPPLEMENTARY DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR PLAT NO. 1 SAILFISH POINT P.U.D., made as of this 23rd day of January, 1980, by SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., (hereinafter referred to as the Association) a Florida corporation having its office at Suite 601, Admiralty Building, 4440 PGA Boulevard, Palm Beach Gardens, Florida 33410.

WHEREAS, on February 4, 1980, Sailfish Point, Inc., a Delaware corporation qualified to do business in the State of Florida filed the Supplementary Declaration of Protective Covenants and Restrictions for Plat No. 1 Sailfish Point P.U.D. in Official Record Book 488 at Page 2145 of the Public Records of Martin County, Florida (hereinafter referred to as the "Supplementary Declaration").

WHEREAS, the Supplementary Declaration establishes certain covenants, restrictions and other provisions which govern the use of the real property situate in Martin County, Florida, which is platted as Plat No. 1 Sailfish Point P.U.D., according to the plat thereof recorded in Plat Book 8 at Page 10 of the Public Records of Martin County, Florida (which real property will hereinafter be referred to as "Plat No. 1").

WHEREAS, Article XII, Section 4 of the Supplementary Declaration provides that the Supplementary Declaration may be amended in accordance with the terms of Article XVI, Section 3 of the Declaration of Protective Covenants and Restrictions for Sailfish Point, together with all amendments thereto, (hereinafter referred to as the "Declaration"). Article XVI, Section 3 of the Declaration provides that the Declaration may be amended by a vote in favor of said amendment by not less than three-quarters of votes of the Members of the Association.

WHEREAS, at a meeting duly called and constituted of the Members of the Association, which was held on the 17th day of January, 1980, this First Amendment to Supplementary Declaration of Protective Covenants and Restrictions for Plat No. 1 Sailfish Point P.U.D. (hereinafter referred to as the "First Amendment to Supplementary Declaration for Plat No. 1") was considered and approved unanimously by all Members of the Association and such Members directed this First Amendment to Supplementary Declaration for Plat No. 1 be placed of record in the Public Records of Martin County, Florida.

NOW, THEREFORE, the Supplementary Declaration is amended only as set forth in this First Amendment to Supplementary Declaration for Plat No. 1, and all of the terms of the Supplementary Declaration not changed by this First Amendment to Supplementary Declaration for Plat No. 1 are reaffirmed. It is the intent of the Members of the Association that the terms of this First Amendment to Supplementary Declaration for Plat No. 1 shall be effective as of, and relate back to the date of the filing of the Supplementary Declaration within the Public Records of Martin County, Florida.

ARTICLE VI

LOT BUILDING RESTRICTIONS

Section 3. **SIZE:** A residence shall not be constructed to be used by other than a single family, as such term is used in Article IX.

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Section 1 of the Declaration, and the family servants, if any, and shall not be used for other than residential use. The ground floor area of the main dwelling on a Lot shall be not less than 3000 square feet for a one story dwelling on a Lot; and not less than a total of 4000 square feet for both floors combined in a two-story dwelling, exclusive of garage, covered walks, open porches and detached structures.

ARTICLE VII

SINGLE FAMILY ATTACHED AND MULTI-FAMILY BUILDING RESTRICTIONS

Section 6. DOCKS AND BULKHEADS: The Owner or Builder of said Parcel "D" in Plat No. 1 Sailfish Point P.U.D. shall have the right to construct no more than twenty-two (22) boat slips on said Parcel "D". The Cluster Committee which is established in the recorded Declaration of Cluster Covenants encumbering Parcel "D" in Plat No. 1 Sailfish Point P.U.D. shall have the right and duty to maintain the boat slips constructed on said Parcel "D". The docks for said boat slips may not exceed thirty-one feet, six inches (31' 6") in a length perpendicular to the bulkhead and shall be constructed perpendicular to the bulkhead of said Parcel "D". The docks may not exceed five (5) feet in width. The submerged land under the docks which is located waterside of the exterior bulkhead line shall not be owned by the Owner or Builder of Parcel "D", nor by the Cluster Committee established in the recorded Declaration of Cluster Covenants encumbering said Parcel "D". Said Owner, Builder or Cluster Committee shall be granted only an easement over such submerged lands for the purpose of constructing, using, and maintaining such docks. Nothing contained herein shall limit the right of the ARC to permit the construction and maintenance of docks of a different size or dimension from those stated herein or to permit the construction and maintenance of more than twenty-two (22) docks on Parcel "D". The Owner or Builder or the Cluster Committee, after the recording of the Declaration of Cluster Covenants, shall be responsible for the maintenance, repair and replacement of any bulkheading adjacent to or within Parcel "D". No Owner or Builder of Parcel "D", nor any Owner of a Single Family Attached Unit constructed on Parcel "D" shall damage, remove or alter any rip-rap located within the Marina, including the rip-rap located adjacent to Parcel "D".

ARTICLE VIII

UTILITY PARCEL BUILDING RESTRICTIONS

Article VIII of the Supplementary Declaration is hereby deleted. The Utility Parcel Building Restrictions are set forth in the Supplementary Declaration of Protective Covenants and Restrictions for Plat No. 1A Sailfish Point P.U.D., to be recorded concurrently herewith.

ARTICLE VIII

SALES CENTER PARCEL BUILDING RESTRICTIONS

The Sales Center Parcel building restrictions, set forth in Article IX of the Supplementary Declaration, are hereby ratified but are re-numbered as Article VIII.

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ARTICLE IX

CONSTRUCTION

The restrictions concerning Construction, set forth in Article X of the Supplementary Declaration, are hereby ratified but are re-numbered as Article IX.

ARTICLE X

SIGNS AND GRAPHICS

The restrictions concerning Signs and Graphics, set forth in Article XI of the Supplementary Declaration, are hereby ratified but are re-numbered as Article X.

ARTICLE XI

GENERAL PROVISIONS

The general provisions, set forth in Article XII of the Supplementary Declaration, are hereby ratified but are re-numbered as Article XI.

IN WITNESS WHEREOF, the Association has caused this instrument to be executed in its name by its undersigned duly authorized officers, and its corporate seal to be hereunto affixed, the day and year first above written.

SAILFISH POINT PROPERTY OWNERS' AND
COUNTRY CLUB ASSOCIATION, INC., a
Florida corporation

Signed, sealed and delivered
in the presence of:

Michael J. Joseph
Andrew J. Burns

By *Joe L. Krohnak*
Joe L. Krohnak, President

(Corporate Seal)

Attest: *Thomas J. Palmieri*
Thomas J. Palmieri, Secretary

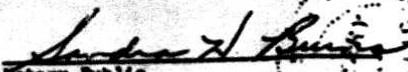
STATE OF FLORIDA)

COUNTY OF PALM BEACH)

SS:

I HEREBY CERTIFY that on this day, before me, an officer duly authorized to take acknowledgements, personally appeared Joe L. Krohnak and Thomas J. Palmieri, the President and Secretary, respectively, of SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a Florida corporation, and they acknowledged before me that they executed the foregoing First Amendment to Supplementary Declaration of Protective Covenants and Restrictions for Plat No. 1 P.U.D. in the name of and on behalf of said corporation, affixing the corporate seal of said corporation thereto; that, as such corporate officers, they are duly authorized by said corporation to do so; and that the foregoing instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State aforesaid,
this 22 day of January, 1981.


Notary Public,
State of Florida at Large

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES JANUARY 22, 1982

CONSENT OF SAILFISH POINT, INC.

SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida, makes this Consent to First Amendment to Supplementary Declaration of Protective Covenants and Restrictions for Plat No. 1 Sailfish Point P.U.D. this 13 day of March, 1980.

WHEREAS, SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida (hereinafter referred to as "Sailfish"), as the Developer of Sailfish Point, filed the Supplementary Declaration of Protective Covenants and Restrictions for Plat No. 1 Sailfish Point on February 4, 1980, in Official Records Book 488 at Page 2145 of the Public Records of Martin County, Florida (hereinafter referred to as the "Supplementary Declaration"); and

WHEREAS, Article XII, Section 4 of the Supplementary Declaration provides that the Supplementary Declaration may be amended in accordance with Article XVI, Section 3 of the Declaration of Protective Covenants and Restrictions for Sailfish Point, recorded in Official Records Book 488 at Page 2058 of the Public Records of Martin County, Florida (hereinafter referred to as the "Declaration"); and

WHEREAS, Article XVI, Section 3 of the Declaration provides that for as long as Sailfish is the owner of any property in Sailfish Point, the written consent of Sailfish must be obtained in order to amend the Declaration; and

WHEREAS, Sailfish has reviewed the terms of this First Amendment to Supplementary Declaration of Protective Covenants and Restrictions for Plat No. 1 Sailfish Point P.U.D. and has approved the contents of same;

NOW, THEREFORE, Sailfish hereby consents to the amendment to the Supplementary Declaration contained in the First Amendment to Supplementary Declaration of Protective Covenants and Restrictions for Plat No. 1 Sailfish Point P.U.D. and executes this consent as evidence thereof.

SAILFISH POINT, INC., a Delaware corporation, qualified to do business in the State of Florida

Signed, sealed and delivered in the presence of:

Richard L. Suggs
James L. Suggs

By:

Doran T. Seaquist, Jr.
Doran T. Seaquist, Jr., President

(Corporate Seal)

Attest:


Thomas J. Palmieri
Thomas J. Palmieri,
Assistant Secretary

513 1121

STATE OF FLORIDA)
 ss.
COUNTY OF PALM BEACH)

I HEREBY CERTIFY, that on this day, before me, an officer duly authorized to take acknowledgments, personally appeared Doran T. Seaquist, Jr. and Thomas J. Palmieri, who are the President and Assistant Secretary, respectively, of SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida, and they acknowledged before me that they executed the foregoing Consent of Sailfish Point, Inc. in the name of and on behalf of said corporation, affixing the corporate seal of said corporation thereto; and that as such corporate officers, they are duly authorized by said corporation to do so; and that the foregoing instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State aforesaid, this 23rd day of January, 1988.


Notary Public
State of Florida at Large

My Commission Expires:

NOTARY PUBLIC POWER OF ATTORNEY IN FLORIDA
MY COMMISSION EXPIRES 12/31/90

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SECOND AMENDMENT TO
DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS
FOR SAILFISH POINT

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**SECOND AMENDMENT TO
DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS
FOR SAILFISH POINT**

THIS SECOND AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR SAILFISH POINT, made this 8th day of April, 1983, by SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a Florida corporation not-for-profit, having its principal office at 2201 S. E. Sailfish Point Boulevard, Stuart, Florida 33494 (hereinafter referred to as the "Association").

WHEREAS, on February 4, 1980, Sailfish Point, Inc., a Delaware corporation qualified to do business in the State of Florida, filed the Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 488 at Page 2058 of the Public Records of Martin County, Florida (hereinafter referred to as the "Declaration"); and

WHEREAS, on January 23, 1981, the Association filed the First Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 513 at Page 1094 of the Public Records of Martin County, Florida (hereinafter referred to as the "First Amendment to Declaration"); and

WHEREAS, the Declaration, as amended, establishes certain covenants, restrictions, lien rights, and other provisions which govern the use of the real property, situate in Martin County, Florida, described in Exhibit "A" to the Declaration (which real property is hereinafter referred to as "Sailfish Point"); and

WHEREAS, the Declaration establishes the right of the Association to own and operate the real property in Sailfish Point for the benefit, use and enjoyment of the Members of the Association, and further grants to the Association, among other rights, the right to restrict the use of all real property which constitutes Sailfish Point, including any submerged lands; and

WHEREAS, Article XVI, Section 3 of the Declaration provides that the Declaration may be amended by a vote in favor of said amendment by not less than three-quarters of all votes of the Members of the Association; and

WHEREAS, at a duly called and constituted meeting of the Members of the Association, which was held on the 9th day of February, 1983, this Second Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point was considered and approved by more than three-quarters of all votes of the Members of the Association, and such Members directed that this Second Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point be placed of record in the Public Records of Martin County, Florida.

NOW, THEREFORE, the Declaration is further amended only as set forth in this Second Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point (hereinafter referred to as the "Second Amendment to Declaration"). Those Articles, Sections or subparagraphs thereof contained in this Second Amendment to Declaration shall supplant and replace the Articles, Sections or subparagraphs thereof contained in the Declaration and the First Amendment to Declaration which bear the same Article, Section or subparagraph number or designation. All other terms of the Declaration and the First Amendment to Declaration not changed by this Second Amendment to Declaration are hereby reaffirmed. It is the intent of the Members of the Association that the terms of this Second Amendment to Declaration shall be effective as of, and relate back to the date of, the filing of the Declaration within the Public Records of Martin County, Florida.

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ARTICLE VIII

ARCHITECTURAL REVIEW AND REQUIRED
COMMENCEMENT OF CONSTRUCTION

Section 6. DOCKS, WATERFRONT CONSTRUCTION, BOATS, DUNE CROSSINGS AND SHORE CONTOURS: The only docks permitted to be erected or maintained on Sailfish Point Property are those docks which are constructed pursuant to applicable permit, and in accordance with the terms of any Supplementary Declaration of Protective Covenants and Restrictions for the platted portion of Sailfish Point in which such docks are located. No dune crossings, seawalls, bulkheads, moorings, pilings, or piers of any kind or any other construction shall be erected by anyone other than the Developer in, or over dunes, dunes vegetation, lakes, lagoons, inlets, the Marina and Marina Facilities, the Inland Harbor, or waterways within Sailfish Point without the prior written consent of the Association and then only if the same shall be constructed according to plans, specifications, elevations, types and designs approved in writing by the Association, as well as all federal and state agencies having jurisdiction over the same.

In no event shall a waterfront Lot which adjoins any area platted as a Lagoon or Inland Harbor, be permitted to have more than one (1) pier extending further than navigable water depth and having a maximum thirty (30) feet by three (3) feet "T" or "L" end. Such piers shall be no more than three (3) feet wide, and shall be elevated at least three (3) feet above mean high water, and shall be spaced to allow light penetration. Shoreline contours above or below water may not be changed without the written approval of the Association, as well as both federal and state agencies having jurisdiction over the same. No pesticides, insecticides, fungicides, herbicides, other deleterious substances or fertilizers shall be applied to the area below the top of the nearshore berm. All areas with natural or replanted vegetation designated for preservation by any permit issued by any federal or state agency in connection with the development of Sailfish Point shall not be altered. No Parcel or Residential Unit shall be increased in size by filling in the waters on which it abuts. Mangrove trimmings shall be allowed only to maintain pier corridors. Except in the Marina, no vessel or boat shall be permanently anchored offshore in any of the lakes, inlets or waterways adjacent to any Parcel or Residential Unit without prior written approval of the Board. No persons shall be permitted to live aboard or perform hull maintenance work on any vessel docked or moored within the Sailfish Point Property without prior approval of the Board of Directors of the Association to be determined by need on an individual basis, nor may there be discharged from any vessel any substance, including bilge water, petroleum products, sewage or litter. No boathouse shall be constructed on or adjacent to any part of Sailfish Point located on a waterway, nor shall any boat canal or boat slip be dug or excavated in any of the waterfront parts of Sailfish Point without prior written approval of the Association and applicable governmental authorities. No motor powered boats of any kind which are not adequately muffled to prevent unreasonable noise shall be kept or used on waters within Sailfish Point, including the Inland Harbor and Marina, except as expressly approved in writing by the Association.

IN WITNESS WHEREOF, the Association has caused this instrument to be executed in its name by its undersigned, duly authorized officers, and its corporate seal to be hereunto affixed, the day and year first above written.

SAILFISH POINT PROPERTY OWNERS'
AND COUNTRY CLUB ASSOCIATION, INC.,
a Florida corporation Not-for-Profit

Signed, sealed and delivered
in the presence of:

BOOK 573 PAGE 1114

Robert L. Krings

By: *John L. Krchnak*
John L. Krchnak, President

Thomas J. Palmieri

Attest: *Thomas J. Palmieri*
Thomas J. Palmieri
Secretary

STATE OF FLORIDA)
) SS:
COUNTY OF PALM BEACH)

I HEREBY CERTIFY, that on this day, before me, an officer duly authorized to take acknowledgments, personally appeared Joe L. Krchnak and Thomas J. Palmieri, who are the President and Secretary, respectively, of SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a Florida corporation not-for-profit, and they acknowledged before me that they executed the foregoing Second Amendment to the Declaration of Protective Covenants and Restrictions for Sailfish Point in the name of and on behalf of said corporation, affixing the corporate seal of said corporation thereto; and that as such corporate officers, they are duly authorized by said corporation to do so; and that the foregoing instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State aforesaid, this 8th day of April, 1983.


Notary Public
State of Florida at Large

My Commission Expires:

Notary Public, State of Florida
My Commission Expires April 5, 1985
Notary Seal Valid Until - Renewal, Exp.

573 PALM 1115

CONSENT OF SAILFISH POINT, INC.

SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida, hereby makes this Consent to Second Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point this 8th day of April, 1983.

WHEREAS, SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida (hereinafter referred to as "Sailfish"), as the Developer of Sailfish Point, filed the Declaration of Protective Covenants and Restrictions for Sailfish Point on February 4, 1980, in Official Record Book 488 at Page 2038 of the Public Records of Martin County, Florida and, further, granted its consent to the First Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed by the Sailfish Point Property Owners' and Country Club Association, Inc. on January 23, 1981 in Official Record Book 513 at Page 1094 of the Public Records of Martin County, Florida (hereinafter collectively referred to as the "Declaration"); and

WHEREAS, Article XVI, Section 3 of the Declaration provides that for so long as Sailfish is the owner of any property in Sailfish Point, the written consent of Sailfish must be obtained in order to amend the Declaration; and

WHEREAS, Sailfish has reviewed the terms of this Second Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point and has approved the contents of same.

NOW, THEREFORE, Sailfish hereby consents to the amendment to the Declaration contained in the Second Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point and executes this consent as evidence thereof.

SAILFISH POINT, INC.,
a Delaware corporation
qualified to do business
in the State of Florida

Signed, sealed and delivered
in the presence of:

Dorothy I. Kypke
Wynne J. Wood

By:

Doran T. Sesquise, Jr.
Doran T. Sesquise, Jr., President

Attest:

Thomas J. Palmieri
Thomas J. Palmieri
Assistant Secretary

573 PAGE 1116

STATE OF FLORIDA)
) SS:
COUNTY OF PALM BEACH)

I HEREBY CERTIFY, that on this day, before me, an officer duly authorized to take acknowledgments, personally appeared Doran T. Sequist, Jr. and Thomas J. Palmieri, who are the President and Assistant Secretary, respectively, of SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida, and they acknowledged before me that they executed the foregoing Consent of Sailfish Point, Inc. in the name of and on behalf of said corporation, affixing the corporate seal of said corporation thereto; and that as such corporate officers, they are duly authorized by said corporation to do so; and that the foregoing instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State aforesaid, this 8th day of April, 1983.


Notary Public
State of Florida at Large
My Commission Expires:
Notary Public, State of Florida
My Commission Expires April 2, 1983


573 PALM 1117

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THIRD AMENDMENT TO
DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS
FOR SAILFISH POINT

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**THIRD AMENDMENT TO
DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS
FOR SAILFISH POINT**

THIS THIRD AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR SAILFISH POINT, made this 7th day of May, 1984, by SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a Florida corporation not-for-profit, having its principal office at 2201 S.E. Sailfish Point Boulevard, Stuart, Florida 33494 (hereinafter referred to as the "Association").

WHEREAS, on February 4, 1980, Sailfish Point, Inc., a Delaware corporation qualified to do business in the State of Florida, filed the Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 468 at Page 2058 of the Public Records of Martin County, Florida (hereinafter referred to as the "Declaration"); and

WHEREAS, on January 23, 1981, the Association filed the First Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 513 at Page 1094 of the Public Records of Martin County, Florida (hereinafter referred to as the "First Amendment to Declaration"); and

WHEREAS, on June 15, 1983, the Association filed the Second Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 573 at Page 1113 of the Public Records of Martin County, Florida (hereinafter referred to as the "Second Amendment to Declaration"); and

WHEREAS, the Declaration, as amended, establishes certain covenants, restrictions, lien rights, and other provisions which govern the use of the real property, situate in Martin County, Florida, described in Exhibit "A" to the Declaration (which real property is hereinafter referred to as "Sailfish Point"); and

WHEREAS, the Declaration establishes the right of the Association to own and operate the real property in Sailfish Point for the benefit, use and enjoyment of the Members of the Association, and further grants to the Association, among other rights, the right to restrict the use of all real property which constitutes Sailfish Point, including any submerged lands; and

WHEREAS, Article XV, Section 3 of the Declaration provides that the Declaration may be amended by a vote in favor of said amendment by not less than three-quarters of all votes of the Members of the Association; and

WHEREAS, at a duly called and constituted meeting of the Members of the Association, which was held on the 4th day of May, 1984, this Third Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point was considered and approved by more than three-quarters of all votes of the Members of the Association, and such Members directed that this Third Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point be placed of record in the Public Records of Martin County, Florida.

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602 PAGE 900

NOW, THEREFORE, the Declaration is further amended only as set forth in this Third Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point (hereinafter referred to as the "Third Amendment to Declaration"). Those Articles, Sections or subparagraphs thereof contained in this Third Amendment to Declaration shall supplant and replace the Articles, Sections or subparagraphs thereof contained in the Declaration and the First and Second Amendments to Declaration which bear the same Article, Section or subparagraph number or designation. All other terms of the Declaration and the First and Second Amendments to Declaration not changed by this Third Amendment to Declaration are hereby reaffirmed. It is the intent of the Members of the Association that the terms of this Third Amendment to Declaration shall be effective as of, and relate back to the date of, the filing of the Declaration within the Public Records of Martin County, Florida.

ARTICLE XIII

DEVELOPER'S RIGHTS AND VETO POWER

Section 2. VETO POWER: The Developer hereby expressly reserves to itself, and any grantee of any Parcel or Residential Unit hereby agrees, by acceptance of a deed of conveyance thereto, that the Developer shall have the right to veto any or all of the following events so long as the Developer owns any part of the Sailfish Point Property, including Sailfish Point Property owned by the Developer as the result of any reconveyance of Sailfish Point Property, or until the Developer causes to be recorded a Certificate of Termination of Interest in Sailfish Point, which Certificate terminates any and all right, title interest and obligation of the Developer in Sailfish Point:

- (a) Shoreline contour changes approved by the Association;
- (b) Construction of boat slips approved by the Association;
- (c) Construction of any dune crossings approved by the Association;
- (d) Association approval which permits the conduct of any commercial enterprise in Sailfish Point;
- (e) Any or all Association budgets, annual or otherwise which constitute an increase or reduction of twenty percent over the prior year's budget;
- (f) Approval or disapproval of any plans or specifications for any structure made by the Architectural Review Committee;
- (g) Attempted resubdivision of Sailfish Point, termination of any Condominium Association or Cluster Committee;
- (h) Attempted amendment of this Declaration, the Articles of Incorporation and Bylaws of the Association, any Supplementary Declaration of Protective Covenants and Restrictions established for any part of Sailfish Point, or the Planned Unit Development Zoning Agreement, as described in Article I, Section 14 herein;
- (i) Any management contracts entered into by the Association or the Board;
- (j) Any reduction made to the security system at Sailfish Point;
- (k) Attempted relocation of the sales center at Sailfish Point;
- (l) The creation of any special assessment districts within Sailfish Point;
- (m) Any assessment for capital improvements which are imposed by the Association on property owned by the Developer;
- (n) Any settlement of any claim made by the Association to collect upon any policy of casualty insurance which insures the Common Areas and the Country Club, and any settlement of any claim made by a Condominium Association or Cluster Committee to collect upon any policy of casualty insurance which insures Condominium Common Elements or Cluster Common Elements;
- (o) Any attempted dissolution of the Association by a vote of the Members of the Association and any attempted dissolution of any Condominium Association or Cluster Committee;

Page 602 PMS 901

(p) Any attempted cancellation or reduction of insurance coverage insuring all or any part of the Sailfish Point Property.

IN WITNESS WHEREOF, the Association has caused this instrument to be executed in its name by its undersigned, duly authorized officers, and its corporate seal to be hereunto affixed, the day and year first above written.

SAILFISH POINT PROPERTY OWNERS'
AND COUNTRY CLUB ASSOCIATION, INC..
A Florida corporation Not-for-Profit

Signed, sealed and delivered
in the presence of:

Pat May
Thomas J. Palmieri

By: Joe L. Krchnak
Joe L. Krchnak, President
Attest: Thomas J. Palmieri
Thomas J. Palmieri
Secretary

STATE OF FLORIDA)
) SS:
COUNTY OF PALM BEACH)

I HEREBY CERTIFY, that on this day, before me, an officer duly authorized to take acknowledgments, personally appeared Joe L. Krchnak and Thomas J. Palmieri, who are the President and Secretary, respectively, of SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a Florida corporation not-for-profit, and they acknowledged before me that they executed the foregoing Third Amendment to the Declaration of Protective Covenants and Restrictions for Sailfish Point in the name of and on behalf of said corporation, affixing the corporate seal of said corporation thereto; and that as such corporate officers, they are duly authorized by said corporation to do so; and that the foregoing instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State aforesaid, this 7th day of May, 1984.

Deborah L. Kay
Notary Public
State of Florida at Large

My Commission Expires:

Notary Public, State of Florida
My Commission Expires April 3, 1985
Revised 1980 from 1978 - International, Inc.

BOOK 602 PAGE 902

CONSENT OF SAILFISH POINT, INC.

SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida, hereby makes this Consent to Third Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point this 7th day of May, 1984.

WHEREAS, SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida (hereinafter referred to as "Sailfish"), as the Developer of Sailfish Point, filed the Declaration of Protective Covenants and Restrictions for Sailfish Point on February 4, 1980, in Official Record Book 488 at Page 2058 of the Public Records of Martin County, Florida and; further, granted its consent to the First Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed by the Sailfish Point Property Owners' and Country Club Association, Inc. on January 23, 1981 in Official Record Book 513 at Page 1094, and the Second Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed on June 15, 1983 in Official Record Book 573 at Page 1113, both of the Public Records of Martin County, Florida (hereinafter collectively referred to as the "Declaration");

WHEREAS, Article XVI, Section 3 of the Declaration provides that for so long as Sailfish is the owner of any property in Sailfish Point, the written consent of Sailfish must be obtained in order to amend the Declaration; and

WHEREAS, Sailfish has reviewed the terms of this Third Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point and has approved the contents of same.

NOW, THEREFORE, Sailfish hereby consents to the amendment to the Declaration contained in the Third Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point and executes this consent as evidence thereof.

SAILFISH POINT, INC.,
a Delaware corporation
qualified to do business
in the State of Florida

Signed, sealed and delivered
in the presence of:



By: 
Doran T. Seagrist, Jr. President



Attent: 
Thomas J. Palmieri
Assistant Secretary

STATE OF FLORIDA)
) SS:
COUNTY OF PALM BEACH

I HEREBY CERTIFY, that on this day, before me, an officer duly authorized to take acknowledgments, personally appeared Doran T. Sesquist, Jr. and Thomas J. Palmieri, who are the President and Assistant Secretary, respectively, of SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida, and they acknowledged before me that they executed the foregoing Consent of Sailfish Point, Inc. in the name of and on behalf of said corporation, affixing the corporate seal of said corporation thereto; and that as such corporate officers, they are duly authorized by said corporation to do so; and that the foregoing instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State aforesaid, this 7th day of May, 1984.


Notary Public
State of Florida at Large

My Commission Expires:

Notary Public, State of Florida
My Commission Expires April 5, 1985
Revised State Form 1000 - September, 1982

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FOR SAILPOINT POINT

DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS

FOR THE AMENDMENT TO

538378

DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS
FOURTH AMENDMENT TO
FOR SAILFISH POINT

THIS FOURTH AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR SAILFISH POINT, made this 10th day of December, 1984, by SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a Florida corporation not-for-profit, having its principal office at 2201 S.E. Sailfish Point Boulevard, Stuart, Florida 33494 (hereinafter referred to as the "Association").

WHEREAS, on February 4, 1980, Sailfish Point, Inc., a Delaware corporation qualified to do business in the State of Florida, filed the Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 488 at Page 2056 of the Public Records of Martin County, Florida (hereinafter referred to as the "Declaration"); and

WHEREAS, on January 23, 1981, the Association filed the first Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 513 at Page 1094 of the Public Records of Martin County, Florida (hereinafter referred to as the "First Amendment to Declaration"); and

WHEREAS, on June 15, 1983, the Association filed the Second Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 573 at Page 1113 of the Public Records of Martin County, Florida (hereinafter referred to as the "Second Amendment to Declaration"); and

WHEREAS, on May 10, 1984, the Association filed the Third Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 602 at Page 899 of the Public Records of Martin County, Florida (hereinafter referred to as the "Third Amendment to Declaration"); and

WHEREAS, the Declaration, as amended, establishes certain covenants, restrictions, liens rights, and other provisions which govern the use of the real property, situate in Martin County, Florida, described in Exhibit "A" to the Declaration (which real property is hereinafter referred to as "Sailfish Point"); and

WHEREAS, the Declaration establishes the right of the Association to own and operate the real property in Sailfish Point for the benefit, use and enjoyment of the Members of the Association, and further grants to the Association, among other rights, the right to restrict the use of all real property which constitutes Sailfish Point, including any submerged lands; and

WHEREAS, Article XVI, Section 3 of the Declaration provides that the Declaration may be amended by a vote in favor of said amendment by not less than three-quarters of all votes of the Members of the Association; and

WHEREAS, at a duly called and constituted meeting of the Members of the Association, which was held on the 30th day of November, 1984, this Fourth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point was considered and approved by more than three-quarters of all votes of the Members of the Association, and such Members directed that this Fourth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point be placed of record in the Public Records of Martin County, Florida.

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NOW, HEREOF, the Declaration is further amended only as set forth in this Fourth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point (hereinafter referred to as the "Fourth Amendment to Declaration"). Those Articles, Sections or Subparagraphs thereof contained in this Fourth Amendment to Declaration which shall supplant and replace the Articles, Sections or Subparagraphs thereof contained in the Declaration and the First, Second and Third Amendments to Declaration

I HEREBY CERTIFY, that on this day, before me, an officer duly authorized to take acknowledgments, personally appeared Joe L. Kirsch and Thomas J. Palmieri, who are the President and Secretary, respectively, of SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a Florida corporation not-for-profit, and they acknowledged before me that they executed the foregoing Fourth Amendment to the Declaration of Protective Covenants and Restrictions for SAILFISH Point in the name of and on behalf of said corporation, affixing the corporate seal of said corporation thereto; and that as such corporate

9th 622 JF 201

STATE OF FLORIDA)
(COUNTY OF PALM BEACH)
(SS:)

By: Joe L. Kirsch, President
Attest: Thomas J. Palmieri, Secretary

For My

Signed, sealed and delivered
in the presence of:

SAILFISH POINT PROPERTY OWNERS'
AND COUNTRY CLUB ASSOCIATION, INC.,
A Florida corporation Not-for-Profit

IN WITNESS WHEREOF, the Association has caused this instrument to be executed in its name by its undersigned, duly authorized officers, and its corporate seal to be hereunto affixed, the day and year first above written.

Florida.
the Association and recorded in the Public Records of Martin County.
evidenced by an instrument executed by the duly authorized officers of
such amendment described in this Section. Any such amendment shall be
Point Property, the Developer's written consent must be obtained to any
Developer is the Owner of any Parcel, Residential Unit or any SAILFISH
meeting of the Board at which a quorum is present. So long as the
in favor of said amendment by a majority of those Directors present at a
Declaration. Notwithstanding the foregoing, Supplementary Declarations
determined in accordance with Article V, Section 3(a) of this
three-quarters (3/4) of all votes, the number of which votes shall be
time upon a vote in favor of said amendment(s) by not less than
Declaration, this Declaration may be amended at any time and from time to
Section 3. AMENDMENT: Subject to the provisions of this
Declaration, this Declaration may be amended at any time and from time to

GENERAL PROVISIONS

ARTICLE XVI

which bear the same Article, Section or subparagraph number or
designation. All other terms of the Declaration and the First, Second
to Declaration are hereby reaffirmed. It is the intent of the Members of
the Association that the terms of this Fourth Amendment to Declaration
shall be effective as of, and relate back to the date of, the filing of
the Declaration within the Public Records of Martin County, Florida.

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My Commission Expires April 1, 1985
Notary Public, State of Florida

My Commission Expires:

Notary Public
State of Florida at Large

officers, they are duly authorized by said corporation to do so; and that
the foregoing instrument is the act and deed of said corporation.
WITNESS my hand and official seal in the County and State
of Florida, this 11th day of December, 1984.

CONSENT OF SAILFISH POINT, INC.

SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida, hereby makes this Consent to Fourth Amendment to Declaration of Protective Covenants and Restrictions, for SAILFISH POINT this 10th day of December, 1984.

WHEREAS, SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida (hereinafter referred to as "Sailfish"), as the Developer of SAILFISH POINT, filed the Declaration of Protective Covenants and Restrictions for SAILFISH POINT on February 4, 1980, in Official Record Book 488 at Page 2058 of the Public Records of Martin County, Florida and; further, granted its consent to the first Amendment to Declaration of Protective Covenants and Restrictions for SAILFISH POINT filed by the SAILFISH POINT PROPERTY OWNERS' and Country Club Association, Inc. on January 23, 1981 in Official Record Book 513 at Page 1094, the second Amendment to Declaration of Protective Covenants and Restrictions for SAILFISH POINT filed on June 15, 1983 in Official Record Book 573 at Page 1113, and the Third Amendment to Declaration of Protective Covenants and Restrictions for SAILFISH POINT filed on May 10, 1984 in Official Record Book 602 at Page 859, all of the Public Records of Martin County, Florida (hereinafter collectively referred to as the "Declaration");

WHEREAS, Article XVI, Section 3 of the Declaration provides that for as long as SAILFISH is the owner of any property in SAILFISH POINT, the written consent of SAILFISH must be obtained in order to amend the Declaration; and

WHEREAS, SAILFISH has reviewed the terms of this Fourth Amendment to Declaration of Protective Covenants and Restrictions for SAILFISH POINT and has approved the contents of same.

NOW, THEREFORE, SAILFISH hereby consents to the amendment to the Declaration contained in the Fourth Amendment to Declaration of Protective Covenants and Restrictions for SAILFISH POINT and executes this consent as evidence thereof.

SAILFISH POINT, INC.,
a Delaware corporation
qualified to do business
in the State of Florida

Signed, sealed and delivered
in the presence of:

By: [Signature]
DORAN T. SCHAUB, JR., President
Attest: [Signature]
THOMAS J. PALMER, Assistant Secretary

[Signature]
[Signature]

STATE OF FLORIDA)
) SS:
COUNTY OF PALM BEACH

I HEREBY CERTIFY, that on this day, before me, an officer duly authorized to take acknowledgments, personally appeared Doren T. Senquist, Jr. and Thomas J. Palmieri, who are the President and Assistant Secretary, respectively, of SAILFISH POINT, INC., a Delaware corporation qualified to do business in the State of Florida, and they acknowledged before me that they executed the foregoing Consent of Sailfish Point, Inc. in the name of and on behalf of said corporation, affixing the corporate seal of said corporation thereto; and that as such corporate officers, they are duly authorized by said corporation to do so; and that the foregoing instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State aforesaid, this 10th day of November, 1984.


Notary Public
State of Florida at Large

My Commission Expires:

Notary Public, State of Florida
My Commission Expires April 3, 1985
Notary Seal Form 1-75-100 (Revised 1-75)

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FIFTH AMENDMENT TO
DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS
FOR SAILFISH POINT

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**FIFTH AMENDMENT TO
DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS
FOR SAILFISH POINT**

THIS FIFTH AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR SAILFISH POINT, made this 4th day of February, 1986, by SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a Florida corporation not-for-profit, having its principal office at 2201 S.E. Sailfish Point Boulevard, Stuart, Florida 33494 (hereinafter referred to as the "Association").

WHEREAS, on February 4, 1980, Sailfish Point, Inc., a Delaware corporation qualified to do business in the State of Florida, filed the Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 488 at Page 2058 of the Public Records of Martin County, Florida (hereinafter referred to as the "Declaration"); and

WHEREAS, on January 23, 1981, the Association filed the First Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 513 at Page 1094 of the Public Records of Martin County, Florida (hereinafter referred to as the "First Amendment to Declaration"); and

WHEREAS, on June 15, 1983, the Association filed the Second Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 573 at Page 1113 of the Public Records of Martin County, Florida (hereinafter referred to as the "Second Amendment to Declaration"); and

WHEREAS, on May 10, 1984, the Association filed the Third Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 602 at Page 899 of the Public Records of Martin County, Florida (hereinafter referred to as the "Third Amendment to Declaration"); and

WHEREAS, on December 14, 1984, the Association filed the Fourth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 622 at Page 199 of the Public Records of Martin County, Florida (hereinafter referred to as the "Fourth Amendment to Declaration"); and

WHEREAS, the Declaration, as amended, establishes certain covenants, restrictions, lien rights, and other provisions which govern the use of the real property situate in Martin County, Florida, described in Exhibit "A" to the Declaration (which real property is hereinafter referred to as "Sailfish Point"); and

WHEREAS, the Declaration establishes the right of the Association to own and operate the real property in Sailfish Point for the benefit, use and enjoyment of the Members of the Association, and further grants to the Association, among other rights, the right to restrict the use of all real property which constitutes Sailfish Point, including any submerged lands; and

WHEREAS, Article XVI, Section 3 of the Declaration provides that the Declaration may be amended by a vote in favor of said amendment by not less than three-quarters of all votes of the Members of the Association; and

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WHEREAS, at a duly called and constituted meeting of the Members of the Association, which was held on the 8th day of December, 1985, this Fifth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point was considered and approved by more than three quarters of all votes of the Members of the Association, and such Members directed that this Fifth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point be placed of record in the Public Records of Martin County, Florida.

NOW, THEREFORE, the Declaration is further amended only as set forth in this Fifth Amendment to Declaration of Protective Covenants and

Restrictions for Sailfish Point (hereinafter referred to as the "Fifth Amendment to Declaration"). The Articles, Sections or subparagraphs thereof contained in this Fifth Amendment to Declaration shall supplant and replace the Articles, Sections or subparagraphs thereof contained in the Declaration and the First, Second, Third, and Fourth Amendments to Declaration which bear the same Article, Section or subparagraph number or designation. All other terms of the Declaration and the First, Second, Third, and Fourth Amendments to Declaration not changed by this Fifth Amendment to Declaration are hereby reaffirmed. It is the intent of the Members of the Association that the terms of this Fifth Amendment to Declaration shall be effective as of, and relate back to the date of, the filing of the Declaration within the Public Records of Martin County, Florida.

ARTICLE I

DEFINITIONS

Section 25. "SALES CENTER PARCEL" shall mean and refer to all or any part of Lot 4, Plat No. 13 Sailfish Point P.U.D., according to plat thereof as recorded in Plat Book 10, Page 4 of the Public Records of Martin County, Florida.

ARTICLE VIII

ARCHITECTURAL REVIEW AND REQUIRED COMMENCEMENT OF CONSTRUCTION

Section 4. DOCKS, WATERFRONT CONSTRUCTION, BOATS, DUNE CROSSING AND SHORE CONTOURS: The only docks permitted to be erected or maintained on Sailfish Point Property are those docks which are constructed pursuant to applicable permit, and in accordance with the terms of any Supplementary Declaration of Protective Covenants and Restrictions for the platted portion of Sailfish Point in which such docks are located. No dune crossings, seawalls, bulkheads, moorings, pilings, or piers of any kind or any other construction shall be erected by anyone other than the Developer in, or over dunes, dune's vegetation, lakes, lagoons, inlets, the Marina and Marina Facilities, the Inland Harbor, or waterways within Sailfish Point without the prior written consent of the Association and then only if the same shall be constructed according to plans, specifications, elevations, types and designs approved in writing by the Association, as well as all federal and state agencies having jurisdiction over the same.

In no event shall a waterfront Lot which adjoins any area platted as a Lagoon or Inland Harbor, be permitted to have more than one (1) dock adjacent to the Lot, the access pier of which shall extend no further than navigable water depth and shall have a maximum thirty (30) feet by six (6) feet "T" or "L" end, approximately parallel to the rear Lot line and centered on the Lot, unless otherwise approved by the A.R.C. The landward edge of the "T" or "L" dock end shall be at a minimum depth of 4 feet mean low water. Such piers shall be no more than four (4) feet wide, and shall be elevated at least three (3) feet above mean high water, and shall be spaced to allow light penetration. Shoreline contours above or below water may not be changed without the written approval of the Association, as well as both federal and state agencies having jurisdiction over the same. No pesticides, insecticides, fungicides, herbicides, other deleterious substances or fertilizers shall be applied to the area below the top of the nearshore berm. All areas with natural or replanted vegetation designated for preservation by any permit issued by any federal or state agency in connection with the development of Sailfish Point shall not be altered. No Parcel or Residential Unit shall be increased in size by filling in the water on which it abuts. Mangrove trimmings shall be allowed only to maintain pier corridors. Except in the Marina, no vessel or boat shall be permanently anchored offshore in any of the lakes, inlets or waterways adjacent to any Parcel or Residential Unit without prior written approval of the Board. No persons shall be permitted to live aboard or perform hull maintenance work on any vessel docked or moored within the Sailfish Point Property without prior approval of the Board of Directors of the Association to be determined by need on an individual basis, nor may there be discharged from any vessel any substance, including bilge water.

petroleum products, sewage or litter. No boathouse shall be constructed on or adjacent to any part of Sailfish Point located on a waterway, nor shall any boat canal or boat slip be dug or excavated in any of the waterfront parts of Sailfish Point without prior written approval of the Association and applicable governmental authorities. No motor powered boats of any kind which are not adequately muffled to prevent unreasonable noise shall be kept or used on waters within Sailfish Point, including the Inland Harbor and Marina, except as expressly approved in writing by the Association.

IN WITNESS WHEREOF, the Association has caused this instrument to be executed in its name by its undersigned, duly authorized officers, and its corporate seal to be hereunto affixed, the day and year first above written.

SAILFISH POINT PROPERTY OWNERS'
AND COUNTRY CLUB ASSOCIATION, INC.,
A Florida corporation Not-for-Profit

Signed, sealed and delivered
in the presence of:

Joe L. Krchnak

By: *Joe L. Krchnak*
Joe L. Krchnak, President

Deborah K. Whitfield

Attest: *Deborah K. Whitfield*
Deborah K. Whitfield
Assistant Secretary

STATE OF FLORIDA)
) SS:
COUNTY OF PALM BEACH)

I HEREBY CERTIFY, that on this day, before me, an officer duly authorized to take acknowledgments, personally appeared Joe L. Krchnak and Deborah K. Whitfield, who are the President and Assistant Secretary, respectively, of SAILFISH POINT PROPERTY OWNERS AND COUNTRY CLUB ASSOCIATION, INC., a Florida corporation not-for-profit, and they acknowledged before me that they executed the foregoing Fifth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in the name of and on behalf of said corporation, affixing the corporate seal of said corporation thereto; and that as such corporate officers, they are duly authorized by said corporation to do so; and that the foregoing instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State aforesaid, this 7th day of February, 1984.

Eugene R. Collier
Notary Public
State of Florida at Large

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXPIRES 12/31/85
BORN 08/01/1918

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CONSENT OF SAILFISH POINT, INC.

SAILFISH POINT, INC., a Delaware corporation qualified to do business in the state of Florida, hereby makes this Consent to Fifth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point this 10 day of February, 1986.

WHEREAS, SAILFISH POINT, INC., a Delaware corporation qualified to do business in the state of Florida (hereinafter referred to as "Sailfish"), as the Developer of Sailfish Point, filed the Declaration of Protective Covenants and Restrictions for Sailfish Point on February 4, 1960 in Official Record Book 488 at Page 2058 of the Public Records of Martin County, Florida and; further, granted its consent to the First Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed by the Sailfish Point Property Owners' and Country Club Association, Inc. on January 23, 1981 in Official Record Book 513 at Page 1094, the Second Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed on June 15, 1983 in Official Record Book 573 at Page 1113, the Third Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed on May 10, 1984 in Official Record Book 607 at Page 899, and the Fourth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed on December 14, 1984 in Official Record Book 627 at Page 199, all of the Public Records of Martin County, Florida (hereinafter collectively referred to as the "Declaration");

WHEREAS, Article XVI, Section 3 of the Declaration provides that for so long as Sailfish is the owner of any property in Sailfish Point, the written consent of Sailfish must be obtained in order to amend the Declaration; and

WHEREAS, Sailfish has reviewed the terms of this Fifth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point and has approved the contents of same.

NOW, THEREFORE, Sailfish hereby consents to the amendment to the Declaration contained in the Fifth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point and executes this consent as evidence thereof.

SAILFISH POINT, INC.,
a Delaware corporation
qualified to do business
in the state of Florida

Signed, sealed and delivered
in the presence of:

James H. Breed

Paul E. Sklansky

By: _____
James H. Breed, President

Attent: *Paul E. Sklansky*
Paul E. Sklansky
Assistant Secretary

665 2657

STATE OF FLORIDA)
) SS:
COUNTY OF PALM BEACH

I HEREBY CERTIFY, that on this day, before me, an officer duly authorized to take acknowledgments, personally appeared James H. Breed and Paul E. Sklansky, who are the President and Assistant Secretary, respectively, of SAILFISH POINT, INC., a Delaware corporation qualified to do business in the state of Florida, and they acknowledged before me that they executed the foregoing Consent of Sailfish Point, Inc. in the name of and on behalf of said corporation, affixing the corporate seal of said corporation thereto; and that as such corporate officers, they are duly authorized by said corporation to do so; and that the foregoing instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State aforesaid, this 24th day of February, 1986.

James J. Wilkinson
Notary Public
State of Florida at Large

My Commission Expires:

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SIXTH AMENDMENT TO
DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS
FOR SAILFISH POINT

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**SIXTH AMENDMENT TO
DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS
FOR SAILFISH POINT**

THIS SIXTH AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR SAILFISH POINT, made this 24th day of April, 1987, by SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a Florida corporation not-for-profit, having its principal office at 2201 S.E. Sailfish Point Boulevard, Stuart, Florida 33494 (hereinafter referred to as the "Association").

WHEREAS, on February 4, 1980, Sailfish Point, Inc., a Delaware corporation qualified to do business in the State of Florida, filed the Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 488 at Page 2058 of the Public Records of Martin County, Florida (hereinafter referred to as the "Declaration"); and

WHEREAS, on January 23, 1981, the Association filed the First Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 513 at Page 1094 of the Public Records of Martin County, Florida (hereinafter referred to as the "First Amendment to Declaration"); and

WHEREAS, on June 15, 1983, the Association filed the Second Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 573 at Page 1113 of the Public Records of Martin County, Florida (hereinafter referred to as the "Second Amendment to Declaration"); and

WHEREAS, on May 10, 1984, the Association filed the Third Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 602 at Page 899 of the Public Records of Martin County, Florida (hereinafter referred to as the "Third Amendment to Declaration"); and

WHEREAS, on December 14, 1984, the Association filed the Fourth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 622 at Page 199 of the Public Records of Martin County, Florida (hereinafter referred to as the "Fourth Amendment to Declaration"); and

WHEREAS, on February 28, 1986, the Association filed the Fifth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 665 at Page 2653 of the Public Records of Martin County, Florida (hereinafter referred to as the "Fifth Amendment to Declaration"); and

WHEREAS, the Declaration, as amended, establishes certain covenants, restrictions, lien rights, and other provisions which govern the use of the real property situate in Martin County, Florida, described in Exhibit "A" to the Declaration (which real property is hereinafter referred to as "Sailfish Point"); and

WHEREAS, the Declaration establishes the right of the Association to own and operate the real property in Sailfish Point for the benefit, use and enjoyment of the Members of the Association, and further grants to the Association, among other rights, the right to make, levy and collect assessments; and

WHEREAS, Article XVI, Section 3 of the Declaration provides that the Declaration may be amended by a vote in favor of said amendment by not less than three-quarters of all votes of the Members of the Association; and

BOOK 712 PAGE 2348

WHEREAS, at a duly called and constituted meeting of the Members of the Association, which was held on the 9th day of February, 1987, this Sixth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point was considered and approved by more than three-quarters of all votes of the Members of the Association, and such

Members directed that this Sixth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point be placed of record in the Public Records of Martin County, Florida.

NOW, THEREFORE, the Declaration is further amended only as set forth in this Sixth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point (hereinafter referred to as "Sixth Amendment to Declaration"). Those Articles, Sections or subparagraphs thereof contained in this Sixth Amendment to Declaration shall supplant and replace the Articles, Sections or subparagraphs thereof contained in the Declaration and the First, Second, Third, Fourth, and Fifth Amendments to Declaration which bear the same Article, Section or subparagraph number or designation. All other terms of the Declaration and the First, Second, Third, Fourth, and Fifth Amendments to Declaration not changed by this Sixth Amendment to Declaration are hereby reaffirmed. It is the intent of the Members of the Association that the terms of this Sixth Amendment to Declaration shall be effective as of, and relate back to the date of, the filing of the Declaration within the Public Records of Martin County, Florida.

**ARTICLE VI
COVENANTS FOR ASSESSMENTS**

Section 3. **RATE OF ASSESSMENT:** Sailfish Point Property shall, for the purpose of determining the annual assessments, be classified for each year's annual assessment as follows:

(1) Improved Units, which shall be defined as (a) "Condominium Units, Single Family Attached Units, and Lots owned by a Builder or the Developer which have received a certificate of occupancy, and (b) Lots which have received a certificate of occupancy or which have been conveyed to an Owner other than a Builder or the Developer one year previously, whichever shall occur first;

(2) Unimproved Units and Parcels, which shall be defined as (a) Condominium Units, Single Family Attached Units, Lots owned by a Builder or the Developer, and Parcels which have been platted but have not received certificates of occupancy for improvements thereon, and (b) Lots which have been platted but have not received a certificate of occupancy or which have been owned less than one year by an Owner other than a Builder or the Developer; and

(3) Unplatted Units, which shall be defined as the total number of residential housing units permitted in the Planned Unit Development Zoning Agreement described in Article I, Section 14 of this Declaration, together with any amendments thereto, less the total number of residential housing units which constitute Improved Units and Unimproved Units.

As used herein, the term "certificate of occupancy" shall mean a certificate of occupancy, certificate of completion or any other acknowledgment or approval by Martin County or any other governmental agency or political subdivision that a Residential Unit or other improvement erected in Sailfish Point is ready for residential use and occupancy or human habitation. Unplatted Units within Sailfish Point exclude the Golf Club Facilities and Golf Course, the Marina and Marina Facilities, the Utility Parcel, the Maintenance Facility, the Telephone Facility, and the Sales Center Parcel.

All Owners of Improved Units, including the Developer, shall pay the same amount of annual assessments for each such Improved Unit. All Owners of Unimproved Units, including the Developer, shall pay the same amount of annual assessments on each such Unimproved Unit. The Owner or Builder of a Parcel, including the Developer, shall be assessed in accordance with the stated maximum number of residential housing units expressed in the deed conveying title to the Parcel from the Developer or, if no such deed exists, the stated maximum number of residential housing units expressed in the most recent of the following: (a) the building permits; or (b) the grant of preliminary zoning by the Board of Commissioners of Martin County.

BOOK 712 PAGE 2349

(a) Each Owner of an Improved Unit, including the Developer, shall be obligated to pay for each Improved Unit, a share of the annual budget of the Association calculated on a quarterly basis as follows:

$\frac{100 \times B}{100 \times C + 50 \times P + 25 \times U}$	-	Quarterly Assessment Per Improved Unit
B	-	The Quarterly Budget
C	-	The number of Improved Units as of the first day of the calendar quarter
P	-	The number of Unimproved Units as of the first day of the calendar quarter
U	-	The number of Unplatted Units within Sailfish Point as of the first day of the calendar quarter

(b) Each Owner of an Improved Unit, including the Developer, shall be obligated to pay for each Unimproved Unit a share equal to one half (1/2) of the rate paid by the Owner of an Improved Unit.

(c) Each Owner of an Unplatted Unit within Sailfish Point, including the Developer, shall be obligated to pay for each Unplatted Unit within Sailfish Point a share equal to one quarter (1/4) the rate paid by the Owner of an Improved Unit.

(d) In accordance with the quarterly billing of annual assessments, if the classification of a Residential Unit changes during any quarter, the assessment rate will be adjusted on the first day of the quarter following such change.

All annual assessments shall be billed and payable in four (4) quarterly installments.

IN WITNESS WHEREOF, the Association has caused this instrument to be executed in its name by its undersigned, duly authorized officers, and its corporate seal to be hereunto affixed, the day and year first above written.

SAILFISH POINT PROPERTY OWNERS'
AND COUNTRY CLUB ASSOCIATION, INC.,
A Florida corporation Not-for-Profit

Signed, sealed and delivered
in the presence of:

Virginia R. Marshall By: Joe L. Krchnak
Joe L. Krchnak, President

Deborah K. Whitfield Attest: Deborah K. Whitfield
Deborah K. Whitfield
Assistant Secretary

BOOK 712 PAGE 2350

STATE OF FLORIDA)
) SS:
COUNTY OF PALM BEACH)

I HEREBY CERTIFY, that on this day, before me, an officer duly authorized to take acknowledgments, personally appeared Joe L. Krchnak and Deborah K. Whitfield, who are the President and Assistant Secretary, respectively, of SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a Florida corporation not-for-profit, and they acknowledged before me that they executed the foregoing Sixth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in the name of and on behalf of said corporation, affixing the corporate seal of said corporation thereto; and that as such corporate officers, they are duly authorized by said corporation to do so; and that the foregoing instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State aforesaid, this 24th day of March, 1987.

Virginia R. Allen
Notary Public
State of Florida at Large

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. SEPT. 22, 1990
ISSUED BY THE SECRET. OF ST. 1987, 1988, 1989.

BOOK 712 PAGE 2351

CONSENT OF SAILFISH POINT, INC.

SAILFISH POINT, INC., a Delaware corporation qualified to do business in the state of Florida, hereby makes this Consent to Sixth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point this 20th day of March, 1987.

WHEREAS, SAILFISH POINT, INC., a Delaware corporation qualified to do business in the state of Florida (hereinafter referred to as "Sailfish"), as the Developer of Sailfish Point, filed the Declaration of Protective Covenants and Restrictions for Sailfish Point on February 4, 1980 in Official Record Book 488 at Page 2058 of the Public Records of Martin County, Florida; and, further, granted its consent to the First Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed by the Sailfish Point Property Owners' and Country Club Association, Inc. on January 23, 1981 in Official Record Book 513 at Page 1094, the Second Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed on June 15, 1983 in Official Record Book 573 at Page 1113, the Third Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed on May 10, 1984 in Official Record Book 602 at Page 899, the Fourth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed on December 14, 1984 in Official Record Book 622 at Page 199, and the Fifth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed on February 28, 1986 in Official Record Book 665 at Page 2653, all of the Public Records of Martin County, Florida (hereinafter collectively referred to as the "Declaration");

WHEREAS, Article XVI, Section 3 of the Declaration provides that for so long as Sailfish is the owner of any property in Sailfish Point, the written consent of Sailfish must be obtained in order to amend the Declaration; and

WHEREAS, Sailfish has reviewed the terms of this Sixth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point and has approved the contents of same.

NOW, THEREFORE, Sailfish hereby consents to the amendment to the Declaration contained in the Sixth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point and executes this consent as evidence thereof.

SAILFISH POINT, INC.,
a Delaware corporation
qualified to do business
in the state of Florida

Signed, sealed and delivered
in the presence of:

Betty S. Foster

James H. Breed

James H. Breed
James H. Breed, President
Attest: Paul E. Sklansky
Paul E. Sklansky
Assistant Secretary

STATE OF FLORIDA
COUNTY OF PALM BEACH

} 88:

I HEREBY CERTIFY, that on this day, before me, an officer duly authorized to take acknowledgments, personally appeared James H. Broad and Paul S. Shlansky, who are the President and Assistant Secretary, respectively, of SAILFISH POINT, INC., a Delaware corporation qualified to do business in the state of Florida, and they acknowledged before me that they executed the foregoing Consent of Sailfish Point, Inc. in the name of and on behalf of said corporation, affixing the corporate seal of said corporation thereto; and that as such corporate officers, they are duly authorized by said corporation to do so; and that the foregoing instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State aforesaid, this 20th day of March, 1987.

Myron J. Woods
Notary Public
State of Florida at Large

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. MAY 17, 1992
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SEVENTH AMENDMENT TO
DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS
FOR SAILFISH POINT

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724 PAGE 2382

SEVENTH AMENDMENT TO
DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS
FOR SAILFISH POINT

THIS SEVENTH AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR SAILFISH POINT, made this 17th day of June, 1987, by SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a Florida corporation not-for-profit, having its principal office at 2201 S.E. Sailfish Point Boulevard, Stuart, Florida 33494 (hereinafter referred to as the "Association").

WHEREAS, on February 4, 1980, Sailfish Point, Inc., a Delaware corporation qualified to do business in the State of Florida, filed the Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 488 at Page 2058 of the Public Records of Martin County, Florida (hereinafter referred to as the "Declaration"); and

WHEREAS, on January 23, 1981, the Association filed the First Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 513 at Page 1094 of the Public Records of Martin County, Florida (hereinafter referred to as the "First Amendment to Declaration"); and

WHEREAS, on June 15, 1983, the Association filed the Second Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 573 at Page 1113 of the Public Records of Martin County, Florida (hereinafter referred to as the "Second Amendment to Declaration"); and

WHEREAS, on May 10, 1984, the Association filed the Third Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 602 at Page 899 of the Public Records of Martin County, Florida (hereinafter referred to as the "Third Amendment to Declaration"); and

WHEREAS, on December 14, 1984, the Association filed the Fourth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 622 at Page 199 of the Public Records of Martin County, Florida (hereinafter referred to as the "Fourth Amendment to Declaration"); and

WHEREAS, on February 28, 1986, the Association filed the Fifth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 665 at Page 2653 of the Public Records of Martin County, Florida (hereinafter referred to as the "Fifth Amendment to Declaration"); and

WHEREAS, on March 26, 1987, the Association filed the Sixth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 712 at Page 2347 of the Public Records of Martin County, Florida (hereinafter referred to as the "Sixth Amendment to Declaration"); and

WHEREAS, the Declaration, as amended, establishes certain covenants, restrictions, lien rights, and other provisions which govern the use of the real property situate in Martin County, Florida, described in Exhibit "A" to the Declaration (which real property is hereinafter referred to as "Sailfish Point"); and

WHEREAS, the Declaration establishes the right of the Association to own and operate the real property in Sailfish Point for the benefit, use and enjoyment of the Members of the Association, and further grants to the Association, among other rights, the right to make, levy and collect assessments; and

WHEREAS, Article XVI, Section 3 of the Declaration provides that the Declaration may be amended by a vote in favor of said amendment by not less than three-quarters of all votes of the Members of the Association; and

WHEREAS, at a duly called and constituted meeting of the Members of the Association, which was held on the 14th day of April, 1987, this Seventh Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point was considered and approved by more than three-quarters of all votes of the Members of the Association, and such Members directed that this Seventh Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point be placed of record in the Public Records of Martin County, Florida.

NOW, THEREFORE, the Declaration is further amended only as set forth in this Seventh Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point (hereinafter referred to as "Seventh Amendment to Declaration"). Those Articles, Sections or subparagraphs thereof contained in this Seventh Amendment to Declaration shall supplant and replace the Articles, Sections or subparagraphs thereof contained in the Declaration and the First, Second, Third, Fourth, Fifth, and Sixth Amendments to Declaration which bear the same Article, Section or subparagraph number or designation. All other terms of the Declaration and the First, Second, Third, Fourth, Fifth and Sixth Amendments to Declaration not changed by this Seventh Amendment to Declaration are hereby reaffirmed. It is the intent of the Members of the Association that the terms of this Seventh Amendment to Declaration shall be effective as of, and relate back to the date of, the filing of the Declaration within the Public Records of Martin County, Florida.

ARTICLE VIII

ARCHITECTURAL REVIEW AND REQUIRED COMMENCEMENT OF CONSTRUCTION

Section 6. DOCKS, WATERFRONT CONSTRUCTION, BOATS, DUNE CROSSINGS AND SHORE CONTOURS: The only docks permitted to be erected or maintained on Sailfish Point Property are those docks which are constructed pursuant to applicable permit, and in accordance with the terms of any Supplementary Declaration of Protective Covenants and Restrictions for the platted portion of Sailfish Point in which such docks are located. No dune crossings, seawalls, bulkheads, moorings, pilings, or piers of any kind or any other construction shall be erected by anyone other than the Developer in, on or over dunes, dune vegetation, lakes, lagoons, inlets, the Marina and Marina Facilities, the Inland Harbor, or waterways within Sailfish Point without the prior written consent of the Association and then only if the same shall be constructed according to plans, specifications, elevations, types and designs approved in writing by the Association in accordance with approved guidelines adopted by the Board from time to time, as well as all federal, state and Martin County agencies having jurisdiction over the same.

In no event shall a waterfront Lot which adjoins any area platted as a Lagoon or Inland Harbor be permitted to have more than one (1) dock adjacent to the Lot. Shoreline contours above or below water may not be changed without the written approval of the Association, as well as both federal and state agencies having jurisdiction over the same. No pesticides, insecticides, fungicides, herbicides, other deleterious substances or fertilizers shall be applied to the area below the top of the nearshore berm. All areas with natural or replanted vegetation designated for preservation by any permit issued by any federal or state agency in connection with the development of Sailfish Point shall not be altered. No Parcel or Residential Unit shall be increased in size by filling in the waters on which it abuts. No mangrove trimming shall be allowed unless performed in accordance with applicable federal, state and Martin County ordinances. Except in the Marina, no vessel or boat shall be permanently anchored offshore in any of the lakes, inlets or

waterways adjacent to any Parcel or Residential Unit without prior written approval of the Board. No persons shall be permitted to live aboard or perform hull maintenance work on any vessel docked or moored within the Sailfish Point Property without prior approval of the Board of Directors of the Association to be determined by need on an individual basis, nor may there be discharged from any vessel any substance including petroleum products, sewage or litter. No boathouse shall be constructed on or adjacent to any part of Sailfish Point located on a waterway, nor shall any boat canal or boat slip be dug or excavated in any of the waterfront parts of Sailfish Point without prior written approval of the Association and applicable governmental authorities. No motor powered boats of any kind which are not adequately muffled to prevent unreasonable noise shall be kept or used on waters within Sailfish Point, including the Inland Harbor and Marina, except as expressly approved in writing by the Association.

IN WITNESS WHEREOF, the Association has caused this instrument to be executed in its name by its undersigned, duly authorized officers, and its corporate seal to be hereunto affixed, the day and year first above written.

SAILFISH POINT PROPERTY OWNERS'
AND COUNTRY CLUB ASSOCIATION, INC.,
A Florida corporation Not-for-Profit

Signed, sealed and delivered
in the presence of:

Maureen H. Franklin

Myrna J. White

By:

Clinton S. Perry
Clinton S. Perry,
Vice President

Attest:

Deborah K. Whitfield
Deborah K. Whitfield
Assistant Secretary

STATE OF FLORIDA)
) SS:
COUNTY OF PALM BEACH)

I HEREBY CERTIFY, that on this day, before me, an officer duly authorized to take acknowledgments, personally appeared Clifton S. Perry and Deborah K. Whitfield, who are the Vice President and Assistant Secretary, respectively, of SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a Florida corporation not-for-profit, and they acknowledged before me that they executed the foregoing Seventh Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in the name of and on behalf of said corporation, affixing the corporate seal of said corporation thereto; and that as such corporate officers, they are duly authorized by said corporation to do so; and that the foregoing instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State aforesaid, this 19th day of June, 1987.

Margaret J. Martin
Notary Public
State of Florida at Large

My Commission Expires:

Notary Public, State of Florida
My Commission Expires Aug. 14, 1989
Notary Seal - Notary Public - State of Florida

CONSENT OF SAILFISH POINT, INC.

SAILFISH POINT, INC., a Delaware corporation qualified to do business in the state of Florida, hereby makes this Consent to Seventh Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point this 1st day of June, 1987.

WHEREAS, SAILFISH POINT, INC., a Delaware corporation qualified to do business in the state of Florida (hereinafter referred to as "Sailfish"), as the Developer of Sailfish Point, filed the Declaration of Protective Covenants and Restrictions for Sailfish Point on February 4, 1980 in Official Record Book 488 at Page 2038 of the Public Records of Martin County, Florida; and, further, granted its consent to the First Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed by the Sailfish Point Property Owners' and Country Club Association, Inc. on January 23, 1981 in Official Record Book 513 at Page 1094, the Second Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed on June 15, 1983 in Official Record Book 573 at Page 1113, the Third Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed on May 10, 1984 in Official Record Book 602 at Page 899, the Fourth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed on December 14, 1984 in Official Record Book 622 at Page 199, the Fifth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed on February 28, 1986 in Official Record Book 665 at Page 2653, and the Sixth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed on March 26, 1987 in Official Record Book 712 at Page 2347, all of the Public Records of Martin County, Florida (hereinafter collectively referred to as the "Declaration");

WHEREAS, Article XVI, Section 3 of the Declaration provides that for so long as Sailfish is the owner of any property in Sailfish Point, the written consent of Sailfish must be obtained in order to amend the Declaration; and

WHEREAS, Sailfish has reviewed the terms of this Seventh Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point and has approved the contents of same.

NOW, THEREFORE, Sailfish hereby consents to the amendment to the Declaration contained in the Seventh Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point and executes this consent as evidence thereof.

SAILFISH POINT, INC.,
a Delaware corporation
qualified to do business
in the state of Florida

Signed, sealed and delivered
in the presence of:

James H. Breed

Myra L. Woods

By: James H. Breed
James H. Breed, President

Attest: Paul E. Sklansky
Paul E. Sklansky
Assistant Secretary

STATE OF FLORIDA

COUNTY OF PALM BEACH

)
) SS:

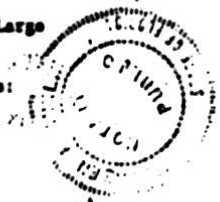
I HEREBY CERTIFY, that on this day, before me, an officer duly authorized to take acknowledgments, personally appeared James M. Breed and Paul E. Shlansky, who are the President and Assistant Secretary, respectively, of SAILFISH POINT, INC., a Delaware corporation qualified to do business in the state of Florida, and they acknowledged before me that they executed the foregoing Consent of Sailfish Point, Inc. in the name of and on behalf of said corporation, affixing the corporate seal of said corporation thereto; and that as such corporate officers, they are duly authorized by said corporation to do so; and that the foregoing instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State aforesaid, this 11th day of June, 1987.

Alvin H. Hinkle
Notary Public
State of Florida at Large

My Commission Expires:

Notary Public, State of Florida
My Commission Expires Aug. 14, 1989
Repealed When New Form - Notarization Act



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EIGHTH AMENDMENT TO
DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS
FOR SAILFISH POINT

4/25/88
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BOOK 763 PAGE 502

**EIGHTH AMENDMENT TO
DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS
FOR SAILFISH POINT**

THIS EIGHTH AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR SAILFISH POINT, made this 25th day of April, 1988, by SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a Florida corporation not-for-profit, having its principal office at 2201 S.E. Sailfish Point Boulevard, Stuart, Florida 34996 (hereinafter referred to as the "Association").

WHEREAS, on February 4, 1980, Sailfish Point, Inc., a Delaware corporation qualified to do business in the State of Florida, filed the Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 488 at Page 2038 of the Public Records of Martin County, Florida (hereinafter referred to as the "Declaration"); and

WHEREAS, on January 23, 1981, the Association filed the First Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 513 at Page 1094 of the Public Records of Martin County, Florida (hereinafter referred to as the "First Amendment to Declaration"); and

WHEREAS, on June 15, 1983, the Association filed the Second Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 573 at Page 1113 of the Public Records of Martin County, Florida (hereinafter referred to as the "Second Amendment to Declaration"); and

WHEREAS, on May 10, 1984, the Association filed the Third Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 602 at Page 899 of the Public Records of Martin County, Florida (hereinafter referred to as the "Third Amendment to Declaration"); and

WHEREAS, on December 14, 1984, the Association filed the Fourth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 622 at Page 199 of the Public Records of Martin County, Florida (hereinafter referred to as the "Fourth Amendment to Declaration"); and

WHEREAS, on February 28, 1986, the Association filed the Fifth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 665 at Page 2653 of the Public Records of Martin County, Florida (hereinafter referred to as the "Fifth Amendment to Declaration"); and

WHEREAS, on March 26, 1987, the Association filed the Sixth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 712 at Page 2347 of the Public Records of Martin County, Florida (hereinafter referred to as the "Sixth Amendment to Declaration"); and

WHEREAS, on June 25, 1987, the Association filed the Seventh Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in Official Record Book 724 at Page 2382 of the Public Records of Martin County, Florida (hereinafter referred to as the "Seventh Amendment to Declaration"); and

WHEREAS, the Declaration, as amended, establishes certain covenants, restrictions, lien rights, and other provisions which govern the use of the real property situate in Martin County, Florida, described in Exhibit "A" to the Declaration (which real property is hereinafter referred to as "Sailfish Point"); and

WHEREAS, the Declaration establishes the right of the Association to own and operate the real property in Sailfish Point for the benefit, use and enjoyment of the Members of the Association, and further grants to the Association, among other rights, the right to make, levy and collect assessments; and

WHEREAS, Article XVI, Section 3 of the Declaration provides that the Declaration may be amended by a vote in favor of said amendment by not less than three-quarters of all votes of the Members of the Association; and

WHEREAS, at a duly called and constituted meeting of the Members of the Association, which was held on the 15th day of April, 1988, this Eighth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point was considered and approved by more than three-quarters of all votes of the Members of the Association, and such Members directed that this Eighth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point be placed of record in the Public Records of Martin County, Florida.

NOW, THEREFORE, the Declaration is further amended only as set forth in this Eighth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point (hereinafter referred to as "Eighth Amendment to Declaration"). Those Articles, Sections or subparagraphs thereof contained in this Eighth Amendment to Declaration shall supplant and replace the Articles, Sections or subparagraphs thereof contained in the Declaration and the First, Second, Third, Fourth, Fifth, Sixth and Seventh Amendments to Declaration which bear the same Article, Section or subparagraph number or designation. All other terms of the Declaration and the First, Second, Third, Fourth, Fifth, Sixth and Seventh Amendments to Declaration not changed by this Eighth Amendment to Declaration are hereby reaffirmed. It is the intent of the Members of the Association that the terms of this Eighth Amendment to Declaration shall be effective as of, and relate back to the date of, the filing of the Declaration within the Public Records of Martin County, Florida.

ARTICLE IX

GENERAL USE RESTRICTIONS

Section 3. RE-SUBDIVIDING: No Lot or Parcel shall ever be re-subdivided or replatted without the written approval of the Developer. A residential site may consist of one (1) or more Lots; or one (1) Lot and a part of a contiguous Lot or Lots; provided that the entire residential site extends from the fronting street to an existing real property line, the golf course, waterway, lagoon, Inland Harbour, inlet or canal. Owners of Condominium Units may also combine two (2) or more contiguous Units to create one (1) consolidated Unit. The Owner of said consolidated Lot(s) or Condominium Unit(s) shall declare by a written instrument duly recorded in Martin County, Florida, that said Owner agrees for himself and his successors that the title to said Lot(s) or Condominium Unit(s), as the case may be, shall be forever united and never be sold or otherwise transferred except as a consolidated Residential Unit, nor used other than as one (1) residence. In the event Lots or Condominium Units are consolidated into one (1) Residential Unit, the Owner of the consolidated Residential Unit shall have only one (1) vote in accordance with Article V, Section 3 of this Declaration and shall pay only one (1) assessment for the consolidated Residential Unit.

IN WITNESS WHEREOF, the Association has caused this instrument to be executed in its name by its undersigned, duly authorized officers, and its corporate seal to be hereunto affixed, the day and year first above written.

SAILFISH POINT PROPERTY OWNERS'
AND COUNTRY CLUB ASSOCIATION, INC.,
A Florida corporation Not-for-Profit

Signed, sealed and delivered
in the presence of:

Theresa A. Smith

By: Clifton S. Perry
Clifton S. Perry
Vice President

Deborah K. Whitfield

Attest: Deborah K. Whitfield
Deborah K. Whitfield
Secretary

STATE OF FLORIDA)
) SS:
COUNTY OF PALM BEACH)

I HEREBY CERTIFY, that on this day, before me, an officer duly authorized to take acknowledgments, personally appeared Clifton S. Perry and Deborah K. Whitfield, who are the Vice President and Secretary, respectively, of SAILFISH POINT PROPERTY OWNERS' AND COUNTRY CLUB ASSOCIATION, INC., a Florida corporation not-for-profit, and they acknowledged before me that they executed the foregoing Eighth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point in the name of and on behalf of said corporation, affixing the corporate seal of said corporation thereto; and that as such corporate officers, they are duly authorized by said corporation to do so; and that the foregoing instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State aforesaid, this 27th day of April, 1988.

Theresa A. Smith
Notary Public
State of Florida at Large

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA
BY COMMISSION EXP. JULY 19, 1994
BOARDED FROM 6/15/88 TO 6/15/90

763 ME 505

CONSENT OF SAILFISH POINT, INC.

SAILFISH POINT, INC., a Delaware corporation qualified to do business in the state of Florida, hereby makes this Consent to Eighth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point this 2nd day of April, 1988.

WHEREAS, SAILFISH POINT, INC., a Delaware corporation qualified to do business in the state of Florida (hereinafter referred to as "Sailfish"), as the Developer of Sailfish Point, filed the Declaration of Protective Covenants and Restrictions for Sailfish Point on February 4, 1980 in Official Record Book 488 at Page 2058 of the Public Records of Martin County, Florida; and, further, granted its consent to the First Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed by the Sailfish Point Property Owners' and Country Club Association, Inc. on January 23, 1981 in Official Record Book 513 at Page 1094, the Second Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed on June 15, 1983 in Official Record Book 573 at Page 1113, the Third Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed on May 10, 1984 in Official Record Book 602 at Page 899, the Fourth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed on December 14, 1984 in Official Record Book 622 at Page 199, the Fifth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed on February 28, 1985 in Official Record Book 665 at Page 2653, the Sixth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed on March 26, 1987 in Official Record Book 712 at Page 2347, and the Seventh Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point filed on June 25, 1987 in Official Record Book 724 at Page 2382, all of the Public Records of Martin County, Florida (hereinafter collectively referred to as the "Declaration");

WHEREAS, Article XVI, Section 3 of the Declaration provides that for so long as Sailfish is the owner of any property in Sailfish Point, the written consent of Sailfish must be obtained in order to amend the Declaration; and

WHEREAS, Sailfish has reviewed the terms of this Eighth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point and has approved the contents of same.

NOW, THEREFORE, Sailfish hereby consents to the amendment to the Declaration contained in the Eighth Amendment to Declaration of Protective Covenants and Restrictions for Sailfish Point and executes this consent as evidence thereof.

SAILFISH POINT, INC.,
a Delaware corporation
qualified to do business
in the state of Florida

Signed, sealed and delivered
in the presence of:

Constance Baker

Wesley Woods

By: James H. Breed
James H. Breed, President

Attest: Paul E. Sklansky
Paul E. Sklansky
Assistant Secretary

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STATE OF FLORIDA
COUNTY OF PALM BEACH

} ss:

I HEREBY CERTIFY, that on this day, before me, an officer duly authorized to take acknowledgments, personally appeared James M. Breed and Paul E. Sklansky, who are the President and Assistant Secretary, respectively, of SAILFISH POINT, INC., a Delaware corporation qualified to do business in the state of Florida, and they acknowledged before me that they executed the foregoing Consent of Sailfish Point, Inc. in the name of and on behalf of said corporation, affixing the corporate seal of said corporation thereto; and that as such corporate officers, they are duly authorized by said corporation to do so; and that the foregoing instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State aforesaid, this 15th day of April, 1988.

Manuela Franklin
Notary Public
State of Florida at Large

My Commission Expires:

Notary Public, State of Florida
My Commission Expires Aug. 12, 1989
Notary Public Seal No. 12345



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